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CRAIN'S CLEVELAND BUSINESS

Business is taking off at building giant Austin Co.

Mayfield Heights firm has added 30 employees this year, including 17 locally

By [STAN BULLARD](#)

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Thanks in part to contracts for aerospace work that includes designing and building the \$600 million Airbus assembly plant for A320 superjumbo jets in Mobile, Ala., business prospects are looking up at The Austin Co. in Mayfield Heights.

Creating the first U.S. plant for the European aircraft consortium plus other recent projects is triggering a round of hiring at Austin, which has been in business since 1878.

Michael Pierce, Austin president and CEO, said the company has hiked its staff 20% this year by adding 30 employees to what had been a 146-person work force, with most of the new jobs coming in Mayfield Heights and in its Irvine, Calif., office.

The Mayfield Heights office, which serves as Austin's corporate headquarters and base of its Midwest operations, has added 17 people to bring its local staff to 90. The company's offices in Atlanta and Portage, Mich., also have added staff, Mr. Pierce said.

Activity at Austin began picking up last fall with an assignment for a new bakery for Bimbo Bakeries USA in Lehigh, Pa., Mr. Pierce said, and assignments at several locations for defense contractor Northrop Grumman Corp.

Although the Airbus and Northrop work is so huge it overwhelms the statistics, the company is seeing signs of renewed activity in several markets, including food, pharmaceuticals and general manufacturing.

"We are starting to see growing confidence in the marketplace," Mr. Pierce said. The builder follows a practice of pursuing specialized projects wherever they may be as opposed to the typical practice of performing localized projects, so it has been anticipating a thaw in corporate spending for some time.

Austin is reaping rewards from the first shoots of revived construction spending nationwide.

Kenneth Simonson, chief economist for the Associated General Contractors of America trade group in Arlington, Va., said manufacturing spending this year is up less than 5% through June from the like period a year ago, although U.S. Census data show spending on such projects rose 18% in 2012 from 2011.

"So far 2013 is more or less a dud," Mr. Simonson said, but he expects to see continued improvement, if only because of demand associated with the increase in oil and gas drilling and processing.

Although Austin is catching the leading edge of such jobs, Mr. Pierce said it weathered the long construction downturn because of several large projects lasting several years.

Austin coped with the industry slowdown by reducing working hours for staffers by 20% rather than letting go of 20% of its work force, Mr. Pierce said. It also borrowed staffers from other professional firms, particularly engineering firms, in the region. As the general market picks up, those firms need their folks back, Mr. Pierce said, so Austin has renewed its own hiring.

Share, and share alike

Austin's other moves in the downturn were internal. The company sharpened its focus to areas of expertise that include aviation, broadcasting, education and renewable energy, Mr. Pierce said, and worked to create a unified mindset within Austin's offices to share expertise and personnel with different offices as one company rather than different offices.

"It's better to use someone from another office to get a job than not to get the work," Mr. Pierce said. As the offices shared more resources, they became more willing to tap one another for varied forms of expertise.

Since 2005, Austin has been part of the U.S. unit of Tokyo-based Kajima Corp., a publicly traded architecture, engineering and construction firm. The large corporate owner, Mr. Pierce said, "has been a blessing."

"They understand our business explicitly," he said.

For a company as old as Austin, business in some industry sectors has bloomed, then withered. For example, Austin for generations did a lot of business as a designer and builder of newspaper printing plants. However, that business has soured due to the growth of Internet advertising and diminished home delivery of newspapers.

However, Austin has one printing plant job under way. It's a 70,000-square-foot property for Newsweb Corp., a Chicago-based commercial printer with a stable of ethnic newspapers.

"It's about the only one we've smelled for five or six years," Mr. Pierce said.

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