

Residential Real Estate • Small Biz Spotlight

InSite Builders & Remodeling successfully navigated Covid. But as demand soars, there are new challenges to overcome.



Stephen and Mary Gordon founded InSite in 1996.

STACY ZARIN GOLDBERG

About the business: Bethesda's InSite Builders and Remodeling, founded by Stephen and Mary Gordon, tackles home renovation, remodeling and construction projects, big and small.

How it got started: If you hail from Montgomery County or upper Northwest D.C., you may know the Gordon name. Gordon Builders, founded by Stephen's grandfather and then led by his father, developed thousands of home lots in the Chevy Chase area. That's where Stephen got his start, back in the 1980s, learning the business of single-family building.

But homebuilding was too cyclical and risky a business for his tastes. Now, renovation? That's always in demand. So Stephen helped launch the Gordon Builders remodeling arm, renovated the home his family would later move into, then took off on his own to a well-established home remodeling company in Virginia to master the craft.

In 1996, Stephen launched InSite from a desk under his basement stairs with a one-page business plan. At first, he would do any job, from a dry cleaner to a rental car leasing office. That lasted until Stephen "realized that home remodeling was very consistent," with plenty of friends to draw from as potential clients.

"When I started, it was just myself, and I had an assistant, and Mary was raising our children," Stephen said. "She would fill in the gaps, write contracts. One day, this assistant of mine wanted to do something else. Mary was sitting in her chair. I said, 'Do you want to do Sandy's job?'"

"I said absolutely," said Mary, who served as the assistant to first lady Nancy Reagan's press secretary for five years in the 1980s.

Today, she is the company's vice president.

"We're a good balance for each other, and I just got more and more involved," she said.

InSite's bread and butter are jobs of between \$150,000 and \$300,000, but they also do major home overhauls and won't turn down even the smallest chore — like a single set of handrails on a staircase, as one client requested. Their clients are for life, they like to say.

"This is a relationship business, for sure," Mary said.

The pandemic effect: The global health crisis "impacted us in a way that nothing has ever impacted me in my life," Stephen said. After a record first quarter of 2020, the work got complicated as Covid-19 spread through Greater Washington.

"We had about eight jobs going, large and small," he said. "We had six of our clients — some of them were older — asked us not to come into their homes. That was scary. That was the first thing that happened to us, and it happened rather quickly, kind of like it happened overnight."

There was a point in 2020, Stephen said, when it appeared InSite wouldn't clear more than \$80,000 in revenue for the remainder of the year.

"We didn't know when we'd be able to start the jobs," he said.
"We didn't know when we'd be able to finish the jobs that were stopped."

The pandemic pivot: The key was staying in touch with clients, putting protocols into place, managing expectations — and patience, as standard operating procedures like permitting became painfully slow with government offices all but shuttered.

Stephen is the salesman. Home remodeling, he said, "is a very people kind of business," and "I had to learn how to do all of that remotely, on Zoom."

But the team's previous work improving InSite's technology, adding options like virtual and 3D modeling, paid dividends. There was a point in the pandemic when their full-time architect, Tom Reineberg, was only able to preview a \$500,000 job for subcontractors because the homeowner was willing to walk through the home with a phone, taking video.

"We really had to reinvent the wheel," Stephen said. "The couple jobs we kept on got us through."

While the Gordons declined to discuss specific revenue numbers, they said the year slowly turned back around, and 2021 is looking very healthy — a 25% increase over what they expected to do in 2020 before Covid-19 hit.

"The only thing that's happened is houses are getting older and there are more of them, and people like them to be updated," Stephen said.

The challenge: InSite's small staff includes two project managers, one assistant project manager, a carpenter who doubles as a handyman, Reineberg and General Manager Chris Katkish, the Gordons's son-in-law. They rely on subcontractors and qualified tradespeople to get their jobs done, and that's where their biggest challenge lies.

While demand is high for InSite's services, Stephen said, the dearth of skilled workers "is like something I've never seen before."

"This is something that everyone is seeing," Mary said. "Young people aren't going into the trades like they used to."

Something else everyone is seeing? Lumber is scarce. Refrigerators are scarce. Vinyl windows that used to arrive in a week are now seriously delayed. Prices are skyrocketing. InSite is having to spread out jobs to ensure the materials and workforce are in place to complete them without significant delays.

"Don't overpromise and underdeliver," Mary said. "It's very complicated: design, ordering, construction. You want to make sure that the expectations are managed and that you can pay very close and specific attention to every single project."

What's next: "Our future will eventually be in the hands of Chris," Stephen said of his son-in-law.

That's the plan, eventually, to turn the company over to a fourth generation of the Gordon family.

But not yet.

"He is bright and capable and really sees growth ahead for our business," Mary said. "The three of us work as a very cohesive executive team. We each have our strengths and we work together well. Our son-in-law taking over the business and growing the business — how that looks, I don't know yet. Stephen and I are not going anywhere anytime soon."