

"The Art of Versatility: Andersen Interior Contracting, Inc."

(article written for *Commerce*, the magazine of the Commerce & Industry Association of NJ, May, 2004)

“When your project really matters, call on the company that makes it matter even more.” says Dan Andersen, president of Andersen Interior Contracting, Inc. (AIC). Hands-on management and the desire to provide a personal level of service has helped AIC become one of the top companies in their industry.

AIC provides a complete range of interior contracting services to general contractors, commercial developers, and building owners and managers in northern and central New Jersey and Rockland and Westchester Counties in New York. Typical projects include interiors of office buildings, retail stores and shopping centers, industrial sites, hotels, schools, medical buildings, restaurants, and various public buildings. Services include metal stud and drywall partitions, taping and spackling, wood and light gauge steel framing, insulation, acoustical ceilings, rough and finished carpentry, and fine architectural woodworking.

Brothers Dan and John Andersen, along with their brother Carl and their father, initially started the Andersen Corporation in January 1974. That company was sold in 1986 and Dan and John started AIC, with a narrower focus on interior construction, primarily for office space. After the original company ceased operations in 1988, the Andersens were able to bring most of their former staff into the new company. AIC now has a 15-person office staff, more than 100 field employees, and 10 mill shop employees. They are located in a modern 30,000 square foot facility in Fairfield, NJ, encompassing corporate offices, a warehouse, and a woodworking shop. Helping the company meet budget and scheduling requirements are the state-of-the-art equipment, large inventory of commonly used items, and a well-maintained fleet of trucks.

In keeping with the hands-on management philosophy, each project is assigned to a project team. One of the company’s four project managers heads up each team, overseeing all aspects of the project from the initial estimate to field supervision. The project managers receive support from the in-house estimating, accounting, and purchasing/expediting departments.

One of Dan and John Andersen’s favorite projects, in recent years, is the new State Farm Northeastern Regional Headquarters (Parsippany, NJ). AIC, working with The Gale Construction Company, LLC, was responsible for drywall installation, carpentry, millwork installation, and installation of acoustical ceilings. This \$4 million contract was not only large, but also had a very aggressive schedule as well as a number of innovative design features. It took an estimated 9,000 pieces of drywall to complete the work in this 400,000 square foot building. Some of the other challenges were a three-story high lobby and a great deal of open space in the building layout. An interesting feature was the dining area – designed to simulate a park-like outdoor setting, including trees made of reinforced gypsum products. The project was completed in sixteen months and employed about forty carpenters and six tapers. AIC’s sister company, Corporate Woodworking, Inc. (CWI) fabricated the millwork for the project, including the copy area, the pantries, the kitchen (all Corian[®] work), the lobby, and the reception desk. Towards the end of the project, about twenty millwork installers were working seven days a week.

And Gale Construction appreciated the work that was done. “While the general contractor/subcontractor relationship can become strained with the constant pressures we are faced with,” said Thomas J. Walsh, The Gale Construction Company, “I’m pleased to say that our relationship with AIC over the past ten years has become more of a partnering relationship than a contracting relationship. In our business we count on our subcontractors to give us estimates that are complete, time frames that are real, and quality that is second to none. In essence we expect you to work with us, protect us, and complete our projects in a way that makes us both look good. AIC has consistently shown an ability to do all of these things. In particular, AIC’s ability to meet deadlines even in the face of constant client changes as well as constantly changing factors in the field has been a key element in our success.”

Corporate Woodworking, Inc.

The combination of seasoned craftsmen and new, cutting edge technology helps to make AIC’s sister company Corporate Woodworking, Inc. (CWI) a leader in the high-end architectural woodworking field. CWI projects include custom cabinets, reception desks, bank teller counters, wall panels, and doors and frames. Field installations of the finished pieces are done by AIC.

CWI is a member of the Architectural Woodworking Institute (AWI) and follows their exacting guidelines. They are proud to be one of the few companies in New Jersey certified under AWI’s Quality Certification Program (QCP). This rigorous process, started by AWI in 1995, “pre-qualifies” companies for projects.

In order to be certified, a company must submit letters of recommendation from architects, contractors, and building owners; show a thorough understanding of the AWI Quality Standards by passing an exam; and then undergo both an in-house and project inspection. The inspection looks at shop drawings, management and production personnel, fabrication processes, and compliance with installation guidelines. Only after all of these requirements are met can a company apply QCP labels to their finished products. And that’s not the end of the process – additional inspections are made on a periodic basis to assure that standards are continually met.

Five office staff and ten mill shop workers are employed by CWI at the modern facility they share with Andersen Interior Contracting in Fairfield, NJ. Bob Brennan is Vice President and General Manager of CWI. He has been with CWI for 15 years.

Strength in Relationships

According to Dan Andersen, “Andersen Interior Contracting does more than build partitions, we build relationships.” This is true both inside and outside the company. AIC is a true family business -- Dan’s brother John is Vice President and co-owner of the company while brothers Carl and Max work in the field. Son Mike and nephews Steve and Jim are also involved in the business. And there are many long-time employees who have grown with the company. For instance, Scott Solvang, Controller for AIC and CWI, joined the company right out of college, in 1985, working his way up to his present position. One of AIC’s project managers, Greg Young, came to work for the Andersens in 1976. Over the years, he’s held a variety of jobs, both in the field and the office, becoming a project manager in 2001.

What causes employees to stay? AIC promotes an environment that makes employees feel comfortable. Dan Andersen said “We want employees to come to work and enjoy it, not spend their time watching the clock and waiting to go home. We work hard, but we have a good time doing it.” AIC employees are very proud of the good reputation the company has with its customers and want to enhance that relationship.

Just as important as building relationships with employees is building relationships with customers. “We stay very reachable -- there aren't any middle-management layers insulating us from our customers,” says John Andersen. “Our customers feel like they're the only customers we have.” The philosophy at AIC is first, keep the customer happy and second, make a profit. Dan and John Andersen want their customers to keep coming back. John C. Fowler, president of Arthur B. Fowler, agrees, “We have worked with Andersen Interiors for over twenty years and have always found them to be a joy to work with. We know that when Andersen is on a project, we will get a quality job, delivered on time, and on budget without any problems. They are completely dependable and honest.”

Another long time customer is The Troast Group, Inc. Brian Troast describes the company’s relationship with AIC, “Over the years, Andersen Interior Contracting, Inc. has repeatedly surpassed our expectations, consistently performing quality work. We know that when Andersen is on a job, the final project will be done promptly and efficiently. Our association over the years has been a mutually positive one and we confidently put our trust in Andersen.”

Ahead of the Competition

In addition to their high quality work, speed and reasonable costs help to set AIC apart from its competitors. “We pride ourselves on our speed in two very different but critical areas,” says Dan Andersen. “Our ability to provide accurate, competitive quotations in a matter of days is exceeded only by our ability to mobilize and execute projects in the shortest possible time.” For developers leasing office space, time saved means faster turnaround, which translates into on-time occupancy for tenants. This can give developers an edge in the highly competitive real estate market. And how does AIC achieve this speed without sacrificing cost? A highly skilled and motivated workforce, long-standing relationships with suppliers, and controlled overhead costs make competitive pricing possible.

Steve Kessel, of Kessel Associates, confirms AIC’s position: “Our 20-year association with Andersen reflects our extreme satisfaction with the quality, craftsmanship, and efficiency of their work. As an owner/developer we want to offer the finest facilities – on-time – to our tenants, and Andersen’s outstanding carpentry, millwork, and cabinetry skills make that possible. When Andersen completes a job for us, we rarely have a punch list, and we always have a happy tenant.”

The Art of Versatility

“We've positioned ourselves as the largest, small contractor,” says John Andersen. “So, no job is too big or too small. Small projects benefit from the experience our employees gained working on large projects, while large projects still receive the personal, hands-on management that is more often found on small jobs.”

AIC has the capability to man any size job, however they make sure that the \$10,000 job customer feels just as comfortable as the \$4 million job customer does. Each customer is assigned a project manager, who has complete control of that project. "So, for a small project, what the customer sees is the equivalent of a pick-up truck contractor," says Dan Andersen.

Although the original focus of AIC was office interiors, over time this focus has broadened. "We are experienced in any type of project – skill-wise we can do any job," says Dan Andersen. "This is good for our long-term customers who have diversified over the years – we can work with them." Recent projects illustrate this versatility.

Lead-lined walls was the new and interesting challenge faced by AIC as they helped Premier PET Imaging of NJ open the first non-mobile PET facility in New Jersey. PET, Positron Emission Tomography, is a non-invasive procedure for cancer screening, which requires patients to be injected with radioactive tracers. Many of the rooms in the facility required lead lining to keep the radiation from leaking through the walls. AIC and CWI worked with Reckson Construction Group on this 3,500 square feet project located in Parsippany, NJ. According to Brian Tobiasz, Director of Construction, Reckson Construction Group, "Andersen Interior Contracting handles 90 percent of our projects due to their competitive pricing, quality of work, and outstanding customer service. They are extremely professional on every level and are by far the top in their field."

"Back to School" took on a whole new meaning for AIC last year. Starting in July 2003, they began work on a redevelopment project for Ramapo High School in Franklin Lakes, NJ. Working with VRH Construction Corp., AIC will be on this project throughout 2004. The work will be done in phases to coordinate with the school schedule.

AIC's responsibilities include exterior framing and installing high-end ceilings and drywall soffits. They are working on a science addition, enlarging the gymnasium, and adding a greenhouse. They are also re-doing the auditorium, the music center, and the entranceway. The construction is in coordination with the NJ Schools Construction Corporation (SCC). AIC will also be performing all drywall, carpentry and acoustical ceiling work at the Henry Hudson Regional School in Highlands, NJ for Paul Otto Building, Co., a project that will extend into 2005.

Another new area for AIC and CWI are restaurants. They recently completed several restaurant projects. AIC installed the drywall and acoustical ceilings as well as FRP (waterproof reinforced fiberglass paneling) in the kitchen for Fleming's Prime Steakhouse & Wine Bar in Edgewater (March Associates). Both AIC and CWI worked on Bensi Restaurants in Denville and Hasbrouck Heights, while only CWI did work at the Bensi Restaurant in Wayne (all with Jewel Contracting).

AIC worked closely with Alfred Sanzari Enterprises on the new Alfred N. Sanzari Medical Arts Building in Hackensack, NJ. The 85,000 square foot building was designed for the modern medical professional, including such features as flexible HVAC controls, a great deal of on-site parking, and extra large elevators to accommodate wheel chairs. Retail tenants occupy the first floor of the building with the other three floors available for medical offices and ancillary medical service space. AIC was responsible for the building core, which includes the framing

and sheetrock on outside perimeter walls, the dome sheetrock ceiling and acoustical ceilings, and the bathrooms on all four floors. On the first floor they did work on two stores. AIC also worked on the main lobby and the two parking garage lobbies and installed the millwork for those areas fabricated by CWI. AIC was also responsible for the parking garage ceilings and roof blocking and metal framing on the roof.

What are AIC's future plans? According to Dan Andersen, they are comfortable where they are, "We would like to expand modestly over the next few years, but have no plans for rapid growth. The market is different now and we are looking at working on new types of projects as well as in new areas. We have seen our customer base expand while our work volume remained stable." Dan and John Andersen look forward to continuing to do what they do best – making their customers and their employees happy.

Commerce AIC Sidebars

Expanding To Westchester

Andersen Interior Contracting recently expanded their operations into the Westchester County market. "We identified Westchester as an important office market with the potential for a great deal of growth. We were excited to bring our skills and competitive pricing to this market" stated AIC President, Dan Andersen. AIC's initial projects, in 2003, were all in partnership with Reckson Associates' Westchester Division and, in 2004, projects are underway for both Reckson and the Gale Construction Company.

To date, Andersen has completed over 15 projects in Westchester. The first was new office space for Commerzbank, a European banking giant, located in the Reckson Executive Park six-building complex in Rye Brook, NY. This premier project was built as an emergency back-up disaster recovery site for Commerzbank. AIC's work in this 30,000 square foot space was drywall and ceilings. The second completed project was Navigators Insurance – about 12,000 square feet of tenant space also in the Reckson Executive Park in Rye Brook, NY. AIC was responsible for the drywall and ceilings for this project.

The third project was IBEX Capital Markets, an 8,500 square foot tenant space within the 203,500 square foot Tarrytown Corporate Center in Tarrytown, NY. AIC installed drywall and ceilings while their sister company, Corporate Woodworking Inc. (CWI), provided the millwork. Bill Muzzio, Director of Construction for Reckson Associates' Westchester Division, explained, "Both the Navigators Insurance and IBEX projects were Class A office spaces that were reconstructed to satisfy the tenant's specific requirements. Andersen Interior Contracting worked in a very aggressive time frame to complete the Navigator project."

Recently completed Westchester projects include; Option One, a 10,000 square foot space in Tarrytown, Heineken, a 7,000 square foot space in White Plains, and two projects in Rye Brook – Compass Group, a 6,000 square foot space and McGraw Hill, a 4,000 square foot space.

AIC completed several additional tenant improvement projects including three projects in Rye Brook – Elliott Group, a 2,500 square foot space, Richmond Abstract, a 1,500 square foot space,

and an additional 2,500 square foot space to be leased at a later date; three projects in Tarrytown -- Global Spec, a 4,000 square foot tenant space, Weiner & Daily, a 3,200 square foot space, and Integrated Planning Associates, an 1,800 square foot space; and one project in Valhalla -- Shaw and Perelson, a 1,200 square foot space.

Andersen Interior Contracting New Headquarters

In 2003 AIC and sister company CWI moved into larger quarters. As the companies grew, and additional staff was hired, the facilities they occupied for the previous seven years became too small. AIC and CWI now occupy a total of 30,000 square feet in their new building in Fairfield, NJ. The additional space allows the companies to meet their delivery dates and deadlines in an even more efficient manner. Dan Andersen explained, "The new facility provides more space to build, stack, and save materials in a climate-controlled area. This enables our company to operate more efficiently and create cost savings, which is reflected in even more competitive pricing."

The new office configuration is L-shaped, with AIC and CWI on opposite ends and the executive offices in the center. The new layout not only provides more space but also is designed to allow a better workflow and overall efficiency. The office expanded from 4,500 square feet to more than 6,800 square feet. The building also provides 3,200 square feet used for warehousing of building materials.

CWI's mill shop enlarged from its existing 12,000 square feet of space to approximately 20,000 square feet. The additional space allows for a new CNC machine, which will be added at some point in the future to supplement the two CNC machines currently owned.

Cutting Edge Technology

Both AIC and CWI find that employing the newest technology helps give them a competitive edge. Dan Andersen explains, "AIC utilizes all of the latest technology for interior contracting. This includes laser technology for ceiling leveling, man-lifts, special cutting saws, and whatever else is needed to get the job done."

CWI's mill shop features some of the newest woodworking technology, including three automated machines in the panel processing line: a beam saw, an edgebander, and a point-to-point-machining center. The computerized beam saw has the ability to cut sheets of material at a rapid rate. Special software, called "Cut Rite", allows workers to enter all of the information for a project, such as the dimensions of the finished pieces. A list of all of the pieces is generated along with bar code labels for each piece.

Once the labels are applied, each piece of wood is brought to the point-to-point-machining center. This advanced machine "reads" the bar codes on the labels and processes the pieces. The file that is generated gives directions to the worker for assembling the finished parts. CWI currently has two CNC machines, and expects to add a third at some future time.

The automated machinery allows pieces to be produced much faster than with the old manual cutting and machining process. In addition, the finished pieces are much more accurate. Other

software allows CWI to generate parts lists and detailed designs on the computer. Use of the computer-generated parts lists has improved ordering efficiency.

Another advantage CWI has is its climate-controlled shop. Wood veneer can expand and contract, depending on temperature and humidity. Because of the more stable environment, CWI is able to produce a more stable product.