AWCI President Ray Boyd tells how he is successfully turning over his business to his sons while staying more active than ever.

AWCI President Ray Boyd operates his business Ray Boyd Plaster and Tile in Garland, Texas, where he was born and raised, and where he still lives with his wife Velma and has raised his two sons.

Always a family business the company started some thirty years ago behind the family home with Velma as bookkeeper. It has grown into an enormously successful corporation with more than 100 jobs now on the books. During the busy summer months, the firm employs some 275 workers.

Ray is proud of his business and he is proud of his family. He loves the wall and ceiling industry and has great insight into management, the economy, industry trends and the role of the craft unions.

President Boyd talked recently with CONSTRUCTION DIMENSIONS Editor Don Thompson about his business and how he is successfully turning the business over to his sons and to a younger generation. Ray also gives sound advice to other contractors who are planning the same, and talks to young people who are looking to this industry as a career choice.

Retirement for Ray is not in the picture, however. He is chairman of a major area savings and loan institution, he is in the oil business, he is a successful shopping center developer and he is very active—and well-known—throughout the Garland community.

DIMENSIONS: Ray, when you were interviewed by Construction Dimensions two years ago, you said that the manufacturers have changed the in-

"When I started out in this business, I could see that it was easier to make money in construction than anything else that I could get into at the time. It's still that way in today's market. The same damn thing!"
AWCI’s President Ray Boyd stands in front of his Garland, Texas headquarters.

Industry radically and that they would continue to change it. What changes have you seen in the industry from when you first came on the AWCI Executive Committee two years ago?

**BOYD:** The relationship between the owner, the architect, the contractor and the construction manager has changed. Typically in large jobs, or multi-jobs, a construction manager is hired who in turn will hire an architect, or the owner and the construction manager together will hire an architect. In this way the architect is working for them. He must plan to fit the dollar amount that they want to spend. In other words, the architect is not as powerful today as he used to be.

**DIMENSIONS:** Does craftsmanship have a new meaning today? Is there any of the oldtime craftsmanship left?

**BOYD:** Very little. I have probably only two men in my shop that could be called oldtime craftsmen. There isn’t the demand in today’s market. Things have radically changed in this respect too.

**DIMENSIONS:** How about retrofit and renovation?

**BOYD:** If you want to retrofit and go back to the way the building was in the past, then you need the craftsmen. But, with renovation, that is not necessarily true. Today’s workmen can handle that type of job, because they’re not going back to the way things were before. There are more changes in renovation work.

**DIMENSIONS:** What is your approach to diversification? Have you diversified more in your business than two years ago?

**BOYD:** I’m still adding a little something here and a little something there on particular jobs. On some jobs we build the insulations, on some we don’t. It’s something you have to do to get a job in many cases.

**DIMENSIONS:** Is tilework still a large part of your business?

**BOYD:** Last year, tilework probably accounted for only five to seven percent of my total work. It’s a good item to have, however. Years ago when all buildings were plastered and there was no board, the tile setters were always raising cane about how bad the walls were for setting tile. That’s when I began to do my own tilework.

**DIMENSIONS:** We know that you have a reputation for being a successful bidder. Do you consider yourself more of a bidder or negotiator?

**BOYD:** On today’s market we do quite a bit of negotiating. But then we still bid also. We are successful on quite a lot of them, but of course we don’t get them all. If we got them all, that would be wrong.

**DIMENSIONS:** How much of your work do you subcontract?

**BOYD:** I don’t subcontract at all.

**DIMENSIONS:** Is all of your work in the Dallas area or do you travel?

**BOYD:** We go out of the Dallas area quite a bit, especially for some of the oldtime contractors that I have known for years. I still work for some of the old contractors I worked for many years ago. They always call me first, and I really have no competition, when I bid those jobs.

**DIMENSIONS:** Do you personally visit all of your jobs?

**BOYD:** With my old friends, I generally do. That’s what they want, and it makes me feel good, and it makes them feel good. They want to party, they want to talk about the old days, they want to take me to their club for dinner. They’ve been successful and so have I. We all want to show off. We’re all proud of what we have accomplished. It’s interesting.

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**DIMENSIONS:** Do you find that you have to educate your new customers, Ray?

**BOYD:** I don’t have new customers. My boys have the new customers. I didn’t get these new customers, they did. I’ve turned much of the business over to them in the past two or three years, and that’s the way I’ve planned it. If I’m out there in the field trying to get new customers, it would only delay them taking over the business that much longer. They are the ones who are going into these companies, and they’re successful because these companies have people in the back
rooms their own age. Today’s market is their market.

**DIMENSIONS:** Two years ago you said you didn’t avoid the long term job. Is that still true?

**BOYD:** It’s still true, and in fact I welcome the long term job. By the long term job, I mean the job that’s down the road two or three years. Many companies are afraid of this type of job because of today’s inflation. We have one job going on now that I’ll use as an example. This job took 150 truckloads of board. In the process of putting this job together with the owners, the supplier guaranteed me what the board would be selling for each month. Each month the board would go up so much and I would be guaranteed that. It’s no bigger a gamble on the long term job than on the one next week. It’s senseless to think you’re making money on every job you do. You don’t make money on every job, I don’t care how long you stay in the business.

**DIMENSIONS:** With the state of today’s economy, have you found collections more difficult?

**BOYD:** Just the opposite. I’ve found collections easier.

**DIMENSIONS:** Any idea why?

**BOYD:** Sure. People are making money. They owe more money and they don’t mind paying it. When they weren’t making so much money, they needed their money to make their financial statement look good so that they could get work to start with. The general contractor wasn’t making that much money-he was operating off the subcontractor’s money much of the time.

**DIMENSIONS:** Have you had to cut back on any budget items?

**BOYD:** No, not really. We haven’t had much of a recession in our area of the country.

**DIMENSIONS:** How do you promote your company?

**BOYD:** I don’t. I rely strictly on word-of-mouth and my own good reputation. I’ve been in this area so long that everybody knows the name Ray Boyd. That’s why the boys have carried on the name Ray Boyd in their new corporation—Ray Boyd Construction Systems, Inc.

**DIMENSIONS:** What do you think is the most critical issue facing our industry in the next ten years? What have you advised your boys?

**BOYD:** That’s simple. Hold down wages! Keep those wages down. Keep the materials down. Keep everything down so that people can afford to build and make money off of what they build. Wages are getting so far out of hand in the construction industry that it is terrible.

**DIMENSIONS:** What’s the reason?

**BOYD:** The unions.

**DIMENSIONS:** Are you a union shop?

**BOYD:** Yes, I’m union. But this area is only union for convenience. I’m a union contractor for the manpower pool. We have no radical union members. In this area, 90 percent of construction is done by open shop general contractors. On most jobs we work on, we are usually the only union contractor on the entire job. The Plasterers and Lathers and other unions down here know that if they get radical they will be out of business because they’re such a minority part of the whole deal. Union carpenters in this area will work for anyone, so unions have no real strength.

**DIMENSIONS:** Do you, then, think the craft unions are in trouble?

**BOYD:** Not necessarily. I think that craft unions as a whole see the writing on the wall. I think the upper echelons—that is, the union presidents—see the writing on the wall. In fact, I think their control over the unions has quieted down drastically. They are going to walk very quietly for the next four years. They see that most of the work is in the Southern belt where the states have the right-to-work law. Don’t misunderstand me though. I am not anti-union. Unions have done a tremendous job for the working class in this country. But now they are beginning to see that if that old pendulum swings too far it will tilt and flop right back. It was plain in the last election when so many blue collar workers, who have historically voted Democratic, voted instead for Reagan. It’s obvious that many union officials have been out of tune with their
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own members. So, unionism is not going to be a factor in our economy in the next few years the way it has been in the past.

**DIMENSIONS:** Will you comment on apprenticeship programs?

**BOYD:** The only way in the world this industry can survive is through the apprenticeship programs. Someone has got to take over, but there is no way anyone can do anything about the apprenticeship programs other than the contractors themselves.

**DIMENSIONS:** Ray, you have successfully brought two sons into your business. What advice have you for other contractors who plan to bring family members into the business?

**BOYD:** Our business has always been a family business. My wife Velma worked in our office out behind our house when we first started. She would work in the office awhile, then she would mow the lawn awhile, fix lunch, wash clothes awhile, and then she would do the payroll, work on the books, etc. The company wasn’t all that big then. The kids have been raised in the business. When they reached the age of twelve, I’d send them out on a job. Not that they would do a tremendous amount of work, but they were exposed to the business. My oldest boy, Mike, never dreamed of doing anything else other than joining the business. My second son, Pat, went through the aerospace program at Texas A & M, and just as he graduated the bottom fell out of the aerospace industry. So, he worked for engineering firms in order to get his engineering seal. When that was completed he came back to our company.

Both of the boys were apprentices before they went to college. During summer vacations I put them on the estimating tables. They didn’t go back into the field because they had already had that exposure. They had a thorough knowledge of that end of the business, and they knew how it worked.

**DIMENSIONS:** What are the boys roles in business today?

**BOYD:** They are partners, along with Buddy Spicer, a young fellow we hired out of college from Louisiana, in the new corporation of Ray Boyd Construction Systems, Inc. Each of the three boys handles a specialized area of the business. Mike heads up everything, right under me. Pat runs the ceramic tile department and does all the engineering work for the steel structures we do on the buildings with steel stud frames. Buddy Spicer runs the field operations, except for the tilework.

What I’ve done is load the three of them up and then I stand back in the corner. They come to me to ask questions and take my advice. If what they are doing seems to be going alright, I let them alone. But, I do have the final say on anything that is controversial in any way. That way there are no problems. I respect them and they respect me.

My two boys grew up not knowing anything in the world but this business, not they are now not qualified and educated to do anything they would want.

Above all, they saw the money. The money! The money is very very important. When I first started the business, I could see that it was easier to make more money in construction than anything else that I could get into at the time, It’s still that way in today’s market. The same damn thing! If a young fellow would apply himself in the construction industry, he could go farther with less education and with less financial layout than in any other business. He can start out as a carpenter’s apprentice. He can start as a plasterer. And, if he will look and pay close attention to everything around him, he can go out there at 8 A.M. and go home at 4 P.M. and forget about it. But, you’ve got to take it home with you until you get it all put together.

**DIMENSIONS:** What other advice would you give someone just breaking into the business?

**BOYD:** First accept the challenge. Then get a banker that understands, and never lie to him. If you lie and then need money again in the future, you’re not going to get it. It will backfire.

**DIMENSIONS:** Ray, you’ve had a very successful AWCI presidency. What do you see in the future for AWCI?

**BOYD:** The role of the Association in the future should be just what its role has been in the past. It’s the members of this association that will take it down the road. It’s up to us to make the organization and to make that organization work. After all, we are the Association.

We are now looking at an AWCI with beautiful new offices in Washington, with a technical library and information center that is invaluable. AWCI has reached the point where it can serve its members better than it has ever been able to serve them in the past. AWCI gives its members more knowledge and more benefits for less money than we can get anywhere else in the world.

Whatever has happened to me in this industry, or whatever has happened to any contractor in this industry has already happened to someone else. AWCI can supply the information needed and solve any problem to get its members out of a bind. But, if you are not a member of this great Association you don’t know this and you can’t get this invaluable information.

Then, of course, the Association and its staff are getting more efficient all the time. Yes, AWCI has a great future and this industry has a great future. I’m in both, and I love it.