MAKING IT IN
COMMERCIAL INTERIORS

An Interview with Mark Willms

Mark Willms in his office at Hub Company

Mark Willms owns Hub Company, a commercial contracting firm located in Medford, Massachusetts, and is a partner in Fellsway Cabinet, Inc., a cabinet shop also in Medford. Hub Company's main business is to "fit out," or finish, commercial interiors in both new and existing buildings. The company got its start renovating office spaces, but the bulk of the company's projects now is in food service establishments—university cafeterias, small restaurants and fast-food chains.

by Kate O'Brien

NEB: How did you get your start in commercial?

Willms: Before I started Hub Company, I worked as a construction supervisor for a non-union company that did a lot of tenant renovation for large corporations like Digital and ITT. Those big guys do a lot of changing around in their divisions, rearranging their office space quite a bit. I still haven't figured out the logic of why they do it. Guess they just like to spend money.

NEB: When did you start your own commercial work?

Willms: We fell into our first commercial job. We had done some residential work for the president of a large company. When his company needed work on their office space, he called us in for the job. And it was big, over $300,000, 8,000 square feet.

After you hire the staff to handle this kind of a job, you need to sustain it, so you grab whatever work you can get. We did some work as subcontractor and while we did that we got to know facility managers, and they got to know our work. We would check in with them to see what they had coming up.

They liked what we did. If they like what you do they call you back. You get on their bid list. I've heard rumors from other people that some companies spend as long as two to three years on a bid list before they are ever contracted. I think it's a matter of talking to the right person, and usually it requires taking on the garbage work that no one really wants to do, stuff that will probably cause you to lose money.

We did a mailing too—about 600 names. We just picked out names of architects in the phone book. But we only got about two responses. We did find one architect, though, that we work a lot with now.

NEB: What do you think the facility managers were looking for?

Willms: We weren't a big, big company. When you're smaller you have better control over your people and usually you can do a very thorough job. The customer gets more personal attention, and they like the fact that you can respond quickly. They like to feel that they are number one on your list. If you can do that and still survive when you don't have work, that is the ideal situation. As soon as you grow large enough to handle them and a few more, you lose the personal touch, and you end up back with everybody else, getting bumped by the small guy. You're very vulnerable at that point. You need to be able to have the manpower to jump when they call, but at the same time, you can't afford to keep them all because you run your overhead up so high.

NEB: Has that happened to you?

Willms: Yes. We've grown to where we have 15 to 20 people in the field. We started with myself and two or three good guys, about 2½ years ago. In fact, that growth has done a number on my attitude, and I'm going to be letting go of about 10 people. My goal is to get down to five qualified people. Right now we have good people tied up supervising people who are much less qualified. Basically they are babysitting. We're doing large volumes of work, but we're not making any money, just breaking even.

NEB: Why do you stick with commercial work?

Willms: I like it. It's what I know. I prefer it because it's a lot more imaginative—especially in the retail field. A lot of these businesses thrive by keeping their concepts alive and up-to-date. They have to change their face in order to draw in the people. Money is spent a little more freely in commercial than in residential.

I have done residential projects as favors to clients and friends of friends. Each one of them has caused me a tremendous amount of heartache, because the customers are not familiar with building. A large addition to a home will probably happen twice in the homeowner's lifetime. As good a job as you do, they don't have anything to compare it to. We have done work that was absolutely incredible, but there's the punch list, and they have to put something on it. "This base doesn't quite meet here," so you have to go in with the filler and repaint. They don't realize how well we did the work compared to someone else. We do go back and fix everything, but they don't appreciate it. So I don't like residential.

NEB: Is it easier to work with the commercial owner?

Willms: We have quite a rapport with most of the commercial owners we work with. It's the architects that are hard to get along with. In my opinion, architects should work for the general contractor. The problem is that the architect is usually trying to make a monument for himself. This is when practicality gets lost. Design is fantastic and I admire the people that can put it together. But we usually bail them out with our expertise in terms of practicality.

We're not going to let the owner get into trouble just because the architect did. We're going to tell the owner if it fits before it's built, and not after it's built. This is what keeps us in repeat business. Especially in a restaurant. A restaurant has too much equipment and too many appliances that have no margin for error. It must fit, and every commercial kitchen utilizes every bit of space that it has. They are highly mechanically oriented—a lot of plumbing, electrical, air-moving equipment—and everything has its place. Architects are not known for accuracy when it comes to that.

When I was a supervisor, one architect was giving me a hard time about the little stuff. I put the windows right where he told me to put them, and a steel beam ran right through three of them. I said "Now, if you want to cooperate, we'll cooperate." But they don't get the hint. I went to a construction

supervision class because I wanted to find out how I could get it to work with the architects. They have total control and no responsibility.

NEB: How do you cover yourself in this situation?
Willms: Most general contractors will bid on the prints alone. But you can rip apart the prints with stuff that happens that the prints don't show. We add money to cover it right in the bid—about 10 percent. If you've worked with a client over and over, they understand that your bid will be a little over but that they won't be hit with a bunch of extras. Of course, you'll lose a lot of public bids. But we don't like public work.

Even with this cushion, you have to be careful. You have to press the architect for details before the job starts, in case there are problems. So you can warn the customer that the skylight the architect designed in means extra structural support. Things like that.

We do have one architect we work with a lot. He's fair both ways. If we've caused a problem we own up to it. If he has, he owns up to it. We try to satisfy the customer, that's what the business is about.

NEB: Besides being alert for impractical design, what else does a commercial contractor have to be on top of?
Willms: Time—time over quality is what the retail/commercial customers want (not that quality isn't important). They're making money off of what they're doing. The longer you keep it from happening, the more money they lose in their paper structure. This is why you'll find that in the commercial end, it's much more important to have it done than to have it done in symmetrical fashion. They would rather see people bumping against each other and into the wall and getting it done, then doing it flawlessly and not having bumps in the wall. Especially in retail. Basically, if you can satisfy the time requirements, you can write your own ticket.

Retail store owners are a different breed. I have a job now, a small store with a lot of case work. It's running $200 a square foot, and it's scheduled to take five weeks. Can you believe the guy wants to know how much more it would cost to keep it down to four weeks?

And time is always tight to begin with. The architect plays around, until there's barely enough time to build it. It would be a much better-run job if there were thirty days to shop for all the things you need, to make sure you have everything. That may be extreme, thirty days. Usually when you sign a contract, it's like—will you be in there tomorrow? You have to drop everything and go in.

NEB: What happens when there's a delay in the project?
Willms: Sometimes you can't do anything. In a university cafeteria we did last year we were on the usual tight time schedule. We ran into asbestos in the ceiling. We ran into a hood system which was extremely outdated and illegal. It had to be routed through four floors and out the roof. The asbestos removal stopped us for about two weeks. We also had to do a cost analysis to run the duct work through four floors before we could even touch it. Then the paperwork went in and the okay took a week. Then, of course, we had to build it. We couldn't do anything. We ended up losing four weeks. We made up two weeks by the time we completed the job, so in my opinion, we saved two weeks. Even with that, they still see us as a non-professional, can't-do-it-right organization. Nobody could have done any better. But when you get up to the big guys they tend to be ungrateful. Again you're dealing with people who don't have direct knowledge of construction. You're dealing with the homeowner syndrome.

Usually you can make up the delay. We had another project last year where we ran into problems not shown in the drawings. But we were able to work around things.

NEB: Can you protect yourself if there is a delay?
Willms: It's really important to document everything in commercial construction. Most of the time the people you deal with in the commercial situation, particularly with corporations, do not have the last say. Whatever you've talked about with this guy, you better have paper to back it up. For example, if you've said "if you do that, you'll have a problem with..." If there's a time delay later you better have it documented. In the university project I mentioned above, nobody could make a damn decision.

NEB: Do you ever use bonding?
Willms: I've never been bonded. It's almost impossible for a company my size that's grown as fast as we have to get bonding. The growth actually makes the financials look pretty bad. You grow, you have to hire a laborer, buy a new ladder, get a new skillsaw, etc. It eats up your cash.

But we don't do public work where you'd have to get bonded. I get out of bonding by making deals when negotiating the payment schedule.

NEB: What other problems can you run into?
Willms: Meeting code is always fun. We do a lot of restaurants, and codes can triple in a food operation. And when you are renovating an existing kitchen, you'll find that the new requirements are more strict, so you'll find a lot of violations that you'll have to correct. Just about every project we've touched in the last six months has required replacing the entire exhaust system because it's not up to par. This can kill you if you're not up front about this not being part of the contract.

Sometimes you can find out ahead of time and other times you can't. This comes up a lot at schools. By the time you've climbed up three or four floors of duct work to look at the exhaust system, there's no telling how many hoods have tied into it. We had this problem in a university cafeteria in Connecticut. It had three illegal hoods tying into the same illegal exhaust, and it became a big deal.

Also, your equipment locations are mandated—what appliances can be next to each other and which ones can't? You have to know beforehand, so you don't end up making a big mistake. It's not easy to remedy any of this in a really tight kitchen—and they are always tight. And of course you have to be aware of the type of fire protection you need.

You can't have dust falling into the food either, so the type of ceiling panel is important. Even the occupancy permits require about three or four more signatures than any normal permit.

And it's different in every city. We usually have the fire department, health department, if alcohol the ABC—everybody and his brother gets in on it. Sometimes you satisfy all of them, sometimes you don't.

When we were getting permits for a job in Bridgeport, it was rough, because they had just had the building collapse—in fact it was just down the block from our project. They were pretty hostile. I spent about 2½ months just pulling the permit on a very small project.

NEB: How do you prevent problems with the inspector?
Willms: The best and safest way is to catch them up front, and ask them what they are looking for. Most of them have pet peeves, one little thing that they are going to be looking at closely. There's a well-known inspector in Natick, Mass. that walked off a job and disapproved it because there were about five drywall screws missing in places he thought they were necessary. (About 20,000 screws *were* in place.) The next time he came back, he had his flashlight so he could check all the tight places where you couldn't normally get a screw in. I followed him around with a battery-operated drill, and every time he spotted one, I put a screw in. That was his pet peeve. There were probably a thousand other things that he could have looked at as precisely and he could have closed us down again.

I know another inspector whose main interest is checking whether there is fire-rated insulation at the ceiling line.

NEB: Are there any special hassles when you're working on a tenant renovation?

Willms: If you're doing the renovation in a mall, you can run into major roadblocks. Each mall owner has a set of rules and regulations regarding contractors, and sometimes it's really difficult. You have to know those up front. For example, in a job I'm working on right now in a downtown Boston marketplace, I have a five-page list of requirements. Some of the rules can really be tough to meet. Because it's an operating retail situation, they don't want the rest of the shops disturbed. You have to block the work from view with partitions and wall coverings. And this barricade must block dust from the public. You cannot operate noisy equipment or conduct work that creates odors (like gluing laminate) during business hours. You cannot move equipment or materials in or out during business hours. This means we can only get equipment or materials in between 9 p.m. to 9 a.m. (So we're working at night to do this.) And there are no exceptions. The insurance requirements are astronomical too. The whole thing gets complicated because you're dealing with a space that is being used by the public. You have to make sure you know the requirements before you make the bid, so you can take them into consideration.

NEB: How much of the work does your company do on a project?
Willms: It depends. We don't build the buildings because the mark-up is very, very small. We just handle the interior finish. But sometimes we sub everything out, or in a small retail store, we'll probably do all of the interior ourselves. This speeds it up and keeps the cost down. What we do is really structured around each job—its size and complexity. If it's a fancy soffit situation, with a lot of curves in the drywall, we usually handle it ourselves. Most drywall firms don't have the talent, don't take the time to make it right. Sometimes the rockers will take measurements on the framing, instead of taking them on the rock and pulling the framing to it. Commercial buildings are generally steel-supported. It's not like wood where wood would hold its shape once its braced. The steel can be pushed out of line by the drywall if it's attached wrong. You can go into fine restaurants and hotels and find extreme variations in the walls because of this. So, in high quality situations we usually do it all ourselves and keep the subcontractors out of it.

The economy is such that subcontractors don't give a damn right now. If someone doesn't like what they do, there's somebody else that will. I've spent a lot of money over the last few years—about $20,000 this past year—remedying problems made by subs who did not honor their mistakes. I've got one now that's sitting in court.

NEB: How does your cabinet business work into the picture?
Willms: This is one of our selling points in a restaurant project. We can provide a quality product, and we can do some outrageously complex stuff. My partner in the cabinet business, E.J. Nelson, is a supreme talent. If you can draw it, he can build it. And, because we control production, we can do it faster. Having the shop has helped us excel in the commercial retail business.

NEB: What kind of cabinet work does your business do?
Willms: Strictly laminates, which is the backbone of retail cabinetry. You don't have a lot of wood in small restaurants because the durability isn't there.

NEB: Can you say more about durability?

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The Hub Company's first job was for ITP, a robotics company. ITP wanted to modernize 8,000 feet of its 24,000 foot plant. Before renovation, the offices didn't look much better than the manufacturing section of the building (right), which will be upgraded next. The skylight in the renovated section (left) required additional structural support. Willms called in an engineer to help with that part of the project.

When Hub Company built this bar in a downtown Boston mall, it had to contend with two problems common to commercial renovation: working in tight quarters, and working near other operating businesses without disturbing them. This particular project presented some challenging specialty work us well. The bar and table tops were surfaced with two separate laminate products that were cut in irregular shapes, and carefully fitted together. And the small rows of Tivoli lights were completely exposed in clear plexiglas, making neat wiring a must.

Willms: Durability is an issue in any commercial situation—because there's high traffic, high use. You have to have products that stand up to use. Sometimes architects will be sold on a product before anyone really knows how it will stand up. That's good marketing on the manufacturers' part. But I can always tell when a particular product has made the marketing blitz—all of a sudden, all the architects are specing it. That's true with these new fake marble countertops, for example. And when you use a product that's new and you have a problem, the manufacturer's going to claim that it was a problem with the building or the installation, not with the product. This is especially true with commercial flooring. The reps walk around with moisture meters in their pockets all the time. And they always pull it out where you have a problem and say the failure is due to "excess moisture." Well, you're always going to get excess moisture. I feel like giving my crew moisture meters to check the lumber they use.

In the restaurant situation, durability of the material is really important because of all the water. It's a big issue in a kitchen preparation area. Everything must be cleaned constantly, and water is your biggest killer, even with laminate. Things bow, fall off. You can't let the architect try something new that won't tolerate water. You have to warn them that if they do, that they may have problems. One of the latest things these days is accenting cabinets with wood. You can laminate the piece first and then attach the wood or attach the wood and then laminate over it. Laminating over the wood is what we would recommend and guarantee, laminating to the wood, we would not.

NEB: Does your company do anything besides interiors?
Willms: We've gotten into some commercial foundation work. There's such a demand for it. And it's a nice in-and-out, no callback, easy to price project. Our biggest problem in the past has been that projects don't start when they are supposed to. We needed to find something we could do on our down times, to support our crews.

And you'd be surprised how many people who didn't need a foundation yesterday, need one today.

It's easier to estimate too. Estimating a restaurant usually takes a week because of all the details. Estimating a foundation takes me about 10 minutes.

It's not totally without problems. We've run into the problem of using a crew that's used to doing everything, suddenly transported into the subcontractor role. They actually try to do too much, and have gotten into problems making decisions they shouldn't have. We had a wall blow out on us a few weeks ago because of this. It should never have happened. I'm going to be on every job from now on.

NEB: Do you think you'll succeed being small, in the commercial world?
Willms: I sure hope so. The ideal situation is to have just enough work. Now that we have a big client base, we can pick and choose the jobs we want to do. And with smaller projects, I'll be there to control the costs, the time, and the quality.

NEB: Any final advice for the guy who wants to try his hand at commercial?
Willms: Yes, get everything spelled out, up front. In residential, you may be able to get by with scratchy drawings, and a fuzzy schedule. But you can't get away with that in commercial. ■