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20s

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FOCUS: REAL ESTATE

Construction firm specializes in having a lot of specialties

By [Daniel Duggan](#)

The key to getting construction work is having a niche, says Todd Sachse.

But the key to surviving an economic downturn is to have a lot of niches.

"We've been able to survive because of our diversity, in terms of type of work and geographic location," said Sachse, president of Birmingham-based **Sachse Construction**.

In a period that's been difficult for construction companies to survive, Sachse has been able to grow revenue from \$37.3 million in 2007 to \$40.3 million in 2008, with this year forecasted to show some growth, as well.

His key is to migrate to promising niches at just the right time.

In the late 1990s and early 2000s, he focused on building office building interiors.

When that dried up, he moved on to the busy industry of condominium construction, which peaked in 2005.

These days, he's building the restaurants and concessions that line airport terminal walls.

In addition to six restaurants, two retail spaces and a concession storage area at the new north terminal at **Detroit Metropolitan Airport**, Sachse has done work at **Cleveland Hopkins Airport**, **Logan International Airport** in Boston, **Indianapolis International Airport**, **Ronald Reagan National Airport** in Washington, D.C., and **LaGuardia Airport** in New York.

Though work remains slow nationally for commercial construction, Sachse has been able to stick with niches in the retail world that typically are demanding but also lucrative.

While industrial construction jobs can cost around \$45 per square foot, retail jobs can be closer to \$400.

Roughly 20 percent of Sachse's current jobs are in airports.

Getting into the airport work started with a shoe company.

A client of Sachse's, **Johnston & Murphy**, was opening a store at Logan airport. From that job, he pursued the airport niche and grew the business line.

Having the "in" was the key.

"It's a niche that's got a much higher barrier to entry," he said. "Airports don't want to be your learning curve. So once you have a few jobs, more come along."

Given tighter security at airports and business acumen on the side of airport operators, the amount of retail in airports is expected to grow, said Wayne Bills, a vice president with the Detroit-based **Smithgroup** architecture firm who leads the firm's national airport design practice.

"Airport retail is definitely expanding," said Bills, project manager for the McNamara terminal project at Detroit Metro. "People want to be at the airport an hour or two early now, and through security. They have an hour and a half and are looking for shopping."

Also keeping revenue stable for Sachse is his work with major national retail presences such as **Walgreens**. In April, Sachse completed six 14,000-square-foot standalone stores, in Brighton, Charlevoix, Macomb Township, Shelby Township, Ypsilanti and Port St. John, Fla.

He also has growing, stable retail clients such as **Bose** and **Calvin Klein**.

At 45, Sachse can still say that he has never been an employee.

After starting a window-washing business at 16, he shifted his business into a janitorial and maid service — American Maids — by the time he was in college at the **University of Michigan**. The turning point came when he was accepted to medical school and had to decide whether to pursue medicine or run his business.

"I had to call my mom and tell her that I was going to clean toilets instead of go on to be a doctor," he said. "She was OK with it, though."

His spirit as an entrepreneur led him to take on development of a \$5 million, 100-unit Ann Arbor apartment building, completed in 1990, with two other partners. From there, he slowly built up a construction company.

Its first job, in 1991, was construction of a new common area for the Somerset Collection in Troy.

From that job, he was able to secure work building out space for retail tenants in the mall.

He has done work all over the country, though always following his clients. And keeping a stable of repeat clients is a sure sign to new clients that a firm is reputable, said Andy Martin, president of **FH Martin Constructors**, also a midsize construction firm based in the area.

"Clients want to look at your track record," he said. "When they look at a firm like his, or like ours, and they see certain customers staying on a long-term basis, that's a good sign."

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