

And You

Thought

# EIFS Had Problems?

## Wait Until You Find Out What's Happening with Brick, Wood and Vinyl Siding

Things sometimes don't work out the way you expect. Take this article for instance. It was supposed to be about contractors who have trouble obtaining insurance because of the uproar surrounding exterior insulation and finish systems. But it soon became evident that the insurance fallout was only one symptom of a far broader situation, and that the same complaints about EIFS are now surfacing about brick, wood and vinyl siding. In other words, the scandal relates not simply to EIFS, nor simply to wall and ceiling subcontracting, but rather to the construction industry as a whole.

Let's go back to the start of this controversy and attempt to sort it out.

What Morris Mehrer, president of Joseph J. Jefferson & Sons, Inc. in Seattle, calls the "media bomb" was detonated in North Carolina about three years ago when EIF systems began to fail on a sensational scale. The media fallout continues to this day.

To what degree are EIF systems themselves at fault? None whatsoever, appears to be the consensus among informed observers.

"I have EIFS on my own house and would not hesitate to recommend it anywhere else," Mehrer says.

"There's nothing wrong with EIFS," adds Andrew Poczik,

vice president of Construction Systems Inc., Columbus, Ohio. "Most of the articles written about EIFS are so poorly researched, they are a joke."

Bill Adams, CEO/president of W.G. Adams Corporation, Marietta, Ga., whose pioneering work in EIFS remediation was featured in the September issue of *Construction Dimensions*, points out that EIFS manufacturers have provided proper application instructions from day one, but they simply have not been followed.

The problem is not EIFS, but rather "the quality of the other materials EIFS connects with, and especially how it interrelates with this material," Poczik says. "This includes doors, windows, roofing, flashing, caulking, gutters, downspouts—any point where there is a connection of EIFS with something else."

In agreement is Mehrer. "In most cases the problems rise from the EIFS interface with other material, which is where the water gets in," he says. "I'm a strong believer in harmonized production. If one part of the project fails, the whole project fails."

Yet, if the problem is in the application, then certainly a significant part of the blame must go to the EIFS applicator and, by extension, to his superiors who tolerate it. However, Jerry Baker, vice president, exterior systems at Precision

Walls, Inc., Raleigh, N.C., along with Poczik, both commercial wall and ceiling contractors, maintain that the problems with EIFS have arisen primarily in the residential segment of the market—not the commercial sector.

The reason offered by Ponik is that commercial contractors tend to have a better, higher paid labor force, much more carefully regulated by project managers, architects and other superiors. Moreover, with a building boom and low unemployment, as well as a market driven by the lowest possible price, specifications and standards are simply not as high a priority or as well enforced in the residential market as they are in the commercial market.

## Residential vs. Commercial

Adams, however, who limits himself to residential renovation or remedial work, suggests that the problem is not necessarily limited to residential. Commercial EIFS may last longer because

# The water infiltration problem is not limited to a single exterior cladding, a single city or a single state.

of better workmanship, but even shoddy work in the residential market has lasted a few years. If EIFS had started coming apart at the seams right at the start, it certainly would have been noticed then, and would not have gained the popularity it has. Adams, who made a comeback in the industry and found his niche into taking out failed EIFS and putting them in right, saw his successes plummet up to last July “It suffered the first half of the year, and I had to question everything I did,” he says. Fortunately, he reports, he recovered the second half of the year.

A key reason for the downslide was competitors who came in offering to repair EIFS at a cheaper price. Apparently, enough people are now seeing that shoddy solutions are not the answer to shoddy applications. But there is still widespread resistance, which is why he says, “I can’t break into new residential or commercial work, for I know I would have to put the product up according to existing specifications, and that I can’t allow myself to do.”

The problem is not simply the inadequacy of the interface, which is generally acknowledged by wall and ceiling contractors but more specifically, he maintains, “Ninety-nine percent of the people in my industry still disagree on the proper sealant.” People will say, for instance, that the window is leaking. They will point to where the problems are, rather than at the solutions.”

The solution, or the proper configuration of the sealant, is, as Adams explains in more detail in the September article, both expensive and time consuming. As part of his evolution, Adams says he has to make a change he initially resisted: His company has become a moisture control contractor as well as a wall and ceiling contractor.

Of course, the time and expense put in up front to do the job right ultimately saves in the long run. Adams recalls that in

the mid-1980s, “when stucco started taking off, contractors put up thousands of \$500,000 homes with so-called stucco systems costing \$90,000. The three components to this conventional stucco are cement, clay and lime. But the contractor substituted for lime a kaolin-based product, which is clay. Clay absorbs water and rots off the wall. Hit it with a hammer, and it crumbles. Now, 10 to 15 years later, you can’t repair them. A house I did is now 20 years old and still looks beautiful. But, at the time, I was laughed off a lot of jobsites. I was told, ‘I get it put on 30 percent cheaper than you, so why should I use you?’” Adams sees an expanding market for him gutting these once-upscale homes and doing them over.

## Don’t Blame EIFS

Yet Adams also suggests that the problems attributed to EIFS are not limited to this material alone—in just the last few months, similar problems have been uncovered with brick, wood and vinyl siding.

Baker agrees. “There’s been an acknowledgement by the brick industry that you have to have proper moisture protection, such as flashing around the windows,” he says.

“Brick houses are going up without any barriers all through Atlanta,” Adams adds. “You still see flashing outside the brick where it should be behind and through the brick. The same as in Florida.”

Adams also relates that the Masonite Corporation, maker of a synthetic wood siding, has come out with a 12-minute video outlining the moisture problem. In the video, the Masonite holds up, but moisture gets behind the cladding and rots out the wall behind it. “The end of the video states, ‘This is not a Masonite problem, but a flashing and sealant problem,’” Adams says.

What up to now has been called “the EIFS problem” by many should more properly be called “the moisture problem.” And one step toward a solution is that all wall and ceiling contractors follow the lead of Adams and become moisture control contractors as well. But progress is not easy, Adams says, and the reason is the problem can’t be attributed to a few wall and ceiling contractors in North Carolina. It really permeates the entire building trade.

“It drives me nuts to see painters using a latex-based sealant

they’ve got from the paint store,” says Adams. “Latex is water-soluble, which is easy to put on, but is exactly what you don’t want. And they try to squeeze the sealant into a joint, when you need to put on a sealant bead. Builders will then blame the resulting problems on the poor quality of the brick or the application.”

Adams adds that, “Builders on new construction sites think I’m crazy, because I’m the most knowledgeable person there about moisture infiltration. They should not be getting the information from me, but they’re not getting it from who should be their reliable sources. The problem is that any builder asks himself why he should pay twice as much to do it the way I suggest when everybody else does it differently, and it’s always been done that way.”

The problem is that EIFS is still taking the rap for what is, basically, an unresolved moisture infiltration problem that is widespread throughout the construction industry. Baker, who is also

# New EIFS companies may find that insurance is expensive.

a past vice president of, and active in the Carolinas Lath and Plastering Contractors Association, whose main focus is to “professionalize” the stucco industry in North Carolina and South Carolina and get accurate information out to the public, expresses his frustration that the media continues by and large to tell the same story and won’t even engage in a dialog. The same is true with state agencies such as the attorney general’s office, the building code council and inspection department as well as many of the builder’s associations.

Not all have closed minds, however. Both Baker and Adams have praise for the National Association of Home Builders, whose research center is doing much to get at the truth of this matter, as well as to promote proper application methods. Adams cites the NAHB’s findings that 48 percent of the moisture intrusion problems associated with EIFS occur at window and door openings and 38 percent with roof terminations. Adams adds that NAHB Research Center has a very good Web site: nahbr.org.

Adams mentions that some of his local associations, such as the Atlanta Home Builders Association, are addressing the problem in a positive manner. Adams praises the Association of the Wall and Ceiling Industries—International for its educational efforts directed toward inspectors and mechanics, but adds that he is in agreement with the EIFS Industry Members Association, which says that at some point, the two sides have to come together to relate the moisture infiltration problem in the wall and ceiling trade to the identical problem in all the building trades.

Just as the water infiltration problem has not been limited to a single exterior

cladding, so too it has not been limited to a single city in North Carolina . . . or a single state, for that matter. Baker reports that the problem is being uncovered all throughout the country, excluding areas, perhaps, such as Arizona, but including all those other areas near a coastline or inland lake, or that experiences other moisture such as from rain or snow—in other words, most of the country

## In Good Hands?

It is in this broad context that insurance issues relating to EIFS should be discussed. How bad is the problem? Adams says it hasn’t affected him, yet, on the other hand, he’s had no complaints. Ponik and Baker say they haven’t had problems with insurance, though attributing that to the fact that they haven’t had EIFS failures due to the nature of their commercial work. Baker also says that since Precision is a large drywall firm, it has a lot of power that the average applicator of synthetic products does not have, and that he is “completely aware of the insurance problems these applicators have.”

The problem started in North Carolina when Maryland Casualty came out very strongly against EIFS and stopped issuing liability policies to EIFS contractors. At this point, this negative response is continuing at an uneven rate. Mehrer relates that his carrier did not want to renew, and his broker had to shop through several other companies, many

of whom did not want to offer insurance to his company, or they required a higher premium for the policy

Darrell Ernst, president of Phoenix Precision Drywall, Inc., Vero, Fla., says he did not see insurance difficulties where he previously worked, but he does with his new company, which he’s recently formed. “It may have to do with the fact that we’re a new company, but we’ve found very few insurance companies offering EIFS coverage, and the one we found is expensive.”

Ernst says he has no choice but to absorb the cost. However, as moisture infiltration problems become increasingly revealed in brick, wood and vinyl siding insurance companies are going to have to make some sort of adjustment if they want to have any business in this arena at all. Or, as Baker puts it, “The only thing that will be covered is precast concrete.”

Along these same lines, Adams mentions that a realty company in his area, Prudential Relocation, “discovered it couldn’t just keep these houses off of its listing, yet need to get them repaired before they go back to the market, so it is being forced to address this water infiltration problem as well.”

In sum, the EIFS “problem” is really a water infiltration problem. Wall and ceiling contractors must continue to do what they’ve started, clean their own house, but also join forces with other segments of the construction industry to find a permanent solution to building failures resulting from moisture intrusion. This is a long, arduous process, but it has already begun. And, as predicts Adams, “In five years, we’ll again have a level playing field.” □