

**1914**  
TRUST-QUALITY-VALUE  
**2014**

# 100 Year Anniversary





**Since 1914**



**1914**  
**TRUST-QUALITY-VALUE**  
**2014**

100 Years of Trust,  
Quality and Value





# h.b. mcclure company

Employee Owned

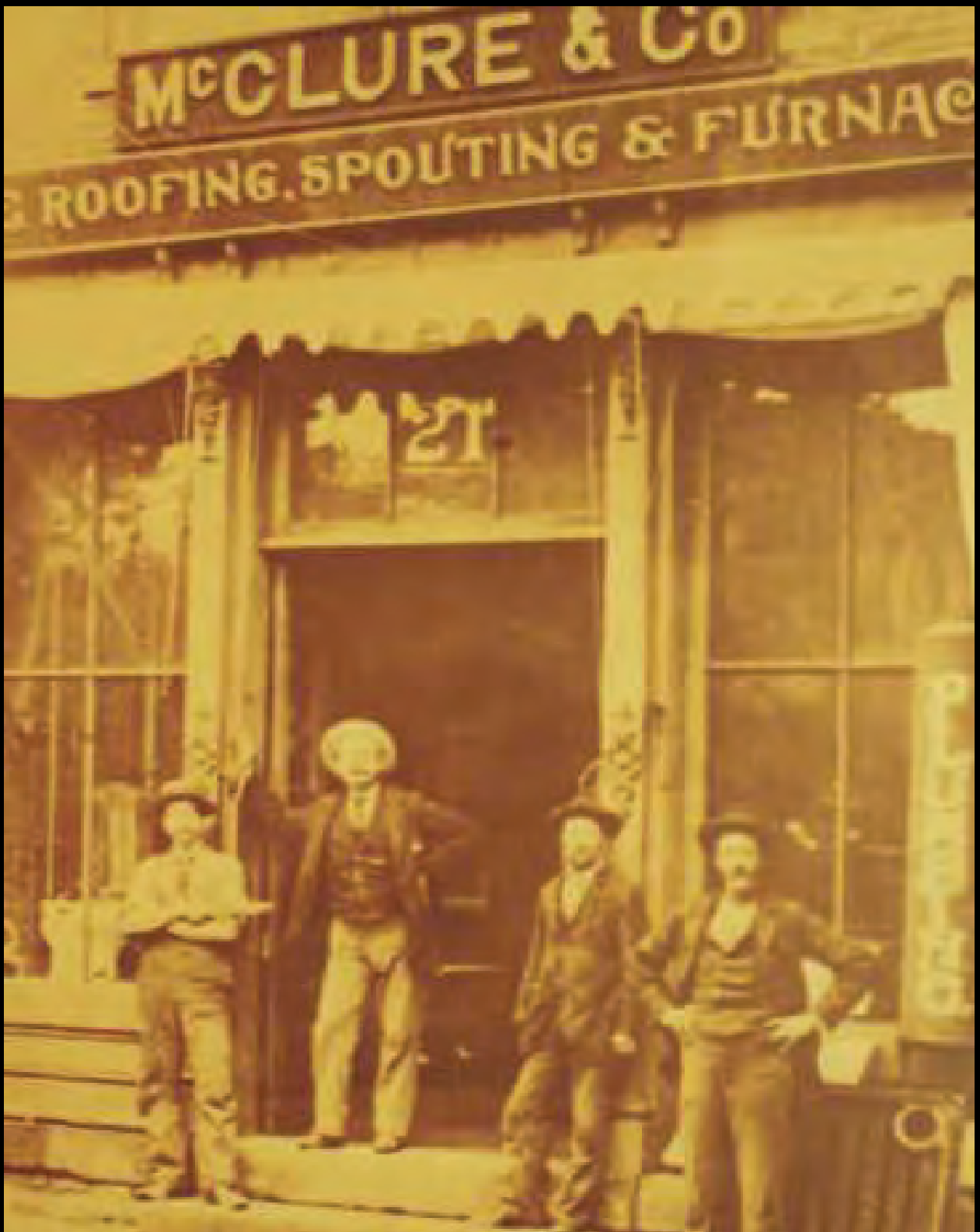
Trust, Quality, Value... since 1914



2013 Employee-owner group photo









When people think of HB McClure today, they often think of the company as central Pennsylvania's most trusted HVAC contractor, offering a wide range of services from propane delivery to commercial service and everything in between.

Most people don't know the roots of HB McClure: the small family business that sometimes bartered household items as partial payment but continually added new technologies and services that resulted in the company becoming the market leader that it is today.

In 1910 Herbert Bassett McClure (1889-1963), for whom HB McClure is named, moved to Harrisburg from Wooster, Ohio. He had experience working in the family business of sheet metal, plumbing, and tinning. Upon his arrival, Herbert McClure started working for Fisher Brothers located on 4th Street in Harrisburg.

Herbert then married Florence Fisher whose uncle Curtis was a partner in Fisher Brothers. Together, Herbert and Curtis formed Fisher McClure in 1914, a company whose services included plumbing, boiler installations and outhouses.



Herbert Bassett  
McClure



Bill  
McClure SR

Herbert was the first of what is now three generations of McClures working in the mechanical trades. Only 13% of all third generation family companies succeed. Herbert's business has done more than succeed. It has thrived and grown year after year, sometimes as

much as 20% even during recessions. Through the years, the company has provided secure employment as well as training, educational and management opportunities for hundreds of central Pennsylvania residents.

Herbert officially incorporated HB McClure Company in 1931. At that time, HB McClure Company was

principally involved in the sales, installation, and service of oil heating equipment and plumbing. Herbert also had an affiliation with Electrol heating products, which was one of the better boiler/furnace combinations available at that time. This paved the way for what became tradition at HB McClure – the early adoption of high-quality products designed to improve a homeowner's quality of life. HB McClure continues to be an early provider of newer technology, and was the first HVAC contractor to become proficient with geothermal technology during the oil embargo of the 1970s.



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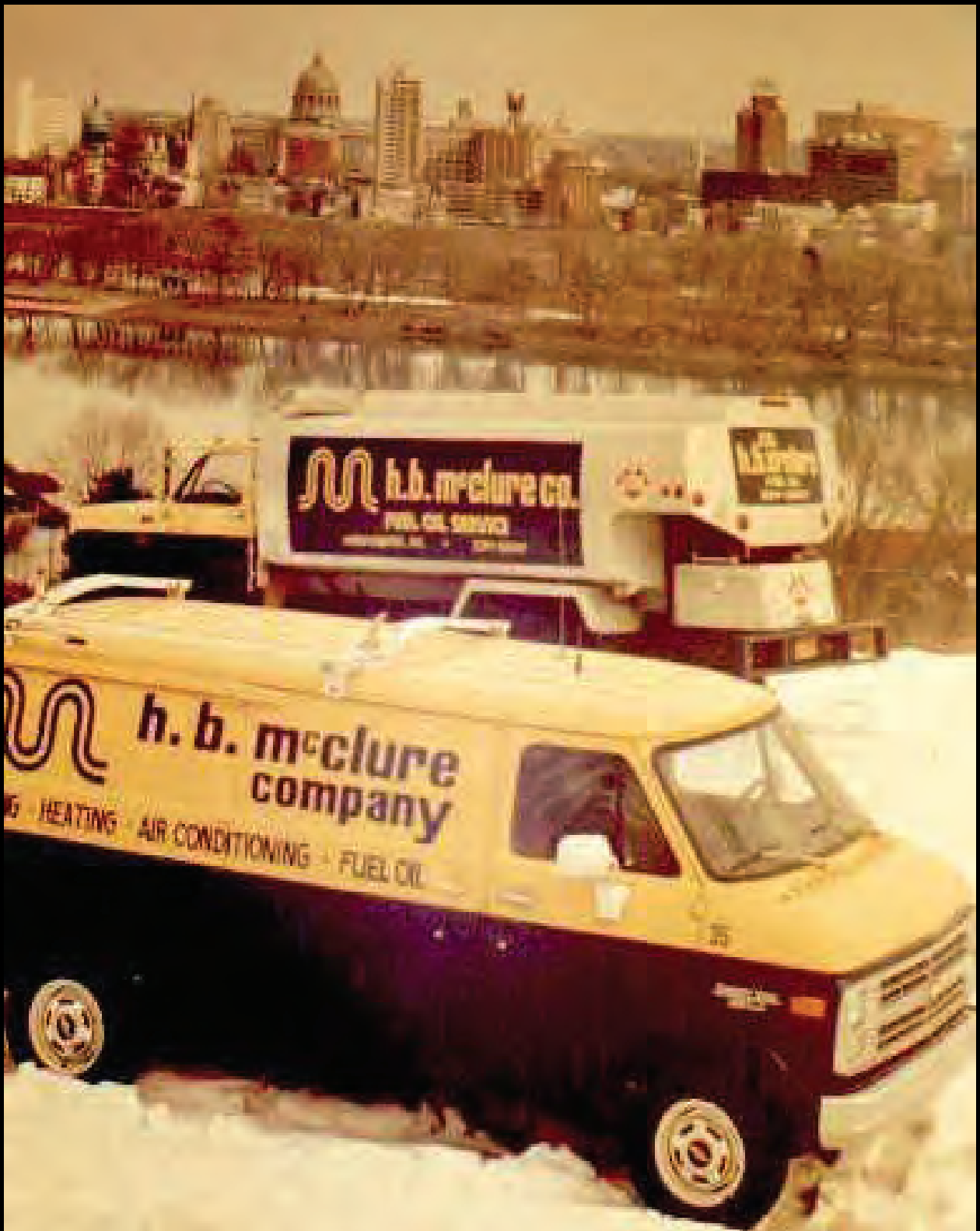
Bill  
McClure JR



Bob  
McClure

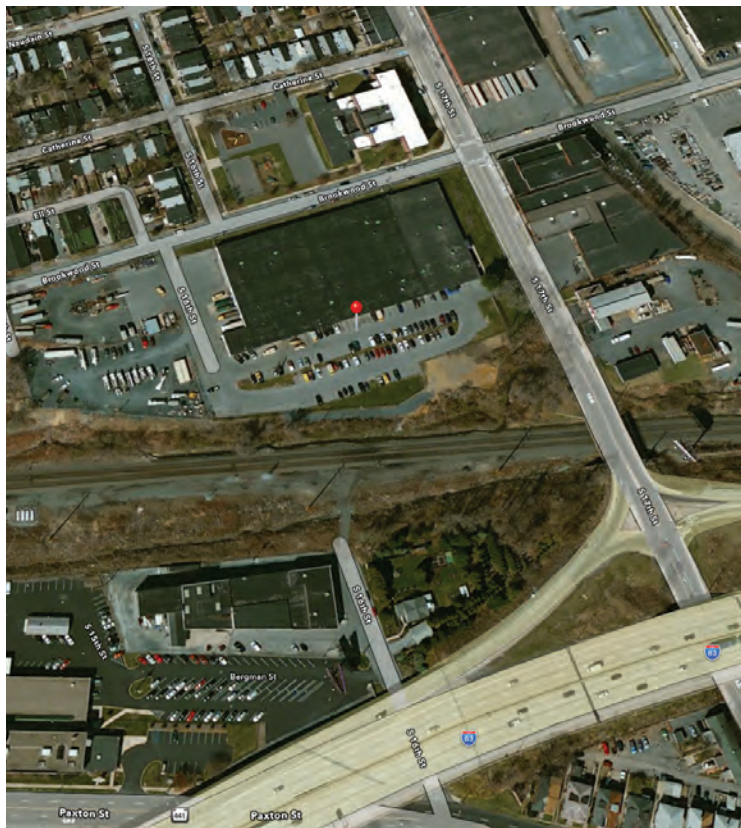








HB McClure was located at the 1515 Derry Street facility from 1931 until 1999 when it relocated to the present 600 South 17th Street property. Longevity and stability are key themes for HB McClure, a fact that is appreciated by employees, customers and vendors alike. Few companies in central Pennsylvania, particularly in the HVAC industry, can speak to the longevity and stability offered by HB McClure.















2007





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# The McClure Family's Imprint on HB McClure Company

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The vision that Herbert exhibited not only through the founding of the company but also the addition of new technologies has been mirrored by other members of the McClure family including his son, Robert F. McClure I, who joined HB McClure Company in 1935 and expanded it into a contracting entity.

Robert F. McClure I was lost as a POW victim after the Bataan Death March, at which point his younger brother William E. McClure, Sr. took over in 1946 with the understanding that he would eventually become president.



HB McClure expanded under Bill Sr.'s leadership in the 1940s and 1950s due in part to the post-World War II building



boom that naturally led the company to expand its fuel oil delivery and service to residential work. Sensing an opportunity to expand services with the introduction of oil burners, Bill Sr. purchased a used fuel oil truck, and HB McClure began to offer home

heating oil. That diversification has proven to be a wise move, because fuel oil delivery services continue to be an important component of the firm today.

Bill Sr. also saw opportunity in commercial work as larger construction projects were growing throughout central Pennsylvania in the 1940s and 1950s. But in order to secure state contracts, an HVAC contractor had to be a union shop.





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In order to meet this requirement, Herbert and Bill Sr. created a sister company to HB McClure: McClure Company. In 1952, McClure Company was formally incorporated as a Union-based mechanical contractor which Bill Sr. operated until 1969 when his eldest son, William E. McClure, Jr. returned to Harrisburg to work with his father.

Bill Jr. became president of the McClure Companies in 1974, and in 1984, he sold HB McClure to his brother, Robert F. McClure II. At this point, Robert II became president and owner of HB McClure Company in 1984 and Bill McClure, Jr. continued as president and owner of McClure Company.



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# Expanding Services, Laying the Foundation for Today's Growth

HB McClure expanded its service offering again in the early 1970s when the oil embargo brought the need to cultivate alternative energy solutions. In 1973 HB McClure was one of the first companies to design and install a geothermal heating and cooling system. The firm quickly became known as the most experienced geothermal contractor east of the Mississippi. Today, the company has expanded on their reputation as a premier contractor for residential, commercial, and institutional geothermal installations throughout central Pennsylvania.

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The energy crisis made it clear to HB McClure's leadership that home comfort was not something homeowners were willing to sacrifice. Starting in 1984, Robert F. McClure II brought even greater focus on service to the company. While HB McClure has always been a service-focused company, traditionally HVAC companies were heavily focused on product delivery (such as fuel oil). Robert II's vision was for the company to be able to provide 'quality' service to every property in which HB McClure installed equipment. This shift in thinking has helped propel HB McClure to the size and scope that it is today.

As of 2014, HB McClure has more than 225 employees, totalling nearly 2000 years of work experience at HB McClure. The current company has five departments that include: Residential Service, Fuel Oil and Propane, Consumer Department (residential new construction and replacement), Commercial Construction, and Commercial Service. All departments are supported by sheet metal fabrication, piping fabrication, warehousing, fleet maintenance and administrative groups.

Thanks to Robert II's sharp focus on 'quality' service, HB McClure has been able to weather the storm during bad economies. In the past 30 years, the company has grown at an average rate of 10% per year, achieving total revenues of \$37.5 million in 2013. When Robert II was asked about the decisions he made for the business, he simply said, "I wasn't afraid to grow."

Diversification was critical to growth and Robert II's significant strategic decisions included establishing a commercial design/build division and commitment to expanding residential and commercial preventive maintenance services. Additionally, his mantra of "do the job right the first time," has resulted in improved customer satisfaction, greater efficiencies in delivery, and a brand recognized for excellence throughout the market.





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# Today

In the early 2000s, Robert II began to consider new ways to keep HB McClure thriving. He hired Robert Whalen (Bob) as president in 2008. Under Bob's strong leadership, HB's long-term growth trend continues.

Bob supports the vision that 'quality' service is a key to sustainable growth, but also has strengthened HB McClure's foundation by acquiring like-minded, complementary businesses and/or their key assets.

Bob, along with CFO Andrew Henry, also spearheaded a critical move in ownership to ensure the company's longevity. In 2010, HB McClure transitioned from a private, family-owned business to an Employee Stock Ownership Plan (ESOP) in which every employee has become an employee/owner of HB McClure.

Bob Whalen and his executive leadership team have made numerous strategic acquisitions since 2008 to help increase the company's regional market share. CW Fritz (Lemoyne) and Freedom Propane (Mechanicsburg) were acquired in 2011 to expand HB's offering in propane and residential service. Derry Oil (Harrisburg) and Shelly Oil (Elizabethtown) were acquired in 2012, not only to deepen the company's oil offering but also in the case of Shelly Oil, to further expand services in Lancaster County. Feaser Mechanicals (Carlisle) and Henry Mechanical (Lancaster) were added in 2013. Henry Mechanical helps HB McClure strengthen its commercial relationships in Lancaster County and provides HB with a stronger commercial refrigeration offering. Each company was selected not just because of its product integration with HB McClure's service, but because of its cultural fit as well.

# HB McClure's Mission

While the services and technologies may have changed over the years, the core of HB McClure remains the same.

**Trust.** HB McClure strives to be a trusted partner for every product sold and service technician trained. With thousands of repeat customers, many of whom span multiple decades, trust is never taken for granted at HB McClure...it is earned every day.

**Quality.** HB McClure's leadership has always believed in doing the job right the first time. Quality at HB McClure manifests itself in all aspects of the company from the front desk to the job site and all facets of the business points in between.

**Value.** As a family business (which it remains today as all HB McClure's employees are truly family), HB McClure's team understands that homeowners and business owners want the same thing: Great value for their financial investment with HB McClure.

HB McClure has been a market leader for many decades. With the foundation of Trust, Quality, Value and an enduring customer-centric service philosophy, the company is well grounded to continue as a market leader for another hundred years.





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# HB McClure Timeline

1914

**Herbert Bassett McClure** bought into Fisher Brothers and formed **Fisher McClure**

The cost of gas is about \$0.12 per gallon depending on location: The cost of a new home is: \$6,156.00

Air conditioning comes home for the first time. The unit in the Minneapolis mansion of Charles Gates is approximately 7 feet high, 6 feet wide, 20 feet long and possibly never used because no one ever lived in the house.

1931

**Articles of incorporation for HB McClure**

Office moved to 1515 Derry Street

H.H. Schultz and J.Q. Sherman invent an individual room air conditioner that sits on a window ledge – a design that's been ubiquitous in apartment buildings ever since. The units are available for purchase a year later and are only enjoyed by the people least likely to work up a sweat – the wealthy. (The large cooling systems cost between \$10,000 and \$50,000. That's equivalent to \$120,000 to \$600,000 today.)

1939

Packard invents the coolest ride in town: the first air-conditioned car. Dashboard controls for the a/c, however, come later. Should the Packard's passengers get chilly, the driver must stop the engine, pop open the hood, and disconnect a compressor belt.

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1986

1st \$1,000,000 job – Cedar Run mid-rise senior living

1984

Robert F. McClure  
[50 employees]  
1st \$500,000 job – Simpson School renovation in Mechanicsburg

1982

1st \$100,000 job – West Shore YMCA renovation/expansion  
Moved warehouse to 10th and Mulberry Street

1979

1st off-site warehouse located at 17th & Chestnut Street

1987

1st commercial design/build water source project – McCormick building North Front Street

1990

Moved warehouse to 7th and Graham Street

1991

1st million sq/ft warehouse job – Sherman Williams in Fredericksburg

1993

1st commercial design/build geothermal project – Heritage Hills Hotel in York

## Acquisitions

Franks Oil – Late 1980s  
Benner Oil – Early 1990s  
C.W. Fritz – 2011  
Freedom Propane – 2011

Derry Oil – 2012  
Shelly Oil – 2012  
Feaser Mechanicals – 2013  
Henry Mechanical – 2013



**1942**

The United States builds its first “summer peaking” power plant made to handle the growing electrical load of air conditioning.

**1946**

Bill McClure Sr. started -  
[6 total employees]

**1948**

Begin selling fuel oil

**1950s**

In the post-World War II economic boom, residential air conditioning becomes just another way to keep up with the Joneses. More than 1 million units are sold in 1953 alone.

**1978**

Adopted distinctive Blue & Gold truck paint scheme

**1973**

1st residential geothermal installation

**1970s**

Window units lose cool points as central air comes along. The units consist of a condenser, coils, and a fan. Air gets drawn, passed over coils, and blasted through a home's ventilation system. R-12, commonly known as Freon-12, is used as the refrigerant.

**1969**

Bill McClure Jr. started  
[21 employees]

**1999**

Consolidated office and warehouse to current 80,000 sq/ft location South 17th Street

**2004**

Completed our 1st \$10,000,000 job – Bethany Village

**2008**

Bob Whalen  
[195 employees]

**2009**

1st commercial solar thermal job – Cumberland County Housing Authority

**2014**

**100 Year Anniversary**  
[225 employees]

**2010**

ESOP  
[202 employees]



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