

September 19, 2014



*“Preserving the Past while Building the Future.”*



*Celebrating 130 Years of Service*

*A note from the Siewers Family...*

*Fall is upon us.....*

We hope those of you with children have settled into the new school year! It is hard to believe that another summer is behind us!

This “Back to School” time of the year serves as a reminder for us at Siewers Lumber & Millwork to keep up-to-date with our product knowledge. After a summer break, the Siewers’ salesmen will begin continuing education workshops with our vendors so we can continue to pass that product knowledge on to each of you. We strive to be your go-to source when you have a question about the building industry.

Remember, we are constantly looking for ways to be the best lumberyard for all your building supply needs. We welcome your comments on products, pricing and service. It is through you that we continue to improve on our mission.

Thank you for your continued feedback on our newsletter and as always, thank you for your continued business!!!

*-The Siewers Family*

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## Contractor News

### *When Clients Ask, “What’s Your Markup?” Say This* by Paul Winans

**Be Clear With Yourself First:** Respond with confidence. You must be clear with yourself that you, your family and your company are worth what you have decided to charge.

**What Step Did You Miss in the Sales Process:** If a potential client is asking about markup late in the sales interaction, it means it is likely an earlier part of the sales interaction was not addressed as completely as it should have been.

Without helping the client remember what was told you earlier, it is very likely that the client will stay stuck on the markup question. You may add to your sales approach to end all presentations to a client with “What do you think of what I have said so far?”

**The Second Response:** If the potential client is still interested in our markup, here is what I would say: “To cover our overhead, the costs of simply keeping our business open and improving, we charge 30% of the sales price. To provide for the possibility of an expected return we charge 10% of the sales price.”

Now if they say that is higher than what they have heard from others, go back to asking them why they were interested in your company in the first place, and are those characteristics and qualities worth paying the difference? If they don’t think so, wish them well and ask if you can check back with them in a month or two to see how their project is unfolding. You never know.

The main point I hope you take from all of the above is that you **MUST** make money when running a business and to do so you cannot let your potential clients tell you how much to make. After all, you are the expert about running a remodeling business, not them.

### *Content Marketing Options For Contractor Web Sites*

*Click on title to read this great article.*

### *More great ways to start your morning:*

Mark Twain’s advice was to eat a frog first thing in the morning and nothing worse will happen to you the rest of the day. In other words, do the biggest tasks first.

Write your list of things to do at the end of the day. Look at the list first thing in the morning. At the end of the day create another list for tomorrow.

Steve Jobs stated that he looks in the mirror every morning and asks himself: “If today were the last day of my life, would I want to do what I am about to do today?”

**Next month I’ll give you more suggestions from successful people on starting your day.**

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### **Organization Tips for Contractors**

One of the key factors to success in the construction industry is organization. Sounds simple, but ask yourself, “How organized am I?”

Structure in your office and commercial vehicles saves you time and money, plus it helps lower your stress level. Adrian Steel has some great tips on how you can organize your construction business – and keep it organized.

#### **Office**

##### **Organization**

As with any endeavor, making sure your business has a solid foundation from which to grow is essential and keeping your office organized is your vital first step. The biggest office headaches for construction contractors are paperwork and finances. Not sure how to get these two aspects under control? Should you use paper files or go strictly electronic? Should you keep your bookkeeping in-house or hire an accounting firm to do it for you?

When it comes to paperwork, going electronic can save you time, space, and hassle. But when it comes to important documentation about business purchases, invoices, and site information, it’s best to keep a hard copy as well. Doubling up on these types of documents can save you trouble should you encounter any computer problems. (Don’t forget to back up all your electronic files, as well.)

Your bookkeeping decisions should be based on both the size of your business and the strengths of your office staff. If you are a small company and you have bookkeeping experience or a knowledgeable employee, keeping your financial duties on site will cut costs. However, if you are a larger business or do not have financial expertise in house, hiring out is a better option.

### **Fall Protection: Tips from OSHA** *Article from WI Law Journal*

Three of the top 10 recent common OSHA violations, according to the agency’s website, are related to working from heights. Additionally, about one third of construction fatalities result from on the job falls. Hence, OSHA has prioritized fall prevention as one of its enforcement priorities.

The agency has issued guidelines, fact sheets and videos regarding fall protection. OSHA’s fall protection campaign consists of three elements:

- plan ahead to help employees safely do the job
- provide the workers with the right equipment
- train employees to use the equipment safely
- 

Contractors can also get into trouble for failing to document training programs. OSHA’s website outlines the necessary training.

The agency also is partnering with others to create an outreach program to raise industry awareness about hazards from construction related falls. To stay on top of this high-risk

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area, construction employers and their workers should focus on fall prevention, including ladder, scaffolding and roof-working safety and related topics.

### *Are you selling your price or your value?* By Shawn McCadden

Let me be blunt and right to the point. If you email your proposal (price) to a prospect, you are probably confirming with your prospect that you and your business are simply a commodity. By not presenting your proposal, you have lost the opportunity to accomplish these very important sales goals:

- Another opportunity to differentiate yourself, your business & your solution and become a trusted advisor.
- The ability to address objections, questions and concerns.
- The ability to make changes or clarifications so your prospect can buy with confidence.
- The ability to ask for their business.
- I am sure you could add a few more here yourself if you really think about it.

If you are having challenges selling jobs and or getting the price you need to earn a good living and save for retirement and you have been hitting send, I suggest you start presenting your proposal and price. In fact I suggest, before you commit to do the estimate and prepare a proposal, you schedule a specific date and time with your prospect to come back and present it. That way you will save yourself a lot of time doing estimates and proposals for people who only see you as a commodity.

### *Quick Contractor Tip*

#### Recip Blade Compass

This accessory not only cuts, in a pinch it can be used for layout.

By [David Frane](#)

In this clever video by [Toolrank](#) you can see a recip blade used to draw circles, produce square layout, and bisect angles. Drawing circles is not that exciting but about half-way through, the guy in the video begins to lie out and bisect angles. Near the end he bisects a 90 to get a 45, but he could just as easily have bisected an angle that was not a perfect 90. In the days before accurate digital protractors this is how carpenters figured out the miter cuts for crown and running trim in rooms that were not quite square. That's how I used to do it, though I used a compass because it wouldn't have occurred to me to use a recip saw blade.

For more on unusual layout methods involving a compass and a tool known as a joggle stick see [Scribing for a Perfect Fit](#).

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**How would you like to be published in a future issue of Siewers Newsletter?**

Be sure it is a quick tip that can help another contractor and one that is simple to understand (“Even I need to understand it!”) It also must be economical to create. Submit your tips to us at [laurenf@siewers.com](mailto:laurenf@siewers.com).

**Feel Lucky!**

*Be sure and bring your business card next time you visit Siewers. Just drop it into the glass fish bowl on the counter to enter a monthly drawing. Good Luck!!!*

**Congratulations to *Marcus Waterman* our September winner!**

*Autumn Begins September 22<sup>nd</sup>!*



**Economy Snap Shot.....**

	<u>Unemployment Rate – Entire U.S.</u>	<u>Consumer Confidence (Indexed to value of 100 in 1985)</u>	<u>Total Housing Starts/Seasonally Adjusted Annual Rate</u>
August 2014	6.1%	92.4	956,000
Prior Month – July 2014	6.2%	90.9	1,117,000
Prior Year – August 2013	7.2%	81.8	885,000
	<u>Gallon (\$) Of Gas</u>	<u>Existing Home Sales</u>	
August 31, 2014	\$3.43	N/A	
Prior Month – July 2014	\$3.52	5,150,000	
Prior Year – August 2013	\$3.59	5,330,000	

**Market Summary**

	<u>September 19, 2014</u>	<u>1/01/14</u>	<u>9/01/13</u>
DOW	17,156	16,576	14,810
NASDAQ	4,562	4,176	3,589
S&P 500	2,001	1,848	1,632

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## **Long & Foster Market Minute / August 2014**

<b>New Listings</b> 1,953	<b>Current Contracts</b> 1,344	<b>Sold Vs. List Price</b> 98.2%	<b>Months of Supply</b> 5.7
<b>Median Sales Price</b> \$214,000		<b>Days on Market</b> 59	

### Company Mission

To serve the needs of contractors and do-it-yourselfers.



**“Winners take time to relish their work, knowing that scaling the mountain is what makes the view from the top so exhilarating.” Denis Waitley**

**Siewers Lumber & Millwork  
1901 Ellen Road  
Richmond, VA 23230**

**Visit our website for product and general information.  
[www.siewers.com](http://www.siewers.com)**

**Phone: (804) 358-2103 Fax: (804) 359-6986**

**Hours:  
Monday – Friday  
7:30 a.m. – 4:30 p.m.**

### **Share with others. . . . .**

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“Siewers Newsletter”, have them email us at  
[laurenf@siewers.com](mailto:laurenf@siewers.com) and we will add them to our  
distribution list.***

**....Next issue October 20<sup>th</sup>**