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The Information Source for the Fenestration Industry

Volume 15, Number 1 | January 2007

2007 FORECAST

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Replacement Windows is a Family Affair for Dealer-Turned-Manufacturer

Seven siblings team up to grow Brothers Home Improvement

By Christina Lewellen

The replacement window business is a family affair for the Cavannas. They're a big family and, together, they have built a big business.

Brothers Home Improvement had a wobbly start in 1995 when second-eldest of nine siblings Gene Cavanna teamed up with the baby of the family, Ralph Cavanna, to start a northern California window installation business. The two, with 11 years separating their ages, paired Ralph's meticulous skills as a trained installer with Gene's experience in business, having spent years as an airline manager with FedEx. Within a year, they realized that installing windows they sold themselves was a better path for them to travel than executing someone else's sales, so with the help of a few suppliers, they became a full-service window replacement business.

Today, seven of the nine Cavanna siblings—as well as countless other members of the extended family—are employees of Brothers Home Improvement. Together, they have grown the company to the point of taking the leap of faith three years ago to manufacture its own windows. Leaving the relative comfort zone of being another fabricator's highest-ranked dealer, the company now controls the quality at all levels of a project—from the selection of the components that go into its windows to the finishing trim work on the jobsite.

➤ **They're a big family and, together, they have built a big business.**

The culture at Brothers Home Improvement makes this dealer-turned-manufacturer scenario possible. Even those employees who aren't connected to the family through bloodlines act as though their family name is on the line with customers. The 160-employee roster, of which roughly 15 percent is Cavanna family members, is dedicated to feeding the business's growth engine—and it seems to be working. The company is looking to add four new retail locations to its existing seven in the next year. New products—including industry innovations—are on the horizon and the Reno,



After growing a solid California retail network, Brothers Home Improvement decided to begin manufacturing its own products. It opened a Reno, NV, production facility in 2003 to supply its stores.



While Cavanna siblings and other family members make up roughly 15 percent of Brothers Home Improvement's workforce, even the non-relatives are treated like family in the team-focused environment.



A dealer at heart, the company focuses on quality work and customer service to build its reputation in the West Coast market.

Cavannas hired an experienced plant manager and other key employees to bring first-hand knowledge to the venture. "The first thing we did was put together a group of people who are very good at what we do," Gene says. "The next thing we knew, we had a plant."

Starting the operation took good people, but it also took a lot of money. Gene recalls talking with his banker who asked him why he would put the company at financial risk to start making its own products. Gene's response—"You get to a certain point and you have to. You don't want your destiny controlled by others."

It was an aggressive start-up—a little more than a year after the plans were first laid out, the manufacturing arm was up and running. The first Brothers' windows started rolling off the line in the fall of 2003, thanks to the willingness of industry suppliers to team up with a manufacturing rookie to provide a new product to the market. The Cavannas have a close-knit relationship with their suppliers, adding more bodies to the already large family. Among the roll call, the company's custom profiles and color coating options come from Royal; Edgetech IG Inc. provides the warm-edge spacer; and products are made with Stürtz four-point welders. "Our suppliers are great, so everything went pretty quick," Gene recalls. "In my eyes, there was no other way to go but to take it to the next level."

► "You get to a certain point and you have to. You don't want your destiny controlled by others."

NV manufacturing facility is prepared to handle additional volume. "A big part of our success was the family and their wanting the business to succeed," says Gene, currently president of the company.

With sales expected to be in the \$26 million arena this year, Brothers Home Improvement is a case in point that: A) Growing a business by exploring new opportunities may reap rewards that far outweigh the initial risks, and B) It can be accomplished without killing a sibling.

WHY MANUFACTURE?

The decision to begin manufacturing windows was not one that the Cavanna family took lightly. Besides leaving its manufacturer suppliers to compete against them head-to-head, opening a plant would mean a significant investment of time and money. And if they were going to do it, they were going to do it right—skipping cookie-cutter profiles and features to offer a distinct product to the market.

"We grew to a point [as a dealer] where we just didn't feel like getting treated like everyone else," Gene explains. "We wanted either price [incentives] or exclusivity and we didn't get it. We weren't asking for favors but when you're that size, you need something. So we started manufacturing."

Gene, Ralph and the Brothers team worried less about plant location and equipment purchases when they began planning for the manufacturing arm of the company, and more about developing a good product line to offer customers. With the help of designers and engineers, the company spent more than six months tweaking the right combination of profiles, components, hardware and finish options. "With us, we've taken everything from scratch," Gene explains. "Other dealer-turned-manufacturers take existing profiles but we designed ours ourselves. The design of the window was the most time consuming."

The company established its plant just over the California border in Reno, NV. Newbies to the manufacturing realm, the

DEALER AT HEART

Even though 95 percent of the product sold through Brothers Home Improvement is manufactured at its own plant, the company is still about a \$1 million per year account for an outside window manufacturer. Gene says primarily selling the company's own product instills in the sales force confidence in the quality of what they're selling. "The sales guys know it's been built here," he says. "It gives them a sense of pride in their window."

And because so much of Brothers' business comes from referrals—Gene says the number hovers around 55 to 60 percent—having an exclusive product as a dealer in the market gives them an edge. "If a customer likes his neighbor's Brothers window, nobody else can give them that," he points out.

A dealer at heart, Brothers places the highest priority on serving its customers and making sure they are satisfied.

Having started in San Jose, CA, the company now has seven retail locations in all of the metropolitan areas of California and is hoping to expand in the coming years with an aggressive growth strategy to fill in the holes in its California coverage and cross the border into the Reno, NV area, where the windows are made. Company wide, all of the sales force and installation crews are employees of Brothers Home Improvement. "We do all of the good stuff for long-term employees," Gene says, citing good benefits, profit-sharing and regular employee parties.

In return for treating its employee network like an extended family, Brothers Home Improvement expects a level of service to the customer and work ethic fitting for the Cavanna name. The company belongs to the Better Business Bureau in all of the cities it serves and has never had a hit on its contractor license. Only once in more than a decade in business did an unresolved bill end up in court. "We will go to the Nth degree to service a customer," Gene says.

The company's sales approach parallels its commitment to service. Brothers offers an education-based sale and has never preached to its salespeople the one-shot close. "With us, it's all in the follow-up," Gene explains. "Coming from outside the industry, I wasn't used to home sales and was never interested in a high-pressure approach. You might lose some jobs being low-pressure but overall, you're in better shape."

To encourage the sales culture, Brothers often hires green salespeople and installers who can be trained to the company's specifications. "We train them ourselves," Gene says. "They learn in a year or two as apprentices and eventually become installers."

Ever since Ralph was the sole installer for the company, Brothers has installed everything it sells. "We want it installed like Ralph used to install," Gene explains. "It's hard to tell a contractor what material to use, or how much material to use. It's important to install because you control the quality of the job. Independent [contractors] don't do it your way, they do it their way."



Meet the Cavanna brothers. Second-eldest Gene Cavanna (far right) and baby of the family, Ralph (second from left) started Brothers and now seven of nine siblings work at the company.

Brothers intends to keep control of the manufacture, sale and installation of its products to grow its name and reputation. "It's not in our business plan to bring in outside dealers," Gene says. "Right now, we're focused on the quality of the service and the product. I'd rather spend the money to open more retail outlets to feed the plant than finding dealers."

GROWING THE BROTHERS FAMILY

Gene and Ralph, the second eldest and baby of the Cavanna family, have brought five of their siblings and countless other family members into the company fold. "Amazingly enough, me and the baby of the family that started the company are the two that run the company," Gene says. "The ages are all over the place but there's a lot of respect for authority. We do have our moments but the ownership they take in the company and their responsibilities is amazing."

The founding brothers couldn't have imagined how the company would grow from the time of its humble beginnings but had always hoped the company would offer the nine siblings an avenue for success. "It's just been the greatest ride for the family," Gene says. "The first five years was a rush but we've had a lot of fun doing it."

The oldest Cavanna brother, Vince, does not work for the company but does serve as a computer consultant. Father Eugenio Cavanna contributes his accounting background by establishing the systems for the company books (a trait that was passed down to Gene's daughter, Angel, 31, who is the accountant for the manufacturing facility). Besides one other sister who stays at home to care for her family, the remaining siblings fill roles from managing marketing to purchasing to human resources. "I get told on a regular basis how perfect they are for their jobs, even if the job wasn't originally fitting with their backgrounds," Gene says. His brother Michael, for example, was in a technical role with Apple before joining Brothers as a salesman. Now the vice president of sales, Michael trains all of the sales force his successful methods of moving the Brothers product. Gene has also hired his best friend from high school, as well as acquaintances from past jobs.

At least five or six times per year, the entire family, originally hailing from Madrid, Spain, gets together for reunions, parties or vacations—even though most of them work side-by-side on a daily basis. "Almost every major holiday of the year, we're together," Gene says. "We definitely play together all the time."

Fully aware that family businesses often fall weak at the hands of succession issues, Brothers has already brought Gene's son, Mike, into the company at the ground level to work his way up. "When my son came in, I had him install and sell for a year," Gene says. "Then I had him open the Los Angeles store. Now, he's the regional VP for Southern California."

With the board's approval, 27-year-old Mike is being prepared to eventually continue the operation built by his dad and uncle. "He has to show himself able at every level," Gene explains. "And so far, that's what he's been doing." ☐