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### Company seeks to keep ahead of low-budget competitors with high-end work.

Despite the drop in the economy, Luttrell Architectural Woodworks has worked to keep busy and keep as many of its employees on the job as possible. This has been difficult, especially with so much pressure on pricing from low-budget competitors.

After a difficult year in 2010, there was a slight pickup in work in 2011, but then business fell off again in February 2012.

"All three years prices have been way down," company president Robert Luttrell says. "I've always felt it's more important to keep the people working. We don't want to lay off anyone, and we want to have people when jobs come in.



Birmingham has been a financial center for the region, and the company has done a lot of interior work for these banks.

"The thing I don't see yet is the pricing structure coming back to what it was."

Luttrell has seen three companies go out of business in his Birmingham, Ala., area, but others have started up at a much smaller capacity. "That has muddied up the bid market even more," he says. "Either they're using the same pricing structure that ran some out of business, or they're trying to get their foot in the door with lower prices.

"We've had to widen our scope to keep people working."

## **Contractor connection**

Luttrell works primarily with local contractors and has good relations with them, and has done work internationally through a local contractor.

Most work is commercial, with about 15 percent residential. Luttrell does both custom work and laminate cabinets, and has its own trucks and does its own installation. They sub out stone and solid surface.

In the past, Luttrell has produced interiors, commercial offices architectural and specialty work for law firms, banks, boardrooms, and reception areas. When customers in the area want a high end job, especially higher-end stain-grade work, Luttrell would usually be considered.

Most work is in the area between Huntsville and Montgomery, but they do go further than that. "That's the best fit for us because we do our own installation." Luttrell says.

Birmingham had a large banking business but that area has slowed. Luttrell also does jobs like hospital work including laminate cabinets and nurses stations.

"That's one of the areas we've expanded into, and have set up to compete in," Luttrell says. Today, the company is probably half custom and half casework. One job recently included 300 closets for a high-profile downtown hotel development. Equipment upgrades in the shop have helped them compete for this work.

# Software to manage costs

Luttrell has used TradeSoft ProjectPAK, ShopPAK, Data Collection and Scheduler software. ProjectPAK controls the company's customer/ supplier database with all contact information. It is also a powerful estimating tool. Estimating is faster and more consistent. Estimates are converted to jobs with all the time and materials tied to the job. ShopPAK has been especially important for its project management abilities. The Data Collection including time clock provides real time job costing and inventory control.

"It's been a tool that's taken a lot of work off the estimator," Lutttell says. "We can carry that through the whole project with footages and hours in each department. ProjectPAK converts jobs to ShopPAK already broken down into mill, assembly, finish and installation, and sometimes further.

"Once we are awarded the job, we convert that to a job in ShopPAK. It automatically breaks the job down into items and work orders based on how we estimated it. Then I can keep a running, up-to-date real time total of the time we've spent, where we've spent it, and the operations they're doing.

"The data collection is a key part. A touch-screen time clock on the shop floor shows who is working on which job. They clock in and out on the touch screen. They log into what they're working on. I can see what everyone is working on, based on what they're logged in to."

"When they move to something else, the time they had on the previous item goes to the database, so their hours for that job are recorded. It's a nice seamless system to see what's done and where we are on each item."

The software compares estimated hours in each department to what has been completed. Subcontract monthly billings, regular invoices and scheduling are also functions handled by the Tradesoft software. Many standard reports are also useful for weekly production meetings, and other management functions.

Once a week, the project managers, purchasing agent, estimator, shop manager, and lead installer meet to review information on each job and preview the next week's work.



Onsrud router bought in April has helped the company do more casework in larger quantities.

"We have been impressed with TradeSoft overall," Luttrell says. "We were one of their beta customers for ShopPAK years ago. We've always been pleased."

## Birmingham shop

In the Birmingham shop, a new C.R. Onsrud router was bought in April. It has a  $5 \times 20$  foot table and can do pendulum processing so Luttrell can run multiple zones on the vacuum. A moving gantry and stationary table allows one job can be run while setting up a second. When running things like cabinets, the nested-based milling allows the company to come close to doubling the output to what was done on another router where the operator was waiting for each job to run.

"The thing that really impressed me with Onsrud engineering was the way they designed it, the fact that every part, especially the electrical components, can be bought at Grainger," Luttrell says. "The C.R. Onsrud router and the Weinig 500 Powermat moulder are really our bread and butter in the shop."

Also in the shop are a Komo router, Altendorf C45 sliding table saw, SawStop table saw, Butfering Optimat and Timesavers widebelt sanders. A Holz-Her 1317 Spirit edgebander, Raimann ripsaw from Weinig, Gannomat Index Logic drill and dowel machine and Gannomat Concept case clamp are also here. The shop does its own knife grinding for the moulder on a Weinig Rondamat 960. AutoCAD and Microvellum are also used.

There are two paint booths, and the company can do stain mixing and color matching. They are typically spraying lacquer, sealer and topcoats.

The company's stain-grade items are typically shop finished and installed. Paint-grade items are usually shipped out unfinished and installed. In most jobs, the more visible areas would be stain grade.

### Past and future

In 1992, after working in architecture, Robert Luttrell joined Ralph Nichols at Majestic Fixtures, Inc. When Nichols retired two years later, he sold the business to Luttrell. The company moved to its current location near downtown in 1999. The company now has 32 employees working in this location with 52,000 square feet.

Luttrell says that, "Everyone here realizes that we're in a different environment. It takes everyone pulling together. We have a good group of guys here with a lot of experience.

"I tell my guys all the time that I understand we are going to make mistakes, but the earlier they are caught, the cheaper they are."

Luttrell also stresses service. "We're doing something for customers, and they're paying for it, and we have to give them what they want," he says. "We get praise if we do what we are supposed to do.

"When we are asked to produce a job in a month that should take three months, it just can't be done. We have to communicate realistic expectations of what it takes to do a high end job correctly. If the job takes a little longer than expected, the owner may be upset for a little while, but they will be upset forever if it's wrong."

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