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MALONE'S MECHANICAL, INC.

EXPANDING A CLOSE-KNIT BUSINESS

THE MAGAZINE FOR CONSTRUCTION EXECUTIVES

Expanding a Close-knit Business

Produced by Jonathan Todd & Written by Molly Cohen

Mickey Malone, a journeyman plumber by trade, always wanted to own his own business. Along with his wife, Judy, they wanted a company where their four sons had a place to work and then they could someday take over and continue to manage. In 1973, Mickey and Judy were 30 years old when they started Malone's Plumbing and Heating Company in their garage in Van Buren, Ark. The company Incorporated as Malone's Mechanical, Inc. in 1985. Based on honest work and good values, Malone's Mechanical, Inc. has expanded into a facility covering more than four acres.

Judy and Mickey's vision came true when their son, Michael, joined the family business after finishing high school, 29 years ago. Mike came up through the ranks as an apprentice plumber, journeyman plumber and project foreman. Mickey moved Michael into the office as a project manager in the summer of 1987. Michael now serves as president of Malone's Mechanical, Inc.

Eldon joined the family business in 1982; Stephen came in 1994; and Marc came into the business in 1994. While they were still in the garage, Mickey hired Bill James as an estimator. Bill has been more than an employee, serving as vice president and project manager for the greater part of his time at Malone's Mechanical, Inc. He has been a very close friend and a big part of this family. Bill has seen the company grow and expand through good times and remained steady during the hard times. Bill has stood by Judy and the boys since the passing of Mickey in November 1988 in a plane crash, and he has remained a loyal employee for over 35 years.

As a company licensed, bonded and insured architectural specifications and factory requirements, Malone's Mechanical, Inc. continues to work in its traditional commercial and industrial sectors. However, while it used to work solely in the surrounding Arkansas areas, Malone's



Mechanical, Inc. is now licensed in Arkansas and Oklahoma for building and mechanical work, and is also licensed in Arkansas to install double wall containment acid piping.

A Range of Services

Malone's Mechanical, Inc. is known for its commercial installations, as well as industrial plant maintenance and renovations. Malone's Mechanical is capable of building, renovating or expanding mechanical systems in its sectors of expertise by working with a client's engineers of choice to establish the best pricing and system.

The company's specialties include site utilities, plumbing, process piping, HVAC, pipe welding, equipment stands, layout and fabrication. Malone's Mechanical subcontracts work to insulation, controls and sheet metal subcontractors. The company's 40 full-time and at times up to 60 employees, pending the work load, work mostly on bid and spec work, equating to annual revenue ranging between \$16 million and \$18 million.

Malone's Mechanical recruits most of its employees through its union affiliations. Once hired, the company uses training programs instituted by the union and contractors to keep old and new employees up-to-date on the latest techniques and technology. Many employees have been with the company for a long time and all employees adhere to the company's in-house efficiency



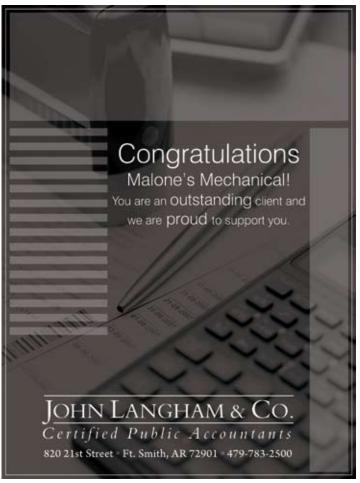














programs that have saved the company time and money over the years.

Put to Work

The efficiency programs that were in place may have

assisted Malone's Mechanical's work on the Alma High School Arena in Alma, Ark., a two-story building featuring a basketball court, two floors of seating and a promenade entrance.

Malone's Mechanical is working on Mercy Memorial Medical Hospital in Ardmore, Okla., the company's largest contract job to date, \$13 million. It is a full-service hospital that offers cutting-edge medical care to its patients of all ages.

The company's fastest track project was the destructive fire at OK Foods Plant One in Fort Smith, Ark., in 1992. The damage equaled \$5.2 million and to get the plant up and running again Malone's Mechanical worked

seven days per week and 24-hours per day with a crew of over 100 men to finish in three months to get the plant reopened to sell product.

To finish these top-notch projects, Malone's Mechanical is constantly in the process of

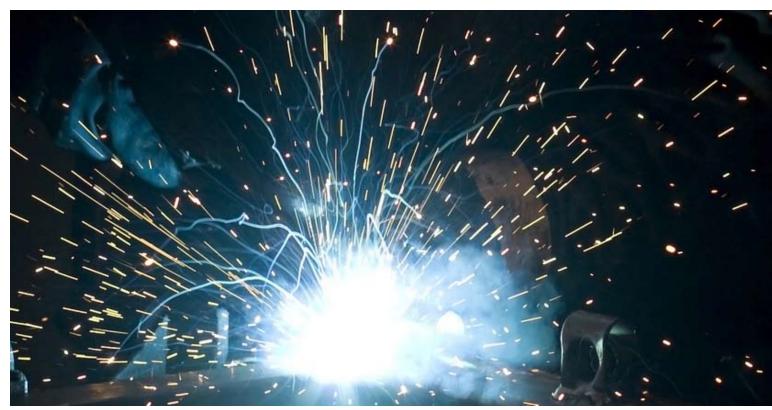
We are proud of our association with Malone Mechanical and glad to be part of their team.

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COMPANY AT A GLANCE

Established: 1973

Malone's Mechanical Employees : 40

President: Michael Malone

www.malonesmechanical.com

upgrading its equipment to ensure employee safety and the best service possible. Admittedly, this process was affected by the economic decline. "We were hit hard like everyone else," says Michael, remembering how times were slow in the early '80's. However, he knows the company will continue to garner work thanks to its reputation for customer satisfaction, a reputation measured by his key performance indicator, warranty work. "We've had very little," he shares.

As for the company's future, Michael says he plans to continue the course the company has maintained in the past years while progressing forward in anticipation of the next generation of Malone's to continue to grow the company.

Malone's Mechanical has come a long way from its garage beginning. Although it is now a larger company spread across several states, the Malone's continue to run the company with those original promises of honesty and solid work. And, as it continues to upgrade its equipment and gain recognition for its work on projects large and small, Malone's Mechanical is positioned for continued success in its increasing service areas.



MALONE'S MECHANICAL, INC.

2221 OLIVER SPRINGS WAY
VAN BUREN, AR 72956
UNITED STATES

WWW.MALONESMECHANICAL.COM







