

What's in a name?

The Beginnings of the Schnabel Foundation Company and Schnabel Engineering

By Harry W. Schnabel and Jim Schnabel

A frequent occurrence for me at conferences is that I will be asked about the details of a project for which I am unfamiliar. As the discussion evolves, I realize that the project is one that involves Schnabel Engineering and not Schnabel Foundation Company. As I try to explain that we are not the same Company I get a puzzled look and the question, “You mean they are two different companies both named Schnabel?” So I thought it might be a good idea to explain how two completely separate companies with the same name, started by two brothers, Harry and Jim, came to be.



Harry, Jim, and Robert Schnabel

Harry and Jim were two of three brothers, the third being Robert, born to Harry and Marion Schnabel in Washington D.C. Growing up in Washington, Harry and Jim always enjoyed engineering and so both attended Rensselaer Polytechnic Institute (RPI) to get their engineering degrees graduating in 1950 and 1952 respectively.

After graduation, Harry worked for several years in Morocco, Detroit, and New York before returning home to head the Washington office of Spencer, White & Prentis (SWP), a leading New York firm that specialized in the design and construction of earth retention systems and underpinning. At the time, Washington was experiencing an office building boom and most buildings had underground basements to accommodate parking. Under Harry's leadership, SWP was at the forefront of this boom and did most of the available work.

After graduating from RPI, Jim spent three years in the Navy as a Civil Engineer Corps officer stationed in Key West, Florida. Jim then applied and was accepted to graduate school at Harvard to study soil mechanics under Arthur Casagrande and moved back to Washington to await the start of school.

During their time in Washington, the two brothers would frequently meet for lunch near Harry's office at 14th & K Street. The prime topic for discussion was always the ways and means of going into business together. The desire to start their own business was nurtured by their father, an orphan and self-made successful salesman who went to work after finishing the fourth grade in Little Rock, Arkansas. Their father had drummed into their heads the importance of being your own boss, as he had worked as an independent manufacturers' representative since the early 1930's, and had managed to put his three sons through college without borrowing a nickel.



Harry on an Excavation Support Project

Harry and Jim reached the conclusion that they should start their own Company specializing in excavation support, but first they would start a test drilling firm in the Washington area to allow Jim to become known to the local construction industry and become familiar with the subsurface conditions there.

At that time several companies offered test boring services, but they were located in Richmond, Baltimore, and New York. The new drilling firm would offer engineering recommendations and would be the first Geotechnical Consultant headquartered in the Washington area.

The drilling company was incorporated in June 1956 and called Foundation Test Service Inc. Jim devoted his full time to building and managing the new company which was funded mainly by Harry and Jim, but also with stock sales to their parents, brother Bob, and their father's business partner Klon Row. Harry and Jim owned an equal number of shares in the new company. Jim set up an office in a room off his bedroom in his parent's home in northwest Washington and the company tools and supplies were stored in his parent's garage. Later a soil laboratory was set up in the basement. One drill rig was kept busy initially, and additional equipment was added over the next few years. A steady stream of work developed from architects and structural engineers as the company became known for the quality of its work and its ability to meet tight schedules. The company continued to prosper although it was mainly a one man show.

Harry and Jim continued to meet for lunch and in 1959 decided it was time to launch Schnabel Foundation Company (SFC) with both investing equally in the new company. SFC initially had an office for Harry in the rear of Klon Row's office on Reservoir Road in Washington. Harry started with small jobs and continued to grow as he attracted experienced foremen and quality engineers to work for him.

The two brothers decided to split the companies in 1964 so each could follow their chosen career path. Harry was more interested in design build construction and Jim preferred consulting. They made an even trade for each other's shares, which resulted in Harry becoming the majority owner of SFC and Jim the majority owner of Foundation Test Service, Inc which later became Schnabel Engineering Inc. (SE).

SE was incorporated first as a professional corporation, and later as a commercial corporation in the early 1970s. Foundation Test Services Inc became a fully owned subsidiary of SE and was managed successfully by its president Jay Padgett for many years. It was eventually sold to Jay in 1993 and renamed the Geo Services Corporation. SE expanded its services and developed a reputation nationwide. The company has grown and with its subsidiary Lachel & Associates has over 300 employees working on projects throughout the world. Jim is currently retired from SE and lives with his wife near Annapolis, Maryland. SE became employee owned through an ESOP in 2010 and is currently headed by Walt Rabe.

SFC developed an excellent reputation and grew from its early beginnings in Washington to a major nationwide specialty Geotechnical Contractor. SFC developed many new design and construction methods and used them to maximize its competitive advantage. SFC's current product line includes cutoff walls, excavation support, jet grouting, landslide control, micropiles, retaining walls, secant piles, shotcrete, soil mixing, soil nailing, tiebacks, tiedowns and underpinning.

Harry continued to be involved in SFC until his passing in December 2003. SFC is currently headed by Kevin Cargill who has served in this position since 2013. SFC is owned by Harry and Bob Schnabel's family and some of SFC's key employees.



Kevin Cargill and Harry Schnabel