

# Qualified Remodeler

QualifiedRemodeler.com

August 2017

— TOP —

500

— 2017 —

THE 39TH RANKING  
OF THE NATION'S  
LARGEST REMODELERS

— TOP —

500

— 2017 —

# Capitalizing on Strength

**From risk-taking home improvement entrepreneurs to slow-and-steady full-service companies, an uptick in demand and new leads made winners of most remodeling firms on the 2017 Top 500.**

*By Patrick O'Toole, Kacey Larsen, and Kyle Clapham*

**O**perating in one of the longest economic expansions in U.S. history, remodelers are finding opportunity, overcoming obstacles and growing year-over-year.

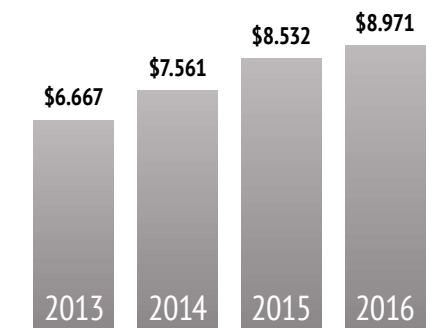
This is true for the industry's largest firms, those that comprise the *QR* Top 500. Together, the group is experiencing a 10.4 percent compounded annual growth rate since the beginning of 2013. And for the most recent reporting year, it represents \$8.97 billion in gross revenue on 1,147,911 remodeling jobs.

Remarkably, the growth is balanced across firms representing all five segments of remodeling. Commonly cited opportunities include "stronger demand," "more leads," "more effective marketing," and the ability to command "higher prices and margins."

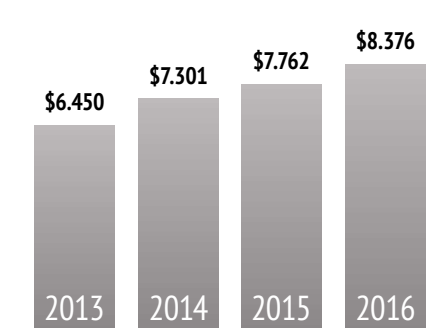
But challenges persist. At the top of the list is finding qualified field managers, sales personnel and skilled trades. All other challenges cited—from "keeping up with increased demand" to "higher costs"—pale in comparison to lack of labor.

Here's a look at the primary segments.

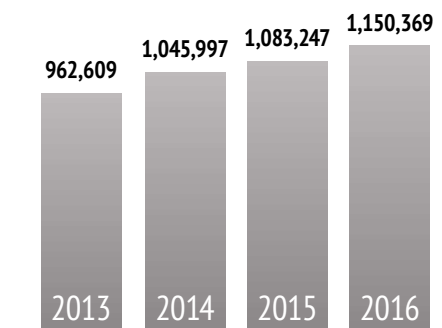
## GROSS REVENUE 2017 Top 500 Year-Over-Year



## REMODELING REVENUE 2017 Top 500 Year-Over-Year



## REMODELING JOBS 2017 Top 500 Year-Over-Year



Source: Qualified Remodeler Top 500, August 2017

### FULL-SERVICE

One of most respected full-service firms in the U.S. is the northern Virginia-based Case Design/Remodeling, No. 44, with \$29.6 million in remodeling revenue. In 2017, CEO Bruce Case says the company aims for 8 percent top-line growth in addition to a similar uptick last year.

“This year has represented healthy growth for us,” says Case, a second-generation leader. “It allows for opportunity while also keeping our focus on inspiring our clients.”

Case says the company views “opportunity” broadly and as a benefit to new and existing employees. They offer job training and cross-training within the company as well as opportunities to “think-through a business challenge,” he says. Title and compensation are only a part of the mix.

### DESIGN/BUILD

Some of the names that represent the design-build segment of the 2017 Top 500 include New York City-based No. 13, SilverLining, Inc.; Portland, Oregon-based No. 34, Neil Kelly Company; and Chicago-based No. 42, The Airoom Companies. These firms are capitalizing on more and better leads from the internet, bolstering repeat and referral sources.

A growing number of big jobs as well as a larger influx of leads are driving this segment. This stands to reason. Design-build is a cyclical category with very-high highs, and very-low lows. Many design-build firms did not survive the Great Recession. Those that did are now thriving as a result of economic expansion, a bullish stock market and higher incomes.

### KITCHEN & BATH SPECIALISTS

Traditionally, this group is represented by firms like No. 258, Ulrich Inc., which has maintained a big showroom in Ridgewood, New Jersey, since the 1960s. Its team of designers cultivates clients and conducts weeks of design before a project is slotted for construction. Increasingly, the segment is also being represented by fast-growing, single-line firms that specialize in moderately priced

offerings, such as cabinet refacing and replacement baths.

Firms like Ulrich rely heavily on repeat and referral business while others, like No. 9, Bath Fitter, and No. 46, Kitchen Magic, are sales and marketing juggernauts. This combination of firms clarifies the reason for an average marketing spend of 8.8 percent of revenue last year.

### HOME IMPROVEMENT/REPLACEMENT

Windows, roofing, siding, gutters, decks, basements and sunrooms are just few of the specialties around which many of the industry’s largest firms are built. This segment is represented by firms high, low and throughout the Top 500 list. These firms are characterized by high volumes of moderately priced home improvements.

The best firms have solid recruiting and compensation practices in place. To facilitate growth, they must recruit and train sales staff. It is a constant challenge, but one the biggest and most successful firms meet every day.

Top sources for leads include home shows, direct mail, radio and television, as well as the internet.

### INSURANCE RESTORATION

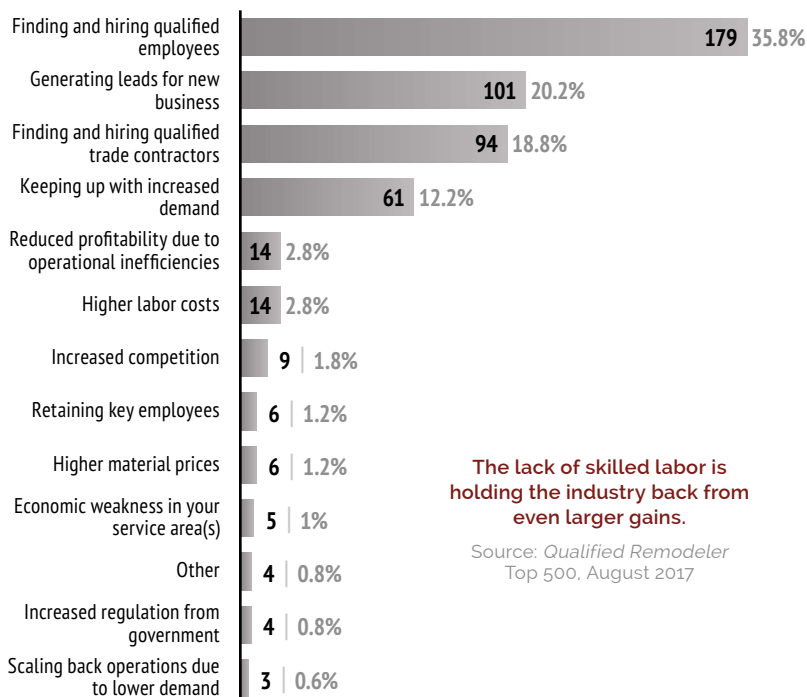
Relationships with insurance providers are the key driver of this segment. The No. 1 company on the list, with \$1.4 billion in revenues, Belfor Holdings Inc., capitalizes on having served insurers for many decades. And increasingly, discretionary remodeling projects are a big part of what Belfor offers its customers, notes the company’s founder and CEO, Sheldon Yellen.

Altogether, there are 34 dedicated insurance restoration firms on the 2017 Top 500. These firms tend to operate on tighter margins approved by large insurance carriers.

In many ways, the 2017 Top 500 is a composite of the larger industry. The group’s challenges and opportunities as well as its successes mirror those experienced by the 80,000 plus firms with payroll that compete for jobs across all 50 states. Right now, the image in the mirror is that of a healthy industry in the midst of a good run. | **QR**

## TOP 500 FEEDBACK

### Biggest Challenge in 2017



The lack of skilled labor is holding the industry back from even larger gains.

Source: Qualified Remodeler Top 500, August 2017

### Biggest Opportunity in 2017



Strong demand for remodeling and home improvement services is evident up and down the 2017 Top 500.

Source: Qualified Remodeler Top 500, August 2017

## Marketing Focus Defines the Remodeling Segments

The five principal segments of remodeling contractors vary in the way they operate. The way they generate leads for new jobs is the top differentiator.

At one extreme, design/build firms tend to spend less and bootstrap more, spending 3.2 percent of their revenue on marketing. At the other end of the spectrum, home improvement firms are sophisticated marketers with big budgets accounting for, on average, 11.2 percent of revenue spent on marketing.

The top lead sources among Top 500 firms by segment is shown below.

### DESIGN/BUILD

28% Referrals	6% Home shows
21% Repeat business	6% Signage
18% Internet (Google etc.)	4% Other
9% Houzz, social	3% Direct mail

### FULL-SERVICE

29% Repeat business	7% Home shows
23% Referrals	6% Signage
13% Internet (Google etc.)	5% Other
9% Houzz, social	3% Magazines

### HOME IMPROVEMENT

16% Internet (Google etc.)	11% Home shows
15% Repeat business	6% Houzz, social
12% Referrals	6% Other
12% Canvassing	5% TV

### KITCHEN & BATH

16% Repeat business	12% Referrals
16% Internet (Google, etc.)	8% Magazines
15% Other	6% Houzz, social
13% Home shows	4% Direct mail

### INSURANCE RESTORATION

45% Referrals	6% Signage
17% Repeat business	4% Internet (Google etc.)
9% Other	4% Home shows
8% Canvassing	3% Houzz, social

Source: Qualified Remodeler Top 500, August 2017



RANK	COMPANY / LEADERSHIP	YEAR FOUNDED	2016 REMODELING REVENUE	2016 GROSS REVENUE	NO. OF EMPLOYEES	LEAD PROJECT TYPE	ASSOCIATION MEMBERSHIP	PROFESSIONAL CERTIFICATIONS	TOP OPPORTUNITY IN 2017
			JOBS	REMODELING SEGMENT FOCUS					
181	NEAL'S DESIGN REMODEL – Cincinnati, Ohio Alan Hendy – neals.com	1972	\$7,580,328 102	\$7,580,328 Design/build remodeler	34	Baths	★	★	Overall higher volume of leads for new business
182	SEA POINTE CONSTRUCTION – Irvine, Calif. Andrew Shore – seapointe.com	1986	\$7,579,357 77	\$9,704,576 Design/build remodeler	33	Kitchens	★	★	Higher demand for bigger projects, over \$5,000 each
183	LAKE SIDE EXTERIORS, INC. – Chesterfield, Mo. Dan Merrifield – lakesideexteriors.com	1997	\$7,536,901 598	\$7,536,901 Full-service remodeler	60	Siding	★	–	Higher prices and net margins
184	BRAYMILLER BUILDERS OF W.N.Y. INC. – Hamburg, N.Y. David Braymiller – braymillerbuilders.com	1987	\$7,518,369 1,256	\$7,518,369 Home improvement/replacement	45	Windows	★	★	Increased throughput without adding more overhead
185	EXTERIOR SOURCE – North Chesterfield, Va. Rod Renfrow – exteriorsourceva.com	1993	\$7,455,277 1,869	\$7,455,277 Home improvement/replacement	60	Other Jobs	★	–	Overall higher volume of leads for new business
186	WOODARD CLEANING & RESTORATION – St. Louis, Mo. Justin Woodard – woodard247.com	1946	\$7,440,386 308	\$23,644,296 Insurance restoration specialist	236	Insurance	★	–	Higher demand for small projects, under \$5,000 each
187	CALBATH & KITCHEN – Santa Ana, Calif. Daniel Liechty – calbath.com	1991	\$7,436,540 1,803	\$7,436,540 Kitchen & bath specialist	25	Baths	★	★	Better sales strategy and management
188	BNW BUILDERS – Richmond, Va. Bruce Wiegman – bnwbldrs.com	2004	\$7,400,000 492	\$7,400,000 Full-service remodeler	19	Decks Roofing	★	–	Better marketing overall
189	GREAT LAKES WINDOW & SIDING – Apple Valley, Minn. Dan Brouillet – glhrco.com	1995	\$7,395,090 812	\$7,395,090 Home improvement/replacement	35	Baths	★	–	Higher demand for bigger projects, over \$5,000 each
190	DIRECT HOME ENERGY SOLUTIONS – La Mirada, Calif. Michael Lumary – directgogreen.com	2013	\$7,363,932 446	\$7,363,932 Home improvement/replacement	52	Windows	★	–	Add a new or enlarged service area
191	HOLLOWAY COMPANY INC. – Sterling, Va. Theodore Tidmore – hollowaycompany.com	1994	\$7,339,925 212	\$7,339,925 Design/build remodeler	42	Outdoor Living	–	–	Higher demand for bigger projects, over \$5,000 each
192	DD FORD CONSTRUCTION – Santa Barbara, Calif. Ryan Prahm – ddford.com	1979	\$7,319,729 21	\$13,335,136 Full-service remodeler	41	Whole House	★	★	Better sales strategy and management
193	HUSKER HAMMER SIDING, WINDOWS & ROOFING Omaha, Neb. – Matt Cradick – huskerhammer.com	1998	\$7,310,366 732	\$7,310,366 Home improvement/replacement	15	Roofing	★	–	Better recruiting and hiring
194	SUNSHINE CONTRACTING CORPORATION Woodbridge, Va. – Ryan Sabo – sunshinecontractingcorp.com	2003	\$7,303,624 600	\$7,303,624 Home improvement/replacement	20	Roofing	★	–	Overall higher volume of leads for new business
195	RISHERMARTIN FINE HOMES – Austin, Texas Chris Risher – rishermartin.com	2010	\$7,240,761 7	\$7,287,040 Full-service remodeler	10	Whole House	★	★	Better sales strategy and management
196	JACOB FAMILY ENTERPRISES, INC. – Fairview Heights, Ill. Scott Jacob – jacobfamilyinc.com	1977	\$7,165,597 1,134	\$7,165,597 Home improvement/replacement	29	Sunrooms	★	★	Better marketing overall
197	J.S. BROWN & COMPANY – Columbus, Ohio Jeffrey Brown – jsbrowncompany.com	1978	\$7,160,591 218	\$7,160,591 Design/build remodeler	40	Kitchens	★	★	Add a new high-demand product or service
198	BATH, KITCHEN & TILE CENTER – Wilmington, Del. Robert Campbell – bathkitchenandtile.com	1963	\$7,111,087 373	\$18,529,418 Kitchen & bath specialist	83	Kitchens	★	★	Better sales strategy and management
199	LANDMARK EXTERIORS INC. – Libertyville, Ill. John Long – landmarkext.com	2003	\$7,059,848 891	\$7,059,848 Home improvement/replacement	15	Windows	★	★	Overall higher volume of leads for new business
200	REBATH NORTHEAST – Forty Fort, Pa. Richard Rome – rebathnortheast.com	2001	\$7,048,655 946	\$7,048,655 Kitchen & bath specialist	30	Baths	★	★	Higher demand for bigger projects, over \$5,000 each
201	PEORIA SIDING & WINDOW COMPANY – Washington, Ill. Stephen Jackson – peoriasiding.com	1976	\$6,862,792 788	\$6,862,792 Home improvement/replacement	37	Roofing	★	★	Higher prices and net margins
202	CHEMAK CONSTRUCTION, INC. – Edmonds, Wa. Howard Chermak – chermak.com	1980	\$6,772,499 103	\$6,772,499 Full-service remodeler	30	Handyman	★	★	Overall higher volume of leads for new business
203	F.H. PERRY BUILDER – Hopkinton, Mass. Allison Iantosca – fhpperry.com	1989	\$6,744,483 90	\$6,744,483 Full-service remodeler	15	Whole House	★	★	Better marketing overall
204	AGAPE CONSTRUCTION CO. INC. – Kirkwood, Mo. Kevin E. O'Brien – agapeconstruction.com	1985	\$6,712,676 93	\$7,959,674 Design/build remodeler	30	Kitchens	★	–	Higher demand for bigger projects, over \$5,000 each
205	BAXTER CONSTRUCTION – Hopewell, N.J. Jim Baxter – baxterconstruction.com	1986	\$6,702,649 97	\$6,840,909 Full-service remodeler	30	Whole H. Baths	★	★	Better marketing overall
206	KIRKPLAN KITCHENS – Sarasota, Fla. Ian Gallie – kirkplankitchens.com	1998	\$6,642,482 332	\$6,642,482 Kitchen & bath specialist	35	Kitchens	–	–	Overall higher volume of leads for new business
207	HARPER CONSTRUCTION INC. – Charleston, S.C. Chris Harper – chrisharperconstruction.com	2009	\$6,642,246 35	\$6,642,246 Full-service remodeler	40	Roofing, Whole H.	★	–	Overall higher volume of leads for new business
208	THE ACR COMPANY (ACRI INC.) – Milan, Ill. Tim Acri – acricompany.com	1967	\$6,640,111 787	\$6,640,111 Full-service remodeler	20	Windows	★	–	Increased throughput without adding more overhead
209	PERFECT CHOICE EXTERIORS LLC – Creve Coeur, Ill. Lee Triplett – perfectchoiceexteriors.com	2008	\$6,598,694 1,800	\$6,598,694 Home improvement/replacement	30	Roofing	★	★	Higher prices and net margins
210	K&H HOME SOLUTIONS – Arvada, Colo. Ted Roland – khwindows.com	1956	\$6,540,274 956	\$6,540,274 Home improvement/replacement	28	Windows	★	–	Better marketing overall
211	CRAFTSMEN HOME IMPROVEMENTS, INC. Kettering, Ohio – Kevin McCloskey – craftsmenhome.com	1993	\$6,520,779 540	\$6,520,779 Kitchen & bath specialist	14	Baths	★	★	Higher demand for bigger projects, over \$5,000 each
212	GRUVER COOLEY CORP. – Purcellville, Va. Clifton Gruver – gruvercooley.com	1908	\$6,517,000 25	\$10,039,940 Full-service remodeler	14	Whole House	★	–	Overall higher volume of leads for new business

Kaz Companies, Inc.	50
KBF Design Gallery	58
Key Exteriors, Inc.	69
K&H Home Solutions	52
Kirkplan Kitchens	52
Kitchen and Bath, Etc.	69
Kitchen and Bath on the Isle	69
Kitchen Cabinets Express	54
Kitchen Kraft	58
Kitchen Magic	42
Kitchen Saver	44
Kliethermes Homes & Remodeling Inc.	62
KM Builders	56
Kowalski Construction, Inc.	60
K & P Enterprises, Inc.	52
Kroll Construction	48
KRT Construction Inc.	71
K&W Interiors	66

<b>L</b>	
Lakeside Exteriors, Inc.	50
Landis Architects/Builders	50
LandMark Exteriors Inc.	52
Larson Siding and Windows	54
Lars Remodeling & Design	48
LeafFilter North, Inc.	40
LeafGuard of Indiana LLC	69
Lee & Co Contractors	62
Leff Construction Design/Build	62
LEI Home Enhancements	44
Leingang Group, Inc.	
dba Leingang Home Center	50
Levitch Associates	56
Liberty Hill Construction	66
Lifetime Windows and Siding	46
Litchfield Builders, Inc.	69
Living Home Construction & Design	69
Living Improvements	62
Los Gatos Roofing	46
Lynnrch Seamless Siding, Windows & Doors	62

<b>M</b>	
Mad City Windows	42
Magee Construction Company	54
Majors Home Improvement	69
MARK IV Builders, Inc.	62
Marrokal Design & Remodeling	46
<b>MATRIX BASEMENT SYSTEMS, INC.</b>	46
McBride Construction, Inc.	66
McClurg Remodeling and Construction	50
Merrick Design and Build Inc.	70
Metke Remodeling and Luxury Homes	56
Metropolitan Bath and Tile, Inc.	46
<b>MID-ATLANTIC WATERPROOFING</b>	42
Midtown Home Improvements	44
Midwest Construction & Supply, Inc.	56
Millennium Home Design	44
Miller Custom Exteriors	56
Mit-Ron Custom Construction	50
Minnesota ReBath	66
Minnesota Rusco, Inc.	48
Miracle Method Surface Refinishing	40
MLM Home Improvement	62
Modern Remodeling Inc.	46
MOSAIC Group [Architects and Remodelers]	62
Mosby Building Arts	46
Mr. Build, Inc.	70
Mr. Contractor, Inc.	60
Murphy Bros. Design   Build   Remodel	56

<b>N</b>	
Naples Kitchen and Bath	58

Nationwide Window & Siding	44
Neal's Design Remodel	50
Neighborhood Commercial, LLC	71
Neil Kelly Company	42
New Outlooks Construction Group, Inc.	56
Newday Development, Inc.	71
New England Design & Construction	69
New Jersey Siding & Windows Inc.	60
NewSouth Window Solutions, LLC	42
New York Sash	56
<b>NORMANDY DESIGN BUILD REMODELING</b>	42
Northwest Exteriors, Inc.	44
NuHome Exteriors, Inc.	70
Nu Look Home Design, Inc.	42
Nuss Construction Co., Inc.	66
Nutmeg Building & Remodeling, LLC	71
NVS Remodeling & Design	58

<b>O</b>	
Oak Grove Construction	56
Olson & Jones Construction, Inc.	58
Opal Enterprises, Inc.	58
Orion Home Improvements LLC	70
Owl Remodeling	62

<b>P</b>	
Pacific Builders	69
Pacific Exteriors LLC	54
Pacific Home Remodeling Inc.	42
Pacific Homeworks	42
Paradise Exteriors LLC	44
Paragon Remodeling Inc.	48
Paramount Builders, Inc.	44
Paramount Remodeling	70
Peacock and Company, Inc.	60
Peoria Siding & Window Company	52
Perez Design Build Remodel, LLC	60
Perfect Choice Exteriors LLC	52
PH Alliance LLC	58
Phil Beaulieu & Sons Home Improvement, Inc.	58
Pioneer Construction, Inc.	48
PJ Fitzpatrick, Inc.	44
PK Construction	46
Platt Builders Inc.	56
Pond Roofing Company Inc.	54
<b>POWER HOME REMODELING</b>	40
Powerstar Home Energy Solutions	48
Prairie Home Alliance	44
Premier Builders and Remodeling, Inc.	71
Premier Kitchen and Bath	66
Princeton Design Guild	70
<b>PRINCE WILLIAM HOME IMPROVEMENT</b>	46
Pro Home Improvement	58
Puzzitiello Builders, LLC	62

<b>Q</b>	
Quality Advantage Home Products Inc.	60
Quality First Builders, LLC	48
Quality Home Exteriors LLC	60
Quillen Bros, Inc.	66

<b>R</b>	
Re-Bath & Kitchens	48
ReBath Northeast	52
Re-Bath of Austin	60
Re-Bath of Pittsburgh and Cleveland	50
Re-Bath of San Antonio	50
Re-Bath of Southern Idaho & Spokane	60
<b>RE-BATH</b>	40
<b>REBORN CABINETS</b>	42
Reed Design Build LLC	70
Remedy Roofing	44

Remodeling Concepts, LLC	62
Remodeling Consultants Inc.	54
Remodeling Designs, Inc.	71
Remodel USA Inc.	44
Renewal by Andersen of Central PA	42
Renewal Design-Build	54
ReNew Home Designs, Inc.	62
Repairs Unlimited, Inc.	44
Residential Renovations	66
Resonne Building & Design	60
<b>RF INSTALLATIONS, LLC</b>	42
RFMC Inc.	66
RGS Exteriors and Construction	
dba Rain Gutter Specialties	58
Rhino Shield Gulf South	54
RI Kitchen & Bath	60
RisherMartin Fine Homes	52
Robinson Roofing & Sheet Metal, Inc.	54
Rock & Tait Exteriors	58
RSU Contractors	58
Rusk Renovations	44
Russell Roofing and Exteriors	50

<b>S</b>	
Save Energy Co.	66
SCC Solar Energy Inc.	69
Schmidt Siding & Window, Inc.	52
Schroeder Design/Build, Inc.	62
S.E.A. Construction, Inc.	54
Sea Pointe Construction	50
Showcase Kitchen & Bath	60
<b>SILVERLINING, INC.</b>	40
S & K Roofing, Siding and Windows, Inc.	44
Skyline Restoration Inc.	58
SmartHome Energy Solutions, Inc.	48
Smith, Thomas & Smith, Inc.	69
Solarshield Home Improvement	70
Solid State Construction	69
Somerville Aluminum	46
Sonrise Building Company	58
Southeast Restoration Group	44
Southwest Exteriors	48
S & S Renovators, INC	66
Statewide Remodeling	42
Steadfast Construction	58
Storm Shield LLC	66
StormTight Windows	42
Strite Design + Remodel	70
Sun Coast Remodelers	50
Sunshine Contracting Corporation	52
Super Restoration	46
Superwall Technologies	
dba Bestway Basements	56
Synergy Builders, Inc.	56
<b>SYSTEM PAVERS</b>	40

<b>T</b>	
Tadlock Roofing, Inc.	44
Taitco Inc/Tait Roofing Inc.	69
Teakwood Builders, Inc.	60
Tennessee Foundation Services	48
The Acri Company (Acri Inc.)	52
The Airoom Companies	42
The Board Store Home Improvements, Inc.	54
The Cleary Company	70
The Experts In Room Additions & Remodeling Inc.	70
The Homestar Group of GA, LLC	48
The Kingston Group	66
The Lykos Group, Inc.	50
The Remodeling Company	60
The Wiese Company	62

The Window Depot LLC	56
The Window Store Home Improvements, Inc.	48
Thiel's Home Solutions	50
Thompson Creek Window Company	42
Thompson Price Kitchen, Bath & Home	70
Tim White Home Improvement	48
Titan Home Remodeling	70
Titan Windows & Doors	62
Toback Builders	62
Total Remodeling Systems LLC	56
Trace Ventures Holdings	70
Tracery Professional Builders, Inc.	71
Trailboss Solutions, LLC	70
Transitions Remodeling	70
Treemum Inc.	42
Tri City Remodeling, Inc.	70
Trinity Builders & Design Inc.	56
Tri-State Creations	58
Tri-State Renovations, Inc.	54
Tri-State Siding & Windows Inc.	70
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Ulrich Inc.	56
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Universal Renovations	69
Universal Windows Direct, Inc.	40
US Home Exteriors	69
USPRO United Services	70

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Venture Construction Group of Florida	56
Vinyl Window Broker, Inc.	54
Virtus Family of Companies	62
VMJR Companies, LLC	50
VPC Builders	66
Vujovich Design Build, Inc.	58

<b>W</b>	
Wadden Construction	58
Weather-Tek Home remodeling	69
Weather Tight Corporation	46
Weather Tite Windows	44
West Coast Better Homes Inc.	48
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White Aluminum and Windows LLC	46
Whitlock Builders	54
Wilton Construction Services Inc.	54
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Windows Plus	60
<b>WINDOW WORLD</b>	40
Window World of Baton Rouge, LLC	40
Window World of St. Louis Inc.	42
Winston Brown Construction	66
Woodard Cleaning & Restoration	52
Woodbridge Home Exteriors	42

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Yankee Remodeler	54
York Enterprises, LLC	71
Your Home Improvement Company LLC	44
Zephyr Thomas Home Improvement	71