

BCS Industries leaps through list with two acquisitions

Memphis Business Journal - June 4, 2004
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Looking for industry trends among this year's greatest leapers can be a difficult task. The eight companies that gained more than 10 spots in Memphis Business Journal's Top 100 Private Companies list represent diverse industries, products and services, from home builders and contractors to power, telecommunications and steel companies.

The farthest leap has been accomplished by **BCS Industries**, originally known as Bluff City Steel, which jumped 34 spots from No. 86 last year to No. 52 this year. The steel manufacturer nearly doubled its revenues from \$38.7 million to \$76.2 million within one year.

"We've made two strategic acquisitions that promoted growth in sales," says Joseph A. Higdon, president of BCS Industries.

In the last few years BCS Industries bought two Ohio steel companies, Cuyahoga Steel & Wire LLC and Metal Processing Corp. , that were struggling but eventually enhanced the company's abilities and generated more revenues, he says.

The acquisitions involved strategic planning and a lot of hard work, Higdon says.

"We had a game plan and we were diligent -- almost religious -- in our strategic efforts," he says. "We're now capturing the full return on investment from these two acquisitions."

The three facilities the company has acquired since 2001 complement each other, Higdon says. With sales already up 28% since last year, Higdon anticipates another increase in sales and one more acquisition this year, which might lead to a leap in next year's Top 100 list as well.

Matthews Brothers Builders also ventured into new projects that increased the company's revenues -- from \$37 million in 2002 to \$55 million in 2003. The residential homebuilder moved up 18 places this year to No. 72.

The increase in revenues is a result of new building projects as well as affordable interest rates that have driven people to look for and purchase larger homes, says Mark Matthews, managing member and director of development.

"We're building a new gated community in Cordova and larger homes in Arlington, which sell for up to \$300,000," he says.

The company has added five more subdivisions and is expanding construction in Arlington, Bartlett and Southeast Shelby County, Matthews says.

Matthews Brothers was founded in 1998 by Mark and Michael Matthews and has seen constant growth since, he says.

But the future looks bleak for Shelby County homebuilders, he says. Shelby County Mayor A.C. Wharton's suggested moratorium on new building permits in suburban areas could "put us all out of business," Matthews says. Although home building has brought economy growth to Shelby County, DeSoto County "will have to be our new focus in 2005" if this moratorium becomes reality, he says.

Other companies that climbed significantly in this year's Top 100 list include Delta Medical Center, which climbed 16 spots to No. 44, growing its revenues from \$63.6 million to \$84.2 million; engines and power generators distributor Cummins Mid-South is up 14 spots at No. 27 with \$128.6 million in revenues; real estate company Weston Cos. gained 11 spots and is at No. 67 with revenues of \$59.2 million; and homebuilder Bowden Building Corp., with revenues of \$64.9 million, climbed from No. 75 to No. 65.

Materials handling systems manufacturer Allied Uniking Corp., Inc., and Montgomery Martin Contractors, both with \$81 million in revenues, share the No. 45 spot, after the former gained 32 spots and the latter 14.