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**Erin Burnett, Anchor:**

Two of the biggest infrastructure CEOs with us for a summit and a call, perhaps, for John McCain to join the Obama administration. We'll be right back.

[Commercial break]

**Burnett:**

Infrastructure, the closest thing to an economic silver bullet we've got. At least, that is the consensus in public opinion and political opinion in this country right now. But is it the reality? Let's ask two CEOs on the front lines. Joining us, Ron DeFeo, Terex chairman and CEO, and Frank MacInnis, EMCOR chairman and CEO. And, obviously, we're talking cranes, everything you need to build things, and obviously inside buildings, you need to light it or make it green.

That's where you come in. Our viewers know both of you, but we don't always have you together, so this is going to be fun. You have taken the time to answer some of the biggest questions out there. First of all, you're both pro-infrastructure, you're in the business.

**Ronald DeFeo, Chairman and Chief Executive Officer, Terex Corporation:**

Sure.

**Burnett:**

Okay, let's just put that out on the table. Let's tackle question number one: How much money should we be spending, over what time?

**DeFeo:**

Well, I think we need to spend the money that's needed. Short-term, we need to fix what is broken and we should do whatever we can for safety. Long-term, we have to be planful. We have to think about how we can get a return on the investment. The issue is not money. The issue is the benefit the money delivers. And, we have to hold people accountable to deliver a benefit.

**Burnett:**

Frank, how do we do that?

**Frank MacInnis, Chairman and Chief Executive Officer, EMCOR Group Inc:**

Well first of all, just in terms of a benchmark, the total value of non-residential construction put in place in this country last year was about seven hundred billion dollars. There is an issue of how much money you can throw at a sector without over-straining its capacity.

**Burnett:**

Right.

**MacInnis:**

I think the right number is two hundred and fifty to three hundred billion over three to four years.

**Burnett:**

Right, well it's interesting when you look at education, right? We throw a lot of money at it...

**MacInnis:**

Exactly.

**Burnett:**

...and test scores don't always go up. I mean, this would apply to everything- which brings me to the question of shovel-ready. It has sort of become a joke—there's even been little language things written in the paper over this new vogue term, right? If it's shovel-ready, it means all the environmental clearances are done, we can start it now, we get jobs now, and that's a good thing. That's what everybody thinks. Except for maybe it's not. How come? What is the problem with shovel-ready?

**DeFeo:**

Well, shovel-ready assumes that everything is done, ready to go, and they're all good projects. They may be pet projects, but there's a difference between pet projects and good projects. The infrastructure bank that's bi-partisan, that's supported, is something that should be used to help identify what the right long-term projects are. But, we can't seem to get that through the...

**Burnett:**

So, an infrastructure bank is the way you'd fund this?

**DeFeo:**

...it's a bi-partisan proposal from Senators Hagel and Dodd. I think we should start with that.

**Burnett:**

Right.

**DeFeo:**

See if we can make it better, and maybe there's even somebody really good to run it.

**Burnett:**

Well, they've been pushing this for a long time. Senators Dodd, and who had before it, before this crisis even came up, he was talking about the bank.

**DeFeo:**

Right.

**Burnett:**

You, though, have someone to run it, Frank?

**MacInnis:**

I do. I think that in the same way that we continued to talk, fifty years later, about the Eisenhower highway system, that we should in another fifty years, be talking about the McCain infrastructure system. I think this situation calls for somebody with real juice, with a history of being disciplined in terms of fiscal affairs, who has respect from both sides of the aisle...

**Burnett:**

Hates earmarks.

**MacInnis:**

...hates earmarks, precisely. I think he's the man for the job, and I think this will be a lasting legacy to his contributions to America.

**Burnett:**

And, it's funny, because you had this idea, but Ron said you love it?

**DeFeo:**

Go for it. I think it's a great idea. I mean, really, the key here is to do something that contributes to our society and makes this country a better place without all the pork. Because the people don't want us to waste money.

**Burnett:**

No.

**DeFeo:**

But, they want the investment. They want a better life. They don't want to have second-class infrastructure, second-class roads, second-class bridges, second-class rail systems, second-class ports. We want the best, but we don't want a particular politician's preferential bridge to nowhere.

**Burnett:**

And, the problem is, Frank, is where we're going to end up. I mean, the way this is going, we don't have to end up there, but the way this is going - it's almost impossible to avoid that fate. Unless you structured an organization, you had someone—like a John McCain—in charge of it.

**MacInnis:**

Somebody with real power at the bully pulpit to make people move, to make the EPA streamline the process in order to get these projects approved. To make sure that the labor unions and other sources of labor are behind the arrangements necessary to get these done in a hurry. I'm really worried about the trade-off between shovel-ready and smart. It seems to me that the things that can be done very short-term will certainly pay back the unions and other contributors to the Democratic Party, but may not be smart long-term in terms of their lasting value and contribution to our society.

**Burnett:**

We keep talking about this example, when I was talking to the Mayor of Flint, Michigan, where he said he built four hundred miles of roads and had a whole new fleet of garbage trucks and trucks, and that's great, but they still only have GM as the employer.

**MacInnis:**

Exactly.

**Burnett:**

So, if you don't deal with the broader demand issue in the economy...

**DeFeo:**

Right.

**Burnett:**

...and have commerce to go with all this infrastructure.

**DeFeo:**

Twenty, thirty-year vision.

**Burnett:**

You build it, and then you have to spend another few hundred trying to fix it again. So, what about green? This is something I want to ask you, because Barack Obama has spoken about this, about retrofitting buildings to be green. What does this mean? What does this cost? Does that make sense?

**MacInnis:**

I don't know what he means when he says retrofitting buildings to make them green, because the best result of retrofitting buildings is to make them energy-efficient, which is...

**Burnett:**

Which is green. Right. Yeah.

**MacInnis:**

...usually green, but not always. He's right in saying that the process of retrofitting both public and private sector buildings is the best way to get a big bang for the buck right now that will also pay us off in the long-term future. The technology is there, the engineering is not very significant, the products are ready to go. It can be done with a relatively small amount of money that I think should take the form, in the private sector...

**Burnett:**

Right.

**MacInnis:**

...of investment tax credits to give, the installer and the purchaser of those systems an immediate tax break. I think that that'll stimulate the private...

**Burnett:**

So, you do that instead of just pumping the money in pure and simple and saying do it.

**MacInnis:**

Absolutely.

**Burnett:**

Now, is that is a person-intensive thing? I mean, if I were going to retrofit, let's just say office buildings in New York, is this more of a technological thing, or do I get jobs from it?

**MacInnis:**

It benefits the manufacturer of the control systems and it also benefits, of course, the installer and the manager, the maintainer of the building. So yes, it's positive on both sides. Both the manufacturing sector which is truly suffering badly just now, and also the engineering and construction sector.

**Burnett:**

Alright, well, Ron, Frank, thanks very much to both of you.

**DeFeo:**

Sure.

**Burnett:**

We appreciate it. Pleasure to have you both together, and hope John McCain or someone close to John McCain was watching. And, Barack Obama too. That idea seems to make a lot of sense.

Alright, just ahead for us, car sales are plunging...