



## Breathing new air: OGSi prepares to move to NT as business overseas booms

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Dozens of flags from foreign countries hang from the rafters of Oxygen Generating System International's Amherst warehouse. The decorations seem out of place among the machines, forklifts and tools that otherwise fill the facility. But for company President Joe McMahon, the flags serve as a constant reminder of how far his business has come. "We hang a new one up every time we do business in a new country," he said.

OGSI builds machines that separate oxygen from the air. The company's products are used in a variety of different locations, such as hospitals, fire departments, wastewater treatment plants, jewelry makers and fish farms.

McMahon, a graduate of the University at Buffalo's engineering school, started the company in 1995. It's grown from 10 employees to about 30 in the last two years.

McMahon hopes to add another 5 to 7 jobs within the next few months.

The company's growth has coincided with Chris Collins' addition as chairman, McMahon said. "The resources he's brought us have been tremendous," he said. "He's made a lot of funding available."

As part of that funding, OGSi is building a 40,000-square-foot warehouse on the former Wurlitzer Area B site in North Tonawanda. The facility will house both OGSi and Schlyer Machinery Company. The two businesses make up the Audubon Machinery Corporation.

Schlyer builds equipment to wash and sanitize different types of laboratory equipment. Having both companies in the same location will improve communication and efficiency, according to McMahon. "It gives us the opportunity to grow or acquire other companies," he said.

While OGSi currently does about 90 percent of its business overseas, it's developing products that may soon have greater domestic demand. A smaller machine ideal for filling oxygen tanks commonly used by fire departments and ambulance providers is currently on back order. "We sold about a half-dozen of these last year," McMahon said. "We sold about 14 of them last month alone."

With about 30,000 fire departments across the country, McMahon sees a market with great room for growth. McMahon knows first-hand how important oxygen can be to a fire department. He's served as volunteer with the Sweeney Hose Company since 2001.

Much larger equipment that provides oxygen for entire hospitals have been constructed for foreign countries such as Nepal and China.

"There are dozens of major medical facilities in China," McMahon said. "So there are tremendous opportunities there."

The U.S. military is another group with which McMahon has done business. He spent July in Iraq, watching as his machines were used in combat support hospitals throughout the war-torn country. "To see our equipment being used to help save lives was amazing," McMahon said.

McMahon also takes at least two trips a year to China and is leaving for Uruguay on Sunday. He admits his Chinese is poor and describes his Spanish as "passable." The company's success overseas is thus attributed to a quality group of distributors who work with industries and government agencies that purchase OGSi's product.

Growth has been steady, but McMahon knows there are untapped markets throughout the world. "There's about 150 countries. We're in 62," he said.

NT Mayor David Burgio said OGSi is expected to move into the Wurlitzer building within a month, McMahon said.

The new building is planned to comply with standards set by the U.S. Green Building Council. The group is a coalition of leaders from the building industry that promote environmentally responsible workplaces.

"It's costing a premium to build it this way," McMahon said. "But we estimate it will save us 30 to 40 percent less in annual utility costs, so it will be well worth it."

McMahon and his wife, Molly, have three children; Daniel, 13, Luke, 10, and John, 8. The family lives in North Tonawanda.