

IN THE NEWS

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Dome Construction gets growth down to a science: **Biotech**

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Mark Bley, President & CEO

Dome Construction's revenue grew 60 percent in 2008, says CEO Mark Bley. **Dome Construction Corp.** had no biotech experience when it signed on in 1985 to do a run-of-the-mill drywall job at **Genentech**.

At the time, the South San Francisco biotech giant was largely unknown — its net income was \$5.6 million that year — and Dome executives had no clue that the seemingly insignificant contract would help define their business over the next quarter century.

“It turned out we were working on the first large-scale cell culture facility in the world,” recalled Dome CEO Mark Bley, who was a project manager at the time. “We did not know what we were getting into.”

A quarter century later, Dome is still building for Genentech, and has become a biotech and pharmaceutical specialist with some 40 life science clients. Genentech work typically accounts for 15 percent of Dome's total revenue, and biotech represents 50 percent.

“Effectively, we never really left Genentech,” said Bley.

At a time when most contractors are reeling from the housing bust and commercial real estate slowdown, Dome's revenue grew 60 percent in 2008 to \$164 million. The company's growth is being driven by an influx of health care, biotech and green technology work. In the past year alone, Dome has snagged some of its biggest assignments: the \$32 million Marin Health and Wellness center, a \$40 million project at BioMarin in Novato, the \$23 million Kaiser Richmond Medical Center Expansion and a \$40 million building for the Stanford Law Clinic. Dome is also in the process of opening a new office in Palo Alto to help serve an increase of work at **Stanford University**. Dome has done biotech manufacturing projects for **Abgenix**, Genentech, Bayer, **Novartis**, BioMarin, Anza and Nektar.

Bley recently took over as CEO from Richard Lerner, who remains chairman of Dome's board. Bley, who joined Dome in 1981, said he expects revenue to dip slightly in 2009, but says health care and biotech research will hold up. He said 2009 “will be a critically important year for us in a challenging economy.”



“Biotech pharmaceutical manufacturing will continue to move out of the Bay Area, while research will continue. Research will also continue in new areas like alternative energy, new technologies for green construction and health care.”

Dome employs a “focus groups” strategy in which industry-specific teams serve health care, biotech, tenant improvements and seismic upgrades. Recently, a fifth team has been established to handle biofuel firms and other green business. In 2008, Dome won three biofuel projects, including jobs for Amyris Biotechnologies and the **Joint Biofuel Energy Institute**, both in Emeryville, and South San Francisco-based LS9.

“Biofuels is something we want to tackle — we have the technical expertise to do that kind of work,” said Bley. While giant contractors like DPR have a larger market share of big, ground-up biotech construction, Hank Szeto, senior director of engineering and facilities for BioMarin, called Dome the go-to contractor for mid-sized projects between \$20 million and \$60 million.

“When they get done with a project, it is functional,” he said. “You need to understand the science to construct the facilities.”

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