Specialization in Commercial Interiors Brings Success to Virginia Contractor

The RichField Group, of Chantilly, Provides Package Interior Service, Achieves Steady Market and Growth

Even for a start-up wall and ceiling construction company the business plan was a simple one: go after the interiors for commercial buildings.

That was only three years ago. The plan made more than a little sense to Mark Wattenberg, of Bethesda, MD, and partner, Hugh Chapell, of Gainesville, VA, who have since pushed their company, The RichField Group, 14512 Lee Rd., Chantilly, VA, into the multi-million dollar range in sales. They knew it was a lucrative possibility because they’d worked it from an owner’s end—and they show no signs of changing their focus of slowing down.

The company is now headquartered in attractive facilities in the Chantilly Business Center an industrial park near Dulles Airport.

Specializing in drywall, acoustical ceilings, general carpentry, demountable partitions and electrical, Wattenberg and Chapell took on the 31-story Gannett Building in Rosslyn, VA, and they’ve been a force in the Washington DC market ever since.

WATTENBERG: Well, we certainly were familiar with the market and the other players but we wanted a construction area that was predictably consistent.

Commercial interiors seemed to be that kind of market. It was relatively steady in all the seasons, and many companies are now renovating their facilities rather than moving. We told Westfield of our plans and they not only approved, but gave us the core of the US Today (Gannett) building. We also bid and obtained nearly 60% of the tenant work in the building.

That should make it rather evident why Hugh and I are sticking to our plan to specialize in interiors only.

DIMENSIONS: Are you set up to work strictly on a hard bid basis or is most of your work negotiated?

CHAPPELL: Most of our work is hard bid. We’re anxious to do as much work as we can but we don’t get into...
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the lowest bid situation where we’re bidding against everyone with a drywall operation.

DIMENSIONS: What type of job are you looking for then, the complex project that will by itself eliminate some of the competition?

WATTENBERG: Exactly. The more complex the job is the better we like it. We have the experience and personnel to take on that kind of work.

There are few interior jobs that Hugh, who handles our field work, can’t handle. Furthermore, we made certain that we had a top talent estimator on board. His name is Carl Wright and he has more construction experience and knowledge than anyone I know.

DIMENSIONS: You mentioned earlier that you go in with a package bid. What’s your philosophy on breaking out? Will you break out?

CHAPPELL: Truth is, we don’t run into that problem much. We’ve obtained a few jobs where we were high in our bid.

One other time, we bid a drywall and an acoustical ceiling job separately under a single contract. Now, we did this for an old general contractor customer but it didn’t present much of a problem to us or to the GC.

DIMENSIONS: But you’d do that only for a client or customer that you know well, right?

WATTENBERG: Usually, but not all the time. It depends on the circumstances and the job. For the most part, we try to develop a good working relationship with all of our customers. We’ll go out of our way to make their task easier and more effective and they pretty much know that, plus they have a good recognition of our capabilities and where we can best serve them.

Our strength is in our estimating and our ability to follow through. In a new building, we go after the core work.

DIMENSIONS: What about rehab work?

CHAPPELL: As we mentioned, most of our work is in new buildings . . . not rehab work as such.

Half—perhaps less than that—consists of tenant work where a new tenant wants changes . . . walls, ceilings, electrical, panels . . . that sort of thing.

Incidentally, we’ve now added an electrician, my son, Randy Chappell, so we’re able to perform much of the electrical work on a tenant job.

DIMENSIONS: Are you seeking turnkey capability eventually?

WATTENBERG: No, not really. We’re just trying to improve the package. Prior to Randy joining us, we had to sub out the electrical for both ceilings and walls.

Now we can take a demountable project, for instance, get in and out with our own crew in less than a week with a minimum of disturbance. I can assure you that customers appreciate that kind of service.
It makes sense. Owners need only to deal with us and we can price the whole job out immediately.

DIMENSIONS: And they don’t bid you against other similar contractors . . . or try to get sub bids?

CHAPPELL: Well, now, customers are free to do anything they want. I’m only saying that we bid competitively—not necessarily the lowest—and we offer something . . . service, quality work, and fast turnaround capability. On some occasions we were high, we still got the job. If you develop a good track record, as we’ve managed to do, and you can demonstrate to customers that you can perform sometimes a single element like price isn’t the deciding factor. Time is money.

DIMENSIONS: Do you bank on your reputation to get the tenant work. After you’ve finished the core?

WATTENBERG: Absolutely. In doing the core, we try to earn the GC’s or owner’s confidence with the idea that we’ll be asked to do the tenant work.

DIMENSIONS: Where’s the major emphasis these days . . . in demountable systems or permanent walls?

WATTENBERG: It depends and, of course, tax considerations have much to do with the final decision. We can do both.

The beauty of a demountable partition system for us as installers is that we can have the walls up in a day. If we time the inspections right we can be out of there quickly and onto the next job without fuss or punch list problems.

DIMENSIONS: Do you buy finished boards from the manufacturer or do you have your own capabilities for—

WATTENBERG: —we buy the finished board. We want speed and service, and any finishing . . . painting, for instance, would simply hold us up for another 2-3 days.

Keep in mind, what takes a contractor with a good demountable partition system one day to do would require a

About the Artist Who Paints Interpretations of Contractors

To contractor Mark Wattenberg it was a matter of finding significance . . . familiar impressions . . . a symbolic reference to construction itself.

To the artist, Mark Strauss, of Maurertown, VA, its Dynamic Interpretation. That’s a nice way of saying that his unique paintings are mentally and emotionally fascinating.

Wattenberg wanted a work of art to reflect his wall and ceiling business and a bit of himself. He got that—and more—from the retired ex-scientist and ex-college professor.

Strauss, European born and a Holocaust survivor, came to art by choice. With a PhD from the University of Cincinnati and background as a researcher at MIT and Franklin Institute, followed by teaching positions at Georgetown University, he was prepared to do some interpretative work upon retirement.

His lifelong flirtation with art was the instrument. He’d come to Wattenberg’s attention through one of his shows. From an interview, a job site visit and a few notes and quick pencil sketches, Strauss was ready to commit his ideas to canvas.

“Any painting such as I did for Mr. Wattenberg depends on an individual’s subject matter,” the artist explained. “There are numerous facets to any individual and to his work. Since these variations exist, the owner of the painting an acceptable and useful method for telling people who he or she is and what they do.”

Strauss transfers his own imprint of experience onto the canvas with a variety of techniques. His art is neither traditional “pretty pictures” nor strange, incomprehensible abstract. Rather it falls into its own self-created niche, an arrangement of familiar shapes and impressions artfully deployed across the canvas in innovative compositions and perspectives.

“To look at a Strauss painting,” one contractor admitted, “is to view something totally familiar . . . something that truly does make its statement known to you . . . but done in a new, unique way — different and modern. It communicates at numerous levels.”

As for Strauss, he admits his paintings drive across different directions and levels. “I’m very ambiguous. The artist often is,” he conceded. “Yet I demand complete satisfaction from a client. I’ve gone to two paintings before acceptance by a client, and I keep going until I do get it.”

A Mark Strauss painting takes about three months to complete. Generally he’ll require only one interview—to form his impressions and gain the background knowledge that invariably will find its way onto a canvas.
week with traditional walls. Frequently, this time is worth something to a customer.

**DIMENSIONS:** Many traditional drywall contractors contend they can price under a demountable and still provide acceptable installation speed.

**WATTENBERG:** That’s their opinion. We sell demountable partitions for the same price as painted. I merely say that I can install a fine demountable system competitively and save everyone’s time, too. Plus I can provide the owner with a major tax advantage because the demountable system is not a fixed capital investment. We can do this with the GB 350 line.

In these days of expensive money, the tax savings offered by a demountable partition over a fixed, painted drywall partition can be substantial.

And the tax savings to the owner is a bonus: it’s got nothing to do with my installation price.

**DIMENSIONS:** Open Office Planning. How does this impact on The RichField Group? Or do you see this as a furniture operation?

**WATTENBERG:** I don’t see open office planning as antagonistic to our operations. We can make almost anything a customer wants, including less-than-ceiling height panels.

We’re an interior systems company with a specialty in drywall, acoustical and electrical, and we’re doing well at what we do.

Of course, when an open space job comes along we can do it.

**DIMENSIONS:** In a business specialty area such as you’ve cut out, you must run into the punch list problem. What strategies do you have in place to minimize—or, perhaps, eliminate—punch list occurrences?

**WATTENBERG:** Like every other contractor, we try to avoid punch lists. Good management in the field is the real key. We pay our foremen well so they’ll exercise good field management and finish up items properly before they end up on a punch list.

**DIMENSIONS:** Do you hold your field people responsible for obtaining authorization on change orders, too?

**WATTENBERG:** You know, we just had a meeting on that very subject. It is the most important issue in our business, because we do indeed get exposed to changes.

Our foremen are instructed to prepare an extra work order ticket and, before the work is done, the change is authorized and signed.

When the work is finished, the foreman goes to the superintendent and has the work signed off.

Of course, it is always necessary to distinguish between an extra and work that is authorized or required under that contract. If a foreman is faced with a request to change, say, the ceiling panels he must make that choice—or call the office and instructions.

**DIMENSIONS:** On the subject of ceilings, where is the market today . . . still the traditional 1x1 lay-in tile or are designers looking for something different?

**WATTENBERG:** It’s still predominantly a market for the 1x1 tile. Still, though, the technology of the lay-in is improving with new products, textures, finishes . . . that sort of thing.

At the same time, the cost of a ceiling is coming down, too, along with the improvement in aesthetics and function. The ceiling buyer today has many options and a rather good buy for the money as well.

**DIMENSIONS:** I notice, Mark, a rather attractive and unusual painting hanging in your office. It has a feeling for a construction theme, doesn’t it?

**WATTENBERG:** Yes, that’s a painting done by Mark Strauss, a professor/scientist turned painter. He’s from Virginia and specializes in these symbolic abstract paintings.

When I saw his work I asked him to come in and interpret our company with the construction industry.

**DIMENSIONS:** Did you work with him on the subject or did he do it alone?

**WATTENBERG:** I gave him a brief overview of the business and then took him on a few jobsites. The rest be filled in. You can see — from the poker
cards—that he was impressed with the lack of risk in construction and the various pieces of equipment give it the construction feel.

What you see in my office is a print. I have the actual painting in my home in Bethesda. I just thought a painting of this type would look nice—and it does get me a lot of compliments—and comments.

Plus, of course, I’ve had it printed on cards and use it for direct mail, promotion . . . that sort of thing.

**DIMENSIONS:** You’ve come from hand tools to contractor. RichField has done well. Where do you see your future plans taking you?

**WATTENBERG:** Frankly, I don’t see the future taking us very far away from what we’re now doing. We’re a commercial specialty interior contractor and we’d like to remain in the mode because we understand the business and we’re profitable at it.

We have been starting to look a bit at large housing tracts as a possible new market, but that’s all it is at this point: just looking.

**DIMENSIONS:** You speak of new markets. Reputation is vital. How do you promote yourself . . . your reputation . . . and the ability of your company to perform?

**WA-ERG:** Any businessman knows, your reputation is vital and the word — good or bad — gets around mighty fast.

It’s a cliche I know, but we try to be 1000% in everything we do. If any comment less than “RichField is great” occurs then that’s my signal that we’re going downhill.

There’s a reason for such a comment and it’s seldom personal. It’s business and a less than ringing endorsement means that something isn’t
quite right. I want to know what it is—and correct it immediately.

I like letters of recommendation when I complete a job satisfactorily.

**DIMENSIONS:** Do you actively seek such a letter, that is, do you ask for one?

**WATTENBERG:** Yes, I do. I find the customer, if satisfied, will gladly do it and, beside they’re flattered that you’d ask.

Every one I get goes into a 3-ring binder and it’s showed to the next client, bank, bond company—anyone who has an interest in our company. Believe me, they work. When it says in black and white that we’re a good company, making a strong and successful effort—well, that counts with people.

I think any contractor who misses out on a chance to obtain a letter of recommendation from a customer is missing a great, free promotional opportunity.

**DIMENSIONS:** What are your mechanics? Do you write it or does the customer?

**WATTENBERG:** Generally, I ask them to write it and they do. Sometimes they ask me to put something down in a rough draft and then they finish it on their letterhead.

The mechanics aren’t important. It’s getting the letter that counts. And that’s easy. You just tell them you’d appreciate such a letter and how about putting something down.

**DIMENSIONS:** I would presume such letter requesting comes after the payment and/or retention issue is resolved, right? Do you have much of an accounts receivables problem?

**WATTENBERG:** Our accounts receivables are all current. I find the best strategy for avoiding receivables problems is to pick your customers with care.

It’s the people you do business with. And if we’ve not heard of a particular owner or GC before, it’s not all that tough to get a line on him. The information exists if you’re not too lazy—or hungry for a job—to get it.

**DIMENSIONS:** And retentions?

**WATTENBERG:** They all hold retentions, don’t they? We just try to bill for what we can, knowing that our customers won’t pay for something we didn’t do.

Do the job well, keep your billings and collections current, finish up the punch list promptly, and bill. That’s the key.

Here we are talking about collecting money, and I have customers who have actually corrected my billing and then sent money for work that was left out on our invoice.

You can’t have too much trouble dealing with people like that.

You’d asked before about our future plans.

Who needs to change when we’re respected in our market area—and we have customers who look out for us.