

HARDWARE + BUILDING SUPPLY

HBS DEALER

OCTOBER 2020

Vol. 46 No. 9



NATIONAL Lumber
1.800.370.WOOD
national-lumber.com

USDOT 306119

Steven Kaitz, Co-CEO,
National Lumber

Meet the 2020 ProDealers of the Year

National Lumber, Mansfield, Mass.

Townsend Building Supply, Dothan, Ala.

HBS DEALER



Cover Story: The 2020 ProDealers of the Year

18 ProDealer of the Year
National Lumber, a New England power house that's always one step ahead.

24 Independent ProDealer of the Year
Townsend Building Supply, a market leader that lives up to some pretty cool values.

FROM THE EDITOR

8 Some major similarities for some major award winners.

NEWS & ANALYSIS

- 10** Sizing up the Super Merger
- 12** West Coast reacts and responds to blazes
- 14** Shop-Vac abruptly closes shop

MARKET INSIGHTS

- 30** LBM Issues: Prices, inventory and safety are on the minds of dealers and their customers.
- 34** Big growth for Hawaii's HPM Building Supply.
- 50** NPD Group measures home improvement momentum.

SPECIAL FEATURES

- 44** The Tractor Supply Company gets technical, and delivers.
- 58 Top Women in Hardware & Building Supply:** Network of Executive Women CEO Sarah Alter.



36

PRODUCTS

- 36** Power tools and accessories that make the cut.
- 40** Siding trends and solutions from around the industry.

IN EVERY ISSUE

- 12** News Map
- 14** Product Knowledge
- 60** People in the news
- 62** Quikrete Industry Dashboard

Hardware + Building Supply Dealer (ISSN 2376-5852) is published monthly, except for July/August and November/December, which are double issues, by EnsembleIQ, 8550 W. Bryn Mawr Ave., Suite 200, Chicago, IL 60631. Subscription rate in the United States: \$110 one year; \$200 two year; \$14 single issue copy; Canada and Mexico: \$130 one year; \$235 two year; \$16 single issue copy; Foreign: \$150 one year; \$285 two year; \$16 single issue copy; in all other countries (air mail only). Periodical postage paid at Chicago, IL., and additional mailing offices. POSTMASTER: Please send address changes to HBSDE, Circulation Fulfillment Director, 8550 W. Bryn Mawr Ave., Suite 200, Chicago, IL 60631. Copyright © 2020 by EnsembleIQ. All rights reserved.

Separated at Birth? Maybe



Ken Clark Editor in Chief

It sometimes happens that two strangers who meet accidentally will discover tremendous similarities, and then realize with astonishment that they are twins separated at birth.

It happened in Shakespeare's canon ("A Comedy of Errors"), and it happened to Lindsay Lohan ("The Parent Trap.") Can it happen to lumberyards?

Consider the case of HBSDealer's 2020 ProDealers of the Year — our Independent ProDealer of the Year, Townsend Building Supply in the Wiregrass Region of Alabama; and National Lumber, the 2020 ProDealer of the Year, which hails proudly from New England.

Strangers, yes. But the similarities are striking.

Both are award-winners, based on the months-long selection process of HBSDealer and the National Lumber and Building Material Dealers Association program recognizing "high performing" pro dealers with a "commitment to the values and best practices of the LBM industry."

Check and check. But that's just the beginning.

National Lumber and Townsend Building Supply are both third-generation family businesses led by sibling grandchildren of their respective founders.

Under their watches, manufacturing facilities have been expanded

Each business has branched into showrooms — an Andersen Window & Door Showroom in Dothan, and a chain of Kitchen Views showrooms in several locations throughout New England.

Both companies have identified

builder services as a growth area. National's turn-key program has advanced all the way to California, based on the idea that its construction expertise is a valuable resource for builders. A similar market-driven approach is leading Townsend down the turn-key path, and it's already established a "Strongwood by Townsend Building Supply" installed sales brand.

During yard tours of both businesses in the course of a week in September, it was uncanny how various executives who happened into the way of reporter emphasized a focus on quality and a culture of acting quickly. That's when it struck me: these guys might be related.

And here's one more powerful argument for separation at birth; comments from two CEOs that reflect a DNA match of the mindset.

"Turner and I have always tried to remain very close to the business," said Michael Townsend. "And we've been successful more or less with that throughout our time here. I think first, we provide a good place to work. It makes work an enjoyable place to be every day. They're not numbers, and we're trying to treat them well."

A thousand-plus miles away in Mansfield, Mass., Steven Kaitz echoed the concept: "We treat people right," he said. "They make a good living, and they understand what we bring to the table, innovation, credit, locations, equipment, and an ear to people making decisions — they can't get that anywhere else."

Separated at birth? Before you answer, check out the profiles that begin on page 18. An easy conclusion: they're definitely worthy of recognition as ProDealers of the Year. **HBSD**

CORRECTION

The 2020 ProDealer Scoreboard included a glaring omission. Balston, Spa, N.Y.-based Curtis Lumber, a 2008 ProDealer of the Year honoree, should have appeared in the no. 37 spot, with \$210 million in sales and 21 units. HBSDealer regrets the error.

HARDWARE + BUILDING SUPPLY

HBSDEALER

Hardware + Building Supply Dealer
An EnsembleIQ Publication

8550 W. Bryn Mawr Ave., Suite 200, Chicago, IL 60631
hbsdealer.com

HBSDealer On The Web • HBSDealer Info Services

SENIOR VICE PRESIDENT

(HBSDealer, Drug Store News, Chain Store Age)

John Kenlon, jkenlon@ensembleiq.com, 212-756-5238

EDITOR IN CHIEF Ken Clark

kclark@ensembleiq.com, 212-756-5139

LBM EDITOR Andy Carlo

acarlo@ensembleiq.com, 845-891-5108

CONTRIBUTING EDITOR Ken Ryan

ryankr@aol.com, 516-567-3034

Editorial Inquiries: Direct questions to Editor in Chief Ken Clark.

ADVERTISING SALES

Midwest & Southeastern States

SENIOR REGIONAL MANAGER Amy Platter Grant

agrant@ensembleiq.com, 773-294-8598

Northeast and Great Lakes States

REGIONAL MANAGER Greg Cole

gcole@ensembleiq.com, 317-775-2206

AUDIENCE

LIST RENTAL MeritDirect

Marie Briganti 914-309-3378

SUBSCRIBER SERVICES/CUSTOMER CARE

TOLL-FREE: 1-877-687-7321 FAX: 1-888-520-3608

contact@hbsdealer.com

PRODUCTION/ART

VICE PRESIDENT, PRODUCTION Derek Estey

destay@ensembleiq.com, 877-687-7321

DIRECTOR OF PRODUCTION Michael Kimpton

mkimpton@ensembleiq.com, 647-557-5075

CREATIVE DIRECTOR Colette Magliaro

cmagliaro@ensembleiq.com

ART DIRECTOR Bill Antkowiak

bantkowiak@ensembleiq.com

PRODEALER INDUSTRY SUMMIT

OCT. 7TH TO 9TH, SAN ANTONIO, TX

WWW.PRODEALER.COM

IN PARTNERSHIP WITH THE NLBMDA, WWW.DEALER.ORG

CONTACT: AMY PLATTER GRANT agrant@ensembleiq.com,

PDIS DIRECTOR OF SPONSORSHIPS

PERMISSIONS: NO PART OF THIS PUBLICATION MAY BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPY, RECORDING, OR INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT PERMISSION IN WRITING FROM THE PUBLISHER. FOR REPRINTS, PERMISSIONS AND LICENSING, PLEASE CONTACT WRIGHT'S MEDIA AT ENSEMBLEIQ@WRIGHTSMEDIA.COM OR (877) 652-5295.

EnsembleIQ
SMARTER TO MARKET

CORPORATE OFFICERS

CHIEF EXECUTIVE OFFICER Jennifer Litterick

CHIEF FINANCIAL OFFICER Jane Volland

CHIEF INNOVATION OFFICER Tanner Van Dusen

CHIEF HUMAN RESOURCES OFFICER Ann Jadown

EXECUTIVE VICE PRESIDENT, EVENTS & CONFERENCES Ed Seval

SENIOR VICE PRESIDENT, CONTENT Joe Territo

connect with us





Meet **By Ken Clark** the 2020 ProDealer of the Year National Lumber

Mansfield, Mass. — Steven Kaitz of National Lumber, remembers a time in the 1990s when he saw a lumberyard competitor unload a Moffett at a job site somewhere in Massachusetts. His team recognized immediately the efficiencies and the benefits delivered by the portable forklifts that ride piggyback on trucks. And it didn't take long to jump on the bandwagon in a big way.

"We went out and bought two, and then bought ten more right away," said Co-CEO Kaitz. "They had one, we had 12. And we even got involved in helping Moffett design their first four-way machines."

Dipping toes in the water is for other companies. National Lumber dives right in.

That's the mindset that has helped propel National Lumber to its status as a New England powerhouse with 14 retail locations, and a family of

related businesses — component manufacturing, millwork, paint stores and kitchen remodeling showrooms among them.

Led by siblings and Co-CEO's Steven and Margie Kaitz Seligman (grandchildren of the founder) and President Manny Pina (see page 22), the company of 750 employees, including designers and specialists, has shown a bias to action combined with a nimbleness and willingness to invest in new opportunities.

These qualities propelled National Lumber to its status as the 2020 ProDealer of the Year. The award recognizes a lumberyard company that displays high performance combined with the willingness to adapt and embrace the best practices and best values of the LBM industry. The selection is the combined responsibility of HBSDealer and the National Lumber and Building Material Dealers Association.

"When we find something that's worth doing, we grab hold of it," Kaitz explained, when asked about the keys to success. "We are very quick to understand that we have to differentiate ourselves. Everybody's going to ultimately catch up, and then we have to jump further ahead, and further ahead, and further ahead."

National Lumber provides sophisticated builders services and programs, such as a turn-key framing program that has expanded all the way to California. Also noteworthy is their Rapid Frame® engineered floor system that end cuts I-Joists with precision and delivers them to the job site with inkjet labels and pre-applied glue strips.

And according to executives interviewed for this article, equally important is the family-run business's emphasis on treating customers and staff like family.

Culture of service

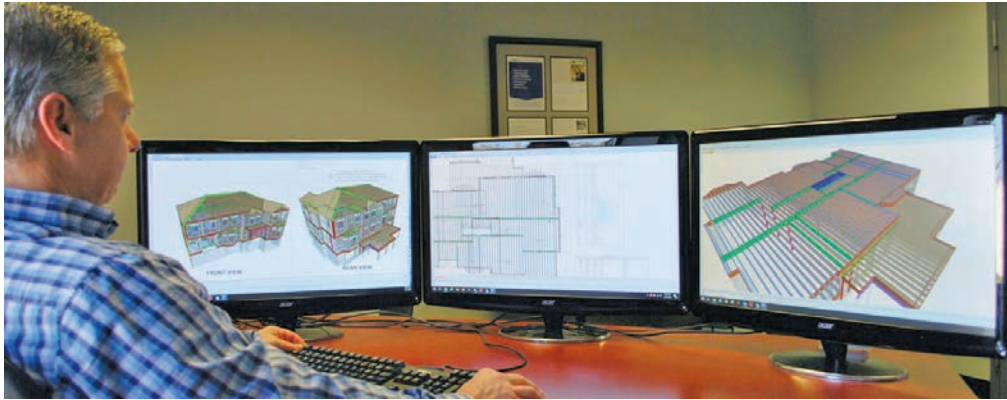
The Holland Companies has been a National Lumber customer for about 15 years, working in some of the most prestigious addresses in Boston's Beacon Hill, and other historic areas. "Our customers are pretty discriminating," Joe Holland told



National Lumber of Mansfield, Mass., has invested in equipment and people to stay ahead of the competition. (Below) Co-CEO Steven Kaitz in the Mansfield, Mass. yard.

HBSDEALER COVER FEATURE

High-end custom jobs begin in National's state-of-the-art millwork facility (right). The company's fast-growing turn-key program brings construction expertise to the job site. (below)



HBSDealer. "Working with National Lumber, we have found that they really partner with us. They understand that this is a high-touch business and they're with us all the way."

National Lumber has provided Holland more than \$2 million worth of custom architectural millwork over the years. Its ability to serve the highest quality custom builders can be traced back to a 20,000 sq. ft. shop and staining area within their 100,000 sq. ft. millwork facility in Mansfield. That's where old world craftsmanship meets state-of-the-art equipment and technology.

“We're proud to carry on the family tradition of working hard and caring deeply about our family, our employees, our vendors, and our customers.”

— Margie Kaitz Seligman,
Co-CEO



The slogan "Service Above All™" is brought into the field by a team of 80-plus outside sales reps, many of whom bring expertise in specialty areas — from gypsum board to kitchens.

"Steven and Margie promote family and workmanship and everyone working together," said outside sales rep Jamey Creason. "And the customer feels that. It's a feeling that everyone is behind them and working together. We are family-owned and treated that way. It shines outward."

Customer relations are big deal, and so are the biennial (pre-Covid) customer-appreciation trips to Cancun, Mexico, along with Foxwoods Resort

FROM THE CORNER OFFICE:

Co-CEO Steven Kaitz

On the origin of the name "National Lumber"

"To our grandfather, the name "National" sounded really big, even though they had just one location in Roxbury. That started in 1934. And it did sound big, and it kind of sounds big today."

On human resources

"We treat people right. They make a good living, and they understand what we bring to the table, innovation, credit, locations, equipment, and an ear to people making decisions — they can't get that anywhere else."

On the concept of "bigness"

We often ask ourselves: Is it good to be big? What are we? In Massachusetts, we're probably as big as the next three biggest companies combined. But I don't personally feel as if we're big, because we know the employees, we know the customers, we know the area. We want to continue to be very nimble and make decisions quickly. We can change when we want to change. And we don't have to move a whole battleship."

Weekends and excursions to sporting events (14 season tickets to New England Patriot football games are at the sales team's disposal).

Turn-key Program

Sales are based on relationships, but they begin with service.

The company's turn-key program is one of the ways it differentiates itself while providing service to customers. In 2019, the turn-key program grew to about a third of National Lumber's business. And through relationships with framers and other suppliers, it expanded all the way to California.

"The builder turns over the project plans to us and says 'give me a frame,'" explained Kevin Silveira, National Lumber director of business development, who heads up the program. "And when the concrete is ready, we show up. And we leave when the frame is finished."

The concept applies to siding, trim, roofing and gypsum board, and appeals

to the commercial builder customer for a number of reasons: First, there's a labor shortage. And second, National Lumber takes on the staffing and the materials at a fixed cost, protecting the general contractor from risk.

How? "There are a lot of moving parts," said Silveira. Those parts include expertise in reading the market, experience in framing, and relationships with crews and vendors. And there's also software that has allowed the program to broaden.

"We are going to continue to grow our "turn-key" operation, because we believe that there's going to be less and less people out in the world that understand how to build," said Kaitz. "And a lot of the contractors and builders want to buy something where they can control their costs."

Innovation at the yard

In a long, garage-like building in the company's main distribution center in Mansfield, one finds another example of National's commitment to big ideas. A machine about 30 yards in length precision end-cuts (down to an 1/8 of an inch) giant I-Joists, labels the engineered wood, and pre applies a powerful Rapid Frame adhesive strip for ease of assembly at the job site. Contractors just rip off the film and connect the components.

Developed in concert with Boise, the

“I'm proud to be a part of National Lumber, I'll have National Lumber red and black running through my veins until the day I die. The Kaitz family has given me opportunity, trust, faith and love to make us great. The whole is definitely greater than the sum of its parts.”

— Manny Pina, National Lumber president



Friends and family: (top) From a Pina family wedding album with Myron, Manny and Blaine Pina, and Co-CEO Steven Kaitz. Jamey Creason (above, far right) spends quality time with customers at a Patriots game.

saw apparatus system (similar machine operates at National's Branford, Conn., location) is unique in the New England market and represents an investment of about two million dollars. The system is the foundation for the company's value add Rapid Frame engineered floor systems program.

"It speeds up the process," said Dave Pelletier, director of operations. "If somebody wants a floor system, we'll design it for them, and they won't have to make the cuts. The glue is pre applied, and the guys who have tried it, they love it."

Pelletier manages all the National Lumber yard locations, and splits much of his time between Mansfield and the Reliable Truss manufacturing

Family Valued: Manny Pina

Through his expertise in engineered wood products, Manny Pina was recruited to National Lumber by John Kaitz, the father of current co CEO's Margie and Steven Kaitz. A former U.S. Marine and Viet Nam War veteran, Pina began his National career as VP of engineering in 1987, and has since led the push to establish specialties in millwork and manufacturing and turn-key framing.

"National Lumber was my biggest customer, and John spent two years recruiting me," Pina said. "When he finally hired me, he said 'Manny, I'm only going to promise you an opportunity. What you do with it is up to you.' I said, 'Just give me that.'"

In addition to the company's growth, another lasting contribution made by Pina was in the field of human resources: Five sons and one grandson are employed in various fields at National Lumber — Myron, Blaine, Lydell, Austin, Nolan and Blaine, Jr.

"It's a blessing," Pina said. "I really enjoy them. Sometimes it can be tough because of my makeup. I don't believe in nepotism or playing favorites. I tell them that their supervisor is the person who they have to impress."

plant 40 minutes away in New Bedford. Reliable Truss supplies, among other things pre-cut rafter systems and roof trusses from simple to complex.

"We spend a lot of time trying to figure out how to be different in the market and add value," Pelletier said. "If all you do is sell sticks, and the project goes to the lowest bidder, then it becomes a very challenging business."

Looking ahead, the company likes what it sees in the long-term for the housing market. Pointing to a nearly 15-year run of annual housing starts that have fallen far short of historical averages, Kaitz looks for a strong decade for housing to come.

The pandemic disrupted some of the building in New England, but not National Lumber's momentum.

"In January and February, we thought it was going to be the best year ever," said Creason, the outside sales rep. "We still think it's going to be pretty darn good." **HBSD**