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THOUSAND ISLANDS CONCRETE

During the twilight years of a successful career with Lafarge in Eastern Canada, Bob Castle pondered what he would do in order to stay busy once he retired. Prior to retiring in 2002, Bob decided to purchase a small concrete company located in Brockville, Ontario. Thousand Islands Concrete (TIC) was not just any concrete company; TIC ran 4 Daffin volumetric concrete mixers to fulfill customer orders. Lucky for Bob, he had experienced delivery personnel capable of maintaining the old, outdated mixers.

Early on Bob knew he had to replace the Daffin mixers that were breaking down regularly. He realized he needed more up-to-date, reliable equipment, especially if he wanted to go after higher volume projects. There were a number of reasons why Bob wanted to stay with volumetric mixing technology:

1. Smaller yard investment {silo and small acreage}. This would allow for versatility in his regional growth plans.
2. TIC customers order concrete for remote locations. The easiest way to deliver fresh concrete was mix-on-site with volumetric mixers.

3. Volumetric mixers create very little waste. When the pour is finished just turn off the mixer. All materials are held separate so they can be mixed at the next jobsite.
4. Volumetric mixers have a smaller carbon footprint. Overall, there is a significant reduction in truck trips since there are no extra trips to the jobsite for clean-up loads.
5. Customers recognize the value. TIC customers were well-aware that they only pay for what gets poured; if they order 5m³ and they only need 4m³, they pay for 4m³

Between 2002 and 2005 Bob swapped out TIC's entire fleet of mixers to Reimers. The efficiencies compared to the old equipment were amazing.

"ProAll has a reputation for excellent mixer products and as a great company to do business with. I couldn't believe how much the mixers had advanced compared to our old Daffins" stated Bob. "I also wanted to do business with a Canadian company, so selecting Reimer Alliance was an easy choice."

STRATEGY FOR SUCCESS

1. Mixer certification/calibration and personnel pedigree tenure and experience in the concrete industry are key validation criteria for potential customers.
2. Clear messaging to your customers.
 - Only pay for what you use.
 - No wait times, no need for balance loads.
 - No extra charges for remote concrete deliveries.
 - Concrete is concrete – these mixers can reliably deliver.
3. Strategy for winning over local contractors – they can save time, money and be more efficient partnering with you.
4. Prove it!
 - Build your resume of residential and commercial projects
 - Get ACI certified, test your concrete.
 - Join your local Ready-Mixed Association.
 - Have your mixers regularly calibrated by an independent third-party using published specifications.
 - A marketing strategy that develops/exploits your credibility.
5. Choose the right employees – these aren't traditional truck drivers they need to be concrete specialists.
6. Have an outreach program to win over architects/engineers.

2005 was a defining year for TIC. Bob's son Steve Castle left his position at Lafarge to work in the expanding TIC business. Like his father, Steve has a legacy in the concrete industry.

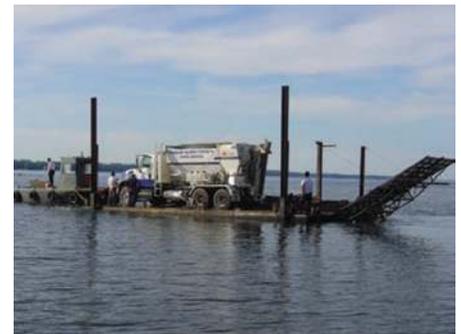
"Initially, we both were a little nervous about working together, but it has worked out completely. We both had careers in management at Lafarge (Steve 15 years, Bob 40 years); we were extremely familiar with the successful business framework that Lafarge deploys within their management team", Steve comments. "We had the wisdom and the vision to be successful based on our large company experience."

WINNING STRATEGY

After Steve joined the company, Bob and Steve created a 5-year plan to grow TIC revenues and to expand regionally. Through this planning process, they recognized that there was a large, untapped market in Ontario's cottage country. TIC could radiate out from the main plant in Brockville, setting up depots where the mixers could recharge materials during the day and return to one central location each night for maintenance.

The main thing that sets TIC apart from their competition is their equipment – they are the only operation deploying volumetric mixers in their marketplace. There are features to their business model which needed to become key messages for their customers and prospects:

1. Only pay for what you use.
2. No wait times for balance/clean-up loads.



3. You don't have to be overly specific in how much concrete you need (because of the terrain, calculating the volume of concrete required can be very difficult).
4. Customers in remote areas (where there are no ready-mixed companies) can get fresh concrete because it's made on-site.

TIC developed a partner program which identified contractors to approach and solidified relationships with them. Initially, in order to break the barrier to contractors ordering concrete from volumetric mixers, TIC set up one forming contractor who did 50+ foundations each year.

"He was sold on Reimer Mixers because he could eliminate wait times for clean-up loads and only pay for the concrete he used - these savings add up to wages for one crew member every week."

TIC collects testimonials and referrals from these partnerships that help to validate the business model, ultimately growing the business.

Bob is a past president of the Ready Mixed Concrete Association of Ontario and recognized the importance of TIC being an association member. TIC adheres to the certification processes that RMCAO instills which helps to prove to contractors that TIC's fleet can produce quality concrete.

"Once we started working with the Reimers we realized we could bid on projects that we never could before. We could bid on commercial projects - strip malls, big box stores, schools and bridges, places where highly-specified concrete was required."

Today, Steve sits on the Board of Directors for the RMCAO and holds certification from the American Concrete Institute (ACI) which also helps to boost credibility. A big part of TIC's strategy is a progressive marketing campaign which includes an extensive website and photo gallery. TIC also owns the texting rights to 'concrete' in the 613 area code. With more and more large, commercial jobs being undertaken by TIC, the more specifiers and engineers are becoming familiar with continuous mixing technology and with TIC's resume of varied projects.

"The RM CAO calibration process requires that all machines are calibrated by outside testing companies, this speaks to our credibility and having ACI certification on staff at TIC indicates that we're serious about quality concrete production."

VMMB MEMBERS



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