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CONSTRUCTION

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Higher Standards

New Jersey interior contractor Sloan and Co. explains why it continues to stress ethics.

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In New Homes, the Details Matter

The Providence Group tries to create communities that blend seamlessly into existing neighborhoods in Atlanta.

Profit Motive

You're not a banker, so don't act like one.

A Contractor to Know





Scheck Industries says it is poised to expand into ethanol, oil-sands and mixed-use development.

'A Contractor to Know'

Scheck Industries was founded in 1984, and grew from 15 employees to more than 2,000 nationwide in just two decades. It's now looking to expand its services while venturing into different markets.

BY STEPHANIE SIMS

Many people may claim to be multitaskers, but few compare to Richard Scheck, president of Scheck Industries. In addition to his full-time duties as CEO and president of his company, Scheck has served as mayor of North Riverside, Ill., a Chicago suburb near Scheck Industries' headquarters in Countryside, Ill., for 18 years.

Scheck balances village board meetings and supervising Scheck Industries' progress and programs daily. "Rich is one of the best time managers I have ever met," says Randy Peach, vice president of operations. "He balances managing the multiple companies and the village seamlessly."

Scheck Industries is a family owned business. The pipefitting industry has a deep history in the Scheck family. Richard took after his father, Alfred Scheck, who had been a Local No. 597 pipefitter for 50 years.

Richard started the company in 1984,

and in its first year, it earned \$800,000 in revenue. "It was the most challenging yet rewarding time in my career to see our small company take off so fast," Scheck said in a statement. Carrying on the family tradition today, Scheck's three sons also work in the family business: Michael Scheck is the vice president of business development, Rick Scheck is the executive vice president and Chris Scheck is director of special operations.

Scheck Industries grew from 15 employees to more than 2,000 in a little more than 20 years, and the company currently has offices and fabrication facilities in Illinois, Wisconsin, Michigan, Minnesota, New Jersey, West Virginia and Kentucky.

"We are very proud of what we have accomplished over the years," Richard Scheck says. "Our customers have classified us as a contractor who always looks outside of the box for solutions to difficult projects."

"I am very proud of that. We are an extremely diversified company, with a national reputation that took two decades to build. Whether it's a tradesperson that at the end of the day says he had a great experience working

Scheck Industries

www.goscheck.com

Proj. 2006 sales: \$200 million

HQ: Countryside, Ill.

Employees: 2,000+

Services: Pipefitter

Richard Scheck, president:

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for Scheck, or one of the hundreds of customers who have sent us the commendation letters that adorn the foyer of our offices, it reminds me why I started this business so many years ago. We work so very hard to maintain that standard, and it is a goal of every member of our team.”

Scheck Industries’ markets are diverse. It provides such services as industrial and power piping, pipe and metal fabrication, plant service and maintenance, boiler services, outage and turnaround management, instrumentation and process controls, commercial HVAC and startup and commissioning. Scheck says its leading markets vary from year to year. This year, 60 percent of its business was performed in the refining and ethanol industry, 25 percent from the

power and instrumentation industry, and the rest is split between the other Scheck business units. In the past five years, its top business units – power and refining – have grown immensely. The company expects this growth to continue in the next 10 years.

Scheck Industries is completing construction of more than 80 percent of the clean fuels modifications for ConocoPhillips at its New Jersey refinery. The \$85 million project has a total work force of more than 600 tradespeople. Also nearing completion, the company says, is the Charter Steel Melt Plant in Cleveland. Scheck performed all the fabrication and installation of piping required for this \$16 million expansion. The company was responsible for the erection of more than 140,000 lineal feet of piping between

these two projects, the company says. “Utilization of our fabrication facilities was paramount to the success of both projects collectively,” Scheck says.

Its fabrication facility will be a key component in expediting future project schedules, the company says, and adds this is an advantage to its customers, considering projected future national labor constraints.

Scheck says its biggest challenge was ensuring there were enough qualified labor resources for each project. “With the extensive amount of renovation on these projects, we needed additional craft resources and supervision to get the job done,” Scheck says. “When you factor in the results of constrained delivery dates for equipment and material with saturated demand across the country, we had to continuously adapt and adjust our labor and schedules to compensate for this.

“The labor shortage is only going to get worse in the next five to eight years,” Scheck continues.

However, he adds that while the labor shortage is an industrywide challenge, Scheck has an advantage in the size of its labor force. Since 1997, Scheck says it has been exposed to some of the largest industrial projects in the United States, and its companies have attracted more than 8,000 tradespeople from local unions across the country.

“Scheck stands out because we do not just rely on local labor availability,” Scheck says. “We bring in our own employees and supervision and we recruit on a national scale. We bring in qualified tradespersons from all different parts of the country to fulfill tough labor and skill requirements, and by doing so, increase labor productivity and project quality.

“We have a current database of over 3,000 tradespersons who have worked with us on recent projects that we can draw from. These employees are [our best workers] of the last 22 years, from all the states we have worked in, [and] many of whom are still working for us today. They are our biggest asset.”

Staying Within Budget

Scheck Industries created and utilizes its own product, the Scheck Trac Projects Control and Tracking System, to make sure

it meets its time and budget goals. The program began development in 2001, and continues to be developed and enhanced every year based on lessons learned and customer input. It allows Scheck Industries' customers to see how the work is progressing in a real-time format.

"Our system is an innovative solution that was developed based upon other products' shortcomings," Peach says. "When a customer asked for solutions that other software could not provide, it just did not meet with our customer satisfaction goals. Recent enhancements of Scheck Trac allow trained foremen to input information for crew production, so at any given time, a customer can find out where they stand with labor and material expenditures.

"For outage and turnaround projects specifically, there is a set window of time [to accomplish projects] – there could be 200 projects within an outage that must be done, and 20 other items that a customer would like to accomplish if time and budget allows.

"With Scheck Trac, customers can capture project costs and hours in real time, and make educated decisions when time is of the essence. It has been well received by our customers."

Safety Record

Rick Scheck says the company's commitment to the safety and health of its

employees is important.

Scheck is proud to have worked more than two million work hours in the past two-and-a-half years without a single lost-time injury.

Scheck is also being honored by the National Maintenance Agreement and Policy Committee for excellence in safety and maintaining an accident-free workplace during its work at the Conoco-Phillips Refinery.

Scheck says its commitment to employees' safety "has no bounds," and the company will continue to improve processes until it reaches and maintains its ultimate goal of zero accidents.

Scheck Industries' safety incentive program offers monetary and prize incentives based on the number of hours an employee works without any incidents.

Scheck Industries also partnered with NASCAR Winston Cup champion Rusty Wallace to promote safety in the workplace.

The company was an associate sponsor of Wallace's RWI Racing Team for the 2003-2005 NASCAR Busch Series.

"We brought Rusty in to give motivational safety presentations for all of the tradespersons on our most difficult job sites," Scheck says.

"He would spend about three hours at each site talking about what his safety equipment on the track meant for him as a race car driver, commenting many

times that without it, he wouldn't be alive today."

Scheck is currently associated with NASCAR driver Clint Boyer of Richard Childress Racing, and the company adds Boyer also will be able to deliver a strong safety message to future employees.

Moving Forward

In the next five years, Scheck Industries is poised to expand into several other target markets including ethanol, oil-sands and mixed-use development, Scheck says. "The ethanol market is creating quite a buzz nationwide," he says. "My son Michael has identified several potential development sites throughout the Midwest with joint venture partners and our Northern Illinois Ethanol Co.

"With 22 years of experience in the corn industry, we feel confident in our ability to not only construct, but to participate in the ownership of facilities over the next five to 10 years.

"We'd like to continue our reputation of success while providing the best quality, safety and performance levels to all our customers," Scheck adds. "We have four times the volume than we had 10 years ago.

"I see the company increasing two to three times our current size in the next five years, considering the key management we have in place to control and support that growth." ■



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