

## Profile: preserve & prosper

A Lancaster County couple look to the past to plot the future of their business.

By Loring Leifer

### Restore 'N More at a glance:

**Founded:** 1987

**Location:** Manheim, Pa.

**Market area:** Berks, Chester, and Lancaster counties

**Employees:** 7, including 1 field superintendent, 3 lead carpenters, a carpenter, an office manager (Denise), and a part-time bookkeeper

**Five-year average annual revenues:** \$1.6 million

**1999 revenues:** \$1.4 million

**Newsletter budget:** \$12,800

**Average net profit:** 15 percent to 20 percent



YOU WON'T HEAR THE WORD *REMODEL* USED AROUND THE offices of Restore 'N More in Manheim, Pa. The aptly named, 13-year-old company doesn't concern itself with making something new out of something old. Rather, it exists to do just the opposite--to restore, preserve, and, often, make something old out of something new, through reproduction work. The company also does adaptive re-use, custom millwork and moldings, and pre-purchase analysis for clients thinking about buying historic properties.

Owned by the husband and wife team of Denise and Gary Baer, Restore 'N More is located in the heart of Amish and Mennonite country in Lancaster County. The lush, rolling hills are dotted with bed and breakfasts, weathered barns, antique shops, and covered bridges. Here, a 100-year-old house is considered new, and even the cuisine is vintage, with coronary-busting staples like chicken and dumplings, funnel cakes, shepherd's pie, and pancakes under ice cream.

Denise and Gary couldn't be more suited to their environment. The desire to preserve the past infuses every aspect of their lives: the company mission, their volunteer work--they're active in almost any organization in the area that has the word historic or preservation in its title--the way they treat employees, the way they live, and even how they view the future.

The son of a factory worker and carpenter, Gary didn't start his own business until age 41. After stints at a national head-hunting firm and in city government as a housing inspector and code enforcer, he spent 10 years at a large remodeling company. In 1987, he broke his leg trimming a tree, much to the dismay of his employer. Gary decided it was time to start his own company, which he did, on crutches.

The break was a fortunate one, for his knowledge of historical construction and materials gleaned from work on his own houses and an abiding appreciation of the past quickly attracted like-minded clients.

The company now does about one-third authentic restoration, one-third custom carpentry and millwork, and one-third conjectural work, which Gary describes as using period materials that may not be original to a house and sympathetic new construction to reproduce what has been lost.

## Preserve Trust

Restoration and reproduction work require a particular skill set, such as an ability to deal with uncertainty and quickly adapt to twists and turns inevitable in historic restoration. Projects can't be planned out from start to finish, which demands a trusting relationship with clients.



"We involve our clients to a greater degree than most," Gary says. "We hold weekly meetings with every client to discuss what happened during the week and what's scheduled to happen next."

"Jobs follow an organic process," says Dennis Nissley, a job supervisor. "We open things up and see how they were built originally." The crews never know what they will find.

The owner of a historic property in New Danville, Pa., wanted a small addition and a kitchen remodel. When the crew removed the old siding, they discovered termites had eaten about 50 percent of the walls. Gary told the client that she could level the house or repair it: the cost would be the same. She said, "Restore." The crew had to rebuild all the exterior walls, and a three-month job became a seven-month project.

"I don't want people to buy based on numbers," Gary says. "Working on historic properties, you and your clients have to be prepared for surprises. If you have a need to control everything, you shouldn't be doing preservation work."

Restore 'N More operates on a negotiated-bid basis, working essentially on time plus materials. Jobs begin with conceptual sketches and a list of requirements, and clients have some idea what the job will cost--unless new information comes to light.

The uncertainty has a plus side. "Many times clients aren't sure what they want. Their ideas are evolving," says Don Delp, field superintendent. "We can build as the project gels in their minds." That sometimes means building walls and moving them so the client gets to experience the size of the room instead of seeing dimensions on paper.

"We don't push clients into making a decision," Delp says. "We build only what is necessary at each step of the way."

Delp and Nissley understand the importance of accommodating clients. One recent client wanted his log house rebuilt, with the caveat that his hot tub remain in operation during the entire process. With careful scheduling, Delp ran the job so that at the end of every day the client could admire the day's progress in the bubbly.

Crews often need to be detectives and historians as well as carpenters. The firm recently completed an addition to an 18th century home in Chadd's Ford, Pa., where the owner wanted the addition to look like it predated the house. The crew had to find a virgin floor-joist system from one house, floor beams from another, and the summer beam from a third--then fit them together to appear as if they had always been that way.

That kind of accommodation comes at a price. Each year the company does one or two jobs that range anywhere from \$400,000 to \$800,000 and a couple in the \$100,000 range. It also does 30 to 40 smaller satellite jobs, costing anywhere from \$1,000 to \$60,000.

Almost all work comes from referrals, which means much of their work is pre-qualified. "People know what kind of work we do," Gary says.

Such was the case with Ann and Robert Kline, who live in Newmanstown, Pa. Their friends had used Restore 'N More for years, so they invited Gary to talk about adding a freestanding summer kitchen to their home. Robert, a retired physician and former coroner for Lebanon County, had taken up bread making and wanted his own kitchen with a wood-fired oven.

Gary "seemed to understand immediately what we had in mind," Robert says. "We didn't talk to anyone else."

Edwina and Don Huber have used Restore 'N More off and on for more than a dozen years to restore

their 1,500-square-foot home in a converted one-room schoolhouse built in the early 19th century in Safe Harbor.

Don Huber, who is a mechanical contractor with an HVAC business, says Gary is the only outside contractor he's used. Of the Restore 'N More crews who have worked on his house, he says, "They are much more than carpenters; they are craftsmen."

### Preserve Your Passions

Perhaps the best evidence that Gary and his staff love their work is that most of them pursue similar preservation activities as volunteers. Gary served on the building committee for restoring the Fulton Opera House, one of the region's oldest performing arts centers. Recently, he became vice president of the board of the Heritage Center Museum of Lancaster County, a decorative arts organization. And as president and chairman of a capital campaign, he helped transform the Lancaster County Historical Society from a quiet and insular organization into a dynamic community presence.



"The LCHS was a sleeping giant," says Tom Ryan, executive director. "And Gary helped to wake it up. The campaign target was \$900,000. Gary helped us raise \$1.2 million." That funded new exhibit and classroom space, a gift shop, renovated archives, and community programs for the 110-year-old organization.

Ryan attributes Gary's success to his single-mindedness. "When he latches on to an idea, he is like a pit bull," Ryan says. "We were making our first major solicitation, and Gary had an amount in his mind. Before he had the chance to ask, the donor made it clear just what he would contribute. Now, I think Gary heard the number, but he proceeded as if he didn't and asked for the higher figure--and we got it."

On a domestic level, he's equally tenacious. He and Denise have lived in eight historic properties since their marriage 25 years ago and left each in better shape than when they moved in. Gary's interest in preserving the houses of Lancaster is so great that when he can't find a client for a property, he'll sometimes buy the place himself.

Gary was doing some pre-purchase consulting for a client in Florida who was looking for a stone house near Harrisburg, Pa. Gary took him through a house known as Richland in nearby Bernville. The home had been unoccupied for years, and the owner was using the 115-acre property as a shooting preserve. It had no plumbing, no heating, no electricity, and trees growing through the buildings. The client was not impressed. Another client had the same response.

Gary couldn't understand why his clients didn't see the possibilities, so he bought the house himself. He and Denise worked on it alone for a couple of years, then brought the crew out, eventually building two additions, putting in a cook's dream kitchen, restoring a front doorway that is a veritable encyclopedia of architectural details, and rebuilding a mantel that was in 100 pieces. Not content just to restore the house, they also had 8,000 feet of utility lines moved underground and are working to put easements on the property to make sure it remains agricultural.

Gary is a curious man. He likes to learn. He's interested in genealogy, period gardens, and botany. He recently attended a conference on native plants in Millersville, Pa., and just finished a book on the evolution of lawns in America.

"Side interests aren't side interests," he says. "They are all part of a circle that helps establish a rapport with customers."

His employees share that opinion. An active member of Preservation Pennsylvania, the National Trust for Historic Preservation, and Historic York, Don Delp led the effort to restore Cross Mill in Cross Roads, Pa. The grist mill re-opened in 1999 as a working educational museum. Right now, Delp is organizing his neighbors to fight a developer who wants to put up high-density housing in a cornfield near his

property.

"I love what I do," says Delp, who joined the company soon after it was founded. "What really appeals to me is getting to see how people used to build things. When you cut a tree, hew it, and plane it by hand, you have a sense of what went into making it. A piece of trim becomes a lot more than just a stick of wood."

Employees are encouraged to take part in community-building efforts outside of work. The "fellows" work four, 10-hour days a week and have Fridays off. Nissley, for example, serves on the board of the Kraybill Mennonite School, where his two kids attend, and gets paid time off to work on the school's annual fund-raising event every year.

Employees also have the opportunity for some unusual training. The company has sent staff to Eastfield Village in New York, where attendees live as if it were the early 1800s. They prepare food over a fire, bathe in the pond, read by candlelight, and learn how to use hand tools working on the village's historic buildings.

"If training relates to the job," Gary says. "I am happy to consider it."

### **Preserve your profits and your wits**

He didn't always have the luxury of this equanimity. The first four years of the company saw enormous growth--from first-year revenues of \$300,000 to \$1.8 million by the third.

"It was too much too fast," Gary says. "We were taking jobs just to make the numbers. It wasn't pleasurable. It didn't make sense."

"I pushed for growing it further," Denise says, "but Gary held back."

They eventually came to an understanding. "We would keep work to a manageable level and make it more profitable," Denise says. They bought a computer and started using Timberline Medallion for accounting, payroll, accounts payable, and job costing--after three years of trying to do everything manually. Gary, somewhat of a Luddite, still does estimating manually, and he's faster than the computer, according to Denise.

Over the years, they've kept revenues at about \$1.6 million but have refined office systems to make the business much more profitable. Their profits are about 15 percent to 20 percent (before owners' salaries and pension payouts) a year, which is double the industry standard. While most businesses have an annual return on assets of between 1.5 and 2, Restore 'N More operates at 5 to 6 times assets.

### **Preserve for posterity**

Gary Baer opts for the conservative approach when it comes to planning the future of the business, as well. At 54, he's not yet ready to retire, but he's ready to plan for it. Like businesspeople in days of old before dot-coms and stock options, he's working to make sure the business endures long beyond his own tenure.

Last year, Gary approached Delp and Nissley to gauge their interest in taking over the business. Now, he's making sure they get experience in all areas of it. Recently, he invited a banker to talk to them about the company financial statements.

"These could be potential owners someday. We want them to start learning," Gary says. "Any business owner should think about what happens down the road."

Or, in the words of John Ruskin as quoted in the company newsletter: "When we build, let us think that we build forever. Let it not be for present delight nor for present use alone."

