

Building relationships and lining up business Construction firms see wind powering their futures, too

By Matt Wickenheiser, Staff Writer
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Andrew Bond, director of labor and business planning at Bath Iron Works, operates a crane at a wind power trade show. He was trying to get the crane hook into a steel barrel.

ZARAGOZA, SPAIN — Sullivan & Merritt Constructors used to keep busy servicing paper mills, with as many as 700 employees working on masonry, piping, electrical systems and other projects across Maine.

As the paper industry slowly declined, so did the Hermon-based construction company's business, with its work force dropping as low as 125. Several years ago, the company began to diversify to survive, looking to other sectors and countries for work.

That's how the two top executives of the Maine construction company found themselves on this week's trade mission to Europe, attending meetings, touring trade shows and forging relationships with top wind power companies in Spain.

"We're walking away with a lot of new contacts," said Lance Leavitt, president of Sullivan & Merritt, which has operations in Hermon, Gray and Scarborough. "This won't translate to any purchase orders today, but they're great relationships to have."

With Gov. John Baldacci's trade mission to Spain and Germany focused on wind power, construction companies and related firms – such as Cianbro Corp., Sewall Co., Reed & Reed, Sargent Corp. and Bath Iron Works – are heavily represented in the delegation.

Most have done some wind work. Sullivan & Merritt, for example, handled all of the electrical work on three turbines in Freedom, Maine.

All see the potential for wind power in Maine, both onshore and offshore.

And their visit to wind power hot spots like Spain and Germany, with the clout of the governor and help from state and federal trade specialists, shows how serious the companies are about working in the field.



Wayne Kilcollins, wind power technology instructor at Northern Maine Community College, and Andrew Bond, director of labor and business planning at Bath Iron Works, view the Zaragoza region from a crane.

"It's so new, it's like the Wild West," said Leavitt. "It hasn't been carved out yet, relationships are still being forged.

"I can see definite flow of business and money into Maine because of this," he said.

Over the past five years, 147 businesses have gone on 17 trade missions, four of them led by Baldacci.

According to the Maine International Trade Center, the missions generated \$28.2 million in sales for the companies. Those are sales reported in the year after the mission, sales that the companies say were directly attributable to the mission.

On Monday and Tuesday, companies participating in this week's mission had 71 one-on-one meetings with Spanish companies – from equipment manufacturers to wind farm developers to investment bankers.

They met with companies privately in a hotel in Madrid on Monday, and with more companies Tuesday at a wind power trade show in Zaragoza. Trade show officials said the Mainers were the first delegation of American business people to attend the show.

Jon Lee, CEO of Sullivan & Merritt, said every meeting involved a potential contract.

That's not always the case on trade missions, he said.

Cianbro Corp. had five meetings on Monday that made the entire trip worthwhile, said Ernest Kilbride, vice president. One of the companies has a strategic plan to invest in wind farms in four states in the U.S., including Maine, he said.

Each of the companies – wind farm developers, manufacturers, banks – has a "sincere and serious interest in the state of Maine," said Kilbride.

"Spain is littered with windmills," he said. "They see Maine as an untapped resource."

One point of interest in Maine, beyond its wind, is that the state has expedited the permitting process for wind power sites, and is now identifying as many as five offshore sites for test platforms.



The Maine Trade Delegation took a high-speed train from Madrid to Zaragoza on Tuesday. Wind farms were a common sight in the distance, and an almost-constant reminder of the delegation's purpose in Spain.

The companies also are interested in the United States, he said, because it has a solid currency, clear laws and a stable government.

But it's a limited-time opportunity, said Kilbride, as Canada and states in the West move to attract investment and development from leaders in wind power.

Companies are looking for states with business climates that are conducive to wind power investment, said Lisa Reid, project manager for industrial products and services at BIW.

If Maine doesn't have it, "they'll go somewhere else," she said.

Reid and Andrew Bond, BIW's director of labor and business planning, came to Europe a few days ahead of the trade mission, attending a conference in Stockholm on offshore wind power.

They got an appreciation for the enthusiasm in the industry, and for how delicate it is.

For example, said Bond, 40 to 50 banks in the European Union had been lending capital for wind projects.

The worldwide economic downturn cut that number to about 10, and drove home the need for a significant, sustained level of subsidy for projects, they said.

This is the first trade mission for both BIW and Cianbro, a sign that both well-established companies are seeking to diversify.

Cianbro has branched out into building modular components for a refinery. BIW has long produced ships for the Navy, but has always explored other options, as long as they made sense for the company.

The two companies collaborated on the renovation of some ships a few years ago.

BIW is looking to do anything with wind power that requires cutting steel, from towers to the specialty ships that would service offshore wind platforms and turbines. Bond and Reid will meet with several shipyards in Germany, to talk about collaboration.

Coming to Europe to visit with companies has built trust and relationships, something very important in the Spanish business culture, suggested Peter Cianchette, Cianbro's vice president.

It also demonstrates the state's commitment to the new field. That's important to European companies, he said, which tend to have investment horizons of 40 to 50 years.

Cianchette said trade missions like this one are vital to the state's economic growth.

"In order for Maine and Maine companies to compete in a worldwide economy, you have to get outside the borders and build relationships," he said.

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