

# Commentary **Mark Richardson**

## Form an Alliance

Search out win-win relationships with business partners.

I believe there are two business disciplines that will have a big influence on the remodeling industry over the next decade.

The first is pretty obvious: technology. Already, technology is affecting how we sell and communicate. Your clients may know more than you do about the products that you install because of their research on the Web. And many already prefer e-mail to the phone.

Soon, it will be essential — not optional — to raise your company's level of sophistication by making a greater investment in technology. And that includes not just office technology but technology that will change how our production crews work in the field.



### GET HELP

The second, less obvious, business discipline is what I call “strategic alliances.” In a more complicated business climate, it's harder to push the wheelbarrow by yourself. Smart remodelers are learning the value of concepts like “synergy” and “co-branding” and are exploring ways to leverage their assets and relationships.

These notions aren't just for Madison Avenue anymore, and they aren't limited to large remodeling firms. Everyone who runs a business needs to adopt a mind-set that includes seeking out and asking for the help and support of others to assist you in reaching your goals.

### MAKE A LIST

The first step is to make a list of your key vendors and business contacts. Among these will be subcontractors, suppliers, legal and accounting professionals, media contacts, and other business relationships, including other contractors. For each company on the list, try to identify a “strategic alliance.” This

is a relationship that aligns — or has the potential to align — with your short- and long-term goals.

Are there any “win-win” opportunities, such as working together on training or marketing efforts? Can any of your business alliances help generate more inquiries, which, in turn, would filter more business back to them? Think in broad terms here.

### TAKE A MEETING

In the most promising cases, set a breakfast or lunch meeting to discuss your ideas. If your goals are well aligned and the timing is right, anything is possible.

You may find, for example, a subcontractor who wants to share marketing costs, or a contractor interested in exchanging leads. Or it might be a supplier that wants to help sponsor a cause that interests you or a K&B shop interested in swapping literature to be posted at your respective offices. Or it could be an exchange of advertising in newsletters or on Web sites.

### GO DEEP

You may also want to deepen an existing alliance. You might, for example, leverage an existing relationship with a supplier into expanded use of its showroom by, say, asking to place your sales reps in their store. To make sure the idea works for both parties, suggest that the sales reps serve both your customers and the suppliers'.

You won't be able to form the alliance you want with everybody. But you can always look to the next name on the list to see if their goals are more aligned with yours. Ultimately, your goal is to find alliances that either reduce costs or increase revenues for both parties.

But remember: If the initiative is not a win for both sides, it won't last.

Strategic alliances can help you and your business partners work together toward common goals. But you won't know what's possible until you ask. —*Mark Richardson is president of Case Design/Remodeling and Case Handyman Services, Bethesda, Md., and author of 30-Day Remodeling Fitness Program. 301.229.4600; mrichardson@casedesign.com.*