

Corporate Spotlight

KBD Construction Services: Construction Zone

Written by Eric Slack
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They say that breaking up is hard to do, but not for KBD Construction Services (KBDC). In fact, a recent realignment that saw KBDC become its own piece of a larger family came about because the company had an epiphany of sorts.



Shin Urano, President

"We realized there were different markets," said Shin Urano, KBDC's president. "The West Coast is more of a commercial and hospitality market. We are pursuing industrial, processing, and distribution markets."

KBDC is half of KBD Group and operates on the East Coast. It is headquartered in Atlanta and has offices in Memphis, Cincinnati, Chicago, Dallas, and Rochelle Park, NJ.

It is a spin-off of Kajima Construction Services (KCS), which still operates under the KCS brand name on the West Coast. Previously, KCS was one company doing business around the entire country. The company decided to split its American operations in half to give the firm more of a market-

driven focus. 2007 was the first year of KBD Group's existence as a single entity, made up of KBDC and Kajima Associates, Inc. (KAI), KBDC's engineering and design partner. KAI has offices in New Jersey, Atlanta, and Los Angeles.

Fathering all of these companies was the Kajima Corporation, KBDC's Japanese parent company. The corporation was founded in 1840 and expanded around the world into a network of companies in more than 20 countries in Asia, Europe, Africa, the Middle East, and the United States. The company developed expertise in all areas of real estate development, including construction, design, and engineering. The corporation's holding company, Kajima USA, oversees Kajima's American operations.

Despite its new identity on the East Coast, KBDC already had many of the needed connections for success. The company began American operations in 1961 and is especially well known in the Southeastern US. With a successful track record for nearly 50 years, KBDC earned something every contractor dreams of: repeat customers. The challenge for KBDC now is to secure and expand its marketshare to help the company establish its new brand.

"We are somewhat unique in that we do a lot of repeat business so we're not starting from scratch every time we seek a new job," said Mike Brown, KBDC's vice president. "But in terms of meeting new clients, we clearly communicate our strategic objectives to our people so they know what types of clients and industries we're looking for. We're fairly diversified, but, like any contractor, we do have focus areas."



Shin Urano & Mike Brown tell how realignment gave their company more than a new identity.

Corporate Spotlight *Continued*

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Some of KBDC's recent projects began before the split, allowing the company to establish its new brand through some high profile projects. For example, KBDC is working with FedEx to construct the package delivery giant's 390,000-square-foot, Mid-Atlantic sorting facility in Greensboro, NC. The company is also building the first American plant for fiber cement wall manufacturer Nichiha on 60 acres in Macon, Ga. Projects of this size and scope help KBDC prove its ability to deliver world-class solutions to industrial and distribution clients around the Eastern US.

Family matters

KBDC current and future clients may be aware of the company's skill as a general contractor, but its status as part of the KBD Group gives the company even more leverage. Its sister company, KAI, is a separate entity for license and legal purposes, but the organizations function together and develop joint strategies. Customers who choose KAI's engineering and design skills along with KBDC's construction expertise will notice seamless integration between the companies because the two work closely together as a design-builder.

"We are robust communicators," said Brown, noting tight communication lines between members of upper management, company leaders, and managers in the field. "Each project executive and senior project manager has certain responsibilities, not only for construction but also for client account maintenance and reporting back to upper management." As the company continues to adjust, it is investing in IT services to further improve communication around the company's branch offices. This focus allows KBDC to grow without stretching itself too thin.

KBDC is also bolstered through relationships with contractors, its safety record, and its treatment of staff. The company offers not only competitive compensation packages but also the opportunity for career advancement. Many current company managers and supervisors earned their positions after working their way up through the ranks. According to Urano, this is one of KBDC's strengths.

"We have a comprehensive program with good incentives and benefits," he said. "We also have a career development program, which makes our overall organization better."

Combined with a strong network of loyal specialty contractors and an aggressive safety program putting the company well ahead of the average US general contracting firm, KBDC has a proven track record for corporate social responsibility unmatched by many contractors. But both Brown and Urano agree one of the biggest challenges facing the company is spreading the word about KBDC so the company can expand its influence in the eastern half of the US.

"We build our reputation through our projects and experience," said Urano. "But it isn't easy to sell our capabilities through brochures."