

Monday, November 12, 2007

Staying flexible helps newcomer PTG Silicones

New Albany company eyes medical market

By Bill Wolfe

bwolfe@courier-journal.com

The Courier-Journal

Start-up PTG Silicones has about \$550,000 invested in state-of-the-art automated manufacturing equipment, a robot for handling the parts and a "clean room" that allows dust-free production of sensitive materials at its New Albany, Ind., plant.

And then there's the \$25 doorbell from Home Depot.

President Brendan Cahill sometimes sleeps in his [office](#) on overnight production runs so he can take care of any problems with the unmanned equipment that makes high-performance thermoplastic molding. Unfortunately, "the clean room is so tight and so quiet, when I'm sleeping I couldn't hear" the alarm that sounds to signal machinery trouble.

"We went out and bought a wireless doorbell and put it on the machine," Cahill said. Now "if the machine does happen to go off cycle, it rings a doorbell in the office and will wake me up."

The high-tech/low-tech approach is in keeping with Cahill's business philosophy. Where quality is crucial, he's willing to go first class.

The company's European-made molding machine is the "Ferrari" of its type, he said, and another unit is scheduled for delivery next month. The plant, a former warehouse, was stripped down to its metal skin and rebuilt as a modern production facility. Each day, a sample from the production run is analyzed in a computerized [optical](#) scanner.

But there's no money to waste on "a \$1,000 monitoring system" when a doorbell would work as well. And until the company can develop its core market of medical products, Cahill is happy to keep the machinery humming 65 hours a week making automotive oil-filter gaskets for Purolator.

"We make 65,000 parts per week for them," Cahill said. "In the beginning, when you're a company and you're getting going, you have to take what you can."

A background with GE

Cahill grew up in Massachusetts and worked for the former General Electric Plastics division -- sold this year to petrochemicals manufacturer Saudi Basic Industries Corp. He moved to Louisville in 1998, working as a processing engineer and marketing manager for GE and marrying Louisville attorney Amy Sullivan Cahill.

He stayed with GE until 2001, when the couple moved to the Washington, D.C., area and Brendan Cahill began a consulting practice called the Plastics Technology Group. By 2005, they started to eye Louisville longingly.

"Traveling was becoming much more extensive every year, leaving on Mondays, coming home on Fridays," he said. Also, "during that time we had two children and we wanted to make a change both professionally and personally. ... We wanted to slow down a little bit."

The Cahills decided it was time to open their own business. "Instead of having me going out and consult and help other manufacturers be more competitive ... we would do it for ourselves -- take that expertise and bring it in-house," he said.

The couple were pulled back to Louisville and Southern Indiana by the quality of life and economic opportunities. "Louisville has been wonderful, everything from the weather, the amount of daylight we have, the people. ... The city's great," Brendan Cahill said. Amy Cahill practices with Stites & Harbison, focusing on intellectual property law.

New Albany offered talented toolmakers as well as a solid manufacturing infrastructure, he said. "That's important to us."

After researching the industry, Cahill decided liquid silicone rubber molding "was a good niche for us" and would set the company apart from a crowded field of potential competitors.

Soft and pliable, silicone is used in a variety of products, from baby-bottle nipples to gaskets. It's attractive because it can withstand temperatures that would melt many plastics, Cahill said. It's also chemically inert, making it attractive to the medical industry, with its concerns about allergies and reactions to latex, and chemicals leaching from polyvinyl chloride plastics.

Another source of work

Jasper Rubber Products in Jasper, Ind., also makes silicone parts but has turned to Cahill to help with some overflow orders and with some specialized work, said Mike Hayden, Jasper Rubber's vice president of manufacturing.

Cahill "has set himself up with some really top-of-the-line equipment and automation," Hayden said. "That's been a big help to us."

Hayden said Cahill went at his new business the right way. "He really put a lot of thought in it ... and he's really targeted a strategic market that he's after."

PTG -- an abbreviation of Plastics Technology Group -- is counting on its automated equipment to compete with imports from low-wage nations, Cahill said. The New Albany plant can operate 24 hours a day with a slim staff of six, including Cahill. "That's how you're going to have to be if you're going to stay competitive in North America," he said.

Cahill said he is happy with the results in his first seven months. "We have some opportunities to improve and to really go to the next level from a manufacturing standpoint," he said. But for now, "we're doing OK."

Reporter Bill Wolfe can be reached at (502) 582-4248.