

BRINGING IT TO A BOIL

STORM TECHNOLOGIES INC.

Headquarters: Albemarle

CEO: Dick Storm

Employees: 42

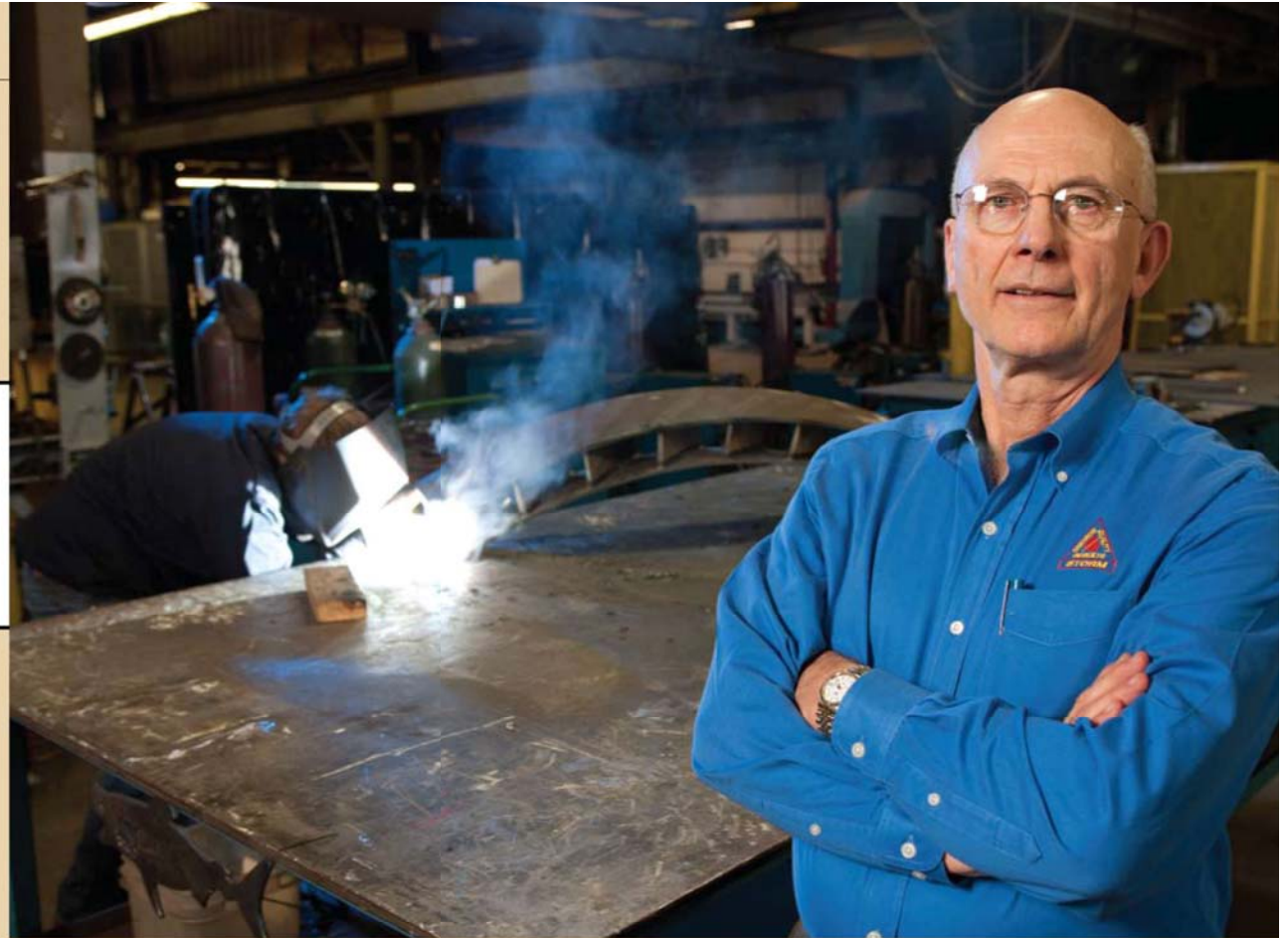
Founded: 1992

Business: Consultant to the power industry and maker of boiler parts

A chance car ride in the '80s helped Dick Storm shape the business he would start. Returning to Charlotte, his flight was diverted to Greensboro by bad weather. Arriving after midnight, he and a fellow passenger decided to rent a car together. His companion turned out to be Ken Iverson, the CEO who made Charlotte-based Nucor Corp. the nation's leading steel maker and, arguably, saved the U.S. steel industry. "I started to read up on Nucor after that," Storm says. "It was like, 'Holy cow, I ought to pay attention to this guy.'"

Inspired partly by Iverson's example, Storm, too, has made a mission of modernizing a sometimes-hidebound industry. He's an expert on increasing the efficiency of coal-fired power plants, and his company consults with electric companies and makes parts for their boilers. "Our sthick is, 'Burn coal well,'" he says. Storm Technologies' old-school expertise helps customers meet new-era challenges. By helping power plants run their boilers better, it enables them to operate more cleanly. Dick Storm chuckles at the irony — he's politically conservative and skeptical of some environmental mandates, deriding Al Gore as a nut and global warming as a hoax. Yet his business benefits when the government cracks down on power-plant emissions. "The tighter they make the laws, the more opportunities we have."

Storm, 66, got interested in power generation at an age most boys are falling in love with cars. He



attended a trade school in Pennsylvania that, at the time, trained working-class kids to be machinists. "They had a power-plant operators course, and I was hooked." He went on to earn a professional license in engineering without ever finishing his bachelor's, despite taking night classes at several universities. His career as a builder and operator of coal-fired power plants took him from Ohio to Florida and eventually North Carolina and a job at now-defunct Oakboro-based Flame Refractories Inc., where he oversaw a team of consulting engineers. "By 1992, Flame was headed for bankruptcy. I still had a mortgage, so I started Storm." He and his wife picked nearby Albemarle, about an hour's drive from Charlotte, because of its family-friendly, small-town atmosphere.

Electric companies were seeking ways to reduce emissions in the wake of the Clean Air Act Amendments of 1990. He wrote an article in a trade journal offering a solution. "What I did was very untechnical. I said, 'You need to apply the fundamentals first.' Seventeen years later, the fundamentals still work." Many consultants just offer costly new technologies, not analysis and hands-on tweaking of balky boilers, Storm says. "A power plant is a big building where train-car loads of coal are crushed to dust and burned. It's hot and dirty. A lot of engineers like to dink around on computers in air-conditioned offices. But you can't solve all the problems that way."

Storm Technologies still consults but also tests and tunes boilers and builds custom parts. Customers include such well-known companies as Duke Energy,

Progress Energy and Exelon. "We've developed into a manufacturing facility with a 25,000-square-foot plant — it's all rooted in getting the best possible performance out of coal-fired boilers." Services account for about 70% of sales; manufacturing, the rest. Along the way, Storm has tried to apply the lessons he began to learn in that late-night ride with Iverson, who died in 2002. Foremost has been creating a culture of accountability and reward: Iverson set high performance standards and paid people well for meeting them. "As close as I could, I wanted to replicate Nucor at my company. I bought Iverson's book. I've attended some of their annual meetings and gotten to know some of their executives. But I saw Iverson just that one time."

— Tim Gray