All The Business It Can Handle

Nitrogen Pumping & Coiled Tubing Specialties Inc., which, understandably, tends to refer to itself by its acronym NFACT, posted a 10 percent gain in revenue in 1991 to finish at $3.6 million. The company ranked 58th in the 1991 Acadiana Top 100. The company serves the production end of the oil-and-gas industry and has increasingly broadened its scope of operations to the point that it is operating internationally.

"It's necessary to diversify in order to survive," says company Chief Executive Jim Rob Crawford. "We're involved in Mexico and Brazil, in natural gas producing end zones in Alberta, and we're building right now our first facility in Australia. I suppose none of the domestic drilling today is as far offshore. It's like being in a foreign country."

Because NFACT's activities are not linked to drilling, which suffered a severe downturn in 1992, but to production, the company is in a good position to weather the current economic storm. "In fact," says Crawford, "we had a very good year. Crawford says the company continues to grow steadily and has even taken advantage of its good position to cut some of its debt payments. He adds that geographic diversification is the key to withstanding a period of slowdown in production. Any company that ever had a crystal ball says it's better to be diversified, he jokes.

If the current talk about an investment tax credit becomes a reality, Crawford thinks it could lead to increased worker activity by independents. "If you see people building production, then you have less need for people who really can't drill for it. We won't see any major drilling without tax incentives. Still, based on today's production, Louisiana should remain a viable area for a good company.

But Crawford emphasizes that the local oil patch isn't enough to keep any company healthy. "If a service company does not diversify, and usually that means internationally, then it is doomed to become a dinosaur."

Sure it's easy to establish operations in foreign countries, Crawford says, but to find such good local partners. "We're in partnership in Mexico with a firm that's been in business for 35 years," he reports. "We have a relationship with the name, and it's been a very pleasant experience to work with them. It's kind of nice to be working somewhere where they still like us people."

Pictured with two NFACT patents.