

Family matters



Family ties are said to run deep. In the case of Exline Inc., those ties can be traced back to 1872 when its founder, Robert Warren Exline, specialized as a blacksmith and wagonmaker. Those skill sets allowed him to adapt to the technological and industry changes at the turn of the 20th century. He soon became an expert with the steam, gas and diesel engines serving the road, farms, oil fields, factories and municipalities across the Midwest.

When the Depression hit, he found himself repairing oil field equipment, drilling rigs and early-type engines. From there, he branched into municipal power plants, and later into servicing reciprocating engine and compressors as natural gas pipeline systems were installed across the United States.

His journey helped set the precedent for Exline, which provides a broad array of products and services that support the gas compression, power generation, industrial manufacturing and plastics compounding industries, with our specialized manufacturing, equipment repair, extensive OEM and aftermarket parts inventory, portable field machining and experienced equipment field technicians.

COMPRESSORTECH² spoke with Exline's President and CEO Rob Exline about running a family business with a deep history and

Exline's family business model has helped the company endure, thrive in gas compression industry

how to ride the highs and lows of a cyclical industry.

HOW IS BUSINESS IN THE GAS COMPRESSION SECTOR?

The gas compression sector has historically performed at or above Exline's overall company performance average for all sectors. Looking to the near term, we anticipate the gas compression sector to remain strong primarily due to U.S. natural gas increases in production, consumption and U.S. exports.

HOW HAS TECHNOLOGY AFFECTED THE NATURE OF EXLINE'S WORK?

Industry-wide, technology developments in engine and compressor equipment health monitoring, operational optimization, efficiency and reliability all positively affect Exline's line of products and services. Each of these developments has led to simplified processes, time savings, increases in production, simplified communication and have improved the predictive environment.

Technology developments have impacted Exline internally with advancements in our

CNC manufacturing and repair equipment, resulting in increased capabilities and operational performance. Exline's thermal spray technology efforts have recently developed new application methods and equipment improvements, which expand our repair capabilities in-house and with our portable field machining teams. Advancements in ignition system and control technology, supported by Exline, have significantly improved our customers' operations and equipment reliability.

WHAT CHALLENGES FACE A FAMILY-OWNED COMPANY IN THESE LARGE INDUSTRIES THAT YOU SERVE?

As a family-owned and operated business, we face many of the same challenges as larger corporations. Our greatest on-going challenge is hiring and retaining skilled, loyal employees. Where Exline has an advantage over the larger corporations is we are able to provide greater focus on our employees. With 160 members, I make it a point to remember every member by their first name and a little about their family.

Family businesses are typically led by family members and, as a result, there is usually longevity in leadership, which results in overall stability within the organization. Since the needs of the family are at stake, there is a greater sense of commitment and





accountability. This level of commitment is almost impossible to generate in non-family firms. This long-term commitment leads to additional benefits, such as a better understanding of the industry, greater member loyalty, organization and job, stronger customer relationships and more effective sales and marketing.

A unique challenge of family-owned businesses is succession planning. The transition from one generation to the next is critical. The next generation needs to be fully engaged and committed to leading the company and not accepting a role because they feel they should. For Exline to be entering the sixth generation is something we are very proud of.

HOW CRUCIAL ARE THE PARTNERSHIPS EXLINE HAS ADDED IN RECENT YEARS?

Exline has many sector partnerships designed to better serve our customer



Rob Exline,
president and
CEO, Exline

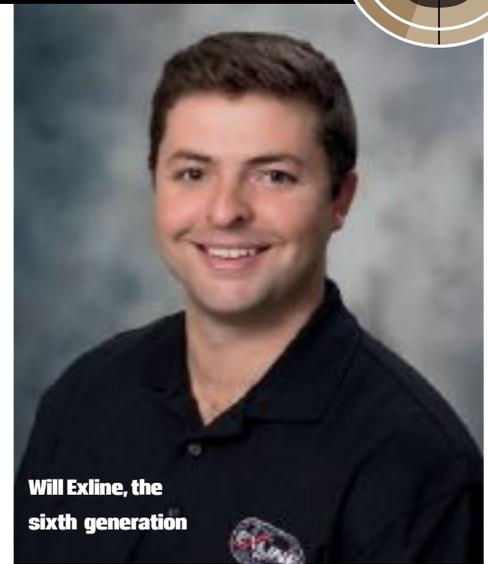
base as a single-source provider for critical industrial equipment services and parts for engines and compressors. Several of our key gas compression-related partnerships are Altronic, Miba, Graco, Archrock Turbochargers Services and AMOT.

Exline is an authorized distributor of Altronic Hoerbiger Engine Solutions. We supply Altronic parts as a distributor, as well as installation, repair services and technical support. Exline is proud to offer Miba products for sale and installation for our repair and manufacturing and field service customers. Exline technicians provide complete installation services as well as technical support for Graco products. Exline and Archrock are a reliable source for aftermarket & OEM parts, complete turbos, exchange units and components available as well.

WHAT ASPECTS OF YOUR JOB AND THE COMPANY KEEP YOU COMING TO WORK EVERY DAY?

There are three primary reasons I look forward to coming to work every day. The first, our members. I'm continually rewarded by working side by side with them and observing their hard work and dedication. There is nothing more rewarding than knowing Exline is providing a rewarding career that provides financially for their family. The second, our customers. The close friendships I have formed over the years with customers has been a blessing. The people in the gas compression markets are very special people and I look forward to interacting with them in helping with their needs and challenges.

These friendships will last well beyond my retirement. The third reason is to take a challenge and turn it into an opportunity. In every business there are challenges and I look forward to solving those challenges. I've learned that every challenge can be overcome when you work in partnership with members and customers.



Will Exline, the
sixth generation

ANY MAJOR NEWS FORTHCOMING?

The first news announcement pertains to the acquisition of Nortex Field Services. Late in 2019, Exline acquired Nortex Field Service of Sherman, Texas as part of our strategic growth planning. Nortex Field Services Inc. was identified early as one of the leaders in the field machining business. The longstanding history and industry performance of the Nortex organization, as well as their diverse customer base, fit our interest. Exline and Nortex have built reputations as reliable sources for immediate response to down equipment repair and refurbishment. We anticipate further expansions and acquisition all contributing to our market growth and preparing the company for the next generation of leadership and ownership.

The second news announcement involves the Exline family. I serve as the fifth generation of leadership for Exline and we are able to preserve the tradition by hiring Will Exline, the sixth generation. Will Exline will represent Exline in the Pacific West and Gulf Coast regions. He has been professionally involved with the gas compression industry for eight years. Will Exline spent four years outside Exline as an application engineer designing specialized components to API standards for reciprocating compressors in all compressor markets. As an application engineer, he spent most of his time designing seal and wear components such as compressor valves, packing, packing cases, pistons, rods, valve covers and lubrication systems for end users and OEMs.

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