



Philip Reno, owner of G&R, holds the building up... literally!

YOU'RE Your Own BRAND



The 2010 Dealer of the Year Says Don't Sell Yourself Short

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Five

years. Wow...it just doesn't seem that long ago. George W. Bush was still president. 911 was still a very recent memory. The economy was doing pretty well. Housing was doing well. Ahh...the good old days.

Here we are five years later. The economy is struggling back from the abyss. The housing market...well, the less said the better. We've got a new president who is struggling with a handful of very difficult issues,

BY associate publisher JOHN F.D. TAFF

from leaking oil in the Gulf of Mexico to the most volatile global economic market since the 1930s.

But you're still here, we're still here...and we're in the fifth year of awarding our Dealer of the Year Award and it's still the only industry award specifically for independent paint & sundries dealers. And it's been a great four years leading up to this. We started our award back in 2006 with Spectrum Paints in Oklahoma. Our second year, the award went to Jones Paint & Glass in Provo, UT. Our 2008 award went east, to Beacon Paint & Hardware in New York. And last year, we sent the award to Town & Country Paint in Arkansas.

Each time, we've waded through the hundreds of entries we get. We've shared them around the office, reviewed them, discussed them, argued about them. And each year, we've received dozens of entries from stores that are doing great things, whose stories we want to bring to you. But we've only got so many pages each month...

This year's award was no exception. We were swamped with entries from all across the U.S. and Canada. And we were thrilled, flabbergasted that there are so many dealers out there, even in times like these, who are running great businesses. Keep it up! It's small business owners like all of you who will pull this nation out of the mess that it's in. It's not the banks or the multi-national corporations or even the government. Heck, all of them are what caused the problem in the first place!

So, here is the winner of this year's award. We hope you read it and walk away with some ideas that you can put to use in your store. We hope that it convinces you to take your business to the next level. We hope that it convinces you to enter next year, so that we have an even bigger pile of entries to go through...uhh...wait a minute...

And, as always, we'd like to say thanks to the folks at Mythic Paint. Not only do they manufacture a great product, they are very, very supportive of the industry and what we're trying to do here at *The Paint Dealer*. It would be very difficult to do this award without Mythic, and we greatly value its support.



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2010 Dealer of the Year G&R Paint Co. San Francisco, CA

Go west, young award! After bouncing around in the south and the east, with a brief stop in Utah, we've finally arrived in San Francisco. Last year, G&R, owned by Philip Reno, was a finalist. Now, he's in the winner's circle. Last year, it was G&R's commitment to color that truly set it apart from the others. Philip has developed a reputation as a local color expert... something we've advised for years.

"What sets us apart from our competitors is our reputation for being color fanatics! Our color matching is considered the best in town. Our on-staff colorist Nan Kornfeld, along with me, offers customers something they can't get elsewhere. Our proprietary colors, Philip's Perfect Colors, Ann Hall Color Design Collection, and C2 colors, add strength to that position," says Philip. "These full-spectrum color palettes represent the state of the art in complex color offerings that no national brand can match."

G&R Paint opened in May 1994 by Russell Luo, a Chinese immigrant with a wife and small child. Let's let Philip tell the story. "I started as a painter in 1976 out of high school. I was a professional painter, decorative painter and color consultant up until going to work for G&R. Presented with a job opportunity out of state, Russell needed someone to run this upstart and struggling paint store in the fall of 1995. Having been a customer of G&R Paint since day one, I was aware of the situation and offered to manage the store, with an eye to a future purchase of the business. In June 1997, I purchased the business from the Luo's and began my journey with a single employee."

The original store at 1407 Bush Street in San Francisco was a mere 1,400 square feet. It was packed to the gills with products from Benjamin Moore, Pratt & Lambert and other vendors. The business continued to grow at a rapid pace, benefitting from the bubble created in the late '90s by the dot.com era in nearby Silicon Valley. Growth was exponential in the first few years and it became obvious that a larger location was going to be needed.

"In 1998 I started a very small creative project that has become our signature product line,"



Yong Haber rolls a large paint sample. She does all of G&R's in-house custom color samples.

says Philip. "I began creating my own color line under the name of Philip's Perfect Colors. This full-spectrum color line gave my customers something truly unique in our marketplace. It also gave my business a reason to drive a stake into the ground and build a business that was color centric at a time when everyone was merely selling paint."

Aha! Exactly how he came to our attention for last year's award. But the story is just beginning...

In 2003, he had an opportunity to purchase a much larger 7,000-square-foot location right around the corner at 1238 Sutter Street. He opened the new store on 03/03/03, a very lucky day in Chinese numerology, Philip points out. He saw a huge increase in business the first few years in the new location and a continued growth curve that finally peaked in 2008.

With the business doing settled in new digs and doing well, he continued his search for quality lines to rep. In 2006 G&R Paint joined The Coatings Alliance, manufacturers of C2 Paint. "This exciting and creative co-op represented a unique way for G&R Paint to further distinguish itself from its competition, and to have a real stake in its future," he explains. "The ability to influence the direction of a product line from both the color and technical perspectives was just the sort of creative endeavor I had



been looking for. The product line was widely and wildly successful from the start at G&R Paint.”

In 2008, G&R took a step further in the direction of quality coatings and introduced Fine Paints of Europe to its customer base. Philip says that this product line spoke well to his pickiest customers who demand the absolute best coatings that the paint world has to offer. It, too, has continued to grow steadily since its introduction into G&R’s product mix.

Color? Check. Quality coatings? Check. But it was something else that caught our eye this year...a philosophy that sort of sums up how we here at TPD have always thought of independent paint & sundries dealers. And Philip has taken this philosophy and run with it.

Philip says that 2009 was a seminal year for G&R Paint. “We were faced with the single biggest decision we had



The two women behind the counter are Nan Kornfeld (waiting on the customer). She does part-time color consulting both in store and on site. Helen Abelardo, seen running to get the phone, is a sales associate.

faced since opening the doors in 1994. We had to decide whether we wanted to continue to go down the road with Benjamin Moore as a supplier.”

According to Philip, there were some problems, the details of which don’t matter to the thrust of this article. But suffice it to say that it forced Philip to contemplate either losing a major supplier or losing

investors, customers, and ultimately the business itself.

“We chose to take the path without Benjamin Moore, believing it to be the morally correct decision,” says Philip. “While the investors bailed on our plan, our customers did not, and the business appears to be headed for a strong and steady recovery in a time when many have floundered.”

Now, make sure you’re getting the point here. It isn’t that he dropped a major paint manufacturer like Benjamin Moore. It isn’t that he managed to succeed despite the

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D.J. Lewis blow dries samples of paint. He is an all-around sales associate, color matcher, and whatever else needs doing. The two guys featured below are Jon Huertas (the tall one) and Edgar "Chris" Morataya, (the one tinting). These guys are the brawn that bust their butts everyday getting all of the orders ready and all of the stock unloaded.



challenges of dropping a major supplier.

Here's what the point is, in Philip's own words:

"The No. 1 thing I credit my success to is being committed to being the brand in my store. No vendor has more significance to the business than my own name and brand."

Can we get an "Amen" here, brother?

This is what we've said for years. Your most important asset is in not the lines you rep. It isn't your location or your operating capital or even your staff. It is you...your name...your brand. Ultimately, your customers should be coming to your store for you.

"What it takes to stay in business and succeed is to offer something that people cannot get elsewhere," Philip explains. "Paint is a commodity and can be bought anywhere. You have to add value to the can of paint in some way, be it from a color perspective, service perspective or otherwise. You can't just show up everyday and push cans of XYZ paint across the counter and expect to survive. Somebody will come along and do it faster, and cheaper, and you will be out of business. Find a niche and dig it deep."

"In this day and age of consolidation, it's tempting to give our stores over to brands that promise to drive footsteps. NEVER sell yourself short. If you don't have supreme confidence in your store's ability to sell paint regardless of the brand, you may find yourself out of business if that brand is suddenly gone for whatever reason. You are the ultimate brand in your store!"

We couldn't have said it better...and we didn't.

"My favorite quote of all time is from Jerry Garcia of the Grateful Dead who said, 'Don't be the best at what you do, be the only one that does it,'" says Philip. "Now this is kind of difficult in the paint world, but I've managed to carve out a niche based on my own color work, Philip's Perfect Colors. By creating a proprietary color line that is uniquely different from any of the major national brands, I'm able to capture and hold my primary target customer—those who are color obsessed. By putting my own name on it rather than something else, it's uniquely identified with my store and no one else."

Many national brands available to the independent have become ubiquitous due to the consolidation of the industry, he says. Therefore, most dealers are going to work everyday for a national brand that their customers can simply go to another outlet and purchase. "Now is the time to dig deeper than ever and stake your business on your reputation in the community that you serve," Philip explains. "Otherwise you run the risk of extinction by way of the big box and national brands that no longer have any exclusive alignment with the independent channel."

So, where is G&R now? Well, 2010 finds G&R Paint with a new vendor, Mythic Paint. "Mythic Paint represents the kind of company and product that perfectly aligns with G&R Paint's philosophy. We love both the people at Mythic and the product. Our customers have openly embraced this new product line, and we are excited to see new customers that are brought to us by this unique brand," Philip says.

At the present moment G&R Paint finds itself on solid financial ground with a variety of vendors who share its vision as San Francisco's truly independent paint store. We have a great deal of faith in the notion that our customers and community are better served by a locally owned, independent business that is not dictated to by heavy handed corporate entities. We're committed to a future destiny that we control entirely for the benefit of our employees and community." And isn't that the very definition of an independent paint dealer?

It's for that reason, if for no other, that G&R Paint was selected as the Dealer of the Year by The Paint Dealer, the voice of the independent dealer for nearly 20 years now. **TPD**