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This issue is dedicated to the victims of Hurricanes Katrina and Rita

ATLANTIC MOVES FORWARD WITH GAME PLAN OF SUCCESS

Atlantic Industrial Inc., parent company of Atlantic Scaffolding and Atlantic Plant Services, has expanded its service offering and geographic coverage to meet the demands of its nationwide customers. The Atlantic team remains dedicated to safety, innovation and people.

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FEATURES:

- An interview with Marcus Lewis, plant manager at Rhodia in Baton Rouge, La.
- An update on the Scaffold Industry Association's training program
- Putting equipment strategies to work
- Turnaround manpower woes
- Playing it safe: Being right isn't always right
- The Grinch who puts the wrench into turnaround plans
- A profile of ports from Alabama to Texas
- High earnings in the oil industry — What does it mean?
- FutureGen: World's first zero-emissions fossil fuel plant
- The 2006 BIC Planner — Your guide to industry trade shows and conferences
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A Company on the Rise



the
Game Plan —
forward progress



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A Company on the Rise

the Game Plan — forward progress

It may have begun with one pick-up truck, but Atlantic has evolved from a grassroots start-up to a commercial and now an industrial scaffolding company. Today, Atlantic Industrial is experiencing dynamic growth coupled with a successful game plan. It's far from the first pick-up truck, but no surprise to a company that's envisioned industry leadership from the start.

CEO Pete Vrettakos started Atlantic Scaffolding Co. 25 years ago, building scaffolding for government and other high-profile jobs in Washington. The company flourished under his entrepreneurial leadership, continuing to expand

have an entrepreneurial management team," Vrettakos said. "They only invest in companies with very strong leadership, which is why they decided to invest in Atlantic."

The new game plan

With Sterling's partnership secured, Atlantic has started a new chapter — a move in the direction of bundling services.

"A few years ago, we took the pulse of our customers and discovered that they wanted a company that could do more than scaffolding, like insulation and painting," Vrettakos explained. "We developed a strategy to add those services but only if we could do it as professionally as our scaffolding."

Key to this strategy was the creation of parent company Atlantic Industrial Inc.

"We needed that to provide the structure to grow our business," Vrettakos said.

Atlantic's organization now includes parent company Atlantic Industrial, Atlantic Scaffolding and Atlantic Plant Services, which, as part of its strategic plan, recently acquired Insulco.

Atlantic Scaffolding is a high-performance scaffolding contractor that specializes in critical path turnaround projects, cat cracker turnarounds and boiler outages at power plants and paper mill shutdowns. Atlantic Plant Services provides scaffolding services to the refining and petrochemical, power, pulp and paper, and manufacturing sectors nationwide. Insulco provides comprehensive

insulation services, including installation, removal and replacement, and insulation material distribution. The company also provides coatings and environmental services. Both Atlantic Plant Services and Insulco are union contractors.

Insulco is also a 25-year-old company with a strong safety culture and has customer relationships in the same industries as Atlantic, according to

of the company.

"Safety is No. 1 always — it's a survival issue in this business," he said. "We are now working on blending the safety culture of Insulco with Atlantic's. There has been a high degree of compatibility in both sets of management's ideas. As such, many other operational items fall into place."

Schimeck said the acquisition of



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Darryl Schimeck, president of Atlantic Plant Services.

"Atlantic was under pressure from customers to add insulation services, which made for a pretty natural fit," he said. "You don't go wrong listening to the customers."

The current Insulco headquarters in Joliet, Ill., will become the headquarters for Atlantic Plant Services.

"The combination of Insulco and Atlantic positions us to provide our customers with a service bundle that includes insulation, scaffolding and painting, using state-of-the-art equipment and technology in the hands of skilled union craftspeople," Schimeck said.

Insulco's former owners, David Dybas and William Prescott, remain in senior management roles in the company.

"Dave and Bill have developed a reputation for unwavering commitment to safety and customer satisfaction that make them a perfect fit for our team at Atlantic," Schimeck said.

Schimeck is also chief safety officer

Insulco is the first phase in a plan the Atlantic team put together a year ago.

"In the future, we will be looking for more companies that fit our strategic growth plan," Vrettakos said.

Through it all, Schimeck said, they are focused on growth and performance, as well as on improvement after the acquisition.

"The common denominator in all Atlantic companies is that we are leaders in our industry, and the most progressive in technology, safety and performance in critical path situations," Vrettakos said.

The team behind the plan

When Atlantic partnered with Sterling Capital, it was important to Sterling that Vrettakos stay on, in addition to the bulk of Atlantic's management, Vrettakos said.

"We started with strong management and added some senior-level team players like Schimeck and Craig Kaple, both of whom have a long history in senior management positions in industrial services,"

"We are on our way to becoming a true nationwide provider of scaffolding and bundled services, growing in response to our customers' needs."

— Craig Kaple, executive vice president,
Atlantic Scaffolding

as "a company on the rise."

To significantly grow a scaffolding company, Vrettakos said, you need a good financial partner because it is very capital intensive. This led Atlantic to its relationship with Sterling Capital Partners U.S., a private equity group with a very entrepreneurial focus. According to Vrettakos, each company was seeking a company like the other, and the two found that match in August 2004.

"Sterling looks for companies being led by founders or owners or those that

Vrettakos said.

Kaple now serves as executive vice president of Atlantic Scaffolding. He has been in the industrial service business for over 25 years and has a history in industrial cleaning, insulation and painting, as well as a background with mergers and acquisitions.

"The first thing we did was hire those with experience in our businesses, namely those who understand the customer and are also experienced in integrating acquisitions," Schimeck said.

"I came to Atlantic because of the technology it offers and because of the unique position it was in," Kaple said. "I knew that this unique position gave Atlantic an opportunity to excel in the marketplace."

As well as running the day-to-day operations of Atlantic Scaffolding, which includes managing the five regions that report to him, Kaple also divides his time serving on Atlantic's executive management team.

"Dedicating time to formulating strategy, developing policies and pursuing acquisitions is crucial to meeting and exceeding our strategic growth plan both internally and externally," Kaple said. "Atlantic's continued growth brings our organization more flexibility in responding to our customers' needs."

According to Schimeck, in the service business, anyone can go out and buy the equipment you need, but the difference is in how you execute and how well aligned the management team is.

"We're fortunate to have put together a team that has aligned visions, mutual respect and a cohesive understanding of what an industrial services company should and would be," he said. "We all bring individual talents, but the fundamental aspects of what makes for a successful industrial service company are there, and that translates into Atlantic's success."

An important part of Atlantic's team effort is the company's ability to hire and maintain top personnel. Pair that with

software information system, DSMS™ (Defining Structures Management System). DSMS provides Atlantic's clients unrivaled management control with its cost-accounting and planning data, tracking capabilities, and invoicing data.

The enhancements made to DSMS allow Atlantic to present and track scaffolding costs in much greater detail on a more precise real-time basis. The more accurate real-time data that Atlantic provides to its customers, the more it allows them to make better decisions and further reduce their total cost of scaffolding.

"We are not just operating equipment, but also information systems," Vrettakos said. "We are adding some of the 'new world' into an older industry. Scaffolding is not very glamorous, and people don't usually think of it as high-tech, but we've helped to make scaffolding systems more efficient, which saves customers money and helps them gain new business."

DSMS is also a tremendous tool for enhancing our customers' scaffolding programs, Vrettakos said.



For many critical path applications, Atlantic's scaffolding system of choice is EXCEL. This unique modular system, used in conjunction with the DSMS software tools, has saved Atlantic clients time and money through labor savings and schedule improvements, allowing units to come back on line faster.

The versatile EXCEL scaffolding system features strong, durable, lightweight and user-friendly components and an automatic locking mechanism that requires no tools for erection or dismantling. The system's structural integrity is enhanced by diagonal corner braces on all horizontal bars.

Building with EXCEL requires fewer parts, allowing for fewer man-hours during assembly and disassembly. EXCEL assembles approximately 25 percent faster than other scaffolding systems and 70 percent faster than tube and clamp. This translates into less inventory and less personnel, decreasing clients' bottom line cost, especially in turnaround and outage situations.

In addition, Atlantic has developed a temporary FCCU "jig stand" proven to be a feasible alternative to traditional structures. This technology utilizes Atlantic's EXCEL Modular Scaffolding System and offers the end user greater flexibility and reduced overall cost, eliminates waste and is dual functioning.

Atlantic was recently contracted by CB&I to provide a jig stand at a major Gulf Coast refinery. The scaffolding was being used on an FCCU project, supporting the structure, as well as allowing for the human access needed to install the cyclones.

The project was in progress as Hurricane Rita approached, and although the scaffolding is designed for a certain level of winds, category 4 or 5 winds are



A testament to the strength of Atlantic's innovative products, when a Gulf Coast refinery was hit by Hurricane Rita's 150-mile-per-hour winds, Atlantic's scaffolding remained standing.

frightening and unpredictable, so Atlantic secured the jig stand to an adjacent structure.

The refinery was hit by Hurricane Rita, and after the dust had cleared, Atlantic's scaffolding had withstood the 150-mile-per-hour winds.

Atlantic's jig stand structure has proven to be a winning solution — one that the Atlantic team is proud of.

Atlantic's innovative team works with each client to develop an aggressive plan, utilizing Atlantic's cutting-edge technology to meet and exceed the customer's needs and expectations. Atlantic's mission is to continually develop innovative solutions for its customers' projects, and the company's career professionals are dedicated to accomplishing this on each and every project they do.

In addition, the team appreciates the value of getting a job done as quickly and efficiently as possible — without sacrificing safety.

Raising the bar for safety

The last couple years broke records of safety success for Atlantic, and the industry has recognized the company for its achievements.

The Scaffold Industry Association (SIA) recently presented Atlantic with the 2005 SIA Training Program National Leadership Award. It is given to the member company that exhibits excellence in its employee training program and a commitment to the SIA in helping develop scaffold training programs used by member companies all across North America.

"I am very proud to have our company honored in this way and for the commitment our management staff has shown to improve the training we deliver to our employees," Vrettakos said.

In addition, Insulco received three Zero Injury Safety Awards from the National Maintenance Agreement Policy Committee Inc. (NMAPC) for 2005. Two of the awards were given for work at CITGO Petroleum Corp. in Lemont, Ill., and the third for work at ExxonMobil in Joliet.

Based on number of man-hours, the Bronze Star for Zero Recordable Injuries during 200,000-499,000 hours worked was given to ExxonMobil. Two Certificates of Merit were awarded to CITGO, representing projects with fewer than 200,000 man-hours.

"We are pleased to see public recognition of our commitment to a 'Zero Accidents' safety culture," said Schimeck. "This achievement is a great foundation upon which Atlantic will continue to grow and improve."

Covering the field — nationwide

In addition to Atlantic Plant Services' new headquarters in Joliet, the parent company relocated its corporate headquarters from Jessup, Md., to Columbia, Md., last year.

Kaple operates out of the company's new office in Deer Park, Texas, another hub for industrial activity — spreading Atlantic's reach even further. The Deer Park office comes in addition to last year's Nederland, Texas, office opening. That office serves as a sales office/employment processing center.

The company's other regional offices are located in Baton Rouge and Lake Charles, La.; Beaumont, Texas, and Houston; Salt Lake City; Memphis, Tenn.; Catlettsburg, Ky.; and Tampa, Fla.

For more information, please visit the Web at www.atscaf.com or call (800) 766-6130. □

"The common denominator in all Atlantic companies is that we are leaders in our industry."

— Pete Vrettakos, CEO,
Atlantic Industrial

Atlantic's innovative scaffolding system and software, and you have a unique combination.

"We are on our way to becoming a true nationwide provider of scaffolding and bundles services, growing in response to our customers' needs," Kaple said. "With such a bright future, it is very exciting to be a part of the Atlantic team."

The product behind the team

Atlantic's product line and service offerings have always stood firm on the foundation of innovation and technology — two words that have become synonymous with the Atlantic name.

Improvements the company made last year to its product include enhancements to its proprietary scaffold management

Baltimore

Baton Rouge

Beaumont

Catlettsburg

Chicago

Houston

Lake Charles

Memphis

Salt Lake City

Tampa



the
Game Plan –
forward progress

▶ Atlantic Industrial Inc., the parent company of **Atlantic Scaffolding** and **Atlantic Plant Services** is expanding our service offering and geographic coverage to meet the demands of our nationwide customers. As always, the Atlantic name is dedicated to safety, innovation and people – **a true team effort.**



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