

Viox Services will do it all if company doesn't want to

60-year firm morphed into facilities management

By Val Previsch

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What started as a small, family-owned building and maintenance company has grown into one of the region's largest facilities management organizations.

Success has come through strategic business planning and capitalizing on strong relationships and history.

Viox Services Inc., based in Reading, began in the early 1940s as a commercial and residential construction and carpentry business. John Viox Sr., a carpenter by trade, eventually brought his sons, Ray and John Jr., into the business.

The company remained in construction throughout most of its early history and was primarily a builder with fewer than 100 employees when the third generation entered the work force in the 1970s and '80s.

But about 10 years ago, a turning point came when third-generation family members and managers, Mike Viox, president, and Tim Viox, vice president, looked for ways to expand the business and concentrate on the company's core strengths.

Change of direction

After thoroughly reviewing the company's services and clients, the Viox brothers decided to focus on providing full facilities management services primarily to large local companies with numerous sites that needed maintenance planning and upkeep.

As part of this decision, the company scaled back its building business and also focused on its strongest clients rather than continuing small projects for clients who only occasionally used their services.

That change of direction produced a tremendous surge of growth for Viox, which now has at least 1,000 employees and does business throughout much of the eastern United States, Mike Viox said.

"As our clients grew, we grew with them," he said, adding the company now manages facilities for such multi-state companies as Fifth Third Bank, Arvin Meritor Inc., an automobile and truck parts



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Tim Viox (left) and Mike Viox are the third-generation managers of the family business.

supplier, U.S. Bank and Cummins Inc., a truck engine manufacturer.

In 2006, Viox had revenues of \$77 million, and that number is expected to climb to \$90 million by the end of this year, he said.

Most of the company's growth has taken place over the last 10 years as more and more businesses have turned to outsourcing as a way to manage their facilities and control costs, Tim Viox said. He estimated that Viox has a 60 percent market share of outsourced facilities management business in the region.

"Outsourcing has really come into vogue recently," Tim Viox said. "Most companies recognize that (facilities management) is not part of their core business, and they don't want to handle it."

When a business hires Viox, company management can turn over virtually all of the care of day-to-day and long-term needs of the buildings and equipment it owns, he said.

Viox offers services that include all aspects of building maintenance, grounds maintenance, construction services, budgeting and cost control, and support services including mail, shipping and receiving, furniture management and janitorial.

The LaRosa's experience

While not every client purchases all these services, some clients want Viox to take care of everything so they can concentrate on their core products and services.

One such client is LaRosa's Inc., which hired Viox about three years ago and has contracted for a full array of services including linen delivery and music in their restaurants.

"As we've grown as a chain, we hit a point where we had to grow our maintenance department or look for an outside vendor," said Brian Kundiff, LaRosa's executive director of growth and development.

"When you work with hundreds of different vendors, it takes a lot of time," said Kundiff. "With Viox, we get a single bill, which gives us one maintenance price. It saves time and effort on the support side."

Michelle McMahon, LaRosa's vice president of sales and chief people officer, said it let them focus on what they do best: making pizza.

Outsource savings

Mark Jaconette, vice president of corporate facilities for Fifth Third Bank, said the Cincinnati

bank realized a savings of about 5 percent per square foot after outsourcing its facilities management with Viox about three years ago.

"On the facilities side, because we are not making money, we measure value in what we save, not what we earn," said Jaconette.

Tim Viox said the expertise in facility and equipment maintenance that Viox offers is also a big draw for most of its clients. Because Viox works with its own set of vendors for such services as pest control and landscaping, Viox can find the most appropriate vendor and negotiate cost savings that individual businesses cannot.

"We often see the same issues across a broad range of clients," he said. "So we are better prepared to handle those."

As with any outsourcing situation, one set of employees is often not happy to see a change in business as usual. Mike and Tim Viox said maintenance employees with their new clients sometimes aren't pleased their jobs have been outsourced. But it helps that Viox often hires these workers.

"We've had maintenance technicians come work for us and get promoted two or three times, whereas they had nowhere to go with the client company," Tim Viox said.

Viox Services Inc.

- **Contact:** 15 W. Voorhees St., Reading 45215; 513-948-8469.
- **Web site:** www.viox-services.com
- **Owner:** Emcor of Norwalk, Conn.
- **Employees:** Roughly 1,000.
- **Revenues:** \$77 million in 2006.