## Residential Design Trends and New Products for CUSTOM HOME BUILDERS DESIGNATION FOR BUILDERS

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## Residential Posign Inends and New Production Conclusion Home Build DESIGN BUILD Leading Design/Build Firms By Rob Heselbarth, editor

The class of 2005 Leading Residential Design/Build Firms is diverse in many ways. They are based in all areas of the country, from the Northeast, Midwest, South, Southwest, Mid-Atlantic states and even Canada. They employ anywhere from a handful to a bus load of employees. They build homes in different architectural styles, and sell them in different price ranges.

ut these firms are similar in many ways, too. They are most similar in their devotion to the design/build process. They use design/build because it makes the construction process easier for their clients, ensures solid communication between everyone involved in a project, brings jobs in on time and within budget, increases profits and gives builders more control over scheduling and costs.

Successfully controlling schedules and costs is a best practice that makes these firms successful leaders, but that's not the only thing. For instance, in the Bryan, Texas area, the number of home builders is exploding, and 2D Homes hired an extra designer to bring fresh design ideas to the mix, but also for the ability to handle more work, and do it more quickly.

Being in a market that necessitates hiring more staff is a position most builders would like to be in, and many are. In situations like this, it could be easy to take on too much work, but not at Franklin & Associates in Akron, Ohio. The culture of controlled growth at this Midwestern design/build firm keeps the business safely moving forward.

"Rule No. 1 is not to overextend yourself," says Tim Franklin, president. "You'll make a better product as a result, which improves the referral rate." Maintaining this culture sometimes means turning down or postponing new business, but that's just fine with Franklin. The design/builder doesn't lose new business when forced to postpone it to finish current jobs.

"(N)ew clients know they'll get the same treatment some day."
Successful project management is crucial to any design/
builder, and none more than Calvis Wyant Luxury Homes.
Tony Calvis and Gary Wyant believe their project managers
are the best at what they do, and are critical parts of the
company's success. Being extremely organized and making sure selections are complete before construction begins
appeals to many of Calvis Wyant's clients, Wyant says.

Calvis Wyant isn't the only firm committed to completing selections before construction begins. On The Level Inc. in Chaska, Minn., sets expectation levels high and customers meet them. The design/builder expects clients to complete the selection process before breaking ground, and that's what happens. But it's not easy making this a reality.

"We anticipated that it would be difficult to sell because homeowners would have to put down more money up front. But we sold it by telling them there'd be fewer surprises during construction," says Chris Thompson, president. This improves efficiency and profitability.

Another leading design/build firm committed to improving is McNeil Co. Builders in Omaha, Neb. It is standard practice for the company's architects to make numerous educational trips, sometimes four a year. It is through its architects' continuing education that McNeil can bring innovative, accurate and stunning architecture to its clients. Good architecture takes common sense, and it's not something a person simply knows, says Patrick McNeil, owner/president. "You get a sense of good architecture from studying it," he says.

In addition to sharing a common devotion to the design/build process and implementing best practices to improve themselves, the members of this year's class of leading design/build firms also face many of the same challenges. Common to all of them, regardless of size or location, is the challenge of finding and acquiring suitable land to build on, as well as finding and retaining talented people to work for them.

Not surprisingly, they all have their ways of facing these challenges. And they all have a way of succeeding. Find out how and why in the following pages.

FRANKLIN & ASSOCIATES Akron, Ohio

COMPANY STATS

Full-time employees: 7 Industry memberships: NAHB, AIA, BBB Annual design/build projects: 100 percent Residential new construction: 40 percent Years using design/build: 9 Homes built per year 4 Average annual revenue: \$4.4 million

## Controlled-growth culture

nowing when to turn away jobs is a skill that serves Franklin & Associates well. The Akron, Ohio, home builder began as many have, taking jobs it shouldn't, just to survive.

As business grew, the firm established a good reputation, won awards, became known in the community, and jobs began coming to its door. After a few years of defining its niche in the custom home market, business began to be too much to handle effectively, says Tim Franklin, president. "We were all too stressed, too thin-staffed and it was tough to keep clients happy. Details started falling through the cracks, so we had to put on the brakes. We didn't want to ruin our good reputation."

Design/Build Firm

When someone delivers a lead on a multimillion dollar home the first urge is to take the job, he says. "Rule No. 1 is not to overextend yourself. You'll make a better product as a result, which improves the referral rate. Because if clients aren't happy, they won't refer others to you."

Franklin has had a few clients approach him with jobs, which had to be postponed for a month or two to accommodate the needs of current clients. New clients are told the company will focus on finishing the jobs of current clients before full attention is given to new clients. "We didn't lose any jobs because of this. People understand we can't let current clients down. Plus, new clients know they'll get the same treatment some day."

This culture of controlled growth creates happy customers who come back for post-sale work. For example, clients call Franklin to ask what they can do about a leaking roof. Franklin comes up with a quote and gets the work. "They come to us with something they haven't taken care of in six years, and we get it done in three days. We get the work, and a good relationship. We service anything our clients want but refer them if we can't do it," Franklin says.

Franklin is happy as a design/builder. "Design/build evolved even before it was called design/build. In the beginning a lot of firms called themselves design/build, but they couldn't design. Others couldn't build. Now I really think it's the future of residential construction.

"The process gets rid of miscommunication, but you've got to do it right, and if you can do it right, it's the only way to go," he says. "Design/build will be so ingrained in consumers' minds in five years, people won't accept anything less." >





