

# Second Time Around

**In Missouri, Jim and Bob Wies Went For a Family Business and The Results Have Been Up and Away**



Bob Wies



Jim Wies

*Sometimes a construction business is better the second time around.*

*At least that has proven true in the case of Jim and Bob Wies, President and Vice President, respectively, of \$8,000,000-a-year Wies Drywall & Construction Corporation, 11767 Lackland Road, St. Louis, MO.*

*They started their business in November, 1971, following a decision to reorganize an earlier business into a family organization. The first company, Wies Drywall, Inc., had been started in 1958 by Jim and his brother, Harold.*

*It was strictly a residential drywall company until 1962 when the Wies' took on another partner for the phase-in to commercial work. Operating as Drywall Engineering Corporation, the*

*company helped swing the St. Louis market from traditional plaster to drywall.*

*The project that did it was the Mansion House Center which consisted of three 28-story apartment buildings and three 3-story commercial buildings. Once this job was complete, the Wies' went into commercial work in earnest completing the Lake Geneva Playboy Club, the University of Chicago, J.C. Penny's big store in St. Louis, and Chicago's Lake Point Tower.*

*When construction dropped off in the 60s, Jim took a look at re-organizing and with his brother Rob, a journeyman carpenter, the Wies Drywall & Construction Corporation was founded. Bob had early experience with drywall in the homebuilding busi-*

*ness, and Jim himself had started out with the tools in 1951 as a tapper.*

*With Jim specializing on business systems and Bob as the outside construction coordinator, the company grew swiftly and now offers drywall, metal studs, curtain walls, aggregate panels, acoustics, floor covers, lath and plaster, and exterior insulation systems.*

*Wies Drywall & Construction is housed in an attractive two-story office building with 5000 square feet, connected to a 10,000 square feet warehouse. The complex is located on a 3.5 acre suburban site. Currently, the steel stud and Butler building combination is undergoing a complete face-lifting featuring an exterior insulation system and various final coatings.*

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## WIES INTERVIEW

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**DIMENSIONS:** From the appearance of things in and around your headquarters here you are gearing up for some protracted growth. Is the current recession missing you and St. Louis?

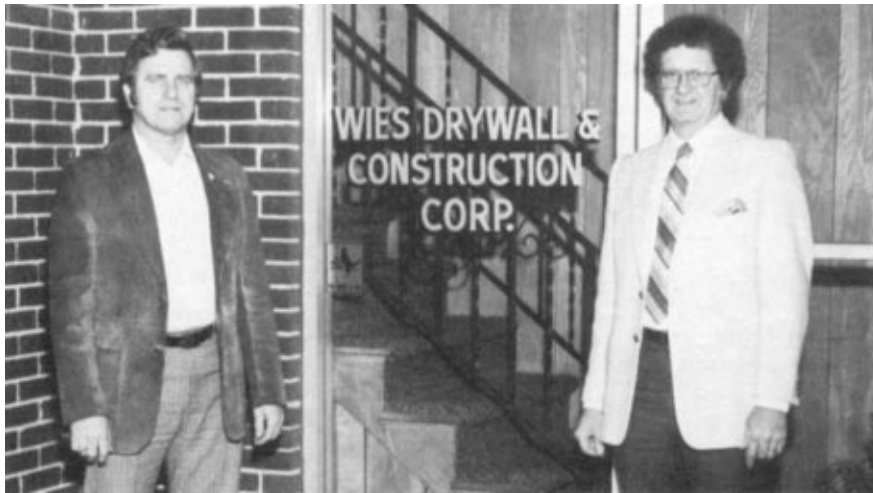
**JIM:** Oh, the St. Louis construction community is holding up rather well. Prices seem a bit depressed which is pretty much what you'd expect, but—all in all—there's work here and more on the way.

**JIM:** That's right. Price is always important, but price and reputation and capability are better.

**DIMENSIONS:** Is that a handy way for saying diversification?

**JIM:** That plus front end knowledge. We work up front with architects and engineers as much as we can, supplying knowledge, technical information, and installation know-how. This kind of good work and service weighs heavily in our favor.

The larger jobs usually represent more phases of work which means a greater need for a consultant-type role



The headquarters and warehouse complex for the Wies company is undergoing extensive alterations, including installation of a panelization factory area.

**DIMENSIONS:** It's been said, Jim, that if you build your reputation in good times it will hold you well in adverse times. Has that piece of philosophy worked for your company?

**JIM:** I don't think there are many contractors who'll disagree that we live by service and quality work. We've always worked to protect our reputation for not only getting the job done but doing it well and coordinating it well with other trades.

Consequently, many of our big jobs come from those who have already hired us—or who have heard of us from someone whose opinion they respect.

**DIMENSIONS:** Where does that leave the price bidding?

**BOB:** Pricing is a cycle thing, we've found out. When the bidding starts to go cheap—and we're seeing some evidence of that in the current crunch is when you begin looking for opportunities to negotiate work.

by the contractor. In some of these areas only a professional contractor can supply the kind of information that designers need.

**BOB:** And if you—as the contractor—don't have that information, then you must arrange with your suppliers to provide it. More and more suppliers, knowing the vital importance of a good installation, are providing this kind of service to their contractor-customers and the end buyer. This is especially true in metal studs and panelization.

In many instances you simply must utilize the engineering assistance that a good supplier has available.

**DIMENSIONS:** You mentioned the bigger job. Is much of this package or system bidding? Taking the whole interior?

**JIM:** We're prepared to do the entire interior package with the exception of decorating, painting and vinyl. If we

do take this work in as part of our contract, we generally sub it.

Sooner or later we might just add that capability. On almost every job you do—particularly if the job is negotiated—you pick up things you didn't do before. So the market expands and takes you along with it as you react to necessity—and to opportunity.

**DIMENSIONS:** St. Louis has often been described as a conservative construction market. What has been the experience here with some of the new construction methods such as, say, construction managers.

**JIM:** This area is like every other metropolitan area; it's getting big on the CM approach. He's the specialist, the coordinator—and for the most part it's a good trend.

**BOB:** The whole approach changes with a CM because his first question of you and your company is how much . . . or how big . . . a package can you do.

When you go on a CM job you don't look for all that much supervision. Consequently, our people are prepared to coordinate much of their



St. Louis' weather makes adequate warehousing a must, have some 10,000 square feet of space—with more in the planning stages.

own work, get along with other subs. Your reputation for being able to do that effectively is important.

**JIM:** The service aspect, that's the key. My feeling is that with our service

the next job we will do is dependent on the job we're doing or just finished. You're only as good, in many cases, as your last job

**DIMENSIONS:** Where, right now,

**are the hot spots in the wall and ceiling market? Where should contractors be going for the fast action, in your opinion?**

**JIM:** It would have to be metal studs and panelization. Building codes here restrict wood to three stories because anything over that would simply have too much movement due to shrinking, twisting, and warping.

Even in three stories and under steel studs are competitive. You can pre-fab your walls in a jig, work in bad weather, set up fast and keep the job moving. You can't come near that ideal situation with wood.

**BOB:** The same advantages are available in exterior insulated wall systems. We build the panels right here in the shop and then truck them to the job site and attach them.

**DIMENSIONS: Where is the market for exterior insulated panels? In new construction or retrofit?**

**JIM:** Well, the market is just getting started with more and more new jobs coming out this way.

**DIMENSIONS: It's new jobs?**

**JIM:** For the most part, yes. There's some retrofit, of course, as owners increasingly see the energy efficiencies—and other benefits—and then review their existing buildings for cost-savings possibilities.

**DIMENSIONS: And you see these two technologies continuing to expand?**

**JIM:** To me, there isn't much doubt about it. Steel framing has to be the wave of the future: it's already done most to change the wall and ceiling industry.

Then, too, energy efficient buildings are a response to the emphasis on fuel. The next oil scare will put the lid on that end of the business—and it's when you'll see the retrofit market really take off. Other contractors, like us, who are making the investment now in a panelization capability will be in place and ready to go when it really hits . . .

**DIMENSIONS: . . . and increase, too floating condominiums?**

**JIM:** Yes, you saw the three-story floating motel units out in the yard. It was all steel framing and we pre-fabbed the wall and floor units right here, then trucked them to the dock company at the lake where they were erected.

The 72'x38 foot units were then float-

ed to the docking place at the Osage House Resort.

**DIMENSIONS: Getting a desired job is one thing and bringing it in on the projected bottom line is another. How do you go about keeping controls on?**

**JIM:** There's a time for creative imagination and there's a time for old-fashioned fundamentals. Job control is just simple, fundamental management.

We do a careful material take-off and then price it on its own.

**Bob:** The job budget in man-hours and materials is the guideline. I personally make it a habit to walk every



Jim and Bob Wies review plans.

job twice a week, review it with the supervisors as to problems, progress, etc.

When your company people see you on the job they know you're interested and it has a beneficial effect on everybody, yourself included.

**DIMENSIONS: As you grow bigger, what are your feelings about computers in construction?**

**JIM:** Let's say we're still interested and looking at that situation carefully. Our current reporting system is intact and providing us with the information with the completeness and timeliness that we want. That is, we operate well with our present system—but we're not ruling out anything.

**DIMENSIONS: At a time when accounts receivables are stretching out all along the line what is your company doing to keep a lid on the situation?**

**JIM:** We haven't changed a thing. The best policy for managing your accounts receivables is to know as much as possible about your customer. Everything should be checked out carefully beforehand—and then keep after the details. It's the little things that'll tear you—and any policy—up.

**BOB:** Of course, that's not always possible. Knowing all about your customer is a luxury which is why you should keep reviewing things constantly. You're bound to get a few bad situations, but they should be at a minimum and salvageable.

**DIMENSIONS: Diversification . . . accounts receivable management . . . package bidding . . . construction managers . . . up front consulting services. It's a big package—so where does this leave the little guy, the one-service contractor?**

**JIM:** He's not in as much trouble as a lot of people think. Of course, in a big job you have to bid the work categories that are included or your bid isn't responsive.

But most small one-service contractors don't bid them anyway. And let's face it: it's a hassle to run 100 people. Some contractors honestly feel that life isn't worth all that nonsense and trouble.

They're making a good living, thank

you, and that's what they're in business for.

There'll continue to be work opportunities for the contractor who wants to stay small. It'll be tougher, of course, but it's getting tougher for those of us who want to get bigger, too.

**DIMENSIONS: As a final question, the unions have come in for a lot of criticism lately. I don't hear much criticism from you?**

**BOB:** This is union country and union people here have learned that they'll have to go easy on excessive demands, to let up some on work rules . . . in short, they have a stake, too, in keeping us competitive.

**JIM:** The PRIDE program here in St. Louis has had a lot to do with tempering anti-union feeling. Employers and unions got together in this program a number of years ago and it's been effective in disciplining both sides.

As a result, the last two contracts have shown a willingness on the part of the unions to modify their stance—and you don't find any double breasted operations running around the St. Louis area either.

St. Louis is our town. We travel only for the convenience of a customer. The attitude here is positive—and the good part about it is that everyone is pulling together to keep it that way.