



Comprised of companies that plan and design residential and nonresidential buildings and structures as well as apply engineering principles to design and develop systems and structures.

INTERNAL USE ONLY

CAPTRUST EXPERIENCE

CAPTRUST AT A GLANCE

Clients – 70

Total Assets – \$11 billion

Plans/Pool – 84

Plan/Pool Types – DC (67), NQ (7), DB (6), OAP (1), E/F (1)

Top Providers – Empower, T. Rowe, Fidelity, Principal, Schwab

EXPERIENCED ADVISORS

- Dan Esch (3)
- John Matejka (3)
- Kenneth Rogers (3)
- Gary Davis (2)
- Shaun Eskamani (2)
- Attila Toth (2)
- Scott Wertheim (2)

INDUSTRY BACKGROUND

POINTS OF INTEREST

- The Infrastructure Investment and Jobs Act has boosted optimism in the industry with its commitment to investments in a broad range of infrastructure.
- Large operators have increasingly invested in technology to improve operating efficiencies and cut costs, contributing to growing profit during the past five years.
- Future growth in demand for green construction is expected to present industry operators with new opportunities.
- Average age of employed architects is 40+ and represents 66% of the industry; 9% of industry is under 30.
- Enrollment for first-year architecture students has declined by nearly 20% over the past five years.

COMMON TERMS

- Building information modeling (BIM)
- Chemical engineer
- Civil engineer
- Green building
- Industrial engineer
- Leadership in energy and environmental design (LEED)
- Mechanical engineer
- Nonemployer establishment

EXTERNAL RESOURCES

- American Council of Engineering Companies (ACEC) acec.org
- American Institute of Constructors (AIC) aic-builds.org
- American Institute of Architects (AIA) aia.org
- American Society of Civil Engineers (ASCE) asce.org

FOR THE CHALLENGER

CHALLENGES

Corporate

- Mergers and acquisitions of businesses
- Change in private equity ownership
- Highly competitive market in attracting and retaining employees
- Fluctuations in the value of nonresidential construction have contributed to robust growth during the majority of the last few years as well as significant declines amid the coronavirus pandemic
- Growing trend in sustainable projects
- Succession/transition planning
- Growing use of technology to cope with unfavorable costs and project timelines
- Expensive materials and high labor costs are compelling firms to seek productivity-enhancing technologies

Retirement

- Employers have no or low match
- Generally, have account balances and fewer participants to spread fees across so per participant fees can be high
- Highly sophisticated investors, very analytical
- 10% of architects and similar skilled professionals are expected to retire in the next decade, according to Architecture Magazine

CLIENT OUTCOMES

- Reduced expenses with the move to a new platform
- Decreased recordkeeping fees from ongoing fee benchmarking as the plan has grown
- Ongoing share class reviews have reduced costs as client hits thresholds to access lower cost funds and CITs
- Added auto enrollment to help participation rate and testing results