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Engineer develops a passion for the building industry



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**— Joe Peterson,
Hanover Homes North Corp.**

by Jennifer McDermitt

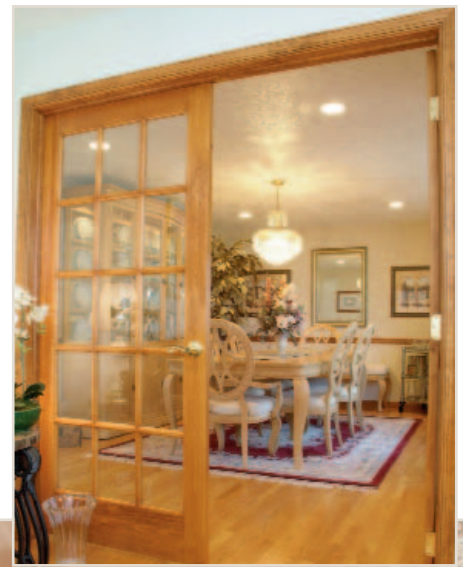
Builders often develop an interest in the industry through family influences, high school job opportunities, or exposure during their post-secondary education. Joe Peterson, owner of Hanover Homes North Corp., entered the business in an unconventional manner. He credits the course of his career to a twist of fate. After earning a degree in mechanical engineering and working in the automotive and aerospace industries, Peterson was asked to help with his father-in-law's building company as his father-in-law recuperated from an illness. Peterson thought the work would be temporary.

"If you had told me 30 years ago that I would end up as a builder, I would have laughed

at you," Peterson said. "But, every day when I wake up, I know there is a new challenge brewing somewhere, and I will be able to find a solution. It's that kind of excitement and variety that I lacked in my career as a mechanical engineer, and it's what keeps me loving what I do."

Long road home

Throughout Peterson's childhood, he expressed an interest in architecture. When he entered college in the 1970s, he intended to study architecture until a professor steered him toward mechanical engineering. Peterson's first professional job was as an engineer for a company that made parts for the automotive industry. The company's comptroller advised him to study accounting and business.



Taking his mentor's advice, Peterson quickly gained an understanding not only of technical issues, but also of what it takes to run a successful business.

Eventually, Peterson left the company for a different position, this one in the aerospace industry. "I had a real desire to live on the West Coast," Peterson said. "I worked for a company where I was able to work on the Apache helicopter program at Hughes Aircraft." Building homes in the Lehigh Valley was the furthest career from his mind.

Peterson was still in California when he proposed to his wife, Eve, who was also from the Lehigh Valley. The couple moved back to the area in 1982 to be closer to family, and they found themselves in a struggling economic environment, with interest rates creeping over 18 percent and the unemployment rate the highest it had been since the depression. The collapse of the steel industry — and the Lehigh Valley with it — created a difficult environment for builders.

"Interest rates were terrible then, and no one was working," Peterson said. "When Eve's father asked me to help out at his company, Hanover Homes, I thought, why not?"

He embraced the challenge of learning a new trade, much the way he had when urged to study business as a supplement to engineering. "I didn't even know what a two-by-four was at that time, so I worked in all departments and all areas of the business to learn," he said.

Going their own way

When Peterson joined Hanover Homes, it was run by eight family members, but in 1995, they decided to separate and create two

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distinct companies: Hanover Homes and Hanover Homes North Corp., the latter company now run by Peterson. Peterson says it was a big transition with the new company.

“At one time when we were one company, Hanover Homes built in four states and constructed over 400 homes a year,” said Peterson. “Today, we build about 100 homes a year solely in Pennsylvania, so it’s really a different company all together.”

Hanover Homes North evolved since it first became an independent entity. Once strictly a custom homebuilder, Peterson’s company has branched out into spec homes, retirement communities, and developments, as well as some light commercial projects including the complete renovation of a warehouse into a showroom.

“I really wanted to diversify the company, and I hope to find other areas to get into as well,” said Peterson.

Because his early interest in architecture and engineering taught him the importance of professional design, Peterson works closely with architects and engineers on all projects.

One of the projects Peterson is most proud of is an active residential retirement community where he built a 6,500-square-foot clubhouse and 100 residential units. The community later received accreditation from the state Insurance Department as the first Continuum of Care Retirement Community.

“It was pretty exciting doing that project, because it was like nothing I had ever done before,” he said. “I had to deal with the township for water and sewer issues, and I really liked the variety and challenges that came with that kind of work.”

Maintaining the tradition of excellence

Hanover Homes started in 1959, and many of the employees at Hanover North have been with the company longer than Peterson.

“The employees and subcontractors are the lifeblood of the business,” Peterson said. “We keep them happy and treat them like partners. Many of the subcontractors who work with us today are second generation and learned the trade from their fathers, who also worked for us.”

Peterson is concerned that, as these subcontractors start retiring, there won’t be a qualified

pool of people to replace them. “It doesn’t seem like young people are interested in the trades today, and that really concerns me for the future,” he said.

Peterson has belonged to his local association, the BIA of Northeastern Pennsylvania, for nine years, and he attends PBA events and meetings. He said, “I get more and more involved every year. I just finished my second year as president at my

local, and this year I will serve as regional vice president at the state level. I have met a lot of great people at the association, and made a lot of important connections.”

In 2001 Peterson was named Builder of Year by the BIA of Northeastern Pennsylvania and has also received awards for professional excellence from the Pocono Mountain Builders and Lehigh Valley BA. He now belongs to seven different local associations. “I join the local whenever I build in a new area. I think it is important to get as involved as you can with associations, because they do so much for our industry.”

That’s a telling statement from someone who never intended to become a builder in the first place, but Peterson said the industry has won him over. “I love what I do, and I feel very fortunate to have found this career,” he said. “Even after all these years, I am excited about the many avenues we can still take our company.” ▲