

CONSTRUCTION

TODAY

construction-today.com

InEight's software helps contractors
succeed through the entire life cycle
of their projects. → p. 30

➔ Among the BEST

CONDO PARTNERS

CM & Associates and CBSK Ironstate
are collaborating on Corte and 646
11th Avenue in New York.

NICE AND EASY

Senate Construction Corp. prides
itself on offering a streamlined
process that saves time and money.



Building a 50-Year Niche

US GENERAL HAS BUILT FOR RESTAURANTS AND OTHER CHAINS. BY MARK LAWTON

US General Construction found a successful building niche 50 years ago that has continued to support the Georgia company's growth. "That's pretty much been 75 percent of our work since 1968," says owner Richie Peden. "We've built close to 3,000 restaurants and remodels since then and over 300 gasoline stations in the Southeast."

US General works today in approximately 10 states. "We primarily work for the national chains though we do some individual specialty restaurants," Peden notes. "Same on the gasoline side, we work with national chains."

Clients include Taco Bell, Pizza Hut, Burger King, Olive Garden, Longhorn Steakhouse and Circle K.

US General also has built retail centers of up to 100,000 square feet as well as banks. However, "There's not a lot of banks going on," Peden says.

In several respects, working for chains has been to the advantage of US General. "Chain restaurants tend to have a few prototypical buildings," Peden says. "The

US General Construction

<http://www.usgeneral.org>

- Revenue: \$35 million
- Headquarters: Alpharetta, Ga.
- Employees: 25
- Specialty: Commercial construction



» US General has built close to 3,000 restaurants and remodels and more than 300 gasoline stations.



plans are better than someone just building a one-off or two-off specialty restaurant. They have the plans defined a whole lot better and things tend to go smoother. It definitely is a plus when working for a chain restaurants to build many of the same type of buildings."

Working with chain restaurants also helped during the Great Recession, when US General Construction was slowed down but not stopped.

"We were able to hold onto all our employees," Peden says. "We were in hunker-down mode. No one was really making much money for a few years. We held onto our important field and office people."

Chain fast-food restaurants are, if not

recession proof, at least recession resistant. "In slow times, the restaurants have helped, particularly the fast-food restaurants," Peden says. "People are still going to eat out. Also, the restaurants are going to, every five or 10 years, do some kind of remodel to keep their buildings updated."

About 75 percent of US General's business is new construction and the remainder is remodeling, Peden says.

Starting Small

Richie Peden's father, Richard, worked as a project manager for a construction company in the 1960s. One of its clients enjoyed working with him and encouraged him to go out on his own and start his own

company. "At the age of 25, when he started this, it was definitely a big risk," Peden says.

Peden's father borrowed money from own his father, a home-builder in Jacksonville, Fla., then encouraged his dad to move up to the Atlanta area and join his business. So, in 1968, Peden's grandfather became a field superintendent and the first employee of his father, Richard.

The new company lined up a couple projects. "The biggest challenge was getting a line of credit and bonding capacity," Peden says. "Back in the day, companies wanted you to get a bond on a lot of their projects and my father didn't have a whole lot of working capital."

So, he started small. "The bank would give him a small line of credit but he would have to pay it off every week," Peden says. "The following week he would get paid by the customers. After a few years, the banks started allowing him a larger line of credit and the bonding companies gave him more bonding capacity as he slowly built up his net worth."

Peden, who was only a few years old in 1968, recalls his father working particularly hard in those early years. "I remember him doing a lot of work at night and on weekends he visited site visits," Peden says.

Like Family

Peden says it's difficult to find field superintendents to lead subcontractors on-site. "I think that's everyone's biggest challenge these days," Peden says. "It seems like it's a dying trade. There are not as many people out there who want to be out there working in the mud and snow and heat. My superintendents do pretty well financially but it's a pretty tough job."

US General is attempting to recruit younger people into the position. "We have them work with our seasoned older superintendents in order to train them," Peden says.

Ask Peden what he's most proud of and he doesn't hesitate with an answer. "The longevity of my employees," Peden says. "Of their

'In slow times, the restaurants have helped, particularly fast-food restaurants.'

dedication and loyalty to us. My grandfather said to my father and my father passed on to me that you treat your employees as family and they will stay true and dedicated to you. I think that's one reason we have virtually no turnover. Our average superintendent has probably been with us 12 to 15 years and some for 20 years."

US General pays its employees a "generous salary, a bonus and a profit-sharing plan that's very strong," Peden says. The company also extends its generosity to its subcontractors, who handle 90 percent of the trade work.

"We have some who work only for us, who we keep busy," Peden says. "Keeping those subcontractors paid every Friday or every month on time – whether we've gotten paid or not – that's key to keeping those subcontractors loyal to us."

He is also pleased with the loyalty of his customers. "They have trusted us for such a long time to do their work," Peden says. "We have some customers on the restaurant side we've been working for 47 years." ♦



About 75 percent of
US General's business
is new construction .



Best Wishes to US General on your continued success!

HOLLOW METAL • FINISH HARDWARE • WOOD DOORS • SPECIALTY ITEMS

Contractors' source for commercial hollow metal doors, frames, wood doors, and architectural finish hardware since 1979.

We are committed to quick, on time, accurate delivery in the Southeast or across the country for small to midsize jobs. We stock more quality products and hollow metal to quickly supply your needs.

We Do Doors!

3684 North Peachtree Road - Chamblee, GA 30341
(770) 451-4818 FAX (770) 454-8244

For more information, visit us online at www.thomasgroupdoors.com