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BUILDING A GOLDEN STATE OF MIND

Golden State Lumber unveils
its vision for the future

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Jessica Scerri, CEO of Golden State Lumber



Golden State Lumber has maintained a tradition with its employees for the past 10 years. Over the years, a total of 26 employees have been presented with Rolex watches on their 25th year anniversary with the company. This simple, yet thoughtful gesture serves as a ‘thank you’ to the employees who have remained loyal to the company through every uptick and slump. And while, like any business, there were times when budgets remained tight, CEO Jessica Scerri insists that this tradition will continue to be implemented year after year, because Golden State Lumber would not be where it is today without its employees.

“One of our biggest competitive advantages is all of our employees,” Scerri says. “We have an amazingly knowledgeable staff that services our customers to a level that a big-box store wouldn’t be able to. Empowering our employees to really make a difference helps us be successful, enables us to make quick decisions and makes people want to stay with the company.”

This year, Golden State Lumber celebrated its 60th year in business. Beginning in 1954 as a one-location operation, the family-owned and operated company has grown to four full-time lumber yards in the Greater Bay area: Stockton, Newark, Brisbane, San Rafael and a corporate office in Petaluma, Calif.

Serving roughly 80-90% professional contractors, including big developers, construction framers and custom homebuilders, Golden State Lumber is comprised of approximately 315 employees—which includes an outside sales force. With recent changes executed within the last few years, Golden State Lumber hopes to continue its growth with additional innovative resources and the opening of a new location planned for 2015.

Recent Changes

Less than two years ago, Golden State Lumber went live with a new POS system. With hopes to simplify daily processes and procedures, Scerri says that

while the company experienced a fair amount of challenges during the initial stages of the installation—such as getting employees familiar with the system—it has certainly expanded opportunities within the business.

Since the implementation of the POS system, Golden State Lumber has been considering a wide-range of options that will not only allow for more efficiency and ease for employees and existing customers, but will also help grow the business.

“This past year we looked to see where we could diversify,” Scerri says. “We looked at the different kinds of customers and the business we received from each of them to find where our opportunities are.” ➤

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With four full-time yards and 315 employees, Golden State Lumber is well positioned for future growth.

Photos courtesy of Golden State Lumber

PROFILE

In turn, Scerri explains that one of the company's opportunities for the future is to install a customer relationship and management (CRM) system within the near future. Technological changes, Scerri admits, are always an adjustment for any operation, but Golden State Lumber plans on welcoming innovation with open arms.

But it's not just system upgrades that are making the difference. This past year, Scerri has introduced an incentive program and a revamped vision for the company. Using measurements and incentives throughout the departments, employees are rewarded with additional bonuses if they meet their predetermined goals.

"We have seen an impact in our results with these programs," Scerri notes. "We noticed that people wanted to engage more, saw the impact on employees when they hit their goals and enjoyed being able to reward them with incentives."

Because the company has heavy involvement within its community, Golden State Lumber began a program in 2013 allocating expenses to the local communities within the business's four locations; each manager from every location is assigned a portion of the budget to distribute to the community accordingly.

"I like to give them [the managers] the authority to do this because they're the ones working with the people in their communities," Scerri explains. "They're able to take the money and spend it where they see fit."

Actions such as this reinforce the company's position in the community, and the industry. As a third-generation owner, Scerri took the company over from her father in 2010 and has worked vigorously to uphold its reputation. On top of the many changes put into place over the past few years, Scerri unveiled a new vision for the company called "Building a Golden State of Mind." The

vision is divided into two themes that encompass what the company is and where it wants to go. Scerri explains that "Grow Golden" is about growth and meeting the needs of the customer, including being a business that is innovative, adaptive and maintains a strong relationship with customers; "Stay Golden" is implemented as a reminder to all employees that the company values its employees and their work environment—and finds vital importance in listening, sharing and upholding the family culture.

"I believe if these themes live within our culture and everyone contributes to them, we will be stronger and we can all benefit from our success," Scerri says.

A Different Approach

Yet, Scerri clarifies that although she took the reins as CEO of Golden State Lumber four years ago, she occasionally seeks mentorship from her father, and works with family members on a day-to-day basis. With a clear focus on expanding the business, Golden State Lumber is also working towards increasing employee benefits as well.

Last year the company offered a profit sharing plan at the end of the year—dividing a percentage of the profit earned within the year among the employees. In conjunction, Golden State Lumber also covers 96% of employees' medical expenses and matches 25% on 401k investments.

Scerri adds, "One of the reasons why people stay with us is because, due to our success, we're able to offer a lot of benefits to our employees; we really take pride in that."

Although the company has encountered difficulties within the last few years regarding hiring the right people, the bigger challenge can be competition.

"There is always the challenge of margin pressure from our competitors and how we want to handle that as a company," Scerri says. "We have to keep our customers competitive, and we only want to take work that makes sense for us and our customers."



Golden State Lumber's San Rafael location features a drive-through lumberyard (shown above) and an auto-stak system (shown right), as well as retail and showroom areas.

Photos by Jihan Cerda



The San Rafael location has many appealing features—including a showroom entrance made of antique barnwood (below left). The showroom includes an area devoted to windows and doors (right) as well as displays of siding and decking (below middle). A fully-stocked hardware store completes the store's offerings (below right).

Photos by Jihan Cerda



Full Steam Ahead

One of the ways Golden State Lumber plans on staying ahead of the curve is the planned opening of a new location in Concord, Calif. “Our goal is to open another lumberyard in 2015,” Scerri says. “We’re already working with the city to get the property approved and built. This is a great opportunity for us and we are looking forward to our new venture.”

But it’s not just plans for expansion that’s on the agenda, Golden State Lumber is also looking into remodeling current locations, including adding a showroom to its Brisbane location.

Right now, however, steady focus remains on the technical side of the operation. The company has invested time and effort into upgrading their website—and for good reason.

“One of our goals for our website is to create a simple, easy-to-use place where our customers can go and have

tools that are beneficial to them,” Scerri adds. “We have some great new tools on our site that we are advertising to our customers.”

One of the tools consists of a product catalog where customers can search for any product, even if Golden State Lumber doesn’t carry it, and learn information on its characteristics. The goal is to draw customers to the site where they can discover a broad range of industry information—not just learn about the company’s history and its locations.

And as Golden State Lumber works to embrace all aspects of a forward-thinking business, Scerri says that even with a full agenda, within the next five years she would like to consider adding another lumberyard for the future under the right circumstances.

“I am always looking for growth opportunities, but it has to be the right fit for our footprint and culture,” Scerri adds. ■

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