



Empire Building

D.H. Griffin has quietly become one of North America's leading demolition contractors. Steve Brown meets two of the men behind the industry giant.

Around 10 companies employing over 750 people make up Greensboro, North Carolina-based D.H. Griffin. The empire – located primarily in the southeastern United States – includes almost all activities associated with the demolition business and more besides, encompassing asbestos abatement, blasting, construction, real estate development, scrap metal processing and wood reclamation.

The latter is the latest activity to be included in Griffin's turnkey portfolio. Its demolition arm formed two new subsidiary companies earlier this year – Raleigh, North Carolina-based Material Reclamation and Houston Materials Recovery in Texas – because of the value-added opportunities on offer. "We see wood waste as a niche in our industry," says David Griffin, Jr, son of the company founder. "These new businesses will help our landfill and demolition operations by making us more competitive. It makes sense because we save on landfill space by selling the end product as boiler fuel."

Griffin, Jr. has day-to-day control of the empire established by his father back in 1959. Currently, he can be found at Ground Zero in New York where he is acting as a demolition consultant on behalf of the city's Department of Design and Construction (DDC). He is responsible for a multitude of tasks, ranging from coordinating machinery moves through to mediating in labour disputes. The 33 year old describes the demolition work as especially challenging because so many unknowns are present. Material can move suddenly, machinery suffers in the harsh environment and 12 to 16 hour days are fatiguing. "We've been able to overcome these difficulties thanks to dedication and hard work," he comments. "Everyday the team we've put in place achieves significant goals."

Much of D.H. Griffin's success lies in its ability to attract and retain good talent. One such individual is John Angelina, president and partner of affiliate company D.H. Griffin of Texas, who brought more than 30 years of experience with him. This company, established in 1994, gave Griffin the ability to work in and around the heavily industrialized Gulf region. It appears to be successful. The Houston-based business is currently working a \$2 million (€2.2 million) million contract to tear down a pot room at Alcoa's aluminium facility in Lake Charles, LA, and has another job in progress at Barksdale Air Force Base.

These contracts illustrate how Griffin is managing to stay afloat in a downturn that has affected much of North America's demolition industry. David Griffin, Jr. says part of the secret lies in his workforce. "You're only as good as your people. "The only way to succeed

THOUGHTS ON...

Ground Zero

DAVID GRIFFIN, JR: "I consider it an honor that our company was named demolition consultant for the entire site. It's a real challenge because we're dealing with unknowns. The job changes everyday and plans have to be continually revised."

Demolition's Image

JOHN ANGELINA: "The image associated with demolition is improving because clients have begun to realize this business is a skilled art. Owners now understand quality costs less. Companies like ours make substantial commitments to safety, tools and training. It's an expensive process, but one that helps foster professionalism."

Business Climate

DAVID GRIFFIN, JR: "The industry is tight right now and prices in the scrap market compound the problem. The metals market is the lowest it's been for 30 years. It's quite a challenge. We need work because our revenue is smaller than last year. But we'd rather sit back and not take work

than win a \$300,000 dollar contract and run it at a \$30,000 loss."

Safety

JOHN ANGELINA: "There's more of a conscious effort to make jobs safe. It wasn't always that way. But now you can be kicked off a bid list if your safety record isn't up to scratch. You have to be serious about safety."



David Griffin Jr (left) and John Angelina, president of DH Griffin of TX, at Ground Zero in New York. Griffin is demolition consultant over the entire site.

in this business is by having the right people onboard. Growth is limited by the talent you bring to the table."

Griffin also tries to stay ahead of the game by 'turning' the equipment in its 300 strong fleet within

an average of three years. The Greensboro demolition arm runs a mix of Caterpillar and Komatsu machinery, while its Texas partner opts exclusively for the latter. What both share is a desire to keep heavy iron for a maximum of five years only. "Downtime is your worst enemy on a demolition job," states Angelina. "We try and avoid unnecessary breakdowns or repairs by trading equipment back with our dealer before it's reached the end of its useful life."

These measures should help Griffin survive the recession that is gripping North America. Work is still around – as evidenced by the company's activities in Louisiana – but it's become highly competitive and margins are wafer-thin. "Our numbers for demolition work dipped from \$68 million (€75.5 million) in 99 to around \$60 million (€66.6 million) at the end of 2000," Griffin, Jr. says candidly. "People are now working with 5% or even 3% margins, compared to the 10% to 15% that was common a few years back. It's very tough out there right now."

Griffin, Jr. is convinced the industry still has bags of potential, despite the downturn. "There's a lot of room for growth in this business no matter what other people say. It's just of question of finding a niche. It's a challenge. I'm grateful my father opened up the opportunity. He had the foresight and vision to make it all happen."

O&R

The future of this industry will be determined by its past history, safety record and ability to attract and retain top people.

DAVID GRIFFIN, JR.

