

By Brandon Noel, Editor-in-Chief

Top 40 Paving Contractors: The Decline Did Not Continue

The data is more nuanced than ever before.

Last year's analysis ended with a projection I wasn't happy making. After three consecutive years of declining paving-only sales across the Top 50, the compound annual decline rate of -12.5% suggested the segment could fall to roughly \$611 million in 2026 and \$534 million in 2027.

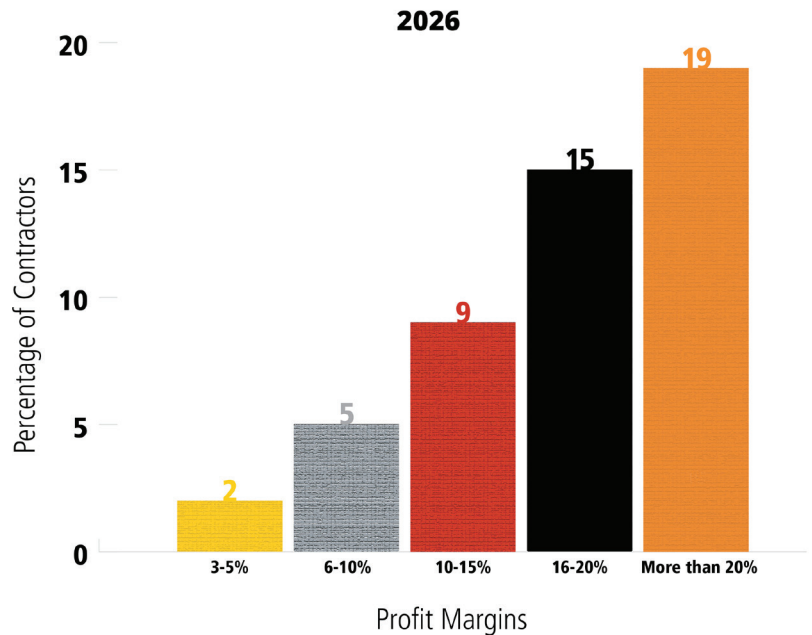
Well, the data point and, thankfully, it appears to be leveling off with a few caveats. The stabilization appears on a per-contractor basis, for paving-only sales, which rebounded.

The TC 2026 Top 40 Paving Contractors generated \$638.5 million in paving-only revenue, which works out to an average of \$15.96 million per contractor. That figure sits 14.3% above the TC 2025 per-contractor average of \$13.97 million. The aggregate number is smaller than last year's \$698 million only because the Top 40 is ten contractors shorter than the Top 50. Per contractor, the segment grew.

The projected \$611 million for 2026, scaled to a Top 50 framework, would have implied roughly \$12.22 million per contractor. The actual per-contractor figure outperformed that projection by 31%.

However, the total gross sales picture for the Top 40 still tells a contraction story, and the broader recovery the industry posted in TC 2025 has clearly run its course. But the specific forecast made in last year's analysis did not hold, and that should be recognized, even if we aren't out of the woods, yet.

PAVING PROFIT MARGINS



TOTAL SALES: PAVING TOP 40

The Top 40 Paving reported \$1.278 billion in total gross sales, with an average per-contractor gross of \$31.95 million. That average came in 16.2% below the TC 2025 Top 50 average of \$38.13 million. Total gross softened, but paving-only revenue held up better than the overall business.

That divergence also showed in the revenue mix. Paving rose to 49.4% of the average Top 40 contractor's gross, up from 48.5% in TC 2025. The Top 40 contractors leaned harder into paving as their other revenue streams somewhat thinned. Pavement repair fell to 15.3% from 21.3%, sealcoating rose to 15.6% from 11.0%, striping dropped to 5.7% from 7.6%, surface treatments held at 1.2%, and other work, including milling, earthworks, and concrete, climbed

to 12.8% from 11.1%.

Compared to the other Top 40 categories in this year's report, paving-only sales remained by far the highest-earning segment, followed by pavement repair at \$184.8 million (\$557.2 million in TC 2025), sealcoating at \$144.0 million (\$165.8 million in TC 2025), and striping at \$85.4 million (\$134.1 million in TC 2025).

The aggregate drops in pavement repair and striping are dramatic on the surface, but those comparisons sit on the same Top 40 versus Top 50 footing I mentioned in the Overview.

THE CYCLE HYPOTHESIS

In last year's analysis I introduced a working hypothesis that customer paving needs follow a cycle that mirrors the typical lifespan of asphalt pavement, in

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conjunction with general new construction and community development. To test it, the TC 2025 survey added a question separating new construction from existing pavement maintenance. Of the Top 50 Paving Contractors that year, 80% of completed work happened on existing pavements, and 20% was wholly new surface.

The TC 2026 Top 40 reported 80.0% existing pavement maintenance and 20.0% new construction. The ratio did not move.

Two consecutive years at the same percentage split isn't absolutely conclusive, but it is worth mentioning and continuing to track. The Paving Top 40 is a maintenance-driven segment with a roughly stable one-fifth share of new-construction work riding on top. More than any single year's revenue swings, this is probably the cleanest framework for understanding paving demand going forward. If the ratio shifts meaningfully in TC 2027, that itself will be interesting.

PROFIT MARGINS

The TC 2025 article tracked a consolidation of contractors into the highest profit margin band. That pattern moderated this year, with a small redistribution back into the upper-middle range. Among the Top 40 Paving Contractors:

- 35% (14) reported margins above 20%, down from 40% (20 of 50) in TC 2025
- 27.5% (11) reported margins in the 16% to 20% range, up from 14% (7 of 50)
- 20% (8) reported 11% to 15% margins, up from 18% (9 of 50)
- 12.5% (5) reported 6% to 10% margins, down from 26% (13 of 50)
- 5% (2) reported 5% or less, up from 2% (1 of 50)

The top tier of margins lost a couple of points, but the 16% to 20% band nearly doubled. Combined, those two upper tiers account for 62.5% of the Top 40, compared to 54% of last year's Top 50. Pricing held in paving, even as the volume side of the business contracted.

TYPE OF WORK

Every contractor in the Top 40 Paving did some parking lot work, with parking lots averaging 61.0% of the typical contractor's work composition, down marginally from 60.6% the year before. Driveway work averaged 13.4%, up from 11.6% in TC 2025, with 24 of 40 contractors doing some driveway work at an average composition of 22.4% among those who did. Residential roads and city streets averaged 16.9%, down from 18.3%, with 30 contractors reporting some residential road work. Highway work averaged 3.5%, with only 10 of the 40 doing any highway work at all, a notable drop from the 14 of 50 a year ago. The other-locations category, which captures sports surfaces, cart paths, and sidewalks, averaged 5.2% with 20 contractors doing some.

The residential lean we identified in the overview shows up here: more driveways, fewer highways, parking lots still on top.

CUSTOMER MIX

Every Top 40 Paving Contractor did some commercial or industrial work, averaging 52.3% of the typical contractor's mix, down slightly from 53.7% in TC 2025. Municipal work averaged 14.4%, down from 15.5%, with 31 of 40 contractors reporting some municipal work at an average composition of 18.6% among those who did.

Multi-family residential work averaged 16.4%, down from 19.3%. Single-family residential, the most striking move in the customer-mix data, averaged 13.1%, up from 8.6% in TC 2025, with 24 of the 40 contractors doing some single-family work at an average composition of 21.9% among those who did. The other-customer category averaged 3.7%, up from 2.9%.

Combined with the driveway data, the single-family jump confirms the residential pivot. Top 40 paving contractors leaned into smaller-scale residential work in 2025 in a way they had not done the year before.

All but one of the Top 40

self-performed at least 50% of their work, consistent with the 48 of 50 that did so in TC 2025. The bigger movement was in subcontracted revenue. The Top 40 generated an average of 16.7% of gross from acting as a subcontractor for other contractors, down from 22.8% in TC 2025. That is a six-point drop in a single year and reverses what had been a multi-year upward trend.

CUSTOMERS AND PROJECTS

- 35% (14) worked for more than 400 customers, and 55% (22) completed more than 400 projects
- 2.5% (1) worked for 301 to 400 customers, and 5% (2) completed 301 to 400 jobs
- 17.5% (7) worked for 201 to 300 customers, and 7.5% (3) completed 201 to 300 jobs
- 15% (6) worked for 151 to 200 customers, and 15% (6) completed 151 to 200 jobs
- 10% (4) worked for 101 to 150 customers, and 10% (4) completed 101 to 150 jobs
- 20% (8) worked for fewer than 100 customers, and 7.5% (3) completed fewer than 100 jobs

The Top 40 ran more concentrated customer relationships and higher project counts than last year's Top 50, with 55% completing more than 400 jobs compared to 46% a year ago. Fewer customers, more repeat work, more volume per relationship.

FLEET REPLACEMENT

70% (28) of the Top 40 reported fleet replacement values above \$2 million, down from 68% (34 of 50) in TC 2025. Another 10% (4) fell into the \$1 million to \$2 million range, with 17.5% (7) reporting between \$500,000 and \$1 million, and one contractor at less than \$250,000. The capital concentration of the Top 40 paving segment held steady, and the rising equipment costs and tariff pressures noted in last year's article will show up most clearly in next year's data, when full-year impacts have worked through fleet decisions. ■

2026 TOP CONTRACTOR

	Year in Business	Sales Composition (%)						Where We Work (%)					Customer Mix (%)				
		Paving	Pavement Repair	sealcoating	striping	Surface Treatments	Other	Driveways	Highways	Parking Lots	Streets/Roads	Other	Commercial	Municipal	Multi-family	single-family	Other
A. C. Moate Industries - Auburn, WA	30	48	4	12	12	0	24	0	0	100	0	0	75	17	8	0	0
A&A Paving - Roselle, IL	66	60	15	10	5	0	10	10	0	80	10	0	50	10	40	0	0
Advanced Asphalt Paving, Inc. - Twinsburg, OH	33	76	5	9	2	0	8	2	0	98	0	0	93	0	6	1	0
Ameriseal LLC - Merrimack, NH	38	5	35	45	15	0	0	40	0	50	10	0	40	15	15	30	0
AMI Construction Inc - Lebanon, TN	31	56	10	2	3	1	28	0	0	60	37	3	61	0	2	37	0
ASAP Asphalt Sealing And Paving Co. - Meadow Lands, PA	21	50	15	20	5	0	10	5	0	90	0	5	80	5	10	5	0
Asphalt Solutions Inc. - Youngstown, OH	25	60	10	10	10	0	10	0	0	100	0	0	85	0	15	0	0
Asphaltech Pavement Solutions - Bridgeton, NJ	8	30	15	25	9	0	21	5	0	80	0	15	45	5	45	5	0
B&G Sealcoating - Endicott, NY	17	10	10	55	25	0	0	20	0	80	0	0	55	15	10	20	0
Bear Owen Paving Company Inc. - Peckville, PA	57	90	10	0	0	0	0	75	0	20	5	0	20	0	0	80	0
C.V.D. Paving Corp. - Saugus, MA	15	75	5	0	0	0	20	5	10	5	15	65	5	90	0	5	0
Central Paving, LLC - Ellensburg, WA	18	50	10	30	10	0	0	10	0	60	20	10	50	30	10	10	0
Cincinnati Asphalt - Harrison, OH	13	37	14	12	6	0	31	10	0	60	15	15	56	9	21	8	6
Collegiate Sealers and Paving - Chantilly, VA	40	40	1	58	1	0	0	96	0	3	1	0	2	0	1	97	0
DACS Asphalt & Concrete - Commerce City, CO	9	50	20	8	5	0	17	0	0	87	13	0	86	8	6	0	0
Daniel B. Krieg, Inc. - Harrisburg, PA	93	51	1	19	2	3	24	1	54	22	19	4	60	35	4	0	1
Doctor Asphalt LLC - Sun Prairie, WI	10	10	15	30	5	35	5	5	0	80	10	5	70	5	20	5	0
Dominion Paving & Sealing - Purcellville, VA	43	57	12	9	6	0	16	1	1	60	36	2	26	2	71	1	0
EcoSurface - Phoenix, AZ	3	40	15	25	10	5	5	0	0	80	10	10	70	0	30	0	0
Erskinesealcoating@gmail.com - Meadowbrook, WV	6	80	2	15	3	0	0	50	2	45	3	0	50	10	10	30	0
Finley Asphalt & Concrete - Manassas, VA	61	40	45	3	2	0	10	0	0	70	20	10	20	45	35	0	0
G&M New England, LLC - Sherborn, MA	25	5	40	40	5	0	10	35	0	65	0	0	60	0	20	20	0
Giordano Construction Incorporated - Houston, TX	26	30	60	5	5	0	0	5	0	85	10	0	90	10	0	0	0
Intercounty Paving Company, Inc. - Carmel, NY	70	75	0	0	0	0	25	0	0	48	50	2	40	45	15	0	0
Laurel Asphalt LLC - Windber, PA	31	69	9	7	4	0	11	32	3	42	12	11	42	15	0	32	11
M & M Asphalt Maintenance Inc. dba All County Paving - Delray Beach, FL	38	60	10	16	8	0	6	0	4	33	63	0	24	34	21	0	21
Maul Paving, Inc - Plainfield, IL	26	40	25	22	3	0	10	0	0	95	5	0	70	5	25	0	0
Mr.Pave, LLC - Lynchburg, VA	5	63	14	1	0	0	22	4	5	6	76	9	6	3	1	2	88
O'Leary Asphalt Inc - Ijamsville, MD	41	25	25	10	5	0	35	0	0	80	20	0	75	5	15	5	0

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Paramount Asphalt & Sealcoating - Naples, FL	10	60	5	15	20	0	0	0	10	40	50	0	70	10	20	0	0
Pave It Forward Asphalt - Louisville, KY	3	70	15	10	0	0	5	50	0	40	10	0	30	5	15	50	0
Pavement Solutions, LLC - Richmond, IL	25	49	19	12	13	0	7	10	0	90	0	0	70	10	10	10	0
Ruston Paving Co., Inc. - Gainesville, VA	83	68	30	0	0	0	2	0	0	98	0	2	75	10	15	0	0
Steed Paving - Jackson, SC	12	60	20	5	5	0	10	10	10	40	40	0	60	30	5	5	0
Sunland Asphalt - Phoenix, AZ	47	49	4	9	2	2	34	0	40	28	20	12	20	40	10	10	20
The Pavement Group Inc - Wexford, PA	8	46	12	8	5	0	29	0	0	95	2	3	94	0	6	0	0
The Surface Masters, Inc. - Marietta, GA	15	73	5	6	3	0	13	0	0	75	25	0	52	36	11	0	1
United Paving Co. - Corona, CA	26	25	30	20	9	1	15	3	0	70	25	2	65	10	20	5	0
Weaver Construction Services - Conway, SC	13	10	20	30	5	0	35	0	0	35	45	20	20	0	80	0	0
Yeager Asphalt Inc - Carrollton, MI	48	85	1	11	1	0	2	53	0	45	0	2	30	8	10	52	0