The Kern Family: Three Generations at ECA

By Peggy Hagerty Duffy, P.E., D.GE, Technical Advisor

The following is a continuation in a series of articles about continuity of family ownership and leadership in ADSC companies. During the next two years we will be reporting on ADSC companies with multiple generations of ownership and management. This article is about the Kern family and the history of Len, Al and Roy. (Editor)

In 1918, three companies banded together to make the most of post-World War I surplus equipment. Chicago Builders Specialties Company, French and Allen, and Marsh-Capon Company all were located in the Chicago, Illinois, area. They became **Equipment Corporation of America** (ECA) and proceeded to amass equipment used in construc-



Pittsburgh Plant.

tion and industrial and material handling businesses. Shortly after they began, Lakewood Engineering Company, of Cleveland, Ohio, was acquired to increase market share



in the Midwestern United States.

The Chicago office quickly was joined by Philadelphia and Pittsburgh locations in Pennsylvania. Each office in-

cluded an equipment yard, as well as a machine shop with heavy lifting apparatus to allow emergency repairs and equipment modifications for specific customers. ECA's stock in trade, boilers, air steam pile hammers, locomotives, steam hoists, and derricks, were serviced by a staff of experienced mechanics and sold by a sales crew that had to adapt quickly to changes in technology, even in the early twentieth century. Blacksmiths originally were on staff at each location but were phased out as transportation modes shifted to automotive options.

Len Kern was hired as a secretary in the typing pool in 1921 at the newly opened Pittsburgh office. His efficient work was rewarded quickly, and he became branch manager in relatively short order. Len was involved in ongoing decisions affecting the course of the company, including a move away from locomotives after World War II. The company continued to deal with hoisting equipment and in-



Len Kern

Al Kern

Roy Kern

creased its concentration in foundation construction equipment, particularly pile driving machinery.

Twenty men were co-owners of ECA when Len was hired. He was a methodical and organized man, and he took the opportunity to buy out the owners as each retired. By 1959, he became the majority shareholder in the company and took control of operations.

While Len was building up market area and learning new outlets to sell used equipment, he also started a family. His wife, Alice, gave birth to two sons, Pete and Al, in 1932 and 1934. As a child, Al hung around the business once a year, during a July Fourth fireworks display at the equipment yard. He enrolled at the University

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of Pittsburgh to study Civil Engineering and entered the Navy upon graduation. His naval service took place at the time of the

Korean War. He was part of the Civil Engineering Corps, working on the construction and maintenance of cellular piers in Florida.

Al's time in Florida included typical military social functions, and he found himself one afternoon at a tea dance at the officers' club in Mayport. Iris Matthews wasted no time asking this young officer to dance, and he wasted no time asking her out. They were married a year and a half later.

Al completed three years of his commission in Florida, after which he was offered a base maintenance position in Hawaii. Newly married to Iris, he saw no downside to the posting, and they moved to Hawaii to finish out his term.

Len continued to build ECA while Al was in military service. Products included hoisting and erection equipment, pile hammers, and top drive auger drills. The operation still traded primarily in used equipment, but the company had relationships with Vulcan Iron Works, MKT, American and Clyde Hoists, and a few other manufacturers. Profits and the scale of the business began leveling off in the 1960s after a period of significant growth.

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He and Iris returned to Pittsburgh with their family in 1962 after the historic Soviet Union/U.S. Cuban Missile Crisis had been resolved.* There, in 1967, they added daughter Tara to the family. Al joined the ECA operation as soon as he returned to Pittsburgh. He was the youngest member of the sales staff, but he didn't have the chance to learn the business slowly. His father died of cancer in 1965, and Al took over the company, using his

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Navy experience and the skills he learned in engineering school to move the business forward.

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the 1970s and made the decision to move into the Washington D.C. vicinity in order to enter a large potential market area. This decision proved to be instrumental in helping ECA to add anchor drills to their repertoire. In addition, the company continued to maintain decentralized operations, putting power, and client relations, in the hands of branch managers. This approach successfully enhanced the direct relationships between ECA representatives and their customers.

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Roy and Dennis began their exposure to equipment sales by fishing on the Ohio River at the equipment yard and riding the warehouse crane when it wasn't in use. Their "work" became more serious when they started serving as mechanics' helpers in the summers during high school.

Al felt very strongly that most business purposes are well executed with an engineering background. He strongly encouraged his children to acquire engineering degrees, whether their interests were in the family business or not. Roy enrolled in Pennsylvania State University, where he earned a Bachelor of Science in Mechanical Engineering and a Master of Business Administration from Cornell University. He graduated in 1985 and went to work for Container Corporation of America.

The pull of the family business proved to be too strong, and Roy came back to ECA in 1986. He recalls that his dad

threw him the keys to a company car on the first day and said, "Go sell something." He put his first personal stamp on the business when he redesigned the company brochure.

Al made sure that all of his children had the opportunity to be part of the family business if they were interested. Dennis attended engineering school but pursued another avenue, designing software for a major international corporation. Tara's route through higher education led her to become an optometrist. Neither talented professional opted to join the world of equipment sales and

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Left to right: David Hyland, Roy Kern, Ray Kemppainen, and Ben Dutton at ECA Canada's ground breaking in Uxbridge, Ontario.



ECA Uxbridge, Ontario.

service, so Roy and Al put their skills together to move ECA toward the next step.

Al's engineering mindset characterized his development of the company, and he systematically identified distribution markets and potential products that would suit ECA's capabilities. Roy added an additional asset by enhancing the marketing strengths of the operation. By his father's admission, Roy had "a more outgoing personality" and was well suited to forming strong relationships with clients.

Tom encouraged Roy to join the ADSC, an organization of good people who he told Roy would enhance his rapidly growing business. Roy followed Tom's advice, beginning a long and active involvement in the Association.

Roy hit the road and sold hard for 15 years. During that time, he met many new customers that would turn into long term friends and solid clients. In the late 1980s, Tom Buzek (deceased), formerly of ADSC Contractor Member, Richard Goettle, in Cincin-



Lori and Roy, 1990.

nati, Ohio, and Past President of the ADSC, was one of Roy's best customers. Tom encouraged Roy to join the ADSC, an organization of good people who he told Roy would enhance his rapidly growing business. Roy followed Tom's advice, beginning a long and active involvement in the Association.

Although Roy spent most of his time

on the road during the late 1980s and 1990s, he managed to find some time to socialize. Shortly after he began working for ECA, Roy attended a party with a girlfriend he was dating at the time. Lori Drugmand was dating a friend of a friend and was at the party, too. Fate worked its way around those short-lived relationships, and Lori and Roy began seeing each other seriously. They married in 1990, and their family grew in 1992 and 1994 when Rod and Darby were born. Roy continued to stay on the road, building a future for his family.

The combination of Roy's persistent sales efforts and Al's continued understanding of the market led to solid growth through the 1990s. ECA moved heavily into the foundation drilling sector and developed a strong presence throughout New York, New Jersey, West Virginia, Pennsylvania, Washington,

D.C., and surrounding areas.

Krupp stopped making anchor drills during the 1990s, and Hutte took over. ECA assumed national distribution for Hutte. At about the same time, ECA entered a partnership with New England Construction Products, thus further expanding their distribution area and customer base.

In 1999, ECA entered the Canadian market when they acquired Special Construction Machines in Toronto. The company included three employees, with annual revenues of under \$1,000,000. ECA moved the office to Uxbridge and over the years expanded the company to 15 employees with annual sales increasing to 20 times pre-ECA levels.

Al saw the Canadian expansion as one of the last major changes for the company during his tenure. He retired in 1999 and moved to Florida, where he golfs regularly and still keeps tabs on the com-

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Washington D.C. equipment yard.





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Al and Roy at The Old Course, St. Andrews, Scotland.

pany finances. He also acts as a sounding board for Roy, who calls his dad his best friend.

Roy's journey after his dad's retirement took its most dramatic

turn in 2004 when ADSC Associate Member Bauer Maschinen, of Schrobenhausen, Germany, reached out to ECA. ECA's reputation for solid customer service had attracted the equipment giant, and Roy recognized the opportunity to represent a high quality industry leader with global appeal. ECA changed equipment lines and settled into a mutually beneficial relationship that still exists today.

ECA's growth under Roy Kern has expanded to reach 70 employees. That staff includes over 25 mechanics. Offices have been added in Northern New Jersey/New York City, Milwaukee, Wisconsin, and Greensboro, North Carolina. The original Chicago office closed many years ago, and the business has morphed into a Kern endeavor based in Pennsylvania. The company has provided equipment for clients and projects all over the Unites States, including such high profile jobs as the Hoover Dam, the Empire State Building, and cleanup at Ground Zero.

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Roy is quick to state that the success of the company has been the product of a strong staff peopled by long-term employees. Past ADSC Director, **Ben Dutton**, a prime example, has been with the company since 1975. Ben's dad was in the paving business, and Ben's early exposure to equipment led him to a position as a Sales Engineer, despite having an accounting degree. He quickly learned about drilling and pile driving equipment. He can recite the history of equipment development like an encyclopedia. He currently is Executive Vice President and Roy's "right hand man." His son,

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Tim, also joined the business, and has been with ECA almost 18 years. Tim spent his childhood climbing on equipment at the company yard on the weekends, and built on that early enthusiasm to eventually run the Philadelphia office. Pete Schell worked for the company for 38 years, Bill Rose gave 49 years to the business. Mike Brown and Ray Kemppainen have worked at ECA for 36 years and 24 years respectively. Pete Rose, Al's son-in-law, has been with ECA over 20 years and has provided the company with unique contributions from his military and cultural background. The list of loyal employees with long careers is long, and mutual praise within the ranks runs high.

Ben feels that an important shift in the company focus in recent years has been the move to hire employees knowledgeable about the technology behind the equipment they sell. He says they received a valuable message from past ADSC Executive Director **Scot Litke**, who said, "Sell everyone." His message was a missive to educate all possible people on foundation technologies, whether they are customers or not. Make them understand the technology, and the equipment will sell itself. Ben says ECA has modified its ap-



Iris, Roy, Al, and Darby enjoying brunch at Dune Deck Cafe, Lantana Beach, Florida.

proach to incorporate this philosophy, and the results have been better customer relationships and higher sales.

The constant thread that runs through any discussion with ECA personnel is an emphasis on good customer service and overall integrity. Roy states that his company's ability to maintain a strong industry presence has come from its good reputation. All echoes this sentiment, and reinforces the idea that the company model has al-



ways been about hard work and good customer service. Ben stresses that the success of the operation is in large part due to the "high moral fiber" of the company leaders.

Al echoes this sentiment, and reinforces the idea that the company model has always been about hard work and good customer service. Ben stresses that the success of the operation is in large part due to the "high moral fiber" of the company leaders.

The future of the company, from a Kern family perspective, is not certain. Rod is a Civil Engineering graduate from Penn State, currently pursuing a Master of Science in Civil Engineering at Cornell who has worked for ADSC Contractor Member, Malcolm



Lori, Roy, Rod, Darby and "The Stanley Cup!"

Drilling, among others. Rod loves contracting and may end up on the customer side of the industry. Darby is a kinesiology major at Penn State. Perhaps the expanding technological resources of the company someday will involve kinesiology, or Rod will decide to embrace the equipment business. The Kern work ethic certainly is Left to right: David Hyland, Mary Hileman, Becky Wade, Pete Rose and Cathy Zreliak in the Build-a-Bike Challenge.

A five person ECA team took part in a charity event hosted by the United Way of Allegheny County, in partnership with fitUnited and Sandler Training. The Builda-Bike Challenge event took place at the FedEx Great Hall in Heinz Field on Thursday, September 18th. In this innovative, philanthropic, team building opportunity, 23 teams volunteered to build bikes for local deserving youths.

Each team was given the directions, tools and components to assemble bikes from scratch. After each team assembled two to three bikes, they were inspected by factory experts. Later the bicycles were personally presented by the teams to 50 middle school students from The Center That Cares in the Hill District of Pittsburgh. The children were also fitted with helmets donated by Kohl's Hard Heads.

present in both and would allow either one to jump into the operation.

If the Kern legacy doesn't continue, there is no shortage of other "family" members to carry the torch. The ECA staff is a tightly knit group with a shared goal and similar principles. Success comes from hard work and focus, cornerstones of the ECA effort.

Roy Kern tells the story of how he attended an equipment test at a large underground mine early in his career. An equipment malfunction occurred, and he found himself calling his dad to say, "I think I just blew up a mine." His dad calmly replied, "Son, that's why we have insurance." (Roy later learned he had nothing to do with the explosion). That measured approach to business and unswerving support for the family are major parts of the ECA story.

The rest of the story comes from the day-to-day commitment of each employee to the company mission. Mary Petrie, a dedicated Accounts Receivable clerk, was another employee who had been with the company for many years. Mary was on vacation on a guided tour in Scotland several years ago when she ran into a client on the same tour who routinely owed the company money. When the group did the obligatory introductions, Mary was quick to tell the travelers very politely that she knew the client, and that he was someone who owed her company money. The client delivered a check the next week and said he had never run into such a tenacious company who would send an employee to a client's vacation overseas to collect money. Little did he know that the ECA commitment is a lifestyle, not just a job.

*Indicates ADSC Members.

Roy Kern is a member of the Executive Committee of the ADSC Board of Directors serving as the Chairman of the association's Associate Member Committee.

*The Cuban Missile Crisis occurred in 1962. It was a confrontation between the U.S. and the Soviet Union and almost led to a war between the two Super Powers. (Editor)