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## After roll-up, Harris Cos. set to grow

Contractor's merger deals added geographic reach, flexibility

Minneapolis / St. Paul Business Journal - by [Trevor Born](#) Staff Writer



Nancy Kuehn | Minneapolis/St. Paul Business Journal

Greg Hosch, CEO of Harris Cos. The mechanical contractor has seen growth in its sustainability business, making buildings more environmentally friendly.

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When Greg Hosch took over as CEO of Harris Cos. in 2005, he had expansion and diversification on his mind.

The mechanical contracting firm had just one major acquisition in the 57 years before Hosch. In his first three years as CEO, he made four big merger deals; Harris now comprises eight individual companies, most recently acquiring Wasatch Controls Systems out of Salt Lake City. Its family will grow again when it spins off its environmental sustainability business as a separate company in 2011.

After the acquisition roll-up, Harris — which offers piping, plumbing, HVAC and controls services — now has offices in four states and British Columbia, with major projects in 20 states, Canada and Japan.

The diversification proved shrewd through the economic downturn, as Harris increased revenue from \$127 million in 2005 to a projected \$185 million in 2010. The firm boosted its work force by 15 percent since 2005, to 675 employees. National industry publication PHC News named Harris the 2009 Contractor of the Year for its growth and new ventures.

"Now we have such a deep bench of people and resources and skills," Hosch said. "We can take on a lot of different, big, complex, technical jobs that a lot of companies have to shy away from, and that opens a lot of options."

Harris' most recent push is into environmentally friendly design, such as retrofitting buildings with higher efficiency systems. Sustainability work doesn't yet make up a big chunk of Harris' total revenue, but it held up stronger than many other mechanical contracting jobs during the recession and a few jobs revamping hockey arenas, schools and hospitals offset revenue drops in other businesses.

"The whole construction industry right now is in a period where it's evolving and changing," said Steven Pettersen, executive vice president for the Minnesota Mechanical Contractors Association. "With the uncertain economic outlook, being able to find new things like Harris has with their environmental initiatives is the only way a company can survive right now."

Many of those projects are government funded, which Harris has pursued as a new market and helped the company stay stable as private building declined. Locally, Harris worked extensively on the Hiawatha light-rail line, the University of Minnesota's TCF Bank Stadium and is now helping with construction on St. Joseph's Hospital in St. Paul.

Outside of Minnesota, Harris' projects include barracks at Fort Lewis Army Base near Tacoma, Wash.; a hospital at Ellsworth Air Force Base in South Dakota; and a large project for the Department of Energy in South Carolina.

"Trying to take advantage of government spending has been a big help over the last few years, for sure," Hosch said.

Hosch said he plans to keep expanding and diversifying Harris, with eyes on Charlotte, N.C.; Seattle; and the Rocky Mountains. He hopes to start or acquire another business within the next six months.

**Harris Cos.**

Headquarters: St. Paul  
Founded: 1948

CEO: Greg Hosch  
Founder: Charles Harris  
2009 revenue: \$170 million  
Employees: 665  
Business: Full-service mechanical contracting  
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