



# THE GLASS IS HALF FULL

Giants find that niche markets, such as green, hospitals, labs or water and wastewater, are still doing ok

**BY ROBERT P. MADER**  
OF CONTRACTOR'S STAFF

IT'S NOT ALL bad. Just sort of half bad. And there are niche markets that are doing pretty well. So let's flip that around and say it's half good.

Frank MacInnis, CEO of EMCOR Group, Norwalk, Conn., says that five out of the seven sectors targeted by EMCOR are still holding their own or doing well.

Other than a couple high-profile Las Vegas projects that went sour in 2008, "I would say we have had little or no cancellation activity because of the broad economic downturn," comments MacInnis.

Dave Slott, president and COO, and Don Karnes, CEO, the two co-owners of ARS/Rescue Rooter, Memphis, say their first quarter of 2009 ranked as "a seven on a scale of one to 10." Slott and Karnes have focused their business on coastal areas from the Carolinas through the Gulf to Southern California and, "You can't make a decision whether or not to have your air conditioning fixed or replaced in Houston in August; it's the same with plumbing if your sewer backs up."

Bill Murdy, CEO of Comfort Systems USA, Houston, says his firm is seeing plenty of hospital and medical office building new construction and retrofit

work.

Greg Hosch, CEO of Harris Cos., St. Paul, Minn., says that while his Twin Cities market has "fallen off the map," he looks for areas with low unemployment numbers and where there was little sub-prime lending. Harris Cos. has built a geo-exchange system for a school in Casper, Wyo., a Microsoft facility in Fargo, N.D., and conservative and sensible Utah is still doing pretty well.

## Pockets of opportunity

Michael J. Kotubey, president of Midwest Mechanical Group, Overland Park, Kan., notes that, "We're seeing pockets of opportunity out there. You have to dig a little deeper, but if you're in more technical type of applications like labs, hospitals, energy and power — beyond the run-of-the-mill commercial stuff — there's still a fair amount of stuff out there."

Right before he spoke with CONTRACTOR, Kotubey had come from a meeting with the Kansas City Area Development Council and the general feeling of the attendees was that a turnaround in the economy would begin in the late third quarter or early fourth quarter.

And then there's some sort of combination of green work, government

work and the stimulus package that will fund it, although the activity probably won't start to be seen until 2010.

The Las Vegas meltdowns were the result of a business model that doesn't work anymore, MacInnis says — highly leveraged projects that depend on consumers spending disposable income. Indeed, the high-end hotel sector has suffered as businesses pull back on both business travel and meetings and conventions. Moreover, the hotel market had been growing at an unsustainable rate in excess of 50% per year.

But that sector is one of only two served by EMCOR that are suffering, MacInnis points out. Besides hotels and gaming, the other is commercial and office space. The industrial sector is growing, especially mining and petrochemicals. The other four sectors are stable and might even grow a little — healthcare; institutional and government service; transportation; and water and wastewater.

A few years ago EMCOR started a facilities management business as a way to get steady income.

"They comprise a third of our revenues," MacInnis says, "and are fulfilling their role as a hedge against more volatile construction activities that vary more directly with the macro economy."



Left, a Comfort Systems technician tightens a coupling.

Above left, the foundation is laid at an EMCOR Group project; above right, a Berg technician in a mechanical room. Opposite page, left, a tech from Benjamin Franklin rods out a clogged drain; opposite page right, a technician from Harris Mechanical.

# Contractor's Top 100 *Who They Are...*



Rank	Company	Revenue \$ Millions	% Change	Rank	Company	Revenue \$ Millions	% Change
1	EMCOR GROUP	\$2,470.00	5.3%	51	John J. Kirlin	\$113.20	0.08%
2	Johnson Controls, Building Efficiency Div. N. Am. Service	\$2,409.00	5.7%	52	Therma Corp.	\$113.20	even
3	Comfort Systems USA Inc.	\$1,328.50	16.5%	53	Critchfield Mechanical Inc.	\$112.50	-9.9%
4	Service Experts Div. of Lennox International	\$626.60	-6.1%	54	Dorvin D. Leis Co. Inc.	\$105.93	-10.3%
5	ACCO Engineered Systems	\$614.00	20.7%	55	McKamish, Inc.	\$105.00	--
6	ARS/Rescue Rooter	\$528.00	--	56	Warwick Plumbing & Heating Corp.	\$102.00	--
7	McKinstry Co. LLC	\$400.00	--	57	Murray Co.	\$101.90	1.7%
8	MMC Corp.	\$392.20	41.1%	58	A.O. Reed & Co. Inc.	\$101.20	-14.4%
9	Southland Industries	\$363.80	22.8%	59	Fort Pitt Group LP	\$100.00	-6.5%
10	Limbach Facility Services LLC	\$350.00	44.3%	60	McCarl's Inc.	\$100.00	18.4%
11	Roto-Rooter	\$340.40	-1.3%	61	Foley Co.	\$98.57	19.4%
12	Kinetic Systems Inc.	\$333.00	-30.3%	62	W.G. Tomko Inc.	\$98.40	25.5%
13	TDIndustries	\$324.00	53.1%	63	Monterey Mechanical Co.	\$98.10	11.2%
14	Nooter Construction	\$284.00	--	64	Worth & Co.	\$97.75	6.6%
15	Hill Mechanical Group	\$280.30	7.1%	65	Hussung Mechanical Contractors Inc.	\$96.90	11.5%
16	Hardy Corp.	\$265.79	--	66	KSW Mechanical Services	\$93.03	17.2%
17	John E. Green Co.	\$260.00	-7.1%	67	Shapiro and Duncan Inc.	\$92.10	5.4%
18	JH Kelly	\$245.20	-37.5%	68	Letsos Co.	\$91.80	8.8%
19	Ceco Environmental	\$235.95	--	69	Hermanson Co. LLP	\$90.79	6.5%
20	Murphy Co. Mechanical Contrs. & Engrs.	\$232.90	16.5%	70	Charles E. Jarrell Contracting Inc.	\$90.24	14.8%
21	Brandt Engineering Co.	\$229.40	56.7%	71	Corrigan Co. Mechanical Contractors	\$90.00	--
22	Harris Companies	\$220.00	13.6%	72	Fresh Meadow Mechanical Corp.	\$89.06	-2.6%
23	Midwest Mechanical Group	\$217.00	-6.1%	73	Pioneer Pipe Inc./Viking Fabricators	\$86.76	--
24	J.F. Ahern Co.	\$211.99	8.1%	74	Herman Goldner Co. Inc.	\$86.44	7.2%
25	McKenney's Inc. Mech. Contractors & Engrs.	\$207.70	24.6%	75	The State Group	\$84.1	-3.3%
26	Starcon International Inc.	\$190.4	-39.1%	76	Hill York	\$83.18	-11.5%
27	Harder Mechanical Contractors Inc.	\$187.00	16.7%	77	MLN Co.	\$81.00	7.8%
28	Fire & Life Safety America	\$186.40	--	78	BCH Mechanical Inc.	\$80.24	
29	Ivey Mechanical Co. LLC	\$185.00	-15.9%	79	Lee Co.	\$79.70	1.9%
30	Metropolitan Mechanical	\$185.00	0.4%	80	Midstate Mechanical Inc.	\$75.00	--
31	U.S. Engineering Co.	\$178.44	2.7%	81	Elkhorn Construction	\$72.36	-9.8%
32	ColonialWebb Contractors	\$175.00	-12.5%	82	East Coast Fire Protection Inc.	\$71.25	-0.007%
33	Coastal Mechanical Services Group	\$172.25	-1.9%	83	Advance Mechanical Systems	\$71.15	0.006%
34	W.E. Bowers Associates Inc.	\$165.00	-0.3%	84	CCI Mechanical Inc.	\$69.50	
35	Sauer Inc.	\$164.20	9.8%	85	William R. Nash Companies	\$69.37	-2.8%
36	Titan Contracting & Leasing/The Horn Cos.	\$161.50	3.7%	86	McDaniel Fire Systems	\$68.19	-12.6%
37	Sterling Boiler & Mechanical Inc.	\$160.49	-24.5%	87	Snelson Cos. Inc.	\$68.05	-49.7%
38	Clockwork Home Services	\$158.50	--	88	Western Allied Corp.	\$66.00	--
39	AZCO INC.	\$152.56	-14.6%	89	Beutler Corp.	\$65.90	-26.1%
40	Environmental Air Systems Inc.	\$152.00	35.5%	90	Egan Cos. Inc.	\$65.15	15.4%
41	RK Mechanical Inc.	\$151.78	34.4%	91	Alakai Mechanical Corp.	\$64.25	20.3%
42	P1 Group	\$151.20	10.9%	92	Martin Petersen Co. Inc.	\$62.00	1.6%
43	VSC Corp.	\$145.52	11.0%	93	North American Mechanical	\$58.60	--
44	Mechanical Inc.	\$143.00	42.7%	94	R.W. Warner Inc.	\$57.10	--
45	CorVal Group Inc. (NewMech)	\$135.50	32.6%	95	Dunbar Mechanical Inc.	\$55.80	10.7%
46	Joule Industrial Contractors	\$125.00	17.6%	96	Berger Engineering Co.	\$54.91	10.9%
47	Grunau Co.	\$124.80	25.0%	97	Action Electrical & Mechanical Contractors	\$53.00	1.9%
48	John W. Danforth Co.	\$124.80	18.5%	98	HACI Mechanical Contractors Inc.	\$52.50	--
49	Sanders Bros. Inc.	\$120.00	even	99	Delcard Assocs. Inc. - Mechanical Contrs.	\$51.75	--
50	Bahnsen Holdings Inc.	\$119.5	7.6%	100	Bonland Industries Inc.	\$51.00	-16.4%

Customers may not be spending development capital on new projects, but they still need to keep the air conditioning running, he notes.

Healthcare remains strong because of demographics, lengthened life spans and growth rates in southwestern and western cities. In addition, healthcare providers need to build more sophisticated facilities for today's technol-

ogy or to meet seismic requirements in California. An aging population results in more geriatric facilities.

The university market has been complicated by the decline in value of university endowments, MacInnis says, so university boards are pulling back until they see if a stock market rebound puts their investments on a firmer footing and what kind of stimulus money they

might get.

Midwest Mechanical Group has worked at the University of Kentucky, University of Arkansas, University of Missouri-Kansas City, and Stanford, and is performing three projects now, two in Kentucky and one at the University of Kansas, although Kotubey has heard Kentucky might delay one of the projects.

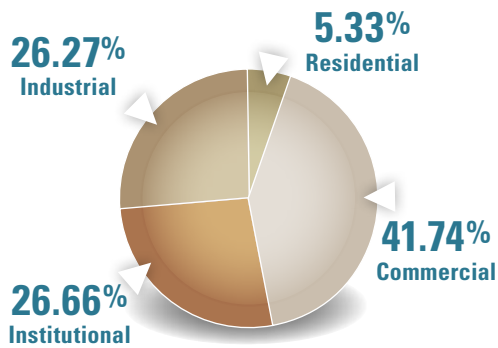
## Not yet stimulated

The Giants have varying views on the stimulus package, although generally they believe it will have some sort of impact, mostly in 2010, "as we spend our way into oblivion," as Hosch puts it.

"I think my personal jaded view is that it will have an impact after the recovery is over," Hosch says. "I person-

# Book of Giants

## Where They Do It



SOURCE: CONTRACTOR MAGAZINE  
BOOK OF GIANTS SURVEY

ally think we're at the bottom or close to the bottom already and we'll see a recovery anyway, so the stimulus will give us maybe a faster recovery and propel us into a higher peak."

Stimulus money will be another sales tool, Hosch says, and contractors have to be aware of what kind of money or tax breaks local governments and private owners will get so they can pitch them on energy-saving projects.

"You can bring your customer a whole suite of opportunities — here's what you can save in energy, here's what the utility will give you, here's the tax incentives you'll get," Hosch explains. "Each tool in the tool box helps."

Murdy expects stimulus money to fund healthcare projects, public and private education, both K-12 and universities, state and local governments, and "the GSA federal market" and military projects. States will have 120 days to commit to their uses for the money, but Murdy notes that committing and disbursing it are different things. Some of the money may get spent this year, but he doesn't expect to see most of it until 2010.

"We expect very significant allocations from the stimulus package for alternative energy among others and EMCOR is involved in them, all of them — solar, wind, bio-fuels, ethanol, fuel cell installations and research, distributed power

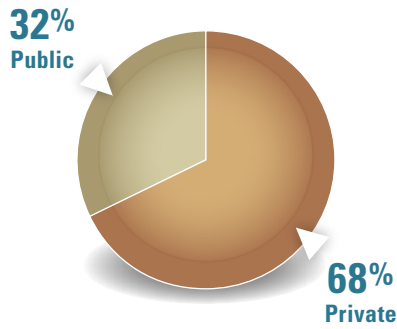
Below, a mechanical room installed by Berg.



## Giants Breakdown

Rank	Company/Location	Revenue	HVAC	Piping	Plumbing	Sheet Metal	Refrigeration	Controls	Fire Protection	Wastewater	Other	
1	1	EMCOR Group Norwalk, Conn.	\$2,470.00	963.30	247.00	494.00	172.90	98.80	0.00	296.40	148.20	0.00
2	2	Johnson Controls Building Efficiency Div. North America Service, Milwaukee	\$2,273.00	1,136.50	0.00	0.00	0.00	0.00	1136.50	0.00	0.00	0.00
3	4	Comfort Systems USA Inc., Houston	\$1,328.50	1,022.95	0.00	212.56	0.00	0.00	39.86	13.29	0.00	39.84
4	5	Service Experts Div. of Lennox International, Dallas	\$626.60	626.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	6	Acco Engineered Systems, Glendale, Calif.	\$614.00	571.02	0.00	42.98	0.00	0.00	0.00	0.00	0.00	0.00
6	3	ARS/Rescue Rooter, Memphis	\$528.00	248.16	0.00	205.92	0.00	0.00	0.00	0.00	0.00	73.92
7	18	McKinstry Co., Seattle	\$400.00	100.00	100.00	0.00	0.00	0.00	100.00	50.00	50.00	0.00
8	15	MMC Corporation, Overland Park, Kan.	\$392.20	39.22	78.44	78.44	58.83	0.00	0.00	0.00	0.00	137.27
9	12	Southland Industries, Irvine, Calif.	\$363.80	363.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10	20	Limbach Facility Services LLC, Pittsburgh	\$350.00	105.00	56.00	0.00	105.00	0.00	84.00	0.00	0.00	0.00
11	9	Roto-Rooter/Service America, Cincinnati	\$340.40	0.00	0.00	340.40	0.00	0.00	0.00	0.00	0.00	0.00
12	7	Kinetic Systems Inc., Fremont, Calif.	\$333.00	49.95	183.15	66.60	33.30	0.00	0.00	0.00	0.00	0.00
13	28	TDIndustries, Dallas	\$324.00	162.00	64.80	97.20	3.24	3.24	3.24	3.24	3.24	0.00
14		Nooter Construction	\$284.00	56.80	56.80	56.80	56.80	0.00	0.00	0.00	28.40	28.40
15	14	Hill Mechanical Group, Franklin Park, Ill.	\$280.30	75.68	64.47	16.82	112.12	2.80	2.80	0.00	0.00	5.60
16		Hardy Corp., Birmingham, Ala.	\$265.79	2.66	228.58	5.20	0.00	0.00	2.66	0.00	0.00	26.58
17	13	John E. Green Co., Highland Park, Mich.	\$260.00	78.00	78.00	59.80	0.00	0.00	0.00	26.00	18.20	0.00
18	8	JH Kelly LLC, Longview, Wash.	\$245.20	0.00	122.60	122.60	0.00	0.00	0.00	0.00	0.00	0.00
19		CECO Environmental, Cincinnati	\$235.95	58.99	0.00	0.00	117.98	0.00	58.99	0.00	0.00	0.00
20	21	Murphy Co. Mechanical Contrs. & Engrs., St. Louis	\$232.90	41.92	123.44	27.95	32.61	6.99	0.00	0.00	0.00	0.00
21	37	Brandt Engineering Co., Dallas	\$229.40	149.11	22.94	57.35	0.00	0.00	0.00	0.00	0.00	0.00
22	23	Harris Companies, St. Paul, Minn.	\$220.00	44.00	55.00	55.00	44.00	0.00	0.00	0.00	11.00	11.00
23	15	Midwest Mechanical Group, Kansas City, Mo.	\$217.00	56.42	69.44	0.00	0.00	0.00	0.00	0.00	0.00	0.00
24	22	J.F. Ahern Co., Fond du Lac, Wis.	\$211.99	19.08	19.08	12.72	16.96	0.00	2.12	84.80	33.92	23.32
25	30	McKenney's Mechanical Contrs. & Engrs., Atlanta	\$207.70	87.23	0.00	87.23	33.24	0.00	0.00	0.00	0.00	0.00
26	11	Starcon International, Manhattan, Ill.	\$190.40	47.60	47.60	47.60	47.60	0.00	0.00	0.00	0.00	0.00
27	31	Harder Mechanical Contractors Inc., Portland, Ore.	\$187.00	9.35	149.60	9.35	0.00	0.00	18.70	0.00	0.00	0.00
28		Fire & Life Safety America, Richmond, Va.	\$186.40	0.00	0.00	0.00	0.00	0.00	186.40	0.00	0.00	0.00
29	16	Ivey Mechanical Co. LLC, Kosciusko, Miss.	\$185.00	120.25	0.00	64.75	0.00	0.00	0.00	0.00	0.00	0.00
30	24	Metropolitan Mechanical, Eden Prairie, Minn.	\$185.00	0.00	55.50	55.50	55.50	0.00	9.25	0.00	0.00	9.25
31	27	U.S. Engineering Co., Kansas City, Mo.	\$178.44	32.12	89.22	35.69	17.84	1.78	0.00	0.00	1.78	0.00
32	19	ColonialWebb, Richmond, Va.	\$175.00	43.75	43.75	43.75	43.75	0.00	0.00	0.00	0.00	0.00
33	26	Coastal Mechanical Services Group, Melbourne, Fla.	\$172.25	48.23	31.01	36.17	23.39	1.72	5.17	0.00	0.00	27.56
34	29	W.E. Bowers Associates Inc., Beltsville, Md.	\$165.00	55.00	55.00	55.00	0.00	0.00	0.00	0.00	0.00	0.00
35	33	Sauer Inc., Pittsburgh	\$164.20	57.47	32.84	54.19	11.49	0.00	8.21	0.00	0.00	32.84
36	32	Titan Contracting & Leasing/The Horn Cos., Owensboro, Ky.	\$161.50	0.00	16.15	0.00	0.00	0.00	0.00	0.00	8.08	137.28
37	17	Sterling Boiler & Mechanical Inc., Evansville, Ind.	\$160.49	16.05	64.20	32.10	32.10	0.00	0.00	0.00	16.05	0.00
38		Clockwork Home Services, Sarasota, Fla.	\$158.50	79.25	0.00	79.25	0.00	0.00	0.00	0.00	0.00	0.00
39	25	AZCO Inc., Appleton, Wis.	\$152.56	0.00	27.46	0.00	13.73	0.00	0.00	0.00	0.00	111.37
40	53	Environmental Air Systems Inc., Greensboro, N.C.	\$152.00	76.00	38.00	38.00	0.00	0.00	0.00	0.00	0.00	0.00
41	52	RK Mechanical Inc., Denver	\$151.78	47.05	27.32	42.50	28.84	6.07	0.00	0.00	0.00	0.00
42	36	P1 Group, Lenexa, Kan.	\$151.20	30.24	30.24	15.12	30.24	15.12	15.12	0.00	15.12	0.00
43	38	VSC Corp., Ashland, Va.	\$145.52	0.00	0.00	0.00	0.00	0.00	0.00	145.52	0.00	0.00
44	70	Mechanical Inc., Freeport, Ill.	\$143.00	50.05	35.75	42.90	0.00	0.00	0.00	0.00	14.30	0.00
45	59	CorVal Group Inc. (NewMech), St. Paul, Minn.	\$135.50	20.33	20.33	13.55	13.55	6.78	2.71	4.07	20.33	33.88
46		Joule Industrial Contractors, Edison, N.J.	\$125.00	0.00	111.50	0.00	0.00	0.00	0.00	0.00	0.00	12.50
47	57	Grunau Co. Oak Creek, Wis.	\$124.80	37.44	14.98	18.72	12.48	2.50	3.74	32.45	2.50	0.00
47	50	John W. Danforth Co., Buffalo, N.Y.	\$124.80	31.20	26.21	14.98	14.98	3.74	2.50	0.00	31.20	0.00
49	41	Sanders Bros. Inc., Gaffney, S.C.	\$120.00	48.00	24.00	0.00	24.00	0.00	12.00	0.00	0.00	12.00
50	47	Bahnsen Holdings Inc., Winston-Salem, N.C.	\$119.50	59.75	0.00	0.00	59.75	0.00	0.00	0.00	0.00	0.00

Public vs. Private



SOURCE: CONTRACTOR MAGAZINE BOOK OF GIANTS SURVEY

of all kinds, we even have a special program for methane recovery from landfills," MacInnis says.

MacInnis expects the stimulus money to affect EMCOR's backlog in the fourth quarter with performance in 2010 and 2011.

MacInnis explains that the total non-residential construction industry is \$700 billion a year, so the \$130 billion in the stimulus over the course of two years will be significant. "It will fill a lot of holes for a lot of companies," he says.

Kotubey said that Kansas City is slated to receive \$100 million in stimulus money for mechanical and electrical work in three Kansas City federal buildings, most of it for energy efficiency improvements. He noted that \$4.3 billion of the stimulus is budgeted for green and sustainable work in federal buildings.

MacInnis wonders how well or quickly the stimulus money will get out there.

"We'll see if the government is capable of handling a capital allocation of that size and I have my doubts about that," he says. "The government lacks the administrative infrastructure and talented personnel to get things done quickly and efficiently. Given a couple years to plan and three to four to implement it, they could do it, but they have

A designer/specifier for Comfort Systems works with CAD software.



Giants Breakdown

Rank	Company/Location	Revenue	HVAC	Piping	Plumbing	Sheet Metal	Refrigeration	Controls	Fire Protection	Wastewater	Other
51	45	John J. Kirlin, Rockville, Md.	\$113.20	28.30	28.30	28.30	28.30	0.00	0.00	0.00	0.00
51	44	Therma Corp., San Jose, Calif.	\$113.20	33.99	56.60	0.00	22.66	0.00	0.00	0.00	0.00
53	40	Critchfield Mechanical Inc., Menlo Park, Calif.	\$112.50	33.75	22.50	33.75	22.50	0.00	0.00	0.00	0.00
54	43	Dorvin D. Leis Co. Inc., Honolulu	\$105.93	15.89	24.36	46.61	3.18	4.24	1.06	10.59	0.00
55		McKamish Inc., Pittsburgh	\$105.00	21.00	15.75	15.75	26.25	0.00	15.75	0.00	10.50
56		Warwick Plumbing & Heating Corp., Newport News, Va.	\$102.00	16.32	21.42	29.58	21.42	4.08	9.18	0.00	0.00
57	51	Murray Co., Gardena, Calif.	\$101.90	20.38	20.38	20.38	10.19	0.00	10.19	0.00	20.38
58	42	A.O. Reed & Co. Inc., San Diego	\$101.18	33.73	33.73	33.74	0.00	0.00	0.00	0.00	0.00
59	48	Ft. Pitt Group, Forest Hill, Md.	\$100.00	20.00	20.00	20.00	20.00	0.00	10.00	0.00	10.00
59	71	McCarl's, Pittsburgh	\$100.00	25.00	25.00	25.00	25.00	0.00	0.00	0.00	0.00
61	74	Foley Co., Kansas City, Mo.	\$98.57	19.71	24.64	14.79	0.00	0.00	0.00	39.43	19.71
62	80	W.G. Tomko Inc., Finleyville, Pa.	\$98.40	13.78	0.00	68.88	0.00	0.00	0.00	2.00	11.81
63	63	Monterey Mechanical Co., Oakland, Calif.	\$98.10	3.92	7.85	0.00	3.92	0.00	0.00	0.00	74.56
64	60	Worth & Co., Pipersville, Pa.	\$97.75	61.58	0.00	19.55	4.89	0.00	0.00	11.73	0.00
65	65	Hussung Mechanical Contractors Inc., Louisville, Ky.	\$96.90	48.45	9.69	39.76	0.00	0.00	0.00	0.00	0.00
66	77	KSW Mechanical Services, Long Island City, N.Y.	\$93.03	93.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00
67	62	Shapiro and Duncan Inc., Rockville, Md.	\$92.10	46.05	23.03	23.03	0.00	0.00	0.00	0.00	0.00
68	68	Letsos Co., Houston	\$91.80	74.36	0.92	12.85	3.67	0.00	0.00	0.00	0.00
69	66	Hermanson Co. LLP, Kent, Wash.	\$90.79	22.70	22.70	22.70	22.70	0.00	0.00	0.00	0.00
70	78	Charles E. Jarrell Contracting Inc., Earth City, Mo.	\$90.24	68.58	4.51	6.32	6.32	0.90	3.61	0.00	0.00
71		Corrigan Co. Mechanical Contractors, St. Louis	\$90.00	0.00	72.00	0.00	18.00	0.00	0.00	0.00	0.00
72	58	Fresh Meadow Mechanical Corp., Fresh Meadows, N.Y.	\$89.06	80.15	0.00	8.91	0.00	0.00	0.00	0.00	0.00
73		Pioneer Pipe, Inc./Viking Fabricators, Marietta, Ohio	\$86.76	2.60	60.73	5.21	0.87	0.00	0.00	2.60	14.75
74	73	Herman Goldner Co. Inc., Philadelphia	\$86.44	17.29	17.29	17.29	17.29	0.00	8.64	0.00	8.64
75	64	The State Group, Mississauga, Ontario	\$84.10	21.03	21.03	21.03	0.00	0.00	0.00	0.00	21.03
76	56	Hill York, Ft. Lauderdale, Fla.	\$83.18	79.02	0.00	0.00	4.16	0.00	0.00	0.00	0.00
77	79	MLN Co., Houston	\$81.00	56.70	0.00	20.25	4.05	0.00	0.00	0.00	0.00
78	95	BCH Mechanical Inc., Largo, Fla.	\$80.24	26.88	8.18	13.08	10.03	0.00	4.01	0.00	18.05
79	75	Lee Co., Franklin, Tenn.	\$79.70	31.88	7.97	23.91	7.97	7.97	0.00	0.00	0.00
80		Midstate Mechanical Inc., Phoenix	\$75.00	60.00	0.00	11.25	0.00	0.00	3.75	0.00	0.00
81	72	Elkhorn Construction, Evanston, Wyo.	\$72.36	0.00	57.89	0.00	0.00	0.00	0.00	0.00	14.47
82	84	East Coast Fire Protection, Richmond, Va.	\$71.25	0.00	0.00	0.00	0.00	0.00	71.25	0.00	0.00
83	85	Advance Mechanical Systems, Mt. Prospect, Ill.	\$71.15	17.78	17.79	17.78	17.79	0.00	0.00	0.00	0.00
84	87	CCI Mechanical Inc., Salt Lake City	\$69.50	34.75	13.90	17.38	0.00	0.00	6.95	0.00	0.00
85	83	William R. Nash Cos., Miami	\$69.37	0.00	13.87	55.50	0.00	0.00	0.00	0.00	0.00
86	76	McDaniel Fire Systems, Valparaiso, Ind.	\$68.19	0.00	0.00	0.00	0.00	0.00	68.19	0.00	0.00
87	34	Snelson Cos. Inc., Sedro-Wooley, Wash.	\$68.05	0.00	68.05	0.00	0.00	0.00	0.00	0.00	0.00
88		Western Allied Corp., Santa Fe Springs, Calif.	\$66.00	66.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
89	61	Beutler Corp., McClellan, Calif.	\$65.90	46.13	0.00	6.59	9.88	0.00	0.00	3.30	0.00
90	96	Egan Cos. Inc., Brooklyn Park, Minn.	\$65.15	16.29	22.80	9.77	9.77	0.00	6.52	0.00	0.00
91	98	Alakai Mechanical Corp., Honolulu	\$64.25	22.49	11.70	12.67	17.34	0.00	0.00	0.64	0.00
92	93	Martin Petersen Co. Inc., Kenosha, Wis.	\$62.00	24.80	24.80	12.40	0.00	0.00	0.00	0.00	0.00
93		North American Mechanical, Deforest, Wis.	\$58.60	58.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00
94		R.W. Warner Inc., Frederick, Md.	\$57.10	49.11	0.00	0.00	7.99	0.00	0.00	0.00	0.00
95	99	Dunbar Mechanical Inc., Toledo, Ohio	\$55.80	12.83	19.53	8.37	0.00	0.56	1.67	0.00	12.83
96	100	Berger Engineering Co., Dallas	\$54.91	49.42	0.00	5.49	0.00	0.00	0.00	0.00	0.00
97	97	Action Electrical & Mechanical Contractors, Smyrna, Ga.	\$53.00	2.65	15.90	1.59	7.95	2.65	0.00	0.00	22.26
98		HACI Mechanical Contractors Inc., Phoenix	\$52.50	52.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00
99		Delcard Assocs. Inc. - Mechanical Contrs., New Castle, Del.	\$51.75	25.88	10.35	5.18	5.18	1.04	3.62	0.00	0.00
100	91	Bonland Industries Inc., Wayne, N.J.	\$51.00	12.75	0.00	0.00	38.25	0.00	0.00	0.00	0.00

three months to plan and 24 months to implement it."

Green is good

The mechanicals say that green and sustainable work is growing. Murdy says that energy efficiency retrofit work "is getting some real traction out

there because people realize electric rates aren't going down."

On the residential side, ARS/Rescue Rooter, which has 62 outlets in 25 states, is just starting to see demand for products such as tankless water heaters. Slott and Karnes believe the stimulus package will drive a lot of energy

efficiency work, combined with an underlying feeling of patriotism that consumers get from cutting energy use.

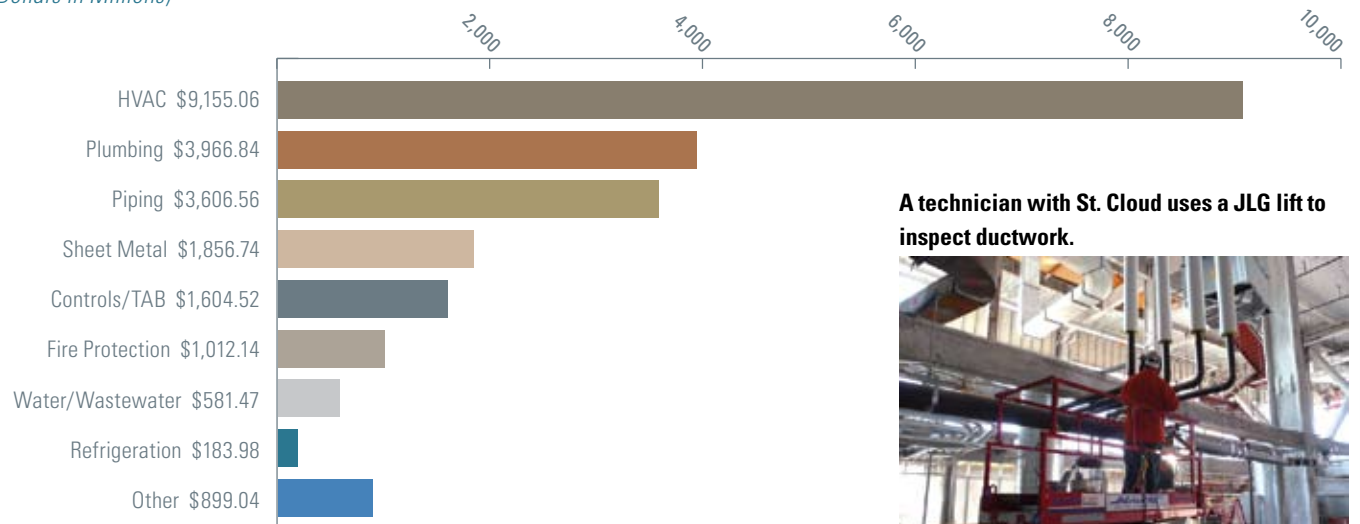
Midwest Mechanical Contractors has painted itself green. Kotubey says that he sees some kind of LEED requirement on 50% of projects. The firm has

► Turn to Book of Giants, page 48

What They Do

SOURCE: CONTRACTOR MAGAZINE BOOK OF GIANTS SURVEY

(Dollars in Millions)



A technician with St. Cloud uses a JLG lift to inspect ductwork.



Continued from page 28

a service company actively involved in energy conservation, maintenance and operations. The company retrofit its own building and modified the way it operates. MMC has 25 LEED-APs on staff. It is MSCA Star certified by the Mechanical Service Contractors Association and is an MSCA Green Star, one of only 17 in the country, Kotubey says. The contractor is a DOE Energy Partner and a member of the Chamber of Commerce Climate Protection Partnership. It has done a carbon footprint analysis and energy audit of its operations, and is on the team offering pro bono consulting services to Chamber membership in the Kansas City area.

The payoff? The service operation laid out its green résumé and won a major City of Kansas City, Mo., contract where it was not the low bidder. "All the investment was paid off on one job," Kotubey says.

Show us the money

The recession has had an impact on factors such as financing, insurance, bonding, labor and commodity prices.

Hosch, for example, says Harris Cos. recently increased its credit line and the bank was much more rigorous than it was two or three years ago, "which is not a bad thing."

Bonding companies aren't changing ratios but they are talking about more conservative ratios. Bonded work is down so it's irrelevant right now, but if more federal work comes along that's bonded, that may be an issue. Commodity prices are down, so contractors have an opportunity to get some of those dollars back that they shelled out on steel and copper a couple years ago.

Hosch also noted that because office staffs have had wages frozen or cut, contractor associations are talking to local unions about freezing wages. The unions have not kicked them out the

Contractor's Top 10 Companies by Type of Work

Piping			Plumbing		
Rank	Company/Location	\$ Millions	Rank	Company/Location	\$ Millions
1	EMCOR Group, Norwalk, Conn.	\$247.00	1	EMCOR Group, Norwalk, Conn.	\$494.00
16	Hardy Corp., Birmingham, Ala.	\$228.58	11	Roto-Rooter/Service America, Cincinnati	\$340.40
12	Kinetic Systems Inc., Fremont, Calif.	\$183.15	3	Comfort Systems USA Inc., Houston	\$212.56
27	Harder Mechanical Contractors Inc., Portland, Ore.	\$149.60	6	ARS/Rescue Rooter, Memphis	\$205.92
20	Murphy Co. Mechanical Contrs. & Engrs., St. Louis	\$123.44	18	JH Kelly LLC, Longview, Wash.	\$122.60
18	JH Kelly LLC, Longview, Wash.	\$122.60	13	TDIndustries, Dallas	\$97.20
46	Joule Industrial Contractors, Edison, N.J.	\$111.50	25	McKenney's Mechanical Contrs. & Engrs., Atlanta	\$87.23
7	McKinstry Co., Seattle	\$100.00	38	Clockwork Home Services, Sarasota, Fla.	\$79.25
31	U.S. Engineering Co., Kansas City, Mo.	\$89.22	8	MMC Corp., Overland Park, Kan.	\$78.44
8	MMC Corp., Overland Park, Kan.	\$78.44	62	W.G. Tomko Inc., Finleyville, Pa.	\$68.88

HVAC			Fire Protection		
Rank	Company/Location	\$ Millions	Rank	Company/Location	\$ Millions
2	Johnson Controls Building Efficiency Div. North America Service, Milwaukee	\$1,136.50	1	EMCOR Group, Norwalk, Conn.	\$296.40
3	Comfort Systems USA Inc., Houston	\$1,022.95	28	Fire & Life Safety America, Richmond, Va.	\$186.40
1	EMCOR Group, Norwalk, Conn.	\$963.30	43	VSC Corp., Ashland, Va.	\$145.52
4	Service Experts Div. of Lennox International, Dallas	\$626.60	24	J.F. Ahern Co., Fond du Lac, Wis.	\$84.80
5	ACCO Engineered Systems, Glendale, Calif.	\$571.02	82	East Coast Fire Protection, Richmond, Va.	\$71.25
9	Southland Industries, Irvine, Calif.	\$363.80	86	McDaniel Fire Systems, Valparaiso, Ind.	\$68.19
6	ARS/Rescue Rooter, Memphis	\$248.16	7	McKinstry Co., Seattle	\$50.00
13	TDIndustries, Dallas	\$162.00	47	Grunau Co. Oak Creek, Wis.	\$32.45
21	Brandt Engineering Co., Dallas	\$149.11	17	John E. Green Co., Highland Park, Mich.	\$26.00
29	Ivey Mechanical Co. LLC, Kosciusko, Miss.	\$120.25	3	Comfort Systems USA Inc., Houston	\$13.29

'One of great unknowns in the recovery is the resumption of normal access to financing for our customers and their willingness to borrow and spend money for the development of projects.'

door, even going so far as to say they'd think about it if it meant putting more plumbers and fitters to work.

MacInnis notes that while commodity prices have bumped up slightly, they are not a drag on demand or profitability that they were in boom times. And when running a fleet of 7,000-8,000 service vehicles, it helps when the price of gas comes down.

"On the other hand," MacInnis says, "one of great unknowns in the recovery is the resumption of normal access to financing for our customers and their willingness to borrow and spend money for the development of projects. We're not seeing that happening yet except at the highest levels where our investment-grade customers

have access to the commercial paper market."

While the price of commodities may be down, Kotubey says he read a Wall Street Journal article with the coined word "reflation." The Chinese are buying futures contracts for zinc, copper and steel because they see themselves coming out of the recession and want to ensure that they have an adequate supply of metals. He also says that his price for copper went up 12% in early March.

On the plus side, the recession has freed up a lot of talented manpower. In addition, he's no longer competing with the top five construction managers for college graduates. Kotubey says he's seen some really good kids coming

out of construction programs at the University of Nebraska, Kansas State, and Pittsburg (Kan.) State.

And, finally, Hosch cautions contractors not to throw the baby out with the bathwater in 2009.

"One of the things that's an important challenge for contractors at a time like this is managing the stress of short-term decisions and your long-term goals for the company, like getting your staff LEED accredited or putting together a BIM group," Hosch points out. "You have got to manage resources that are much more scarce but it's unwise to throw some of those resources out the window because you have to position yourself for the time when the economy turns the corner." **C**