

CLEAN INNOVATION IN FOCUS

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THIS ISSUE FEATURING

**TCB Welding
and Construction Ltd.**



Company Vitals

Incorporated:	<i>1997</i>
Founders:	<i>Bill Sewall</i> <i>Jody Sewall</i>
Products/Services:	<i>Mobile oil and gas service equipment</i>
Market Niche:	<i>Oil and gas</i>
Geographic Market:	<i>Canada, USA, Mexico & the Middle East</i>
Current Number of Employees:	<i>40</i>



Welding
Manufacturing
Fabrication

Never say “no” to a job.

At an early age both Jody and Bill Sewall knew they wanted to be entrepreneurs, primarily so that they could work for themselves. Their paths to entrepreneurialism took dramatically different routes but ultimately brought them together to form TCB Welding and Construction Ltd. (TCB), which today is one of Brooks’s largest welding and manufacturing shops. They employ over 40 staff and generate revenues of just over \$11 million.

| 1995 |

Jody had been on the road doing a variety of jobs for others since leaving high school. In 1995, at the age of 23, he purchased a welding truck and returned to Brooks to open up his own welding



Jody Sewall

business. With no customers, Jody woke every day at 6:00 am to get ready for a job that did not exist. He would drive to local pipeline companies and wait for a job each morning. By simply showing up and taking on any jobs he could get, Jody’s business began to take hold. In his second year he purchased a new truck and had money in the bank.

| 1997 |

Bill went to college and studied business. After graduation, he could not find a job that offered

him the future he wanted and reluctantly he returned to Brooks. Bill had worked during his summers in welding shops and found he enjoyed the



Bill Sewall

work. He decided to get his journeyman’s apprenticeship. Within weeks of receiving his certificate the Sewall brothers decided to work together rather than compete with each other. They incorporated TCB Welding and Manufacturing (TCB) in 1997. Though Jody, then 25, and Bill, 23, bring very different skill sets, communication styles and risk tolerances to the table, both describe this decision as the best they ever made.

TCB stands for Taking Care of Business, which is something both brothers have been tuned into since they started TCB. When Bill completed his

“ This is when Bill’s habit of never saying “no” to an opportunity began. ”

apprenticeship in welding, he refurbished Jody’s old truck. He then set out to look for work on the streets of Brooks. On his first day Bill was stopped on the side of the road when asked if he could build a service rig. This is when Bill’s habit of never saying “no” to an opportunity began. With no experience whatsoever working with rigs, he

immediately said “yes,” began to “figure it out” and completed the project. As Jody says, “The great thing about youth is ignorance.” TCB was now firmly in the oilfield service sector.

“The brothers lived modestly, earning only \$1,800 in wages and reinvesting the profits back into the business.”

The first five years saw both brothers in their trucks doing pretty much the same thing – taking on any job they could get. They worked on oilfield equipment and oil and gas plants. They hired more welders along the way. The brothers lived modestly, earning only \$1,800 in wages and reinvesting the profits back into the business. They built a shop to serve as TCB’s home base, using their dad’s land as collateral against a bank loan. They hired a fellow welder to manage the shop while they were out in the field drumming up business. The brothers were learning the scope and meaning of what they had created. Jody claims he did not sleep for ten years. The shop was now taking on more and more fabrication jobs, making good money for the company.

| 2002 |

In 2002 Bill moved into the shop to better manage projects and to oversee customer relationships, which were souring under their former manager, while Jody remained out in the field. A competitor who was too busy to do some work sent Bill his potential customer. This customer asked Bill if he could build swabbing rigs. Though they had never worked on one and the projects were capital intensive Bill’s response was, “Sure, no problem.” The customer brought them two swabbing rigs to build. This was an opportunity to learn how to manufacture. They built 60 swabbing rigs over the next couple of years.

It was a learning experience of sorts as they began manufacturing these swabbing rigs. A key lesson came from the outside looking in. An independent consultant

reviewing their business determined that their margins on steel needed to be higher. Bill and Jody implemented his advice immediately and this advice alone changed the economic outlook of the company.

Having one of the principle founders out in the field has meant that the brothers were able to hear and act on opportunities immediately as they are identified. Typically Jody was reluctant, as projects would include technical aspects they had no experience in. Bill’s response, as in the past, was always, “Sure, no problem.” This happened in 2002 when a field manager suggested to Jody that TCB develop a way to lay plastic spool pipe. TCB’s first product was the “Spool Buggy.” Using a hydraulic lift and a

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trailer, the spool buggy is fast, easy to use, cheap and, most importantly, safe. Jody had said “no” due to the hydraulic component. But Bill said “yes.” TCB intended to patent the process until they investigated the total market size, which was a maximum of 10 units. It did not warrant the investment as they had already saturated the market.

| 2008 |

In 2002 Jody and Bill decided to manufacture their own “interesting” line of products, giving the company both a service and a manufacturing side of the business. Both brothers had a “drive to make things better.” Through sheer determination and willpower, TCB grew until early in 2008 when they were building a swab rig and a gas plant every month. Both the field work and the shop were booked for the next six months. Oil and gas prices fell that year with the economic crisis and just as suddenly, TCB’s book of work dried up.

Jody was out in the field, looking for work, when an employee of an oil and gas company suggested that TCB build a better pump jack. The project would be full of hydraulics. Jody said “no” but suggested he contact Bill. He did and Bill said, “Sure, no problem.” The oil and gas employee became a strong advocate for the project within his company. TCB designed the prototype and the oil and gas employee convinced his boss to let them try it out. They built the first unit of the Silverjack in 60 days. The initial unit was nothing more than a crude prototype but it worked and proved the concept after some major technical modifications suggested in the field were incorporated.



The Silverjack is cost-effective, portable, and helps to eliminate leak points.

The Silverjack is a pumping system that is cost effective, portable, environmentally friendly, helps eliminate leak points, uses intelligent pumping software, and is almost invisible compared to a conventional pump jack.

The employee then convinced his boss to take 10 units. TCB encountered some reluctance at the sale price of \$1 million. Jody showed up at their offices at 7:00 am the next day with a creative plan to rent-to-own and together they changed the business model from selling units to renting units with an upfront cash investment. The economics then worked for the oil company and TCB. Several executives, concerned with TCB’s ability to deliver, wanted to cancel the project but at each stage they were told, “it’s too late.” They have already started. In one month TCB had built 10 units and put 5 in the field.

“ Jody worked 14-hour days in the field to ensure the units worked and called Bill as issues arose. ”

The ten Silverjacks were barely more than prototypes themselves. They were untested, riddled with issues, had repeated recalls, and proved undependable, bleeding TCB dry of cash. Jody worked out in the field for a year, putting in 14-hour days, to ensure the units worked and called Bill as issues arose. Bill kept telling Jody “one problem at a time” and worked on solutions as the problems arose. Bill was glad to have Jody in the field. The two styles complemented each other in these difficult times. By this time the company had accumulated over a million dollars in debt and neither brother was sleeping very well. During this period, they were also starting to make changes to improve the product. TCB now had 25 to 30 units in the field and was starting to garner attention from several companies that wanted to purchase the technology.

| 2009 |

Bill remained concerned; they needed to get the product out into the market. He did a quick internet search

in 2009 and discovered Alberta Innovates Technology Futures (AITF). They applied for and were awarded a \$10,000 Voucher. They scanned the list of available consultants they could spend the voucher on, looking for a company that could help them commercialize the technology. There they found CETAC-WEST. With CETAC's help, they received additional funding through the National Research Council – Industrial Research Assistance Program (NRC-IRAP). This allowed them to finalize the development of the Silverjack, hire an engineer who was able to make a difference in the product's development, and hire a programmer to develop the software. On the payroll now are software developers as well as welders.

| 2011 |

In 2011 TCB sold the technology to Zedi and received royalties for three years while retaining the manufacturing rights.

The sale came at the right time for TCB. They were able to pay off their debt and were able to sleep again. Not having to service the Silverjack units freed up their time

to focus on new product development; building a new hot oiler truck. They applied the knowledge they learned from the Silverjack software and developed the Skytrack software to create a distinct competitive advantage. The software component, unique in the industry, peaked industry interest. The integrated software allows users to monitor vital fluid information from the comfort of their offices. The trucks added value for their customers over their competitor's products. Using TCB's trucks enables their customers to charge more for their services while being more efficient at service delivery.

Sales of Hot Oiler Pressure Trucks and Rod Rigs has represented the largest part of their business over the last 5 years. The brothers brought the entire team in from the field and retrained them to focus on manufacturing. They were so busy, TCB was turning away welding jobs. They went from having a backlog of a few weeks to a year or more. The operation grew to 4 shops on site and one off-site.



Funding from Alberta Innovates Technology Futures (AITF) and the National Research Council - Industrial Research Assistance Program (NRC-IRAP) enabled TCB to further their product and software development.

| 2015 |

The company was initially insulated from the 2015 downturn by their backlog of work. However, it soon faced cancellations and had to discount some sales. Over the last twenty years TCB has proven themselves able to adapt to whatever is coming. Currently the company manufactures Silverjacks for Zedi and are manufacturing some pressure equipment, but basically they are back to the grind – “Taking Care of Business” by taking on all jobs. Adapting to current market needs, TCB has recently taken on some refinery work as well as some manufacturing jobs for the mining industry. They are at a point they need to reinvent themselves again. Both brothers agree that part of their strategy will be to build their future around servicing the small fabricating and welding jobs. These jobs are getting them through this downturn and they won’t turn their back on this market again. You never know where your next big idea will come from.



Hot Oiler Truck



Hot Oiler Truck



Double Rod Rig



The generous and timely support by the **National Research Council – Industrial Research Assistance Program** and **Alberta Innovates Technology Futures** has been a significant contribution to the company's growth.



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