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Jim Sharpe, Eric Lord and Tina Vaglica review a site plan at the Macomb County office of Giffels-Webster Engineers. The firm has begun working on several projects in other states as a way to expand during a tight economy.

Engineering firm expands by working out of state

By Dan Heaton
Macomb Daily Business Editor

Despite drastically reduced construction levels in the Detroit region, one civil engineering firm is finding new ways – and new places – to expand its operations.

“Three years ago we did less than 1 percent of our work outside of southeast Michigan,” said Keith Mayer, principal of Giffels-Webster Engineers. “Over the last two years that number has steadily increased to over 10 percent in 2007, and we expect it to grow to 15 or 20 percent over the next year or so.”

That increase has allowed Giffels-Webster to add staff during an otherwise difficult economy for the area construction and development community.

About two years ago, the company relocated its Macomb County office from Shelby Township to larger quarters in Washington Township and in that time has increased its Macomb staff from four people to 18.

Out of state work – and some future speculation projects in Macomb

County – has kept the local office busy, said Paul Modi, an engineer who oversees the company’s operations in Washington Township.

“Several of our clients in Michigan are doing work out of state and they have taken us with them,” Modi said.

That in turn has led to new leads, unrelated to the company’s Michigan business, particularly in the Western United States, where more building has been taking place.

Modi said about two years ago, G-W was assisting an existing Michigan client as it developed a 30-acre site for a retail development near Riverside, Calif. That led to a Riverside developer contracting with G-W to develop the plan for a 540-lot subdivision nearby.

“There is a challenge, don’t get me wrong, to working on a project that far away, but we work hard and do what it takes to provide good service to our clients. That’s one way to grow a business in this economy,” he said.

Firms involved in construction and development have had to look for new options as local business has dried up.

In 2004, 21,000 new residential units – a category that is made up of mostly single-family homes, but also apartment units and attached condos – were started in the Detroit region. In 2005, that number dropped to 15,280 in 2005, to 7,500 in 2006 and to 2,833 in 2007.

“The residential work has almost completely dried up,” Modi said.

G-W has been working on the commercial side of the house, however. The company did all the site work, landscaping, utilities planning and related work on the Partridge Creek mall, which opened in 2007 in Clinton Township.

The company is also working on two Macomb County projects Modi said it cannot yet release extensive details on: a 150-acre mixed use commercial/residential project and another one that involves 200 acres. Both have projected construction start dates of about a year and a half from now.

“Some of these larger projects take time to develop, so even though things are slow now, the developers have to be looking ahead,” he said.