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STRATEGIES FOR LUMBER/BUILDING MATERIAL DISTRIBUTION PROS

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MARCH 2020 \$10 U.S.

DEALER²⁰²⁰ OF THE YEAR

ANNUAL SALES: \$10-\$50 MILLION

LANG BUILDING SUPPLY

IN DEPTH:
LUMBER & STRUCTURAL PANELS

HOT PRODUCTS FROM IBS

EDITORS' CHOICE FROM THE 2020
INTERNATIONAL BUILDERS' SHOW

BLASE GRADY, PRESIDENT & CEO
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BY JAMES ANDERSON

HOT PRODUCTS

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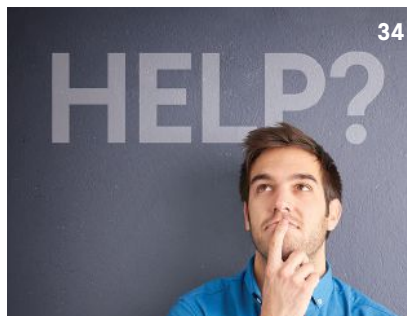
REAL ISSUES. REAL ANSWERS.

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BY LBM JOURNAL READERS

IN DEPTH

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With shortages in skilled labor expected to continue, the lumber industry is turning to innovation to keep pace with expected growth.
BY MIKE BERGER



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Bliffert Hardware

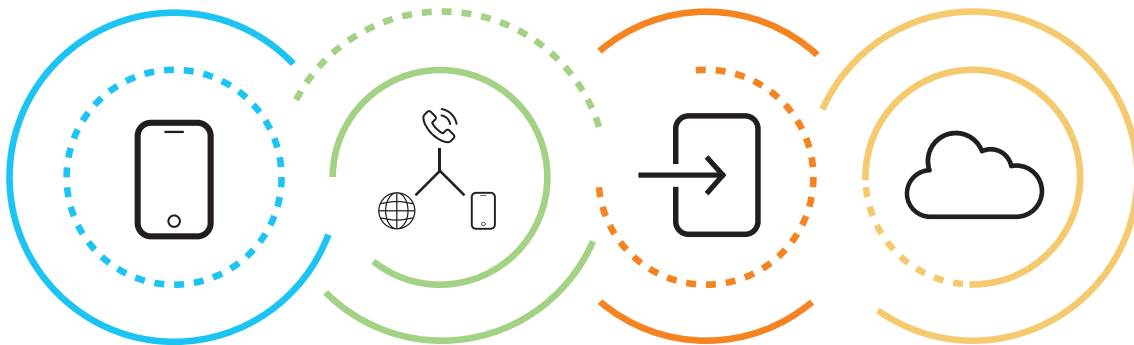
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Boston Consulting Group (BCG) has this advice for LBM producers—aka your suppliers: “Although building materials producers have thrived in the past by following a conservative strategy that did not chase the latest trends, such an approach could become a recipe for failure in the near future. Simply put, sticking with the traditional distribution model is no longer an option in the digital economy.”

BCG predicts that four themes will shape digital transformation



Mobile and Real-Time Information—the ability to access information about products, stock, and deliveries from the jobsite—anywhere, anytime.

Multichannel Customer Journey—access to information at a physical location—by phone, on the web, and on mobile devices.

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Epicor can help you develop your digital strategies. We can share the experiences and benefits achieved by hundreds of your colleagues—including dozens of LBM businesses—with business models, digital ambitions and growth objectives just like yours.

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For more information on [Catching the Digital Transformation Wave in the LBM Industry](#), download Epicor's white paper on [LBMJournal.com: lbjournal.com/epicor](https://lbjournal.com/epicor)



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Playing the bounce

LAST WEEKEND, my son's hockey team was playing for third place in the final tournament of the season. At one point, my son raced to steal the puck (which was good), then promptly fell on his butt (which was less-good), but got up in time to take a shot on goal (which was great). The shot deflected off the goal (which was disappointing), before bouncing to a teammate who slapped it in for a goal (which was awesome). In the space of about 20 seconds, his team went from "oh no!", to celebrating a goal. They took home the third-place trophy that day because they did enough of the right things, and played as a team. And yes, they took advantage of opportunities—like playing the bounce.

In sports, in life, and in business, there's no shortage of opportunities that come our way. Since they're often disguised as roadblocks or challenges, we don't see them all. But when we condition ourselves, and our teams, to view situations through a different lens—one that doesn't take a situation at face value only, we're setting the stage for playing the bounce. At my son's game, the puck deflecting off the goal wasn't the end of the story. It just set up what was next...a sweet goal by an alert teammate.

Every month, hundreds of readers respond to our Real Issues survey, and many share challenges they're facing in their business. What I love about this feature is that it's all about playing the bounce. One reader shares a challenge, and hundreds of his/her peers share insights and suggestions on what they'd do...how they'd play the bounce. This month's Real Issue asks how much unsolicited help to offer builder customers who are making bad decisions. Read the lively conversation beginning on page 34.

One key strategy for playing the bounce is keeping our eyes open for fresh opportunities. That's what our Hot Products from IBS roundup (beginning on page 50) is all about. Manufacturers are investing heavily in R&D to deliver the products your customers need to build homes better and faster. The *LBM Journal* team explored the 600,000 square feet of exhibits at this year's International Builders' Show in search of products to help you create separation from your competition. Some of what you see are incremental improvements on existing products. Others, like the Metwood 2810HR (which allows a 6" hole to be cut into a 2x10 floor joist), are brand new. See it on page 55.

I was proud to judge the Best of IBS Awards this year—which is what led me to the Metwood booth to see their entry in the "Most Innovative Building Product" category. This product serves a very real need, and has the code approvals to back it up. Ductwork running into a joist is the challenge: this award-winning product enables builders to play the bounce. ■



Rick@LBMJournal.com

TIPS BY PLM

THE UNLUCKY SEVEN: WHAT ARE SOME OF THE BIGGEST RISKS FACING LBM PROFESSIONALS TODAY?

As we have grown alongside the industry, PLM has seen significant change in the lumber and building materials sector. The industry has come a long way from its early roots and stands to continue its growth. Despite these positive trends, no industry can outgrow risk exposures. Some risks endure or fade away, but new risks always emerge to take their places.

In 1960, we published an advertisement about the “UNlucky 7,” seven underestimated risks for members of the industry. As we begin a new decade, it’s time to review the new UNlucky 7: fleet safety, forklift safety, loading and unloading, slip & falls, certificates of insurance, emerging hazards (such as EPL and cyber), and construction defects.

1 FLEETS AND DRIVING. Fleet safety risks have multiple layers, but perhaps the most notable concern today is distracted driving. In 2017, distracted driving was responsible for 3,166 deaths according to the National Highway Traffic Safety Administration (NHTSA). Further, according to LifeSaver, cell phone distracted driving costs more than \$33 billion in insurance claims annually. PLM supports insureds with a number of strategies to mitigate this risk, including continuous MVR monitoring and cell phone monitoring.

2 FORKLIFTS. The forklift is a crucial component of any lumber business but carries a number of basic risks due to loading and unloading issues, visibility, and inexperienced operators. Some forklift safety tips include: check that the load is properly and tightly secured, ensure only authorized drivers are working the forklift, avoid distracted driving and stay alert, perform daily inspections of the forklift, and always keep safety equipment ready in case of accidents.

3 LOADING AND UNLOADING. Like forklift management, loading and unloading cargo carries a number of safety hazards. Multiple risks in the loading and unloading process can threaten employee safety and product integrity. Always ensure loads are completely secure and that the employees handling loading and unloading are thoroughly trained and aware of risks. Designate a safe zone for the driver to remain in during the operation. Perform regular area maintenance to eliminate any hazards that could interfere with the process of loading and unloading.

4 SLIP AND FALL. Across all brick-and-mortar businesses, perhaps the most universal risk is slips and falls. These are the third most frequent cause of unintentional injury-related deaths according to the National Safety Council. With proper risk management, slip and fall risks can be prevented,

managed, or mitigated. We recommend maintaining an up-to-date activity log that demonstrates management is closely monitoring for any and all slip hazards and dealing with them accordingly. Implementing an hourly maintenance review for any obvious hazards, such as loose cables and cords or potholes and cracks in pavement, can also help reduce risk.

5 SUBCONTRACTORS. Another enduring risk exposure in the lumber industry is subcontractor liability. LBM dealers often offer products for installation through subcontractors, an efficient and cost-effective method to sell their products. However, if the subcontractor causes any damages, the lumber or building material dealer could be held responsible for the damages. The top priority should be to request a certificate of insurance, which proves the subcontractor has insurance, so the dealer will not be held liable.

6 CONSTRUCTION DEFECTS. Your products are used in construction every day. Defects in products and installation could bring you into a liability claim. In construction defect litigation, every party usually gets pulled into a lawsuit. These unfounded lawsuits consume time and financial resources and have a negative effect on a dealer’s ability to run their business.

7 EMERGING RISKS. Some of the more recent and developing risks for lumber professionals are employment practices liability (EPL) and cyber. As harassment and discrimination claims have become more prevalent in recent years, having EPL coverage has become crucial in any industry. This coverage can protect businesses from the cost of defending against EPL claims brought by employees, applicants for employment or even third-party claimants. Cyber risks have also emerged as a top priority as businesses have embraced technological developments. Cyber liability insurance is key to running a successful business, as phishing threats, point-of-sale risks and more threaten businesses on a regular basis.

As the oldest and largest mutual insurance company of wood products and building materials, PLM knows the risks the industry faces on a regular basis. Our 125 years in business provide us with a unique and developed risk management perspective. For more information, please review our loss control guides, designed to provide best practices for risk mitigation, on our website at www.plmins.com or contact a PLM representative at 1.800.752.1895 or CustServ@plmins.com.

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WORDS OF WISDOM ENDURE

The UNlucky 7

Will one of them strike your yard?

Someone has said—and well said—that it's the loss you're not protected against that usually occurs.

While fire is always the big risk in lumberyards and wood-working plants, other dangers do threaten, and sometimes they bring heavy, often crippling, loss.

Besides fire, the hazards named above are ever-present. Fortunately, they are insurable—and in one low-cost, dividend-paying, comprehensive form: an Extended Coverage Endorsement made a part of your fire insurance policy.

These risks are windstorm, hail, explosion, vehicles, aircraft, smoke and riot.

Since the lumberyard is especially susceptible to some of these hazards, it will pay you to discuss this further protection with your lumber inspector. Or call us and we will place a binder for you, which will cover you until your inspector calls. It might turn out to be the lucky ounce of prevention that saved your business. Right now is the ideal time to look into this important supplemental coverage.

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SURE, some things have changed since the 1960s: riots and plane crashes have been replaced with cyberattacks and various liability issues. PLM has changed with the times, providing coverages that are in step with today's "UNlucky 7".

Our focused expertise, dedication to loss control, and abiding service to the wood industry are why business owners and insurance brokers have trusted PLM with their businesses, year-after-year, for 125 years.

Protect your business with insurance that stands the test of time.

UPDATES

PEOPLE

Superior Plastic Products, Key-Link Fence & Railing, and affiliated companies have promoted **Alex Rodriguez, Jr.** to mechanical engineering manager, and **Mike Alexander** product engineering manager.

Manufacturers Reserve Supply has hired **Nick Greco** for its outside sales team to cover Long Island.

Sherwood Lumber has announced five strategic promotions to its finance and operations teams. **Brian Nunes, Cameron Peterson, Carlos Medina, Marra Prater**, and **Norm Leger** have all received promotions.

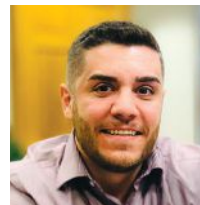
Carl Lamb has been promoted to vice president-eastern operations at **Snively Forest Products**.



RODRIGUEZ



ALEXANDER



GRECO



FRANKLIN

Chelsea Building Products has hired **Daniel Franklin** as product manager.

Jake Gress has been promoted to the newly-created position of vice president of operations at **L&W Supply**.

Benjamin Obdyke, Inc., recently promoted **George Caruso** to chief operating officer.



GRESS



CARUSO

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BUILDER CONFIDENCE DROPS ONE POINT IN FEBRUARY

Builder confidence in the market for newly-built single-family homes edged one point lower to 74 in February, according to the latest National Association of Home Builders/Wells Fargo Housing Market Index (HMI). The last three monthly readings mark the highest levels since December 2017.

“Steady job growth, rising wages and low interest rates are fueling demand but builders are still grappling with increasing construction and development costs,” said NAHB Chairman Dean Mon, a home builder and developer from Shrewsbury, N.J.

“At a time when demand is on the rise, regulatory constraints along with

a shortage of construction workers and a dearth of lots are hindering the production of affordable housing in local communities across the nation,” said NAHB Chief Economist Robert Dietz. “And while lower mortgage rates have improved housing affordability in recent months, accelerating price growth due to limited inventory may offset some of that effect.”

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 fell one point to 80, the component measuring sales expectations in the next six months was one point lower at 79 and the gauge charting traffic of prospective buyers also decreased one point to 57.

Looking at the three-month moving averages for regional HMI scores, the Northeast rose one point to 63, the Midwest increased one point to 67 and the South moved two points higher to 78. The West fell one point to 83.

COST OF CONSTRUCTING A HOME RISES

The National Association of Home Builders recently published its latest Cost of Construction Survey. Results show that 61.1% of the average home sale price consisted of construction costs in 2019, up from 55.6% in 2017, but similar to the 2013 and 2015 breakdowns of 61.7% and 61.8%, respectively.

At 4.9% in 2019, overhead and general expenses were essentially the same as in 2017 (5.1%). The remainder of the average home sale price consisted of sales commission (3.7%), financing costs (1.7%), and marketing costs (1.0%). These percentages are also similar to their 2017 breakdowns.

Survey respondents broke down construction costs into eight major construction stages. Interior finishes, at 25.4%, accounted for the largest share of construction costs, followed by framing (17.4%), major system rough-ins (14.7%), exterior finishes (14.1%), foundations (11.8%), final steps (6.8%), site work (6.2%), and other costs (3.8%).



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UPDATES

DISTRIBUTION

Trex is now distributed through **Amerhart Distribution** into eastern Kansas and western Missouri.

PrimeSource Building Products and **Emery Jensen Distribution** have announced a partnership.

TruExterior Siding & Trim is now available through **U.S. Lumber** locations across the Northeast, Mid-Atlantic, Southeast, and Midwest.

Hansen Marketing Services, Inc. will distribute **DuraLife** decking products in Michigan, northwestern Ohio, and northern Indiana.

Cameron Ashley is expanding distribution of **Tando** in the Midwest.

INDUSTRY

84 Lumber has announced its newest dedicated components plant in New Britain, Pennsylvania.

Ply Gem's Home For Good program, in partnership with **Habitat for Humanity**, has recently announced the landmark achievement of 500 homes built throughout 90 communities.

MERGERS & ACQUISITIONS

Foundation Building Materials has purchased two specialty building products branches in Baltimore and Washington, D.C. from **Insulation Distributors, Inc.**

Builders General Supply Company has acquired **Direct Millwork** in Washington, N.J.

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HOUSING STARTS DOWN, BUT PERMITS UP IN JANUARY

Total housing starts decreased 3.6% in January from an upwardly revised December reading to a seasonally adjusted annual rate of 1.57 million units, according to a report from the U.S. Housing and Urban Development and Commerce Department. Meanwhile, overall permits surged to a 13-year high.

The January reading of 1.57 million starts is the number of housing units builders would begin if they kept this pace for the next 12 months. Within this overall number, single-family starts decreased 5.9% to a 1.01 million seasonally adjusted annual rate. The multifamily sector, which includes apartment buildings and condos, increased 0.7% to a 557,000 pace.

Regionally in January, combined single- and multifamily housing production increased 31.9% in the Northeast and 1.2% in the West. Starts fell 25.9% in the Midwest and 5.4% in the South.

Overall permits increased 9.2% to a 1.55 million unit annualized rate in January. This is the highest level since March 2007. Single-family permits increased 6.4% to a 987,000 rate while multifamily permits increased 14.6% to a 564,000 pace.

Looking at regional data, permits are 34.6% higher in the Northeast, 8.2% higher in the Midwest, 8.0% higher in the South and 3.1% higher in the West.

METRO HOME PRICES RISE IN NEARLY ALL MARKETS

The vast majority of metro areas saw gains in home prices and very small increases in inventory in the final quarter of 2019, according to the latest quarterly report by the National Association of Realtors.

Median single-family home prices increased year-over-year in 94% of measured markets in the fourth quarter, with 170 of 180 metropolitan statistical areas showing sales price gains. That is up from the 93% share in the third quarter of 2019. The national median existing single-family home price in the fourth quarter was \$274,900, up 6.6% from the fourth quarter of 2018 (\$258,000).

"It is challenging—especially for those potential buyers—where we have a good economy, low interest rates and a soaring stock market, yet are finding very few homes available for sale," said Lawrence Yun, NAR chief economist. "We saw prices increase during every quarter of 2019 above wage growth."

At the end of last quarter, 1.40 million existing homes were available for sale, 8.5% less than total inventory at the end of 2018's fourth quarter. Average supply during the fourth quarter of 2019 was 3.5 months—down from 4.0 months in the fourth quarter of 2018.

Eighteen metro areas witnessed double-digit price growth last quarter, including Trenton, N.J. (18.2%), Boise City-Nampa, Idaho (13.7%), Gulfport-Biloxi, Miss. (11.8%), Kingston, N.Y. (11.2%) and Albuquerque, N.M. (11.1%). Some of the increases are due to the changes in the type of home that were sold during the quarter.

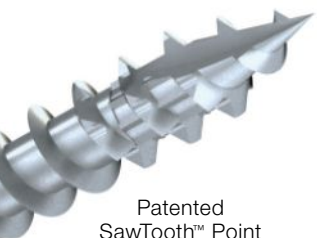
"Rising home values typically create wealth gains for existing homeowners as shown in NAR's latest study, however, areas that are deemed 'too expensive' will obviously have trouble attracting residents and companies looking to do business there," Yun said. "We need a good balance that benefits both current and future homeowners, but right now, the balance is still in favor of home sellers."

Prices continue to rise even in America's most expensive metro areas. Of the top 10 most costly metros, only San Jose saw a year-over-year decline in single-family sales price (\$1.246 million; -0.3%). Other high-priced areas include San Francisco, Calif. (\$990,000; 3.9%); Anaheim-Santa Ana, Calif. (\$828,000; 3.6%); Urban Honolulu, Hawaii (\$812,600; 0%); San Diego, Calif. (\$655,000; 4.6%); Boulder, Colo. (\$630,400; 6.4%); Los Angeles-Long Beach, Calif. (\$617,300; 7.2%); Seattle-Tacoma, Wash. (\$528,800; 8%); Nassau County, N.Y. (\$496,600; 3.7%); and Boston-Cambridge, Mass. (\$482,800; 4.9%).



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TOUGH CALL ANSWERS

ANSWERS TO OUR JANUARY TOUGH CALL SURVEY:

THE COPYRIGHT CONUNDRUM

A PHOTO THAT INADVERTENTLY MADE IT ONTO YOUR WEBSITE HAS TURNED INTO A CHOICE BETWEEN A \$3,000 PAYOFF OR A COPYRIGHT LAWSUIT. HERE'S HOW READERS WOULD HANDLE THIS TOUGH CALL.

YOUR VOTES ONLINE AT LBMJOURNAL.COM

18.8%

IGNORE IT. In your view, you hurt no one. You took the photo down immediately, offered him a very generous \$500, and he refused. Ignore it, and see if he goes away.

33.9%

PAY \$500. Send him a check for \$500, along with a letter stating that this is what you pay for a half day with a pro photographer, so you think it's more than fair for his one photo.

READER'S RESPONSES

I believe that many of your customers might be able to relate to this, given that this industry is currently run by mainly the Baby Boomer and older Gen X generations. I fall in the younger side of Gen X and I can totally understand how this could easily happen to a company.

You need help with getting your web presence going and you hire someone who might overlook something like this and you don't catch it yourself. Big companies have their own I.T. pros that they can have manage this entire process.

I do agree that the photographer is asking for an unreasonable amount of money, but if you send them what you think is fair and he doesn't agree, all he has to do is not cash the check or return it and file a motion through the courts. This could really be costly.

I feel that the company made the mistake and they should just learn from it. Yes, it is a costly mistake but unfortunately you made the mistake. Maybe try to offer \$1,500 as a counter but be prepared to just pay the full amount.

— Josh Jordan
Jordan's Building Center
Wheat Ridge, Colo.

Your Copyright Conundrum presents a sticky issue. One possible option you didn't mention is to get the Web Developer involved. They were the one that you put your faith in and as professionals should have caught the mistake. You state the photo was only a place holder and was not intended to be published. The developer apparently didn't do their job of reviewing the content before going live, put it in their lap.

— David Goss
Liberty Cedar
West Kingston, RI



27.7%

PAY THE \$3,000. It's not right, but he's got you right where he wants you. The quickest, and possibly least expensive, way to make this problem go away is to pay. Hold your nose and write the check.

19.6%

GO TO COURT. It may cost less to settle, but sometimes you have to stand firm. This is one of those times. If he thinks he can convince a court that one picture is worth \$3,000, you're ready to fight.

So often times these types of situations are about the psychology of something rather than the issue itself. I have a website and I don't put a lot of time or money into it. I'm sure it uses all kinds of pictures that were taken from Google. I don't use other's images as if I am intentionally trying to hurt someone. If someone were to come to me and demand a payment of \$3,000 or threaten taking me to court, I would be surprised. I am not big enough, nor do I have enough resources to fight such an argument.

This article has made me think twice about how to proceed when using a picture in my social media posts or on my website in the future. I appreciate the thought-provoking question. I would, due to my circumstances, have to ignore the issue and hope it goes away because I don't have the money either way to protect myself. What avenue do small business owners have to protect ourselves from lawyers whose sole purpose is to sniff out copyright infringements and penalize us for improperly using the image? This is another example of what makes going into business so difficult.

— Travis Hogman
The Lumberyard
Evanston, WY

THANKS TO EVERYONE WHO VOTED ON THE JANUARY SURVEY. SEE PAGE 64 FOR THIS MONTH'S TOUGH CALL: "THE SHOWROOMING CHALLENGE"



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EVENTS

- APR 6-8** LAT Convention & Expo, Frisco, TX • lat.org
- MAY 5-7** National Hardware Show, Las Vegas • nationalhardwareshow.com
- AUG 26** LMC Hardware Express 2020, Las Vegas • lmc.net
- AUG 27-29** Orgill Fall Market, Las Vegas • www.orgill.com
- SEP 1-30** Free registration for NAHB's International Builders Show (to be held Feb. 9-11, 2021, Orlando) • buildersshow.com
- SEP 11-14** Do it Best Fall Market, Indianapolis, IN • doitbestonline.com
- SEP 16-18** FBMA Convention and Gulf Atlantic Building Products Expo, Orlando, FL fbma.org
- SEP 23-25** LBM Strategies Conference 2020, Boston • lbmstrategies.com
- SEP 26-28** True Value Fall Reunion, Philadelphia • truevaluecompany.com
- NOV 11-13** LMC EXPO 2020, Philadelphia • lmc.net

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BUILDER CONFIDENCE IN THE 55+ HOUSING MARKET DROPS

Builder confidence in the single-family 55+ housing market dropped four points to 68 in the fourth quarter, according to the National Association of Home Builders' (NAHB) 55+ Housing Market Index (HMI).

The 55+ HMI measures two segments of the 55+ housing market: single-family homes and multifamily condominiums. Each segment of the 55+ HMI measures builder sentiment based on a survey that asks if current sales, prospective buyer traffic and anticipated six-month sales for that market are good, fair or poor (high, average or low for traffic).

"Overall, builder and developer sentiment in the 55+ housing market remains positive," said Harry Miller III, chairman of NAHB's 55+ Housing Industry Council and president of Regal Builders LLC in Dover, Del. "However,

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development costs and lack of labor are contributing to affordability concerns and preventing even more robust growth in the market.”

For the three index components of the 55+ single-family HMI, present sales fell five points to 73, expected sales for the next six months dropped two points to 75, and traffic of prospective buyers fell four points to 51.

The 55+ multifamily condo HMI rose five points to 58. All three index components posted increases from the previous quarter: Present sales rose four points to 60, expected sales for the next six months went up five points to

61 and traffic of prospective buyers increased six points to 53.

All four components of the 55+ multifamily rental market went up from the third quarter: Present production increased eight points to 65, future expected production jumped 11 points to 66, present demand increased 10 points to 82—a record high—and future expected demand rose nine points to 83—also a record high.

“Although down from a record-high previous three quarters, the 55+ HMI is still strong at 68 and is consistent with the gradual upward trend the index has shown since 2013,” said NAHB Chief



Economist Robert Dietz. “The strong performance of the 55+ indices for the multifamily market, meanwhile, is in line with the surge in multifamily starts at the end of 2019.”

PRIVATE RESIDENTIAL CONSTRUCTION SPENDING CONTINUES TO RISE

NAHB analysis of Census Construction Spending data shows that total private residential construction spending increased 1.4% to a seasonally adjusted annual rate (SAAR) of \$540.7 billion in December 2019. With the support of decreasing mortgage interest rates, it was the sixth consecutive monthly increase after declines in the first half of 2019. Nevertheless, the value of total private residential construction was \$514.3 billion in 2019, 4.7% lower than a year ago.

Private nonresidential spending fell 1.8% on a monthly basis and is down by 0.1% compared to December 2018, according to Associated Builders and Contractors. Public nonresidential construction spending also slipped in December, falling 0.4% for the month. On a year-over-year basis, public nonresidential spending is up 11.2%.

The monthly increase is largely due to the solid growth of spending on single-family construction and remodeling. Single-family spending was at an annual pace of \$289.3 billion, up 2.7% in December, and was 5.2% higher compared to a year ago. Private residential improvements, which include spending on remodeling, major replacements, and additions to owner-occupied housing units, edged up 0.5% to a \$193.7 billion (SAAR) in December. Multifamily construction spending slipped down 1.8% in December, following a dip of 0.1% in November.

BY THE YARD

NEWS FROM LUMBERYARDS
AROUND THE COUNTRY

DREXEL BUILDING SUPPLY EXPANDING TO NEW BERLIN, WIS.

Drexel Building Supply is expanding to New Berlin, Wisconsin. It will be the first new professional dealer building supply operation in the Milwaukee area in 50 years and looks to employ more than 50 full time people to serve the area builders and their clients. Breaking ground in 2020 with plans to open in 2021, the facility will be Drexel's seventh location throughout Wisconsin. The location plans to deliver to a 60 mile-plus radius daily.

JEREMY MALONE NAMED MANAGER OF MOUNT PLEASANT MCCOY'S

Malone enrolled in McCoy's Building Supply Management Development Program and served most recently as assistant manager at the Mount Pleasant store before his promotion. He joined McCoy's three and a half years ago, working as a cashier and then as yard leader at his hometown store in Paris, Texas.



MALONE

NATIONAL LUMBER EXPANDS

National Lumber has expanded its presence in New England with the opening of its 10th lumberyard location in Kingston, Massachusetts. Overseen by Manager Scott Redfield, this location extends the company's delivery reach in the South Shore and throughout Cape Cod. The six-acre facility was previously occupied by Gypsum Specialists, and National Lumber will continue to service drywallers, as well as builders and contractors, with outside sales representatives.

SUNPRO ACQUIRES IDAHO DEALER

Sunpro, a building materials supplier serving Utah and Idaho, has acquired Nampa, Idaho-based hardware and supplies store Stone Lumber. Sunpro, formerly known as Sunroc Building Materials, is a subsidiary of the family-owned Clyde Companies, and has provided building materials and supplies since 1938. The company was a 2019 LBM Journal Dealer of the Year.

UNIVERSAL SUPPLY EXPANDS IN CONNECTICUT

Universal Supply, a division of US LBM, has opened a new location in Newington, Conn. The location is Universal's 19th overall and first in Connecticut.

DEALERS, GOT NEWS?

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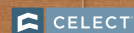
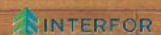
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How managers can make meetings more productive

BY BILL LEE

DURING MY CORPORATE CAREER, I found many of the business meetings I was invited to attend lasted too long and were not a very good use of my time. How do your meetings stack up? How do your people critique the meetings you lead? Are you in control of the meetings you lead or are you mostly on the defensive, trying to get those in attendance to pay attention?

There are certain rules that—if followed—can take much of the chaos out of a meeting.

1. Define all meetings in terms of time. Make sure those who attend your meetings are aware of two things: how long the meeting will last, and what is the purpose of the time you are asking them to invest in the meeting?

2. When you kick off a meeting, make sure everyone in attendance knows the goals of the meeting. As a result of this meeting, make it clear what problems you want the meeting to alleviate.

3. Now that you have established the purpose of the meeting, stay on the subject. Don't go off on tangents. If necessary, remind your team what has happened in previous meetings you've held on this subject and get everyone's commitment to focus on the agenda at hand.

4. It's sometimes helpful to share with the group what has been agreed to in past meetings and agree to introduce only new input.

5. Ask everyone to speak succinctly and avoid beating around the bush. It's fine and good if you feel you must give some background about a topic, but make it a practice to express your opinion first. When you first make your position clear, you don't have to explain how you arrived at that conclusion.

6. Perhaps there's one rule that when ignored creates the most chaos in a meeting: when the meeting leader allows multiple conversations to take place around the room simultaneously. This rule is more important than any other, so following it should be mandatory. When a dozen or so people in the room are engaged in their own mini meetings, virtually all productivity is sucked out of the room.

7. It's easy for sarcasm to creep into the meeting unless the attendees are highly disciplined. If and when sarcasm is introduced by attendees who use it to get a laugh or to call attention to themselves, the meeting can turn south in a hurry. Sarcasm's roots come from a Greek word, *sarkasmós*, which means "to rip flesh." The use of sarcasm is one of the quickest ways to hurt a colleague's feelings or to turn the tone of the meeting from positive to negative. When the meeting's leaders engage in sarcasm, they can almost certainly expect to lose control of the meeting and also lose whatever amount of respect they had from the attendees.

A good rule of thumb is the larger the organization, the more management is likely to use meetings as a communication tool. A critical key to improving the effectiveness of meetings is to always clearly state the purpose or goal of the meeting upfront. What has to happen in the meeting to have made the meeting a success?

If there is a second key to making meetings more effective, it's communicating the meeting's benefit to the organization. Meetings must be productive if for no other reason than the value of the organization's resources that meetings consume. Meetings are important, but unless they feel important to the attendees, meeting participants won't prioritize them, much less prepare for them. ■



Bill Lee is a respected sales and business consultant in the LBM industry. For more information, contact Bill at leeresourcesinc@gmail.com

Plan your sales journey

BY RICK DAVIS

YOU DON'T CLOSE SALES DEALS in the LBM business; you open relationships. You don't want a single transaction from a buyer; you want to develop loyal customer relationships that endure for years. If you agree with these first two concepts, then you should probably agree that selling must be more than a quick "bid and pray" process.

Price-based selling leads to bad results even when you get the sale. A quick sale earned by a single interaction with a prospect is a bad sign. It means the buyer might be disloyal and lost as quickly as found. It could be a sign of bad credit or perhaps a sale produced because you made a mistake on your price.

A business relationship should be mapped out like any journey toward a destination. For most salespeople the journey is a meandering process where the destination is reached serendipitously. Instead, it should be an intentional journey you map out before the process begins.

The journey starts with lead generation, which is more than a name of a prospect. A lead is a dialogue with a potential buyer who has expressed an interest in meeting with you. More importantly, it is a buyer with whom you want to do business. A lot of sales organizations are derailed because they haven't defined their target audience. Define your target and seek to open meaningful dialogues.

The first dialogue should achieve a fundamental understanding of the buyer's business challenges. It is the only way you can determine how to apply your products and services to benefit the customer. This leads to the next step of providing valuable resources that position you as a positive contributor by becoming an unpaid employee and providing tangible resources that help your target customer sell better or operate more efficiently. Yes, I am suggesting that the relationships and contributions you offer start *prior* to the first transaction.

The initial transaction comes after a credible proposal is delivered, which is the next step on your sales journey. A credible proposal includes information that proves to the buyer you understand their goals, challenges, and operating

procedures. Your proposal should define predicted outcomes—e.g. deadlines met, cooperation with subcontractors, and returns on investment your buyer will get from you. The proposal should also include an action plan that lists mutual responsibilities for order processing and payment terms. Naturally your proposal should include a price, which you should expect to hold firm if you've built the proper journey and relationship with your buyer.

The last step in the journey is actually the most difficult. This is the execution where you take a leadership role to ensure the first transactions are fulfilled accurately and on time. Your initial orders should be treated as an onboarding process to minimize surprises early in the relationship.

I built my first intentional sales journey early in my career as an architectural sales rep. My first meeting was to discover if I had found the right type of residential architect, specifically one who designed upscale custom homes. I delivered my company's thin brochure and scheduled a follow up to deliver technical support information on the subsequent call. During that second call, I shared a bit more information and sought to discover any projects in the design phase where I could be of help.

Subsequent calls were planned to deliver samples, color swatches, and project-specific resources. Eventually I volunteered to provide light and vent schedules for windows along with consultation to ensure egress codes were met. By the time I met with the builder, relationships with the design and construction team were well established and the transaction was a foregone conclusion. It was a process that I repeated systematically. I have since mapped journeys in every sales role including the one I occupy today.

The sales journey is a very real evolution that occurs from the start of a relationship through fulfillment. I encourage you to map out a journey you can build with your target audience. The journey may have some detours along the way and can happen by accident, but controlling the journey on purpose is the better way to go. ■



Rick Davis, president of Building Leaders, is a premier sales trainer in the building materials industry. His latest book, *Sales Economics: The Science of Selling*, is now available at buildingleaders.com. Rick can be reached at rickdavis@buildingleaders.com

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How to staff your company for online sales

BY BOB HEIDENREICH

WHEN I MEET OTHER lumberyard operators who know that I do a significant amount of my retail business over the internet, one of the first things they ask is how they can best hire the staff to get themselves set up for a similar operation. My answer is almost always the same: it depends. I don't say this to be crass, but rather because the dealer's level of knowledge and investment in online sales is going to determine whether he hires any additional staff at all.

In our case here at The Deck Store, the first person heavily involved in our online operations was myself. I created our first website with the help of a web developer. Even though we had an early version of our site created, we soon learned it didn't do us a lot of good if no one could find it. Soon, we learned we needed to get into search engine optimization (SEO) so that customers could find our website through online searches. I didn't know much about that, so I had to hire someone who was more skilled with SEO.

Not long into our SEO process, I learned about SEM, which is search engine marketing. Those are two different things altogether, and my SEO guy didn't know much about it, so we had to hire someone for that. I made the decision early on that I was only going to hire my own people for these services, even if they were part time staff, so that I wasn't held hostage by some service that claimed to run all of my SEO and SEM, yet wouldn't even let me have my own passwords and see my actual data. For me, it doesn't work unless I've got someone working in our own offices who can share information with me when I need it. Some online service with a funny name and an outrageous fee that will only send a monthly report (that, by the way, only ever shows the highlights) isn't the kind of service I can trust. What I've found in my research is that when a company like that goes away, so does all their work.

So back to my original answer to the question of how to staff for online sales. From a digital standpoint, that answer is going to be "it depends." Maybe you've got someone on your staff who can already do these things. Maybe you're going to need to hire just one person,

maybe two or three. I recommend starting small. Bring on as few staff hours as possible as you learn to set up a site, list a couple items, make sure they're able to be found online and shipped efficiently. Once you've done that with something simple like deck rail lights, then you're ready to move on to more items. As you do, you'll likely need to staff up more for web designers and developers and even people who can write good product description content for your site. Many of these skills relate back to SEO and SEM, but often times they work hand-in-hand with the search engine folks and are best staffed by separate individuals who are really good at each task.

LOGISTICS

As for our shipping department, we started out with yard staff who already picked and loaded orders from our brick and mortar lumberyard. But once the orders started coming in online, we needed to make sure we had the lumberyard staff at the ready to package and ship items. No longer were we just loading them onto our own trucks. Now we were learning to package them as safely and efficiently as possible and we were quickly learning about FedEx, UPS, and USPS charges and schedules.

Along with logistics, include customer service help to handle phone calls, emails, online chat options, and of course, product returns. I'd say product returns are likely one of the things that took us most by surprise as we got into online retail. So many people would call with questions, or they would order something knowing they would just return it if it didn't work out for them. We had to spend some time on our terms and conditions on product returns as well as spend time and resources preparing ourselves for online fraud, but those are both topics for future columns.

As for now, I go back to suggesting that you start small. Grow into your online operations. Practicing on something small that isn't going to break the bank if you mis-ship it or price it incorrectly will do more for you in the long run as it allows for you to experiment and learn and bolster your online presence as you go. ■



Bob Heidenreich, owner of The Deck Store and thedeckstoreonline.com in Apple Valley, Minn., has been selling decking and home improvement projects for nearly 40 years. Follow Bob on Twitter: @TheDeckStore

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Six surprising ways you're messing up the hiring process

BY RIKKA BRANDON

FROM A SMALL LABOR POOL to shrinking interest in the lumber industry, the hiring process is already hard enough without creating additional hurdles for yourself. If you're struggling to find good candidates, to get candidates in the door, or to seal the deal with those you wish to hire, consider if you're making one or more of these common, but not always obvious, mistakes.

1. You're hiring low-hanging fruit. With fewer candidates to choose from, you may find yourself taking advantage of the easiest available options. Perhaps someone has been expressing an interest in your organization and you figure out how to fit them in. Or maybe a flawed candidate is the best resume among those received. Either way, you're possibly settling for a team member who doesn't fit your original vision. Make sure you think before going this route—is filling the job quickly worth having to adjust your expectations?

2. Your compensation is out of line with your expectations. This is the No. 1 challenge we see for most LBM companies. Compensation and expectations have to be in alignment for you to close the deal with quality candidates. If you have \$100,000 expectations and a \$60,000 budget, you're going to think you hired a dud every time.

3. You're taking too long. Time kills deals. When you don't block off times for interviews with your hiring team, you may end up stringing great candidates along for weeks. And this can affect the candidate in a psychological way: It allows self-doubt, and the ensuing self-preservation, to kick in. They may get cold feet or talk themselves into thinking you're not that interested. Dealers that stretch three interviews out over six weeks risk losing their first choice to other offers.

4. You can't clearly articulate the role and responsibilities. I'm seeing a surprising number of companies that still don't have job descriptions for roles they're hiring for. Candidates get very nervous when they only receive a verbal explanation of the job (perhaps they've been burned in the past by a hiring manager over-promising and under-delivering). It also is very limiting—if you don't know the activity it takes to do the job, how do you know if they're doing well?

5. You forgot the most important acronym. Like many aspects of a sales business like ours, don't forget to consider WIIFM—What's In It For Me? Sometimes hiring managers are so focused on telling candidates about the company, they neglect to tell them why *they'll* be happy there.

6. You're not using your recruiting partners right. One of the most common ways to use a recruiter is a contingency search agreement. On the surface, this seems like a win/win—it's the straight commission version of recruiting. But contingency recruiters are working for free, so they need to focus on searches that are most likely to make them money. While they may have been fired up when you talked to them, if your communication is poor, you drag your feet, or your compensation and expectations are out of alignment, your priority will start slipping. So, the next time you're frustrated by the lack of results from your recruiting partner, look at the terms you've established. Was the relationship transactional or was it a partnership?

Many of these mistakes are not obvious, even to HR managers who live and breathe hiring every day, so take a moment to consider if one or more of these issues may be taking its toll on your recruiting efforts. Small adjustments may be all it takes to ease the process. ■



Rikka Brandon, a recruiter in the LBM industry since 2001, is a building products recruiter with Building Gurus. Reach her at rikka@buildinggurus.com

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The power of personality inventories

BY RUSS KATHREIN

AS A LONG-TIME STUDENT on leadership, I find it fascinating that there is no definitive place where a person can learn how to be a good leader. One could make the case that the military focuses on teaching leadership, but another could argue that kind of leadership is modeled only for military purposes and doesn't always translate into business or politics. Universities do not specifically teach leadership, although they try to create scenarios within their curricula to simulate it. In business, we often learn to be leaders by trial and error. Many of us read books, go to seminars, and seek out coaching in order to try and make ourselves better leaders. It is a journey every good leader starts when they question their results and seek to make themselves more effective. However, one thing I frequently see overlooked is the need to truly understand ourselves before we try to understand how we can affect other people.

"KNOWING YOURSELF IS THE BEGINNING OF ALL WISDOM."

—ARISTOTLE

My first profound exposure to this idea was when the company where I worked hired an executive coach to work with several individuals who were considered up-and-coming leaders. I was running a region with several area managers and about 20 locations. This coach, named Bill, traveled with me and observed my meetings and interactions with my people. Later, when we were talking about our day, I expressed some frustrations with not being able to figure out my people and how to lead them effectively. Bill suggested I first figure out myself, then I could figure out how I affected other people and adapt my actions. We did this through a simple Myers-Briggs test, which can be taken, in its simplest form, online for free.

The Myers-Briggs Type Indicator features 16 different personality profiles, and each letter of

the profile has a meaning. I turned out to be an ENTJ. My profile described in detail how I am at work, which my team and my wife affirmed. One trait is that I am an extroverted processor (the "E" in ENTJ). I like to think out loud and blue-sky. It turns out, this is the exact opposite of introverted processors; they need time by themselves to process new ideas. If you blue-sky too aggressively with someone whose profile that starts with "I," they either shut down and assume you have made up your mind (because they would never talk about an idea out loud unless they had thought it through), or they will dig in their heels.

I had my people take the test, and it turned out that one of my area managers was an introverted processor. He either would argue stubbornly with ideas he did not like, or he would shut down. So, taking my new knowledge in hand, I decided to talk to him about something I knew

he would be very passionate about: closing an operation he had personally built. Instead of just meeting

on Monday to discuss and decide, I sent him a note on Friday and said we would meet on Monday to discuss my idea. I briefly laid out my argument and told him not to call me before the meeting. I arrived on Monday, expecting my area manager to be loaded for bear and ready to passionately defend his side. We sat down, and he said, "Russ, I spent the weekend thinking about your note, and it makes total sense to shut this down." I just about fell to the floor. It turned out that by allowing him time to process things the way he needed to, he came to the same conclusion without any input from me. To this day, I always try to find out who the introverted processors are on my team, so I can adjust the way I present information and address difficult decisions with them. ■



Russ Kathrein is the president and CEO of Aurora, Ill.-based Alexander Lumber, which operates 12 locations throughout Illinois, Wisconsin and Iowa. He is also chair-elect of the National Lumber & Building Material Dealers Association. Reach Russ at russ.kathrein@alexlbr.com



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Revenue is not profit

BY JOHN WAGNER

DOZENS OF TIMES in my career selling and valuing businesses, a business owner will point to his revenue (a.k.a. “top line”) and say, “Look, my company is doing fantastically well! We had \$20 million in revenue per location.”

The potential glitch here is that attaining high revenue is not the same as dropping a meaningful number of those revenue dollars to the EBITDA line. The old saying, “There’s many a slip between cup and lip,” is never more true than when you, as a business owner, realize that the \$10,000 sale of a framing package actually lost your company money by the time the package was engineered, the good-customer discounts were applied, the products got to the job site, and you waited 95 days to get paid for it.

So, when a business owner says, “we’re doing great!” and cites his top line as the indicator, that operator may not have his eye on the metrics that acquirers find most important when buying a business. Let’s look at those, including:

1. **COGS** (Cost of Goods Sold—the dollar amount, and as a percentage of revenues)
2. **Gross profit** (expressed as a percentage)
3. **Customer concentration for top 25 customers** (expressed as a percentage of overall sales)
4. **OPEX** (Operating Expenses—expressed as a percentage)
5. **EBITDA** (expressed as a percentage, also, most important)

In each and every deal we do, potential acquirers will want to know the revenues, sure, because that will show the orders of magnitude of the EBITDA. But the next two questions inevitably are: What’s the EBITDA and what is the percent EBITDA? In other words, how much free-flowing cash does the business kick off under the current operations?

Let’s look at an example. For ease of math, if you have a top-line revenue of \$10,000,000, and an EBITDA of \$2,000,000, you have an EBITDA percentage of 20%. That means that 20 cents out of every top-line revenue dollar is not spent on cost of goods sold (COGS) or operations (OPEX). Believe it or not, there are some companies that

operate in the 50% or higher range of EBITDA, but they are “companies that sell copies,” like software or service providers that have low delivery costs and little cost for inventory. EBITDA margins in the lumber, building material, and building products industries vary by sector. We have seen pure lumber dealers with lots of commodity sales essentially break even, operating at or near 0% EBITDA, or they perform in the low single digits.

As a lumber dealer moves into higher-margin, valued-added services, the EBITDA can climb well into the high teens. Truss and component plants are also putting up solid EBITDA numbers, especially if the operations are automated or have automated elements. For building products companies, EBITDA margins are strong for well-run businesses, often because they may not have the same challenges of weather, inventory, damage/returns, scheduling, and labor. Acquirers aren’t in the business of granting you extra business value just because your workday is full of challenges. They are buying a business for its cash flow, and EBITDA is an expression of that.

For the other metrics mentioned above (COGS, customer concentration, gross profit, OPEX), these are the KPIs that are used to determine the value of your business, because their performance feeds the EBITDA. An acquirer may look at the EBITDA performance and perhaps find it lacking. Then they will look at your performance in COGS, customer concentration, gross profit, and OPEX to determine exactly where your performance is subpar. Some acquirers may spot something amiss in those KPIs and not tell you what they see. That latent value may attract them to the deal, which they will buy as a multiple of current EBITDA, then take ownership and immediately improve the EBITDA, thereby driving down the effective multiple they used to make the acquisition. The best way to prepare for an acquisition that avoids this trap is to make sure your KPIs are all performing within the “swim lanes” of business of your size in your area, and focus on EBITDA performance. ■



John Wagner is a managing director at 1stWest Mergers & Acquisitions, which offers a specialty practice in the LBM sector. Reach John at j.wagner@1stwestma.com

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The vent stack gasket

The Problem:

The plumbing vent pipes that penetrate your roof are typically sealed with an old-fashioned rubber gasket to keep water from entering the home. These rubber gaskets deteriorate when exposed to the sun and high temperatures. Over time they get brittle and crack, losing their ability to protect the home from water intrusion.

While modern roof shingles often offer a lifetime warranty, these rubber gaskets usually deteriorate in as little as 3 to 5 years. As a result, water begins to flow into the home causing damage to ceilings, interior walls and carpet.

Problem Solved:

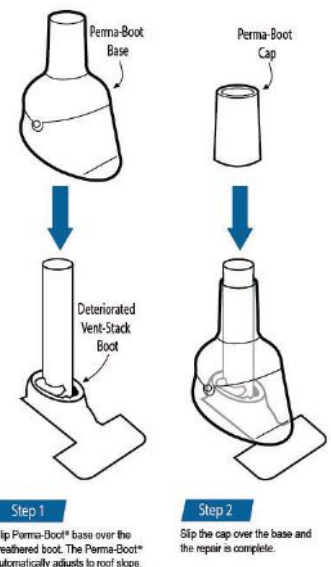
The Perma-Boot is a gasket-less, high performance pipe boot system designed to permanently repair or prevent the most common type of roof leak, the leak around the vent pipes that penetrate the roof.

- Slides over your existing boot - no shingle removal required
- Eliminates existing leaks and prevents new ones from happening
- Single best value in preventive maintenance for your roof
- Ideal for lifetime shingle installations
- Made of highly durable TPO - guaranteed for the life of your shingles



Contact Perma-Boot to learn how to add years of leak-free life to your new or existing vent pipe flashings.

**Also ask us about Perma-Boot for new construction !*



When to ask for updated credit applications

BY THEA DUDLEY

Dear Thea,
How often should we be getting updated account applications signed by our customers? Is there a period of inactivity on the account that should be a factor to consider if we ask the customer to sign the forms again? My sales reps are against us asking for updated credit applications. What is the appropriate amount of time?

— Wondering in Walla Walla

Dear Walla,
 Sometimes I just want someone to hug me and say, “I know it’s hard in credit, but you are going to be ok. Here is chocolate and \$6 million.” Instead, I get people telling me why what I am asking for is wrong, inappropriate, or offensive. I love your question—there is no wrong answer to this one, but the request almost always gets a pushback.

There is no “appropriate” amount of time listed in the Big Book of All Things in Credit Management for when to ask for an updated credit application, or the appropriate amount of time to “refresh” an account after inactivity.

Like most items that make up the wonderful world of credit management, it is really up to you and your company to decide what guidelines you want to put in place. I said most items because, let’s be honest here, some things are just plain common sense (like not shipping orders when someone’s account balances look like God’s waiting room).

I find it helps grease the wheels of credit common sense to have a solid plan when approaching your newly-wheeled-out guide to the when and why of the updated credit application request.

Have a few “guides” of thumb (I am not big on rules, so we go with “guides.” Typically, rules are just begging to be broken and then you have to explain it away when you allow it to happen). I try to have some things that are a little difficult to argue with.

Here is my short list:

- Any time there is an ownership change.
- If there is a name change.
- If the company is sold, regardless if the name changes or not.
- If the credit application is over five years old and the customer’s pay habits have declined significantly (significantly is however YOU define it).



It is a pretty easy sell to everyone in the company when you spell it out that the credit application is a legally binding document. If the worst happens and we end up in court, we need to be clear about who we are suing. If business is a game, then think of the credit application as the rules of the game.

You asked about inactivity. What is the expectation on credit applications when the account has not been active? What do you consider inactive? One month? Two months? A year of no purchases? I like to go with four months. Four months of no purchases from me and that customer is being asked for a new credit application and new credit reports. I want to know where they have been purchasing since it was not from me and why am I suddenly “winning” them back. I understand customers have choices, but my suspicious credit manager mind goes to the dark side and has to wonder—who just cut this customer off that suddenly I have the golden ticket of his business back? Please don’t tell me it was just sales rep charm. Four months is aggressive, so adjust according to what you feel works for you.

If you are performing customer account credit reviews on a yearly basis, you can avoid asking for new credit applications on active, paying accounts by calling up and simply asking to confirm some information such as ownership, accounts payable person, email addresses—the usual suspects.

Stop worrying about rules and start deciding what makes the most sense for your business. ■

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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WORK
WITH
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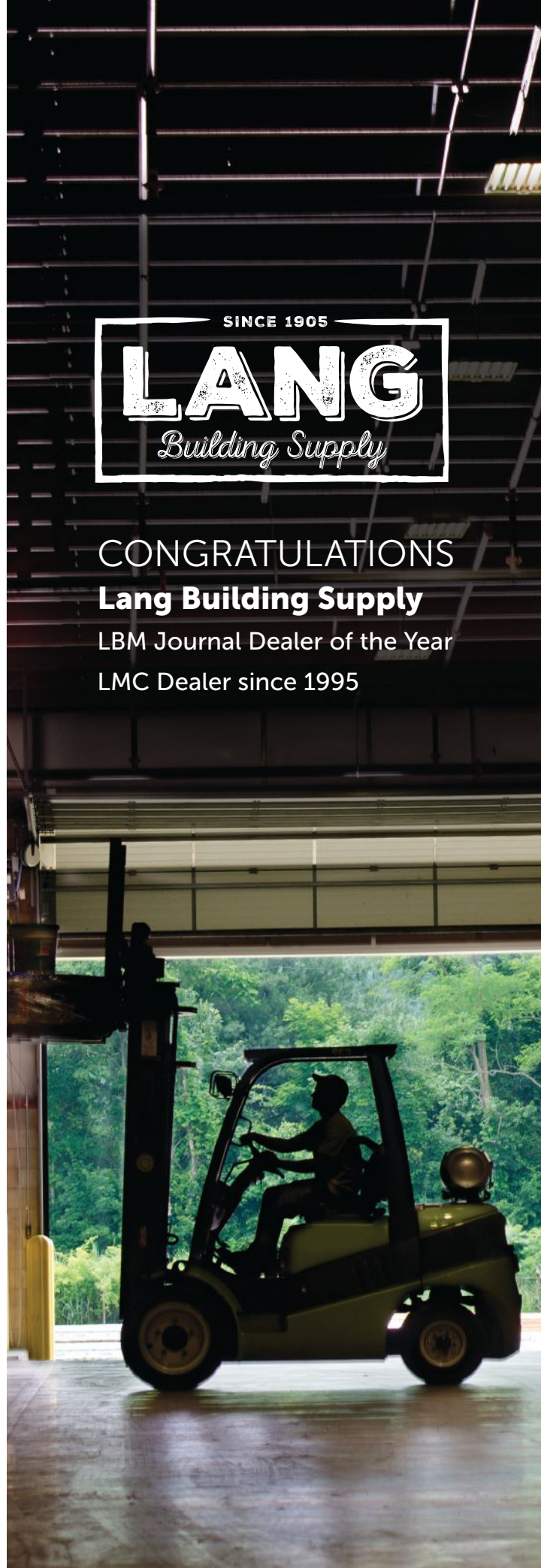


CONGRATULATIONS

Lang Building Supply

LBM Journal Dealer of the Year

LMC Dealer since 1995



LBM JOURNAL DEALER OF THE YEAR 2020

ANNUAL SALES: \$10-\$50 MILLION

LBM JOURNAL'S DEALER OF THE YEAR awards recognize four LBM companies of different sizes that epitomize the entrepreneurial spirit. By our definition, a Dealer Of The Year describes a company in which leadership excels at identifying underserved—or emerging—markets, satisfying customers, and constantly working to grow and improve business. Our 2020 winners—Kuiken Brothers, Gillman Home Center, Lang Building Supply, and R.T. Griffis & Sons—represent vastly different operations. The common thread in these companies is their fierce commitment to finding ever better ways to serve their customers and their communities.

LANG BUILDING SUPPLY

OUTLOOK IS BRIGHT ON GEORGIA COAST

BY JAMES ANDERSON

In an area as historic and well-preserved as Brunswick, Georgia and the nearby Golden Isles, it takes a special kind of lumberyard to provide high-quality, craftsman-inspired products and services to builders and remodelers maintaining the area's reputation for one-of-a-kind coastal living. That is why Lang Building Supply is LBM Journal's 2020 Dealer Of The Year in the category of sales from \$10 million to \$50 million.

A member of the LBM Century Club, the family-owned company has supplied the Brunswick area for 115 years, operating from its current location since 1905. Like the community it serves, Lang Building Supply itself is historic, considered to be one of the oldest continuously-operating businesses in the county.

Led by President and CEO Blase Grady, Lang Building Supply has been owned and operated by four generations of the Lang family. In 2015, when Hubert Lang III decided to retire, he looked outside the company for leadership.

"It took me about three minutes to say yes and leave Atlanta for the coast," Grady says. "The Lang family name has a longstanding good reputation, and it's something we're very proud of, and I take pride in continuing that."

Grady was recruited from Atlanta, where he had spent nearly 30 years in the building supply business. He had grown up in the business, having worked through high school in Augusta, Georgia, where his family still operates Mulherin Lumber Company. Grady says he credits his father, Don Grady, at Mulherin Lumber, and Sonny Calhoun of the former Williams Bros. Lumber in Atlanta, as his mentors in the industry.

"They taught me passion for our industry, hard work and to surround yourself with quality people. They helped me develop tools to be a leader in this industry."

SERVING THE GOLDEN ISLES

As the leader of Lang Building Supply, Grady is the first non-family member president, CEO, and partial owner overseeing a \$15 million operation that has seen tremendous growth in the past three years. With sales increasing nearly 91% since 2015, net profit has risen 5% in the last four years and Lang has paid off over \$1 million in long term debt during this period, all while strengthening the company's reputation for servicing a customer base of 90% builders and contractors that work on high-end, custom properties in sometimes hard-to-reach coastal island lots.

"Especially on the islands, the job sites are small and tight and it takes a lot of smaller trucks to get in and out," Grady says. "I tell our employees that we like customers that need extra service. We're as close as anybody and we have the equipment to get it there and do it right. Just by geographic location and experience, we're leading this market." ➤

"EVERY ORDER, EVERY CUSTOMER, EVERY JOB IS IMPORTANT TO US. EVERY DAY, EVERY ORDER, WE'VE GOT TO UPHOLD THAT REPUTATION."

— BLASE GRADY



As the leader of Lang Building Supply, Blase Grady is the first non-family member president, CEO, and partial owner overseeing a \$15 million operation that has seen tremendous growth in the past three years.

A steadfast elimination of company debt has allowed Grady and his team to make major capital improvements to the facilities in recent years, improving operational efficiency. Upgrading technology and replacing equipment and fleet trucks have improved reliability and reduced maintenance costs.

Grady has grown the business substantially in the last three or four years, he says, and has managed to do so without adding significantly to the company's headcount. Of the 25 company employees, two serve as outside sales reps calling on builders and remodelers.

"We hire the right people, train them, and get the right people in the right positions," Grady says. "It's all about maximizing productivity."

Along with the company's maximized productivity, Lang Building Supply focuses on maximizing service.

"We out-service our competitors with quality products, and professional service," Grady says. "And we offer competitive pricing with a first-rate delivery team."

While CDL drivers are hard to find in the area, where much like the rest of the country the labor market is tight, Grady says even with the recent retirement of some core long-term employees, a team built for the future is key to keeping his operations running smoothly.

VALUE-ADDS

Grady's philosophy of providing value-added services to his customers has strengthened Lang Building Supply's reputation as the go-to provider for quality craftsmen builders and remodelers.

"Anyone can sell 2x4's and OSB but we try to add more millwork sales, engineered wood floor packages, and special-order lumber and building materials," he says. "We have a full-time truss designer who works closely with our sales team and customers on designing floor systems. We have two full-time millwork specialists who do takeoffs, order and sell the millwork packages. They work closely with customers and our outside sales team. An experienced, professional, knowledgeable and motivated staff that is focused on particular product categories gives us a leg up on the competition."

With no tract builders in the market, quality products fit for custom properties make up the core of Lang Building Supply's inventory.

"One of the first customers I met down here told me to never bring Atlanta quality lumber here," Grady laughs. "Even though we have price conscious customers, we sell the premium grade at whatever we have to in order to make the contractor price guy happy. We'll never sell a lower grade product just to meet a price request."



Upgrading technology and replacing equipment and fleet trucks have improved reliability and reduced maintenance costs at Lang Building Supply. The company also has a full-time truss designer, and two full-time millwork specialists who work closely with customers and the outside sales team. Upgrades in technology and equipment, along with an experienced staff that is focused on particular product categories helps the company maximize operations and services.





The same attention to detail applies to service, Grady says. His philosophy is that “we’re all salespeople” at Lang Building Supply. “Yard workers, drivers, anyone. We’re all there to service customers and if somebody needs to get something today, we’ll get it there today. If they call and ask for it, we’ll make it happen. I have very high expectations for myself and for my employees. Every order, every customer, every job is important to us. Every day, every order, we’ve got to uphold that reputation.”

Upholding the company’s historic reputation is paying dividends in the community. Last year, Lang Building Supply was named Brunswick-Golden Isles Chamber of Commerce 2019 Small Business of the Year. As the company sees success, Grady ensures that Lang Building Supply is on the right projection for the future.

“We are a heavy second home market that prospers in good economic times but is slow to recover after a downturn,” he says. “We have had some good years since the Great Recession but are cautious about the coming years. The big changes we’ve made in the last couple of years are setting the business up for the future.” ■

President and CEO Blase Grady has grown the business substantially in the past few years, and has managed to do so without adding significantly to the company’s headcount. Of the company’s 25 employees, two serve as outside sales reps calling on builders and remodelers.

PHOTOS BY BOBBY HAVEN



GET TO KNOW LANG BUILDING SUPPLY

FOUNDED:	1905
OWNERSHIP:	PRIVATE
LOCATIONS:	ONE
EMPLOYEES:	25
SALES SOFTWARE:	ECS PRO BY EPICOR
PURCHASING GROUP/CO-OP:	LMC
TOP THREE BRANDS SOLD:	JELD-WEN WINDOWS & DOORS ON-CENTER ENGINEERED WOOD NICHHA FIBER CEMENT SIDING



REAL ISSUES. REAL ANSWERS.

HELP?

As suppliers, we know that our success relies on financially healthy customers. Does that mean we should offer to help when we see a customer making costly mistakes—with jobsite issues, poor financial management, etc.? Or do we mind our own business, let them run their company as they see fit, and hope they identify and fix the problems soon? That's the question at the crux of this month's Real Issue, which is...

OFFER TO HELP, OR LET IT BE?

BY LBM JOURNAL READERS



©iStock.com/Szepy

THIS MONTH'S QUESTION came from a dealer in the Northeastern U.S., who's unsure how much unsolicited help to offer his customers.

As we do each month, we built a very brief survey around this question, and emailed it to the *LBM Journal* subscribers who've opted in to receive our email communications. With 260 responses, it's clear that this was a question that readers have definite opinions about. A big thank you to the readers

who participated. By the way, when we say "very brief," here's what we mean: it took an average of one minute to complete this month's survey.

Each survey ends with the opportunity to share a business challenge that you're wrestling with. If your suggestion is used, either for a Real Issues survey or as the inspiration for a "Tough Call," you'll receive an *LBM Journal* prize pack: golf shirt, cap, mug, pen, and more.

QUESTION

HOW WOULD YOU ADVISE THIS DEALER?

"We know that we'll succeed only to the extent that we help our customers succeed. But how far into our customers' business should we travel? For example, if we notice installation issues on the jobsite that are wasting material or likely to lead to call-backs, do we point them out? Or, if they're leaving money on the table due to poor financial management, do we reach out to them and offer to help? We'd love to hear how other dealers navigate these situations."

"We will say something about labor or materials mismanagement, but we will not attack a contractor's financial blunders. These are very personal!"

"This would depend on the relationship with the buyer. If I felt they would be receptive, I would make a suggestion, offer what assistance I could provide, then drop it."

"If you truly see a problem that may impact your business, there is no reason to remain silent. They should appreciate the assistance. Regarding another company's financial management skills, that is a slippery slope as egos are often at stake. Unless they are lagging in payment towards your company, I feel that's best left unsaid."

"It's different with each customer. I feel you have to point the issues you see out to them and let them decide if it's important to them."

"Stay out of their financial business! The installation issue is easy. Offer clinics at your yard, or offer on-site training by manufacturer reps. Direct all training to the carpenters or installers. The builders and installers will appreciate the attention."

"Of course. You are running a business, not a table at a flea market. You rely on repeat business, and if you can help save your customer some money, they will be a customer for life."

"I think you go where appreciated within the partnership. You can't help someone who doesn't want help. We'd love to help where they would be open to it. What a tremendous value-add!"

"I think it's a great opportunity to hold classes at your lumberyard that speak to what you see your contractor customers are struggling with. Do they take more than the average amount of time questioning statements monthly? Hold an accounting class. Are they not adjusting drawers and doors properly during the kitchen cabinet install? Bring your cabinet vendors in and run a workshop. Can't forecast the future? Teach your outside sales force to be the voice of what's coming, in relation to future purchases."

"You have to plant some ideas in a manner that doesn't overstep. Depends on the customer how far that step can be."

"If you notice installation problems, you have an obligation to let them know."

"You need to point out any issues you see. Do this in a respectful manner and be tactful about it. We need contractors to succeed in order to help us succeed, we hope the better they do the better we will do. Help them out any way you see fit. If they object to the help, move on and find contractors that want to improve and be profitable."

"Absolutely! You are your builders' partner. Anything you can suggest that will help their success you should."

"Yes, the improper installation of products is something that needs to be expressed. A great product poorly installed is perceived as a bad product. An average product installed perfect is a great product. I would say it's a gray area on the financial side. Nobody likes to be told they are making mistakes from an outsider. This all falls on the relationship with the customer. If you feel the relationship is there, go for it, just make sure you approach it in a respectful way. The customer may thank you for the constructive information."

"Discuss the problems you see with the company's owner. Your relationship with your customer is a form of partnership." ►

"I believe that customers expect us to help them with wasting material and things of that sort. I also believe though, you have to be extremely careful when talking about financial matters."

"Offer to help. Mentorship will only help the industry become even stronger. Making sure that the customers' business success will also increase future sales."

FROM MANUFACTURERS & SERVICE PROVIDERS

"As far as meddling in others' financial management, I think that category is 'None Of Your Business.' As long as their bills are paid in a proper manner, their management style should be respected."

"Anything that helps our customer will be reflected in our results. I believe that you can go as far as you are capable of going."

"I'd say absolutely yes. Not only do you have a fiduciary responsibility to your client you have one to your business and community as well. Rising waters will raise all ships. Do not lose the grasp on the golden rule."

"Depends on the customer and the relationship you have with them. Most appreciate the offer to help and if you have people in your organization with the expertise to collaborate to solve or streamline their issues that helps solidifies your relationship. The approach is the deal-breaker in this case. You have to have the right person approaching the right person at your customer's place. Who you send in to help assist them is another hurdle. If your teams are overtaxed with their current roles, reaching out to assist a customer with an issue may put more stress on your company. How they approach and interact with your customer on some potentially sensitive issues is another hurdle. Short answer, yes. But with guardrails. Keep in mind, some people just won't let you help them—ego, pride or just plain embarrassment may keep them from accepting help, not matter how sincere."

"Tips for lost income due to waste is always appreciated when appropriately presented. Tread softly with poor financial management, as this can hit the ego directly."

FROM WHOLESALE DISTRIBUTORS

"I would absolutely offer this type of support, but in a non-invasive manner. The more you can help your customers to succeed, the more you should succeed. Also, ideally makes them a more loyal customer."

"You can only help if your customer is willing to listen. But be careful how far you step, sometimes their toes are as large as their egos!"

"Consistently monitoring your clients' projects not only benefits your customer, but keeps your organization on top of their evolving needs, their progress through projects, which helps with your own planning of resources, as well keeps you familiar with their solvency. Post-project reviews internally and with the client can create a proactive environment, and create stronger relationships and ties with the customer, as well as suggest new products or solutions that will make your client more successful. Remember, your success is intrinsically tied to your customers' success."

"Yes for all."

"We would never offer advice unless asked, unless the issue directly affects us. If they have a lot of call backs because they order incorrectly, we would offer our services to help figure the materials list. Or, if they have problems with a certain type of material they are using, we can offer an effective substitute, we would do that. If they come to us in a financial bind, yes, we would make suggestions to help them achieve a better cash flow, in order for us to get paid more quickly."

"We look at our contractors as a vital partnership with our business. I think there are ways to not insult the contractor but offer guidance. We run a pretty successful operation, and while we don't always do everything right ourselves, we definitely appreciate the feedback from our customers on ways we can improve. From experience, our contractors appreciate the same feedback. If there are ways we can help others succeed, we all win."

"If the contractor/customer is approachable, yes, make suggestions. But be diplomatic!"

"Years ago, I received a compliment from a homeowner. Unbeknownst to me, my customer, the builder, threatened to fire this homeowner and give him his deposit back because the homeowner was insistent on using his choice of lumber supplier. The builder, my customer, told the homeowner that this change was out of the question because he couldn't successfully build his home without my assistance as his preferred supplier. He told the homeowner, 'it isn't what my supplier is selling or how much they are selling it for that's important. It is what my supplier understands about my business that solidifies our relationship.' It was probably the best professional compliment I ever received. However, the important thing here is that the builder and I had regular conversations about jobsite management, material usage, contractor awareness and financial responsibility. If we had not regularly discussed those business-to-business realities, I might have lost that builder as a customer."

"We point them out, but if we learn the builder is not receptive or pretends to be receptive but does not make any significant changes, we walk away."

"Yes, if they ask. If not, tread carefully."

"Yes. Both of these are issues that I would bring to the attention of and help to educate the contractor. From my experience, they're grateful for the help."

"I feel these are two totally different topics. If we are seeing a problem with installation, we would suggest some type of training to correct the situation. As far as the financial side of their business, we steer clear of that."

"Yes. This is the tough part of customer relations. But if you don't offer some advice they might not survive financially and won't be your customer anymore anyway."

"I always point out improper installation and framers that are wasting materials or have improperly installed truss components. Taking care of issues is better sooner than later, it will cost more handling them later."

"Be a consultant and a partner, not just a salesman."

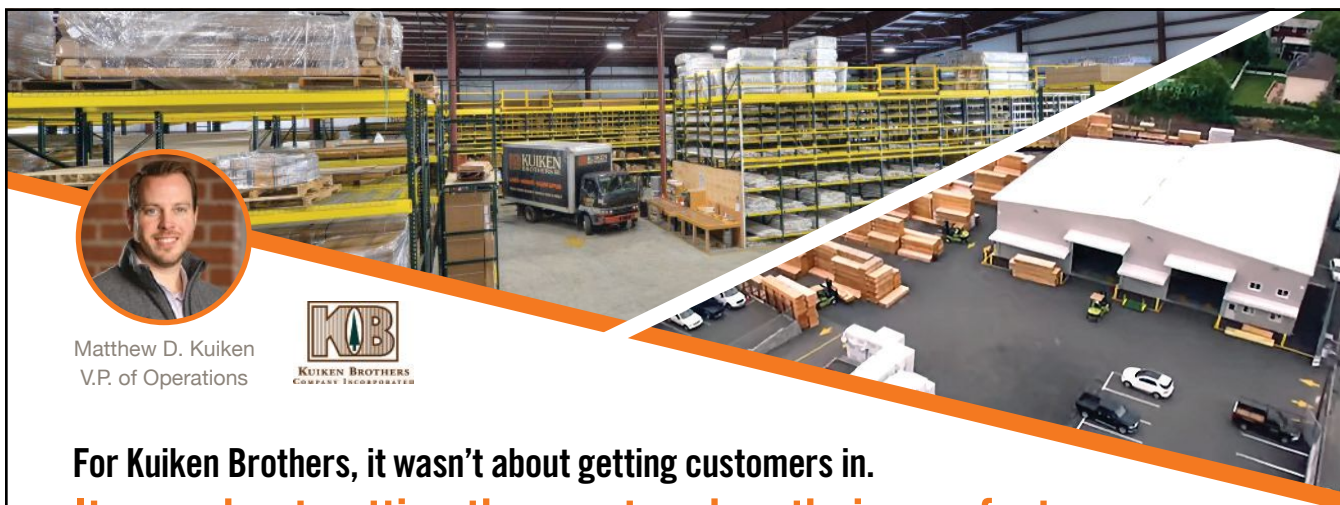
"I would point out installation issues and how to fix problems. As far as money issues, I usually ask them about at what point during construction do they get their draws and what has to be completed to get the draw. To cover my assets, I always file a Notice Of Commencement also."

"Our stated mission, the reason we are here, 'is to contribute to the success and profitability of our pro customers...' Therefore, the answer to this question is a resounding yes."

"I guess it depends on your market and how you get along with your customers. We come from a semi-small community, so when we see some of the issues that you are describing, we will point it out. Waste is waste, whether it's time, material or money. For the most part, people are appreciative of the savings and someone having their back."

"If they are significant, they should be communicated to the customer. We recently signed up a new customer that specifically told us that if there was anything that we saw that would improve their business or make it easier to do business with us, that we should be sure to point that out."

"I firmly believe we are partners with our customers. I have also very diplomatically discussed areas that I thought they could improve. Most appreciate the feedback." >



Matthew D. Kuiken
V.P. of Operations



**For Kuiken Brothers, it wasn't about getting customers in.
It was about getting them out and on their way fast.**

When Kuiken Brothers decided to renovate their 80-year-old Bergen County, NJ, location, they were laser-focused on increasing speed and efficiency. Could they transform their operation to allow their customers easy, pickable access to more inventory in a fraction of the time? By partnering with CT Darnell and Sunbelt Rack, they did just that!



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"If you're confident that you can suggest a time- or money-saving technique, then present the idea privately, to the right person. Address the owner, supervisor, accountant, or other client contact that is responsible for the decision and meet with them alone. Present the idea in a question starting with 'Have you ever considered...'? We don't want to insult the client or assume that they haven't already thought of our idea. If you make the suggestion in front of the client's reports, someone could get embarrassed. The responsible party may not even be aware that task is being performed incorrectly. The client should be the one to challenge his employees' technique or decision. We just want to be a resource and strengthen the relationship."

"There's not much advantage in being what is described to me as being 'A seasoned veteran, or an elder statesman' in our industry. I've always managed to step in and offer my opinions and assistance only when, after getting to know my client well, I knew that advice would be welcomed and not viewed as an 'intrusion.' After offering what I believed to be a simpler solution, a better way, or a path for them to increase profits, I've always made sure to present my thoughts, or ideas as 'an option.' I've always presented it in a way that would still make it absolutely clear to them, that my advice was only a suggestion. Always leave them with the idea that it's their business and their decision to make, but don't retreat from offering some guidance."

"It can be a sensitive subject, but if approached properly, this can really lock in a customer. Most of them appreciate anything our salespeople can do to improve their bottom line. Now, they're always that few..."

"I always feel it is important as business-to-business you share insight and experience. It helps all of us to be better in the end. It may be as simple as asking, I am curious why do you do (subject) this way? I am always trying to learn. This then may lead to an open conversation. I feel if they are making poor choices, it may jeopardize payment to you. Never hurts to ask!"

"We use education events and quality control jobsite visits by our outside sales team to make sure our product is installed correctly. These findings are shared with our builders to help them be their best."

"The more we help our customers become more profitable, the more business they are likely to give us."

"Installation issues: Yes, offer help. Be honest without being critical, come alongside them and provide solutions. If the manufacturer offers installation training, offer this to your builder, explaining how it will reduce call-backs, maybe even take the class with the builder. Financial issues: Be intentional, past dues can open the door for a positive conversation, point them towards resources that bring results. Consider holding customer appreciation events that include seminars as part of the program, with topics like knowing your costs and how to be profitable."

"If this is a good customer that I partner with, I can have a conversation about doing things better. We can certainly talk to the customer about better ways to install the products we sell but you have to be careful about the financial part of their business. I have had those conversations, especially when it looks like the customer is starting to slip on his ability to pay to terms. They will usually listen, but you can't force them to drink the kool-aid."

"We try to stay out of the financial part of their business, unless asked. If a customer has problems on the jobsite, we will bring it up, and offer advice, or perhaps suggest different product that might help."

CUT THE CORD!

Grabber's New Cordless Subfloor Tool

Grabber's new SuperDrive® 75 subfloor screwgun comes with a 20V DeWalt 2,000 RPM screwgun and two batteries. Now you can screw down subfloors without dragging a cord or spending time trying to locate a power box.

7520VXT
DeWalt DCF624 20V 2,000 RPM
Screw gun with special subfloor nose piece and extension.
Kit also includes two 20V DeWalt batteries



FEATURES AND BENEFITS

- Use for any screw application from 3/4-in to 3-in
- Use with screw diameters from #6 to #12
- Simple design, easy to service
- Compact and lightweight industrial design
- Most versatile tool on the market
- Set and forget depth control system
- Extra long bit life with LOX® bits and screws

RECOMMENDED APPLICATIONS

- Subfloor/Deck/Dock
- Roof Tile
- Wood to Metal
- Drywall and Sheathing
- Roof Tile




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"Depends if they are open to feedback/criticism. People do not like to hear that they are doing things wrong, but a second set of eyes is helpful."

"I consider it good customer relations to help our customers be more successful. So I would definitely offer suggestions on both accounts. Installation issues can cause *all* parties involved to lose money. Our suppliers usually kick in 1/2 and we kick in 1/2 and the customer usually will supply the labor, so speaking to them will keep money in everyone's pocket. Poor financial management discussions should be general and tactful—treading lightly, but pointing out areas that would lead them to better handle their business shows that we are not only a supplier, but that we are partners and that we are invested in their success."

"Our customer's success is our success. We conduct educational Lunch & Learn sessions on business management, marketing, estimating, QuickBooks, MS Office, etc. for our builder customers and smaller design professionals. They are always well attended and are conducted by paid instructors who aren't selling anything. These sessions, on occasion, attract a few that we may not currently be doing business with. This provides us with a list of prospects as well as an opportunity to show off our facilities and services. It doesn't take long for the word to spread about these events and ultimately delivers additional possibilities at the next session to garner a few more new relationships. These efforts make clear that we're not at all sticking our noses into our customers business or management issues. If we give 100% without expecting anything in return, the customer will eventually give us what we want: better relationships and additional business."

"Yes, you should be helping customers succeed wherever possible. It does take some tact, so don't be overbearing or too aggressive. Politely point out issues that 'may be an opportunity for greater efficiency/profitability' and see how the customer reacts."

"Yes, offer help. Be respectful of going too far into their business, but approach it from a standpoint that when they succeed, so do you. Our business is based on relationships, and I think the most successful have built a trust with their customers that allows them to work together to achieve goals."

"Yes, the success of your business relies on the success of your customers' business. The healthier you help them to be, the healthier you'll be in return. Installation issues often trickle into the dealer as warranty claims. Even if the claim is denied, there is usually expense in the research and decision. Offering help also helps strengthen your relationship with your customer. Most customers are pretty receptive to anything that'll save them time or money. If it isn't a subject you want to broach directly with the customer, you could always set up a lunch-and-learn or education session. Chances are, they may not be the only customer struggling with that installation or aspect of their business."

"If you notice installation issues on the jobsite that would structurally affect the building or lead to a call-back for your customer or you, it should definitely be pointed out and corrected. If we designed and supplied a roof truss or floor joist system and it gets installed incorrectly, it could potentially come back on us, and then we have the headache of helping the customer make it right and the headache of defending ourselves. Your customer will appreciate the personal attention, too, if sales staff visit jobsites regularly and point those things out if he/she notices them. I wouldn't go as far to get involved in any financial aspect of their business unless it pertained to you and them only."

"I would strongly recommend being as involved as your customer will allow. Our goal is to be a solution provider, sometimes it is not the solution the customer wants to hear, but it may be what is necessary to make him a better builder and hence a better customer." ■

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LUMBER & STRUCTURAL PANELS

WITH SHORTAGES IN SKILLED LABOR EXPECTED TO CONTINUE, THE LUMBER INDUSTRY IS TURNING TO INNOVATION TO KEEP PACE WITH EXPECTED GROWTH.

BY MIKE BERGER

NEXT TO STONE, LUMBER is our oldest building material. Here in the United States, lumber literally built our country and is so intrinsically tied to our history that it's practically impossible to separate one from the other. Going back to the early 1600s, the British-owned Virginia Company started using the American colony of Jamestown to supply lumber for the British crown. Lumber production spread throughout the colonies, and by the Revolutionary War, New England was exporting over 36 million feet of pine boards every year. Today, that number is significantly higher; U.S. softwood lumber production in 2018 totaled a whopping 34,873 million board feet.

You might be tempted to think that, in light of the amount of production, lumber should practically sell itself and be of no concern. Yet the lumber market can be a volatile commodity, and dealers and distributors need to be ready to serve their customers as a resource, providing not only product but information and solutions for today's building challenges.

THE GOOD AND BAD

This time last year, the National Association of Home Builders (NAHB) forecast 1.268 million housing starts for 2019, and Fannie Mae forecast 1.265 million starts, 903,000 of which were single family—only a marginal increase over 2018. This year, however, Fannie Mae is forecasting a brighter picture. For 2020, it predicts growth in single-family housing starts to swell 10%, and by 2021 to exceed 1 million. If this pans out as Fannie Mae predicts, it would mark a post-recession high.

But just as things go up, they must come down, and it's the ongoing labor shortage that's causing the concern. According to a recent survey of nearly 1,000 contractors conducted by the Associated General Contractors of America and Sage Construction, most construction companies expect business to grow in 2020 but the ability to find qualified workers to shrink. 81% of respondents say they are having a hard time filling positions, and almost two-thirds expect it will continue to be hard or become harder to hire personnel in the coming 12 months.

It's because of both the anticipated growth and the potential inability to keep pace with it that contractors are looking for unique lumber and panel solutions. "Quality and affordability continue to be the primary drivers for most

builders as they wrestle with how to build a great finished structure that also addresses the affordability gap," explains Craig Miles, business marketing manager of OSB/EWP at LP Building Solutions. "They want building solutions and installation practices that can eliminate labor and/or complexity from the process—both of those equate to time, and time is money. But they also want to know that more efficient installations don't equate to sub-par quality."

Grant Jeles, product manager for Weyerhaeuser, agrees. "The industry overall has seen constraints in highly skilled labor. This constraint has driven the demand for quality product installations that allow products to perform like they are intended which ultimately leads to less call-backs, which saves the builder time and money."

Rob Johnson, director of EWP at Boise Cascade, echoes Miles' comments. "Probably the biggest impact we are seeing is not product-related; it's labor," he says. "Lumber and panels solutions continue to evolve, and customers continue to demand better performing products, but they are having a harder time finding skilled installers. Dealers are experiencing the same constraints and are searching for solutions to increase efficiencies. Simply put, they are trying to do more with less."

INNOVATE OR DIE

If there's a common denominator in what's driving emerging trends in lumber and panels, it's the ability of manufacturers to create product that provides unique solutions that increase installation efficiency, sustainability, and overall energy efficiency. Manufacturers who do—and the LBM distributors who then carry those products—thrive. Those who do not run the risk of becoming extinct. ➤

RIGHT: In 2019 Boise Cascade relaunched its VERSA-LAM LVL product line with an increased MOE value. Its most common grade, 2.0E VERSA-LAM LVL, is now 2.1E VERSA-LAM LVL which, according to the manufacturer, makes it one of the highest performing engineered wood products in the market for both stiffness and strength.

OPPOSITE PAGE/BELOW: LP recently introduced its WeatherLogic Air & Water Barrier System, an OSB wall sheathing with an integrated weather resistant barrier. According to the manufacturer, it eliminates the need for house wrap, which can speed the construction process and also provide a tighter home to meet both moisture and environmental efficiency challenges.



"A new trend we're seeing is the continued move toward tighter building envelopes and more resilient design," says Jason Darling, general manager of Huber's ZIP System Products. "The industry will continue to evolve toward greater efficiency in two primary ways: first, the energy efficiency of the home and, second, the efficiency of the construction process. We're seeing more builders seeking to go above and beyond code requirements to build truly tight houses as a point of distinction in their market. Tight homes discourage air from moving through the walls, which helps control temperature and air quality in the home. Integrated air and water-barrier systems such as ZIP System building enclosures are a no-brainer in making this move towards these types of designs because they eliminate steps to ensure the integrity of the continuity of air and water control barriers."

The ability for products to better withstand a changing environment is also a major driving factor in product development. With FEMA currently redrawing and updating flood maps,

more new products are being introduced that are designed to handle severe weather conditions. "We see the need for increased resiliency as a new trend that is driving our product innovation and future thoughts around structural panels," explains LP's Miles. "We take a broad definition of resiliency to include better energy efficiency and structural strength as well as the ability to meet greater design needs. As an industry, we are employing a technological approach to meeting the specific resiliency demands that exist in certain geographical areas. Examples include straight-line winds in Kansas, hurricanes along the Gulf and Atlantic Coasts, and earthquakes and wildfires in California."

Mother Nature, however, is not the only factor that is driving the development of more energy efficient products. The current International Energy Conservation Code (currently adopted in 47 states, the District of Columbia, the U.S. Virgin Islands, New York City and Puerto Rico) calls for more energy-efficient products, and with an expected update to the code coming in 2021,

those efficiency requirements are expected to become even more stringent.

"New building codes are requiring builders to think beyond traditional products and embrace innovation," says Matt Minchew, general manager of Huber's ZIP System Products for roof applications. "In general, codes are pushing toward tighter building envelopes. For manufacturers, including Huber Engineered Woods, we have to produce systems that deliver advanced performance that translates into a reasonable added value tradeoff for a builder switching materials."

John Beers, vice president of sales for Georgia-Pacific Structural Panels, shares similar thoughts. "Energy codes in particular are having an impact in this space. Builders are looking to build structures with lower air exchanges per hour, which means the house will be more energy efficient in the long run. House wrap is a good water barrier, but not a good air barrier because it's hanging loose on the sheathing. With an integrated system and taped seams like our ForceField product, it helps minimize air movement in the building enclosure."

Efficiency and resiliency, however, come in many forms. As Fritz Mason, president of Georgia-Pacific points out, being able to work faster and with fewer team members is just as important as being able to build smarter. "We continue to see a lot of energy around off-site, or modular, construction," he says. "Modular construction is not a new concept, but more and more builders are moving components like trusses and wall sections off site to help improve consistency and speed of their builds. This doesn't necessarily impact how our products are made today, but could in the future with new innovations and step changes in how we prepare and ship our products."

Mason goes on to say, "Mass timber construction is also an intriguing concept, and the ability to build higher with wood obviously is appealing to a company like Georgia-Pacific. It is definitely a different way to build, but so far seems to be very efficient, faster and requires fewer people on the job." ▶

Huber's ZIP System roof sheathing and tape is an all-in-one sealed roof deck system that incorporates a built-in water-resistive barrier and is completed with advanced acrylic taped panel seams designed for a strong, continuous air and water barrier. According to the manufacturer, ZIP System sheathing and tape is easy to install and there's no need for felt.





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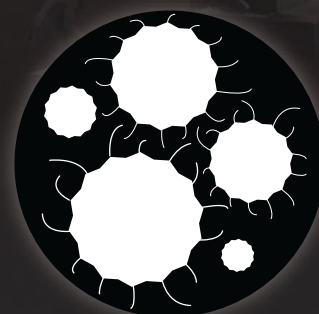
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GIVE 'EM WHAT THEY WANT

To stay competitive and profitable, LBM dealers need to know what their customers want when it comes to lumber and panel products. And according to the manufacturers, speed, quality, efficiency, and affordability top the list. “First and foremost, builders are looking for lumber and panel products from trusted manufacturers that provide consistent quality,” explains Georgia-Pacific’s Mason. “Their plates are already full, and they don’t need callbacks and problems with framing products that might slow their job or take them away from other aspects of their job. Second, builders are on the lookout for new and innovative modifications to their structural framing products that help solve problems—reduce cycle times, reduce the need for skilled labor, and other factors that can help them reduce costs and positively impact their bottom line.”

LP’s Craig Miles agrees. “Quality and affordability continue to be the primary drivers for most builders as they wrestle with how to build a great finished structure that also addresses the affordability gap,” he says. “They want building solutions and installation practices that can eliminate labor and/or complexity from the process. Both of those equate to time, and time is money. But they also want to know that more efficient installations don’t equate to sub-par quality. LP Structural Solutions is a portfolio of framing and sheathing products and accessories that work together to meet needs based on local code, regional resiliency needs and overall integration of materials.”

And as ZIP System Products’ Darling explains, “Builders are looking for a system that is readily available, affordable and has a track record of proven performance. Additional value propositions like curb appeal and contributing to energy efficiency also come into play, but fundamentally, builders want a system that is easy to use and one they know will work. We’ve seen consistent growth in builders choosing ZIP System products to meet these needs since 2006.”

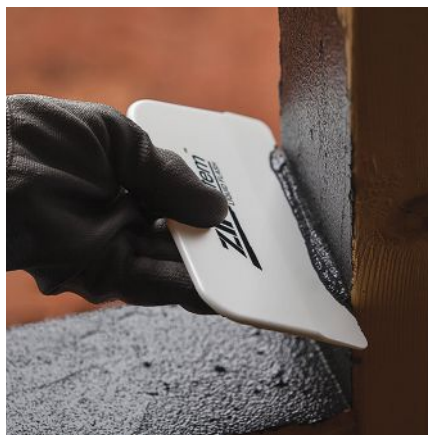
But just as important as the product they sell, the successful LBM dealer

needs to serve as a knowledge base for their customers so they can achieve the building solutions homeowners are looking for. “The most successful LBM dealers are those that stay abreast of the latest product information and have the ability to share with their customers,” says Boise Cascade’s Johnson. “It’s important to not just stay on top of product changes but also on industry economic insights, code changes and market data, and then share that with their customers. By doing so, they aren’t just pushing products but become a valuable resource to their customers and part of their team.”

Georgia-Pacific’s Mason agrees, stresses that staying educated on new technologies, codes and new and emerging building practices is imperative. “The rate of innovation and change in construction is higher than ever, and consumers are more educated than they’re ever been.” He also

points out the importance of staying abreast of changes in product availability and prices and then knowing how to position yourself to adapt. “As an example,” he says, “the supply of Western SPF has tightened up as a result of the mountain pine beetle epidemic while Southern Pine lumber is plentiful and is an attractive alternative in western markets. Making sure they are on top of these emerging trends is key to the LBM dealer staying ahead.”

It boils down to making the purchasing process as easy as possible for the contractor. LP’s Miles explains, “The biggest opportunity feels like simplifying the shopping experience for builders by helping them understand the specific, broad resilience challenges in their markets and carrying a suite of appropriate products to help their builders meet that challenge. Be a solution provider instead of just a product vendor. ➤



ABOVE: According to Weyerhaeuser, its newest subfloor offering—Weyerhaeuser Diamond Premium—is a premium OSB flooring panel that provides superior performance, moisture performance, and appearance. It offers a limited lifetime warranty and 500-day no sand guarantee with a lifetime warranty against delamination. Tongue-and-groove profiles automatically gap panel edges to the recommended 1/8".

LEFT: ZIP System Liquid Flash is a liquid-applied flashing membrane made of STPE (silyl-terminated-polyether) technology. According to Huber, this high-performance formulation combines the durability of silicones with the toughness of urethanes. It easily flows around irregular shapes and surfaces, is immediately weather resistant, and is warranted for up to 180 days of extreme weather and UV exposure.

When LBM dealers gain an understanding of the challenges that their respective markets face regarding resiliency needs, they are able to offer the solutions that efficiently and effectively meet—or, even better, exceed the local code—and help communities have a better defense against the increasing weather occurrences in a given area.”

GET TO KNOW YOUR REPS

So how does an LBM dealer become a knowledge resource? One of the easiest ways is to develop and maintain strong relationships with its manufacturer reps. As ZIP System Products’ Jason Darling explains, “Research consistently shows builders look to LBM dealers for product education, to make economic tradeoff decisions, and ultimately understand the pass-through value to their clients. That’s why we’ve continuously invested in programs to support lumberyard employee education like our ‘Prove It Tour’ product demonstration events held at hundreds

of dealer locations each year. As companies bring in new products, we recognize the importance of direct access to manufacturer’s technical team, local sales reps and marketing to make product adoption in the area a success.”

It’s not enough to simply study information on a manufacturer’s website (although all manufacturers we interviewed for this story maintain extensive online in-depth product information). Rather, it’s by taking advantage of a wide array of training and learning resources that LBM dealers and their employees can achieve the highest levels of learning. “We know that everyone learns differently,” explains Darling, “so we offer several different training tools, whether it’s printed PDFs and manuals available online, or how-to videos on the ZIP System YouTube channel or Instagram account. We also put a great deal of emphasis on hands-on experiential learning, so our team is constantly on the road visiting lumberyards, builders, and attending

trade shows to provide training and materials in person.”

Manufacturers stand ready, willing and able to provide as much training as a dealer or distributor wants. For example, LP Building Solutions offers a variety of educational and training materials to builders and distributors, some through third parties that it partners with, and some it conducts either in person or via webinar. “An example of this,” says LP’s Miles, “is a training course we offer on advanced framing techniques for high-performance design, including a subsection on how advanced framing can improve energy efficiency.”

In the case of Boise Cascade, it offers online training that covers product knowledge, the company’s software tools, and the basics of the building industry so that new EWP designers can get up to speed quickly. In addition, the company provides in-market trainers who follow up with designers to ensure they understand how to most efficiently meet customers’ needs, and it offers in-person advanced design classes where designers take a deep dive into complex topics and learn methods to increase productivity. As Chris Brandt, software manager for Boise Cascade, explains, “Our dealers can take advantage of the company’s integrated suite of software tools and SawTek automated material processing solutions to set themselves apart through their service offerings, and as a result the builder realizes improved efficiency, reduced waste and fewer call backs.”

Likewise, Weyerhaeuser offers various course topics and styles to fit distributors’ needs and learning styles. “Weyerhaeuser Learning provides educational resources to help customers get the most from our products and services,” says David Gibson, sales manager for Weyerhaeuser. “Whether you’re a seasoned sales professional, a builder using our products, a dealer software expert or a construction industry newcomer working with building materials and services for the first time, we offer resources—from online self-study, webinars or instructor-led classes at central locations—to help you develop your professional skills.” ▶

RIGHT: Weyerhaeuser’s Framers Series lumber offers benefits that, according to the manufacturer, other lumber can’t match. It carries a limited warranty against warping so that floors, walls, and ceilings stay flat and even, thus resulting in fewer callbacks to repair drywall cracks. Crown edges are clearly marked on each board, and it meets or exceeds all building code requirements for framing lumber. In addition, a mold inhibitor helps material stay clean and bright, reducing product loss and callbacks.

BELOW: The SawTek system from Boise Cascade allows dealers to automate the most repetitive and dangerous parts of the job pack cutting process. According to Boise Cascade, the system optimizes cuts for multiple jobs, resulting in better waste management and a safer, more controlled manufacturing process.





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While no one can say with 100% accuracy that the future of the lumber market is poised to deliver consistent growth in the coming year, all signs are favorable. With the predicted upswing in housing starts and the release of products that promise solutions to the

labor shortage, builders should have confidence that 2020 will be a year of growth. As long as the LBM dealer is poised to be a knowledge resource for those builders, then the future should deliver rewards as rich as the optimistic predictions. ■

AN EASIER-TO-ASSEMBLE WALL

IF YOU THINK there's not much new in the world of panel wall construction, you're in for a surprise. PUReWall by Hunter Panels is a new product that, according to the manufacturer, is designed to be a highly energy-efficient wall solution for builders, one that requires 60% fewer hours to erect on the jobsite as compared to traditional building methods, thus eliminating bottlenecks and the problems related to a reduced workforce.

PUReWall is a continuously insulated, structural residential wall assembly that uses a combination of framing lumber along with Hunter Panels' proprietary PW-CG polyiso (a rigid polyisocyanurate continuous insulation panel) on the exterior and PW-STR (a proprietary structural spray foam formulation) in the wall cavity. The panels provide increased R-values compared to traditional stick-framing and insulation solutions, and the continuous insulation coupled with taped joints function as a weather, air and vapor resistive barrier, thus eliminating the need for house wrap.



The PUReWall framing, insulation, and structural foam are all assembled/applied in the company's panelization facility and shipped installation-ready to the jobsite, thus allowing for repeatable, tight tolerance construction. PUReWall is also scalable to meet current energy codes, including requirements for continuous insulation, and it can be designed to perform beyond existing building codes, making it a potential good fit for net zero and passive home designs.

To learn more about PUReWall by Hunter Panels, visit hunterpanels.com/purewall.

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

RESOURCES

To learn more about these companies' products, visit these websites.

Companies highlighted participated in this article.

Allweather Wood:
allweatherwood.com

Anthony Forest Products:
anthonyforest.com

Belco Forest Products:
belcofp.com

**Boise Cascade
Engineered Wood Products:
bc.com**

Canfor:
canfor.com

CMPC:
cmPCMaderas.cl

Coastal Plywood:
coastalplywood.com

**Georgia-Pacific:
gpforcefield.com or buildgp.com**

**Huber (ZIP System):
huberwood.com/zipsystem/
home-zip-system**

Idaho Forest Group:
idfg.com

Interfor:
interfor.com

Kora Components:
koracomponents.com

**LP Building Products:
lpcorp.com**

Manufacturers Reserve Supply:
mrslumber.com

Mid-State Lumber:
midstatelumber.com

Norbord:
norbord.com

**PUReWall by Hunter panels:
hunterpanels.com/purewall**

Rosboro:
rosboro.com

Roseburg:
roseburg.com

RoyOMartin:
royomartin.com

Sherwood Lumber:
sherwoodlumber.com

Stimson Lumber:
stimsonlumber.com

Universal Forest Products:
ufpi.com

**Weyerhaeuser:
weyerhaeuser.com**



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HOT PRODUCTS

2020 INTERNATIONAL BUILDERS' SHOW

EDITORS' CHOICE

The 2020 International Builders' Show (IBS), held January 21-23 in Las Vegas featured more than 1,400 exhibitors and covered more than 600,000 sq. ft. of exhibit space. Judging from the strong attendance and positive energy throughout the aisles, IBS 2020 delivered on its reputation as the place to see all the latest, greatest building products and technologies. While the majority of the 65,000 attendees are builders and contractors, IBS has also become known as the single biggest event for LBM dealers to connect directly with manufacturers and to learn about the latest product innovations. As we do each year, the following pages include a sample of products that our team believes may help make a difference for you and your company moving forward. The listings are in no particular order.

— The Editors





LP SmartSide ExpertFinish in new colors

LP Building Solutions' prefinished siding option is now available in new, tailored colors. Expanding its portfolio of durable siding offerings, the product addition aligns with LP's mission of providing the industry with building solutions now including prefinished color options developed to eliminate the painting phase in the construction process. LP SmartSide ExpertFinish Trim & Siding also now includes LP's new ExpertFinish Lap developed to avoid the need for seam caulking, joint molds or pan flashing at butt joints. It is available in 16 colors and a variety of SKUs and finishes. Available with a 5-year labor, 15-year finish and 50-year substrate warranty. lpcorp.com/expertfinish

Fortress AI13 HOME Aluminum Railing

AI13 HOME Aluminum Railing system is made up of aluminum panels with pre-attached brackets designed for easy railing installation, and Fortress further enhances the lightweight metal with FortressLock coating technology, engineered to weather the elements. Now, customers can fully personalize this durable railing product with infill options. Available in vertical cable or Pure View Glass inset (full or glass balusters), all infills offer a polished feel, while matching a customer's desired aesthetic. fortressbp.com



Kleer Lumber's new extruded beadboard

Kleer Lumber has added a new beadboard to its lineup of classic millwork options. The beadboard is extruded as one piece and sealed on all four sides to eliminate any open cells that may be prone to dirt intrusion. The beadboard can be painted or left white. Made with expanded cellular PVC, Kleer Beadboard offers the look of wood and is formulated to be impervious to moisture and insects. It is backed by a limited lifetime warranty against splintering, rotting, delamination, and swelling. The new Kleer Beadboard features a center bead and a reversible tongue-and-groove profile with a shiplap nailing flange said to increase installation speed while providing a more finished look. Two widths are available, 4" and 6", each 16' long. kleerlumber.com



Simpson Strong-Tie Strong-Drive WSV Subfloor screws

Simpson Strong-Tie has introduced a new line of Strong-Drive WSV Subfloor screws designed to reduce driving torque, increase installation speed and eradicate the squeaking caused by poorly fastened subfloor sheathing. Developed for fastening subfloor sheathing using the Quik Drive auto-feed screw driving system and re-engineered from head to point, Strong-Drive WSV Subfloor screws feature a ribbed head design to countersink screws for a clean, finished appearance and a variable thread to ease driving torque and speed fastening jobs. Available in 1-3/4", 2", 2-1/2", and 3" lengths, Strong-Drive WSV Subfloor screws have a yellow zinc coating for interior applications. strongtie.com/wsv

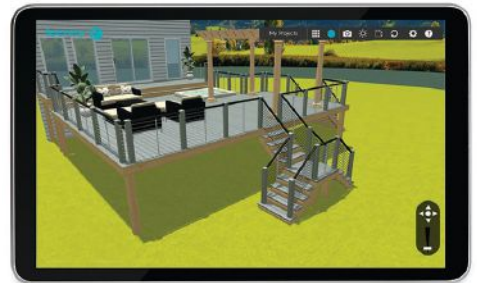




Huber's ZIP System building enclosures

Designed for easy-to-achieve, continuous air and water barriers in roof and wall assemblies, ZIP System sealing solutions include acrylic seam sealing and stretchable flashing tapes, as well as fluid-applied options (shown here). Available in six tape sizes and an enhanced formula allowing flashing tapes a wider range of application temperatures. Expanded flashing options, when building ZIP System building enclosures, makes locking out water and air easier in hard-to-flash areas like pipe penetrations and roof valleys, the company says. With an expanded list of size and length options, teams can find the right high-performance tape for each application. Enhanced ZIP System flashing tape formula benefits include: Now warranted for application from 0° to 120° Fahrenheit; 180-day UV Exposure Guarantee; Acrylic bond continues to strengthen over time.

zipsystemrevolution.com



Feeney VisualBuilder deck and railing design tool

Available for desktop and mobile applications, Feeney's VisualBuilder offers an interface that enables users to create their own deck from scratch or use one of seven pre-built templates as a starting point. The deck can then be customized to fit the user's specifications. Decks can be viewed in either 2D or 3D representations, and features such as click-and-drag sizing tools and "smart" icons are included to make it easy to change dimensions, add stairs and additional tiers, and modify the shape of the deck. Users can choose from a variety of deck materials and add walls, windows and doors to replicate the facade of a home or commercial building. A short video tutorial guides first-time users through the online deck design process. In addition, users can take snapshots of their completed deck project and save, edit and share the designs, as desired. feeneyinc.com/visualbuilder

Trex Outdoor Kitchens

Trex has partnered with Danver Stainless Outdoor Kitchens to introduce a new selection of cabinetry and components in its revamped Trex Outdoor Kitchens collection. The new lineup offers stainless steel cabinetry available in seven distinctive door styles comprised of Danver's top-five sellers and two designs exclusive to Trex Outdoor Kitchens. The door styles are paired with 14 powder-coated colors and wood grain-inspired finishes, along with dozens of cabinet styles in hundreds of sizes. All doors, drawers and cabinet boxes are made from 100% 304- or 316-grade stainless steel and come with a lifetime warranty. Drawers feature double-wall construction and full extension under-mount glides with self-close/soft-close technology, and doors come standard with soft-close stainless steel hinges and magnetic closure and rain gaskets. trex.com



EDCO Generations Slate roofing

EDCO Products has introduced Generations Slate, a new panel that combines the company's ArrowLine Slate Roofing panel with its advanced HD coating technology, designed to produce an authentic slate appearance. Generations Slate is available in four high-definition colors. Manufactured with a multilayered PVDF cool chemistry finish, Generations Slate is said to reduce energy bills and does not support mold and algae growth. Backed by a lifetime warranty. edcoproducts.com



Sure Hold fascia board screws

Sure Drive USA's Sure Hold fascia board screw has been designed with wings that auger through fascia and trim board creating an oversized hole. The oversized pilot hole is designed to allow for expansion and contraction movement to help keep fascia board panels straight. No pre-drilling is required. The Sure Hold fascia board screw has a self-starting Type-17 auger tip that is said to eliminate splitting. The oversized flat top head design covers the oversized pilot hole and comes in a variety of colors. Mahogany, Earthtone, Graystone, Ipe, and White painted heads are available to match your composite fascia board project. They are available packaged in a 100-piece resealable clear clam shell package and a free T-20 star drive bit is included. suredrive.com



Blink Blinds + Glass with raise, lower & tilt operations

ODL now offers a raise, lower, and tilt option for its entire Blink Blinds + Glass collection of blinds-between-glass, insulated glass panels for windows. The product was developed as a contemporary, streamlined alternative to traditional blinds. The raise, lower, and tilt operators give homeowners the ability to control light and privacy levels by changing the orientation and height of their blinds at the push of a finger. Window blinds can be raised and lowered the entire length of the window and tilted a full 180°. The raise, lower, and tilt blinds come housed in insulated glass panels with options for clear glass, Low-E (single or dual) coating or NEAT (single or dual) coating. All Blink products are assembled in America and come with a 10-year full warranty. blinkodl.com/windows



TAMLYN RainScreen

An all-in-one rainscreen and WRB, TAMLYN RainScreen is a 19-perm WRB covered by a 6.3mm (1/4")-thick rainscreen assembly. TAMLYN RainScreen comes in 5' x 50' rolls, the material is incompressible, and is said to need no additional detailing at the top and bottom. The product is engineered with a 96% drainage capability and a UV-resistance maximum of 120 days. Seams are sealed with a proprietary tape; openings should be flashed and windows installed before the rainscreen is attached. TAMLYN also manufactures a 10.1mm-thick product to satisfy Canadian building codes. tamlyn.com

A house with a gabled roof and a dormer window, featuring LP SmartSide trim and siding. The house has a white exterior and a dark roof. The dormer window has a white frame and a dark interior. The house is surrounded by greenery and a driveway.

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www.capital-lumber.com



Zuri Premium Decking from Royal Building Products

Zuri Premium Decking is designed to combine the natural beauty of exotic hardwood with durability and low maintenance attributes that homeowners demand. Zuri is available in Square Boards and in Grooved Boards, which offer a hidden fastener application with pre-threaded screws for fast installation. Zuri Grooved Boards are offered with a 3/32" spacing or a 3/16" gap. Zuri Fascia boards are also available in 8" and 12" profiles. All of the Zuri products are available in Chestnut, Walnut, Pecan, Brazilia, and Weathered Gray, and are backed by a 25-year Color Fastness Warranty against color shifting. royalbuildingproducts.com



DeckWrap PowerBond waterproofing membrane from MFM

DeckWrap PowerBond is a 25 mil polymer film surface membrane that is coated with MFM's patented PowerBond Adhesive System developed for aggressive adhesion in temperatures as low as 25°F. The membrane is designed for use on structural components such as ledger boards, joist ends and tops, and posts to protect from water damage to extend the life of these support elements. DeckWrap PowerBond is available in three roll sizes and comes labeled and wrapped for retail display. mfmbp.com



Decorative lattice panels from Avon Plastics

With Grid Axcents Decorative Panels are developed to style your indoor or outdoor space. The panels are made of 100% recycled plastic, which the manufacturer says will never rot or require painting. Designed to install quickly, requiring no special tools or skills. avonplastics.com



Henry WeatherSmart Rainscreen

An accessory to the Fortifiber 1-2-3 Moisture Control System, Henry WeatherSmart Rainscreen is engineered to drain moisture away from the wall assembly to prevent mold, rot and mildew. WeatherSmart Rainscreen creates a 6mm gap allowing greater airflow between the weather-resistive barrier and cladding, a process designed to improve drainage and drying time. The product can be used behind all standard cladding types, and its fabric backing can serve as a sacrificial layer in stucco installation. henry.com



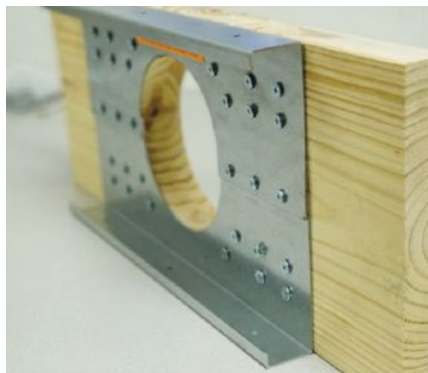
Strait-Flex Gold corner bead from ClarkDietrich

A composite corner bead designed for both amateurs and craftsmen, Strait-Flex Gold corner bead from ClarkDietrich is engineered to provide strength and impact-resistance, while a diamond-punched paper provides maximum adhesion for an even lay-down and reduced edge cracking. Additionally, the paper surface is pre-treated to accept paint and finishing compound is not required over the laminated area. clarkdietrich.com



Metwood 2810HR

Named a Best of IBS, Most Innovative Building Product for 2020, the Metwood 2810HR allows up to a 6" hole to be cut through a 2x10 Floor Joist. The main purpose for this product is to allow plumbing, HVAC, and other utilities to be placed through the floor joists. Prior to 1996, the code allowed for larger holes to be placed in joists. Therefore, when homes built prior to 1996 are being renovated the utilities routed through floor joists will no longer pass required codes. In order to avoid the need to reroute the utilities and add additional time to the project, the 2810HR Reinforcer can be utilized to solve the new code requirements. Metwood has obtained a Code Compliance Research Report for the product to allow use across the country without additional engineering support. metwood.com/joist-reinforcers



Therma-Tru door surrounds

New door surrounds from Therma-Tru are designed to add an element of style to Therma-Tru's complete door system, and help tie the entryway in with the rest of the home's architectural details. Featuring a hand-selected assortment chosen to complement virtually any door or home style, Therma-Tru door surrounds are engineered for both exterior and interior applications. Therma-Tru door surrounds come primed, ready to be painted or stained and install, and parts can be trimmed to exact measurements in the field. The polyurethane construction is said to be low maintenance and delivers long-lasting performance.

thermatru.com/elevate



SIDELoc Fastening System from TimberTech

The new SIDELoc Fastening System is designed to make installation fast and easy for a fastener-free deck surface. For use with TimberTech AZEK square shoulder boards, SIDELoc guides and screws are engineered to help speed up installation. SIDELoc's new screw design and performance enhancements are designed to reduce fastener visibility.

The 304 stainless steel is said to allow for superior corrosion resistance (316 stainless steel available for coastal regions). The stainless steel also resists screw shear and installs creating a 1/8" gap. Compatible with all TimberTech AZEK square shoulder deck boards. Available with a 3.5" narrow width guide, 5.5" guide, and a 7.25" wide width extension attachment. timbertech.com



TandoStone expands with two new colors

TandoStone has introduced two new colors: Nordic Mist, part of the Tando Creek LedgeStone collection and Glacier Bay (shown), under the Stacked Stone line. Creek LedgeStone emulates the rugged look of hand-picked stone with distinct grout lines, while Stacked Stone features a dry stack profile without grout lines between the stones. The two new shades were developed to complement today's dark colored shake and siding options. All TandoStone features TruGrit technology designed with the rough, gritty feel of real stone in mind. tandobp.com



Timberline HDZ shingles from GAF

Timberline's HDZ shingles now feature LayerLock technology that mechanically fuses the common bond between overlapping shingle layers, and also includes the StrikeZone Nailing Area, said to be the industry's largest nail zone. GAF says Timberline HDZ singles maintain up to 99.9% nail placement accuracy, and up to 30% faster nail fastening. The shingles also feature GAF's WindProven Limited Wind Warranty, said to be the industry's first wind warranty with no maximum wind speed limitation. gaf.com





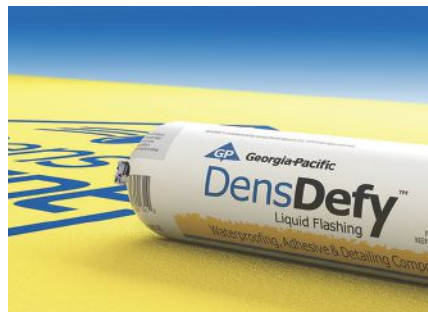
MoistureShield's Elevate capped wood composite decking

Elevate is available in two colors: Lake Fog is a soft gray shade, while Canoe is forest brown. Elevate also features the Solid Core Difference, a proprietary manufacturing process offering protection against moisture absorption, warping, rotting, and damage from insects. This technology has resulted in zero structural field failures whether the boards are in the ground, on the ground or even underwater, the manufacturer says. Elevate 5/4 deck boards are available in 12' and 16' lengths in grooved profiles (for hidden fasteners) and 20' lengths with a solid edge (for deck stairs and picture framing), as well as fascia boards in 12' lengths. Elevate decking is fully protected by a limited lifetime structural warranty for residential, as well as a residential 30-year limited lifetime fade and stain warranty. For commercial environments, it carries a 10-year limited structural warranty. moistureshield.com



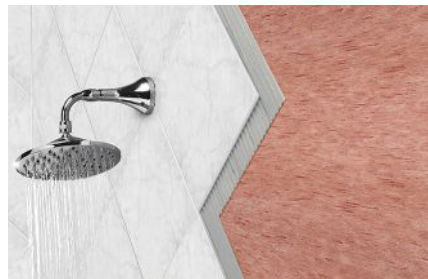
DensDefy Liquid Flashing from Georgia-Pacific

DensDefy Liquid Flashing's membrane is engineered to seal and protect against water intrusion for transitions between substrates (at rough openings, penetrations, joints, sheathing fasteners, and seams) and unwanted air movement in new or existing wall assemblies as part of the DensElement Barrier System. DensDefy Liquid Flashing is designed for fast cure/moist cure (better tack time), low-temperature application, acceptance of rain immediately after application, and 12-month exposure to normal weather conditions. densdefy.com



James Hardie HardieBacker Cement Board

HardieBacker Cement Board with HydroDefense Technology is designed to provide unmatched strength, ease of use, and excellent tile adhesion, and is now available with a waterproof composition throughout the board. Passing ANSI A118.10 for waterproofness, HardieBacker Cement Board with HydroDefense Technology has been engineered to help protect tile installations in kitchens and bathrooms from moisture penetration. Available in 36" x 60" boards with a limited lifetime warranty. jameshardie.com



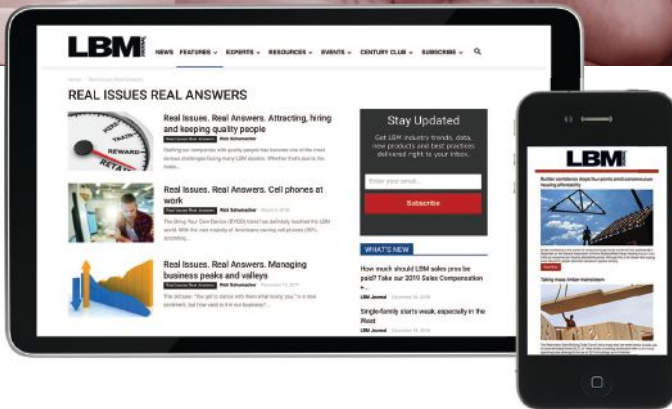
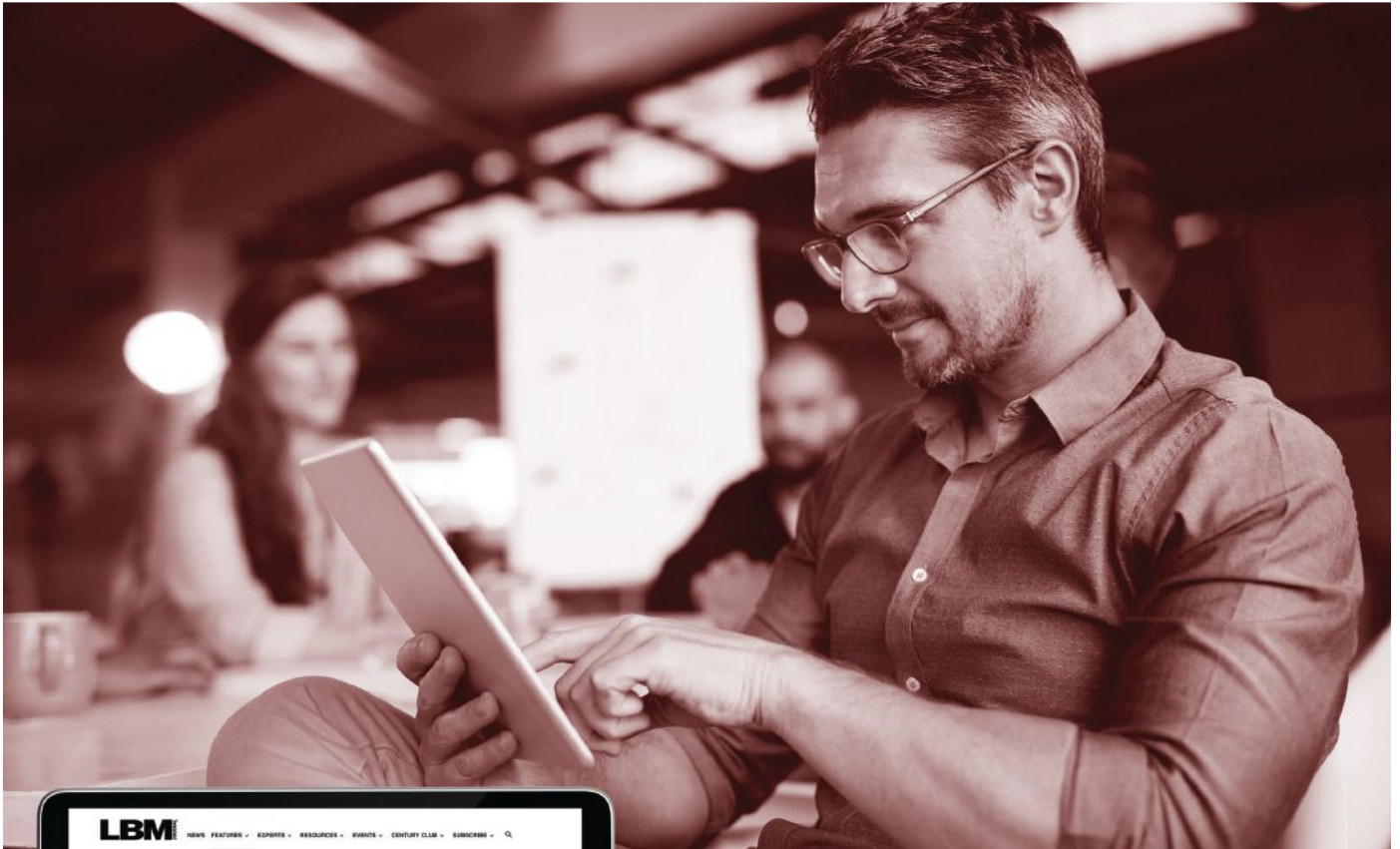
Key-Link fascia mounts

Key-Link's fascia mount brackets allow installers to move posts off the deck floor and mount them to deck fascia for increased living space. The Key-Link bracket is designed to be sleek and modern. Extruded from aluminum, it is powder-coated to match post colors. The mounts come in three versions: the inside corner, the line bracket, and the outside bracket. Each bracket includes a cap to seal the bottom to prevent insects from entering. keylinkonline.com



U2 Fasteners updated stainless steel screw specs

U2 Fasteners has introduced newly-published specs on the company's 316 marine-grade stainless steel screws. The screws are now available with shear, tensile, bending yield, withdrawal and pull-through values. U2 stainless steel screws can be spec'd by engineers and architects for various applications. U2 says it is one of few manufacturers to provide this information for 316 stainless steel screws. u2fasteners.com



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Barrette Outdoor Living Decorative Screen Panels

Decorative Screen Panels provide semi-privacy when hung from a deck, patio, or porch. Barrette's panels are available in a variety of designs, colors and textures in styles ranging from traditional to organic to modern. Users can enhance the look of a patio or deck with the powder-coated aluminum Decorative Screen Panel frame kit. The surface-mountable frame kits work with the Decorative Screen Panels and can be installed up to three panels high, allowing homeowners to create custom configurations that reflect their personal style. Line Post Kits and Corner Post Kits can be used in conjunction with the Decorative Screen Panel Frame Kits to make it easier to create continuous and corner privacy sections on a deck or patio. The kits are low-maintenance and impact-resistant and can be painted to complement any home project or outdoor environment. barretteoutdoorliving.com



Envision Ridge Premium capped composite decking

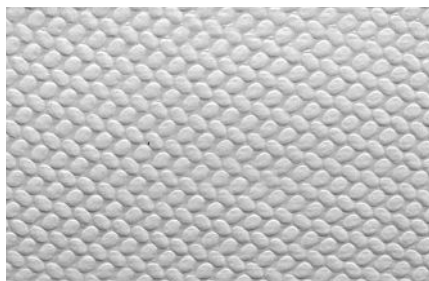
Featuring a new fluted-profile with the same EverGrain Core as its other composite decking collections, and a high-density cap, Envision has introduced its newest collection, Ridge Premium. Ridge Premium is available in three colors: the dark brown Black Walnut, light brown Vintage Oak, and grey Gunstock. Crafted using Envision's proprietary Compress Technology, the cap and core are bonded together with heat and pressure to squeeze out air pockets and create a deep grain. Ridge Premium is available in 12' and 16' lengths with a square edge profile featuring a wider edge on the bottom. envisiondecking.com



Chrometallics from Woodtone

Woodtone's latest innovation is a luminous metallic finish on durable fiber cement and engineered wood products. Designed to create an outstanding architectural appearance for hospitality, residential, and commercial projects, this product pairs the durability of fiber cement with the appearance of metal siding. Available in eight color formations, the coating technology was developed in partnership with Sherwin Williams. woodtone.com

STARRY NIGHT	SILVER SAND	MYSTIC ASH	BLACK MAGIC
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Barricade Wrap Plus Drainage

Barricade Wrap Plus Drainage is a non-perforated, non-woven, drainage wrap developed to offer the highest level of performance against wind, air and moisture. Barricade Wrap Plus Drainage's unique non-directional surface pattern is engineered to create a standoff property that facilitates water drainage on the material. Barricade Wrap Plus Drainage provides a drainage path for water to flow freely as it is channeled safely down and away from the envelope. barricadebp.com

Maze Nails

Maze Nails offers painted nails to match prefinished colors from LP SmartSide, James Hardie siding and trim and Allura siding. The nails are available double hot-dipped galvanized and stainless steel in coils, sticks and hand-driven. Maze Nails are made in Peru, Illinois, making them one of the last remaining nail manufacturers in the U.S., according to the company. mazenails.com





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NLBMDA's legislative conference packed with activity

BY KEVIN MCKENNEY

WITH SO MUCH HAPPENING in Washington these days, NLBMDA's upcoming Spring Meeting & Legislative Conference is an event you won't want to miss. This is a signature policy-making event, comprised of advocacy and education, including a day to conduct in-person meetings with your representatives for members to make their voice heard during pre-organized Hill visits. The conference will be held March 23-25, at the Westin City Center Hotel in Washington, D.C.

On Monday, we will kick things off with the LuDPAC Luncheon where attendees will hear from renowned political analyst, Charlie Cook, editor and publisher of *The Cook Political Report*, and a political analyst for the National Journal Group, and for NBC News.

In 2010, Cook was the co-recipient of the American Political Science Association's prestigious Carey McWilliams award to honor "a major journalistic contribution to our understanding of politics." In 2013, Cook served as a Resident Fellow at the Institute of Politics at Harvard's Kennedy School of Government. Cook will give an engaging talk on American politics, and an insightful look into what could happen in the upcoming elections.

Later that day, attendees will get to hear directly from some of the premier policy experts in Washington in the two policy sessions. These sessions are a great way to hear about specific industry topics, ranging from residential construction, workplace regulations, trade policy, and tax issues, among others. This year is shaping up to have a strong regulatory component, so you won't want to miss these sessions. The day wraps up with a welcome reception and silent auction where attendees can network with other attendees and even win some great items.

One of the most engaging parts of the conference is the breakfast on Tuesday morning, where NLBMDA brings senators and congressman right to the hotel to speak. This year, we are excited to announce that Senator Mike Braun (R-IN) will be one of the speakers. Sen. Braun serves on several influential committees including the Environment and Public Works and the Health, Education, Labor and Pensions Committees. Stay tuned for an announcement on our second breakfast speaker.

After breakfast, attendees will be briefed on making Capitol Hill visits, in addition to the key issues on which to focus. This year, NLBMDA's Legislative Committee has chosen to focus on collecting signatures for a congressional letter addressed to OSHA on problems with the Crane and Derricks in Construction Standard, and supporting the Affordable Housing Credit Improvement Act. Attendees will be given all needed materials before heading off to Capitol Hill for meetings with their elected officials. Later in the day, attendees will get to enjoy a beverage in the historic House Agriculture Committee room with stunning views of the Capitol building.

This fast-paced conference features conversations with Members of Congress, agency leaders, and political strategists. From main stage keynote presentations to panel discussions and networking sessions, the Spring Meeting & Legislative Conference is an incredible opportunity to remind leaders of the importance of our industry and advance the advocacy agenda of NLBMDA and the lumber and building material industry at-large. For more information about the conference, visit the NLBMDA website at dealer.org. ■



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

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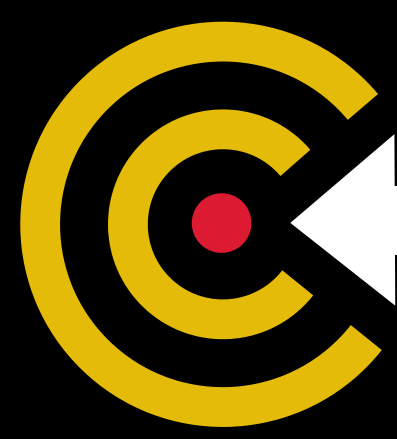
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THE SHOWROOMING CHALLENGE

MORE CUSTOMERS ARE GETTING A FEEL FOR PRODUCTS IN YOUR SHOWROOM, THEN LOOKING UP THE PRICE ON THEIR PHONES AND LEAVING. WHAT WOULD YOU DO?

As a lumberyard serving both pros and homeowners, your showroom has always played an important role in your business. Rightfully, you take a great deal of pride in providing a place for people to touch and feel products and materials before deciding to put them into their homes. This has been a key differentiator for you and your business, as no one else in your market provides this service. In fact, competitors have sent customers your way who wanted to see a product before buying. When they learned you had what they needed in stock that day, it often turned into a sale.

You always thought the term “showrooming” was something that happened to other businesses. But, it’s becoming common for you to observe customers seeming to really consider a product, taking a photo of the product’s details, then checking their smartphone screen for a couple of minutes before heading out of the store. When it’s two or more people shopping together, you’ll hear something like, “This is exactly what I need, and we can save a few dollars by ordering from Amazon or Walmart, or the lumberyard down the street. With the prices they charge here, it’s amazing that they stay in business!”

You get it; people want to save money. But you can’t afford to be just a showroom. After doing your research, including talking with others, the path forward is no more clear than before.

“The showroom definitely helps us make some sales. But the number of sales we’re losing because shoppers can save a few bucks buying from somewhere else is growing every month,” explained your store manager. “If this trend continues, our showroom is going to cost us more than it brings in.”

“Your overall company sales are up, but the retail sales from your showroom are slipping every year,” your accountant said. “If you can’t figure out how to make the showroom work better for you, I suggest you consider shutting it down.”

Both your store manager and your accountant raise solid points. However, you know that there are lumberyards doing a booming business out of their showrooms. You read about Marcus Lumber in Iowa, Ohio’s Hartville Hardware and Lumber, and Sequoia Supply in Pennsylvania. Those are just three top-of-mind examples of lumberyards with genuine destination showrooms. It’d take work to up your game...but at least you know that’s an option.

What would you do?

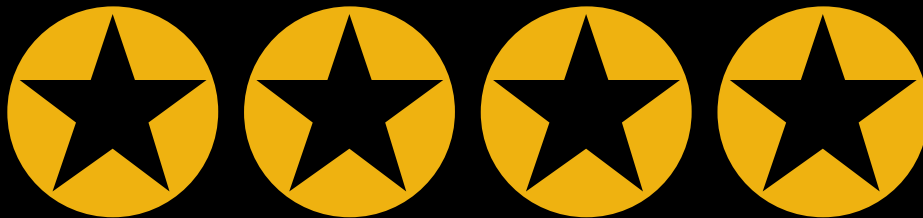
► CAST YOUR VOTE ONLINE AT: LBMJOURNAL.COM

- **STAY THE COURSE.** Your company has survived worse than this “showrooming” trend. Just keep doing what you’re doing, and it’ll all work out. Don’t forget to promote “Buy Local!”
- **KILL THE SHOWROOM.** The writing is on the wall. The smart move is to eliminate the showroom, and focus your company’s energies on the profitable and growing parts of the business.
- **RIGHT-SIZE IT.** Analyze your inventory turns of products in the showroom. Keep those that make sense and eliminate the others. Be creative with the extra space this opens up.
- **GO FOR THE WIN!** Visit some LBM dealers with successful showroom operations, learn from them, then implement the best ideas to turn your showroom into a success story.

SOMETHING ELSE?

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