

NEW HAVEN REGISTER

NEW HAVEN >> This is a story about salt.

It's a story of how one almost century-old business improved its main product, produced two more, boosted jobs and helped the environment.

For a few years, it wasn't the smoothest of journeys, but today New Haven Chlor-Alkali, more commonly recognized as H. Krevit & Company, is financially stable and poised for growth with a new owner, but the same team of longtime employees.

Thomas Ross, who was president and CEO of H. Krevit & Company, Inc., decided to adopt a greener technology, GreenChlor, in producing the commonly used product its founder developed in a garage in the Hill neighborhood in 1919.

That product is bleach and Ross determined he would make this using a brine of salt and hot water and running it through an electrolyzer in a new plant at its Welton Street home.

The process at the \$20 million facility deconstructs the salt and water molecules into elements that are then reassembled to make the bleach, (sodium hypochlorite) as well as caustic soda and hydrochloric acid.

"It is inorganic chemistry on a grand scale," said Bruce Wilson Jr., senior vice president for operations, who was brought in to help make the transition from the old technology.

The company had previously imported the caustic soda and hydrochloric acid for resale. Making them on site allows New Haven Chlor-Alkali to sell them at a higher margin.

To make the bleach, they previously brought in chlorine gas by rail.



N. C. Murthy, President and CEO of New Haven Chlor-Alkali, doing business as H. Krevit & Company, right, with Bruce H. Wilson Jr. senior vice-president of operations, left, and Thomas Ross, senior vice-president of sales, center, stand by a hydrochloric acid synthesis unit at the 97-year-old New Haven based company, Friday, May 6, 2016. New Haven Chlor-Alkali, as H. Krevit & Company, manufactures sodium hypochlorite (bleach), caustic soda and hydrochloric acid from salt to be used a water treatment chemicals.

“By switching to salt, we have eliminated over 100 rail cars carrying hazardous materials traveling through the Northeast every year,” Ross said.

“Our new process not only makes these products from safer materials, there is a cost benefit and there are quality improvements,” Ross said.

It took about five years to raise the money for the new plant, but when construction dragged on for 2.5 years, it put Krevit in a tough cash flow situation, requiring it to seek bankruptcy protection as its employees continued to work.

“We had to make changes. We had to bring in at the very least an investor. As it turned out, what we needed was a buyer,” Ross said.

N.C. Murthy, who runs eight real estate companies in Florida and a software company in India, bought Krevit, creating the new company, New Haven Chlor-Alkali. It also purchased the name H. Krevit & Company and the cache that came with the longtime business.

“Our customers know it well,” Murthy said.

Murthy said he was in the market for a company he could operate and teach business skills first-hand to his son, Arjun Murthy, 21, a recent graduate of Babson College.

Murthy said they closed H. Krevit & Company, Inc., the oldest manufacturer of bleach in the U.S., on March 23 and reopened the new company on March 24. At the time of the deal, the business employed 62 workers, including all of management.

“We never missed a delivery. No one missed a paycheck,” said Ross, who is the senior vice president of the new company; Murthy is president and CEO.

“That is the key thing we did to save jobs,” Murthy said.

In little over a month, the company has added more positions for a total of 74.

“We plan to grow and we are excited about the 100th anniversary in three years. More importantly, I wanted the employees not to fear the loss of jobs anymore,” Murthy said. “By adding more people that is a clear message that they don’t have to worry.”

Murthy said he is renovating the office portion of the company and signed a three-year agreement with the drivers and warehouse employees of Teamsters Local 443, awarding them their largest raise in nine years.



Bruce H. Wilson, Jr. senior vice-president of operations, left, of New Haven Chlor-Alkali, doing business as H. Krevit & Company, with employee Wilfredo Medina, a floor operator responsible for physically monitoring the quality control specifications of the machines used to create water treatment chemicals at the 97-year-old New Haven based company, Friday, May 6, 2016. New Haven Chlor-Alkali, as H. Krevit & Company, manufactures sodium hypochlorite (bleach), caustic soda and hydrochloric acid from salt to be used a water treatment chemicals.

In addition to the chemical plant, the firm has a fleet of trucks they use for delivery.

The three chemicals made at the new company are sold for water treatment purposes.

Ross said they distribute their products to drinking water facilities, waste water facilities, swimming pools and metal finishing companies. Krevit has the contract for all the public pools in New York City.

He said they service many municipalities within a 250-mile radius and have stiff competition from five other companies within that area. Their new process for making bleach has allowed them to reduce their prices.

Another local business got a boost from Ross' plan to use GreenChlor.

Gateway Terminal built a storage facility at the port in New Haven for the salt Krevit imports from Chile through Morton Salt.

"Not only have we created jobs here, we have created them in the New Haven terminal," Ross said.

He said salt is a major import in New Haven, much of which is road salt for winter use.

Ross said the salt they buy is four layers down, which is purer than table salt as it is not processed.

He said trucks from Gateway deliver salt to Krevit daily.

He said the company also partnered with the United Illuminating Company to bring in 13,800 volts and 300 amps of electricity to run the new plant, an undertaking that required the installation of 59 new utility poles and new wires for several miles to the Sackett Point Road substation in North Haven.

Murthy said they are looking into developing a co-generation system to produce their own electricity through either a fuel cell, a turbine or reciprocating engine.

This would help reduce their \$2 million annual utility bill, while also lightening the load on the grid. Ross said they could sell excess electricity back to UI.

A crew of Krevit workers and additional trades people assisted the engineering company that designed the new plant in putting it together over a six-month period ending last December.

The steel outer structure, called a butler building, was shipped from Texas and the large trusses that support the roof were sent to Connecticut Galvanizing in Glastonbury, another Connecticut firm that benefitted from the project.

Ross said they were also able to get some help from the state Department of Economic and Community Development as long as they met their goal of additional jobs, which they already have.

Murthy said the opportunities at the company to increase sales "is a win-win for everybody ... including the community."

"We only have good days ahead. The focus is to make the company very profitable so everybody is assured of long term employment here. We have the new plant. We have all the talent. It is ours to lose if we don't do it, so we will do it right," he said.