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Service winner: McConnell & Associates' asphalt work paves way for handling other surfaces

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Dave Kaup | KCBJ

McConnell & Associates Corp. CEO Troy McConnell (from left), President Scott McConnell, and Vice Presidents Chris Hanson and Rob McConnell say the company is expanding its core business of asphalt and parking lot sealing, including resurfacing the tennis courts at Park Hill South High School.

McConnell & Associates Corp. is, in every sense, a family business.

Third-generation McConnells run the company their grandfather founded in 1965.

And McConnell & Associates, or MAC, has expanded through branching out to what President Scott McConnell calls "cousins" of its core business of asphalt and parking lot sealing.

"They all relate -- they're stepping blocks on top of asphalt pavement," Vice President Rob McConnell said.

MAC's most dramatic growth has come in the past decade, jumping off years of steady rises. The company has doubled its revenue since 2004 and expects 2008 revenue to top last year's \$15 million by about 25 percent.

The expansion was a progression that led to three ever-growing divisions -- pavement maintenance services, which make up about 50 percent of business; pavement maintenance products, which account for 25 percent to 30 percent of business; and sports and recreation surfaces, which make up the rest.

MAC's appeal lies in the quality of the products it uses and in the quality of its work, clients said.

"We don't want to build our business on being the low end," Scott McConnell said.

"We use more expensive products," Rob McConnell added.

This devotion to quality has generated long-lasting client and vendor relationships.

The Carriage Club in Kansas City has used MAC to maintain tennis courts for more than two decades because of MAC's competitive pricing, high-quality work and products, and promptness.

"They're real experts," said Kirkland Gates, the club's tennis director. "They're always up to date with their products, and they're willing to experiment."

Many companies simply fill cracks and repaint the court, leaving the surface susceptible to cracking in a couple of years. But MAC employees explain that situation, then offer to fix courts with a special rock layering underneath that prevents cracks longer, Gates said.

"Generally, when you replace a surface, you get three to five years out of it," Gates said. "Many of theirs we've had for a lot longer than that."

Some courts are going on nine years, he said. And if the club asks for touch-ups after MAC completes a job, company executives don't question the request.

"I've never once had any sort of quibbles with them," Gates said. "They believe in getting it done right and serving the customer."

But MAC's beginnings aren't with colorful courts. It formed in 1965 around seal-coating parking lots, a then-new preventive maintenance. MAC expanded to repairs, patching, paving -- almost anything involved with maintaining paved surfaces, Scott McConnell said.

About 99 percent of that business is off-street projects, such as parking lots and driveways, he said.

In the 1970s, MAC became a **STAR Inc.** licensee, using its expertise to begin manufacturing pavement sealer at a 10,000-square-foot North Kansas City plant MAC bought in 1978. Involvement with STAR, in which MAC remains a stockholder, enabled MAC to service other contractors and made obvious business sense, Scott McConnell said. Also during that decade, MAC opened a St. Louis office.

As the pavement maintenance business evolved, MAC neared its sports branch through work on giant parking lots around stadiums. Tennis's jump in popularity

provided a segue into sports work. Tennis court coatings required skills similar to asphalt coatings.

"Name a club around town, and we've pretty much built or rebuilt their courts," Rob McConnell said.

Because of MAC's attention to detail and quality, two MAC tennis court installers were chosen to help an Australian contractor resurface more than 20 tennis courts that were used in January at the Australian Open. MAC is a licensed installer for **California Products Corp.** of Andover, Mass., whose products coat courts for two of the four annual tennis Grand Slam tournaments.

California Products recommended MAC employees to help with the big Australian Open job.

"McConnell demonstrated to us in the past that they have very fine work skills," said Art Tucker, a California Products vice president. "McConnell has developed employees that they have been able to train and maintain within their organization."

The two companies have a "tacit understanding that we're both in it for the long term," Tucker said.

MAC employees understand that, too, and often use the January-February offseason for vacations and return during the busier months. Most crew leaders were brought up and trained within the company, Rob McConnell said.

In 1999, MAC bought another 10,000-square-foot pavement sealer manufacturing plant, this one south of St. Louis.

"Since then, we've taken a more aggressive growth pattern," Rob McConnell said.

MAC further advanced its capabilities after 2000, when McConnell brother-in-law Chris Hanson, a civil engineer with an MBA, joined the company as vice president and head of the estimating department. MAC began designing and building tennis courts in about 2004.

The company also began pursuing larger jobs and landed the role of general contractor, instead of subcontractor, on more projects.

Through its reputation with tennis clients, many of which also owned other sports surfaces, MAC has branched out in the past couple of years to installing and maintaining surfaces such as running tracks and artificial turf. MAC has hired experienced employees when adding new surface capabilities. Last year, MAC had its first full-time track crew and did its first full design-build project of a football field and track facility.

MAC told loyal customers it would fix any surface they needed, Hanson said.

"There was a hole in the (track installing) market, and we saw an opportunity as a quality installer," he said. "Clients were asking us to do it because they would have a track installed, and then a few years later, the company would be out of business."

Even with those additions, MAC doesn't overlook its business base.

When **NT Realty Inc.**, which provides industrial and commercial space, needs quick estimates, MAC always delivers, said Timothy Poli, NT construction maintenance manager.

In the past five years, MAC has done about 99 percent of NT's work, even though NT regularly bids out the work.

"We're out to get the best deal," Poli said. "Our relationship is based on the product and pricing they offer."

Poli also trusts MAC's experienced crew leaders to notify him if they see any potential problems that should be considered during a project, he said.

MAC now sums up its business as applying to "wherever you walk, park or play."

With the rapid growth, MAC leaders had to set up a management pyramid by promoting employees to oversight jobs.

"It got to the point where customer demands outran what we could keep up with," Scott McConnell said.

The firm also hired a human resources manager, who has helped refine hiring and increase employee retention.

"You have to hire good people and let them do their job," Hanson said.