Most business owners who strive to be successful do what everybody else does, but try to do it better. Some, however, find a niche in which few others are interested, and they become the best in that arena. Belonging to the latter category is CS Stucco & Plaster, Inc., North Haledon, N.J.

While it’s common for most wall and ceiling contractors to start with residential, then move up to commercial, CS started with residential and stayed there—but it was high end residential. Most contractors do drywall on the inside and EIFS on the outside, but CS does plaster on the inside and has its own proprietary system of cement hardcoat stucco for the outside. Most contractors are price competitive; CS simply charges more than anyone else.

Most contractors, once the job has been estimated, turn the work over to their foremen. But the top management of CS stays involved with each job from start to finish, giving the final approval. Most successful companies are growth oriented, but CS, for its own quality control purposes, is vigorously opposed to growth. And, while most contractors are continually competing for business, CS gets its business by simply answering the phone.

CS Stucco & Plaster Thrives in Its Niche

Growth Spurts

One reason CS has always had a clear definition of itself is that for about 10 years it was a subsidiary of California Stucco. Then, in 1991, two sons of this family owned business, Ron and Steve Gorter, purchased the CS portion and made it a separate entity. California Stucco had been, and continues to be, a broad-based contractor. But the highly specialized CS had grown from doing small custom jobs to doing large ones. Ron is president, Steve a vice president, and, at about that time they were joined by two other owners, Greg Kimmet, a vice president, and Kraai Lance, who is apparently untitled. About three years ago, Todd DeJong joined the management team as estimator and project manager.

“We started out with one crew, and now, about 21 years later, we have upward of 60 men in the field, working from 15 to 20 jobs every day, many million-
ter makes a very beautiful wall—hard, flat, durable, easy to keep clean. To someone who knows what he is looking at, you can tell plaster from drywall simply by looking at it. And when it comes to ornamentation, plaster products are far more versatile than drywall.

We get involved with many very difficult ornamentation situations in custom homes, with vaulted and barrel ceilings, intricate domes . . . and we are always called in for things that can’t been done with drywall, such as circular staircases; we’re always getting a call for those.”

dollar projects,” Kimmet says. “We’ve always prided ourselves that we’ve been able to get into the higher end custom homes as well as the difficult commercial projects. We rarely do the big, flat wall money-jobs; we’ve priced ourselves out of that market.”

Kimmet mentions that the market seems to change every couple of years, ranging from retaining walls to new construction to renovation, but the focus remains primarily on high-end residential with occasional commercial jobs.

Although the company will sometimes use exterior insulation and finish systems on its commercial work, on its forte, custom residential, it never does. As Kimmet explains, they can always say they use cement stucco. “In the past we tried a lot of products, and we did a lot of testing to develop our own cement hardcoat system,” Kimmet says. “There’s a lot more to it than just putting up wire and cement on the wall. We put this product forth because we feel it will perform better in residential applications than EIFS.”

Kimmet says that moisture and drainage issues always require proper head flashing, and proper weep screed, which allows moisture out of the wall should it enter. Kimmet maintains that the 3/4-inch cement stucco is going to be a much more durable product than EIFS, yet can also achieve the same appearances EIFS can, incorporating stone applications, precast detailing, and a lot of different textures, including acrylic finishes.

In terms of the interior, Kimmet says, “Plas-

The problems associated with EIFS, have been a boon to CS. “We’re doing a lot of remediation with hard coat and acrylic finishes,” Kimmet says. “We’re nearing the end of a project of 85,000 square feet of EIFS removal, in 18 separate housing units.” While Kimmet maintains that cement hardcoat is more durable than EIFS, he agrees that most of EIFS’ bad reputation comes from poor application than from the product itself “The problems we have seen with EIFS are more application than product performance-related,” Kimmet says. “But, given the situations, many homeowners don’t want EIFS because it won’t be covered on their insurance.”

Yet EIFS troubles, which have benefited CS in one respect, have also brought increased competition. “About 10 years ago we had only a handful of competitors, so we were in a very comfortable position. But in the past three to five years we’ve gotten a lot more competition. There were always a lot of EIFS installers, but many of them have gone away, and in their place are those applying cement stucco, which is making a comeback.”

Many of those folks work out of a garage and a pickup truck,
so they’re able to charge considerably cheaper prices than CS does. Yet Kimmet doesn’t disparage these small competitors: “There’s nothing wrong with what they’re doing, and they can make a good living at it. And I believe most of them are very good mechanics.”

They Make a Difference

But if Kimmet doesn’t accuse these many smaller competitors as being fly-by-nighters of dubious skill, how does CS differentiate itself from them, especially since the smaller contractors, with much less overhead, are able to charge much less!

The answer, Kimmet responds, “is how we set up and manage job sites.” He explains that Ron Gorter is the “office guy,” who handles the books, inventory, and provides the overall direction to the company. The other members of top management, though perhaps having some specific duties—such as Steven Gorter, who handles all the scheduling—all have their own clients, and, instead of simply handing the jobs over to their foremen, they retain responsibility for the work and are constantly on the job sites themselves.

The nature of their custom work, Kimmet explains, means that much of it is not on the blueprints. He explains: “We believe it’s important that the top people in our company are in constant touch with the architects, designers, contractors and owners, so we can solve the problems as they come up. They know that if something goes wrong, five years from now, they know just who to call. Our customers get to know us very well, and this is very attractive, especially to builders.”

Each of the top management members might visit a half dozen sites a day. “It’s very important that we be there at the start, and it’s also very important that we check on the progress, but what’s most important is that we be there on the last day,” Kimmet says. “We don’t let the workers leave until we’ve given our final approval and the site has been perfectly cleaned.”

The last 5 percent of the job is the most critical, Kimmet says.
When asked whether there are actually that many changes that have to be made at the end, he responds, “It happens a lot. I’ve sometimes had the foreman tell me that the owner loved it, but we’ll make changes, once in a while even a big change, because it has to meet our standards. We’ve built our reputation on our good work, so we’re not going to take any chances.”

The result of such thorough quality measures, Kimmet says, is that builders and contractors love working with CS, with the result that repeat business in continual. “That means, Kimmet says, “we don’t have to go searching for business. We just pick up the phone when it rings.”

Know Your Limitations

A natural tendency with this demand might be to keep on growing. But Kimmet says that this $5 million-a-year company is perfectly content to stay at the level it’s at. “We know our limitations and that we can’t afford to spread ourselves too thin,” Kimmet says. “People working with us have gotten to know us, and that builds expectations that we will be right there for them. I know that when there’s too much work, I begin to feel the strain, and there’s not enough time to pay attention to detail, so that’s the time to back off.”

Kimmet adds that the furthest the company has gone in what is usually considered efficiency is to have crews specializing either prep, finish or some other aspect, but they have found it best to have one crew do an entire job, from start to finish, with one top management executive overseeing the same project, again from start to finish. Kimmet adds that the fact that all the top people have had considerable hands-on experience is also an important factor.

Finding the skilled employees able to do this exacting work is, Kimmet acknowledges, “very difficult. We are constantly looking, and talking to different prospects. More often than not we are disappointed. We will bring in a subcontractor and have him go out on an established crew, and keep a close eye on him. If the match is there, it will often take six months of working with him to see the comfort level is there, and that he looks at the work the same way we do.”

Once the company finds a good employer, it does everything it can to keep him. “We’ll sometimes take lesser margins on jobs to keep our men working all year long,” he says. “But that’s not a problem now. This time of year is extremely busy for us, sometimes seven days a week.”

And that’s what brings us back to where we started with this story: Most business owners strive to be successful but try to do it better than everybody else. But some find a niche in which few others are interested, and they become the best in that arena. Belonging to the latter category is CS Stucco & Plaster, our Contractor of the Month.