AUSTINBUSINESSIOURNAL

NHERE CENTRAL TEXAS CAPITALIZES ON BUSINES

TIPS FOR SMALL BUSINESS SUCCESS

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STRATEGIES



Benito (left) and Erick Luna turned down business that wasn't in line with their ultimate goal of having a high-end painting company.

BRETT BUCHANAN I ABJ

Family ties

Father-son duo grows a million-dollar company

BY CHANTAL OUTON I STAFF WRITER

rick Luna was only a teenager in 2003 when he began working for his father's custom residential painting company based in Buda. And it was a point of concern for many of the company's potential customers.

"One of my biggest challenges has been that everyone sees me as a young person, and they doubt my knowledge," says Luna, now 21 and the vice president of BLS Specialty Finishes Inc. "My dad started me on the bookwork and then moved me into the field. I learned the procedure of the work before I actually got to work."

Erick Luna's father, Benito Luna, president of BLS, began working in the painting field in 1986 — the year Erick was born. He opened BLS in 1995 with a four-man paint crew, and in 2003, the company be-

gan picking up painting contracts in Austin with Wilshire Homes. A year later, the homebuilder offered BLS a deal to handle all its residential painting jobs. But the family-run BLS turned down the offer.

"We didn't do it because we were wanting our image to be one of the best," Erick Luna says. "It would have been a step back for us instead of a forward one. At that point, I just needed to approach older people in the industry and try to gain more credibility."

So Luna hopped in the truck his father had given him in high school and began visiting homebuilders, trying to drum up work for BLS. By 2006, the company was incorporated and offering custom paint, stucco, masonry and Venetian plaster services for exteriors and interiors.

BLS now employs 72 painters, 22 stucco workers and 18 masons, and does

BLS SPECIALTY FINISHES INC.

WHAT IT DOES: Provides interior and exterior custom painting, stucco and masonry services for the residential market

EMPLOYEES: 112

2006 REVENUE: \$1.2 million WEB: www.blspainting.com

LESSONS LEARNED

AS A FAMILY-OWNED and operated business, be realistic with growth plans.

HARD WORK, determination and a quality product will lead to a positive business reputation. **PREPARE** for competition before it arrives.

the majority of its jobs on million-dollar homes on Austin's west side. In fact, in 2006, BLS brought in about \$1.2 million in sales, a figure the company had already reached in March of this year.

So how did a family-run company with a 21-year-old vice president and sales manager grow so quickly? Adding a new project manager helped, but Luna says the key was determination and a whole lot of hard work.

"One thing just led to another, and before we knew it, we had a strong reputation," he says. "Now I don't have to sell as much."

BLS mostly works with homebuilders, though Luna says one of the company's goals is to work more directly with homeowners. He'd also like to see the company become more efficient.

In 2007, BLS expects about 20 percent growth. But in order to reach that goal, the company will have to decrease the time it spends on jobs, and increase the number of jobs it completes.

"I want us to be able to get in and out of the homes quicker, and be able to do more homes," Luna says, adding that the typical amount of time BLS spends on a residential job is six weeks. "I would like to cut that down to four or five weeks without hiring more employees. And we do that by becoming more efficient."

To that end, Luna says he'll be spending more time in the field, and he'll meet twice a week with customers to provide them with progress reports. BLS has also designed a bonus program for its employees that allows for incentives if they meet specific deadlines while still providing quality work.

And though Luna says he doesn't want BLS to grow to an unmanageable size, he

says some changes are in the works that will help make the company more competitive, especially once the market's growth attracts additional custom-painting companies.

For instance, last year the company purchased a 2-acre lot off Old Lockhart Road in South Austin, where it is remodeling a 1954 home that will become BLS' new office. That project should be completed by August. And in order to better manage the upkeep of its 22 paint vans and 12 masonry and stucco trucks, BLS is also building a 4,000-square-foot warehouse, which should be completed by year's end.

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