

# 2018's to-do lists set



## 2017 COMMERCIAL CONSTRUCTION & RENOVATION RETREAT

Commercial construction executives eye future with positive mindsets

It wasn't that long ago that the violent winds and rain spewing from Hurricane Katrina rocked the areas in and around Biloxi, Mississippi's coastline and peninsula. The locals still share tales of how entire blocks were completely destroyed, leaving the city's homes and casinos decimated.

During this year's Commercial Construction & Renovation Retreat, attendees stayed in one of the areas that was hardest hit. These days, the White House Hotel, located down the road from casino row, played host to the event, held Sept. 28-Oct. 1.

Attendees were treated to all things Biloxi during the Retreat, including a shrimp boat tour, a lunch at one of the city's most popular local hangouts, and a dinner smack dab in the middle of the casino lights. There was even time for a group swim at the Margaritaville Resort.

Included in our Weekend at Biloxi was the Retreat's lineup of educational staples, including a roundtable discussion and the revered one-on-one meetings.

Following is the first installment of our roundtable discussion, which also is available at [www.ccr-mag.com](http://www.ccr-mag.com).



**Colleen Biggs**  
The Little Gym



**Marilyn Brennan**  
Egan Sign



**Blake Brosa**  
EMG



**Anthony Byrd**



**Darrel Chaney**  
Prime Retail Services



**Grace Daly**  
Shop Talk 360



**Glenn Davis**  
RPM Pizza/Dominos



**Rick Erickson**  
Allied Partners



**George Farrelly**  
Aaron's Inc



**Stephen Gallant**  
Barteca  
Restaurant Group



**Dave Garvey**  
Grand Hinckley Casino



**Steven Hackworth**  
Steak n Shake



**Tim Hill**  
The Beam Team



**Tom McBride**  
TJM Consultants



**Jeff Mobley**  
Qualserv Solutions



**Tim Olson**  
Glab Maintenance



**Steve Olson**  
CESO, Inc.



**Rebecca Suen**  
Hilliker Corp



**Bob Vacsulka**  
National Pavement



**Julia Versteegh**  
Storefloors



**Candace Wells**  
RPM Pizza/Dominos



## CCR: What's on your to-do list right now?

**Colleen Biggs, The Little Gym:** Right now, we are focusing our plan for the next 18 months of growth for our brand as a company and honing in on development growth. We've rolled out a smaller, scaled down concept of The Little Gym, as well as are conceiving and piloting our mobile concept. Mobile licensing will be an individual license opportunity as well as an additional revenue opportunity for the current licensed franchisees that own a brick and mortar store. They would have the opportunity to apply for the license for the mobile opportunity within their territory. We feel this initiative will offer us the opportunity to continue to grow as a brand. Our goal is to become a household name.

I'm also preparing to move into a new role next year. In this new position I will be overseeing the brand consistency for the company – The Little Gym International. We're based out of Scottsdale, Ariz., so I'm going to put my wings on and become a little bit of a road warrior over the next 18 months.

My goal in traveling to each store would be to not only continue to build trust and relationships with the franchisees, but also to uncover what best practices are being utilized within the businesses, as well as what's working that has already been established as a proven process for many years. We are only as strong as our weakest "process" right? Ensuring that we have solid "Best Practices" in place as well as testing "Proven "processes" offers us a strong brand continuity across the community prior to the growth we anticipate between 2018 and 2025.

**Jeff Mobley, Qualserv Solutions:** We're now a Middleby company. Middleby has 30 food service equipment companies it has purchased over the last 25 years. On our to-do list right now is to consolidate our custom manufacturing with our equipment manufacturing, where they have customers who we may not have worked with. That to-do list includes transitioning to Middleby. It's very exciting for our company. We were owned by Banks for years, and now we have someone in the industry off and running with us.

**“Probably the No. 1 thing on our to-do list is to go deeper with our existing clients. If they're expanding throughout the U.S., how do we not only help them with project management, but also get up front to provide real estate due diligence services and partner downstream on capital planning?”**

– Blake Brosa, EMG

## Glenn Davis, RPM Pizza/Dominos:

We're four years into the rebranding of 187 stores. Right now, I have three stores I'm working with. One is a major remodel, and two are regular reimages and rebranding going on in the south. Three rebrandings are going on in the Midwest. I currently have four projects with architects, and over the next two years, we'll relocate 12 stores and build eight new ones. Most of them are in Mississippi and Louisiana, with a few in the Midwest.

## CCR: Are you affiliated with those TV commercials where all of those guys are knocking down their old stores?

**RPM Pizza/Dominos' Davis:** No, we don't do that ourselves. Those stores have to open the next morning. You pull it out and throw it in the dumpster. My contractors hate that commercial. Customers say, "Is that really what you do?" "No, that's not what we do." It's like the first commercial blowing the sign up off the building. That's not how you take down the sign.

It's great PR, because everybody asks about it and everybody loves the commercials, but it's not reality. That would be a whole different building permit.

**Bob Vacsulka, National Pavement:** We're focused on wrapping up the season. We have a couple hundred remaining jobs to do. We're running a little behind given the different hurricanes and storms. As far as additional to-do items on our list, we have a lot of business planning to do for 2018, as we look to grow the existing customer base. We plan to meet with customers face-to-face to see what needs and opportunities may exist in 2018 and how we can be a partner for them on that.



Also, we're looking into different verticals such as REIT's, where we don't have such a heavy presence, but we're looking to expand in 2018.

**Candace Wells, RPM Pizza/Dominos:** I'm ordering equipment for six and seven different stores at one time that we are either relocating or building from the ground up. I'm also training contractors in Indiana who will be taking over our warehouse in 2018. One of my biggest projects for 2017/18 will be taking on all oven and hood installs for RPM's stores in the South and Indiana. Looking forward to 2018.

**Tim Olson, Glab Maintenance:** At Glab Maintenance, we are always looking to grow our company by client acquisition. We are also focusing on preventative maintenance plans because we find our customers are continually trying to do more with less. If you can anticipate and catch problems ahead of time, we can come up with more cost effective solutions.

**“As a company, one of our major initiatives is continuing to grow our supplier partners internationally and across the U.S. This gives us the opportunity to offer a wider variety of products at a lower cost to our customers.”**

– Julia Versteegh, Storefloors

One of the things we've developed is OverviewFacility.com, a web-based software that allows our clients to track and manage their building assets. Take for instance, water heaters or any other mechanical system. How old are they? Where are they located? Who and when was the last time it was serviced? What is the life expectancy?

This is a great opportunity for our clients to be in control of their budget eliminating unnecessary repairs, emergency calls, and expensive trip charges. Our software is customizable allowing our customers to manage their unique needs unlike other software that is available.

**Stephen Gallant, Barteca Restaurant Group:** Barteca's made up of two different divisions – Barcelona and Bartaco. In 20 years, we have opened 20 locations and we are looking to develop into new markets. We have opened nine locations over the past year and a half. My role is to add structure and process to what they didn't have. Barteca is a small company who has been run by two brilliant partners. We have made some changes to grow from a privately held company to position ourselves to open more than 8-10 locations per year. We are also developing a formal maintenance division to handle the escalated store growth.

**Blake Brosa, EMG:** Probably the No. 1 thing on our to-do list is to go deeper with our existing clients. We already work with a lot of the major Fortune 500 retail, banking, hospitality, c-store, and restaurant brands, so where we have an existing relationship in our project management division, we're looking at partnering with them, or vice versa.

If they're expanding throughout the U.S., how do we not only help them with project management, but also get up front to provide real estate due diligence services (Phase I environmental assessments, PCAs, ALTA surveys, etc.) and partner downstream on capital planning? Using that existing base is not a new concept, but we're a fairly recently merged company, so we're continuing to build on those existing relationships.

The second biggest piece, for me, is to just follow the retail industry. I don't think any of us can look in a crystal ball today and say what it's going to be in the next two to five years. So, I want to keep pace and keep track. What's Amazon doing? What's Whole Foods doing? Where is Target going? Walmart? What are all of the different initiatives, like the buy-online/pick-up-in-stores. I think for our part of the business – construction project management – a lot of folks are downsizing boxes.

Also, more money's being reinvested in technology, so how do we position ourselves to be a technology implementation provider? We don't want to walk away from project management services, but we want to look at what those traditional teams are doing. A lot of that's being changed.

The third piece is just being that consultant around the life cycle of real estate. When we talk about buying, building, and maintaining properties, EMG wants to be a partner throughout that entire life cycle.

**Steven Hackworth, Steak 'n Shake:** The biggest on my to-do list is to figure out how to get policies and procedures in place to grow our company to more than 1,000 units within a reasonable timeframe of five to six year. Right now, we're just under 600 units. As you can see, to get to that 1,000-unit mark, we need to open 100 stores a year. That can be very difficult. Right now, the best we've been able to do is 37 stores a year.

Most of that is due to the fact that we use franchisees for our growth, so there is lots of problems trying to get the franchisees, get the correct architect on board, make sure they understand our branding and what needs to go into those drawings. We provide a prototypical set of drawings for them to base their stores off of, but it seems like each architectural firm wants to put a little spin on it. So my job is to review all of that to make sure that they don't spin it the wrong direction.

To accomplish that, we've also went into the nontraditional market. We're opening more restaurants inside of universities. I think we're at three airport locations and looking for more airports. The airport is a great captive audience as is a university. You can have a restaurant in a university and a mile down the road still have another restaurant that does great. That's my biggest challenge.

**Steve Olson, CESO, Inc.:** The first thing on my to-do list always involves a focus on our staff. We spend a large amount of time hiring the next strong leader, and then pouring into their training and development. We do that because we think that well-equipped and empowered people can go out and build the business without a tremendous amount of handholding.

Next is to find more commercial business partners. We're really looking at each of our clients for what their business needs are and how we can partner with them. We want to either assist them with their new store/restaurant programs, remodel programs, or help them to put a new creative twist on their brand evolution with our own branding group. So, in addition to reminding people about our architecture, civil and survey core business, our to-do- list includes getting the word out a little bit more about our design and branding business, and to try to increase work within that service line.

**Anthony Byrd:** My to-do list includes putting into place contracts to help manage the vacant properties we have. On the way to developing those sites that are vacant, it's my job to maintain them and make sure they're within city compliance. So I need some vendors to help bring that about. Another item is a major redevelopment of one of our high-rise properties. This is utilizing a program from the federal government using HUD funds, called RAD. That's pretty major. Finally, I would say is to complete the capital improvements I have for the properties I manage.

**Marilyn Brennan, Egan Sign:** My to-do list is to attend more trade shows and industry events, maintain our existing clients and offer expanded services to our clients in different areas of signage that they have not previously utilized.

With that, we're also onboarding new clients and making sure that the transition is really strong. Our clients are always the focus and building a very tight relationship in the beginning of the onboarding process is critical. We do a lot of handholding in the first couple of months with our clients.

**Dave Garvey, Grand Hinckley Casino:** There are two major projects underway that are almost near their completion. The first project is our property is undergoing a major remodel and we are in various stages of this project.

In December 2016, we opened Stories Diner, which is a classic American diner with a twist. Our Grand Buffet received a



complete makeover with a more open and vibrant layout that will allow our Guests an opportunity to pick and choose food lines they'd like to visit. This is different from classic buffet lines. Our Snack Bar was remodeled and we've also moved Sweet Spot (our coffee shop) to the center of the casino to allow Guests to grab a latte or espresso while playing their favorite games.

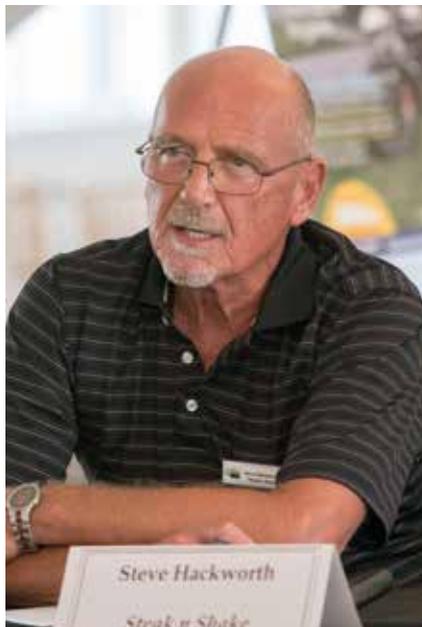
Our casual restaurant – the Grand Grill Americana – has been closed for remodel and work is happening to transform that space into a new and exciting eatery. Our popular Winds Steakhouse also received some love – we updated all wall coverings, carpet, tables and added new comfortable chairs.

The second project involves the discussion of minimum wage, which is a front-and-center topic in the state of Minnesota. I currently sit on the Minnesota Restaurant Association's

Board of Directors. One of the things that the hospitality industry is facing at this time is the minimum wage increase to \$15 an hour.

We continue to look at different programs within our organization that will reward Associates once they start in a Food & Beverage position. The Associate does receive a merit increase on an annual basis, but we have also implemented a Pay for Performance program, which allows Associates to actively participate in the goals of our department and qualify for an additional payout at the end of the fiscal year. This has created a lot of excitement with our Associates.

I am also proud to work with a national organization called Pro-Start, which is a great opportunity for our local high school students. We bring them into our business and show them the operations of our food venues, which gives them a look into the hospitality industry and hopefully sparks some interest.



## CCR: On the buffets, do you still have any type of all-you-can-eat offers?

**Grand Hinckley Casino's Garvey:** We offer lunch 7 days a week; Monday through Thursday evenings we offer a Classic Dinner Buffet; Friday evenings we offer a Seafood Buffet; Saturday evenings a Prime Rib Buffet is served and Sunday evenings we round off the week with a Shrimp Lovers Buffet.

## CCR: What was the reason for going away from the buffets?

**Grand Hinckley Casino's Garvey:** It was a little of everything, including the cost savings. The focus groups told us, "If we can go in there and get all we want, we're okay with it." We did a study that showed things were slower in the winter. So we weighed

and counted everything. We did month-end inventory in seven hours. When we reopened, we knew exactly what we had. At the end of that night, we'd served 465 guests. We weighed and counted everything again in a 24-hour inventory. We threw away more food than we thought. We threw away more food than the 465 guests ate. So, you start putting common sense behind the decision.

**Julia Versteegh, Storefloors:** As a company, one of our major initiatives is continuing to grow our supplier partnerships internationally and across the U.S. This gives us the opportunity to offer a wider variety of products at a lower cost to our customers. That's an ongoing initiative that's picked up some momentum. We're excited about that. We're also focusing more on a couple of different segments, such as restaurants and cannabis retail. So I've been learning about the marijuana retail industry.

**“The first thing on my to-do list always involves a focus on our staff. We spend a large amount of time hiring the next strong leader, and then pouring into their training and development.”**

— Steve Olson, CESO, Inc.

**George Farrelly, Aaron's Inc.:** Our to-do list has kind of changed since the hurricanes have hit our stores. We have a lot of stores in Florida and Texas, so we've been focused on getting some of them up and running again. We had five stores completely shut down that were in the process of rebuilding the inside. We have another 30 that have damage inside the stores. We're removing carpet, drywall and fixtures. Those are our main priorities right now.

Another on that list is the 150 remodeled stores we had planned to do this year. We still have about 20 to do, and 15 are my projects. In the future, our to-do list will bet to do 150 stores over the next four or five years, and to catch up our 1,800 stores to the new look.

In addition, we're working with a design group – The Big Red Rooster – to design a store of the future. This will help give Aaron's a more modern look. Our look is kind of old. We haven't changed it in a very long time, so Big Red Rooster is giving us some ideas for the inside of the store. We're doing something called the endless tile, instead of just having product inside the store. We're looking at a kiosk where you can pick any product you want from any furniture company and Aaron's can provide it to you.

We're also working on the signs on the front of the building. It's more of a new retro look. I'm also onboarding 10 GCs. I need to get them up and running so that they can help us with these 150 stores we're doing over the next four to five years.

**Darrel Chaney, Prime Retail Services:** The No. 1 thing on our to-do list is to make sure that we have the right people. We have three divisions in our company – fixture installing, construction, and inside our construction division we have an electrical division. Our workload continues to grow, so we need to have the right people for the right jobs, whether they be in the lower end of the scale as a laborer, or a project manager or superintendent. We are really trying to grow our electrical division. Once we opened that division, we saw it was really advantageous for us, as well as our clients.

**Rick Erickson, Allied Partners:** I have been charged to find vendors who can handle hotel remodels, from Architect's to flooring to boilers, and things in-between. I am excited to bring the next wave of hotel design. The reason I got into the business 20 years ago is because hotels generate cash by changing their rates overnight and can reinvent themselves periodically through ROI (return on investment) projects.

In hotels today, we're trying to promote the idea that hotels are becoming your third space. Nobody's sitting in an office building all day, all year long. You've got to get out, meet and mingle, no one wants to get stuck in a conference room anymore. You're going to go downstairs in the hotel to meet clients, share coffee or cocktails in a 'happenin' environment.

So we're going to turn hotels into that third space, creating buzz and an environment where everyone can thrive. In order to do this, we want to create strategic partnerships. Why can't there be a Steak 'n' Shake inside the lobby of a hotel? For years, hoteliers have tried to run restaurants and they lose money. If we have a huge fitness facility sitting idle, why not expand it to include CrossFit, Ninja training, indoor pool activities, etc. We'll offer swimming lessons for kids, why not add gymnastics or something? We really want to create an environment beyond just a lobby on your way to your room ... creating synergy breeds creativity in the workplace.

**Tim Hill, The Beam Team:** We have a couple of things on our To-Do list. Right now, we are preparing ourselves as we start to wrap up 2017 so that we can further our success in 2018. In retail, there is usually a down period between mid-November to February as we wait for capital spending to start up again. As a result, we are looking to avoid these periods of delay. Fortunately for the Beam Team, we have experienced a lot of growth this year, so our biggest focus right now is ensuring that we have some of the best qualified sub-contractors as well as enough superintendents and tradespeople to match our growth potential for 2018.

**Aaron's Inc.'s Farrelly:** Our slowdown is in November and December slowdown. We're slow the first two weeks of November, and then

the busy season starts. But after talking with vendors recently, the hurricanes have required a lot of roofs to be built. Some of those stores where there is damage have to wait for the landlord to fix the buildings.

I talked with some contractors that told me off record that they were glad the hurricanes hit. It doubled sales for the year. It's horrible to say, but they're right. It gave them sales for the year they were not going to normally have. Half the people aren't going to be redoing stores, but we kind of have to now because of the path of the hurricanes.

**RPM Pizza/Dominos' Davis:** The problem you have after a storm – after going through Katrina – roofs are the first to get fixed. Right now FEMA has hired every roofer there is available to go blue tarp roofs. They do all the residential structures first, which is why it is hard to get a roofer. The only way you're going to one is to bring them in from somewhere else. Most of your roofers from around this area have all headed to Texas and Florida because FEMA is paying the money.

After Katrina, I had to have my house blue tarped. That's what it is. The next stage is going to be framers. After that is going to be electricians and plumbers and HVAC, and then sheet rockers. It just follows the path all the way until everything's done.

**Aaron's Inc.'s Farrelly:** We also have to keep in mind the fixture packages that we have. We order some of the fixtures, but with the hurricane in Texas and Florida, we had to unplan fixtures that weren't there. There are 25 stores where we didn't plan on needing any fixtures for. Now, we do. There is a four- to six-week lead time on the fixtures. I can place an order two weeks ago and still be four weeks out for them to be ready. We have that delay of trying to get all of the fixtures and carpet. Big hits like that all snowball down. Fixtures now take longer. The carpet takes longer. Trying to get the subcontractors to get to a location – it's harder to find.

**RPM Pizza/Dominos' Davis:** After going through Katrina here, our disaster recovery at RPM Pizza is done. We're just completely through it. We have a complete system for disaster recovery. We sent people to Texas and Florida after it was over with to help out Dominos franchises. We've been through it, so we have a system that works. All of my new stores are built plug and play for generators. Every one of them. It's a \$2,000 increase in the costs, but I'll tell you what, all of our stores after a storm are the first ones to open on generators.

So right now, during your recoveries, you turn into a saint. No carpet on the floor. No paint on the wall. You have all of the fixtures there and you sell them and then plant it. You've got to plan around the trades. You're not going to get any trades. With the size of that and then two states – the trades are going to be all tied up. Residential is where the money's going to be, so that's where they're going to go.

**Rebecca Suen, Hilliker Corp.:** One of the largest projects I'm working on right now is helping a national self-storage retailer find a location in St. Louis. Self-storage business is booming right now. They're popping up everywhere. A lot of people are using this type of storage. I'm helping this company find a big, empty box that's in a middle- to higher-income area for its new location in St. Louis. I'm also helping them find a location that's on a national basis.

That ties into one of our company's biggest goals for this upcoming year, which is to increase our partnership with our sister company, Westwood Net Lease Advisors. Hilliker is licensed in Missouri and Illinois, but we have clients who are looking to purchase properties outside of these two states.

With Westwood, we have the ability to work with commercial properties all over the country. Its sole focus is on triple net properties. They work with Steak 'n Shake, Buffalo Wild Wings, Chik-fil-A, Family Dollar – those types of businesses. I'm building my client base and working with more business investors beyond the St. Louis area.



## CCR: For the brands, what are your top three requirements for qualifying new contractors, suppliers and vendor partners?

**Aaron's Inc.'s Farrelly:** No. 1 is background checks. There is a pamphlet we send out to all of the contractors. If you're a general contractor, we want you to give us a list of five of your subs and/or people you work with and then five brands. I need to check how their payments are, if they pay on time, how their work is,

would they get a recommendation?

No. 2 is the financial sustainability of the company. We require three years of audited or reviewed financials. It is reviewed by two sets of people. First by me, because I have an accounting background. Next, it's sent to our financial department, who gives it a grade of A, B or C. A is the best, B is moderate and C is no way we're going to use you. Anything with an A is onboarded immediately. With a B, we get a little more background check. C is just not there.

The reason is that we require our general contractors to pay their subs before we pay them. If the subs are paid, we don't have to worry about lien waivers. We hold back some of the money owed to them, and once the waivers come in, we pay them. Also, it's a 30- to 45-day process from the time we get them to when they get paid. They have to have the flexibility to be able to handle the job. It could be five remodels going on at the same time that The Beam Team is running, so it's a \$60,000 job times five. It's a lot of money out there, so we have to make sure they are capable of doing it.

The final thing is that I always tell the builders that I'm not looking for a general contractor. I'm not looking for a vendor – I'm looking for a family. I don't want this to be just a business relationship, it's a partnership.

**Grand Hinckley Casino's Garvey:** As a company, one of our major initiatives is to support our Native owned contractors and supplier partnerships. We also utilize an RFP process. If we're going to entertain a restaurant remodel, I'm involved. I then work with our property's Project Manager who will meet with the architects and the building group.

**Anthony Byrd:** We put a tremendous amount of emphasis on minority businesses and women businesses. It's not a requirement, but the agency looks at all of the vendors that we use and where all of the dollars are going. We want to show a very high percentage of this is being done with minority-owned businesses and women-owned businesses.

In addition, we want to work with businesses that in turn will hire what is called Section 3 workers. Section 3 is a special federal



designation for a lot of people who qualify for public housing. We want to encourage those businesses to reach out to the community, provide opportunities for people to work. So we make that a requirement; it's not a set quota.

The federal government doesn't have a set quota, but it wants to at least see a plan. In addition, we have a standard RFP process, where we want to see you submit all the current documents. Pricing is going to be one of the things reviewed, but you're going to go through a pretty involved evaluation criteria.

**Steak n Shake's Hackworth:** It's different between the way we qualify GCs versus the way we qualify architects and our vendors. I'll start with the GCs. We send in the typical AIA request for information form. They provide us with their financials, their experience in the restaurant building business and a list of references. We go through all of those and check them.

The main thing I'm looking for on that one is to make sure they have restaurant experience, they have superintendents that know how to schedule the kitchen equipment in at the right time, the FF&E

items at the proper time, know how to work with vendors for owner furnished items and make sure that it comes in at the same time.

I find that a lot of contractors that are used to buying everything out their selves, when it comes to coordinating owner furnished items, they don't know how to do that. They forget to call, and then they come back and say, "Oh, I couldn't get the lighting package here in time."

"Well, did you order it?" I ask.

"Not in time," they reply.

So those are the things we're looking for, to make sure that they're on top of that.

## CCR: What about architects?

**Steak n Shake's Hackworth:** When it comes to architects, we look for architectural firms that have restaurant experience. Basically, we're looking for production houses for drawings – not somebody that does design. We have our own in-house design team. Our CEO goes through everything, looks at it, and approves all of the renderings before we go out for a new look for a restaurant. So we want to make sure that all of the branding items are in those drawings and we take it off our prototypical set.

For vendors, we're looking more for partnerships. We have in-house purchasing agents and people that work with vendors to get our pricing. We work national accounts with the manufacturers.

Again, in restaurants, you get consistency in the food. If you want the same burger to taste the same that you buy in Michigan or Florida, then you have to have the right equipment, the right training in place. You can't have different brands of

equipment in a restaurant because they have different fry times and things.

If somebody goes in there and orders your French fries, you want them to be exactly the same every time. But not every deep fryer fries it the same way. So our training is based on certain pieces of equipment that produce our product the way we want it so we make sure that – that's why we establish national accounts and we're looking for vendors that want to partner up with us on that.

**Barteca Restaurant Group's Gallant:** We want to make sure the vendors we deal with have experience in doing high end restaurant or retail business. We look for that on their qualifications – whether it's an architect, vendor or a GC...i.e. how long have they been in business?... doing business under the same name during the entire time they have been in business, . and we evaluate their annual volume. We do not want an error on our project or another project they may be completing bankrupting them while completing our work.

We get contractors through industry contacts, some cold calls and my past experience. I ask for an AIA A305 form, their financials and related references. I evaluate the information provided and either approve or disapprove them based on their answers. If they get to bid and are one of the low bidders I will obtain a Dunn & Bradstreet report to verify their payment history, industry rating and if they have any claims against them.

It is inexpensive for a Dunn & Bradstreet report which will often show more information than contractors are willing to give during the prequalifying stage. I qualify the contractor very carefully and insure they are providing us an experienced team and superintendent that has done high end restaurant work.. If they've changed their name a lot or in the last two or three years I don't want to deal with them. I want to deal with a company that has been in business at least 10 years under the same name doing a volume of \$20 million or more at least.

**Aaron's Inc.'s Farrelly:** We look for retail experience, not just construction experience. Hotels, casinos and building hotels spaces are completely different. You have, especially with open remodels also, because we do ours during the day. That's one thing I forgot to add.

**RPM Pizza/Dominos' Davis:** I get a lot of architects and general contractors that want to do the work. The biggest thing I check is if they are licensed in that particular state. A lot of them will say they're licensed all across the United States. But it's a little unique in Louisiana and Mississippi.

I send architects a sample set of our plans and ask them to price it out. If they're in the ballpark, I'll check background references, etc. I have a lot of repeat GCs, because building a Domino's Pizza store is a little bit unique. We have a lot of standards that are required, so things have to be done in different ways. These things have to be done to get the stores certified.

With vendors, Domino's has its own equipment and supply company, so a lot of the stuff I buy comes through them. For example, there only two types of ovens that we use, so we have to buy from them.

As for signs, the companies have to be approved by Domino's Corporate before they can be a supplier. There are a lot of different rules when it comes to certification.

**The Little Gym's Biggs:** We're pretty unique because we're not a restaurant. We fall into the category of retail, but as the franchisor, we don't have any corporate-owned stores. Every single one of our stores is operated by a franchisee. That means every single person you work with is going to be quite different.

It's hard for me to acquire vendors that want to stay. One of the requirements we look for in a vendor is helping maintain brand consistency across the community. The investment

of vendor partners is to assist the franchisee, so they are able to focus on their business and not vetting vendors. Our business is really about the experience family has. We are also very integrated in every community.

The franchisees that buy a The Little Gym aren't investing into this business to become millionaires. They're doing it because they have a passion for children, for their community, and are wanting to be part of changing lives for these little ones. At the end of the day, it's about providing a safe place for the children, at an early age, to understand how valuable they are.

Looking at it from that angle, we choose for the Franchisee to be focusing on the operations of the business. The operations of the business

include staffing, marketing, budgeting, training, etc. My current responsibility is to make it as easy for them as possible to get a facility built. We strive to have vendors in place that are "valued" vendors. We are the ones partnering with them for the benefit of the Franchise community. When you become part of our family, you're not just a vendor to us. You're a valued preferred partner.

The most important attribute of a solid valued preferred partner is customer service. In our business, this is crucial. We have a very unique business that serves the "tiniest" of the population, in reference to age that is. When your goal daily as a Franchisee is to build the best relationships possible and earn the trust of the parent, you do not take that responsibility lightly. We want to partner with a vendor company that has those values and shares that integrity. We're not interested in vendors that just want to make a quick buck.

Another attribute that we seek is longevity. It is the most difficult and is extremely time consuming to onboard a new vendor partner. Replacing current valued preferred partners is grueling, every time. If we find someone that has the integrity, work ethic, and customer service we desire to work with, I'm committed. We remain loyal. We prefer to partner with them for 10-15 years if I can. Some of my tenured valued

preferred partners have been with us for over 13 years. Longevity strengthens trust!, for us longevity is key.

Finally, we negotiate and focus on cost. Quality work will bring the consistency we need, however, I'm not interested in paying top dollar for the products out there. I'm certainly not looking for the cheapest product either, even if it does save the franchisee a couple of dollars. I want to be in the "sweet spot", so somewhere in the middle. We strive for material that is accompanied by a solid quality at a fair price. **CCR**



**"In hotels today,  
we're trying to  
promote the idea that  
hotels are becoming  
your third space.  
Nobody's sitting in  
an office building all  
day, all year long.**

— Rick Erickson, Allied Partners

# Meet me on the water

Mention The Blind Tiger on the Beach and what's the first thing you think of? The beach, right. And not just any beach, but the beaches from another time and place. The architecture recalls the look of the seafood factories that once stood along the beach in east Biloxi. Wrap-around decks give 360-degree views of Deer Island, boats and dolphins in the channel and sunsets over the coastline. That's where attendees of the Commercial Construction & Renovation Retreat convened for dinner on Day 1, which featured dinner, drinks and a soothing ocean breeze.



## Shrimp it up

What better way to spend an afternoon networking than trolling for shrimp. Compliments of the the Biloxi Shrimping Trip, Commercial Construction & Renovation Retreat attendees set out on a real shrimping expedition, finding the answer to that age old question, "How many legs does a shrimp have?" The 70-minute peek into the shrimping world also enable attendees to sift through the nets, which operators drug around the bottom of the Mississippi Sound. The day's catch-and-release included blue crabs, flounder and oysterfish.



## Shrimp anyone?

If you're going to spend some time in the Mississippi Sound trolling for catch-and-release shrimp, the least you can do at the end of the adventure is to get some actual seafood. That's where McElroy's Harbor House Seafood Restaurant comes in. The family owned and operated seafood haunt – a Biloxi favorite – played host to lunch in the Biloxi Small Craft Harbor. With a little bit of something for everyone, it was the perfect ending to a day on the water.



## Dinner – Casino style

Located inside the Hard Rock Casino, just off the gaming floor, The Half Shell Oyster House offers something for everyone spending an evening in a casino town. Featuring a 48-foot long mural of The French Quarter, antique fixtures and lighting from the French Quarter, The Half Shell was the ideal setting to help wind down a day of networking and educational pursuits. As for the post-dinner casino trek, what happens in Biloxi, well, you know the rest.



## Poolside follies

When in Biloxi, do what the local do. That includes hanging out at the rooftop water playground at Margaritaville Resort Biloxi. With a 450-foot Lazy River, winding water slides and poolside lounge, Saturdays were made for relaxation.



## Just beyond Biloxi

After tooling around the quaint streets of Ocean Springs, Miss., just outside of Biloxi, looking for the perfect spot to have one last group dinner, the folks at the Charred Steak and Oyster Bar opened up the patio. Food. Dessert. Drinks. Stories. There may not have been a better way for Biloxi to say good bye.



## In the shadow of history

With their significant others knee deep in one-on-one meetings, it was time to see the sights. The all-in-one spot is the Biloxi Visitors Center, which opened in July 2011 in the shadow of the Biloxi Lighthouse on U.S. 90. The Center fuses the city's architectural heritage with state-of-the-art technology and multi-media exhibits to give visitors and residents alike a feel for the Biloxi of yesterday and today. Among the attractions is the 67-seat movie theater that offers continuous showings of the 10-minute film "We are Biloxi" – an introspective look at life after Hurricane Katrina.