



## *OLYMPIC WALL SYSTEMS EXPANDS TO BECOME A*



The Kiewit Corporate Office Tower in Omaha, Neb., involved a very complicated EIFS renovation of the existing glazed tile building. Olympic Wall Systems, Inc. did the job using prefabricated EIFS panels.

# GOING REGIONAL

By Michael J. Major

## *MIDWESTERN CONTRACTOR IN FIVE STATES*

Wall and ceiling contracting invariably starts out as a local activity. For most contractors, it stays that way. There are relatively few who branch out into different states. Those who do face the choice of going either regional or national. When Olympic Wall Systems, Inc., located in the Minneapolis suburb of Minnetonka, Minn., first thought about expanding, the company studied both options.

“Over the years we watched very carefully as our colleagues around the country went through expansion, and the lesson we learned is that you have to be very careful about how you expand,” says Tim Conroy, president of Olympic Wall Systems, Inc. “If you are in Denver and expand to Miami, you’re dealing with a different kind of market, a different work ethic, sometimes language barriers, and all kinds of logistical problems. Rather than expand at random, we decided to expand only within the same region. This allows us to follow our same customer base from state to state, and to support each other in our different locations.”

But the company didn’t start out with expansion in mind. In fact, it took about 70 years before the first expansion took place. The company was founded in 1918 by Tim’s grandfather, Joseph Conroy Sr., and his brother, George. It was called the Conroy Brothers Company, and its purpose was plastering for residential construction.

### Marketing the Market

Joe Conroy Jr. entered the family business in the 1950s and transformed this residential plastering company into one of commercial lath and plastering. He continued to grow this business in the Twin Cities of Minneapolis and St. Paul for a number of years. When drywall entered the market in the 1960s, it became apparent that wetwall had a competitor. Recognizing this trend, Joe Jr. started a drywall firm, Olympic Wall Systems, to complement the plastering side. Olympic was started in 1970. It grew slowly at first, but started picking up steam in the late 1970s.

Tim, meanwhile, was growing up in the business. He worked as a laborer during vacations while he went through high school and college, graduating from Regis College in 1975. He worked as a plasterer until 1977 when he became a project



The plaster ceiling of Westminster Church was completely replaced.

manger/estimator, and he became vice president of both companies in 1983.

Olympic underwent its first two expansions in 1989, to Milwaukee and Des Moines, Iowa, followed by Sioux Falls, S.D., in 1995, and Omaha, Neb., in 1996.

Over the past several months, the business has undergone some significant changes. A new, Y2K-compliant computer system has been installed, networking all the different locations, with all of the time, effort and frustrations that the job implies. At the same time, Joe St, the president of Olympic, and several other key personnel from the older generation retired. And, effective Jan. 1 of this year, the two businesses were emerged to the single company, Olympic, and Tim became president. "Any one of these changes would have been a major challenge in itself," Conroy says. "But having them all occur at once was a really big challenge, seemingly overwhelming at times."

Phasing out the family name on a busi-

ness that had been around for most of the century was a difficult thing to do. But, while both names were well known in the twin cities, it was Olympic that had name recognition in the other four locations. So, marketing won out over nostalgia.

A key reason for the expansions, Conroy says, "is we wanted to grow, but we also wanted to become more diverse and not be solely dependent upon the twin cities. The economic cycles are each a little different in our five different markets."

Another reason, Conroy adds, is "being a family business, we were very concerned about both being able to grow and to attract and hold qualified people." Although the company tries to promote from within, it also works to draw from the populations of its satellite outlets. Each operation is given considerable autonomy, and the managers develop each as their own profit center.

Finally, the company got lucky when it chose to expand at the right time. "We took a gamble with the expansion," Conroy says, "but we were very fortunate in that the construction activity in the various markets allowed us to pursue this growth. We had the good fortune of expanding at the right time."

### More Than Luck

It wasn't all luck, though. In each case, Olympic became involved in major construction projects in these various cities, and did considerable analysis before making the final move. For instance, the most recent move to

Omaha had a prelude of two corporations coming to Minnetonka to solicit Olympic's work since they felt they could not find a comparable level of expertise from the local contractors.

One job was on the Kiewit Corporate Office Tower, which involved a very complicated EIFS renovation of the existing glazed tile building. A contract was negotiated, with crews sent to Omaha, and a prefab lab was set up next to the construction site. It was slightly more expensive for Kiewit, but it was worth it for the people there, who invited Conroy to bid on future projects. In similar fashion, Harvey's Hotel and Casino approached Olympic about coming to Omaha. Both were multimillion dollar jobs involving tens of thousands of square feet of EIFS panels.

"Since we had another location 120 miles away in Des Moines, Omaha seemed like a natural expansion site," Conroy says. Olympic eased into Milwaukee and Sioux Falls through similar methods. On the other hand, Olympic also has done jobs in several other states, such as North Dakota, Ohio and Illinois, but decided that the economic climate there wasn't good enough to justify opening up a new satellite office.

As the result of Olympic's aggressive growth mode, the company's volume has increased from \$14 million in annual sales in 1981 to an anticipated \$60 million this year. The firm presently employs about 650 people and, at any given time, is involved in more than 400 construction projects. Because of its long history and reputation for high quality work, Olympic manages to acquire 35 percent negotiated work, the rest bid.

"Anybody can put up an 8-foot wall," Conroy says. "But we feel our strength comes from the quality of our project managers and field crews that sets us above the competition in terms of expertise. We're not afraid to go after the ultimate challenge, projects that are extremely difficult and that no one else wants to touch."

For this reason, although the firm does a wide range of projects—from convenience stores to multimillion dollar office buildings, hospitals and convention centers—it also does the difficult and unusual job. These are often renovations, which are a major part of Olympic's business (about 20 percent). One reason is that many of these older buildings were done with full coat plastering, a dying art since the arrival of drywall. Although Olympic's offerings have grown to include exterior steel studs, interior drywall, taping, spray fireproofing, prefabricated exterior wall panels, acoustical tiles and painting, it still retains its roots in lath and plaster. "We have enough old-timers who teach plastering to the younger workers, so we keep the trade alive," Conroy says.

### Restoration Works

Olympic and Conroy Bros. have done a number of major church restorations in the Twin Cities area over the past decade, including the Wayzata Community Church, Woodale Church and the St. Paul Cathedral. One of the most challenging was the Westminster Church, a majestic 100-year old house of worship, which is listed on the National Historical Register and anchors the south end of Minneapolis' Nicollet Mall.



Tim Conroy is president of Olympic Wall Systems, Inc.

Various options were considered, such as removing the loose plaster and patching or skim coating the existing ceiling. However, these were determined to be “Band Aid” approaches that were inconsistent with the goal of rebuilding the church so it would last another 100 years. Conroy’s strongest

with similar materials. “This way they were virtually guaranteed what they wanted—a ceiling that would last another century,” Conroy says.

This involved taking the entire dome out. Basically, it was stripped from limb to limb, everything taken out right

woodwork left in place was washed, cleaned and refinished. Along with surveying the building for structural integrity, all the air and materials—including carpeting, pipes, insulation and paint—were tested for hazardous content. It turns out that the layers below the top paint coat contained lead, which meant all the old plaster had to be torn out. The result was a renovation that looked brand new and met all modern standards but was absolutely true to the historical character of the church. 

The company ended up removing all the existing plaster and replacing it with similar materials in order to be able to virtually guarantee a ceiling that would last another century.

recommendation, which was the most costly and ultimately accepted, included removal of the entire existing full coat plaster system and replacing it

down to the rafters. All the windows—the biggest rose-window alone is estimated to be worth \$1 million—had to be cleaned, fixed and re-leaded. All the

#### **About the Author**

Michael J. Major of Anacortes, Wash., is a free-lance writer for the construction industry.