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## VEHICLE FLEETS KEY TO CONTRACTORS' SUSTAINED SUCCESS

Brian Bonnema starts his workday at Mendel Plumbing and Heating Inc. around 3 a.m. As the head mechanic of the St. Charles, Ill.-based company, he has a fleet of 40 trucks to inspect.

Bonnema starts up each vehicle, listening for any signs of trouble with the engines or other parts. He looks to see if the trucks need to have their oil changed. He checks the vehicles for issues from wear and tear.

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## Workforce Development Serves as the Top Initiative to Raise Awareness

One of my highlights this summer was attending SMACNA National's Board Meeting in Sonoma, Calif. in July. It was great to catch up with board members, hear current industry perspectives and get excited about all the great work that lay ahead.

The meeting was highly productive, and we discussed — and unanimously approved — some large initiatives that will help raise awareness of our industry and better position our contractors for future growth. The biggest topics discussed include SMACNA National's strategy for identifying, capturing and disseminating information on technology, and raising industry awareness and interest in our trade through a national workforce development campaign.

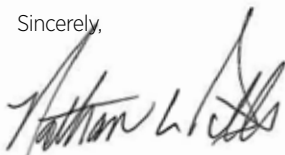
Keeping pace with technology is critical to the survival of every one of our contractors as we contemplate big and small purchases that will increase efficiencies and keep us competitive. SMACNA will manage information on several fronts including more coverage of technology in SMACNA publications, as well as through other media channels including video and podcasts. SMACNA has also committed to forming a technology task force made up of SMACNA members, associate members and select industry representatives to identify and share new trends and developments in various sectors across the country. I can't wait to see what this SMACNA initiative brings to the table!

At a previous board meeting in January 2019, the board agreed to a national framework for workforce development with SMACNA National focused on a nationwide industry-awareness campaign. We expect this campaign will generate interest in joining the trade, but that interest will be driven to chapters to facilitate individual opportunities with their members.

SMACNA National looked at what is needed to run a sustained national media campaign that supports our goal of attracting highly qualified candidates to both the craft and non-craft positions in our industry. A program like this is critical to our future as our experienced journeyman and executives are aging out in large numbers over the next decade. But a sustained nationwide campaign doesn't come cheap.

The board believes that these initiatives are an absolute necessity to help our contractors remain competitive, position them to capture the best talent, have the most advanced and efficient shops and ultimately take market share away from the competition. In fact, we feel so strongly about the need for them that SMACNA will tap into its reserve funds to launch these projects later this year.

Sincerely,



Nathan L. Dills  
SMACNA President



### CAPITOL HILL UPDATE

#### Multiemployer Plan Pension Update

As previously reported in a SMACNA Alert, on July 24 the House of Representatives passed H.R. 397 the so-called Butch Lewis Act that would establish a government funded Pension Rehabilitation Trust Fund to provide loans to failing plans that many experts think may never be repaid. The final vote was 264 in favor and 169 against. Twenty-nine Republicans joined with 235 Democrats to vote in favor of passing

H.R. 397. As expected, all Democrats supported the bill. No serious effort emerged to include Composite Plan language in the House bill.

What's Next: The Senate now has its chance to weigh in. Butch Lewis has been introduced in the Senate, S. 2224 with 28 Democratic cosponsors. However, it is not likely to pass the Senate because many consider it a taxpayer bailout. Therefore, any final bill in the Senate most

**SMACNA WANTS TO ENSURE ALTERNATIVE BENEFIT PLANS ARE AUTHORIZED IN A SENATE BILL AND GUARANTEE THAT SYSTEM CHANGES OR MANDATES STRIKE A DELICATE BALANCE TO KEEP EMPLOYERS PARTICIPATING IN THE PLAN.**





## St. Louis SMART, SMACNA Chapter Buck Residential Work Trend with Marketing Efforts

likely will look significantly different than the House-passed bill, but strong bipartisan support will be needed.

SMACNA wants to ensure alternative benefit plans are authorized in a Senate bill and guarantee that system changes or mandates strike a delicate balance to keep employers participating in the plan. From now to the end of the Congressional session, important work lies ahead for SMACNA members and the SMACNA lobbying team.

**SMACNA Campaign:** Chapter executives have been notified to take the lead to make sure the SMACNA voice is heard on the local level. We hope SMACNA members will join their executives in meetings with members of Congress across the state. Talk to your chapter executive to see what action your chapter might be taking. Watch for future Action Alerts as we ask for your individual engagement on this issue as it heats up in the Senate.

One aspect of our mission remains the same, no matter what — make the best case for Composites that we can and communicate our sense of urgency.

*As we continue our campaign, SMACNA will update members with any additional developments on pension reform, but if you have any questions, do not hesitate to contact the Capitol Hill office at 202.547.8202.*

At a time when competition and low margins have left many union contractors all but abandoning the residential HVAC service market, SMACNA St. Louis and SMART Local 36 are experiencing major growth in the sector.

The reason, according to union officials, is a cooperative relationship between Local 36 and the SMACNA chapter, as well as training and marketing efforts designed to attract loyal employees and customers.

“We just have a really good relationship as far as labor and management goes,” said Ed Hoganson, the marketing and recruitment director at Local 36.

It’s unusual enough that members of SMACNA’s Residential Council Steering Committee recently came to the union’s \$22M, seven-year-old training facility to check out the Leadership in Energy and Environmental Design (LEED) platinum-certified building and learn some of the reasons for the groups’ success.

From service rebates to a new website designed to encourage homeowners to contact a local SMACNA contractor for residential work, officials say the partnership

has helped both parties reach their common goal of boosting market share.

### Optimized for Success

Visitors to SMARTStLouis.com, the website jointly operated by the union and the city’s SMACNA chapter, will see the SMART union’s stylized logo. They won’t find overt references to Local 36 or the national organization, and that’s by design, Hoganson said. It was search-engine-optimized to be a go-to place for area homeowners to find contractors to service or repair their HVAC systems.

Besides a list of SMACNA St. Louis member contractors, the site includes consumer-focused tips on HVAC system maintenance, a glossary of industry terms and a blog on ways to get the most out of home comfort systems. SMART and SMACNA recruiting information also can be found on the website. Additionally, the joint marketing campaign includes advertising on radio, TV and social media.

### A Growing Market

The effort has been a success. Hoganson estimated that SMACNA St. Louis contractors do up to 10

percent of the residential HVAC work in the region. While that may not sound like a large share, it is a much larger share of the market than many of the other chapters across the country can claim.

“(And) we are growing,” Hoganson added. “A lot of our residential contractors have been around a very long time.”

According to Hoganson, roughly a third of SMACNA St. Louis contractors’ 2 million work hours per year come from the residential sector. Surveys conducted by the union showed that SMACNA’s residential contractors in the area are competitively priced when it comes to desirable projects and high-quality work.

“We’re not going to be the guy that puts Band-Aids on rental property or apartment complexes in depressed parts of the town where they’re really going after that cheap bottom line,” Hoganson said.

That’s not the work that SMACNA St. Louis or Local 36 wants.

“The people who want no hassles, no callbacks and a good job — we compete very well for that. If it’s not the guy who’s flipping a

*continued on page 11*



Zahner Co. Architectural Intern Burcin Nalinci.



American Institute of Architecture Students

## SMACNA to Expand Outreach on Architectural Student Internship Program

**S**MACNA and the American Institute of Architecture Students (AIAS) are continuing the launch of the new Architectural Student Internship program, with plans for outreach activities across the country this fall.

"This first year we are focusing on increasing awareness about the program among architecture students and SMACNA members," said Thomas J. Soles, executive director of SMACNA Member Services. "A lot of HVAC contractors got into architectural sheet metal over the past decade, and that market is getting more attention."

Soles said SMACNA will be reaching out to SMACNA contractors in the coming months and is participating in special events geared toward architecture students. SMACNA attended the AIAS Grassroots Leadership Conference on July

18. And Kimberly Tuttle, director of partnerships and events at AIAS, will discuss the program with SMACNA architectural metals contractors at SMACNA's annual convention in October.

One goal of such outreach efforts is to communicate the many benefits of participating in the program. Supervisors and project managers at SMACNA firms can practice management skills while acting as student mentors, for example. They can also gain insight into the potential future of their workforce and how they impact how work gets done.

"We are excited about the opportunity to host architecture students as interns in our facility," said Carol Duncan, CEO of General Sheet Metal, a SMACNA member contractor. "Having an AIAS architecture student working with sheet metal detailers and installers will provide them with a highly valuable experience they

will carry with them for the rest of their careers. It also allows us the opportunity to help architects understand the value of bringing sheet metal contractors into the design discussions early on in a project. I know it will be a win-win for both parties."

For participating students, a paid internship with a SMACNA company will give them hands-on experience in a dynamic sector of the construction industry, exposing them to high-level craftsmanship and the challenges of coordinating fabrication and installation.

"The AIAS is excited to partner with SMACNA to bring to our members the opportunity to work with other disciplines within the architecture, engineering and construction (AEC) industry," Tuttle said. "Through this program, students will have a chance to broaden their understanding of AEC relationships, creating better dialogue and working partnerships between future trade professionals."

Soles said there are many other benefits possible through the Architectural Student Internship program, including some value to the broader sheet metal industry. He sees student interns eventually becoming industry advocates who can communicate with other design professionals about the im-

portance of working more closely with contractors in the highly specialized field of architectural metals.

"It's an opportunity to improve the design/construction collaborative relationship," Soles explained. "One of our goals is to minimize the perceived disconnect between the design community and contractors."

Design community professionals are already important stakeholders on construction projects, and they are frequently good referral sources for SMACNA members. Soles said strengthening these relationships will pay dividends for both the design and architectural metals contracting communities.

For more information, including details about outreach activities near you, stay tuned for future SMACNA communications efforts.

SMACNA, in collaboration with the AIAS, prepared a guide to assist SMACNA members with establishing and implementing an architectural student internship program in their companies. The guide and a participation form are available online.



READ MORE AT  
[smac.news/aias](http://smac.news/aias)



Because of logistical difficulties with the more than 100-year-old building, most of the 20,000 pounds of the metal used in the project had to be prefabricated and moved through the building's original elevators.



## Building Boom in Historic Boston Shopping District

**B**oston's historic Downtown Crossing shopping district took a hard hit in the recession.

"Some historic businesses closed, and the former location of Filene's Basement was an open pit for a long time," says Sean O'Keefe, project manager for Boston-based HVAC and sheet metal contractor JEC Service Company. "Now the city is making a huge effort to revamp the area. It's going to be beautiful."

JEC is playing a part in the revitalization effort with the renovation of a six-story building at 399 Washington Street. The three lower stories will offer retail space; the upper floors will be modern offices.

"The owners are fitting out the fourth floor as a demo to show potential tenants," O'Keefe explains. "We'll have wide walls, exposed ductwork and VRF units to show that the offices could be customized to fit any taste."

JEC started the full-gut demolition in 2017. Because the building is more than a hundred years old, they found existing structures as

they opened up the walls. JEC installed temporary heat and helped to price early designs. Last year, the company used Revit to provide a full set of prints, and five-person team is installing the risers this summer.

"It's been a long process," O'Keefe says. "It's good to be rolling."

Five of the floors will have a Chicago-style ceiling. The tracks for the sheetrock are perpendicular to the original wooden joists and two or three inches below them. This system leaves a three-inch gap between the ceiling and the sheetrock, which complicates HVAC installation.

"It would take too long to install the hangers through the sheetrock and the gap before reaching the actual ceiling joists," O'Keefe explains. "We had to place the hangers before the sheetrock could go in. The fire sprinkler and electrical systems went in with the hangers, and sheetrock is ongoing, so we are coordinating with multiple trades on site."

Meanwhile, the Boston subway system presents another compli-

cation. Lifting the 26-ton rooftop unit to the top of the building requires cranes.

"We have narrow cobblestone streets here, and the subway runs nearby, which means the permit application process is very rigorous," says O'Keefe. "The city required us to schedule the cranes six months ahead of time and to involve engineers. We won't be allowed to lift until October."

The project will use about 20,000 pounds of sheet metal. To minimize crane use, JEC is moving most of the metal through the building's original elevators. "We prefab small sections in the shop, package them into units that we can fit into these tiny, old elevators and ship them out by floor," O'Keefe says.

JEC is installing supply and return risers on all floors to provide outside air throughout the building. "The 10,000-CFM fan will exhaust humid air from the main building, and our normal heating and cooling processes will dehumidify our incoming supply," O'Keefe says.

In addition, there will be



JEC SERVICE COMPANY  
[www.jec-company.com](http://www.jec-company.com)

dedicated 6,000-CFM supply and exhaust fans for a transformer vault in the basement. "Basements without proper ventilation can grow dangerous molds. The National Grid power company is locating a transformer station in the building basement, and the electrical equipment requires good air quality."

Even moving materials from the shop to the site is a challenge.

"Boston is served by narrow, winding cobblestone streets and alleys. No roads are straight, and some sections of town are closed to vehicular traffic," O'Keefe says. "We're working to bring modern comforts to this project while we preserve the historic charm of the shopping district."



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<http://bostin.curbed.com>



# Holiday-Parks Takes on High-End Residences in Seattle Suburb

**C**ontractor Holaday-Parks, Inc. is providing full mechanical services for a high-end, 21-story residential building under construction by Bosa Development in the heart of Seattle suburb Bellevue, Wash. The One88 development features 147 residential units; 20,860 feet of retail space on the ground level; two levels of above grade parking for retail customers and visitors; and two levels of below grade parking.

Project manager Josh Jessup notes that even though One88 is similar to many projects Holaday-Parks has done before, the building has unique features.

“The building has some fun, different things, like a golf simulator, that not every high-rise has,” Jessup says.

The building’s unique architecture also impacts Holaday-Parks’ work on the project, according to Jessup. “Some of the elements take more thought in design to make sure that everything’s going to flow together nicely and work with the different angles and architectural design,” he says.

The scope of the project for Holaday-Parks includes designing the building’s mechanical and plumbing systems and coordinating virtual design. The contractor is also handling the prefabrication and installation of the building’s HVAC systems, piping and plumbing.

The building’s mechanical room houses most of the plumbing, including expansion tanks, pot feeders and boilers. Holaday-Parks installed eight industrial

fans on the roof, along with Mitsubishi variable refrigerant fan units and piping to feed the individual units in One88.

The on-site team reached upwards of 30 workers at the peak of installation, and Jessup says their work on One88 should be done in February 2020. The Holaday-Parks prefabrication shop also has stayed busy working on the building’s piping and plumbing systems. “The shop’s a more controlled environment, and it’s nice to have a good shop that can send good stuff out to the field,” Jessup says.

Working with Bosa Development has proven to be a unique experience for Holaday-Parks, according to Jessup. He points out that Bosa is a “one-stop shop.”



ONE 88 BELLEVUE  
<https://one88bybosa.com>



HOLIDAY-PARKS, INC.  
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“Normally there’s a general contractor, and then there’s a separate owner,” Jessup says. “Bosa is different because they’re the owner, they’re the developer, they’re the general contractor.”

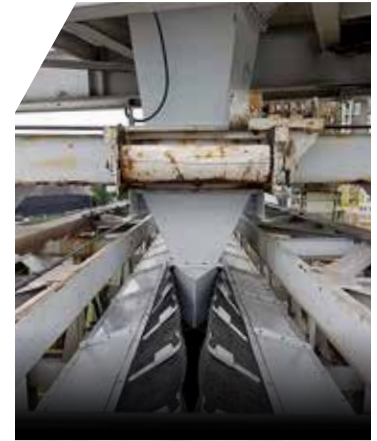
Jessup says he appreciates the time savings and clarity that comes from the arrangement with Bosa. “We’re able to work together as a team and to work efficiently out in the field because we can get answers much quicker than if we had to send seven different emails to seven different people. That does set this project apart because everything’s in house,” he says.

Jessup cites the location as another exciting element of the project.

“Bellevue’s booming, and Amazon’s moving to Bellevue. And all these different tech companies are in Bellevue. It’s the central hub now for a lot of people, and we’re right in the heart of it, building a massive tower that’s architecturally going to look amazing. It’s fun to be right in the middle of the newest, hippest thing.”



SMACNA member Vidimos was hired by Cargill to replace part of a 170-foot-long conveyor at the facility on Lake Michigan, and designed a chute that works similar to a common zipper.



chute,” Vidimos explained.

A custom-made pointed bull-nose design on the chute opens the flap as the conveyor belt runs and also allows it to close. Like a boat moving through the water, the chute made by Vidimos — working off conceptual designs provided by Cargill plant manager Ryan McCoy — has tapered “up-stream” and “downstream” sides to push the split rubber cover apart while sealing it against the chute on the opposite side. It works in a fashion similar to a common zipper.

Vidimos workers also replaced the bottom and portions of the sides of the 170-foot conveyor with an abrasion-resistant steel plate they fabricated. New roof sections were put on the portions of the conveyor’s top outside the loading areas.

The project required an estimated 150 shop hours, including computer design, laser cutting, forming, welding and assembly. Installation took an additional 300 hours.

*Photos courtesy of Mark Williams and Bill Sweeney. Mark worked for Vidimos for 44 years, while Bill has worked for Vidimos for 41 years! Thanks to both Mark and Bill!*

# SMACNA Contractor ‘Zips Up’ Conveyor Project for International Agriculture Company

Cargill may not be a household name, but if you’ve ever ordered an Egg McMuffin from McDonald’s or consumed any other meat or processed foods, there’s a good chance it included an ingredient supplied by Cargill.

The 154-year-old, privately held Minnesota-based agribusiness firm generates an estimated \$115B in annual revenue.

SMACNA member Vidimos Inc. of East Chicago, Ind., has counted the agricultural giant as among its clients for more than 30 years, having worked on several of the company’s plants in northwest Indiana and the Chicago area. Cargill officials say Vidimos’ craftsmanship is top-notch and the company appreciates its commitment to safety.

Scott Vidimos, the president of Vidimos Inc., says his company is a perfect fit for Cargill projects.

“We are well-suited to support Cargill due to our close proximity to the plants, the experience our people have working at the plants, and our safe work practices,” he said.

Recently, the heavy-gauge steel and ductwork fabrication contractor was hired by Cargill to replace part of a 170-foot-long, 30-year-old conveyor that transports up to 90,000 bushels of grain per hour from the company’s facility located at the Port of Indiana on Lake Michigan to another conveyor that loads the grain onto cargo ships. A unique feature of the conveyor was that it rotates around and traverses the facility during its operation.

The conveyor’s casing had deteriorated, and repairs were needed. Additionally, the sealing mechanism in the 45-foot loading area of the conveyor was not operating as originally designed, creating the potential for grain

to become exposed to the Lake Michigan elements. Adding to the challenge, the entire mechanism sat 60 feet above the ground.

Vidimos was tasked with fabricating a solution. It is experienced handling such projects, having previously worked on an indoor conveyor system that was used by a power plant to load coal into bunkers, as well as other Cargill plant projects.

For this job, Vidimos workers had to design, make and install the conveyor-feeding chute while ensuring that it still had the ability to receive grain loaded from anywhere in the 45-foot section where the roof was being replaced.

The solution they devised would be a cover that acted like a sealing zipper, with the conveyor moving back and forth under the chute.

“Part of the top was a counterweighted rubber seal, which parted when it encountered the



VIDIMOS  
[www.vidimos.com](http://www.vidimos.com)



## COVER STORY

# VEHICLE FLEETS KEY TO CONTRACTORS' SUSTAINED SUCCESS

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"A lot of work is getting done in the wee hours of the morning," says Mendel's president, Tom Mascari. "Well before anybody's even out of bed, Brian is changing oil and inspecting brakes and rotors and checking fluids and batteries. Just having him in the vehicles and running them every day, I think, makes a big difference in the quality of the care we're able to give our trucks."

For outside observers, how sheet metal and HVAC companies like Mendel manage their trucks may seem like an afterthought. In reality, executives in the sector say effective fleet management is critical to their businesses and can even create competitive advantages.

### First Line of Defense

Not surprisingly, contractors overwhelmingly cite vehicle maintenance and upkeep as the top challenges they face in managing their fleets. Many companies employ full-time mechanics like Bonnema to look after their vehicles.

In fact, preventative care can be just as important as repairs in terms of getting the most out of vehicles.

"We used to be in the category of when something breaks on a car, that's when it gets addressed," says Jim Klopfenstein, president of Day Heating Co. in Salem, Ore. "And I can tell you that our vehicles didn't last as long."

Russ Kimball, owner and general manager

of Everett, Wash.-based Evergreen State & AC, says he keeps an eye on maintenance records and addresses it every week with his staff during safety meetings. He makes a point of asking his drivers to bring in documentation of the latest oil changes for their vehicles at three-month intervals.

Meanwhile, employees are often seen as the first line of defense in making sure the vehicles keep running smoothly.

"We rely on the drivers to make us aware of any issues," says Todd Geisler, president of Geisler Brothers Co., a sheet metal and HVAC contractor in Dubuque, Iowa. "If there's any problem with brakes, tires or rotors, it's up to each individual to make us aware of it."

According to Klopfenstein, his company has run into problems when drivers have failed to flag emerging issues with one of the roughly 20 vehicles in its fleet.

"Sometimes you find out something's been going on when you're talking to a driver standing beside a broken-down vehicle on the side of the road," Klopfenstein says. "The drivers had a lot of notice, but they just didn't tell you."

To help avoid some of that user error, technology is beginning to play a larger part in maintenance and management. For example, Geisler Brothers uses a software module to keep track of the maintenance work done on all 24 of its vehicles, along with expenses.



Additionally, the program monitors the vehicles for specific milestones, such as reaching the mileage for when their tires need to be rotated.

"If an employee says the transmission is bad on a vehicle or it needs \$1,000 worth of rotor



"WHEN OUR VANS PULL UP TO CLIENTS' HOMES, THAT'S A BRAND IMAGE IMPRESSION, RIGHT OFF THE BAT...WE DO EVERYTHING WITH QUALITY, INCLUDING HOW WE MANAGE OUR FLEET. WOULD YOU REALLY TRUST US TO MAINTAIN YOUR HOME IF WE CAN'T EVEN MAINTAIN OUR TRUCKS?" —TOM MASCARI





repairs, the first thing I can do is get a report to see what kind of condition the vehicle is in and how much money we have been putting into it," Geisler notes. "Then we can make a determination to replace it or repair it."

#### **GPS to the Rescue**

Some sheet metal and HVAC contractors are discovering the benefits of installing GPS systems on their vehicles. In certain cases, they're using GPS simply to keep track of where the vehicles are. That way they know how long service technicians are spending on job sites, for example.

According to some contractors, GPS tracking also makes it easier to coordinate service calls. If a new call comes in or a technician needs to be diverted to another job site, the home office can base those assignments on where the





vehicles are located. That saves significant time and effort.

Some companies find that the costs associated with using GPS tracking on their trucks don't fit their budgets. For instance, Kimball says Evergreen bailed out on putting GPS tracking on its vehicles following a trial run.

"As a relatively small company, I know my employees — where they are, who I can trust and who I can't," Kimball says. Although, he adds that if GPS systems become more economically feasible, he might consider implementing them in the future.

### Keeping Things Clean

Typically, sheet metal and HVAC contractors treat their vehicle fleets as a basic cost of doing business. Some executives, however, look at their company's trucks and see an opportunity for marketing.

Take Mendel, for example. Mascari notes that the company prides itself on a brand image of high quality and premium service. When it comes to the company's trucks, that means ensuring that they're washed and cleaned out on a daily basis. Bonnema also watches for signs of decay on the trucks, such as rusting.

Those kinds of practices may sound like

overkill. Yet, they do fit with the company's broader goals of developing and promoting a healthy company culture.

"When our vans pull up to clients' homes, that's a brand image impression, right off the bat," Mascari says. "If they see we have a grimy old van, what does that say about the quality of our service. We do everything with quality, including how we manage our fleet. Would you really trust us to maintain your home if we can't even maintain our trucks?"

**ON THE OTHER HAND, SOME COMPANIES FIND THAT THE COSTS ASSOCIATED WITH USING GPS TRACKING ON THEIR TRUCKS DON'T FIT THEIR BUDGETS. FOR INSTANCE, KIMBALL SAYS EVERGREEN BAILED OUT ON PUTTING GPS TRACKING ON ITS VEHICLES FOLLOWING A TRIAL RUN.**



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# St. Louis SMART, SMACNA Chapter Buck Residential Work Trend with Marketing Efforts

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house or something like that, we compete well.”

Another reason for the healthy residential market in the region, Hoganson said, is the service rebate program established by SMACNA and SMART Local 36. Anytime a homeowner signs a maintenance agreement with a SMACNA St. Louis contractor, the homeowner gets a \$25 rebate on the cost of the plan, which can range from \$150 to \$200 on average.

The rebate program has more than 20,000 participants, which translates into more than 40,000 service checks issued annually. Some months, the program sends out more than \$30,000 in rebates.

It's a win-win-win for homeowners, union workers and the contractors that employ them. Homeowners have efficient HVAC systems, workers stay busy, and

the program helps sell high-margin maintenance agreements and build long-term customer relationships.

“I really believe that it gives (homeowners) peace of mind,” Hoganson said. “I always say that everybody has a doctor, a lawyer, an auto mechanic. Everybody should have an HVAC company.”

### Attractive to Potential Workers

The chance for steady work thanks to the rebate program and other marketing efforts makes the HVAC industry more attractive to potential employees, Hoganson said. Because SMART Local 36 and SMACNA St. Louis have a good working relationship, contractors have a greater degree of flexibility in hiring workers.

In St. Louis, new residential technicians

don't have to come through the union's hiring hall.

“We recruit through tech schools; we recruit from the non-union contractors,” Hoganson said. “They can hire off the street. It's a collaborative effort between [Local 36] and contractors looking for the best technicians.”

The potential hires are tested to judge their skills, from beginner to journeyman-level. Then a customized curriculum is developed and resumes are sent out to see if their skills match the needs of any area contractors.

The program has given a boost to the number of technicians pursuing residential certifications: According to Hoganson, out of the approximately 250 appren-

tices currently enrolled in the Local 36 program, more than 50 are learning residential service technology. In fact, the St. Louis program is so successful, the local Joint Apprenticeship and Training Committee is going to hire a second full-time service instructor.



Ed Hoganson



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# Longtime SMACNA Member Companies Have Success in Common

An oft-quoted statistic is that most new businesses fail within the first year. According to the Small Business Administration, only around 30 percent of businesses survive a decade. And if you pull out figures from research on family-owned companies, survival rates quickly fall into the low single digits.

That's what makes the three SMACNA member companies highlighted in this article all the

more remarkable. As SMACNA celebrates its 75th anniversary as a national organization for sheet metal and HVAC contractors, it's highlighting member companies that are celebrating some of their own milestones.

You would have a tough time finding an older continuously operating sheet metal contractor than Welsch Heating & Cooling Co. which has been continuously operating for

more than 124 years. And while the Lynch Co. Inc. (100 years) or KSM Metal Fabrication (40 years) haven't been around as long, they have both carved out a niche shielding them from economic fluctuations for many decades.

Many members could learn something from these successful contractors.



## Welsch Heating & Cooling Co.

Few family-owned companies survive to the second generation, let alone the fourth. But Welsch Heating & Cooling Co. in St. Louis, is an exception. Now run by its 78-year-old president, George "Butch" Welsch, the 124-year-old firm is one of SMACNA's most successful residential contractors. The company started out selling potbelly stoves out of a storefront in one of St. Louis' historic neighborhoods. It soon moved into coal furnace installation when those became the industry's preferred heating method. By the 1940s, Welsch Heating was well-positioned to meet the demand for new technologies such as forced-air furnaces and air conditioning in the homes and buildings built



in the years after World War II, which served as the base of Welsch Heating's work for the next several decades. However, there was a downside to all that new-construction work, Welsch said. It was more susceptible to fluctuations in the economy, and every time the homebuilding industry suffered, the company would be severely impacted. He decided Welsch Heating needed to diversify its operations.

"Around 1990, I said I'm tired of these homebuilding cycles," he recalled. "Let's think about

making a change."

That change was a new focus on service and replacement work. Welsch Heating went from a company that was almost totally new construction, to one where it only comprises about 40 percent of its revenue — the rest is service and replacement. The company employs 20 service technicians and handles about 5,000 maintenance agreements annually.

[www.welsch-heatcool.com](http://www.welsch-heatcool.com)

1943

SMACNA is chartered as a nonprofit national association in New York state.

1979

SMACNA develops a promotional campaign to encourage members to hire women into the sheet metal industry.



## The Lynch Co. Inc.

Since its founding by James R. Lynch in 1919, Portland, Ore.-based sheet metal contractor the Lynch Co. Inc. has survived recessions, depressions, wars and the evolution of its hometown from an industrial hub into one of the tech boom-towns of the Pacific Northwest.

The company started as a furnace and heating company. After the U.S. became involved in World War II, it joined the war effort by performing steel fabrication for the shipbuilding industry at yards in Portland and Vancouver, Wash. After the war, it saw success manufacturing oil and gas furnaces and sheet metal ductwork for industrial and commercial clients.

Today, the company's list of industries served encompasses everything from agriculture to military, energy and fish and wildlife. General manager Pat Prentice said the company has never been one that simply does one thing well. Officials believe that expansion and evolution have been keys to its success.

"We've changed with the times and we're diverse," Prentice said. "We don't just do one segment. This is the reason that we got into the structural steel fabrication as well. We do the sheet metal and the structural steel that supports the sheet metal as well. So, we'll fabricate here in our shop. We'll fabricate and erect. Whatever the customer wants, we're here for them."

<https://thelynchco.com>





## KSM Metal Fabrication

KSM Metal Fabrication has evolved from its beginnings as Kerber Sheet Metal — an HVAC-focused company — in 1979 to its place today as KSM Metal Fabrication, which is one of the only SMACNA member companies involved in the aerospace industry.

It's a niche that has allowed KSM to prosper as a go-to contractor that fabricates heat shields for aircraft brakes and wheels, along with other parts for the industry. Company president and COO Kathy Kerber said that when her father, Dan Kerber, founded KSM 40 years ago he didn't have the family background or industry experience than many HVAC contractors have. What he did have was an accounting degree, and he learned the industry while handling the financials for a Troy, Ohio, plumbing and HVAC company.

Dan Kerber eventually bought the company's HVAC operations, and a friend took over the plumbing division. That led to the founding of Kerber Sheet Metal on April 1, 1979. The entire company consisted of Dan Kerber and five employees.

It was not a great time to start a contracting business: The U.S. was teetering on the brink of recession and interest rates were in double digits.

"It was hard to compete in that economy," Kathy Kerber said.

Fortunately, Kerber had a meeting with an engineer from the aerospace wheel and brake division that tiremaker B.F. Goodrich operated at the time. The engineers at B.F.



Goodrich needed some specialized parts and wondered if Kerber's sheet metal company could help make them. Kerber agreed to make the parts.

Early prototypes were cut using tin snips that had previously been used on ductwork. B.F. Goodrich engineers were so pleased, they asked Kerber to continue making parts for the company's military and civilian aerospace projects. Kerber changed its focus from HVAC to the aerospace industry. Today, KSM parts are used on projects all over the country.

"We haven't had our heating license in 15 years," said Kathy Kerber, who became company president in 2012. In 2014, the company changed its name to KSM Metal Fabrication.

Today, KSM employs 25 people and their work is not only used in aerospace but also the food equipment and automotive industries.

In 2016 it received ISO 9001 certification for manufacturing from the International Organization for Standardization, and in 2018 KSM received AS9100 (aerospace) certification for quality in that industry.

<https://ksmmetalfabrication.com>



Cleveland SMAC PAC members joined SMACNA's director of legislative affairs Stan Kolbe Jr. (third from left), Rep. David Joyce (R-Ohio) (fourth from left), T.H. Martin, Inc. and SMACNA-Cleveland Chapter President Thomas E. Martin (fifth from left) and SMACNA-Cleveland CEO John Sindyla (far right) at a Cleveland Indians baseball game in late July.

### EYEBROW

## Rep. Joyce Discusses Infrastructure, Projects with Cleveland SMAC PAC members

On Wednesday, July 31: Representative David Joyce (R-Ohio) met with Cleveland Chapter SMAC PAC members and guests in Cleveland. This SMAC PAC-supported event was held at Cleveland's Progressive Field Stadium.

"Great to catch-up and network with Congressman Joyce to discuss the industry and market in Cleveland and Northeast Ohio. Having our Labor partners from SMART helped the cause and enhanced the relationship with our Labor partners," Thomas E. Martin, President of T.H. Martin, SMACNA-Cleveland Chapter President and SMACNA board member, said.

Rep. Joyce discussed recent developments with Cleveland-area projects, apprenticeship programs and area workforce development efforts as well as energy efficiency and infrastructure needs for Ohio and the nation.

"These events are integral on two fronts: 1. Strengthening relationships with our SMART partners to further the industry regardless of our political stances, and 2. Demonstrating how management and labor can work together firsthand to solidify friendships both in local and national politics," John Sindyla, CEO of SMACNA-Cleveland, said.



LEADERSHIP



# The Roadmap for an Enduring Organization

Why is it that only about 30 percent of privately held companies move beyond the founder and transition to a second generation? One primary reason is that there is no roadmap from “here” to “there.” Many founders are both highly entrepreneurial and highly opportunistic. They often operate with a compass instead of a map, meaning they are moving in a specific direction but not looking for a specific destination. While we see incredible success from many with that model, it is rarely transferable to a subsequent generation of owners/leaders. That’s why we encourage our clients to understand and utilize the power of vision in order to set a clear course toward a compelling future.

When we speak of vision, we aren’t talking about a marketing slogan or a tagline. By vision, we mean clearly answering the questions, “Who are we?” and “Where are we going?”

We like Jim Collin’s model of vision as the joining together of a Core Ideology and an Envisioned Future. The Core Ideology (purpose and values) ensures that wherever the organization goes in the future, it remains true to its roots. An Envisioned Future (clearly articulated description of a preferred future) gives clarity, energy, and focus to those who will carry the company into the future. This is not something that can be done well in a single afternoon. And no matter how comprehensive the process, if it is not created by a team representing both present and future leaders, it will likely be ignored. And even if the right people create the right roadmap for the future, if it’s not relentlessly communicated early and often, both broad and deep, it’s unlikely to create an impact. So, it’s not easy, but if you get

it right, you’ll create a lot of tailwind as you move forward.

These types of exercises often feel like corporate navel-gazing to many, particularly to smaller companies. But the end-result is not a plaque on the wall or a sign on the side of our service vans. The result is for our people to find security and direction in clarity, which almost all people are looking for. One of the guys on our team often says, “In the absence of clarity, people will jump to the most pathological conclusion possible.” When we conduct leadership assessments for companies and ask questions about vision and culture, we often find that this isn’t much of an exaggeration!

Your people may not specifically be asking existential questions like “Who are we?” and “Where are we going?” But they are asking, “Is this the place for me to build a career?” And if you as an owner are of a certain age, “What’s going to happen when the old man is done?” If those questions go unanswered year after year, there are several undesirable consequences. Your best people are highly susceptible to seeing better opportunities elsewhere. You’ll have a harder time deciding when to step away. Most importantly, you’ll miss the chance to lead well by inviting people to commit to an incredible adventure together. It was Jack Welch who said, “Good business leaders create a vision, articulate the vision, passionately own the vision, and relentlessly drive it to completion.” We are committed to seeing our industry experience the power that great vision brings.

*Ron Magnus, managing director of FMI’s Center for Strategic Leadership with Ed Rowell, CSL consultant.*

SAFETY

## New SMACNA Safety Meeting App is Easy and Affordable

The new SMACNA Safety Meeting App provides a low-cost tool for your firm to easily provide toolbox talks, conduct jobsite and shop inspections, and document these activities. In collaboration with SMACNA, Safety Meeting App is a great resource for companies looking to keep track of these critical safety program basics.

The App is easy to use once you go through the free 30-day trial. You simply sign up for the number of “seats” you want, enter basic personnel data, and you are on your way.

Supervisors, project managers, office managers and safety personnel will find this App useful and an added value to the company safety program. To sign up for the SMACNA Safety Meeting App, go to [www.safetymeetingapp.com](http://www.safetymeetingapp.com) to see a demonstration, find cost information and activate the free 30-day trial. Anyone with questions on the App can contact Mike McCullion at SMACNA, 703-995-4027 or [mmccullion@smacna.org](mailto:mmccullion@smacna.org).

SAFETY

## SMACNA recognizes 2019 winners for safety excellence

Each year, SMACNA congratulates its members for their outstanding performance in occupational safety and health through SMACNA’s Safety Excellence Award Program (SSEAP). With an overall lower average experience modification rate (EMR) from last year, the 2019 safety survey results show that safety and health continue to be a high priority for SMACNA contractors.

SMACNA is proud to acknowledge the 2019 SSEAP winners and to salute the top chapters with the highest level of survey participants. For the SSEAP, member winners are determined by man-hour categories and OSHA incidence rates.

Second place, third place and honorable-mention winners will receive their trophies in the mail this summer. First-place winners and the overall Canadian winner will be recognized and receive their trophies at SMACNA’s Annual Convention in Austin at the Annual Business Meeting on Wednesday Oct. 23, 2019.

**THE 2019 SAFETY AWARD WINNERS ARE:**

**Over 500,000 hours**

University Mechanical and Engineering Contractors, Inc. *El Cajon, Calif.*

University Mechanical Contractors, Inc. *Mukilteo, Wash.*

University Mechanical and Engineering Contractors, Inc. *Tempe, Ariz.*

**400,001-500,000 hours**

Western Allied Mechanical *Menlo Park, Calif.*

MG McGrath Architectural Surfaces

*Maplewood, Minn.*

Dee Cramer, Inc.

*Holly, Mich.*

# Welcome 2019 Associate Members

## PLATINUM



## GOLD



## SILVER

SMACNA welcomes new Silver Associate members Alan Manufacturing Inc. of Wooster, Ohio, Greenheck of Schofield, Wisc., Gripnail Corporation of East Providence, R.I., Gripple of Aurora, Ill., and Rossi HVAC Hardware of Montrose, Calif.



SMACNA's Associate Member program provides an opportunity for industry suppliers to build long-lasting relationships with SMACNA members, the industry's premier contractors. To learn more about becoming an Associate Member, visit [smacna.org](http://smacna.org) or contact Scott Groves at [smacna@naylor.com](mailto:smacna@naylor.com).

### 300,001-400,000 hours

Bel-Aire Mechanical, Inc.  
Phoenix, Ariz.

Climate Engineers  
Hiawatha, Iowa

Streimer  
Portland, Ore.

### 200,001-300,000 hours

Mechanical Service and Systems, Inc.  
Salt Lake City, Utah

Critchfield Mechanical of Southern California  
Huntington Beach, Calif.

Broadway Mechanical-Contractors  
Oakland, Calif.

### 100,001-200,000 hours

Air Comfort Corporation  
Broadview, Ill.

Modern Controls, Inc.  
New Castle, Del.

Ernest D. Menold, Inc.  
Lester, Penn.

### 50,001-100,000 hours

Air Central, Inc.  
Honolulu, Hawaii

West Coast Architectural Sheet Metal  
San Jose, Calif.

MechOne, Inc.  
Colorado Springs, Colo.

### 25,001-50,000 hours

Master Sheet Metal, Inc.  
Honolulu, Hawaii

Leibold, Inc.  
Pottsville, Penn.

Ohio Fabricators, Inc.  
Akron, Ohio

### 1-25,000 hours

L & M Sheet Metal Fabricators, Inc.  
Snohomish, Wash.

Restaurant Ventilation Design, Inc.  
Wenonah, Penn.

Total Comfort Solutions Heating and Air Conditioning  
New Britain, Penn.

### Chapter Participation Awards

SMCA of Philadelphia and Vicinity

SMACNA Western Washington

SMACNA Hawaii

### Canada SSEAP Winners

**Overall Winner**  
Modern Niagara  
Toronto, Ottawa, Canada

### Honorable Mention

VETS Sheet Metal  
Edmonton, Alberta, Canada

SMACNA congratulates all our award winners on an excellent year. We want to thank all our members who participated in the program and we invite all SMACNA members to continue to strive toward the goal of improved safety excellence.

## MEMBERS

### Welcome New SMACNA Members

Lynn Services	Hayden, ID
Therma, LLC	Irwindale, CA
PJM Mechanical Contractors	Ewing, NJ
Passaic Metal & Building Supplies Co./PAMPCO	Lakewood, NJ



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202.547.8202 | Fax 202.547.8810



SMACNA CALENDAR

SEPTEMBER 2019

**September 9-10**  
NJAB  
*Salt Lake City, Utah*

OCTOBER 2019

**October 20-23**  
76th Annual Convention  
*JW Marriott, Austin, Texas*

DECEMBER 2019

**December 8-10**  
Council of Chapter Representatives  
*Scottsdale, Arizona*

**December 26-28**  
Chapter Executive Institute  
*Colorado Springs, Colorado*

FUTURE SMACNA CONVENTIONS

**September 27-30, 2020**  
77th Annual Convention  
*The Broadmoor  
Colorado Springs, Colorado*

**October 24-27, 2021**  
78th SMACNA Annual Convention  
*Maui, Hawaii*

**October 23-26, 2022**  
79th SMACNA Annual Convention  
*Marco Island, Florida*

**October 15-18, 2023**  
80th SMACNA Annual Convention  
*JW Marriott Phoenix Desert Ridge  
Resort and Spa  
Phoenix, Arizona*

**SMACNA**  
Annual Convention

Don't Miss the  
Grand Finale of SMACNA's  
75th Anniversary

[WWW.SMACNA.ORG/ANNUALCONVENTION](http://WWW.SMACNA.ORG/ANNUALCONVENTION)

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[www.smacna.org](http://www.smacna.org)

2019 Premier Partners

