

Efficient Homes, Efficient Production

Washington-based homebuilder distances himself from the competition by utilizing Premier Building Systems' structural insulated panels

Homebuilders are always looking for something that sets them apart from their competition. For some builders the difference is customization and an uncanny attention to detail. For others it is the sheer speed in which they can build a house. Regardless of what they do differently, homebuilders know that they must separate themselves from their competition in order to remain profitable and grow their business. This is especially important in today's housing market, where new home construction is down and customers are being more selective about whom they hire and what they build.

Scott Bergford, president and owner of Scott Homes in Olympia, WA, found his niche 13 years ago when a potential customer approached him at a trade show and asked him about structural insulated panels, or SIPs. Consisting of an expanded polystyrene (EPS) core laminated between two layers of oriented strand board (OSB), SIPs are an energy-efficient alternative to traditional stick-frame construction. Bergford, who has been in the construction industry since 1984, admits that he had no knowledge of SIPs at the time he was approached. However, the conversation sparked his interest and he immediately began researching the product.

"My niche had always been to be a better builder than my competition by using the best materials and methods," commented Bergford. "At the time, I had been using 2 x 6's to frame my homes when most builders were using 2 x 4's, which were the standard code requirement. As I began to research SIPs I realized that they were an obvious next step for my business in regards to quality and performance."

Bergford did not get that job from the inquiring customer 13 years ago, but he quickly transformed his business from a stick-frame builder to a SIPs contractor and he has never looked back. He started the transformation by partnering with nearby Premier Building Systems, North America's largest manufacturer of SIPs. Headquartered in Fife, WA, Premier Building Systems has been manufacturing SIPs for more than 20 years and their products, knowledge and expertise are unmatched within the industry.

"I have been using Premier's products exclusively since the beginning and I couldn't be happier with the relationship we've developed," said Bergford. "They are located right in my backyard, so I always have instant access to their expertise. Plus, they offer great service and an incredibly fair price, which is always an important factor when you're trying to run a profitable business."

Premier's SIPs can be used throughout the entire building process to construct floors, walls and roofs. These innovative products create a virtually airtight building envelope that offers unmatched energy efficiency and helps lower a homeowner's utility costs by up to 60%. They also use as little as 25% of the lumber that is required for traditional stick-built structures, so they are better for the environment. Bergford said the energy-efficient and environmental benefits are the biggest selling points when he's dealing with potential customers.

"Everyone is so amazed by the energy efficiency that Premier's SIP panels provide," commented Bergford. "It only costs an average of \$200 to \$300 a year to heat one of my homes. That's anywhere from one-fifth to one-sixth the typical costs for this region, so the savings are pretty significant and the homeowners love that."

When Bergford first began using Premier's innovative SIPs he had to employ a strong marketing campaign to spread the word about his revolutionary construction technique. Although the technology had been around for more than 15 years, many homeowners were skeptical about a product they had never heard of before. "When most people think of home construction they envision two-by-six frames, rolled insulation and plywood, so we had to work hard to educate the public," said Bergford.

To do this, Bergford exhibited at a large number of tradeshow and offered free tours of his model homes. "Those shows and tours were very successful in providing Scott Homes with enough business early on," said Bergford.

Jean Heidel, a Scott Homes customer who first found out about SIPs at one of the tradeshow where Bergford was exhibiting, couldn't be happier with her newest home. "My husband and I were living in a typical tri-level and we could never keep it at a comfortable temperature," said Heidel. "It was always too hot or too cold, so when we began looking around for new homes, comfort and interior temperature control were key issues. We spoke to Scott at a local home show and we quickly became interested in the benefits that SIPs provided. But, it wasn't until we went to one of Scott's open houses and spoke with some satisfied homeowners that we were convinced that SIPs were for us."

While the energy-efficient benefits of Premier's SIPs satisfy his customers' wants and needs, the ease of use and the subsequent increase in productivity is what Bergford likes most about the product. He said his crews are able to frame an entire 2,000-square-foot-home in as little as five days. "You just cannot do that with stick-frame construction," he added.

Heidel's home, a 2,900-square-foot, one-story ranch, was built in six short months. Ground was broken in July 2006 and Heidel and her husband moved into the house in January 2007. "I was amazed at how fast they built our home," she said. "Scott told me it would be quick, but I didn't realize it would be that quick."

A major reason that the homes can be constructed so quickly is because Premier manufactures its SIP panels to the exact specifications of the project. The pre-cut panels arrive to the jobsite ready to install, reducing the need for jobsite cutting. Premier also cuts out all of the window and door openings, which helps reduce jobsite lumber waste by approximately 60%. Most importantly, SIPs allow Scott Homes to eliminate the cumbersome steps of constructing skeletal sections of walls prior to standing them up and framing out a building, resulting in quicker job completion and reduced labor costs.

The factory-cut panels also allow builders to easily customize a home. This was an important aspect for James and Danielle Brink, two retirees who commissioned Scott Homes to build them their dream retirement home in Mossyrock, WA.

"We wanted a custom-built home and we were thinking about going with a kit home," said Danielle. "Right before we were ready to settle on a plan we ran into Scott at a home show in Tacoma and began to ask him questions about SIPs. He assured us that he could build a house that met all of our needs and when he mentioned the potential energy savings we couldn't resist."

Construction of the Brink's home began in December of 2006 and will be complete by August 2007. Brink is quick to note that it would have been earlier had it not been for a winter that was marred by poor weather that delayed the project nearly three months. "The delay had nothing to do with Scott Homes," said Brink. "They were absolutely phenomenal and when the weather cooperated it was fascinating to watch them work."

To erect one of his Premier SIPs homes, Bergford has to simply stand the SIP panels on end and piece them together similar to a puzzle. For two-story homes and roof construction, he uses a crane to lift the panels into place. After the panels are pieced together, the only thing left to do is seal the seams by applying a bead of SIPs mastic (caulk) to the joints.

According to Bergford, transforming his business from a stick to a SIPs builder was easy. While many contractors might hesitate when making such a drastic alteration, Bergford relished in it and jumped right in. "The first job we did took a little bit of time, but it was still pretty easy considering it was the first time we ever used the product," he said. "By the second job, we had it down and

by the third project, we were pros. It's not rocket science. It's just common sense and I knew the benefits of the product would pay off in the end."

The benefits of using Premier's SIPs definitely are starting to pay off for Bergford, as Scott Homes has seen a steady increase in its sales over the years. While they have typically built 10 to 15 homes per year, they are now on pace to construct 20 homes this year, and according to Bergford, the homes he's building today are much larger and more valuable than the ones he built in the past.

"My sales are almost 4 times [in dollar value] greater than last year, and we are still very, very active in new leads calling in so it looks like we will double again by this time next year at the rate of people contacting us," said Bergford. "The value of the homes we're building has increased significantly. We used to do \$200,000-\$300,000 houses regularly but now many of our homes are around \$800,000 because they are much bigger and more complicated."

Once his primary marketing strategy, Bergford now only exhibits at two tradeshow a year. "The word is out on SIPs. Customers are coming to me and requesting SIPs so much that I had to increase my staff just to keep up with demand and I still have more jobs than I can handle," he said. "None of that would be possible without Premier's innovative structural insulated panels."