



Little Port Townsend company scores big by helping boats stay dry

by Deborah Bach on [January 24, 2012](#) in [Business](#)

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In his dozen years of operating a boat travel lift in Port Townsend, Rich Pindell got intimately familiar with why boat engines failed, and he discovered that fuel contaminated by water was a primary culprit.

So Pindell started thinking about creating something that could keep water out of boat fuel. That led to him founding Port Townsend-based H2Out Systems, which makes reusable products to prevent water contamination through the use of moisture-absorbing silica beads.

The company has garnered accolades from renowned marine systems expert and author Nigel Calder and was recently among 14 named to receive a 2012 [Pittman Innovation Award](#) from SAIL magazine, alongside such industry heavyweights as Raymarine Marine Electronics, Doyle Sailmakers and Spinlock — not bad for a six-employee operation that formed in 2009 and was repeatedly turned down by banks for funding.

“My dad taught me a long time ago that the way to get ahead is to observe the masses and do the opposite,” Pindell says. “And I followed it.”

H2Out Systems makes three main product lines: dryers for fuel air vents, space dryers and



One of H2Out Systems' fuel air vent dryers. The company's products contain silica beads that absorb moisture and turn color when they are saturated. Photos courtesy of Rich Pindell

dryers that take water out of hydraulic fluids. They come in various sizes and range in price from \$20 to \$450. When saturated with moisture, the beads in the products change from blue to pink and can be dried out by putting them in an oven or other heat source — an exhaust manifold, an electrical generator — of at least 250 degrees for an hour or so.

The company has impressed Calder, who says its fuel air vent dryer is his favorite product of the past year for its range of uses, easy installation, value and reusability.

“The H2Out product goes a long way to keeping moisture out of fuel tanks, which will greatly minimize the chances of getting bacteria,” Calder says. “It’s cheap, easy to install and can be re-used over and over. It should be standard equipment on all marine fuel tanks.”

Though Pindell launched his company with the boating industry in mind, he says there’s been interest from other sectors and for a variety of uses.

Two Washington sports goods retailers, Sportco and Farwest Sports, are selling the space dryers to gun collectors for use in storage safes. The U.S. military is interested in the hydraulic systems, Pindell says, and a local RV company plans to start installing the space dryers in the motorhomes on its lot to prevent them from becoming moldy in the Northwest’s damp climate.

“The RV market went crazy for it,” he says. “They’ve really taken us in.”

An inquisitive mind

To understand how and why Pindell started his company, you need to know a little something about him. He comes from a family of engineers, is a sound engineer by trade and reads physics books for fun. An inquisitive youngster fascinated by the U.S. space program, he peppered his mother with constant questions along the “How does this work?” variety.

When Pindell was 8, his exasperated mother, who was from Texas and had family connections to the space program, suggested her precocious son put some of his queries in a letter to NASA’s mission control center in Houston. Within weeks, the little boy got a letter back that mentioned the use of desiccants, substances that act as drying agents, in the space shuttle.

From then on, Pindell obsessively collected the packages of silica beads that are packaged with shoes and other consumer items, so many of them that more than one

girlfriend insisted he throw them out.

Not surprisingly, he took a methodical approach to starting his company. He took a class on biodiesel and picked his professor's brain about fuel contamination. He researched NASA's testing of desiccants in the 1940s and '50s and dug into the history of companies that had developed products for them. He studied the makeup of fuels, researched fuel-resistant plastics.

Then Pindell set out to make a fuel air vent dryer that would let recreational boaters to avoid having to fill their fuel tanks for the winter, thus helping improve fuel efficiency by not hauling a full tank of fuel around. He fashioned the dryer out of silica beads, electrical tape and a document holder made of fuel-resistant plastic that he bought at an office supply store.

He developed a business plan and took it to numerous banks in search of funding. All turned him down, he says, not seeing the value in a company making products that can be reused. He was told his venture would be more likely to get funding if he took the manufacturing overseas, since the margins would be higher.

"(The banks') big objection was, 'Why would you build something that's going to last forever?'" he says. "They said that's not business as they want to fund it."

Undeterred, Pindell turned to investors and has so far raised about \$390,000. He's kept his manufacturing close to home, hiring Port Townsend Foundry and other local companies to make various parts. He even buys his office supplies locally.

"I'm trying to keep my own community in the loop and use as many local jobs as I can," says Pindell, who grew up in Port Townsend and now lives in nearby Chimacum.

"My (goal) is to create a strong manufacturing base that can continue representing itself in my community here in years to come."

The company began testing its products in 2009. One test involved putting an air vent dryer in a 55-gallon drum for 24 months. When three quarters of the fuel was poured out, "there wasn't even a piece of particulate or cloudiness and zero water in the fuel," Pindell says.

At last September's Wooden Boat Festival in Port Townsend, H2Out Systems garnered the type of publicity that money can't buy. It attracted the attention of Calder, who stopped by the company's booth, spent some time chatting with Pindell and bought a couple of

products.

After Calder mentioned the company at his talk the following day, Pindell says, dozens of people started showing up at the booth. About 75 pieces were sold that afternoon. Calder, who now uses one of the company's space dryers to keep his boat freezer from icing up, is a contributing editor for SAIL magazine and later nominated the company for the innovation award.

"It's one of those, 'Why didn't I think of that?' things," Calder says.

The company's products have also impressed Eric Daigneault, port captain and engineer for Penn Cove Shellfish, based in Coupeville, Wash. Daigneault said H2Out's products have helped keep condensation out of the hydraulic systems and fuel tanks on the company's processing vessels

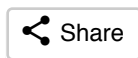
As a result, he said, the company no longer has to change the filters on its hydraulic systems every week, which helps cut costs, Daigneault says.

"I'm happy with the product," he says. "I would recommend it. I would definitely say it's saved us some money."

H2Out Systems' products are currently available on the company's [website](#) and Pindell is hoping to soon have them in retail outlets. If interest so far is any indication, he says, the company has enormous potential for growth.

"We're sitting on a rocket ship and somebody has already lit the candle and it's starting to rumble," he says with a laugh. "We're afraid of keeping up with demand, but we're pretty happy to have that as our concern."

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About Deborah Bach

Deborah Bach is the co-founder of Three Sheets Northwest. She is a longtime professional journalist, avid sailor and travel junkie. You can find Deborah aboard her Passport 40, Meridian, with her husband, Marty, and their cat, Lily Winston Churchill.

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7 Responses to *Little Port Townsend company scores big by helping boats stay dry*



Jerome Nelson January 19, 2018 at 9:06 am <#>

REPLY

This product is very much required to filter my vents on 2 -120 gal. tanks on my houseboat based in LaCrosse, Wisconsin. I would like to see and order your product if you can send some information, please.

E-mail or snail mail ,Jerome Nelson,106 Irene place, Holmen, Wisc. 54636



Scott Reynolds March 14, 2012 at 8:43 am <#>

REPLY

Nice to see the American dream coming true, yet again. I am an avid sailor based in Penobscot Bay, Commercial/Military pilot with several years of outside sales experience in the Paper Mill industry. I can see where this company is headed and would be interested in representing H2out in the State of Maine. When will production support a serious sales effort on

the East Coast?



Rich Pindell November 29, 2012 at 10:11 pm #

REPLY ↩

Hello Scott,

Please contact me if you are still interested in representing our product.

Best regards,

Rich Pindell



Kaci Cronkhite January 27, 2012 at 5:08 pm #

REPLY ↩

When Rich first told me about his idea he had Pax in the travel lift sling. Next thing I know, he's putting one of the prototypes on the boat. Wow! It worked! He kept records, kept revising the design, expanded the ideas with the newly formed team. This kind of innovation is happening throughout the boatyard in Port Townsend and the Wooden Boat Festival has been an incredible testing ground, fertile soil for partnerships, national and international link ups and educational partnerships. My favorite part of festival was connecting people. The Nigel & Rich win-win is a perfect example and there are dozens more every year. I'd encourage anyone and everyone to carefully explore all the exhibitors and presenters. If you are an inventor, bring your ideas! There's a gold mine of talent, experience and as we all appreciate...no shortage of passion for making the world a better place.

Speaking of stellar small businesses... here's a shout out big thanks again to 3SheetsNW for some of the best and some of the ONLY coverage of many boating topics! Keep up the great work!



Bruce Rawlins January 24, 2012 at 5:11 pm #

REPLY ↩

I wonder if that would help solve the problems associated with the new alcohol fuel blends?



Rich Pindell February 5, 2012 at 11:42 am #

REPLY ↩

Hello Bruce,

Yes, this will help preserve the new alcohol fuel blends. They too are affected by water contamination that the AVD will stop!



Scott Wilson January 24, 2012 at 2:55 pm #

REPLY ↩

Man... I *knew* I should have taken the time to check out the booths at the show last fall. These would have been perfect here over the winter!

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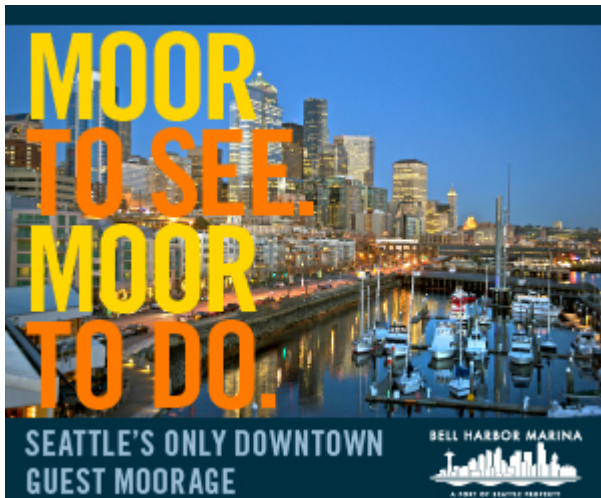
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