



Client Story: Transco Products Inc.

Transco's new product innovation could more than double its international market share and triple their sales in 5-10 years.

Client Profile

Transco produces fabricated components and services for the nuclear power industry. A privately held company with more than 100 employees, the company's manufacturing plant is located in Streator, Illinois. The company also provides installation services onsite for customers, and its metal reflective insulation for piping and equipment in nuclear power plants is considered the industry standard.

The company has experienced rapid sales growth over the last several years as domestic nuclear power plants aged and required capital improvements and retrofits. However, with these needs decreasing and the industry trends reversing, the company is realizing that this high growth rate could soon end. So, to maintain growth rates and ward off a growth 'canyon' that might emerge in the future, the company recognized the need to examine new opportunities beyond its current product lines. With Eureka! Winning Ways, Transco found the right process at the right time.

Idea Pursued

In its initial Eureka! session, the Transco team came up with 78 ideas, and pursued 3 that the system projected could be successful in the marketplace:

- 1) Redesign its core product to improve thermal efficiency and position the company to weather new potential competition internationally.
- 2) Develop a refueling outage management service, to provide timely and available maintenance and service when problems occur.
- 3) Develop a new product for the coal-mining industry, which utilizes the company's existing assets in a new market that seeks better sealing products. The company's experience in the nuclear power industry equips it to serve this new market from both product and regulatory-adherence perspectives.

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After identifying the top ideas, the company worked with its growth coach to develop a Trailblazer Discovery action plan for each to quickly determine whether or not to proceed into development.

Results

Idea 1 for a redesigned core product is far along in the development process. Utilizing the E!WW directive to "fail fast, fail cheap," Transco is working with University of Illinois senior engineering students to design the product and manufacture it economically so that the product remains price competitive. The company hopes to launch the new product later in 2008, in time to benefit from the construction of new nuclear power plants in markets in Asia. Transco estimates that this new product could help it to more than double its international market share, and double or triple revenue in five to ten years.

Their second idea, for a refueling outage management service, was quickly explored with customers, who expressed little interest in it. While the idea died, its death was actually a victory for Transco. "Before Eureka, we may have held onto this idea for much longer than we should have, and wasted more resources," said Transco President Ed Wolbert. "This process was very useful to help us determine the metrics and decide quickly whether or not to leave an idea behind and move to the next."

Idea 3, to enter the coal-mining industry, continues to look promising as the company completes its development of the concept. The company may see \$5-6 million in new revenue from the product annually.

Reaction to E!WW

"We hope to reload the process and our growth pipeline again soon. Even though we now have the knowledge to do this on our own, our IMEC growth coach provided a valuable stimulus to keep things on track and keep us going."

"Innovation had not been part of our operations-driven culture before this. But the program really delivered."

For More Information

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