



Grow or Die: Jeff N. Scott on Building NOSHOK for the Long Haul

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Jeff N. Scott: Sharing inventory.

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Jeff N. Scott: When we upgraded to the current ERP system that we're on, one of the things that we saw the ability to do was to incorporate our certifications, which have become far more prevalent into the actual order process.

Gil: And that's what is going to really push companies to be relevant in the future.

Gil: Welcome to the show.

Gil: I'm Gil Wellsford, third generation Valve entrepreneur and founder of Valveman.com.

Gil: Join me as I hear stories, learn wisdom, and get industry inside insights.

Gil: This is More Than Valve.

Gil: It's business, legacy, and resilience.

Gil: Let's get into it.

Gil: Hey guys, how are you?

Gil: Welcome to the Fully Open podcast.

Gil: We have Jeff Scott from No Shock here this morning.

Gil: I am talking to you from the Valve Manufacturers Association headquarters here in Alexandria, Virginia.

Gil: Very excited to have Jeff.

Gil: We have partnered with him and his company for years.

Gil: And it's always a pleasure to be able to work with them.

Gil: So Jeff, thank you so much for agreeing to be on the show and for your time this morning.

Jeff N. Scott: Oh, thank you, Gil.

Jeff N. Scott: Happy to be here.

Gil: Yeah, So Jeff, what I always ask people, and I love to sort of start the conversation is tell us a little bit about, I know you've, I believe you've been at No Shock for, maybe you don't even know this, 51 years.

Gil: That is a really, really long time.

Jeff N. Scott: It is a really long time.

Gil: And I know you've had a whole career with NoShock, but let's start out from the very beginning of your career.

Gil: And just give us a little bit of a background of how you started in business and in this industry.

Jeff N. Scott: Yeah, so an opportunity came up that I was introduced to.

Jeff N. Scott: At that time, we were known as the O.W. Heyman Company.

Jeff N. Scott: named after the founder.

Jeff N. Scott: He had been the sales manager and engineering manager at Merriam Instrument.

Jeff N. Scott: I was literally the third man at that point.

Jeff N. Scott: And we operated out of a little 400 square foot, what essentially was a storefront.

Jeff N. Scott: And it grew from there.

Jeff N. Scott: I restarted with liquid-filled pressure gauges.

Jeff N. Scott: the brass case liquid filled pressure gauge, did some accessories.

Jeff N. Scott: We represented a couple different companies, and it's grown from there.

Gil: Wow.

Gil: So that's interesting.

Gil: So you guys actually started with the pressure gauge, because I really think of you guys as like a needle valve company first and foremost, and then you guys have pressure gauges and instrumentation and that kind of thing.

Gil: But that's interesting.

Gil: So you guys actually started in the pressure gauge business first?

Jeff N. Scott: That's correct.

Jeff N. Scott: And at that time, we represented a needle valve product line, needle valves, flow control valves, and we sold those in our small market area, all direct to, you know, to users, to OEMs.

Jeff N. Scott: We had a couple, what at the time were called sub-distributors or associate distributors, and that went on from there.

Jeff N. Scott: So it was really not until early '90s, late '80s, early '90s, when we started thinking about doing our own valve.

Jeff N. Scott: We had parted ways with the original company that we had worked with due to some quality and delivery issues.

Jeff N. Scott: And we thought, gosh, this really isn't rocket science.

Jeff N. Scott: We felt there was a need in the market.

Jeff N. Scott: At that point, we were operating on a national basis, and we had distributors that represented other product lines, other valve product lines that came to us and said, help, can you please do needle valves like you do gauges?

Jeff N. Scott: And that led us into it.

Jeff N. Scott: We literally started with 16 part numbers, half of carbon steel and half of which were stainless steel.

Gil: That's interesting.

Gil: That's interesting.

Gil: So when you started in you know, you were the third the third man like you said right and in the company What was your what was your role?

Gil: Like what were you doing in that role?

Gil: And then what were your subsequent roles?

Gil: And I know today you're chairman of the board of of no shock, but I mean obviously the third I mean you probably didn't start as chairman of the board, right?

Gil: So what was that progression and and what did you what did you do through throughout your career?

Jeff N. Scott: Yeah, so I so I went in and literally I started shipping receiving, learned calibration, learned more about the instruments, assembly, and from there moved into inside sales and from there outside sales.

Gil: And when did you end up in the management and what was that like?

Jeff N. Scott: Yeah, so you have to imagine three people, there wasn't a lot of volume and everyone did everything.

Jeff N. Scott: You have to start somewhere.

Jeff N. Scott: And honestly, the company was kind of started as a lifestyle business by a founder.

Jeff N. Scott: He had a long career working for engineering companies, working in the utilities, working at Mario.

Jeff N. Scott: And he wanted to be able to travel and sail.

Jeff N. Scott: And he was a competitive shooter.

Jeff N. Scott: He shot a lot of trap, and he wanted the freedom to do that.

Jeff N. Scott: So the drive, the whole, how do we go about business?

Jeff N. Scott: How do we go about building the business?

Jeff N. Scott: maybe wasn't super aggressive in that early time.

Jeff N. Scott: Unfortunately, really, when he got to the point where he could do all those things towards the end of 1975, middle of '75 really is when he became ill and passed away at the end of '75.

Jeff N. Scott: Which is, you hear that sad story far too often.

Jeff N. Scott: You know, someone works and works and works and finally gets to the point where they can enjoy life and the things that they like to do and it's taken away.

Jeff N. Scott: You know, at that point, we moved on from there, dug in a little deeper.

Jeff N. Scott: I mean, through a lot of different events, we expanded beyond the geographic role that we had, just kept expanding outward, expanded the product line.

Jeff N. Scott: And I mean, today we're, you know, gosh, just under 70, maybe right around 70, 68, 69, 70 people.

Jeff N. Scott: We moved from several moves over the years, but gone from 400 square feet to sitting at our main facility here is 51,000 square feet.

Jeff N. Scott: And we just leased the building that is next door to us.

Jeff N. Scott: And I'm not even sure what that size is.

Jeff N. Scott: But with some of the additional manufacturing, fabrication that we're doing, additional people, we're doing some expansion here at the main facility.

Jeff N. Scott: And yeah, it's been a ride, as they say.

Jeff N. Scott: A good one.

Gil: That's great.

Gil: That's great.

Gil: Well, you know, Jeff, one of the things I was talking with Bruce Brockstroman, whom I believe you know from Richard's Industries.

Gil: He was on, I believe it's episode two.

Gil: And one of my favorite quotes from that episode is he said that, what better person to be the best salesperson in the company than the CEO?

Gil: And I think that coming from first, I mean, you could probably even say what better shipping person than the CEO also, if we're taking it to Jeff Scott.

Gil: But shipping and receiving calibration, inside sales, outside sales, I mean, you really, I mean, you've done it sounds like basically every single job in the company.

Gil: How do you feel like that sets you up uniquely to have been the president and CEO and now chairman of the board?

Gil: Do you have a different perspective in your management style, how you look at the business, think about the business since you have been in every one of those roles from when it was three people to now being 70?

Jeff N. Scott: I don't know that you think about it that way.

Jeff N. Scott: Because when you start out and we've all had goals, we've all had milestones, target that we've aimed for.

Jeff N. Scott: But I think there's, it's almost innate.

Jeff N. Scott: You know, it's like, okay, I hit this goal.

Jeff N. Scott: Let's celebrate for about five minutes and then we're already on to the next one.

Jeff N. Scott: You know, it's just, it's, it's rolling.

Jeff N. Scott: It's not something that starts at the beginning of the calendar year and ends December 31st.

Jeff N. Scott: With each step you take, your vision opens up, you see something different.

Jeff N. Scott: There should be another opportunity, you see another challenge or an obstacle to avoid.

Jeff N. Scott: And I don't think it's really conscious.

Jeff N. Scott: I mean, we talked a little earlier, success

Jeff N. Scott: If you expect success, you'll achieve success.

Jeff N. Scott: May not be in the timeline that you want.

Jeff N. Scott: It may not be in the exact way, but you will be successful.

Jeff N. Scott: We see so many of our employees that graduated with degrees that who knows what they were thinking when they went to get the degree, because they're in a totally different field.

Jeff N. Scott: I mean, whoever thought about being in instrumentation and valve manufacturing, you know, that wasn't something you thought about as a little kid.

Jeff N. Scott: You wanted to be a policeman, a fireman, a lawyer, a doctor, something like that.

Jeff N. Scott: It's like, hey, we're going to manufacturing.

Jeff N. Scott: I want to do instrumentation.

Jeff N. Scott: I want to do valves.

Jeff N. Scott: No one thinks that way.

Gil: I agree with you, and I think it's probably a shame because this industry is such an amazing industry.

Gil: And I feel like I talked with every single person on this show about this, but there just aren't that many people that look like my brother, Jason, or myself coming into this industry.

Gil: And I know you have Christian, you have Adam, you have a lot of younger people in your organization, which is incredible.

Gil: And one of the reasons that I think our companies work very closely together because you and your team see what the future looks like because of, you know, some of that younger energy, right?

Gil: And that's one of the reasons that we're able to work so closely together.

Gil: I know right now, like we're, you may not even know this, Jeff, but we're working on like connecting our website to your inventory control systems and it through an API so that we're able to give our customer, great.

Gil: But we, so we're able to give our customers like real live data of what that looks like.

Gil: There are honestly, Jeff, aren't many companies that actually are thinking about that.

Gil: And I think it's really a testament to your leadership that you're bringing in some of these younger people because we're bringing in some younger people.

Gil: But man, when I go to, you know, Valve World in down in Houston, Texas or whatever, there aren't that many young guys there.

Gil: And I think it's, you know, it's not, there isn't a clear path to how to end up in this industry.

Gil: It sounds like shooting may be one of those, 'cause my grandfather was a shooter, my dad's a shooter, I'm a shooter.

Gil: The founder is trap shooter.

Gil: I don't know.

Gil: I don't know.

Gil: Just say it.

Gil: But yeah, that's a, I don't know.

Gil: Yeah, I think it's interesting and I do hope that more young people do end up in this industry because it's such a great.

Gil: I say this a lot, and I've said it on other episodes.

Gil: My dad says all the time, if valves make the world go round, that's not going to stop.

Jeff N. Scott: Well, I mean, you know, they wouldn't do what they control.

Jeff N. Scott: You take a look at pressure, temperature, flow.

Jeff N. Scott: These are the engineering units that have to be measured, that have to be controlled in every manufacturing process.

Jeff N. Scott: whether you're making Ticonderoga number two pencils, or whether you're making automobiles, or whether you're taking crude oil and getting it out of the ground and turning it into gasoline or diesel or plastics.

Jeff N. Scott: This is really what makes the world go round.

Jeff N. Scott: And for us, the technology is the really, it's a really fun part right now.

Jeff N. Scott: Honestly, I would not think of some of the things that this team is doing and some of the ideas that they have brought that we literally just scratched our heads and said, Really?

Jeff N. Scott: We should be doing that?

Jeff N. Scott: Or that's an idea.

Jeff N. Scott: It's like, Well, why not?

Jeff N. Scott: So we started early on on the e-commerce side of the business.

Jeff N. Scott: And when we say that, the old-timers, and I'll count myself in that,

Jeff N. Scott: You know, we thought, well, we can't do that because we work through partners.

Jeff N. Scott: And e-commerce to us meant I can order something online.

Jeff N. Scott: And that's not what e-commerce means at all, as you know.

Jeff N. Scott: You know, so it's the whole digital way of doing business, of eliminating mundane tasks that don't really provide value, being able to get answers and product and information to the customer much, much faster.

Jeff N. Scott: You know, we were so proud of our website when we started and when we started getting into the e-commerce.

Jeff N. Scott: And then we realized that's not really good on a phone.

Jeff N. Scott: And we can't really take five minutes to boot our laptop up when we're with a customer or in the field.

Jeff N. Scott: So we were the first company in our industry to do a mobile website.

Gil: Wow.

Jeff N. Scott: You know, and of course, now the websites are equal.

Gil: All responsive.

Jeff N. Scott: On your phone as they are on your computer.

Jeff N. Scott: But it's these steps along the way.

Jeff N. Scott: It's like giving the, doing PIMs on all the products, you know, so that our partners could share those, so you can share the information with your customer base, sharing inventory.

Jeff N. Scott: I mean, it's just, it's a progression.

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Gil: Right.

Jeff N. Scott: You know, and that goes to the way we do business now.

Jeff N. Scott: When we upgrade it to the current ERP system that we're on.

Jeff N. Scott: One of the things that we saw the ability to do was to incorporate our certifications, which have become far more prevalent into the actual order process.

Jeff N. Scott: So just to give you an idea, when we would, if you would order an instrument and you wanted it certified, certified calibration, five people would touch that certification.

Gil: Wow.

Jeff N. Scott: And then good luck finding it 20 years from now.

Jeff N. Scott: Now everything is automated.

Jeff N. Scott: Everything is tied into the ERP system.

Gil: Right.

Jeff N. Scott: A person does that.

Jeff N. Scott: It's done during assembly, during the calibration.

Jeff N. Scott: You just simply push, I hate to say it so simply, but you push a different key to get that certification.

Jeff N. Scott: you get the serial number you get the QR code on the product it's on the paperwork it lives on forever.

Gil: I love that one of the things that is so cool.

Jeff N. Scott: That's going to be happening is and it's already happening on some of the instruments you'll get a reminder when it's time to recertify that instrument.

Gil: Wow.

Jeff N. Scott: So we just take a look at these things that it's not fluff, it's providing real value.

Gil: Yeah, I think that type of thinking is just, it's the way of the future and that's what is going to really push companies, you know, to be relevant in the future.

Gil: I think especially with the advent of large language models as well and, you know, ChatGPT and that kind of thing.

Gil: It's a whole new world.

Gil: We don't even know what the world looks like in the next year.

Gil: I mean, it's a wild, the acceleration of technology, I think, is probably at its fastest pace that the world's ever seen.

Gil: And literally, today is extremely different from yesterday.

Gil: And I know you guys are thinking through some of that stuff.

Gil: And I had asked you a question earlier,

Gil: And you told me that one of your proudest moments of your career was naming Christian Cole as the president and CEO of No Shock, which to me was such an amazing...

Gil: It's an extremely humble thing to say that elevating someone else was one of the proudest moments of your career.

Gil: I just think that's amazing.

Gil: But tell me about that and how did you identify your next CEO and bring NOSHOK into this new world of technology?

Jeff N. Scott: Sure.

Jeff N. Scott: So I've known Chris since he was, I don't know, four years old, probably.

Jeff N. Scott: Chris has been a part of the business.

Jeff N. Scott: We joke that he was the child laborer, you know, in the back on the weekends, making boxes and so forth.

Gil: Yeah.

Jeff N. Scott: But Chris worked summers.

Jeff N. Scott: We brought in a lot of his friends during high school, during college, and that came on full-time after college.

Jeff N. Scott: and literally came through every stage of the company, much like I did.

Jeff N. Scott: So when you look at, much like yourself and your company, it's not every second generation or third generation that can actually step up and run the organization, add value to the organization.

Jeff N. Scott: And just as importantly, has the passion for the business, because without passion, you're going nowhere.

Gil: Absolutely.

Jeff N. Scott: We sit back and we enjoy sometimes some of the spoils of our success a little bit.

Jeff N. Scott: We're able to drive a nice car and go to nice places and get nice restaurants.

Jeff N. Scott: But it wasn't always like that.

Jeff N. Scott: I mean, we started out without credit cards, and we had phone booths that we had to go into in the rain.

Jeff N. Scott: It's a process that you go through, and it's not about your size.

Jeff N. Scott: It's not about the money.

Jeff N. Scott: It's about growing the business.

Jeff N. Scott: It's about maintaining the culture, doing the right things, and the business will just grow.

Gil: So one of the pieces of wisdom that you had shared with me was easy on people, hard on processes.

Gil: And the second was stay true to values.

Gil: If you don't mind sharing, what are some of those values of NOSHOK and how do you incorporate them throughout the business?

Jeff N. Scott: Yeah, so it's really about providing value.

Jeff N. Scott: It's about providing solutions, doing the right thing for the customer.

Jeff N. Scott: We were raised with words like character and integrity and that's doing the right thing when no one's looking.

Jeff N. Scott: So you have to look at doing the right thing for the customer, providing the best possible solution for them, even if it may not be the best thing for you or for your company.

Gil: Yeah.

Jeff N. Scott: It's about doing the right thing, and everything stems from that.

Jeff N. Scott: I'd like to say that we're perfect.

Jeff N. Scott: We make mistakes along the way, but when we do, it's important to talk to the customer to take care of it, not to dodge the bullet, try to hide behind a policy or something.

Jeff N. Scott: Many years ago, we had an issue with stainless steel material and it wasn't 316L even though the certificates said it was.

Jeff N. Scott: We immediately said there'll be no more steel from these particular countries because we can't risk it.

Gil: Wow.

Jeff N. Scott: Some of these valves may be in critical applications.

Jeff N. Scott: And for a percent or two or a couple of dollars, we can't risk it.

Jeff N. Scott: If someone's down, we have to take care of it.

Jeff N. Scott: We also look at how changes impact our distributor partners and customers.

Jeff N. Scott: Is it going to be easier for them?

Jeff N. Scott: That's part of the whole thing.

Jeff N. Scott: And the team at NOSHOK is pretty competitive.

Jeff N. Scott: We work really hard together, and we play hard together.

Jeff N. Scott: We have soccer teams and softball teams, cookouts, parties.

Jeff N. Scott: That's how you carry it forward.

Gil: Yeah, I love that.

Gil: And it reminds me of something that happened just at Valveman the other week.

Gil: There was a customer that needed a product by Monday.

Gil: It cost us thousands of dollars to get it to them.

Gil: We lost money on the order, but we did what we said we were going to do.

Gil: And there's a big difference there in that.

Jeff N. Scott: That's part of the culture.

Jeff N. Scott: We've done next day air shipments numerous times.

Jeff N. Scott: We had an automotive customer that needed two transducers during shutdown.

Jeff N. Scott: They were going to send a plane and have someone pick it up.

Gil: Oh my goodness.

Jeff N. Scott: We met them at the airport with the product.

Jeff N. Scott: We handled paperwork later.

Jeff N. Scott: There was another refinery on the West Coast that needed gauges and seals.

Jeff N. Scott: We brought people in on a Saturday, got the order together, shipped overnight.

Jeff N. Scott: There was no premium.

Jeff N. Scott: You're paying the air freight.

Gil: Right.

Jeff N. Scott: If they're willing to spend more on freight than product cost, they really need it.

Jeff N. Scott: So let's not kick them when they're down.

Gil: Yeah, that's amazing.

Gil: It just proves why our companies get along so well.

Gil: At the end of the day, it's all about relationships.

Jeff N. Scott: It's not about the individual sale.

Jeff N. Scott: It's recurring revenue and that happens when you have relationships and you're solving problems.

Gil: Absolutely.

Jeff N. Scott: That's absolutely paramount.

Jeff N. Scott: There are lots of companies that are low cost importers and not really capable.

Jeff N. Scott: They don't have compliance or quality programs.

Jeff N. Scott: They can ship product, but they're not in it for the long haul.

Jeff N. Scott: There is a cost to compliance.

Jeff N. Scott: We have full-time compliance staff now.

Jeff N. Scott: Standards keep expanding and we're dealing worldwide.

Jeff N. Scott: You have to do these things to be credible.

Jeff N. Scott: It's like going to a doctor, you want that MD certificate on the wall.

Jeff N. Scott: It's the same thing in our business.

Gil: Yeah, these are all great points.

Gil: We make decisions to build for the 4th generation.

Gil: Culture, values, people, customer – all matter.

Gil: We try to create the best B2B customer experience in the world.

Jeff N. Scott: I love it.

Jeff N. Scott: The business is bigger than any of us.

Jeff N. Scott: If something happens to any of us, the business must go on.

Jeff N. Scott: It's almost like the business doesn't serve us.

Jeff N. Scott: We serve the business.

Gil: Yeah.

Jeff N. Scott: We're accountable to employees, customers, partners.

Jeff N. Scott: We have to be good stewards.

Jeff N. Scott: You either grow or you die.

Gil: Yeah.

Jeff N. Scott: You don't get to coast.

Jeff N. Scott: The only time you coast is when you're going downhill.

Gil: If you're not growing, you're dying.

Jeff N. Scott: None of this is rocket science.

Jeff N. Scott: We have to invest in technology.

Jeff N. Scott: We have an AI guy here now.

Gil: Yeah, and we do as well.

Jeff N. Scott: It's part of becoming a better business.

Jeff N. Scott: It's machine learning and better predictability.

Jeff N. Scott: It improves how we run finance, inventory, sales.

Jeff N. Scott: It's real value.

Jeff N. Scott: We built a program reaching out to partners using data points like growth rate, touchpoints, portal usage.

Jeff N. Scott: It's driving new business.

Gil: That's amazing.

Jeff N. Scott: You've got to embrace technology or you'll be left behind.

Gil: True.

Gil: Jeff, one last thing.

Gil: You mentioned your dad as someone you looked up to.

Gil: I have two young kids.

Gil: How do I challenge them like your dad challenged you?

Jeff N. Scott: He was always a rock.

Jeff N. Scott: A naval officer.

Jeff N. Scott: He was always there.

Jeff N. Scott: Lots of times I thought he was too hard.

Jeff N. Scott: But he was fair.

Jeff N. Scott: He gave me plenty of rope to hang myself with.

Jeff N. Scott: As long as I held up my end of the bargain, he gave me more freedom and responsibility.

Jeff N. Scott: He gave me the basis of right and wrong.

Jeff N. Scott: Faith, family.

Jeff N. Scott: That's the foundation of who we are.

Jeff N. Scott: I tried to learn from everyone I worked with.

Jeff N. Scott: Some were successful.

Jeff N. Scott: Some were train wrecks.

Jeff N. Scott: You learn from both.

Jeff N. Scott: Keep learning.

Gil: I love that.

Gil: I heard a quote about happiness coming from learning for the sake of learning.

Jeff N. Scott: I recently saw that quote.

Jeff N. Scott: Think about when you feel best.

Jeff N. Scott: When someone gives you something or when you're able to give someone else something?

Gil: Absolutely.

Gil: Honestly, Jeff, that's the point of this podcast.

Gil: I want to share wisdom that otherwise fades into the sunset.

Gil: Thank you so much for being on the show.

Gil: This was such a fun conversation.

Gil: Thank you to the entire team at NOSHOK.

Gil: You're incredible partners and I know we'll continue to grow together.

Jeff N. Scott: Thank you, Gil.

Jeff N. Scott: Completely my pleasure.

Jeff N. Scott: Love working with you and your team.

Jeff N. Scott: There's a big future for us working together.

Jeff N. Scott: I learn from guys like you every day.

Jeff N. Scott: It's a lot of fun.

Jeff N. Scott: It's what keeps us going.

Gil: Awesome.

Gil: Thanks a lot, Jeff.

Gil: I hope you enjoy the rest of your day.

Jeff N. Scott: Thanks.

Jeff N. Scott: You too, Gil.

Gil: Thanks for listening to Fully Open.

Gil: If something stood out or sparked a thought, I would love to hear it.

Gil: See you on the next one.