

THE NUTS AND BOLTS OF LBM SALES

Presented by Casey Voorhees

Welcome and introductions/Overview of Content

Introductions around the room/Overview of what we'll cover in the session

Course materials / handouts

Lumber and Building Material Reference Manual, supplemental handouts as required

Residential Construction

Foundations

- Types of foundations
- Foundation products

Rough Framing

- Lumber Basics—Board footage, species, grades, dimension, moisture content
- EWP—Structural Composite Lumber, I-Joists, Glue Lam, Panel products
- Lumber/EWP Applications
 - Floors, walls, roofs
 - Span tables, rafter lengths, sf roof area, LF / specified-piece tally
- Framing Hardware—Nails, fasteners, hangers, flashings

Exterior Products

- Housewrap
- Siding, Exterior Trim and Decking
 - Cedar, Fiber Cement, Composites
 - Applications, Coverage factors, SF / LF / BF Conversions
- Treated Wood—Chemicals, Point of Retention, applications
- Deck Construction—Framing, SF / LF / specified piece tally
- Roofing
- Windows

Interior Products

- Insulation and Drywall
- Doors, Moldings, Stair Parts

Customer Service

- Who is your customer?
- What is your sales or customer mix?
 - Contractors
 - Homeowners / Do-it-Yourselfer / Buy-it-Yourselfer
 - Industrial/Institutional
- Differences between various customer segments, service expectations

- Services Worksheet
 - What services do you provide?
 - What services does your competition provide that you do not?
 - What do you provide that they do not?
- Identifying competitive advantage to overcome objections
- What constitutes good service in our industry?
- Selling Skills
 - Examples in Reference Manual pages 2 & 3
- Project Selling
 - Sell the project complete
 - Door example, double profit dollars by selling accessories
 - Up-sell to enhance the value for the customer

How Profits are Generated

- Mark-up vs Margin—Ref Manual (p30)
- What do we do with the profit?
- Operating Expenses – Review NLBMDA CODB Income Statement
 - Sales – GOGS = GP
 - GP – Operating Expenses = Pre-Tax Profit
 - Payroll, Benefits, Occupancy, Operations, Other
- Protecting Profit Dollars
- Expense to Sales Ratios
 - Cost of damage, effects of discounting, other deterrents

Closing Comments