onal CHALLE ilder WHY EVERYONE IN ORREN PICKELL'S MARKET KNOWS HIS NAME / 24 www.ProRemodeler.com Guide to the 2009 Remodeling Market / 19 **Managing Customer** Expectations / 14 Orren Pickell Designers & Builders President & CEO Orren Pickell PERIODICAL

table of Contents

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FEATURES

GUIDE TO THE 2009 MARKET

Stormy Forecast/19

Outlook is cloudy, but prepared remodelers can weather the storm

CORNER OFFICE

Brand Pickell/24

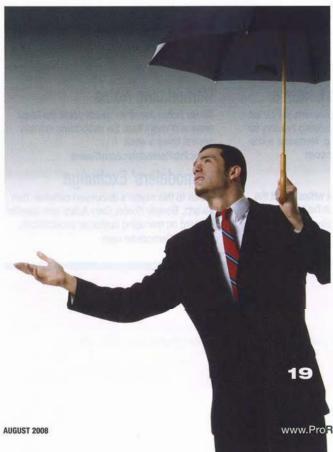
Grassroots marketing makes Orren Pickell stand out from the crowd

PROJECT SPOTLIGHT

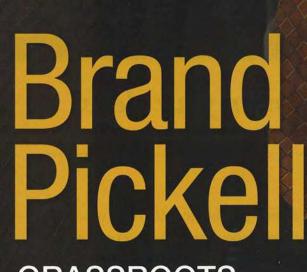
Weather Beater/28

Time-honored looks and state-of-the-art materials come together in a deck that withstands the elements

COVER PHOTOGRAPHY BY MARC BERLOW







GRASSROOTS
MARKETING MAKES
ORREN PICKELL
STAND OUT FROM
THE CROWD

By Jonathan Sweet, Senior Editor

ORREN PICKELL IS A REMODELER. He's a custom builder. He's a businessman. But perhaps most importantly, he's a brand.

Talk to high-end homeowners in Illinois, Michigan or southern Wisconsin and they'll know the name Orren Pickell. Whether it's remodeling or custom homes, the name Orren Pickell carries a meaning beyond what most contractors ever achieve. So much so, in fact, that the company that carries his name can charge more for a project if Pickell is going to be personally involved with the design work.

"Probably the No. 1 thing that allows us to keep revenue coming in is branding," Pickell says.

BUILDING A BRAND

For the last 30-plus years, Pickell has made decisions that have brought him to this point. Building a brand is not a short-term process, but investing time and energy in it can make a huge difference down the road.

"You're not going to have a brand until you're out there for 10 years," Pickell says. "You've got to have those years of work out there to show quality and longevity."

The most important part of building a brand is having a reputation for quality work and service.

"Treat your customers more than fairly. Exceed their expectations," Pickell says. "When you exceed expectations, customers will go out of their way to talk about you."

That grassroots marketing lays the foundation for any success. Bringing classic marketing (advertising, public relations, etc.) into the mix raises a company's profile. The idea is that that gets people to ask their friends and neighbors about Orren Pickell. If the grassroots marketing has done its job, then the response will be, "I hear they do good work," Pickell says.

"A brand is a promise," he says. "It's a promise of longevity, of quality. In the last 15 years, I've never seen one of our homes go up for sale, or one of our major remodels, without our name being mentioned."

Besides remodeling and building, the company also has cabinet and maintenance divisions. That's all part of a strategy of exposing more people to the Pickell brand.

"One of the great ways to brand and do grassroots marketing, is to do high-volume, low-revenue touches as opposed to custom homes, which are high-revenue, low-volume touches," Pickell

Orren Pickell built a brand that is recognized among high-end homeowners in three states.

says. "So now instead of touching 20 or 30 clients a year, we're touching more than 100 clients in a year, hopefully in a positive way. I know if I do a \$25,000 remodel or a \$225,000 remodel now, I'll get another remodel in seven years, or if they decide to move, I'll get a shot at building that home."

While he was trying to build a brand, Pickell also had to build a strong company behind him if he wanted to continue to grow. That meant finding the right employees and creating systems and processes that allow them to excel. That way, as the grassroots marketing did its job, the company was ready for growth and didn't let quality suffer.

"If you grow your business and don't build it behind you by actually putting people in place, your business will probably do what 95 percent of remodeling businesses do," he says. "They go up, get that one last job, then they go down. Because one bad job will make it all go bad if it's just you."

COMPANY CULTURE

Pickell says the company would not be where it is today without a good group of employees who buy into a culture.

"For most people who work here, it's as important to be great at what they do as it is to make money," he says. "Everybody on this team, they want to do great work and be known for that."

When building a team, the mistake many remodelers make is looking for "superstars," Pickell says. Although they have the talent, they are hard to find, hard to keep and usually don't work well in a team. The key for Pickell has been to find those employ-

EXECUTIVE SUMMARY

Orren Pickell Designers & Builders, Lincolnshire, III.

President/CEO: Orren Pickell 2007 remodeling projects: 23

2007 remodeling volume: \$5.2 million

Projected 2008 remodeling volume: \$9 million

Employees: 94 Founded: 1974

Biggest challenge: Dealing with increased

government regulation, which Pickell says has become

"obtrusive, obstructive and destructive."

Web site: www.pickellbuilders.com

"A brand is a promise. It's a promise of longevity, of quality."

ees who want to be great, but know they're better as part of a team.

That philosophy carries over to the owner as well. Like most remodelers, at one point, Pickell has done just about every job in the company, and he readily admits he has people in place now who do it better than he did.

"I couldn't have been the best by myself," he says. "Everything I've ever tried to do, there's someone better at it. So I've looked for those people and gotten them to do it."

Delegating has made the company better by allowing Pickell to keep his best employees — those who want a chance to grow and lead.

"I'm giving them an opportunity to better their lives and do something they absolutely have a passion for," he says.

Building a big team hasn't been without its pitfalls, though. With an employee count that peaked at more than 120 before recent cuts to under 100, workplace politics became a problem. One of his biggest mistakes, Pickell says, was having a human resources department.

"As soon as you've got somebody that you can put in a requisition for a body to, the managers don't have to work as hard and they can build a fiefdom," he says. "You know why GE fires 10 percent of its workforce each year? You can walk down the aisles and not know who's working. Only the manager knows who's really working. It was the same problem here."

For that reason, the company has returned to a system where the managers do all of their own hiring and legwork. Pickell has also rededicated the company to cross-training employees, so if one department needs help, an existing employee can temporarily do so instead of the company having to hire another person. It's a return back to the way things were done in the past.

"As you're growing a business, everybody's helping each other, so cross-training is just a natural phenomenon," Pickell says. "What happened here is my HR department took in specialists. Nobody ever did anyone else's job. It'll never happen here again."

MOVING FORWARD

These days, Pickell focuses mostly on doing "what presidents do," as he puts it — making the big decisions and giving his employees the tools to be successful. His only frontline involvement now is design work, something he says he'll never get tired of doing.

"When a client comes to you to do a remodeling project, it's the biggest thrill on the planet," he says. "They can go anywhere they want. It's not like I own the lot. When you're chosen to do something custom for someone, it's a huge honor."

As for the company, the future will be determined by what the team wants rather than any desire he has to grow at this point.

"If you believe part of your job as CEO is to create opportunities for people who have devoted their lives to this company, you have to give them those opportunities," Pickell says. "So if they want to do it, I'm behind them. If my troops want to consolidate and instead of becoming bigger want to become more profitable, then I'm all for that."

A lot will also have to with what his daughter, Lisa, will want the direction of the company to be. Currently the sales and marketing manager, she's on the ladder to be the president, Pickell says.

The company has lost some business, going from about \$60 million to \$45 million over the last few years, but Pickell says the custom home business is strong, and he expects remodeling to follow. Even with the "goofiest economy since 1981," he says the biggest long-term challenge for the company — and the industry — will come from increasing government regulation.

"I've been doing this for 33 years, and it's never been worse," he says. "It seems like the less busy we get, the more obstructive government gets."

It's gotten bad enough in some municipalities that Pickell worries about the future of the industry.

"My guess is by the time I'm dead, this whole industry will be a shambles," he says. "Either that or it will be so expensive, the small guys won't be able to do it." **PR**

A WEEK IN THE LIFE

Maetings with executives and senior management	5 hours
Project/site visits	2 hours
Client meetings	7 hours
E-mail and returning phone calls	5 hours
Design	5 hours
Promotional or marketing events	6 hours
Strategic planning	5 hours
Company management	6 hours