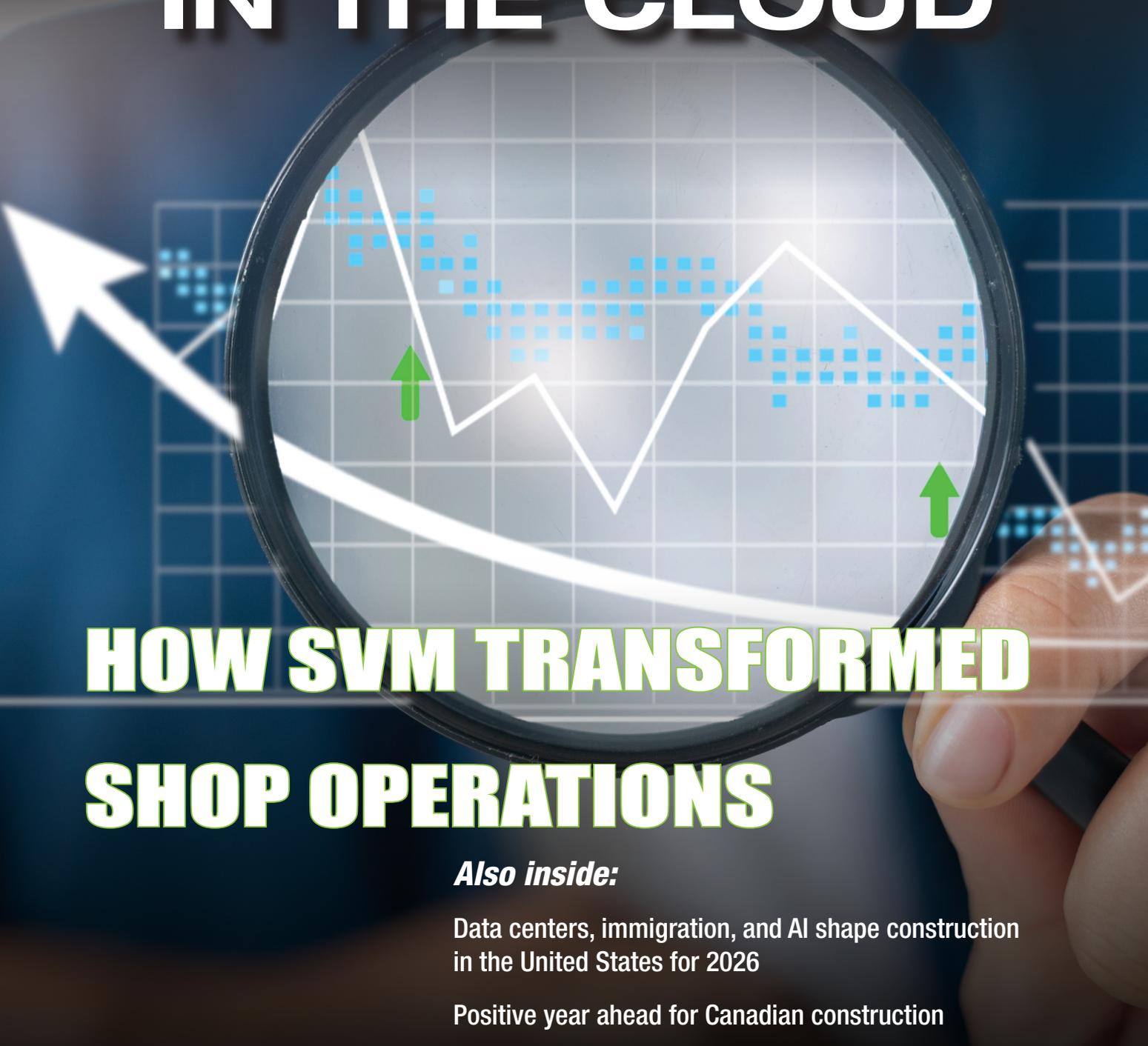


Volume 7 / Number 1

# CONSTRUCTION IN THE CLOUD



## HOW SVM TRANSFORMED SHOP OPERATIONS

### *Also inside:*

Data centers, immigration, and AI shape construction in the United States for 2026

Positive year ahead for Canadian construction

BCX visits Austin and Dallas, Texas, for MEP Innovation and Advancing Prefabrication conferences



[buildcentrix.com](https://buildcentrix.com)



Silicon Valley Mechanical

# Case Study: How Silicon Valley Mechanical Transformed Shop Operations with BuildCentrix

**Silicon Valley Mechanical** modernized its fabrication and shop operations by standardizing all ordering, labor tracking, and production workflows in BuildCentrix. “By replacing hand-drawn cut sheets, PDFs, and manual timecards with a single connected system, SVM gained real-time visibility, eliminated administrative waste, and increased output—without increasing labor,” says Emmanuel Mendoza, sheet metal shop manager at Silicon Valley Mechanical (SVM).

### Year-to-date results at a glance

- 3,887 material orders processed through a single system
- 206,069 shop hours tracked with full accountability
- 80–90% reduction in time spent approving timecards
- Higher production output despite workforce reductions

BuildCentrix enabled SVM to do more with the labor it already had—turning operational clarity into a competitive advantage.

### The Challenge: Manual processes at scale

Before BuildCentrix, SVM relied on hand-drawn cut sheets and PDF-based orders. While familiar, these workflows created growing operational strain with limited visibility into order status and manual labor and material tracking. There were

communication gaps between field, shop, and management, and team members at every level experienced the repercussions of errors caused by lost or misinterpreted information.

“It made it hard to track order components and to communicate,” Mendoza says. “A lot would get lost in translation. As volume increased, these limitations became unsustainable.”

### The Turning Point: One system for everything

SVM made a decisive shift: all orders must flow through BuildCentrix. This immediately created a single source of truth for material orders, fabrication priorities, labor hours, and timecards.



“Once everything had to go through BuildCentrix, we could track orders, time, and material—pretty much everything,” Mendoza says. “The result was clarity, accountability, and confidence across the operation.”

### Day-to-Day Impact: Measurable efficiency gains

#### *Faster, Cleaner Time Tracking*

Timecards became one of the biggest wins. Before BuildCentrix, SVM used handwritten timecards and calculated manual math, requiring individual approvals and resulting in frequent errors and rework. However, after the BuildCentrix implementation, the game changed.

“Suddenly, we had time entered per work order, automatic validation and error flags, and immediate visibility into labor allocation,” Mendoza says. “That alone saved me 80–90% of my time.”

#### *Better Control of Fabrication Workflow*

With BuildCentrix, SVM now controls order submission timing, lead times, rush prioritizations, and department-level workloads. All data lives in one system, enabling faster decisions and smoother production planning.

#### *Competitive Advantage: More output, same labor*

Like many contractors, SVM faces skilled labor shortages. BuildCentrix helped offset this challenge by increasing output without increasing headcount. Even during a week that required layoffs, production remained steady—or improved. “We were still doing the same amount, if not more production, with the same manpower,” Mendoza says. “This level of resilience would not have been possible with manual workflows.”

### Looking Ahead: Data-driven planning

SVM continues to expand its use of BuildCentrix, particularly in scheduling and capacity planning. Looking ahead, the team can expect insight into department-level hours, workload, and



**“ With BuildCentrix, SVM now controls order submission timing, lead times, rush prioritizations, and department-level workloads in one system. ”**

pounds; weekly scheduling by number of pieces; and improved visibility for spiral duct and specialty fabrication

“BuildCentrix is becoming the foundation for daily and weekly production planning,” Mendoza says. “By replacing paper, PDFs, and spreadsheets with BuildCentrix, Silicon Valley Mechanical transformed the shop into a data-driven operation. The result is faster execution, fewer errors, higher output, and the ability to scale without adding labor.”

For mechanical contractors looking to modernize fabrication and gain operational control, SVM’s experience demonstrates the tangible ROI of standardizing on BuildCentrix.

Learn more about SVM at [svminc.com](http://svminc.com) Visit [buildcentrix.com](http://buildcentrix.com) for more information and a free demo. ■





# Data Center Demand, Immigration Crackdowns, and AI Shape a Mixed Outlook for Construction in 2026

## Subcontractors remain resilient in AGC report recap

By Austin Keating

### As the construction industry barrels into 2026

the mood is one of cautious optimism, tempered by workforce challenges, shifting policy winds, and the relentless march of technology. The Associated General Contractors of America (AGC) and construction tech firm Sage have unveiled their annual Construction Hiring & Business Outlook, offering the clearest view yet into how construction firms are bracing for the year ahead.

### Boiling Down the Numbers: Growth and unease

According to new AGC analysis, 32 states and the District of Columbia added construction jobs between November 2024 and November 2025. Texas led the pack, adding 24,000 jobs, followed by North Carolina, Ohio, Minnesota, and Michigan. Iowa took the crown for the biggest percentage gain, nearly 10%. But that growth wasn't universal: New York and New Jersey shed the most jobs, and some states—like Arizona and Alabama—saw notable monthly declines.

“We’re seeing soaring demand for data centers, power, and other select segments,” said Ken Simonson, AGC’s chief economist. “But uncertainty over tariffs and policy shifts is causing many owners to hold back, leading contractors to trim their headcount.”

That uncertainty is showing up in backlogs and hiring plans. While many firms remain optimistic—especially in industrial and infrastructure work—there’s a clear sense that the good times aren’t spread evenly.

### Immigration’s Outsize Role in Construction Labor

Ken Simonson, AGC’s chief economist, underscored just how dependent the construction industry is on foreign-born workers. “An analysis of the 2024 American Community Survey found that 35% of construction craft workers were foreign born,”

Simonson explained. “That’s about double the 18% of the total American workforce that is foreign born.” The numbers vary widely by state: in places like California, Texas, Maryland, New Jersey, and the District of Columbia, half or more of all craft workers are foreign born. In contrast, northern states and areas like West Virginia see single-digit percentages.

Simonson noted that construction workers are often more mobile than those in other industries, moving to where the work is. “This is an issue for all contractors, potentially, if there is a tightening of immigration enforcement and closing down of the borders.” He referenced a recent Congressional Budget Office analysis, which warned that if immigration slows or stops, the United States population may begin to decline as early as 2030, with deaths outnumbering births. “Not just the construction industry, but the economy as a whole is going to be more and more dependent on foreign-born workers,” Simonson added.

That’s why AGC is pushing for legal pathways to bring in foreign-born workers and making sure contractors can utilize those already here legally—steps the association sees as vital to the industry’s future.

### The AI Boom and the Data Center Surge

Julie Adams, a spokesperson for Sage, highlighted one unmistakable trend: the explosive growth in data center construction, fueled by the artificial intelligence boom. “As businesses race to build the computing infrastructure needed to power AI applications, they’re creating unprecedented demand for specialized construction projects,” Adams said.

That surge couldn’t come at a better time for some firms facing labor shortages and operational headaches. Sage’s data shows 61% of construction firms now use AI or plan to increase

investments in it—up sharply from last year. The most common use cases? Office and admin work, estimating, design, and even recruitment.

“We’re at an inflection point,” Adams said. “AI is both driving demand and reshaping how construction firms operate. Those who embrace these technologies will be best positioned to capitalize as adoption accelerates.”

### Subcontractors: The steady engine beneath the surface

Amid all the volatility, one part of the industry remains a bedrock: specialized subcontractors, particularly in HVAC and sheet metal. Despite worries about labor supply and shifting demand, these trades are holding steady, and in many markets, they are thriving.

Arch Willingham, president of T.U. Parks Construction in Chattanooga, Tennessee, remembers the tougher years when one sub after another would go under. Things improved in the immediate aftermath of COVID, he says, but the environment has settled into a new normal: “They’re all going pretty well. None of it is like it was post-COVID, but the backbone is strong.”

That view was echoed by contractors across the Midwest and Southeast, where industrial and infrastructure projects are surging. “The skilled trades performing the work are a key point,” said Kyle Van Slyke, COO of Musselman & Hall Contractors in Kansas. “We’re seeing steady optimism, especially in the industrial and utility sectors.”

For all the promise, headwinds loom. Contractors report that tariffs and the threat of stricter immigration enforcement, especially under a Trump administration, are creating anxiety and making workforce planning harder. Yet, on the ground, the real-world impact of tariffs remains muted for many. “Owners ask us about tariffs, but we really haven’t seen prices changing as a result,” Willingham said. “It’s more of a marketing thing from suppliers.”

Still, AGC’s leadership is pushing for action on several fronts: expanding legal work visas for construction, boosting funding for technical training, and pressing Congress to reauthorize key infrastructure programs before current legislation expires in September. “With supportive infrastructure funding, workforce investment, and trade and permitting policies in place, construction can continue to grow the economy and expand access to high-paying career opportunities,” said AGC CEO Jeffrey Shoaf.

### A Patchwork Outlook: Resilient subs, cautious owners, and a race for talent

What emerges from this year’s outlook is a patchwork: explosive growth in data centers and select infrastructure, hesitancy in private commercial construction, and a fierce competition for

skilled labor—particularly as senior leaders retire and aren’t easily replaced.

Yet, in the trenches, subcontractors remain resilient. Despite all the noise about economic headwinds and policy shifts, HVAC and sheet metal contractors—and many of their peers—are still busy, still hiring, and still essential.

As Van Slyke put it, bringing things back to the basics: “There’s optimism about growth for the overall industry. Firms are still looking to find people and get ready for the work.”

For an industry used to boom-and-bust cycles, that quiet confidence might be the biggest news of all.

### Workforce Innovation: From word-of-mouth to career centers

Yet, that confidence isn’t without its caveats. Labor remains a persistent challenge, and some markets are taking matters into their own hands. In Tennessee, T.U. Parks Construction’s Arch Willingham points to a \$10 million investment in a local Construction Career Center, spearheaded by their AGC chapter and executive Leslie Gower. “We got tired of staffing by word-of-mouth, asking superintendents if they knew anyone at church who could show up on time,” Willingham said. “That’s not how you build a skilled, safe workforce in a technical industry.” The new center now puts more than 100 young people a year directly into construction jobs—a model that’s already delivering results in a tight labor market.

### Margins, Backlogs, and a Measured Optimism

Jim Rhodes, CEO of Wayne Brothers Companies, echoed the broader sentiment: backlog and revenue remain strong, especially for firms focused on data centers, manufacturing, and institutional projects. “We’re a little more optimistic on 2026 than the report would suggest, not because of the numbers, but because of conversations we’re having with clients and banks,” Rhodes said. He noted that, while margins are compressed and contractors are still chasing fewer projects, there’s hope that long-stalled developments are finally moving forward.

The key, Rhodes emphasizes, is focusing on what you can control: improving processes, delivering value more efficiently and in a way that’s differentiated, and building a workforce that is eager, growing, and well-trained. ■

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# 2026

# Canadian Construction Outlook

▶ All major headwinds point to success

By Robin Brunet

**Tristan Bertram**, director of industry affairs for the Thermal Insulation Association of Canada, regards 2026 as an exciting time for the country's construction industry.

"Overall, the construction industry was fairly strong in 2025, and it appears it will remain strong this year and for the foreseeable future, with lots of employment opportunities," he explains. "I'm especially excited by what I'm hearing from Ottawa, which seems committed to backing big projects and other work that will improve our resilience as a country."

There's good cause to hope that 2026 will be a repeat of the previous year. In 2025, the Canadian construction sector grew by 0.24 percent even as the national economy contracted, according to the Canadian Construction Association (CAA), with the growth fueled by the federal government's nation-building focus.

Canada's new home construction rebounded later in the year, with housing starts rising 14 percent in September, thanks partly to lower bank rates and again in the face of challenging market conditions (not the least of which include the tariff wars between Canada and the United States).

But the CAA acknowledged the severity of the headwinds, with president, Rodrigue Gilbert pointing out, "Rising costs,

workforce shortages, and trade uncertainty are making it harder for companies to plan, bid, and deliver the projects that Canadians depend on."

The CCA also warned that the "Buy Canadian" procurement rules for federal projects, which took effect in November, could negatively impact construction timelines and costs. It calls for consultation with downstream industries, including construction, to ensure that domestic sourcing policies strengthen rather than constrain the ability to build.

The Canadian construction sector employs more than 1.6 million people and contributes 7.5 per cent of Canada's Gross Domestic Product. Unsurprisingly, finding and training newcomers to the sector remains a priority. "Huge infrastructure projects, such as the LNG Canada facility in British Columbia, really impacted labor supply because so many skilled tradespeople were required for these jobs," Bertram says. "We're also motivated by a recent BuildForce Canada study showing that by 2030, the biggest trade-specific labor deficit in the country's labor force will be insulators."

Thanks to government grants, TIAC is assisting with training initiatives in Alberta and is currently busy developing course content. "We're also committed to advancing on-going education on a professional level," Bertram says.

Sean Strickland, executive director of Canada's Building Trades Union (CBTU), names major projects that will require a substantial number of well-trained unionized workers. "The most notable ones include LNG Canada Phase 2 and the Red Chris Mine in British Columbia, the Darlington Nuclear and Crawford Nickel projects in Ontario, the Contrecoeur Terminal in Quebec, and the Nukkiksautiit Hydro project in Nunavut," he says.



***In addition to mining and other resource and infrastructure projects, Canada is busy with new nuclear facility proposals and wind and solar power projects.***

CBTU, which is the national voice for more than 600,000 Canadian skilled trades construction workers, has scored big wins in laying the groundwork necessary for an expanded workforce to be able to take full advantage of job opportunities across the country. In January, the Ontario government announced a collaborative effort (between CBTU and the Ontario Ministry of Labour, Immigration, Training, and Skills Development) to harmonize national safety standards for construction workers by adopting best practices and the highest standards to ensure work is performed safely

The resolution aims to support Canada's construction workers by the dismantling barriers preventing them from easily moving between provinces to work on projects. It addresses the challenge of varying health and safety certification standards across Canada, recognizing that interprovincial recertification costs time and money and causes unnecessary delays to critical project progression.

When it comes to the issue of trades shortages, Strickland says the discussion needs to be recast to consider how the existing skilled trades labor force can be optimized from coast to coast. He argues that shortages are skills-specific and depend on the size and type of projects and their location, among other factors. To address this issue, CBTU increasingly converses with larger project owners who disclose what kinds of tradespeople they need, how many, and where and when they need them. "And we're continuing that process in 2026," he says. "The industry needs to continue its ongoing efforts to recruit and retain more

apprentices for the long-term sustainability of the construction industry and the Canadian economy."

In the meantime, Strickland shares Bertram's sentiment that the federal liberals under Prime Minister Mark Carney are committed to a strong unionized construction sector. "To take just one example, the budget for the Union Training and Innovation Program has doubled to \$150 million under his leadership and, equally important, he is open to discussions about determining the prevailing wage," he says.

Perhaps recognizing the sheer volume of upcoming major projects, provincial governments are also taking action to reduce red tape. The Council of Ontario Construction Associations recently applauded the Ontario government for allowing certified professionals from other Canadian jurisdictions to start working within ten business days, for up to six months, by having their certification recognized faster with the province's regulatory authority while completing their full registration.

"Everything seems to be going gangbusters across the country," Strickland says, noting that in addition to mining and other resource and infrastructure projects, Canada is busy with new nuclear facility proposals and wind and solar power projects.

"But it's up to organizations across Canada and locally to turn the promise of these jobs into reality," he concludes. "So we'll continue to maintain our presence at the table, hopeful that we'll see meaningful growth and major project approvals soon." ■

## BuildCentrix

**BCX comprises the following modules. While there is no requirement to use them all, they are available for contractors to grow into.**

- Field ordering of sheet metal and piping and plumbing
- Machine integration
- CAM integration (Trimble, PractiCAM, CAMduct)
- Watts orbital welder
- Field timecards
- Shop timecards
- Labor reporting
- Payroll integration (all applicable payroll packages for contractors)
- ERP/accounting integration for jobs and labor codes
- Revit® integration
- CAD integration
- Content generation (not dependent on old Windows databases)
- Labor and material costing and pricing
- 3D Blueprint takeoffs for duct, plumbing, and piping

## Great week in Austin at the MEP Innovation Conference

A big thank you to everyone who took the time to stop by the BuildCentrix booth at the MEP Innovation Conference in Austin, Texas. We had some excellent conversations with HVAC, piping, and plumbing teams about the real-world challenges around:

- Managing shop and field productivity
- Replacing paper-based or disconnected work orders
- Improving visibility into labour, job status, and scheduling
- Connecting the VDC, shop, and field in one workflow

It's clear many contractors are actively looking to modernize how fabrication and operations data flows through their business—not just add another system.

If we didn't get enough time to connect or you want a deeper look at how BuildCentrix supports work orders, material tracking, scheduling, and shop performance, we are happy to set up a quick walkthrough. We appreciate the time and conversations and are looking forward to continuing them throughout the year! ■

## BuildCentrix at the 10<sup>th</sup> Annual Advancing Prefabrication Conference in Dallas

BuildCentrix participated in the 10<sup>th</sup> Annual Advancing Prefabrication Conference in Dallas, Texas, in January. This is one of the largest industry events dedicated to industrialized construction and prefabrication strategies. The conference drew a strong turnout of contractors, fabricators, engineers, and operations leaders, reinforcing the continued momentum behind prefabrication across the MEP sector.

Our team at BuildCentrix maintained an active presence on the show floor with an exhibitor booth where our Account Executives demonstrated how BuildCentrix has a vital role in digitizing shop operations from VDC to shop to the field. Conversations centered on improving work order control, production scheduling, material traceability, and real-time visibility between VDC, fabrication, and field installation teams. Many MEP contractors expressed a clear need to eliminate disconnected workflows that create bottlenecks between design, detailing, and shop production challenges, directly aligned with the problems BuildCentrix is built to solve.

Breakout sessions and group discussions delivered massive amounts of industry insight, particularly around standardization, scalability, and data-driven production management. Speakers emphasized that successful prefabrication programs are vital to continuous production optimization.



Forward-looking themes were discussed throughout the conference. Contractors shared strategies for expanding prefabrication workflows, reducing paper practices, and developing internal fabrication capabilities to mitigate labor constraints and schedule volatility. There was also strong emphasis on connecting VDC outputs directly to shop-floor execution, ensuring fabrication teams are working from coordinated, build-ready information. These conversations reinforced the importance of platforms that streamline, design scheduling, shop operations, and field deployment in a single operational workflow.

Overall, the conference was an extremely productive event for BuildCentrix. The team had the opportunity to reconnect with existing clients, engage with new prospects, and exchange ideas with industry leaders committed to modernizing fabrication practices. Beyond demonstrating the platform, the event provided valuable perspectives on where the market is heading and how contractors are evolving their prefabrication strategies. Our team at BuildCentrix left Dallas with deeper industry insight, stronger relationships, and continued confidence in the role of connected digital workflows in advancing prefabrication across the entire industry.

We are looking forward to connecting with everyone at future events! ■

## BuildCentrix

A Full Service SaaS Platform for Integrated Mechanicals

BuildCentrix brings together your teams, materials, and data to help move projects forward, reduce uncertainty, and streamline workflow. We're here to help bring all of your projects to a successful conclusion.

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