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Acme Erectors Inc.

Challenging Steel Projects throughout the Midwest

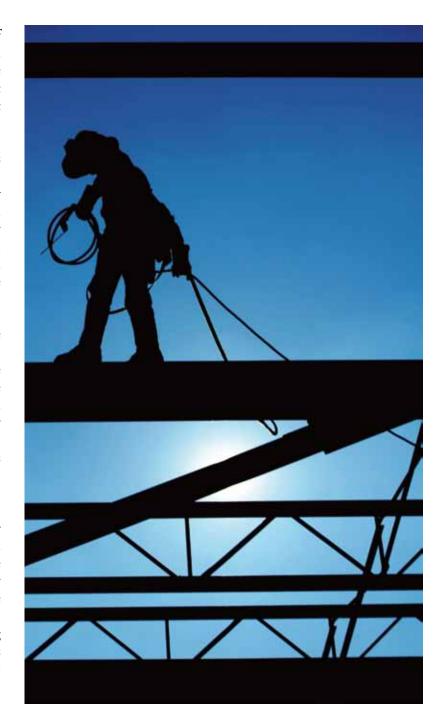
Produced by Christian Davis & Written by Jeanee Dudley

Acme Erectors Inc. (Acme) started as a division of another construction business, breaking away in 2005 as an independent company. Aron Clay, the parent company's former vice president and current president of Acme, founded the business in its most recent incarnation.

"I joined the former company in 1997," says Clay. "That business had been around since 1947, but technically our company as it exists today was founded on its own in 2005. We are a steel contractor with a niche in miscellaneous specialty projects." Acme now employs 35 team members full time between the office and the field, with between 60 and 70 on staff at a time, depending on the workload and required manpower.

Clay has been in the construction industry since graduating from Purdue University in 1993 with an engineering degree. "It was one of those life decisions that happen without you knowing it," he explains. "The main thing that led me to this was an internship in the college program at Purdue. I knew that internships got you jobs, so that got me started. My decision to choose engineering in general was easy. In high school I was good at math and science, so engineering just made sense."

According to Clay, Acme has a real edge. "Our ability to engineer a project really sets us apart from our competition, which is mostly tradesmen," he continues. "We focus on planning early on every project. Our goal is to have 90 percent of the problems figured out before we ever get on the job. Having leadership with a background in engineering makes this possible; it allows us to approach projects from an engineering standpoint instead of a handson, iron-working approach."



Unique Capabilities

Part of Acme's market involves structural steel work, a common capability in the steel construction industry. However, Clay and his crew take those capabilities one step further by tackling complex projects with uncommon challenges.

"We excel where the jobs get dirty," he elaborates. "Where you have to move beams into buildings that don't quite have the space to get them in, that's us. We figure out how to rig them, how to get them through the windows, through the building and into place without the use of conventional powered rigging equipment."

Based in St. Louis, Acme serves clients within a 200-mile radius from the home office. According to Clay, the overall goal is to expand coverage to encompass the entire Midwest. Within that geographic footprint, the team has performed many unique and challenging projects in a number of sectors.

"We have several really interesting projects going on now and also that we have completed in the last few years," Clay recounts. "Installing an 80-foot by 80-foot structural steel

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dome at Washington University in only two sections enabled us to be the only team to commit to an impossible schedule." Clay is proud to note that the company even won a Keystone Award for the project. "Our clients, Tarlton Corporation and The Gateway Company, were instrumental team members to make this project successful," he says.

Clay goes on to note that the Bank of Washington was another crazy, difficult project the team successfully completed. "This project entailed building and erecting 100-foot span and 12-









foot tall trusses, which spanned over an existing, operational bank," he details. "The owner, having only two local branches, did not want his customers to be put out by the construction of the new five-story building, which was to encapsulate the original two-story bank structure. We planned for five months and executed the large truss picks in a single day."

However, Clay points out that is not all his team is capable of. "We execute projects in the heavy industrial markets for Ameren, Covidien, Monsanto, etc., and have completed an enormous amount of work on federal projects, as well," he adds. "We had one recently downtown where the floors were not adequate to comply with current building codes and design requirements. We engineered a plan to install the floor, reinforcing under every floor, which assisted our client, Paric Corp., to success."

The project's scope of work included a significant shoring system, which was installed from the ground up - eight floors



- to secure the building, allowing workers to perform their duties. "That's the neat approach we take to make things happen," Clay says proudly. "This particular building was a historic renovation project."

Staying Strong in a Tough Market

The recent recession has made competition fierce within the construction industry in many areas, St. Louis included. "All of our competitors think they can do the same work for cheaper than they did last year," Clay explains. "I think the economy hit us in the sense it hasn't allowed us to grow. We have been fairly stable in overall revenue right through the recession with a slight peak in 2010. Not many companies can say that."

Clay and his team are excited for what is to come. "We have been very fortunate," he notes. "A few months ago I would have said our outlook was a lot worse. But at this point, year to-date, things are getting better. In past several months we have picked up a lot of work. Our acquisition numbers are exceeding our budget. In fact, we've increased our budget this year by approximately 14 percent, because of the work we have been finding. The only unfortunate thing about the work we've secured is that it does involve some travel. The St. Louis market has been, and remains, a bit sluggish. As a result we expanded our geographic focus."

Fortunately, the team has built lasting relationships, which keeps costs under control. While Acme subcontracts out less than 10 percent of each contract, the team still relies on suppliers for material and equipment.

"We own some heavy equipment, but do our best to partner with our suppliers to minimize our cost and increase our competitiveness in the industry," Clay notes. "We negotiate rates at the beginning of each year with our suppliers and they stick to it all year. We believe in our system and it results in a win-win. Because of this, the equipment companies are willing and eager to negotiate for our business."

On solid ground and holding onto industry connections, Clay and his team remain cautiously optimistic about the next few years. "I see us fighting through a tough economy and holding our own," he explains. "Our plan is simple: improve job selection. Our competitors can fight it out and we will watch them kill each other. As the economy rebounds, we will grow over time, integrating similar complementary businesses." Acme Erectors Inc. will continue to benefit from careful and experienced management, preparing to reap the benefits of the gradual economic recovery. •