

INSIDE MANAGEMENT

Stirring revival for paint company puts shine on performance

By Gary Weiss

SURREY, B.C. WALTER "Wink" Vogel, the diminutive dynamo behind the revival of Cloverdale Paint & Chemicals Ltd., is sometimes a little amazed by the irony of it all — but mostly just relieved.

After all, less than four years ago the B.C.-based paint manufacturing and retailing operation was hemorrhaging badly, racking up a net loss of \$700,000 in 1975 on sales of \$7.2 million, and showing every sign of plummeting into a corporate graveyard.

Vogel seemed to be following a similar route when, as vice-president with 47% interest in the company, he attempted to wrest control from George Weston Ltd.'s subsidiary, Kelly, Douglas & Co., and was subsequently fired for his impetuousness.

But with costs starting to balloon out of control, employee morale deteriorating and product quality slipping, Kelly, Douglas & Co. finally agreed to sell its 53% interest to Vogel and his brother Richard, a B.C. lawyer, early in 1976.

"It was a unique situation," Vogel says. "Every-

Corporate profile

one in the industry saw the books and knew how bad it was." It scared them off.

But his intimate knowledge of the company's operation gave him an edge. "I knew people and I felt I could make the changes for improvements in our position instantly."

Part of Vogel's passionate belief in the company's ability to turn the tide was rooted in family ties — his father owned Cloverdale for 15 years before Kelly, Douglas bought control in 1967.

At the time, it seemed to be an excellent partnership — Wink Vogel provided the technical expertise and Kelly, Douglas the financial muscle as sales skyrocketed to \$7.2 million in 1975 from \$430,000 in 1967.

But the losses began piling up as Cloverdale seemed to be caught in a cash crunch and management shakeup that was rocking Weston's North American holdings.

But after extracting a \$200,000 net profit in 1978 on sales of \$11 million, in the face of a depressed North American paint market, Vogel can finally

afford to be generous in his assessment of the Kelly, Douglas reign. He points to the modern production plant, hundreds of new products and a retail network that now numbers 20 corporate and five franchise outlets in B.C. and Alberta.

But in the end, George Weston gave the food business the first priority: "We were just a small company out of their stream of experience."

When Vogel assumed control one of the first things he did was clarify what the company was all about: "We're professional paint people," Vogel says. "We have no other interests. It's total immersion."

His overriding corporate credo was "support the winners and cull losers." In effecting the turnaround, this meant:

- Recovering quality that had been lost in the manufacturing end. (More than half of the company's sales are products it manufactures.)
- Upgrading and reorganizing the retail side to take advantage of new marketing ideas.
- Reinvigorating employee relations, which had deteriorated during the latter days of the previous ownership.

Vogel gave priority to building a sense of employee involvement and excitement. But first he "culled" two dozen manufacturing employees of the 180 total — since then, the workforce has grown to about 200.

The new emphasis, says Vogel, is on youth and experience in an informal management structure that doesn't isolate the executives from the manufacturing and retail employees.

"There's a real big difference between dealing with Kelly Douglas and now," says 30-year-old manufacturing vice-president Oan Treleven. "There are a whole lot of people dealing with Wink and there's a cohesiveness that wasn't here before."

Incentive is promoted by equal division among employees (with at least one year experience) of 20% of pre-tax profits.

Production problems also had to be corrected quickly. Vogel quickly developed new formulations and slapped on rigid quality controls. He also joined the Coatings Research Group Inc., an industry-sponsored research and testing organization, which gave Cloverdale access to 50 researchers.

Another production fault was that Cloverdale could make 6,000 gallons of paint a day but only package 3,000-4,000. New filling equipment, bought for less than \$100,000, cured most of the imbalance and a rearrangement of work and some



Walter Vogel: First task was to clarify what company was all about.

additional equipment boosted productivity enough to do the rest.

But other quick fixes were necessary, too: "The biggest single dollar problem was the purchasing," says Treleven. Though sales volume had been increasing tremendously over the years, no advantage had been taken of lower cost bulk deliveries of raw materials.

"For instance, in 1973, a 20-ton shipment of paint extender pigment lasted a month. But by 1977, that same 20 tons was gone in a week. By switching to 50-ton rail car deliveries Cloverdale's costs dropped 30% and no extra facilities were needed.

"No big deal in itself," says Treleven. "But that was just one example of the potential savings that he found 'hidden away in all the little corners.'"

In another case, he found the plant could produce a paint remover and sell it to the stores at a 47% discount from retail (vs 40% for the national brand) and still make a reasonable profit.

Some unprofitable products were dropped. For example, the high-volume rug shampoo division, which accounted for \$1.2 million sales in 1975, was sold to Clorox.

In tandem with a revamped production format came a significant new thrust in marketing. Cloverdale, Vogel stresses, is primarily a marketing company backed by an efficient production company. So great effort has gone toward beefing up the image.

"Impact" has been the guiding principle. Older, smaller stores have been closed. In their place are larger, new stores as large as 14,000 square feet, often with an array of home decorating merchandise.

New lines in eight stores include plants, carpeting, bathroom furnishings, drapes, wickerware and wallcoverings (which seems to belie Vogel's earlier statements concerning total immersion in the paint business).

Outside suppliers now account for 44% of store volume vs 38% when Vogel took over. Non-paint sales serve the important function of balancing seasonal swings that can vary weekly sales as much as 400% from season to season.

Adding the new merchandising lines is softening Cloverdale's utilitarian image and is helping attract a whole new group of shoppers — women.

"They're not afraid of the stores anymore," says merchandise manager John Hooker. "The atmosphere is completely different. It has really helped to get browsing." The new 8,000-square-foot \$750,000 a year Langley, B.C., store even has a "kiddie corner" to keep children busy while their parents shop.

Despite the larger stores, service will play a key role in building business, says Vogel: "If you have a high amount of self-service, you have dozens of people walking out the door with the wrong product." And not walking back. Cloverdale aims to beat the national brands on quality and the mass merchandisers on service.

With a 12% share of the western Canadian paint market, Cloverdale hopes to pick up more as the result of plant closings by CIL's Bapco subsidiary and Pittsburgh Industries. Vogel thinks the spillover could boost Cloverdale's growth the equivalent of two normal years and is looking for \$13.5 million in sales this year.

A remarkable three-year turnaround seems complete.

Financial Post, March 17, 1979.

Cloverdale Paint: something old, something new.



Cloverdale Paint, located at 6950 King George Highway, has come a long way since Rudy Henke started custom mixing colours on his Surrey farm thirty six years ago. But throughout its growth from one outlet to twenty-nine, the Cloverdale philosophy of customer service has remained the same. And it's this philosophy more than anything else that distinguishes Cloverdale from other major paint producers. From initial research through testing, production and after sales service, the Cloverdale customer is king. And today, he can choose from over two hundred and sixty fine products designed to meet his specific needs.

A determination to provide the best

The Cloverdale concern with quality extends from the lab to the showroom floor. A wide range of highly skilled scientific and sales specialists monitors the development and application of the

Company's products. Working in surroundings designed for maximum efficiency, they combine the ingredients that will best meet the demands and conditions in each region serviced by Cloverdale.



It all leads to here. Don Holliday checks out product displays in one of Cloverdale's twenty-nine stores. This, the newest and largest at 7,000 square feet, fronts on Cloverdale's new manufacturing plant on the King George Highway.

13 Branches on the Lower Mainland and Okanagan



Don Holliday, Manager of Branch Operations, checks out product displays in one of Cloverdale's twenty-nine stores.



The newest and largest Cloverdale Branch is at 6950 King George Highway in Surrey, B.C. Ray Henke is Manager.



Cloverdale's Langley Branch at 2040-2042 St. Johns is a complete computer service, including paint and after-sales service. Manager John Oliver operates from new premises of over 1,500 square feet.



A phenomenal success story has taken place at Cloverdale's Hanes Branch, 11820-222 St. Hanes, B.C. Earl Smith has managed the store since its opening five years ago. The facility has been enlarged three times to handle the demand for paint and decorating items.



Behind the scenes: each product begins with a specified need, and goes on the shelf only after months of testing under the particular conditions for which it is designed.

Other Cloverdale Branches and their Managers:

2443 McCollum Road, Abbotsford, B.C.	Manager: Bert Archer
3207 Main Street, Vancouver, B.C.	Manager: Harry Gady
6555 Fraser Street, Vancouver, B.C.	Manager: Joe Anzani
1835 Renfrew Street, Vancouver, B.C.	Manager: Marie Wark
Fortune Shopping Centre, Kelowna, B.C.	Manager: Vi Russell
467 Bernard Avenue, Kelowna, B.C.	Manager: George Greenwood
1517 Lansdale Avenue, North Vancouver, B.C.	Manager: Joe Hamenack
3891 Oak Street, Vancouver, B.C.	Manager: Maud Roman
680 No. 3 Road, Richmond, B.C.	Manager: Mel Kendrick
A new store is to be located at 335 Clark Road, Coquitlam, B.C.	

Behind the ultra-modern facade and efficient retailing methods of the main Cloverdale manufacturing and sales facility is a 36 year tradition of personal service.



Bill Nasby represents Cloverdale Paints on Vancouver Island. He manages the wholly-owned Sidney Paints and heads up the popular Paint Pot stores.



Laurence East, Southern Alberta Manager, and Brentwood Manager Cam Jackson serve a specialized market with the finest products available.

A family of fine stores and full service.



The team responsible for creating the Cloverdale concept plans the next ambitious move. From the left are Don Holliday, Manager of Branch Operations; Pat Robertson, President; Leonard Peet, Accountant and Wink Vogel, Vice-President.

The Westernmost member of the close-knit Cloverdale family is on Vancouver Island. Sidney Paint, with eight outlets and a manufacturing plant in Sidney, is headed up by Bill Nasby. Under Cloverdale direction, he carries on the company he started in Victoria. Bill entered the business in Vancouver; his broad experience and excellent relationship with Island customers are invaluable assets to the Cloverdale operation. He predicts that Cloverdale will be number one in joint on the Island within two years. As part of Cloverdale's Vancouver Island sales network, the popular Paint Pot franchises are operated by Blockie Thurn, Bob Fisher, Ted Best, Warren Benedict and in Port Alberni by Mr. and Mrs. Mel Rieder. A new Paint Pot is being opened in Parksville by seventy-five-year-old Bill August, who entered the paint business at the ripe young age of sixty-nine.

In Alberta, Cloverdale Paints are distributed under the Monarch Paint banner. The Monarch chain has grown from three branches to seven in the five years since Cloverdale acquired the Monarch name. Monarch stores retain their unique Alberta flavour, with service aimed at the special requirements of the area. Laurence East is Manager for the Southern part of the Province and its three Monarch stores. The large Calgary wholesale outlet is managed by Mrs. Elsie Burlingham, and is responsible for a tremendous volume of new construction sales. Bill Roberts manages a store in Red Deer.

In Northern Alberta, Warren Gee heads up the Cloverdale Monarch operation and is responsible for managing one of the largest volume wholesale facilities in the Cloverdale organization. His managers are Brian Lavorato and Jack Scott.



WALLPAPER indicated by W. M. (Wink) Vogel, 39, vice-president of Cloverdale Paint and Chemicals Ltd., is one of the wide variety of goods in its new factory and retail store at 6950 King

George Highway in Surrey. In addition to manufacturing paints, detergents and other products, the firm sells many finishing products for the home. One section of the store is devoted to art

Firm sets high rate of growth

Opening of the large manufacturing plant and retail store on a five-acre site at 6950 King George Highway for Cloverdale Paint and Chemicals Ltd. is a culmination of the firm's growth rate of an average of 20 per cent annually during the past 10 years. It has made the industry itself has averaged a growth rate of four to six per cent annually across Canada.

Cloverdale now has 28 branches in British Columbia and Alberta. Seven are on Vancouver Island, 12 in the Lower Mainland, one each in Kamloops and Kelowna, three each in Calgary and Edmonton, and in Red Deer.

The new head office and factory in Surrey has 80,000 square feet, of which 20,000 feet is the factory site.

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'RIGHT KIND OF MIX'

Firm helps do-it-yourselfer

Cloverdale Paint and Chemicals Ltd. commemorates its products for retail markets, and for large-volume industry.

The new plant and retail store on a five-acre site at 6950 King George Highway in Surrey was designed and

especially equipped to service its 29 retail outlets in British Columbia and Alberta, with intention to go as far east as Manitoba. In addition the firm sells its wide range of products to supermarkets and manufacturers' maintenance outlets for industry.

It had a small beginning in 1958 when Betty Henke mixed paints and stains in custom batches on the farm in Surrey. Each customer picked up his purchases received none of Henke's fresh color.

In 1960, Walter Vogel, now retired, obtained a business interest in the firm and contributed the formula for its industrial four-way. Two years later, Vogel bought out his partner and began a program of modernization and expansion.

Within 10 years he relocated the factory and opened five branch stores. His son now is vice president.

In 1963 Betty Douglas and Co. Ltd. purchased a minority interest in the firm which then expanded its factory and opened four more retail stores. Four years later Betty Douglas became a majority shareholder when the firm decided to build its present new plant and to acquire Monarch Paints in Alberta with its factory and six retail outlets. Last year Cloverdale bought Sidney Paint Supply Co. factory and its five retail outlets.

"We have achieved the right kind of marketing mix for the present and future economy," says Pat Robertson, president.

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Pat Robertson is president of Cloverdale Paint and Chemicals Ltd.

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28 Commercial St.
Nanaimo
280 Alamy Road
Duncan
Northport Shopping Plaza
Port Alberni
Parkville Paint Pot
Parkville

Family firm regained

Company bought back

By **GEORGE GIBSON**
Colonist Business Editor

SURREY — It's probably

not the start of a national trend. However, to Walter (Wink) Vogel and his 150-odd

employees at Cloverdale Paint and Chemicals Ltd. here, it's significant to be out from under the far-reaching George Weston Ltd. corporate tent.

Vogel has this month been able to buy his 25-year-old company back after being in a subsidiary position to Kelly Douglas and Co. Ltd. of Burnaby for the past eight years. Kelly Douglas, big in the wholesale food business, is 66-per cent owned by Weston.

Neither side is saying how much the deal was worth but Vogel said in an interview

this week that to put the thing into some sort of perspective, sales for Cloverdale in 1964, when Kelly Douglas took a minority position, were \$430,000. Last year's tally was about \$8 million.

Put in another way, the 41-year-old company president said that only two other paint companies in the west, Color Your World and General, can match Cloverdale in terms of sales. He rates all three about on par.

Cloverdale has three stores in Greater Victoria at Sidney, Colwood and in the city on Quadra Street. It has 25 branches throughout Alberta and B.C. and owns Monarch Paint in Edmonton, its Alberta subsidiary.

It also has large industrial sales for specialized products — such as the red stain that one sees on the ends of stacked lumber.

The business had its origins in the Surrey farmyard of Rudy Henke, back in the late 30s. Hunter Vogel, Socred M.L.A. for Langley from 1963 to 1972, became Henke's partner in 1948 and took over sole ownership two years later.

The senior Vogel is now retired at age 72.

Kelly Douglas became involved in 1964, acquiring 27 per cent of the common shares, the younger Vogel said this week. They doubled their interest in 1967 and a rapid period of expansion began with capital being put into new manufacturing equipment, buildings and retail outlets.

Acquisitions during the following few years were Monarch in Alberta in 1969, which was owned at the time by Pilkington and Sidney Paint Supply Ltd. in 1973, which was owned by William Nasby. The paint production plant in Sidney was closed down soon afterward.

It's not clear why Kelly Douglas would be willing to divest itself of such a company but the move may be part of a shakeup at that firm. Its president and chief executive officer for management, Victor McLean, suddenly resigned in November of 1974.

Paint didn't 'fit'

BURNABY — Kelly Douglas and Co. Ltd. president and chief executive officer Ray Addington said here Friday that the reason that his company divested itself of its shares of Cloverdale Paint and Chemical Ltd. is that Cloverdale "did not fit into our business of food services."

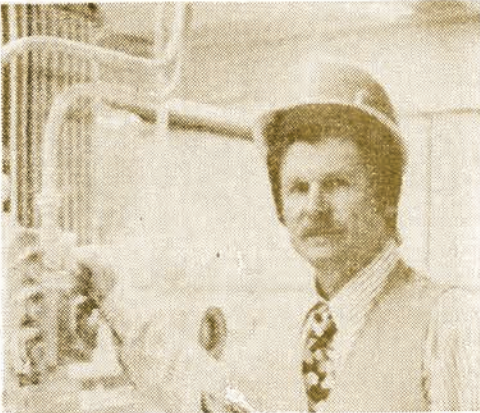
Addington, in a statement, said that the Financial Post's Survey of Industrials summary of Kelly Douglas, which lists 75.5 per cent ownership of Cloverdale (prior to the sale) is correct in that it includes ownership of common and preference shares.

Walter Vogel, president of Cloverdale, had said earlier that he was sure that Kelly Douglas' 54-per cent ownership of the common shares was a more accurate description of the ownership situation.

Addington went on to state that it was a private transaction and he wasn't prepared to respond to questions on the amount of the sale.



Above is Victoria branch of widespread Cloverdale Paint and Chemical Co. Ltd. Below, in hardhat, is Walter (Wink) Vogel, who has regained control of company.



However, Vogel is quite definite about why he wanted to have it back as a family-owned and operated business.

"It's hard to drive a car from the back seat," he grinned. "I honestly feel that the entrepreneur approach is what makes this company go," he said.

Under the Kelly Douglas ownership, Vogel was vice-president of sales and an employee of Kelly Douglas, Pat Robertson, was the president.

And for a brief period last spring, Vogel was not only in the back seat, but right out of the car. He was fired in April of 1975 in an abortive bid to buy back control.

Vogel's threatened lawsuit over his dismissal, he says, caused a reassessment of the situation on both sides and negotiations were again underway by the fall.

The preliminaries to all this began in the summer of 1974, Vogel disclosed, when rumors of a cash crunch at Kelly Douglas were flying around. As a partner, Vogel felt that

he had first refusal if Kelly Douglas was going to divest itself of its shares.

But by April he had failed to meet the price and, as mentioned, things fell apart.

However, Vogel and his brother gathered their resources again with backing from the Mercantile Bank of Canada, the B.C. Development Corporation and, surprisingly, Kelly Douglas.

"And, big surprise," Vogel added, "We were able to buy it this time at a lower figure."

Vogel is a firm believer in the B.C. Development Corporation after the deal was closed.

"They are able to help in an important area, that is, preserving jobs in B.C.," he said.

Would the company be doing anything different under self-ownership, he was asked?

"We've cut out some of the excess in management levels, we're trying to get our prices at a more realistic level against the inflation factors and regrettably, have had to let go some employees," Vogel admitted.

"But it's confidence and expertise that count these days," Vogel concluded.

Cloverdale's 'Wink' Vogel

Hero or ordinary man?

W. M. (Wink) Vogel says he isn't a hero. But it is Vogel who turned Cloverdale Paint & Chemicals on its ear and came out on top.

The interview is over. Pad and pen are put aside and "Wink" Vogel, the diminutive dynamo behind Cloverdale Paint and Chemicals Ltd., Surrey, B.C., is having second thoughts. How is the story of Cloverdale's recovery from the brink going to sound to readers? What will the industry think? How will I come across? I'd like to see a copy before you run it, he asks. "I just don't want to give people the wrong impression. The story shouldn't come out sounding like it's one man who makes the company. For godsakes, don't make a hero out of me."

No, a company isn't one man. Nevertheless, it's pretty clear that without Wink Vogel there mightn't be a company and a story. Only a corporate obituary.

Twelve years ago, Cloverdale was one of a mob of small paint makers, a family-owned company started in 1938. Wink's father, Hunter Vogel, purchased 50% of Cloverdale Paint in 1948 and 100% in 1952. An outfit long on quality and ideas, but short on capital.

But after attracting the involvement of west coast food conglomerate Kelly Douglas & Co. Ltd., (Super-Valu, Nabob Foods), in 1964, Cloverdale boomed.

In 1967 Kelly Douglas bought control. Wink Vogel took a back seat as vice-president and hung on for the ride of his life as Cloverdale zoomed up to front-run with industry leaders, Color Your World, General Paint, and Bapco (now owned by C.I.L.). Vogel supplied the technical knowledge, Kelly Douglas the money. Sales went from \$430,000 to about \$8 million last year. Gallonage was growing 30% every year. There were acquisitions, a modern new plant, hundreds of new products, 25 branch

stores throughout B.C. and Alberta.

But suddenly, two years ago, practically as fast as it rose, Cloverdale started slipping, apparently caught in a cash crunch and management shakeup rocking Kelly Douglas and its parent, George Weston Ltd. Slip turned to plunge. Costs were out-of-hand, morale was bad, and quality was evaporating faster than wet stain on a hot porch.

Cloverdale's fall threatened to be more precipitous than its rise. Hunter Vogel, then president, sought to buy back the company, was rebuffed and fired for his impertinence. (Later this was re-negotiated to a more honorable retirement.)

No, a company isn't one man. But, it's clear that without Wink Vogel there mightn't be a company and a story. Only a corporate obituary.



"Wink" Vogel

Other buyers were sought, but to no avail.

"Everyone in the industry saw the books," says Vogel. "They knew how bad it was."

With no buyers in sight, the company was likely to be broken up and sold piecemeal, its stores and plant absorbed by no doubt gleeful rivals.

Altogether, not really an unusual business situation. Certainly not the first time a family company had been sold to a giant conglomerate, then later liquidated when head office got into trouble elsewhere or simply lost interest in piloting a company remote from its mainstream businesses.

What is different is that Cloverdale avoided dissolution. With family backing and funds from the B.C. Development Corp. and the Mercantile Bank of Canada, Vogel regained control in January, 1976.

Now that he's back in the driver's seat as president, he's enjoying every minute of it. He's sparked a remarkable turnaround. Within a bare nine months, he's plugged the hemorrhage of dollars, cleaned house of administrative deadwood, slashed unnecessary expenses and revived sagging morale. Cloverdale is now on the road to profits.

Wink's brother, Richard H. Vogel, a practising lawyer and past president of the B.C. Bar Association, is a full-fledged business partner. Both he and Wink personally own Cloverdale Investments, which is a small commercial land company that played an important role in the buy-back of Cloverdale. The brothers now own all the common shares in Cloverdale. Richard, not a silent partner, participated in the drama of financing and negotiating the purchase.

"Since taking it back," Vogel says, "I've really enjoyed being totally involved. I'm making decisions now that are totally logical from the point of view of a paint company. We can react to customer's

requests, to employee's requests. None of the changes in themselves are that important. It's the sum total that makes the difference. Basically, you remove the frustration that comes from working for a multi-national."

Mind you, Vogel gives full credit to Kelly Douglas for its contributions during the marriage. Acquisitions were consolidated. Corporate distribution was expanded in B.C. and Alberta. A new factory was built. The industrial and construction market was expanded.

"It was a damn good partnership for ten years."

But eventually the marriage turned sour, the partners grew apart, began bickering. Anyway, it really wasn't a true partnership. Kelly Douglas held the pursestrings and Vogel couldn't forget it. Too, he felt betrayed, tricked when he finally discovered that Kelly Douglas wasn't a western company, but a subsidiary of Toronto-based multinational George Weston Ltd., ultimately controlled by London, England tycoon Garfield Weston.

"The autonomy and strength of being a regional company is what

"Since taking it back, I've really enjoyed being totally involved. I'm making decisions now that are totally logical from the point of view of a paint company."

allows us to compete. But as time went by, the frustration we encountered just grew and grew."

The buyback has re-injected the sense of involvement and excitement lost when Cloverdale was a fragment of the multi-billion dollar a year Weston organization. But if Vogel downplays his own role in the comeback, it's not for lack of self-confidence. Shy, he's not. It's simply that involved employees are productive employees. And a sharp employer doesn't hog credit for their contributions. As Vogel sees



it, a paint manufacturing and marketing company is a lot more than resin tanks, batch mixers, high-speed lidding machines and real estate. They're important. But it's the people who make a company tick.

"I think there are three key things to being successful as a small private company.

"First, there's total involvement of management and production people in the operation. That means a lot of listening.

"Second, your rates of pay have to be reasonable at all levels. More important, you have to have the right people in the right jobs.

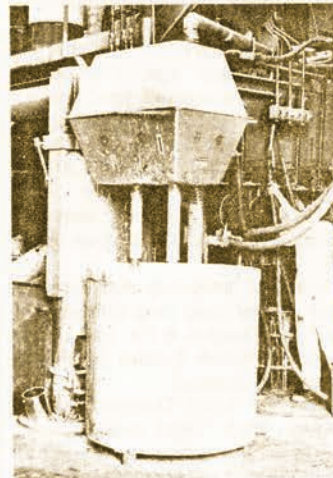
"Finally, if everybody's happy, it makes the company self-running. It removes the idea of the bosses knowing everything. So either a guy is part of the team, producing and making profits, or he's part of the problem."

But if employees make profits, they should share them too, says Vogel. He's now finalizing plans for a company-wide profit-sharing program. Since Cloverdale isn't straitjacketed by the AIB — there are only 120 full-time employees — the promise isn't empty; profits are permissible.

Achieving a turnaround in fortunes in nine months didn't require radical changes, says Vogel. Only a return to basic principles.

And the first of these states that

Top: Quality control tester Al Drody checks for proper color matching on test batch. Cloverdale has found that the trained eye is more accurate than color matching equipment. Bottom: The Moorehouse two-shafted mixer is one of Cloverdale's recent additions.



Cloverdale is *not* a paint company. Rather, it's a *marketing* company backed by an efficient production company. Indeed, plant capacity is way beyond current marketing power.

Accordingly, says Vogel, the key move for the moment is a relocation and expansion program for corporate stores. Bigger stores for more impact. Better parking for more

customers. And more efficient materials handling. There are 23 corporate stores and four franchises, 22 in B.C. and five in Alberta.

"We've got four people just seeking out locations. We want a bigger share of the market. And with our big impact stores, we'll also create a market."

"Cloverdale is a pioneer in direct selling," says Vogel. "We always sold across the counter at lower than the major's prices."

But when the department stores caught onto the idea in the 1950s, Cloverdale fell behind for lack of financial clout. The Kelly Douglas interlude, when the big bucks rolled into new outlets, changed that. Vogel intends to keep the momentum up, stressing aggressive pricing, unconditional guarantees, and top quality and variety. He'll also be courting the booming wall-covering market, tempting buyers with more price points and patterns and upgraded stock. That includes a new house book (Portfolio 2), a U.S. made flock line, and the Mayfair Britannia line from the U.K.

There's no way around it, says Vogel. We must be profitable. We must be efficient. We must grow.

Last year, gallonage ran to 800,000, generating \$8 million in sales. This year, sales are projected at \$9 million. And the target next year is one million gallons, split among latex, alkyds, industrial enamels, forest industry coatings, construction lacquers, and four varieties of floor wax. Latex accounts for 40% of total production. Almost 25% is mixed in small batches, as little as 50-gallons.

Despite the emphasis on the personnel and marketing side of things, the plant hasn't been forgotten. During a two-week shutdown last November, production lines were re-aligned and strengthened to increase batch capacity. That means more solvent tank capacity and more thousand-gallon mixing tanks for the Hockmyer agitator. Also, a relocation of the wax-making equipment. And, finally, an upgrading of the small batch department with new straining, grinding and post-mixing equipment. Total cost of the changes

won't exceed \$100,000.

Among improvements already made when Canadian Paint and Finishing visited the Surrey, B.C. plant, were the addition of:

- a Moorehouse 50-hp two-shafted mixer with a low-speed 52-in. mixer blade and a high-speed 14-in. impeller blade. Variable speed controls permit five to 500 rpm on the big blade and up to 1500 rpm for the impeller. It can be used for mixing, pre-mixing and grinding.

- an MSM Worchester two-headed filler with a 25-gal per minute filling capacity. A photoelectric eye provides a more accurate measure than pre-set fillers. The MSM supplements Cloverdale's 15-gal a minute Neumor filler.

"Everyone has been involved in the planning," says Vogel. "It has been thought through by people in all segments of the plant." No heroes, he says, maybe so. But anyway you look at it, Vogel provides one heck of a spark.

Biggest PAINT CAN in the World

SALESMAN Lyle Brown calls it the "biggest paintcan in the world." And, since this "paintcan" carries 7,000 gal a load, no one's disputing him.

Cloverdale's peripatetic paintcan also illustrates one of the company's guiding dictums: Sell your customers savings and quality and you win their business. It worked in cross-the-counter sales. So, four years ago, Cloverdale wondered if it couldn't extend the principle in a big way, specifically to its commercial customers in the lumber business who used great quantities of paint for marking timber sizes and logos. And what bigger way is there than this?

Rather than ship paint in bulky hard-to-handle drums, Cloverdale delivers via tanker truck. Once they've built a 1,000 gal receiving tank, customers save about \$1.10 a gal over conventional drum deliveries. Plus, there's no handling, no lost paint at the bottom of "empty" drums, less evaporation and no danger of lost paint through drums being damaged by scurrying forklifts. The tanker, which has seven separately-metered 1,000 gal cells to handle different paint formulations, makes deliveries to nearly 30 users throughout B.C.'s lower mainland and Vancouver Island.

Salesman Lyle Brown shows off Cloverdale's 7,000-gal paint tanker.

