

Dearing Commits to Another Expansion of Its Plant

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By Andrea Wood



YOUNGSTOWN, Ohio -- Dearing Compressor & Pump Inc. is moving ahead on its third expansion in less than 10 years at its plant on Simon Road, one more indication of just how much the family business has prospered from the emerging oil and gas industry.

“We are expanding our facility one more time with a 25,000-square-foot addition to help us move some of our prefabrication off of our assembly floor,” says

Becky Wall, vice president of the company. “This will improve our process and allow us to increase the number of units we put out in a year.”

Wall reported her company’s plans Tuesday at The Business Journal’s Small Business Roundtable discussion with a diverse group of company executives. The roundtable transcript will be published in the Jan. 6 edition of the newspaper.

News of the plant expansion follows last week’s announcement that a Pennsylvania company, “O” Ring CNG Fuel Systems LP, is partnering with Dearing to build a compressed natural gas fueling station adjacent to the company’s plant.

Dearing Compressor & Pump engineers and builds compressor systems much in demand by companies exploring the Marcellus and Utica shale plays in Pennsylvania and Ohio. Each unit ranges in price from \$1.2 million to \$3.4 million, according to published reports.

Last January, during a tour of the plant by U.S. Sen. Rob Portman, R-Ohio, the company’s president, Rick Dearing, told The Business Journal his company “outgrew this building before we moved into it.” Dearing said then that his company would add another 25,000 square feet to the plant. But as 2013 unfolded, those plans were delayed.

“We’ve been talking about it for about a year,” says Wall. “The unknown costs that were plaguing our business,” such as health care, she elaborates, “made it start-and-stop. We finally made the decision that we’re going to move forward and invest in our business like we have in the last 50 years.”

Dearing, founded in 1945, first expanded its plant in 2006 and then again in 2009, “just as the country’s economy was collapsing,” Wall says, “and now we’re expanding again in 2014. We’ve gone from 60 employees to 186.”

Dearing added its energy division in 1960.

While the advent of horizontal drilling enabled producers to economically tap into the extremely deep but not wide Marcellus and Utica shale formations fueled Dearing’s rapid growth over the last 10 years, it has not come without a price.

“For the first time in the history of the company, we’ve experienced a little bit of turnover,” Wall says, as newly arrived midstream suppliers compete for highly skilled workers.

“For Dearing that’s not so good,” she continues, “but for the Valley and for the opportunities for businesses that are growing and expanding due to this energy market, it’s a great sign for the Valley.”

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