

LBM JOURNAL[®]

STRATEGIES FOR LUMBER/BUILDING MATERIAL DISTRIBUTION PROS

LBMJOURNAL.COM

JANUARY 2021 \$10 U.S.

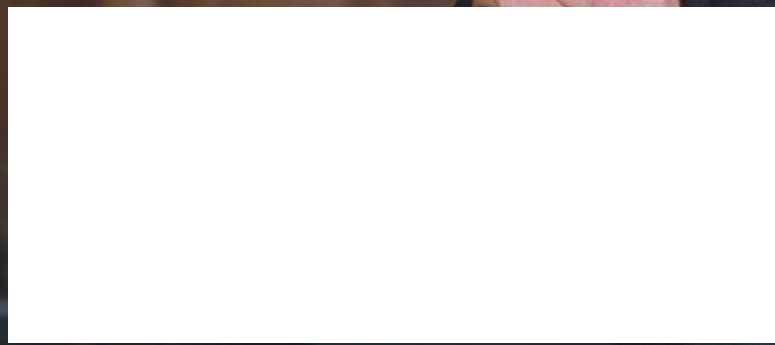
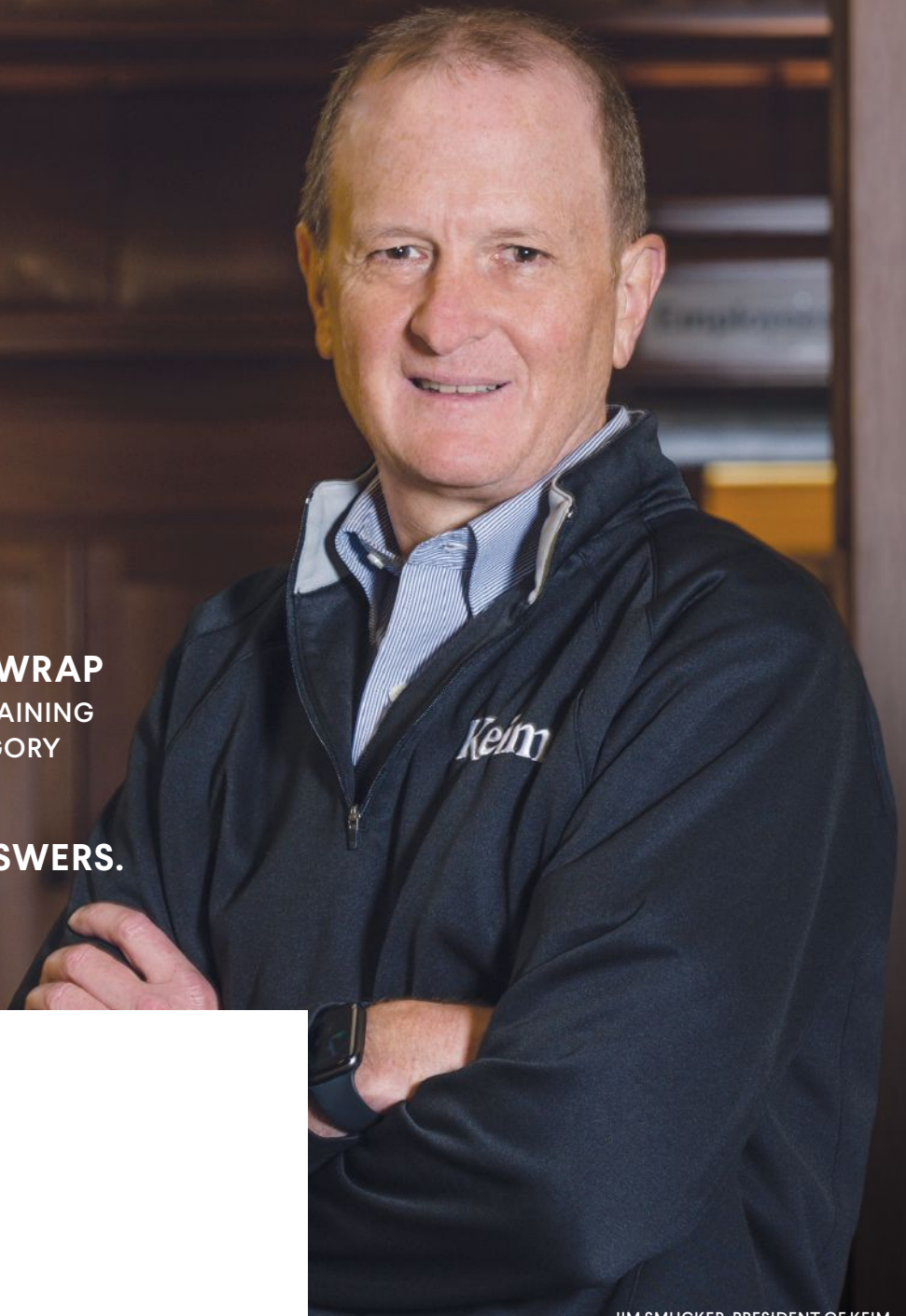
DEALER
OF THE YEAR 2021

ANNUAL SALES: \$100 MILLION +

KEIM

IN DEPTH:
INSULATION & HOUSEWRAP
RISING CONCERNS FOR MAINTAINING
A HEALTHY HOME SPUR CATEGORY
GROWTH

REAL ISSUES. REAL ANSWERS.
STAYING CONNECTED



JIM SMUCKER, PRESIDENT OF KEIM

A man wearing a dark blue t-shirt and a brown and grey baseball cap with a logo that says 'MORNING WOODS LUMBER' is looking at a silver laptop. He is standing in a lumber yard with stacks of wood and cardboard boxes in the background.

Gain Visibility and a Competitive Edge

Spruce® software provides real-time visibility into every area of your lumber and building materials business, giving you smarter data so you can make informed decisions, provide a seamless experience for your customers, and compete at a higher level.

**Schedule a demo to learn about Spruce software:
877.521.1100 | BuildingSupplyERP@ECISolutions.com**



WHEN YOU'RE BUILDING TO THE **ZIP** CODE,
IT'S A DIFFERENT WORLD ENTIRELY.

We make the right products to do the right job, the right way, the first time. No matter what the region or climate, you can count on ZIP System® building enclosures to streamline the performance of your air, water and thermal barriers for structural assemblies. Is your project Built to the ZIP Code™? See why others have made the switch at ZIPSystem.com. #BuiltToTheZIPCode



ZIPsystem™
BUILDING ENCLOSURES



Scan for access
to our IBSx
virtual experience

© 2020 Huber Engineered Woods LLC. ZIP System, the accompanying ZIP System logo and design are trademarks of Huber Engineered Woods LLC. Huber Engineered Woods' ZIP System® products are covered by various patents. Please see ZIPSystem.com/Patents for details. HUB 23395 12/20.

4 FROM THE PUBLISHER

A fresh page
BY RICK SCHUMACHER

6 FROM THE EDITOR

Congratulations to our 2021
Dealers of the Year
BY JAMES ANDERSON

8 THE BUZZ

LBM industry updates, news and events.
Plus, news from lumberyards across
the country, and responses to our
October Tough Call survey.

17 SALES & OPERATIONS

Over communicate with customers
and prospects
BY BILL LEE

18 BUILDING SALES

There's no industry better to build
a sales career
BY RICK DAVIS

20 RECRUITING & HIRING

Four common recruiting mistakes
to avoid
BY RIKKA BRANDON

22 LEADERSHIP

The powers of your own purpose
BY RUSS KATHREIN

23 CREDIT Q & A

What to say when you can't offer
credit
BY THEA DUDLEY

24 MERGERS & ACQUISITIONS

Never be the first to say the price
BY JOHN WAGNER

25 PROCESS & PROFIT

The small stuff: Inventory shrink
BY SHANE SOULE

52 SPENDING REPORT

Home improvement spending
continues to increase

56 TOUGH CALL

TO BUY OR NOT TO BUY...
Buying a company is a big step. But to buy a
company during a pandemic takes a leap of
faith. What would you do?

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. This year marks the first time we have a tie. The 2021 winners in the category of \$100 million + annual sales are Ganahl Lumber of Los Angeles, and Keim of Ohio. While these companies represent vastly different operations, the common thread is their fierce commitment to finding ever-better ways to serve their customers and their communities.

DEALER OF THE YEAR 2021

ANNUAL SALES: \$100 MILLION +

32 GANAHL LUMBER

Laser-focused in L.A.
BY JAMES ANDERSON

36 KEIM

Traditional service yields modern results
BY JAMES ANDERSON

26 REAL ISSUES. REAL ANSWERS.

STAYING CONNECTED
BY LBM JOURNAL READERS

40 IN DEPTH

INSULATION & HOUSEWRAP
Rising concerns for maintaining a healthy
home spur category growth
BY MIKE BERGER

46 PRODUCTS



46



26



40



A squeak-free fastener from the brand your customers trust.



Available in
6", 5" and 3½" lengths

Introducing the Strong-Drive® SDPW DEFLECTOR screw

from Simpson Strong-Tie — a premium structural fastening solution that provides support for non-load-bearing, full-height partition walls and helps minimize squeaks and wall separation. Keep your shelves stocked with the high-performance fasteners your customers demand. Pair it with our Strong-Drive SDWC Truss screw for load-bearing walls to offer a complete wall-to-truss fastening solution.

For more on the Strong-Drive SDPW DEFLECTOR screw, visit our website at go.strongtie.com/sdpw or call (800) 999-5099.



Executive Editor & Publisher

Rick Schumacher
Rick@LBMJournal.com

Editor

James Anderson
James@LBMJournal.com

Creative Director

Richard Hart
Design@LBMJournal.com

Contributing Sales Editor

Rick Davis

Contributors

Mike Berger, Rikka Brandon, Thea Dudley,
Russ Kathrein, Bill Lee, Shane Soule,
John Wagner

Controller

Nancy Frazer
Nancy@LBMJournal.com

Director of Operations

Michelle Fischer
Operations@LBMJournal.com

Administrative Coordinator

Tina Saucke
Tina@LBMJournal.com

Circulation Director

Vicki Blomquist
Vicki@LBMJournal.com

ADVERTISING SALES

NORTHEAST & SOUTHEAST
Jodie Cook Redwood
Jodie@LBMJournal.com
Ph: 800.324.3492 Fax: 952.892.7816

CENTRAL & WEST
Michele Randazzo
Michele@LBMJournal.com
Ph: 904.310.9540 Fax: 952.892.7816

 @LBMJournal

 LBMJournal

 LBM Journal

 LBM_Journal

SUBSCRIPTION CHANGES

For subscriptions or address changes
call 847.763.9580
e-mail LBMJournal@omeda.com
or visit www.LBMJournal.com/subscribe

BACK ISSUES & EXTRA COPIES

operations@LBMJournal.com

Copyright 2021 by Custom Built Publishing LLC. Opinions expressed are those of the authors or persons quoted. Reproduction in whole or in part is prohibited without written authorization. LBM Journal is sent free-of-charge to qualified dealers and distributors of building materials. Publisher reserves the right to determine qualification. Non-qualified annual subscription rates: US, \$48; Canada, \$60 (U.S.); Airmail to all other countries, \$120 (U.S.). Single copy price: \$15 + S&H.

A fresh page

I LIKE TO THINK THAT we, our families and our companies begin each year with a fresh page...a clean start. As media industry guru Bo Sacks wrote in his end of year newsletter, "...the pen is in your hands and 2021 has yet to be written. It is now time to write your own future to the best of your abilities. Be creative, be imaginative, be courageous." It is the same thinking that drives New Year's resolutions. Facing a fresh page, it's only human to look back at the year that was, complete with its peaks and valleys, and think about the role our decisions played each step of the way. And, critically, to think about how to make the story of 2021 that much better.

2020 was anything but a normal year, with the Coronavirus destabilizing our lives and businesses. There's no question that there were many, many things we couldn't control. Quarantines and partial shutdowns, some businesses being named "essential," with others forced to close their doors. In the world of LBM distribution, many companies faced unprecedented and unexpected demand, which led to severe shortages of many fundamental building materials.

While many things were beyond our control, there remained many things within our control. Specifically, how we reacted to our bizarre new reality. I'm proud to report that you and the others who comprise our industry did what you've done through every challenge you've faced. Working with your teams, you navigated the obstacles and the fast-evolving rules and forged new routes to serve your customers and communities. In markets large and small, from coast to coast, LBM dealers and distributors stepped up. As a result, many LBM dealers set new sales records in a year that will be best remembered for COVID-19.

As I write this in late December, no one knows how the new year will unfold. But it is starting off with some promising news. Two approved vaccines are inoculating millions of Americans, effectively taking a 2x4 to the pandemic. Speaking of 2x4s, duties on Canadian lumber shipped into the U.S. have been reduced to 9% from 20%, which will help ease the sting of historically high lumber prices. While many materials remain in short supply, manufacturers are working hard to maximize output, and to deliver the materials your customers demand.

Frankly, I'm excited about the potential that the new year holds. There's no doubt that new challenges await, but I believe that the worst is behind us. From a business standpoint, I'd like to borrow once again from Bo Sacks, who wrote on April 29, 2020 about "...the new normal, where it seemed apparent that we were/are in a time machine, a machine that accelerates whatever was happening before. If your business was in decline, that decline was now accelerated. If your business was doing well, the methodologies and the technology you used for success should/could lead to further achievements, if not now, then in the near future."

One thing you can count on, is that your team at LBM Journal will do all we can to help you and your company make the best of 2021...and beyond. In that spirit, we look forward to seeing you live and in person in Boston, October 12-15, for LBM Strategies Conference 2021.



Rick@LBMJournal.com

— Rick Schumacher
Executive Editor & Publisher



EASIER

VERSA-LAM LVL

STRONGER

EASIER

Stronger is better. From the strength of our industry-leading Versa-Lam® to our uncompromising commitment to do the right thing, you can build your business on the strength of Boise Cascade®.

Stronger. It's not just what Boise Cascade does, it's who we are.



Boise Cascade®
ENGINEERED WOOD PRODUCTS

bc.com/ewp | 800.232.0788

© 2020 Boise Cascade Company. All rights reserved.

Congratulations to our 2021 Dealers of the Year

ONE PART OF MY ROLE here at *LBM Journal* that I look forward to each month is writing the dealer profiles that we feature in each issue. As my duties have evolved over the years, it's one project each month that I've refused to assign to another writer. I've held on to the task because to me, telling a successful independent lumber dealer's story each month is actually not a task at all. It's a privilege.

That's why I get particularly excited about these next few months. From now through April, we'll be sharing stories of the winners of our 2021 Dealers of the Year program. Normally, that would mean I get to share four dealer stories. However, this year I'm writing five. That's because for the first time since the program's inception we have a tie in one of the categories.

So, this month, you'll find two different covers of the magazine, depending on which side of the country you receive your mail. On the West you'll see Peter Ganahl of Ganahl Lumber, and in the Central and East you'll see Jim Smucker of Keim. Both leaders and their respective companies are worthy of the award in this top category of \$100 million-plus in

annual sales, so we're honoring them both. (No matter who is on your cover, by the way, both profiles are inside.)

As I mentioned, we're honoring our Dealers of the Year each month through April, and here's the schedule:

JAN. \$100 MILLION +
Ganahl Lumber and Keim

FEB. \$50-\$100 MILLION
Zuern Building Products and Design Center,
Allenton, Wisconsin

MAR. \$10-\$50 MILLION
Hamilton Building Supply,
Hamilton, New Jersey

APR. UNDER \$10 MILLION
Krempf Lumber Company, Jasper, Indiana

Congratulations again to each of our winners, and thank you to everyone who participated in the nomination process. It is truly a pleasure to share these stories. Each month I learn from each dealer I speak with and I hope that I can convey their wisdom and expertise along to you.

— James Anderson
Editor



james@LBMJournal.com





CONGRATULATIONS TO KEIM FROM THEIR PARTNERS AT EPICOR SOFTWARE.

KEIM OF CHARM, OHIO

LBM JOURNAL 
DEALER
OF THE YEAR **2021**
ANNUAL SALES: \$100 MILLION +

LBM JOURNAL DEALER OF THE YEAR PROGRAM SPONSORED BY

EPICOR®

[EPICOR.COM/BISTRACK](https://www.epicor.com/bistrack)

Copyright © 2021 Epicor Software Corporation. Each user's experience will vary. Terms, conditions, and limitations apply. All rights reserved. Epicor, BisTrack, Falcon, and the Epicor logo are registered trademarks or trademarks of Epicor Software Corporation in the United States and certain other countries.

UPDATES

INDUSTRY

Simpson Strong-Tie has donated \$25K for Atlantic hurricane relief efforts.

Trex has been named to *Fortune* magazine's 100-fastest growing companies list.

Through the MI Charitable Foundation, **MI Windows and Doors, Milgard Windows & Doors**, and their business partners raised nearly \$80,000 in October to support breast cancer awareness month.

RoyOMartin volunteers assisted with the distribution of more than 200,000 pounds of food products to contribute to hurricane relief efforts.

AZEK has announced the official launch of the AZEK FULL-CIRCLE PVC Recycling Program.

Cornerstone Building Brands has announced the extension of its Connecting Communities initiative, which helps build affordable housing during the COVID-19 pandemic.

PEOPLE

Eric J. Cremers has been appointed president and chief executive officer of **PotlatchDeltic**.

Boise Cascade has announced that **Jill Twedt** has been promoted to senior vice president.

Russ Kathrein has joined **Do it Best** as LBM business development manager.

MaterialsXchange has added **Dave Gaudreau** as sales director and **Steve Sladoje** as COO.

Jason Hanegan has been promoted to vice president of sales at **Emery Jensen**.

BlueLinx has hired **Mike Reason** as national sales manager for outdoor living.

John Garingalao has joined **4Ward Solutions Group** design team.



TWEDT



KATHREIN



GAUDREAU



SLADOJE



HANEGAN



REASON



GARINGALAO

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

BUILDER CONFIDENCE REACHES ANOTHER RECORD HIGH

Builder confidence in the market for newly-built single-family homes increased five points to 90 in November, shattering the previous all-time high of 85 recorded in October, according to the NAHB/Wells Fargo Housing Market Index (HMI). Builder confidence levels have hit successive all-time highs over the past three months.

"Historically low mortgage rates, favorable demographics and an ongoing suburban shift for home buyer preferences have spurred demand and increased new home sales by nearly 17% in 2020 on a year-to-date basis," said NAHB Chairman Chuck Fowke. "Though builders continue to sign sales contracts at a solid pace, lot and material availability is holding back some building activity. Looking ahead to next year, regulatory policy risk will be a key concern given these supply-side constraints."

"Another record high for the HMI reflects that housing is a bright spot for the economy," said NAHB Chief Economist Robert Dietz. "However, affordability remains an ongoing concern, as construction costs continue to rise and interest rates are expected to move higher as more positive news emerges on the coronavirus vaccine front. In the short run, the shift of housing demand to lower density markets such as suburbs and exurbs with ongoing low resale inventory levels is supporting demand for home building."

Derived from a monthly survey that NAHB has been conducting for 35 years, the NAHB/Wells Fargo Housing Market Index gauges builder perceptions of 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.

Of note, 69% of the responses for this survey were received before the election for president was called by the media on Nov. 7. The election results, and their future impacts on housing market conditions, will be more fully reflected in December's HMI report.

THREE-MONTH MOVING AVERAGES FOR REGIONAL HMI SCORES:

Northeast increased 2 points **83** ▲

Midwest jumped 6 points **80** ▲

South rose 4 points **86** ▲

West increased 4 points **94** ▲



PREMIUM CEDAR SHINGLES



NOW IN STOCK AT MRS

Introducing **Waska Premium Cedar Products**. As a leader in the cedar shingle industry since 1968, Waska offers all grades of cedar shingles for your building needs, optimum durability, ease of installation, and the most value for your investment.

AVAILABLE IN NEW JERSEY, NEW YORK, PENNSYLVANIA, AND CONNECTICUT

mrslumber.com | 973-373-1881



MRS
MANUFACTURERS
RESERVE SUPPLY

UPDATES

DISTRIBUTION

BlueLinx will offer the full line of **MoistureShield** decking products through its Frederick, Maryland facility.

Deckorators and **Russin** have entered an expanded partnership in the Northeast and Mid-Atlantic markets.

Manufacturers Reserve Supply will distribute **Waska** cedar products.

SRS Distribution has opened four new greenfield locations, including Waldorf, Maryland; Rapid City, South Dakota; Milan, Illinois; and Bridgewater, New Jersey.

Vista Railing Systems Inc., has expanded its distribution network with the addition of **Wholesale Millwork's** Mid-Atlantic branches.

Wolf Home Products will distribute **Fiberon** decking and railing products throughout Ohio, western Pennsylvania, and upstate New York.

Parksite will distribute **Maibec** shingles across New Jersey, New York, the Midwest, and the Southeast U.S.

L&W Supply has opened a third branch in Nashville.

Cameron Ashley will open its newest distribution center in Delta Township, in the Lansing, Michigan area.

CO-OPS & BUYING GROUPS

Do it Best Corp. will continue its virtual market format for the Spring 2021 event. The market will be available exclusively online from March 7–19.

LMC's first virtual LMC EXPO broke attendance records, the buying group says. The 2020 LMC Forest Products and Building Materials EXPO was held online this year Nov. 10–12.

As **LBM Advantage** wrapped up its virtual Fall Planning Conference, the company announced that its spring Annual Buying Show will be online as well, Feb. 22–24.

Ace Hardware reported record third quarter 2020 revenues of \$2.0 billion, an increase of \$470.4 million, or 30.7%, from the third quarter of 2019.

MERGERS & ACQUISITIONS

Builders FirstSource has acquired **Kansas City Building Supply**.

Nation's Best has acquired **Connolly's Do it Best** which consists of five locations in Fort Wayne, Indiana.

U.S. Lumber, part of **Specialty Building Products** has agreed to acquire New Jersey-based **Mid-State Lumber Corp.**

L&W Supply has acquired **Coastal Building Materials** in Cape Coral, Florida.

SRS Distribution has acquired **C.C. Supply** in Barberton, Ohio.

Cameron Ashley has acquired **Martin Distributors**, which operates out of locations in Alexandria and Lafayette, Louisiana.

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

SINGLE-FAMILY STARTS AT HIGHEST PACE SINCE 2007

Led by solid gains in single-family production, overall housing starts increased 4.9% in October to a seasonally adjusted annual rate of 1.53 million units, according to a report from the U.S. Department of Housing and Urban Development and the U.S. Census Bureau.

The October reading of 1.53 million starts is the number of housing units builders would begin if development kept this pace for the next 12 months. Within this overall number, single-family starts increased 6.4% to a 1.18 million seasonally adjusted annual rate, and are up 8.6% year-to-date. The pace of single-family starts was the best since the spring of 2007. September single-family starts had increased 1.9% to a seasonally adjusted annual rate of 1.42 million.

The multifamily sector, which includes apartment buildings and condos, remained unchanged from the previous month at a 351,000 pace.

On a regional and year-to-date basis (January through October of 2020 compared to that same time frame a year ago), combined single-family and multifamily starts are 15.5% higher in the Midwest, 7.5% higher in the South, 4.7% higher in the West and 6.4% lower in the Northeast. The gains for the Midwest are notable and being led by the shift to lower cost, lower density areas.

Overall permits came in at a 1.55 million unit annualized rate in October, remaining unchanged from the previous month. Single-family permits increased 0.6% to a 1.12 million unit rate. Multifamily permits decreased 1.6% to a 425,000 pace.

LOOKING AT REGIONAL PERMIT DATA ON A YEAR-TO-DATE BASIS, PERMITS ARE:

5.6%	HIGHER IN THE MIDWEST	▲
5.5%	HIGHER IN THE SOUTH	▲
0.1%	HIGHER IN THE WEST	▲
3.9%	LOWER IN THE NORTHEAST	▼

CUSTOM HOME BUILDING SHARE INCREASES

According to data from the Census Bureau's Survey of Construction, the custom home share increased to 20.2% of all single-family homes started in 2019, the National Association of Home Builders reports. Contractor-built or owner-built houses—that together make up the custom home market—are built one at a time for owner occupancy on owner's land with either the owner or a builder acting as the general contractor. The alternative is homes built for sale, on the builder's land, with the intention of selling the house and land in one transaction.

While the percent share of custom homes increased from 19.5% in 2018 to 20.2% in 2019, the percent share of built for sale decreased from 80.5% in 2018 to 75.4% in 2019. In 2019, the Census Bureau began flagging homes built for rent as a separate category, rather than including them in homes built for sale. The share of homes built for rent in 2019 was 4.4%.

EMERY•JENSEN

Edge

FEBRUARY 23 - 26, 2021

Join us for the Emery Jensen Edge, our semi-annual trade show featuring top vendors, great promotions, and pricing to drive your profitability. Attend our 4-day virtual event February 23-26 and gain an edge over your competition!

Not just a buying event, but a complete digital experience:

- **Broadest assortment in the industry**
- **Massive savings on our biggest promotions of the year**
- **Vendor demonstrations on the newest products in the market**

To learn more about the Emery Jensen Edge and to register, visit emeryjensendisribution.com/edge



NAHB UPDATES

MORE CUTS TO LUMBER TARIFFS NEEDED

Following Commerce Department cuts to tariffs on Canadian lumber imports from 20% to 9%, the National Association of Home Builders says further cuts are needed to stabilize supply and bring down costs.

NAHB points out that lumber prices have gone down a bit at \$560 per thousand board feet from the peak price above \$950 per thousand board feet in September. Still, current prices are at an “extremely high historical level,” the NAHB says.

The U.S. Lumber Coalition announced in a press release that the U.S. Department of Commerce confirmed that Canadian softwood lumber is heavily subsidized and dumped into the U.S. market by issuing a combined anti-subsidy and anti-dumping duty “administrative review” rate of 8.81%.

The Commerce Department initiated the second administrative review in March 2020, covering Canadian lumber imports in 2019. A preliminary determination for the second administrative review is expected in late January 2021, the U.S. Lumber Coalition says.

SHARE OF NEW HOMES WITH DECKS DECLINES AGAIN

Of the roughly 879,000 single-family homes started in 2019, 20.3% included decks, according to NAHB tabulation of data from the Survey of Construction (SOC, conducted by the U.S. Census Bureau and partially funded by HUD).

NAHB says this number is down more than two percentage points from 22.6% recorded a year earlier, which in turn was down over one percentage point from the year before that. It also stands in sharp contrast to the much higher 67.4% of new homes built with another exterior amenity in 2019—porches—as reported in Eye on Housing on October 15.

Historically, between 2005 and 2008, the share of new homes with decks was consistently over 25%—reaching as high as 27% in 2007 and 2008. In 2009,

TOUGH CALL ANSWERS

ANSWERS TO OUR OCTOBER TOUGH CALL SURVEY:

NOT A WAREHOUSE

A LONG-DELAYED PROJECT FOR A VERY IMPORTANT CUSTOMER MEANS YOU’RE LEFT HOLDING ONTO A SERIOUS AMOUNT OF MATERIALS WITHOUT THE SPACE TO DO SO. HERE’S HOW READERS WOULD HANDLE THIS TOUGH CALL.



SURVEY RESULTS FROM LBMJOURNAL.COM

1.6%

JUST DELIVER. Let Bob and Betty know that you’re unable to continue storing their materials and schedule a date to deliver the materials to their home. Then do it and be done.

5.3%

WAREHOUSE. Negotiate a fair rate with a local warehouse where the materials can be stored until needed, then let Bob and Betty know that you’re moving their materials, and they’ll have to pay storage.

16.4%

FIND A BUILDER. Work your network of contractors to find someone who would do a great job with this project, make the introductions, and convince the Deeproots to move forward.

76.7%

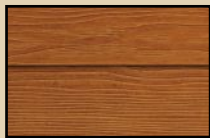
TALK IT THROUGH. You know Bob and Betty are in a tough spot. Sit down with them, explain why you can no longer store their materials, and agree to work together to find a solution.

THANKS TO EVERYONE WHO VOTED ON THE OCTOBER SURVEY. SEE PAGE 56 FOR THE JANUARY TOUGH CALL: “TO BUY OR NOT TO BUY...”

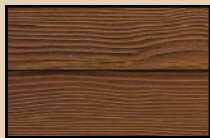
the share dropped to under 25% where it has remained ever since, trending further downward more recently. The 2019 figure of 20.3% is the lowest the share of new single-family homes with decks has been since the 2005 redesign of the SOC.



Nichiha Sierra Shake - Barnboard



Natural Cedar



IPE



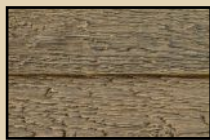
Spanish Moss



Cypress



Charwood



Emerald



Cape Cod Gray



- Detailed oriented - Quality Products - ColortonesComplete Process - Dependable -

(800) 948.4349 | carolinacolortones.com

2021 EVENTS

JAN 25-29

CAMERON ASHLEY DEALER SHOW 2021
VIRTUAL | cameronashleybp.com

FEB 3-4

NLA/MLA DISCOVERY SUMMIT '21
VIRTUAL | nlassn.org

FEB 8-19

ORGILL SPRING BUYING EVENT
VIRTUAL | orgill.com

FEB 9-11

NAHB INTERNATIONAL BUILDERS
SHOW
VIRTUAL | buildersshow.com

FEB 22-24

LBM ADVANTAGE 2021 ANNUAL
BUYING SHOW & SHAREHOLDERS
MEETING
VIRTUAL | lbmadvantage.com

FEB 24

IDEAS SHOW 2021
King of Prussia, PA | ideasshow.org

MAR 7-19

Do it Best Spring Market
VIRTUAL | doitbestonline.com

MAR 25-27

LMC 2021 ANNUAL MEETING
Phoenix, AZ | lmc.net

APR 13-16

NATIONAL LUMBER & BUILDING
MATERIAL DEALERS ASSOCIATION
LEGISLATIVE SUMMIT
Washington, DC | dealer.org

MAY 11-13

NATIONAL HARDWARE SHOW 2021
Las Vegas, NV
nationalhardwareshow.com

SEP 7-10

FBMA CONVENTION AND TRADE SHOW
Orlando, FL

SEP 17-20

DO IT BEST FALL MARKET
Indianapolis, IN | doitbestonline.com

OCT 12-15

LBM STRATEGIES CONFERENCE 2021
Boston, MA | lbmstrategies.com

LBM STRATEGIES 
2021 CONFERENCE

Send information about your company's
events to james@LBMJournal.com



LBM JOURNAL[®]
PODCASTS

LBM SALES HOSTED BY RICK DAVIS

Don't miss the LBM Journal Sales podcast, hosted by Rick Davis, the premier sales trainer and consultant in the construction supply industry. In each episode, Rick and guests explore what it takes to genuinely succeed—not just in sales and business, but in life.

SPONSORED BY



SUBURBAN SHIFT FOR HOME CONSTRUCTION CONTINUES

A trend of higher demand for housing in lower-density areas reported in the second quarter National Association of Home Builders (NAHB) Home Building Geography Index (HBGI) has persisted into the fall, as single-family and multifamily construction continued to overperform in lower cost suburban markets and exurbs.

The third quarter HBGI reveals that a suburban shift for consumer home buying preferences in the wake of the COVID-19 pandemic is accelerating as telecommuting is providing consumers more flexibility to live further out within large metros or even to relocate to more affordable, smaller metro areas.

“The growing demand in lower density markets stems from the fact that housing is less expensive compared to urban areas and buyers can afford larger homes to accommodate home offices, exercise rooms and other specialty rooms which are in higher demand since the pandemic,” said NAHB Chairman Chuck Fowke.

Suburbs of medium-sized cities posted the greatest single-family gains in the third quarter, with a 15% growth rate over the last four quarters. The worst performing region were large metro urban cores, with just a 5.7% gain. Similar results were observed in multifamily, with large metro core areas posting a 4% decline for apartment construction.

“The HBGI clearly shows that the geographic changes noted in the second quarter data continued into the fall, providing a boost to building in more affordable markets,” said NAHB Chief Economist Robert Dietz. “The ability of individuals and families to live further from urban cores is empowering consumers to acquire housing with more space at a lower cost. A key question is how long this effect will last. Our forecast assumes at least a persistent, partial effect beyond the deployment of a vaccine.”

BY THE YARD

NEWS FROM LUMBERYARDS
AROUND THE COUNTRY

NEW LEADERSHIP AT MEAD LUMBER

Dave Anderson has assumed the position of president & CEO of Mead Lumber headquartered in Columbus, Nebraska.



ANDERSON

Mead Lumber, a member of the LBM Century Club, is comprised of 43 locations across eight great plains states including full-service lumber yards, retail locations and truss, wall panel and counter-top manufacturing plants providing a full-range of building materials products and services. Anderson succeeds Craig Bradshaw who has been Mead Lumber's president & CEO for the past 14 years. Bradshaw will continue to serve the company as a member of its Board of Directors.

US LBM ACQUIRED BY BAIN CAPITAL

US LBM has announced that it has signed a definitive agreement for Bain Capital Private Equity to acquire a majority stake in the company. US LBM will continue to operate under the leadership of President and CEO L.T. Gibson and the current management team. Financial terms of the private transaction were not disclosed.

MARCUS LUMBER EXPANDING TO STORM LAKE, IOWA

Marcus Lumber has announced plans to open a new store in Storm Lake, Iowa. The store will be located on a previous lumberyard location. This will be the second location for the 100-year-old family business. The store will feature a 17,000 square foot home center in addition to an attached drive-through lumberyard.

BMC TO ACQUIRE TW PERRY

BMC Stock Holdings, Inc. has announced an agreement to acquire TW Perry, a building materials supplier serving the Northern Virginia, Maryland, and D.C. markets. TW Perry, a member of the LBM Century Club, was founded in 1911 and is an independent building materials distributor serving Northern Virginia, Maryland, D.C., and surrounding areas with six lumberyards, retail stores, a design studio, a custom millwork operation and a truss manufacturing facility.

US LBM ACQUIRES RIDGEFIELD SUPPLY COMPANY

US LBM has acquired Ridgefield Supply Company, a building products dealer located in Ridgefield, Conn. Founded in 1883, Ridgefield Supply, a member of the LBM Century Club, operates an 89,000-square-foot facility in Ridgefield, which is comprised of a lumberyard, warehouses, a hardware and paint store, window and millwork showrooms, and an employee-training center. Glen Albee will continue to lead Ridgefield Supply's day-to-day operations as president.

PLEASANT RIVER LUMBER ACQUIRES WARE-BUTLER LUMBER & BUILDING SUPPLIES

The Pleasant River Lumber family of companies has announced the acquisition of Ware-Butler Lumber & Building Supplies. Pleasant River Lumber owns and operates five lumber manufacturing facilities, multiple log purchasing yards, two saw filing shops and a trucking company in the state of Maine. Ware-Butler is a locally-owned operation with three retail locations in Waterville, Madison, and Livermore Falls, Maine.

STINE PROVIDES ANOTHER ROUND OF 'PAT-ON-THE-BACK PAY' DURING HURRICANE RECOVERY

Stine, Inc. is thanking its associates with an additional “Pat-On-The-Back” payment for their commitment to serving customers and communities during an unprecedented time of hurricane recovery combined COVID pandemic. Recently, full-time associates received \$250, and part-time associates, \$125. Stine first instituted its “Pat-On-The-Back” program with a temporary \$2 per hour wage increase for all associates that worked during the stay-at-home order in March, April, and May. The special benefit pay made a return following hurricanes Laura and Delta in the form of bi-weekly extra pay.

DEALERS, GOT NEWS?

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

Moisture will get in.
Make sure it gets out.



ThermalTight
watertight
airtight
insulated
and
designed to stay dry



WATER - AIR - VAPOR + THERMAL
ThermalTight™
Made of Neopor
Innovation in Insulation

Water is a problem.

Buildings are more insulated and airtight than ever, but moisture still needs a path to get out. And it's usually through the wall assembly.

That's why we designed the ThermalTight™ system. Each panel features a Neopor® GPS rigid foam insulation board with a vapor permeable WRB laminated to the exterior of the foam for good drainage.

It's a water barrier, air barrier and continuous insulation all in one panel - that allows vapor to pass, so the building stays dry.

The complete system includes ThermalBuck™, the high-performance window buck, which solves the challenge of installing windows with exterior insulation. Made of a high-density EPS in a waterproof coating, it extends and insulates the rough opening to prevent thermal bridging.

Over communicate with customers and prospects

BY BILL LEE

MOST OF US WHO LANDED our first LBM sales job began quoting prospects and contractors who had been assigned to us long before we had any idea how they might respond to what we had to offer.

The only advice my sales manager gave me was to go out and dig up some business. So, I began my sales career looking for job sites and asking the decision maker for permission to quote on some of his upcoming needs. Nine times out of ten he would give me a handful of products to quote on, which took me to the nearest payphone to call one of the inside salespeople at our yard who would give me the prices to quote. Our company didn't believe in "buying" the business.

Quoting was all I knew to do. On my first day on the job I must have quoted a dozen jobs and got not one order to show for it. Among the responses I received were: Your prices are too high; I'll get back to you; your company is not on our approved supplier list; my boss won't allow me to change suppliers without his permission.

I failed to get credit approval on any of the contractors before I quoted, so even if I had gotten an order, odds are all of them would not have received credit approval. I finally figured out that quoting every job in my community was not the most intelligent way to build my territory.

MORE PROFESSIONAL APPROACH TO PROSPECTING

1. Do your homework. Ask your sales manager or a veteran salesperson to help you put together a list of creditworthy prospects. Find out the company's history with each prospect, who the decision makers are, the buyer's buying style, and something of interest about each prospect you might use to open conversation.

2. Common sense made me believe it was not wise to quote or ask for an order on the first call. I came to this conclusion because I knew

I was up against a competitor who had a relationship with each prospect and I did not, so I would have higher odds of success if I built a relationship first.

3. My price kept getting in my way. Not with every prospect, but with a good 70% of them, I was told my prices were too high, or I wasn't competitive, or sometimes just something like, "You need to sharpen your pencil if you want to get your foot in the door with us."

I kept written records of the exact words each prospect used to question my price, and I discussed those words with a couple of the veteran salespeople. I was told that a lot of prospects test new salespeople to see what they can get away with. I learned that a lot of rookie salespeople will use almost any excuse to cut the price to make a sale and I was being tested.

I spoke with our owner and got his opinion. He told me that until I earned a decision maker's respect, I should expect a lot of our discussions to be about price. Once the salesperson earns the decision maker's respect, price will be discussed less and less.

PROVIDE SERVICES YOUR COMPETITORS DON'T PROVIDE

When it comes to service, go over and beyond the call of duty. Examples:

1. Visit each job site once or twice a week to make sure you got on order the products the contractor needs on the job the following week.

2. Confirm in writing or leave a voicemail when you place a special order with the vendor and again when the special-order item had been received.

3. Confirm in writing or leave a voicemail anytime a customer has a complaint and you have made progress in resolving the complaint. ■



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

There's no industry better to build a sales career

BY RICK DAVIS

EVERY ONCE IN A WHILE, I like to start a new year, I feel compelled to remind you that our dirty-build-our-product-outdoors-in-the-mud industry is as sexy as it gets. Yet we so dramatically undersell the quality of working in this industry with the specific words “we’re not a sexy industry,” and that galls me.

We are the industry that offers a career growth path almost like no other. This truth is stated at a time when we need to build a future funnel of talent more than ever. As fellow contributor Thea Dudley is fond of saying, “Our industry is male, pale, and stale.” This weakness in our employment structure is also our opportunity.

To be clear, Rikka Brandon is our resident expert on hiring talent. My goal for this article is to illustrate how to specifically recruit *sales* talent. Many of my readers and clients presume that the way to acquire sales talent is to hire it. Wrong! Successful organizations build a future stream of sales talent from within their organizations.

This means hiring young people who are hungry to learn and grow. Take a look around and you will see that the captains of our industry you meet at business functions (and yes, we will have those again soon!) are almost always people who took jobs at the lower rungs of the ladder. They started loading trucks part-time in college, or worked the inside sales desk after high school, or started in the yard because they were desperate for a job.

Then they rose to become assistant managers or outside salespeople and eventually sales managers and executives. There were no shortcuts. They took years to learn the business at our industry school of hard knocks. They attended training events to accelerate their learning. The fact that we do not need to hire college graduates at the top of their class is our strength to be leveraged. So, if you want to build a powerful sales force that differentiates you from the competition, recognize there are no shortcuts.

Always be hiring. If you wait to hire someone when the need to fill a sales position is urgent, it's too late. Urgency forces you to hire a band-aid; train too fast; and often recruit someone else's mistake. The most successful leaders are constantly recruiting low-risk, low-cost talent to promote up the chain. They hire even when there is not an existing spot available on the roster because they know one will soon open up.

Don't hire sales volume. The consistent mistake made for decades is to hire a competitor's top sales performer and expect volume to follow. More often than not, you'll discover they do not bring their book of business along with them and all you have hired is someone else's mistake.

Train talent your way. It's so much easier to build skills when not forced to first correct bad habits. The best salespeople in our industry have come up through the ranks. Build salespeople by involving them in all aspects of your business operations prior to teaching them the sales process. This makes them better representatives of your brand and more valuable assets to your buyers.

Look outside the industry. Proactively recruit that smiling, service-oriented young person you see at the retail store where you shop. You can't teach enthusiasm, but you can hire it.

Make your future diverse, colorful, and open-minded. It's so much cheaper, efficient, and gratifying to hire young and hungry talent than industry retreads that do things the way we always did. You have the ability to offer young people a career path and the potential to accumulate significant wealth in an industry that guarantees we will never ship the manufacturing of our core products overseas, those buildings in which we live, work, play, and pray. It doesn't get any sexier than that. So...sell it! ■



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

We do.

Call it unconditional, all-encompassing, you name it. As a software developer committed solely to the lumber and building materials industry, DMSi has every corner of your operation covered. From inventory and sales to production and procurement, we make sure no corners are cut and no detail is left out. And that's a promise we'll hold true.



DMSi

Visit [DMSi.com](https://www.dmsi.com)

Four common recruiting mistakes to avoid

BY RIKKA BRANDON

THE DAWN OF A NEW YEAR always brings the feeling of fresh starts and new opportunities. What better time to set goals for improving your company's recruiting and hiring practices?

The good news is, you can start small by simply recognizing some of the ways your current systems might be putting up roadblocks and turning off good candidates. These pieces of low-hanging fruit are easy to remedy yet may make a big difference in the number and types of applicants you receive.

1. USING THE TERM "SALESMAN"

Just as words like "clicker" and "Davenport" have become outdated, so have "craftsman" and "salesman." These job titles sound antiquated and can even come across as offensive. Advertising for a "salesman" rather than a "salesperson" or "sales rep" may be read as sexist to potential female candidates, or any forward-thinking person for that matter. It may send a message that your company isn't welcoming, even if that's not the case, possibly turning them off and keeping them from applying. Often, this is simply unconscious bias and lack of awareness, but when we know better, we do better—and now you know that there are much better words for it.

Also: Female candidates are not likely to be searching for the term "salesman" in their online job hunting. Feel free to use the word in a list of keywords at the bottom of your posting, but don't lead with it and don't make it the job title.

2. USING A JOB DESCRIPTION AS A JOB AD

I've touched on this before in previous columns over the years, but it happens enough that it's worth bringing up again. A job description is an internal tool that helps you define what the job entails and how performance will be evaluated. A job ad is a marketing tool that not only describes the position in an enticing way, but sells the company and the opportunity. In other words, job descriptions are a bit ho-hum and long, while a job ad needs to be snappy, enticing, and to-the-point. They are not interchangeable and shouldn't be treated as such.

3. LIMITING YOUR JOB POSTINGS

Unlike the days when classified ads in the newspaper were the No. 1 place to find a job, today there is a diversity of opportunities through which to advertise your open position. Make sure you're utilizing all of the potential outlets that make sense for each individual role. For most positions, both hourly and salary, field and office, websites like Indeed.com are a definite must. From there, seek out places where your target audience is most likely to look. For corporate roles, LinkedIn posts and ads are an ideal addition. For executives or hard-to-fill sales positions, a recruiter with a bigger database might be a faster option. For hourly and trade jobs, Craigslist is a good choice, and you may even seek out local trade schools and career centers for entry-level positions. And don't forget to post it to your Twitter and Facebook accounts.

Also consider breaking out of your comfort zone a bit: Alert key contacts and customers, and even family members, via a personalized email with a link to the job listing; you never know who might know someone who is perfect for the role. And take advantage of networking opportunities, such as at local HBA events or career days at local colleges.

4. IGNORING THE NEEDS OF MILLENNIALS AND GEN Z

No matter what you've heard, many Millennials and older Gen Z men and women are driven and determined. But they're also looking at careers very differently than the generations before them. We'll dive into this in greater detail in later columns, but in the meantime, some mistakes to avoid when recruiting today's twenty-somethings include having out-of-date or nonexistent technology tools, not promoting flexible work schedules and work-from-home opportunities, and forgoing any emphasis on work-life balance.

No matter what 2021 brings, your employees remain your greatest assets. By getting a head start on overcoming common hiring missteps, you can help ensure you're building a team with the best people possible. ■



Rikka Brandon is the leading recruiting and retention expert for the LBM industry. She's the CEO of BuildingGurus.com and founder of RecruitRetainRock.com where she helps building products business owners and leaders solve their recruiting and retention challenges with strategy, best practices, and access to experts.

verizon[✓]

22% OFF
CORPORATE LINES

18% OFF
EMPLOYEE LINES



WHEN EVERY DOLLAR COUNTS, UPG HELPS YOU SAVE.

We connect member companies to big discounts on the most-used business products and services. It's free and there's no catch. Simply join the 45,000+ other smart businesses already saving money on Verizon phone and data lines, office supplies, payroll services and more.

verizon[✓]



Staples

BenefitHub

AVIS[®]

Budget[®]



1st
UniFirst



iiiUPG
JOIN NOW UPG.ORG

Offer limited to new and existing members of UPG (UPG membership is free), subject to Verizon approval, and activation of new 1- or 2-year contract with eligible calling plan(s) of \$34.99 or higher and with an activation fee/line of up to \$40.00 and subject to a \$350.00 early termination fee. Offers and coverage vary and are not available everywhere (unlimited plans are not eligible). For additional details, contact your Verizon Wireless Business Specialist or visit verizon.com ©2020 Verizon Wireless.

The powers of your own purpose

BY RUSS KATHREIN

THIS PAST SUMMER, I made a career change, and while winding down from my old job I was able to take some time to reflect on what I had been doing for the last six years and to plot out where I wanted to go in my future. Previously, I have written a column about figuring out a company's "why." Well, this time I was looking at my own personal "why," or purpose. In doing some reading I came across a blog written by a man named Dan Rockwell that listed seven powers that a leader gains by having a clear and defined personal purpose. This list gave me a lot of insight into what drives a person, and conversely how when some of these powers are absent in one's own life that it might be an indication that you have misplaced or lost your purpose.

The first power is **grit**. (A leader with purpose has reason to fight through adversity). When you clearly know your purpose, this empowers you through the tough times. Conversely, when you lack or have forgotten your purpose, an obstacle can seem insurmountable, and a crisis can paralyze you. As a young man, I took over my family's business during a time of crisis. In hindsight, we had no chance of succeeding, but I was too young and too inexperienced to know that. What I did know was that I wanted to succeed and not let my family down. In the end, that grit helped me power through and accomplish what we should not have been able to do.

The power of **effective choices**. (Any choice will do when you don't have purpose). Like a company's "why," a personal purpose lays out the roadmap for what you want to accomplish and how you want to do it. It also tells you what you don't want to do, which leads to the power of **boundaries**. (Say yes to purpose so you can say no to distraction). Your purpose keeps you focused on the prize.

The next power is **meaning**. (Purpose identifies contribution. Contribution defines meaning). When you know why you are there and you know your role, you eagerly get up in the morning. Ask anyone who was laid off during the pandemic how eager they were to get up

and face the day. I have seen many second- or third-generation owners who act as generalists, or utility players, at their companies and have no defined role. They justify this as being there to help everyone, but you can see how their lack of purpose in their organization makes them feel apart from it and less engaged.

A critical power is that of **evaluation**. (Perhaps our discomfort with purpose is it creates a standard for self-evaluation). This is a big one if you are self-employed or at the top of the pyramid. By not having meaningful objective ways in place to measure our own performance, we can justify away our poor performance not only to other people, but also to ourselves.

One power that may hit home for many is that of **fulfillment**. (A person without purpose replaces meaningful action with trivial pleasure). A recruiter once said that when she found an executive who was involved with many outside pursuits like industry groups, charitable boards, or personal hobbies, it was often a sign that the person was unhappy, or unfulfilled, making them a candidate for a job change. If you are involved in a lot of outside activities, ask yourself why. Do you really love golf or fishing that much? Or is it possible you are looking elsewhere for fulfillment as a distraction from work?

The last power is **belonging**. (Purpose justifies your place at the table). We all want to belong and be a part of something, but we also want to feel like we have earned the right to belong. It's one thing to be on a championship team. It is quite another to know what position you played and what your primary role was in earning that championship.

So, what is your purpose? What drives you and how do you want to accomplish those goals? Clearly defining your purpose will set you up for success, as well as happiness. Not having a personal purpose might mean you are spending a lot of time doing things other than your job. Take the time to figure out what is important to you, and you just might see your team's performance take off. Or there is always fishing and golf. ■



Russ Kathrein is with the LBM Division of Do it Best Corporation based in Fort Wayne, Indiana.

What to say when you can't offer credit

BY THEA DUDLEY

Dear Thea,
We have a customer who has been paying much later than their granted credit terms. We had to place them on a cash-on-delivery status for quite some time because of their chronic late payments. The customer is inquiring about charging on their account again, and after speaking with the branch manager, we do not feel comfortable at this time reinstating their terms. Do you by chance have a letter template that we can use to send to this customer stating they no longer have credit terms with us?

- Ain't Seeing That Movie Again in Arkansas

Dear Ain't Seeing,
 I once had a customer tell me "past performance is not indicative of future results." This was in response to me telling him that the only indication I had for their payment performance moving forward is their history with us. That quote works well for the New York Stock Exchange risk disclaimer, but frankly does not apply to how a customer pays his bills.

No letter template is going to address this and frankly, I don't recommend sending one. Put on your big girl credit manager pants and pick up the phone.

Call the customer directly and explain the situation. Due to his repeated past due status on the account, you are not at this time able to offer terms. Invite him to continue to purchase on your COD program and let him know that he is welcomed to reapply for credit terms in six months, when you will re-evaluate his credit history.

A conversation may allow you to save the account, and maybe at some point get it back on a good path. Why are they chronically late? Is the account set up with the correct terms for the type of work they do? Is there a delay in their receiving the invoices? What is the issue that is keeping them from paying you timely? They'll either answer you or cuss you out and hang up.

Either way, a conversation is always better than a letter. You will end up having a conversation anyway once they receive the letter. The customer will not understand and will not be happy and will reach out to you or to their sales rep and want to talk about the unfairness of it all. Skip that step and jump into the conversation.

Lots of customers would like to dictate terms and take longer to pay than what you originally bargained for. If you are a partnership, then one cannot feel violated and like they're left holding the bag waiting for the other to do the right thing. Remind them, sometimes not as gently as they would like, that you had a deal and you lived up to your end of the bargain. How would they feel if the products didn't show up on the job site on the assigned day and time? What if it showed up sometime between 30 or 90 days after the order date?

It is hard to argue with that logic, although many have tried. If we are dependent on one another for success, then we each take care to uphold ourselves to the agreement. I remind them the same way I remind my kids: You are free to make your own choices, but you are not free of the consequences. Ah...adulthood never ends. ■



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

Never be the first to say the price

BY JOHN WAGNER

I WENT SHOPPING for a used pickup truck with my son last week. We walked into the dealership, after spotting a vehicle we'd seen on their website. The truck had low miles, but the price wasn't listed. We knew, ballpark, what it was worth. We masked-up, walked in, and spoke to the salesman.

When we asked what he wanted for the vehicle, he said, \$26,000. And I said, "Oh no, let me give you more than that. You don't have to lower the price just for us!"

Of course, I didn't say that. In fact, I bid something even lower than \$26,000. Fact is, when a seller makes the mistake of naming a price, the buyer immediately perceives it is the seller's "stretch number," and the buyer does everything in his power to get the price reduced.

This is true whether someone is selling a pickup truck or multi-million-dollar lumber dealerships. The seller names a price, and it goes only down from there, never up.

I tell this story because I'm surprised how many sellers we talk to ask us to name the price we're looking for. Thing is, we never say a price when representing a company for sale. If we did engage in that practice, just like that truck salesman, the price would go down from whatever figure we named.

Our approach of not naming the price hasn't stopped prospective buyers from asking: "Say, we sure are interested in that lumber dealership you have on the market. What do you want for it?"

Our response: "You just have to take a shot at what it's worth to you."

Buyer: "Oh come now, you must have a price in mind."

Our response: "We certainly know what it's worth, but the market sets the price."

Buyer: "Seriously, you're not going to say a price?"

Our response: "Seriously. We are never going to say a price."

Had we named the price, the buyer would have said to himself, "Well, if they *say* they want \$20 million, they *mean* they will take \$18

million. Every seller says a price that's higher than is reasonable."

See, the price goes only downward once the seller mentions it and the buyer starts gaming out his bid strategy.

There are two other scenarios to support this strategy of "keeping your cards close to your vest."

First, there is a type of buyer who has been eyeing a competitor from across town, saying to himself, "If that dealership comes up for sale, gosh I'd like to own it. But if I tell him of my plans, he'll expect a premium price."

So, that buyer just sits in wait, biding his time. In that case, the property may be worth more to him as a strategic acquisition, for which he is willing to pay a premium. After seeing the "deal teaser" sent out by the seller's investment banker, he'll immediately offer a letter of intent (LOI), with a price that's attractive enough to make the seller say, "I'm interested in a quick sale. I know that buyer. He'll take care of my employees and customers. Let's accept the offer." Other offers are turned away. (Ideally, of course, there are multiple LOIs, and a controlled auction among them can drive the price up 5% to 15%.)

Second, there is a "pre-empt" offering. This happens when a deal is shopped pre-market, privately, to a small list of potential buyers whose intentions are known to the seller. The deal teaser is not blasted to hundreds of potential buyers. Instead, the teaser goes out to, say, five or six targets, hoping a known buyer will offer a little higher than the going rate for the business, just to take the deal off the market, so that a) a known competitor doesn't even see the opportunity, and/or b) and pre-emptor wants to avoid potential bidding wars with others that see the same potential.

You'll notice that in both those scenarios, the seller still doesn't name a price. There are certainly active discussions with the buyer once they offer a number (e.g. how it is paid, if the seller keeps some shares in the NewCo, and if there is an earnout), but the seller will surely get the highest market price by exercising discipline and keeping his lips sealed until he hears what someone wants to pay. ■



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

The small stuff: Inventory shrink

BY SHANE SOULE

PROFIT IS NOT CONSISTENTLY easy to come by in our industry. The very best companies can surpass double digits, but the vast majority of LBM players happily accept 3-5% return. Whenever I have the opportunity to ask, “What is your goal for improving your profitability?” I’m standardly met with an initiative to increase sales or margin. I rarely hear about attempts to focus on the inefficiencies that siphon profits away from the bottom line.

Earlier this year while doing a facility walk through at a lumberyard, I noticed a variety of concerning indicators with respect to inventory. Making my way through the cabinet area, I saw more cabinets than I’ve ever seen in one place in my whole career, and I estimated they must be selling tens of millions of dollars in cabinets. When I asked about sales totals, the two leaders I was with paused and asked one another if either “remembered” the sales totals. After an uncomfortable amount of time, one of them offered an estimate of “between 2-3 million.” They may have been able to see me physically register pain at that answer. A second warning indicator I recognized was the high percentage of boxes with large amounts of dust on top.

As I got to know this company more, I realized they were doing many things very well. They manufactured multiple products and created a “direct” experience for their customers that no one else in their market was supplying. However, their profit levels weren’t where they should have been based on the strong value proposition they offered. While inventory management wasn’t the only reason for this, it was a strong contributor.

Inventory shrink is one of the easiest areas to register an immediately positive ROI and create quick process improvements. Here are a few specific areas to look at in your internal processes.

Cycle counts. How many times per year do you count your inventory? I would venture to say that over 50% of companies count their entire inventory only once per year, and usually at the end of the year. When large variances pop up, which tends to happen when you only

count once a year, it’s nearly impossible to find out how it happened and backtrack to work on actual improvements. Therefore, nothing improves. Consider counting your entire inventory at least every 6-8 weeks and preferably every 4 weeks. This is easily done—and best done—through cycle counts scheduled through your ERP software.

Cycle count variance investigation. I tend to be a broken record as I promote the concept of identifying root cause/corrective action. Without this type of investigation, you’ll never fix your errors, and you’ll be doomed to repeat them over and over. Set up a process where you require a 24-hour root cause/corrective action on variances over \$200. You can set up your ERP system to alert your manager of the variances, and then hold them accountable.

Special order management. Create a report of any special orders older than 30 days. Confirm that they are all live, meaning are they still wanted by the customer at the full price they paid. If it’s not live, require a root cause/corrective action from the sales rep on how the issue happened. Holding this product in your inventory at full value is just kicking your problem down the curb. Put it in your discount center, advertise it, and move it quickly. If you can get 50% on these, you are money ahead of lying to yourself and having it sit in your inventory for months...or years.

Creating a culture of requiring answers to problems, in and of itself, results in improved behaviors due to increased accountability. Turn some of your 2021 focus from revenue and margin growth and put it into systemizing your inventory management. If you choose to budget a loss for inventory shrink, don’t tell your team it’s acceptable. Create a culture where all loss is unacceptable and considered a problem deserving the search for a solution. Culture and expectation are led from the top. It’s not about blame, but it is about continuous improvement. What you accept will always be read as the first chapter of what you teach. ■



Shane Soule consults with LBM and component companies to increase productivity and profits, and improve the experience for both customers and team members. Reach Shane at shane@shanesoule.com



STAYING CONNECTED

None of us could have predicted a year ago that we were about to spend the next several months learning how to operate our businesses with as few of our staff in the offices, stores, and yards as possible. But we did it, and for the most part we did it really well, resulting in record sales months.

Even once many restrictions lifted, our companies still worked through a sharp reduction of in-person contact limited to video chats, emails, and texting. That's why this month's REAL ISSUE asked what you and your company are doing to stay connected with your customers and co-workers.

The question for this month's survey came from a dealer who is facing challenges as his business was no longer conducted strictly in a face-to-face manner. Thanks to the nearly 300 readers who weighed in on our survey.

BY LBM JOURNAL READERS

WHAT ADVICE DO YOU HAVE FOR THIS DEALER?

Our biggest challenge today is staying connected with customers and co-workers when COVID is spiking throughout the U.S., and in-person contact has been cut way back. We're not averse to technology, and have been using video chats, Microsoft teams, and email more than ever, but nothing replaces face-to-face meetings and conversations. What are other LBM companies doing during these strange times to stay connected with their customers and their co-workers?

RESPONSES FROM LBM DEALERS AND SPECIALTY DISTRIBUTORS

"We try to ask what our employees need as we deal with COVID. We have hired more employees to take care of customers."

"We offer monthly newsletters, enhanced social media presence/cadence, socially distanced outdoor meetings either at the client's office, or jobsites."

"We are meeting face-to-face regularly. Our customers are small business owners who've been deemed 'essential' from the beginning. They are pushing forward with a 'business as usual' approach for the most part."

"Mask up! And practice social distancing!"

"We are in a small town that is not a hard hit COVID area. We respect when customers are wearing masks, but have not had to implement additional measures since the initial eight weeks of the pandemic. We did institute several measures during the initial shutdown period."

"We do a lot of Facebook ads, Twitter, and other social media to keep in front of our customers. We have done some Zoom meetings also."

"The use of texting and emails has become more essential than ever. Using electronic files (pdf) from manufacturers, or scanning your own, makes communicating your product line and company's value to the customer much easier in place of personal contact."

"I text my customers and they like that form of contact the best."

"Calling, texting, and email. Stress on-time deliveries to keep customers from coming into the store. Also pull orders so if they do have to come inside, they're not here for long. (Time is money). Most of the time it's the boss that is here picking up items for jobs. Verifying orders twice to minimize mistakes."

"Hire good help."

"We have used Zoom meetings more and more but we are still meeting face-to-face. We are doing outdoor meetings and keeping social distancing in place and wearing masks."

"We pick up the phone and call people. It's easy to send emails but they are also easy to overlook."

"We are a small dealer in a mainly rural area; we have had very little change."

"Sounds like you are doing a great job, considering the current situation. Perhaps post some videos on your website and send out emails, with the link, to the appropriate customers. As an example: 'Remodeling Tips from Johnny Salesrep.' 'Johnny' can share a lesson or two he's learned from other customers, or a product installation video, etc., or a manufacturer's video of a product you are featuring."

"Less face-to-face and more telephone, email, and text."

"Ask their customers what their biggest shortfalls are in executing business on a day-to-day basis. By doing this, the dealer will focus efforts in the right areas, as opposed to perceived areas of concern."

"We are still open, but have space to social distance, and have started wearing masks when approaching customers. So, we are not 'Zooming!'"

"Double-up with phone calls, email, and text messages! Try to keep it a two-way conversation."

"We have not cut back on in-person contact, focus is on social distancing, wearing masks, and cleanliness."

"More customer pickups. More deliveries for customers. Employees are not doing much different than before."

"Using technology where easy and accepted by our customers has been helpful. Majority of customers have done well with mask request/requirements in store or on premises. We have cut off monthly (90 minute) location sales meetings and encourage online training videos, meetings, etc. Business has been too busy with day-to-day challenges to avail ourselves too much of it. We have been meeting pretty regularly in the ownership and management groups to keep continuity and communications there (face-to-face)."

"We are posting lighter items on our Facebook page, sending emails out about product availability issues and our COVID updates and other items on a more regular basis."

"I do a 60-second video every week for our employee team that we send out on Friday afternoon. It is a COVID update (if there is one), but also just me telling how the company is doing or other updates. I think the team enjoys the brevity of it while it makes them feel in the loop." ➤

“Continue in-person meetings, phone calls, but be respectful and just handle business. Don't pressure them into Zoom meetings or calls if they aren't comfortable. You have to do what they are comfortable with just like every other part of your business. The customer is always right.”

“We are still doing face-to-face business, but we are encouraging face masks and social distancing. We also encourage people not to come in if they are sick.”

“We use Microsoft Teams and phone meetings. We encourage turning on the video during Microsoft Teams meetings so we can see each other.”

“We have our sales team call at least five contractors, primarily those we have too little contact. They ask if they can help in any way and offer our services.”

“We are doing weekly and monthly intercompany newsletters to all employees.”

“We use what you said as well, but we also use a lot more social media and text messages to help fill the gaps.”

“Over communicate. Find a way and keep delivering your message.”

“We're still using an outside sales force for face-to-face contacts. Our showrooms are still open, but we're controlling access—appointments for showroom, one-way traffic to control access, constant disinfecting. We have developed a video message (commercial) to send along with certain email messages as well as on Facebook, twitter, and other social sites.”

“Keep lines of communication open, especially today.”

“By appointment we have meetings outside in our warehouse where we can be socially distanced and conduct business in-person. It is helpful to have a face-to-face with employees and customers and they seem to appreciate that.”

“I am in the credit department; I like to start with a phone call and follow up with an email. The phone call gives me the opportunity to convey a human touch with how are you, and how is your crew, etc.”

“Co-workers: When some are working from home, we have used Zoom for all or some participants. Sometimes it is used to bring work from home into an in-person meeting. During the warmer months we have held in-person meetings outside. We are limiting supplier visits to only when necessary and by appointment. For customers, we are limiting in-store customer traffic with curbside pickup and requiring appointments for project departments: millwork, decks, kitchens, etc. We have encouraged outside reps to keep in touch by phone rather than site visits when possible.”

“We are a rural small business with one location. At this time all of our employees are working on site. Emails, phone calls or texts...all these are used routinely to communicate with our contractors. However, we do not have a formal plan in place to stay connected with our customers. This is one regret I have during the spring when our state shut down the contractors.”

“We make schedules to at least call customers, on a regular basis, to stay in touch.”

“I still go see my customers. It may be for a very short time and at a comfortable distance and with a mask on, but I still go. I talk with my co-workers every day. This is not a time to completely hide. Our industry is fast moving to a lowest price gets the order. I see that as a really bad thing for everyone. Now more than ever is when we need the relationships. Do not let them slip away.”

MONO

GOthic ARCH

GAMBREL

TIMBER TRUSS

LAM-PLY TRUSS
RIDING ARENAS • CATTLE ENCLOSURES • STORAGE • SHOPS

- Spans up to 72 ft.
- Bird nesting control
- Up to 12 ft. spacing depending on desired load
- No feed alley post obstruction
- Additional ceiling height for more usable space

Starwood
RAFTERS, INC.
Independence, WI

starwoodrafters.com • 715-985-3117 • 888-525-5878

"Depends on the customer. If you feel someone is feeling disconnected, ask them if they want you to stop by or ask them to come in, wear masks and do the social distant thing. You would be surprised how many contractors are happy that they don't have a salesman showing up all the time 'begging for money.'"

"We stay connected with our customers on a personal level with face-to-face communication, maybe on a more limited basis and with precautions taken. We are a small, privately-held company and do not concern ourselves with being as politically correct as a larger corporate company. Most of our customer base is like-minded, for those that are not we accommodate their wishes, but to spend capital on taking steps to appease a temporary situation does not seem to offer a good ROI or for that matter be based in common sense, unless there is a motive being veiled by COVID, such as cutting back on outside sales expenses. Just my point of view, and probably not one shared by the majority of the ever-expanding corporate culture within our industry."

"(1) Weekly newsletter to contractors, remodelers, DIYers defining product availability and pricing, new products and services. (2) Follow rules for mask wearing and maintaining social distance, but stay in touch with those customers that are comfortable with these actions. (3) Expanding into ecommerce through BuilderWire. (4) Text messaging is preferred by many of our customers—keep them informed!"

"It takes some strategizing. You have to know your customers by understanding how they operate. Do they prefer phone calls in the morning before things get too crazy? Or maybe they prefer an afternoon call? Would they rather receive no call? Using the U.S. Mail is also an effective way to 'touch' a customer without invading their time. How about a thank you card that you hand write? In general, prospects/clients will delete emails. A personal touch goes a long way!"

RESPONSES FROM WHOLESALE DISTRIBUTORS AND MANUFACTURERS

"I believe it is important, now more than ever, to get our industry caught up to speed with technology. It's imperative to have a strong ecommerce presence and make it easy for customers to purchase from you."

"Google meets, Uber Conference, Ring Central app, 3- to 5-minute product demo videos. You need one new iPhone 11 or 12, one tripod, and editing software (check out ProStand by On-Air)."

"A combination of social media, email, text, voicemail, and pre-recorded video sent on thumb drives by snail mail."

"Make sure to bring in coaches and consultants as needed to ensure that someone is helping your team with their blind spots. Now, more than ever, we need outside accountability!"

"Virtual shows. There are new providers in the virtual marketplace. The technology is improving as they learn from each show. Discipline for leaders to maintain and improve engagement with their teams. Daily health and wellness conversations."

"Social media has been instrumental to many of our members. A lot of dealers here in Kentucky have linked their Facebook, Twitter, and/or Instagram accounts to any emails they send out. They have then made regular posts about their yards, retail operations, and just general business practices. Many dealers have told us they have seen a lot of success with this."

"Zoom is a great way of at least staying in touch so you can see what people are saying." >

"GRABBER PRODUCTS HAVE

EXCEPTIONAL QUALITY AND VALUE

WITHOUT A DOUBT."

Saving money means more than jumping on a cheap price tag. It's considering the whole cost of a project, including the customer service and support you can expect throughout it.

"Our Grabber rep was there for us in critical moments, like when we needed a special screw for a project. He solved our needs with outstanding product knowledge and saved us time and money. As a result, our customers are happy. Grabber products have exceptional quality and value without a doubt."

— Tyler Seniff, Foreman
Lotspeich Co., Riviera Beach, FL

From quality fasteners to experienced support team, Grabber is the best value in the business.

GRABBER
CONSTRUCTION PRODUCTS
"The Professional's Choice"

grabberpro.com/professional-grade

"I am actually an insurance company claims examiner handling several dedicated accounts for a specialty distributor. Given the overwhelming number of emails one receives, a regularly scheduled quarterly (or more frequent) video conference with a confirmed guideline for issues which need to be addressed directly would add structure and purpose rather than just a random video chat to address uncertain issues."

"We developed YouTube training, and hosted a food truck lunch for architects and dealers."

"The telephone has been a powerful, cost-effective tool for more than 140 years. This is the number one way to stay in 'front' of the customer."

"Using your website for educational opportunities concerning new product knowledge, marketing ideas, or any new selling tools that your customer may find helpful. Simple newsletters directing your customers to your website to locate the above information is helpful as well. Lastly, if you have any company items to send out to your accounts quarterly such as hats, shirts, pencils, pens, notepads, thumb drives, etc. with your name/logo on it will help create a 'feel' of having an interpersonal get together when you haven't!"

"Phone calls and Microsoft Teams meetings. We do have some face to face meetings and wear masks during those meetings but only have them if within driving distance."

"Continue to reach out to your customers via video (Microsoft Teams, Zoom). Maybe create a virtual happy hour and invite some customers. There are several companies that will mail a mixed drink kit (alcoholic or non-alcoholic) to your customers prior to your arranged happy hour call."

"We have basically been living on Zoom. I just had to cancel a face-to-face with a big customer and now I have to present to them virtually. It's been tough, to say the least."

"We continue to encourage face-to-face meetings. We will utilize whatever safety protocols our customers wish us to follow. If they simply are not ready for face-to-face yet we work toward either phone conferences or Zoom conferences."

"There is not much more you can do... staying connected via Zoom, Microsoft Teams meetings, monthly newsletters, broadcast emails, and phone calls from time to time. I believe this will be the norm for a while....at least until the end of 2021. As a vaccine becomes a reality, you will start to see more and more people venture out and make sales calls but, I do not see any in-person trade shows or sales meetings until 2022."

"We certainly are using similar tools for work engagements. In addition, we have increased our meeting counts and one-on-ones to ensure those working from home feel more connected. Lastly, we use the technology to have informal happy hour get-togethers on a recurring basis."

"We have continued to come into our offices, and therefore have created and adhered to protocols to ensure our employees are safe. In addition, we did have meetings with our customers, but they were in open air environments such as the parking lots of their retail centers. We avoided shaking hands and adhered to social distancing. All involved welcomed the opportunity to connect in person. We long for the day when everything is open but with careful planning you can still make a deal in person. This is not possible for everyone, however it has worked for us. We long for a cure and some semblance of normal."

"We instituted a policy of turning on video cameras for meetings and calls and it has helped us feel more connected."

"Pick up the phone and have a conversation. Follow up with an email. Make sure your lines of communication are open. Don't wait for the phone to ring. Be proactive."

"We are probably conversing three or four times more now (via Zoom, Microsoft Teams, email, and phone) than we did before COVID hit. Our sales force has commented that we should have been communicating with this frequency all along as expectations and overall communications have greatly improved. I've heard of companies holding Zoom cocktail hours, Microsoft Teams Bingo, Trivial Pursuit, etc. just to have some fun, but we haven't tried that yet."

"With the customer's permission, we will make an in-person sales call. Our field rep is responsible for masking, maintaining social distance, sanitizing hands, and disinfecting his/her cell phone along with any collateral materials taken into the sales call. In addition, our field reps will follow any specific protocols requested by the customer."

"We are trying to use the WebEx platform to hold meetings with customers and conduct personal training. At first this was well received by customers, but the shininess of the new tool has worn off and we are finding it more and more difficult to get commitments from our partners to participate. Trying to stay connected is a real challenge. I'm not sure I can answer this with any helpful advice, but I'm looking forward to hearing what others are having success with."

"Respecting state orders as it fits but not letting fear determine how we connect on a human level." ■

Hundreds of readers share their insights for this every-issue feature. Have a Real Issue? Contact Rick@LBMJournal.com.

THE READER WHO SUGGESTED THE "REAL ISSUES" TOPIC WILL RECEIVE AN LBM JOURNAL PRIZE PACK.

Includes: cap, mug, pen, and more.

Business as *sensational.*

Do it Best member-owners share the drive and vision that regularly earn industry recognition. This year is no exception as three members are honored as LBM Journal Dealers of the Year. Through innovation, dedication, and the backing of a strong co-op, they are proving that Do it Best is the first and best choice for success.



Brady Albright, General Manager

KREMPP LUMBER | JASPER, IN | \$10 MILLION

After more than 125 successful years as a community LBM supplier, this family business was ready to expand into retail. They doubled the size and scope of their inventory, adding impressive power tool and paint departments as well as high-end kitchen and bath displays. Krempp also built strong connections with pro customers through regular contractor lunches and increased internal customer service training. These efforts helped the new-look Krempp Lumber achieve a 43% growth in annual sales.

KEIM | CHARM, OH | OVER \$100 MILLION

The same innovative spirit that enabled this 109-year-old family business to grow into a massive, 50-acre retail, lumber, and millwork complex is still driving their success. This year, Keim executed a major rebranding effort, refreshed their website, and added ecommerce capabilities to reach even more customers. In response to the pandemic, they created a comprehensive Local Express Delivery Catalog to help their customers shop from home. Their efforts resulted in historically high sales during a very trying time.



Jim Smucker, President



Peter Ganahl, CEO

GANAHL LUMBER | ANAHEIM, CA | OVER \$100 MILLION

Ganahl Lumber, a fourth-generation family business, offers a robust employee stock ownership program to attract and retain high-performance employees. In 2020, they also launched a data-driven delivery algorithm to optimize service and provide fast, reliable delivery and will-call services to surrounding counties. As a result of their focus on their team, their market, and their customers, Ganahl Lumber generated more than \$500 million in annual sales this year alone.

Congratulations to our 2021 *LBM Journal* Dealer of the Year award winners. To learn more about joining the winning team, visit doitbestlbn.com.

First CHOICE. Best CHOICE. 

Do it Best Corp.

LBM JOURNAL 
DEALER
OF THE YEAR 2021
 ANNUAL SALES: \$100 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. This year marks the first time we have a tie. The 2021 winners in the category of \$100 million + annual sales are Ganahl Lumber of Los Angeles, and Keim of Ohio. While these companies represent vastly different operations, the common thread is their fierce commitment to finding ever-better ways to serve their customers and their communities.

GANAHL LUMBER

LASER-FOCUSED IN L.A.

GROWING IN PLACE IS A SOLID STRATEGY for any business with a corner on its local market. It certainly doesn't hurt if that market is the nation's second largest metropolitan area.

Since 1884, Ganahl Lumber has served the greater Los Angeles metro. Now in its fourth generation of family ownership, the company is led by Peter Ganahl, who last year oversaw \$500 million in sales across 10 locations.

Clearly, a company doesn't get to a half a billion in sales without knowing what it's doing, and for CEO Peter Ganahl, it really comes down to three things: taking care of your employees, knowing your market, and focusing on your customer.

EMPLOYEE OWNERSHIP

Since taking over the company in 1973 at the age of 27 after the sudden death of his father, Peter Ganahl says an early decision to form an employee stock ownership plan has made a big difference. As a young president of the family business, the ESOP helped Ganahl attract and retain what he considers the best staff in the business. ➤





Ganahl Lumber's corporate officers:
CFO Dan Delaney, CEO Peter Ganahl,
and COO Brad Satterfield.

“(The company was) small enough, so I couldn’t screw it up too bad,” he laughs. “There’s no possible way I could have done what we have today at that age. We may not have been top 10 in size in our own county back then.” In the early 1970s, when Ganahl was getting into the business, the company tallied \$2 million in sales annually.

Now more than 44 years into the ESOP, Ganahl has seen the value of an individual share from an initial valuation of \$88 to today’s \$17,000. “Getting everybody with skin in the game has been crucial to our success,” Ganahl says. “Their ownership has given them more than a voice, they have been given a chance to contribute to their own, and their fellow owners’, personal net worth.”

The ESOP has helped shape the business into what it is today and has changed lives along the way. Ganahl shares the example of a driver who started with the company in 1980 and made between \$4 and \$5 an hour starting wages. Today, the driver’s wages may be four or five times that, but he also accumulated wealth in ownership shares.

“Our driver, did he make more in wealth from owning shares or in money from his wages?” Ganahl asks. “Money

Serving Orange, Los Angeles, and Riverside Counties means a 16 million-population area with plenty of housing activity. With a distribution center serving 10 pro builder lumberyards, Ganahl is laser-focused on optimizing service in his home territory.



is vital to their career, but the biggest percentage of that is spent along the way. People at our company have stayed here long because of this. If you compare the growth in the value of Ganahl shares to S&P 500 over this same period of time, our shares have performed well. We can have a really productive salesman at 30 or one in his 60s who are both making the same in paychecks, but the one who has been here 40 years is making a lot more wealth in shares.”

While the ESOP is an incentive for longevity, Ganahl still faces a major metro area labor market that isn’t necessarily stocked with LBM industry experience, especially in the younger generations.

Ganahl has learned to look beyond industry-specific experience. “If the right person walks in the door, chances are we’d hire them. Most often we find ourselves training them, but we just want to get good people. We want that ‘gene’ for hospitality. A lot of times they’re in the hospitality trade. Here in Anaheim, they even come from Disneyland.”

MARKET FOCUS

With a stock ownership plan in place that has reduced a lot of turnover stress, Ganahl’s management team has more time to focus on customers and the market it serves. For the latter, a firm commitment to serving only the Los Angeles area drives continuous improvement and allows for experimentation and growth.

The size and sales volumes of the 10 Ganahl locations in the area vary from two that are \$105 to \$110 million a year producers to the smaller end where stores are in the \$10 to \$20 million range.

Serving Orange, Los Angeles, and Riverside counties means a 16 million population area with plenty of housing activity. As Ganahl says, “We have a big enough field to plow.”

With a distribution center serving 10 pro builder lumberyards, Ganahl is laser-focused on optimizing service in his home territory.

“We don’t have to think about going into other markets,” he says. “This is our little laboratory in this market. We get to try things and see if they work. We get a lot of synergy by applying a laser-like focus in only one market. We’re happy with good growth, but we don’t think we could add anything by being in multiple communities spread across the landscape.”



GANAHL LUMBER CO.

Ganahl Lumber's executive team



BUILDER-BASED

Along with knowing its market area, Ganahl has a firm grasp on its customer base as well. "Simply put, our customer is a professional who makes his living using our products and services and that allows us to focus on a simple mission; we are here to help our customers be more profitable and successful."

With a 16 million population potential customer base, no one at Ganahl is looking to make headway into the retail or DIY markets. Those customers have a place to shop, Peter Ganahl says, at the roughly 160 big box stores in the area. Ganahl's mix is a 95/5 split between pros and homeowners.

A bigger focus for Ganahl is the mix between will-call -vs- delivery. Each facility is closely monitored and designed to optimize for both. Yard design is critical, Ganahl says. With 1,400-1,500 deliveries a week, "that's a heck of a lot of logistics," he adds.

"We're constantly evaluating the design of our facilities and layout. We know that will-call is important because we know that our customers are very aware of how long it takes them to get in and out with their orders."

That means Ganahl is measuring the same thing. "We measure that and our lead times and make them as short as we can for delivery," Ganahl says. "We're 55% delivery,

45% will-call. We're working on both of those all the time. Those are key logistics we're looking at constantly. Amazon changed the world with timing. Next day deliveries have become the norm."

Ganahl's system is designed to handle deliveries from all 10 facilities. Algorithms select the best shipping location using variables like store closest to the job site, available inventory, trucking capacity, and load building capacity to make the delivery.

The roughly 925 employees throughout Ganahl Lumber are also focused on these numbers, though maybe not directly. Instead, they're focused on the customer experience, which oftentimes turns out to be the same thing.

"We don't plan our business based on numbers. We plan based on what we can do to improve the business," Ganahl says. "Of course, we want to increase our efficiencies for our customers and to increase our profit dollars."

"We're tinkerers," Ganahl says. "Our successes have come from tinkering, from trial and error. There was no grand plan to get from \$2 million to \$500 million." That plan, it turns out, was a matter of taking care of employees by giving them skin in the game, focusing only on one market, and helping customers be successful and more profitable. ■



GET TO KNOW GANAHL LUMBER

FOUNDED:	1884
LOCATIONS:	10, PLUS DISTRIBUTION CENTER
OWNERSHIP:	FAMILY/ESOP
EMPLOYEES:	925
BUSINESS SOFTWARE:	PROPRIETARY SYSTEM
BUYER'S GROUPS/CO-OPS:	DO IT BEST, ORGILL
TOP THREE BRANDS BASED ON REVENUE:	WEYERHAEUSER SIMPSON STRONG-TIE MILGARD WINDOWS

LBM JOURNAL ★★ ★★ ★★ ★★
DEALER
OF THE YEAR 2021
 ANNUAL SALES: \$100 MILLION +

KEIM

TRADITIONAL SERVICE YIELDS MODERN RESULTS

FOR AS LONG AS HOMES AND COMMUNITIES have been constructed, a building materials supplier has been essential to the area’s growth. While many lumber dealers have taken on that responsibility and have advanced through new technologies to serve their customers, Keim has done it while keeping itself firmly grounded in the traditions and culture of its community.

Located in the unincorporated town of Charm, Ohio, in the heart of one of the country’s largest Amish populations, Keim has adapted to the modern challenges of serving a market that includes cities such as Pittsburgh, and Cleveland with a more traditional employee base made up of 70% Old Order Amish. The results are a \$150 million company that is both grounded and growing.

HISTORY IN CHARM

Founded in 1911, Keim is now in its fourth generation of family ownership. What started as a lumber mill grew through the generations as a building materials supplier. In 2007, the company’s current store was built, incorporating 125,000 square feet of retail space.

Operations were kept within the Keim family until the summer of 2019, when Jim Smucker signed on as company president.

“The third generation, Bill Keim and his wife Eva, changed the look of the company,” Smucker says. “They grew the business in a big way.”

The small-town lumberyard is now a destination store, Smucker says. Located about 150 miles from Pittsburg, Cleveland, and Columbus, Keim is known for quality and service in those areas where big box competitors are plenty.

Bill Keim involved his son, Robbie, in the business from a very young age. Bill’s stepson, Eric, also began working in the company in 2010. As Bill battled cancer, Robbie and Eric rose to leadership and ultimately took over the operations completely when Bill died in 2014. For various reasons both decided that they wanted to move on from those day-to-day positions, and now take on more active ownership roles. >





Co-owner Robbie Keim and President Jim Smucker. Founded in 1911, Keim is now in its fourth generation of family ownership. What started as a lumber mill grew through the generations as a building materials supplier. Operations were kept within the Keim family until the summer of 2019, when Smucker signed on as company president.

As the first non-family member to lead the operations, Smucker says he was in-part selected for the role because of his own personal experience growing up Mennonite. With a professional background in his family's hospitality business, then service in higher education as an academic dean, Smucker was brought aboard because he understood both the essence of family business operations and Amish culture.

"A lot of managers say that it's the people who make a company successful, but I'm saying that here it's the absolute truth. Our team is outstanding. They care deeply about providing service and great products. That's why customers will drive past 10 big box stores to buy Trex decking here that they could have bought at any of those stores. Our slogan is 'Build on trust' and that fits us."

BUILD ON TRUST

Customers will drive a long way to do business with people they trust, and they'll keep coming back when that trust is renewed with each experience, Smucker says.

Nearly three-fourths of the Keim's 550 employees are Amish, and Smucker says that's a big part of the company's strength in building a loyal customer base. The employees are trusted, he says, because they're not paid on commission. They're selling quality products and helping customers understand how the products are best used.

"Compared to big box stores, we have a lot of expertise in our stores. Many of our people come with building or woodshop experience," Smucker adds.

Keim employees are loyal as well, he says. The company provides 20% of pretax earnings split among the staff. Everyone works hard to serve the customers because when Keim does well, so do the employees.

In fact, the company is doing so well that it cleared \$150 million in revenue last year, and this year is projected to be even better. What stands out from many other lumberyards is the customer mix that drives sales at Keim. While one third of the customers are professional builders and another third are retail and DIY customers, the other third is made up of artisan furnituremakers. As a result, lumber for furniture and cabinets sells well, as does milling, varnish, and paint items that aren't typical to a lumberyard's inventory.

And when it comes to inventory, Smucker says Keim has also built a solid reputation as the place to find what you need.

"Bill Keim always said, 'You've got to have it to sell it.' Our customers know if they're going to drive an hour to Keim, the chances are very good that we'll have it in stock," Smucker says.

The philosophy runs counter to some of the "just in time" inventory practices taught in business school, but in the



Nearly three-fourths of the company's 550 employees are Amish, and that's a big part of the company's strength in building a loyal customer base. The employees are trusted because they're not paid on commission. They're selling quality products and helping customers understand how the products are best used.





The Keim family: Karen Keim, Robbie Keim, Eva Keim, and Eric Schlabach.

months during the COVID-19 pandemic, Keim’s inventory reputation worked well for them.

“Contractors and pro builders are more willing to shop with us because we have the materials,” Smucker says.

LOOKING FORWARD

Building on the foundations of service and tradition aren’t just a mission statement goal at Keim. Smucker has laid out a new strategic plan which involved the purchase of a hardware store in Mount Hope, Ohio, an Amish community about 10 miles away from Keim’s Charm location.

Beyond the hardware store, which Smucker says is best referred to as an “outpost,” there aren’t plans for expansion in the near future. Instead, Smucker says he relies on honoring Bill Keim’s commitment to the area community.

“Bill helped other businesses locally, and had always said that one of the main reasons we exist is to empower more businesses in the community. There are numerous examples of how the family helped support local businesses and helped them to succeed.”

As a result, Keim’s community focus helps other businesses launch and to share in Keim’s market that reaches a wider area.

“With all boats rising, ours rises with it,” Smucker says.

That philosophy has never been more evident than during the COVID-19 pandemic in Keim’s area of Ohio. As

the region faced severe outbreaks of the virus, Smucker says he was reminded of his company’s ability to help promote area builders and craftsmen. The executive team initiated a next-day guarantee on deliveries, not only on builders’ orders, but for retail customers in need of products such as hand sanitizer and paper towels. Keim staff members even created a catalog from which customers in the area could place orders.

The bottom line for Smucker and Keim is the employee and the customer experience, not profit. But that doesn’t mean the company isn’t focused on the future and serving customers in a modern way. The company is installing a new ERP system, and has developed what it calls Keim University, a training center for employees as well as customers and members of the larger community.

Keim also encourages its employees to get involved in the community and in their homes. The company holds rather unconventional hours. On weekdays, Keim closes at 4:30 p.m., and on the weekends is just open Saturday mornings.

“We want our employees to have family time. That’s important for the community,” Smucker says. “Some people may think we’re leaving profits on the table, but we’re looking more holistically, and it means that last year we only had 9% turnover. We believe that profit is a byproduct. You take care of your coworkers well and they will take good care of your customers. Profit is a byproduct, not our focus.” ■



GET TO KNOW KEIM

FOUNDED:	1911
LOCATIONS:	ONE, WITH HARDWARE OUTPOST
OWNERSHIP:	FAMILY
EMPLOYEES:	550
BUSINESS SOFTWARE:	EPICOR BISTRACK
CO-OP/BUYER’S GROUP:	DO IT BEST
TOP THREE BRANDS SOLD:	COLUMBIA PLYWOOD PROVIA ANDERSEN



According to ZIP System, its building enclosure panels offer building teams the freedom to find the advanced, integrated roof and wall air and water management system that works for their build. With 20 integrated sheathing panels and over a dozen flashing options, teams can choose the right length, thickness, and R-value to maintain continuous air and water control layers over all surfaces and applications.

INSULATION AND HOUSEWRAP

RISING CONCERNS FOR MAINTAINING A HEALTHY HOME SPUR CATEGORY GROWTH.

BY MIKE BERGER

SINCE OUR SPECIES FIRST STARTED TO BUILD MUD HUTS, we've looked for ways to make them warmer, drier, and free of drafts. When Neolithic man built his homes on Skara Brae in the Orkney Islands off the coast of Scotland 5,000 years ago, he banked the walls of those homes with earth to protect himself from the driving winds and rain. After that came dried eelgrass, reeds, and thatch. But it wasn't until the 19th century that we figured out how to create insulated panels from processed organic materials. Finally in 1920, the American Celotex Company introduced insulating panels made of bagasse (a waste byproduct of sugar manufacturing). After a few years the company began coating those panels with asbestos, and the modern insulation industry was born.

Insulation and housewrap have come a long way since then, and it's easy to think that the current state of the category is a plateau from which there's nowhere else to climb in regard to innovation and growth. But the data says otherwise, and manufacturers are quick to rise to today's unique challenges with labor-saving solutions.

HEALTHY GROWTH IN UNHEALTHY TIMES

However you look at the state of the building industry these days, it's impossible not to see the massive impact of COVID-19. Interesting enough, numbers show a trend that you might not expect. According to the U.S. Census Bureau and the U.S. Department of Housing and Urban Development, privately-owned housing starts in September of 2020 were at a seasonally adjusted annual rate of 1,415,000—1.9% above the revised August estimate of 1,388,000 and 11.1% ahead of that same period last year.

Coupled with that is overall building growth, a rapidly-increasing desire driven by the current pandemic to create homes that are as air-tight, mold-free, and healthy as possible. "We're seeing more builders seek to go above and beyond code requirements," says Allen Sealock, general manager of ZIP System Products, "particularly in air barrier areas, as it's a component of their long-term efficiency distinction for homebuyers. Tight homes discourage air from moving through the walls, which helps control temperature and air quality in the home."

Due to remote in-home work and learning environments and government-mandated stay-at-home orders, people are spending more time than ever in their houses. As a result, they look to their homes as both haven and personal sanctuary, and this is driving demand for insulation and barrier products that deliver higher than ever performance. "The idea of home has become even more important during the pandemic," says Craig Miles, director of national sales and marketing for OSB/EWP for LP Building Solutions. "People look to their homes for safety and comfort. Given pent-up demand, low inventories, and the continuance of low interest rates, the sheathing segment is likely to continue growing. Within the segment, I also believe that value-added products will continue to gain momentum. Builders are looking for and need solutions that support the strain the hot housing market has placed on them." ➤



ABOVE: According to Tamlyn, its TamlynWrap Drainable Wrap offers the largest integrated physical gap for drainage (1.5 mm) and has a patented drainage pattern that works in any direction. The gap is created by non-compressible filaments which ensure the proper drainage and enhanced drying behind any cladding system.

LEFT: LP recently launched LP WeatherLogic Air & Water Barrier wall and roof sheathing. According to the manufacturer, it withstands temperature cycling and delivers consistent, long-term protection from water intrusion while allowing moisture vapor to escape. As an integrated wall and roof sheathing solution, it combines both air and water protection along with a vapor-permeable membrane on the panel that allows moisture to dry.



ABOVE: The ForceField air and water barrier system from Georgia-Pacific consists of structural engineered wood sheathing panels laminated with a proprietary air and water barrier system. Once the panels are installed on a structure and the seams are taped with ForceField seam tape, it creates a code-compliant, integrated system for residential or light commercial construction that is designed to eliminate the need for house wrap.



ABOVE: WindowWrap PSX-20 from MFM is a self-adhering 25 mil waterproofing flashing tape constructed of an aluminized, multi-layer polymer film coated with a specially formulated rubberized asphalt to stand up to UV exposure. According to MFM, it effectively stops water leaks around windows and doors while reducing outdoor noise and air infiltration. It can be used under wood or vinyl siding, brick and stucco, or as a weatherproof barrier for ACQ-treated lumber, features a removable release liner for fast and easy installation, and saves time, material, labor and utility costs.

RIGHT: According to Henry, its WeatherSmart Housewrap protects against water and air intrusion from the outside while allowing moisture to escape from the inside. It features an advanced polymer technology, is suitable for use in any climate, and can be used behind most exterior claddings including fiber cement, brick, vinyl and wood siding.

FAR RIGHT: Blueskin VP100 from the Henry Company is a self-adhered, vapor-permeable, water-resistive air barrier membrane that combines an engineered film and a patented, permeable adhesive technology with split-back poly-release film. According to Henry, Blueskin VP100 is designed to eliminate water and moisture intrusion while allowing walls to breathe, and is backed by an industry-leading 15-year material and labor warranty.

Brittany Burns, director of product management for Georgia-Pacific, also sees the changing role of the home as a major driving factor for the growth of the insulation and housewrap categories. “COVID-19 has redefined how we use our homes, and has also unexpectedly helped to spur even stronger growth in new home construction than was predicted,” says Burns. “The use of an integrated sheathing can help the builder get a home up quicker by removing an extra trip around the structure, as well help them use less labor for the additional building wrap step.”

These growth factors are not ones that will be quick to disappear. Even after the effects of the COVID-19 pandemic and been effectively dealt with, it’s unlikely that we’ll quickly return to the state of the world as it was, and in many ways that bodes well for this product category. “These are unpredictable times,” explains Xuaco Pascual, director of construction and building science for Tamlyn, “but the building industry has had some interesting surprises. Demand for housing has exceeded expectations in 2020 with inventory down in most locations across the country. Building permits continue to show strength into 2021. These factors, combined with attractive lending are expected to continue modest growth through 2021.”

INNOVATIVE SYSTEMS A GROWING TREND

With the insulation and housewrap category poised for growth, certain product trends are emerging that LBM distributors need to be prepared to provide for. For example, according to Grand View Research, Inc., the global structural insulated panel market is expected to reach \$640.4 million by 2025. “We see steady growth in the acceptance and usage of integrated structural sheathing with a water resistive barrier/air barrier like ForceField Weather Barrier System,” says Georgia-Pacific’s Burns. “These solutions not only help to keep water out while allowing vapor to pass and the structure to breathe, they also act as a superior air barrier compared to building wraps. This helps to make the home more energy efficient.”



ZIP System Products' Allen Sealock agrees. "It's been reported that home-builders have been more amenable to trying new products during the COVID-19 pandemic," he says. "Some reports suggest that shifts in product ordering habits to online amongst construction professionals might be leading to a willingness to try new solutions. At Huber, we've seen both a growth in our new product users and repeat users."

As mentioned before as a growth-driving factor, air quality and overall home health is also a growing product trend that manufacturers are quick to address. Products that allow for air exchange and moisture management are in increasingly high demand.

Scott Tennison, global director for Kimberly Clark, explains it like this, "As we all know, respiratory illness is something that continues to increase in discussions and prevention. Air quality in your home is very important for long term health. Many people focus on filtration in their HVAC equipment, but they forget that if you have mold or rot going on in the wall cavity due to the house wrap not performing the way it should, it could have an impact on your health. Using a quality house wrap that is breathable can help protect your home from mold and have more benefit than just protecting the structure. It can also potentially help to maintain a healthy overall air quality in your home."

Tamlyn's Pascual points out the use of a drainable housewrap behind most cladding systems as another growing nationwide trend that's being spurred by the desire for healthier air quality. "Originally developed for use behind EIFS cladding systems, these drainable products are proving beneficial behind most cladding systems, in particular behind cladding materials that can absorb any appreciable moisture," he explains. "Energy efficiency and air tightness standards have made cladding and wall systems more vulnerable to moisture related issues with fewer margins for error, and drainable housewraps facilitate better moisture management and in some cases enhance ventilation behind the cladding."

All of these factors lead to an overarching product and building methodology trend that many manufacturers recognize as possibly the most important trend today—resilient building products and design. Don't confuse this concept with green building (although they're related). According to the Resilient Design Institute, resilient building is "the intentional design of buildings, landscapes, communities, and regions in response to vulnerabilities to disaster and disruption of normal life." In short, it's the building of a structure that is robust in design and utilizes products that are strong, work together as a cohesive whole, and provide for redundancies in performance that allow a home to quickly return to normal function in the event of a product failure.

As Jeff Yelle, director of technology for LP Building Solutions, explains, "I believe we are going to see a continued convergence of resilient design



ABOVE: PROLine Select Building Wrap from BlueLinX is a woven fabric weather barrier that can be customized with a builder's logo and contact information. According to the manufacturer, it provides exceptional strength and durability at a low weight, and it is available with some of the smallest minimums in the industry.

and resilient solutions. No building solution performs independently—each component of a building is connected with and complements other components. I expect that we'll see less focus on the resiliency of individual products, and more focus on how a system of solutions works together to add resilience to a structure." ➤



LEFT: TamlynWrap Rainscreen 6.3 and Rainscreen 10.1 from Tamlyn offer a non-compressible gap of 6.3 mm and 10.1 mm respectively. According to Tamlyn, these products may be used over standard WRBs, drainable WRBs, coated sheathing products, insulated sheathing and other substrates. The product is developed to provide vertical and horizontal ventilation with superior drainage and drying capabilities relative to mesh or furring strips and are easily installed without special labor or detailing considerations.

KNOW YOUR STUFF

Being able to explain to the customer how a given product reduces installation time and manpower needs, especially in light of a diminished workforce—a situation that existed before the COVID-19 outbreak but one that's been exacerbated by it—is key to being able to effectively sell product. It's about being able to explain to the builder how a product or system of products will ultimately benefit them as well as the homeowner. "LBM dealers will serve their builders well by focusing on how value-added, complementary products can help address efficiency, avoid costly call-backs, and ultimately improve the quality of homes," says LP's Craig Miles. "Dealers play an integral role in driving quality homebuilding as well as resiliency by promoting products specifically designed to address durability, weatherability and efficiency."

While it's easy to sell builders and homeowners products that deliver an immediate visual wow factor, when it comes to insulation and housewrap, product knowledge is key. Manufacturers agree LBM dealers need to be able to understand how products work and then be able to present options that help their customers deal with those aforementioned labor shortages while meeting building trends. "Labor is still an issue for the industry," says LP's Jeff Yelle. "Therefore, our focus remains diligent on finding ways to reduce cycle time and labor cost. Additionally, with industry emphasis on green and resilient construction and LP's portfolio of building solutions, we are very well-positioned to rise to the challenges ahead with a strong foundation of complementary building solutions."

Kimberly-Clark's Scott Tennison also stresses the importance of product knowledge and product value. "A lot of times, people will skimp on things they can't see and put more into the 'wow' features of the building such as appliances, fixtures or exterior cladding that make the structure beautiful. All of that is great, but you can't always look for the low-cost option on products that are designed to protect all of that."

"Builders need to understand the risk that they are taking when they don't use quality weatherization wrap and how using quality weatherization products can help protect the structure, their hard work and their reputation," he goes on to explain. "Don't cut corners or go for a fad that won't be around to protect you in the years to come."

ZIP System Products' Allen Sealock echoes Tennison's comments regarding the avoidance of fads and the importance of being able to explain to the customer the benefits of proven performance. "Builders are looking for a system that is readily available, affordable and has a track record of proven performance," he explains. "Builders also want a system that is customizable, with enough flexibility and variety to



ABOVE: ThermalBuck's ThermalTight System features the ThermalTight panel, a Neopor Graphite Polystyrene rigid insulation board with a multi-layered, vapor permeable Weather Resistant Barrier (WRB) laminated to the exterior, which the manufacturer says results in an easy-to-install insulated panel that provides the water, air, and vapor control layers for wall assembly. On each ThermalTight panel, the WRB extends 2" beyond the Neopor GPS foam board. This patent-pending flap is designed to eliminate the "reverse shingle" common with panels that require taping on top of seams.

adapt to different projects. 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."



LEFT: Kimberly-Clark's BLOCK-IT House Wrap features non-compressible technology that, according to the manufacturer, offers greater than 98% water drainage ability, which is one of the highest in the market, and is multi-directional to help keep the wall as dry as possible.

GOING VIRTUAL

In order to be able to provide all this product information, LBM distributors need to take advantage of the latest in training programs in order to best sell product features and benefits. “Education is key,” says Tamlyn’s Pascual. “The more dealers support education, training and jobsite support, the better products will be installed and problems mitigated. Dealers don’t have to do this alone. They can partner with suppliers to enhance knowledge across the value chain.”

ZIP System Products’ Sealock also stresses the value of education. “We know the relationship between manufacturer reps and lumber yard reps is key,” he explains. “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.”

And while education programs and product literature have been around for years, how that training is being implemented is changing. This isn’t to say that in-person training is going away. By following proper safety protocols and social distancing requirements, manufacturers continue to offer a wide array of on-site and in-store learning opportunities. But because of the impact of the COVID-19 pandemic, a good chunk of training is shifting from in-person to more virtual events and online resources. “We have done more virtual training in 2020 than in the past as we all work to keep safe and avoid large gatherings,” points out Kimberly-Clark’s Tennison.

And it’s not the only manufacturer that’s embraced virtual education. For example, Georgia-Pacific is releasing in early 2021 additional training materials for its ForceField Weather Barrier System to help LBM dealers and their customers understand the product and best installation practices.

LP recently launched its new LP SkillBuilder digital learning hub that features instructional installation videos on subjects such as how to properly install LP

SmartSide siding, including over integrated WRB systems or house wrap. The videos are offered in English and Spanish, and provide installation tips and tricks to increase efficiency and reduce callbacks.

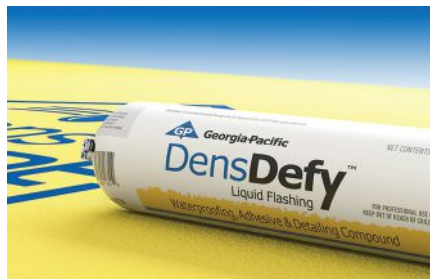
And in the case of ZIP Systems Products, it has transitioned its popular in-person Home Building Crossroads seminar series to virtual event webinars with well-known industry experts available at huberwood.com. “LBM dealers are a critical gateway to understand how these systems work and how the streamlined efficiency can add value during construction and long after,” says Sealock. “We encourage partners to check out our new huberwood.com website launched this year that was designed to get quick product information, as well as provide access to installation videos, product reviews and feedback mechanisms to ask technical questions, contact a sales rep or find a local dealer.”

So when taken as a whole, what does the future hold for insulation and housewrap? If a prediction can be made, it’s that the next twelve months will continue to bring a demand for products that offer increased performance while creating a healthier home.

As Jeff Yelle, director of technology for LP Building Solutions, explains, “We have seen great strides in our industry around sustainable practices and responsible forest management, stronger and more resilient building products, and solutions that provide added value to both the builder and the homeowner. In 2021, I anticipate continued focus on these areas, as well as building solutions and designs that take energy efficiency and performance to the next level.”

But if 2020 has taught us anything it’s that the unexpected can happen. But the successful LBM distributor will be positioned to deal with the unforeseen by staying at the forefront of education and product offerings. ■

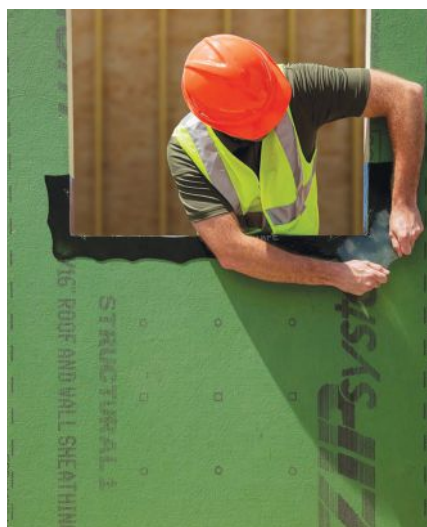
Michael Berger is the former managing editor for HANDY Magazine and has been writing about home improvement and construction for the past nineteen years.



ABOVE: Georgia-Pacific’s DensDefy Liquid Flashing waterproofing, adhesive, and detailing compound seals rough openings, penetrations, joints, and seams. According to the manufacturer, as part of the DensElement Barrier System, it creates a durable continuous elastomeric flashing membrane that bonds and cures even in wet weather.

ABOVE RIGHT: Zip System Products offers a variety of flashing options for its panels designed for difficult-to-flash areas such as pipe penetrations and roof valleys, including extended tape sizes with an enhanced formula that can be applied between 0 degrees and 120 degrees Fahrenheit.

RIGHT: ZIP System stretch tape (for use with its sheathing panels) is designed to stretch in all directions to mold to sills, curves and corners with a single piece. According to the manufacturer, the tape is made of a high-performance composite acrylic, conforms to challenging applications and locks out moisture even over mismatched surfaces.



EACH MONTH, HUNDREDS OF PRODUCTS AND SERVICES VIE FOR INDUSTRY ATTENTION. HERE ARE SOME THAT OUR EDITORS THINK WILL INTEREST LBM JOURNAL READERS.



Hy-Brid Lifts PS-1930

The new Pro Series PS-1930 from Hy-Brid Lifts is a 19' scissor lift, the tallest model in the Hy-Brid line. Features include non-fold-down rails and the company's LeakGuard system. With a platform height of 19' and a working height of 25', the PS-1930 is designed for a wide variety of uses including construction, maintenance, and other applications. The lift is said to provide additional height to users while still offering the same characteristics that have become hallmarks of Hy-Brid Lifts. With the new A92.20 standard, the railing heights are increasing. This is causing manufacturers to incorporate folding rails in order to fit through standard doors. Hy-Brid's approach allows the PS-1930 to fit through standard doors without fold-down rails. The PS-1930 is rated for indoor and outdoor use. hybridlifts.com



Simpson Strong-Tie's Quik Drive Cordless Kits

Designed to improve speed, reliability, and user comfort for a wide variety of fastening applications, the Quik Drive cordless system features quick-loading screw strips, precise countersink adjustment, and the patented Quik Drive auto-advance mechanism. The new Quik Drive cordless kits include a 2,000 rpm DeWalt driver motor with an adapter to connect Quik Drive systems for 20-volt cordless operation. Simpson Strong-Tie has also reduced the weight on extension tubes to offset battery weight. The Quik Drive cordless system is designed to be used for subflooring, decking, and other jobs requiring a high volume of fastener drives. Simpson Strong-Tie has released three Quik Drive cordless kits: the PRO300SG2 decking system, which drives fasteners up to 3" in length; the PRO250G2 subfloor system, which drives fasteners up to 2-1/2" in length; and the PRO200SG2 multipurpose system, which drives fasteners up to 2" in length. strongtie.com

CertaWrap Weather Resistant Barrier

CertaWrap Weather Resistant Barrier provides an added layer of protection against air and moisture damage and is part of the complete CertaWall Weather Deterrence System. CertaWrap Standard Housewrap is a coated poly woven fabric for use in housewrap applications. It controls airflow through the wall and protects against outside water from penetrating the exterior of a home. It's engineered to resist water while allowing water vapor to pass through and is stabilized to resist degradation. CertaWrap Premium Weather Resistant Barrier carries a lifetime limited warranty and CertaWrap Standard carries a 10-year limited warranty. certainteed.com



EverGuard TPO Quick Spray Adhesive

EverGuard TPO Quick Spray Adhesive from GAF is a sprayable, solvent-based contact adhesive useful for bonding smooth TPO membranes to various substrates. EverGuard TPO Quick Spray Adhesive sprays up to 10 squares (93 square meters) of coverage per canister, and according to the manufacturer allows for faster installation than traditional bonding adhesives. It can be applied at an ambient temperature of 20°F and above for cold weather application. gaf.com





NEW!

FlexFX Cable used with DekPro™ Prestige Sleeved Railing

FlexFX - Stainless Steel Cable Railing



Easy Installation

Works with Wood, Composite
& Metal Posts



Sleek Fittings

Sold Individually / 10 packs
Retail Packaging



Polished Cable

1/8" & 3/16" Cables
100' & 500' Spools



MoistureShield's new Cold Brew color

MoistureShield has introduced Cold Brew, a new color designed to be a warm and inviting medium-roast brown to its Vision capped composite decking line. With the addition of Cold Brew, MoistureShield's Vision now includes six natural colors: Smokey Gray, Spanish Leather, Sandstone, Cathedral Stone, Mochaccino, and Cold Brew. The new Cold Brew, along with Mochaccino and Cathedral Stone, offer the added option of MoistureShield's proprietary CoolDeck technology, developed to minimize heat absorption by up to 35% versus traditional capped composite boards in a similar color. According to the manufacturer, Vision's exclusive DiamondDefense Coating creates the strongest cap in the industry, resisting stains, scratches, and damage on impact. The deck boards are available in non-grooved square edge boards and grooved profiles for hidden fasteners, in 12', 16', and 20' lengths with fascia boards in 12' lengths. MoistureShield decking is backed by a 50-year transferrable structural warranty. moistureshield.com



ProVia Premium Enhanced Coloring System

ProVia's new Premium Enhanced coloring system involves the same steps used in ProVia's Enhanced process, with the addition of hand-selecting individual stones to receive specialized color, bringing out maximum depth and curb appeal. Premium Enhanced colors include Denali Ridge Cut (shown) and Niagara Terra Cut. Manufactured stone veneer collections can be used individually to add visual interest to a room or home exterior or blended to create a pattern and aesthetic unique to your home. provia.com



**RECRUIT.
RETAIN.
ROCK.**

HEADHUNTER RESULTS WITHOUT THE FEES?

Learn how you can work directly with Rikka Brandon, LBM Journal's Recruit + Retain Expert to build best-in-class hiring practices—without breaking the bank.

Join her FREE group for live streams, tips, and access to experts at:

www.facebook.com/groups/recruitandretain/

RIKKA BRANDON

RecruitRetainRock.com | 701.361.4239

RICK DAVIS IS... BUILDING LEADERS 24/7

ONLINE LEARNING DESIGNED EXCLUSIVELY FOR THE CONSTRUCTION PRODUCTS INDUSTRY

- Powerful Concepts in Sales and Leadership
- Cost-Effective to Produce Real ROI
- Recruit, Retain and Engage Employees
- Track User Progress and Success
- Training that Works!



CONTENT MESSAGING TO:

- Deliver a Better Customer Experience
- Make Salespeople Better than Your Competitors
- Optimize Operational Efficiency

SCHEDULE YOUR DEMO:

WWW.BUILDINGLEADERS.COM • 773.769.4409
RICKDAVIS@BUILDINGLEADERS.COM • ELLICE@BUILDINGLEADERS.COM

BUILDING LEADERS 24/7
CONSTRUCTION SALES



Ply Gem Home Design Visualizer

Ply Gem’s new web-based tool allows users to transform home exteriors using curated color and material combinations on their own home or using sample home images. The Home Design Visualizer was created to ease the uncertainty that often accompanies exterior color and material selection, the manufacturer says. Designed to be user-friendly, the tool gives contractors a way to guide homeowners through viewing personalized design ideas accurately and instantly. The visualizer also allows contractors to expand their own knowledge of color design, providing higher value to current and prospective customers. The Visualizer allows users to upload an image of a home or choose from a pre-populated library, representing a range of architectural styles. Users can then instantly mask over existing features with curated Ply Gem colors and materials, and toggle between before and after images. plygem.com/visualizer



Envision’s expanded Ridge Premium collection

Envision has added a new 20’ long square edge board and 16’ and 20’ grooved edge boards to its Ridge Premium collection of composite decking. The addition makes the collection ideal for more projects in varying sizes and skill levels, the company says. Crafted using Envision’s proprietary Compress Technology, Ridge Premium’s high-density cap and EverGrain Core are physically bonded together with heat and pressure to squeeze out air pockets and create a deep grain appearance. Ridge Premium is available in three colors—Black Walnut, Gunstock, and Vintage Oak. Companion skirting is available in all three colors. envisiondecking.com

SCHWEISS

DOORS

HYDRAULIC — OR — BIFOLD

ONE-PIECE DOORS STRAP LIFT DOORS

507-426-8273

SCHWEISSDOORS.COM

Premium Textured Concrete Sealant from DAP

The new Premium Textured Concrete Sealant from DAP is formulated with a textured finish designed to seamlessly blend with concrete, allowing users to achieve more accurate color matching to common concrete material. According to the manufacturer, the formula combines the extension recovery, elongation, and durability needed to properly move and flex with heavy trafficked concrete surfaces while providing a long-lasting seal that is resistant to cracking. The product can be applied to concrete, mortar, brick, metal, stone, stucco, grout, and textured walls. dap.com





1stWEST M&A has advised on the sale
of companies with a combined value of
more than \$1 billion.

With a focus on companies with \$10-\$100 million in sales, 1stWEST has a specialty practice serving the readers of LBM JOURNAL and the manufacturers and distributors that serve them.

Valuations have never
been higher

Contact us for a
no-cost, no-obligation valuation
consultation

Read our monthly column in
LBM JOURNAL



Contact: John D. Wagner | 919.796.9984 | j.wagner@1stwestma.com | 1stwestma.com

SERVING DISTRIBUTORS, MANUFACTURERS, AND LUMBER DEALERS

Home improvement spending continues to increase



THE YEAR OF THE HOME continues into 2021 as Americans spend significantly more time in their homes, they are spending more on home improvement.

“In 2020, we found, in our annual survey, the average home services spending for households who took on projects rose to \$13,138, an increase over 2019 survey results, where homeowners who did projects spent \$9,081 on average,” said Mischa Fisher, chief economist at HomeAdvisor.

“The year’s topline growth in spending and projects is a story of increasing costs of supplies, increasing cost of labor and homeowners shifting spending from things like entertainment and travel to their homes,” continued Fisher. “While the cost to do projects compared to last year did increase, we also found that homeowners were spending more as well. The acceleration of home buying this year and underlying drivers of consumer spending like shifting demographics, baby boomers renovating to age-in-place, millennials changing needs to raise their growing families, a greater cultural focus on home design and home entertainment, an aging housing stock and a shortage of new home construction—among many other fundamental factors—were already resulting in more spending on home improvement, home maintenance, and home emergency repair and also continued this year.”

Homes have always been important, but the once-in-a-century global pandemic has fundamentally shifted the relationship we have with our homes. Those factors, combined with a shifting range of needs for households as a result of coping with COVID-19, such as 27% more outdoor living needs, 40% more home entertaining, 50% more working from home, and 68% more home cooking, resulted in a shift in spending patterns, with 33% shifting commuting budget, 48% shifting vacation budget, and 52% shifting restaurant budgets into home services.

ADDITIONAL INSIGHTS INCLUDE:

- ▶ The top three completed home projects are bathroom remodels, interior painting, and installing new flooring.
- ▶ The top reason for home improvement spending was to make the home better suit lifestyle needs, 41% of all consumers surveyed. This stands in contrast to 2019, where the number one reason was to replace or repair damage, defects or decay, suggesting that COVID-19 is impacting people’s lifestyles.
- ▶ Despite strong spending trends, 30% of projects were not started or completed as result of COVID-19.
- ▶ 85% of Americans are spending more time at home as a result of COVID-19, with 67% spending significantly more time at home, resulting in 63% noticing more areas in need of improvement around their homes.
- ▶ 68% of people are doing more home cooking as a result of COVID; 52% have shifted some of their restaurant spending into home improvement projects; and a kitchen remodel is the most desired home improvement project, with 27% of people saying they would remodel their kitchens if given \$10,000 for home upgrades.
- ▶ 71% of people want to see COVID-related business updates from home professionals, and 73% say that knowing a home service professional shares COVID-related information and actively promotes safety measures will influence their hiring decisions.
- ▶ The number one reason for projects to go over time or over budget was products or materials taking longer than expected to arrive, with 24% of respondents listing this as the primary reason for delayed or over-budget projects.
- ▶ This report also found many generational trends, fueled by the onset of the COVID pandemic, including a focus on home services by millennials.

“Millennials are spending the most on home improvement projects,” said Fisher. “On average, millennial households spend or plan on spending nearly \$10,000 on home improvement projects in 2020. Homeownership rates for millennials have jumped significantly, especially as COVID-19 has reemphasized the importance of the home and many companies move to flexible work location options. Millennials are not only rapidly becoming homeowners, but they are also spending more on home improvement than any other generation when they do.” ■

















The report is informed by HomeAdvisor’s True Cost Guide, an online guide for homeowners to access real costs as reported by consumers for home projects, as well as results from an annual survey conducted among homeowners.

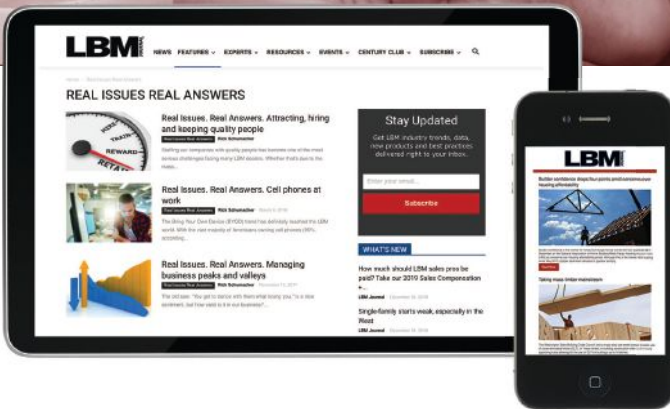
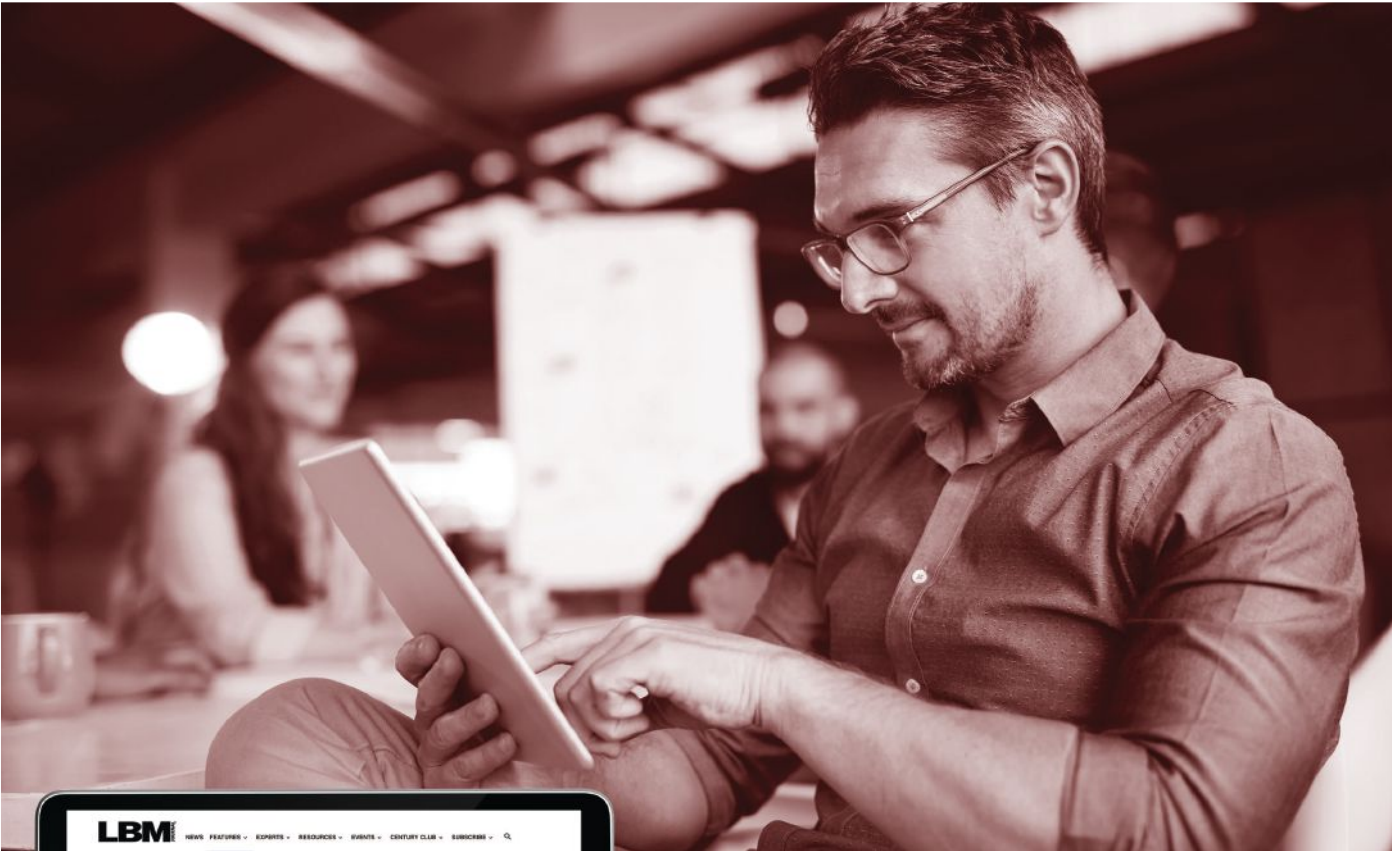
SUPPORT THE COMPANIES THAT SUPPORT NLBMDA YOUR NATIONAL VOICE IN WASHINGTON, D.C.



NLBMDA's Manufacturers and Services Council (MSC) members are leading nationwide and regional companies that supply products and services to lumber and building material dealers and regional chains. MSC members are also buying groups, cooperatives, and other for-profit and non-profit organizations. By supporting NLBMDA's important work on national legislative and regulatory issues, MSC members show their dedication to promoting and enhancing the success of independent dealers and regional chains.

IF LBM DEALERS ARE YOUR CUSTOMERS, THIS GROUP IS FOR YOU. FOR MEMBERSHIP DETAILS, CALL 202.367.2496 OR VISIT WWW.DEALER.ORG

 <p>Palfinger leads the country and the world in the innovation and sale of truck-mounted cranes and forklifts for the building materials industry.</p> <p>800-567-1554 palfinger.com</p>	 <p>PLM is the premier insurance provider for the lumber, woodworking and building material industries. Founded in 1895, by lumbermen, for lumbermen.</p> <p>800-752-1895 plmins.com</p>	 <p>For 70 years Ply Gem has been an industry pioneer and we continue to lead and innovate through our unique ability to create The Designed Exterior. This complete solution combines materials, colors and textures for dramatic curb appeal.</p> <p>919-677-4020 plygem.com</p>	 <p>For over 65 years, Seven D Wholesale has provided innovative purchasing programs and unparalleled customer service tailored to the specific needs of our customers.</p> <p>800-800-6894 7dwholesale.com</p>
 <p>Simpson Strong-Tie supports NLBMDA members with a full line of field-tested and code-listed structural products, a nationwide sales force and customer technical/field support and training.</p> <p>800-999-5099 strongtie.com</p>	 <p>As the world's largest manufacturer of high-performance wood-alternative decking and railing, Trex offers a full portfolio of beautifully integrated outdoor living products for creating a dream outdoor living space.</p> <p>800-BUY-TREX trex.com</p>	 <p>Whether your business is locally owned or in the Fortune 500, it will immediately benefit from discounts and cost reduction programs negotiated by the experts at UPG.</p> <p>801-784-8744 upg.org</p>	 <p>Weyerhaeuser offers leading structural frame materials, software and technical support for residential, multi-family, and light commercial under the Weyerhaeuser and Trus Joist® brand names.</p> <p>888-453-8358 weyerhaeuser.com</p>
 <p>Windsor Mill manufactures the WindsorONE Interior/Exterior wood trim line as well as a collection of historically accurate moldings.</p> <p>888-229-7900 windsorone.com</p>	 <p>In-demand products; Nationwide distribution; Tools for the business of EWP; Easy to do business with.</p> <p>800-232-0788 bc.com/ewp</p>	 <p>Envisioneer is an easy to use visual take off tool with vast POS integrations. It also includes design and visualization tools for the perfect business hub.</p> <p>888-223-7638 cadsoft.com</p>	 <p>Do it Best Corp. is proud to be the only co-op that fully supports independent retailers with over 67,000 products across every category.</p> <p>260-748-5392 doitbestonline.com</p>
 <p>ECI Spruce Computer Systems, Inc. innovates business intelligence for the lumber and building materials dealer industries with superior technology and service.</p> <p>800-777-8231 ecisolutions.com/spruce</p>	 <p>Epicor Software serves over 2,000 LBM companies with our business management software solutions. BisTrack software is the preferred choice of inspired LBM pro dealers and distributors.</p> <p>888-463-4700 epicor.com</p>	 <p>Total needs risk management, customized insurance coverage, face-to-face service.</p> <p>It's Our Business to Protect Yours®</p> <p>800-533-0472 federatedinsurance.com</p>	 <p>GAF has become North America's largest manufacturer of commercial and residential roofing.* Our success is a result of our pursuit of quality, industry-leading expertise and comprehensive roofing solutions.</p> <p><small>*Source: Fredonia Group study</small></p> <p>877-423-7763 gaf.com</p>



The new **LBM JOURNAL DAILY** e-newsletter is built for pros in the lumber/building material industry, delivering the latest news and insights on market trends, new products, sales and marketing tips and more into your inbox every business day.

This free daily e-newsletter complements the robust, recently reinvented **LBMJOURNAL.COM** website.

LBM JOURNAL is committed to using the latest technology to deliver information the way you want it: print issues, digital issues, daily e-newsletter, website, webinars, white papers, social media, and the live **LBM STRATEGIES CONFERENCE**.

Subscribe for free at **LBMJOURNAL.COM**, then browse, bookmark, share and interact with the most relevant and credible content and people in the market. Here's to building your sales, your business and your brand.

THANK YOU TO OUR PREMIUM PARTNERS



Do it Best Corp.



COMPANY	PAGE	PHONE	WEBSITE
Absolute Distribution Inc.	47	800.335.5909	absolutedist.com
Boise Cascade Engineered Wood Products	5	208.384.6161	bc.com
Boral Building Products	OBC	800.521.8486	boralbuildingproducts.com
*BRINC Building Products	16	888.814.2825	brincbp.com
*Carolina Colortones	13	800.948.4349	carolinacolortones.com
DMSi	19	402.330.6620	dmsi.com
Do it Best Corp.	31	260.748.7175	doitbestonline.com
ECI	IFC	877.521.1100	ecisolutions.com
Emery Jensen Distribution	11	866.681.1836	emeryjensendistribution.com
Epicor	7	800.999.1809	epicor.com
Grabber Construction Products	29	800.477.8876	grabberman.com
Huber Engineered Woods	1	800.933.9220	huber.com
*Manufacturers Reserve Supply	BB, 9	973.373.1881	mrslumber.com
*Rollex Corp.	9	800.251.3300	rollex.com
Schweiss Doors	50	507.426.8273	schweissdoors.com
Simpson Strong-Tie	3	800.999.5099	strongtie.com
Starwood Rafters	28	888.525.5878	starwoodrafters.com
Unified Purchasing Group (UPG)	21	801.784.8744	upg.org

*Denotes regional distribution.

Note: last-minute changes will affect the accuracy of this listing.
 IBC=inside back cover, IFC=inside front cover, OBC=outside back cover,
 BB=belly band, INS=insert, PB=polybagged, WP=white paper

ON-DEMAND IS THE NEW STANDARD

AMAZON DELIVERS PAPER TOWELS ON-DEMAND. NETFLIX DELIVERS MOVIES ON-DEMAND. UBER DELIVERS YOU TO YOUR DESTINATION ON-DEMAND.

THE BEHIND YOUR BACK PODCAST IS AUDIO THAT DELIVERS LBM-SPECIFIC IDEAS AND INSIGHTS ON-DEMAND.

FEATURING GUESTS FROM LEADING HOME BUILDERS AND DEALERS ACROSS THE COUNTRY, CONSISTENTLY SHARING THEIR THOUGHTS AND WISDOM.

IT'S LBM-SPECIFIC AUDIO—ON-DEMAND.

PERFECT FOR YOUR DAILY COMMUTE.

SUBSCRIBE ON ITUNES OR YOUR FAVORITE PODCAST APP

THE BEHIND YOUR BACK PODCAST

WITH BRADLEY HARTMANN

TO BUY OR NOT TO BUY...

BUYING A COMPANY IS A BIG STEP. BUT TO BUY A COMPANY DURING A PANDEMIC TAKES A LEAP OF FAITH. WHAT WOULD YOU DO?

With the longest, weirdest year in history finally in the rearview mirror, you're looking forward to a return to some semblance of normalcy. At this time last year, all indications were for smooth sailing, with a strong market for remodeling and new construction, no known shortages of materials, and persistently low mortgage rates. What could go wrong? COVID happened, then instead of disappearing like a miracle within the first few months as some promised, it lingered then spiked after Thanksgiving. Thankfully, the spike was met with news of not one, but two approved vaccines, which will hopefully be the nail in the coffin for this horrible virus.

While encouraged by that ray of hope, you and your team are still struggling to understand the street-level implications for your company.

The biggest decision you face is whether or not to acquire Crosstown Lumber, a strong local competitor that recently hit the market. You've talked with the owners, a savvy husband and wife team who've decided it's time to cash out, leave the business behind, and see the world. Located just over 10 minutes from you, their lumberyard serves a slightly different market (a 50/50 mix of pro and retail, while you're almost exclusively a contractor yard). Like you, they've got a loyal following and a strong reputation in the market.

There's no question that there are strong synergies between your companies, an opportunity for strategic growth, and for your company to become the undisputed leader in your market. While the price they're asking (6x EBITDA) seems high, you also know it's fair, and well within the margin of what similar companies are selling for. With all the M&A activity in our industry, consolidation happening at a pace you've not seen in your lifetime, and the fact that your company is well-positioned financially, most of your team views this as a no-brainer.

Hamlet, the senior member of your management team, is urging caution. "To buy or not to buy, that is the question. Whether tis wiser to stay our current course, and to court the slings and arrows of unknown fortunes. Or to take arms in a strategic purchase of a competitor. And by acquiring, end them."

Hamlet's not wrong. In normal times, buying a company is a big step. But to buy a company in this economy, when no one really knows what the future holds, is a leap of faith. Then again, it would turn one of your biggest competitors into an asset.

But it's well known that you're not the only ones thinking of acquiring Crosstown Lumber. If you don't buy them,



there's little doubt that someone else will snap them up. And once acquired by a larger company, you don't know how aggressively they'll come after your customers.

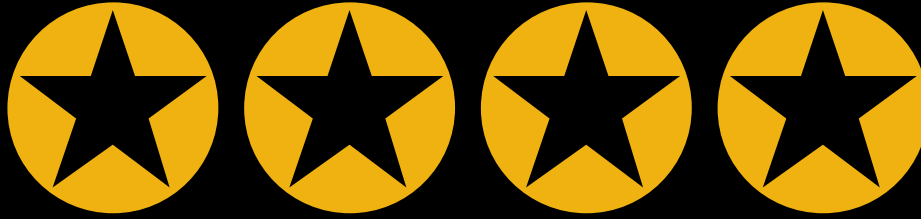
What would you do?

▶ CAST YOUR VOTE ONLINE AT: LBMJOURNAL.COM

- **BUY.** Do your due diligence, and if everything's in order, pull the trigger and buy your competitor. This takes them off the market and helps position your company for growth.
- **NO.** Our industry managed to have strong sales in 2020, but the pandemic is still part of our reality. With so much uncertainty, now is not the time to take on fresh debt.
- **WAIT.** Don't feel forced to move more quickly than you're comfortable. While this may be the right move, do it on your timeline. If someone else buys it first, so be it.
- **ROLL THE DICE.** Offer a structured earn-out. That reduces your risk as well as your initial cash outlay—but it's not as attractive to the sellers, who want cash. It's a gamble you may lose.

SOMETHING ELSE?

If you'd take a different plan of attack, email your suggested solution to James@LBMJournal.com. If we publish your reply, we'll send you an LBM Journal mug.



CONGRATULATIONS ARE IN ORDER

THERE'S NO QUESTION THAT THE ENTREPRENEURIAL SPIRIT IS ALIVE IN THE LUMBER/BUILDING MATERIAL INDUSTRY. A HEARTY CONGRATULATIONS TO **LBM JOURNAL'S 2021 DEALER OF THE YEAR** AWARD WINNERS.

2021 TIE

ANNUAL SALES: \$100 MILLION +

GANAHL LUMBER
ANAHEIM, CALIFORNIA

KEIM
CHARM, OHIO

ANNUAL SALES: \$50-\$100 MILLION

ZUERN BUILDING PRODUCTS
ALLENTON, WISCONSIN

ANNUAL SALES: \$10-\$50 MILLION

HAMILTON BUILDING SUPPLY
HAMILTON, NEW JERSEY

ANNUAL SALES: UNDER \$10 MILLION

KREMPP LUMBER COMPANY
JASPER, INDIANA

LBM JOURNAL 
DEALER
OF THE YEAR **2021**

SPONSORED BY

EPICOR



MAKE THE RIGHT CALL
**ALEXANDER
G. BELL**
CONTRACTING

“ **TRUExTERIOR POLY-ASH SIDING AND TRIM IS ONE OF THE GREATEST INVENTIONS I'VE EVER SEEN. IT DOESN'T WARP, CRACK OR SPLIT LIKE OTHER PRODUCTS. I'M CALLING ALL MY FRIENDS TO TELL THEM ABOUT IT.** ”

— Alex G. Bell, Alexander G. Bell Contracting

We've invented a new way to think about siding and trim.

TruExterior poly-ash siding was developed to deliver stability and durability, resisting the warping, cracking and splitting found in other products. If you're looking for workability and less maintenance with the authentic look of wood, you'll find it with TruExterior.

TruExterior.com

TruExterior[®]
Siding & Trim



BORAL
BUILDING PRODUCTS