

# ENR

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TOP SPECIALTY CONTRACTOR ■ ENR TEXAS & LOUISIANA FIRM OF THE YEAR



## MMR Group Rides A Wave of Growth

Louisiana specialty contractor keeps growing regionally and nationally, fueled by a natural gas-inspired industrial boom **BY LOUISE POIRIER**

**Expansive growth in the** chemical and industrial sectors, fueled by a wave of cheap natural gas, has carried Baton Rouge-based MMR Group Inc. along for the ride. That boom, along with the electrical and instrumentation contractor's ability to serve diverse clients across multiple sectors, boosted the firm's regional revenue by nearly 130% in 2012 to \$302 million from

\$133 million the previous year. That year-to-year gain is the largest posted by any company in this year's ranking of the largest specialty contractors in Texas and Louisiana, pushing MMR up five spots to fifth place.

James "Pepper" Rutland, CEO of MMR Group, notes that low-cost natural gas as a feedstock for the industrial sector "is triggering major investment by

**BIG FOOTPRINT**  
MMR Group is working on an addition at the Valero Oil refinery in St. Charles, La.

**RESTART**  
Orascom  
Construction  
Industries  
turned to MMR  
to help restart  
an old Eastman  
Chemical  
ammonia-  
methanol plant in  
Beaumont, Texas.



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—James “Pepper”  
Rutland, CEO,  
MMR Group Inc.

just about every major manufacturer in the country. So that’s been the real driver behind the expansion and the boom in the Southeast and Southwest.”

For the firm’s continued strong performance and continued expansion across the Gulf Coast region, ENR Texas & Louisiana has named MMR Group its 2013 Specialty Contractor of the Year.

### Bounding Profits, Expansion

Perhaps even more notable is that MMR’s massive jump in revenue was entirely a result of organic growth. The firm opened several new offices and now has 21 locations from coast to coast.

“We didn’t make any acquisitions, we just expanded our reach from where we already were,” Rutland says.

That growth also occurred in MMR’s national marketplace, with the firm’s revenue nearly doubling to \$700 million from \$360 million in 2011.

“A lot of that has to do with the fact that as a specialty contractor, we work across industry lines,” Rutland says. “We’re not specialists in any particular industry, but we work in all of them—onshore and offshore, in power generation, refining, chemical, all the industrial sectors. With oil at over \$100 a barrel and gas very cheap, those markets continue expanding at the same time, playing right into our business sectors.”

To help with its expanding workload, MMR broke ground on its newest office in Odessa, Texas, in July—a prime location to take advantage of shale gas-driven expansion in West Texas. The firm’s Beaumont office

will also be moving into expanded facilities as it prepares for more area projects over the next six to eight years. MMR’s four offices in Texas and five in Louisiana “have helped us capitalize on the expansion and growth in the Gulf Coast area for certain,” Rutland says.

### Successful Projects

The firm also worked on numerous large projects in 2012 that helped push up revenue, including the Kearl Oil Sands site for Exxon in Fort McMurray, Alberta. Another was an expansion at the 500,000 barrel/day Valero Energy Corp. refinery in St. Charles, La., which generated more than \$100 million in revenue for MMR.

“We peaked with almost 700 people on that project,” Rutland says. “It’s a complete revamp of a lot of the existing facilities. It’s been a two-year ongoing project.”

One other was the restart of an Eastman Chemical Co. ammonia plant in Beaumont, Texas, for the fertilizer unit of Orascom Construction Industries (OCI), which acquired the plant in 2011.

After being idled for seven years, hit by two hurricanes and having units that were more than 40 years old, the plant’s “equipment systems had to be inspected and reviewed, and work scope developed to determine if we refurbish, replace or upgrade,” says Jeremy Brusser, district manager in MMR’s Beaumont office. “And that included every system, especially electrical and instrumentation.”

The OCI project, supported with 24/7 operations,

### ON THE WEB

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PHOTO COURTESY OF MMR GROUP INC.



**OFFSHORE** Workers complete a panel for Chevron's \$60-million Big Foot offshore production platform, another MMR project.



**BIOFUELS**

MMR's work has reached into the renewables space at this 19-MW biomass power station in Dorchester, S.C.

took more than one year, Brusler notes. With so many antiquated systems, “decisions took a lot of cooperation among the engineers, owners and construction companies,” he says. “That was a large part of the success—the ability of all those different entities to work together pretty seamlessly.”

MMR also recently completed a large and complicated distributed-control-system (DCS) replacement project for BASF Corp. during multiple turnaround/outage periods. MMR's scope included major cable replacements, field work and complete gutting and replacement of an entire DCS rack room, says Scott Brandenburg, BASF Corp. vice president of engineering and maintenance.

“Due to the complicated nature of the project, MMR, as the constructor, was brought on board early enough in the project to help make realistic and critical schedule decisions,” says Brandenburg. The firm “contributed strong construction expertise and innovative ideas on how to best execute the work that in the end allowed BASF to complete this important project. We have employed MMR on several construction projects over the past few years. They have performed well and been able to meet demanding construction schedules.”

**Safety and Outreach**

Safety and training have also been key to the company's success. MMR just completed a major training center in Baton Rouge, with plans to build additional centers in Odessa and Corpus Christi. Those facilities “will help generate the kind of craft personnel that we're going to be looking for,” Rutland says. “We're going to train our own.”

As of August this year, MMR has worked about 6.5 million man-hours, with an experience modification rate—a measure of past cost of injuries and future

chances of risk—of 0.54 and a total recordable incident rate of 0.15, and no lost hours. “That's versus the national [TRI] average of 3.8, so safety is very important to us and our clients, and we spend an awful lot of time and effort to make sure that we work as safely as possible,” Rutland says. The firm is on track to exceed last year's 7.5 million in man-hours worked.

Earlier this year, MMR was recognized with the Associated Builders and Contractors' Diamond Level National Safety Training and Evaluation Process Award.

MMR is investing in the community and helped fund and build a materials and methods laboratory at Louisiana State University in Baton Rouge. “We're also involved in the upgrade of its college of engineering,” Rutland says.

**Big Year Ahead**

Much of the work that's being announced in the Gulf Coast will actually be built in 2014, 2015 and perhaps into 2016, Rutland says. “So quite frankly, the Gulf Coast region appears very bright for us,” he says. He projects strong years in both 2014 and 2015, “assuming all these announced expansions actually come to fruition.”

Rutland sees plenty of overlap in both the Texas and Louisiana industrial markets. “There are a lot of similar industrial facilities in both areas, and the Houston Ship Channel and the Mississippi River have many of the same clients with whom we do a lot of business.”

In the Baton Rouge corridor and southwest Louisiana, local industry is anticipating a \$50-billion boom in construction activity—right in MMR's backyard. Brusler adds, “We've put eight to 10 projects in Lake Charles on the sales radar that were over \$1 billion, so it's going to be incredibly busy in Lake Charles.”

MMR has already been notified it will be a major

PHOTOS COURTESY OF MMR GROUP INC.

**OIL SANDS**

The Kearn Oil Sands Project in Fort McMurray, Alberta, was one of MMR's largest projects completed in the past year.



participant in South African oil giant Sasol's integrated gas-to-liquids and ethane cracker complex planned there. "It's been announced as a \$21-billion project that will take several years to build," Rutland adds.

"The state of Louisiana has said that it's the largest private investment ever done in the state. So that's a project that's got everybody's attention," Rutland says.

MMR has inked a memorandum with construction manager Fluor to be the project's first-tier electrical contractor. "We think the next three or four years are going to be very exciting," Rutland says. "We're proud to capture our part of the business in upstream, downstream and midstream, and we're happy to be in the Gulf Coast." ■

PHOTO COURTESY OF MMR GROUP INC.

**THE TOP 50 FIRMS IN ELECTRICAL**

RANK		FIRM	(\$ MIL.) 2012 REV.	% CHANGE '11-'12	RANK		FIRM	(\$ MIL.) 2012 REV.	% CHANGE '11-'12
2013	2012				2013	2012			
1	1	QUANTA SERVICES INC.	4,209.3	+39	26	32	HUNT ELECTRIC CORP.	243.9	+33
2	2	EMCOR GROUP INC.	2,286.8	+70	27	37	SACHS ELECTRIC CO.	221.9	+40
3	4	MYR GROUP INC.	999.0	+28	28	29	DAVIS H. ELLIOT CO. INC.	213.1	+12
4	3	ROSENDIN ELECTRIC	887.0	+9	29	31	HATZEL & BUEHLER INC.	206.5	+12
5	14	MMR GROUP INC.	712.0	+132	30	25	ISC	206.0	-12
6	5	M.C. DEAN INC.	590.1	-15	31	**	SARGENT ELECTRIC CO.	203.7	NA
7	7	CUPERTINO ELECTRIC INC.	570.0	-1	32	24	MOTOR CITY ELECTRIC CO.	183.6	-25
8	8	GREENSTAR SERVICES CORP.	563.0	+4	33	35	QUINCO ELECTRICAL INC.	183.0	+5
9	**	MDU CONSTRUCTION SERVICES GROUP INC.	535.0	NA	34	21	PARSONS ELECTRIC	173.0	-34
10	12	THE TRULAND GROUP INC.	486.0	+49	35	27	WALKER ENGINEERING INC.	160.7	-20
11	10	BERGELECTRIC CORP.	478.6	+21	36	41	NEW RIVER ELECTRICAL CORP.	157.7	+16
12	9	INTEGRATED ELECTRICAL SERVICES INC.	456.1	-5	37	42	SPRIG ELECTRIC	146.2	+8
13	11	MASTEC INC.	447.2	+35	38	**	ARDENT SERVICES LLC	143.3	+32
14	15	THE NEWTRON GROUP LLC	442.0	+50	39	**	CUMMINGS ELECTRICAL	142.0	+29
15	18	ALDRIDGE ELECTRIC INC.	360.0	+30	40	**	LUDVIK ELECTRIC CO.	140.7	+69
16	19	HELIX ELECTRIC INC.	360.0	+35	41	**	ELECTRICAL CONSTRUCTION CO.	140.3	NA
17	13	MORROW-MEADOWS CORP.	334.8	+7	42	43	JMEG LP	135.8	+4
18	26	E-J ELECTRIC INSTALLATION CO.	305.6	+51	43	34	GAYLOR INC.	135.1	-25
19	16	WAYNE J. GRIFFIN ELECTRIC INC.	291.4	+2	44	47	GUARANTEE ELECTRICAL CO.	135.0	+12
20	33	MILLER ELECTRIC CO.	277.5	+51	45	**	MORSE ELECTRIC	131.5	+29
21	22	REDWOOD ELECTRIC GROUP INC.	270.0	+6	46	40	INGLETT & STUBBS LLC	129.1	-11
22	20	FISK ELECTRIC CO.	260.2	-2	47	46	SULLIVAN & MCLAUGHLIN COS. INC.	127.0	+3
23	23	FAITH TECHNOLOGIES INC.	260.2	+5	48	**	CHAPEL ELECTRIC CO. LLC	125.0	+24
24	30	CACHE VALLEY ELECTRIC CO.	258.0	+39	49	**	YTG LLC	123.6	+18
25	**	ENERGY SERVICES HOLDING LLC	255.5	NA	50	**	ROGERS ELECTRIC	122.0	+16

NA=NOT AVAILABLE. \*\* =NOT PREVIOUSLY RANKED.