

Thomas S. Thoman
President
Airgas Merchant Gases, LLC
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Airgas, Inc. is the largest distributor of industrial, medical, and specialty gases in the United States, with more than 700 sales and service locations nationwide. Formed in 1982 by Peter McCausland, Airgas supplies industrial gases include oxygen, hydrogen, argon, helium, and nitrogen, and various gas mixtures for metal fabrication across a wide array of industries.

- ❖ Medical gases include nitrous oxide, breathing air, laser surgery mixtures, and lung diffusion mixtures.
- ❖ Specialty gases include research-grade, ultra-high purity, and specialty-blend gases used in analytical research, biotechnical, calibration, and emission monitoring.
- ❖ Related products include dry ice and liquid carbon dioxide used in food processing and service.

Airgas operates more than 180 cylinder fill plants, 17 acetylene production facilities, more than 50 specialty gas laboratories, and five hard goods distribution centers nationwide. Airgas is also the largest distributor of welding equipment and supplies and one of the largest distributors of safety and environmental protection supplies. In addition, they provide supply chain management, cylinder rental, local delivery, technical support, and bulk gas supply/delivery.

Thomas Thoman has a long track record in industrial, specialty and medical gases with over thirteen years of experience prior to joining Airgas. Tom started his career with Union Carbide with a chemical engineering background and worked as a process engineer and then moved into product development. The division he worked for was eventually sold to Amoco Polymer and was moved to Georgia.

Tom is originally from New Jersey and wanted to stay closer to home and was presented with an opportunity to work for BOC Gases. He joined the company as an engineer and learned about the gases business which he found very interesting. Although somewhat of an obscure business that most people know little of, the gases business impacts everyone's life as these companies make oxygen, nitrogen, argon, helium, carbon dioxide, and mixes of these gases that really touch every industry segment.

Tom loves the variety of the business interaction, one day at a hospital another day at a chemical plant, a third day at a steel mill. He likes to see how the gases and equipment they offer help their diverse customer base.

Along with learning about gases at BOC, Tom learned the details of the business. He moved into development engineering and then went into sales. He was somewhat reluctant at first to join the sales organization but decided the experience would be to his benefit in developing his skills. Once he made the transition he found the sales and the commercial side of the business very interesting. From sales he moved into sales management, then onto operations and product management leading to more

responsibility and eventually a global role in the company. Based on his varied experience and success in each role, he built a strong foundation in the industry.

In 2001 he was contacted by Airgas and meet with Peter McCausland, the founder and CEO of the company. Airgas is an entrepreneurial company, fast moving and Tom was impressed with Peter McCausland and the Airgas environment. He felt it was the company for him and his development. Tom has a philosophy guided by embracing growth, change management, innovation and risk.

Tom joined Airgas and it was the right decision for him. He has had a great deal of fun over the last eight years. When Tom joined Airgas it was near a billion dollar company in revenue. In the years since, he has seen a lot of growth, as Airgas is projected to be a 5.6 billion dollar company in the near future.

Airgas is all about growth and customer service. As president of Airgas Merchant Gases, he is responsible for the gas supply chain for the company. They make over 7,000 tons a day of products, they also buy gases from other manufacturers. They plan the entire supply chain of getting the product to the customer in the most effective manner, managing for the lowest total cost. Tom's time is spent building and helping a very good leadership team, pushing the business forward as apposed to reacting to the business. Safety first and exceeding customer's expectations, while working on strategy. Moving forward with the company's vision and strategy which is very tactical. He spends time following up with his management in accomplishing goals for the month and quarter. He also spends a lot of time in the field. He believes it is important to be visible and walk through the plants interacting with employee's, holding meetings with the employee's to communicate, getting everyone aligned and know what is important and what the goals are.

Tom's management style is based upon caring about people. The brand image of Airgas is based upon the people. He believes in thanking and encouraging employees. He goes deep into the business, keeps an open door to employee's and believes in an open and safe relationship with the employees. This is a common theme within Airgas. The employees are accountable and empowered to do what is right, safety first and then exceed customer expectations with clear goals for the employee's.

At Union Carbide Tom was fortunate to work with a gentleman named George Selensky one the largest patent holders for the company. He was teamed up with George who brought his sandwich lunch to work every day so he could spend more time thinking through his strategies, and he invited Tom to join him for lunch. They worked together for quite a while – George as the mentor. George taught Tom, at that time a young engineer many insights into the business and they now hold two patents together. George taught Tom the importance of building a broad foundation of knowledge in whatever you do as a profession, which enables you to create value in what you do. He taught Tom the meat and potatoes of the real world to make him successful and helped prepare him to have the confidence to be a leader.

At BOC Tom was also fortunate to work with Ned Galbally who took a chance on Tom who at the time was only twenty eight years old. He was placed in charge of a region for BOC and moved to Pittsburgh. It was a \$29 million dollar region, small for BOC but Tom was very young to be placed in this position. Ned taught him how to manage people, how to build a team and to lead them through advocacy. In the beginning Tom was impatient with people and learned over time how to build a team using advocacy,

building goals, shared methods. Four years later he left Pittsburgh and the region had grown to \$180 million in revenue.

Now working at Airgas he has learned about entrepreneurship and very much enjoys the environment. The day he walked in the door his mission was to change the ratio of gas to hard goods. This was done through some large acquisitions, huge acquisitions. They worked long hours, he learned a great deal, anything is a possibility. They are not afraid to try things.

Most of the 14,000 employee's of Airgas are on the local level, working with customers, not in the main office. The culture of Airgas is to keep the entrepreneurship alive within the organization to give it a competitive advantage. They are becoming more of an operating company and currently going through a large SAP implementation that will be finished next year. Using technology to aid in their competitive advantage.

Tom's advice in developing a career is he believes you have to differentiate yourself to be noticed. You need to get noticed by creating value, stand out from others. Do you want to come out of school and fit in? Or join an organization and be inquisitive, ask questions on how things work, how the company works, be creative? You have to want to make a difference and not just fit in. As a young boy Tom delivered news papers, he just did not deliver the paper but asked the customer where they wanted the paper placed. When he collected the money for delivering papers he would ask questions of customers, about cutting their lawn, washing and waxing their car, trying to do a very high quality job for his customers, giving the customer an extra effort in his work.

You have to be willing to try things in business. You have to be open to new things. When Tom went into the sales world his horizon got bigger. He learned how to build a wide foundation wanted to live in the world of possibility. He built a wide foundation of experience that enabled him to be a leader.

The future looks bright for Tom and Airgas. He wants to continue being the Sheppard for growth of the Airgas gas business.



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