

P&G

MACHINE & SUPPLY CO., INC.

If you visit P&G Machine & Supply's Web site, you'll see a picture of a filling station that once stood beside Old Shell Road—a major thoroughfare in Mobile, Alabama. "That was my grandfather's place, and it's where my father and his partner started this company," says Paul Gerhardt, the current president. "They were welders, and they spent evenings pounding out fenders in the garage and their days building destroyers at the old Gulf Shipyards."

John Patterson and Harold Gerhardt—the "P&G" in the company's name—incorporated in 1943, and the business license is now framed and hanging on the office's wall. "Two dollars for the license and a 50-cent penalty for starting to work before they got it," Gerhardt says with a laugh.

Although the family eventually moved to the west side of the city, Gerhardt was born in a house on the property in 1945 and spent his early years there. He remembers how the two men and the company's workers spent their coffee breaks in the kitchen. Originally a welding and repair shop, machining soon became the primary activity, and Gerhardt's father considered getting into manufacturing sprockets since he found himself doing business with many of the local sawmills. He purchased a Brown & Sharpe 60-inch gear cutter along with a number of sprocket cutters, only to find that a local company, Browning, could sell them for far less since it was able to buy raw materials in greater quantity. So he did the next best thing and became a Browning distributor, deciding to use the machine

he'd purchased to begin cutting gears.

This was in the mid-fifties, and Patterson decided to sell his share in the company to Gerhardt's father in 1959. After operating with partners for the next two decades, he became the sole stockholder in 1979. He was a constant presence at P&G Machine & Supply until his death in 1991.

With the wealth of industry found in the port city, the business flourished over time, eventually becoming a stocking distributor for quite a number of power transmission parts manufacturers—in addition to Browning it represents Dayco, Foote-Jones/Illinois Gear, and Lovejoy, among others—and began building a reputation for cutting quality open gearing.

As was the case for many companies, 9/11 marked the beginning of a couple

TIMES CHANGE, AS DO MARKETS, AND ONLY THOSE COMPANIES NIMBLE ENOUGH TO SHIFT THEIR STANCE IN RESPONSE WILL STAY IN BUSINESS FOR SIX DECADES—AS THIS ONE HAS.

By Russ Willcutt

of lean years, during which P&G was forced to take a closer look at its business structure. With many other power transmission supply houses in town, Paul Gerhardt decided to place more emphasis on the company's machining activities, while still remaining a distributor. What this gave him was the ability to take items off the shelf and modify them to fit his customer's needs—which he also began doing for the other local distributors. "So I can walk into all of my competitor's places of business and not get thrown out," he says, "and it's the same thing with the machine shops, because I send a lot of work their way, too."

The result of this change in strategy is that, while only a third of his revenues were derived from machining prior to 9/11—with the remainder coming from the supply side—Gerhardt says that a full 60 percent now involves machining, and 40 percent made up of supply sales. In addition, overall sales have


grown tremendously, with P&G already outpacing the sales goals it had set for the current fiscal year.

As a job shop, Gerhardt continues following his father's philosophy, which was to "try to keep 80 percent of your equipment idle, so that if somebody walks in here with a breakdown you won't have to pull anything off of your machine, and you can get right to work on getting him back up and running." He also follows one of his own: "Always tell the truth to your customer," he says. "That way you don't have to remember the lies you've told."

These guidelines appear to be working, with P&G constantly being offered new projects to quote. One order it has just completed involved gears for a deck-handling equipment OEM. "This company manufacturers positioning wenchers and that sort of thing, and we just cut 19 one and a half DP, 25-degree pressure angle gears with a 10 and a half-inch face for them," he says.

"This was for a reel that holds 2,000 feet of three-inch cable on a drilling rig's positioning wench, so they had to be just right."

Reverse engineering is another specialty, and the company has met many interesting challenges in that area as well. "For example, a guy walked in here one day with a piece of aluminum he'd placed over a gear with a broken tooth, and he'd hammered the shape into it and wanted us to make him a new gear," Gerhardt says. "That's really where our years of experience comes in handy."

Capable of cutting teeth on gears up to 72 inches, and producing 60-inch blanks, P&G Machine & Supply welcomes inquiries, and is able to provide quotes quickly using the latest computational software. "We've been around for a long time now, and we have a reputation for being dependable," Gerhardt says. "And that's a reputation we work hard to live up to." 

FOR MORE INFORMATION:

Call P&G Machine & Supply at (877) 471-4481 or go to [\[www.pggears.com\]](http://www.pggears.com).