

Making a Difference

Touching Lives

An Interview with Frank T. MacInnis, Chairman and Chief Executive Officer; and Anthony J. Guzzi, President and Chief Operating Officer; EMCOR Group, Inc.



Frank T. MacInnis



Anthony J. Guzzi

EDITORS' NOTE In early 1994, Frank MacInnis joined New York-based construction group JWP, Inc., which later became EMCOR Group, Inc., and successfully managed its reorganization and emergence from Chapter 11. Prior to this post, MacInnis served for several years as the Chairman of Comstock Group, Inc. In 1981, MacInnis was named Chairman and Chief Executive Officer of H.C. Price Construction, and at the time also founded a company pioneering in the new field of horizontal directional drilling. MacInnis has served for several years as a member of the board of directors of The Williams Companies, ITT Industries, Inc., and the Greater New York chapter of the March of Dimes. He began his career in 1975 in Tebran, Iran, as an officer of Paris-based Spie Batignolles S.A. A native of Alberta, Canada, MacInnis graduated from the University of Alberta Law School.

Prior to assuming his current post, Anthony Guzzi held a variety of senior leadership positions at United Technologies Corporation, and its subsidiary Carrier Corporation, from 1997 to October 2004. From 2001 to 2004, he was President of Carrier's North American Parts, Distribution and Services division with annual revenues of \$2.6 billion. From 1986 to 1991, Guzzi served in the U.S. Army as a Light Infantry Captain, and he is Ranger-qualified. Guzzi received a BS in civil engineering and economics from the United States Military Academy (West Point) in 1986, and is the recipient of an MBA from Harvard Business School.

COMPANY BRIEF Norwalk, Connecticut-based EMCOR Group, Inc., (NYSE: EME; www.emcorgroup.com), is a global leader in mechanical and electrical construction, energy infrastructure, and facilities services, with

a client roster that includes 75 percent of fellow Fortune 500 companies and over 30 federal and state clients, plus other organizations in the industrial, health care, manufacturing, commercial, financial services, institutional, government, education, hospitality, technology, transportation, and utility sectors. The company's services include the design, installation, operation, and maintenance of facility environment systems, such as mechanical and electrical systems, power generation and distribution, lighting, voice and data communications, plumbing, heating, ventilation, and air conditioning. EMCOR also manages and maintains some one billion square feet of facilities space. Through 76 subsidiaries, EMCOR operates in more than 170 locations, primarily in the United States, Canada, and the United Kingdom, and employs 29,000 people.

Why does EMCOR consider social responsibility so important to its corporate strategy?

MacInnis: At EMCOR, we believe that corporate citizenship is not only a good, ethical value, but also a good, solid investment. By investing in the future of our youth, communities, and industry, we're also investing in our own future as a company. Our board and shareholders are supportive of this approach and, especially, of EMCOR's "Touching Lives" Corporate Citizenship Program – a program of which we're exceedingly proud and that works on many levels throughout the company.

At its heart, "Touching Lives" is structured in line with our business model. Specifically, it reflects EMCOR's core values of customer focus, commitment to employees, integrity, entrepreneurship, and shareholder value. A major component of the program is our national initiative to help find missing children – the "Taking KidSafety to the Street"™ partnership with the National Center for Missing and Exploited Children [NCMEC] that we launched just over two years ago. Our nationwide fleet of 6,000



vehicles displays a missing child poster from NCMEC, tailored by region and changed every month. We're also training people in our more than 2,000 site-managed facilities in Code Adam – the protocol for finding kids after they're reported missing in a facility and before the police arrive. We're raising awareness, too, through a dedicated page on our Web site where organizations and families can find a safety brochure to distribute to their employees, clients, and families. Additionally, children can go online to take our "KidSafety" challenge and learn the ways to keep safe in public areas and at home.

Guzzi: Now let's juxtapose those efforts with EMCOR's other major corporate citizenship program that addresses the employment crisis currently faced by our industry. Specifically, last year EMCOR also increased its focus on mentorship of underserved students to raise their interest in jobs and careers in architecture, engineering, and construction through support of the ACE Mentor Program of America. This is a very important investment in the future of our company, as well as our industry and, in fact, the whole of American business and beyond. According to the U.S. Department of Labor, there will conservatively be 1.3 million job openings in the construction industry by 2010; some estimates put the labor shortage at close to two million. With the depth and breadth of EMCOR's market reach, we can have a strong

More than 6,000 EMCOR service vans display posters from the National Center for Missing and Exploited Children, which has helped lead to the recovery of almost 100 children.

impact on this industry's employment crisis and, therefore, the quality of our company's future talent and success.

There will always be healthy debate about how a public company optimally spends its earnings. However, at EMCOR, we believe that corporate citizenship and investment in programs like these are in direct alignment with shareholder interests.

Will you focus on these programs again in 2008?

MacInnis: Absolutely. EMCOR will continue our "Taking KidSafety to the Street" program, the success of which we measure in many ways. For example, we're hopeful that, shortly after the publication of this article, we'll be able to announce that EMCOR will have helped NCMEC recover the 100th child lost, after being featured in our poster program. Also, last year we expanded "Taking KidSafety to the Street" into the United Kingdom and Canada. I can't

begin to express the excitement and pride that reverberates throughout the entire company when we can communicate across the organization the news of a recovered child – there's nothing that can replace, replicate, or measure the "magic" that ensues.

Guzzi: ACE is also a long-term program for EMCOR. As an ACE board member, I know that most high school and college students are unaware of the opportunities that careers in construction offer; but it's through EMCOR's integral involvement that we can best address and support the changes that will attract the talent required to our industry. EMCOR supports our operating companies getting involved with ACE's local affiliate chapters, with some of the leaders of our subsidiaries serving on the boards of their local ACE affiliates. For instance, our Baltimore-based subsidiary, The Poole and Kent Corporation, was involved with a team of students working on their solution to the Tallest

Building in Baltimore challenge presented by the ACE Mentor Program affiliate in Baltimore. Some of our subsidiaries also provide scholarships through ACE to encourage students to pursue careers in the field.

How has your corporate citizenship work affected shareholder value and brand equity?

MacInnis: EMCOR's Touching Lives Corporate Citizenship Program receives the support of the company's employees, board, and shareholders, because we see that investments made in the community spin the economic cycle in a positive direction. We're also hearing that the labor pool in today's jobs market places value on public companies' social responsibility values. EMCOR has found that when we integrate corporate citizenship with our core values and business model, we can have a positive impact that lasts – a good investment for everyone and one that everyone can support. ●



The ACE Mentor program provides help and assistance to young engineers and architects, here working with Adam Snavey, President and CEO of The Poole and Kent Corporation, on the Tallest Building in Baltimore challenge. In 2007, Anthony Guzzi was honored by ACE with their Legacy Award for his contributions.