



New York Construction

Strong Man® Building Products Corp.
QUALITY AND RELIABILITY IS OUR STRENGTH



[subscriptions](#) | [advertise](#) | [careers](#) | [contact us](#) | [my account](#)

[SIGN IN](#)

- [Home](#) | [News](#) | [Features](#) | [Projects](#) | [Products](#) | [People & Firms](#) | [Opinions](#) | [Resources](#)

Features

- ▶ [Current Features](#)
- ▶ [Past Features](#)
- ▶ [50th Anniversary](#)

McGraw Hill CONSTRUCTION **Network**
Win more jobs in your area.
FREE Demo ▶

print this page | e-mail this page | [subscribe](#)

Cover Story - July 2007

Contractor of the Year

[Bovis Plays an Outsized Role in New York Region's Construction Boom](#)

by Tom Stabile

There is no shortage of debate, controversy, or second-guessing when it comes to building a high-profile project in New York City.



New York's Bovis Lend Lease, however, seems to relish the projects that are bound to have many eyes upon them, with a current slate of four major projects around Manhattan's World Trade Center; the new \$600 million Citi Field baseball stadium for the New York Mets in Queens; and a \$1 billion tower on Central Park West, just for starters. And it has a parade of residential,

health care, school, transportation, and commercial projects under way that creates a giant backlog across the New York-New Jersey-Connecticut region – enough for \$2.3 billion worth of work in 2006. [See projects feature].

Sponsors



Online Directory

Search for:

- ▶ [Architects](#)
- ▶ [Engineers](#)
- ▶ [GCs](#)
- ▶ [Sub Contractors](#)
- ▶ [Suppliers](#)
- ▶ [Equipment & Machinery](#)
- ▶ [Service Providers](#)

Search Now ▶



Plant the seeds for profit!

Reach 42,000+ key decision makers in the \$10 billion green building market.

Get your share.

Bovis doesn't shy from size or complexity, says Peter Marchetto, CEO of the company's Americas unit. And the "problem" is that the New York region is booming.

"This has been an extraordinary year," he says. "The amount of work out there is unprecedented. While in the '80s you had commercial and residential, today you can't point to a market that's not busy."

For Bovis, that translates into a banner year, eclipsing its run in 2003 and 2004 when it built two giant Manhattan towers.

"When we completed AOL Time Warner Center and 731 Lexington Avenue, the Bloomberg building, we thought that was going to be the year of all years," Marchetto says. "And then you look at this year."

The diversity of opportunities in the market has given Bovis a chance to show its flexibility and shake the notion that it is mainly a "residential builder," says James Abadie, senior vice president and principal-in-charge of the New York office. The company now is building three schools for the New York City School Construction Authority; has started or is about to start health-care projects for New York Presbyterian Hospital, North Shore Long Island Jewish Health System, Lawrence Hospital Center, and Mount Sinai Medical Center; and has spread its reach into sports facilities and transportation projects through new joint ventures.

"So we're not dependent on residential, not dependent on health care, not dependent on the public sector," Abadie says. "We have all of these focused business units contributing."

Strategically Casting a Net to Grow

Bovis landed three of its highest-profile jobs through joint ventures. It partnered with Hunt Construction Group of Indianapolis to win major sports facility projects in the region, winning the 45,000-seat Citi Field project; joined a four-firm team to win the \$2.2 billion World Trade Center Transportation Hub project; and teamed with New York's PB as construction consultant on

advertisement

Strong Man®
Building Products Corp.

QUALITY AND RELIABILITY
IS OUR STRENGTH

WWW.STRONGMAN.COM
1-800-950-6999



[Learn more!](#)

**McGraw Hill
CONSTRUCTION**

Subscribe to
ENR and get
unlimited access
to ENR.com



[CLICK HERE!](#)

the \$880 million Fulton Street Transit Center subway complex in Manhattan. It even partnered with the LiRo Group of Syosset, N.Y., on a \$45 million project to restore the Old Nassau County Courthouse in Garden City, N.Y., and erect a new annex.

Marchetto says joint ventures simply help Bovis chase particular opportunities.

"It's something that our management team studied," he adds. "We don't have a strategy to find as many joint ventures as we can. In certain cases, it makes sense."

He cites the transit hub, which is a future terminal for the PATH subway system between New York and New Jersey. While the track and civil work is not a Bovis specialty, building the seashell-shaped Santiago Calatrava-designed structure is another story.

"That's right up our alley," Marchetto says. "So we sought partners that had strong expertise in the lower portion of the building and the site-civil work."

In the sports partnership, Hunt had experience in building major stadiums and arenas across the country in recent years, while Bovis had knowledge of the New York market and relationships with subcontractors and labor. They created a New York region alliance in 2004.

"We did a calculation that there was \$10 billion worth of new stadium and arena work in the [New York] metropolitan area," he says. "Every major sports franchise is building a new stadium. The question was how do you get in?"

In addition to landing Citi Field, Hunt-Bovis won a \$310 million job to build a new arena in downtown Newark in 2005, soon to be home of the New Jersey Devils hockey franchise. But Hunt-Bovis left the job last year in a disagreement over the guaranteed maximum price in the construction contract with Newark officials and the Devils. Gilbane Building of Providence, R.I., took over last summer and will finish the job this fall.

Marchetto says joint ventures comprise a significant portion of big-name projects for Bovis but are a small percentage of its overall project load. Indeed, Bovis wins a heavy share of its jobs from repeat customers, often several at a time, he says. For instance, it is building five condominium towers for New York's Extell Development, another three residential projects for Clarett Group of New York, several N.Y.C. schools, and two renovation projects for the American Museum of Natural History in Manhattan.

New clients also appear. Weill Cornell Medical College in Manhattan chose Bovis to erect the \$232 million Weill Greenberg Center, which opened in January as the hospital's first new building in 50 years. The hospital was pleased with the effort on a challenging site that required a 45-ft-deep dig through solid rock in an area crowded

with hospital and residential neighbors, says Robert Musco, project director for the institution.

“The team they had here was professional, diligent, conscientious,” he says. “You could tell when a team really ‘lives’ a project, and these guys did.”

Bovis will likely be on the short list for a new research building Weill Cornell may start in 2008 on the Upper East Side.

“You could say I hope that they’re the CM for our next project,” Musco says.

Similarly, the Mets are pleased with Hunt-Bovis on Citi Field, which the joint-venture is building for the team’s Sterling Equities development arm, says Jeff Wilpon, COO of the franchise.

“It’s a large and dynamic project, and this team is doing a great job keeping their arms around all aspects of the ongoing work.” he says in an e-mail. “In a very busy market for subcontractors, Bovis people have used their knowledge of the available resources to generate great attention and performance.”

The company also draws high marks from Penny Ryan, district manager for Community Board 7 in Manhattan. In her 15 years in the post, she has monitored 16 projects Bovis built in her district, including the \$1.7 billion Time Warner Center at Columbus Circle and multiple towers at the 74.6-acre Riverside South complex near the Hudson River.

“They have more involvement with the local community than any contractor that I’ve ever met,” she says. “They meet with any neighbors who have problems before the job, during the job. All of the project managers are like that – it’s part of their culture and makes a huge difference. I wish every contractor would do it.”

Small Firm Becomes Something Big

The company hasn’t had long to shape a culture. Compared to century-old stalwarts in the local industry such as Turner Construction or Tishman Construction, Bovis has had a short and hectic history.

It began as an upstart construction manager in 1979 run by two former employees of Morse Diesel, which at the time was a venerable building industry company that had pioneered the construction management movement. Peter Lehrer and Gene McGovern hired Marchetto, who had joined Morse Diesel a year earlier, as their first employee.

Lehrer McGovern made strategic decisions early on that set it on a path to success, says Barry LePatner, founding partner of LePatner & Associates, a law firm and business consultant for developers.

“They found a way to hire very smart, experienced, problem-solving construction executives,” he adds. “That’s what distinguished them from other small- to medium-sized companies.”

In 1984, the firm struck it big winning a contract to renovate the Statue of Liberty in advance of its 1986 centennial. While other notable regional projects followed, the firm’s next biggest move was global – selling a 50% stake in 1987 to London-based Bovis, a firm with building industry roots stretching to 1885.

Bovis – which itself had been acquired by Peninsular & Oriental Steam Navigation Co. in 1974 – later bought the rest of Lehrer McGovern in 1992, and acquired other U.S. builders to create a national presence. The New York region’s unit was known as Lehrer McGovern Bovis. The last transformation was another sale, this time when P & O sold Bovis in 1999 to Sydney, Australia’s Lend Lease Properties.

Marchetto, who had been head of the New York office, rose to the newly created CEO slot for Bovis Lend Lease Americas in 2003, where he now oversees 19 offices nationally that handled \$4.9 billion in work in 2006. The New York office, which Abadie took over in 2003, is the largest.

As a global enterprise, Bovis has heft it would otherwise lack, Marchetto says.

“It’s an absolute advantage to have a Lend Lease and its balance sheet behind us,” he adds. “We’re one of a handful of contractors that can sit in front of a client and sole-source a \$1 billion project.”

Carving a Presence in the Industry

As the company grows its portfolio, it also is carving its place in the local industry, with Bovis executives contributing to major initiatives, such as efforts to spread stronger safety practices and negotiate project labor agreements with unions.

Bovis personnel take on big roles, such as Abadie serving as chair for the past four years of the Contractors Association of Greater New York, one of New York’s three main general contractor bargaining groups. He is also vice chair of the Board of Governors for the Building Trades Employers’ Association, an umbrella organization of 26 New York contractor groups.

Marchetto, meanwhile, is a vice chair of the New York Building Congress and Ralph Esposito, Bovis’s director of business development, is a vice chair of the New York Building Foundation. Both play active roles, says Richard Anderson, president of the building congress.

Bovis also shows leadership through its internal policies. While Bovis staff helped to

develop Build Safe NYC, an initiative unveiled in 2005 by leading New York construction managers to standardize basic safety practices citywide, the firm has taken further steps internally in the past year to reinforce safe construction.

The new Incident and Injury Free program requires all Bovis employees to attend a four-hour orientation or two-day leadership workshop. It also requires all subcontractor foremen to attend skills workshops that reinforce safety practices.

The new program is the “next step up” for safety, says Dennis Prude, a senior vice president and director of field operations, a role he shares with John Hyers Sr.

“To further enhance it, we have pre-task planning that we go through for any task that has risk for falling or getting hurt,” Prude says. “We sit with the team and go through the steps – tying off, proper tools, proper credentials. It makes everyone aware of what they’re doing.”

While the program has not been around long enough to track data on results, Prude says he can see a difference.

“I’ve been doing this 38 years and I see a major change,” he says. “We’ve made it personal. We talk to all of the workers.”

While other companies also stress safety, LePatner says Bovis was a pioneer.

“They spent a lot of money on training and safety programs and looking at innovative ways of solving construction problems,” he says. “I was always impressed by that. They were more committed than many other firms of their type.”

Bovis is also contributing to changes that may turn back the rise of nonunion contracting in New York, a phenomenon that has spread in recent years. Abadie and Prude are part of teams negotiating agreements with local building industry union leaders to win better labor terms on projects in sectors where nonunion work has taken root, particularly in affordable and market-rate residential construction.

While these “project labor agreements” are still new for New York, with only a dozen in the market thus far, the BTEA is trying to foster sector-wide versions that will give union contractors a clearer edge.

“Jim Abadie has been a leading voice in working with labor,” says Louis Coletti, president and CEO of the BTEA and a onetime Bovis executive. “He’s not afraid to voice his opinion, and he’s a strong advocate for the partnership.”

Where Bovis truly aims to lead, however, is as a top contractor, Marchetto says. And it will proceed cautiously.

“There are so many RFPs coming through the door – you need to have some barometer for what to say yes and what to say no to,” he says.

For Bovis, it starts with being as selective about an owner as the owner should be choosing its contractor, he adds.

“We need to feel comfortable we’re dealing with reputable and proven developers that surround themselves with capable, competent design teams, and obviously it has to be a fair deal,” he says. “Given those circumstances, we won’t shy away from it. And you look now and it’s all still out there – the Farley Post Office is a huge opportunity. There’s the expansion of the Javits Center, there’s Atlantic Yards in Brooklyn. It’s phenomenal, and the whole key to this, quite frankly, is to not overstep your limitations.”

[Click here for past Features >>](#)

 print this page |  e-mail this page | [subscribe](#)

[terms of use](#)

[privacy policy](#)

[advertise](#)

[about us](#)

[site map](#)

© 2007 The McGraw-Hill Companies, Inc.
All Rights Reserved