

# Supply Chain Pain

New Orleans construction industry professionals speak out on price increases, delays

BY RICH COLLINS

**PANDEMIC-INDUCED SUPPLY CHAIN SNAGS** are affecting every aspect of the construction industry as manufacturers worldwide attempt to rev up production and transportation of goods. In New Orleans, real estate and construction pros are getting creative to deal with unwelcome price increases and delays.

Jordan Gurren Rose, owner and co-founder of GoodWood NOLA, is an example of someone who's had to become a procurement pro in this unprecedented era.

Founded in 2014, GoodWood is a specialty contractor that provides architectural fabrication and custom furniture for restaurants, retail stores, salons, homes and other spaces. The company has created custom wood and metal fixtures for local businesses including District Donuts, Rubensteins and the Hotel Saint Vincent. At this stage of the pandemic, GoodWood's 15 employees are busier than ever, but Rose said he has to be more flexible than ever about the materials he uses due to supply chain woes.

"The biggest problem that we're having is that it is really difficult to get some of the stuff that has been relatively easy to source in the past," he said. "I can work with an increase in price, but if I just can't get the material at all, then I can't do my projects, and that's been the most frustrating thing."

Although Rose said specialty hardwood prices haven't jumped very much, the cost of construction-grade lumber hit historic highs earlier this summer before starting to come down. Aluminum and brass costs have also risen steeply over the last six to eight months, and certain plywoods are hard or impossible to get. Rose said a type of high-quality Baltic birch plywood he orders from Europe is unavailable until next year.

"It's just the best and the flattest," he said of the wood. "It's got 11 layers of lamination compared to the typical Home Depot stuff, which has about five,

“**Soon, the biggest problem became window manufacturers. Window packages that previously took three weeks climbed to four months. Problems seem to have arisen from both a shortage of labor and of component parts.**”

**Michael J. Bell,**  
Architect



so it's really high quality and we use it for the interiors of a lot of cabinets. It's completely out of stock so we've had to get the closest thing we can find."

Rose is one voice in a vast chorus of construction pros singing the supply chain blues. Another example is AOS Interior Environments President Shelby Russ, who said pricing and availability for many of the commodities he deals with are incredibly fluid coming out of the pandemic.

"Increased demand for construction materials, limited product inventory and supply chain disruptions are all driving up construction costs and resulting in longer lead times for obtaining materials," said Russ. "We are receiving notifications from our manufacturers almost daily, announcing significant price increases that are being cited as a 'force majeure.'"

AOS is a massive FF&E (furniture, fixtures and equipment) contractor in

Louisiana and Mississippi, so Russ said he is able to maximize the company's "procurement leverage advantage" with manufacturers and suppliers as much as possible. However, he said it's important for clients to understand that ultimately this problem is out of the manufacturers' control as well.

"Most suppliers have absorbed as much of the brunt of the logistical costs as they can and are now being forced to pass on those costs to consumers or fold," he said.

Ryan Mayer, owner of Mayer Building Company, a commercial general contractor, said he's experienced issues with almost all construction and assembly parts.

"Unfortunately, while we monitor the news and take the pulse of the great subcontractors with whom we work, it's hard to see the next domino that will fall. Resin shortages beget paint supply issues and manufacturing issues are slowing down 'built' or 'fabricated' parts like doors and appliances. Today I heard the largest gypsum supply

