

# TELEGRAPH HERALD

## Dubuque tank company rebounds, thrives 2 years after oil prices plummet

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The 50-plus employees at Universal Tank & Fabrication in Dubuque know better than to take good times for granted.

Less than two years ago, it seemed like the business's days were numbered.

Within the span of one week, two of Universal Tank's largest customers had completely pulled their orders. About 60 percent of the company's business was eliminated almost overnight.

Universal Tank has since developed a new niche — focusing exclusively on custom work — and once again is looking to hire employees.

To economic development leaders, the resurgence has been impressive.

"It was clear that people had written the obituary for them not too long ago, and they really came back with a vengeance," said Dan McDonald, vice president of existing business for Greater Dubuque Development Corp.

Universal Tank opened in October 2007, starting with about 24 employees. The business now is a division of Vestek Industries, which acquired it in 2012.

The Dubuque facility builds pressure vessels and tanks that serve customers in a variety of industries.

In 2015, about 60 percent of the company's orders were classified as "production work" — consistent orders that Universal Tank would complete time and again. Much of this work was tied to the oil industry, according to Universal Tank President Dan Davis.

The price of oil, which had exceeded \$100 per barrel in summer 2014, had fallen by more than 50 percent by June 2015.

The impact on Universal Tank was dramatic.



*Jesse Davis works Thursday on cleaning the inside of a large tank being produced at Universal Tank & Fabrication in Dubuque. The company focuses exclusively on customized work.*

"When the oil market fell apart, we lost all of our production work in two days," Davis said. "At the start of June 2015, we had 85 to 90 employees. By the end of June, we were down to 40 to 45."

The company's orders now are less reliant on oil and more diverse. Some of its tanks are used for water filtration, while others are utilized as high-pressure air receivers for bottling companies.

The transition to more custom work was not achieved easily, Davis said.

The company needed to fix estimating programs, improve engineering, establish

a strong presence in quality and change its shop structure, among other things, Davis said.

Engineering Manager Kyle Hunzeker said employees had to up their game, noting that there now is little repetition in what Universal Tank does.

"Most of what we build is unique," he said. "They are snowflakes. You'll never build another one just like it ever again."

The success of this custom work has allowed Universal Tank to grow its Dubuque

employment to 55 workers. A new facility in Texas opened in the past year has five employees, Davis said.

Alan Konieczka, CEO of Vestek Industries, foresees more growth to come at the Dubuque facility.

"We have the opportunity to double our footprint here and we are always looking at that," he said. "Universal expanded once under our direction. ... I would not be surprised if we do an expansion here again."

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