How to Improve Your Business with Renovation Projects

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Renovations—now more than 50% of the construction market—represent the power source required to jump-start most construction businesses. So what do you—the wall and ceiling contractor—have to do to command the attention of general contractors, owners and architects involved with retrofits? How do you overcome the renovation “avoidance” syndrome? And how do you connect—repeatedly and reliably—with retrofit opportunities?

Command Attention

Step One is to separate yourself from the competition by creating a dramatic impression—a memorable difference—with a demonstration of the high quality results you can achieve for your potential customer. While many good quality jobs can be used as reference accounts, nothing is as effective as good “before and after” photography of a dramatically designed and well-executed exterior insulation and finish (EIFS) retrofit. Witness the memorable difference made by the “before and after” shots of the Air Portugal building (see photos on page 24) in Newark, New Jersey.

Architectural trends—particularly in renovation—favor more decorative building designs. According to EIFS distributor and the industry dean of decorative shapes, George Elmes, chief executive officer of Branch River Foam Plastics, Inc., Smithfield, Rhode Island, “whenever you can look at an architect’s plans and convert masses of other shaped materials into EPS (expanded polystyrene)—or demonstrate that an architect or owner can significantly improve the design value of a plain building with a few well-chosen EIFS shapes—you have an excellent opportunity of converting the entire exterior job to EIFS.”

EIFS retrofit can provide important opportunities for renovation

In presenting your ideas to a general contractor and, perhaps jointly with the general contractor and your EIFS distributor and/or manufacturer, to an architect or owner, keep in mind the primary importance of design. Once attention is captured—perhaps even captivated—clinch the sale with a quick outline of a few important additional advantages of renovating with EIFS.

First, some background, and points to make, on design:

--EIFS is easy to work with and facilitates almost any design architects can imagine much more economically (at an average $12 per finished square foot for EIFS shapes compared to a typical $40 per finished square foot for shaped brick) than materials such as brick, precast concrete, metal or natural stone.

--Proper detailing makes the difference between well-executed EIFS jobs and jobs that soon develop problems. Strive to show that you can offer something beyond the ordinary—such as architectural consultations and meaningful warranties in conjunction with your EIFS manufacturer. Our own Technical Applications Consultant program, for example, provides regular field as well as home office technical services that include retrofit guidelines for almost any substrate, architectural consultations on detailing, educational programs on application techniques and estimating, and on-site contractor consultations.

--Color, another important element of design, is intrinsic to the material so there is no need for major maintenance every few years as with paint. Recent improvements also have been made in face resistance, thereby broadening the selection of darker and

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brighter colors that can be used with excellent results. Strides also have been made in mildew resistance.

Additional advantages of particular note in retrofit situations include the:

--Light weight of EIFS, which usually obviates the necessity of shoring old buildings with expensive structural steel as would be required for heavier materials.

--Energy efficiency of EIFS which --with an R-value of 4.17 per inch for a system’s expanded polystyrene board and 5 per inch for extruded polystyrene--is a big plus in an age of rising air conditioning and heating costs.

--Ease of application which means an owner can simultaneously change the appearance of a building and insulate without unduly disturbing the occupants.

**Overcome “Avoidance” Syndrome**

Many times in the past, retrofit opportunities have knocked and we, as an industry, have failed to answer the door. In fact, because we feared complications after applying EIFS over peeling paint, crumbling masonry or perhaps over relatively sound surfaces that might hide structural defects in an old building, we preferred to focus on new construction.

In other instances, we took on retrofit work and had an unprofitable experience--most likely because we failed to properly estimate the additional time required for renovations compared to new construction. So we avoided future retrofit opportunities. We not only ensured we were busy with new construction, we put obstacles--in the form of too lengthy periods to decide on many complicated requirements--in the way of owners and architects who approached us on renovation jobs.

Today, we cannot afford to ignore a business that has grown--and will continue to grow--to be an ever more substantial majority segment of the construction market. EIFS manufacturers now are responding to simplify their recommendations for different types of substrates encountered in retrofit work. At Senergy, for example, we have codified our recommendations for old substrates that range from crumbling masonry to glazed ceramic brick, and we offer Technical Application Consultant assistance in analyzing “problem” substrates and in approaching such jobs.

**Scouting out the Opportunities**

While opportunity may knock, it
Before Air Portugal's Newark, N.J., headquarters was retrofitted with a Senergy exterior insulation and finish system, it was an uninsulated brick-clad building once occupied by the Lincoln Technical Institute and used for a variety of other purposes since construction in 1904 as a factory.

Memorable difference is made in what is now Air Portugal’s U.S. headquarters by the Senergy EIF system, which dramatically highlights the airline’s colors in accent bands of red and green. The first two floors have stone lines cut into the insulation board-based system and keystones around the windows to mimic a stone facade.

doesn’t knock frequently enough during a recession, particularly if during boom times you’ve allied yourself primarily with those focusing almost solely on new construction. So where and how do you go about finding lucrative retrofit business?

The best-established general contractors for whom you do the most work may offer the greatest opportunity for repeat business—and probably are the source of the relatively few opportunities that have knocked on your door recently. Make additional contacts with them to offer dramatic examples of EIFS transformations and information on standard approved practices for handling a variety of substrates. This may help them persuade more owners and architects to retrofit with EIFS. At the very least, it will
help them remember you, and come back to you more often rather than someone else who has not made the same effort.

To tap into a wider array of retrofit opportunities, take a direct approach to owners whose individual buildings are in need of repair and renovation. Or work with your distributor and manufacturer on leads for larger projects that are generated by their calls on architects and owners.

The building boom of the ’80s and subsequent reasonable, recession-induced lease rates for these luxury facilities caused an exodus of prime tenants from older buildings. Now, to attract new tenants who can afford the rents required to maintain both the building and a profit, many owners of older buildings are giving them a face-lift.

The dramatic differences that a good EIFS design can make in an old building make it the perfect economical solution for retrofitting office buildings, hotels/motels, restaurants, strip shopping centers into malls—just about any building that must attract new tenants or consumers. Since economic recoveries often are consumer-led, these market segments soon will be stepping up their renovation activities even further.

Institutional markets, too, should not be overlooked since the tight budget constraints of governments and hospitals, for example, most often force them to retrofit old buildings rather than build new ones.

While the market-attuned owner of an older building may likely upgrade an old building that is surrounded by its more attractive competition, often the face-lift will come just after the building is sold to a new owner. Keeping tabs on all such property changes will help you build a list of potential customers. Networking actively in your construction and real estate community also will keep you abreast of impending renovations. Arm yourself with a list of names and addresses of such owners as well as owners of buildings in your community that you know from observation are in need of retrofit.

Send them a one-page letter with a brochure of dramatic “before” and “after” projects and/or a reprint of an article that lays out the possibilities. The one-page letter must be professional and accurate—with the spelling of all names, correct titles and addresses rechecked ahead of time with a phone call to the person’s secretary. Once your list is accurate and computerized, it can be used both for an initial letter and, after any necessary updating, a few follow-up mailings.

The initial letter might briefly state that you thought they would be interested in seeing the dramatic difference that a reasonably economical EIFS retrofit could effect in making their building more marketable. Refer to the enclosures and to your company’s and your EIFS manufacturer’s years of experience in providing high-quality work. Ask them to call you for more information or to set up a meeting if they are contemplating any renovations in the near future. Mention the phone number and times you can best be reached, and enclose your card.

Try a similar letter to update general contractors and
architects on your capabilities.

Follow up the letters with phone calls about 10 days later. With any phone calls or meetings, you should try to make a memorable impression in a brief time. Decide ahead of time what three main points you will make, and organize your thoughts and materials to make them cogently.

In a meeting, take along a kit of materials that summarize your main points and provide additional details. Such folders may be available from your EIFS distributor or manufacturer—or can be picked up at office supply stores or ordered with your company name from quick print/photocopy vendors. Include a dramatic photograph—or color copy—of “before and after” shots of your reference accounts and/or a manufacturer’s brochure illustrating details or design ideas implemented with the EIFS materials your plan to use. A summary sheet on your letterhead and/or your own brochure or background literature should briefly establish your company credentials. Other pertinent literature from your EIFS distributor will provide the details you need to capture the interest of a hot prospect.

Such active pursuit of business is the proven way to prosper—especially as recovery from recession gets under way. The time is right. The retrofit market is the way to go. Those who wait for opportunity to knock—rather than knocking on the door of retrofit opportunity—will remain hunkered down while their competition scouts out the projects they need for an early recovery.

About the author:

Joseph J. Vuono is president of Senergy Inc., which he co-founded in 1979. He has played a leadership role in developing the exterior insulation and finish systems (EIFS) industry since its introduction to America in the early ’70s. Vuono is vice president of the Exterior Insulation Manufacturers Association (EIMA). He studied business administration at the University of Rhode Island, graduating with a B.S. degree in accounting in 1954 and an M.B.A. in 1969.