With four corporations running well, this California contractor seeks additional challenges

E. F. BRADY: Geared For Growth

For one with all the competitive instincts of a Texas Mustang, he is a quiet, soft spoken man.

When he fulfilled a dream and came to San Diego, Calif., nearly 30 years ago to start a plastering business, like the individual that he is, E. F. Brady’s arrival was uneventful but irrevocable—somewhat similar to an early morning fog in Southern California.

To the chagrin of his competitors in the area, though, he never went away as any self-respecting fog would do. Instead he remained, overcame the start-up challenge, and proceeded to build a construction conglomerate out of the E. F. Brady Company, Inc., that today consists of four corporations and does more than $10,000,000 a year business volume.

In the process, the tall, slim contractor virtually reshaped the architectural face of Southern California, helped change his industry for the better, and as often as not taught his competitors why the last ten minutes in a bid job can be exciting.

Then, when his company appeared at the peak of its growth and potential, he developed a profit-sharing plan that could serve as an industry model and, with every employee of the company sharing, happily presided over yet another growth spurt.

Nor is it all over, for the offspring of E. F. Brady and the former Eloise Wallace, an ex-elementary school teacher with a wit and charm worthy of her native (Coolidge) Texas, have done them proud.

One day the staccato-voiced Brady, who brushes off inquiries about his age as being totally irrelevant, may decide to pack it in. But there’ll still be grounds for competitor gloom in sunny San Diego because his sons, Robert and Ronald, President and Executive Vice President respectively, are already in place in the company hierarchy.

They’re displaying the same easy-going charm—and instinct for the business jugular—of their father. A third son, Richard, who opted for a retail career, operates the Bradys’ men’s clothing stores, one located in the famous Del Coronado Hotel and another in the Royal Inn on San Diego’s Wharf.

Robert now performs most of the negotiating, selling, bidding, and pricing of the company’s diversified services which include lathing and plastering, drywall, fireproofing, moveable partitions, coatings, exterior panels, and flooring.

These services are all provided under the Brady company’s umbrella consisting of Diversified Coatings Space, Inc., which specializes in selected partitions and components, and Design-Cast West, Inc., the exterior panel division.

Ronald’s functions include the exteriors and operational aspects of the business. Both sons, like their father, are journeymen plasterers and operate out of the fashionable brown stucco two-story headquarters of E. F. Brady Company in La Mesa, California.

The structure, built in 1951, is located on a 100 × 200 lot, and is the nerve center for five company locations throughout the Southern California area. Modern, efficient, the headquarters feature careful planning for all the functions required of an expanding construction business—including offices that reflect the individual design dictates of their occupants.

From his luxurious office at the end of the second level hall, Brady, now Chairman of the Board, keeps a close tab—but not too close—on a company that is rapidly fulfilling its potential.

For Brady, who grudgingly admits to being somewhere in his 60s (“What’s age got to do with it? If you can do it, you do; if you can’t do it, you don’t.”), the last three decades have been especially satisfying and not the least surprising.

And that even includes leaving a Beaumont, Texas schoolteacher in shaken perplexity over Brady-style predictability as part of the long nomadic trek that finally brought E. F. Brady and family to San Diego, the city he calls home and whose virtues he is quick to extoll.

His decision to settle in San Diego had actually been made during the summer of 1941 when he worked there as a plasterer. Eloise, his wife of 42 years, quickly agreed that San Diego was the place they would call home, but the move was interrupted by World War II. Instead of settling, he was on the road again.

Through the war years, Brady put in his shares of 7-12s, spending two years in the shipyards as an insulation worker, and, with his family, made the cross country rounds—Denver, Colorado Springs, Pueblo, Tulsa, Portland,
Houston. War’s end found them in Beaumont, Texas.

It also found Robert and Ronald ensconced in elementary school. When the teacher announced the end of hostilities she smiled as the class erupted in noisy celebration—with one notable exception.

Robert and Ronald, she observed shakily, were packing their books furiously and, as they say in Texas, “movin’ on out, fast.” When she inquired of their immediate intentions, she received a patient, if somewhat partial, reply:

“Why, we’re going to California.”

History does not record the teacher’s reaction. It does record, though, that Brady made good on the assurances he made. In January 1946, he came into San Diego and obtained a job as a plasterer.

Eloise and the boys came later. The following month, February, they moved into a house in La Mesa. By May, Brady had his contractor’s license even though he had to return to Texas to get signatures for the license.

The E. F. Brady Company started with a $500 bank account, plus the war year’s savings, a mixer, a few scaffold boards, and a judicious mixture of hope and chutzpaw.

The scaffold boards he obtained by purchasing 4×12’s from a torn down bridge in La Jolla and trucking them to a sawmill near San Diego for cutting. As for the mixer, it was an Essick which, like other building materials, was hard to come by right after the war—except for established contractors.

But Brady, learning through the grapevine that Essick was about to change dealers in the area, went to the intended new dealer, who hadn’t yet got the word. When the young contractor casually ordered an Essick mixer, the dealer informed him pleasantly that he didn’t have one.

“Well,” Brady said softly, “if you did have one would you sell it to me?”

“Well, sure I would.”

“Well, then remember me when you do get one.”

Two weeks later the dealer had an Essick—and it went to Brady.

In the beginning, Brady concentrated on residential plastering and subbed out the lathing. He plastered during daylight hours. Eloise arrived by car with a rented trailer and they moved equipment to the next job, the same jobs for which the figuring was done in the evenings.

Gradually, the E. F. Brady Company moved into the industrial-commercial market, and by 1950-51 was already diversifying into drywall. By his own standards, it has been uphill ever since.

Three years ago, he and Eloise moved into a luxury condominium apartment in a project his company helped build in Coronado, decorating it in a style and taste that professional decorators seldom achieve.

Old habits are hard to break. Brady arises early every morning and is usually on the Coronado beach for a brisk walk along the Pacific before taking the drive across the bridge to the mainland and La Mesa for work.

If the years of travel—from his native Conway, Arkansas, to Florida for the boom, back to Arkansas, all over the South and Southeast, the war years, and the struggle of starting up a business—are behind him, it shows little in this regimen.

He’s busier now than he’s ever been, and views the coming years as both a challenge and an opportunity. Yet he still finds time to devote to his industry. A longtime member of the international association of Wall and Ceiling Contractors, he served three years on the iaWCC Board of Directors and this year was elected Second Vice President on iaWCC’s Executive Committee.

He is also a member and active in the affairs of a number of local contracting groups. As busy as he is, he still found time to talk to CONSTRUCTION DIMENSIONS about himself, his company, his industry and where they are and seem to be going.

DIMENSIONS: As one who started out as a 17 year old plasterer in Hot Springs, travelled throughout most of the country, and then built a multi-million dollar company, how do you feel about the accusation that the industry doesn’t change much?

BRADY: The accusers simply don’t know what they’re talking about. The differences and changes are unbelievable when you stop to think about it.

For example—fireproofing directly to steel.

And one of the biggest changes has been the development of a method of attaching drywall to steel stud construction because we can’t use wood in a fire zone. They now use a screw gun with a magnetic head so the screw automatically stops at the proper depth without breaking the paper.

In the old journeymen days, plasterers said the trade would never be mechanized. Today, we pump plaster up the outside of the building through a pipe and another hose and nozzle for the walls or ceilings. That’s mechanization and it eliminates the hoisting engineer, the wheel barrow, the shovel and the mortar boards.

Today, we design and build exterior panels off the job and then take them to the job site for erection.

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This industry has changed—it’s changing now—fast, and it’ll continue to change.

**DIMENSIONS: You mentioned building panels off site. Do you do much of that kind of work?**

**BRADY:** Yes, as a matter of fact, we’ve set up a separate company and plant for that specific purpose. Recently on a large job in Los Angeles, we fabricated the exterior here in San Diego and shipped it to the job site where we installed it.

This has opened a whole new field for us because we have the ability to ship our panels all over the Southwest.

**DIMENSIONS: Even though your company is already well diversified, you obviously are keeping your eyes on future possibilities. Where do you see some of the business opportunities, say in the next five years?**

**BRADY:** There are all kinds of opportunities. Residential steel framing is an excellent example, and the market for that is being developed right now—especially in Phoenix and Tucson. Its surprising what they are doing there with steel framing.

Fireproofing is a good market. As a matter of fact, there’s nothing we like better than a large fireproofing job.

Demountable partitions is a whale of a market, and we have a special division for it. It’s a versatile system, a clean and dry operation. We’ve been in it for 6 to 8 years now.

There are so many others that I could mention. A sub or specialty contractor just has to keep watching and make his move when the opportunity comes.

**DIMENSIONS: Brady, what were the circumstances that led you into diversifying so early? You were one of the first to move into another line in a big way, weren’t you?**

**BRADY:** The circumstances, you might say, were just plain good business. My principal residential account—we still do their work—was Bollenbacher and Kelton, who are large development contractors out of Los Angeles. They had been plastering, but decided to begin drywall.

Ultimately the project resulted in over 10,000 houses and I wasn’t about to lose that. We were the first plastering contractor in this area to go into drywall on a large scale and we stayed in it.

Speaking of firsts, we were the first to pump interior plaster over 20 stories and apply it from the nozzle directly to the walls and ceilings.

**DIMENSIONS: By having so many interior and exterior capabilities, you must involve yourself quite a bit in package bidding?**

**BRADY:** We do a great deal of it. The general contractor today prefers a package bid along with the unit responsibility. For example, on a multi-story building downtown, we were told by the architect, “You people go ahead and redesign and build it.” That was for exterior and interior and we did exactly that.

**DIMENSIONS: Certainly, there is a great deal of selling and negotiations involved in packaging. How much of your work is negotiated?**

**BRADY:** A considerable amount of the jobs we do are negotiated. However, they’re not all fully negotiated. We do a lot of work with the architect or with the general contractor if he’s already been selected, helping them find places where they can save money.

And on many jobs we’ve done that to the extent that when they’re ready to start we’ve sold them on the services that we can give them.

If we’ve already been called in on, for example, panels or precast concrete, we’ve got our foot in the door. The architect has yet to design a building that we can’t redesign and cut the package bid at least 5 percent—and still improve the job.

**DIMENSIONS: How do you handle the constant challenge of breaking out the price on a package bid?**

**BRADY:** We handle it with good business sense. In many cases, we just flatly refuse to break it out. Sometimes, of course, we will, but we’d rather not. You’re laying yourself wide open for them to pick it to pieces when you break it out.

**DIMENSIONS: Obviously, your companies are geared up for selling. Some contractors contend that there’s no difference between a bidding and a selling contractor. Do you feel there’s a difference?**

**BRADY:** There is a great difference. Some contractors will take a job off exactly as shown. It doesn’t make any difference how stupid the plans are, how old the specs are, any of those things where any reasonable interpretation would indicate how and where it could be changed.

A strictly bidding contractor will bid it as shown and if they get it, fine; if not, there’s other jobs to figure.

Well, there won’t be so many other jobs to figure in the next few years.

On the other hand, a strong selling contractor will provide a ser-
vice. He’ll interpret plans, help his customers, and sell the service and responsibility of his company.

**DIMENSIONS:** Earlier you mentioned the possibility that bidding jobs may be scarce in the next few years. What do you see as the contractors’ biggest problems ahead?

**BRADY:** It would have to be cash. They talk about a cash crunch coming. I think it’s already here.

As far as fewer jobs are concerned, that’s almost certain. Any contractor who figures he’ll bid a job a week compared to another who tries to bid two a day, well, the law of averages will take care of that situation.

We’ve increased our estimating department to get out more bids because we recognize that the odds are against us now in open market bidding.

**DIMENSIONS:** Because of the recession and continuing inflation, many contractors contend they’re

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backing away from long-term jobs. What are you doing about these problems?

BRADY: On a long-term job, we estimate to the best of our ability and try to figure just what the cost structure really will be. We handle our material pricing the same as we handle a labor agreement we know will be coming up for renegotiation in a year or so. It’s tougher to project now than it was, but we bid it.

DIMENSIONS: With so much volume, so many services, and many jobs going on simultaneously, how do you manage to keep control on everything?

BRADY: We have an IBM in-house computer system that gives us weekly progress reports for every job on the labor, materials, costs, percentage of completion, etc. This information is given to the general superintendent who, in turn, distributes it to each job foreman along with the take off sheet showing man hours, materials, and completion schedules.

In the near future we hope to have the major part of our estimating on the computer.

We also do outside work with our computer. We have a half dozen or so smaller companies for whom we do the books, billings, etc.

DIMENSIONS: Many people contend that computer estimating can’t be done effectively because so much value judgement such as intuition, feeling for the job and its conditions, and that sort of thing is unprogrammable?

BRADY: Our people think we can do it. We think we can.

DIMENSIONS: With so much change and the increasing emphasis on unit responsibility, where do you see the one-service contractor’s prospects?

BRADY: I believe he is a thing of the past. I just don’t see how he can continue to survive. He’ll either have to diversify, within his own organization or begin joint venturing. However, there’s no sense in joint venturing if he can do it himself. Besides, he maintains control that way. When it comes to contracting, the jobs might provide the money, but it’s control that provides the profits.

DIMENSIONS: Apparently, it’s this thirst for control that is leading so many owners and developers into a so-called systems approach to contracting. How deeply have you been involved in some of these experiments?

BRADY: When it comes to performance specifications, that’s the way we like it. We can almost write the schedule, then we insist that everyone sticks to it.

We have a reputation of covering everybody up that doesn’t get out of our way. This the generals like—and why not? We’ve got top notch people in there and they’ve been trained to operate efficiently.

On some of the other approaches, I think the owner is finding out that a reputable general contractor who can utilize the good relationships he’s built with subcontractors is still the best way—either on a fixed fee or percentage basis. It’s better than throwing a building out to the wolves.

DIMENSIONS: You have now a large, successful contracting company and yet you seem to be able to sustain, even accelerate, its potential. How do you do that?

BRADY: I give a lot of the credit for our company’s success to our profit sharing plan. I can’t believe we’d have the cohesion in this business—that we’d have accomplished so much—and had the kind of company that we have, without all of our people—and I mean all of them, from the field to the office worker to the executive—without their knowing that if the company does well, they’re going to share and do just as well.

DIMENSIONS: Where does the E. F. Brady Company go from here?

BRADY: This business, truly, has been tremendous. We will challenge anything and give it everything we’ve got.