Business

Streamlining Kitchen Remodels

by Bruce Case and George Weissgerber

We run a full-service remodeling company with a division solely dedicated to kitchen and bathroom remodels. Even in the current tough economy, we've found that kitchen remodels are still selling. However, homeowners are watching their budgets a lot more closely than they were a couple of years ago. Today, a \$90,000 custom kitchen is far more the exception than the rule.

In response to a tighter market, we created our Express Kitchens program, a packaged approach that streamlines the kitchen renovation process from start to finish. Express Kitchens start at \$29,000, with the average cost at about \$34,000. It's a great solution for clients on a tight budget or a tight timeline who nonetheless want a quality job based on limited but proven product choices.



The cabinet layout and fixture locations remain unchanged in the authors' fast-track renovations. A restricted menu of swap-out options simplifies both planning and pricing.



Pull and Replace

At their core, these kitchens are pull-and-replace jobs that take about two weeks from start to finish. We don't change the location of the sink or the appliances. There's no demolition of soffits or walls and no door or window revisions; no hvac work and no additional electrical circuits, outlets, switches, or lighting. We restrict cabinet rearrangements to the existing layout; new cabinet selection is confined to what will fit within the previous limitations. For example, two 30-inch base cabinets may be replaced with an 18-inch base, a 24-inch base, and another 18-inch base without altering the general layout. Basically it's a size-for-size swap. The idea is to keep the process streamlined and simple while significantly improving the space and giving it a fresh look.

During the first visit we confirm that the project qualifies for this approach. In other words, we make sure the client understands that this is truly a pull-and-replace project, with no changes to the kitchen's footprint. If the desired alterations are too complex, the renovation will no longer fit into this program. In such cases, the discussion often progresses to a custom kitchen job and a larger contract. Because it shows sensitivity to budget, presenting this packaged alternative builds trust.

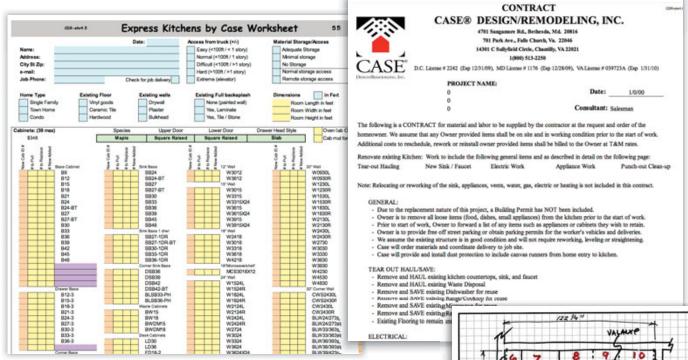
Managing Selections

To help clients visualize their options, we bring a limited array of samples and literature to the first appointment. We also try to get an initial commitment during this visit in the form of a \$500 deposit.

Assuming they want to move forward with the project, we invite the clients to our office, where we have a selection center. We revisit all their initial selections and make sure they see alternative products. The last thing we want is for them to see something after the project is done that they'd have preferred.

To help steer clients away from semicustom or custom cabinets, we became a dealer for Armstrong, Crystal, and Shiloh. This gave us better pricing on stock cabinets and enabled our salespeople to quickly become

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Working from a rough sketch of the existing kitchen (right), the salesperson measures the layout and discusses minor alterations and simple changes with the client. A fully detailed custom spreadsheet program (above) lists and tracks all options, including cabinet type and style, plumbing fixtures, countertops, backsplash, and flooring. The program includes provisions for existing conditions and updates cost as selections are made or changed. Final selections and price transfer automatically to a fixed-price contract form that is printed and signed in the clients' home (above right).

familiar with each cabinet line and the ordering process.

We asked the cabinet manufacturers for a process that minimizes errors and focuses on efficiency. They review our orders to check that things like dishwasher doors won't hit adjacent cabinets and inspect the boxes to make sure the final orders are accurate. We don't start production until all of the materials are on hand.

Appliances. One obvious way to control selection and cost is to reuse existing appliances. That way, we only have to disconnect the appliances and move them out of the way; new ones must be unpacked and checked to make sure we have all of the parts, and then assembled.

When clients do want new appliances, we ask that they purchase them directly and have them delivered before the work begins. We won't start the project until the appliances are delivered and we've confirmed them for a correct fit. We take all discarded appliances to a recycling center.

Other options. For faucets, sinks, countertops, tile backsplashes, and flooring, we asked our key suppliers to provide competitive pricing on a limited selection of quality products. When we made this request, we took the time to explain our program and what we were trying to accomplish in terms of product selection. Specifically, the included products had to be familiar, popular brands that were in stock. They also had to be production-proven — that

is, items our in-house crews had installed before, which is a real advantage when double-checking orders and making sure everything is correct. Last but not least, the products had to be discounted below the typical contractor's rate.

With flooring, we restrict the choices to those products our in-house crews can install, such as prefinished hardwood, vinyl tile, and ceramic tile. Because of the potential for production delays, we don't

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work with flooring subcontractors. In fact, to best control production, we try not to use any subs at all.

In the case of countertops, we eliminate downtime by working closely with the fabricator, who templates for the new tops at the time of the preconstruction walk-through. This allows ample time for fabrication and delivery during the second week of the production schedule.

Fast Fixed Contracts

During the second visit with the clients, we work on finalizing selections. When done, we can price these projects in the clients' home in about 30 minutes and provide them with a fixed-price contract on the spot. This is possible because we show up armed with a complete database of installed costs for every selection made. In developing the Express program, we assembled our salespeople, project managers, and craftsmen and isolated our processes and systems for pricing, material options and selections, labor costs, and contract generation. Then we consolidated all of the core pricing, selection options, and layouts in a customized Microsoft Excel spreadsheet (see example, page 2).

Changes. The software allows us to change selections at the click of a button: Change the countertop from solid-surfacing to granite, for instance. Or change from raised-panel oak to Shakerstyle cherry. Since the price of the project is always visible to the clients, they see the immediate impact of their decision and how much it raises or lowers their investment.

The spreadsheet is set up to automatically generate the contract based on the data entered during the selection process. But the software — though it does speed the sales process — isn't essential to selling these kitchens. What matters most is that we limit selections to those products

and processes we are completely familiar with and have firm pricing for.

Efficient Production

We want to produce each project in the shortest amount of time, with few or no delays and little or no reworking. This starts with our focus on production-proven products. It's critical that we not begin the work until we have all the materials on site and check that they're correct—cabinets, flooring, fixtures, knobs, new shut-off valves, and client-provided items like new appliances. The preconstruction walk-through, with the client, the craftsmen, and the salesperson, ensures that everyone's expectations are in sync.

Once construction begins, the key is to remember that a pull-and-replace kitchen is already laid out. We template the countertops before demolition and sketch the outline of the existing cabinets on the wall before dismantling them. During the dismantle, we stay alert for things like screws that missed studs and add missing blocking as required. Material runs cost us an average of two hours, so we strive to minimize them by keeping a running shopping list from all jobs and stocking up accordingly. We also control the number of people on the job by hiring multitalented craftsmen who can handle the full spectrum of required skills. We don't ask them to do tasks that require a licensed electrician or plumber; for that, we have in-house technicians.

The Express Kitchens concept currently represents about 15 percent of our kitchen sales. As an added benefit, it has also ended up leading to custom kitchen contracts — which represent about 50 percent of our kitchen sales.

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