

Explore the opportunities in project development and construction

# Worldwide

#2·10

SKANSKA



Painting a  
diverse picture  
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New home for  
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## Now...

this is not Abbey Road in London. It is the new Bjørvika tunnel in the Oslo city centre where 100,000 cars are being swept off the streets. East- and westbound traffic is going underground in the new Bjørvika tunnel in the city centre, now partly open. Later this year, all four lanes will open.

The tunnel is 675 meters (2,215 feet) long and 40 meters (131 feet) wide. It is made of six elements that were prefabricated in Bergen, some 500 kilometers (311 miles) north of the Norwegian

capital. The elements, each one longer than 100 meters (328 feet), were floated along the coast, sunk in place and linked together.

The NOK billion (USD 155 million) project has been praised by the client, Norwegian Road Administration. "Good communication, open and honest dialogue have really contributed to an excellent project," says **Svein Roed**, Project Manager at the Norwegian Road Administration.



## NIMBYs and PPPprogress

Why do I sit bumper to bumper with trucks and Volvos every day? Why can't I go to Stockholm's chic SoFo and SoHo districts without getting stuck in traffic jams?

I'll tell you why. The Stockholm Ring Road was stopped by NIMBYs (not-in-my-backyard) 20 years ago and it still hasn't happened. More recently, this was also the case with the Slussen area makeover. Even plans for a new library were ditched. Who knows why?

So, the odds were bad for the new university hospital New Karolinska Solna. It was not only healthcare and life science research. It was a project worth billions. It seemed likely that the whole PPP concept would have been stuck in gridlock. But – low and behold – all parties approved the hospital and the PPP solution. From now on, PPP can stand for "Politics Pro Progress." A breakthrough and a true success for all parties.

The New Karolinska Solna is a first in many respects, but it was not received as a PPP breakthrough in the press. That's the way it works.

This Good News includes a light in the tunnel, safety commandments and a new stadium for believers in football.

alf.lindstrom@skanska.se

## 12 Record-breaking healthcare

Skanska won the New Karolinska Solna hospital project based on its global track record in the Public Private Partnership (PPP) and hospital sectors.



## Worldwide

Worldwide is the group magazine of Skanska and is intended for employees, customers and other Skanska associates. The magazine is published quarterly.

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 Project management **Jan Edén**  
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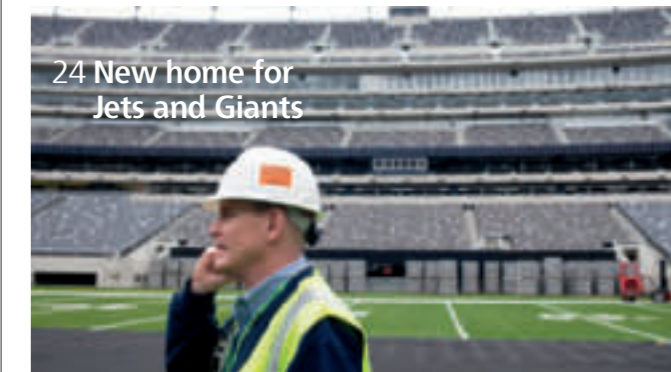
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In 2008, financial systems collapsed. Global growth turned into recession. The lights went out. But now, there is light at the end of the tunnel.



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It helps to have a new arena if you want to host the Super Bowl. Bringing Super Bowl 2014 to the New Meadowlands Stadium is the ultimate victory.



## 32 Bird's-eye view of London

Heron Tower will reach 230 meters on completion, making it the tallest building in the City of London.

## 30 Expert network for sharing

Now the Company's critical expertise is mapped and easy to find at the OneSkanska site. With the Skanska Knowledge Map, there is no excuse to be lost.





Stu Graham, member of Skanska's Board of Directors, Julian Roberts, Old Mutual Group Chief Executive and Bertil Hult, Skandia Nordic's President.

**Cutting ribbons and energy needs for Skandia**

"Skanska created a fantastic facility for us. It reflects our values of Openness, Simplicity and Commitment." Pride shone in his eyes when Skandia Nordic's President Bertil Hult welcomed a large number of guests to the grand opening of Skandia's new Swedish headquarters in Stockholm recently.

"This is a milestone in our history. Since 1855, we've only moved twice and this time we have a high-class facility that improves our efficiency and business while at the same time halving our energy needs," he continued, before handing the ribbon-cutting scissors to Julian Roberts, Chief Executive of Old Mutual Group, Skandia's parent.

All the Skanska people behind the project were naturally proud, too. "When we shook hands three years ago, we didn't quite realize how quickly the green revolution would advance," said Stu Graham, member of the Skanska Board of Directors and the man who, when CEO and President, signed the deal with Skandia. "Today we are proud to deliver a project that is at the forefront. I wish you many years of success in this new building."

**Billions of reasons to celebrate**

In early May, Skanska had a record-breaking week, with SEK 19 billion (USD 2.5 billion) in new contracts. The New Karolinska Solna project alone is worth SEK 14.5 billion.

The design and construction contract for a PPP toll road in Antofagasta, Chile, totals USD 250 million (SEK 1.8 billion).

Three schools that are part of a private finance initiative (PFI) in Essex, UK, amount to GBP 71 million (SEK 780 million).

A bypass in Katrineholm, Sweden, is worth SEK 312 million.

The development and construction of a combined congress center, concert hall and hotel in Malmö, Sweden, accounts for SEK 1.4 billion.

Finally, Skanska announced the starting of an office project in Helsinki, investing EUR 27.8 million (SEK 270 million).



**Three more years of profit sharing**

The Skanska Employee Ownership Program (SEOP) will continue for another three years. The recent Annual Shareholders' Meeting voted for a new period, from 2011 through 2013, so all permanent employees will have the opportunity to share in the Company's earnings.

"I am really pleased about this. SEOP is highly favorable, and I am proud that we can offer this to all colleagues," says Johan Karlström, Skanska's CEO and President.

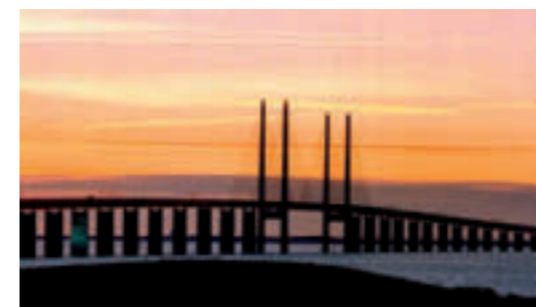
A stock ownership program open to all employees is uncommon among listed companies. SEOP has the full support of the Board of Directors and a vast majority of the shareholders.

"I have personally strongly advocated SEOP, which is linked to the financial performance of the Company," Karlström notes. "The program enhances individual commitment and performance and is attractive for potential employees."



**Being Nordic means being connected**

You would think that two neighboring countries would have the same preferences when it comes to homes. Skanska's new survey, Bopanelen, reveals that this is not the case. Bopanelen, a panel of customers and people interested in buying homes from Skanska, has found that even people's opinions on how a balcony should be designed differ depending on whether the people are Finnish or Swedish. Swedes prefer an open Mediterranean-style balcony, whereas Finns like a balcony glass-enclosed like a sunroom. These are just some of the findings that Bopanelen will disclose when it is fully implemented in the Nordic region this autumn.



**Ten years after**

The Øresund Bridge connects nations – and created a new region of Swe-Danes. More and more Danes live in Malmö and Swedes work in Copenhagen. City to city, the ride takes a mere 35 minutes. The ferry trip over one of the world's busiest straits used to take an hour. The first decade saw more than 50 million cars crossing the Sound by the bridge. Train and bus travel accounted for another 37 million people.

Skanska led the joint venture constructing the bridge – on budget and on time for the royal opening on July 1, 2000. The eight-kilometer (26,247-foot) bridge has four vehicle lanes and two rail tracks. The one-kilometer (3,281-foot) suspended section spans the Sound 57 meters (187 feet) above the waves. The 203-meter (666-foot) pylons are still the tallest structures in the Nordic region.

The environmental impact of the bridge is continuously monitored. To date, all indications point in one direction – even wildlife enjoys the bridge. Marine life is thriving by the bridge footings, and the artificial island Pepparholmen is home to a record number of the rare European green toad and a lively colony of 400 black-headed gulls.

**Strong demand for homes in Stockholm**

Skanska is developing and constructing 168 apartments in the Kungsholmen district of central Stockholm. Expectations were high when sales of Iskristallen began in May. On the first weekend of sales, more than 350 individuals and families signed up to buy an apartment in the first building, which will contain 49 homes. The location is among Kungsholmen's most attractive, adjacent to Snöflingan, a project completed in 2009.

Clearly the market for homes is strong – especially for homes in the most attractive locations. Skanska is investing about USD 78 million in Iskristallen.

**High-flying project**

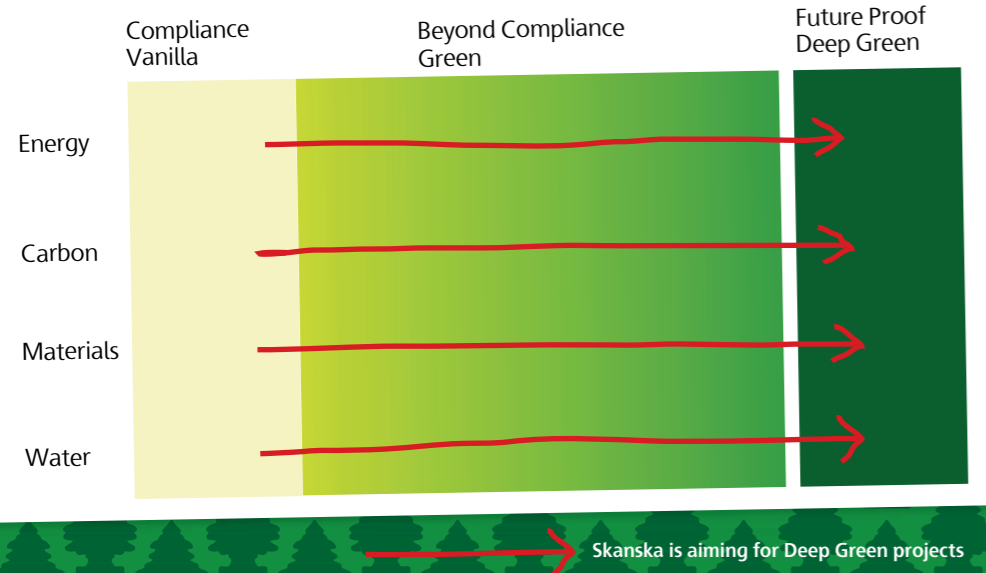
Skanska has been commissioned to build an office in Oslo. The customer is the Norwegian company IT Fornebu, which is developing the former airport area, Fornebu, in western Oslo. The new building will be the office of the Norwegian energy company Statoil.



**STATOIL**



## Skanska Color Palette™



**Vanilla** projects merely comply with national practices, codes and standards

**Green** projects surpass compliance but not so much that what we construct and how we construct it can be regarded as near-zero impact

**Deep Green** projects are defined by zero values for a set of metrics related to the top priority issues: energy, carbon, materials and water

# What green means

The Skanska Color Palette is increasingly being used for mapping where our projects are positioned on our green journey, for setting our future aspirations and identifying improvement initiatives and actions to help us achieve these aspirations. The Skanska Color Palette is really helping to define what green means to Skanska.

Text Colin Courtney Illustration Skanska and Staffan Millqvist

**Business Units** across Skanska, are focusing on actions that address the top priority areas: energy, carbon, materials and water. Green solutions – products and services that bring both environmental and economic benefits to our customers’ projects – are a vital aid on that journey to Deep Green. In the previous issue of *Worldwide*, we looked at green solutions related to energy efficiency in buildings. In this issue, we focus on materials and, in particular, their efficient use and reuse – more “how we build” rather than “what we build.” These green solutions have been used on a wide variety of Skanska projects and are an integral part of those projects.

### Satellite mapping

This technique involves importing satellite information into a computer-aided design (CAD) program and creating 3D contour site models. The 3D models enable calculation of earthwork and associated activities. Skanska USA

Civil has used this solution on several projects. On the Hanover-Empire Zinc Reclamation project in New Mexico, it was used to help model, predict and thereby prevent potentially contaminated run-off from reclamation activities. It was also used at the Safford Stormwater Project in Safford, Arizona, and the Border Fence Project near Animas, New Mexico.

### Offsite fabrication

Skanska UK fabricates mechanical and electrical service elements offsite in a purpose-built factory. Elements can include: packaged boiler and chiller pump rooms, roof plant rooms, modular services assemblies and multi-service risers. Prefabrication typically requires around 25 percent fewer work hours to fabricate and install an element compared with traditional onsite installation. It also reduces onsite waste as well as supervision, organization, welfare, travel, storage space and plant requirements.

At Barts and The London hospitals in the UK, for example, more than 1,000 prefabricated modules were installed, saving approximately 20 weeks and reducing the work force by about 50 percent.

### RFID tracking

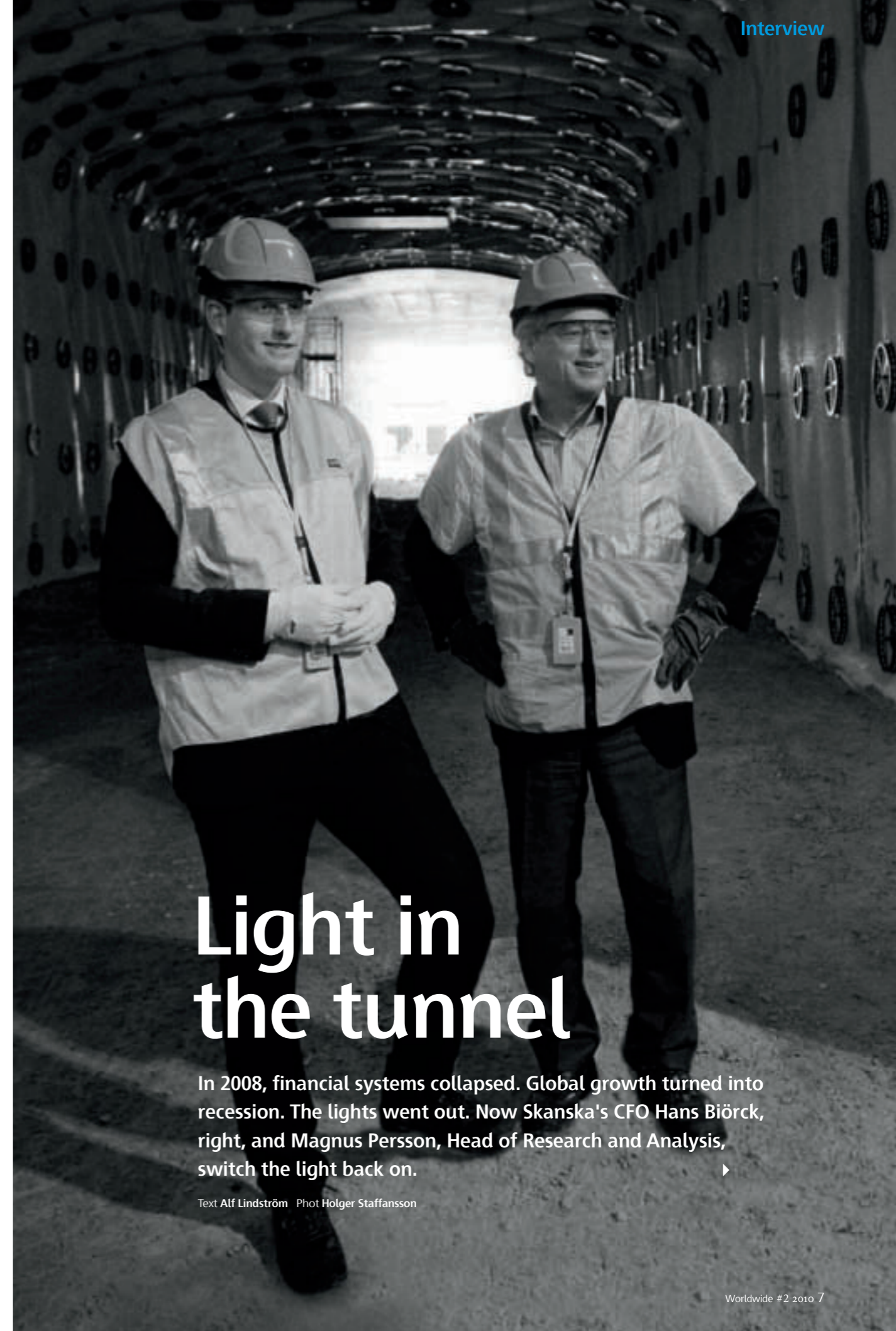
Radio-frequency identification (RFID) tracking involves the use of registration tags to allow real-time tracking of construction elements during production, delivery and installation. The RFID tags are ID chips securely attached to individual construction elements. Each element’s status is uploaded to an online database and then synchronized with a 4D Tekla structural design model, ensuring a just-in-time material flow that optimizes transportation, site movement and storage. Skanska USA Building used RFID tracking on the New Meadowlands Stadium in New Jersey, to model and track more than 3,000 precast concrete sections cast at four separate fabrication plants.

This solution ensured that each section arrived onsite in a planned sequence, which minimized storage and craneage. The solution saved up to USD 1 million in costs.

### Hydrocarbon recovery

Skanska LA uses this solution to treat and recover hydrocarbons from slop oils, which are typically waste oils that have been disposed of in open pits. Mobile treatment plants use centrifugal separation equipment to remove water and solids in order to recover the hydrocarbon products. The technique can recover between 1.2 and 2.5 barrels of oil from one cubic meter of slop. The solution normally generates a profit for the client after the recovery costs have been taken into account.

Skanska has been recovering hydrocarbons in Argentina for the oil and gas company Repsol since 2005.



# Light in the tunnel

In 2008, financial systems collapsed. Global growth turned into recession. The lights went out. Now Skanska's CFO Hans Björck, right, and Magnus Persson, Head of Research and Analysis, switch the light back on. ▶

Text Alf Lindström Phot Holger Staffansson

# “The market for commercial projects is slowly recovering. Our green offices and strong finances give us a competitive edge.”

► **“Protect the company”** was Skanska’s official battle cry. The focus shifted from winning projects to securing payments, improving execution and cutting costs. The mission was accomplished: Skanska came out stronger. At the 2008 Management Meeting, Skanska’s Executive Vice President and Chief Financial Officer **Hans Björck** turned the lights out to illustrate the darkness the Company was facing. Now, two years later, is it time to switch the lights back on? *Worldwide* asked Hans Björck and **Magnus Persson**, Head of Research & Analysis at Skanska Financial Services.

## Is the recession over and how long will the road to recovery be?

“There is light at the end of the tunnel,” says Hans Björck. “But we cannot rest assured considering the global situation. As anyone can see, there are still blackouts in certain markets. Consequently, I would say that we must be on our toes, ready to act quickly in changing markets. All the same, there are definitely some good signs. Our home markets are recovering – slowly, but still recovering. The Nordic countries in particular are gaining momentum. I am more confident that we will see growth during the second part of the year. And we can expect ‘book-to-build’ to increase as early as the second quarter. Of course, New Karolinska Solna will have a big impact.”

## What markets are most promising?

“The Nordic markets are outstanding with strong order bookings. However, the downturn was steep, so we are starting from a low level. The residential market, which typically accounts for about one-fourth of the Nordic construction market, collapsed

in 2008. But thanks to low interest rates and a rebound in consumer confidence, sales recovered in 2009.

“The infrastructure sector has kept a good pace in most markets, partly thanks to stimulus packages. We are still waiting for the market for private, non-residential investment to recover. In the United States, we have benefited from our strong base in the healthcare and education sectors as well as our strong position in growth regions like New York.”

## Do we see any threats in the near future?

“The darkest clouds are the risk of deep cuts in public spending in the UK and the Czech Republic. Also, we are closely tracking materials prices. Of course, our risk management takes this into account. But in some design/build projects, we can’t sign up all suppliers from day one, and that means bigger risk.”

“There is light at the end of the tunnel, but we cannot rest assured considering the global situation.”

## Can private investment take up the slack when the public sector has weak finances?

“Private investment can improve the situation but cannot compensate for the drop in public spending. About 50 percent of our construction revenue comes from the public sector.”

## Seven commercial development projects have been started by Skanska so far this year. Is this proof of stronger demand?

“There are signs that this market is slowly recovering. Our green offices and strong finances give us a competitive edge. We have a unique opportunity to be one year ahead of competitors who have to go to the banks for financing. We can start projects now that will be ready and available when the market heats up. Moreover, three of the seven projects started are fully leased, so our risk is contained.”

## The residential markets in the Nordic region recovered very quickly. How come?

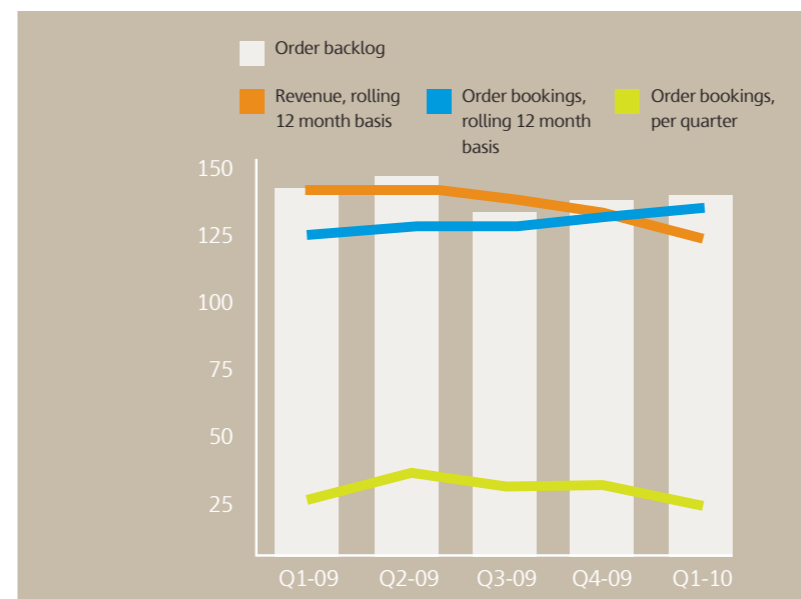
“Mortgage interest rates dropped sharply in early 2009 because of the financial crisis and consumer confidence recovered fast as there weren’t as many layoffs as originally feared.”

## Skanska’s revenues decreased but its profit improved. What’s behind this?

“Our sharpened risk assessment has proven efficient, and our performance in project execution has improved. Write-downs in construction projects have come down to almost zero. In addition, we have also been successful in cutting overhead costs in line with the shrinking volumes. A big contributor, of course, is our Commercial Development business. We have sold projects at healthy margins throughout this period. This is proof of the quality of our Commercial Development business.”

*Worldwide* asked Magnus Persson, Head of Skanska’s Research & Analysis, to comment on the big picture.

“In the short term, the challenge for



many countries is to get their economic engine up and running again. This is why major support and stimulus packages came out but have not yet been withdrawn, despite strains on government finances.

“In the medium to long term, many countries face a far more difficult challenge. Public debt has grown too quickly for too long, and deficits are projected to remain high next year as well. Coming to terms with this will have a widespread impact on public spending as well as on consumers and companies – and will last a long time.”

## Will the euro crisis affect Skanska’s markets? Will there be a domino effect?

“I think the risk of contamination may be overstated, as a lot is being done at the moment to prevent this, both at the level of individual countries and at the European level. Hopefully these measures will have a calming effect and reduce the uncertainty.

“Although Greece has been in focus lately, it is clear that several EU member countries have strained public finances. If investors start to question the ability of more countries to service their debt, it could affect the banking system as well as other sectors and become a serious problem for the euro. So we are following these developments closely.”

## Is there any stimulus money left?

“There is lots of stimulus money at work out there. But no additional, or very little, stimulus is being added. The effects of fiscal stimulus, such as tax breaks or investment programs, fade on their own, and by next year most of the effects will be gone. Withdrawal of monetary stimulus, such as interest rates and injections of liquidity, will

require action by central banks, and the timing of this depends on how quickly the economies rebound.”

## The global recession didn’t include Poland. Will Poland be able to continue growing?

“A number of factors were involved there. The export sector benefited from the depreciation of the zloty, private consumption held up well and compared to many other CEE countries Poland has a rather large domestic economy, which to some extent dampened the impact from the surrounding world. But growth rates will be slower going forward.”

## How will construction markets develop?

“That’s hard to say. It seems construction investment will be lower in 2010 than in 2009 on average for Skanska’s home markets. In 2011, investment will grow again, but from a low level.

“There are constraints on the financial side, in terms of credit available to clients, and on the demand side, as many industries in most of our home markets still have considerable overcapacity. Our assessment is that market growth will be slower for a few years than what we have seen in the past five or six years. Of course, there are still pockets of growth in specific sub-segments. Also, the infrastructure construction segment is performing fairly well in most markets.”

## And the market for commercial development projects?

“The market for commercial real estate, such as offices and retail buildings, is at a low watermark in terms of new investment.

This is particularly true in the United States and United Kingdom, but also in some other markets. Many companies in this segment operate highly leveraged and are dependent on banks and credit markets. Many developers, particularly smaller ones, find themselves in trouble today.

“Companies with financial strength, such as Skanska, have the potential to draw advantages from these market conditions relative to many competitors.”

## And residential markets?

“Sweden has chronic under-investment in apartments, which has been the case for quite some time. In the long term, then, this supply-demand gap needs to be filled. From a cyclical standpoint, all the Nordic countries have improved considerably since last year. The level of uncertainty has decreased, and that is positive for private consumption and investment.

“Going forward, new regulations in banking, together with rising interest rates, could limit upside in the market. It is difficult to imagine that residential prices will continue rising like they have been in the past few years, prior to the financial crisis.”

## Public private partnerships?

“PPP investment depends on political decisions, which makes it very hard to assess how markets will develop. That said, the conjunction of strained public finances and large investment needs in many markets certainly appears to favor this mode of procurement and financing for large projects.” ●





In addition to working with youth, developing outreach and fundraising programs and helping woman- and minority-owned businesses, James Threkill is also an accomplished artist.

# Diversity – Good business from the inside out

On the surface there are many reasons why **James Threkill** is a successful Senior National Director of Diversity Skanska USA. He is an acclaimed artist and teacher. He is an advocate for minority organizations and a leader in the community.

Text Gary Fabbri Photo Skanska Paintings James Threkill

However, it's what's beneath the surface and his passion for strengthening communities that has guided Threkill through his career and makes him a model for diversity leadership.

Threkill leads Skanska USA's commitment to proactively identify, include and support minority and women-owned businesses in the communities where they work. "We have a growing culture of inclusiveness which creates an enriching and dynamic environment for our employees," says Threkill. "It's about providing our clients with the best we have to offer."

His outreach efforts began when he received a scholarship to attend Vanderbilt University as an athlete and scholar. Upon graduation, he returned to the public housing community where he grew up and began to develop neighborhood youth art programs.

His work with the community and ability to create opportunities for minority- and woman-owned businesses are only two reasons why he received this year's Impact Award as Corporate Representative of the Year from the Tennessee Minority Supplier Development Council.

Threkill is no stranger to awards. In 1994, he received the Metropolitan Jaycees Distinguished Service Award and an Emmy Award for a mural created for the Viacom Television network. He was named CSAAM Man



of the Year in 1997 and in 1998 the YMCA Black Achievers Program named him Achiever of the Year.

When I ask him what it is that drives him to coordinate youth activities, develop outreach and fundraising programs and help woman- and minority-owned businesses, he replies, "I'm a part of the community. It's where I come from and it's something that I've always done."

He served as Special Assistant for Community Affairs and Arts in the Office of the Mayor of Nashville, Tennessee, and worked as a teacher, before making his way to Skanska.

"There's a strong business case for diversity, as well," he continues. "Skanska is recognized for partnering with woman- and minority-owned businesses on our projects, and it becomes a differentiator with our sub-contractors and clients."

"We go way beyond any governmental quotas on our projects in regards to diversity issues. We want our projects to reflect the communities where they are constructed. People are proud to go to a sports stadium, for example, that has been built by people from their community. We give local talent the chance to benefit from business opportunities whenever we can. It really sets Skanska apart from the competition."



# Record-breaking healthcare



New Karolinska Solna, just outside Stockholm, will break many records.

The new university hospital is:

- Skanska's largest contract ever
- The world's largest PPP hospital
- Sweden's first PPP building
- The first PPP hospital targeting LEED Gold certification

Text Alf Lindström Photo Holger Staffansson, Torbjörn Persson Renderings Tengbom Arkitekter

**Skanska won the project** based on its global track record in the Public Private Partnership (PPP) and hospital sectors. A "dream team" of individuals from Skanska ID, Sweden, UK, USA Building and Financial Services (SFS) produced results. The 320,000 sq m (3.4 million sq ft) program was developed in 18 months, from a clean sheet to a signed agreement – a new world record. Skanska is probably the world's leading developer and builder of healthcare facilities.

The Stockholm County Council chose Skanska to manage financing, construction, operation and maintenance until 2040. The construction contract will total SEK 14.5 billion (roughly USD 2 billion).

"It is exciting and rewarding to be entrusted with creating a completely new university hospital of world class," says **Johan Karlström**, Skanska's President and CEO. "And it is reassuring that the political parties on the Stockholm County Council unanimously support the decision. It's a sensible and historical agreement that will hopefully open the door for further PPP projects in the Nordic region."

The hospital project is a pioneer in the PPP sector. Not only is it a first in Sweden, but it is also the first to be financed on the basis of strong public finances and favorable interest rates. This reduces the project's total cost.

New Karolinska Solna will focus on patients. The evidence-based design of the facilities will promote rapid recovery, improve security, integrity and efficiency and reduce the spread of infection.

The hospital will be one of the first university hospitals in the world to be environmentally certified. The goal is to achieve a minimum of LEED Gold and the gold level of the Swedish certification system Miljöklassad Byggnad (environmentally classified building). In addition, construction will be conducted in accordance with Skanska's Green Workplace concept, which includes measures to reduce climate impact.

Construction work will be undertaken by Skanska Sweden in cooperation with Skanska UK. This work will start in the summer of 2010, and the first patients are scheduled to be received at year-end 2015.



1 Magnus Eriksson, Commercial Director Skanska ID  
 2 Claes G. Johansson, Clinical Design Director  
 3 The Skanska Finance team – headed by Thomas Rywe, Skanska ID, center, Jonas Ekman, Skanska ID, right, and John Dingle, Skanska Financial Services, left, were instrumental in arranging the financing for the project.  
 4 The complete Skanska bid for the New Karolinska Solna.



## ► The big challenge

He has spent a lifetime building hospitals in Saudi Arabia, Thailand, Malta, the UK and Sweden. But nothing compares to New Karolinska Solna.

“This is great fun – and the most exciting ever. But the short time we had to develop it also made it the toughest.”

Meet **Claes G. Johansson**, originally a medical technology engineer, who has played a major role in the project.

“It may sound crazy, but it seems like I’ve been preparing for this all my life. Most of what we are doing on this project I have done in part somewhere else. Now it’s ‘the big time.’”

“Preparing a bid for a project this size means a lot of work, of course, but we have a fantastic team. And we were all in the same office. Leaving the office at 10:00 PM, you could see architects busy redesigning a section. The next morning, we could continue work on a renewed design.”

“A co-located team is a key factor for success. Having everyone gathered in one office enables short meetings. It shortens the lines of decision-making.”

“And it improves cooperation and team spirit. ‘This is ours to win was our battle cry.’”

“The exciting thing about Skanska is that we have a lot of the expertise we need. The breadth of our international experience is incredibly valuable. Key persons from Skanska in Sweden, the UK and the United States formed the core of

## ■ Sustainability

The facility will be classified in compliance with the Swedish Environmental Classification System as an “Environmentally Classified Building” and will be LEED certified.

Energy will be supplied by a combination of energy produced in-house and district heating/cooling through a heat pump plant that will include 140 drill holes and solar panels.

Energy requirements for the building are estimated at approximately 124 kWh/sq m/year. At least 98 percent of the entire facility’s energy consumption will consist of renewable energy with low emissions of carbon dioxide.

the various task forces. And if we didn’t have the expertise in-house, we brought external experts on board.”

Early on, a reference group was formed, with highly experienced international expertise from the healthcare sector.

“The reference group gave us that competitive edge. We got access to all the latest innovations, data and research. This was especially important before we were the preferred bidder. By applying this to the customer’s specifications, we came up with successful solutions in every aspect. It helped us develop an efficient design that cut space but not care services.”

## Leveraging experience together

New Karolinska Solna is record-breaking in most respects. Skanska’s largest construction contract ever, possibly the world’s largest PPP hospital project to date and, what is most remarkable, the short time it took to develop the proposal and agree to the complex contract with the client.

It took a mere 18 months. In comparison, a recent UK PPP hospital required 45 months.

“The New Karolinska Solna is three times the size of Southmead, and we developed it in less than half the time,” says **Magnus Eriksson**, Commercial Director of Skanska Infrastructure Development and as Bid Director one of the key persons making New Karolinska Solna happen. ►



## ■ New Karolinska Solna timeline

Prequalification Dec. 15, 2008  
 Tender Sept. 30, 2009  
 Letter of intent Dec. 29, 2009  
 Final negotiation April 30, 2010  
 Award June 8, 2010  
 Financial close June 30, 2010  
 Official groundbreaking Sept. 3, 2010  
 Completion At year-end 2015





Ice hockey was part of the team building.

“Stockholm County Council is a thoroughly organized and motivated client. That really facilitated our work and was a crucial factor in our success.”

► A bid director’s responsibilities span most of the process, from prequalification and risk assessment, to defining content and price.

“Everyone said we couldn’t make it in the short time we had.”

Of course, this spurred the fighting spirit of the dedicated team of 200.

Pulling together the “dream team” made it happen – making full use of resources and experience. In addition to local talent in Sweden, the dream team included UK staff currently developing and constructing Barts and The London as well as specialists from Skanska USA Building’s Healthcare Center of Excellence in Atlanta.

“Our proposal included many innovations and improvements on the client’s initial preliminary design, and we had a goal-oriented, hard-working team,” Eriksson explains.

“Skanska’s track record of hospital construction and PPP development was also key. We leveraged our experience driving complex transactions, pulling together expertise from every corner of the Company in development, construction, financing, investment and facilities management.

“Finally, Stockholm County Council is a thoroughly organized and motivated client. That really facilitated our work and was a crucial factor in our success.”

To be chosen, the bid had to cover all aspects: design, engineering, construction, operation and maintenance, and financing, as well as numerous specific green solutions for

▪ **Wanted: 500**

For the construction of New Karolinska Solna, 500 people will be recruited. Construction will take place over seven years and, at the production peak around 2012, approximately 2,000 salaried employees and skilled workers will be busy at the worksite. Skanska anticipates that about 500 new recruits will have to be found.

“We are starting up recruitment and looking for experienced and talented salaried employees and skilled workers in several areas. These include specialists in environment, health and safety, construction production and project management, and procurement and installation,” says Pär Olsson, Project Director at Skanska Sweden and responsible for the construction project.

energy savings. The client’s specifications took up more than 2,000 pages. In addition to developing the proposal, Skanska brought partners on-board and secured key suppliers.

After 18 months of long hours and long weeks, the team members will be happy to start working normal full-time hours.

**Future fit: Life cycle thinking**

How to make PPP projects as environmentally, socially and financially fit as they can be?

“The long-term nature of PPP projects means that understanding, managing and optimizing life cycle costs is crucial,” says Julian Desai, Life Cycle Director, Skanska ID.

“Historically, design teams have tended to focus on the initial construction cost of their projects, but knowing that you’re going to be responsible for a project for 30 or 40 years forces you to think differently. Skanska ID has developed an in-house ‘optioneering’ model that will provide the best value for money into the future.”

Life cycle cost (LCC) techniques are supported by building information modeling (BIM) and are very useful in promoting Green Construction.

Sustainable alternatives often cost less than conventional options over the long term because they use less energy or have lower maintenance costs. Green flooring is an example, such as at the New Karolinska Solna.



1 Inger Olsson is Managing Director for Swedish Hospital Partners, the project company part-owned by Skanska and Innisfree, which is responsible for the university hospital project.  
2 Catharina Elmsäter-Svärd, Finance Commissioner, Stockholm County Council and Anders Årting, President Skanska ID, signing the deal.



■ Facts about New Karolinska Solna

Surface area: 320,000 sq m (3.4 million sq ft, equal to 24 skyscrapers)  
Number of floors: 5 (mantel)-11 (some care centers)  
Number of rooms: approx. 8,000  
Number of beds, inpatient care: 600 (incl. 125 ICU) + 100 outpatients, 100-bed patient hotel  
Number of operating rooms: 36

Number of radiation bunkers: 8  
Number of reception rooms: approx. 180  
Price of building: SEK 14.5 billion (USD 1.9 billion)  
Price of services: SEK 294 million annually (USD 37.8 million)  
Builder: Skanska  
PPP companies: Skanska, Innisfree  
Number of persons involved in construction project: maximum of about 2,000



1 Lennart Persson, Managing Director NKS, Stockholm County Council.  
2 Exterior design  
3 Creating a social atmosphere  
4 Interior layout of floors



3 All for the PPP hospital! The political groups' leaders in the Stockholm County Council united and agreed on the PPP solution for the New Karolinska Solna. Catharina Elmsäter-Svärd, Chairman of the Board and Finance Commissioner, Stockholm County Council and Ilija Batljan, leader for the opposition sealed the deal.

► “Clients are becoming more interested in green and want to buy buildings that will deliver value for money for a long time,” says Julian.

**A hospital for change**

The New Karolinska Solna will bring a new approach to healthcare that is characterized by change. Patients are the focus, in single rooms contained in a multi-expert, multi-discipline wards.

“New Karolinska Solna will enable us to change our healthcare system and the way we work,” says **Lennart Persson**, Professor and Managing Director of NKS, Stockholm County Council, who has lived and breathed the project for the past 10 years.

“Karolinska is a strong brand. But the current facilities don't match our ambitions. We shall be world-class in care, research and education. New Karolinska Solna will also form the hub for Stockholm Life – a center for life sciences.”

The new hospital will be designed for translational care, with new research benefiting patients faster and being immediately incorporated into training and education.

Naturally, the patients comprise the main focus. “Patients first’ is our credo,” says Mr. Persson.

Patients will benefit in numerous ways. For example, the goal is that a patient will see the specialist, be examined and have all necessary tests in a single day. And if you are admit-

■ Beds and capacity

The New Karolinska Solna capacity will be comparable to today's Karolinska University Hospital in Solna. Capacity in intensive care, including sophisticated newborn care and intensive care for children, will be higher than current capacity.

The increase in the number of intensive care beds and intermediary care facilities will enable New Karolinska Solna to treat more than twice as many seriously ill or injured patients than today.

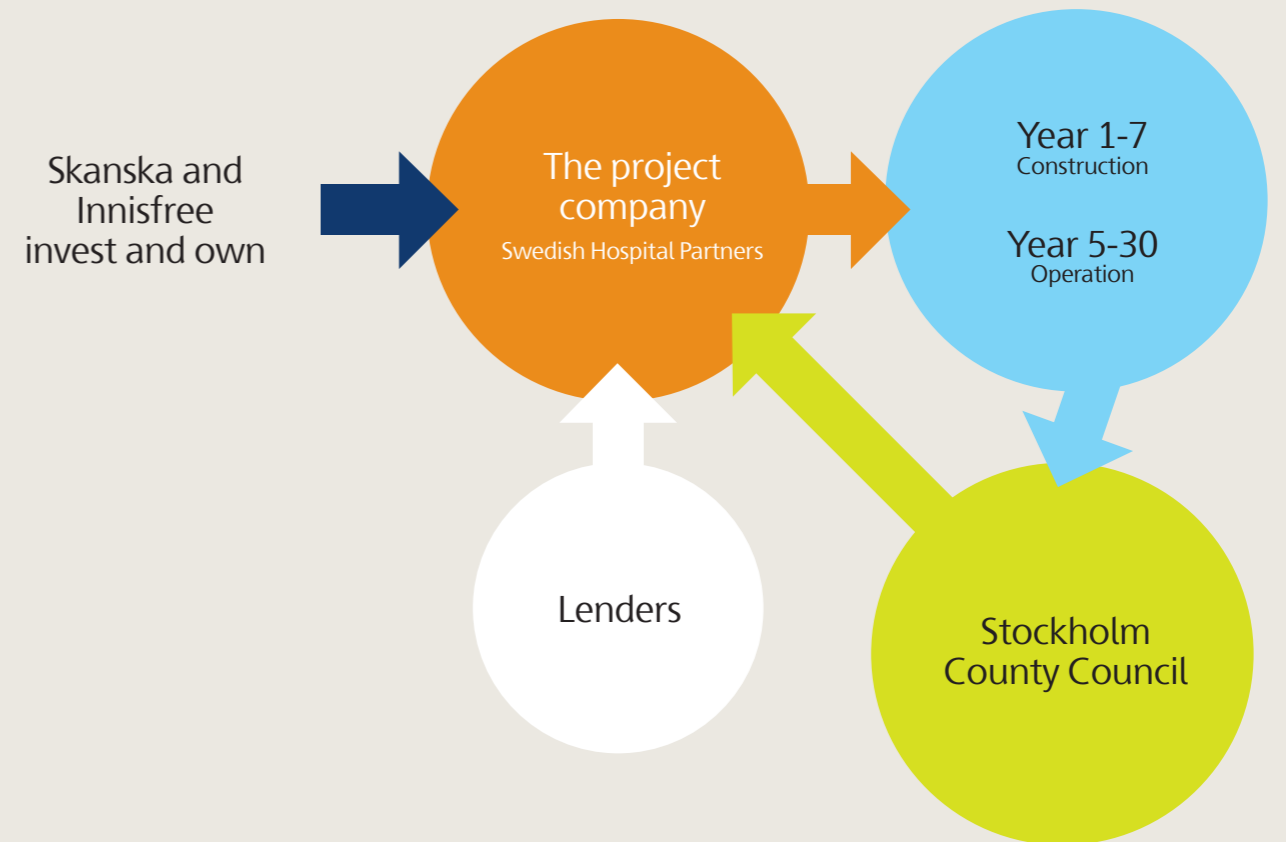
The single rooms in New Karolinska Solna will provide a 15-percent increase in capacity utilization, since multi-bed rooms often have empty beds for certain periods of time.

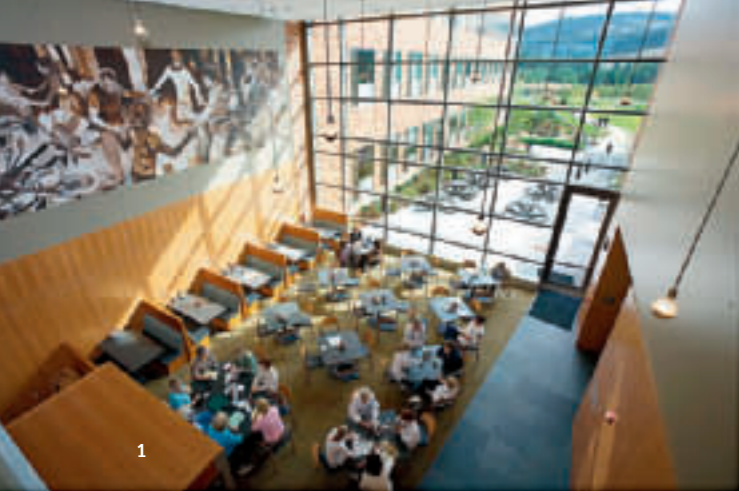
“Karolinska is a strong brand. But the current facilities don't match our ambitions. We shall be world-class in care, research and education.”

ted to the hospital, the stay will be in a single room that you will keep for the entire stay. The rooms will be in small wards with the same staff teams. No big waiting rooms, no transports through a maze of corridors. And most experts within arm's reach.

“This is a new way to organize care that takes us from the 19th century directly into the 21st,” says Mr. Persson.

The Financial Solution





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1 In August 2006, the new Providence Newberg Medical Center, in Newberg, Oregon, became the first U.S. hospital to receive LEED Gold Certification.  
2 Steve Gressel, Skanska USA Building Healthcare Center of Excellence  
3 Providence Newberg Medical Center  
4 Shands Hospital, a LEED Gold Hospital in Florida



3



4

Madeith Photography



1



2

“Success is about longstanding partnerships and long-term client relationships”

1 Martine Gagnon, Portfolio Director, Skanska ID  
2 Mansfield Community Hospital, UK

## ► Healthcare Center of Excellence

An aging population, outdated hospitals and rapid advances in medical technology drive the U.S. healthcare market. With projects valued at about USD 4.5 billion, Skanska is one of the three largest construction companies in the U.S. healthcare sector.

Skanska’s Healthcare Center of Excellence (COE) provides the company with support and expertise in this industry. **Steve Gressel**, Senior Vice President of the COE at Skanska USA Building, was one of the experts who helped secure the New Karolinska Solna project in Sweden.

“I was thrilled to be on the team. New Karolinska Solna will be the best in the world,” says Gressel, who has a background in hospital construction as well as in hospital administration.

Hospitality is a salient trend in the healthcare sector. “New hospitals in the United States tend to be more welcoming, with entrances and reception areas that are almost like those of a hotel. This is one of the features we encouraged in Sweden,” Gressel says.

“A green approach is also increasingly important. Hospitals are one of the largest energy users, so there is considerable potential for savings. We have a clear competitive edge in this field.”

Providence Newberg Hospital, in the state of Oregon, completed by Skanska in 2006, was the first hospital to achieve LEED Gold Certification. Since then, 17 Skanska hospital projects have attained or are in the process of attaining some level of LEED certification. Skanska recently completed its second LEED Gold certified hospital, Shands Cancer Center in Gainesville, Florida.

### ■ Healthcare Reference Group

**Steve Gressel**, Skanska USA Building Healthcare Center of Excellence

**Jackie Cardiff**, Health Care Partners, experts in operating PPP hospitals

**Marianne Inde**, Karlstad County Council, expert on healthcare with patients in focus

**Roger Ulrich**, Center for Health Systems and Design, Texas A&M University, the most cited researcher in evidence-based design

**Åke Wiklund**, Professor emeritus, research on healthcare buildings, Chalmers University of Technology, Gothenburg.

When asked about other trends in the sector that influence design and construction, Gressel gives a long list.

One trend is rapid advances in medical and information technology, which frequently require new or renovated facilities. Another is the drive for greater efficiency and use of “lean” principles in hospital operations and therefore in design. Moreover, hospitals are finding more and more that they must be competitive to attract doctors, patients, staff and, in some cases, research funding.

Evidence-based design has taken hospital design in a new direction. For example, single-patient rooms are not only about comfort. It has been scientifically proven that a single-patient room – with defined areas for patient, washroom, staff and visitors – promotes hygiene, health and recovery. When paired with high quality and easily-cleaned interior finishes, this design results in fewer infections. And rooms with a view and more natural daylight relieve stress and contribute to healing.

“Today’s care is organized in a different way,” Gressel explains. “New hospitals are designed with a greater patient focus. Moving patients around between different departments and specialists is a thing of the past. Wards are smaller, and staff are grouped in smaller units, many times without a central nursing station. Most specialists and services are now located closer to patients.”

These factors are in addition to extras such as cafés and restaurants, Internet access, valet services, beauty salons, massage therapists and fitness centers. Soon the doctors’ and nurses’ uniforms will be the only sign differentiating a hospital from a resort hotel.

## USA Building BIM hospital study

Can building information modeling (BIM) and Lean Construction methods in combination raise productivity? This question will be answered by Skanska and research teams at Stanford University and the University of California, Berkeley. The BIM and Lean methods will be used at Skanska’s hospital project Queen of the Valley Medical Center, for Saint Joseph Health System. Skanska USA Building’s Oakland office, responsible for construction management, will be assisted by Skanska’s BIM Competence Center in Finland. The research project will also identify what metrics can be used to measure the impact on production.

Skanska is a member of both the Center for Integrated Facilities Engineering (CIFE) and the Project Production Systems Laboratory (P2SL) at UC Berkeley. The Company plans to collaborate with both research groups to explore the relationship between BIM and Lean Construction methods when they are used on the same project. Skanska will be represented by its BIM Competence Center in Finland and the Oakland office of Skanska USA Building.

## Winning the healthcare marathon

The Private Finance Initiative (PFI – PPP in the UK) began in 1992, and the first hospital projects were signed in 1997. There are now 200 hospital projects representing more than GBP 12 billion (USD 18 billion). Thirty-five of those projects are worth more than GBP 100 million (USD 152 million), and the largest of them, Barts and The London, worth more than GBP 1 billion (USD 1.5 billion), is Skanska’s.

“Success is about longstanding partnerships and long-term client relationships,” says **Martine Gagnon**, Portfolio

### ■ Life Cycle

**Life Cycle Cost Optioneering** is about evaluating design solutions in “whole life” terms.

**Generation of Life Cycle Funds** is about predicting the cash flow required for replacing assets over the entire life cycle of a project.

**Life Cycle Fund Risk Management** is about enhancing our investment in a project over time by efficiently managing the life cycle fund.

Director, Health for Skanska ID. “Hospitals are large complex projects, and concessions can be up to 42 years. We’ve developed a lot of expertise and assembled a diverse, multi-disciplinary team that understands healthcare.”

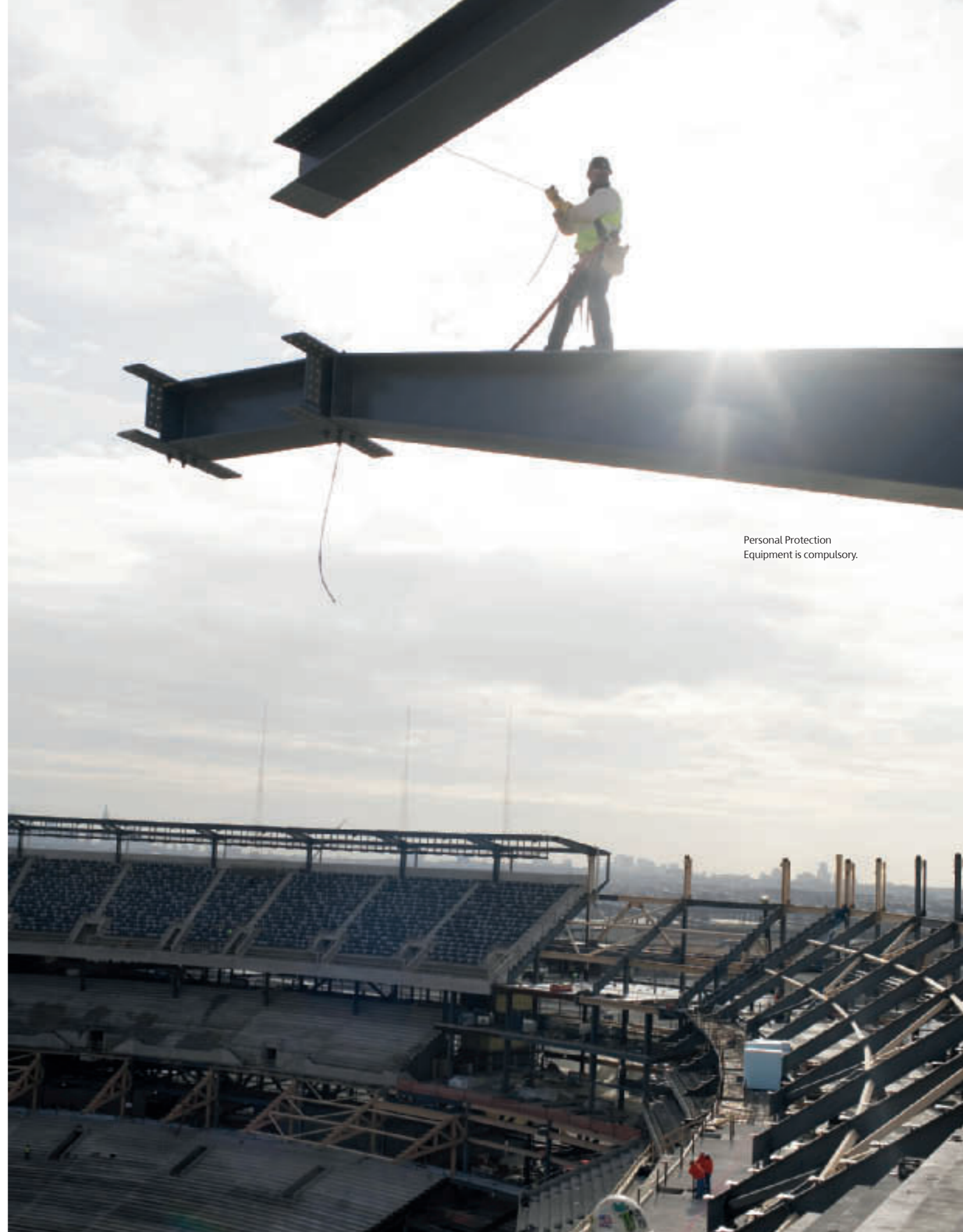
Skanska ID is responsible for project development, concession management, operations equity investment and financing. Skanska UK is the design-build contractor, and Skanska also provides facilities maintenance.

“We share and transfer knowledge from project to project, we focus on understanding the needs of our healthcare clients and our partnership approach extends beyond Skanska to companies such as Innisfree and HCP with whom we have long term relationships,” says Martine.

“We’ve developed processes to evaluate whole life costing which help us find the best and cheapest alternatives over the life of a building, as opposed to those that are simply cheapest at the time of construction,” continues Martine. “This ties into sustainability and other less tangible benefits that make a difference over time. We’ve built up a large base of knowledge.”

With seven Skanska projects in the UK worth a total of GBP 2.5 billion (USD 3.8 billion) and the New Karolinska Solna hospital in Sweden, the biggest healthcare PPP worldwide, Skanska is in a healthy lead in the long-distance healthcare race.

“When you build and operate PFI/PPP projects, you have to look at the big picture and offer added value that goes way beyond that of being just a contractor. Our most successful projects are when we have a One Skanska approach,” concludes Martine. “When we’re disjointed, we lose. When we work together, we win.” ●



Personal Protection Equipment is compulsory.

# Global learning for safety

Global Safety Stand Down – the initiative to show respect for the deceased and their family, friends and co-workers and to provide an opportunity to encourage learning and drive change across Skanska – is making a difference.

Text Alf Lindström Photo Skanska

Introducing **Global Safety Stand Down** (GSSD) in late 2008 was one of several steps forward for safe workplaces, along with executive site safety visits. Since late 2008, there have been 12 GSSDs.

**Neil Moore** is Skanska's Health and Safety Manager and heads up the Knowledge Expert Group of Safety Performance Network, highlights four improvements.

- Raised awareness of events that were happening but not widely known.
- Recognition that similar accidents are happening in many Skanska BUs.
- Change encouraged by spreading understanding of the causes of an accident.
- Safety higher on the agenda so more people know they have a role to play.

Within three weeks of any accident, a safety briefing is completed across Skanska. 49,000 employees and innumerable suppliers have shared and discussed the lessons and what actions to take locally.

"We have examples where immediate response to a GSSD in a business unit different from where the accident took place prevented serious injuries," says Neil Moore.

For example, USA Civil changed the unloading of metal posts after learning from an accident in Norway.

Following their accidents, Skanska Commercial Development Europe, Skanska Poland and Skanska Czech Republic have made significant changes to the way they manage safety. In Sweden, the way temporary work is managed has changed completely.

Following fatalities, Skanska UK led industry changes in the use of mobile elevated work platforms and quick hitch attachments to excavators. In Poland, Skanska launched an initiative for producers to investigate whether similar situations could occur.

"The GSSDs definitely have driven change in Skanska. We can always do more, but there have been significant improvements. In any future GSSD, we will not only communicate the actions taken by the BU having the accident but also those taken by other business units as a result of what they've learned," Moore concludes.

"We can accomplish our aim of Zero Accidents. We need to improve our learning and sharing of the causes behind accidents so that we all may learn and avoid suffering," says **Johan Karlström**, Skanska's President and CEO.



# New home for Jets and Giants

Bringing Super Bowl 2014 to the New Meadowlands Stadium is the ultimate victory.

Text Alf Lindström Photo Scanpix and Per Anders Petterson

It helps to have a new arena if you want to host the Super Bowl. Winter temperatures in the north usually mean southern stadiums have the advantage. But not this time. The new arena, two top NFL teams and 19 million fans in the New York/New Jersey region made the New Meadowlands unbeatable. The Super Bowl is the most watched U.S. television broadcast each year, typically with more than 100 million viewers. Meadowlands will definitely become a household name.

The owner could not be more satisfied. *Worldwide* spoke to **Mark Lamping**, President and CEO of New Meadowlands Stadium Company, which is co-owned by the New York Jets and the New York Giants.

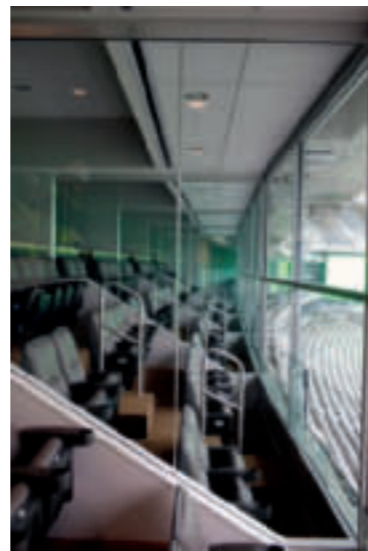
“We are very proud to be selected for the Super Bowl. We look forward to having this opportunity to show our new arena to the world,” Lamping says. “Imagine if the Jets and Giants make it all the way to the final! That would really be something.”

“This is a dream come true. And if I’m allowed to keep dreaming, it would be for a World Cup final in 2018 or 2022, if the United States is selected to host the FIFA World Cup competition.”

Lamping is also impressed with Skanska’s performance. “The quality of construction is well beyond standard and with an exemplary safety record. Both owner clubs have strong values, so Skanska’s business ethics, environmental and safety approach were crucial to their being selected to build our new stadium.

“You can judge the quality of construction in many ways. But whatever parameter you choose, this is a model project, from schedule and budget standpoints as well as the inclusion of minority subcontractors and high morale. No one could have done a better job. Frank Falciani and his people have done great things here. I could not have dreamed we would see the results we see today.”

The old stadium from 1974 had seen better days. ▶



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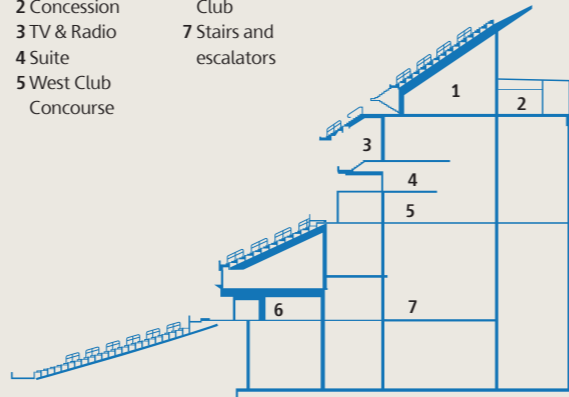
1 One of the upscale lounges  
2 Craig Ronning, Skanska USA Building



2

- 1 Concourse
- 2 Concession
- 3 TV & Radio
- 4 Suite
- 5 West Club Concourse

- 6 Concourse Club
- 7 Stairs and escalators



► “A new stadium is very important. Competition for sports and entertainment dollars is getting tougher. We not only compete with other NFL teams but with other stadiums in this market for other events,” Lamping explains. “With the new stadium, we have a competitive edge for a wide range of events.”

“Now we have a comfortable and welcoming arena that will add to the enjoyment of our visitors. Equally important is that it is easy to access and for fans to get around once inside the stadium. We want short lines to whatever they need. Our information technology is also state-of-the-art.”

Lamping hopes that the stadium will give the teams a competitive advantage.

“First and foremost, we want players and teams to feel they have a home field advantage. I am positive that the 360-degree seating bowl will make it a very loud building and become a motivating factor. It will not be an easy venue for visiting teams.”

Having two owners involves certain challenges.

■ **MARK LAMPING**



President and CEO of the New Meadowlands Stadium Company

“We want both teams and their fans to feel it’s their own home ground. It was a challenge for us to accomplish that without using the specific team colors or logos in the architectural design. Now we have accomplished that with technology. Every corner from outside in will be individually colored for specific events by a flick of the switch. Screens and scoreboards give the ability to highlight the colors of the team that happens to be playing.”

The stadium will open now, though not yet complete.

“Buildings like this should evolve constantly and be upgraded by employing new concepts. We have already made the commitment to upgrade the building by adding a new club in the main entry hall.”

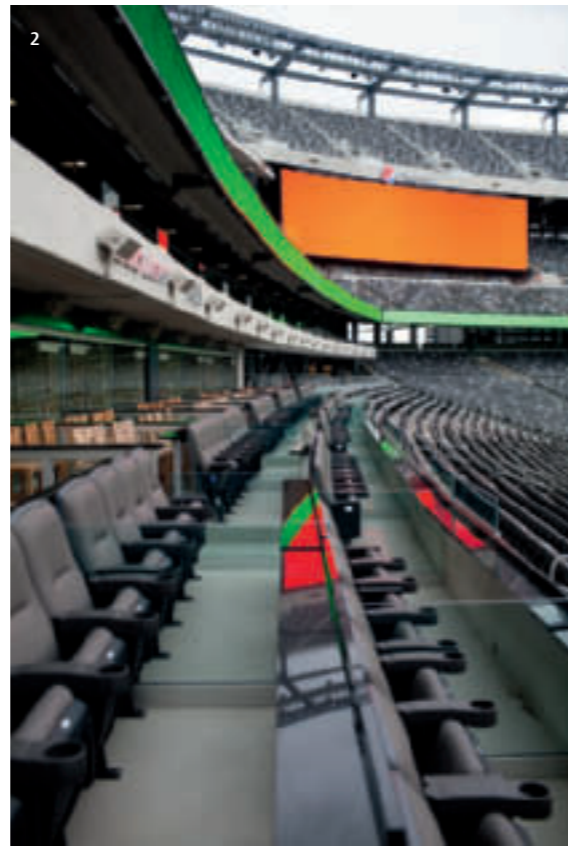
Today, it is still called New Meadowlands Stadium, but the final naming of the arena remains to be settled. Negotiations are underway, but when asked for the price to have the stadium named after your company, Lamping is not specific.

“Of course, it will be a significant investment – but a bargain at any price!”





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- 1 New video pylons greet visitors with high-definition screens. These HD pylons will display large images of the action on the field or the stage.
- 2 The new stadium has 82,500 seats.
- 3 Frank Falciani and Sean Szatkowski
- 4 Jon Bon Jovi was the first artist to perform at the new arena.



3



4

► The New Meadowlands Stadium in New Jersey is ready. In May, Bon Jovi rocked the stadium for three nights, entertaining a total of 150,000 spectators. Later, the stadium's owners, the National Football League's New York Jets and New York Giants, will start the season on their new turf.

The New Meadowlands Stadium in East Rutherford, New Jersey, will be home to 82,500 football fans and the venue for the 2014 Super Bowl.

The majestic arena has been built for American football but will host concerts and other events all year round. The football season starts in September.

But the arena events got off to an early start this spring. Thanks to Skanska completing the stadium four and a half months ahead of schedule, **Jon Bon Jovi** and his band were able to perform three concerts in May that were originally planned for later in 2010 or for spring 2011. Early completion brought an early bonanza for Bon Jovi fans. Before that, 77,000 cheering soccer fans rocked the arena as Mexico and Ecuador's national teams took the field. The scoreless game left an opening for a team to become the first to score at the new arena.

In fact, a university lacrosse game was the first to try the turf in April. The low-profile opening offered an opportunity for the numerous staff operating the stadium to learn the ropes. Training staff is also part of Skanska's assignment before they tow away their trailers in the fall.

Since the stadium is the shared home field for two NFL teams, the color palette is pretty neutral – apart from the bright green turf.

On game days, the arena will be flooded in the home team's colors – green for the Jets and blue for the Giants. On each side of the four gates, new video pylons with high-definition screens will greet visitors. And inside, a total of 2,100

#### STADIUM CONSTRUCTION

Skanska USA Building has a long track record in stadium construction, including Foxboro Stadium in Boston, Massachusetts, and Reliant Stadium in Houston, Texas. They teamed up with Skanska USA Civil's Koch division, experts in steel construction and recent supplier of structural steel for the New Yankee Stadium in the Bronx. For the New Meadowlands Stadium, project manager Skanska USA Building teamed up with the steel-erection division of Koch. For the USA Civil division, it was a walk down memory lane. In 1974, the division, then known as Karl Koch Erecting Company, did all steel works at the old Meadowlands arena.

digital screens ranging from mammoth to home-TV-sized will enlighten every corner of the arena, helping spectators keep track of all that's happening on the field.

State-of-the-art technology is a main feature of the stadium. More than USD 80 million have been invested in video, audio and information technology, about half of that total in large video boards alone. The four biggest screens are 131 by 20 feet (40 by 6 meters) and are located in the corners of the stadium mid-concourse. One four-foot-high (1.2-meter) screen circles the entire perimeter of the stadium. Add to that the sound system with 2,500 speakers.

Behind the spaceship's facades, all clad in aluminum fins, there is a big machine for sports and entertainment.

The centerpiece, of course, is the turf. The evergreen turf looks like grass but is man-made. It sits on a scientifically proportioned two-foot (61-centimeter) base of rock, gravel and sand to give it a natural feel. Since this part of New Jersey is mainly landfill on marshland, the stadium had to be supported by miles of piles. To be exact, 5,280 piles were driven, the longest more than 80 feet (24 meters) in length.

The turf and king-sized locker rooms are designed for the athletes, of course. Both the Jets and the Giants have their own separate locker rooms with their own colors and design. Visiting teams will have to make do with less extravagance.

The stadium will hold 82,500 spectators, most of them seated under the blue New Jersey sky. About 220 suites, accommodating 18–24 spectators each, provide shelter and treats to buyers who chip in USD 300,000–1 million each year. Football tickets cost USD 125–750 each.

Several club areas for the home team are also available to a paying public. The Touchdown Club and Gridiron Club have 3,500 seats each. As a member of the Coach's Club, you

will be able to toe the line of the field and also follow activities in the post-game press zone. The Coach's Club has 2,200 seats and a bar serving snacks and drinks.

To cater to the spectators, there are no less than 52 concessionaires, with every kind of food you could wish for. There's even a martini bar worthy of an upscale night club. And several of the lounges are so solemn in design that you might expect the Federal Reserve Board to meet there.

The building is seven stories tall, about 197 feet (60 meters), having three concourses with three suite levels between. Most service facilities, as well as offices and the large central kitchen, are at ground level under the lower concourse.

The new arena is 100 percent larger than the old Giants stadium that it replaces. The old one was demolished this spring and recycled. Its footprint is now paved and used for parking.

"You don't get five months ahead of schedule if you don't fire on all cylinders," says **Frank Falciani**, Skanska USA Building's Senior Vice President and Executive Leader of the unit's Sports Center of Excellence.

Frank's project experience, work ethic and project team approach are legendary. On especially long work days he has been known to bring a cot and sleep in the project office. The Meadowlands was no different, only he used an air-mattress for this project. The Meadowlands was truly the model project in many ways, but it's his feelings for the team that matter most. "You become almost like a family on these types of high-profile projects. Everyone looked out for each other and the results speak for themselves. This is what Skanska is all about, looking out for its employees."

"Big projects mean big risks. We focused on the schedule, the right people and quality. We could not risk falling

#### FRANK FALCIANI



Vice President and Executive Leader of the unit's Sports Center of Excellence, Skanska USA Building

behind schedule. So we made sure to have the core people in place right from the start in 2007," Falciani says. "And this has been the best job I ever worked on. It's fun to have a team of around 100 people who all bring along their expertise and winning spirit."

The team made the most of technology. Using building information modeling (BIM) was the key to success.

"BIM allowed us to accelerate the job. It also helped us to get all goods just in time.

**Sean Szatkowski**, Skanska's Project Director, adds, "It's amazing to think that if we had had to change just one bolt for, say, USD 10 on each seat, it would have resulted in a million dollar issue."

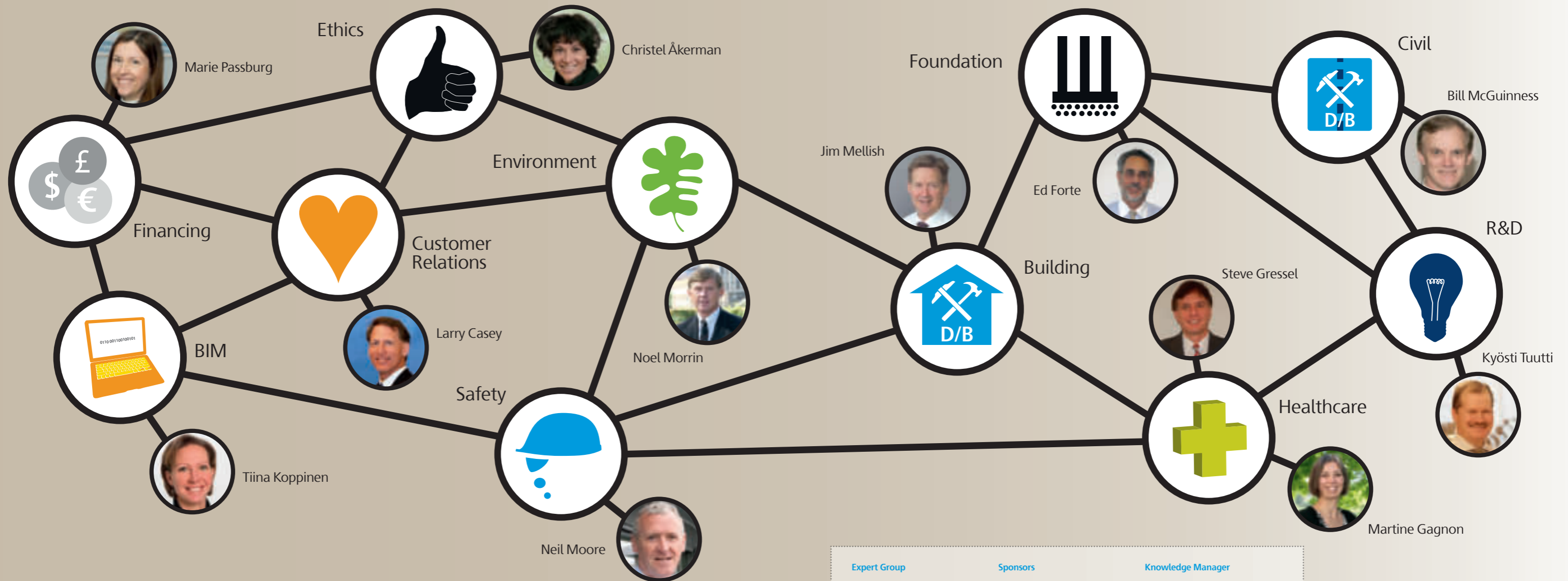
Thousands of precast concrete elements were electronically traceable from the manufacturing plant right through the supply chain thanks to radio frequency identification (RFID). The steel structure is made of 17,000 pieces of steel with a total weight of 25,500 tons.

"The power of One Skanska was instrumental in winning the contract and being successful," Falciani says.

Safety is a major issue in an elevated project.

"Safety comes first," Szatkowski says. "Despite our aggressive schedule, nothing was done in an unsafe way. We worked 4.5 million staff-hours without any serious incidents. We were very strict that subcontractors had to comply with our Injury Free Environment policy, or they had to leave."

To ensure that everyone was working towards common goals, a Project Labor Agreement was negotiated with the trade unions. And to ensure diversity, about one-third of the workforce and subcontractor firms were Women and Minority Business Enterprises (WMBE). ●



# Expert network for sharing

All the expertise you might need at the OneSkanska site. Now the Company's critical expertise is mapped and easy to find. With the Skanska Knowledge Map, there is no excuse to be lost.

Text Alf Lindström Illustrations Staffan Millqvist

"If only Skanska knew what Skanska knows." "Connect the dots." "Steal with pride."

Sayings like these imply that Skanska can do better. Now there is no excuse anymore. Via the Skanska Knowledge Map, a new web-based tool, you can find people and groups from Skanska that incorporate key expertise from across the Company. The Skanska Knowledge Map can for be found under Tools & Services on OneSkanska.

"Combining our strengths and joining forces is a prerequisite for our future success. Competition is harsh, and we must utilize all our expertise to be competitive. We have lots of experience, so I urge everyone to team up with the expert groups," says **Johan Karlström**, Skanska's President and CEO.

The pioneers were groups for Skanska Foundation Group, Environmental Performance Network, Safety Performance Network, BIM and Research & Development.

Networking has been the name of the game for these expert groups for years, and **Theresia Olsson Neve**, Knowledge Sharing Manager, who developed the new global knowledge-sharing approach, has incorporated these groups.

"Doing the right things is key to success. Sharing best practices and avoiding errors are the best ways to achieve positive results. While developing the global knowledge-sharing approach, I've heard so many times, 'I know we have the expertise within the Company, but how do I find these

| Expert Group               | Sponsors                      | Knowledge Manager  |
|----------------------------|-------------------------------|--|
| BIM                        | Tor Krusell, Magnus Norrström | <b>Tiina Koppinen</b> , Skanska Finland  |
| Customer Relations         | Claes Larsson                 | <b>Larry Casey</b> , Skanska USA Building  |
| Design/Build Building      | Mike McNally                  | <b>Jim Mellish</b> , Skanska UK  |
| Design/Build Civil         | Johan Karlström, Thomas Alm   | <b>Bill McGuinness</b> , Skanska USA Civil   |
| Environmental              |                               |  |
| Performance Network        | Mats Williamson               | <b>Noel Morrin</b> , Skanska AB  |
| Ethics                     | Mats Williamson               | <b>Christel Åkerman</b> , Skanska AB   |
| Healthcare                 | Mats Williamson               | <b>Martine Gagnon</b> , Skanska ID,<br><b>Steve Gressel</b> , Skanska USA Building |
| Project Financing          | Hans Biörck                   | <b>Marie Passburg</b> , Skanska Financial Services                                 |
| Research & Development     | Mats Williamson               | <b>Kyösti Tuutti</b> , Skanska AB  |
| Safety Performance Network | Mats Williamson               | <b>Neil Moore</b> , Skanska AB   |
| Skanska Foundation Group   | Claes Larsson                 | <b>Ed Forte</b> , Skanska USA Civil  |



people? We need the right competence.' Here's the tool," she says.

Today we have 11 global expert groups within Skanska. Each group is led by a Knowledge Manager and follows a specific process and is sponsored by the Group's Senior Executive Team.

The Knowledge Managers and the Experts are the main points of contact for their specific competencies – in real life as well as on The Skanska Knowledge Map.

"Design/Build is a science and an art form," says **Bill McGuinness**, Knowledge Manager Design/Build in Civil Construction. "There are tools and techniques that can make a good builder into a great designer-builder. The purpose of our expert group is to bring together our best practices,

help, train and position the right people in the right places and then to support them through a global network of our best practitioners."

"Combining our world class construction expertise, project development skills and project finance know-how uniquely positions Skanska to take on projects with a scope beyond that of a traditional contractor," says **Marie Passburg**, Knowledge Manager Project Financing. "The New Karolinska Solna project is a good example, where Skanska's project finance specialists and legal team in the UK have been a great support to the local team."

Find out more at The Skanska Knowledge Map, under Tools & Services, at OneSkanska.





Heron Tower tops out. 46 stories up, Heron CEO Gerald Ronson, London's Lord Mayor Nick Anstee and Skanska President and CEO Johan Karlström jointly conducted the final concrete casting.



Heron Tower adds 202 meters to the London skyline. Please note the Gherkin's reflection in Heron Tower's glazed façade.



# Bird's-eye view of London

Heron Tower soars a record-breaking height of 202 meters into the London skyline. With its 28-meter mast, Heron Tower will reach 230 meters on completion, making it the tallest building in the City of London.

Text **Alf Lindström** Photo **Holger Staffansson**

**Gerald Ronson**, CEO of Heron International, London's Lord Mayor **Nick Anstee** and **Johan Karlström**, Skanska's President and CEO, jointly conducted the final casting of concrete at level 46, the tower's highest floor.

From the top floor at 110 Bishopsgate, close to Liverpool Street station, you have a bird's-eye view of London. Tower Bridge looks like a miniature, and visitors can even look down on the neighboring Swiss Re Gherkin, another Skanska project.

The owner of London's tallest office building was naturally proud. "I believe that Heron Tower has come to market at the right time," said **Gerald Ronson**, CEO of Heron International. "As we top out today, Heron Tower is the tallest building in the City of London. And I am confident that this will remain the finest office development of its kind in the City of London for many years to come."

## Countdown to 2011

Although the topping out ceremony was a great day with 300 guests, Gerald Ronson was eagerly looking forward to the first quarter of 2011, when Heron Tower will be completed. "We begin the countdown to completion, less than 50 weeks away," he said.

**Lisa Ronson**, Commercial Director of Heron International, was equally proud: "Heron Tower will be the No. 1 business address in the City of London, the financial capital

### ■ Heron Tower

**What?** A 46-story office building, 202 meters (663 feet) tall with a 28-meter (92 feet) mast, and 40,836 sq m (439,555 sq ft) of office space. A public restaurant and sky bar are located on floors 38–40

**Where?** 110 Bishopsgate, near Liverpool Street station, City of London

**Who?** Developed by Heron International, constructed by Skanska UK

**Starting date:** July 2 2007

**Completion:** Q1 2011

of the world. Straddled between the U.S. and Asian time zones, the development's offices will be open 24 hours a day to meet the needs of the financial world. A restaurant and sky bar on the upper floors will be open to the public, offering spectacular views."

Already you can spot Heron Tower's unique design: every third floor has a three-story atrium. The offices grouped around each atrium are called a village. The atria are spread along the entire building, forming a vertical landscape with villages along the "road."

Solar-powered Heron Tower has achieved a BREEAM Excellent rating. [Ed. Note –BREEAM is a British environmental certification system similar to LEED.] The façade facing south will have 3,000 sq m (32,292 sq ft) of photovoltaic cells – one of the largest arrays in the UK – that will generate renewable energy and create a solar shield. The triple-skin glazed façades will also reduce heat gain and loss by 45 percent, compared with standard glazing. The slender structure, clad in glass and stainless steel, is located in a dense, bustling area. In a crowded urban district, logistics are the biggest challenge.

"Safety has been our top priority from day one – working at such extreme heights and just meters away from probably the busiest pedestrian routes in London," says **Gary Cliford**, Operating Director, Skanska UK.



# Awards

## Skanska awarded for model apprenticeship training

The City of Helsinki Education Department has rewarded Skanska Finland for its efforts as a model apprenticeship trainer. Four Education Departments in the metropolitan region organized Apprenticeship Week to promote the training system. Skanska was one of four award-winning companies in the region.

## The Sunday Times Best Green Company Awards

Skanska UK was named by the Sunday Times as the Second Best Green Company across all industries in the UK, improving on its 3rd-place position achieved in 2009. In addition, Skanska UK received awards for Best Large Firm and an award for Best Corporate Environment Strategy. Skanska is now the Leading Green Construction Company in the UK.  
 "The Sunday Times Best Green Company Awards are evidence to me of just how embedded Green is in our culture at Skanska," says **Mike Putnam**, Business Unit President for Skanska UK. "Our drive towards becoming the leading Green Contractor has become a reality in the UK."

## Apolo Award da capo

For the second consecutive year, Skanska Latin America has received the Apolo Award from the Spanish company Endesa. Skanska LA in Peru developed a procedure for maintenance service on turbines for its client Empresa Electrica de Piura S.A. (Eepsa). The procedure helps to improve efficiency and safety.  
 "This fills us with pride and is proof of the effectiveness of our safety practices that we apply on a daily basis. I would like to congratulate everyone involved in this effort, in which the client participated in a generous manner," says **Diego Agurto**, Area Manager in Peru, who accepted the award.

## Skanska most attractive employer among construction students

For the second year running, Skanska has been ranked the most attractive employer among construction students in Finland, according to the Universum Finnish Student Survey 2010. Students from 48 leading universities took part in the survey, conducted by Universum.

## American Institute of Architects

The Tampa Museum of Art received the Certificate of Honor Award, the highest commendation possible in the category of Excellence in Architecture, at the annual awards ceremony of the San Francisco chapter of the American Institute of Architects. The Curtis Hixon Waterfront Park, built by Skanska adjacent to the Tampa Museum of Art won in the Public Category (Outstanding Contribution to the Community).

## UNEP membership

The UN Environment Programme, UNEP, acknowledges Skanska for the Company's efforts within Sustainable Buildings and Climate Initiative.

## A First Green

The Grunwaldzki Center office is the first in Wroctaw to fulfill the requirements for environmental certification in accordance with the EU GreenBuilding program. The energy consumption is at least 30 percent below the requirements in the Polish norms. Skanska recently sold Grunwaldzki Center in southern Poland to the German investment fund RREEF.



1 The Sunday Times Best Green Company Awards.  
 2 Diego Agurto, Area Manager in Peru  
 3 The Tampa Museum of Art received the Certificate of Honor Award  
 4 Diego Pini, Country Manager of Chile (second on the right)



## Skanska LA earns Safety Award in Chile

The Chilean Construction Chamber recognized Skanska's excellence in Safety and awarded the BU with six stars, the highest honor granted. This prize acknowledges Skanska's safety compliance over the past years, as it is awarded for the achievement of three goals: Qualifying in the five-star category at least three times in the past five years, no fatalities reported in the past two years and obtaining results that lead to a Chilean Construction Chamber security index under 60 points.

## Then ...

it was around 1910 and construction could still be carried out in an elegant straw hat.

The gentlemen in the picture taken somewhere in Sweden are busy building the country's first intercity telephone lines. Before that, cities were rarely connected. Stockholm even had its own phone company.

This project was called Telecom Director Axel Hultman Inter Urban Cable, named after its initiator Axel Hultman (1858-1932). The cables ran in concrete cable blocks, which were a prominent feature in Skanska's early product catalogue.



## School's out means business

The second round of the Skanska Global Training Program (GTP) ended this spring. For the trainees, this means business. For the GTP, it means a break and the start of a new internal training program.

"We will put more effort into developing our high-potential young people in-house," says **Veronica Rörsgård**, Senior Vice President Human Resources. "For the time being we will prioritize developing a top-class program for this group. So we will not initiate another round of the Global Trainee Program in the near future."

A recent evaluation of future strategy and priorities pointed towards enhanced focus on our internal talent. The new internal training program is currently being developed in cooperation with local BU human resource representatives.

Increased diversity was one of the important factors for GTP. "Diversity is still a high priority, in programs like the Female Mentorship Program and others customized for local needs," Rörsgård says.

GTP has run two times, each time for 20 months. The first group started in 2007 with 13 participants, and the second in 2008 with 22 participants. The 35 trainees were selected from among 5,000 applicants.

The global trainees recently "graduated" and are now starting their Skanska careers. In the mid row far right Skanska ABs Anna Sifvert, Manager Development Programs, and Anette Lundqvist, Manager Mobility and Unlimited who guided the trainees.