

# Entrepreneur moved from urine enzymes to being tops in portable toilets

By [Bill Shea](#)

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At least Earl Braxton had his Porta John Corp. subsidiary to fall back on when visions of an Enzymes of America stock sale came crashing down after Black Monday in 1987.

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Earl Braxton could never make pee pay.

Thirty years ago this week, the Utica entrepreneur unveiled in the pages of Crain's his plan to go public with **Enzymes of America**, a company he launched to extract enzymes from human urine for medical research purposes.

## **From the archives: Public stock sale set by Utica biotech firm (Feb. 18, 1985)**

He got into the urine enzyme business because he had randomly met a scientist who needed vast amounts of urine, and Braxton owned a portable toilet business that had millions of gallons of waste available from his **Porta John Corp.**

The idea was to sell the enzymes to research firms, which at the time were using urine-derived enzymes, rather than more expensive synthetics, for things such as blood clotting treatments.

After spending more than \$1 million on research and design on filters for portable toilets and attracting interest and funding from biotech firms, Enzymes of America was ready for its IPO in October 1987.

And then came Black Monday.

That was the devastating global stock market crash on Oct. 19, 1987, which saw the Dow Jones industrial average plunge 508 points, losing nearly 23 percent of its value.

"That just destroyed me," Braxton said.

Analysts told him an initial public offering would have raised \$5 million, but the crash killed investor interest, he said.

But unlike other businesses that went under that year, Braxton could fall back on his temporary-toilet company for sustained revenue. Porta John was a subsidiary of Enzymes of America.

"We survived because we had a core business that made money," he said.

It wasn't long after that, Braxton said, that he gave up on the urine business to concentrate on portable toilets.

In 1991, he closed out Porta John Corp. and created **Porta John Industries Inc.** as an entirely new company.

While Braxton's voice is cheerful, there's a distant hint of frustration that forces beyond his control kept Enzymes of America from becoming a major player.

Even before the crash, Braxton faced an uphill climb in going to market because he wasn't a scientist, and biotech companies were wary of buying into products their own labs hadn't invented.

"We were naïve. It's irrelevant if you have a better product," he said. "Our problem was, we were more cost efficient but we couldn't get past the not-invented-here stigma."

Braxton, 74, said he was able to raise about \$3 million privately, but he thought he needed the IPO to have the cash on hand to formalize research and marketing efforts.

"We raised a lot of money, we went to the drug companies and they gave us a lot of money," he said. "The Japanese do a billion a year off urine collected in Asia."

After the crash, he didn't have the desire to start over, he said, and in retrospect he's glad the IPO didn't happen.

Mac Gerlach, managing director and partner at Southfield-based investment banking and venture capital firm **Cascade Partners LLC**, isn't surprised at Braxton's story.

Bringing anything to market in biotech is difficult and expensive, and Braxton not being a scientist would have exacerbated the complexity, said Gerlach, who has

degrees in chemistry and cellular/molecular biology from the **University of Michigan**. He's also been part of biotech startups and also invested in them.

"It may be that they didn't have enough data to convince anyone it was hard science. It probably didn't help that he wasn't a scientist," Gerlach said. "It's more of a risk problem than anything. Everybody wants the product that has the least amount of risk."

Companies that buy biotech technology typically do so after the inventors have spent millions on the science and also on due diligence for intellectual property rights and other legal issues, Gerlach said.

In the 1980s, Braxton had few options other than to go public for the millions of dollars such a venture would need, Gerlach said. That's because the sort of super angel investors who fuel such ventures today didn't exist then.

"I wanted to do the protein business real bad, and I needed the portable toilet business to do that. It was just too costly," he said. "If I had my druthers and the money, I'd get right back into it. But this is so easy."

### **Portable toilet king of Utica**

Porta John kept Braxton from becoming another of the Black Monday casualties.

He started his business career as a tax accountant in metro Detroit, mainly for small hospitals and businesses, and he said he bought what was then called Porta John Corp. for \$5,000 in 1969 from a client who owned part of it and owed Braxton that much money.

Portable toilets then were mostly wooden sheds with a steel floor, a slat seat, and a cut-down 55-gallon steel drum used to collect the waste. They were delivered to clients in the summer and picked up the following March.

"It was kind of repulsive, to be honest with you," Braxton said. "My wife almost left me."

He didn't do anything with the company until a couple of years later when he discovered at the Library of Congress that portable toilets were about to be governed by the federal **Occupational Safety and Health Administration** — creating a legislated market — that he decided real money could be made from Porta John.

"I said, 'I am going to make this into a hell of a business,' " he said.

He began experimenting with fiberglass stalls to replace the wooden units, and later switched to the cheaper and safer heat-shaped plastic stalls that are so well known today.

Working with fiberglass was a health risk, and he said he gets multiple medical tests annually as a result.

Braxton had to learn woodworking and other physical skills from scratch.

"I was a desk jockey before that," he said, laughing. He and his company manufactured about 10,000 fiberglass stalls before the switch to plastic molded stalls in 1977.

Along the way, he was sued by Johnny Carson — who eventually prevailed — after Porta John began using the iconic "Here's Johnny" slogan to market its toilets.

By the 1980s, Braxton was doing upwards of \$5 million annually from selling, leasing or franchising portable toilets, he said.

Braxton tells an amusing story about how he got into upscale portable toilets: He was traveling through Phoenix with his wife in the late 1970s, and when she needed to stop to use a bathroom, she completely rejected his suggestion of using one of the thousand or so Porta John portable toilets they had passed.

Because, she said, portable toilets are gross.

"I said, 'I've got to make one you can use,' " he said. "I wanted to get rid of the portable toilet no one wanted to use."

After that, Braxton had the idea of manufacturing and selling portable toilets that are much more like a bathroom you'd find at a home or business — an idea he kept on the back burner, tinkering with ideas and designs over the years.

"I had a lot of flops. Nothing works the first time," he said.

The general idea came to be a ceramic flush toilet and sink, a mirror, and a water hookup so that malodorous chemicals are unnecessary and all waste moves outside the unit to a sewer or a holding or septic tank.

Third-party companies later dispose of the waste for the units that need it.

The units, called the Comfort Station, come in a range of portable and permanent models, from modest stalls to larger, tiled luxury lavatories. Units that accommodate people with disabilities are available.

The average retail price of a Porta John lavatory stall is \$3,860, and Braxton said he expects that to increase to \$4,200 later this year.

The priciest single stall is \$9,000, while a three-stall building retails for \$33,000. The cheapest is \$2,800, he said.

He did \$1.4 million in 2014 sales to 640 different clients, he said. He's working on an online marketing strategy with a goal of boosting sales to \$4.5 million by 2017.

Braxton designed and patented what would become the Comfort Station, and went to market with the first units in 2003. He got his patent a year later.

The company manufactures its toilets and ancillary products (such as hand-washing stations, showers, decontamination stalls, and toilets designed to double as hunting blinds) at a thermoforming plant in Utica that employs a dozen people.

"I've been kicking ass and taking numbers ever since," he said. "My phone rings off the hook. I get 20-30 emails a day for orders."

In one week earlier this month, Porta John sold 58 toilets for \$191,000, he said.

Braxton said he's backed up with two months' worth of orders.

One of those orders is for a pair of Comfort Stations for the third floor of the **Old Shillelagh** bar in downtown Detroit.

In March, Porta John is scheduled to replace a pair of older stalls with 51-by-51 Comfort Stations that have hot and cold running water, in time for the Irish bar's massive St. Patrick's Day party.

"I think it's one of the top-of-the-line units," said Rory Osborne, the bar's property manager.

Other Comfort Station customers, Braxton said, include the president of Haiti and the U.S. presidents using Camp David, the presidential retreat.

He said he also sells to the **U.S. Navy**, widely to the oil industry, and to upward of 80 Fortune 500 companies.

"The one percent can afford me," he said, chuckling.

The oil industry is his largest client, and his products are used on ocean oil platforms and in remote drilling locations such as Africa, he said.

His former toilet rental business was used for the masses. At one point, it had 85 branches across 26 states, he said.

The 1996 Summer Olympics in Atlanta used his portable toilets, and the games

grossed \$3 million, he said. His temporary lavatories were used at Woodstock 1999 in Rome, N.Y., which attracted more than 200,000 music fans.

His products also are used at nuclear plants, and for emergency and disaster relief agencies, he said.

Porta John had a franchise business, which Braxton sold to about 20 different buyers in 2006 so he could entirely concentrate on Comfort Station as a direct sales product. But today, he's mulling the idea of franchising again.

While the Comfort Station is the backbone of his business, Braxton said his product line is 22 items, and he has patent applications in the works that could add another 10.

Even larger money is out there, but Braxton said he no longer wants the hassle of becoming the much larger company he envisioned a few years ago.

For example, the company had a tentative agreement for a \$130 million contract that fell apart with the Saudi Arabian military for Comfort Stations in 2010 after the Arab Spring uprisings roiled the Middle East, he said.

That's OK, he said.

The booming market — and a lack of personal business stress — over high-end portable toilets has Braxton cheerful.

"I don't want to build the business where I need 100 employees. Been there, done that, and I don't need the pain," he said.

Braxton also has proved Internet savvy. In the 1990s, he said, he bought a thousand domain names. Among them was the URL that is his primary business link online: Toilets.com.

He said he's been offered \$4 million for the name, and another \$200,000 for PortableRestrooms.com, but he's not selling. He's a toilet guy.

"It's an interesting life. I am really proud of the products I make," he said.

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