

# BHC calls on its roots to move ahead

## Telecom work lifts engineering firm

BY ALYSON RALETZ / STAFF WRITER

BHC Rhodes scaled back its work force when the economy slumped as a survival tactic. Then it went on offense.

Shaking up where the Overland Park-based engineering firm concentrates its business paid off. BHC Rhodes reported revenue of \$8.37 million for this year — up 50 percent from its 2010 total. It's also grown from 49 to 84 employees in the same period, pushing past its pre-recession count to the firm's highest employment level in more than a decade.

"We were responding to just being hammered by the market," President Kevin Honomichl said. "We have clearly come through stronger."

Honomichl, Executive Vice President Bill Brungardt and Vice President Matt Brungardt — all former Black & Veatch employees — founded the firm in 1992. Brungardt Honomichl & Co. PA changed its name to BHC Rhodes with the 2005 acquisition of Rhodes Surveyors Inc.

The firm started out with a focus on telecommunications, but that work waned in the early 2000s, pointing the engineers' attention to public works, surveying and real estate projects.

This heavy dependence on building projects became an anchor when the real estate market collapsed. But even during the recession, the need for faster data capabilities meant a resurgence in the telecom-utilities sector.

"People lost their jobs, but people weren't turning in their cellphones," said Bill Brungardt, director of utilities services.

As part of a shift back to this work, the firm eliminated a dozen positions in 2009. But BHC Rhodes avoided a dip in revenue, going from \$5.47 million in 2009 to \$5.57 million the next year.

BHC Rhodes isn't the only local engineering firm to benefit from the demand for more telecom and network infrastructure.

Overland Park-based Black & Veatch, which added nearly 1,500 employees worldwide this year through Nov. 30, attributes part of the hiring spree to a spike in telecommunications work.



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 BHC Rhodes President Kevin Honomichl (from left), Executive Vice President Bill Brungardt and Vice President Matt Brungardt say a move to refocus on telecommunications and utilities work helped the Overland Park-based engineering firm increase revenue despite the recession.

"There is a lot of demand for infrastructure," said Martin Travers, president of Black & Veatch's telecommunications division.

BHC Rhodes' recent growth is built upon a specialty in designing outside fiber-optic cable rings and systems. It now is helping to upgrade and expand networks it engineered 20 years ago.

One of its most significant jobs in the sector came in 2010, when it won engineering work for the \$102 million buildout of a fiber-optic system affiliated with the University of Arkansas.

"The recent growth is a result of the changes the management made in order to focus in that industry," said John Doull, president of Cornerstone Bank, where BHC Rhodes has banked for nearly 10 years. "During the downturn, they got to work, rolled up their sleeves, made some tough decisions and got the company back into a stronger sector."

BHC Rhodes has set a goal of a 15 percent increase in revenue for 2012 based on expectations of more telecom work.

As Google Inc.'s 1-gigabit fiber network is built in Kansas City, Kan., and Kansas City, Mo., Honomichl said that existing carriers are looking to cash in on the attention to fiber and are planning improve-

ments and expansions of their own.

"Google's not the only game in town," Honomichl said. "But it will cause every boat to rise with the tide, allowing other carriers to be able to take advantage of that notoriety."

But the fiber wave alone hasn't been enough to carry the firm.

It regularly shares work with other engineering and architecture firms, an increasingly common trend in the building industry since 2008. BHC Rhodes recently has split projects with Gould Evans, Berger Devine Yaeger Inc. and H.W. Lochner Inc.

"Sometimes getting part of the work is better than not getting any of the work," Honomichl said.

And although the firm has bumped its employee count back up and been able to rehire some of the people it had to release, managers said they remain sensitive to employee morale.

Honomichl said the company has made a concerted effort to address employee issues quickly and focus on employee conditions. For instance, management turned weekly staff meetings into staff happy hours.

"We are reassuring each other and putting the past behind us," he said. "We're trying to move on."