

LBM JOURNAL[®]

STRATEGIES FOR LUMBER/BUILDING MATERIAL DISTRIBUTION PROS

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JUNE 2021 \$10 U.S.

IN DEPTH: ROOFING

DESPITE SUPPLY-SIDE CHALLENGES, THE ROOFING INDUSTRY IS POISED FOR GROWTH

REAL ISSUES. REAL ANSWERS.

SHOULD LBM DEALERS REQUIRE THEIR TEAMS TO GET VACCINATED?

‘JOES AND PROS’

IVEY'S BUILDING MATERIALS EMBRACES CUSTOMER MIX



JOSH JOHNSON, GENERAL MANAGER
IVEY'S BUILDING MATERIALS

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are the ones you don't notice



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Efficiency, offering the unique WindProven™ limited wind warranty, and making a great impression on customers: That's three ways new Timberline® HDZ™ Shingles protect what matters most to contractors and homeowners.

Find out more at gaf.com/layerlock

¹ 15-year WindProven™ limited wind warranty on Timberline® HDZ™ Shingles requires the use of GAF Starter Strips, Roof Deck Protection, Ridge Cap Shingles, and Leak Barrier or Attic Ventilation. See GAF Roofing System Limited Warranty for complete coverage and restrictions. Visit gaf.com/LRS for qualifying GAF products.

² Contractors enrolled in GAF certification programs are not employees or agents of GAF, and GAF does not control or otherwise supervise these independent businesses. Contractors may receive benefits, such as loyalty rewards points and discounts on marketing tools from GAF for participating in the program and offering GAF enhanced warranties, which require the use of a minimum amount of GAF products.

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High Definition Shingles



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LBM CENTURY CLUB HONORS 100-YEAR-OLD BUSINESSES

The LBM Century Club was founded on the simple belief that companies that have been around for 100 years deserve to be recognized. Launched in 2016, the LBM Century Club has grown to 171 members, with more coming in each month. In all, the companies have provided 21,501 years of combined service to their communities.

By no means does the LBM Journal's Century Club list include every 100-year-old company... at least not yet. That's where you come in. Do you work for, or know of a lumberyard or building materials retailer that is 100 or more years old? Send them our way, so that we can give them the recognition they deserve. Century Club members receive a certificate for their store, window decals for their front doors, free admission to the LBM Strategies Conference where they are guests of honor at a Century Club induction ceremony, as well as recognition in their local media, all free of charge. Nomination is easy! Just visit LBMJournal.com/nominate and answer a few questions. We'll take it from there. For a complete listing of LBM Century Club members, visit LBMJournal.com/century.

THE MOST RECENT INDUCTEES INTO THIS EXCLUSIVE CLUB INCLUDE:

BROWNSTOWN LUMBER Brownstown, IL	est. 1909	MCDOWELLS BUILDING MATERIALS Vinton, IA	est. 1864
CARHART LUMBER CO. Wayne, NE	est. 1921	OLDHAM LUMBER COMPANY INC. Dallas, TX	est. 1921
HOLMAN SUPPLY COMPANY Moultrie, GA	est. 1920	BETHEL MILLS INC. Bethel, VT	est. 1781
LAMB LUMBER CO, INC. Lake Placid, NY	est. 1919	LELAND L. FISHER, INC. Rockville, MD	est. 1894
MARCUS LUMBER Marcus, IA	est. 1920	RUCKER LUMBER INC. Boston, NY	est. 1921

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Attracting and retaining great people

WITHOUT A DOUBT the labor shortage is the biggest issue facing dealers that I talk to for our monthly dealer profile stories. Whether it's big city chains or one-store rural companies, dealers are having a hard time replacing an aging workforce. In this month's issue, two of our columnists share how embracing changing workforce and management philosophies can strengthen your teams and in turn, help you attract and retain good people.

First, Rikka Brandon tackles the necessary, but too often avoided topic of diversity, equity, and inclusion in our industry (page 26). This month's Recruit + Retain column follows up on a LBM Journal Recruit + Retain podcast episode featuring Rikka's guest Lekeshia Angelique, a consultant who helps companies embrace and retain a diversified workforce. "Why is it important for LBM dealers to be thinking about diversity, equality, and inclusion?" Rikka asks. Frankly, your business depends upon it.

Years ago, at an LBM Strategies conference, I think it was Thea Dudley who said our industry is "pale, stale, and male." You can't argue that. A recent survey completed by this magazine showed a mere 6% of LBM industry pros are female. We didn't ask how many were people of color or LGBTQ+, but I would bet that most folks would estimate that to be a fairly low percentage, especially among leadership roles.

If you're struggling to find employees, I encourage you to read Rikka's column. Establishing a company statement of inclusivity can make all the difference in attracting employees from underrepresented communities. It's not only good for your business, but also good for your bottom line. I believe we attract good people by being good people.

Of course, once a good person is hired it takes a good person to keep them there. That's where Russ Kathrein's column comes in (page 28). Chances are, if you're in a leadership position, you can relate to a line from the opening paragraph by Russ... "Sometimes successful leadership can be boiled down to giving people something that they have never had in their life—confidence."

I was especially intrigued by Russ's column this month because of a scene he sets in which a young man with a young family was having a difficult time balancing responsibilities and pressures from work and home. I could so easily relate to that young man. I saw myself in Russ's story, and I recalled how a newspaper editor many years ago allowed me to grow from a new reporter to take on increasingly more editorial responsibilities. My experience didn't follow Russ's story exactly, and that editor from years ago and I have since discussed how he showed me both what to do and what not to do as a leader. Still, I can't help but remember the good things he taught me and realize now that just as much as he was teaching, he was also empowering me, simply showing that he believed in me.

As Russ says, "I then stumbled on what I have found to be four of the most powerful words a leader can use... *"I believe in you."* That's what every good employee wants from a leader, and it's what every good leader has to offer.

In no way did Rikka and Russ intend for this synchronicity in their columns, but together I think the two have some darn good tips for recruiting, retaining, and nurturing quality employees for your team.



james@LBMJournal.com

— James Anderson
Editor



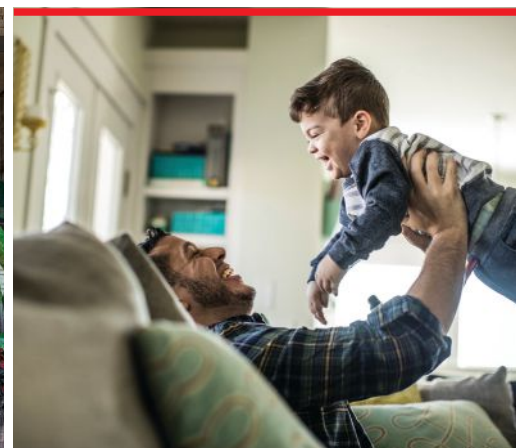
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UPDATES

PEOPLE

Gregg Argall is the new VP of national accounts at **BlueLinx**. **Dave Zelch** has been named Minnesota general manager.

Pennsylvania Lumbermens Mutual Insurance Company (PLM) has announced the appointment of **Timothy Callahan** as the new chairman of the board.

INDUSTRY

Cornerstone Building Brands has announced that its Home for Good project will provide \$525,000 in product and financial support to Habitat for Humanity through 2021. Country music superstar **Luke Bryan** has been named the Home for Good project celebrity ambassador.

RoyOMartin has announced a new production line for Eclipse OSB Radiant Barrier at its Corrigan, Texas facility.

DISTRIBUTION

SRS Distribution has opened nine new greenfield locations—eight within its Building Products Division and one within its Landscape Supply Division.

Tri-State Forest Products will distribute Silvermine Stone mortarless stone veneer.



ARGALL



ZELCH



CALLAHAN

MERGERS & ACQUISITIONS

UFP Industries has acquired **Endurable Building Products**.

PrimeSource Building Products has acquired **Nationwide Industries**, a provider of branded specialty hardware.

Cameron Ashley Building Products has acquired **Reserve Supply of Central New York**.

SRS Distribution has acquired **Arrowhead Building Supply**.

Cornerstone Building Brands has acquired **Prime Window Systems**.

CO-OPS / BUYING GROUPS

Bobby Chamberlain is the new LBM business development manager at **Do it Best Corp**. **Carolyn Rorick** has been promoted to LBM operations specialist.

IN MEMORIAM

Randy Skinner, former **Do it Best Corp.** board member, and owner of Tahlequah Lumber, Pryor Lumber, and Wagoner Lumber, passed away in late April.



SKINNER

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

NRLA TO BREAK FROM NLBMDA, PARTNER WITH CSA

The Northeastern Retail Lumber Association (NRLA) is parting ways with the National Lumber and Building Material Dealers Association (NLBMDA) and is partnering with the Construction Suppliers Association (CSA) to represent their membership on federal legislative and regulatory matters.

The partnership announcement was made on May 19, just two days after NRLA said it was cutting ties with the NLBMDA, stating “The decision was following a year of discussions resulting in NLBMDA adopting changes that were not aligned with NLBMDA’s or NRLA’s mission.”

The NLBMDA strongly criticized the decision of the NRLA to leave the organization, saying the decision “ignores the accomplishments of the past year, divides the industry, and reduces its political influence at a critical time... The NLBMDA has unique knowledge, credibility and depth that simply cannot be replicated by the NLRA’s idea of a third-party lobbyist. The entire LBM Industry will be better-positioned with the unified, credible voice of the NLBMDA.”

The CSA represents more than 320 retail locations in Alabama, Georgia, Louisiana, Mississippi, and Oklahoma. NRLA represents more than 860 retail locations in Connecticut, Delaware, Maine, Maryland, Massachusetts,

New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

NRLA Chair Lorraine Miner, said it makes sense for the organizations to work together. “We share the same goals, which is providing high quality federal legislative and regulatory services to our retail members. We share the same industry challenges,” she said in a press release announcing the event.

“We know that we are entering a challenging legislative environment for our industry, and the regulatory environment may be even more difficult,” said Jason Terry, chair of CSA and President of City Lumber, Huntsville, Alabama. “It’s critical that we have effective representation in Washington and that our representatives truly understand the industry and issues that affect us. This partnership with NRLA gives us something we have needed for quite some time.” NRLA President Rita Ferris said, “NRLA and CSA have enjoyed a mutually supportive relationship for many years. It is exciting to formalize the relationship and have an official partnership with CSA to provide outstanding federal legislative and regulatory services to our members.”

A press release from NRLA says that the partnership will form an industry-specific name for its advocacy efforts, and news of a rebrand is forthcoming.



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NLBMDA ANNOUNCES NEW LEADERSHIP TEAM

The National Lumber and Building Material Dealers Association elected its new leadership team during its NLBMDA Board of Directors meeting held on Friday, April 23.

The board has elected Jim Bishop, owner of Kansas-based Vesta Lee Lumber Company, as its chair. Bishop is replacing outgoing chair Bob Sanford, president of Sanford & Hawley in Connecticut.

“I am honored that the Board of Directors has entrusted me to be the next chair of the National Lumber and Building Material Dealers Association,” said Bishop. “The lumber and building material industry has been a part of my life since I was a young child and I am fortunate to be in a position to be able to give back to the industry that has been so good to me and my family. It is a difficult time in our nation and I

committed to serving as an ambassador to our great industry.”

Bishop has run his family lumberyard in Bonner Springs, Kansas since 1977. His father, Skip Bishop, started the company in 1946. Bishop grew up at the lumberyard and now enjoys working closely with his son, James, who together, continue to run the family business. Bishop has five grandchildren (so far) whom he looks forward to raising in the lumber business. Bishop says he enjoys giving back to his community, coaching his children’s sports teams, and volunteering as a Boy Scouts Leader. He has also served as the president of the Linwood Lion’s Club for the last 10 years.

“Jim has been an active NLBMDA and MLA member for decades and has a tremendous amount of knowledge and expertise in the LBM industry. I look forward to working alongside Jim and continue to move NLBMDA for-

ward,” said NLBMDA President & CEO Jonathan Paine. “I also want extend my sincere thanks tp Bob Sanford for his outstanding leadership and unwavering commitment over the last two plus years as Chair. Bob went above and beyond as he guided NLBMDA through some challenging times and it has been a privilege working with him.” Additional NLBMDA officers are:

- **Vice Chair:** Mark Zemrowski
Chief Operating Officer, Von Tobel Corporation
- **Immediate Past Chair:** Bob Sanford
President, Sanford & Hawley Inc.
- **Treasurer:** Sandy Zelka
Chief Financial Officer,
Curtis Lumber Company, Inc.

NLBMDA CONTINUES TO PUSH FOR SOFTWOOD LUMBER AGREEMENT

NLBMDA submitted written comments to the Senate Committee on Finance and House Committee on Ways and Means in May, urging the Biden Administration and Congress to prioritize and resolve the ongoing softwood lumber agreement dispute with Canada. Both committees hosted U.S. Trade Representative Katherine Tai for hearings on the Biden administration’s trade agenda for 2021.

NLBMDA called on Ambassador Tai to return to the negotiation table with Canada and sign a new Softwood Lumber Agreement that brings long-term certainty and stability to the lumber market. In addition, NLBMDA urged Congress to continue to pressure the Biden administration on the status of negotiations in the coming weeks.

While not the primary cause of price volatility, NLBMDA remains concerned about the impact trade barriers to a free market, such as duties, are having on the North American lumber market. Resolving the softwood lumber dispute is particularly urgent as our economy continues to experience far-reaching economic effects. According to estimates by the National Association of Home Builders, lumber prices have risen 300% since April of 2020 and the price of an average new single-family home has increased by more than \$36,000.

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Spanish American Interiors, Royal Palm Beach, FL

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Executive Vice President
Construction Supplier's
Association



RIKKA BRANDON
Chief Executive Recruiter
Building Curus



RICK DAVIS
Founder and Principal
Building Leaders



THEA DUDLEY
Credit Overlord
Pocket Protectors LLC



ROB EVERSON
Director National Accounts
Cameron Ashley
Building Products



BRADLEY HARTMANN
President
Behind Your Back
Sales Co.



DENA CORDOVA-JACK
Sr. Director, Leadership
& Talent Development
Kodiak Building Partners



CARL MOYERS
Director of
Human Resources
Parr Lumber



JOHN PERNA
President
Hamilton Building Supply



TED RIEPEL
Managing Partner &
Founder
1st West M&A



RICK SCHUMACHER
Executive Editor &
Publisher
LBM Journal



SHANE SOULE
President
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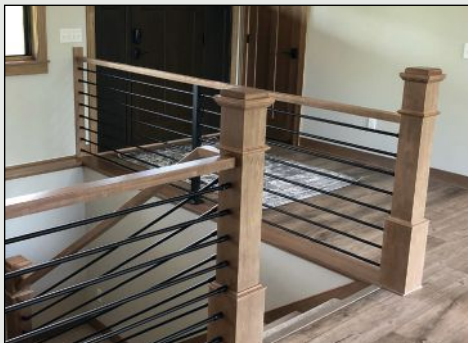




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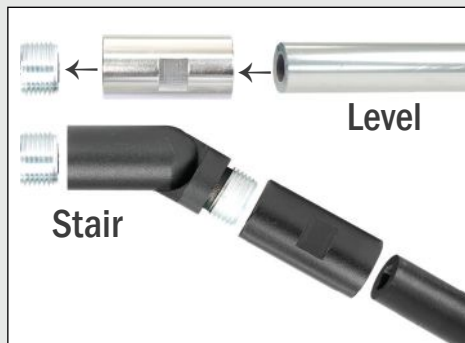
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HOUSING PRODUCTION SLOWS AS COSTS CLIMB

Housing production fell in April due to the increased costs of building materials that have priced out potential home buyers. Overall housing starts decreased 9.5% to a seasonally adjusted annual rate of 1.57 million units, according to a report from the U.S. Department of Housing and Urban Development and the U.S. Census Bureau.

The April reading of 1.57 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 decreased 13.4% to a 1.09 million seasonally adjusted annual rate. The multifamily sector, which includes apartment buildings and condos, increased 0.8% to a 482,000 pace. March housing starts increased 19.4%.

Overall permits increased 0.3% to a 1.76 million unit annualized rate in April. Single-family permits decreased 3.8% to a 1.15 million unit rate. Multifamily permits increased 8.9% to a 611,000 pace.

Looking at regional permit data compared to the previous month, permits are 8.4% higher in the Northeast, 9.9% lower in the Midwest, 3.9% higher in the South and 4.1% lower in the West.

The number of single-family homes permitted but not started construction continued to increase in April, rising to 131,000 units. This is 47% higher than a year ago, as building material cost increases and delays slow some home building.

BUILDER CONFIDENCE SURVEY SHOWS CONCERN OVER MATERIALS

Builder confidence held stable in May, despite growing concerns over the price and availability of most building materials, including lumber. The latest National Association of Home Builders (NAHB)/Wells Fargo Housing Market Index (HMI) shows that builder confidence in the market for newly built single-family homes is 83 in May, unchanged from April.

“Low interest rates are supporting housing affordability in a market where the cost of most materials is

rising,” said NAHB Chief Economist Robert Dietz. “In recent months, aggregate residential construction material costs were up 12% year-over-year, and our surveys suggest those costs are rising further. Some builders are slowing sales to manage their own supply-chains, which means growing affordability challenges for a market in critical need of more inventory.”

With labor and lot availability a challenge in many markets, Dietz cautioned that “home buyers should expect rising prices throughout 2021 as

the cost of materials, land and labor continue to rise.”

The HMI index gauging current sales conditions held steady at 88, and the gauge charting sales expectations in the next six months rose one point to 81. The component measuring traffic of prospective buyers fell one point to 73.

Looking at the three-month moving averages for regional HMI scores, the South rose one point to 84 and the West held steady at 90. The Northeast fell four points to 82 and the Midwest posted a three-point drop to 75.

TOUGH CALL ANSWERS

ANSWERS TO OUR APRIL TOUGH CALL SURVEY:

THE VERY EXPENSIVE COMPETITIVE EDGE

MATERIAL SHORTAGES AND RECORD-HIGH PRICES MEAN YOUR POLICY OF NO RESTOCKING FEES AND FREE PICKUP OF EXCESS MATERIALS IS COSTING YOU BIG. HERE'S HOW READERS WOULD HANDLE THIS TOUGH CALL.

SURVEY RESULTS FROM LBMJOURNAL.COM

4.2%

CUT COSTS. If free pickups and no restocking fee are your competitive advantage, you have no choice but to cut somewhere else.

44.2%

BOOST MARGINS. An across-the-board price hike won't fly, so determine which products aren't as price sensitive, and start raising those prices to help cover your rising costs.

18.2%

CHARGE LESS. Start charging for pickups and to restock inventory, but charge less than your competitors. That maintains your competitive advantage, and keeps you in business.

33.4%

STAY THE COURSE. Keep doing what brought you success. When things return to normal, you'll make up for the extra costs in increased sales volume.



UPCOMING EVENTS

AUG 9-11 LMC HARDWARE EXPRESS
VIRTUAL

AUG 16-27 ORGILL ONLINE BUYING
EVENT | VIRTUAL

SEP 7-10 FBMA CONVENTION AND
TRADE SHOW | Orlando, FL

SEP 27-30 DO IT BEST FALL MARKET
Indianapolis, IN | doitbestonline.com

OCT 13-15 LBM STRATEGIES
CONFERENCE 2021 | Boston, MA
lbmstrategies.com

OCT 21-23 NATIONAL HARDWARE
SHOW 2021 | Las Vegas, NV
nationalhardwareshow.com

NOV 15-17 EPICOR INSIGHTS LBM
USER CONFERENCE | San Antonio, TX
epicor.com

DEC 8-9 NORTHEASTERN RETAIL
LUMBER ASSOCIATION (NRLA)
128TH LBM EXPO | Providence, RI
nrla.org

FEB 8-10 INTERNATIONAL BUILDERS
SHOW | Orlando, FL | buildersshow.com

FEB 11-14 DO IT BEST SPRING MARKET
Indianapolis, IN | doitbestonline.com

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

BY THE YARD NEWS FROM LUMBERYARDS AROUND THE COUNTRY

Ward Lumber transitions ownership to employees

The employees of Ward Lumber have purchased the 130-year-old business as a worker-owned cooperative. The lumber products and hardware store, which has locations in Jay and Malone, N.Y. and employs more than 50 local people, has been in Jay Ward's family for four generations. Ward will continue his leadership role as the company's chief executive officer.

Lumberyards offer space for vaccine sites

Two lumberyards recently served as vaccination sites. Mid-Cape Home Centers in South Dennis, Massachusetts partnered with Dennis Chamber of Commerce, Dennis police, fire, and health departments to be a host site for a Covid-19 pop-up vaccine site. Also hosting a vaccine site was Douglas Lumber in Smithfield, Rhode Island, which partnered with a local wellness company.

US LBM acquires Higginbotham Brothers

US LBM has acquired Higginbotham Brothers, a building products dealer with 38 locations in Texas and two in Oklahoma. With this acquisition, US LBM now operates more than 320 locations nationwide. Higginbotham Brothers dates to 1881, when the company opened its first general store in Texas. A member of the LBM Century Club, Higginbotham Brothers is celebrating its 140th year.

Sunpro acquires millworking company

Sunpro, a lumber and building materials supplier in Utah and Idaho, and a 2019 *LBM Journal* Dealer of the Year, announced it has acquired Columbia Millworks, a high-end custom door and millwork supplier operating out of Vineyard, Utah.

Jack Mackin named president at Concord Lumber

Concord Lumber Corporation has named Jack Mackin as its next President. Tim Lancaster, who has been acting CEO, will stay on as a member of the Board of Directors, serving alongside David Perry, CFO, and Duncan Facey, former vice president of Forest Products at LBM Advantage. Ed Schatz will continue in his role as chairman of the board.



MACKIN

Hamilton Building Supply associate celebrates 40 years with company

Hamilton Building Supply has recognized longtime associate Joe Hendershot for celebrating his 40th anniversary with the company this May. Hendershot began his career in the lumber and building material industry with Hamilton at the age of 18 and has been with the company ever since.



HENDERSHOT

Lester Group names VP to lead building supply business

Kevin Silveira, former VP of sales at National Lumber Co., has joined The Lester Group as vice president.

Silveira, 52, is responsible for the five building supply stores The Lester Group operates in Virginia and for Fortress Door Company, an architectural door manufacturer in Fredericksburg.



SILVEIRA

84 Lumber honors top performing associates

Following a record-breaking year in 2020, 84 Lumber hosted its top performing associates from around the country for the company's annual awards banquet. The most notable awards of the night included the Manager of the Year Award, which went to Mark Olivani; Area Manager of the Year, which was given to Nick Boyd; and Rookie of the Year, which was awarded to Bailey George. This was also the first time in company history that all three sales award winners were presented to sales associates who reached over \$100 million in sales in one year. These winners include Matt Born (Gold), Dan Jones (Silver) and Chuck Frerichs (Bronze).

DEALERS, GOT NEWS?

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Q: With a number of factors such as supply and cost weighing on the market, what can lumber dealers expect from their treated lumber supplies moving forward?

A: Our entire industry has been challenged the past 15 months. What we are experiencing is unprecedented and due to many factors. These market conditions were not created by the lumber mills, by the trucking companies, or by your treated supplier. Overall demand has increased to a level which the supply chain has not been able to sustain.

Yes, COVID was and is a huge influencer to the increasing demand. Due to the pandemic, not only did focus shift to the consumer's DIY projects but we also are experiencing labor shortages, stimulus money to our consumers, lower interest rates and housing starts continue to climb. As demand continues at record paces, each supplier is faced with many challenges, yet we are confident in meeting our customer's expectations this year just as we did in 2020.

What some may not know is the southern yellow pine market has experienced an influx of inquiries due to other species not being available or priced even higher. Many are substituting pine for their needs which has created an even higher demand for a product which was crippled in 2020. Also, the trucking industry is experiencing huge driver shortages so far this year. Transportation issues are causing lead times to increase on a weekly basis. Lead times will continue to be extended until a resolution is found. This will be an ongoing concern for the remainder of the year.

Because of these two factors, along with the increase in normal demand, inventory is scarce and getting the treated lumber loads delivered is very difficult. The challenges we all faced last year have carried over to the new year with even more vigor. Yet our focus in 2021 remains the same as it does every year...on our customers.

Q: How has Culpeper responded to pandemic-related shortages of pressure-treated wood over the past year?

A: I know the question is about pressure treated wood because that is what we manufacture. Yet, these shortages are global and no product is immune. Many other products, both in our industry and others, are experiencing historical pricing and shortages. The supply chain across our world is burdened to say the least. To answer your question regarding pressure-treated wood shortages, we ended last year and entered 2021 not knowing what the future of our industry looked like. Last year saw tremendous strain put on everyone in the LBM business. We knew our customers were tired and stressed and we understood they would look to us for a solution.

Our initial focus was to increase our inventory levels at each of our plants. That was the big question mark last year and so we had to ensure we were starting strong. Due to trucking issues, we also have been working on securing a dedicated fleet. The driver shortage is not going away. So we wanted to have plans in place to assist with our customer's orders.



Jonathan Jenkins is the president of Culpeper Wood Preservers. With 12 locations in the Northeast, Mid-Atlantic, Southeast and Midwest, Culpeper is one of the largest producers of pressure treated lumber in the U.S. For more information, visit culpeperwood.com.

Also, we have placed a huge emphasis on communication. In uncertain times, it would be easy to hide, ignore phone calls and emails. Yet our team has done an amazing job staying committed. Our customers depend on us for real information and so we have sent out periodic updates addressing availability, market pricing and forecasted lead times. While these were not always easy to send out, we felt our customers needed honest answers so they could make the best decisions for their businesses. 2020 was hard. 2021 is proving to be just as difficult. Yet we firmly believe we will be able to supply our customers to the level they have come to expect from Culpeper Wood.

Q: Last year, your company greatly expanded and enhanced its website. How has the updated online presence affected the way you serve your dealers?

A: We all know the world is changing. More business is done online now than I ever thought I would see in my lifetime. Our leadership team knew we had to implement a new business model to expand our online presence. The new website was launched in July 2020 and the response has been overwhelming. Our goal was to provide a website which was informational and educational to not just our customers, but also their customers. We made a profound effort to leave the science out of it (because that is *our* job) and to relay the information which the homeowners need to know. Thru our new site, you can access product information, education resources including how-to videos, outdoor living inspiration and even customized playlists for any occasion. This is not just a site about pressure-treated wood. Culpeperwood.com encompasses the entire outdoor living realm.

Looking ahead at our online presence we realize the need for an e-commerce platform and are in the early stages of that design. The pandemic certainly reinforced the focus to the online world. Ensuring our company is on the leading edge has become a priority for Culpeper Wood. Our customers will see more coming from Culpeper Wood in the near future.

Q: If there's a positive to be seen over the past year, it's the rise in outdoor living business brought on by the pandemic. What can dealers do to help sustain their outdoor living category sales?

A: The outdoor living category has been on the rise for a few years. In the days of social media and HGTV, it seems we all want that picture perfect outdoor entertaining area. The best advice I can give is to continue to stay informed. Our product line is expansive and we encourage all our customers to talk to their salesperson to ensure they are aware of our offerings. We carry all grades and all treatments. Plus we even offer our very own Culpeper Plus and Culpeper Prodigy Decking to deliver the highest quality of pressure treated wood. In addition, we stock deck accessories and fence products to ensure the backyard dreams truly can be realized.

As the focus continues to be on outdoor entertaining, wood will continue to be the top choice among the majority of homeowners. Understanding the advantages of real wood will allow the consumer to reap the benefits. Affordability, appearance and versatility make pressure treated wood the most requested product in the outdoor living category. That has been the trend for years and will continue to be.

Q: Culpeper has always been known for treated lumber, everything from dimensional lumber to plywood and trim products. What's on the horizon for the company?

A: Our company has seen tremendous growth in the past few years. We started out with a single location in Culpeper, Virginia. Today we have 12 treating plants. Times have changed and I feel our company has been very progressive. We understand our vision must adapt to meet the needs of our customers. If it means we must stock the highest grades of lumber, we do it. If it means there is a need for marine or industrial treated wood, we find a way to offer it. If there is a need for large or specialty timbers, we find a way to source it.

Our customers come first and we evolve to satisfy them. Common words at Culpeper Wood are partnerships and relationships. We pride ourselves on being fully transparent and honest. In the good times and the not so good times. It has served us well but only because of the relationships our customers have with our entire team. The best customers coupled with the best team in the industry make for a very rewarding experience. I often dwell on the history of Culpeper Wood and the strides we have made but I'm also focused on our future and excited at the opportunities ahead. ■



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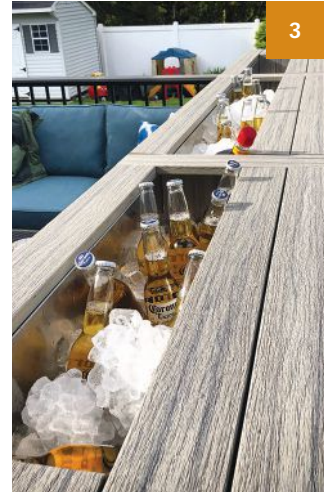


AWARD-WINNING DECKS

EACH YEAR, one of the most anticipated events among deck builders, dealers and manufacturers is the North American Deck and Railing Association's (NADRA) recognition of outstanding deck, porch and outdoor projects. This year, NADRA celebrated the winners of the National Deck Competition on April 22 in Clearwater Beach, Fla. Deck building pros from across North

America (and beyond) entered this 11th annual competition. Projects were judged by a panel of experts based on use of space, functionality, creativity, use of materials, and overall visual appeal. Of the many notable projects, pictured here are an assortment of first place winners. To learn more about NADRA, visit nadra.org.





1

COMPANY
 DBC Construction Ltd. | Mission, B.C., Canada
CATEGORY
 Open Porch

2

COMPANY
 Stone Ridge Decking | Meadow Vista, California
CATEGORY
 Limitless Creation \$50k - \$100k

3

COMPANY
 Premier Outdoor Living | Palmyra, New Jersey
CATEGORY
 Unique Feature

4

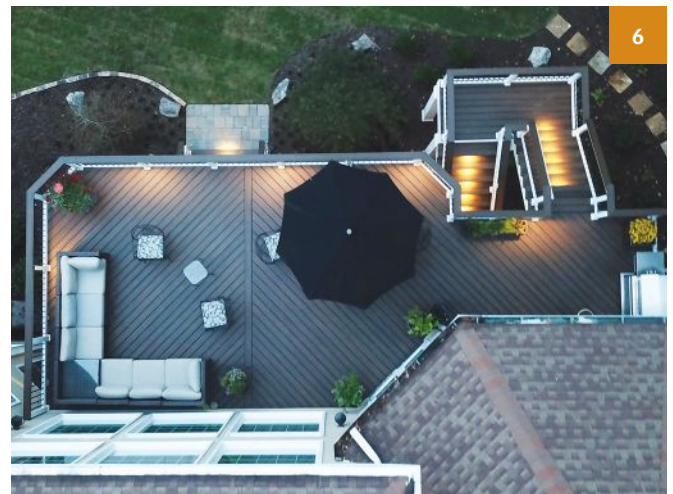
COMPANY
 Infinite Decks | Lakeville, Minnesota
CATEGORY
 Alternative Deck \$25k - \$50k

5

COMPANY
 LS Underground | Longmont, Colorado
CATEGORY
 Illumination / Wood Deck \$25k - \$50k

6

COMPANY
 Deck South | Marietta, Georgia
CATEGORY
 Alternative Deck \$50k - \$100k



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Many salespeople send a misleading message

BY BILL LEE

WHEN YOU MAKE a sales call on prospective customers, do you ever offer to show them a few prices to help convince them that your company is competitive?

When you sense that a prospect might be interested in doing business with your company, do you ever offer to do a full-blown material takeoff for them complete with prices and specifications?

Well, you have plenty of company. The most popular tactic salespeople use to get their foot in the door of a prospective account is to flash a few prices or to offer to do a detailed take off.

When you do share prices with your prospect, are you ever guilty of shaving a few points of gross margin off the prices in your price book to make your prices look more favorable than they really are?

If you answered yes to these three questions, don't feel too badly because this is the way many salespeople approach the possibility of adding a new entry to their book of business.

They are doing something else that is even worse for the long-term health of a new relationship. They are assuming that their service is equal to or better than the prospect's current supplier can offer. When you have lost customers in the past, was it more often because your prices were too high or was it because you or your company dropped the ball from a service perspective?

Patience is not a dominant personality characteristic for most salespeople. They jeopardize their relationship with prospects long before they ever become customers by trying to speed up the sales process by bending the truth or ignoring the importance of service integrity.

Rarely will salespeople ever develop a genuine relationship with customers who are doing business with them because of low-ball pricing. Unless your company's marketing strategy is to have the lowest prices in the market, you are shooting yourself in the foot by luring a new customer into your camp with a benefit you cannot maintain.

I suggest you change your sales strategy. Win your prospects over by patiently getting to know them and helping them to become more effective businesspeople who own and operate more profitable businesses. This is the source of long-term loyalty. Nine out of ten supplier reps who walk in their door or onto their job-site use price as a sales tool. So be different, bring your prospects tangible solutions to real life business problems they likely struggle with.

When I first became a salesperson, I also led with price. I would prematurely quote prospects largely because I didn't know anything else to say or do. I didn't know enough about business to use business acumen as my advantage. I assumed that all prospects used price as their primary criterion for selecting a supplier.

I felt pretty sure my prospects liked me, but I was not at all sure they respected me. In fact, looking back on what I knew about business at that time, I can't imagine that my prospects looked forward to my sales calls because at that point in my career, I hadn't learned enough about sales to speak intelligently about the ins and outs of business. I would kill time talking about sports before quoting a few prices and then move on down the road. Here are the words of wisdom that became my guidepost: "What I am to be, I am now becoming." ■



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

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There's no crying in lumber

BY RICK DAVIS

THERE'S NO CRYING IN LUMBER! You all remember the scene. The baseball player approaches the dugout and Tom Hanks, the has-been-sluggish-turned-manager, tells his player, "Crying? Are you crying?!? There's no crying in baseball!" There's no crying in lumber either.

There are no real lumber emergencies. Sure, there are a lot of contractors screaming and clamoring for attention, but is that really a bad thing? Nobody is dying and nobody is really getting hurt until they rush irrationally and sacrifice safety protocols. In other words, calm in the storm is the best approach.

Last month I suggested that it's time to leverage the moment. I reiterate the sentiment and would like to share a perspective this month on the "dire" news of the construction industry and why it is good for business. Every gray cloud has a silver lining.

Housing inventory is low. You have to live in a mud hut to not hear the dire news about housing inventories. In a previous *LBM Journal* report, we shared that 39% of all homes sold above list during a four-week period. Current inventory, normally hovering near a six-month's supply in the millions, is now at a 90-day supply hovering near 600,000.

The silver lining: This means that the market for new homes will be robust for the foreseeable future.

Product scarcity is surreal. Few if any industry veterans can remember a time like this in the past. The pandemic created caution to slow manufacturing and layoff workers. Oops! Instead, the industry boomed which created shortages of lumber, resins, drywall, metals, and just about every other commodity needed to build a home. This caused a ripple effect of soaring material costs.

The silver lining: There is little reason to reduce your margins at this time and ample reason to allocate resources to your most highly valued customers and prospects.

Lead times are surrealer. I figure if I'm going to use the word "surreal," I can invent a surreal new word (surrealer). The most profound example might be the window industry where lead times have soared to six weeks for the rare and most efficient supplier to six months for others.

The silver lining: You are not alone and a victim. Instead, you have the opportunity to distinguish yourself as a consultative partner by meeting with clients to schedule project needs well in advance to ensure they're in the manufacturer's production scheduling queue.

It is a lot more difficult today than it was during the last boom. The only reason we're not building houses at the 2005 rate is due to the shortage of materials. Demand for materials in 2005 was easily fulfilled and, truth be told, salespeople didn't need to be very skilled. I remember standing on a jobsite when a builder cussed at a salesman because of the sudden, dramatic rise in OSB pricing. After he got done yelling, he asked, "How soon can I get it?" In 2005, the answer was "right away." In 2021, it's not such an easy answer.

The silver lining: The current market conditions present a unique opportunity to truly differentiate your sales skills.

If you're too focused on the negative news, you're missing the big opportunity of a bull run...with caveats. In today's market, salespeople have to work on their planning, presentation, and negotiation skills. This is not a time for "order-takers" to wait for the phone to ring with the next emergency. It is a time to demonstrate the calm that others lack in a storm. It is a time to host regular dialogues with clients to set expectations and hold your margins as compensation for the good work you do.

The building industry is going strong and our only challenge is having to deliver difficult news with a smile as we reap record sales and profits. It's good to be in the LBM industry right now. There's no crying in lumber! ■



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

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Why diversity, equity, and inclusion are crucial for lumberyards

BY RIKKA BRANDON

2020 wasn't just the year of the pandemic. It was also the year when we finally started having long-overdue conversations about the importance of diversity, equity, and inclusion (DE&I) in the workplace. It's the year that many companies recognized their disregard for this important issue and started doing something about it. But we all still have a long way to go.

Why is it important for LBM dealers to be thinking about diversity, equity, and inclusion? By retaining and embracing a diverse workforce, organizations are better able to serve their diverse customers and communities, which leads to increased returns. Businesses with women in leadership positions, for example, see gains as much as 17% over those who do not.

How can LBM dealers work to make their workforce more inclusive of women, LGBTQ+, and BIPOC (Black, Indigenous, and People of Color)? On a recent podcast episode, I chatted with diversity, equity, and inclusion consultant Lekeshia Angelique, owner of Lekeshia Angelique Consulting. One of her foundations is to create spaces and places of belonging without the overwhelming worry of saying or doing the wrong thing. Her approach starts with putting empathy back in education to create culturally responsive leaders.

Here are some of her insights:

WHY ARE COMPANIES HESITANT?

Company leaders are overwhelmed by how much is out there, they're overwhelmed by seeing news stories of PR nightmares, and they're hesitant to say the wrong thing. So instead, they say nothing at all.

But saying nothing also says a lot—that you're not an ally, Lekeshia says.

So at the very least start by making a statement, one that is forward-facing on your website, is prominent in your company messaging, and is sent to employees.

WHAT ARE THE CONSEQUENCES?

The consequences can vary to something as large as an EEOC complaint, a costly lawsuit, or a public PR nightmare to the less tangible costs

of unhappy employees and disinterested job applicants.

Starting is essential, Lekeshia says. Waiting until you have a problem and being reactive decreases the chances of recovering from a mistake in the DE&I space.

WHAT ELSE SHOULD COMPANIES BE DOING?

1. Develop a strategic plan. When you're ready to immerse yourself in being a company that people really want to come work for, start with some analysis, Lekeshia says.

2. Know that it will require courage. It may make you uncomfortable or afraid to say the wrong things. "But don't back off at that point," Lekeshia says. "That's when you're on the cusp of really opening up your organization to being welcoming and inviting." People refer their friends to companies they like working for, not to companies they don't respect.

3. Make a space where people can show up as their authentic selves. Does an employee feel they have to hide a picture of their partner because they are afraid the company is not LGBTQ friendly? "No one wants to come to work hiding who they are," Lekeshia says. "If you can be who you truly are in the workplace, it opens up so much more for your organization to grow and have innovative ideas."

4. Get rid of toxic employees. Allowing a racist (or any other bias) employee to continue without consequence sends a message that those who are different are not welcome. "You need to cut those strings and cut them quick," Lekeshia says. "Because it's going to cost you 10 times more than whatever you're paying them to clean up their mess."

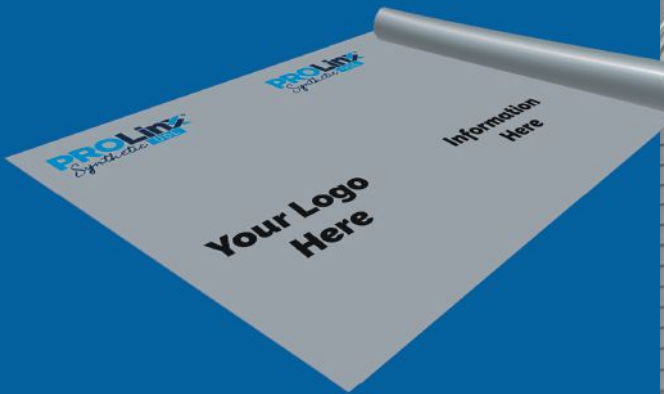
Understand that changing company culture is not an overnight process. But with intentional commitment and conversations, you can start to eliminate the glass ceilings that are holding your company back. Learn more at www.lekeshiaangelique.com. ■



Rikka Brandon is a leading recruiting and retention expert for the LBM industry. She's the CEO of BuildingGurus.com and founder of RecruitRetainRock.com where she helps business leaders solve their recruiting and retention challenges.

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I believe in you

BY RUSS KATHREIN

THERE ARE MANY BOOKS WRITTEN on how to motivate people and how to be an effective leader. There are also many techniques and leadership theories that attempt to get implemented, often without much success. Sometimes successful leadership can be boiled down to giving people something that they have never had in their life—confidence.

Now, we are not talking about incessantly handing out “atta-boys” to try to drive up people’s confidence. It means doing something for someone that we all want and even crave—believing in them and their ability to succeed. There are many people who will work for you who start each day waiting for something bad to happen or expecting to fail. That mindset reminds me of a classic Ziggy cartoon where he’s looking in the mirror and says, “It’s you and me against the world...Personally I think we’re gonna get creamed!” What about the body-conscious person who constantly makes self-deprecating remarks so he can beat everyone to the punch by insulting himself? People like that can probably do a great job, but they have conditioned themselves to anticipate failure, so they won’t be disappointed.

A successful professional golfer once said that he visualizes a successful shot before he takes his swing. Good salespeople will pump themselves up before they enter a sales call. Good presenters will think about the crowd hanging on their every word. This is what confidence does for people. It is a positive force that oftentimes pre-ordains success. The opposite of this is the golfer worrying about hitting the ball out of bounds, salespeople knowing that the customer will not want to hear what they have to say, or presenters being certain that they will be speaking to an audience of crickets. These negative thoughts can also pre-ordain something, and that is failure.

So, what if you were a person who has rarely known success? Maybe you grew up challenged

or were a late bloomer. Maybe your first job was a disaster and you have never been able to break out of that rut. Or maybe your last boss was someone who wanted to take everyone down with them when they started failing. You have become used to failing, or at least not feeling successful. There is a reason a sports team will break up the players of a consistently losing team. They are all so used to losing, they reinforce the act of losing with each other. Sometimes the addition of someone with a winning attitude, or someone who says, “I believe in our team,” can be the difference maker.

I was once managing a location that never made money. My yard foreman was important to our success since he is the one who had to deliver on all the promises my salespeople made. He was young and liked to scream a lot at his people. Things were not improving so I sat down with him to learn more about how he grew up and what his aspirations were. His parents were surprised that he graduated high school and didn’t have much confidence in his future. He moved out of his house and got married before he was 20. He had a kid, hated coming to work, and hated to go home. When I asked him why he hated to go home, he said it was because he was frustrated with his inability to get things fixed at work and he hated to come home to his family feeling like a failure. I then stumbled on what I have found to be four of the most powerful words a leader can use. I told him that I knew we would be able to get things turned around because, “I believe in you.”

The location’s performance did get better but the transformation in this individual was nothing short of remarkable. He stopped yelling. He embraced our computer system and started making procedures to use it the way it was intended. He was firm but patient with his people. And suddenly his people became fiercely loyal to him and then the company. They did not want to see either fail. ■



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

What to do with an Assignment of Benefits

BY THEA DUDLEY

Dear Thea,
Is an Assignment of Benefits of a life insurance policy exempt as an asset in bankruptcy? Our company took an Assignment of Benefits of a life insurance policy on our customer's company. The business is now dissolved, and we have an option to cash out the life insurance policy. If we choose to move forward and cash it out it is worth half of what the death benefit would be. If we wait, we can recover more of what is owed. However, if we wait and the customer files for bankruptcy at some point, would the trustee come after the life insurance asset if it is assigned to us?

To sum it up: Is it better/safer to cash out now or are we safe keeping the assignment if we decide to wait until he is deceased to receive the full death benefit amount?

— Assigned but not Signed in Sin City

Dear Assigned,
 When I was a kid, my dad would take me fishing. Not because I liked fishing or I was good at it—I was not; I didn't want to be the reason a worm died, didn't want to touch the creepy-feeling fish, and I have never been a fan of peeing in the woods. He took me because he said I was "lucky." Whenever he took me fishing, I always caught a ridiculous number of fish despite my efforts to avoid success. After a while, he would just hang out with me, waiting for the next fish to bite, coaching me on reeling it in, and then taking it off the hook for me.

During this time, he would attempt to impart wisdom in the guise of teaching me fishing. He used to say, "Jigging the fish is easy, after that you have to pull him in." Basically, the hook is in, now comes the hard part.

Same with your situation. How are you going to hook your customer and once you do, how do you pull him in? Without seeing the exact language of the assignment agreement, it is hard to give an opinion on that. If the life insurance is not property of the estate, then the bankruptcy would not affect your claim.

The challenge, and possible answer, may lie in your agreement. If the language of the assignment agreement does not clearly spell it out, and the life insurance policy is deemed property of the estate, you will lose out. Depending on what you find—or don't find—may influence your decision to cash out sooner instead of waiting it out.

One factor that you didn't mention, and I cannot be the only one who is thinking this: How long are you planning on carrying this debt on your books? With the business being dissolved and you holding the Assignment of Benefits, I am led to believe this is how the account is going to be paid. Which brings us back to the obvious: How long are you planning to have this account/debt on your books?

If you are not cashing out now, what is the expected timeframe for carrying this debt? Without flat-out asking how healthy your debtor is, this is the politest way to bring this issue to the forefront. Is the value of the payout worth the wait?

Before you think poorly of me, let me point out this is your question and situation. Someone has to ask the tough, unpopular, and even seemingly insensitive question.

After considering all the aspects of your dilemma, ultimately you will have to decide if you are going to "fish or cut bait" (oh come on, you knew that was coming). ■



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

Already have a buyer? Why even use an investment banker?

BY JOHN WAGNER

OUR INVESTMENT BANK will often get a call from a company that has just been approached by an acquirer. The selling company asks for our advice on pricing the deal, and for help with due diligence, documentation, and closing.

Traditionally, it is the investment banker's role to seek out the buyer—through the process of writing the Confidential Informational Memorandum (CIM) and outreach to a list of appropriate buyers. But often a company that hasn't even offered itself for sale gets a phone call to see if they are interested in selling. And that's what happened here.

What possible role can the investment banker play at that point in the process? Lots!

Here's how: After the investment banker has gotten financial statements organized and written the CIM, probably our most-important role is to advise on the *value* of the company for sale and the *structure* of the deal, especially to guard against "over-leveraging" of you, the seller.

With this seller, the acquirer was offering a multiple of EBITDA on the previous fiscal year's performance. For ease of math, say it was 6X \$2 million, for a total enterprise value of \$12 million. The seller was inclined to take it. After all, who turns up their noses at \$12 million?

We said, "Wait just one minute!"

You see, the fiscal year had ended three plus months prior, and the seller had put up solid numbers in the interim time. Our staff CPA immediately did a comparison of the 6X EBITDA for 1) last fiscal year, 2) last calendar year, and 3) Trailing Twelve Months (TTM), looking for the scenario to bring the highest deal value, since we knew the acquirer's multiple was 6X. We quickly found an additional \$200,000 in acceptable EBITDA with just a slight adjustment to the operative EBITDA examination period. With the deal going off at 6X, finding that \$200k lifted the company's value by \$1.2 million, a premium that more than paid our success fee twice over.

Then we asked to see the balance sheet. Turns out, our client was sitting on a pile of cash or cash equivalents; over \$1 million dollars. But the acquirer's offer did not make clear it was a

cash-free/debt-free deal. In a cash-free/debt-free deal, the seller gets to keep cash or cash equivalents. But that needs to be spelled out. Lacking that clarity, the buyer could have argued for claiming the cash or cash equivalents or a portion of them. We advised that the cash-free/debt-free deal structure be explicit in the Asset Purchase Agreement (APA).

Then there was the seller leverage. The acquirer was asking that the seller loan them part of the money to make the purchase. Crazy as that sounds, it's very common: A seller note. However, the interest, terms and duration of the note had to be negotiated, since they were overly onerous of the seller. We got that done too.

After getting the price higher, the cash reclaimed, and the seller note negotiated, we then went to work on two more essential parts of any deal: 1) Red-lining the APA, adding seller protections, and 2) Calculating the working capital peg, to make sure the seller wasn't leaving too much in the cash draw.

Finally, we served as a buffer between our client and the seller. The reason for that is crucial to preserving deal value. Here's why: Acquirers often want to talk directly with sellers and, for lack of a better term, sweet talk them with their vision for the company, how well they will treat the employees and protect the brand. Without being disingenuous, these gestures are often sincere, but it's the investment banker's unsentimental take on the deal that will ward off any softening on sales price that might come as a result of these conversations. Because, well, let's face it—at day's end, it's not about the vision, it's about the money.

With all of that settled, we moved ahead with traditional due diligence management, troubleshooting document requests, and managing third parties that are often involved, such as outside accounting firms.

Besides all that—and the resulting seven-figure lift in purchase price—who ever needs the services of an investment banker when they already have a buyer on the line? Maybe everyone. ■



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

A glimpse into the future

BY SHANE SOULE

AFFORDABLE housing is no longer affordable, and it's causing major issues in our economy. Something must change, and all the reasons why are playing out in front of us, one client at a time. Working against us is the fact that the United States is slower to adopt innovative construction practices. Americans in our industry have historically been skeptics who don't optimistically buy in to the market's latest innovative ideas. As a result, we've kicked the proverbial can down the road for so long that innovation is about to be forced on us in the graphical shape of a hockey stick. More investment than ever before is being poured into our industry with investors seeing big opportunity and low hanging fruit related to expanding efficiencies.

At a very high level I'd like to share some large impact possibilities we could see in 10 short years or less.

SINGLE FAMILY CONSTRUCTION

We all recognized that field labor is the biggest problem our customers face. The bad news is it will not get any better. One of the trending efforts to cut down the amount of labor hours in the field is to adopt more component-based construction. Roof trusses are being adopted faster than ever. In addition, panelized wall systems are finally proving themselves as framers seek to build more houses and earn more money.

10-YEAR LOOK AHEAD

- ▶ 75% of houses framed in one to two days with complete panelized packages including floor panels delivered to the site.
- ▶ Suppliers either provide component manufacturing or have found a specialty niche that larger lumberyards/component plants do not offer.
- ▶ Installation labor is mainly supplied by the supplier/manufacturer in a turn-key price.
- ▶ With the ability to offer insurance, benefits, training, and opportunity, these companies attract talent better than single labor crew owners.
- ▶ Installers will be some of the highest paid people in the company, which will help attract more people into the field.

- ▶ The old school way of a builder buying "sticks" from a lumberyard and hiring a framer to build the home will not be able to compete with the efficiency gained from an all-in-one solution that suppliers/manufacturers are offering.
- ▶ Potentially 25% of super custom homes continue being built the way we do now, but the majority of consumers will not want to pay the extra cost or wait the extra time to stick frame the homes.

OPERATIONS

Another large inefficiency in our industry is distribution. We are entering the age of *shared services*, and these are much more efficient than our bins and silos service model. Multiple companies now offer delivery-share services in larger markets, and they are growing. Besides that, they are getting funded by investors outside of our industry that see the opportunity to make an impact. These delivery service companies own the same fleets we do, but they act like Uber, taking delivery orders on demand through app-based technology.

This model allows for more efficient distribution with 40% less unloaded time. They make one delivery and then head to the next closest lumberyard to grab the next one. With more trucks in their arsenal and responding on demand, they will turn around orders even faster than we could with our own fleets.

We've managed the last 100 years with our biggest value-offering focused on just being the closest store to the project. Multiple companies on many corners offer the exact same products delivered to a site with very little differentiation or value added after the mill cut them down. That model is dying at a very rapid pace.

It's time to compete by adding a tremendous amount of value to the sticks that your competitors can't offer, or by becoming the absolute most efficient at getting the stick from the mill to the site while still offering the lowest cost. The future is coming into focus, and your three, five, or 10-year plans require open minds to change, and forward-thinking leadership in order to adapt, survive, and succeed. ■



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



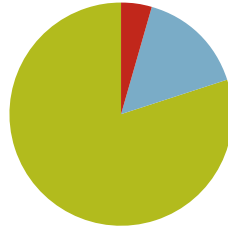
As COVID-19 vaccines became more widely available, an LBM dealer in Virginia reached out to *LBM Journal* asking whether or not companies in our industry were requiring employees to get vaccinated. As we do each month, we sent the question to subscribers who've opted in to receive our email communications, and have included here a majority of the 195 responses we received. Thank you, readers, for your insight into this understandably controversial topic. The question was short and sweet. The responses showed, however, stark division on the issue.

SHOULD LBM DEALERS REQUIRE THEIR TEAMS TO GET VACCINATED?

BY LBM JOURNAL READERS

DOES YOUR COMPANY PLAN TO REQUIRE EMPLOYEES TO GET VACCINATED FROM COVID-19?

■ YES: 4.6% ■ DON'T KNOW YET: 15.4%
■ NO: 80%



RESPONSES FROM LUMBERYARDS AND SPECIALTY DEALERS:

“We are leaving it up to each individual employee and their right to choose how they want to handle the possibility of getting the vaccination. We do not want to come across to our employees as pressuring them to do something they are not comfortable with at this time.”

“Neither I nor my business partner are getting the vaccine, so why would I expect my employees to? It's their choice as free Americans. If we were in the medical field, I might feel differently.”

“We're not forcing or requiring that anyone be vaccinated. That includes staff, vendors and customers.”

“This a really good question and I am afraid the answer will not be forthcoming until the issue is litigated in the courts. I personally believe that employers should encourage their staff to get the vaccine, but currently the flu vaccine is not mandatory as a condition of employment, so I really doubt that the COVID-19 vaccine will be either.”

“I do not think it is appropriate to require our employees to get vaccinated. Who knows what long term consequences could exist? If you let the state make those decisions then there is no possible liability.”

“No, we are not requiring employees to get them. We don't feel that is our place and the potential issues with mandating it outweigh the benefits. From what we know of many our employees already have gotten the vaccine already or plan to.”

“We will not require vaccinations. We suggest and make every effort to let people have time to get them, but many are wary. I'm not sure why, but they say it's too much government control. If they want to track me, they are going to be really bored.”

“Absolutely no. It's a possible HIPAA issue, and a violation of human rights. They hurt nobody but themselves or others who choose not to take the risk of the vaccine. Let it go.”

“Not everyone is convinced it's safe and/or effective. It is still experimental and is only being given under an emergency authorization.”

“We let our team and our customers make their own decision if they want to get the vaccine.”

“The more pressure that is applied to force people to get vaccinated, the more resistance there will be. If given the opportunity to make the choice, I think most people will eventually take the vaccine.”

“We are still considering options related to this. Initial thought is to require anyone that has been working from home to get vaccinated before allowing them to come back to work in the branches or offices.”

“We have provided 'COVID Pay' to those who've tested positive for the virus or had symptoms prior to testing negative. Now, however, with vaccines available that will be discontinued.” ➤





“If we could legally require everyone to get a vaccination at our workplace, we certainly would. However, I do not think that is an option.”

“We are encouraging our team to get vaccinated. I think everyone here has gotten at least one shot to date. It is alarming to see how many people are not getting the vaccine. Most people who are not taking it are buying into arguments that just are not true. Hopefully education will bring most people around.”

“This is only time vaccine have been put out to the public this quickly. No one should be forced to put something in their body that they don’t want to. We live in a free country, and we are losing our rights every day. Do you want to lose your rights? Do you like living in a free country?”

“Do you require any other vaccines for employment? Why would this one be any different? Last time I checked, we still live in a free country, and everyone is free to decide what vaccine they do or don’t want.”

“I’m using persuasion, and working it hard but respectfully, and I got the vaccine as soon as I could to show the way forward. We’re close to having 3/4 of our staff vaccinated.”

“I have 10 employees. Three got vaccinated. One had COVID last year. She got very sick after the first shot. The two men had little reaction. All three are 60+. We operate two stores, one in a town of 2,300, the other in a town of 575. I work in the smaller town, but we still have a lot of traffic in the store. We took very few precautions, only plexiglass over half the counter, stain stacked in front of the rest of the counter to maintain distancing. I never wore a mask; some of my employees did. I’ve had friends die from COVID-19. I’ve had friends with lengthy hospital stays from COVID-19. I’ve had friends test positive with no symptoms. I’ve gotten the flu and tested negative for COVID-19. I believe this vaccine is an individual’s choice.”

“No, we do not require it, but highly encourage it and we are giving additional COVID PTO days in case there is any negative reactions or need for the time.”

“Ask yourself, would you have considered requiring a flu shot? Susceptible people died from the flu too. There are treatments for COVID. There is a higher chance of surviving COVID than the vaccine being effective. It’s important to maintain freedom and personal choice. It’s not right for everyone and just because you get a vaccine, it doesn’t mean you won’t get the virus.”

“At this point we are not making our employees get the COVID-19 vaccine. That may change down the road, but for now we will wait and see what happens. The other question will be if they don’t get the vaccine and get the virus, then do you pay them for sick time?”

“Vaccination is a very personal choice. injecting something into one’s body is a risk I’m not willing to take responsibility for.”

“The team at our store decided individually that we would all get the vaccine when available, however we all think it is a personal choice and no one should be forced to take it.”

“We are strongly encouraging our employees to get the vaccine and I believe 98% of them will do so. The ones who refuse have the personal right to do so. I have seen a good number of our people say they were not going to get it, but when it became available decided to get vaccinated.”

“Vaccination is strongly encouraged, and paid time off is given to receive and recover from the vaccine. If not vaccinated, employees must continue with the precautions required as if the pandemic were still in effect.”

“Legally, I just don’t think it’s possible.”

“Factually, the current COVID vaccines have not been either tested for safety or for producing immunity to COVID-19. Two are not even vaccines but are genetic engineering products under any usual definition (before double-speak re-definition under the table). Given the facts, it would approach insanity for a business to try to mandate vaccination. Add the other wrinkle that since the two are not really vaccines, the government protections from liability will also not apply should one feel that they could be protective.”

“We had the same assumption and were also surprised to find out that not everyone would want one. So, while I have heard employers can require it, we will not require everyone getting the vaccine. Instead, we plan to incentivize those who do get their COVID-19 vaccination, ultimately making it their choice whether they want to get vaccinated or not. No pressure, no judgment.”

“These vaccinations are experimental. They have been proven but rushed through as emergency vaccinations.”

“Be careful! Your influence on an employee about medical purposes should be very limited due to possible future litigation. I strongly believe in the vaccine, but not all people think the same, and have not lived their life with the same thought as mine. Many people opt out of the influenza shot every year, but they are not forced to get one.”

“We set up a session with our local pharmacy to make it easy for our staff to get the vaccine. We are not requiring it nor providing an incentive. It’s a personal decision for all.”

“All I can do is set an example and encourage my staff to get a vaccine when they ask my opinion.”

“We are allowing it to be an individual choice. Many who are on the fence may move towards getting vaccinated when they are inconvenienced while trying to do the things they enjoy like sporting events, flying, entertainment, etc.”

“You cannot force a person to inject something into their body that is not FDA approved in order to continue working.”

“We require the vaccine for summer help and interns, but not regular employees. We offer employees paid time off for getting the vaccine, and a paid day off that is scheduled for the first business day after their second shot. We also try to counter misinformation about the vaccine with information from reputable sources.”

“The survival rate for this virus is over 99%, which means our natural immune systems are very capable of handling it. Very effective treatments are available for those who do get the virus. We believe in personal liberty and will in no way get involved in our employees’ personal health decisions. They can get it or not, we will all be fine.”

“We had enough of a battle and bad publicity making people wear masks in our store, we can’t afford to lose good workers on vaccination beliefs. We do require them to coordinate their shots with us, so we don’t have two or three people off the next day due to the after-effects of the shot.”

“Vaccination is a personal decision. Do your best to educate and encourage.”

“I believe more research needs to be done on these shots and better understanding of what they do and do not do. Making this a requirement is not something that would be acceptable.”

“We will not require our employees to receive COVID-19 vaccinations. However, we will encourage them to do so as vaccines become available and provide relevant information to help them make appropriate decisions for themselves.”

“Nobody should be forced to put something in their body that they aren’t comfortable with. Forcing someone to get vaccinated is taking away their freedom to make choices about their own body, which belongs to nobody but themselves.”

“I am strongly encouraging everyone to get a vaccine. I don’t feel that I can make it mandatory but am waiting to see more information as it becomes available on this topic. I want our employees to feel comfortable and safe working without a mask as soon as possible. We may make it mandatory to wear a mask if you do not get the vaccine.”

“Incentivize the employees to get vaccinated. Benefits such as extra PTO for vaccinated employees encourages greater vaccination rates among employees and allows me to move our business practices back to normal without looking like the bad guy. I don’t see it as my place to require a COVID vaccine any more than I require polio vaccination.”

“It’s optional if you want the vaccine you can get. You can’t have forced vaccinations. We are not Communist China, yet.”

“We are not requiring anyone to get vaccinated. To force someone to get a vaccine is taking away the right to choose.”

“Disease does not follow political ideology. As a member of society, we have to work as a team. Big Pharma doesn’t have a plan to kill everybody or put tracking devices in their body.”

“Like you, I am baffled by hesitancy to get the vaccination, despite large clinical trials and the vaccines’ safety records. However, there are people who cannot get the vaccine due to an underlying disability or religious conviction. Therefore, we are not requiring our employees to get vaccinated, but we are encouraging it. Our county health department came to our business yesterday and gave the one-dose Johnson & Johnson shot to any of our employees (and their spouses and adult children) who wanted it.”

“We have been very active to educate our staff on the facts of the vaccine. At this point we have 70% who have received the first dose.”

REAL ISSUES. REAL ANSWERS.

“Encourage social distancing and the continuation of masks. Only in high consumer facing businesses, grocery, assisted living, etc., would I consider a vaccine mandate.”

“Absolutely not! No mandatory vaccine... we are not a communist country!”

“Four out of seven of us have been fully vaccinated and we are hoping that general social pressure gets the other three. In reality, there is one who will not ever get it.”

“Our leaders are sharing why they are getting it, but not requiring it.”

“Each person who chooses not to get the vaccine knows the risks of getting COVID-19 and have weighed the risks. You do not ask applicants to give you a list of their life-long vaccines before you hire them; neither should you require it now. No employer should ever require a person to get any vaccines.”

RESPONSES FROM WHOLESALE DISTRIBUTORS, MANUFACTURERS AND SERVICE PROVIDERS:

“Would you require customers who enter your doors to have a vaccine? If not, I would really question mandating something upon my team members that I don't mandate upon others entering the building.”

“It should not be a requirement. That being said, you can encourage your employees by offering them an incentive for doing so. For instance at a previous employer, we were given a \$50 bill to participate in a free wellness program.”

“We are strongly recommending vaccinations and offering a small incentive (\$30) upon providing proof of vaccination. We've been advised that a more significant incentive could potentially open us up to a discrimination claim in the event that someone opted not to be vaccinated for religious or health reasons.”

“Get the vaccine. They are safe and more importantly good for the health of our society and business.”

“We are giving people a small gift card—\$10—as a token of our thanks to those who do get vaccinated.”

“It seems that requiring your employees to take an experimental drug that has no data on long term side effects would be illegal. Give them the opportunity to take it but don't make anyone do anything.”

“If you take the choice away, the person is no longer free.”

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“Why in the world would I infringe on my employee’s life choices? The same reason I oppose the vaccine card that you will see the present administration try and jam down our throat! Upset? Hell yes! Confused? We need intelligent people running this country, making common sense decisions, instead of politicians looking for a way to line their pockets. The government is the biggest threat to my business!”

“I think most public officials and many others have way overreacted to the pandemic. Those most at risk should be careful. The rest should move on with life.”

“Requiring someone to have a vaccine is invasive. If you start requiring that and putting stipulations on personal health, where do you draw the line?”

“I believe I read that in some states it appears you can do this. I believe federal regulation is uneven on this point. I might also point out the if you are a union shop your contract may come into play. I recently did an informal poll with our people and a third do not plan to get the vaccine. I was surprised by this. It was split about 50/ 50 on the question of making it mandatory. This info does not make the decision any easier.”

“We have a very small sales office staff, and doctors we know and trust recommended taking the Pfizer inoculation. So we did!”

“We are offering to help employees set up appointments to get their shots, but so far it is voluntary. I have considered offering a \$100 incentive for those who get their shots but have not implemented it yet.”

“It is a personal choice. Unfortunately, too many have been swayed away from getting the COVID-19 vaccine. Mandating it will likely backfire. You could give employees a choice between wearing a mask and getting vaccinated. More will choose the freedom that a vaccination would bring. History shows that vaccines work.”

“The vaccine is a trial; don’t allow your body or staff to be a lab rat.”

“We are considering adopting a European idea by inviting employees to tell us if they are vaccinated (response not mandatory). European retailers are posting color-coded signs in their windows, indicating if an establishment’s employees are 80% vaccinated (green), 60% vaccinated (yellow), or less (orange).”

“The vaccine isn’t 100% effective. The 100% is that if you do get it, it will not be deadly and symptoms will be significantly reduced. There is still risk with or without. Instead of requiring the vaccine, figure out a method that will encourage employees to participate. You could offer a free day off for anyone to get the vaccine or who already got the vaccine. It is always best to make it their idea.” ■

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

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‘JOES AND PROS’

IVEY’S BUILDING MATERIALS EMBRACES CUSTOMER MIX

There was a time when Josh Johnson was so ready to work for the family lumberyard that his father sent him to a Zig Ziglar sales training for a shot of inspiration before bringing him aboard. Josh was inspired, alright. So much that he announced he was starting up a rock band and bringing his high-school aged younger brother with him.

It was best, Josh says looking back, to get that out of his system before committing to Ivey’s Building Materials, the third-generation family business. So Josh, his brother, and a cousin (who happens to be a general manager of one of the Ivey’s locations) toured for nearly a decade as the band Tyler Read, opening for acts such as Shinedown, Chevelle, Fall Out Boy, and Puddle of Mudd.

While the road eventually led back to the hometown family business in 2010, the lessons learned along the way propelled Josh to a leadership role in the company.

“We were doing the DIY musician thing. We played VFWs, dive bars, trailer parks...it really taught me as a business person that I don’t need to be afraid of the bottom. We were at the bottom and grew from there. A lot of street smarts came from that.”

Today, Josh is the general manager at Ivey’s Building Materials, while his brother has since left to lead his own

construction company. Their father, Mitch, is president and CEO of the two-location lumberyard.

“As hard as it is sometimes with a mom and a dad in the business, I love it,” Josh says. “I have an hour-long conversation with my dad on most days, and I have really grown to appreciate that.”

FAMILY HISTORY

The company was founded in 1969 by Josh’s grandfather, Mack Ivey, as a sawmill in Logansport, Louisiana. Mack opened a second store in Mansfield, selling the original sawmill. At the age of 14, Mitch Johnson went to work for the company and took a liking to one of Mack’s daughters, who would later become his wife. When Mack Ivey passed away at a young age, his son-in-law, Mitch, led the company, patiently awaiting the arrival of his own children into the business.

When Josh and his brother returned to the company in 2010, they hit the ground running and within a few years a new location was opened in Haughton, Louisiana, a suburb communities of Shreveport and Bossier City. “The first store was in a small market,” Josh says. “Right off the bat I was thinking we should expand. We tapped into my grandfather’s vision to see the company grow.” ➤





IVEY'S



Mitch Johnson, president and CEO of the two-location Ivey's Building Materials in Louisiana with son Josh, the company's general manager.



‘JOES AND PROS’

The two Ivey’s Building Materials markets are fairly different, Josh says, which has helped the company remain diversified regardless of any fluctuations in the building or remodeling markets.

“We serve the Joes and the Pros,” he says, alluding to the everyday DIY customers along with the professional builders and remodelers. “One location is in a rural town of 5,000 and the other serves a population of about 60,000 within a five-mile radius.”

Josh says it’s an area where many independents have given up on the home center model, but “we’re too dumb for that,” and it has served them well. “I’ve come to love hardware,” he says. “During the pandemic, hardware was very resilient. People flocked to hardware stores and home centers.”



Josh tells the story of the early days of the COVID-19 pandemic when a builder came into his office and told him he had lost four bids. “I thought, wow...it’s going to get very ugly for all of us. Who could have predicted the surge in DIY business?”

While the majority of the company’s volume is still pro builders, Ivey’s definitely leaned on the support of new DIY customers during the pandemic. About 63 employees staff the two locations, almost evenly distributed between them. The company’s outside salesforce serves builders and roofing contractors, not limited to any subset.

“Our sweet spot is the custom builder who doesn’t get into really elite, high-end stuff, but a good, solid builder who does six to 12 homes a year,” Josh says.

While pro builders have long been the focus at Ivey’s, Josh says the company is able to pivot into product categories as their customers’ needs change. “In a rural area it’s whoever’s working that we can serve—it may be an oil field in need of railroad ties. You just need to find your way with what’s out there.”

WHAT’S IN STORE

The pandemic surge into home centers coincided with a significant hail storm in northwestern Louisiana. The combination of the two significant events, along with commodity inflation, created an incredible run in revenue for the company.

Josh says the challenge ahead is converting those customers to remain after the pandemic is over. “People are recognizing us and our strengths now, when they hadn’t even had exposure to us before,” he says. “We need to figure out a way to retain them and grow from here.”

About 63 employees staff the two Ivey’s Building Materials locations, almost evenly distributed between the stores. The company’s outside salesforce focuses primarily on builders and roofing contractors.

The trajectory of the company, Josh says, exists by-and-large due to open mindedness and following the best and brightest ideas in the business. Those ideas often come from other dealers in the industry who are willing to share their success stories.

“When I first got into the business, there was a group of guys in Oklahoma that sent a standing invitation to anyone who wanted to come in and observe their operations. They said they’d be an open book. I called them up and asked how many had taken them up on it and they said no one had.”

GET TO KNOW IVEY’S BUILDING MATERIALS

FOUNDED:	1969
LOCATIONS:	TWO
OWNERSHIP:	FAMILY
EMPLOYEES:	63
BUSINESS SOFTWARE:	EPICOR EAGLE
BUYING GROUPS/CO-OPS:	DO IT BEST ALLIED BUILDING STORES
TOP THREE BRANDS SOLD BASED ON REVENUE?	MALARKY ROOFING PRODUCTS YELLAWOOD ALLURA

Josh travelled to Clinton, Oklahoma to meet with George Browning and the team at Elk Supply. “They were as advertised,” he says. “It was an incredible experience. I was a sponge and I came out of the meeting knowing we had to change our POS system in order to grow.”

There are other dealers Josh has met with through the Construction Suppliers Association and through networking at Do it Best Corp. member-owner events.

“When you’re growing, certain new problems pop up that you’ve never had before. Somebody out there has the answer. Somebody can tell you how to attack that. For some organizations, it comes down to how fast you can get that information and how fast you can implement it and make changes.”

That doesn’t mean the Johnsons have visions of creating a national company, by any means. Rather, the goal is to be as optimized as possible in their current markets.

“I used to think 100 locations would be great. I’ve since seen the light,” Josh says. “I believe you have to continue to grow—the marketplace says you need to get better or you’ll be left behind. I believe growth is a necessity, but it’s about the right growth. Does it make sense in your life, your network, your family? We’re open to possibilities, but it has to remain within that balance. It has to make sense, and it has to be the right decision.” ■



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 

PERMA-BOOT FOR NEW CONSTRUCTION AND REROOFING PROJECTS

A new home would be more appealing not seeing white pipes penetrating the roof. Perma-Boot for new construction will help eliminate call backs for roofers and builders since pipe flashings are a very common spot for roof leaks. This could allow you to increase your labor warranty at least for the roofing aspect of the home and give you a leg up over your competitors.

Perma-Boot produces a 3-in-1 repair and flanged version model which can benefit leaving just one or two in the truck to do a quick fix. The product now fits 1.5", 2", or 3" pipes with one unit.

THE PROBLEM

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

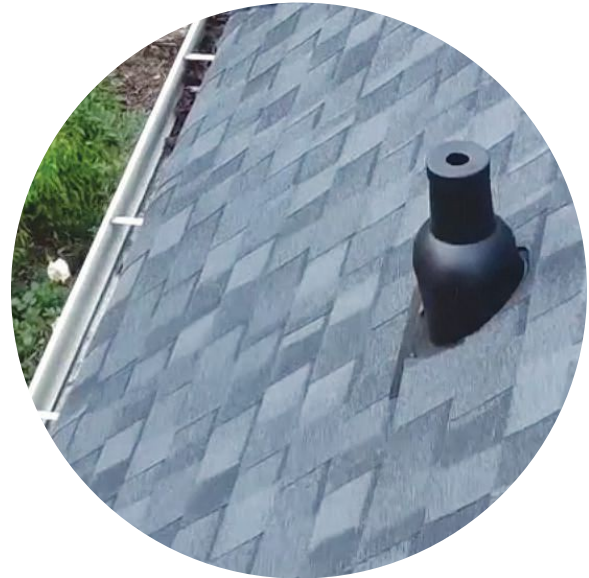
While modern roof shingles often offer a lifetime warranty, these rubber gaskets usually deteriorate in as little as 3 to 5 years. As a result, water begins to flow into the home causing damage to ceilings, interior walls and carpet.



Damage caused by conventional boot failure

PROBLEM SOLVED

Modern roofing systems demand modern flashings. Why install a temporary flashing on a modern roof with a lifetime shingle warranty? Do it right the first time by choosing the only pipe boot engineered to go the distance. The Perma-Boot is a gasket-less, high performance pipe boot system designed to permanently repair or prevent the most common type of roof leak, the leak around the vent pipes that penetrate the roof.




FEATURES

- Three in one product includes everything needed for the most common sizes (1.5", 2", and 3" vent pipes)
- Eliminates existing leaks and prevents new ones from happening
- Single best value in preventive maintenance for the roof
- Ideal for lifetime shingle installations
- Made of highly durable TPO—guaranteed for the life of the shingles



Contact a Perma-Boot contractor to learn how to add years of leak-free life to new or existing vent pipe flashings. perma-boot.com





**THE PROFESSIONAL'S
CHOICE FOR MODERN
ROOFING SYSTEMS**

**NEW
3 in 1
DESIGN**



**ULTRA HIGH PERFORMANCE
ROOF FLASHINGS**

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ROOFING

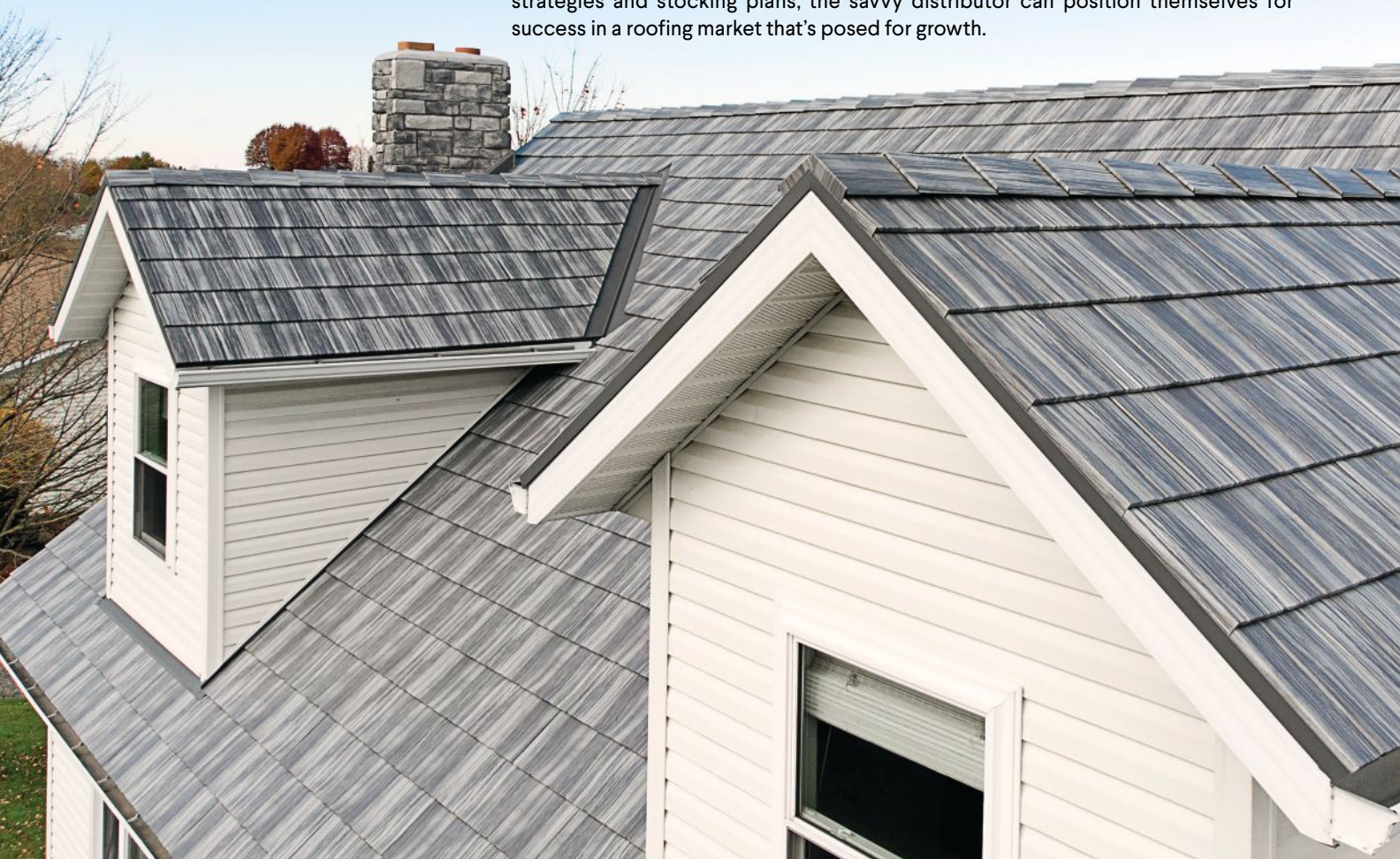
DESPITE SUPPLY-SIDE CHALLENGES, THE ROOFING INDUSTRY IS POISED FOR GROWTH.

BY MIKE BERGER

WOULD YOU BELIEVE ROOFING CAN LAST OVER 3,000 YEARS? In 1999 at an English excavation site called Must Farm near Whittlesey, Cambridgeshire, archaeologists unearthed a well-preserved Bronze Age structure complete with sections of its roof preserved in the clay. Scientists speculate a fire may have caused the building to collapse into a nearby river, thus preserving it for future generations to find.

It's doubtful that any roofing material manufacturer today would claim its products would last three millennia. Still, with advances in technologies and materials, today's roofing products deliver performance and longevity unheard of even a few decades ago. The trick, however, may lay in sourcing the products.

With upheavals in availability of raw materials due to the effects of the COVID-19 pandemic as well as lockdowns that have sidelined some manufacturers, it can be challenging for builders and remodelers to obtain product. Throw in an escalating demand by homeowners for remodeling during the pandemic, and the result is an environment that can be difficult at best for LBM dealers. Nonetheless, with proper strategies and stocking plans, the savvy distributor can position themselves for success in a roofing market that's posed for growth.



GROWTH AMID CRISIS

The global pandemic had just reared its ugly head when we last took an in-depth look at the roofing industry in 2020, and manufacturers were unsure what the coming year would bring. Would this be a quickly passing disruption or a long-term influencer on the market? Turns out, the effects would be even further reaching than the most conservative estimates at that time.

“COVID-19 has had far-reaching effects on a variety of industries, including the roofing industry,” says Matt Minchew, general manager of ZIP System Products for Roof Applications for Huber Engineered Woods, as he looks back over the last twelve months. “Since last year, the industry has faced rising prices, supply shortages and delayed jobs. COVID-19 also limited the number of workers on a build site for social distancing purposes and forced new safety precautions in order to help safeguard employees.”

But as the old saying goes, every cloud has a silver lining, and in this case, it comes in the form of opportunity for growth, both for manufacturers and for roofing contractors. “Progress has come in the form of innovation and in finding ways to quickly adapt,” says Huber’s Minchew. “Businesses and personnel connected to our industry have had no choice but to look at old processes and figure out how to save time, money and labor—all while increasing worker safety.”

Jeff Yelle, director of OSB/EWP research and technology for LP Building Solutions also sees positive growth over the next year. As he points out, “The roofing market tracks closely with new housing construction, which has shown tremendous growth over the past year and looks to have great momentum to remain strong through 2021.”

The numbers seem to bear out Minchew’s and Yelle’s comments. According to the “Global Roofing Market Report and Forecast 2021-2026” from Expert Market Research (a leading market research and business intelligence company), the roofing market in the U.S. attained a value of about

\$26 billion in 2020. And according to a recent report by Grand View Research, the global roofing materials market size is expected to reach \$151.2 billion by 2027.

“The entire industry is experiencing incredibly strong demand right now,” says James Durkin, senior vice president of steep slope systems sales for GAF. “As North America’s largest producer of asphalt shingles, our primary focus is to maximize our capabilities to manufacture and ship as much product as we possibly can to continue meeting our customers’ needs.”

All of this demand, however, has been difficult for manufacturers to meet due to challenges in the form of raw material shortages, increases in material costs, and disruptions of supply chains due to lockdowns and tariffs. “Pricing and lead times for raw materials have increased substantially since last year,” explains David Delcoma, product marketing manager for MFM Building Products Corp. “This has led many manufacturers scrambling to find suitable raw materials from other vendors both domestically and abroad. Some raw material suppliers have been affected directly by COVID-19 to the point where production had to be stopped all together or severely limited by COVID-19 outbreaks within their facilities. Another added point is that many manufacturers have doubled or tripled their orders to try and ensure supply of raw materials, which again, pushed the pricing up.”



ABOVE: Huber’s ZIP System sheathing and tape for roofs is an integrated panel system with sealed panel seams using an acrylic bond from the ZIP System flashing tapes. According to Huber, the combination creates a dependable, weather-resistant deck that can protect a roof from damaging water intrusion in the event high-winds blow off roof coverings.

LEFT: LP’s newest product launch is its LP WeatherLogic Structural I Rated Sheathing roof and wall panels. According to LP, these panels deliver greater cross-panel strength and stiffness for enhanced structural capacity.

OPPOSITE PAGE: ProVia’s new metal roofing combines the appearance of slate or cedar shake shingles with the durability of a galvanized, highly engineered steel roof system. The 26-gauge steel roofing is available in eight colors and is complemented with options for coordinating solid or decorative trim.

Still, growth predictions remain strong, as evidenced by new players entering the roofing field with new products. Case in point: ProVia. Long known for their doors, windows, siding, and manufactured stone, it has launched a new line of metal roofing, and the company is feeling enthusiastic about growth potential. “ProVia Metal Roofing is new in the industry,” explains Scott Lowe, sales manager of metal roofing for ProVia. “We introduced it in 2019, but we did have a good year in 2020, despite the pandemic. As with our other home improvement and remodeling products, we saw an uptick in sales because people were not spending money on entertainment or travel, plus they had stimulus money. So they invested back into their homes. Some of our roofers had their best year ever.”

RESILIENCY LEADS PRODUCT TRENDS

Setting aside the devastating effect of the COVID-19 pandemic, 2020 was one for the record books in regard to storms: a record-breaking 30 named storms and 12 landfalling storms hit the continental United States last year. Wildfires also took their toll, burning almost 9 million acres in 2020—that’s approximately 2.3 million more acres burned than the 10-year average and almost double the acreage burned in the 2019 season.

Because of these wild and uncontrollable factors, more homeowners are looking for roofing products that can deliver resilient properties such as wind resistance, impact resistance and energy efficiency, and more are turning to metal roofing as a solution. In a recent roofing industry study from The Freedonia Group, the U.S. demand for metal roofing is expected to rise 2.7% per year to 32.63 million squares by 2023. And according to its “Global Metal Roofing Market By Product Type, By Application, By Geographic Scope And Forecast,” published by Verified Market Research, the metal roofing market is predicted to reach \$20.39 billion by 2026.



ABOVE: MFM’s Roof Deck Tape is a 40-mil, self-adhering tape composed of a non-slip film coated with an aggressive asphalt-based adhesive system. The aggressive asphalt-based adhesive self-seals around roofing fasteners such as nails, screws and staples to maintain a waterproof barrier. Additionally, it readily sticks to plywood, OSB, rigid foam insulation, metal, and other common roof deck materials.

RIGHT: Perma-Boot’s new 3-in-1 roof boot eliminates the need for knowing the size of pipe. It consists of a 3" diameter Perma-Boot with two adaptors that accommodate 1.5" and 2" pipes. In addition, the inside wall has been extended to allow the product to fit pipes as short as 6".



“Metal roofing is really taking off,” says ProVia’s Lowe. “It has become the second most-popular roofing material, and stamped metal shingles are the new trend because homeowners love the hand-crafted appearance. Standing seam metal looks very industrial, but our embossed metal shingles replicate the look of real cedar shake and slate.”

This isn’t to say that asphalt shingles aren’t also responding to trending resilient design needs. “One trend we see is movement toward architectural shingles,” says Matt Manning, director of sales and marketing for Perma-Boot. “We feel that insurance companies are responsible for this trend. Architectural shingles have more resistance to wind, with higher wind rating, and more resistance to hail.”

As well, homeowners are looking for roofing materials that do more than shed water and deliver a long lifespan. Thanks to innovations in technology and manufacturing methods, shingles are able to deliver resilient benefits that weren’t possible just a few years ago.

“Homeowners are keeping products that combine premium performance with high-end design top of mind like our innovative Timberline HDZ shingles,” says James Durkin, senior vice president of steep slope systems sales for GAF. “We introduced WindProven, the industry’s first wind warranty for roofing shingles with no maximum wind speed limit, when installing GAF shingles with LayerLock technology and four qualifying GAF accessories, and added features that protect against the elements such as GAF StainGuard Plus technology featured in Timberline AH shingles that delivers time-released algae fighting power are rising in popularity as well.”

Let’s not forget what resides beneath the shingles; roof sheathing and underlayments are also responding to the growing trend of resilient design by creating products that work in unison to create that resiliency while offering efficiency in installation. As LP’s Jeff Yelle explains, “From a sheathing and underlayment perspective, the biggest changes we have seen are in offerings that combine these products

to provide a more holistic solution for builders, such as LP WeatherLogic panels, which feature an integrated, water-resistive overlay. The integrated wall and roof sheathing panel provides both air and water protection.”

Huber’s Matt Minchew also sees efficiency as key, and he explains how they are seeing a general trend towards products that can be more readily installed correctly and efficiently. “While there are numerous, viable products and technologies available today, translating this value to the homeowner in the form of a better performing or more resilient home depends largely on how well those products are installed,” he says. “Where ZIP System fits into this resiliency trend is as a sealed roof deck, which in essence means that even when ZIP System is exposed to heavy, wind-driven rain, the integrated weather barrier and taped panel seams prevent water entry into the attic. And while there are other ways to achieve a sealed roof deck, ZIP System sheathing and tape is the only warranted sealed roof deck system that meets FORTIFIED Roof resilience standards.”

SOLUTIONS ARE IN HIGH DEMAND

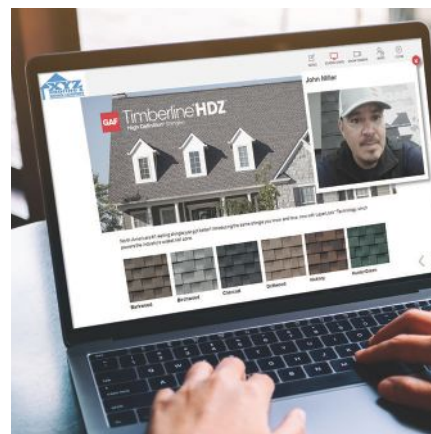
When it comes to what contractors and homeowners are looking for in roofing products, manufacturers agree that, as always, both customer bases are looking for products that deliver performance and longevity while being dependable and backed by a reputable manufacturer that offers strong warranty protection. “The key thing to focus on is longevity of products,” says Perma-Boot’s Matt Manning. “You want to make sure products are the best quality and are going to last.”

LP’s Jeff Yelle agrees with Manning and further explains, “Time savings, warranty and a portfolio of solutions are key drivers. Strong warranties can give builders and homeowners peace of mind that they’ll have fewer costly call backs for contractors. Builders gain additional benefit by working with fewer providers because they have one source for warranties. Furthermore, a portfolio of solutions means that the products were designed to work together, further supporting efficiency, quality and resiliency, so homeowners can feel confident in the craftsmanship and materials in their homes.”

If one accepts that most manufacturers are going to deliver on the above-mentioned needs, then it stands to reason there are other differentiators that drive the purchasing decisions. When a customer is considering one roofing material over another, they are constantly asking questions. What other unique features does a product possess? What installation efficiencies can a given product bring to the jobsite? These are the questions the successful LBM dealer needs to be prepared to answer by understanding product lines that deliver unique solutions and then effectively communicating those benefits to the customer.

As GAF’s James Durkin explains, “We’re focused on bringing new and advanced technologies to market that aim to provide the highest level of comprehensive protection while also helping to save their crews time. Builders are looking for products that allow for faster and more accurate installation. With products that provide this, like GAF shingles with LayerLock technology, builders and contractors may have fewer callbacks to jobs resulting in the ability to take on more new jobs.”

Craig Miles, LP Building Solution’s director of national sales and marketing, echoes Durkin’s comments regarding technology delivering benefits to the customer. “Contractors are seeking value-added materials that provide performance impact to homeowners,” he explains. “For example, roof sheathing such as LP TechShield Radiant Barrier installs like typical roof sheathing but helps block radiant heat in the roof panel from emitting into the home’s attic, reducing attic temperatures by up to 30° F. Homeowners continue to seek out energy efficiency in their homes. LP FlameBlock Fire-Rated Sheathing also helps safeguard homeowners in the event of a fire with flame-spread and burn-through resistance. This can ultimately translate not only to greater safety for homeowners, but potentially less property damage.”



ABOVE: Just recently launched, GAF Project is a digital selling platform for contractors that integrates a range of tools and, according to GAF, enables contractors to customize a consistent selling experience that is easy to use and accessible anywhere. It combines lead management and digital measurement tools with new 3D modeling, inspection, presentation, estimating, proposals, e-signature, and payments.

RELATIONSHIPS RULE

It’s a difficult time to be in the building and remodeling fields. “On one hand, demand is booming for new homes and appears to be poised for solid growth in the years ahead,” says Huber’s Minchew. “On the other, there are numerous dynamics to keep up with in the current environment. What we hear from builders is that they want products that last, provide tangible value to their homeowner, and are backed by service and support from their suppliers.”

Knowing that bottlenecks from material shortages and manufacturing delays can radically slow product delivery, it’s challenging at best for an LBM dealer to provide the innovative roofing solutions their customers need. But through proper planning and building of critical relationships with manufacturers, LBM dealers can become solution providers. “In this environment, it’s critical to plan long-term,” explains GAF’s Durkin. “Anticipating the needs of partners and customers with longer visibility—even three to six months down the line—can have a greater impact on the productivity and efficiencies of work being done together.” ➤

Relationships that LBM dealers build with their manufacturers' reps can be the difference between a reliable knowledge base who makes a sale while providing clear delivery expectations or losing a customer due to product unfamiliarity, unavailability, or unexpected delivery delays.

"We know the relationship between manufacturer reps and lumberyard reps is key," points out Huber's Minchew. "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. Research consistently shows builders look to LBM dealers for product education, to make economic tradeoff decisions and ultimately understand the pass-through value to their clients."

TRAINING IN A VIRTUAL WORLD

To be the effective resource that builders, contractors, and homeowners need in these constantly changing and challenging times, it's more important than ever for the successful LBM dealer to stay as educated as possible on their products and building methodologies. "Education is always the key to help the customer choose the right product, at the right price, for their building project," explains MFM's Delcoma. "The more familiar the LBM dealer is with how the products are used and installed is important. Manufacturers also must continue to give the dealers the tools needed for this education, whether that be technical literature, product demos and educational videos. Nothing has really changed here—education is key."

In this pandemic environment, traditional education and training re-

sources still exist with many options residing online and in print materials. For example, Perma-Boot offers instructional videos on YouTube and through its website and other social media channels along with printed literature and lightweight, portable countertop displays. Likewise, LP Building Solutions has created materials for its LP TechShield Radiant Barrier that demonstrate the energy impact a radiant barrier can have on a home to better equip dealers with the information they need for builders and contractors.

For some manufacturers, the pandemic has meant a temporary halt to their training. Others, however, have shifted to virtual experiences. For example, this past year, GAF held virtual training events and on-demand webinars through its Center for Advancement of Roofing Excellence (GAF CARE) for more than 23,000 attendees. As well, it also launched the GAF PRD Learning Academy, a platform that provides access to courses designed to deepen the PRDs' professional knowledge in easily consumable 10-15 minute modules.

"We had incredible success with our virtual programs and we're looking forward to taking learnings from these experiences and continuing to incorporate them into our programs," says GAF's James Durkin. "We know the value of in-person meetings, but the opportunity to grow the virtual experience through the foundation we've established is exciting and we look forward to integrating our efforts on both fronts into a hybrid model in the future."

In the case of Huber, it has moved its popular Home Building Crossroads seminar series from in-person events to virtual event webinars with well-known industry experts. "We encourage partners to check out our new Huberwood.com 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," explains Huber's Minchew.

And for ProVia, it has taken a unique approach by sending highly skilled, experienced trainers to instruct installers on their first job with a ProVia metal roofing system. "We've had a certified installer training program since the launch of the product," explains ProVia's Lowe, "but because of COVID, our customers weren't able to attend many of those in 2020. So we realized the need and committed to having our trainer on the first installation job for our customers."

If the past twelve months have shown us anything, it's that uncertainty is a real and pervasive challenge. Rather than being a here-and-gone event, the COVID pandemic has proven to be a tenacious disruptor of both manufacturing and supply chain. But the building and remodeling environment that's emerged from it has proven to be one filled with opportunity. Roofing manufacturers have used the past year to invest in new processes, products and training programs, and they continue to look for ways to better partner with their distributors.

It's the successful LBM dealer who will be the one to take full advantage of those partnerships to leverage innovation, education and communication during this potential growth period to find the wins for themselves new solutions for their customers. As Huber's Matt Minchew puts it: "In addition to the strength of the new housing and remodeling markets, it's been reported that homebuilders have been more amenable to trying new products during the COVID-19 pandemic. Together, we believe these factors bode well for growth over the next 12 months." ■

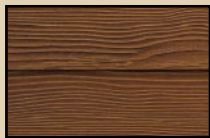
Michael Berger is the former managing editor for HANDY Magazine and has been writing about home improvement and construction for the past 20 years.



Nichiha Sierra Shake - Barnboard



Natural Cedar



IPE



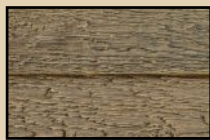
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Cypress



Charwood



Emerald



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



Simpson Strong-Tie's Decorative Post Base Wrap

Simpson Strong-Tie has announced the addition of a new Decorative Post Base Wrap to its Outdoor Accents line of code-listed wood connectors and fasteners. Designed to provide contractors, designers, homebuilders, and DIYers with the essential hardware for incorporating both beauty and strength into any outdoor living space, Outdoor Accents connectors and fasteners are engineered to deliver the flexibility to build a wide range of custom outdoor spaces. Fabricated in black composite, the post wrap features the arched profile of the Outdoor Accents Mission Collection style. The four-piece cover screws together outside the post base (screws included), and there's no need to drill into the post. strongtie.com

Cascade Signature Cut shingles from PABCO Roofing

The PABCO Roofing line of Cascade asphalt shingles is said to be the only diamond-shaped roofing product available today. Cascade shingles come in four colors designed to honor the style and heritage of historic homes. According to the manufacturer, the shingles meet the UL790 Class A Fire Resistance Standard, offer a Limited Lifetime warranty, and feature Algae Defender. pabcoroofing.com



LP Legacy Sub-Floor Adhesive

LP Legacy Premium Sub-Floor Adhesive is engineered to help increase a sub-flooring's stability and strength while preventing squeaks. Designed to work in tandem with LP Legacy Premium Sub-Flooring, this construction adhesive for sub-floor creates a tight seal in small gaps between panels and supports and helps establish a stable and strong sub-flooring system. According to the manufacturer, LP Legacy Premium Sub-Floor Adhesive is a gun-applied, fast-curing, 100% solvent-free PU collapsible foam adhesive. lpcorp.com



American Building Components Metal Panels

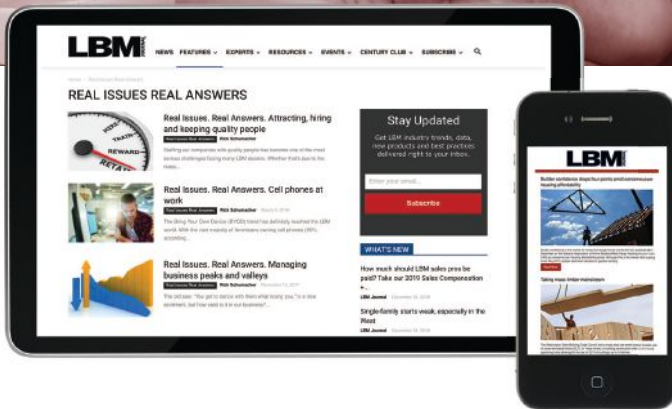
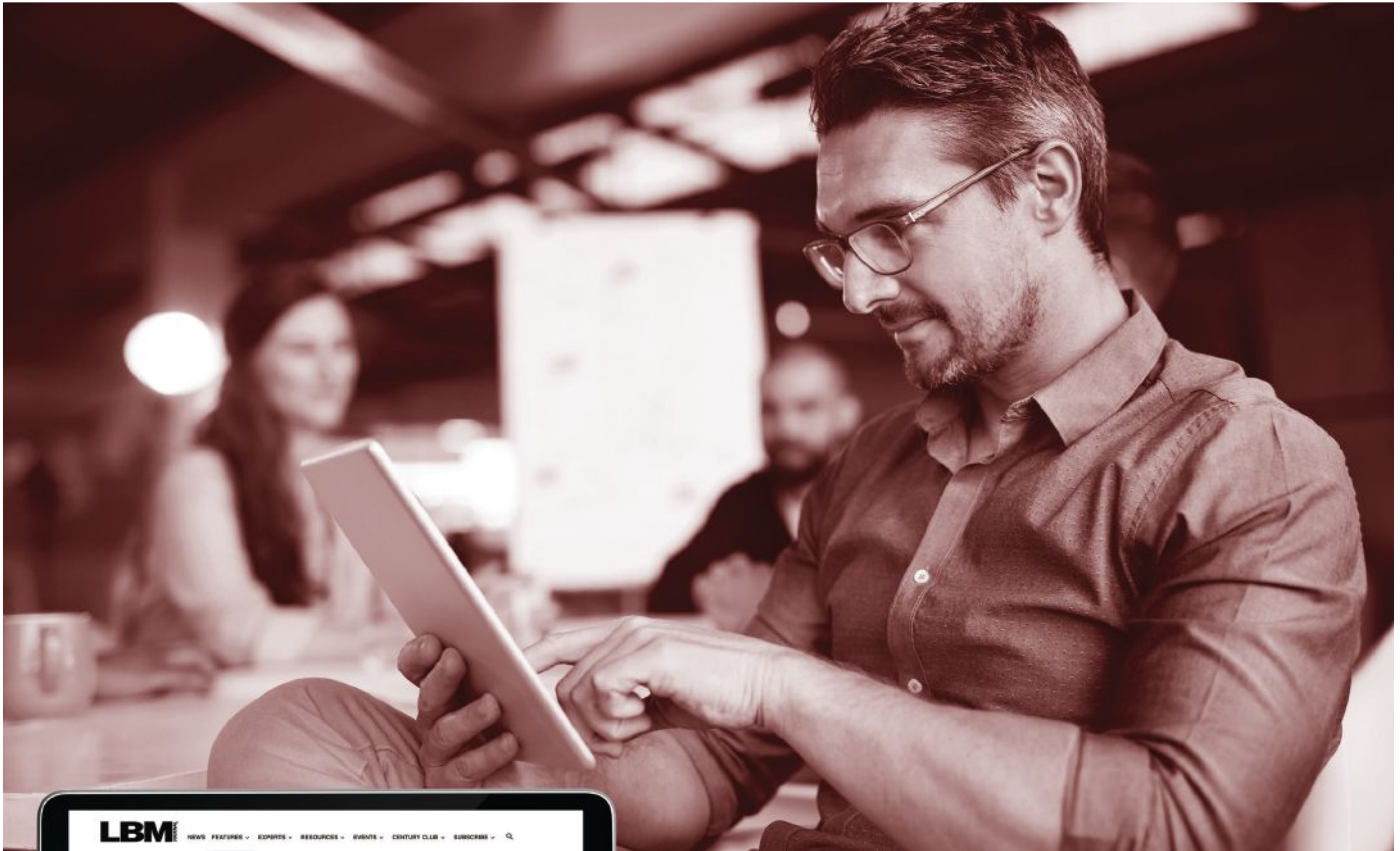
American Building Components metal panels are designed for use with agricultural buildings, including those that house livestock, such as cattle, hogs, and poultry. Engineered to be durable and offer flexibility in design, buildings made from these panels are said to be functional as well as aesthetically pleasing. Noncombustible and hail resistant, featuring a Class 4 rating, the panels can withstand high winds and heavy snowfall. The panels are resistant to damage from termites and other insects. abcmetalroofing.com



Palram's PALIGHT Trimboard

Available in a wide range of widths, lengths, and thicknesses, PALIGHT Trimboard consists of a line of free-foam PVC trim products including bead boards, corner boards, decorative mouldings, milled trim, standard trim profiles, and column wraps. Said to be the industry's only true reversible woodgrain/smooth trim, PALIGHT trimboard is available with EverClean Protective Film included on both sides. The laminate design eliminates ink transfer to other boards, unlike some competitors' films and is said to expand 23% less than competing trim boards. Available with a 30-year transferable warranty. palram.com





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ZEEL by ODL

ZEEL is designed to provide an alternative to costly flush-glazed doors with all the benefits of a versatile frame system. Its low-profile and customizable frame is designed to be stained or painted, blending with the door. Incorporating Resolve sealant, ZEEL is engineered to be immune to messy squeeze out and to not degrade over time, reducing service calls and warranty issues. According to the manufacturer, FiberMate Plus frame material resists warping when subjected to severe temperature changes and direct sunlight, even with dark colors. ZEEL features a clip system to eliminate the need for screws and screw holes. The system allows the frame to sit flush to the face of the door, which is said to streamline installation and reduce installation time and effort. zeel.odl.com



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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.

WHO'S AFRAID OF THE BIG ~~BAD~~ BOX?

A NATIONAL BIG BOX HOME CENTER CHAIN IS GOING UP RIGHT ACROSS THE STREET FROM YOUR STORE. WHAT WOULD YOU DO?

In the 50-plus years that your third-generation, family-owned lumberyard has been serving your community, you've faced too many challenges to count. You've survived recessions, material shortages, price spikes, bankrupt builder customers, and even a devastating fire that destroyed much of your yard. Despite those challenges, like many dealers, you're enjoying extremely strong sales and a robust housing market as the pandemic appears to be fading into the sunset. Unlike many LBM dealers, you've deployed successful strategies to attract, hire, and retain young pros just starting their careers. All was right with the world, until you learned that the oversized new building going up across the street will house a prominent national big box retailer.

It's not as if you're new to competition. But as the biggest lumberyard in your mid-sized market, with a customer base made up of a mix of pros and DIYers, this will be your first time going head-to-head with a national retail powerhouse. Reaction from your employees and your customers has been all over the map.

Employees. Many are panicking, certain that there's no way that your little family-owned company can compete successfully against this behemoth. You've no doubt that the new competitor will court your people and, realistically, you'll likely lose a few. Fortunately, the majority, especially those who've been with you for years, have vowed their loyalty.

Customers. Many of your pro customers have given big box yards a chance to earn their business in the past, and they know that the specialized services you provide are far beyond the warehouse retailer's capabilities. DIYers are a different story. You fully expect many of your retail customers to test the waters once the new competitor opens.

Word on the street is that the competitor chose to locate across the street from you to try to commandeer some of your big builder customers. Apparently, they've been fine-tuning a pro-strategy, and your market is the testing ground. If it's successful here, they'll roll it out nationwide.

Meanwhile, your co-op is urging you not to sweat it. "We have many members whose stores are literally in the shadow of a big box competitor, and who have thrived. Stick with us, and we'll do everything we can to make sure you come out stronger than ever."

The final detail is that you've been holding discrete conversations with a large company that wants to add your brand to its growing stable of strong, independent LBM



dealers. You know from talking with your investment banker that now would be a great time to sell. And you and your spouse have talked about travelling more...

What would you do?

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- **STAY THE COURSE.** As the leading LBM dealer in your market, with an age-diverse team and the biggest builders as your customers, you're positioned to win. Ignore the competition, and run your race.
- **CASH OUT.** Over three generations, your family business has had a great run. But the strong market won't last forever and selling now is the smart play for you and the company.
- **OPPOSITION RESEARCH.** Study their strengths, their weaknesses, and how other yards like yours have competed against them and won. Then craft a strategy and execute it.
- **RALLY THE HBAS.** Reconnect with your local home builder and remodeler associations and push a strong "buy local, build local" message.

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.

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