

LEW HERRMANN

From a non-existent market, Plastiflex president built an empire

By Fay Coupe

It takes persistence, dedication and the ability to get by on a slim budget."

That is Lew Herrmann's prescription for success, and if ever anyone could be said to have practiced what he preaches, it is Herrmann.

As president of Plastiflex, Inc. in Mountain Valley, Calif., Herrmann is co-owner with his partner, Jack Baker, of a multinational corporation that is the acknowledged leader in vacuum hose throughout the world. The firm has diversified into real estate and holds parcels of land in booming Orange County on which shopping malls and industrial parks have been developed. By any standard, Herrmann is successful.

It didn't start out that way. He grew up in Philadelphia of a very poor family. He reached his teens just at the start of the Great Depression. "I was a high school dropout," Herrmann says. He needed to work.

Unlike most dropouts then or now, he was, however, an omnivorous reader. "During the Depression, in the early '30s, you'd go out in the morning, looking for work. By mid-morning, you'd have checked out all the possibilities, and you'd have the rest of the day stretching in front of you. I always ended up at the library."

Among the jobs that he found during the next few years was that of personnel clerk, and this experience was to stand him in good stead when, in 1939, he moved to California with his wife and 18-month-old baby.

"Because of the personnel work experience, I was lucky enough to get a job as clerk to the hull superintendent at a reactivated shipyard," he says. "This was before we got into the war. But the handwriting was on the wall, and the shipyards, which had been put in mothballs during the Depression, were being reactivated.

"I remember walking into the offices of this huge shipyard with the hull

This is the first in a series of profiles of manufacturers in the pool and spa industry.



THE RACETRACK is a place of relaxation for Lew Herrmann.

superintendent, and cobwebs were hanging from the ceiling — cobwebs and dust and dirt over everything — and being told that it was our job to get the people to get the yard back to building ships."

In 1945, he went to Canada and worked for nine years in the shipbuilding industry there.

When he returned to the United States, he met — and became close friends with — the man who was to become his partner, Jack Baker at the time was working for Shalk Chemical Corp. Baker, a Purdue graduate and an electrical engineer, was fascinated by plastics and had some ideas about what could be done with these new materials, ideas that he and Herrmann kept kicking around.

"Finally," Herrmann says, "I told Jack, 'If you want to go in together on this, I'll quit my job, we'll form a company and make plastic hose.'"

At the time, plastic hose was non-existent, although plastic tubing had been developed during the war for aircraft and other military uses.

So the two men formed Plastiflex as equal partners and sole owners. They still are equal partners and sole owners, but, from the beginning, Herrmann was the more visible partner. "I'm not terribly outgoing, but Jack is even less so," he says. "Jack is in charge of

engineering, design and production. I'm the salesman."

Their first big break was getting a government contract to supply hose used in the Corporal missile.

"The Corporal missile was fueled by two very toxic, aggressive liquid propellants," Herrmann says. "The needed hose to deliver the chemical from stainless-steel tankers to the missile site. At the time, they were using hose made of braided, flexible, stainless steel mesh, with huge stainless-steel couplings and fittings — only stainless steel could withstand the liquids.

"I kept knocking on the purchasing agent's door, talking, persuading, demonstrating that our hose could do the job.

"And what do you know, one day Lew Herrmann walked away with an order."

He explains why this was so important: "Vacuum hose had always been the market we were after, and the swimming pool industry was our No. 1 target, but that Corporal missile contract gave us the funds to stay in business until we could penetrate the market."

It wasn't easy, penetrating the market.

"After we developed plastic hose, which was a totally new animal, we went to Paddock — it was really the only

(Please turn to page 96,

HERRMANN

Continued from page 94

pool-service organization around — and showed them our new hose. We even gave them free hose for their servicemen to try. The servicemen came in with glowing reports and, after about a year, we asked for an order.

"Paddock said no. They'd rather stay with the old, rubber hose — which was heavy and left black marks when it was dragged against the pool — rather than go with something new.

"The same thing happened when we invented crush-proof hose and tried to reach the home vacuum-cleaner industry. I learned a hell of a lesson: The buyer *wants* to say no. He's bigoted against anything new. There's a built-in resistance to change."

Swimquip was the first swimming-pool company to buy plastic hose, because servicemen coming in for parts wanted it. "There were no distributors in those days — the late 1950s — and servicemen had to buy from OEMs," Herrmann says.

He cites another experience to illustrate the need for persistence in the face of rejection:

"We invented crush-proof hose in 1960-'61, and I had a vision of selling it to the big vacuum-cleaner manufacturers. Through our ad agency we arranged meetings with seven or eight of the leading manufacturers — Eastman-Kodak, Westinghouse, GE, Hoover, Lewy. I flew to Chicago with a bunch of samples under my arm, rented a car and called on them.

"I didn't get a single order — a devastating."

But instead of giving up on the market, when he got home, Herrmann devised an entirely different approach — a direct-mail campaign addressed to the aftermarket, the dealers and distributors.

He created such a demand for his new hose at the grassroots level that the dealers literally forced the manufacturers to use the plastic hose. "They would order the machines 'but without the hose,'" Herrmann says. It took two years before the first OEM bought his hose.

Asked to describe his management style, Herrmann says, "I'm a tough guy to work for, but I'm fair. I expect others to do what I'd require in myself."

The Plastiflex offices and plant in Dallas have a slightly different "feel" than a lot of other business facilities. The atmosphere is friendly — Herrmann knows and speaks to his employees by name — but there is an absence of the laughing, joking, shouting and horsing around that one sometimes finds in factories today. There is almost an old-fashioned feeling as the employees tend strictly to their work. "There is a feeling of deep respect for 'Mr. Herrmann,' as he is called by everyone from the plant superintendent down. There is no question of who is the boss.

In fact, Herrmann says, the partnership between Baker and him has worked so well "because Jack from the beginning was willing to concede the primary initiative and leadership role to me. He had faith in my leadership."

He emphasized, however, that his role should not be seen as secondary. "We're equal partners, and we made equal contributions to the success of Plastiflex, but in different areas."

At the time of the interview, Herrmann was preparing to leave for Australia.

(Please turn to page

FINALLY!

POOL-TITE

PROFESSIONAL GRADE
PVC Plastic
Pipe Cement
For Swimming Pool
Installation

The special formulization starts with the elimination of slow drying solvents, offering faster set-up and pressure testing procedures. The special blue color helps insure proper coverage, but quickly fades to clear in sunlight, guaranteeing a professional looking job.



LET US PROVE IT'S TERRIFIC

Write or call us and we will arrange an on-site demonstration of the many advantages of POOL-TITE over your present plumbers cement — even if it's ours. When you see how it works you'll make the switch!

DEVELOPED JUST FOR YOU BY
UNITED ELCHEM INDUSTRIES, INC.
11535 Reeder Road • Dallas, TEXAS 75229
(214) 241-6601

HERRMANN

Continued from page 96

set up production facilities for the Plastiflex plant there.

Australia will become the eighth country in which Plastiflex has manufacturing facilities. The others are the United States, the United Kingdom, Spain, Belgium, Italy, South Africa and Canada.

And these are not licensing agreements. "We own them, lock, stock and barrel," he says.

He is not sure exactly where the firm's next foreign operation will be set up, but he knows that there will be more. "I'm like the old fire horse who hears the bell and comes raring out," Herrmann says. "I look forward to work. It's what keeps me alive."

Isn't it difficult to find the right management for the firm's foreign operations? "In each case," Herrmann says, "we go to the headhunters in the country itself. Hiring Theo Sterkman when we set up our first foreign plant in Belgium, was a very important step. Theo is in charge of our overseas operations, just as Joe Scott is here at home."

Herrmann says that he has had to learn to delegate authority, through necessity, and it wasn't easy. "And I still like to keep my finger in the pie," he says.

Herrmann says that there is still
(Please turn to page 142)