

MAKING ITS MOVE

As it focused on environmental and drilling projects, Posillico says it is evolving from a modestly sized construction company to a larger firm.

by Alan Dorich

There are many contractors in Long Island, N.Y., but Posillico is "definitely the most diverse in (terms of) what we can do," Vice President of Estimating Mike Trotta declares.

Based in Farmingdale, N.Y., the construction company specializes in highway and bridge projects, treatment plants, marine work and environmental remediation.

AT THE TOP

Founder Joseph D. Posillico Sr. started the company in 1946 as a small trucking contractor. Today, the company says it has grown to become one of the top contracting firms in its home state, with a staff of 400.

"Over the last five decades, Posillico has completed many large and highly complex civil engineering and construction projects," the company says.

"These complex projects more often require off-peak construction during nighttime hours, with stringent penalty/bonus clauses, which have been constantly achieved by the Posillico team," it continues.

"Our integrated services of civil, materials, environmental, drilling and consulting have allowed us to provide the seamless, cost-effective construction solutions to complex problems that our clients demand today and will demand in the future," the company declares.

"Posillico is the company who knows how to solve complex construction problems, completing all projects safely, on time, on target and on budget," the company states.

"Posillico is dedicated to setting the standard for excellence in the construction industry, relative to: infrastructure, quality of life and making a difference through solid relationships at all levels."

THE FAMILY BUSINESS

Posillico is now in its second and third generations of family leadership. Posillico's son, Mario Posillico, is the company's chairman and a shareholder.

In addition, Posillico's son and nephews, Michael J. Posillico, Joe K. Posillico, Paul Posillico and Joe D. Posillico III, are also shareholders.

"It's a well-run family business," Trotta says, noting that the company has established strong community, political and union ties.

SAVORING THE ATMOSPHERE

Trotta joined Posillico in 1997, after working for Skanska for five years. "I had a good taste of a large construction company and then (moved to) a smaller, family owned business," Trotta remembers.

In addition to the company's status as a family owned business, Posillico has "a family atmosphere," Trotta declares. "You feel you have a tie to where you work."

CHANGING POSILICO'S FOCUS

In recent years, Trotta says, the company has changed its focus. While the company primarily was a highway contracting company five years ago, "We've made a huge shift (and) diversified, doing a lot more work for municipal agencies," Trotta explains. He says that Posillico now focuses strongly on environmental projects.

Posillico changed its concentration when it saw signs that the highway market was headed for a downturn. While the company's number of competitors increased, its profit margins for highway projects began to drop.

As an estimator, Trotta says he has the ability to recognize such indicators early on. "When you see guys take jobs below what you could do it for cost-wise, it kind of wakes you up a little bit," he says.

'TREMENDOUS' WORK

Today, 50 percent of Posillico's work is comprised of environmental projects, Trotta says. "(We've) done a tremendous amount of environmental work for private developers, as well as environmental work for municipalities," he adds.

The company's current projects include a \$35 million gas plant remediation project for National Grid in Rockaway Park, N.Y. "We're digging quite a large scope," Trotta says.

On the project, Trotta explains that the company is removing 130,000 tons of contaminants. The project is scheduled for completion in 2009.

In addition, the company is at work on a \$10 million soil remediation project in New York City. Posillico is remediating a seven-acre, hydrocarbon-contaminated site located between a Con Edison building and a NYC Department of Education building, Trotta says.

The client on the project is Vernon Realty LLC. "About 100,000 tons of material (will be removed

from) that site," Trotta explains. The parcel will eventually be used as the location for a residential building.

GROWING POSILICO

Although Posillico was once a modestly sized contractor, that status has changed, Trotta says. Last year, the company enjoyed \$150 million in revenues.

"We're not a small company anymore," he declares. In addition, the company is expanding into other local markets, including New York City.

The company already has an office in the city's Queens borough, and it wants to strengthen its foothold in the Big Apple, Trotta says.

To achieve this goal, it formed its own drilling division. In New York City, drilling was an under serviced market, due to "all the requirements of everything (that is) underground in the city," he says, noting that heavily specialized equipment is required, while geotechnical expertise is also necessary to overcome unforeseen underground condition.

ESTABLISHING A NICHE

The company has established a niche in New York City with its environmental and drilling projects, Trotta states. "(These are not projects) a lot of guys would do," he says. "It's dangerous work."

Additionally, "(In) the last couple years, we've been focusing on basically four things: being safe, on time, on target (and) on budget," Trotta explains. "When we talk to each other and we talk to our clients, those are the things that we say first."

To further this initiative, the company has changed its structure through the establishment of a human resources and safety departments.

In addition, "We have a full training curriculum for the company," Trotta says. "We're becoming more corporate in those aspects as we run our company."

STAYING AHEAD

By remaining focused on those four goals, Posillico will stay ahead, Trotta says. "If we focus on those things, we feel not only do we have a competitive advantage, but aside from those competitors, we'll be successful by insuring our employees go home the way they came to work, our clients achieve their goals, and our communities benefit from a cleaner environment and more effective infrastructure," he says.