

# Predicting the Future of Contract Locating

This column is the last in a series of nine focusing on the contract locating industry. For many of my columns, I relied on two friends to challenge my thinking on what material needed to be presented. The few personal opinions I voiced were based on intimate knowledge of the subject at hand. When it came to outside opinions, though, I came to count on my two friends—one from the contract locating side and one from the utility side—to give me their comments after each column. Let me give you a sample:

“With regards to ‘On the Mark’ (October/November issue), you and I know that this was no rogue technician. I’m sure that many highly respected locating company field supervisors squirmed when they read the comments because they know them to be true. My field observations have confirmed it time and again as well. I have audited thousands of tickets over the last ten years. Unless the utilities were un-

equivocally buried in separate trenches, I will always see the red electric mark in the center flanked on either side by telephone and cable TV. Were these marks verified by attaching to each utility? I highly doubt it.”

Which one of my friends wrote this—utility or contract locator? I’ll let you guess. But without my friends’ support, I am certain that the columns would have been much more difficult to write. I should also mention that I received quite a bit of feedback from others this past year. While you might have not seen your input in print, I can only tell you that Underground Focus is not done covering the contract locating industry. Your input is part of the reason why we will expand our coverage of the business. In fact, when it comes to contract locating, I believe that the future holds a lot of surprises for readers of our magazine. I bet that the future holds a lot of surprises for contract locating companies, too.

What allows one contract locating company to perish and another to flourish is not something I can always put my finger on. Sometimes if you just wait a few years, the companies that were doing well stop and the ones you left for dead perk up again. Another problem I have—and maybe you do, too—centers around the notion that this is a profitable business. No doubt it has been profitable for some. We read about investors who buy for \$40M and sell for \$80M. But I wonder about the underlying business, don’t you? It seems to me that it’s pretty easy to have more expenses than income. What if there comes a time when there are no more buyers?

But a lack of buyers is not the case for now. The phone rings daily in some offices until a deal is struck or a deal blows up. Does it matter how well the contract locating company is serving the needs of excavators? We’ll see. **UF**