

Aug. 24, 2007



Pittsburgh's fastest-growing companies

Tips from the top

CEOs share secrets to their success

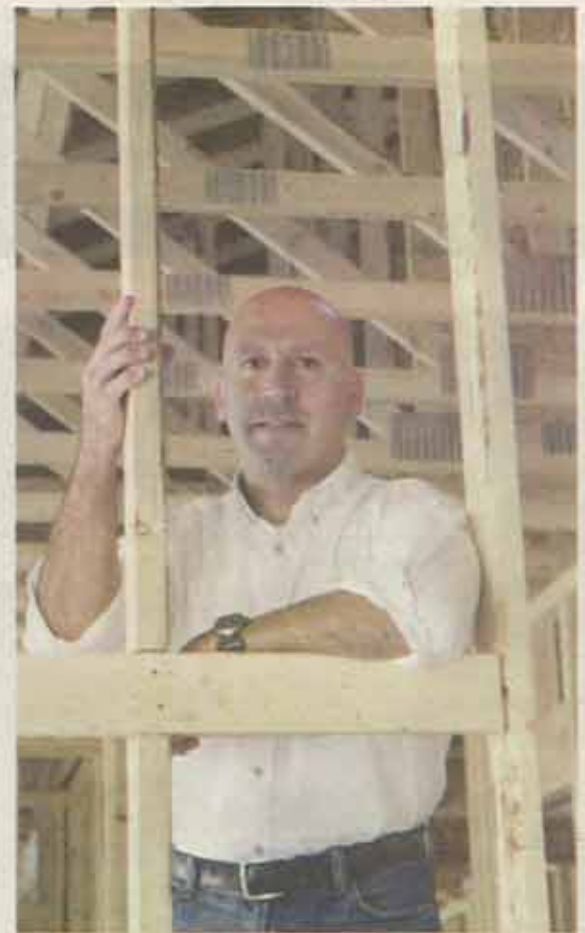


Vertically integrate to cut costs.

Eric Koval,
Black Diamond Energy

The growth of your business comes from your repeat customers.

Laura Deklewa, Allegheny Construction Group



Choose people who will help you when you have problems to overcome.

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SUPPLEMENT TO THE PITTSBURGH
BUSINESSTIMES

Growth strategies from No. 7 Allegheny Construction Group Inc.

Contractor grows business by keeping customers coming back for more

BY BEN SEMMES

The University of Pittsburgh first hired Allegheny Construction Group for a job in 2004, four years after the company had launched itself as a general contractor.

While four years may seem like a long time to build a business, Laura Deklewa, president of the Bridgeville-based firm and a 20-year veteran of the construction industry, knows well that patience and persistence often pay off.

"It is not unusual for it take that long for a (general) contractor to prove themselves," Deklewa said. "Certainly during those ... years, you can consider yourself to be under a microscope. Everything that you do is going to be extremely important."

For Allegheny Construction Group, it appears that the time has been well spent. The firm has since completed a total of 19 jobs at the University of Pittsburgh alone, ranging from \$500,000 to nearly \$1 million a piece.

After taking home the Pittsburgh 100 award for fastest-growing real estate or construction firm for the three years ending in 2002, Allegheny Construction Group is back at the top of the category this year with impressive 250 percent growth since 2004.

Deklewa attributes that growth to continued focus on providing excellent service, which has kept her customers — like the University of Pittsburgh — coming back.

"The people who do quality work show up on our (bid) list more than the people who don't do quality work," said Dan Marcinko, assistant vice chancellor for administration at the University of Pittsburgh.

Repeat business has been critical to Allegheny Construction's bottom line.

"The growth of your business comes from your repeat customers," Deklewa said. "That is a very important part of my strategy — not only to create a customer but to keep and maintain a relationship."

The success of this strategy is evident not only on the company's balance sheet, but on its list of current projects.

"I would say that at least 80, 85 percent of my business base right now is people that I have (already) done work for," Deklewa said.

Having eager customers banging down



Laura Deklewa bought Allegheny Construction Group in 1998 and has turned the once-struggling company into a fast-growing general contractor.

the door was not always the reality at Allegheny Construction, a failing pre-engineered metal building firm that Deklewa purchased in 1998.

"It was a very young company that was having some difficulty," she said.

Deklewa said the company's finances were a mess. The firm appeared to be quickly going under.

"As a matter of fact if they hadn't got

another job that I brought in, they would have had to close their doors," she said.

In addition to its pre-engineered metal building expertise, the firm had two employees that impressed Deklewa.

After the purchase, Deklewa quickly went to work expanding the company's focus beyond metal buildings and into general contracting, targeting institutional, health care and other

commercial clients.

Although she admits that she made a few missteps along the way — wondering in retrospect if she would have decided on a more identifiable name for the firm — the company has had success in establishing itself as a commercial general contractor.

The firm, which now employs a total of about 125 people, conducts all concrete, demolition and rough and finish carpentry work in-house.

From the start, Deklewa knew that she was not interested in public construction projects — "you end up with a lot of people that don't do quality work, because they are not looking for a repeat customer."

But in the private Pittsburgh construction market, competition is fierce.

Deklewa knew that she had to land clients and then keep them by providing superior service.

"Good news travels fast, but bad news travels faster," Deklewa said of the importance of first impressions.

One of the company's first projects was a 100,000-square-foot training center on the South Side, part of the University of Pittsburgh Medical Center's sports medicine facilities.

Like many of Deklewa's clients, the massive health system has returned for repeat business, at its branches in Shady Side, Passavant, Presbyterian and at the new Children's Hospital in Lawrenceville.

Some of her other repeat customers include West Penn Allegheny Health System and its Allegheny General Hospital branch as well as Excelsa Health in Westmoreland County and its Frick Hospital campus. Most recently the firm has scored two big contracts — one with Bettis Atomic Power Laboratory in West Mifflin and the other with U.S. Airways at its planned facility near the Pittsburgh International Airport.

Deklewa said she was especially proud of the atomic power lab that her firm built for Bettis and somewhat dismayed that government secrecy requirements will prevent her from showing it off.

"It's another client that I am going to build this base for the future," she said.

She added, with a laugh, "what kills me is that I don't think I can take pictures of it."

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