

● Joseph Di Girolamo knew a lot about construction when he started Next Constructions in October 2007. He had been in the industry for 15 years.

So he decided to do a course in communication: he had seen enough confrontations between architects, builders, suppliers and clients to believe there was a better way.

"I'm really a people person," he says. "I wondered if issues could be resolved in a different way, if I could really get along with everyone and have systems to deal with communication."

Di Girolamo is typical of the bunch of inventive, spirited developers and construction companies on this year's *BRW Fast Starters* list. Like Di Girolamo, the other five builders demonstrate just how resilient a company can be if it has a clear purpose and differentiator that sets it apart, even in a slow property market.

This crop of companies didn't get complacent in the boom years and grew through the global financial crisis. While the rest of the sector flatlines, they are confident of growth and are excited about a future with fewer competitors as rivals fall by the wayside.

Each has found its own section of the market but common among them all is a fierce commitment to their customers – they talk to them, listen to them, respond to them and, whenever possible, amaze them.

Di Girolamo knows that the pressure of short deadlines and demanding projects is a factor that frays tempers on construction sites and results in mix-ups and conflict. "We are all human and we all get emotional," he says. "But when the relationships are good, you recover quickly and achieve your objective."

His first step was to learn conflict resolution and clear communication skills. He redefined the success of a job within his own parameters: "one that meets the agreed expectations or betters them, that everyone would want to work together on again and where all stakeholders met their financial goals."

Sydney-based Next Constructions, which is ranked 43 in its list debut, divides its work between office fitouts (60 per cent), construction, both residential and commercial (30 per cent) and maintenance (10 per cent). Di Girolamo's first employee was his father-in-law, who had worked in a previous family company. "It's funny, we really get along," he says. "I did think about whether I was jeopardising that but we have the 'organising board' and the roles are clearly defined."

Next now has 14 staff and five contractors. Everyone is given training in communication, how the business runs and how information is managed through the "organising board". "Every employee understands what is expected of them and how to do things," he says. "Disgruntled staff make for disgruntled projects."



Measuring up: Thirdi Property's Ron Dadd, left, and Luke Berry

and hand your money over, you are just a number."

With masterful simplicity, Fullin started his venture, Palladio Homes (ranked 30 in the *Fast Starters*), by building two display homes – one with all the standard features and one with various extras. He also built a showroom displaying the extras, such as fittings, fixtures, colours and benchtops so customers could make a choice. Fullin's head office is around the corner from the display homes, easily accessible to customers with questions or problems. "Our motto is: a well-informed client is a happy one," he says. "We walk them around so they see what they are getting and that works very well."

Although it took a few years to become profitable, Palladio is building 50 homes a year, making a margin and building its brand. To distinguish himself from the competition, Fullin invested in a prominent site for his display homes, near the popular Dreamworld theme park on the Gold Coast. He kept prices on a par with competitors', despite offering more, taking a hit on margins to build his customer base. He made some key standard inclusions a cut above the competition, such as quality kitchen benchtops, and included choice, such as various hand basins, without extra cost.

Despite his location – Gold Coast property values have nearly halved across the board – Fullin expects revenue growth of 36 per cent this financial year and for that to continue through the flat market, which he predicts will last for the next 18 months.

Sleek Property (ranked 27) has to be among the few players in the business without a website. Although its founder, Husayn Aly, is building one, he says it's not essential to his business because he does not sell his developments. "We sell through agents and everyone has a website," he says.

"If they didn't, I wouldn't use them, so really the public don't need to know who we are. We don't deal with them."

Aly, a doctor, left the medical profession in search of a career that set no limits on his potential. His father, also a doctor, is a property investor and Aly was immersed from an early age, scouring the property pages. He decided to focus on building new homes in small developments for first-home buyers under a \$600,000 price point, which, in his NSW market, attracts stamp duty exemptions. "More recently, the focus is first and final buyers; single level, wide-doorway properties friendly to older people, which is a massive market," he says.

To find out what buyers want, Aly quizzes the agents he works with. "I ask what sells fastest for

# PURPOSE BUILT

Clear strategies and strong differentiators bring home big rewards to a batch of inventive, resilient and spirited builders.

Report: Kath Walters

The formula has taken him far. Next won the tender to fit out the new store for Spanish clothing retailer Zara at Westfield Sydney Shopping Centre in the Pitt Street mall. Di Girolamo delivered the keys two weeks ahead of schedule. To achieve the punishing deadline, he put the Zara project manager up in a city hotel room near the new three-level shop. "He was working around the clock and lives in Bondi. If he needs a nap he can go up there and he doesn't have to drive home if he is working late."

Brad Fullin also spotted a chance after years of working as a contractor on project homes on the Gold Coast. He saw customers get angry about what they had to spend on extras they thought were standard, or watched their faces fall when they stepped into their new homes. "People said it was such a horrible experience," Fullin says. "Once you sign on the dotted line,

## FAST BUILDERS

### LATITUDE 37 HOMES

**Rank:** 10  
**Founders:** Doug MacLeod, Dean Oakley, Brett Trebilcock  
**Chief executive:** Doug MacLeod  
**Turnover 2009-10:** \$16.72 million  
**Growth 2009-10:** 28.91%

### SLEEK PROPERTY

**Rank:** 27  
**Founder/chief executive:** Husayn Aly  
**Turnover 2009-10:** \$5.84 million  
**Growth 2009-10:** 249.37%

### PALLADIO HOMES

**Rank:** 30  
**Founder/chief executive:** Brad Fullin  
**Turnover 2009-10:** \$5.19 million  
**Growth 2009-10:** 46.73%

### LIVING SPACE CONSTRUCTIONS

**Rank:** 32  
**Founders/chief executives:** Luke Whittington, Shaun Hanley  
**Turnover 2009-10:** \$4.91 million  
**Growth 2009-10:** 40.18%

### THIRDI PROPERTY

**Rank:** 38  
**Founders:** Luke Berry, Ron Dadd  
**Chief executive:** Luke Berry  
**Turnover 2009-10:** \$4.28 million  
**Growth 2009-10:** 177.23%

### NEXT CONSTRUCTIONS

**Rank:** 43  
**Founder/chief executive:** Joseph Di Girolamo  
**Turnover 2009-10:** \$3.81 million  
**Growth 2009-10:** 524.29%

the best money. If they say black roof tiles are selling well, I don't let my preferences affect me I build with black tiles. If they say two bedroom and two living areas, that is how I brief my architect. I look at a lot of open houses."

Aly says price will not sell a property. It will sell if it is better than others on the market. He has done a development in Sydney's Bondi but most are in the suburbs north of Wollongong, where he grew up. "Wollongong is short of stock," he says. "If it is well priced and a good product it will sell."

Aly won't work for the slim margins of many developers, which are often 10 per cent or less, so he keeps costs down by getting his building supervisors to brief architects to ensure designs are inexpensive to build.

After growing 250 per cent last year, Aly

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