



## Creating a Family Business so that you can SELL IT!

Ellen Rohr with [Jamie and Lisa Carter](#)

**Ellen:** I'm Ellen Rohrs, the plumber's wife and hostess of Business Makeover 2014. Welcome to today's interview. I'm so excited. Here's a reminder to pay attention. This is our opportunity to stop and think about what we really want and springboard into aligned action; 21 experts in 21 days, lots of surprises.

This hour together each day offers a chance to gain fresh perspective, and a success leader or two is just what's needed sometimes to create a conversation that may change the way we think about life, business and success on all levels.

Let's make this our makeover moment, our makeover year. I'm so excited to welcome our guests today. This is the first interview where we have a whole family business that's going to join us on the call today. I'm excited to introduce you to Jamie and Lisa Carter, two of my best friends. I think we've known each other for 20+ years now.

The Carters previously owned a plumbing company, which they built and sold, retired and then went back into business again. This is interesting because so many people I talk to tell me that their dream is to grow a business that will run without them, and then sell that business someday in a way that will change their life significantly and will open up all sorts of new opportunities. The Carters have done that and as such they are experts who are going to share from a very unique perspective from having done that personally.

I'm so excited to have you share that with us. Hi, Jamie and Lisa.

**Lisa:** Hello.

**Jamie:** Hello, Ellen.

**Ellen:** I heard you're comfortably ensconced on your couch, Jamie. That's a perfect place to be for the interview. Nice job. I've got some questions for you about how you did that. How did you grow a company from start to finish and actually sell it and create some wealth for you and your family? Before we do that, let's dig into the past. Jamie, once upon a time, you're the plumber's son of a plumber.

**Is that how you got into this business?**

**Jamie:** That's correct.

**Ellen:** Is that what you always wanted to do or did you have a different idea?

Lisa and I are both wives of plumbers. This is one of the reasons why we're completed bonded. My husband, the plumber, didn't want to be a plumber. He was just going to plumb until he found something else to do, and that was about 60 years ago, at this point.

- **What about you did you want to be a plumber?**
- **Did it just kind of evolve?**
- **What happened?**

**Jamie:** I'm really not sure what I wanted to do. I grew up an athlete in high school and I was kind of caught up in all the glory of that. Once I got done with high school, I remember every discussion at my graduation party at my house with a neighbor who was a mechanical engineer. I asked him the question what should I do because I really didn't know.

I didn't have a whole lot of influence in my life from people that went to college. I didn't have anybody in my family that had ever gone to college. It seemed like all my friends were going to college, so I was kind of worried about it and seeking what my path was going to be. I asked him what should I do, and he said what are your strengths? I said I'm pretty good at math. I'm just kind of average at everything but math is probably my strongest subject. I took mechanical drawing in high school and was good at that. He said why don't you be an engineer? I talked to my parents about it and they didn't want me to be a plumber.

Back then plumbers didn't make a whole lot. You worked hard and you didn't have a whole lot to show for it at the end of the day. They said we want you to go to college and give it a shot, so I went to college and it didn't take me long to figure out that studying wasn't my forte. I didn't really want to study.

I spent a year in college. I actually started plumbing with my dad when I was about 15 or 16 years old, so by 18 I had a lot of the basics down. When I came home that first summer and worked for him, I knew that college wasn't for me but I didn't really know how to go about plumbing either. I knew that I had to make something of myself, and I couldn't just sit back and treat it as taking my God-given talents and using them just to earn a paycheck. I wanted something more than that.

I set my sights on building a company and I told my dad that I was going to build a big company. My dad is a very laid-back kind of guy and he said I'll support you in whatever you do, so I immediately began bidding on jobs and learning how to price jobs.

**Ellen:** Let me interrupt you here for a second because that's pretty important. So, your dad didn't fight you or get in the way of your ambition. He was supportive of you taking the business in a new and maybe more ambitious direction.

**Jamie:** Yes, I think both he and my mom saw in me – I'm totally different from my dad. My dad is very laid-back. It's just easy come easy go. I'm more of a conqueror. I wanted more.

**Ellen:** That is a perfect word for you, mister. You're quiet but I would not mistake you for being laid-back. You are driven to be as good as you can be and you are very ambitious. When you said you were an athlete, I thought well that explains some of it. You're a competitive guy too, aren't you?

**Jamie:** Oh yes, very much so. I don't like to lose.

**Ellen:** Did you meet your bride in college?

**Jamie:** No, I actually met her at my sister's wedding.

**Ellen:** That's cute and romantic. Let me switch over to Lisa for a second. Lisa, you probably grew up thinking someday I want to create a plumbing company; that's what I want to do.

**Lisa:** Yeah, right. I didn't even probably know what a plumber did.

**Ellen:** For me, I thought it was a miracle. You flush the toilet and it was a miracle. Later on I found out it is a miracle. You were a nurse by trade and by education as well.

**Lisa:** I went to college and got a B.S. in nursing and a B.A. in public health promotions. I had no idea that I was going to get into the business world.

**Ellen:** Were you working as a nurse when you and Jamie first got together and got married?

**Lisa:** Actually, I was a senior in college. I was working part time and then I went ahead and graduated. I had to take the State Boards for my nursing license at that point in time, and yes I did. I was working as a nurse at that point.

**Ellen:** **Then you get married, you graduate and think I know what I'll do; I'll deviate from this career path and go to work in the family plumbing business. What happened there?**

**Lisa:** When Jamie and I met it was my senior year. I was driving back and forth from home to school and he asked me if I would help him out. I was like sure I'd love to.

**Ellen:** That's how it starts. That's a slippery slope.

**Lisa:** Exactly. I was just a part-time person at that point. I answered the phones and did the books a little bit.

**Ellen:** Then did it ease up on you in terms of this is what I really want to do, or did you just turn around years later and say what happened?

**Lisa:** I really enjoyed the challenge of building a business. I bought into Jamie's dream as far as creating a company that would grow and be sustainable. I'm a team player. If he says this is the goal and we're going to get there, I'm like okay absolutely. I just embraced it. I loved the accounting side of it and I loved the challenge of it.

**Ellen:** What's cool and one of the things that I maintain is that there really has to be a leader. If the two of you are going to fight it out all the time as to who's going to be in charge, it can be a challenge. In your family business, you were clear that Jamie's going to be saying the direction and then I'm going to get onboard. It sounds like you bought it – I see where he's going and I want to make that happen.

**Lisa:** Right, absolutely. We had that respect of each other.

**Ellen:** **Did you ever want to fire him or quit? How did you get through those tough times? Did you have some strategy or did you set some ground rules for working together?**

**Lisa:** We just complement each other. Definitely we've had challenges and we've argued through it, but I think that we both have the commonality of where we're going, so we're going to work at it together to get there. There's no sense fighting each other.

**Ellen:** You say it like that's the most natural thing but that's not what I see every day. I think that's really exciting that you guys managed to make this work in a special way. You made a smooth

generational transition, Jamie, and then to work with your family is perhaps part of why you've been able to be so successful. I say the worst businesses I know are family businesses, but the best businesses I know are family businesses. You guys are really one of the reasons I say that because you've really been able to pull together and make some things happen.

Jamie, as you started out in this business, it was new construction. What was the moment of epiphany where you thought I don't like this new construction stuff, I'm going to go find a more profitable niche?

**Jamie:** I don't know if I can nail down the exact moment. I was fortunate to have Lisa because she understood that we needed to know the financials to know where we were at and where we stood. I didn't have time to do that. I was busy working on the operational side of the business getting jobs, running jobs, driving the manpower each and every day. There was so much going on, on that side of it that I totally relied on her and pulling financials together.

We learned together how to read financials mainly from not making money and desperately wanting to make money. We had to dig in deeper and find out where it was at. It didn't take us long to figure it out. We figured out that in the construction we were making one to two percent and we were cracking the whip as hard as we could for years, and really service just kind of happened by mistake.

Back then nobody focused on service. This was back in the early to mid 1980's. It was in residential new construction, which was starting to boom again. I think people thought they were making really good money in new construction – and don't get me wrong. There are some very successful new construction companies out there but we weren't. We just could not ever turn a large enough profit to make it worthwhile to us.

If everybody else is focusing on new construction and service looked like it definitely was making double digit profitability, we thought why are we trying to do what everybody is doing? Let's just do something different and let's focus on service.

**Ellen:** I'm going to interrupt long enough to make a metaphor here. Jamie and Lisa's story is specific to plumbing and you know that's my industry and I love, love, love it. Whoever's listening, I think the point to note here is that if what you're doing isn't working, it is reasonable to try something else as opposed to, like you said, cracking the whip as hard as you can.

How much harder can you work at what you're doing? Ask yourself this question as part of this Makeover moment. Can you work harder to make it happen, or might you have to look at another vertical, another niche? That can be a little scary but I like the way that you used the numbers to help you find that obvious moment of decision – we'd better do something different.

**Go back to that moment in time as you started to make that transition what worked?**

**What didn't?**

**What would you do again?**

**What would you not do?**

**Do you remember?**

We were kids then.

**Jamie:** One of the best things we ever did was join a focus group. The focus group allowed us to see other businesses, to imitate the best, and putting policy and procedure in place was huge. Having non-negotiable rules – this is the way we're going to be. We set policy in place. It was this is the way we're going to do things and we're not going to look back. We're not doing the things

we were doing, so we were different. We really stood out amongst all of our competition as being really different. Quite frankly, I'm sure that they were just laughing at us.

**Ellen:** You won't necessarily get support from the folks in your hometown and your competitors can be quite brutal.

**Jamie:** Oh yeah.

**Ellen:** So, you found some kinship and support from folks with whom you didn't compete by joining a group?

**Jamie:** Yes, really zeroing in on what we were doing and trying to find the best of the best so that we wouldn't have to make the mistakes.

**Ellen:** That's where we met, right? That was absolutely the start of our relationship, and Lisa and I connected as plumbers' wives. On a side note, one of the best sales experiences of my life was selling Lisa on taking over my job at Contractors 2000, now known as Nexstar.

**Lisa:** I said no three times.

**Ellen:** When they say no, that doesn't mean anything. Just keep pressuring them. That was a lot of fun and that's how Lisa and I connected. Jamie, I've always had so much respect and admiration for you. You are a systems guy. You're a disciplined guy. What area of business really challenged you? You could see the vision that you wanted to grow your company. You were going to go into this new niche. You were aligning with like-minded people and getting some ideas for systems and procedures.

### **What part of business is the most challenging for you personally?**

**Jamie:** By far managing people and their behaviors. It's a lot easier to manage a system than it is people. Let the system manage your people. I'm trying to teach that to my son right now because he has a lot of the same characteristics I have when it comes to dealing with people. We tend to internalize too much about people's mood swings. I have to remind myself of that every day since I'm back into this business. You can't let that bother you. You've got to manage the system. The system is what you manage, not the person.

**Ellen:** So, to put systems in place where that becomes the accountability, that you're not just always arbitrarily getting caught up in the emotion or the moment or whatever is going on personally with that employee.

### **How do you create relationships with your employees? There are the systems but there's also that special awesome sauce, the love, the kindness, the family environment. How do you nurture that in your team members? How did you get them to want to play with you?**

**Jamie:** I think it has to do with having the culture within your business that they are looking for because not everybody is going to be a good fit. I mean they have to want what you want. The first time around it was a lot easier to do that because my goal – and I made it very well known to all my employees – was so my dad would have a retirement.

I didn't want to build a business and have him support me in that and not have a retirement for him, so that was number one. Number two, I wanted to build a business where my employees were paid better than any other employees in our industry, where they were proud of what they made, they had an income where they could support a family and put their kids through college

and have benefits. That was my second goal and I really believed in that. I held them accountable to that so that when they did start finding success in that, people wanted to work for us. They wanted to have what our top paid employees were making.

**Ellen:** I am loving this, absolutely loving that. They're clear goals and they're really inspiring goals. I think saying my dad's been part of this and we're going to make sure he retires and being really candid and transparent about that is very, very cool.

Lisa, as this was happening, you developed your accounting chops. You were not trained to be an accountant. You learned this by trial and error and going to classes and figuring it out, and you also became one of the best marketers I've ever met.

**As you were working in the business, you were handed these two positions – to be the financial managing and the marketing manager. How did you discover them? Go back to that moment in your history of growing this business and share some thoughts from your experience and maybe some advice for someone else who finds themselves kind of plunked in that position.**

**Lisa:** For me it was the challenge of learning accounting. With that came the introduction – this was the early 1990's – so the introduction of technology. Jamie went out and bought a computer and I was like wow this is so awesome. I really embraced that challenge of learning that whole side of the business.

When I was in college, of course we had to do a lot of calculations with titration and medications, so I was really intrigued with hunkering down and exposing the numbers to be able to understand what we were making in power. That's what I would keep taking back to Jamie. I'm like we have no cash in the bank. Why don't we have cash in the bank? I'm kind of a solution person. I'm going to look at this is the problem and this is what's causing the problem.

**Ellen: It dawns on me that you're a great marketer but it was born in your love of evidence and data and numbers because you measure your marketing efforts. Tell us a little bit about that. How did you start to put the pieces together - what works and what doesn't?**

**Lisa:** Basically it starts with the phone call asking the customer where they found our phone number today. Even with this new business, we're putting it in the computer and we're also hand tabulating where are these people finding us? Then you look at how much you're spending on that piece versus the sales that it's bringing in and your return on investment. Is it worth putting your money in that vehicle? Definitely with marketing you could open the window and throw the money out the window. It just happens so quickly, so you've got to have your finger on it. You've got to know if it's working or if it's not.

**Ellen:** So, what worked once before is not what you're using now, and I want to park that conversation for a moment because I know that marketing has changed and I want to revisit that when we get into phase two of your empire building careers.

Let's talk about when you decided you were going to sell this thing. So, you're growing your business, you're starting to receive some of the rewards, the money, the prestige, the satisfaction of making something happen. When was it that you looked at each other and said we could sell this thing?

**You guys were still young. You were young people. It's not like you were in your 70's and starting to get a little weak-kneed or tired of the whole thing. What made you say it's time for us to sell our company, and then how did you make that happen?**

**Jamie:** Who are you addressing?

**Ellen:** I don't know. Who wants to jump in?

**Jamie:** I don't think either one of us, really looked at each other one morning and said let's sell the business. I think it evolved over time. Our path to sell our business was probably a lot different than most people. We were very proud of the Carter name in the industry and built it very well. We had very good brand name recognition here in our market.

We bought into a franchise and the franchise exit strategy – it brought us a whole other element to an exit strategy. It wasn't just us selling to Joe Blow out there or venture capitalists or whoever wanted to buy. It was selling the brand to the brand because we wanted to be in the number one position within the brand. Things just moved really quickly. The corporation that owned the brand was going to sell. That was part of their exit strategy. It just gets complicated but basically in our market we became a small player again.

**Ellen:** Let me interrupt here for the sake of full disclosure. I sold them that franchise and it was one of my proudest moments. The reason why I was so excited about it was that I did realize there was an opportunity brewing. When like-minded people get together, there are going to be opportunities in the industry to create a bigger conglomerate company, and that might be appealing to investors – or in the case of the guys that we were working with, they wanted to go public.

They ended up selling it to a private entity, but there are these opportunities that are going to evolve, and I love to be aware of them and find some people who could really benefit from them and help the whole. I knew if you guys got involved, it would make a big difference and as it happened you did, and that was really great.

**Jamie:** This happened a lot faster than what we anticipated. We felt like we were in a position where we needed to make a decision because our market was changing drastically. We could have either been the small guy on the block again or sell it where we would have capitalized on the sale and it would have been a really big company, and that's what we did.

**Ellen:** Sometimes even with the best laid plans, the opportunity may come that might not be what you had perceived as ideal, but then you have a decision to make.

**Jamie:** No, it was ideal. I mean we had a number in mind and if it came to that number, let's not turn back, let's take it and not turn back, and that's what we did.

**Ellen:** I love that. That takes some clarity though to have the number.

**Jamie:** For us it had to be clearly one thing that was going to make it sell and just don't turn back, just keep moving forward because we were young. Opportunities are always going to be there. If you're a hard worker, you'll always be able to find an opportunity again.

**Ellen:** Let me just bring this up too. Prior to the sale opportunity becoming available, but as the franchise entity is gelling and coming together, you get laid low with a cancer diagnosis. As far as making over your life – I don't mean to reduce that experience to a sound bite or a one sentence answer.

**Could you share a little bit about what kind of impact a major health challenge had on your life in terms of what you decided to do or what you want to do now?**

**Jamie:** I think it puts things into perspective. That's for sure. Our overall exit strategy took a different look when I went through the cancer. I found out that I could die at any moment and everything that I've worked for, if I don't reach some of the benefit of what I've worked for, it could all vanish.

One thing I did find out is that you really find out the strength of your company and the strength of the people that work for you when you do encounter something like that. What I found out was that I had set up a very good foundation of people working for me. Without my presence being there, it actually flourished better than when I was there. I mean it just really did well.

**Ellen:** That's so cool.

**Jamie:** It just really taught me a lot about how important it is to have those systems in place and having good people so that if you do encounter something as tragic as that in your life that everything you worked for doesn't dwindle away. It just keeps on going.

**Ellen:** Lisa, recall that point in your life. I know that it was a roller coaster of emotion and a lot going on, but it had a big impact on you in many ways. Congratulations by the way, Jamie, for being a survivor and thriver and healthy and bouncing back stronger and better than ever. Congratulations.

**Jamie:** Thank you.

**Ellen:** Lisa, I know that the experience had a big impact on you. In addition to running businesses and all the other things you're involved in, you're a coach to help people through the process of surviving and recovering from cancer.

**Lisa:** Yes, I am. Looking back on that experience, like Jamie said we just really found support and strength within our people. It was incredible. I mean it ran like a clock. That's for sure. That gave me the ability to be able to help him get through the treatment and be with the kids. It was a pretty traumatic time. What I've learned now with helping people just resonates on what we've been through. That's for sure.

**Ellen:** I'm so glad that you have these success stories to share and that you've been through so much. It does color your perspective and make you appreciate. I feel when I visit with you how appreciative of every moment of every day you are. You're always so joyful and grateful and it really gives off a terrific energy.

Let me go back to selling your company. Again I want to dig into this a little bit more because so many people have this on their list – I'd love to be able to sell my company.

**What advice would you give to someone who wants to sell their company, or maybe is in the process of selling it or is building their company to sell it?**

Talk to them for a moment.

**Jamie:** I think first of all you have to recognize the fact that your best buyer wants to buy a business that can run without you because they know that if you are the business and something happens to you, like an illness or you quit or whatever, you're going to walk with your customers.

You need to build a business that will operate and function without you so that the buyer can see that they can place another manager or somebody in your position to run the business. They're



looking for a well-oiled machine, everything from leadership to the operations and procedures and everything that you have in place.

**Ellen:** Was there anything about the process that really surprised you where you and Lisa said I didn't expect that or who knew this was going to be part of it? Do you remember?

**Jamie:** I think every sell is different. In a large business where there are large sums of money that you're getting paid, they're probably going to really audit you to the max. That was a painful experience. I mean they're clearly going to open everything up. There aren't going to be any secrets that are going to go untouched, so be prepared for that.

**Ellen:** So, they're looking in your underwear drawer, for crying out loud.

**Lisa:** Exactly.

**Jamie:** Depending on the size of the sale, they're going to talk with the employees and you're going to have to give them rights to everything.

**Ellen:** Some people liken their company to a baby. When you were signing those papers, did it feel like a kid was graduating or you were sending them off into the world? What did that feel like on the day you sold your company?

**Jamie:** I don't know. Do you want to answer that, Lisa?

**Lisa:** They were going through all the books and just the legal aspect. I literally did not sleep. I was up at night just pouring through just to make sure that we had crossed all our t's and dotted our i's. I really struggled after we did the sale. I mean it was like an emptiness. It was just something I didn't expect. I had no idea.

**Ellen:** I remember when I left Benjamin Franklin Plumbing. I knew it was coming. It was a decision I made. I had planned for it and then the day I left, the phone did not ring. In one day, I went from being the busiest person on the planet to no one calling me.

**Did you experience anything like that?**

**Jamie:** Yes, for sure. I mean it wasn't probably immediately for me. I'm like Lisa. I remember really enjoying it.

**Ellen:** You enjoyed the moment, like yay?

**Jamie:** Oh yes because it was mid-summer and I had just bought a motorcycle. For the first two or three months, it was just awesome.

**Ellen:** So you're going like, enough, I've had it let's get on the motorcycle. Lisa, you're going oh where's my baby?

**Jamie:** Just clearing your conscience. Being able to get a full night's rest because I tend to think my day starts at 4:00 o'clock in the morning. That's when my mind starts turning. It was great for a while but then reality set in and it was like what am I going to do?

A lot of life's examples are through learning, and the exit strategy that we had was to capitalize on real estate because we had some real estate holdings that we were making money off of, and that helped us with the selling decision too. I think if we didn't have other streams of income, we

probably would not have sold the business at the time that we did. In fact, I know we wouldn't have because that gave us some comfort knowing that we still had income. We wouldn't have to be spending our golden egg because we had income coming in that we could live off of.

**Ellen:** I remember this from being a friend. I wasn't experiencing it directly but indirectly. I remember that right away you were like this is great, and then there was this moment of like okay what are we going to do next? You explored some other business opportunities. I mean you seriously explored them. You looked. You went to see them. You became real estate developers and expanded your real estate development.

### **What happened that would cause you to start another plumbing business?**

Describe that time and that process where you said plumbing it is.

**Jamie:** We had a list of reasons why we would sell the business, and one of the reasons why we would sell it is we didn't want inner family issues or conflicts later on down the road. We didn't want to build a dynasty and then try to figure out how we're going to get paid back and burden our children to have to come to work every day to pay us back for that business.

It made the sell a little easier but now we have a child – our son, who's graduating from high school. He was destined to be a plumber but he didn't realize it until he was realizing what am I going to do with my life? So, he decides he wants to be a plumber and that's how all this came about.

**Ellen:** So, that was the happiest and worst day of your life?

**Jamie:** For sure.

**Ellen:** You really struggled with that. I can hear that in your voice. I didn't realize that that was so emotionally confusing for you.

**Jamie:** I'm not a patient person. My father's a very patient man and he was very patient with me in my upbringing and teaching me the trade. He let me learn the business on my own but teaching me the trade he was very patient. I'm not patient. I did not want to get right back in a truck, but I had sat behind a desk for 10 to 15 years in dress slacks.

Not that I didn't pick up tools I'm still a handyman kind of guy and always doing something around the house and on my property and things like that. But to hop in a truck every day and go out and turn the wrenches, it took me about a week to figure out that I was not real happy doing that. I was very impatient with my son but I knew that I wanted him to learn it from the ground up. If he was going to appreciate what he does, he needs to get in the trench and do it.

**Ellen:** So, is it safe to say that without Kelson, you would not have chosen a plumbing company and done this again?

**Jamie:** No, I probably would have gone to work for somebody. I don't know that we would have started over again. Lisa may have different thoughts about that.

**Lisa:** No, I agree with you.

**Ellen:** Lisa, I want to share this too. Even when you started back up in business, it felt to me – and Jamie, correct me if I'm wrong but I'm going to ask Lisa's opinion on this first – it felt to me like you had one foot in and one foot out for a bit, like you're back in and do we really want to do this? Maybe we could just get by with a truck or two.

**Then there was like this moment where you just went all in. Does that describe what happened?**

**Lisa:** Yes, definitely.

**Ellen:** Tell me about that.

**Why the ambivalence?**

**You said okay we're going to do it, but it wasn't like you were all in from the first time, were you thinking why did we do this again?**

**Lisa:** First of all, I mean it was the relationship between Jamie and Kelson in the field, showing him how to do it and that was a challenge. The second this is we had to make an investment. We had to buy trucks. I'm like you know I've been three or four years from not doing anything to back into answering the phones, getting out and having a regular routine, so it was definitely a challenge for me.

**Ellen: What made you go all in?**

**Maybe this is a question for Jamie, but Lisa from your perspective, what happened that you guys decided okay we're growing this thing?**

Because once you did, you started to grow. You added truck after truck. I mean you're on your way now.

**Lisa:** It's about the vision for our son, what he wants and there's something about a mom and a son, that's for sure. Jamie laid the foundation, that's what we're going to do and by golly me too, so both feet in.

**Ellen:** I love this. What's coming up for me – the word I just wrote down is legacy. Once upon a time, your goal was to help your dad transition out of the company in a way that he didn't sacrifice everything so that you could have a better shot. You created a retirement for him so that you could move on and create something for yourselves, and now here you are bookending that experience with the opportunity to grow something that your son can be a part of. This is what I love about family business. You're really such a nice example of it. Kelson may join us on the call. I don't see him on here yet. If he does jump in, I would love to hear his experience.

**Before he gets on the phone, has there been a day where he's wanted to quit, where he's come up to you and just said forget it, I'll do this on my own but I'm not going to do it with you? Have you guys had some challenges or have you been able to keep moving in the same direction?**

**Jamie:** There's a standing joke in our office out in the field, especially with a couple guys that have been with us ever since we started back in business, and I think I've hired Kelson about 100 times.

**Lisa:** You're always firing him but I'm passing him up.

**Ellen:** I was going to say is Kelson aware that he has been fired 100 times?

**Jamie:** Oh yes.

**Lisa:** Oh yes.

**Jamie:** But he would never leave. He would just stick around. He's either dumb or he really wants to do this.

**Ellen:** So, he would come back?

**Jamie:** Yes.

**Ellen:** Lisa, did you find that you did have to just pull him aside sometimes and say shake it off?

**Lisa:** Yes, I'm good at that.

**Ellen:** You have a daughter too.

**Lauren's off to college does she express any interest in coming into the family business?**

**Lisa:** No, not at all. I think maybe she'll come around but she grew up with it. She's like that's the last thing I want to hear. Our conversations at night would be the business, and she's like I'm just over it. She's exploring her options.

**Ellen:** I know that you're a planner, a conqueror, Jamie, and a visionary.

**As you communicate your vision for the company right now, what do you see?**

**Jamie:** That's a challenge. I can't answer to that because the vision for the company has not been set yet and as much as I want it to be, it's really not in place. I mean if you ask the employees, they're going to say it's for Kelson, but there has to be a transition there at some point where it's not about Kelson. It has to be about something greater than that or we're not going to have quality employees. We've already had some experience with that. Some younger guys that were really quality employees left us and I think it's because the vision was all about Kelson. I certainly don't want them to hear this.

**Ellen:** We are recording this and we're going to broadcast it.

**Jamie:** I know. I don't want him to feel like it's all about him. He understands, I think.

**Ellen:** I was going to say I don't think that this is a conversation you wouldn't want to have with him.

**Jamie:** He understands it but I hate to put more added pressure on him because he's only 23 years old. He doesn't know. He's not mature enough to know. He knows that he wants to own the business and he wants to run the business, but he's not mature enough to bring exit strategy, which is what we're talking about. What are the long-term goals of the business, the vision of the business? Right now it's just to grow it and to have repeat customers, to do things to where people want us to come back.

**Ellen:** I say money buys options and heft buys options. To explore the maximum amount of options to grow this company as the midterm goal or midrange goal is an absolutely legitimate and appropriate goal because then when you do sit down and start talking about the next phase of the company or the transition to new leadership, you have more options than you do when you're a one-truck outfit.

**Jamie:** Yes, I mean he's going to have to decide if he wants to really run this business at a larger level, or if he wants us to sell it and merge in with a larger business to where he can have a management position or something like that where he doesn't have to have accountability on the whole business. Only he is going to know that.

**Ellen:** It was fun to see him the other day. We did a tour out at Zoom Drain & Sewer and I was so proud to introduce people who are so important to me, those out at Zoom and the Carter family. It was a really nice moment for me, I felt like such a proud mom. To see Kelson, I really had that proud mom feeling that he has expanded into his position. He's a fine plumber and a great young man and it's really exciting. I remember him when he was this high. He should come on the phone so that he can blush as we talk about like this.

**Lisa:** I know.

**Ellen:** We'll make sure that he hears it.

### **What's different this time around?**

One of the things that happens when we start over is we don't have to do some of the things that were dumb the first time.

**What did you do the second time around that you'd absolutely recommend to someone either starting their business or starting a second business, and what didn't you do this time deliberately to save yourself some grief? Lisa, why don't you start?**

**Lisa:** Number one is I took your advice as far as managing an in-house server on the computer side so I took everything out to the cloud and that's our operation system.

**Ellen:** The technology helps now, doesn't it? It's just better.

**Lisa:** It's just best not to worry.

**Ellen:** You became it. That was another one of the hats that you wore very, very well, which was you became a computer geek, amiga.

**Lisa:** Right, well it was constant. We had multi-shops. The server was a constant thing that went home with me at night. We couldn't afford to be down, so I definitely love that aspect of the automation. The other thing I would have to say is that marketing is a whole different playing field here.

**Ellen:** Let's talk about that for a minute, because we've got some time to dig into that and I promised I'd circle back on it. You learned what it took with Yellow Pages, radio, television and direct mail postcards. I remember you telling me once that if we are short so many calls the third week of the month, I know how many postcards to send, with what message and to what neighborhoods to crank up enough calls for the month. That took a few years to gain that kind of expertise, but with online marketing you had to find some new vehicles.

### **What's new and different this time around?**

**Lisa:** Definitely online marketing. We weren't even doing online marketing when we sold the business, so that's how quickly the landscape has changed, and it changes every day. You have to have an expert that's assisting you with that – which I do because I've tried to learn it and it's

just very difficult. Basically, it would suck the life out of you if you allowed it to do that. There are a lot of players in our market place, so it's very competitive. We don't have a large budget, so it's a different style of marketing that I've had to utilize in order to grow this thing.

**Ellen:** I know that in this 21 experts, 21 days, we've had several marketing people because this personally for me is the one piece of business that just slays me. Every other area of business – operations, finance and even the technical – I know how to go find or solve those challenges through other people or through the systems and the setup, but with the marketing I feel like a first grader over and over again.

Even through the conversations that I've had, there is no one button that you can push, that if only someone showed you that button, you would have enough calls, the right kind of calls at the right time with the right people. It is exhausting, but you keep pursuing it.

I'm always like what are you doing these days because I know if anyone figures it out, particularly for your industry, it's going to be you. I want to compliment you two. I know one of the things you can do on Facebook and social media is to create an authentic view into you as a person so that people can say I just like these guys, I would call them because I relate to them. I love what you do on social media, especially starring your golden dogs, Bella and Max. I saw that Max tore up the toilet paper yesterday and was trying to deny it. It was on Facebook.

**Lisa:** He was.

**Ellen:** I saw it.

**Lisa:** Yes, that was it.

**Ellen:** You strike a nice balance with your social media of letting folks know what you do or if you have specials or are educating them about plumbing and what's going on in the industry, and with the involvement that you have in the World Plumbing industry, you always make us aware of how important it is to get good sanitation in different areas of the world and what their struggles are. You guys are actually involved in that too, right?

**Lisa:** Yes, we are. We're part of the World Plumbing Council.

**Ellen:** And you've put in wells where people heretofore had not a well.

**Lisa:** We've put in wells. Is that what you said?

**Ellen:** Did you put in wells or toilets?

**Lisa:** We put in toilets. We went to Haiti and Jamie did the plumbing in an orphanage.

**Ellen:** I think that's so cool. When you learn that about you, it makes you think I want to work with those guys, I want to work with people who are making a difference across the globe.

**Is there any tidbit you can share that you've learned about marketing in this reboot of your business?**

**Lisa:** I think more than anything and more now it's so critical to know what's working and what's not and how much you're spending on that vehicle to make that determination if you're going to continue to use it or not.

**Ellen:** You keep track of it. You don't mind keeping track of it manually as well as trying to run a report from the computer. I think a lot of people say I don't know how to do this, but if you can't figure it out you'll pull out a spreadsheet.

**Lisa:** Right. For us it's just that I'm writing it down. I mean this is a manual process but I really have gotten close to it, so I know whether the Yellow Pages are working or not and I could tell you.

**Ellen:** Yay. Let's talk a little bit about the offer that you've put together. Lisa and Jamie are not yet – but you never know what you're going to be doing with your lives and your serial entrepreneurship – but right now when I approached Lisa and Jamie, I said each of the experts is going to put together a package and offer it for \$97 because that was the only price point I wanted to deal with.

Lisa said we're not really in the marketing business where we have an eBook for sale or something like that, so I encouraged you to spend some time with people. This offer that Lisa is making would be super appropriate if you are in the home services trades – plumbing, heating, cooling, electrical – or if you are considering building a business to sell it or you want to start a business again. Lisa and Jamie could share a lot of insight.

**Lisa, if I got on the phone with you for a half an hour for \$97, would you be willing to go over my business plan, my marketing plan and give me some insights? What could we talk about during that half hour?**

**Lisa:** Absolutely, Jamie and I both would love to help anybody who would want to talk to us. Definitely marketing is something – we've been around for a long time – and operationally if they need any insight to their operations accounting wise, technology or anything that has to do with a small business, we definitely have been there and have learned the ropes.

**Ellen:** I don't know if you're picking up on this energy yet either, but you do get that both Lisa and Jamie are no nonsense kind of people? I don't imagine that you would hold back if you were on the phone with me and we were going through my business and my plan. These guys are loving but blunt and straightforward – both of you.

I imagine that this would be a very powerful and very insightful time together. We're going to put the offer together. You'll see it there on the webpage if you're listening on the web. The link to get to their page where they'll describe the half hour that they're going to put together for you is [BusinessMakeover2014.com/Carter](http://BusinessMakeover2014.com/Carter). I highly encourage you to take advantage of this.

We might have to put a limit on the number of folks who can sign up for this because this is use of your time and I know you're super busy. I think this is a generous offer. We'll put that page together.

As we start to wrap up, I'm sorry that Kelson isn't there but isn't kind of a full circle moment that the two of you are here, kicked back on the couch while Kelson's out plumbing today? Are Bella and Max with you? Are the dogs with you?

**Lisa:** Yes, they are actually. Max is lying right here by me and Bella is out the door.

**Ellen:** Very good. Alright, what are some parting thoughts today? It's funny, Jamie, I will never forget once upon a time I asked you to share at an event, and then I never called on you. After the event, you pulled out of your pocket the things that you wanted to say, and I thought when you ask someone to share you should remember to have them share.

Before we wrap up today, do you have any thoughts or anything that you brought to the party today that you wanted to communicate? Lisa or Jamie or whoever wants to go first.

**Jamie:** To the person that's getting started in business, I think it's important that you find a mentor or somebody that's been there and done that. Use that mentor. Find somebody that's a willing mentor that really wants to help you, somebody that's sincere, that's not going to put up a whole lot of smoke and screens to try to really figure out if they're authentic or not.

Find somebody that's authentic and wants to help you. There are a lot of people out there that will do it. Don't try to do it alone. Have a plan and work diligently to conquer your plan because it's possible for anybody.

**Ellen:** Along those lines, signing up for the half an hour with Jamie and Lisa might be a great idea.

**Lisa, what have you got? What parting thoughts could you share with our dear listeners?**

**Lisa:** I think just getting over yourself. I think a lot of times our pride gets in the way. Like Jamie said, reaching out and trying to find a mentor. I think it's just critical that you try to align yourself with good people in your position whether it's that you're asking for help or that you're putting the workers in place that will support your business in the most profitable way possible.

**Ellen:** I am so honored to have consistently aligned myself with you guys. I think the world of you. I am so grateful that you spent this time with us today, and I'm so happy to be your friend. You teach me something every day. It goes so far beyond friendship. It is deep love and respect that I hold for you guys. Thank you so much for being in my life and for participating today.

**Lisa:** Thank you.

**Jamie:** Thank you, Ellen.

**Ellen:** You bet. Are you ready for some sexy outro music? This marks the end of our call. Say hi to Kelson for me and tell him he'll have to listen to the interview to hear us talk about him.

**Lisa:** Okay.

**Jamie:** All right.

**Ellen:** All right, goodbye. We'll see you tomorrow everyone.

**Jamie:** Bye-bye.

**Lisa:** Bye.

**Ellen:** Thanks for joining us for Business Makeover 2014.