

PROFILE

SHERMCO INDUSTRIES

By Russ Willcutt



From the nacelle down to the substation, this company really lives up to its motto: "One Line. One Company."

FOUNDED IN 1974 BY PETE SHERMAN, Shermco Industries originally focused on servicing airborne military generators and small motors within the state of Texas, where the company is based. “In the early days customers would call for service because their motor or generator had stopped working and they wanted us to investigate why,” says Mike Moore, vice president of sales. “So we’d travel to their location, take a look at the motor or generator, and they would both be working fine. So we’d say ‘it must be the switchgear or motor controls,’ and they’d have to call somebody else to take care of it. But that didn’t sit well with us because we wanted to be able to solve their problem, not just help to identify it.”

This realization led to the establishment of the company’s Engineering Services Division (ESD) for substation and switchgear services, which complemented its existing Machine Services Division (MSD) that focused on rotating apparatus. It also led to Ron Widup joining Shermco in 1983 to eventually lead the new division, later rising to executive vice president, general manager, and then president. As a past president of the International Electrical Testing Association, among many other leadership positions, he was instrumental in helping build the company into a leading provider of electrical power system testing and maintenance services.

According to Moore, the Machine Services Division is involved in just about every sector in which rotating machinery must be maintained, including municipalities to the federal government, power generation, petrochemical/refining, and marine services. The MSD division is comprised of four groups: NSD (NEMA) Services, MSD Shop (equipment above NEMA frame sizes), MSD Field Services, and Renewable Energy Services, which handles the wind power industry. “We can perform service work in the field or at one of our regional service centers,” he says, adding that these centers are located in Sweetwater, Austin, and Houston, Texas; in Tulsa, Oklahoma; and in Cedar Rapids and Des Moines, Iowa. It is currently conducting field services beyond the United States, as well, with work being done in Canada, Mexico, Spain, Equatorial Guinea, Macedonia, and Brazil. The company is capable of handling wind generator repair, rewind, and redesign, complete collector system analysis, substation acceptance testing, commissioning, and startup and repair. Shermco can also install condition monitoring technologies and perform onsite

repair and maintenance, in addition to electrical power system maintenance. “What we want to get across to our wind customers is that we can handle any and all of their electrical service needs, from the top of the turbine all the way to the collector substation, hence our motto ‘One Line. One Company.’”

The Engineering Services Division in particular has enjoyed strong growth in recent years. Downsizing, and the aging—and retirement—of the workforce, has led many companies to rely on outsourced engineering services, which presented Shermco with yet another opportunity for growth. “Five years ago we had 10 engineers on staff, and now we have more than 40,” Moore explains. “One reason for this is that customers are contracting with us for their power system design and engineering services. The other opportunity is that we have entered a new realm of engineering that we refer to as ‘staff augmentation,’ where we’ll provide skilled and qualified Shermco employees to manage operations, project management, or even play a full-time engineering role at a client’s facility. All of our customers are global these days, and they’ve allowed us to be part of that.”

This globalization works both ways, with European companies long established in the wind industry overseas now selling their products into the North American market—and many OEMs building new manufacturing facilities in the United States and Canada—which has presented the company with yet another challenge, this one involving staying abreast of these designs and sourcing the parts they’ll need for repairs, as well. That’s one reason why the company has made a point of hiring experienced engineers and technicians as it has grown, and also training younger hires to get them up to speed quickly. And once you’ve made that kind of an investment in hiring good people, you want to keep them. That’s not a problem at Shermco Industries, according to Moore.

“Pete has always said ‘Mike, I want to create a company that’s such a great place you’ll want your son to come work here,’ and now he does,” Moore says with a laugh. “But we really do have great employee retention. There are so many opportunities for growth here, both from a professional as well as a personal standpoint, that you’ll find employees really don’t leave very often once they’ve landed a job here. And that allows us to retain all the knowledge and experience they’ve gained, to the benefit of our customers. So when you look at it that way, everybody wins.”