

Family businesses account for 64% of the U.S. gross domestic product, generate 62% of the country's employment and account for 78% of all new job creation. 35% of fortune 500 companies are family controlled and range from small business to major corporations.

- 30% make it into 2<sup>nd</sup> generation
- 12% make it into 3<sup>rd</sup> generation
- 3% make it into 4<sup>th</sup> generation

We are 5<sup>th</sup> generation business.

## A Company Emerges

In 1918 when WWI ended Herbert Van Pelt bought stock from the U.S. Government for alloy steel tubes. Herbert's wife Gertrude was described as conservative, tough and frugal with her money. It's believed that the money she saved was later used to establish Service Steel and Plymouth Tube. In 1920 Herbert established Service Steel with his son Donald, in Detroit, MI to act as a steel tube distributor. In 1924 Herbert and Donald found a need for redrawing surplus warehouse inventory and established Plymouth Tube Company in Plymouth, MI. This same year, Donald the 2<sup>nd</sup> (Sr) was born.

- Plymouth Tube was in a small wooden warehouse (15,000 Square Feet). Their volume and variety were limited due to the infrastructure of the building and what was produced was sold directly to Service Steel for distribution, leaving them very isolated from their customer base.
- Legend says Plymouth's tubes were used in the Spirit of St. Louis.
- In 1929 Herbert died suddenly from a heart complication and the family was hit hard. Donald the 1<sup>st</sup> was 31, now the CEO of both Service Steel and Plymouth Tube Company. This was also the beginning of the Great Depression and that next year his father in law died so it was a difficult time. He did not feel prepared to run the business by himself, so he grew a mustache to look older. He also needed to go to the bank to ask for a loan but needed more confidence, so he brought his life insurance check with him in his pocket. He got the loan so it must have worked.

# A Company Grows

Donald the 1<sup>st</sup> confidence grew throughout the great depression and Service Steel prospered expanding into Cincinnati, Buffalo and Chicago. With the start of WWII, the steel industry took off. After the war ended and the government was selling off supplies, Donald the 1<sup>st</sup> went to buy a furnace at the Brown Fence & Wire Company in Adrian, MI and instead decided to buy the entire facility. This mill in Adrian, MI was bigger and better than the Plymouth Tube facility and took on most of the bulk production. When the Steel recession hit in 1949, the Plymouth, MI facility closed and only Adrian, MI remained open. When Adrian, MI facility successfully executed an order for 80' single length of tubing, the first to be accomplished in the world, it cemented the technology that would be responsible for the company's growth and prosperity into the 1970's.



## **A Company Combined**

Upon Donald the 1<sup>st</sup> diagnosis with brain cancer in 1951, the two companies were combined to form the Van Pelt Corporation. Shortly after Donald the 1<sup>st</sup> died and his brother, Richard became CEO of the combined companies. Under his direction, the company excelled. Plymouth Tube received an order for steam generating tubes from Fermi Nuclear plant, marking the beginning of the end of Plymouth Tube's isolation from it's customer base. This achievement fueled the company's overnight success as the first manufacturer of carbon steel feedwater heater tubes for steam power plants and established its reputation as a quality manufacturer of drawn tubing.

During the next few years Donald Sr. advanced to become the VP of Service Steel and purchased 50 acers in Winamac, IN where in 1961, he would open the company's first building that would manufacture for commercial product lines. To capitalize on the company's production history, the plant was established under the Plymouth Tube name and was the beginning of a site destined to be a major producer in the U.S. market.

By 1965 the company was the recognized leader in the manufacture of carbon feedwater heater tubing. Our customers were so confident in our abilities that they placed an order for stainless feedwater heater tubing, convincing us to enter the stainless-steel industry. To keep up with the growing demand for stainless steel, Plymouth Tube opened a facility in Dunkirk, NY where we exhibited our improvements and innovations in areas of manufacturing and processing. Unfortunately, with this new focus on stainless steel, the carbon steel industry was failing and the Adrian, MI facility closed in 1967.

Over the next year the Winamac, IN facility excelled and the company decided to focus its efforts on larger sizes. So as not to lose out on the smaller diameter tubes, Plymouth Tube opened a location in Streator, IL. Batavia, IL a small facility opened not far from where the Warrenville, IL office is now. This facility was a R&D facility. One of the products produced out of the plant was thimble tubes that are currently produced in the Salisbury, MD facility.

It was around this time that the company logo was created. The circle symbolizes unity, the arrow symbolizes growth and superiority of product, and the three parts of the logo symbolize energy and constant change.

# **A Company Splits**

In 1970, Donald Sr. and his brother, David, bought out their uncle and became equal owners of the Van Pelt Corporation. This paved the way for their 1972 decision to split the company back to its two companies and David became CEO of Service Steel, while Donald took over Plymouth Tube Company.

Over the next year a location was built in Pinson, AL. The mill was not successful, but its endeavor served a useful purpose as we learned things that led to our present successes in the Southeast. Next was Horsham, PA mill, this miss was originally called the Elwood Ivin's Plant location and was known for being the first mill to cold draw a seamless tube. Chandler, AZ was our Aluminum mill, it truly was a great mill, but financially this was a tough time for the company, and this was not really our niche market, so it was sold in 2000.



West Monroe, LA, Warren, MI, Hopkinsville, KY, Salisbury, MD, Europa, MS (Largest facility) and Birmingham, AL are a few other mills that were opened. Another successful mill has been Winamac, IN. While it was being build the location had numerous problems with prowlers and the employees were told to report any suspicious activity to the police. One-night Bill Tetzloff and his coworkers spied car headlights roaming around the hot mill. They immediately closed the gates to trap the intruder and called the police and hid in waiting. They soon recognized the car to be one of the senior managers and the passenger beside him to be the President, Don Sr. Don had an idea and wanted to go out and look at the measurements while it was fresh in his mind. Luckily, they were able to release them and laugh about it before the police arrived.

1996 Van became the 5<sup>th</sup> head of the company and Don Sr. continued as Chairman of the board until early 2013. In 1985 Plymouth Tube Company opened its Corporate office in Warrenville, IL. The decision was made that they didn't want to be near any one facility and they wanted to be near a major airport.

Plymouth Tube opened two mills in East Troy, WI across the street from each other. One mill purchased in 2005 which we called East Troy and one in 2007 which we called Trent, Trent was the name the facility came with and it is what its customers knew it as, so we kept it. Chicago processing was also purchased in 2007 at the same time as Trent. All three facilities were purchased from Crucible Metals.

## A Company's Legacy

Plymouth Tube Company is currently a 5<sup>th</sup> generation owned family business coming up on it's 90<sup>th</sup> anniversary and with 13 Shareholders who are all active in the company and proud of not only our successes, but also our failures that made the successes that much more meaningful. With Drew Van Pelt, President and CEO leading the way Plymouth Tube Company, has proven change is the only constant in its success. Ensuring that quality product and service is always better than the customer believes possible. Proving that the energy and unity of its people are the strength of its future.