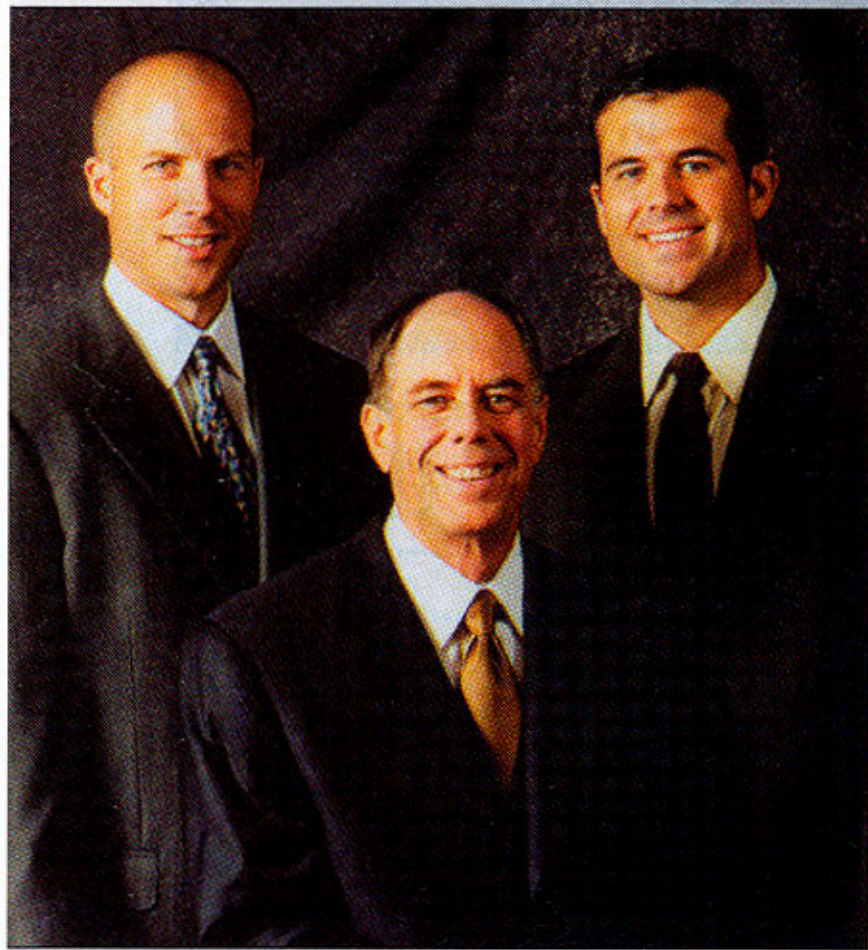


Terry, Greg, and Brad Fricks

The Fricks Company

Ft. Worth, Texas



Greg, Terry, and Brad Fricks (left to right) run one of the nation's best concrete floor contractors.

■ Brad: We work all over North America and in the Caribbean, but we have just one home office in Ft. Worth, and we never hire any local people.

Terry: We find it's cheaper doing that because our jobs are less than four months. So even the longer jobs are relatively short, and it's much more efficient to take our own people.

Greg: That's the way we are able to maintain quality—using our trained specialists.

■ B: Greg has been working for the company full time for 15 years, and I have for 10 years, but we've both worked in the company all our lives.

T: They both went to college and graduated, but before they came into the office, I told them they had to be able to be superintendent on a job, take a crew 1500 miles away from home, and bring the job in on budget, on schedule, and without quality issues. But there's another reason for that. We have guys who've been with the company for 30 years, and Greg and Brad have done a good job gaining their respect.

■ G: We've spent the time not just learning the work but actually doing it—from laborer to finishing foreman—and to this day, whenever we buy new equipment, Brad and I go out and run it before we teach someone else.

■ G: To buy dad out of the company, we set up a ten-year succession program, and we have just completed the

sixth year. The problem was that we were growing the company, so the harder we worked the more valuable the company became, and that meant there would be more to buy. So Brad and I started our own company, and we have been working the succession by splitting the profits between dad's company and our company based on what year we are in. We started out at 90-10 split, then 80-20, and so on, to where now it's 40-60.

T: All the contracts were written to the old company for the first five years. Then, at the midpoint of the buyout, the new company took over. It's a concept that FMI came up with. It's been really good because Brad and Greg don't feel like employees since they have their own company.

■ T: Being successful in the concrete construction business takes paying attention to the details and knowing exactly what your costs are. We have an extensive cost-tracking system. We generally have three jobs going on in various parts of the country and every day payroll is sent in to the office and put into the cost-tracking system. Many contractors don't understand what their overhead is, or what their costs are, so how do they know how to bid a job? All that history feeds back into our estimating system. I put the markup on the job, the profit and overhead based on the difficulty of the job, where it is, and the time of the year. G: And we also factor in our knowledge of the customer and how badly we need the work.

■ G: Seventy-five percent of our customers are repeat customers in the food industry. T: Rather than being focused geographically, we are focused on an industry because what we produce is what most food distributors want: a more durable floor.

■ B: We have three crews, and each is set up exactly the same. I could send any of the three to any job. Each has its own equipment and each has been trained the same. They have the same vehicles, the same tools—everything except the same personalities.

■ G: It gets back to how we treat our employees. They are dedicated to us, and we are dedicated to them. We provide good benefits and good pay, and we are always there for them. When we started the buyout program, we told everybody what was going on—we didn't keep it a secret, and we've had very positive response.

B: But our ideals and ideas haven't changed. We are still a family-owned business, and we treat our employees as family—with respect. We demand a lot, but we are fair.

■ G: We produce the best floors in the country. We are able to do that because of our employees and our hands-on attitude. If we aren't proud to put our name on it, then we won't leave it.