

# PUTTING NEW SERVICE OFFERING IN MOTION

## BURNHAM HOLDINGS MAKES STRATEGIC INVESTMENTS TO EXPAND INDUSTRIAL SERVICE CAPABILITIES

Burnham Holdings Inc. (“BHI”) used 2023 to invest in expanding its industrial service offerings, helping drive new areas of growth and build closer, more diverse relationships with industrial customers. BHI took two significant steps to advance this strategy. First was the full-scale launch of the Thermal InMotion rental boiler business, which provides a fleet of mobile boiler rooms and trailer-mounted rental systems for companies that need equipment due to sudden failures, system upgrades and other situations.

BHI also acquired CSI Services of York, a well-established mechanical contracting company that provides service, installation and repair of boilers, pressure vessels, piping systems and industrial combustion applications for customers in major industries in Maryland, Pennsylvania and nearby regions.

Together, Thermal InMotion and CSI are a powerful combination of new resources, expertise and fabrication systems that target a critical industrial need: helping major manufacturers service, maintain and upgrade their critical boiler and combustion systems.

In this interview, we discuss with Greg Seifert, general manager of CSI Services, Jim Cipollone, president of Thermal InMotion, and Bryan O’Toole, vice president of business development for BHI, the key reasons why BHI acquired CSI Services and how BHI will use them to grow its industrial service business and build better, more in-depth relationships with these customers.

**First, congratulations, Greg, and we welcome CSI to the BHI family. Tell us a little about the history of the company and the key capabilities CSI offers.**

**Greg Seifert:** We originally began, about 35 years ago, as an industrial service and repair business; we also represented manufacturers, including Johnston Boiler, Litchfield, Autoflame and others. Over that time, we’ve also become a mechanical contracting and fabrication shop, building custom boiler room skid units and mobile boiler plants.

## What would you say are the key capabilities that CSI Services has developed in that time?

**Greg Seifert:** It starts with the expertise of our people, their ability to cover all the major bases as a mechanical contractor and service organization. If it's a whole new boiler room, we help the customer design the boiler room; if it's a retrofit, we have to figure out how to fit our equipment into the existing space. And if at all possible, for many of our customers, we have to figure out how to do it with minimal shutdown time, supply the boiler, all the piping, electrical, work with the inspectors to ensure it satisfies regulations and make it all come together.

**Jim Cipollone:** As BHI was launching our Thermal InMotion boiler rental business, we began contracting with CSI to engineer and build our rental units because of their success building boiler skids. So we knew that they had strong engineering skills and the connections with many customers that would be valuable for BHI.



CSI offices, service shop and fabrication plant in York, PA

## CSI's technical expertise was clearly valuable. What other strategic advantages does CSI bring to BHI?

**Greg Seifert:** Through our service business and our mechanical contracting work, we've built very successful, long-term relationships with customers, some lasting 30, 35 years. And it's not just boilers; CSI works on their steam systems and components, ovens, dryers – anything that has to do with steam, gas or combustion, they trust us to service. We also get involved at the highest level of capital investment planning at many sites. They trust CSI to sit down with them and provide our expertise on where they need to invest and get the most value for the systems they need going forward.

"Industrial customers... want a company with the resources CSI has from a mechanical contracting standpoint to just take the project and do everything..."

- Jim Cipollone

**Bryan O'Toole:** Since we started working with CSI, we've learned that their long-time customers treat Greg's people as an extension of their own organizations. At a lot of companies, they've done away with that kind of expertise, and they count on CSI to sit down with

them and advise them on what they need. The customer then turns around and says, OK, you provide it for me. That's going to open business for BHI that, in the past, we most likely would never have seen before.

**Jim Cipollone:** This has already happened a couple of times. When we rented a heating system to a data center whose boilers were down, they immediately asked us to quote a replacement for them. That project will turn into an equipment sale, removal of the old equipment and installing the new system and ultimately a long-term service relationship with backup rentals. We wouldn't be able to do that without CSI being part of our company.

## What unique strengths does CSI have that can help BHI build a stronger industrial service offering in concert with Thermal InMotion?

**Jim Cipollone:** Thermal InMotion was created in 2022 to provide mobile boiler rooms to produce steam, hydronic hot water, potable hot water or a combination of all three for plants that need these systems when they have a failure of their own systems or as a temporary bridge between order placement and delivery of a new system.

"Through our service business and our mechanical contracting work, we've built very successful, long-term relationships with customers, some lasting 30, 35 years."

- Greg Seifert

Right now, CSI is building us rental units to help expand that business, especially at companies that face major shutdowns without a working boiler. I think a big advantage is that, when these rental opportunities present themselves, we can then repair or replace the boiler, turning a rental situation into a full project.

**Greg Seifert:** We recently had a major industrial customer whose only boiler blew out – this was before Thermal InMotion. First thing we did was get a rental boiler in place, then we took a look with the customer to determine what kind of repair we could accomplish. Ultimately, we put together a complete replacement proposal, with all the project's components – wiring, controls, a new, more powerful boiler – a yearlong project that started with an emergency call.

**Bryan O'Toole:** One of the things that has surprised me as we've moved forward with Thermal InMotion and CSI is how frequently customers seek to purchase a complete mobile boiler unit. I think we're going to see more opportunities like that as major organizations such as hospitals are looking at their contingency plans and deciding it makes sense to already have a backup system in place. And because of CSI's in-house engineering and fabrication capabilities, we can meet that demand.





A Burnham boiler inside a Thermal InMotion trailer

**Greg, CSI began working more closely with BHI by building mobile boiler rooms for Thermal InMotion. How has CSI developed expertise in this kind of unique fabrication?**

Greg Seifert: Every boiler room is different. You have to be able to adapt. On the mobile side, it's even more custom, because you have to fit a lot into a small area. And you still have to comply with all the rules and regulations, which is something our teams, from years designing, fabricating and installing complete boiler rooms, have established really invaluable experience in.

"Since we started working with CSI, we've learned that their long-time customers treat Greg's people as an extension of their own organizations."

- Bryan O'Toole

Jim Cipollone: That regulatory background is really valuable for Thermal InMotion, because it's the same set of regulations that apply to rental boilers. Different jurisdictions have different regulations based on technical factors such as the size of the boiler or whether it operates at certain pressures. With CSI being part of the Thermal InMotion business, we can leverage that expertise and be more efficient in serving our customers.

**How will the combination of CSI and Thermal InMotion set the stage for BHI to develop new opportunities for growth?**

Greg Seifert: In the last few years, the industry has seen a huge increase in rentals because many operations are downsizing their maintenance teams and doing less maintenance. That has led

some companies to have us put a technician in their boiler room once, twice a week, because our people have the experience, the skill set they need.

Jim Cipollone: For Thermal InMotion, engagement with customers can start as a rental opportunity, but with industrial customers lacking that technical expertise in-house, they want a company with the resources CSI has from a mechanical contracting standpoint to just take the project and do everything, including the subcontracting and interaction with the inspectors.

The same thing is going to happen the other way around: Long-time CSI Service customers will probably end up using Thermal InMotion because of their relationship with CSI.

**As you move forward, what needs to be done to make CSI fully integrated into the BHI family?**

Greg Seibert: Everyone recognizes that we at CSI Services bring a lot to the table and BHI also brings a lot to the table. It's a process to mesh the two businesses together, and I think we're making progress. Being part of a larger organization will create greater opportunities for CSI acquiring components from a larger pool of OEMs. It will also be extremely beneficial to add the ability to go out to customers and say we have rental boilers sitting in the shop.

Jim Cipollone: I look forward to being able to market our comprehensive capabilities as Thermal InMotion, not just when rental opportunities and opportunities in general come up. We're learning and we're seeing what we're capable of, and we're excited about the opportunity to target industrial projects from all angles.

Bryan O'Toole: We're really excited about the team at CSI becoming part of the Burnham family. The fact that we could add such high-quality professionals is a big plus, and we're excited about extending our reach into the industrial segment of the business. With the relationships CSI has already in place, as well as the ones we will build as part of Thermal InMotion, we'll understand better what those customers need, and we can improve our product offering with that knowledge, helping Burnham continue to grow.



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