

Delivering Success Within a Dynamic Economic and Social Environment

Frankie's Corner



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Q. With the rising natural gas and oil prices, where do you see opportunity and challenges for the industry?

A. We've been experiencing opportunities with our customers by supporting them as they address the challenges of neglected maintenance of equipment. Due to the suppressed prices, customers had to make difficult budget decisions which limited their maintenance of equipment. Thankfully, due to the increase in commodity prices and growing strength of the industry, we are working hand-in-hand with our customers to upgrade and maintain their equipment. In parallel to commodity price pressures, every company experienced significant supply chain disruptions due to the pandemic. Though WPI was no different, we were able to weather some of these challenges by being nimble and creative with planning and execution. We have a very talented analytical supply chain team. They have been instrumental in guiding us through these challenges and ensuring we have the parts needed to maintain engines, compressors, and generators. Equally important, our long-term relationship with customers allowed us to keep an open dialog and communication throughout the past couple of challenging years. Our customer relationships have been a key factor to our success!

"We committed to increasing our inventory in mid-June to prepare for supply chain challenges. We are the world's largest stocking distributors for Waukesha and Ariel replacement parts.", said Richard Underhill, General Manager of Supply Chain at WPI.

Another industry-wide challenge being faced is securing talented technicians for our growing service business. Similar to our supply chain efforts, WPI has made significant investments in attracting and retaining human capital. Our investment in our technicians and broader organization, along with investments in parts inventory and equipment, has allowed us to meet the demands of our customers during these challenging times.

Q. What are you most excited about for the business in the coming months (or next year)?

A. I am proud that our company had the experience and perseverance to foresee and address the challenges that we had to face when oil prices were at an all-time low, coupled with a global pandemic. In the last 24 months we brought in some exciting new talent into WPI, but more importantly we took the time to reorganize and streamline our division from top to bottom. As a result of these steps, I firmly believe WPI is well positioned today to support our customer needs for the future. I am excited to see oil prices stabilize and maintain where they are today or close to it (natural gas prices as well). From last year, WTI crude has increased by 78% (Oilprice.com). If that continues, customers and end-users will have budgets to invest in their equipment to support their businesses.



Q. What are you most concerned about for the business in the coming months (or next year) and what is WPI doing to address it?

A. I suppose the biggest concern right now is supply chain. It is not just specific to our gas engine business but also our power gen side of the business. Basically, all the businesses that we are in! That really is the concerning piece because it is somewhat out of our control. We continue to take steps to mitigate such risks by closely working with our suppliers and customers on better planning and forecasting. I am also concerned about the growing shortage of qualified technicians in our industry. We are a service company, that is our backbone, so we are driven to employ the best technicians in the industry. WPI is fully committed to working through every channel available to identify and help grow the next generation of field and shop technicians.



Q. How has WPI supported its employees and customers during the global pandemic?

A. As I mentioned earlier, we have supported our customers through our team anticipating the challenges that were ahead of us and ordered ahead of time. Large stock orders, more so than what we normally would have ordered during normal times, has helped minimize most of these delays with our supply chain. Of course, the most critical or most important thing, is making sure our employees and our customers stay healthy. We have had some very robust COVID policies, in some cases, more so than the CDC requirements. I think that has helped us get through the pandemic as well, and the best that we could have.

Q. What recent customer success are you most proud of? Why?

A. One of the benefits of my role as VP includes getting to hear about all the great customer success stories across the business. Our team really does a solid job of working with our customers and ensuring they are more than satisfied with our performance. Recently, we had a couple of midstream companies that had some demanding challenges. With the investments we have made, not only in parts, but also in our swing engine fleets; we are able to supply them with engines that incorporate the latest technologies and meet the rigorous demands of emission requirements that support their ESG strategies. Success for us is taking care of our employees and meeting our customers' expectations; safely, efficiently, and responsibly. That is why we have been around for almost a century!

The Pearce family, the proud and thankful owners of WPI, takes great pride in supporting their employees. Having employees here for as many as 20 years or more, speaks volumes about WPI and its employee-focused culture. For our next issue of Frankie's Corner, Frankie will shed light on some amazing talent and career opportunities at WPI.