

COMPANIES **STEP OUTSIDE** THEIR TYPICAL
MARKETS TO DRUM UP BUSINESS

CONQUERING



Robins & Morton executives break ground on an Olin Chlor Alkali Membrane Conversion plant in Charleston, Tenn., the first project for the firm's new industrial division.

NEW TERRITORY

BY JESSICA PORTER

If someone asked Derrick Wallace five years ago where he would be today, he never would have guessed the answer would be leading Construct Two Group into Africa to build a new city. But being based in hard-hit Orlando, Fla., this was the best way he found to keep the company afloat.

"This was my effort to keep my people working and to provide a future for them," says Wallace, who is chairman of Construct Two Group. "I've been through tough times, but never to this extent."

Last October, Wallace traveled to Africa at an economist's recommendation for a potential project in Lekki, Nigeria.

Lekki is a free trade zone that will be constructed in phases over 10 years. The roughly 100-square-mile area is located on a picturesque peninsula, bordering a lagoon to the north and the Atlantic Ocean to the south. This area appeals

to contractors because it is tax free, has no complicated permit processes and bans strikes for the first 10 years, among other incentives that aim to draw business.

After assessing the risk involved with taking on a project overseas, Wallace agreed to form a joint venture with EXIM Group Investment AG, an Orlando-based holding firm specializing in construction.

Construct Two Group is contracted to be the program manager for all design and construction in Lekki. The plan includes building more than 20,000 homes, an airport, a seaport, schools, bridges, roads, a downtown area, water treatment and sewer plants, and office buildings. Currently, the firm is in the early stages of infrastructure design.

Although construction doesn't kick off until the beginning of 2012, 10 employees left for Nigeria in August to begin program management. Staff members are accustomed to building a variety of projects—such as schools, universities, convention centers and even rides at Universal Studios theme park—but many have never left the United States and are excited about the prospect of working overseas.

"The second time I went, 90 percent of my staff had passports before I got back," Wallace says.

Although nothing is certain yet, Wallace plans on negotiating a three-year contract with employees that allows them to return to the United States on their own as frequently as they want, and twice at the company's expense.

Risk accompanies any project of this magnitude, particularly one in Africa, but Wallace is confident everything will run smoothly.

"I know there are a lot of stories about Nigeria, but contractors are working all over the world. So I just looked at Nigeria as an emerging nation," Wallace says.

He also was comforted by the payment system in Nigeria, which differs from the United States because money is advanced before a project starts. Also, the way Construct Two Group will execute the work is different. For example, 95 percent of the projects they have completed in the United States were construction manager at-risk and 5 percent were project management. In Nigeria, that will flip.

Wallace also was impressed with Nigerians' views of construction and interest in being energy efficient.



ROBINS & MORTON



CONSTRUCT TWO GROUP

Derrick Wallace (right) with other executives involved in constructing the Lekki Free Trade Zone.



Small Acts Leave Big Impressions

Sometimes all it takes to rise above the competition is a bit of resourcefulness and a lot of imagination. Take it from innovative thinkers at companies such as Wohlsen Construction Company and Aguirre Roden Building Systems, Inc., whose unique business development ideas helped draw clients' attention.

Meeting over Wine

David Pinson, senior vice president of Dallas-based Aguirre Roden, which celebrated its 50th birthday in August, knows a company must stand out from the crowd in order to acquire and retain clients.

"One of the things you always try is to get in front of clients," he says. "You're trying to find what commonality you can reach out with."

For one potential client, Pinson found that commonality in wine. Because the grocery store with his favorite wine is more than 600 miles away in Santa Fe, N.M., he has to stock up on a few cases whenever he happens to be in the area. So when that store announced it would be coming to Dallas, Pinson knew he had to grab their attention.

He decided the most effective way to introduce Aguirre Roden to the store was to create a custom label, with the company name and logo on the front and the company's divisions on the back, and send it to the employees in charge of the project.

"It's about looking at your customer, seeing what their needs are and how you can connect with them on a more personal note," Pinson says. "The uniqueness of it gives us a much better chance of getting a call back and that instant recognition."

Although no decision will be made until 2012, Pinson is confident Aguirre Roden's name will be top of mind when it comes time to build the grocery store.



"They are looking to have construction performed in the same way as Americans in terms of quality control, safety and LEED certification," Wallace says. "They are very astute to what construction should be."

BREAKING BOUNDARIES

As Birmingham, Ala.-based Robins & Morton is discovering, a company does not have to travel across the Atlantic to take a bold step. What began as a friendship among three people who worked for competing companies in the same city has grown into an experienced and powerful team transforming Robins & Morton into a more diverse company.

Bill Morton is CEO of Robins & Morton, a 65-year-old firm with roots in industrial construction before it grew into the health care sector, where it has been a leader for the past 35 years. Morton pinpointed Edward Cassady, who previously worked for an investment firm, as an executive who could help the company diversify. In the course of their discussions, Cassady recommended creating a new division focusing on the power and industrial markets.

Then came the third piece of the puzzle, Bryson Edmonds, who had previously left his job with an industrial construction firm. Edmonds was the natural choice to become the new division's leader. Morton knew their expertise in investing and industrial construction was exactly what the company needed to successfully execute the division's goals.

"This effort developed over a long period of time," Morton says. "It is by far our most significant initiative to add other types of work."

Both new team members were longstanding providers to the industrial and power sectors and brought trusted client relationships to Robins & Morton.

"We have been able to aggregate a team that has an incredible number of years of experience and very strong client relationships," Edmonds says. "We have been very heartened by the interest shown by clients."

The division was awarded an \$80 million project in June on an Olin Chlor Alkali plant in Charleston, Tenn., which will create 400 new jobs.

Eagle Parade

Wohlsen Construction Company, Lancaster, Pa., has received more than 100 Associated Builders and Contractors' chapter and national Excellence in Construction Eagle Awards during the past 21 years.

When the time came to open a new office, the firm faced the task of transporting the awards down the street to the new location. Instead of boxing the eagles up and hiring a moving truck, an employee suggested a "parade" of awards.

About 75 employees carried all the eagles to the new building, with a bagpipe-playing staff member taking the lead.

"The funny part is, the new office is on the other side of a busy highway, so we had construction guys with safety vests stopping traffic on Friday afternoon so 75 people could march across," says Bill Forrey, vice president of Wohlsen Construction Company. "It looked kind of unusual if you were stuck in traffic."

The event attracted local media attention, including a segment that aired during the Friday evening news. Because Wohlsen Construction Company never made a big deal about receiving the awards, many clients were pleasantly surprised to learn what the company has accomplished.

"Our CEO immediately had several emails from clients saying, 'Wow, I had no idea you had received that many awards.' It was very impressive," Forrey says.

Rather than being spread out like in the old office, the awards are showcased in the new building so employees can see how their hard work has paid off. Forrey says recognition generated by the event has been positive for the company.

"When the awards were being carried up the street, I sensed it was a reminder to our folks that they have done a good job over the years," he says.

— Jessica Porter



WOHLSEN CONSTRUCTION COMPANY

Client-Focused Communication

Maintaining relationships with valuable clients is key to surviving a tough market. Whether communicating through an online forum or face to face, companies must satisfy their clients' needs and give them someone to turn to.

Back to Basics

Tom Boogher is vice president and chief marketing officer of Professional Services Industries, Inc. (PSI), an engineering, consulting and testing firm specializing in construction. PSI not only is doing well, but growing, and Boogher says the keys to surviving tough times are finding the right clients and fulfilling their needs.

"I don't believe there's any magic potion for growing," he says. "What we've focused on is making sure our offices and people out in the field are focused on the right clients; by right, I mean those with money to spend."

PSI concentrates on providing the best possible customer service by contacting clients every month, performing customer satisfaction surveys at the end of each job, and validating client satisfaction by tracking and reporting responses.

"You can entertain people, but at the end of the day you need to make their lives easier, bring value to the team and meet their expectations," Boogher says. "You need to build a moat and protect that client from competition, and the way you do that is to deliver great service."

Using these tactics, Boogher expects PSI will maintain a successful reputation, regardless of economic conditions.

"We should outperform the market because we are doing the

right things right," he says. "We don't use the economy as an excuse for not growing. We should still be better than the rest."

Staying Connected

Kevin Fox is senior marketing communications manager of Burns & McDonnell, a consulting firm specializing in construction that also has prospered despite the economy. The company has been successful because of an emphasis on communication and a company-wide implementation of social media.

"We made sure we were right there with our clients, holding their hands as we went through the pain they were going through," Fox says. "We were still there having conversations with them, and now that's what we're trying to continue to do online."

The company encourages its employees to use LinkedIn and offers lessons on how to make professional profiles that show up on search engines, connect with the right people and use the site as a recruitment tool.

Burns & McDonnell also uses Facebook, YouTube, Twitter and blogs, but always stays focused on clients instead of using the sites as a marketing platform.

"We don't go out and just talk about ourselves. If you do that, you will get zero attention from people," Fox says. "We're initiating conversations through those media."

To start the conversation, Burns & McDonnell posts articles and other information that could be valuable to the client. Social media also helps staff stay in touch with their clients on a more personal level.

"We can see what's going on with them, so we call them when stuff happens to congratulate them or ask how we can help if they are having a rough time," Fox says.

—Jessica Porter



Robins & Morton's
Bryson Edmonds (left)
and Ed Cassady.

ROBINS & MORTON

"They were impressed with the execution capabilities and infrastructure Robins & Morton built within its traditional business," Edmonds says. "Operations, safety and execution for construction are superior."

The new division has commitments from about 50 new employees and is still growing. In addition to the power sector and chemical and mineral markets in the industrial sector, the division will concentrate on the pulp, paper and hydrocarbon markets.

Coming off long-term careers at other companies, Cassady and Edmonds believe Robins & Morton has the right combination of focus on internal and external relationships.

"They have been arguably the best health care contractor for the past 20 to 30 years," Edmonds says. "Much of that reputation is built on a culture that supports employees and treats them as family, while dedicating resources to listening to clients and proactively meeting

their needs."

Morton says existing employees are adjusting well to the changes, which have been anticipated for about a decade.

"We've been overwhelmed by the response of our existing people. Many in our new group came from a company very culturally similar to ours, so we've been pleased," Morton says. "All of our people recognized the need for more diversification and sustainable growth, so the transition has been very well received within the company."

The merging of company cultures and ideas also has been beneficial to breaking old habits and looking at better ways of doing things.

"Everybody becomes set in the way they do things," Cassady says. "It's been a great opportunity to stop for a moment and decide what might be the best practice moving forward."

Jessica Porter is staff writer of *Construction Executive*.