

*The management team at Josam Company maintains a set of core values that keep the company going strong after 100 years.*



# Group of One

Driven by a team-oriented family of employees, Josam Company carries a century of customer-centered innovation forward to new generation

If there is one thing that defines Americans and American business, it's resiliency. Even when we're knocked down, we come back stronger and more determined. This profile applies very well to Josam Company. The company has had its ups and downs over the years. But, strong core values, a spirit of relentless innovation, and customer-focused quality have kept Josam on the scene for 100 years.

Founded in St. Louis by Joe Hirshtein and Sam Goldman as Josam Manufacturing Company back in 1914, the company made its mark with the double drainage flange drain. Hirshtein was a master plumber, and developed the product that is still a benchmark in the drainage industry to this day.

Over the years, Josam Manufacturing Company continued to develop new products, changed hands a couple of times, and experienced highs and lows before hitting some hard times in the 1980s. It filed for bankruptcy in 1985, and that is when a new set of owners stepped into the picture.

"My grandfather started with Josam in 1940, and was one of the original reps. My father, Caswell F. Holloway Jr., was second generation. He came out of the war in 1945 and came to work for my grandfather," explained Scott Holloway Sr., president and CEO of Josam Company. "They represented Josam continuously until 1987 when my father and mother took the company out of bankruptcy."

The Holloway family brought Josam back to life by remaining true to its central philosophy and values focused on innovation and family.



*Shrink-wrapping assembled products is one way Josam Company anticipates the needs of its customers.*

"Our philosophy goes back to the original founder, Joe Hirshtein. He always tried to be innovative and cutting-edge, and delivered products that were needed for the industry," Holloway said. "He had a relationship with contractors, mechanical contractors and specifying engineers. We have followed that philosophy."

Holloway is a former union contractor on the fire detection side. Josam takes great pride in knowing and understanding its customers, whether they are wholesalers, contractors or engineers. Knowing the mind of the end user helps them provide better service from start to finish. That includes everything from the functionality of the product itself to how it is packaged.

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After setting up Josam's operations in China, Scott Holloway, Jr., (left) has returned to join the sales force in the U.S. He is the fourth generation of Holloways at Josam.

“We wanted to make the packaging easier for the contractor and wholesaler to deal with. So, it was my father’s idea to partially assemble the product, heat shrink it, and

wrap it,” Holloway said. “In the last six or seven years, we’ve introduced bar coding that allows us to get the product into the field more quickly. We put equipment into our reps’

warehouses so they can pull the product, do a pick cart on it, scan it, and it automatically sends the billing to our system and simultaneously replenishes their inventory. They know every two weeks their stock truck is coming and what is on the truck.”

The culture of understanding and addressing customer needs starts at the top and trickles down to the entire company. Everyone is willing to jump in and get their hands dirty to ensure a good customer experience.

“If I have a business matter to discuss, I’ll go to Scott and he’ll understand it because he’s so active in the business,” said Paula Bowe, vice president of sales and marketing at Josam Company and a 27-year veteran of the company. “Sometimes I’ll see him on the phone and he has the parts book open identifying parts for a customer that called. I ask him what he’s doing and he says, ‘That



Josam President and CEO Scott Holloway is very hands-on with his business and engaged with the employees that make it all happen.

guy needs a part and I have to help him get it.’ A lot of people won’t do that when they get to his level of management.”

Part of Josam’s approach to knowing and staying active in the industry comes from participating in the same circles as its customers.

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*A family owned business, Josam puts a great value on its staff. According to Vice President of Sales and Marketing, Paula Bowe, "You become part of the family."*

"We're members of the Associated General Contractors of America (AGC). I'm a lifetime director on the national board of the AGC and current director of the Philadelphia chapter," Holloway explained. "We're members of the Mechanical Contractors Association of America (MCAA) and the American Society of Plumbing Engineers (ASPE). My father would agree that this company wouldn't be here today if it weren't for the



*The employees at Josam are considered the lifeblood of the company. According to President and CEO Scott Holloway, "Our philosophy is that we work as one."*

engineering community. The name Josam is so strong in specifications, that is what enabled us to take the company out of bankruptcy."

Even the way the company dealt with the difficult process of changing owners and emerging from Chapter 11 bankruptcy says something about the integrity of the firm and its ownership.

"When Scott's parents bought Josam, they bought the

assets, not the liabilities,” Bowe explained. “Therefore, they did not have to pay the debt to the vendors that had not been paid through the bankruptcy. But, Scott’s father made every vendor whole when he bought this company and paid bonuses to the employees.”

Investment in the workforce and treating employees like family is part of the Josam way, as well. When Holloway walks around the warehouse or assembly floor, he greets each employee and knows each one’s story.

“Our employees are the lifeblood of the company,” Holloway said. “It’s a team effort and I guess I am the current captain of the team. Our philosophy is that we work as a group of one. I credit my father and grandfather for giving us those values.”

“When you come to Josam Company, you don’t come as an employee. It’s a family-owned business, and you become part of the family. It really is a family team,” Bowe said. “We work for people who truly value what their employees do for them. They realize they wouldn’t be where they are without the employees. Even with Scott, I never feel like I’m working for Scott. I feel like I work with Scott.”

Since he treats his team like family, looking after them is clearly very important to Holloway in the way he runs the operation. Even during the recent recession, when the



*While some Josam products are produced in China, they are clearly labeled as such and are rigorously inspected before coming to the U.S.*

construction industry was hit particularly hard, he took pains to avoid the workforce cuts that were such a common marker of the time.

“We were very fortunate that we didn’t have to down-size,” Holloway said. “We actually went through 2009 fine. But, with the construction industry there is always

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a six-month lag. So, 2010 is when we saw the recession. But with things like the Buy American Act, we were able to bring our people back to work pretty quickly.”

Keeping work in the U.S. is also important to Josam, which has the ability to supply all American made products upon request.

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*Josam kept its dedication to its people through the recent economic downturn and was able to avoid downsizing.*



*Keeping work in the U.S. is important to Josam, which is able to furnish 100 percent American made products for projects that request it.*

## Culture of innovation

From the development of the double drainage flange drain in 1915, Josam has been known for innovation and quality products. These developments have come in a number of different areas.

“When we took over the company, one of the first new products we launched was our grease recovery device,” said Scott Holloway, president and CEO of Josam Company. “We use a grease level monitoring device and it senses the amount of grease inside the chamber of the interceptor. We can set the threshold for 20 percent, 40 percent, or 80 percent of the rated capacity. When it reaches that level, it turns on a heater and heats up the grease to about 100°F, so it liquefies and then turns on a patented trap pump that draws the grease off and puts it in a reclaim tank. So, we’re not using any mechanical devices in there.”

Another area of innovation has been in the area of stainless steel push fit technology.

“We introduced the first generation product in 1989 and got it through all the codes and standards, had a standard written for it, and our partner was acquired by one of our competitors,” Holloway recalled. “With our second generation product, you lube the joint. It’s a hub and spigot design with an EDPM gasket.”

Stainless steel is an important part of Josam’s product lineup.

“We have a complete line of stainless steel drains. We have point drainage as well as linear drainage,” Holloway said. “We do a lot of custom work for the pharmaceutical and food industry. This is in part because they are so concerned about hygiene. The nice thing about stainless steel is that it is extremely durable and can handle very high temperatures that irons and plastics can’t, so you can steam clean it.”

And, new things are always continuing to develop at Josam.

“We are constantly looking at innovation and partnerships,” Holloway explained. “We have a complete line of cutting edge trench drain that we have developed over the years with our customers in Germany. We have a glass reinforced polyester sheet material compound. In essence, it’s a high tech fiberglass and the same type of material helicopter blades are made from. It’s four times stronger than poured in place concrete trench and 1.5 times stronger than polymer concrete trench. Plumbers like it because it installs faster, it’s lighter and easier to work with.”

“We also have a complete siphonic roof drainage system,” Holloway said. “Although there are other siphonic systems available in the U.S., Josam is the only company offering a complete system including pipes, drains and couplings. With siphonic technology being somewhat new to the U.S. market, engineers and owners are concerned with the functionality of a siphonic system. Offering a complete system provides assurance to the owner and facility, that should a problem occur, there is only one product source.”



# Josam

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“When we started, we were 100 percent American made. We actually had some trouble competing with some of our competitors who had gone offshore, which forced us to start going offshore in 1989,” Holloway recalled. “We are still making domestic products, but established supply chains in Asia to start sourcing materials as well. But, we take pride that we can do 100 percent American made and can furnish it on a project. Rest assured if that is what you request, that is what you will get with Josam.”

Some product is produced in China, and is distinctly labeled as such, so that customers know what they are getting. And for the product produced there, Josam has its own people keeping a careful eye on it and making sure it’s up to snuff before it ever makes it to American soil.

“We have our own office in China. In fact my son, Scott Holloway Jr., established the office there in 2006,” Holloway said. “We have an engineer there that reports to our engineering department over here. Our Chinese office handles all our inspections with our foundries and vendors in the Pacific Rim.”

Scott Holloway Jr., who recently returned from China to work on the sales team back in the U.S., has become very involved in the business.

“I can remember Scott Jr. when he would come to work in the warehouse in Philadelphia,” Bowe said. “He worked his summers there, as did Scott Sr. when his father was the rep and they had the pipe, valve and fitting house. It’s great that they have been in so many aspects of the business. They’ve been a general contractor, a mechanical contractor, a wholesaler and a rep. They are able to put themselves in everyone’s position when they make a decision.”

“Current ownership of the company belongs to me and my sister Marie, who is a shareholder with the company. And, my son, Scott Jr., is in the business now, so he’s the fourth generation to carry to the torch,” Holloway said. “It’s very satisfying.” ■