Canada's
Tony Cesaroni
Lost Out on an
Operatic Career But
Built a Successful
Contracting Business
A funny thing happened to Canada’s Tony Cesaroni on his way to the opera.

He never got there—so he became a successful contractor instead.

Tony, President of Cesaroni Brothers, Inc., of Agincourt, Ontario, one of the Toronto area’s best known contractor-based conglomerate operations, literally got his contracting career off the ground the day his budding operatic career as a tenor was dashed by a near fatal bout with double pneumonia and pleurisy.

Concluding years of conservatory study, Tony had been scheduled to leave on a concert tour of Canada—his first. But on the departure date, Tony was instead rushed to a hospital bed. He and his brother, Sam, the other owner and outside specialist for the firm, had worked overtime the few days before in order to finish up a plastering job for their new firm. The job got finished. But Tony, plastering furiously in cold weather in a flimsy shirt, worked up a sweat, got a chill . . . then—. For two years, following a two-month intensive care hospital stay, his lungs lacked the power to drive his extraordinary tenor voice.

By the time he could even straighten up without wincing or take a deep breath, his budding operatic career was far behind and Cesaroni Brothers were in the thick of the Toronto bidding scene. These days, his contracting company averages $5-$6 million a year while subsidiary companies, such as Carlan Homes, and other speculative ventures add to the total.

Not one to cast envious backward glances, Tony dismisses his lost opera career with a shrug because the construction career has provided just as much. He and Sam, with a company that now specializes in lathing and plastering, drywall, acoustics, de-mountables and fire proofing, are headquartered in their own 2-story brick veneer building, located in their own industrial park.

Home for Tony is a 160-acre farm in nearby Newmarket where he has just completed a new, modern home, complete with the latest amenities, including a full-time farm manager.

Born and raised in Raiano, Italy, son of Lucia, who still lives in that central Italian town which lies due east of Rome, and the late Achille Cesaroni, who built up a small grubstake working in construction in Chicago before returning to Italy, Tony came to Canada as a sixteen-year-old.

The visit to an uncle in Vancouver led to a ditch digging job and to lumberjacking. His vocal ambitions then took him to Toronto’s Royal Conservatory of Music where he continued in construction to pay for voice lessons. Later, his brother, Sam, joined him.

Eventually, Tony’s blue print reading courses and Sam’s progress from apprentice to journeyman brought them full circle. Cesaroni Brothers was incorporated in 1955. It’s been high notes ever since.

DIMENSIONS: Tony, with voice lessons and all the rest, where did you and Sam get the money to get a business off the ground?

CESARONI: We weren’t broke by any means. We had $1,500 in savings, some working tools as well as a used mixer and a couple of mixing boxes. Our major investment was in a down payment on a pickup truck.

DIMENSIONS: In the beginning, what was it, housework?

CESARONI: That’s right. We started non-union doing plastering work in single houses. We didn’t move all that quickly. It was slow, perhaps doubling each year. We wanted to use our own money only—and we did. We still do.

DIMENSIONS: You’ve cut the banking business out of your business life?

CESARONI: Only in the contracting end of the business. We use bank money on interim building, speculative ventures, that sort of thing. But when it comes to contracting, we stay within our reach.

DIMENSIONS: Doesn’t that kind

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of philosophy cut you out of some interesting jobs?

CESARONI: If the fuse doesn’t fit, you don’t go out and buy a bigger one. We don’t take on a project if we can’t handle it—either from the standpoint of finances or manpower.

We’ve built this business on good, responsive service. If we can’t manage a project adequately, we’ll back away. That’s how we keep our steady customers calling us back. We’re as good as our promise.

DIMENSIONS: You’ve come down pretty hard on service. Some contractors insist it’s really all that you have to sell. Is that your viewpoint?

CESARONI: Well, it’s vital—but only up to a point. Reliability is important, too. If I tell a customer we can do something, that customer generally doesn’t question his information. We’ve come through so many times, that we don’t need to sell and re-sell our capabilities every time.

DIMENSIONS: To get a reputation for completing projects on time, you sometimes need to play hardball. Are the Cesaroni brothers ready to “cover up” another contractor who’s lagging?

CESARONI: Fortunately for us, we’ve been accused of that. I’ll tell you something, though, the general contractors use us as a lever to get the other trades moving . . . as a threat . . . far more often than any actual cover ups by us.

DIMENSIONS: It’s been said that a good general superintendent is money in the bank, that it’s his task to keep the trades coordinated and the project on schedule? What do you do when the general contractor stiffs the project with poor management?

CESARONI: Well, the first thing you do is try to avoid such problems by working with known customers. As far as a new contractor, or an out-of-town operator is concerned, somewhere there’s a line on him and any specialty contractor can get the information he needs to make intelligent decisions.

“A project is a team effort; everyone works together. If you see there’s poor coordination, then it’s the function of the subs to get together and set up their own schedule.

An experienced sub knows the sequences of the trades. That’s when it’s also more important than ever to have good relations with other trades because you’re all trying to save a situation. It might be a bit costlier without adequate supervision—but it’s better than going off on a job half cocked.

DIMENSIONS: On the subject of management, a good superintendent or foreman is invaluable for a sub to have, too, isn’t it?

CESARONI: Oh, you have that right. Our philosophy is that the cheapest way to install is to install it right the first time. When you have your own good management out there implementing that approach, you aren’t likely to get into serious trouble . . .

DIMENSIONS: . . . and your approach to developing leadership ability? How does that work?

CESARONI: I believe firmly that the best way to make a good foreman or superintendent is to teach him from the bottom up. Our management people have been with us since their apprenticeship.

They know our way of operating and how much emphasis we put on fulfilling an obligation. Sam spends time teaching our employees. He’s always got his eye open for talent, watching and encouraging the qualities that make for better jobs and better leaders.

We want our foremen to display initiative, to show us a better way to get the job done, to improve the work flow while improving quality.

DIMENSIONS: It appears as if you and Sam split the corporate load: you on the inside management and promotion end and Sam handling the outside, field responsibilities.

CESARONI: It was by design. And Sam’s the best. He is constantly on the job, visiting every job weekly—and some on a daily basis. He can walk into a project and keep it going. He knows what he should see and any deviation gets caught.

Mistakes don’t escape him. And he feels, too, that the work must, ab-
solutely must, be done right. Neither of us wants to hear about problems from a customer; we want to hear from them only about new work.

DIMENSIONS: You’ve been talking about costs, doing it right even at the beginning. But this all translates to men and money and it’s a known fact that prices haven’t kept up with cost increases. Now, owners, architects and other are telling contractors to get their prices down. How do you respond to this? There are non-union contractors coming up fast in Canada, too, aren’t there?

CESARONI: I agree that wages have increased greatly. And, yes, non-union contractors are increasing in number and strength. They’re on the fringes of ICI (institutional-commercial-industrial) work, and I think it’s only a matter of time before you’ll see them at King and Young streets . . . that’s center city in Toronto . . .

DIMENSIONS: . . . but as a union operator, what do you do to meet such competition?

CESARONI: We certainly don’t panic. Some 90% of ICI work is still union. Non-union contractors are still essentially in housing.

As employers, our purpose is to find a better and quicker way to install systems. Improved pre-planning of every job is a must nowadays. Call it a trial run if you want, but better management is the key.

DIMENSIONS: Wall and ceiling construction is still a labor-intensive business. Frankly, what responses do you see in improving productivity? Can Canadian or American contractors develop this sense of sharing that seems so prevalent in Japan where employees identify with their company?

CESARONI: The majority of our employees have pride in their work, but too many don’t give a care until Friday’s paycheck.

The solution lies in an approach by management and by union leadership. We need employees who recognize what their employers are faced with and why a decent day’s work for a decent wage isn’t unreasonable.

Perhaps this can be done with seminars, meetings, formal liaison between the two groups. A team atmosphere must be developed and this can come only from both sides.

DIMENSIONS: What’s the problem? What’s blocking—

CESARONI: —apathy is the problem. It has to happen within the industry itself. The government can’t do it for us. I’m president of our contractors’ association and I recognize how far apart we all are.

Union members see the split and their attitude reflects the deep division. I really believe that the international presidents of the respective unions should play a bigger role in these matters. If they’d come to grips with something greater than their own petty little interests and devote some time, effort and money to solving problems, we’d all benefit.

DIMENSIONS: You’re not talking of transplanting the Japanese experience in North America, are you?

CESARONI: No. Their system has been developed by and for themselves. We must do the same within our own
experience. And it’s a mutual challenge. It must evolve from both sides taking an honest approach to improve communications, attitudes and agreement.

DIMENSIONS: There are a few other major problem areas for subcontractors that need to be addressed... areas that are crying out for change. I’m referring to retainages, backcharges, punch lists, unfair contracts that subs are often required to sign...

CESARONI: In some cases, a mutual approach is required. But most of that shopping list you cited falls under intelligent management.

DIMENSIONS: How about backcharges as an example?

CESARONI: The idea here is to avoid getting hit with surprises. If you can, you should have contract language inserted that obligates the general contractor to notify you immediately of any pending backcharge. You should be given notice if there is a cleanup situation or some condition that would give rise to a charge.

If the condition is ours, we want the opportunity to clean it up—and we acknowledge our action by letter so they can’t come back later and hit us.

DIMENSIONS: Not all subs can alter the contract that’s offered to them?

CESARONI: I’m aware of that—and I’ve signed a few myself. When you are given a standard contract form—and these are a problem—where it’s take-it-or-leave it, you can sometimes negotiate. If you can’t amend anything, you make certain you document everything.

In such cases—and even when it’s not so critical—we issue our foremen a hardcover diary. They are told to write down everything.

For example, if there’s a change in a certain area, our foremen are required to get a notice to proceed. If an area has been cleaned up by our personnel, it could be a quick entry—highly valuable later if anything goes to arbitration.

DIMENSIONS: How about use of a camera? Some contractors swear by this technique for providing proof?

CESARONI: I suppose so. They’ve never been that effective for us. If something is changed from the plans then that’s a physical thing you can see. Dating is a problem for photos, but not when you have plans and notes on the conditions under which something was built.

DIMENSIONS: Another area? How about collections?

CESARONI: Our accountant handles our accounts receivable. When an account is causing trouble is the only time I get into it—and I take an active role only after fully investigating. When collecting money there are times to be aggressive—and I’m not embarrassed about scaffold language—and there are times to use common sense.

Has the general been paid? Is there a hangup on the job? Was the certificate of completion released? If not, why? I don’t automatically take the first answer I’m given either.

And I can be very—very—nasty when I catch someone lying to me about money that I’ve earned and I’m not getting paid.

Still, there are some great general contractors we work with and they even assist us in getting our holdbacks. It’s a team business.

DIMENSIONS: You’ve been at this business going on three decades now. Where to from here?

CESARONI: Well, Sam and I have no intention of slowing down. We’ve moved strongly into demountable partitions and we’ve also been moving toward the asbestos abatement markets.

It’s been slow all over North America for too long. But there are some positive signs out there.

The recovery is on the way here too.