

# Pre-Built Shafts for the Construction Industry



Elevated Expectations: Modular Elevator product on site; insert, shaft assembly in San Fernando plant.

## MANUFACTURING: Modular Elevator doubles revenue by saving contractors time.

By **MARK R. MADLER** Staff Reporter

**Modular Elevator Manufacturing Inc.** makes standard elevators but delivers them in an unconventional way. And now the San Fernando company is taking steps to grow beyond its California customer base.

**Hugo Beltran**, the vice president of sales and marketing, said the company has hired 10 new employees over the past 90 days, including elevator technicians, an information technology manager, a national territory manager and accounting professionals.

“We’ve taken our product nationwide as of January 2020,” Beltran said. “We’ve doubled in size in production, we’ve doubled in size in revenue and in new elevator orders.”

The national expansion involves partnering via local licenses with elevator contractors across the country and teaching them how market, sell and install the company’s modular elevators.

“In essence, creating a dealer network that will supply our product in their respective states and deliver a high-quality modular elevator that sets in four to five hours,” Beltran said.

In construction lingo, modular elevators are made offsite and shipped to the building site. At the San Fernando company, that means fabricating the hoistway – or elevator shaft – at its facility at 1030 Arroyo St. and installing inside

of it the car, rails and other components.

“Because it is all 95 percent complete in the hoistway, we truck it to the job site, crane it into place and you have an elevator by lunchtime where you didn’t have one before,” Beltran explained.

According to **Tom Hardiman**, executive director of the **Modular Building Institute**, a nonprofit trade group in Charlottesville, Va., the benefits of modular construction of elevators is three-fold.

The first is time savings. For a school project, a general contractor can have an entire modular series of classrooms and other structures installed over the summer break, he said.

Second is worker safety. Building an elevator in a controlled factory setting allows a company to stage the construction so the workers are socially distanced and wearing masks.

“It is easier to control the safety aspects of construction in a factory versus outside where you have less control over those things,” Hardiman said.

And lastly there is the inspection process. In California there is a state program (not including the city of Los Angeles) that any module constructed offsite has to be inspected and reviewed by a third-party engineer that signs off on it so it meets codes, he added.

“So there is a higher degree of quality control and checks and balances, if you will, versus something that is constructed onsite,” Hardiman said.

### ADA compliance

Los Angeles city officials have their own inspection program for elevators, Beltran said, and Modular Elevator is a city approved and certified fabricator.

Modular Elevator is owned by **T.L.Shield**

SAN FERNANDO VALLEY BUSINESS JOURNAL

**50** [ **Fastest Growing Private Companies 2020** ]

**LIVE VIRTUAL EVENT**  
**NOVEMBER 5, 2020 | 4:30 – 6PM**

The San Fernando Valley Business Journal is proud to reveal the rankings of the top 50 Fastest Growing Private Companies. This event will host the CEOs and executives of the private companies that have documented the highest revenue growth in the San Fernando, Santa Clarita, Conejo and Antelope valleys. Please RSVP to join us for this inspiring virtual event!

To register, visit [sfvbj.com/bizevents](http://sfvbj.com/bizevents)



**& Associates Inc.**, which performs the actual installation of the elevators. The parent company, founded in 1982 by **Tom Shield**, the president who lives in Thousand Oaks, also installs commercial and residential dumbwaiters, stairlifts, wheelchair lifts and invisible lifts for wheelchairs specifically for courthouses.

Customers of Modular Elevator include developers, architects, owners of multi-family apartments, hotels and high-end multi-story homes.

“We do parking structures,” Beltran said. “We just did a parking structure for San Jose State University, and that was three elevators all at once. We have done a lot of hotel development – things like Econo Lodge, Hampton Inn, those kinds of projects.”

Schools are another customer of Modular Elevator.

“It is a great solution for these types of applications because they are looking to be ADA compliant and for a lot of these remodels of schools they have to put in an elevator,” Beltran said.

The cost of a modular elevator starts at about \$100,000 but the final cost is specific to the site, Beltran said.

“It depends on the project, the layout, how much steel we are using, how many stops in the elevator,” he added. “But it’s very competitively priced.”

The biggest challenge faced by the business is not being involved early enough in the planning of a project. Right now, the lead time to fabricate an elevator is about 16 weeks.

“We like to be involved early in the process so when the architect is submitting those plans to the city for approval, they can stick our plans right in,” Beltran said. “It makes

the process seamless. It doesn’t have to be a deferred approval, which adds more time to the approval process.”

There are other challenges at a worksite when it comes time to install the elevator.

“Because we crane the elevator into place, if there isn’t the appropriate access, there are power lines, things like that, those are some of the challenges we deal with,” Beltran said.

With the COVID-19 pandemic still going on, the company’s management has solidified its pricing and has incorporated the lead time in order to coordinate and communicate with contractors so they know what is going on at the company and are able to adjust their construction schedules so that the elevator can be delivered on time, Beltran said.

“We have a 99 percent inspection pass rate for all of our elevators,” he added.

**Supply chain nimbleness**

The coronavirus outbreak has presented challenges common to the entire manufacturing sector. When the pandemic started, there was talk about parts and components being delayed due to shutdowns at suppliers. In fact, Modular Elevator’s supplier of elevator doors shut down due to COVID-19 but the company was still able to secure its orders, Beltran said.

The company is nimble enough that it can make quick changes to the sequence of how it puts the elevators together in order to maintain the lead times that it committed to its clients, he added

“We have not had any problem delivering product due to that shut down of the door (supplier), for example,” Beltran said. “We made adjustments to our process, so we’d be able to still meet the demand for our elevators.”



Passenger Ready: Elevator after installation.

# Tharpe & Howell, LLP Welcomes Ovsanna Takvoryan

## Tharpe & Howell, LLP is pleased to announce that the firm has launched a Bankruptcy & Financial Restructuring Practice Group

Ovsanna Takvoryan, who recently joined Tharpe & Howell, LLP, will serve as the Chair of the firm’s Bankruptcy and Financial Restructuring Practice Group.

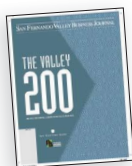


Ovsanna Takvoryan

The group will specialize in complex restructuring and bankruptcy matters, bankruptcy litigation arising out of Chapter 7 and 11 cases, and reorganizations across a wide range of industries including entertainment, commercial real estate, retail, hospitality, healthcare, sports, technology, manufacturing, automotive, construction and the financial services industry.

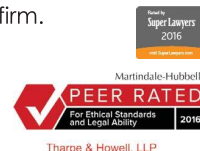
Ms. Takvoryan’s expertise includes representing clients in bankruptcy and out-of-court restructuring transactions. Ms. Takvoryan also handles all aspects of business transactional matters and will be a great addition to our firm’s Corporate Practice Group consisting of Business Transactions/Intellectual Property, Outside General Counsel Services, Corporate Formation/Mergers & Acquisitions, and Contract Review/Contract Dispute practice areas.

Prior to joining Tharpe & Howell, LLP, Ms. Takvoryan was a partner at an international law firm.



Established in 1977, Tharpe & Howell, LLP is an AV-Rated full service law firm, partnering with businesses to provide practical, innovative, and cost-effective civil litigation strategies and transactional solutions.

**Contact: Ovsanna Takvoryan, [otakvoryan@tharpe-howell.com](mailto:otakvoryan@tharpe-howell.com)**



15250 Ventura Boulevard • Ninth Floor • Sherman Oaks, CA 91403  
**[www.tharpe-howell.com](http://www.tharpe-howell.com) • P: 818.205.9955 • F: 818.205.9944**