

ASPE Engineer of the Year

# Always serving the client

Mid-South Engineering's Larry Stephens is still active 46 years after company's founding

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Editor

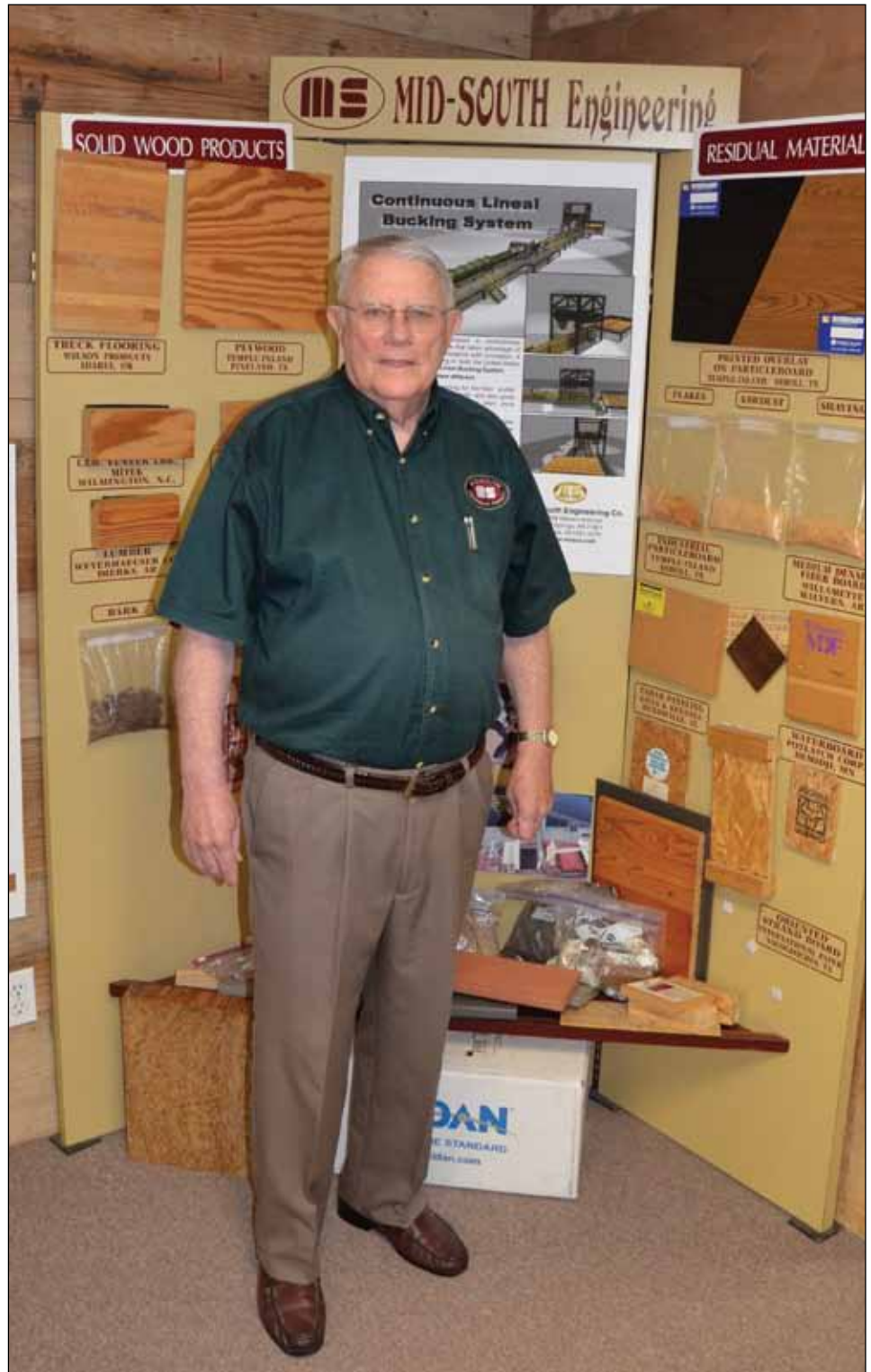
In 1969, Roy Murphy and Larry Stephens, both engineers, were faced with an uncertain future. Their employer, Dierks Forest Company, had been bought by Weyerhaeuser, and it wasn't clear what would be done with Dierks' Hot Springs engineering staff. Instead of waiting to find out, they decided to start Mid-South Engineering Company, now 120 employees strong.

Murphy has passed away, but Stephens, 79, is still the company's chairman, and because of his lifetime of engineering accomplishments he is also the ASPE Engineer of the Year.

"I think our key is the fact that our mission statement says that we serve the client and always work for the client's best interests," Stephens said. "And as long as we do that, and the client recognizes it, then we have a large following of repeated business from repeated clients."

Born and raised in Hot Springs, Stephens considered attending Texas A&M out of high school to study industrial management. Instead, not wanting to leave Arkansas, he chose the closest thing – an industrial engineering degree from the University of Arkansas, from which he graduated in 1958.

He then began working for Dierks, which sent him to Pine Bluff to work as a project engineer at a paper mill. After taking a six-month break to serve in the Army as a second lieutenant to fulfill an ROTC commitment, he then was assigned by Dierks to Hot Springs to work as a project engineer on a wood products facility the company was building in Broken Bow, Oklahoma. Once that project was completed, the company sent him to Broken Bow to serve as the on-site plant engineer for a year and a half. Then he was transferred back to Hot Springs as a senior project engineer.



**ENGINEER OF THE YEAR.** Larry Stephens, P.E., stands in front of a display featuring some of the products Mid-South Engineering's designs make possible.

He would never have to leave his hometown again. In 1969, Stephens and Murphy started Mid-South along with two other engineers, Jack Copeman, P.E.,

and L.C. Gaither, P.E. Murphy became president and Stephens became vice president and treasurer. Sensing a unique opportunity in a wide-open market with

few competitors, the partners decided to specialize in designing sawmills. The firm soon expanded from the Arkansas-Louisiana-Texas area across the South, up and down the East Coast and into the Great Lakes – “any place that there were trees,” Stephens said. It expanded into board plants, including those producing plywood, hard board and soft board products.

Today the company has about 120 employees, including roughly 35 engineers, with its corporate office in Hot Springs and satellite offices in Cary, North Carolina, and Millinocket, Maine. Project sizes range from \$1.5 million to \$120 million.

Sawmills are still a part of the company’s business, as clients must modernize to keep up with new technology. The company also has expanded into gypsum plants, and then, in recent years, bioenergy and mining. It has a steady stream of European clients setting up wood pellet plants in the United States and then shipping the product home to be used as fuel to produce electricity or steam. Scrub trees that won’t produce plywood are ground into chips and then sawdust, and then bound with adhesive into a small pellet. The fuel is especially popular in the United Kingdom. American firms also are producing the pellets for use in wood-fired home heaters.

Stephens said the wood products industry, which depends on construction and new home sales, is a barometer of the economy. Mid-South has weathered several recessions, so he’s learned that an economy is about to improve when clients start hiring the firm for early planning and feasibility studies. He said his firm has now seen part of that cycle and is in a period of stability.

### Re-engineering a horse barn

Mid-South Engineering’s Hot Springs offices originally were a hand-hewn horse barn built in the 1920s by Benjamin Kulp, the inventor of the three-ring notebook binder. Kulp would bring his executives to Hot Springs to make them work with his Shetland ponies as a team-building exercise. In 1975, Mid-South had an opportunity to buy the buildings and 33 acres at an affordable price from a member of the Dierks family who was moving and, Stephens said, “didn’t want anybody

to turn it into an asphalt jungle.” The partners saw its potential – the wooden barn fit perfectly with their company’s mission – and promised the owner they would use it for their offices.

“We were growing at that time, and we needed more space, and we thought it looked like a unique operation,” he said. “It was all wood. We were dealing with wood products clients, and they all appreciated it too when they came here.”

The company went to work re-engineering the barn, which at the time featured dirt floors covered with manure. Engineers cleaned and wiped down everything, turning stalls into offices. A back area where the horses once fed was enclosed and transformed into a conference room. The upstairs loft area is now a drafting and design area. The area where Kulp once showed his ponies to the public is now a reception area. Later office expansions kept the horse barn motif. Two-thirds of the acreage has been sold, and a house that was part of the complex has been leased to a doctor.

After 46 years in business, Mid-South Engineering knows how to serve its clients. It performs feasibility work and detailed cost estimates, then engineering design, and then project management assistance with supervisors on site. Once the work is done, Mid-South’s engineers go on site to help the client start up.

“And then we turn the keys over to the client,” Stephens said.

The firm’s success is a direct outgrowth of Stephens’ leadership. U.S. Rep. Bruce Westerman, a former Mid-South engineer who now represents Arkansas’ 4th District, described Stephens and Murphy as mentors. He said Murphy would tell the engineers to follow what he called the

“Golden Rule”: to treat the clients with respect and never forget that “the clients have the gold, so they were going to rule.”

“We never had a salesman in our engineering firm because our philosophy was that we were the salesman, and how we did on one project was the advertisement for the next project,” Westerman said.

Now 79, Stephens takes a less active role in the company. It’s now in its second generation of management, with Lee Murphy, P.E., Roy’s son, serving as president while Stephens’ son, Jeff Stephens, P.E., is an industrial engineer and company vice president. (Stephens’ daughter, Kerry Johnson, is married to a civil engineer and lives in Memphis.) While still the company’s chairman, Stephens now is focused on public relations and community activities. He has served on a number of boards and commissions in the past and is currently on the board of the Levi Hospital, the Oaklawn Foundation, and the Hot Springs Area Community Foundation. He also serves on the Dean’s Advisory Council for the University of Arkansas College of Engineering and is participating in the college’s new fundraising campaign. He also chairs a newly organized committee that is tasked with resolving Hot Springs’ ongoing water capacity issues. City Manager David Watkins said, “I’m a relative newcomer, but if you go to any type of event, Larry’s always kind of got a crowd around him, so I would definitely name him one of the leaders of this community.”

Even with all that, Stephens still makes time for his four grandchildren along with tennis and golf.

“I am not retired today, but I’m retreating,” he said. “I’m retreating toward retirement.”



Larry G. Stephens, P.E.  
ASPE Engineer of the Year



**Congratulations, Larry, from your family at Mid-South Engineering**

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