



Beyond the Build:

How Demand, Policy and Procurement Are Reshaping Industrial Construction

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Executive Summary

Industrial construction is in an era of significant transformation. Across the United States, demand continues to grow for infrastructure, energy, defense, advanced manufacturing and mission-critical facilities. Meanwhile, supply chain uncertainty, labor constraints, regulatory requirements and expanding infrastructure needs are changing how projects are planned, sourced and delivered.

The result is a construction environment where execution has become just as important as demand. Owners are looking for greater certainty. Contractors and fabricators are being asked to manage increasing complexity. Procurement, compliance and coordination now influence project outcomes as much as engineering and construction expertise.

At the center of this shift is a growing need for partners that can align planning, production and execution under one coordinated approach. Through its one-stop solution, vertically integrated services and commitment to Building American Excellence, [Extreme Steel Inc.](#) (ESI) is positioned to help clients navigate this changing landscape while supporting the infrastructure projects shaping the future of American construction.



Introduction

The Market Isn't Slowing. It's Shifting.

Industrial construction is entering an era of significant [transformation](#). While overall construction spending declined nearly [3%](#) year-over-year during 2025, investment tied to data centers, energy infrastructure, defense projects and advanced manufacturing continued to create growth opportunities across the engineering and construction sector. Industry value reached approximately [\\$890 billion](#) during the second quarter of 2025, reinforcing that demand remains concentrated in sectors supporting long-term infrastructure and economic growth.

What has changed is the complexity surrounding project delivery. Procurement uncertainty, labor shortages, compliance requirements and infrastructure expansion are influencing how projects are planned, sourced and executed. Owners are facing increasing pressure to manage risk, maintain schedules and meet higher expectations for accountability and transparency.

These conditions are reshaping the industry and creating a clear divide between organizations that react to complexity and those that are built to manage it.

For [Extreme Steel Inc.](#) (ESI), this environment reinforces the value of an integrated approach. ESI aligns engineering, detailing, fabrication, logistics and erection under one coordinated system, helping clients navigate increasingly complex project requirements while maintaining visibility, accountability and execution certainty.



The Challenge: Demand Is Growing. Complexity Is Growing Faster.

Section 1: Procurement Pressure: Procurement Has Become a Strategic Function

Procurement has become one of the most important factors influencing project delivery. Material shortages, long lead times and procurement uncertainty continue to affect project schedules and planning decisions across the construction industry. As a result, procurement decisions more often than not influence engineering schedules, fabrication sequencing, workforce planning and field execution.

Organizations are responding through supplier diversification, domestic sourcing initiatives, strategic procurement planning and greater supply chain visibility. Nearly half of engineering and construction executives characterize their supply chains as [fragile](#) due to geopolitical tensions and ongoing market uncertainty.

This shift has elevated procurement from a purchasing function to a strategic business function. Visibility into sourcing, production and delivery timelines has become more important as organizations seek greater control over project outcomes. Material traceability, supply chain resilience and stronger supplier relationships are becoming critical components of risk management strategies, particularly for projects operating under strict regulatory or performance requirements.

Workforce and Capacity Constraints Are Reshaping Project Delivery

Competition for skilled labor continues to challenge the industry as [forecasts](#) project a need for approximately 499,000 additional construction workers in 2026. By 2031, approximately 41% of construction workers are expected to retire, increasing pressure on workforce development and long-term labor availability.

These workforce realities are changing how organizations define capacity as it is no longer measured solely by production output. Capacity is increasingly defined by an organization's ability to coordinate resources, maintain workforce stability, manage risk and execute consistently across multiple project phases.

As projects become larger and more complex, organizations with established operational systems, experienced teams and scalable capabilities will be better positioned to meet growing demand.



Section 2: Public Investment: Public Investment Is Creating New Construction Opportunities

Infrastructure, Energy and Defense Projects Are Expanding Demand

Federal [investment](#) continues to support growth across infrastructure, energy, defense and advanced manufacturing. Major public investment initiatives are helping drive construction activity across sectors that require significant coordination, specialized expertise and long-term operational reliability.

Commercial and institutional planning activity increased [30%](#) year-over-year in August 2025, reflecting continued project development activity despite broader market uncertainty. This demand is creating opportunities throughout the engineering and construction sector while increasing competition for skilled labor, fabrication capacity and specialized resources.

Accountability Is Now a Project Requirement

Federal construction projects introduce additional layers of complexity. Requirements associated with domestic [sourcing](#), prevailing wage [standards](#), procurement [regulations](#), documentation requirements and quality control standards influence how projects are planned and delivered. Material traceability, labor classification, compliance documentation and coordination across multiple stakeholders are critical project requirements.

Success in these environments depends on maintaining alignment across procurement, fabrication, logistics and field execution while ensuring compliance throughout the project lifecycle. As federal investment continues to expand, organizations capable of managing both operational complexity and regulatory requirements will be increasingly valuable partners.



Section 3: AI Economy: AI Infrastructure Is Reshaping Long-Term Construction Demand

Data Centers Are Becoming Critical Infrastructure

Few sectors better illustrate the changing nature of infrastructure than data centers. The rapid growth of AI, cloud computing and digital services is driving unprecedented demand for physical infrastructure. Data centers require structural systems, power infrastructure, cooling systems, utility capacity and mission-critical construction expertise. Global AI workloads are expected to increase data center demand by more than [50%](#) by 2030.

This demand extends far beyond technology companies. It is creating opportunities throughout the construction industry as organizations invest in the facilities required to support future computing needs.

Digital Infrastructure Depends on Physical Infrastructure

The scale of projected growth demonstrates why AI infrastructure is increasingly viewed as a long-term infrastructure investment rather than a short-term technology cycle. U.S. data center power demand is [projected](#) to increase from approximately 33 gigawatts in 2024 to 176 gigawatts by 2035. AI-related data centers alone could account for approximately 123 gigawatts of that future demand.

Consequently, industry [estimates](#) project approximately \$106 trillion in cumulative infrastructure investment will be needed globally through 2040, including \$23 trillion for energy and power infrastructure and \$19 trillion for digital infrastructure.

As data center development accelerates, digital infrastructure is becoming increasingly connected to power generation, utility systems and industrial construction. In many markets, access to power is already emerging as a key constraint on future development. The result is a new infrastructure landscape where digital, energy and industrial systems must be planned and delivered together.



Section 4: Power of Partnerships: The Power of Partnerships and Strategic Capacity

Scale Requires Collaboration

Meeting future infrastructure demand requires more than technical expertise. As projects become larger, faster and more specialized, collaboration between organizations with complementary capabilities is becoming increasingly important. Strategic partnerships allow companies to expand operational capacity, strengthen execution capabilities and respond more effectively to changing market requirements.

This trend is particularly evident within mission-critical infrastructure, where speed, precision and coordination directly influence project success. Organizations that can align expertise across multiple disciplines are better positioned to support increasingly sophisticated infrastructure projects.

Investment Creates Readiness

Leading organizations are investing ahead of demand. Facility expansion, workforce development, operational improvements and technology adoption are helping construction firms prepare for future growth opportunities. Strategic partnerships, acquisitions and recapitalization efforts are also playing an increasingly important role in strengthening regional capacity and supporting long-term expansion.

ESI's strategic partnership supporting modular electrical infrastructure and its recent recapitalization initiative reflect this commitment to growth, operational investment and expanded capabilities. These investments go beyond expansion and create the capacity necessary to support increasingly complex infrastructure, industrial and mission-critical projects.



Section 5: Solution Conclusion: Building American Excellence Through Integrated Delivery

A One-Stop Solution for Complex Projects

Traditional construction delivery models often separate engineering, detailing, fabrication, logistics and erection across multiple organizations. While common, this approach can create communication gaps, increase project risk and reduce accountability.

ESI approaches project delivery differently, through its one-stop solution, ESI provides all-encompassing, vertically integrated services from concept to completion. Engineering, detailing, fabrication, logistics and erection operate as connected components of a single delivery system, creating greater visibility, accountability and coordination throughout the project lifecycle.

Why Integration Matters

Integrated delivery provides advantages that become increasingly valuable in today's construction environment. Federal projects require traceability, documentation and compliance. Infrastructure projects demand predictable schedules and quality control. Mission-critical facilities require precision and consistency.

By aligning planning, production and field execution under one coordinated structure, ESI helps reduce handoffs, improve communication and strengthen accountability across every phase of delivery. This approach supports ESI's commitment to quality, safety and operational excellence while helping clients navigate increasingly complex project requirements.

Positioned for What's Next

The future of industrial construction will be shaped by demand, policy and procurement. Organizations that can combine operational scale, technical expertise, strategic partnerships and integrated execution will be best positioned to succeed.

Through continued investment in people, technology, operational capacity and strategic partnerships, ESI remains focused on supporting the infrastructure projects driving future economic growth throughout the Mid-Atlantic region. This commitment reflects ESI's broader mission of Building American Excellence.



Section 5: Solution Conclusion: Building American Excellence Through Integrated Delivery (Cont.)

Building American Excellence for What's Next

Industrial construction is being reshaped by a powerful combination of procurement pressure, public investment and infrastructure demand.

Supply chain uncertainty continues to influence project planning. Federal investment is creating new opportunities while increasing expectations for accountability and compliance. AI infrastructure is generating sustained demand for data centers, power systems and mission-critical facilities. Together, these forces are changing how projects are delivered and what owners expect from their construction partners.

The organizations best positioned for long-term success will be those capable of creating certainty in uncertain environments through strategic partnerships, resilient operations, scalable capacity and integrated execution.

For ESI, that means continuing to deliver the expertise, coordination and accountability required to support the next generation of American infrastructure.





About Extreme Steel, Inc.

Headquartered in Winchester, Virginia, Extreme Steel Inc. (ESI) along with its partner and recent acquisition Superior Ironworks in Sterling, VA, revolutionizes structural steel solutions with smart technologies and unmatched expertise. Building American Excellence, ESI sets and exceeds standards of excellence in the structural steel industry – with the right people, right tools and right ideas. ESI puts safety first, which accounts for a supportive, creative and professional work environment and a job done right.

Visit <https://extremesteelinc.com/>



About George Skaros, Chief Executive Officer

George Skaros is a seasoned financial executive with deep experience in private equity, strategic planning and operational transformation. As Chief Executive Officer at Extreme Steel, he partners closely with leadership to drive growth, improve profitability and guide long-term financial strategy.

With a global background across industries and a strong track record in M&A, turnarounds and fundraising, George brings both hands-on leadership and high-level financial expertise. He's known for building strong teams, streamlining operations and leading through complex business challenges with integrity and clarity.

George thrives at the intersection of strategy and execution, playing a key role in advancing Extreme Steel's continued success.

LinkedIn: [George Skaros](#)



Building American Excellence.

To request a project consultation, schedule a virtual facility tour or to learn more about how Extreme Steel can streamline your next project [contact us today.](#)

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and Professional Dedication



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John K. Smith, Chairman of the Board

Washington Building Congress
Craftsmanship Award Winner

Superior Iron Works

for
Metals: Structural Steel Framing

Capitol Crossing

In Recognition of Exceptional Skill, Quality Craftsmanship
and Professional Dedication



Confirmed and awarded on March 16, 2023

John K. Smith, Chairman of the Board

Washington Building Congress
Craftsmanship Award Winner

Superior Iron Works

for
Metals: Miscellaneous Metal Fabrication

Square 487 - 600 5th Street Office Renovation

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