

MEMBER PROFILE

DeMaria Building Company Lives Up To Its Motto,

"The DeMaria Difference"

By Katrina Harris

DeMaria Building Company

DeMaria Building Company, Inc. lives true to its motto, "The DeMaria Difference". The difference begins with founders Rick DeMaria and Joseph DeMaria Sr., brothers who built their general contracting company by focusing on the basics—delivering the best quality, on time, at competitive prices, and with personalized service that meets the unique needs of the client. This business philosophy has proven to be extremely successful, and as a result, DeMaria has created successful long-term relationships with its clients for over 33 years – and 75 to 80 per cent of those clients are repeat customers.

Building a history

DeMaria started out in 1969, building gas stations for the oil companies. Rick DeMaria explains that competition for market share between the oil companies was intense, and this led to what seemed like a gas station being built on every corner. A few years later, the brothers shifted their

marketing direction to the automotive industry. DeMaria's first automotive project was awarded in 1970 – a \$250,000 building project at General Motors' Spring and Bumper Plant in Livonia. Other automotive jobs began to stream in, and by the late 1970s, DeMaria was well on its way to developing successful relationships with all three automakers.

As DeMaria's client list grew, so did the company. DeMaria is the tenth largest general contracting company in Southeastern Michigan, employing over 220 people in three offices – Ann Arbor, Detroit, and Novi – with annual revenues exceeding \$100 million. DeMaria has earned a place on Engineering News Record's Top 400 General Contractor's List every year since 1985.

DeMaria's relationship focus fosters an environment where employees are made to feel like part of the family. This distinct corporate culture results in low employee turnover, with many employees staying to celebrate 15, 25 and even 30-year anniversaries with the company. Unlike many family-run

businesses, DeMaria doesn't use a top-down management style; in fact, employees at every level contribute to the company's decision-making process and direction. As part of DeMaria's Quality Management Systems (DQMS), innovative programs like Opportunities for Improvement (OFI) encourage and reward employees for their ideas.

Divisions result in one company focus

DeMaria has three main business divisions: Industrial, Commercial, and Healthcare. Created in 1996, these divisions focus attention on the markets in which the company is most proficient. Each division contributes an estimated \$30 to \$50 million to the company's total revenue. A fourth division of DeMaria, Taft Steel, supports the contracting divisions by fabricating miscellaneous steel for many of the projects.

The Industrial division targets light and heavy manufacturing companies. Clients include the big three OEM's, tier suppliers, as well as Detroit Edi-

son, US Manufacturing, and Consumers Energy. DeMaria's work involves both renovation and new construction in production and non-production areas.

DeMaria's Healthcare division has built an impressive client roster that includes Detroit Medical Center, Henry Ford Health Systems, University of Michigan Hospital, and the Veteran's Administration. These and other healthcare clients use DeMaria's services to create new medical facilities and renovate existing ones—many of which have been occupied at the time of renovation.

DeMaria's Commercial division's markets include water and sewerage, educational, municipal, assisted living facilities, and multi-unit housing. DeMaria is a Detroit Based Business, (DBB), contributing to the City of Detroit's revitalization initiatives. Clients include the Detroit Building Authority, Detroit Public Schools, Detroit Zoological Institute, and Eastern Michigan University.

A leader in projects and project safety

DeMaria has had its share of unique projects. According to DeMaria President Joseph DeMaria Jr., "We like projects that put us in a position to prove ourselves." Many of these projects are the first of their kind—requiring DeMaria to create new construction models and to pioneer solutions.

In 1991, DeMaria built an air traffic control tower at Detroit Metropolitan Airport for the Federal Aviation Administration. This 230-foot tower was the highest tower in the eight-state Great Lake Region of the FAA.

Our diversity was proven over the last several years by contracting with the Veteran's Administration to construct and renovate practically their entire Ann Arbor campus. The scope of this work included projects such as a new power plant, hundreds of feet of underground utility tunnels, tank farms, a new research facility, enclosed bridge connectors, two parking structures and renovating the

entire existing hospital, all at a total cost of \$72 million.

The Southfield Star Theatre provided another unique opportunity for DeMaria to prove itself. This \$20 million, 20-screen movie complex, built in 1997 for Sony Theatre Company, was the largest and most advanced Sony theatre at the time. DeMaria applied its value engineering principles to save Sony in excess of \$2 million on the project. In addition, DeMaria turned the project around in 11 months, at a time when labor shortage in the Detroit area was at an all-time high.

In 1999, General Motors awarded DeMaria a \$13 million design/build project. This project involved the renovation of three buildings at the GM Tech Center: Lorna Street, Design Center North and Design Center South.

DeMaria differs from many general contractors in that the company self performs work – predominantly concrete and earthwork. Joe DeMaria Jr. comments on the value of self performing by saying, "Self performing gives us a greater degree of control over the project and enables us to deliver better costs, quality and schedules to our clients. It also allows us to support or step-in to assist our subcontractors where needed." DeMaria has invested over \$4 million in self-perform equipment, and currently self performs 20 per cent of its work.

Quality, safety, and technology are other areas where DeMaria is a leader. In 1999 DeMaria was one of the first in the construction industry to be ISO 9002 certified. According to CEO Richard DeMaria, "DeMaria has always focused on quality. Our use of formalized quality programs dates back to the late 1970s – long before quality became trendy in the 1990s." In fact, in 1987 DeMaria was the first General Motors supplier to employ its new-at-the-time quality program, Construction Industry Cost Effectiveness.

DeMaria takes a proactive approach to safety through its "We're Serious About Safety" Program. DeMaria was one of the first adopters of an interactive, CD-ROM-based,

self-guided, safety-training program called Safe2Work™. DeMaria has also embraced the Michigan Occupational Safety and Health Administration's (MIOSHA) Consultation Education and Training (CET) program that offers safety consultation and training to construction companies throughout Michigan. Both Safe2Work™ and MIOSHA have recognized DeMaria for its proactive approach to safety. DeMaria will be featured in the *Safe2Work Advantage* newsletter, and MIOSHA has released a video promoting its CET program, which highlights DeMaria and its safety practices. DeMaria's safety efforts are reflected in its all-time-low Experience Modification Rate (EMR) of 0.68. DeMaria has also received both National and Detroit Chapter Safety Excellence Awards from the American General Contractors Association in 1999, 2000 and 2001.

Looking ahead

DeMaria regularly applies technology to improve performance. The company has networked all of its offices (including temporary job-site offices) and it incorporates advanced project management, estimating and scheduling software in each project. The company continually reviews new technology solutions to stay on the leading edge of the construction business.

As DeMaria looks to the future, the company plans to stay focused on the basics that brought them early success – quality work, competitive prices, exceptional service, and meeting deadlines. Another generation of the DeMaria family has begun to take on a more active role in the organization – Joe DeMaria's son, Joe DeMaria Jr., is President, and Rick DeMaria's two sons are also involved – Anthony DeMaria is Director of Operations and Mark DeMaria is a Project Manager/Estimator. As the company grows and generations evolve, one thing is certain. DeMaria will continue to do what works best in the long run – build lasting relationships with its clients, employees, subcontractors, and vendors. ■