

LBM JOURNAL[®]

STRATEGIES FOR LUMBER/BUILDING MATERIAL DISTRIBUTION PROS

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OCTOBER 2019 \$10 U.S.

REAL ISSUES. REAL ANSWERS.
ON THE ROUTE...AGAIN

2019 LBM STRATEGIES
CONFERENCE RECAP

IN DEPTH

FASTENERS

STRENGTH, SPEED, AND EFFICIENCY ALL DESCRIBE
TODAY'S NEWEST FASTENERS

SUPPLY CHAIN SURVEY REVEALS
WHAT BUILDERS THINK OF DEALER
RELATIONSHIPS

THE NEW QUIK STIK RAFTER
AND TRUSS FASTENING SYSTEM
BY SIMPSON STRONG-TIE

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23

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VOL. 17 | NO. 10

A graphic with a red background and a pattern of dark red hexagons. The hexagons contain icons and labels for supply chain stages: MANUFACTURER (gears), DISTRIBUTOR (network), BUILDER (house), LBM SUPPLIER (truck), PLAN (document), and PRODUCT (circular arrows). The text 'SUPPLY CHAIN SURVEY REVEALS WHAT BUILDERS THINK OF DEALER RELATIONSHIPS' is written in white, with a large white '44' in the bottom right corner.

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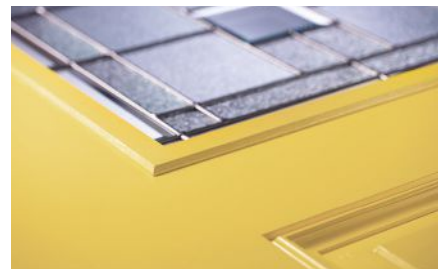
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POLITICS IN THE WORKPLACE

Your two top salespeople are passionate and vocal about their political beliefs, which is costing you customers. What would you do?

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Greg Templeman
2019 Dealer of the Year winner

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Leading Suppliers Council



EDITOR'S NOTE

Building connections

AS I WRITE THIS, LBM Strategies Conference 2019 is in the rearview mirror. Many of our industry's leading thinkers—and doers—were there to share their stories, to learn from other industry pros, and to connect with others who do what they do. It may not sound that impressive, until you consider the street-level impact of what happens after the event.

- Two dealers who connected at the event both learned that the other has found a solution to a particularly tough challenge. They're planning to visit each other's yards and share their strategies.
- One seasoned dealer shared with me the pages of notes taken during the event, and was anxious to immediately implement some of the gross margin strategies learned during a session by Bill Lee, Lanny Moore, Jr., and Jim Sobek.
- Rick Davis, our industry's leading sales trainer/consultant, launched a pre-release version of his latest book, "Sales Economics." His presentation focused on the main themes from the book—which represent fresh thinking that's sure to deliver bottom-line results.

It's appropriate that this year's event coincided with LAT's Dealer Roundtables, which were held at the same facility. After all, whenever smart dealers get together, whether it's at an association event or a high-level networking conference, amazing things happen. I'm a big believer in connections, because I've seen how dealers who make time to connect with other dealers tend to outperform the competition.

Grant Levitt summed up the basic math behind this concept in his presentation. "If two dealers give each other one dollar, they each still have a dollar. However, if two dealers give each other an idea, they each have two ideas." People in our industry must know this intuitively, because how else to explain the open sharing of ideas to help others succeed?

Every issue of *LBM Journal*, and for that matter, everything we do, is focused on the sharing of ideas. The simple fact is that if you and other readers weren't willing to share, there'd be no *LBM Journal*.

I'd like to close by sharing something I posted to LinkedIn after our event: "Back in the office after spending last week in Austin, Texas for LBM Strategies Conference 2019, I'm feeling very thankful. Thankful to the 100+ LBM dealers who took time away from their companies to attend. Thankful to the 20+ presenters and panelists—mostly LBM dealers themselves—for sharing their insights and experiences. Thankful to the sponsors whose financial support makes the annual event possible. And thankful for my colleagues—the LBM Journal team—who are, without question, the best in the business.

"When I joined the LBM industry back in 1990, I knew nothing about lumber and building materials—and had no idea of the depth and strength of the LBM community. Today, I can't imagine doing anything else." ■

Rick@LBMJournal.com



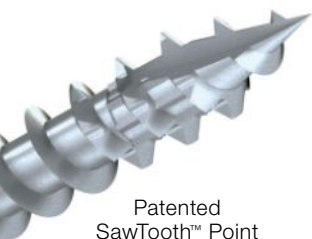
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To learn more about this time-saving solution that replaces lags and spikes, visit go.strongtie.com/sdwsss or call (800) 999-5099.



SMART LUMBERYARD SUCCESSFUL LUMBERYARD

It's pretty simple: the more efficiently you manage raw materials and process your inventory, the more successful your business will be. Unfortunately, in most lumberyards, hundreds of linear feet of EWP (and their potential profit) end up misused or unused every year.

That's why Boise Cascade® developed SawTek®, a smart saw system that combines software, hardware, and support to help you squeeze every bit of profitability from your EWP business — without adding staff.

SawTek combines automation, support and analytics to give lumberyard employees additional capabilities while virtually removing human error from the job pack process.

“The ways of the old days, when you take the cut list out to the yard with a chainsaw and start cutting out the job pack, are gone,” says Dan Carter, Boise Cascade’s Processing Systems Manager. “Technology brought us to a whole new place where we can be much more productive and much more profitable.”

Just enter a joist placement plan for the job. The system finds the most efficient use for the Boise Cascade I-Joists and cuts the job quickly and precisely. Built-in routers cut HVAC or electrical holes within 1/16" of the specification, ensuring joists line up perfectly once installed. Finally, each piece and every cut is labeled to make bundling, delivery and building more productive.

Because SawTek integrates several pieces of Boise Cascade technology, you can see both the forest and the trees.



BC CONNECT® order optimization intermixes cut lists of several jobs and analyzes them together to get the best utilization. By matching the right lengths for every job pack, less wood winds up as waste or slow moving lengths. Taken together, this means lumberyards using SawTek reduce inventory, yet can process more jobs each day.

KNOW YOUR NUMBERS

You can't manage what you don't measure. By automating, collecting and analyzing inventory and production data, the SawTek system and its software answer these questions and pinpoint paths for improvement:

DAILY PRODUCTIVITY: How many lineal feet did you package for customers today versus yesterday? Or last month? Or last year? Accurate statistics can verify progress or flag problems.

EFFICIENCY: How quickly did those lineal feet go through the machine? The automated hardware is still dependent on how quickly workers load, process and unload the machine. Are employees keeping up?

PERFORMANCE: Are the saw blades about to fail? Is the beam sensor placed properly? We monitor more than 117 performance standards to maximize uptime and overall performance. For example, our





team can run a series of what-if scenarios to analyze if managing similar jobs differently in the future can increase efficiency. Often it can — increasing job profitability.

“By providing those inventory analysis tools, we’ve seen some huge savings opportunities for customers,” Carter explains. “The ability to log that information and reanalyze it under different scenarios allows us to uncover opportunities that would have snuck by us in the past.”

“Technology brought us to a whole new place where we can be much more productive and much more profitable.”

SUPPORT WHERE YOU NEED IT

SawTek adds to your team’s capabilities without adding to your headcount. Within days of installation, your operators and your smart saw will be up and running with in-depth, onsite training.



On an ongoing basis, all of the system’s activity automatically feeds back to Boise Cascade, allowing experts to analyze your data remotely. If a snag can’t be remedied online, SawTek technicians will visit your location to help fix it. And of course, the Boise Cascade analytics team is always available to crunch numbers and offer suggestions to improve performance.

“The industry is modernizing,” Carter says. “It’s great to see lumber dealers using Boise Cascade’s SawTek system lead the way.”



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EDITOR'S IN-BOX

AN INSURER'S PERSPECTIVE

In Blake Nelson's article titled "Top 20 Clauses of Subcontractor Agreements" in the July 2019 edition of *LBM Journal*, he lists Insurance Requirements as one of the clauses to include in a General Contractors agreement with its Subcontractors. Nelson briefly highlights the importance of Insurance Requirements but does not discuss specific information regarding coverages and provisions that should be listed in a contract. From an insurance provider's perspective, we would like to outline the best practices for ensuring adequate insurance requirements from your subcontractors to sufficiently protect your assets in the event of a loss.

Protecting your company before a loss

When lumberyards sell products and work on installed sales projects for their customers, they may use a subcontractor. When hiring subcontractors to perform jobs on site, there are some cases when contract requirements become an afterthought. In addition, the lumberyard may rely on poorly worded or outdated certificates of insurance. This raises an issue when a loss occurs, and the subcontractor is not insured or is underinsured. Determining adequate insurance requirements for subcontractors is key in protecting your business from unwanted financial costs, including lawsuits. We have identified a few ways that you can ensure proper financial protection and legal defense coverage when working with subcontractors.

Insurance requirements

Ways to require subcontractors to obtain adequate insurance coverage:

1. Specify the types of insurance that are required in the contract. For example, minimum industry standards include a Commercial Auto, a General Liability and an Umbrella insurance policy.
2. Specify the limits of coverage required for the insurance policies. We recommend that the insurance limits

on the subcontractor's insurance policies match your limits of insurance. It is required that a General Liability policy must have a \$1 million dollar limit per occurrence.

3. Require the subcontractor to add you as an Additional Insured on the subcontractor's insurance policy. Ensure that you receive a copy of the Certificate of Insurance (COI) from your subcontractor that lists your company as a Named Insured.

4. State the specific type of Additional Insured Insurance Service Office (ISO) form to ensure the broadest coverage possible.

5. Specifically list the scope of the job in the agreement with a subcontractor, which should include an invoice or estimate.

Indemnification provisions

Below are ways in which you can seek coverage for liability and defense costs from the subcontractor:

1. Require your subcontractor to add a Waiver of Subrogation endorsement to their insurance policy. This endorsement prohibits an insurance carrier from recovering the money paid on a claim from a negligent third party.

2. Include a Hold-Harmless Agreement in your contract with a subcontractor. A hold harmless agreement releases you from liabilities or consequences due to the actions or work completed by the subcontractor.

3. The subcontractor's policies should also state that it is on a primary and non-contributory basis. This simply means that in the event of a loss, the subcontractor's coverage is applied before your own coverage.

In summary, working with subcontractors can be a great way to expand your services and increase your growth as a company. However, inadequate risk management strategies, including not requesting that subcontractors meet insurance requirements and not ensuring proper indemnity provisions, can inadvertently harm your business. Accidents do happen and before they occur you want to ensure that you are protected.

— Carmela Robinson
Underwriter

— John Smith
President & CEO
Pennsylvania Lumbermens Mutual

WOMEN IN CONSTRUCTION JOBS REACHES PRE-RECESSION LEVEL

The number of women employed in the construction industry grew substantially in 2018 rising to 1.1 million, a total reached prior to the Great Recession, NAHB says. As the construction skilled labor shortage remains a key challenge, adding new workers is an important goal of the industry. Bringing additional women into the construction labor force represents a major opportunity for the future.

As an April article in *LBM Journal* points out, women only make up about 5% of the LBM industry, though more dealers are realizing that an LBM industry more inclusive of women offers advantages to employee and dealer alike.

During the Great Recession, the number of females in construction declined sharply by almost 30% to 807,000 by 2010, NAHB's analysis shows. From 2010 to 2017, the total slowly remained to around 970,000, but remained below the peak of pre-recession levels. However, in 2018, 1.1 million women worked in the construction industry, up by 13% from 2017, roughly matching the number of women in the industry before the Great Recession.

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UPDATES

INDUSTRY

BlueLinx has announced the creation of a national moulding and millwork team, with **Mark Echols** named as its general manager.

Scientists at the University of Maine Advanced Structures and Composites Center tested **LP Legacy** panels alongside commodity OSB and plywood in a four-phase, 14-month study designed to simulate the potential extremes of a real jobsite and wear in a finished home.

DISTRIBUTION

BlueLinx will now distribute the full line of **MoistureShield** products from distribution centers in Miami, Jacksonville, and Lakeland, Fla. locations.

Seven D will distribute the full **MoistureShield** composite decking product line throughout central Pennsylvania, Delaware, and New Jersey.

Weyerhaeuser Distribution will offer the full lines of **TimberTech** Outdoor Living products and **AZEK** Exteriors' products in key locations throughout the western United States.

Snaveley Forest Products will distribute **TimberTech** and **AZEK** products in key locations throughout Colorado and Wyoming.

Trex is expanding its distribution network with Phoenix-based **Capital Lumber**, which will add Colorado to its Trex distribution footprint.

CO-OPS & BUYING GROUPS

LMC leaders from around the country gathered in Chicago for three days of learning with the theme "Reaching Higher to Create the Perfect Customer Experience" as part of LMC's fifth-annual Leadership Summit held from Sept. 10–13, 2019. The annual event brings together leaders in the LMC dealer network to learn together from each other and from professionals in other industries.

MERGERS & ACQUISITIONS

BMC Stock Holdings, Inc. has acquired **Heritage One Door & Carpentry**, a supplier of pre-hung doors, millwork, hardware, and finish carpentry services in Sacramento, California.

ACS American Construction Source, a national building materials platform for custom home builders and repair and remodel contractors, has acquired **Contractor's Truss Systems (CTS)**, located in Cotter, Arkansas.

PEOPLE

Weyerhaeuser Distribution has added **Chad Kracht** as product sales representative in the Texas market.

Boral Building Products has promoted **Mark Foltz** to director of retail and national accounts and has hired **Steve Wickham** as director of sales – east.



FOLTZ



WICKHAM

Send news and updates about your organization to James@LBMJournal.com

EVENTS

- NOV 5-6** Mid America Lumbermen Association (MLA) Annual Fall Conference
Kansas City, MO • www.themla.com
- NOV 6-8** LBM Advantage Fall Planning Conference, Boston, MA
www.lbmadvantage.com
- NOV 20-22** LMC Expo, Philadelphia, PA
- JAN 9-12** Cameron Ashley Building Products 2020 Dealer Show, Orlando, FL
www.cameronashleybp.com/events/2020-dealer-show
- JAN 14-16** North Dakota Retail Lumbermen's Association Annual Convention
Fargo, ND • www.ndrla.com
- JAN 21-23** NAHB International Builders Show, Las Vegas, NV
www.buildersshow.com
- JAN 22-23** Northwestern Building Products Expo-North, St. Cloud, MN
www.nlassn.org
- FEB 4** Wisconsin Leadership Conference Wisconsin Dells, WI
www.nlassn.org
- FEB 7-10** Do it Best Spring Market, Indianapolis, IN • www.doitbestcorp.com
- FEB 24-26** LBM Advantage Annual Convention, Orlando, FL
www.lbmadvantage.com
- FEB 27-28** Northwestern Building Products Expo – South, Council Bluffs, IA
www.nlassn.org
- MAR 4-6** LMC Annual Meeting, Nashville, TN

MONTHLY AND YEARLY CONSTRUCTION INPUT PRICES DROP IN AUGUST

Construction input prices fell 0.6% in August and are down 0.9% year over year, according to an Associated Builders and Contractors analysis of U.S. Bureau of Labor Statistics' Producer Price Index data. Nonresidential construction input prices fell 0.4% for the month and are down 0.4% compared to August 2018.

Among the seven subcategories experiencing a decline in prices during the past year, the greatest declines were in energy-related categories like natural gas (-33.3%), unprocessed energy materials (-19.1%), and crude petroleum (-15.7%). Three other subcategories registered year-over-year declines greater than 10%: softwood lumber (-11.7%), iron and steel (-10.7%), and steel mill products (-10.6%).

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25
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RESISTANCE
25
YEAR
STRUCTURAL
25
YEAR
REMOVAL &
REPLACEMENT
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LIFETIME
LIMITED
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UPDATES

IN MEMORIAM

Don Wolf, who served for more than 25 years as president and CEO of what would become **Do it Best Corp.**, and helped grow it into a multi-billion-dollar international home improvement co-op, died on Sept. 11. He was 90 years old.

RoyOMartin has announced the passing of the company's Chairman **Jonathan E. Martin**. Martin worked for the family business for 49 years. He was 70 years old.



WOLF



MARTIN

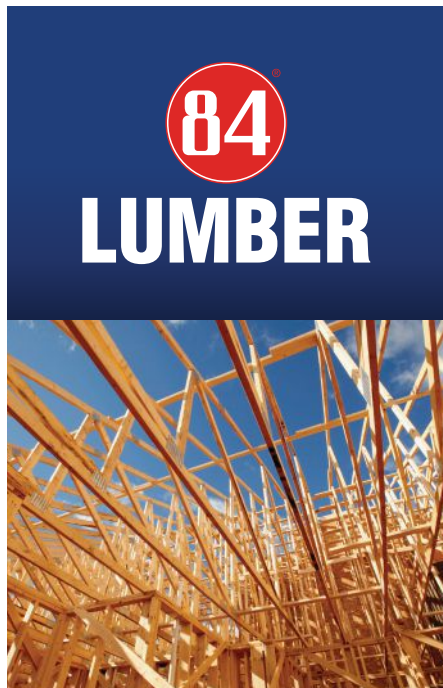
BUILDER CONFIDENCE HITS YEARLY HIGH IN SEPTEMBER

Builder confidence in the market for newly-built single-family homes rose one point to 68 in September from an upwardly revised August reading of 67, according to the latest National Association of Home Builders/Wells Fargo Housing Market Index (HMI). Builder confidence levels have held in the mid-to upper 60s since May and September's reading matches the highest level since last October.

Derived from a monthly survey that NAHB has been conducting for 30 years, the NAHB/Wells Fargo Housing Market Index gauges builder confidence in current single-family home sales and sales expectations for the next six months as "good," "fair" or "poor." The survey also asks builders to rate traffic of prospective buyers as "high to very high," "average" or "low to very low." Scores for each component are then used to calculate a seasonally adjusted index where any number over 50 indicates that more builders view conditions as good than poor.

The HMI index gauging current sales conditions increased two points to 75 and the component measuring traffic of prospective buyers held steady at 50. The measure charting sales expectations in the next six months fell one point to 70.

Looking at the three-month moving averages for regional HMI scores, the Northeast posted a two-point gain to 59, the West was also up two points to 75 and the South moved one point higher to 70. The Midwest was unchanged at 57.



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¹ Limitations and restrictions apply. Guarantee for panel-to-joist connection on an AdvanTech™ Subfloor Assembly. See SqueakFreeGuarantee.com for details. ² BUILDER magazine Brand Use Study, 2002-2018, OSB Category. © 2019 Huber Engineered Woods LLC. AdvanTech and AdvanTech logos and designs are trademarks of Huber Engineered Woods LLC. HUB 21399 REV 8/19

LABOR DEPARTMENT ADDRESSES NLBMDA PRIORITIES IN NEW OVERTIME RULE

The National Lumber and Building Material Dealers Association (NLBMDA) released the following statement in response to the U.S. Department of Labor's (DOL) final overtime rule that will raise the overtime salary limit for workers from \$455 per week to \$684 per week, which is equivalent to \$35,568 per year for a full-year worker.

"This is a victory for the LBM industry and we are pleased that DOL agreed with NLBMDA, by name, on key points in the rule," said NLBMDA president & CEO Jonathan Paine. "The Agency's approach to make the overtime threshold a reasonable level, along with engaging the regulated community for future threshold increases, reflects their diligence in crafting a feasible rule for workers and employers."

In the current final rule, DOL declined to implement automatic updates for future salary thresholds and declined to set a fixed schedule for review. It also updates the earnings thresholds necessary to exempt executive, administrative and professional employees from the Fair Labor Standards Act's (FLSA) minimum wage and overtime pay requirements, and allows employers to count a portion of certain bonuses/commissions towards meeting the salary level. The new thresholds account for growth in employee earnings since the thresholds were last updated in 2004.

In the final rule, the department is:

- Raising the "standard salary level" from the currently enforced level of \$455 per week to \$684 per week (equivalent to \$35,568 per year for a full-year worker).
- Raising the total annual compensation requirement for "highly compensated employees" from the currently enforced level of \$100,000 per year to \$107,432 per year.
- Allowing employers to use nondiscretionary bonuses and incentive payments (including commissions) paid at least annually to satisfy up to 10% of the standard salary level, in recognition of evolving pay practices.

TOUGH CALL ANSWERS

ANSWERS TO OUR AUGUST TOUGH CALL SURVEY:

THE DEVELOPER AND THE RED FLAG

A DEVELOPER WHO'S PROVING TO BE LESS THAN HONEST IS OFFERING THE POTENTIAL FOR A LOT OF MATERIAL SALES. HERE'S HOW READERS WOULD HANDLE THIS TOUGH CALL.

YOUR VOTES ONLINE AT LBMJOURNAL.COM

- 9.6%** **NO REFUND.** Explain that you've talked with the builder, and understand that the damage has been repaired to her satisfaction.
- 67.1%** **PLAY IT OUT.** Tell her that since you haven't done business together, you'd like to meet her. In fact, how about you and the builder meet her at the model home and see the damaged stairs?
- 20.6%** **CALL HER OUT.** Tell her that you and Abe are friends and you know the damage has been repaired. Ask her if this is how she does business, and if it is, she'll have to find another supplier.
- 2.7%** **PAY THE REFUND.** Tell her you know that the stairs have been repaired, but you stand behind your materials. Agree to the refund as a one-time courtesy, provided you and Abe get the business.

A-GAME BUILDER SPOTLIGHT

JAKE BRUTON



"We want people to see what's possible and take craftsmanship seriously. A rising tide lifts all boats."

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BY THE YARD

NEWS FROM LUMBERYARDS AROUND THE COUNTRY

Cason Shrode named president at Cassity Jones Lumber

Cassity Jones Lumber has elevated **Cason Shrode** to the position of president and COO. Shrode's career with Cassity Jones Lumber began in 2017. Prior to joining Cassity Jones, Shrode was a division manager for API group.



SHRODE

New managers at McCoy's stores

Jason Harrison has been named store manager of Southeast San Antonio **McCoy's Building Supply**. **Chris Rodriguez** is store manager of its Midland, Texas, location, and **Brian Oney** is store manager of Orange, Texas, McCoy's.



HARRISON



RODRIGUEZ



ONEY

McCoy's Building Supply opens Bay City, Texas location

McCoy's Building Supply has opened its newest location in Bay City, Texas. The new store features 18,000 square feet of inside retail space and a paved drive-through lumberyard. Store manager **Tyler Montgomery** leads the store team along with assistant managers **Kevin Cowen** and **Chris Cano**.

Timberline Enterprises acquires Braintree Lumber Company

Timberline Enterprises, based in Gloucester, Massachusetts, has reached an agreement to purchase the assets of **Braintree Lumber Company**. Braintree Lumber will be Timberline's fifth full-service location in Massachusetts. An October closing is anticipated.

Randall Brothers acquires PMC Building Materials

Randall Brothers, Inc., now entering its 135th year in business as a supplier and manufacturer of architectural moldings, millwork and related building materials in the Southeastern U.S., has completed its previously announced acquisition of Atlanta-based **PMC Building Materials LLC**.

Central Valley honored

Central Valley Builders Supply has been named one of "The Best Places to Work in the North Bay" by the *North Bay Business Journal* in Northern California.

DEALERS, GOT NEWS? Send info on your company's new location, anniversary, expansion, local recognition, honors and awards, new hires, promotions, or other news to James@LBMJournal.com.

Shelly's Building Supply and Universal Supply partner in Pennsylvania

Shelly's Building Supply and **Universal Supply**, divisions of national building products distributor US LBM, have partnered to co-brand the company's Kimberton, Penn. location.

MWP Building Supply acquires Blue Ridge Builders Supply

Two Virginia lumber dealers combined when MWP Building Supply acquired Blue Ridge Builders Supply in September. Together, the company is now known as **MWP Blue Ridge Building Supply**, which the company says will become "Central Virginia's best resource for quality products, outstanding brands, and stellar service."

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TIPS BY PLM

EPLI: PROTECTING EMPLOYEES AND THE BUSINESS IN THE #METOO ERA

While fostering a discrimination- and harassment-free work environment has always been important to good employers, it has become an even greater priority in recent years. With high-profile sexual harassment scandals, as well as racial and gender equality issues making headlines on a regular basis, operators of businesses of all sizes and across all industries have to be prepared should an employee make an accusation of unfairness, discrimination or wrongful termination against the company.

Consider these cases of Employment Practices Liability (EPL) claims:

- A former employee sues a business, claiming sexual harassment in the workplace and failure to prevent sexual harassment on the part of the company.
- A former employee files a lawsuit which alleges the company engaged in gender discrimination and whistleblower retaliation.

What recourse does the business owner have? How will he or she retain a good lawyer and cover the legal fees? If the business owner does not have appropriate and adequate insurance coverage in place, the costs of defending EPL claims can skyrocket quickly and cost the business exponentially.

Unfortunately, even if management has worked diligently to maintain a harassment- and discrimination-free work environment, a building and lumber material dealer could find themselves named in a lawsuit brought forth by an employee who feels wronged in some way. When that happens, the dollar signs quickly add up because even baseless allegations must be defended.

According to the EEOC, 76,418 charges of equal opportunity employment violations were filed with them in 2018. During that same time period, the commission resolved 90,558 charges of EEO violations and secured \$505 million from employers for victims filing the claims. Charges were based on employer violations related to race, sex, national origin, religion, color, age, disability and equal pay, among other things.

When broken down by company, the average cost of such a claim could be catastrophic to a small-to-mid-sized business. According to an August 2018 article in *HR* magazine, Hiscox found that the average cost for the defense and settlement of an employment law-related suit is \$160,000.

BEST PRACTICES IN EPLI RISK MANAGEMENT

Society has changed at a rapid pace over the past year or so under the #MeToo movement and other calls for equality. As a result of these shifts, changes are being made across the country at the state and federal levels to update statutes and employment laws, as well as employer record keeping and training requirements.

Retaliation is one of the fastest growing EEOC charges and forms a part of many multi-charge EPL insurance claims. Other specific drivers of EPL-related actions against employers in today's

workplace include issues stemming from: social media, mobile devices, marijuana legalization, telecommuting/job sharing, pregnancy, and the Defense of Marriage Act. Existing employees, former employees and even rejected job applicants have a legal right to file actions against employers.

Business owners, including lumber and building material dealers, can take steps to make sure their businesses are up to date on new requirements and more.

First, employers should make sure they have comprehensive Employment Practices Liability Insurance (EPLI) in addition to their business owners policy because it is not always included. EPLI, as it is commonly called, allows businesses to protect themselves against these issues. An EPLI policy will cover the legal cost of defending against these claims. While many employers believe their general liability insurance provides adequate coverage for these employment practices violations, they are incorrect.

THE RIGHT PARTNER

In addition to securing adequate EPLI coverage, creating an actionable risk management plan will be critical. While larger employers may have internal human resources departments and legal teams to assist with claims of wrongdoing against employees, small-to-mid-sized companies often do not. The landscape is changing and becoming more challenging for employers to navigate. This is why trusted partners, like your business's insurer, can be invaluable. Some insurers provide EPLI programs, not just coverage. These programs provide resources that can help you understand recent changes in employment practices, assist in risk management, and provide legal advice.

While the wood industry may not have considered EPLI coverage essential in the past, it should now. Working with an insurer who knows the ins and outs of the risk exposures facing lumber and building material dealers can help you navigate these newly emerging risks.

EPLI coverage provided through Pennsylvania Lumbermens Mutual Insurance Company provides broad coverage and meaningful limits at affordable premiums. Aside from covering charges brought by employees, it also covers any potential charges brought by customers or vendors. And, to support small-to-mid-size policyholders who may not have such resources in house, the coverage offers:

- PLM Employer Protection, an online loss prevention program
- A toll-free legal advice line
- Specialized claims handling by experienced professionals
- Access to experienced employment law firms

To learn more about EPLI coverage provided by Pennsylvania Lumbermens Mutual insurance Company, visit our website at www.plmins.com/epl

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2019 LBM STRATEGIES CONFERENCE RECAP

STAFF REPORT

MORE THAN 150 LBM PROFESSIONALS gathered in Austin, Texas for LBM Strategies Conference 2019. This year's event brought a total record number of 103 independent dealers and distributors, as well as a greatly increased number of female attendees thanks to an insightful panel discussion focused on women in the LBM industry. While recent surveys point to a female workforce of about 5% in the LBM industry, 34% of this year's LBM Strategies Conference attendees were women, a trend we all can agree needs to continue in future years.

Held this year at the Sheraton Austin Hotel at the Capitol, 167 total attendees brought out the best the LBM industry has to offer. With Austin's restaurant and music scene as a backdrop, attendees enjoyed 12 full hours of presentations and panels, as well as gourmet lunches and cocktail hours courtesy of generous conference sponsors.

The high-level event was made possible through the support of more than 20 conference sponsors, including Epicor (Platinum sponsor), MiTek (Gold sponsor) and Boise Cascade Engineered Wood Products and ECI Spruce (Silver sponsors).

With breakfasts, lunches, cocktail receptions and coffee breaks all part of the package, there was plenty of opportunity for attendees to network with other dealers and leading manufacturers and service providers.

LBM Century Club members were recognized at a cocktail reception after Thursday's sessions. Sponsored by Epicor, the program honors new inductees each year into the industry's only celebration of lumberyards that have stood the test of time for more than 100 years. At this year's conference, five dealers were inducted into the exclusive club. Those five dealers shared a total 586 years in business. Among all Century Club members in attendance, 1,912 years of continuous business is shared. Overall, total Century Club members have compiled 20,303 years of operation. Hats off to Century Club members and all LBM dealers striving to get a little bit better each year!

While space constraints prevent us from sharing every nugget of wisdom delivered at LBM Strategies 2019, what follows is a brief recap of the speakers, panelists, and presenters who made LBM Strategies 2019 a resounding success. In fact, the event was so successful, more than 20 dealers have already registered for LBM Strategies 2020, which will be held Sept. 23-25 in Boston. Visit LBMStrategies.com for more info! ➤

For more photos, visit LBMJournal.com and watch LBMStrategies.com for announcements about LBM Strategies 2020.

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LBM STRATEGIES 
2019 CONFERENCE





"I'm working with my son, and to make him a good owner, I have him signed up for next year."



"One of the best things is the new people in our industry that I get to meet. It really spurs new ideas and things to take back to our everyday business that I may not have thought of before. That will really have an impact on our people, our culture, and our bottom line."



"We'll start thinking differently and leading differently based on the messages that we can take home and put into practice."

CONFERENCE RECAP

PRESENTATIONS AND PANEL DISCUSSIONS

Each year, the LBM Strategies Conference agenda is driven directly by reader feedback to the *LBM Journal* monthly Real Issues survey. This year, we identified the key business challenges that readers are wrestling with, and recruited dealers or other industry pros to address those topics. The agenda ranged from leadership and recruiting, to sales management, training and team building, gross margin strategies, M&A insights, and more.



BUILDING A PURPOSE- AND VALUES-DRIVEN COMPANY

MIKE DYKSTRA

President and CEO | Zeeland Lumber and Supply

Mike shared how to attract and retain top people—especially high-performing young pros—while contributing to communities and positioning companies for a strong future. Mike kicked off LBM Strategies 2019 by sharing Zeeland Lumber’s purpose and values—the company’s foundational principles—that have helped guide his leadership team through the challenges of growth and change, and surviving and thriving after a natural disaster, all while striving to make a positive difference in society. Attendees learned how Zeeland Lumber benefits from hiring “returning citizens,” building young teams of top-performing talent, leveraging the latest technology tools, and more. Mike armed the audience with fresh insights and strategies for building businesses into a positive, productive place where high-potential pros want to build a career.

HOW TO MAKE YOUR COMPANY A “BEST PLACE TO WORK”

JON VAUGHAN

President | Brand-Vaughan Lumber

What would you do if you learned that employees were less than enthusiastic about working for your company? When this happened to Jon Vaughan after an employee engagement survey, he and his team took the results to heart. Jon shared how they approached the problem, and the actionable tactics the company took to improve morale. He demonstrated what worked and what didn’t on the path to Brand-Vaughan Lumber’s re-energized workforce voting the company a “Best Place to Work.” Attendees left with proven strategies and tips on cranking up the engagement level at their own companies. ➤

2019 SPEAKERS



JEREMY BAKER



KATE WOODSON BORRONI



SUNNY BOWMAN



TINA BREEN



DENA CORDOVA-JACK



RICK DAVIS



KITTY DECAREAUX



THEA DUDLEY



MIKE DYKSTRA



BRADLEY HARTMANN



RUSS KATHREIN



JULIE KORTH

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CONFERENCE RECAP



BUILDING THE LABOR FORCE, ONE HOUSE AT A TIME

TY SHANKS

Vice President | Western Building Center

Determined to do something about the labor shortage in his market, Ty Shanks brought together local building pros and the high school shop class to build a house from the ground up, offer it for sale, then repeat the process. This ground-breaking program has captured the imagination of students (who can earn apprenticeship certificates and full-time employment) and the local home builders association (which can tap an active pipeline of enthusiastic young workers).

THE EXPERIENCE ECONOMY: LEVERAGING YOUR BRICK & MORTAR ADVANTAGE

GRANT LEAVITT

Vice President | Marcus Lumber Company

This independent lumberyard in a rural Iowa town is leveraging the lessons of Apple Stores, Starbucks and other destination retailers to draw customers—and drive sales—from well beyond its market area. Grant shared Marcus Lumber's innovative, cost-

effective takes on these next-generation business strategies that attract homeowners and builders alike, and provided fresh insights for leveraging social media, recognizing/appreciating current staff, and more.

PERFORMANCE METRICS FOR SALESPEOPLE... THAT WORK

RICK DAVIS

Founder and Principal | Building Leaders, Inc.

"If you can't measure it, you can't manage it." You've heard that hundreds of times, but do you know what to measure... and how to leverage the results? In this thought-provoking presentation, renowned sales trainer and consultant Rick Davis shared the difference between leading and lagging indicators, with evidence that proves correlations between the two. Attendees left this powerful session with a fresh understanding and appreciation for performance metrics for salespeople, along with practical tips for using both Key Performance Indicators (KPIs) and Key Results Indicators (KRIs) to generate positive, lasting change in their companies. ➤

2019 SPEAKERS



GRANT LEAVITT



BILL LEE



LANNY MOORE, JR.



JIMMY NEWMAN



TED RIEPLE



RICK SCHUMACHER



TY SHANKS



JIM SOBECK



JON VAUGHAN



JOHN D. WAGNER



NICK WHITE

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CONFERENCE RECAP

BUILDING THE NEXT GENERATION OF LBM LEADERS

RUSS KATHREIN

President and CEO | Alexander Lumber Company

PANELISTS:

NICK WHITE

Systems Admin./Inventory Manager | Gilcrest-Jewett Lumber

JEREMY BAKER

Manager | r.k. Miles, Inc.

JIMMY NEWMAN

VP Finance | Oxford Lumber

SUNNY BOWMAN

President and Owner | Dakota County Lumber

One of the key issues of our time, and one of the most important responsibilities of a leader today, is to plan and implement the development of our industry's next generation of leaders. Russ Kathrein addressed some of the important challenges of identifying and coaching next-gen leaders, with insights on preparing them for success as a leader in the ever-changing LBM industry. What areas should we consider evolving in our organizations in order to appeal to more young employee candidates? What kind of training and developmental process do we need in the beginning and later in their career? Russ was joined by four LBM pros to the stage for an open discussion on attracting and motivating others like them, and coaching them on their path as tomorrow's leaders.



WOMEN IN LBM: THE WHY, THE WHAT AND THE HOW

DENA CORDOVA-JACK

Executive Vice President | Mountain States Lumber & Building Material Dealers Association

PANELISTS:

TINA BREEN

General Sales Manager | Manufacturers Reserve Supply

KITTY DECAREAUX

VP Cabinet Sales | Kodiak Building Partners

JULIE KORTH

CFO | Drexel Building Supply

KATE WOODSON BORRONI

Partner/Manager | Woodson Lumber Co.

Research shows that companies with both men and women have higher sales and profits compared to male-dominated teams, and having more women in the workplace actually makes it a better place to work. This panel of top performing LBM pros—who happen to be women—shared what attracted them to our industry, their experiences as a female LBM pro, and insights on what it'll take to attract more like them. The panel clearly made the business case for women in the workforce (the "why"), a nuanced understanding of sexism in our industry (the "what"), plus some practical tactics attendees can put to work immediately in your company to attract and retain more women (the "how").

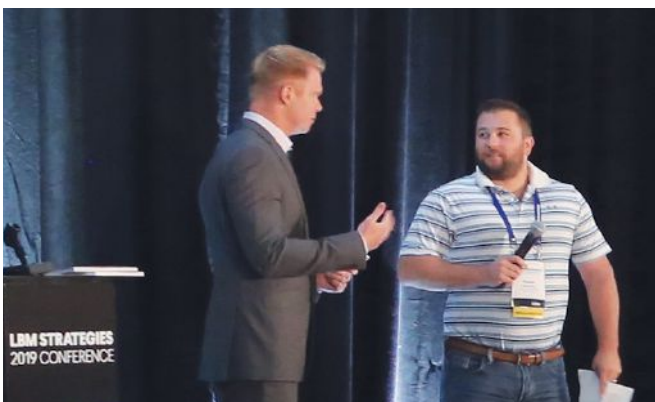


THE FUTURE OF LBM TRAINING & TEAM BUILDING

BRADLEY HARTMANN

President | Behind Your Back Sales Co.

The LBM industry is facing a pair of interrelated generational challenges. First, the Boomer Brain Drain negatively impacts us all when we fail to capture the vast wisdom from the talented Baby Boomers who retire every month. Second, the newest generation to enter our industry, often described as the YouTube Generation, expects that learning content should be available on-demand and easy to find, allowing them to learn when and where they please. Bradley Hartmann introduced practical and tactical tips that dealers across the country are employing to bridge this generational gap. >





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CONFERENCE RECAP



GROSS MARGIN STRATEGIES THAT BUILD YOUR BOTTOM LINE

BILL LEE

President | Lee Resources, Inc.

PANELISTS:

LANNY MOORE, JR.

President | SunCoast Contractor's Supply

JIM SOBECK

CEO | New South Construction Supply

Most dealers are leaving margin on the table, and many are shocked at what a difference two more points of gross margin can mean to their company's financial health. Bill Lee, author of *Gross Margin: 26 Factors Affecting Your Bottom Line*, has lived and breathed gross margin for most of his adult life. In this discussion, Bill was joined by two company owners who have proven that a high gross margin business can successfully compete for volume while earning an enviable bottom line. Attendees gathered real-world tactics and strategies that these owners are using in their businesses—that they can put to work immediately.

CREDIT: YOUR SECRET SALES WEAPON

THEA DUDLEY

Credit Expert and Consultant

If your salespeople view your credit department as the enemy, then your company is missing out on a golden opportunity to grow your sales, your margins, and your business. Credit guru and *LBM Journal* columnist Thea Dudley shared business insights and lessons-learned in a career spanning three decades, including executive positions with Guardian Building



Products and SRS Distribution. This session armed attendees with a fresh appreciation of the practical power of their credit department, plus tactics and strategies they can begin to put in place immediately to help build sales and strengthen the bottom line.

M&A UPDATE: INSIDER SECRETS FOR SUCCESSFUL DEALS IN TODAY'S VOLATILE ECONOMY

JOHN WAGNER

Managing Director | 1stWEST Mergers & Acquisitions

TED RIEPLE

Managing Partner | 1stWEST Mergers & Acquisitions

Top housing economists predict an economic slowdown within the next few years, and this session reviewed how that might impact company valuations in today's red-hot consolidation market. Often, a "fine line" separates a successful deal from one that falls flat, or a skyhigh valuation that thrills sellers vs. a price that's totally unacceptable. So, these experts shared how to navigate the top deal-makers... and deal-breakers, all backed up with real-world examples. Attendees took away strategies for achieving top values from acquirers, and learned how to prepare *now* for optimizing financial performance for whenever they plan to sell. ■



FUELED BY POSITIVE REVIEWS FROM ATTENDEES AND SPONSORS, PLANNING IS UNDERWAY FOR LBM STRATEGIES 2020, WHICH WILL BE HELD SEPT. 23-25 IN BOSTON. WATCH THESE PAGES AND LBMJOURNAL.COM FOR UPDATES.

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CENTURY CLUB HONOREES

Rick Schumacher of *LBM Journal*, along with representatives of Epicor (which sponsors the program), honored LBM dealers in attendance who comprise the LBM Century Club. LBM Century Club members are lumberyards and building materials suppliers that have been in business for more than 100 years. New inductees included Hayward Lumber Company, Nelson-Young Lumber Co., Marling Lumber Company, Stenerson Bros. Lumber Co., and Siewers Lumber & Millwork.

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The shortest path to higher profits

THE DAY will eventually come in almost every business owner's lifetime when it's time to sell.

In my experience, I have observed that more times than not, business owners are often disappointed in the price potential buyers are willing to pay for their business. To reduce the odds that you will be disappointed when you are ready to sell, there are several measurable factors that you should focus on long before you take your business to market.

Buyers are looking for highly-talented and well-trained employees, an impressive history of better-than-average asset turnover, an equally impressive track record of gross margin management, and a business that operates like a well-oiled machine thanks to efficient systems and practical procedures.

But every time I have helped one of my clients find a buyer, the single biggest factor that motivated a buyer to pay a premium for the business was an impressive bottom line. The higher the percentage of pretax margin, the more buyers there are and the more they are willing to pay.

Anemic profits don't excite buyers regardless of the sales dollars the business is generating. Businesses generating only modest pretax margins of, say, 2% to 4% of sales, will almost always be facing an asset sale, meaning the value of inventory, A/R, furniture, fixtures and equipment are all a prospective buyer is willing to pay for the business.

On the other hand, businesses with pretax margins in the range of, say, 5% to 8% of sales, have the highest odds of being sold on the basis of an earnings multiple. The higher the pretax margin, the greater the earnings multiple will typically be.

The shortest path to earning 5% to 8% of sales on the pretax line is for top management to focus the lion's share of its energy on gross margin and operating expense control. I call it "the spread." The greater the spread between gross margin and operating expenses as a percentage of sales, the more dollars buyers are going to be willing to pay.

Expense control. If over the past five years your operating expenses have averaged, say, 18.5% of sales and you set a goal to earn 8% before taxes, you must control gross margin to an average of 26.5% of sales to achieve your bottom-line goal.

If, however, your gross margin is currently averaging only 23% of sales, and you do nothing differently, you're going to miss your target by a sizable amount. Therefore, it just makes good economic sense to begin working on reducing your operating expenses as a percentage of sales several years in advance of taking your business to market.

To reduce operating expenses, there is nothing more effective than embarking on an aggressive budgeting process; that is, holding all department heads personally accountable for controlling their department's operating expenses to budgeted levels. When I say personally accountable, I am including tying the department heads' performance bonus to their ability to achieve their operating expense goals.

Gross margin. To boost gross margin without raising prices across the board, it will be necessary to focus on factors affecting gross margin that have long been neglected. This usually requires assigning one of your brightest managers responsibility for raising gross margin a specified amount. This person must have the people skills to not only get the department heads' support, but also to install the systems and procedures to achieve higher gross margin goals.

EXAMPLES OF THE KINDS OF SYSTEMS NECESSARY TO IMPROVE GROSS MARGIN:

- Establishing and monitoring a system that will remove the independent and arbitrary pricing of special-order sales.
- Systems that will not necessarily eliminate, but reduce salespeople's pricing flexibility.
- Enforcing stricter rules for issuing credits on returned merchandise that is not resalable.
- Tightening controls on inventory attrition. ■

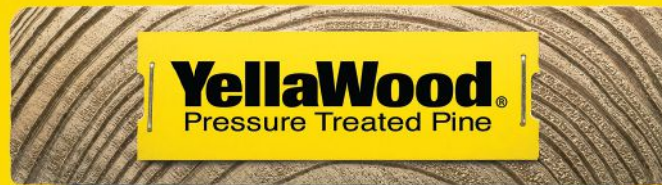
Bill Lee works with owners and managers who are looking for ways to put more money on the bottom line. For more information, you can contact Bill at 864.303.8366 or email him at LeeResourcesInc@gmail.com.





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Coaching in the sales field

INSPECT WHAT YOU EXPECT. It's an old rule of leadership and yet, many managers never take the time to follow this simple piece of advice when it comes to managing outside sales representatives. This is particularly important in an industry in which the highest paid employees in an organization and frontline representatives of the brand should be expected to perform according to a measurable standard of performance.

Gerald, a branch manager for a mountain states region dealer, explained during a management retreat how difficult it was for him to hit the road with his salesperson because he always felt understaffed at the branch; subsequently he forced himself to find the time and later reported how embarrassed he was to observe the lack of preparation by his salesperson in the field.

Another manager I consulted with allowed a rebellious salesperson with high sales volume to go unchecked for over a year before finally dismissing him; the manager's customers told him they were wondering what took so long, and fellow employees of this salesperson finally opened up about his lack of follow up.

Countless LBM dealers lament the lack of support they get from their manufacturer sales representatives. In fact, many assert that they would potentially buy more if it weren't for the ineffective representation from some of them. It should be surprising that many of these same ineffective manufacturer sales representatives win sales awards; the real reason for their success is the competence of the dealers who promote their brands effectively despite bad performance.

The real problem is that managers are not taking the time to observe performance in the field. This is why I constantly recommend managers proactively schedule time to determine how well your salespeople are doing when you're not looking. Here are five coaching protocols I recommend.

1. Give ample notice. A lot of managers believe it is best to surprise the salesperson by telling them at the last minute

about a planned ride-along and I agree there is a time for that...later. The first goal of sales coaching, however, is to observe performers at their best. If they can't do it once when you're looking, there is little chance they can do it with regularity when you're not.

2. Manage normalcy. The goal for a coaching session is not to see the key customers in your market. A manager should allow the salesperson to tour the market by setting up meetings with secondary customers and prospects. This is a powerful way to allow the salesperson to stay in the lead during meetings.

3. Coaching is quiet. There is an old saying that says you have to break some eggs to make an omelet. You also have to let some bad stuff happen during sales meetings. It is the only way to see what is really happening when you're not looking.

4. Deliver feedback supportively. Feedback must focus on the behaviors observed—e.g. specific presentations; questions asked; number of meetings scheduled; amount of windshield time; etc. A good coach is focused on helping a performer improve, not merely looking for mistakes and criticizing them.

5. Praise first. A coach earns credibility by first recognizing all the things that went well with the performance. This is a vital skill for establishing leadership rapport and delivering constructive feedback.

If there is one thing that has been proved consistently in our industry it is that results are not the exclusive, or even accurate, measurement of performance quality. The only way to know what your salespeople are doing when you can't see them is to hit the road with them to see what the performance looks like when you are looking. ■



Rick Davis is president of Building Leaders, the leading supplier of sales training to the construction products industry. Rick can be reached at rickdavis@buildingleaders.com or 773.769.4409. buildingleaders.com.

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Why I don't offer store credit

I STARTED MY CAREER in this industry as a deck builder. Like a lot of folks who get into construction, I came from a modest upbringing. My parents didn't have a lot of money and they taught me early on that credit wasn't always a good way to do business. The more I've grown my company, the more I've let my personal values guide the business decisions that I make.

One of the reasons I first founded The Deck Store years ago is because local lumberyards wanted me to use their in-house credit lines, and I preferred not to. I had an established relationship with my credit card company and I preferred to use the card and manage my own rewards while paying it off monthly. This also allowed me to take my credit card to other businesses when needed and didn't hold me down to one store's line of credit. As my business grew, the benefits of using a credit card and paying it regularly grew as well.

I know I'm aging myself by saying this, but back before I owned my own lumberyard, I had to encourage the lumberyards in my area to accept credit cards, and explain to them why it was valuable. Ultimately, the forced use of company lines of credit is what pushed me to open my own lumberyard.

Of course, not every deck builder can obtain their own credit card, so I did relent in the early days and offer a couple of people store credit. I learned quickly to never do it again. They had to be constantly reminded to pay their bill, and when they did pay it, they eventually ended up using a credit card or a bank line of credit to pay it. Well, why didn't they just do that in the first place? It would have saved us both a lot of hassle. In the end, I came away with a new appreciation for cash flow, and a solid understanding of lien rights.

Since that time, companies have come in and offered us third-party contractor financing, and I've looked into it, but I've found that some of my customers didn't qualify for the

program. Again, that tells me that the best bet for my business is to recommend customers use credit cards. The fees really aren't that bad, I get paid instantly, and they're in charge of earning and managing their credit card rewards programs.

At the end of the day, we're just trying to exchange building materials for money. The easiest, least time-consuming manner that I have found to do that is through credit cards.

EDUCATE YOUR CUSTOMERS

Here's the one single thing I've found that will get a builder to purchase more of your products without you having to risk extending them a line of credit to do so. Frankly, I don't want to sell products to someone who really shouldn't be buying them, or is in danger of not being able to pay for them. I deal primarily with decks, which are a luxury item to most people, yet I'm still surprised at the amount of contractors and homeowners who are willing to go into debt to make the decks happen.

What I've learned is that instead of just saying that I won't offer credit and let a customer walk out, I give them other options. As my Office Manager Lisha Mathews says, I really try to be a mentor to younger deck builders. Together, she and I explain to them how they can make a purchase on a credit card and then work with them on how they can sell a deck project, and obtain payment on that project in 25% increments. By doing so, they should be able to take the money from the down payment and use that to pay for materials when they're delivered. By teaching them how to sell a deck in increments that allows them to afford to pay their suppliers, they learn how to stay ahead of the game and by the time the 25% comes due at the end of the project, that becomes clear and free profit. It's the most basic of business plans that I think any good contractor should know or keep a copy of in the glove box of his truck. ■



Bob Heidenreich, owner of The Deck Store, in Apple Valley, Minn., has been selling decking and home improvement projects for 30 years. Follow Bob on Twitter: @TheDeckStore.



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It's not you, it's me—management version

MANAGING EMPLOYEES is one of the most difficult parts of any leadership position. Even I've found myself let down from time to time.

But sometimes it's not them—it's us. Leaders don't often see themselves as having a role in the poor performance of their employees; however, it's important to remember that this is a two-way street.

START AT THE BEGINNING

When I had a team of 15 recruiters reporting to me, I was pretty disappointed most of the time. I hired people I thought were amazing, and I was excited about the potential. But soon I found myself having to constantly hire and fire.

I assumed that because recruiting came very naturally to me, it'd be like that for other nice, friendly people. I wasn't grasping how hard most people find recruiting, and I wasn't setting clear expectations so we could figure out if it was an activity or aptitude issue.

If you are having issues with employees or retention, look at your hiring process and just how clear you are about what they need to do to succeed. Make sure you hire someone who can do the job and, more importantly, wants to do the job—even after they understand the challenges.

SET EXPECTATIONS

If you've cleaned up your hiring process and you're hiring all the right people, but things still go south—what is going on?

Take a long hard look in the mirror. Are you setting clear and attainable expectations? Does everyone on your team know exactly what is expected of them?

A major reason why people fail to perform to expected levels is because the desired results were never clearly communicated to them. Are employees sure what is required on a daily, weekly, and monthly basis? Do they know the metrics you use to measure success? Do they know what tools and materials they need to use?

In short, have you done everything you need to in order to educate them, provide them with a framework for their job, and support them getting to success?

HOW TO FIX IT

To ensure your employees know exactly what is expected, you need to clearly define what success and failure look like. Figure out what you need them to do every day and what numbers or metrics you expect to see. Then put it into a document, sit down with each employee, and make sure they understand it.

In doing so, you have leveled the playing field. If someone isn't performing from this point forward, you know it wasn't because of your communication or management.

Next, conduct regular check-ins so you know if they have everything they need to succeed.

A great first step is to ask, "Do you have everything you need to hit these expectations? Are there any tools, training, or support I can provide? What factors might hinder your success?"

ARE YOU BEING REALISTIC?

Having unrealistic expectations for either activity or results does nothing more than set the stage for serious problems. Even if you have communicated your desires and given them the tools to succeed, people are still just people. You can't expect someone to make 200 sales calls a day or grow sales 25% day-over-day. Make sure what you want is humanly possible and reasonable.

If you aren't sure, ask. Call some of your networking connections or another expert to consult. Talk to your employees—and make sure you take the time to truly see it from their perspective.

Lastly, if you have done all of the above and someone is still not performing, you have a pretty clear indication they either can't or won't hit their goals. If they don't want to, it isn't much of a loss—let them go take up space at someone else's company. If they can't, you might need to consider moving them to another team, reducing your expectations, or letting them go.

Keep the No. 1 rule in mind: Always set and communicate expectations if you want employees to be top performers. ■



Rikka Brandon is the founder and Chief Executive Recruiter of Building Gurus, a boutique executive search and consulting firm that works exclusively with building product manufacturers and distributors to find, hire, and retain top building products talent.

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Empower your people

WHEN MY WIFE AND I moved into the town where we live, we were sent a coupon from a high-end independent grocery store in the neighboring town that encouraged us to come “check them out,” offering \$10 off any purchase over \$50. It was a month or two before we were all settled, and my wife went over to this store to check them out as they had asked. She liked the store and collected a cart full of groceries that probably tripled the \$50 threshold of the coupon. When my wife presented the coupon, the cashier told her that the coupon had expired the previous day, and she could not accept it. My wife was a bit incredulous since the coupon did exactly what it was designed to do—to get her into the store and experience how great they were. She asked if they would honor the coupon, and the cashier apologized and told her that they were not authorized to accept any expired coupons. No exceptions. Needless to say, my wife said, “Thanks, but no thanks,” and walked out of the store without buying anything. We have never been back.

I thought of this today as I was driving through our neighboring town and I saw that this store was undertaking a major marketing campaign, asking customers to put “I heart XYZ Grocers” lawn signs in their yards. I wondered how much more successful they would be if they simply empowered their staff to make decisions that created goodwill with their customers, instead of paying a marketing company to promote that people loved them.

Often, we create rules for our employees to follow, but don’t empower them to do what is right, when clearly the rule was not intended for a certain circumstance. What if you created a “This is Silly” contest and rewarded your employees when they took it upon themselves to find a solution to an unintended consequence of your company’s policies and procedures? Not only might they feel empowered and your customers be made happier, but you might find out where your company has silly policies in place that are working against you, rather than for you.

Another form of empowering your people is more subtle. It requires your leadership team to build the confidence in your people that not only do they need to step up and make decisions, but that you will support them even if they make the wrong one. Early in my career, I had a yard foreman who

dispatched my trucks. I was out of town on vacation, and when I got back, he told me about a fairly significant problem that had occurred. I asked him what he did to solve the problem, and he told me he didn’t do anything because he did not want to make the wrong choice. It was here that I had my first business career opportunity to invoke a quote from the band Rush, so I told him, “If you choose not to decide, you still have made a choice.” I also told him that in the future, I would prefer he make the best decision he thought possible, and I would support him even if it were the wrong decision. Even a bad decision is a great learning process.

My next example originated from a presentation earlier this year by a CEO of a manufacturing company in our industry. He told us that when he came to his company four years earlier, the manufacturing was knowledge-based. What he meant by “knowledge-based” was that there were certain individuals who had the knowledge and controlled much of the manufacturing process by default. Most of the employees depended on these individuals to make all the decisions. When one of these individuals was gone, decisions weren’t made, and things fell apart because none of the other employees were encouraged—or in some cases, allowed—to try to gain that knowledge for themselves so that they could be bigger contributors. The CEO went on to explain that the company had converted its manufacturing to a more process-based system. It meant that, for every step, there was an identified and documented process that everyone was encouraged to learn and help improve. Metrics were developed for each process, and they were consistently reevaluated by all the team members to make sure that each individual process was working and improving.

We brought this same line of thinking back to our component manufacturing plants. We previously had an old-school GM, who insisted that everything flow through him like a hub in a giant wheel. Now, each of our manufacturing teams fully owns each process and regularly communicates with the team that feeds into them, as well as the team where they send their output. They fully understand what they do and where they fit in, and they feel empowered to make decisions on their own if they feel it will benefit the company or the customer (even if the would-be coupon has expired). ■



Russ Kathrein is the president and CEO of Aurora, Ill.-based Alexander Lumber, which operates 12 locations throughout Illinois, Wisconsin and Iowa.



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Why companies sell for less, or don't sell at all

SOMETIMES, that bright shiny idea you had—to sell your business and feast on the after-tax payout as a reward for your life's work—can become a tarnished penny if you put your company on the market and it doesn't sell, or you get offers way below what you expected. We have heard of recent deals that are getting offers at multiples at 1X to 1.5X EBITDA below what has been an industry standard, which has lately been around 5X. Why aren't these companies getting top dollar, or sometimes not selling at all? Here are a few reasons:

Recession. Acquirers are pricing in a recession, which is surely in our future. It's an unavoidable part of natural business cycles, as much as it may be forestalled by goosing the economy with tax cuts and adjustments to interest rates. Since an acquirer is likely going to maintain ownership of your business for a number of years, they are actively modeling how it will perform in a downturn. Essentially, they are not buying the company for how it is performing today; they are pricing in how it will perform over near-term time periods under their new ownership. Since there are so many variables that they can't predict, they are hedging their risk by offering less, playing defense against potential slower performance.

Margins. Prudent acquirers are very careful to target companies whose gross profit margin and EBITDA margins are around the same as theirs, landing in a sweet spot the acquirer is comfortable with or can bring up to expectations. In a historically low-margin business like lumber and building materials, even one or two percentage points off EBITDA target will sour an acquirer's appetite for the purchase, or motivate them to reduce the multiple of EBITDA they'll pay. This is true not only of EBITDA margins but of gross profit margins as well. Acquirers will pay a premium only for performance that matches their expectations.

Leadership. Most acquirers will want to examine the EBITDA performance of a target company for a period of time when it was under control of the leadership team that

will remain in place post-acquisition. In other words, if you, as an owner/leader, are leaving the company after you sell it, it's important to implement a succession plan with enough time for the new leadership team to demonstrate their operational ability. If you don't have a succession plan in place, or if you installed a new team too close to the sale of the business—allowing no time for a prove-out—expect a haircut on valuation. Worse, if you have no succession plan at all, and the incoming new owner gets even a whiff that your leaders are jumping ship after the acquisition, expect a crew cut; actually expect your head to get shaved! You may even find that the acquirer completely walks away from the deal.

Aging equipment. We often see companies that have taken money out of the business when they should have re-invested in modernizing equipment, such as rolling stock, saws and milling stations, safety equipment, building upkeep, and regular maintenance. When equipment isn't maintained, the acquirer will price in the investment they will have to make, and then lop that off your EBITDA line as an expense they will incur. Since companies are bought at a multiple of EBITDA, every dollar removed from the EBITDA line has a negative multiplier effect on the value of your business. Equipment investment and proper maintenance are nearly impossible to hide, either during initial site visits, or during the due diligence process. We have seen acquirers walk away from a company based solely on the poor equipment quality.

An old fashioned low-ball. Any business person worth his or her salt wants to buy a business on the cheap, and if they sense that an owner just wants to get out (as opposed to a seller who exudes patience), the acquirer may throw out a low bid, or a series of low bids during the back-and-forth, probing to just “the bottom” of where the owner will go to simply cash out of the business. Sellers, beware when making comments like, “Oh we just want to get out of it,” or “We are not looking for the top of the market here,” because that's music to an aggressive, savvy acquirer's ears. ■

John D. Wagner is managing director of 1stWEST Mergers & Acquisitions, which offers a specialty practice in the LBM and distribution sectors. Learn more at 1stwestma.com. Contact John at j.wagner@1stwestma.com.



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Customer management belongs to sales and credit departments

Dear Thea,
I have been a credit manager for a very long time. Over the years I have heard the sales reps I work with refer to the customer as “theirs” until it all goes downhill and we have to sue and then the customer becomes mine with questions like, “how did credit let this happen?” One rep even had the nerve to say, “I could have told you not to give that customer so much credit.” Well, you didn’t. It’s insulting. When did this become the blame game?

— Signed, Blamed and Shamed in Basalt

Dear Blamed,
Honey, honey, honey, where have you been living all these years? Everyone has an opinion and wants to claim ownership of something when it is good and profitable. When it starts down that slippery slope to insolvency, well that is another story indeed. Suddenly no one remembers the war cry of “they need a larger credit line,” or “they really need 60-day terms.” And who can forget the legendary, “We need the sales; I got your back.” Those are classics, everyone.

Take control and be blamed no more. Flip that script and change the dialogue. The whole us vs. them, yours, or mine is old, tired, and frankly so 2006. The approach in today’s post-recession world you should be cultivating is a holistic approach to customer management.

Not sales, not credit, but customer management, with both teams working together for the best possible outcome for the company. Communication is the key and changing the outlook and attitude of both teams makes for more profitable outcomes.

Sit down with your sales team and go over your customer report that includes: sales to date so far this year; sales last year; average days to pay; payment method (check, credit card, ACH, etc.); margin; and finally, number of touches. By “touches” I am referring to how many touches this customer requires to maintain their business. Do they have lots of returns, pricing errors, multiple calls to get you paid, and just plain needy?

Once you start analyzing your customer base and what categories or grid they fall into, you can really start to manage

your customer base better. In most cases, sales and credit each have some information that will help determine which customers are a good bet and which are like going to the craps table. If a customer is low margin, is a chronic late payer and uses a credit card, you may not be making any money on that customer and he may be one you want to shed.

Typically, sales teams don’t know if the customer pays with a credit card or if they notoriously run more than 15 days late to pay their bill. They may not be aware of how many times the customer calls in about sales tax issues, returns or other issues since many of those calls end up in credit. Should the sales rep “know their customer?” Well sure, but no sales rep is an island. That is where a holistic customer management approach comes in. Setting up time with your sales and credit teams to go over what is happening on a deeper level keeps the wheels on the bus.

What reports can be developed and utilized by your team to stay on top of the customer base? What do you and your company want to use as measurements to evaluate your customers? Where do you want to focus your time and resources to support which customers? Are you still using the “any customer is a good customer until stuff goes down” methodology?

Just as customers have choices, so do suppliers. A company has a finite amount of resources, whether it is people to support the customer or money in the form of products or services. Where exactly does your company want to focus its resources?

Will there still be mistakes? Sure. Will there still be people on any team that look to place blame, point out mistakes instead of asking questions, standing together and solving the issues? Absolutely. If anyone ever tries to make you feel like you have made a monumental mistake alone and are completely to blame, just remember the Battle of Karánsebes —when in 1788, the Austrian army attacked itself and lost an estimated 10,000 men due to stupidity and a team not communicating (and an argument over schnapps. Seriously, look it up), which just goes to say, don’t waste time attacking each other, keep your army together. ■



With more than 30 years of credit management experience in the LBM industry, Thea Dudley consults with companies on a wide range of credit and financial management issues. Contact Thea at theadudley@charter.net.



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SUPPLY CHAIN SURVEY REVEALS WHAT BUILDERS THINK OF DEALER RELATIONSHIPS



IN THE LUMBER AND BUILDING MATERIALS distribution industry, where so many factors contribute to the process of constructing a home or business, the last thing anyone along the supply chain—builder, dealer, distributor, manufacturer—wants to worry about is their relationship with one another. But indeed, those relationships are often the key to getting a building constructed on time and on budget. In short, a builder's interpretation of supply chain relationships directly reflects on how that builder views his LBM dealer.

Earlier this summer, *LBM Journal* partnered with *Professional Builder* magazine on a survey to gauge the level of satisfaction among builders and LBM dealers with the relationships within the construction products supply chain. The survey asked builders and contractors to share their preferences about working with supply chain partners. In turn, manufacturers and retailers were asked to share insights about builders and contractors as well. While some of the findings showed that areas such as product knowledge, product availability, and installed labor were in alignment, other areas showed room for improvement.

Perhaps the largest area of concern for builders was reflected in the adage Time is Money. Builders want more respect for their time, including delivery schedules and timely resolutions to product-related issues.

"I think the savvy manufacturers and LBM dealers will invest more time and energy into ensuring their outside sales reps are well-trained on new products that can save their customers time and money," says Rick Schumacher, editor and publisher of *LBM Journal*. "The construction supply industry is extremely competitive, and smart dealers know they'll succeed only to the extent they help their builder customers succeed."

LBM SUPPLIER



The graphs on the following pages are based upon select data from the results of the survey. >



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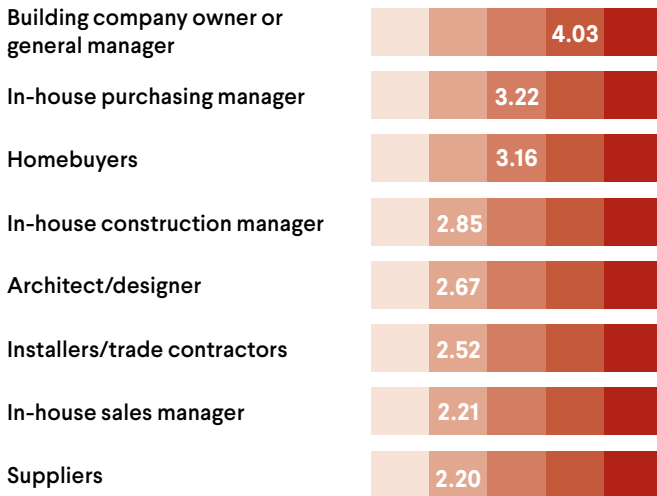
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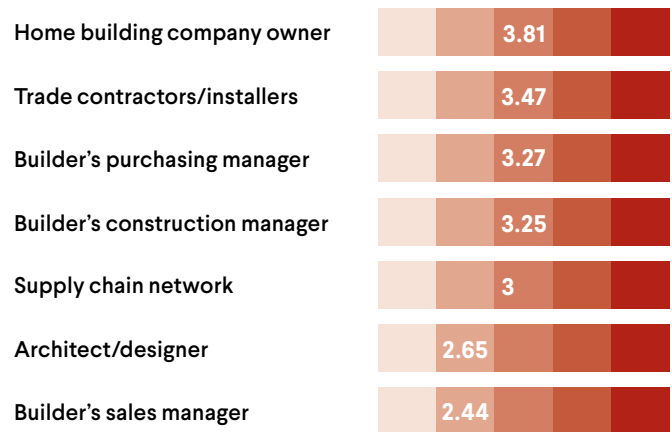
In your home building company, who most often decides which products are used in your homes?

5 = MOST OFTEN



As a supplier, who is your primary contact to specify products?

5 = MOST OFTEN



▲ While nearly 47% of builders rated the company owner or GM as the most influential product decision maker, that role among others on the team was mixed; the influence of construction and purchasing managers, for instance, was evenly distributed from least to most often, while the

role of design and sales professionals was usually slight. Most likely, homebuyers given the authority to make product selections are custom home clients, though overall, consumer influence is one aspect suppliers may want to consider going forward.

PRODUCT CHALLENGES

What builders say...

24.5% Product does not perform as intended

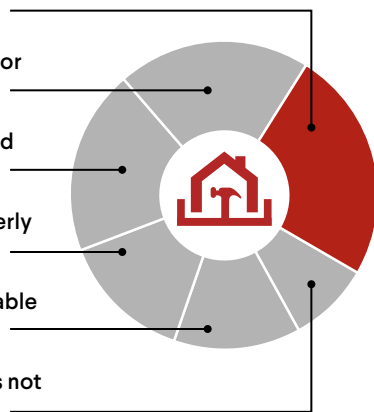
20.4% Products has a high or unreliable price

19.6% Late delivery/missed deadlines

13.9% Products is improperly installed

13.1% Product is not available locally

8.6% Customer service is not available locally



What suppliers hear...

38.4% Product is improperly installed

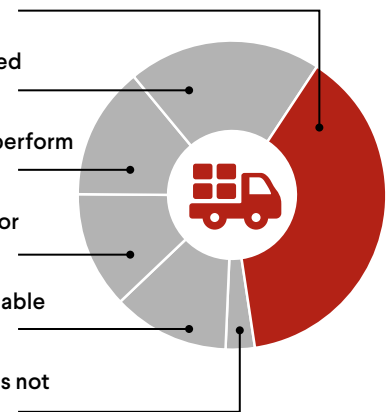
20.2% Late delivery/missed deadlines

14.1% Product does not perform as intended

12.1% Product has a high or unreliable price

12.1% Product is not available locally

3.0% Customer service is not available locally



▲ Responses underscore the age-old divergence between builders and suppliers, most notably that builders blame the product while suppliers point the finger at installation. Builders also continue to want a good price (or overall value), but suppliers report that's not as big an issue for builders compared with other considerations. ➤



IT'S NOT A TREND. IT'S A REVOLUTION.

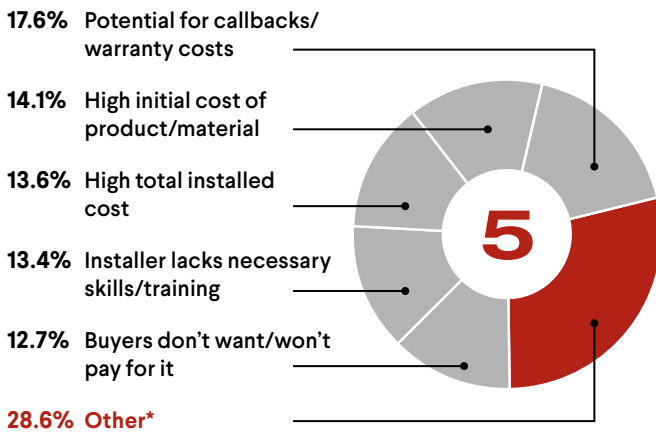
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NEW PRODUCT CONCERNS

Top five concerns among builders about trying new products or materials

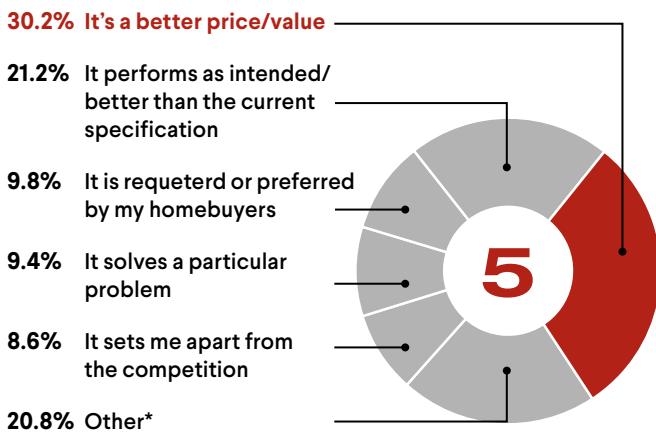


*Includes local availability of products and installers, code compliance, and installer acceptance.

▲ Trying a new product or material on a house flies in the face of new-home building's risk-averse culture, and builder concerns reflect a fairly even distribution of the various risks.

WHY CHANGE PRODUCTS?

Top five reasons builders change product specs

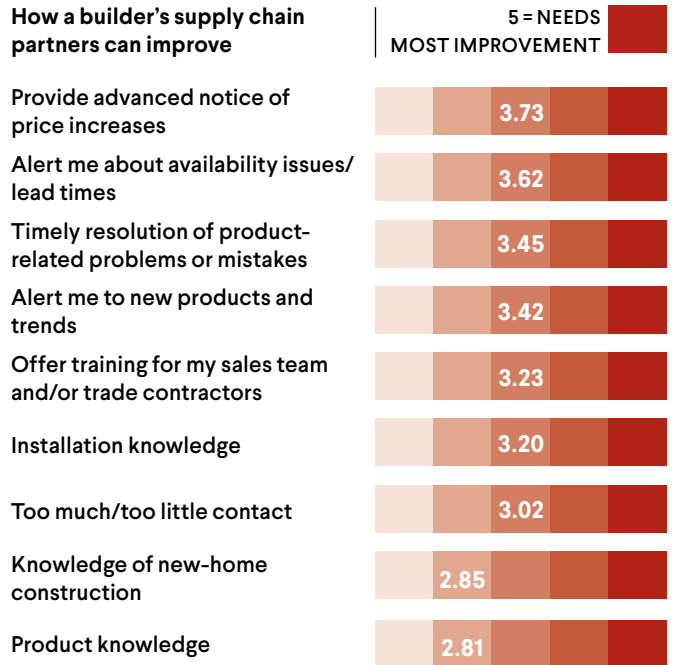


*Encompasses greater profitability potential; better warranty and service after the sale; and improved appearance compared with the previous specification.

▲ **Note to suppliers:** If you want a home builder to change to a spec for your product, lead first with either a competitive (or lower) price or clearly articulate a greater cost-related value, then follow with how the new product will perform better than the current spec does. Everything else is usually secondary and won't move the needle alone.

ROOM FOR IMPROVEMENT

How a builder's supply chain partners can improve



▲ It's all about "time" for builders, either enough time to adjust to changes in pricing and lead times or to quickly resolve issues to stay on schedule. **Good news:** Supply chain partners appear to be able to walk the talk about their products and how to apply them, and are right on with how often they make contact, according to survey respondents. ■

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5 QUESTIONS

WITH MATT SHERSTAD: FORTRESS BUILDING PRODUCTS

1

Q: With new construction and residential remodeling still strong in many markets, what do you see as the biggest opportunity for LBM dealers?

A: In recent decades, alternative decking and alternative railings have changed the decking category. What hasn't changed in North America is where the next big opportunity exists—deck framing. Elsewhere in the world, installing a higher value alternative deck on a wood frame is considered irresponsible—or even negligent if advised by the LBM dealer or contractor. Instead, they use specially designed steel framing systems.

Why has North America been slow to adopt alternative framing? Our research showed that a primary reason was that no one had ever presented a complete steel framing system specifically designed for deck builders. We believe this major component of deck building is about to undergo a significant change solving many current issues in the deck market including the lack of full deck warranties, “wavy” deck boards, call backs, labor shortages, limited spans, underdeck living space, and the dreaded deck collapse. Knowledgeable LBM dealers who offer steel framing systems are going to have a substantial growth opportunity for years to come.

2

Q: The flipside of that question, the biggest challenge?

A: LBM dealers have a very tough job. For every deck package sold, they're responsible for sourcing key components from a long list of supply options, then explaining all of the related features, benefits, pricing, etc. before allowing the customer to custom select each component. Whether it's decking, railing, framing, fasteners, lighting, or post caps, the LBM dealer has to evaluate countless warranties, performance attributes, code testing, features, benefits, pricing, incentive programs, availability, suppliers, and more. Then the LBM dealer and deck contractor bring everything together. Should issues arise, they are often the ones sorting through the mess of vendors, policies, warranties, etc. We believe that selling a “total deck solution” (frame, deck, railing, fasteners, post caps, lighting, etc.) from a single manufacturer is not just a better way, but the future of the industry.

3

Q: Do you see continued growth for the decking and railing markets?

A: Absolutely—from both new construction and remodeling. The deck and outdoor living areas continue to be an entertainment and family area that people are investing in. Millennials and other new homeowners also see value in outdoor spaces. Another major industry change we foresee is inspections on existing decks. For the industry's sake and, especially, the safety of the people

enjoying their decks, deck inspection is an area that must advance. The number of existing deck structures that were constructed at a substandard level or have deteriorated to an unsafe condition is unfathomable. The scariest thing is that many of these decks are used daily by people who have no idea of the safety issue. Once this problem is addressed there will be a massive wave of work for our industry.

4

Q: In your view, which product category offers the most potential upside: deck boards, railing or deck framing?

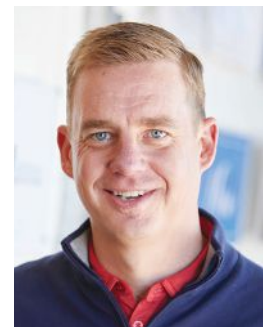
A: Definitely framing. It is all growing, and the “total deck solution” will drive growth in all areas, but framing has a completely different trajectory as an individual component. We see this as a major market disruption in the decking category. In the not too distant future, LBM dealers in North America could and should expect to sell a steel framing package with virtually every composite, PVC, or hardwood deck. For LBM dealers, this creates an upfront opportunity for differentiation and massive growth—likely even greater than what they experienced from alternative decking.

5

Q: What separates LBM dealers who sell a tremendous amount of decking products from the rest?

A: Those who sell the most have numerous advantages. They buy right and stock the products their customers need while also introducing a few new things yearly. They're the most committed to properly displaying products and educating their staff. They provide the most complete package—a full portfolio of decking and railing solutions inclusive of fasteners, post caps, lighting, accessories, etc. What we suspect will soon separate those who are really invested in the decking category and those who simply offer decking is the presence of a steel framing solution. If a customer cannot purchase their decking, railing, and framing at the same location, they are likely to seek a more deck-focused LBM dealer who offers a total solution. ■

Matt Sherstad is the founder and CEO of Garland, Texas-based Fortress Building Products, which is comprised of four subsidiaries: Fortress Railing Products, Fortress Fence Products, OZCO Building Products and its newest business, Fortress Deck.



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REAL ISSUES. REAL ANSWERS.

ON THE ROUTE... AGAIN

BY LBM JOURNAL READERS

THIS MONTH'S REAL ISSUES SURVEY QUESTION was suggested by a reader who is frustrated with purposeless visits by vendor reps. There are two sides to every issue—and we're happy to share viewpoints from several wholesale distributors and manufacturers as well. Thanks to the nearly 200 readers who weighed in on this survey. If you'd like to participate in future Real Issues surveys, send a note to operations@LBMJournal.com, and we'll make sure to get you added.

THE QUESTION

HOW WOULD YOU ADVISE THIS DEALER?

“We have manufacturing and vendor reps who come into the store with no real purpose, except we are ‘on their route.’ They aren’t there to show a new product, to solve an issue, clean displays, or for any reason other than ‘anything I can do for you?’ It sounds harmless, but in my opinion, they’re wasting my and my salesperson’s time. With our people busier than ever before, it’s a problem. How do other dealers feel about this and, more importantly, what do they do about it?”

“Completely agree, it’s a problem. I make most manufacturer reps set an appointment and then I ask what the agenda is. If it’s to stop by and say ‘Hi,’ I tell them we don’t have time for this. These reps know they need a reason to stop. A handful of reps don’t need to make an appointment, as they always have something worthwhile to discuss. It’s up to the dealer to set the ground rules.”

“This dealer has hit the nail on the head. On occasion when a vendor has come in and has taken up an excessive amount of time with baseless conversation with one of the staff, another staffer will use a cell phone and call the business asking for the person whose time is being wasted. ‘Sorry, I have to take this call, but it was nice to visit with you,’ usually does the trick.”

“We like to create a partnership with our vendors that benefits both of us. In sitting down with them to negotiate and create that partnership, we set expectations that we have of them and, in turn, their expectations of us. This is the time to make sure that they are working with our managers to do things like product knowledge meetings and display work. We also let them know our time is valuable and to set up meetings with us and our managers before just showing up.”

“We have four rules for route salespeople:

1. Don’t come without an appointment.
2. Be prepared and get to the point.
3. Training of staff is good, but after hours, you buy the pizza.
4. Park away from the store as to not take customer parking.”

“I agree and would like to know myself how others address this issue without being rude to the salesperson who may just help you out one day.”

“At our company, vendor reps must call the store manager first to let them know when they are planning to stop in. More importantly, they must have a legitimate agenda for stopping.”

“We, too, have sales, vendor and manufacturer reps stop by. It’s not really an issue, and it usually builds a relationship. If I’m extremely busy, I simply tell them that and they head on to their next stop. Remember, these people are just doing their job. And one day you may need them for something—like a warranty claim or product info.”

“It depends on the vendor rep and the brand in question. If it’s a rep who we’ve come to like and trust, *and* it’s a brand we want to be successful with, I think it’s valuable. One of the things I’ve learned is that we are most successful with the brands where we have a rep who has earned the trust and confidence of our team. If I know that we can rely on a rep for timely advice and support when we need it, then I see these ‘on the route’ visits as part of building that rapport. However, we can also see when it’s just someone who is wasting our time with pointless conversation and then logging the visit as part of their weekly report. I encourage our team to be polite but keep those conversations short.”

“It’s good to get to know them better and build a relationship because when you need them they are more likely to help you.”

“Spend a few minutes only to talk, because you never know what you’ll learn. If you’re sitting down, stand up—and if the conversation goes on too long, excuse yourself and start walking.”

“Honestly, we don’t have this problem. We are located in a rural area and when the salespeople show up, they usually have new products and specials to show us. However, I would advise the ‘problem salesmen’ don’t call us, we’ll call you.”

“I agree with you, but we still let them come in and stand around and talk. Usually they stay long enough that one of our guys remembers an issue and they discuss it. Sometimes they come in during lunch and not everyone is here and it’s actually nice when they hang around long enough that everyone gets a chance to say hi or ask them questions. It also builds relationships with our reps and salespeople, which comes in handy when we need a favor. Because you never know when you’re going to need something.”

“I think the complete opposite. We have great vendor reps and they have all done a ton for us. New product lunches, training for our salespeople, letting us know about deals on their products. I live by the motto of you may not buy anything from them, but you need to get to know them, cause someday you may need them in a pinch or if something goes sour with another vendor. It’s a give and take relationship. We have had reps spearhead big sales for us and some are totally awesome at customer problems.”

“Advise the vendor rep that in the future please offer something of value. Don’t just come in and visit.”

“ACKNOWLEDGE THEM POLITELY AND INDICATE YOU’LL CALL THEM WHEN YOU NEED THEM. THANK THEM FOR STOPPING BY (THEIR SALES MANAGER LIKELY REQUIRES THAT THEY MAKE THE CALL AND TO LOG IT). DON’T BE RUDE, YOU MAY NEED THEM SOMEDAY.”

“I feel the reps who stop by are important to us. My employees are quick to meet them and tell them they can spare a very small amount of time to talk. Typically, they are told all is good and apologize for not having more time to visit. My thoughts are that there will come a time when you need that rep. I don’t want them to not stop by or not return phone calls. I will always need the reps but sometimes don’t have time for them. This approach works for my company.”

“When they come in like this, find something that you would like them to do. ‘Hey, since you’re here, your displays could use a cleaning,’ or something along those lines. If it continues and you can see it slowing or stopping the progress and workflow in your store, have a meeting with them and tell them what you are seeing and your thoughts on it. They are there to provide you with goods and services, so make them do their job. On a side note, make sure that your outside salespeople aren’t doing the same thing when out visiting job sites. You know how it feels and you don’t want contractors/builders feeling the same way about your company.”

“Without totally compromising the relationship, just be *honest*. Tell them exactly how you feel. They may find this feedback refreshing and it could possibly improve the relationship. You can’t expect them to change if they continue to do the same thing over and over again with the same feedback and results.”

“Management should monitor the situation. When a rep with no purpose shows up, kindly invite them into your office to explain your concerns, without burning bridges. If the rep in question continues to waste your company’s time, burn that bridge down.”

“We sent a letter from senior management to each company, noting that reps needed a name badge to visit (badge freely supplied), and a prior appointment. We cited the occasional lack of personnel available to see a rep on a given day, and that was why we need a prior-arranged appointment and a purpose for that appointment.”

“We allow just about anyone to come in and peddle their wares at any time. That’s is the way it has always been done and thus continues. However, it is a giant waste of time and a process that I wish would be fixed.”

“I am just glad to see my reps. We talk for a few minutes then they often check inventory, which is nice. It is good to ask them how the competition is doing. But truly, if there are no new products to show, there is no reason to show up more than once a month.”

“Gosh, wish I had their problem with being so busy they can’t even say, ‘Nope, don’t need anything today.’ We *always* thank reps for stopping. It makes them feel valued, and maybe when you really do need something from them (help with a return, advice on a product, whatever), they’ll be there for you. Seems to me this isn’t a big deal at all.”

“I’m a straight-forward manager. I have tremendous responsibility. If myself or my staff are busy during the time the rep shows up, I’ll tell them now is not a good time and send them on their way. I respect they are doing their jobs. I have told them also late afternoon visits when things are quieter are helpful. I have told many a rep, if they show up they need to be able to recognize whether we are busy or may be able to spare a minute or two. If a rep needs more time, I will suggest setting up a quick meeting if there is a new product available.” ➤

ANSWERS FROM WHOLESALE DISTRIBUTORS

“I am one of those vendor reps, and it is my job to call on customers to solicit orders. If we do not maintain face-to-face contact within a reasonable time frame, the customer might forget about us when having product quoted (mainly commodity lumber). Granted many of my calls have become brief due to no new presentation, but we are expected to see our customers.”

“The same thing happens on the distributor level and unfortunately some of my sales reps and myself may be guilty. After calling on the same customers for so long we get in a rut, but I know I need to stay in front of the customer in case an item they bought needs attention.”

“Sounds like the rep is attempting to be effective but without any strategy. To me this just means the reps are not trained properly by the firms they represent. A more effective solution would be for the vendor rep to have a coordinated meeting where actual productive engagements are happening, such as a new product demo, or a refresher on existing products for new dealer employees. As the dealer/lumberyard, I would educate the rep(s) on this and tell them what you want from them and how you want them to interact with you and your employees for a more productive relationship.”

“We are actually going through this as a company and restructuring the role of the outside sales rep. We are seeing ways they can provide value to our customers. We cannot be the rep that shows up and gives nothing. We want to help our dealer-customers build their business and be a partner.”

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“HE SHOULD FEEL LUCKY THAT THEY ARE STOPPING IN. IF THEY ARE TAKING UP TOO MUCH TIME ADVISE THEM THAT YOU WILL GIVE THEM WHAT TIME YOU CAN, BUT YOUR CUSTOMERS COME FIRST.”

“We’ve had the same issue with our vendor reps. Initially, we would stop and chat about pretty much anything, but we finally had to let them know that as busy as we are, they could help us *best* by updating our literature racks or bringing in new product info. If they come back to the sales offices without anything new, they’re typically ignored. Now, they know not to come by unless they have some real news.”

“Ask them to call ahead if they want any real ‘face time.’”

“Most vendor reps are no more than traveling salesmen. I try to ignore them unless there are specific problems that need to be solved. I do appreciate the few who come into the yard and supply us with technical literature and product catalogs and then go about their business of maintaining their displays.”

“Let the rep know your position. We like and expect the routine visits so that any issues that we need addressed can be taken care of. If the reps learn that there are no pressing concerns after a quick inquiry on a given visit, they know not to intrude further on our time that day. The reps that actually have the courtesy of scheduling an appointment with you and then have nothing to contribute are a serious frustration. I try to qualify them before scheduling the appointment.”

“Let the rep know your company’s expectations. Have them set a training lunch for sales to become more productive.”

“I’m sure there is something they can assist you with. If you know their schedule, you can prep for the week or month on the issues for them to address. You can always communicate there isn’t time this week to meet, I’m sure they would appreciate that. The worst thing is to make them feel you don’t need them. They want to help and can if you are properly prepared.”

“Next time the rep makes his/her stop, take a moment to communicate your expectations of each visit. Solving any issues should be top of the list. Ask them to be sure displays and literature are up to date, and make sure that they follow through. Ask them for presentations on products that your staff could use some training on. Ask them to make a joint call to a customer. Employ their expertise and any tools they have available. Regularly scheduled visits help our staff know when to expect reps and can get questions answered, issues solved, and those joint calls scheduled.”

“I agree it is a waste of our time. If they do not have an appointment set up with a purpose I don’t see them.”

“If this is a problem for you and your store, reach out to the branch manager of the company. Tell them of the needs the rep is not fulfilling. If you don’t want or need a sales rep to call on you, I am sure they can take you off their route.”

“Acknowledge them politely and indicate you’ll call them when you need them. Thank them for stopping by (their sales manager likely requires that they make the call and to log it). Don’t be rude, you may need them someday.”

“While the vendor rep may take up time, they still inform us of product and/or price changes. Since I may not always read all of the email updates, the salesman is my preferred method to obtain these updates.”

ANSWERS FROM MANUFACTURERS

“As a manufacturer, we use every call as an opportunity to show our dealer customers how to grow their business and make money. Putting educated salespeople on the floor is a strength for their business. This is continuing education. Always show something new.”

“This seems pretty common and it’s got to be a culture change at some point. Maybe coach dealer personnel to ask pointed questions and politely ask vendor reps to schedule an appointment next time when they have a business-related reason to stop by.”

“As a manufacturer’s rep, it is incumbent on us to ‘add value.’ If your rep is not doing that, then they are failing you. I feel that it is necessary to schedule meetings with agendas or make phone calls to check in.”

“I do sometimes stop by lumberyards when they don’t return my phone calls. I simply say that I happened to be nearby and ask if I can give my business card to the purchasing manager. Most of the time I end up having at least a 2-3 minute conversation, sometimes 30 minutes, depending on the product fit. So, I do think there is a value as long as there is something new to give to them.”

“I am a manufacturer with sales reps in the field who call on lumber dealers. I agree that these types of ‘sales calls’ are non-productive and a waste of valuable time and assets. I would suggest the dealer, through courageous communication, tell the rep exactly how he feels and that he shouldn’t come by as often. And when the rep does stop by, he should have a detailed agenda with ideas and ways he can make the dealer’s business more productive and profitable. It’s all about a partnership that will work for all parties and the communication should be open.”








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REAL ISSUES. REAL ANSWERS.

“Have them come see you first. Get them to explain the purpose of their visit to you. If they don’t have anything to resolve or new products to discuss, send them on their way. You will find it’s likely that just a few reps are the real problem and it may take them a few weeks to adjust to the new policy.”

“Be glad that you have a sales rep who cares to stop and knows your name!”

“When a rep comes in, I am either actually really busy or make myself appear to be. Reps who don’t bother making an appointment and want to talk about *their* favorite college football team, or *their* kids are the real life equivalent of spam email. After all that and more, you get the classic ‘Is there anything I can be doing for you?’ Yeah, don’t let the door hit you on the way out, so I can get back to what I want to be doing.”

“We candidly tell our suppliers that we will tell them when we want to see them and that they aren’t to stop in any of our locations without an appointment.”

“He should feel lucky that they are stopping in. If they are taking up too much time advise them that you will give them what time you can, but your customers come first.”

“Train your manufacture rep to be of value. Let them know that time is money. The good news is they take their job seriously enough to visit you. Together you need to make the time and costs associated with their visit profitable.” ■

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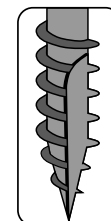


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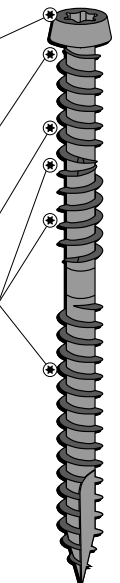
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IN DEPTH

FASTENERS

STRENGTH, SPEED, AND EFFICIENCY ALL DESCRIBE TODAY'S NEWEST FASTENERS.

BY MIKE BERGER

Fasteners have been around for a very, very long time. A Greek by the name of Archytas of Tarentum supposedly invented the screw thread sometime around 400 B.C., and the rest, as they say, is history. But when was the last time you took a serious look at the fasteners you are carrying at your lumberyard? All too often, the answer to that question is “not recently,” and that’s a shame. After all, not all fasteners are created equal. With developments in building materials, it’s no longer possible to simply think a screw is a screw. Rather, today’s fasteners are designed to provide superior performance, especially when it comes to specific applications or materials—and that’s a realization that often gets lost.

“Builders are working on ever-thinner margins, so the perceived cost versus value of any construction product—from fasteners and house wrap to windows and appliances—is a big driver of their purchasing behavior,” explains Ed Sutt, senior vice president of Fastening Systems at Simpson Strong-Tie. “That said, builders are also looking for products that help them solve daily jobsite challenges or provide them with new business opportunities. Pro dealers play a key role in helping builders understand how the features and benefits of fastener systems, technologies, and coatings can help them boost jobsite efficiency and productivity.”

And there’s more to value than simply the initial purchasing costs. Today’s high-quality fasteners enable builders to save by reducing callbacks and repairs. “The belief that all fasteners are the same is still prevalent in the industry,” says Jamie Moore, senior vice president of marketing for MiTek. “We understand the sensitivity to product costs, but builders need to be aware of the extended costs that can quickly eat away at margin in the form of labor and installation (and re-installation) of poorly made fasteners. Even more costly is having to redo part of a job to pass inspection after using inferior fasteners and hardware. All

of this can easily be avoided by specifying and using the right hardware for the job.”

EFFICIENCY IS MANDATORY

While the job market has significantly improved since the Great Recession, labor shortages continue to be the bane of the construction industry. According to the Bureau of Labor Statistics Job Openings and Labor Turnover Survey, almost 200,000 construction industry jobs remain unfilled nationwide. “Fastener design is driven by responding to and even anticipating what products are needed in the industry,” says Brett McCutcheon, general manager of FASCO America. “Customers want fasteners that increase speed and agility of the work while also requiring less energy to drive.” As a result, manufacturers are developing fasteners that enable builders to do more with fewer people.

“Volatility in building costs and vast shortages in competent labor are driving the need for stronger, easier to use builder products and fasteners,” explains Moore. “MiTek is currently focusing on innovations that will enable the construction industry to build more homes in shorter times and with improved strength.”

Simpson Strong-Tie’s Sutt echoes Moore’s comments regarding the need

for products that deliver faster and easier installation. “Fastener design is evolving to provide increased productivity and safety on the jobsite along with reduction to worker strain, fatigue and injury,” he says. “Developing fastening solutions that help to alleviate jobsite strain and increase safety can reduce the millions of dollars per year in lost productivity, and they can also help boost jobsite efficiency at a time when many builders are still struggling with finding qualified, experienced laborers.”

Greg Groenhout, product manager for National Nail’s CAMO line agrees, and says the key for both end users and retailers is a focus on the builder’s bottom line.

“Builders will invest in anything that improves value,” he said. “Whatever they’re trying to deliver at the jobsite, if you’ve got a product that improves their install time and makes it easier, even if it doesn’t improve sticker cost, but saves on install costs and callbacks, then builders will make a move to that product.”

For CAMO, a focus on efficiency means a focus on its EdgeClip and EdgeXClip, which are engineered to reduce installation times, require no partial install and can fasten any type of grooved deck board including wood, capstock, or PVC. ➤

OPPOSITE PAGE: MiTek’s new WSTS Wood Truss/Stud Screw (part of its Pro Series line of fasteners) is designed to resist uplift and lateral loads for truss/rafter-to plate and stud-to-plate connections. It comes in two lengths with different colors to easily identify the size needed on the job.

RIGHT: Simpson Strong-Tie redesigned its EB-TY Premium Hidden Deck-Fastening System by integrating a Type 300 series stainless-steel reinforcing plate that’s engineered to add stiffness to hold boards in place securely, yet maintain flexibility when seasonal contraction and expansion occur.



IN DEPTH FASTENERS

“In regard to decks,” says Chuck Hayes, national sales and marketing manager for Avon Plastics, Inc., “all trends are focused on making the installation process quicker by reducing the time a contractor needs to build a composite deck. Most manufacturers are trying to develop equipment to help improve the installation process.”

Efficiency is not, however, the only factor that is spurring product development. Because of changes in building products and in certification requirements, manufacturers are creating fasteners for specific applications more than ever before. “I have been in the fastener industry since 1983,” says Uli Walther, president of U2 Fasteners, “and I have seen the category of premium screws expand every year. There is a demand for specialty fasteners with technical data to support engineering. We are getting screws spec’d and customers are asking for screws that are used in specific applications rather than general purpose screws.”

For example, fasteners that are designed for structural applications are a growing demand, so much so that the Sure Drive USA division of the Pan American Screw Fastener Group has

seen revenues in this category grow more than 30% in just the past year. Likewise, according to Phil Lail, president of Pan American Screw Fastener Group, the demand for hidden deck fasteners has grown 25% to 30% in the past two years.

“Specialty structural fasteners are usually required to be certified,” explains Lail. “ICC and DfJ are two of the building code compliance certification organizations we currently use with our Big Timber business segment. Certification requires extensive quality control procedures starting with the raw material (wire) to the manufacturing processes (heading, threading, shank slotting, etc.) and finally testing completed product.”

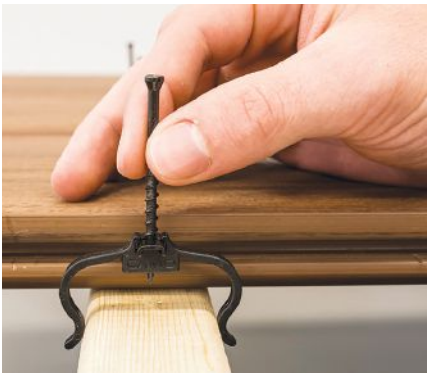
Of course, price remains a factor with specialty fasteners, and manufacturers are acutely aware that performance needs to be balanced with affordability. “A trend that continues to grow in the fastener industry is improved corrosion resistance on both interior and exterior products,” says Jim Miller, president and CEO of Screw Products, Inc. “Stainless Steel is an alternative everyone seems to be aware of, but the higher price of stainless steel

continues to be a factor in builders demanding the development of a superior coated fastener for all indoor and outdoor projects.”

CODES AND MATERIALS DRIVE DEVELOPMENT

Building codes always affect the creation of new building products, and fasteners are no exception. In talking with manufacturers, two areas that are impacting fasteners is the increased attention to lateral and shear loads in areas outside of traditional seismic and hurricane areas, and tighter enforcement of codes to ensure the manufacturer has up-to-date code approvals and builders are using fasteners correctly according to those approvals.

For example, FASCO America utilizes product evaluation reports from IAPMO to show proof that its fasteners perform the same or better than what is specified in the code. Brett McCutcheon, general manager for FASCO America, Master Distributor for the BECK Fastener Group, explains that this level of independent product certification provides builders the assurances they need in regard to code compliance. ➤



ABOVE: CAMO EdgeClips are engineered by National Nail to provide users with the ability to install 90° decking patterns.

RIGHT: Screw Products, Inc. recently launched its next generation of The Ultimate Fasteners. According to the manufacturer, these fasteners are engineered for speed in driving, higher profits to the builder, and stronger materials for a more durable longer-lasting fastener. Deep-cut turbine ribs under the head quickly cut into the wood, and twin blade knurls reduce friction and heat on the shank.



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IN DEPTH FASTENERS

“It is our mission to increase productivity with fasteners, tools, and systems that outperform the competition, so our customers know they are using the best solution in the market for their specific needs,” says McCutcheon. “This independent report, based on rigorous testing, shows our customers just that. We make quality products like collated SubLoc PRO SCRAIL sub-floor fasteners that increase production efficiency with the speed of pneumatic tool installation, while reducing call-backs due to squeaks. These fasteners can be used wherever you need them, now including seismic areas.”

“The most popular question we get is about code compliance,” says U2 Fastener’s Walther. “U2 fasteners have AC233 Structural Strength and AC257 ACQ Pressure Treated Lumber code compliance. We have our Evaluation Numbers on packaging for customers, engineers, and code officials to identify compliant products.

Maze Nails Marketing Director Kim Pohl also sees code requirements shaping product manufacturing. “Building codes are specifying and recommending hot-dipped galvanized nails versus electro-galvanized fasteners because of their superior performance in exterior applications,” Pohl says. “The most reliable and preferred way to coat steel nails with zinc is ‘hot-dipping.’ This provides the nails with long term protection against rust and hot-dipping meets the all-important ASTM A-153 specification. Maze’s exclusive method of double hot dipping allows the nails to be dipped twice in hot molten zinc which adds a thick coating to the outer layer of zinc.”

When it comes to new building products driving fastener innovation, development of materials with extended lifespans (such as with composite decking, for example) has spurred the need for manufacturers to develop fasteners that are up to the

challenge. “As new products are invented,” says Miller, “Screw Products, Inc. continues to work with and engineer around these innovative products. Our introduction of improved coatings, faster stronger products, deeper drives and streamlined professional designs, keeps our products in demand as a partner and as a specialized co-branding partner for new building products in every state.”

Christian Beck, general manager and chief executive officer of the BECK Fastener Group, echoes Miller’s comments. “We are always looking for bold and passionate new methods and innovations to sustainably differentiate ourselves in the marketplace,” he says. “In doing so, our attention is paid not only to the quality of our products and processes, but also to maximizing value for our customers.”

“As building materials are evolving to have a greater lifespan,” explains Lail, “fasteners must last for the life expectancy of the project. For example, we are working on coatings that can last upwards of 5,000 hours in an ASTM B-117 salt spray test,” explains Lail. “Also, most all composite decks are put down with either hidden deck fasteners or color matched screws. Our company has focused on this niche in the marketplace. The key is to find an exceptional coating process that does not create recess fill during the application. Hot dipped bolts are easy but internally recessed fasteners are a different animal.”

MiTek’s Jamie Moore points out, though, that there’s more to new fastener development than simply keeping pace with new building materials. “We develop new products regularly to meet the changing demands of the construction industry,” he explains. “These include changing environmental conditions, labor shortages, and more. These changes are resulting in the need for fasteners that are stronger, more reliable, easier to install, require less training or experience, and (often overlooked) meet the demands of the homeowner. Our Gold Coat technology is a great example of meeting all of these demands and doing so ahead of the rest of the industry.” ▶



ABOVE: Sure Drive USA’s new Sure Hold composite fascia board screw installs without the need for a countersink bit. It is designed with wings that auger through fascia and trim board creating an oversized hole that allows for the expansion and contraction movement and keeps fascia board panels straight.

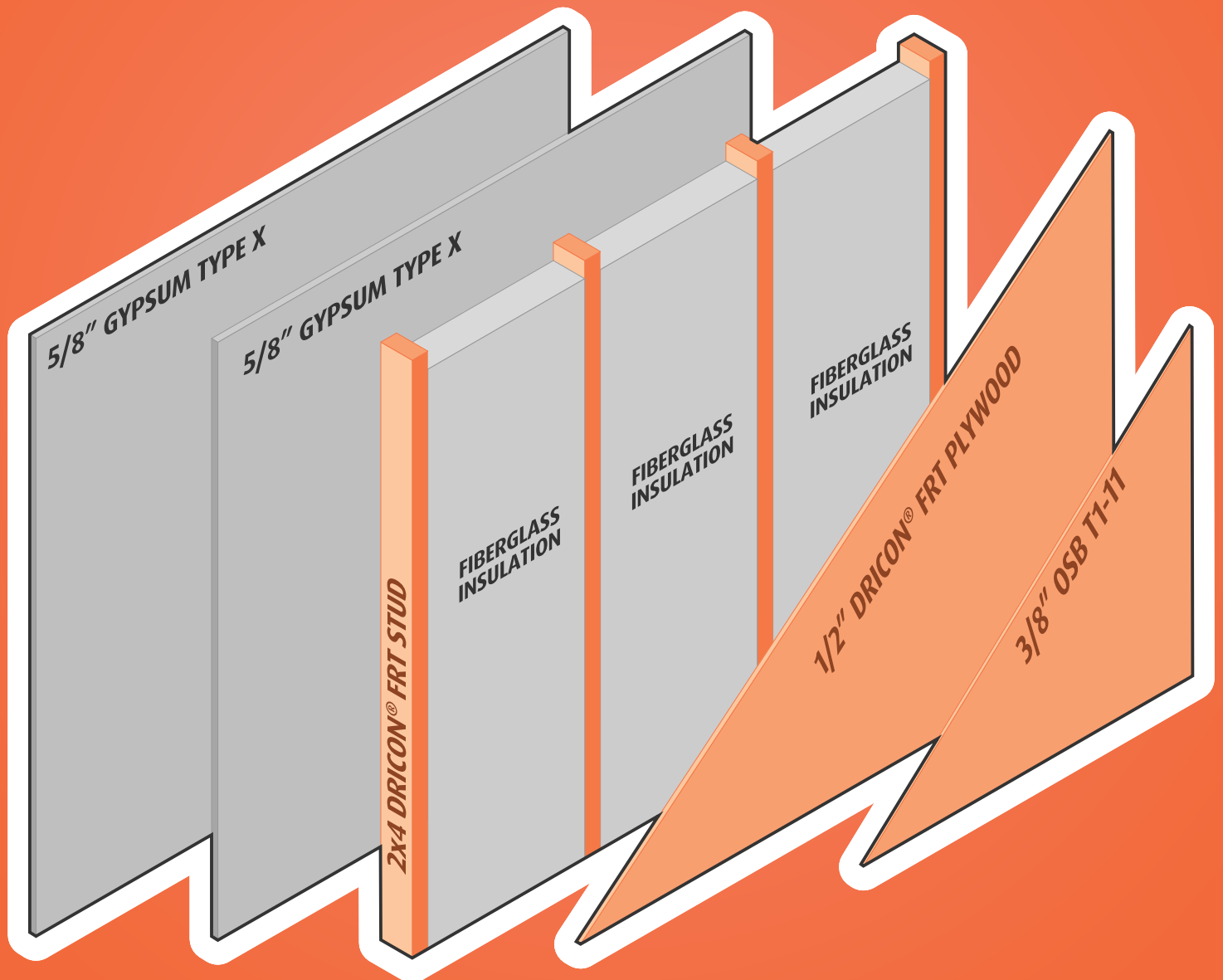
ABOVE RIGHT: Maze’s exclusive method of double hot dipping allows its nails to be dipped twice in hot molten zinc, which adds a thick coating to the outer layer, providing the nails with long-term protection against rust.

RIGHT: U2 fasteners recently completed testing allowable loads with its 316 Stainless Steel line. Now engineers can spec fastening patterns and spacing for applications in coastal areas and other harsh environments.



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IN DEPTH FASTENERS

Interestingly, sometimes it's the fastener technology that spurs new building uses. For example, after the recent launch of Simpson Strong-Tie's stainless-steel Titen HD screw anchors, builders and distributors began contacting the manufacturer to find out if the new anchors would corrode if used with zinc-coated post bases due to galvanic action. To determine the answer, Simpson Strong-Tie put a batch of screw anchors in a testing tank and sprayed them with saltwater for 1,000 hours. When the test came back negative, the manufacturer was able to release an engineering letter stating the two metals could indeed be used together.

OVERCOMING MISCONCEPTIONS

Not all fasteners are created equal, and there's no such thing as "one size fits all" when it comes to fasteners. Unfortunately, misconceptions linger that prevent builders from understanding the full true value of specialized or higher-end product lines. A lack of understanding on the part of the builder in regard to fastener technology combined with a generally higher product price point work in unison to create a false perception that higher quality fasteners aren't worth the investment. But when you factor in the costs of callbacks and repairs incurred from the use of cheap fasteners, nothing could be further from the truth.

"The biggest misconception we still regularly encounter in the field is that one fastener can fit all applications," says Simpson Strong Tie's Sutt. "In reality, fasteners are designed to perform within very specific parameters and for defined use cases, and there's really no one fastener to rule them all. Using the wrong fasteners can compromise safety, bring about costly callbacks, or even result in a failed building inspection. Incorrect fastener use also slows down contractors on the jobsite."

"I think many builders may not realize what is available to them," says Bevan Wulfenstein, marketing director for Grabber Construction Products, Inc. "They stick with what they know rather than trying something new."

U2 Fasteners' Walther agrees with Sutt and points out the importance of

lifetime performance. "Builders must take into account the costs of fasteners over the lifetime of the asset being constructed," he explains. "Quality fasteners should save time during construction but must stand the test of time. I find it funny that, when someone is building a deck, the last thing they think about are the screws, but when you cut costs on screws and they rust or fail, that's the first thing you would notice on your deck. Use screws that will last the lifetime of the deck!"

As MiTek's Moore says, "We know that builders and contractors have a desire to build quality structures and they want to use the best products at costs that are acceptable for the job to be done. We believe this mentality is necessary to move the industry forward; however, the biggest misconception is that 'All fasteners are the same, I'll just get the cheapest one.'"

RIGHT: Simpson Strong Tie's Quik Stik installation tool is designed for overhead assembly installations of rafter and truss connections and is designed to work with Strong-Drive SDWC Truss screws.

BELOW RIGHT: CAMO from National Nail recommends its Starter Clips on grooved boards for a fastener-free deck surface.

BELOW: Grabber's new UltraPro screw is designed to make installation faster and fastener performance better. According to the manufacturer, the screw's unique features such as its Type 17 self-driving point, proprietary threads that clear wood chips as the screw drives, and self-countersinking head all reduce effort, especially when driving into harder woods.



Moore goes on to explain that there are several factors that should be considered in regard to fasteners. First, it is critical for the builder/customer to understand the differences in load values between fasteners from different manufacturers and how the fastener configuration affects load value. Second, it is critical for the builder to choose the right type of fastener for the type of connection, hardware, substrates, and code requirements he or she is dealing with—even if the builder does everything else right, an incorrect fastener choice can ruin everything. Finally, the design of the fastener and how it impacts the installation is the third critical consideration. According to Moore, fasteners are now designed with valuable features that make them easier and faster to install, which improves efficiency and saves time and money in the long run. >



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While these misconceptions are significant, they are also easily dispelled through education, and it's up to the distributors and building centers to be the spearpoint of that education. "Education is the key," says Lail. "Taking the time to explain the various options to the builder many times enables them to know more about the long-term effects choosing the right fastener can have. If their name is associated with the project, they want to make sure the customer is happy with their investment for years to come."

"Builders are price sensitive," adds Sutt, "but they're also solution-oriented, and typically are quick to recognize when a product increases the quality and value of their workmanship, as opposed to just grabbing the least expensive box of fasteners off the shelf."

Each manufacturer has its own unique tactics when it comes to training and education, with some programs

aimed at the distributor and others geared for the builder/end user. For example, MiTek has developed its Builder Products App—a mobile app for jobsite use—to serve as an up-to-date reference on codes, load values, and installation guides for all of its builder products. As well, it has a variety of videos on its website and YouTube Channel that walk viewers through common issues and step-by-step installation.

For Pan American Screw Fastener Group, it offers installation videos on all of its hidden deck fastener line, and it posts training videos on YouTube for its wholesale distribution sales team to make sure they are up to date on product knowledge. "Our sales managers travel to our dealers and make jobsite visits to ensure proper installation techniques are being followed while looking for opportunities and advice on how to improve our products," says Lail. "We are also in the process of >



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IN DEPTH FASTENERS



ABOVE: Huttig-Guard Platinum Screws are manufactured for use with decks, docks, trim and other exterior projects. According to the manufacturer, Huttig-Guard Platinum Screws are designed to drive faster and easier, and feature a limited lifetime fastener warranty.



ABOVE: Fasco's new SubLoc PRO SCRAIL are for use as a substitute for 8D and 10D common nails in OSB and Plywood WSP horizontal diaphragms for resisting wind and seismic forces. The fasteners are also permitted to be used as a substitute for 8D or 10D common nails in prescriptive construction of WSP diaphragms in accordance with the IRC for maximum 15/32" thick and 19/32" thick diaphragms, respectively.



ABOVE: The Mantis Clip hidden deck fastener is described as the only product that features a base that the deck board actually rests on, instead of simply clamping the board down to the joist. This base is designed to allow for airflow that lets the joist frame dry out faster, making it last longer.

putting together an online training session that would allow our distributors and dealers to earn free merchandise for completing the test session. I'm personally excited about this as it will incentivize the sales team to become more knowledgeable about all our products that we offer through all five fastener divisions."

Screw Products, Inc. offers ongoing training, tips, printed materials, training classes, tabletop product knowledge training at the retail store level, sales help for the distributor, dealer and builder, as well as toll-free help lines. And to help dealers and contractors specify the right fastener for the job, Simpson Strong-Tie launched its Fastener Finder, an online tool that searches the company's fastener inventory by application, product type, model number, and other criteria.

PRODUCT KNOWLEDGE IS VITAL

Obviously, LBM dealers are a valued asset and vital partners to fastener manufacturers. They have a vested interest in seeing dealers succeed, and oftentimes some of the best product innovations come from dealer ideas and input. As Simpson Strong-Tie's Ed Sutt explains, "Simpson Strong-Tie continues to embrace new ideas for supply chain efficiency that help our dealers and distributors communicate fastener features, benefits, and application tips and advice to our shared contractor customers. LBM dealers are vital to how building products get specified, selected, purchased, and ultimately used on the jobsite, and we rely on their expertise to help guide product development as well as how we deliver products to market."

It's because of this importance that manufacturers are eager to offer advice to dealers to help them succeed. "One of the simplest things [dealers] can do is to remember to ask the builders if they have all the fasteners and driver bits they need and immediately make recommendations," explains Phil Lail. "Kind of like asking 'do you want fries with that?' Simple and effective."

Greg Groenhout at CAMO concurs. "As a manufacturer, we need to make sure that the end user gets the mes-

sage," he said, and that message comes from lumberyards and building supply stores.

"A lot of times a dealer, wanting to be all things to everyone, takes a passive selling position, instead of taking an active role in saying 'I've got this fantastic new product, let me explain it to you.' In the end, with that active role, they could reduce inventory of ancillary products and focus more on the ones that they know will provide more value to their users."

Another best practice manufacturers recommend is for the dealers to make the customer's fastener purchasing decision as easy as possible. For example, Simpson Strong-Tie has recently been exploring individual fastener purchase so dealers can better customize their in-house fastener inventory and offer contractors a more customized approach to fastener selection and purchase. "Streamlining and optimizing inventories benefits everyone in the supply chain," says Sutt. "It reduces the burden on the contractor to purchase a box of fasteners when they only need a dozen, while freeing up more pro dealer inventory space for higher margin and specialty-item products that solve jobsite challenges.

Along similar lines, Linda Graziano, senior director of marketing for Huttig Building Products, recommends making it easier for customers to find the right fastener through better packaged fastener displays. According to Graziano, Huttig-Grip fasteners packaging does just that. "Our labels showcase the product, with actual-size fastener image and large, easy-to-read descriptions," she says. "Box windows are the largest on the market, offering high visibility, upgraded shelf presence, and eliminates boxes torn open."

Phil Lail of Pan American Screw Fastener Group recommends increasing product visibility to drive sales. "We have created sample boards that show physical samples of our Big Timber product line and our Deerwood Fasteners woodworking fastener line," he says. "We know countertop space is a premium, but our customers that show these boards in a prominent place tell us it helps their fastener sales." ➤



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IN DEPTH FASTENERS

But in the end, the best thing dealers can do is to be as thoroughly knowledgeable as possible so that they can better sell higher-end fasteners to their customers. “Try the screws yourself,” recommends Walther. “Ask for samples. U2 Fasteners are not available in Big Box stores because we know the importance of being loyal to the LBM dealers who already know the value of premium fasteners.”

MiTek’s Moore agrees. “A better-informed staff not only helps get the right products and information to the end customer, it also helps prevent building costs from mounting for the contractor as well.”

In the end, it’s all about staying ahead of the big box stores by offering not only a better value proposition but by also delivering solutions to your customers’ problems. “Take the time to know what you are selling and how that product benefits your builder and

how that product can streamline productivity and produce profit,” says Screw Products’ Miller. “To stay ahead of the big box, offer an alternative to cheap, unreliable, labor intensive products. Offer a solution to a problem the builder may not even know they have. Challenge your builders by offering constructive advice on the products you carry. This is accomplished by knowing the advantages of your products and how those advantages will increase productivity and the bottom line for your builder.”

And by boosting your customers’ bottom line, you’ll end up boosting your own in the process. ■

Michael Berger is the former managing editor for HANDY Magazine and has been writing about home improvement and construction for the past 16 years.

INTERNET INFORMATION

Companies highlighted participated in this article.

Accent Building Materials:
www.plygem.com

Beck Fastener Group (FASCO):
www.fascoamerica.com

CAMO/National Nail:
www.nationalnail.com

DeckWise:
www.Deckwise.com

Duchesne:
www.duchesne.ca/en/

Faspac:
www.fastapscrews.com

FastenMaster:
www.fastenmaster.com

Grabber Construction Products:
www.grabberman.com

GRK Fasteners:
www.grkfasteners.com

Hillman:
www.hillmangroup.com

Huttig Building Products (Huttig-Grip):
www.huttig.com

Intercorp:
www.intercorpusa.com

LumberLoc:
www.lumberloc.com

Maze Nails:
www.mazenails.com

Midwest Fastener Corporation:
www.fastenerconnection.com

MiTek:
www.mitek-us.com

Pan American/Sure Drive:
www.panamericanscrew.com

PrimeSource Building Products:
www.primesourcebpb.com

Screw Products Inc.:
www.screw-products.com

Simpson Strong-Tie:
www.strongtie.com

SPAX:
www.spax.us

Stanley-Bostitch:
www.bostitch.com

Tiger Deck:
www.blacktalonuniversal.com

Titan Metal Werks:
www.splitstop.com

TurboClip by Avon Plastics:
www.turboclipusa.com

U2 Fasteners:
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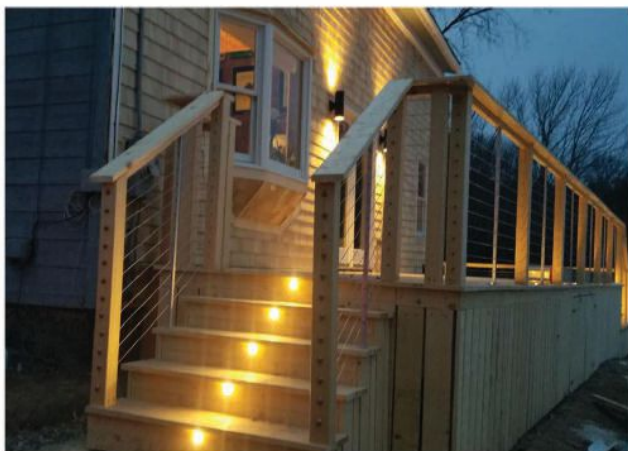
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Atlantica Beach House Shake from Tando

Derby Building Products has introduced a new color, Atlantica, as the latest addition to its Tando Beach House Shake product line. Atlantica has been developed as a soft, silvered coastal gray tone reminiscent of cottages found in a quaint New England village, according to the manufacturer. Atlantica is the fourth color in the Beach House Shake line. Other colors include Sandcastle, Hatteras, and Pacifica. Beach House Shake products are designed to not rot, decay, crack, or split and are impervious to moisture and insects. Beach House Shake recently received a Notice of Acceptance (NOA) from Florida's Miami-Dade County, a high-velocity hurricane zone. Designed for one-person installation, the panelized shake is lightweight and can be installed using just a hammer or nail gun. www.beachhousesshake.com



View of jamb pocket from exterior

ProVia custom color lines

ProVia's Endure and Aeris window and patio door are now available in an unlimited amount of colors. ProVia shows 17 new, select factory-applied colors, but, in addition, contractors and homeowners can select a paint color from the Sherwin Williams color pallet, or any other paint supplier they choose. The painted finish will have a 15-year warranty, and a lifetime limited warranty on the window itself. This painted finish has special UV and heat-reflective properties designed to help ensure long-lasting color and finish, ProVia says. www.provia.com

Crescent tool storage bags

Crescent Tools is introducing a new line of tool bags that are designed to withstand heavy usage in unforgiving environments, alleviating the cost and hassle of replacing a less-durable bag. Crescent storage bags come in four styles: the Tradesman Backpack, the Tradesman Open Bag (available in 14" and 17"), the Tradesman Closed Bag (available in 14" and 17" options), and the 20" Contractor Bulk Bag. All products in this line feature: YKK zippers, each with a 3-year warranty; newly designed open-straight pockets; hard polypropylene base; external PALS for access to frequently-used tools; bright interior fabric for better visibility; side pockets for water bottles; clips for tape measures. www.crescenttool.com



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PRODUCT PICKS

Empire eXT Extendable Levels

Empire's new eXT Extendable Levels have the ability to expand to various sizes and are optimized for a broad range of applications. The Empire eXT Extendable Levels offer an adjustable slide mechanism to control the friction fit. With tool-free removeable end caps, users are able to scribe into tight corners in layout applications. Ready to measure at any size, the eXT Levels come equipped with e-Band vial technology for improved visibility. The levels are available in two sizes, 24"-40" and 48"-78". All eXT Levels are backed by a limited lifetime warranty on the frame and vials. www.empirelevel.com



Carbon Black from Haas Door

Haas Door, manufacturer of steel and aluminum residential and commercial garage doors, has launched a new Carbon Black color for a wide variety of its garage doors. The new Carbon Black color features a deep black color with a light gloss finish. The color is designed to add a realistic deep black finish for American Tradition 2000, 700, and 600 Series residential garage doors plus the company's commercial Insulated Steel 2000, 700, and 600 Series garage doors. The new color is designed to complement black trim, shutters and window frames on new construction homes. www.haasdoor.com



HydroGap Drainable Housewrap

The 9' and 10' HydroGap is a drainable housewrap said to remove bulk water up to 100 times faster than a typical housewrap and is designed for production builders and other large volume projects. Two non-woven layers surround the water hold-out film providing superior strength and protection from surfactants and damage during installation. HydroGap creates a drainage space between the sheathing and cladding material, allowing water to quickly escape the building envelope, critical for keeping structures sound, especially in climates that experience harsh weather. www.benjaminobdyke.com



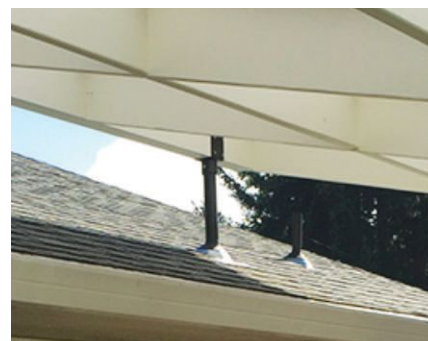
Designer riser hardware from Skylift

SkyLift Hardware Roof Riser products are designed to offer a stable, simplified tie-in for patio covers, shade structures and pergolas. SkyLift Risers mount to the top wall plate for structural stability and are sealed with a standard pipe flashing, so existing rain gutters can be left in place reducing leaks and debris build up. SkyLift introduces the new Designer Riser to provide more design flexibility for roof height with an extended saddle for securing a vertical post or beam set. The overall height is adjusted when using a vertical post on the Designer Riser. The Designer Riser is 12" tall. Saddles sizes may be specified for 3-1/2", 4", 5-1/2", and 6" beam/post. Hardware is included; pipe flashing is not included. www.skylifthardware.com



ZEEL doorglass frame from ODL

ODL, Inc., has introduced ZEEL to its doorglass frame offerings. Designed to be stained or painted, ZEEL offers an alternative to flush glazed doors while providing the benefits of a frame system. In addition to incorporating the flat-profile design, ZEEL also boasts technology advancements including: an innovative clip system; FiberMate Plus, ODL's recently-developed doorglass frame material made with a higher percentage of fiberglass; the ability to replace just the doorglass and frame in the event of damage; and Resolve sealant, a thermoset foam seal. ZEEL doorglass frames are available in five sizes—22" x 64", 7' x 64", 22" x 36", 8' x 36", and 22" x 17", and can be used in conjunction with most doorglass. This line of frames is also the first to feature ODL's proprietary PC/ABS blend for increased durability and comes untreated so that it can be stained or painted to perfectly match the entry to the home. <https://zeel.odl.com>



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PRODUCT PICKS

Versetta Stone in Northern Ash color

Boral Building Products has expanded its Versetta Stone family of stone siding panels with the addition of Northern Ash, the line's darkest color yet. Northern Ash blends near-black and dark gray stones with subtle taupe and light gray undertones, creating a visual texture and a varied aesthetic across the façade, Boral says. The new color is available with Versetta Stone's LedgeStone (shown) and Tight-Cut profiles; LedgeStone offers a traditional dry-stack look, while Tight-Cut features the look of cut-and-fitted stone. Versetta Stone mortarless panels install with nails or screws with no scratch coat or metal lath needed, and they feature an integrated moisture management system; they do not require additional footings for support.

www.versettastone.com



MAX USA SuperFinisher brad nailer

MAX USA Corp.'s new NF255SF2/18 SuperFinisher can be used for finish and trim, door/window casing, cabinet, panel assembly and subflooring applications, and the company says it also has several innovative features that set it apart from a conventional brad nailer. The NF255SF2/18 SuperFinisher was constructed with a Precision Point Contact Nose, which allows users to fasten trim in narrow spaces and also guides nails to a precise area of the work surface. Built-In Surface Protection Shields, which include a thermoplastic elastomer cylinder cap, are designed to prevent the tool's metal parts from scratching finished work surfaces. To further prevent damage to work surfaces, the NF255SF2/18 has an Anti-Dry Firing Mechanism that prohibits the tool from firing when 7 nails remain in the magazine. www.maxusacorp.com



CertainTeed's SmartFlash ONE liquid-applied flashing

CertainTeed's SmartFlash ONE is a one-component, UV-stable, fluid-applied resin for steep and low-sloped roof flashing details and repairs. SmartFlash ONE is designed to offer roofing contractors an economical and convenient waterproofing solution in a ready-to-use, re-sealable can that requires no measuring or mixing to activate. SmartFlash ONE resin is available in a five-gallon pail (125 square-foot coverage) or a one-gallon pail (25 square-foot coverage). The one-gallon pail is available à la carte or as part of a Flash Pack which includes resin, fleece and application accessories. www.certainteed.com/commercial-roofing



Alside's Trimworks windows

Alside has launched a trim solution for full-frame replacement projects. Trimworks with SwiftLock Technology is designed for the Mezzo Full-Frame Replacement System. The system is said to provide the most reliable solution for installing and replacing vinyl windows. Alside's new solution can save up to 20-40 minutes of installation time per window, the company says, reducing waste and eliminating the need for special equipment, training or cutting skills to trim a window. The system features a variety of designs from traditional to contemporary to enhance a home's exterior, including: Brickmould (1.5" and 3/4" sizes); 3.5" Flat Casing (available 4-sided or with bullnose sill); and Flushmount (for masonry openings). Mezzo comes with a lifetime limited warranty and is available in an array of 13 color options, which feature a polyurethane coating technology with heat-reflective pigments for a fade-resistant finish.

www.alside.com/mezzo



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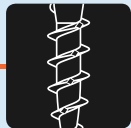
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PRODUCT PICKS

Spyder circular saw blades




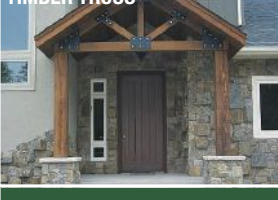
Spyder Products has launched new circular saw blades equipped with nickel cobalt (NiCo) cutting teeth, alternating tooth bevel, and an anti-friction coating. The Spyder blades are said to provide up to six times the working life of conventional blades. The 24 NiCo teeth on the 7-1/4" blades are triple-sharpened to ensure exceptionally clean cuts, making the new Spyder circular saw blades ideal for a variety of framing and construction applications. Unlike conventional blades, they include an alternating tooth bevel designed to allow users to rip and crosscut with minimal effort. In addition to the specialized tooth design, polymer stabilization vents are engineered to reduce friction, noise, and vibrations. An interfused anti-friction coating is said to protect the blade against heat, gumming, and corrosion. www.spyderproducts.com




IKO's Cambridge Cool Colors

IKO has expanded its Cambridge Cool Colors shingle line with six new colors that have an increased Solar Reflectance Index (SRI) of 20+, exceeding California's Title 24 minimum standard by 25%, the company says. The expansion offers three distinct color blends ranging from COOL PLUS, COOL and Natural COOL. The COOL PLUS color selection includes the darker options of Weatherwood, Harvard Slate, Dual Brown and Graphite Black. COOL shingles are available in SRI 20+ in the medium color blends Canyon Oak and Sand Dune. With the new spread of color ranges, IKO's Cool Colors now totals to nine color blend options. The original color range, NATURAL COOL, has an SRI of 16+ with an added benefit of Dual Grey also being algae resistant and Arctic White having the highest SRI of 23+. www.iko.com











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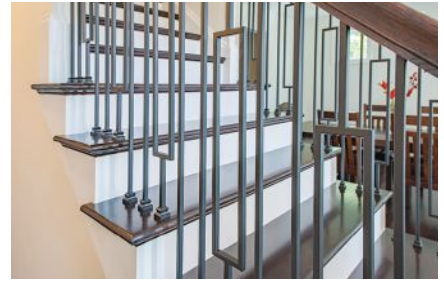
Tuff Surface Texture Finish from Sherwin-Williams

The next generation Tuff Surface Premium Texture Finish from Sherwin-Williams delivers splatter or an orange peel texture finish to hide imperfections, helping to create inviting spaces and save professionals time. Developed to be mildew-resistant, the coating is applied with airless and conventional texture spray equipment. Tuff Surface is said to be more reliable and cost-effective than traditional methods of creating textures that require a primer and topcoat. Available in flat and egg-shell sheens, Tuff Surface is tintable and can be used as a level five finish. www.sherwin-williams.com



L.J. Smith's Stair Systems IronPro system

Designed to be easy-to-install, the IronPro system from L.J. Smith allows homeowners to keep existing wooden handrails and newels, and simply swap out the wooden balusters for designer iron balusters. After older wooden balusters are carefully removed, IronPro pivoting fasteners are attached to the handrail. Iron balusters are then inserted into position. Alignment is completed and screws are tightened to secure the baluster. Two different IronPro kits are available to accommodate open tread stair, kneewall stair and level run applications, both featuring Satin Black finish. www.ljsmith.com



Milwaukee Tool Red Helix Cobalt Drill Bits

Milwaukee Tool has introduced the next generation of its Red Helix Cobalt Drill Bits. Engineered for durability and longer life in hard metal applications, these new bits provide up to 15 times the longevity of black oxide drill bits, the company says. Much like their predecessors, the next generation of Red Helix Cobalt Drill Bits are designed with a Variable Helix that includes a 35° helix angle that varies along the flute, ending at 15° to limit heat build-up. New to this next generation of the drill bits are two things: a Quad Edge Tip and Enhanced Tapered Web. The Quad Edge Tip is designed to decrease heat buildup and enable users to drill faster. A 135° split point tip is said to deliver a precision start and prevent walking for faster, more accurate holes in hard metal, PVC and wood. Red Helix Cobalt Drill Bits are available in sizes ranging from 1/16" to 1/2", as well as in sets of 15, 23, and 29 pieces. www.milwaukeetool.com



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POINT OF LAW

FACT OR FICTION: COLLECTIONS

COLLECTIONS ARE OFTEN AN ISSUE IN THE CONSTRUCTION INDUSTRY. DO YOU KNOW WHETHER THE FOLLOWING STATEMENTS ARE **FACT OR FICTION?**

In most states it is legal to charge 18% per annum (or 1.5% per month) interest to individual customers on past due balances.

FICTION. When contracting with an individual person (as opposed to a business entity), most states impose a maximum amount of interest that may be charged on past-due accounts that is much lower than 1.5% per month. Further, to charge the maximum amount many states require a signed agreement with the individual containing that rate. Absent an agreement in writing, the rate that may be charged is often even lower. The maximum rates vary among each state, and handful of states (such as Arizona and Massachusetts) do allow charging individuals 18% on past due balances if that rate is stated in a signed contract.

If I receive a check for less than the full amount due and that says “Payment in Full” in the memo section, I cannot pursue the balance later.

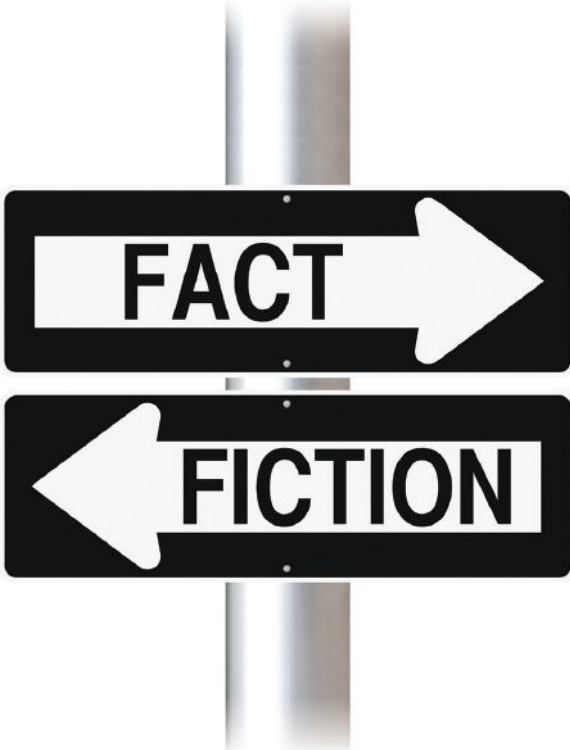
FACT. A check is a “negotiable instrument” and can form a contract. If it contains 1) a dollar amount, 2) a notation indicating payment in full, and 3) is signed by the issuer and the recipient (by endorsing it), then a contract is formed and the recipient has agreed to that amount as payment in full.

As a subcontractor or supplier to a general contractor, if you do not preserve lien rights you may still sue the property owner if you are not paid.

FICTION. Unless your contract was directly with the property owner, in virtually all cases your only recourse against the property or the property owner is a mechanic’s or construction lien. If you do not preserve those lien rights, unless there are special circumstances, you may only pursue the party that hired you or that purchased the materials from you.

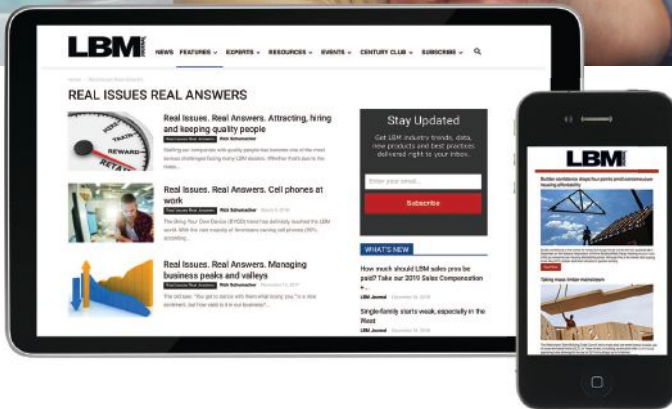
Contract clauses providing that the general contractor is not required to pay subcontractors or suppliers, unless the owner pays the general contractor, are enforceable.

FACT. A contingent payment clause (or “pay if paid” clause) shifts the risk of nonpayment by the owner from the general contractor (GC) to the subcontractors and suppliers (subs). However, the clause must clearly and unequivocally state that the owner’s payment is an absolute condition to the GC’s obligation to pay the subs. For example, a clause that simply states that the GC shall pay the subs within seven days after the owner pays does not eliminate the GC’s duty to pay the subs. Instead, it only states the timing for payments. Only if the clause unequivocally states that the GC’s duty to pay the subs is conditioned upon the owner’s payment will the clause be enforceable. ■



Blake Nelson is an attorney with Hellmuth & Johnson in Minneapolis and concentrates his practice on advising and representing clients in the construction industry. He can be reached at bnelson@hjlawfirm.com.





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BY KEVIN MCKENNEY

No dull moments on tariffs

THESE DAYS, there's never a dull moment in Washington when it comes to trade policy, specifically tariffs. The Trump Administration has made trade policies, particularly with China, a top priority and the use of tariffs has been a main tool for President Trump. For this update, we will look at the latest on the steel and aluminum tariffs (Section 232) and the tariffs on Chinese products (Section 301).

Back in March of 2018, President Trump used Section 232 of the Trade Expansion Act of 1962 to apply 25% and 10% tariffs, respectively, on certain steel and aluminum imports. Section 232 grants authority to the President to impose restrictions on certain imports based on an affirmative determination by the U.S. Department of Commerce that the targeted products are being imported into the United States "in such quantities or under such circumstances as to threaten to impair the national security."

The Administration temporarily granted Section 232 tariff exemptions for several countries pending negotiations on new trade agreements. Permanent tariff exemptions, in exchange for import quotas, were eventually granted to Brazil and South Korea for steel, and to Argentina for both steel and aluminum. Australia received a permanent exemption from both tariffs with no quotas. In June 2018, the Administration removed the temporary tariff exemptions for Canada, Mexico, and the European Union.

In August 2017, the United States Trade Representative (USTR) initiated an investigation into the Chinese government's actions on trade. During the investigation, the USTR determined that China's policies and practices are unreasonable or discriminatory and burden or restrict U.S. commerce, and are thus actionable under Section 301 of the Trade Act of 1974.

Last year, USTR used Section 301 to impose an additional 25% tariff on Chinese imports with an annual trade value of approximately \$250 billion. The additional tariffs were imposed in three lists. List 1 covered 818 products, with an approximate annual trade value of \$34 billion. List 2 covered 279 products, with an approximate annual trade value of \$16 billion. List 3 covered 5,733 products, with an approximate annual trade value of \$200 billion and included some LBM products.

On May 17, the U.S. announced an agreement with Canada and Mexico to remove the Section 232 tariffs for steel and aluminum imports from those countries and for the

removal of all retaliatory tariffs imposed on American goods by those countries. According to the Administration, the agreement provides for aggressive monitoring and a mechanism to prevent surges in imports of steel and aluminum. If surges in imports of specific steel and aluminum products occur, the United States may re-apply Section 232 tariffs on those products. Any retaliation by Canada and Mexico would then be limited to steel and aluminum products.

On May 10, the USTR raised Section 301 tariffs on List 3 goods from 10% to 25% after trade negotiations between the U.S. and China stalled. On May 17, USTR proposed a 25% tariff on an additional \$300 billion of imports known as List 4. President Trump originally suspended the proposed List 4 tariffs in June after the U.S. and China had productive trade talks at the G20 conference. However, he eventually reinstated List 4 tariffs at a 10% rate and split List 4 into two separate lists, one effective September 1, 2019 and the other effective December 15, 2019. Popular consumer products included on List 4 received the Dec. 15 effective date in order to avoid disrupting the holiday shopping season.

On Aug. 23, President Trump announced that his Administration planned to increase the rates for all current and proposed Chinese tariffs. Specifically, the tariff rate for \$250 billion worth of Chinese imports on Lists 1-3 would be increased from 25% to 30%, effective October 1, 2019. In addition, the recently proposed List 4 tariffs on \$300 billion worth of Chinese imports, scheduled to go into effect on Sept. 1 and Dec. 15 of this year, would be increased from 10% to 15%.

This action from the Trump Administration came in response to the Chinese government's announcement of retaliatory tariffs on \$75 billion worth of U.S. imports starting Sept. 1 and Dec. 15. These new retaliatory tariffs from China will hit U.S. goods including automobiles, crude oil and a variety of agricultural commodities.

On Sept. 11, President Trump announced he was delaying the tariff rate increase for Lists 1-3 from Oct. 1 to Oct. 15 in a show of good faith to China during their government's 70th anniversary.


On Sept. 20, NLBMDA formally submitted comments to USTR opposing the 5% tariff rate increase for List 3 imports. We will continue to be engaged on this issue to ensure that the LBM industry is not adversely affected by these tariffs and other trade policies. ■

Kevin McKenney is director of government affairs for NLBMDA in Washington, D.C. For more information, visit www.dealer.org.

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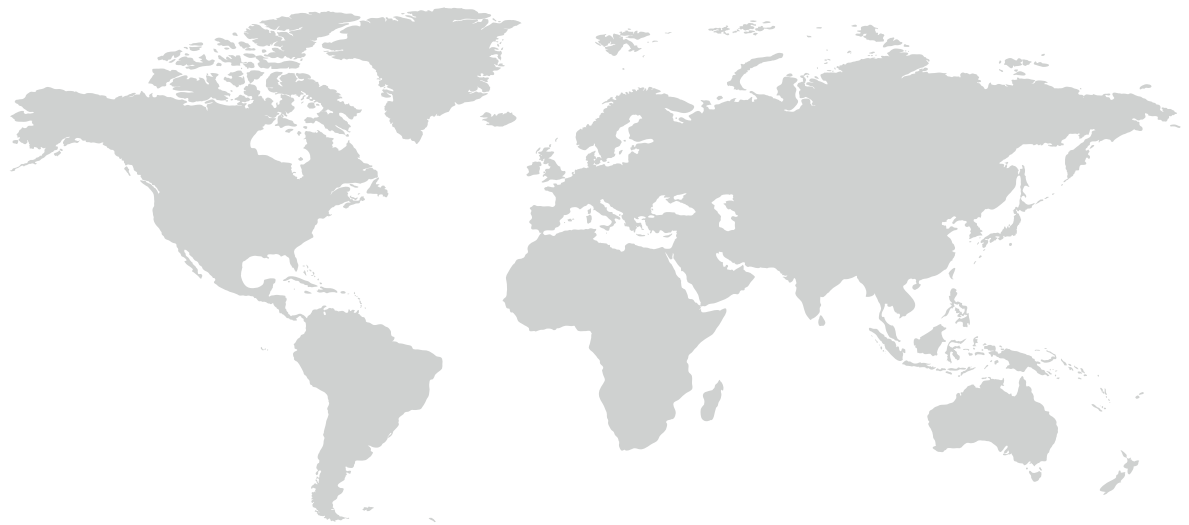
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IBC=inside back cover, IFC=inside front cover, OBC=outside back cover, BB=belly band, INS=insert, PB=polybagged, WP=white paper

POLITICS IN THE WORKPLACE

YOUR TWO TOP SALESPeOPLE ARE PASSIONATE AND VOCAL ABOUT THEIR POLITICAL BELIEFS, WHICH IS COSTING YOU CUSTOMERS. WHAT WOULD YOU DO?

You and your company have seen a lot in the 30+ years since you opened the doors. And your business philosophy is relatively simple: Offer solid products at competitive prices, deliver on your promises, and always treat others with respect. As you tell your team, “We’re here to help our customers complete projects and solve problems. To do that, we need to ask questions, then listen, and do what we can to move them forward.”

In your view, it needn’t be overly complicated. And for the most part, it isn’t. You’ve got great products at solid prices, and your experienced team is skilled at helping customers buy the right products for their project. Unfortunately, where your team is dropping the ball is the part about treating others with respect. More specifically, two members of your team—who just happen to be your top salespeople—are so passionate and vocal about their political views, that they’re rubbing customers the wrong way. Here are two examples:

Bob is a great salesperson, very experienced and knowledgeable, and typically very good with people. He’s also a staunch Democrat, which is fine, unless it affects his work. Twice in the past two weeks, customers have come in wearing “Make America Great Again” caps—and Bob proceeded to confront them about their beliefs. One customer, who happens to enjoy a vigorous debate, was fine with it. The other left the store without buying anything and has since been seen shopping at a competing yard.

Like Bob, Susan is at the top of her game as a salesperson. As a staunch Republican, she’s on the opposite end of the scale from Bob. Like Bob, she sometimes pushes her views on customers—especially those she knows or suspects to lean liberal. The results the last two times have mirrored Bob’s experience: one customer enjoyed a spirited conversation, the other took their business elsewhere.

You understand how people can be passionate about politics, but you’re a firm believer that it has no place at work. The fact that you’ve lost two customers supports your stance. Still, Bob and Susan refuse to back down. Despite being on opposite ends of the political spectrum, their argument is virtually identical: “My views are a big part of who I am—and any sensible person knows that I’m right. If someone puts their political views out there, I’m justified in bringing it up in conversation. After all, this is America, and I have a right to voice my beliefs.”

What would you do?



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- 1 LET 'EM GO.** If they can't control the urge to confront customers with opposing political views, then eventually they're going to alienate everyone. If they say no, let 'em go.
- 2 USE REASON.** Explain that your company can't afford to lose customers because of their personal beliefs. Ask what they'd do if they were in your shoes. Then they'll understand.
- 3 RELAX.** There's nothing wrong with robust political debate—wherever it occurs. For each customer you lose, you'll likely gain one. Let the chips fall where they may.
- 4 STAND FIRM.** Announce that your company is losing customers because some employees' vocal political beliefs. Establish a rule that prohibits any political discussions at work. Then enforce it.

SOMETHING ELSE?

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- Delivered on same Huttig trucks you already rely upon

Contact your Huttig rep today to find out about our special conversion incentive program!



**AT FIRST GLANCE, IT
LOOKS LIKE WOOD.
ON SECOND
GLANCE, IT STILL
LOOKS LIKE WOOD.**

BORAL

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You're in the business of supplying the best possible building products. When it comes to trimboard, Klear is it. We back up our high-quality, low maintenance PVC trim products with a team of in-market installation and sales experts trained to help you grow your business.

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