

BUFFALO BUSINESS FIRST

30 years of insulation

Frank Kovacs co-founded
Shannon Enterprises in the 1980s.

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He can insulate anything

FRANK KOVACS CO-FOUNDED SHANNON ENTERPRISES 30 YEARS AGO



Shannon Enterprises was founded by three people in the late 1980s and Frank Kovacs, above, is the sole remaining owner. The business will celebrate its 30th anniversary in June.

Q&A

In the late 1980s, Shannon Enterprises started with three co-founders who created the Insultech brand platform for insulation products.

The company has steadily grown since with 70 employees and an international reputation for the ability to wrap complicated things in Insultech products.

Now owned solely by Frank Kovacs, 57, Shannon Enterprises continues to develop products manufactured from the home base in North Tonawanda.

The company recently opened a business in Hungary to take advantage of overseas demand for Insultech products.

Why has the company been so successful? We insulate things that are complicated and might not otherwise be insulated, so the customer can gain thermal efficiency or acoustic performance.

What kind of applications? Each requires a different approach. We can insulate anything from a gas turbine down to a chilled



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water pump with temperatures ranging from 2,000 to 40 degrees Fahrenheit. Our products are considered the best in the industry and we have a strong reputation as a quality manufacturer. We've partnered with a lot of Fortune 500 companies that use Shannon as almost the sole source of their product. We experienced a 38 percent growth in 2017 but our conservative estimate going forward is roughly 10 percent growth each year.

What is it about your products that customers like? We have customers all over the world who purchase both thermal insulation

and acoustic blanketed insulation. The concept is removability and reusability, so the products we produce can easily be removed and reused on systems that require frequent service inspection and repair.

What's it like to manage the growth of a manufacturing company in Western New York? We have a great labor pool in North Tonawanda and Western New York, with talented people who in many cases have a technical background connected to manufacturing. Certainly New York State and its tax environment is challenging for our business, but outside of that, I think in general the community has embraced us and we've done a good job managing our presence in the market.

North Tonawanda's downtown area has seen a visible resurgence in recent years. How do you feel about the direction of your community? We're fairly connected with the local community and I think North Tonawanda is moving in a positive direction. It's scaling up with improved investment in the downtown area.

– Dan Miner