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President and Publisher: John Mielke
Managing Editor: Kyle Schwarm
Art Director: Jayne Laste Design Solutions LLC

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FROM OUR PRESIDENT

Your Construction Metric



THE FIRST LAW OF ECONOMISTS:

For every economist, there exists an equal and opposite economist. The Second Law of Economists: They're both wrong.

It must be frustrating being an economist. There are so many competing measures and indices that generate conflicting predictions from the same data. ABC is providing economic clarity with a metric specific to the construction industry. It's called the Construction Backlog Indicator (CBI).

Those in the construction industry know that backlog is the amount of work, measured in dollars, that construction companies are contracted to do in the future. The greater the value of the backlog, the more comfortable contractors can be with respect to their near-term economic circumstances. The smaller the value of the backlog, as a share of annual revenues, the less comfortable are the circumstances in which contractors are operating. Excessively small backlogs imply that contractors are running out

of work and need to identify and secure additional sources of revenue.

The CBI is a forward-looking national economic indicator that reflects the amount of work that will be performed by commercial and industrial contractors in the months ahead. This national economic data set is the only reliable leading economic indicator offering this level of specificity for U.S. commercial and institutional, industrial and infrastructure construction industries.

By participating in the Construction Backlog Indicator Survey you can help deliver value to ABC and the contracting community, while providing clarity for state and national construction economic trends.

To sign up to participate in the survey, email backlogsurvey@abc.org. The survey is not anonymous, but your individual responses will be held in the strictest confidence and contractor names are NEVER released with any data nor analysis. If you have any questions about the survey, email or call Jeff Leieritz (Leieritz@abc.org), (202) 905-2104.

— John Mielke

“
*ABC IS PROVIDING
ECONOMIC
CLARITY WITH
A METRIC
SPECIFIC
TO THE
CONSTRUCTION
INDUSTRY.”*

IMPROVING ECONOMY

PROVIDES BENEFITS – *AND POSES CHALLENGES*

By Kyle Schwarm — Marketing & Communications Director, ABC of Wisconsin

The latest economic update from ABC National shows construction employment on the rise for the beginning of 2017. The data from the U.S. Bureau of Labor Statistics shows a half percent increase in employment growth, or 36,000 net jobs in January 2017, the strongest it has been in 10 months.

“Coming out of the recession, this upswing feels good,” said Brad Austin, president of Corporate Contractors, Inc. (CCI), Beloit. “We’re taking on more work, but the increase in activity comes with challenges, such as a strain on our workforce and a great emphasis on on-time completion.”

Nationwide, construction has added 170,000 jobs, yet the unemployment rate is at 9.4 percent. According to ABC chief economist Anirban Basu, it’s an indication that more individuals may be entering the industry.

“While one would be tempted to suggest that this was due to the loss of seasonal construction employment, that cannot be the primary explanation since the total number of construction jobs expanded meaningfully in January,” Basu said. “The better explanation is that more people have begun

to look for work in the construction industry, perhaps in part because of indications from the new administration in Washington, D.C. that an infrastructure-led stimulus package is now in the works.”

Basu said it is likely an indicator of things to come. “For contractors, this is likely to mean even more difficulty in finding suitable workers to complete construction jobs,” Basu said. While there may be more workers coming into the industry, there is no guarantee these individuals will have the skills necessary for today’s construction site.

Like most contractors, Dave Jones, Inc., Monona, likes the momentum of the economy but there is the labor challenge that goes with it. “The biggest challenge we face is the shortage of skilled workers in our industry,” said Greg Jones, president/CEO of Dave Jones, Inc. “This is putting a strain on our workforce to stay on schedule and to complete on time. Often times we are forced to work overtime to meet the demand because we are unable to hire enough people. Overtime hours are more expensive and typically less productive.”

“The worst thing you can do when you’re really busy is to stop bidding, because you’ll go from having too much work to not having any,” added Jones. “We are just more careful about which projects we bid and we try to learn as much as we can about when the new project will start so we’re not adding new business during a time that we can’t manage it. For a subcontractor like us, this is a constant challenge due to ever-changing construction schedules.”


Basu expects to remain busy, noting, “The rapid pace of hiring [nationally] is consistent with ABC’s backlog survey, which indicates the typical non-residential construction firm can look forward to many more months of activity.” He added that relatively low interest rates and aggressive investment in commercial properties will lead to a continued backlog of work for commercial contractors. That will require that contractors be selective.

“The backlog of work allows us to be more selective and helps profit margins,” said Austin. Subcontractors may not experience the same, however.

“Across the board our costs are increasing at a rapid pace and it’s difficult to pass all of them on to our customers,” Jones said. “With construction costs increasing, along with higher interest rates, construction affordability is becoming a real issue.”

One example is the controversial Doyle Square project in Madison, which could be victim of a backlog of work for contractors. The *Wisconsin State Journal* reports two bids for the first phase of the two-year project to renovate the Madison Municipal Building and they were at least 50 percent higher than expected by the city. As a result, the project is expected to be scaled back and rebid.

While it may be a good economy, the backlog of work – exacerbated with shortages of skilled workers – will continue to pose challenges for contractors trying to meet customer expectations.

“Our main focus is keeping up with their increased demand,” Jones said. 

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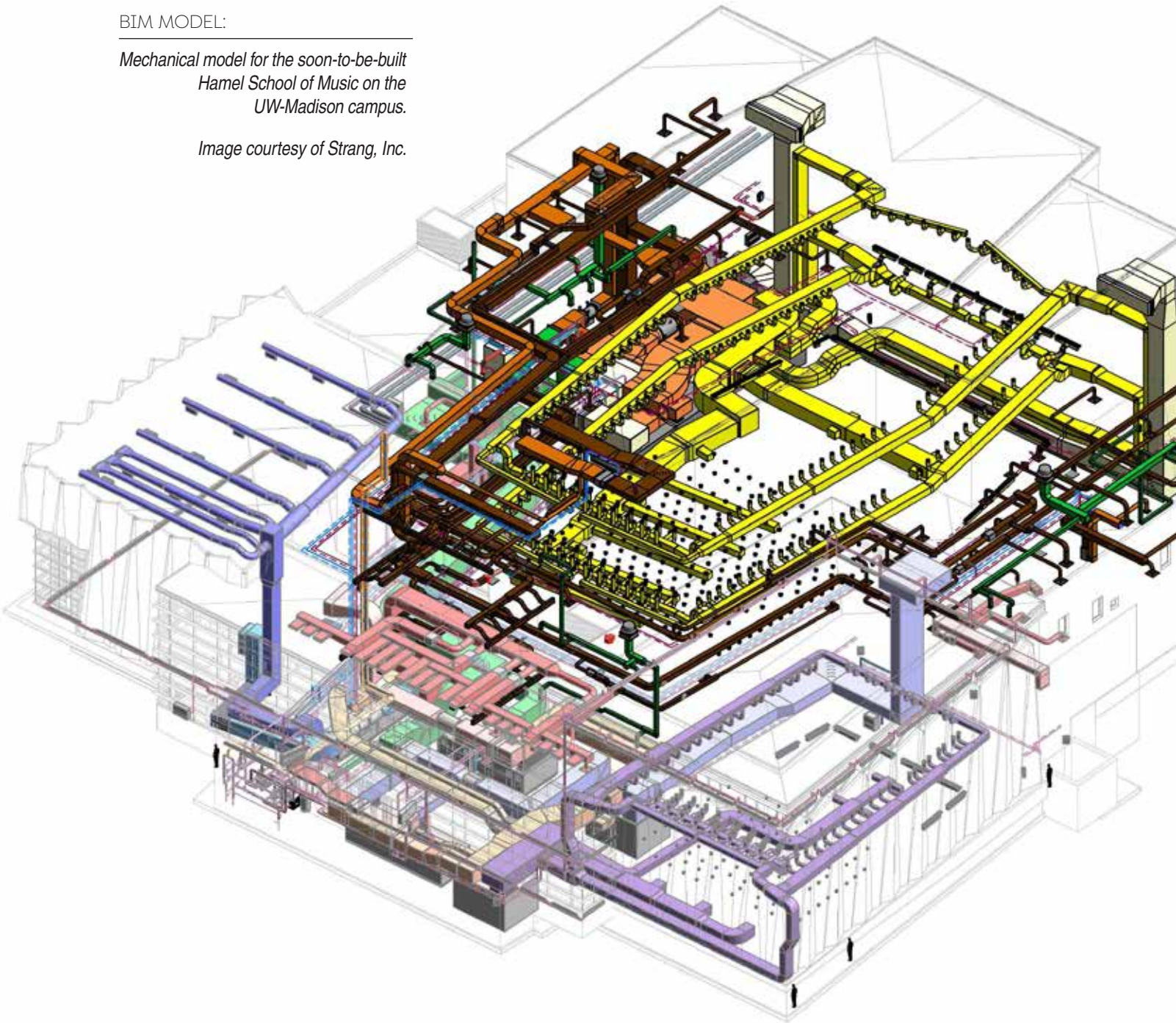
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NET JOBS, IN
JANUARY 2017

BIM MODEL:

*Mechanical model for the soon-to-be-built
Hamel School of Music on the
UW-Madison campus.*

Image courtesy of Strang, Inc.



ROUGHLY

8 IN **10**

CONTRACTORS ARE ESTIMATED TO BE USING BIM FOR AT LEAST SOME PROJECTS.

BUILDING INFORMATION MODELING

BIM

A VIRTUAL COST SAVINGS ALL CONTRACTORS SHOULD EXPERIENCE

By Kyle Schwarm — Marketing & Communications Director, ABC of Wisconsin

When it comes to creating efficiencies in construction, BIM software plays a major role. BIM, or building information modeling, has taken CAD blue prints to a new, more efficient level, leading to cost savings.

BIM is a powerful tool. Like any power tool, the end product is dependent on the user. "It's not magic," said Mindie Nauman, senior architect with Strang, Inc., Madison. "The output is as good as the input. It's as accurate as what's being put in."

With the right input, construction drawings virtually come alive with BIM.

"Imagine if I have a flat set of line drawings from the structural engineer whenever he prints that and sends it to me and compare that to a 3-D BIM model," said Nauman, NCARB, who has been using BIM for 12 years. "All of a sudden, not only can I look at a structural beam in a plan, but I can cut sections throughout the building to see if it's running into anything and see where it is in comparison to light fixtures."

BIM is not just for architects. Nauman, who swears by the BIM software Autodesk Revit, contends it is well worth the investment for construction coordination and clash detection. BIM is extremely valuable for preconstruction meetings that assemble all subcontractors in one room and may include architects and engineers. When the project is put up on a screen, everyone can see any potential conflicts.

"It could be like, hey, I've got sprinkler pipes running through duct work here. This is a problem," Nauman said.

With BIM, it's not a huge problem because it's remedied before anyone is on the job site installing materials. The huge cost of ripping material out and having to reorder and reconstruct is now eliminated, not to mention the preservation of scheduling.

"There's just a lot of issues, where if you work it out virtually beforehand, which is what the software allows you to do, it saves you a lot of time and money. That's why contractors really like it," Nauman said. "It's a huge savings because there's going to be conflicts on every job."

Traditionally, BIM was only used by larger contractors working on larger projects because there were greater economies-of-scale savings. Now, roughly 8 in 10 contractors are estimated to be using BIM for at least some projects. Nauman suggests contractors who are not using it should get on board.

"We kind of cringe when we have to work with an engineering

consultant or contractor asking us for CAD drawings. In the back of our minds, they may as well have said, 'Send us a fax.'"

Contractors are apprehensive about using BIM, in part, because it's not cheap. The cost is about \$6,000 per seat to use, not to mention the potential hardware investment and training time. Construction teams are becoming more proficient at using BIM, which reduces the upfront investment cost.

Nauman said she has worked with contractors who will convert basic CAD plans from an architect or engineer into BIM because of the potential payback with clash detection.

BIM can be especially valuable for mechanical contractors who deal with crowded mechanical rooms with ducts twisting and turning one over the other. That is often difficult to read on a floor plan but when you're using a 3-D model, you can really see it.

"It allows us to avoid mistakes," said Melody Doyle, construction director with NAMI, DeForest. "We are essentially preventing clashes and creating efficiencies when the building process begins. It also allows us to build faster because of more efficient fabrication time.

"The process has reduced construction time by eliminating all the measuring in the field prior to fabrication because fabrication comes off the model," Doyle said. "Everyone wants things completed at warp speed. The prebuilding allows you to build faster."

While Revit is widely used for construction design and more specifically, mechanical design, Doyle points out it is not good for the fabrication process, especially with pipe fittings and sheet metal fittings and exacting points. NAMI combines the benefits of its Autodesk software and Revit models through Navisworks, software that combines various file formats for the full model experience and an accurate fabrication process.

Another benefit to BIM is contractors having advanced knowledge of their respective space and location of materials so contractors aren't arguing about where installs go. Doyle points out this is particularly useful for high-density projects like hospitals or labs, which require so much more mechanical work and reduced options. It also allows contractors to work from the top down in many situations.

NAMI also employs a robotic-type tool called a Trimble. Using the BIM software, the Trimble can locate all points on the deck of a project where hangers will be. Knowing this in advance of concrete pours eliminates the need for drilling hanger points.


As far as other trades, sprinkler fitters have been using BIM the longest. Doyle said plumbers tend to like BIM because pitch or elevation can be seen virtually in the model. Electricians don't have as great a need for BIM because they can install materials in tighter spaces.

There's one benefit many contractors are not tapping into, according to Nauman. "If the model is done accurately, you can actually call out the different materials and use it for cost estimating as well. You can pull a bill of materials off it, which is very handy," she added. It eliminates the need to sit down with the plan and a bunch of different colored highlighters to dimension everything.

BIM is not just a design tool, however. Nauman said the "information" component of BIM should not be overlooked. "Most people think of BIM as being 3-D, which is a nice feature, but the most important point is the information behind it.

"BIM is object based instead of line based. You put a cabinet in and you can be as generic or as specific as you want. When you select that cabinet, it could tell you the manufacturer, the size, the link to the manufacturers' website – you can have cost information on it. It's all really information rich besides giving the client a 3-D view," Nauman said.

The information component of BIM also allows owners to have easy access to materials should they need to be replaced in the future. Some owners ask for the actual BIM model to keep track of the different brands of carpet or ceiling tiles for replacements in the future.

BIM brings all details of the project into one place for full integration into a 3-D model. It brings many layers of data together to enhance the workflow of the construction project. With BIM, the project is built twice; once in a virtual world and once in the real world. Contractors who aren't using BIM need to get into these "worlds" to experience the many efficiencies and other benefits it provides. 



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NEARLY **35** CONSTRUCTION WORKERS OUT OF EVERY 10,000 EXPERIENCED A WMSD INCIDENT.

PRODUCTIVITY & PROFITS

By Kim Slowey

MAXIMIZED WITH TOOL UPGRADES



Image courtesy of Fiskars Brands, Inc.

Construction has never moved at the same technological pace as other industries. The nature of the business is that conditions change from job to job, and even construction of “cookie-cutter” restaurants and hotels present different geographic, regulatory and labor challenges. Therefore, it’s no surprise that when a tool or system works — outdated though it may be — there’s hesitation when it comes to changing it on the mere promise of a better deal. As the old saying goes, if it’s not broken, why fix it?

However, the old way of doing things is broken. Workers are using outdated tools, both powered and hand-operated, and companies are losing millions of dollars in productivity and shelling out big bucks in recordkeeping, claims processing and workers’ compensation premiums. Using some of the most common types of construction tools can result in painful and potentially debilitating injuries referred to as work-related musculoskeletal disorders (WMSDs).

As far back as 1999, OSHA made the connection between regular construction work and WMSDs. They tied repetitive movements of the wrists and other joints to tendonitis, tight grips on tools and materials to carpal tunnel syndrome, vibratory tools to Raynaud’s Syndrome, and the prolonged carrying of (and working with) materials overhead, as well as hoisting heavy items with both arms straight down at one’s side, to thoracic outlet syndrome. Construction workers’ hips, hands, wrists, neck, back, feet, ankles and shoulders are regularly under assault from day-to-day activities.

Add this to the fact that the construction industry now operates with a workforce older than that of other U.S. industries, and that people generally have fallen into more sedentary lifestyles than previous generations. Both of these factors put employees at an increased risk of WMSDs.

A Bureau of Labor Statistics report issued last year found the private construction industry had almost 80,000 days-away-from-work, nonfatal injury cases in 2015, with workers spending a median of 13 days at home. Nearly 35 construction workers out of every 10,000 experienced a WMSD incident, such as overexertion while lifting or lowering, or injury from repetitive motions.



Image courtesy of Fiskars Brands, Inc.

While time away from work costs employees in the sense that workers’ compensation benefits are typically only a percentage of wages, employers bear the biggest financial burden. Companies that are self-insured for workers’ compensation must pay hefty medical costs, and firms that maintain traditional policies often see their premiums skyrocket after a compensable claim, sometimes even exceeding the cost of the accident or injury itself depending on the severity and frequency of claims.

However, the indirect costs are the real budget killers: overtime pay for workers left to make up the injured employee’s responsibilities, training of replacement workers, claims processing and recordkeeping, just to name a few. According to OSHA’s Safety Pays Calculator — which aims to provide employers with an estimate of the financial impact of accidents — a company with a 3 percent profit margin would have to increase sales by more than \$2 million to make up for a \$30,000 carpal tunnel claim and its indirect costs of \$33,000.

With an estimate that at least 25 percent of workers’ compensation claims are related to construction-industry WMSD’s, it’s worth exploring how to reduce the chance of one occurring. Enter the new generation of tools.

Major tool manufacturers have taken up the banner of productivity and occupational health by revamping their products to make them lighter and easier on the body. For example, Fiskars, famous for its orange-handled scissors, has an ergonomic new take on the hammer, a tool that is probably as low-tech it gets. It also has an entire new line of striking tools. A University of Wisconsin-Madison study found that the company's shock-absorbing design required less intensity on the part of the user and succeeded in imposing less strain than standard tools.

Other companies, including Milwaukee Tool and Bosch Power Tools, have embarked on a mission to start introducing power tools with better ergonomic design as well, allowing users to ease up on the grip and use the equipment in a way that has the least impact on the body's most vulnerable areas. Milwaukee also has a smartphone-operated system

that allows the user to preset tool functions that will maintain a steady intensity with less strain. These tools aren't cheap, but they're only a fraction of the cost of an injury.

Armed with the latest tools, and in conjunction with onsite training of employees on how to lift and move correctly as they do their jobs, there's no reason companies can't look forward to seeing the benefits of modern tool design. [ABC](#)

Kim Slowey is a Florida-based freelance writer and a certified general contractor. She covers commercial and residential construction and real estate and writes about construction and tools for Home Depot. With content repurposed from Construction Executive (constructionexec.com), Feb. 8, 2017, a publication of Associated Builders and Contractors. Copyright 2017. All rights reserved.

A COMPANY WITH A 3 PERCENT PROFIT MARGIN WOULD HAVE TO INCREASE SALES BY MORE THAN \$2 MILLION TO MAKE UP FOR A \$30,000 CARPAL TUNNEL CLAIM

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3 COMMON MISTAKES MADE SELLING IN THE CONSTRUCTION INDUSTRY AND WHAT TO DO ABOUT IT

By Matthew Pletzer — Lift Consulting

If you're reading this, it means that I've already had a win with you – we're off to a good start. What do I mean by a "win"? Well here is what I know.

My organization works with many organizations in the construction industry. We work with some of the largest commercial builders, design-build firms, mid-level commercial firms, small to mid-size construction companies and remodelers. One thing we are consistently hearing from our customers is, "We don't need to increase sales — we can't handle the business we have."



MISTAKE NUMBER 1:
HONORING YOUR PROSPECTIVE CLIENTS TIME MORE THAN YOUR OWN.



MISTAKE NUMBER 2:
SELLING WITH FEATURES AND BENEFITS



MISTAKE NUMBER 3:
NOT TAKING YOUR PROSPECTIVE CLIENT'S BUDGET TO HEART

In some cases, they are right; in other cases they couldn't be further from the mark. Right now, the commercial construction industry is booming like it once was pre-2008. Business is booming, builders and contractors are making money and everyone is happy, right?

Maybe you are. Maybe you don't need any help and you're achieving all your business goals, both from a gross revenue perspective and a net income perspective and there is no way you believe you could improve. If that is the case you might as well stop reading now, and save yourself ten minutes.

If, however, you are like many of our clients who still have the painful memories of 2008 in the back of their minds, keep reading. Here is

what we do know: The market always corrects itself; if you're making great money now, you can always make more, or find a way to make the same by working less. How can you do that? By selling more effectively and efficiently.

We first need to start with what the word "selling" means. In many ways, the term "selling" gets a bad rap. People often associate "selling" with more activity. Lesson one for today: More activity does not make you better at sales. All it does is make you work harder for something that may not be necessary. I know many people in the trades, and I cannot identify a professional category in which people work harder. You embody the definition of "hard working." So who wants to work harder? Not me.

So how do you work smarter? To answer this, we must first understand what makes us work harder. That is, the way our prospective clients are trained to buy, and the common mistakes professionals make in the construction industry. Here are the top three mistakes we see made in the construction industry from a selling perspective.

MISTAKE NUMBER 1:
HONORING YOUR PROSPECTIVE CLIENTS TIME MORE THAN YOUR OWN.

In the construction industry, the terms RFP, RFI and quote come up a lot. I'm sure many of you have had to deal with the prospective client who says, "I'm going to get multiple quotes," or puts you into their RFP process. The mistake we see people making here is succumbing to the pressure too early. In sales we believe there is something called "mutual business stature." To obtain mutual business stature, both parties must have the stated ability to tell the other party that the relationship is or is not going to work. In the construction industry, because it is the stated norm, many people fall victim to not establishing mutual business stature with their prospects.

Ask yourself this question: How much time does it take you and your team to prepare an accurate quote? If you multiply that out by an hourly rate, how much money do you have tied up just in the bidding process? I once had a client tell me he spent 40 hours per quote. This was before he even knew if he was going to be awarded the business. If he got the business, his bill rate went down significantly; if he didn't, it was devastating to him, as he had no way to recoup that sunk cost.

If someone is going to get multiple bids or ask you to participate in an RFP, you have a right to say no or ask for something in return. In some cases, that could be an opportunity to work with the vendor to shape the RFP. In other cases, that could be the request to be the last stop before your prospective client makes a decision, so at least by the end of the time the proposal is presented you know where you stand.

MISTAKE NUMBER 2:
SELLING WITH FEATURES AND BENEFITS

In the trades, I often see companies referencing their experience level and tenure in the business. Occasionally, I see companies referencing a new product or service and all the benefits of the product or service. It's typical to hear, "We provide the best service," "We answer our phones," or "We deliver on time."

Ask yourself now, do those things sound familiar to you? Are they unique or different from what your closest competitor is saying? Likely, they are not. Although you may indeed provide better service, have more experience, etc., if your competitors are saying the same thing, how difficult do you think it would be for your prospective clients to discern who they should do business with? I'd argue it's very difficult.

So, what should you do differently? Ask questions to show your expertise and discover the real reason your prospective client needs you or your services. All too often people feel smarter by sharing their knowledge. With that said, however, if you can help a prospective client "self-discover" what they are looking for and what's important to them, through asking

directed questions – you will sell more than selling features and benefits. When you sell with a feature or benefit, you are taking a 50/50 gamble that it is going to resonate with your prospective client, which means likely your closing ratio is 50 percent or worse.

Here's an example of what that might look like:

If a prospect asks you: "What type of windows do you use?"

Instead of answering: "We use Pella," try: "Good question. Do you have a preference in the type of windows you would like to see?" Or you could say, "When someone asks me that question it usually means they have a preferred brand or that they have had a good or bad experience with a specific type of window. Is that the case here?"

MISTAKE NUMBER 3:
NOT TAKING YOUR PROSPECTIVE CLIENT'S BUDGET TO HEART

The good news is that in the construction industry, buyers are traditionally accustomed to giving a proposed budget that they are willing to pay. The bad news is that I often find construction industry professionals often do not take that budget to heart. What I most typically see is construction firms coming back to the prospective client with a proposal just at the top of the prospect's budget or slightly higher. Many times the bid may even come back significantly higher than the prospect's budget. Typically that is because the scope of the project changed, and like many people, the "buyer" gets excited about things that they "want" to have included. The problem with this is that "wants" are often not "needs."

If you as the construction representative get wrapped up in your prospective client's needs, without helping them discern do they really "need" this or that additional feature, and don't circle back to their original stated budget, you are doing yourself a disservice.

Here is an example of this. When I went to buy a car recently, I wanted a Ford F-150 with leather seats, power seats, heated seats, quad-cap and an electric start. For this example let's say my budget was \$40,000. When I went to the salesperson and told him this, he walked me over to trucks that cost \$55-65,000. He did this because he was listening to my "wants" and was not drilling into what I actually needed. The fact is that my budget was my budget and I wasn't willing to go over that budget. I was, however, willing to look at vehicles that had my "wants" and I was willing to eliminate some of those "wants" if it came down to it to stay


within my budget. One of those wants was electric start.

Unfortunately for this salesperson, since he showed me vehicles higher than my budget, indecision was my decision. I chose not to buy a vehicle. Fast forward to today, I still don't have a truck, even though I walked into that dealership prepared to buy that day. Making it even worse, next time I go looking to buy a truck, I likely won't buy it there, as I already have all the information I need from that dealer. I'll look elsewhere.

This same effect happens in the construction industry. All too often indecision is the decision. So next time your prospective client states a budget, seek to understand first what are the limitations within that budget. Is that really the budget or would they be willing to spend more if they found a better solution? If they would, how much more?

Once you do so, never position your so-

lution outside of your prospective client's budget, as all you are doing at that point in time is empowering them with a reason not to do business with you, rather than to do business.

Hopefully this helps you understand a bit more of what it is like to sell through the "buyer's" lens. If you can avoid making these mistakes, your sales will increase exponentially. That does not mean, however, that you must work harder or take on more jobs. All that it means is that you will close more deals quicker, and potentially increase your net profit per deal. 

About the Author:

Matthew is the President of Lift Consulting, which is a Sandler Training Organization. Lift Consulting focuses on assisting organizations with skill development, staffing solutions, and structure and strategy development.

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A BETTER ECONOMIC CLIMATE FOR WISCONSIN

By John Schulze — ABC of WI Director of Legal and Governmental Affairs


When I worked for Governor Thompson, you could tell who crafted his remarks by the send-off line. If it ended with “Wisconsin, where eagles soar, Harleys roar, and Packers score,” it was written by my co-worker. If it was “Help make Wisconsin an even better place to live, work, play, and most importantly raise a family,” it was me. The purpose of both was to remind the audience where Wisconsin was before Tommy was Governor, and to benchmark the Badger State against its neighbors. I am sure speech writers for Governors in other states did something similar... although probably without our sincerity.

Since my time in the executive branch, Wisconsin has gone through the dot.com boom and bust, the great recession, and is just starting to reap the fruits of the recovery. As the focus of this issue is economics, now is as good of time as any to compare where Wisconsin’s economy is, and what can be done to improve it with further changes to state law. While there are countless ratings and rankings out there, I am going to focus on two that matter to ABC of WI members: pro-business environment, and taxes.

Wisconsin is Open for Business. Since Wisconsin government adopted “Open for Business,” as its slogan in 2011, we have moved up from 49 to 23 in Forbes’ “Best States for Business List,” and are now about in the middle of the pack of all Midwest states. This drastic improvement was driven by two initiatives. First, the passage of significant legal reform based on fairness, transparency and predictability. Second, Wisconsin stood up to union bosses and

enacted common sense labor reforms on both the public and private sector, including Right to Work. I imagine that the partial repeal of prevailing wage, which took effect in January of this year, will improve our Forbes’ ranking even more next year. On a related note, chapter government affairs is working on Project Labor Agreement (PLA) neutrality. This legislation will prevent Wisconsin governments from requiring merit shop contractors to sign PLAs that can make you hire only union employees or pay into the union pension funds. So far, this common-sense idea is going through the Legislature at a good pace, and we expect it to become law before the end of the year. The result will not only allow all construction companies to compete for public projects regardless of union affiliation, it will also lower the burden on taxpayers by increasing competition without affecting quality.

Making Wisconsin Less Taxing. An area in which Wisconsin has made headway but has much room for improvement is business tax climate. The nonpartisan Tax Foundation measures the competitiveness of each state’s tax code. In the Tax Foundation analysis, states are punished for overly complex tax codes, and rewarded for tax codes that do not distort business decisions. The good news is that after several years in the bottom 10, we are now at 39 (so, no longer in the cellar, but still in the basement). As with all state rankings, this is driven as much by what the other states have accomplished as what we have gotten done in America’s Dairyland. Yes, Wisconsin’s elected officials have significantly cut taxes across the board and have held the line on property taxes, but

more can and must be done. Interestingly, the states on the top of the list all have the same thing in common: the absence of a major tax found in other states. Florida has no individual income tax; New Hampshire, Oregon and Montana have no sales tax; and Wyoming, Nevada and South Dakota have no corporate income tax. Specifically, for Wisconsin to move up the list, it should eliminate the personal property tax. We are one of the few states that taxes some types of businesses’ personal property; and the way it is done here is inconsistent and confusing. Unlike some tax issues, everyone agrees that this needs to be eliminated. However, the personal property tax generates nearly \$300 million annually for local governments, and there is a concern that the result will be an increase in residential property taxes. ABC of WI is working with other affected main street businesses who pay this tax, including the grocers, gas stations, convenience stores and restaurants. One glide path being considered is a tax exemption on all new equipment that is purchased after a certain date, with the idea that the tax would very, very slowly come to an end as older business equipment is eventually retired. 

The above observations and solutions are one person’s thoughts on how to make Wisconsin an even better place to live, work, play, and most importantly raise a family. If you have thoughts about other ways to keep Wisconsin the state where eagles soar, Harleys roar, and Packers score, please let me know by contacting either jschulze@abcwi.org or calling 608-244-5883.



KRAEMER BROTHERS
Wind River Financial, Madison



ROYAL CONSTRUCTION, INC.
Staybridge Suites, Altoona



CONSOLIDATED CONST. CO., INC.
Marion Body Works, Marion



KELLER, INC.
Tri City Glass, Green Bay



PROJECTS OF DISTINCTION

QUALITY CONSTRUCTION GIVEN THE LABEL OF BEING DISTINCT.

Projects of Distinction awards provide an opportunity for ABC and its members to highlight the quality and professionalism of projects built on merit. They provide validation of high standards and reinforce trust and confidence of prospective clients. This year, there were 49 gold and silver Projects of Distinction awards presented, along with the Built On Merit Award, which was presented to Friede & Associates for the fifth straight year. Friede & Associates employed 35 ABC of Wisconsin

members on a single project, The Sanimax Fire Restoration in DeForest.

“It doesn’t happen by accident,” said Scott Truehl, executive vice-president and partner, Friede & Associates. “We are strong supporters of ABC and the Projects of Distinction Awards program, so it’s important for us to demonstrate that through the use of other ABC members.”

All projects can be viewed in more detail at abcwi.org.

JUDGING CRITERIA:

- safety
- craftsmanship
- execution and coordination
- budgeting
- scheduling
- difficult and unusual challenges
- owner and architect satisfaction
- overall distinctiveness

• Silver, General Contractor, Commercial, Under \$2 Million

DERRICK COMPANIES
Culver’s, New Richmond, WI

• Silver, General Contractor, Commercial, Under \$2 Million

FRIEDE & ASSOCIATES
Reedsburg Country Club, Reedsburg, WI

• Silver, General Contractor, Commercial, \$2 Million to \$10 Million

ENGINEERED CONSTRUCTION, INC.
The Employer Group, Verona, WI

• Silver, General Contractor, Commercial, \$2 Million to \$10 Million

GILBANK CONSTRUCTION, INC.
Janesville Central Fire Station, Janesville, WI

• Silver, General Contractor, Commercial, \$2 Million to \$10 Million

KRAEMER BROTHERS
Milwaukee, Home2 Suites By Hilton
Milwaukee, WI

• Silver, General Contractor, Commercial, \$2 Million to \$10 Million

KRAEMER BROTHERS
Wind River Financial Headquarters, Madison, WI

• Gold, General Contractor, Commercial, \$2 Million to \$10 Million

WDS CONSTRUCTION, INC.
Racine Toyota, Pleasant Prairie, WI

• Silver, General Contractor, Commercial, Over \$10 Million

KRAEMER BROTHERS
Liberty AC Hotel by Marriott,
Liberty Township, OH

• Silver, General Contractor, Commercial, Over \$10 Million

ROYAL CONSTRUCTION, INC.
Staybridge Suites, Altoona, WI

• Gold, General Contractor, Commercial, Over \$10 Million

WIESER BROTHERS
Organic Valley Cashton Office Building, Cashton, WI

• Silver, General Contractor, Healthcare, Under \$5 Million

FRIEDE & ASSOCIATES
Casa de Oakes, Reedsburg, WI

• Silver, General Contractor, Healthcare, Over \$5 Million

ROYAL CONSTRUCTION
Dove Healthcare, Rice Lake, WI

• Gold, General Contractor, Industrial, Over \$3 Million

CONSOLIDATED CONSTRUCTION CO., INC.
Marion Body Works, Marion, WI

• Gold, General Contractor, Industrial, Over \$3 Million

CONSOLIDATED CONSTRUCTION CO., INC.
Werner Electric Supply Company, Grand Chute, WI

• Gold, General Contractor, Industrial, Over \$3 Million

ESI CONSTRUCTORS, INC.
Greenfield Commissary Kitchen, Indianapolis, IN



FRIEDE & ASSOCIATES
B-LUX Grill & Bar, WI Dells



NCI-ROBERTS CONSTRUCTION
Alpha Xi Delta, Madison



WONDRA CONSTRUCTION INC.
Johnson Creek Middle/High School



DERRICK COMPANIES
Culver's, New Richmond

• Gold, General Contractor, Institutional, Over \$5 Million
CORPORATE CONTRACTORS, INC.
Oak Creek City Hall & Public Library, Oak Creek, WI

• Gold, General Contractor, Institutional, Over \$5 Million
KRAEMER BROTHERS
St. Cecilia Catholic Church, WI Dells, WI

• Gold, General Contractor, Metal Building \$1 Million to \$2.5 Million
FRIEDE & ASSOCIATES
Nelson True Value, Prairie du Chien, WI

• Silver, General Contractor, Metal Building Over \$2.5 Million
GILBANK CONSTRUCTION, INC.
A.M. Castle & Co. New Production Facility, Janesville, WI

• Silver, General Contractor, Restoration/Renovation
CORPORATE CONTRACTORS, INC.
I.D. Restaurant, Delafield, WI

• Silver, General Contractor, Restoration/Renovation
NCI-ROBERTS CONSTRUCTION
Alpha Xi Delta, Madison, WI

• Gold, General Contractor, Restoration/Renovation
FRIEDE & ASSOCIATES
B-LUX Grill & Bar, Wisconsin Dells, WI

• Gold, General Contractor, Restoration/Renovation
FRIEDE & ASSOCIATES
Sanimax Fire Restoration, De Forest, WI

• Gold, General Contractor, Restoration/Renovation
KELLER, INC.
Tri City Glass, Green Bay, WI

• Gold, General Contractor, Restoration/Renovation
KRAEMER BROTHERS
Platteville Public Schools, Platteville, WI

• Silver, General Contractor, Public Works/Infrastructure
FRIEDE & ASSOCIATES
Reedsburg Municipal Airport Terminal Building, Reedsburg, WI

• Silver, General Contractor, Residential, Multi-Unit
STEVENS CONSTRUCTION CORP.
Uncommon Madison, Madison, WI

• Silver, General Contractor, Residential, Multi-Unit
STEVENS CONSTRUCTION CORP.
Venture, Madison, WI

• Silver, General Contractor, Miscellaneous/Special Projects
ALTMANN CONSTRUCTION CO. INC.
Grizzly Bear Exhibit Expansion, Wildwood Zoo, Marshfield, WI

• Silver, General Contractor, Miscellaneous/Special Projects
MCGANN CONSTRUCTION, INC.
Rethke Terrace, Madison, WI

• Gold, General Contractor, Miscellaneous/Special Projects
FRIEDE & ASSOCIATES
Wilderness Klondike Slide Tower, Wisconsin Dells, WI

• Gold, Electrical: Commercial, Over \$1 Million
FAITH TECHNOLOGIES, INC.
Park Hotel, Madison, WI

• Silver, Electrical: Industrial, \$250,000 to \$1 Million
PDC ELECTRICAL CONTRACTORS
Plant Service Upgrade, Stockton, Ill

• Silver, Mechanical, Commercial
NORTH AMERICAN MECHANICAL, INC. (NAMI)
UW La Crosse Student Center, La Crosse, WI

• Silver, Mechanical, Commercial
NORTH AMERICAN MECHANICAL, INC. (NAMI)
Johnson Creek Middle/High School, Johnson Creek, WI

• Silver, Mechanical, Industrial
ROHDE BROTHERS INC.
Mercury Marine Die Cast Addition & Utility Upgrade, Fond du Lac, WI

• Silver, Mechanical, Industrial
SURE-FIRE, INC.
Saint-Gobain Plant Expansion, Portage, WI

• Gold, Sitework/Landscape/Hardscape, Sitework
WONDRA CONSTRUCTION INC.
Johnson Creek Middle/High School, Johnson Creek, WI

• Silver, Thermal & Moisture Protection
QUALITY INSULATORS, INC.
Expera Specialty Solutions Industrial Boiler Compliance Project, Kaukauna, WI

• Gold, Thermal & Moisture Protection
PIONEER ROOFING, LLC
Hoffman Residence, Black River Falls, WI

• Silver, Doors/Windows/Glass
TRI CITY GLASS & DOOR, INC.
St. Mary's Springs Academy, Fond du Lac, WI



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NEW MEMBERS

For membership information contact **Bill Stranberg**,
Membership Director – Associated Builders & Contractors of WI – 608-244-5883

JANUARY 2017 NEW MEMBERS

• Erie Insurance Company

Richard Gordon

20300 Water Tower Blvd, Ste 230
Brookfield, WI 53045

Phone: (262) 717-6300

Description: Insurance Provider

Sponsor: Jeremy Cardenas,
Midwest Insurance Group
Beam Club Members-to-date: 1

• Johnson Financial Group

Wendy Arnold

555 Main St
Racine, WI 53403

Phone: (262) 619-2790

Description: Financial Services,
Banking, Insurance

Sponsor: Roger Kaland, Sentry Insurance
Beam Club Members-to-date: 2

• R and R Plumbing LLC

Randy Raddatz

1639 Thorton Drive
Oshkosh, WI 51901

Phone: (920) 279-3949

Description: Plumbing Contractor

Sponsor: Steve Klessig, Keller, Inc.
Beam Club Members-to-date: 1

• RC Insurance Services Inc.

Jeff Cardenas

1320 Walnut Ridge Dr. # 200
Hartland, WI 53029

Phone: (262) 367-8611

Description: Insurance, Risk Management &
Safety Programs

Sponsor: Roger Kaland, Sentry Insurance
Beam Club Members-to-date: 3

• The Insurance Center, Inc.

Brian Hess

920 W. Association Dr.
Appleton, WI 54915

Phone: (920) 734-8795

Description: Commercial, Property and Casualty
Insurance

Sponsor: Roger Kaland, Sentry Insurance
Beam Club Members-to-date: 4

• Bush Electric

Greg Bush

W10360 River Run Road
Black River Falls, WI 54615

Phone: (715) 896-9683

Description: Electrical Contractor

Sponsor: Tom Altmann,
Altmann Construction Co., Inc.
Beam Club Members-to-date: 26

• Jewell Associates Engineers, Inc.

Greg Jewell

560 Sunrise Dr
Spring Green, WI 53588

Phone: (608) 588-7484

Description: Engineer/Architect

Sponsor: Lindsey Yoder, The Blue Book Building
& Construction Network
Beam Club Members-to-date: 2

• Nabco Entrances, Inc.

Robert Kartes

S81 W18475 Gemini Drive
Muskego, WI 53150

Phone: (262) 613-7740

Description: Windows & Door Contractor

Sponsor: Lindsey Yoder, The Blue Book Building
& Construction Network
Beam Club Members-to-date: 3

• Premier Plumbing LLC

Keith Wein

1624 S. West Ave Unit B
Waukesha, WI 53189

Phone: (262) 547-4582

Description: Plumbing Contractor

Sponsor: Jay Zahn,
R&R Insurance Services, Inc.
Beam Club Members-to-date: 28

FEBRUARY 2017 NEW MEMBERS

• Action Fire & Alarm, Inc.

Michael Hartmann

1516 S. West Ave
Waukesha, WI 54189

Phone: (262) 521-3340

Description: Fire Protection Contractor

Sponsor: Troy Carlson, McClone
Beam Club Members-to-date: 7

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Target Shoot PAC Fundraiser
March 30, Pewaukee

Emerging Leader Program
April 26, Madison

Brewers Game and Tailgate
May 12, Milwaukee

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