

STEPHEN T. GARRETT: daring to be different

In the Conservative Indianapolis Market, He Blends Uniqueness, Sales Skills, and Quality Construction Into a Dynamic- Success Story

A secretary suspects that he has a secret telephone growing in one ear.

One of his foremen claims: "He really knows where it's at. Man, how he makes this company go."

A supplier said of him: "When it comes to promoting and running that business of his, he shows a brain as clear as an ice cube—and as tough as a keg of railroad spikes."

However he is described, he is still Stephen T. Garrett, the dynamic 40-year-old head of the Terstep Company, Inc., of Noblesville, Ind., who, in the "sameness" atmosphere of construction marketing, is determined to be—and is—truly unique.

He operates a fully diversified wall-ceiling-floor business that is in the \$4,000,000-5,000,000 volume category. In the current era of economic problems, Terstep is

perched happily atop a two-year backlog of work—and Steve and his people have to run to keep up with new business coming in.

His company is widely accepted and acclaimed as a quality firm with whom it pays to do business.

And yet, in the generally conservative business area of Indianapolis and Central Indiana which is Terstep's primary marketing area, the husky 6-foot Garrett is also recognized as the kind of businessman who will create the Mid American Magnet Throwers Association (with headquarters located, of course, in the Terstep complex), or who will send out engraved invitations to the opening of the company's new international office in Hawaii in 1985.

Or who will send out a poster showing a cross-eyed cat strung up chin and paws on a clothesline with the solemn advice "Hang in There, Baby."

At the same time, he's a contracting executive whose company letterheads, envelopes, and calling card are printed on stiff, expensive parchment paper which reeks of quality; whose carefully selected corporate color theme of dark brown and buff is consistently maintained and promoted; and whose customers—especially prospective customers—invariably receive an individualized promotion package as part of a visit with a Terstep representative.

Creates Impression

"Some of the things we do are serious and some are not," Steve explained, "but whatever is done represents an overt effort to produce an impression of solidarity, of quality—a good image. One

that is basically directed at the person who doesn't know us."

Therein lies much of the rationale for Steve's promotional planning. "I just know that at least once a year somebody is sitting somewhere wondering if he'll do business with us or with someone else.

"If all of this promotional activity helps tip that decision to us, then whatever we've done makes it worth the investment."

Because of his skill and commitment to selling, it was probably inevitable that Steve Garrett would wind up with his own construction company. A native Zanesville, Ohio, he is the son and grandson of attorneys, and liberal arts graduate of Kent State University where he was on a wrestling scholarship.

Following an 18-month stint in fighter pilot training with the U.S. Navy at Pensacola, Fla., he edged in a tour of Europe before going to work as a sales engineer for United States Gypsum, working territories in Indiana.

Six years later, he bought in as a partner in the C & S Lathing & Plastering Company, Acton, Ind., where his selling success in partition systems eventually led to the decision that he would take over Terstep, an existing real estate corporation, as his own company while the original owners of C & S would remain with the plastering business.

And Terstep, a combination of the names of Steve's sons, Terry and Stephen, Jr., today performs not only in excess of \$1,000,000 in partitions alone but also offers lath and plastering, integrated ceiling systems, drywall, canopy systems,





office landscaping, Tectum panels, curtain wall systems, sound-proofing, fireproofing, painting and wallcovering, cabinetry and millwork, chalk and tackboards, access floors, and even squash and handball courts.

It's quite an array for a three-year old contracting firm whose chief officer can, with a twist of his head, lock a telephone onto his shoulder for an important call, use both hands to open and check his mail, direct the activities of a 10-person office staff, and carry on an interview—all at the same time and without a slip in the regimen.

Dispels Notions

"Let's be honest about it," he said. "In too many people's minds contracting as a business has a reputation for being a bit flakey. And the contractors are seen as not quite reputable. At Terstep we seek to dispel that notion by not only being rather unique in our promotion efforts, but by moving heaven and earth to have satisfied customers at the conclusion of every job.

"Because a lot of our activity is sold work, the people we do business with are strangers. And anything that we can do to demonstrate that we are a substantial, reliable business firm is to our immediate advantage as well as to the industry's"

At Terstep headquarters one walks through an attractive reception area and then past buff colored vinyl Durasan walls to Steve's office.

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In the angle between two massive brown desks is a dark brown executive chair. On one desk rests a dark brown and buff colored coffee mug. The unique brown of Terstep papers and promotional literature dominates both desks.

"See this," Steve said, holding up an expensive brown vinyl briefcase. "When we make up an information package for a customer, we slip it into this briefcase and give him the whole thing.

"Whether it's a one-line or a full-line presentation, we never, never allow someone to walk away with just manufacturers' literature because we're not being unique then. We put it in our own specially de-

signed cover. There's less chance of it being thrown away later."

To the accusation that such niceties are expensive, Steve merely shrugs. "How much for a sales call? \$50 to \$75, right? This little folder," he said, holding up an attractive brown binder, "costs 15¢ and for this amount we've made ourselves unique—and our presentation sticks better.

"As for my calling cards on parchment paper. Well, they cost me a dime instead of 3¢. For the few extra dollars involved—and this includes the quality paper we use for letters and envelopes—we create an impression of quality for our company . . . sight unseen.

"In spite of our great leaning on promotional techniques, we have an equally aggressive attitude towards field performance. 'Saying it don't make it so' as the old saying goes, but we try very hard to have it work out that way as often as we can."

To maintain quality in his integrated ceiling business, for example, Steve represents Donn Products, Ceiling Dynamics, and Johns-Manville. The choice was carefully made after considerable investigation so as to avoid any overlapping of systems.

"I talked to contractor friends first and then contacted various companies and had them come here with their presentation. In two years we have developed a full spectrum in the business so we can tailor what we are talking about to customer needs."

Sales Commitment

In the movable partition business, Steve echoes manufacturer advice that a contractor must commit himself to a selling operation backed up by an appropriate inventory.

"A contractor can go into this business in stages," he conceded, "but his chances of success—if he's not promotion oriented—are somewhat less.

"The money in the movable partition business comes when

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STEVE GARRETT

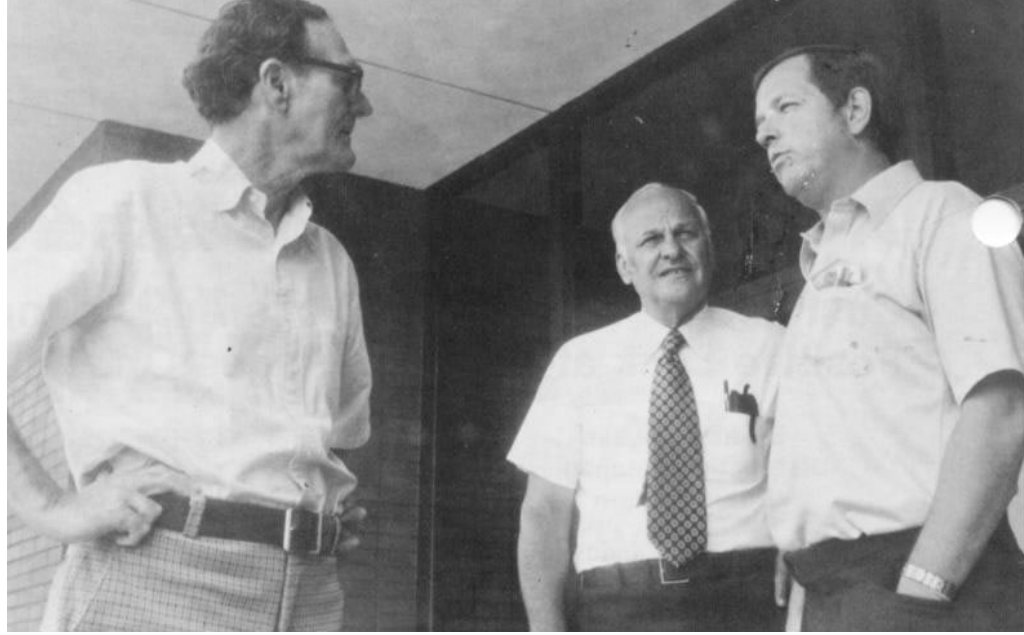
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people get involved in your concept-and then you don't need to compete dollar for dollar.

"Also, we have a huge inventory for two reasons: first, to obtain the quick job, and second, to back us up on major jobs. When we tell a customer, to whom lead time is a big thing, that we can start a job in two days that's often all it takes.

"Also, you have an obligation to service the people for whom you've made an installation. They understandably have a severe desire to maintain the same system-and they'll change when the guy who installed the system either can't or won't service them."

Not all emphasis is placed on promoting, though. When a new job goes, careful pre-planning helps produce comprehensive job mandates for field supervision who



The Terstep way for designers includes a visit to existing installations as Garrett, right, describes the advantages of his company's systems.

report to one of three contract managers, Steve himself, Jim Kleinhelter or Nick Hatfield.

The contract manager, who is assigned to the job once a secure contract has been obtained, handles all the paper work, contract

negotiations, and acquisition of special materials.

An internal computer provides a weekly print-out and this information is given to the field supervisor. Bi-weekly staff meetings monitor all significant jobs. When one starts to go sour, Steve and General Superintendent Jim Vest move quickly.

"We assume our people are doing their level best," Steve said, "and generally the reason can be traced to an estimating error, the wrong personnel mix on the job, or to conditions on the job that we didn't anticipate. We can usually work it out, but if we have to we'll stay on the job."

People Important

"And speaking of our people, they really make our promotional efforts work because we have good

ones at every level . . . and we've worked hard to acquire the field and office personnel who will reflect the kind of company that we are.

"Jim Kleinhelter, Nick Hatfield and Jim Vest, all of whom are vice presidents and stockholders in the company, have a unique capability to attract and hold outstanding talent.

"Kleinhelter also handles sales and promotion of new business and has come up with several of our better promotional ideas. Hatfield is singly responsible for the excellent condition of our accounts receivables, and his 10 years experience in the tricky business of hardware, doors, etc. gives us a huge jump on competition as well as package selling.

"Jim Vest not only has the respect of the field personnel that he handles so well, but he's very

skillful and adept at handling customers at all levels.

"With men like these it's no wonder that all of our employees know that we are proud of our company and of our reputation, and this attitude tends to rub off on their attitudes."

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Away from the contracting scene, Steve and his wife Pat, their two sons, and a nine-year-old daughter Megan, live in a stylish country home not far from the Terstep complex. Both he and his wife are active in the local theatre

grow, the Hamilton County Theatre Guild. Steve is also involved with high school and AAU wrestling.

A Terstep warehouse serves conveniently for work on the theatre group's set needs, while one corner of the warehouse is devoted to a collection of fine antique automobiles that Steve buys and sells as a hobby.

If a casual visitor is surprised to walk into the neatly maintained warehouse and see a super-charged Chevrolet Corvair, one of the first 450 MGs made after WWII, or a Model T pickup in near mint condition, or a painted set for "Guys and Dolls," he shouldn't admit his surprise.

Maybe that's why, among all the shades of brown in Steve Garrett's office, only the telephone snaps at the color scheme.

It's a bright, fire engine red.