

# METAL

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## A New Industry Player

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## A New Venture from Familiar Faces



### Green Span Profiles brings Kelly Ginn back into the metal

**In October, Houston-based Green Span Profiles will begin producing insulated metal panels from its brand-new 70,000-square-foot manufacturing facility in Waller, Texas.** With that event, the start-up venture from one of the industry's most notable family names, Ginn, enters the market.

Founded by Kelly Ginn, Green Span Profiles first got its start in May 2009, when it began as a resell operation. "We did it to be active and engaged in the industry," says Ginn, who serves as president. Brian Jaks, vice president of sales and marketing, adds, "The company has been a resell operation for the last couple of years to gear up all of its customer care systems and be ready for the opening of the plant."

Green Span Profiles will offer a line of seven different panels with three different textures. The panels will have metal skins, of course, and feature polyisocyanurate insulation cores. Panel thicknesses will range from 2 to 6 inches and the company will offer metal thicknesses of 26- to 22-gauge. In late 2012, the company plans to expand into a standing-seam roof profile and offer mineral wool cored panels.

But the reason this particular start-up captures the interest of the metal construction industry is the people behind it. Kelly Ginn is the son of A.R. Ginn, the founder of one of the industry's largest companies, and he previously served as that company's president for a number of years. The strategic partner and a major investor is Bossier City, La.-based McElroy Metal, another industry stalwart, now directed by Ian McElroy, son of the chairman, Tem McElroy.

#### The Product

For any start-up venture success is defined by the

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*Ian McElroy, president, McElroy Metal*

product and/or service. That is where Green Span Profiles hopes to differentiate itself. Ginn is very excited about insulated metal panels. "This product can breathe a breath of fresh air into metal buildings because it can outperform tilt-up, block, brick and compete in terms of clean smooth aesthetics," he says.

McElroy Metal President Ian McElroy, adds, "We intend to take market share from non-metal building materials."

The market dynamics are good for such an introduction. Mark Lawson, vice president of sales for McElroy Metal, says, "We know energy costs are going to increase dramatically. We know legislation demanding new buildings to be more

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*Mark Lawson, vice president of sales, McElroy Metal*

energy efficient is coming. We know high-end quality builders are looking for products that are green, energy efficient, and quick and easy to install. This product offers that better than any other product we have in the market today."

Jaks admits that differentiating insulated metal panels in the market place is difficult; so the company used its initial resell period to establish customer care systems that allow it to deliver the highest level of service to its clients. "What it comes down to is why choose us?" he says. "It's going to come down to service." Jaks sees the following areas as the keys to service:

- Quick turnaround on estimates. Always within five days. Usually one to two days.
- Rapid delivery of approval drawings, typically 10 working days.
- Experience. "We know how we've done it in the

past," he says. "We know how we react to issues in the field and we've always been one to make it right. We understand what it's like to be in the contractor's shoes and have something go sideways."

- Quick response to all inquiries and issues.
- An in-house technical background with trim details, sealants and fasteners.

Differentiating on service requires a strong company culture. Green Span Profiles is committed to remaining a privately held, domestically owned company. Ginn explains: "We will be a very nimble, easy to work with service-oriented company that responds to customers' needs whatever they may need and not having to deal with bureaucratic red tape. We talk to customers who think it's all price, price, price. But when you sit and visit with them, they've got a lot of other things. They want to know when the order will be done and that the order will be there. We want a face-to-face relationship at the onset to keep the customer informed."

The focus on service does not mean the company will be taking its eye off the product. "Our production line will use the latest technology as far as producing IMPs," Ginn says. "There's certainly something to be said for ensuring we put quality products on the job site day in and day out."

Part of the quality assurance program involved a hands-on attention to detail during the construction of the plant, where Jaks worked installing the

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*Brian Jaks, vice president of sales and marketing, Green Span Profiles*

panels himself. "We drew all the standard details," he says, "then we installed insulated panels on our

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Kelly Ginn,  
president, Green Span Profiles



Ian McElroy,  
president, McElroy Metal



## construction industry and teams him with Ian McElroy

plant utilizing those details. We made adjustments after construction based on our experience in the field. I'm incredibly proud of our detailing. There are subtle differences in inside corners, outside corners. We can more easily accommodate things out of square, out of plumb. Our details can accommodate field variations and are easy to install. That is a heck of a service."

### Go to Market Strategy

"We're doing one thing—insulated metal panels—and we're doing it well," says Jaks. "The commercial/industrial piece is the market we're going after strong. We want to be number one in commercial industrial. We want to identify with the contractors, the guys putting up the buildings, because that's who we help the most."

And that's where McElroy Metal enters the picture. In early 2010, Ginn received a call from Ian McElroy. As the sons of two industry founders they have a lot in common, and McElroy wanted to catch up. "It was a real easy conversation," says Ginn. "It was quick for each of us to pick up that we should talk."

McElroy says: "Since early 2010, we were looking for ways to get into the IMP market, and this came up out of the blue, and we had an opportunity to get in partnership with Kelly. We discussed a partnership a little bit and quickly realized there was a good fit and lot of synergies between our two companies."

Ginn adds: "They were seeing a lot of pressure from their sales force that felt they were missing the boat on IMPs. They explored a number of options and this fit them. They can participate in the business as limited partners, have a stake in it, but don't have to take their eyes off the core business."

Mark Lawson has been with the company for 26 years. "We had a lot requests for IMP from our

customers," he says. "We looked at it from many different angles, including private labeling and buying our own manufacturing when the deal with Kelly occurred. What it brings to McElroy is we'll be one of the few component manufacturers that is privately held and not owned by a pre-engineered manufacturing company."

That allows McElroy to position itself as a non-competitor to the large number of regional steel building manufacturers. "We are not going to compete with them on their other products," says Lawson.

The IMP product dovetails nicely with the McElroy type of customer, who Lawson characterizes as a high-end professional builder. "That's where our fastball has been for many years," he says. "The professional guys who spend a lot of extra time doing good solid builds."

Lawson points out another synergy in the business that perhaps Ginn and McElroy, who are both quietly reserved, would not broadcast. "Mr. McElroy and Mr. Ginn were the founders of this industry," he says. "Now their sons are developing a relationship. Construction is a local business and in many ways a family business. Those are the people that we identify with. To do good jobs and profitable jobs, you need to be plugged into the local culture. We focus on that and we cultivate those relationships. Clearly, we've been more successful with family-owned, family-run business that we can build long-term relationships with."

### Market Opportunity

With the 70,000-square-foot plant outside Houston feeding the McElroy sales force (and its own sales force), Green Span Profiles will be able to distribute panels nationally. Recognizing that that strategy isn't price competitive because freight-ing becomes such a high percentage of the job

cost, the company will focus first on the Houston and Texas markets, primarily serving the commercial/industrial segment.

"Houston has the best economy in place," says Jaks, "and we're the only IMP supplier in Houston so that market is our first priority, then Texas and out from there. We should be able to really maximize our location and proximity to Houston."

The strength of the Texas economy—and the Houston market in particular—seems to be a fortuitous blessing to this start-up. Still, Jaks doesn't rule out jobs at a considerable distance from home base, expressing his confidence in both his product and his service. "If people want to deal with us like I think they're going to want to deal with us, they will be willing to pay a premium."

Nurturing a start-up requires intense focus. As this is being written, equipment is being unloaded at the plant in Waller, and everyone at Green Span Profiles is focused on achieving the immediate goal of creating new products and delivering them successfully to the market. But all start-ups have a vision of what's possible. Kelly Ginn's new effort is no different. "In five years, we believe we'll have this plant at capacity," he says. "And already operating a second plant or in the process of bringing it online. That could involve a third plant in the works somewhere."

Ginn pauses for a moment and says, "We have job one at hand, and that's to get this plant up and running. We're not going to take our eyes off this prematurely. We sure can't do that." **(MCM)**

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Kelly R. Ginn, president, Green Span Profiles