

Insurance Restoration

JODY WESLEY, OWNER OF United Services (USPRO), calls what his company does “emergency room remodeling,” which is a good analogy. For restoration contractors, who arrive in the aftermath of a fire, flood, twister, or other disaster, “rebuild” barely begins to describe the range of services they provide. Fires, floods, and storms generate the biggest proportion of work at many operations. Many handle both commercial and residential work,

which is more seasonal. Fires tend to happen when the weather cools. Greg Bowles, co-owner of Bowles Construction, in Augusta, Ga., says what he calls “fire season” generally runs from about Nov. 1 through March.

DISASTER DOLLARS

But big spurts in business also come from sudden storms. This spring, for instance, USPRO had more calls than it could handle after a series of storms

tore through the Central Illinois market. “We had 100 new claims in two weeks,” Wesley says, and fortunately he has a network of local subcontractors who can be counted on when disaster insurance claims suddenly multiply.

Natural disasters are the wild-card, but can quickly bump up revenues, so some companies, such as Aspen Contracting, are organized to go where disaster strikes. President Pat Nussbeck says that Aspen, which is based in Lee’s Summit, Mo., is licensed in 42 states, and has a sophisticated phone network to ensure that homeowners can reach the company even when power is out and phone lines are down.

Regional weather events also provide the greatest portion of business for companies such as Construction Masters Roofing, in Little Rock, Ark., where owner Maro Croff says that the chance of a roof being damaged by a tornado or a wind or hail storm is greater than its simply wearing out.

RAPID RESPONSE

A recent spate of damaging storms and floods has tempted builders and remodelers outside the industry to get a piece of this seemingly steady business. “Anybody who has a ladder is in the business now,” says Nussbeck. But contractors who specialize in restoration point out that it’s tough to enter. Not only must they be masters of paperwork, rapid response — both when providing an estimate and when actually doing the remediation and rebuilding — is essential, as is the ability to cover costs until an insurance check is issued. And code changes are pushing up construction costs in many areas.

But for those who are established, restoration has almost been recession-proof. Greg Bowles, whose company for many years divided its efforts between remodeling and restoration, last year switched exclusively to insurance work. “We went cold turkey,” he says.

	COMPANY	LOCATION	2010 REVENUE	NO. OF JOBS	AVG. JOB COST (residential)
1	Belfor Holdings	Birmingham, Mich.	\$1,029,361,000	56,000	\$7,500
2	American Technologies	Orange, Calif.	100,000,000	7,622	10,525
3	Aspen Contracting	Lee’s Summit, Mo.	44,259,000	3,963	11,000
4	Cavalry Construction Co.	Houston	41,799,747	137	29,684
5	Giertsen Co.	Golden Valley, Minn.	24,389,930	1,235	18,324
6	Mellon Certified Restoration	Yeadon, Pa.	22,883,525	1,814	8,650
7	Infinity Roofing & Siding	Houston	21,875,000	1,850	10,800
8	Statewide Disaster Restoration	Southfield, Mich.	20,700,000	720	25,000
9	United Cleaning & Restoration	Middlefield, Conn.	14,200,000	1,100	25,000
10	J.C. Restoration	Rolling Meadows, Ill.	13,900,000	884	12,000
11	Disaster Logistics	Denver	12,589,956	559	22,589
12	Repairs Unlimited	Kansas City, Kan.	9,960,000	900	25,000
13	A&I Fire & Water Restoration	Myrtle Beach, S.C.	9,702,100	708	12,000
14	VanDam and Krusinga	Kalamazoo, Mich.	9,406,991	685	10,500
15	Accord Restoration	Baltimore	9,000,000	600	14,342
16	Quality First Builders	Orlando, Fla.	6,100,394	237	25,000
17	Bowles Construction	Augusta, Ga.	5,816,036	269	19,819
18	Construction Masters Home Improvement	Fort Smith, Ark.	3,712,983	309	9,000
19	Kowalski Construction	Phoenix	3,241,665	249	11,777
20	RestorAid Remodeling and Restoration	Cincinnati	3,199,114	255	6,900
21	Successful Home Remodeling: DBA Claims Plus Restoration, LLC	Mt. Pleasant, S.C.	2,600,011	149	13,422
22	Gohm Insurance Restoration	Saginaw, Mich.	2,600,000	416	6,250
23	REE-Construction	Bellevue, Idaho	2,100,000	260	8,000
24	USPRO/United Services	Mahomet, Ill.	1,964,001	127	12,164
25	Torrence Construction	Westminster, Md.	1,960,000	315	5,800
26	Gainesville Restoration	Gainesville, Fla.	1,900,000	70	18,000
27	Century Construction Services	Pinehurst, Texas	1,841,449	73	26,932
28	Bloomfield Construction	Bloomfield Hills, Mich.	1,566,477	130	12,000
29	McRoof.us	Oklahoma City	1,015,591	40	25,389
30	J.R. Kent Construction Co.	Chicago	857,000	8	107,125

Bold=REMODELING Big50