



GLEN STUBBE • gstubbe@startribune.com

leather hide at Red Wing Shoe. She has been with the company for 32 years.

SURVIVOR

Co. is growing again and adding logging through the recession.

This is a good problem compared with the one a year ago.

Amid a drastic drop in orders, Red Wing Shoe management decided in October 2009 to gradually reduce from 775 to 550 American jobs across its 150 corporate-

last week,
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Green roofs, adaptability boost Stock Roofing

- New services and growing demand for environmentally friendly roofs have helped the company get through the recession.

By TODD NELSON • Special to the Star Tribune

The ups and downs of his work and the economy don't bother Warren Stock.

"I'm a roofer," said Stock, president of Stock Roofing Co. "I'm not intimidated very easily. I've eaten my lunch at 367 feet up, on the edge. You can't intimidate me."

In the field, Stock nimbly navigates vertigo-inducing rooftops, like the steeply pitched slate one the company restored on the historic James J. Hill house in St. Paul.

Stock displays similar agility at company headquarters in Fridley, guiding efforts to expand service offerings to meet changing demand (more green roofs, more service calls), maintain a diverse and well-trained workforce and stave off the effects of the recession.

"The key thing for us is our ability to change as the market changes," Stock said. "We don't just do commercial, we don't just do residential. We don't just do green or solar. My vision has always been to be a chameleon. Whatever the customer needs, we try to do that. It's taking what the market gives you."

The changes appear to be producing results. This year's revenue is expected to match last year's \$20 million, as those expanded services make up for the loss of new construction work. Given the seasonal nature of roofing work in Minnesota, employment ranges from 120 or more at its summer peak to 60 or so during the winter.

Though Stock Roofing only began installing green roofs a few years ago, it already has become a national leader in such projects, installing green roofs at the Target Center, Minneapolis City Hall and a St. Paul Fire

Small continues on D2 ►



Stock Roofing adapts to grow in recession

◀ SMALL FROM D1

Department building. The St. Paul project features a park-like setting, with a small pond, walking paths and educational exhibits for school and public tours.

More maintenance

This year, Stock Roofing's beefed-up service department has gone from a couple of trucks to 11 with two employees each. Growing demand for repairs and maintenance on the part of belt-tightening property managers has helped offset a recession-related drop in commercial construction, where installing new roofs has been a mainstay of the company, Stock said.

Much of the new service work comes from repair and replacement jobs at townhouse and other multifamily residential buildings, thanks to working relationships Stock has de-

veloped with property manager and contractors.

Beyond roofing, Stock is expanding the exterior construction services it performs, including installing siding, doors and windows at multifamily properties. As the economy improves, Stock hopes commercial clients will increasingly use the company's expanded maintenance and repair services.

The company works throughout the Upper Midwest and has done projects in Florida, Louisiana and other states. About a third of the company's revenue comes from projects outside Minnesota.

Stock worked at his father-in-law's commercial roofing company, Central Roofing, before founding Stock Roofing in 1987, with just two employees. For the next 15 years, the company stayed small, operating with up to 25 employees and

STOCK ROOFING CO.

Business: The company installs, replaces, repairs and maintains roofs on commercial and multifamily residential buildings; installs and maintains green roofs; restores and rebuilds roofs on historic buildings, and does exterior construction work.

Founded: 1987

Headquarters: Fridley

Website: www.stockroofing.com

Employees: 120; varies seasonally from 60 to 120 or more

Executives: Warren Stock, president; Jason W. Stock, vice president, operations; Henri Germain, vice president, sales and marketing

2009 revenue: \$20 million

Strategy: Continue expanding repair and maintenance services and exterior construction work and seeking green roof and solar installation projects.

revenue of \$2 million to close to \$3 million a year, Stock said.

Stock Roofing began growing rapidly after 2003, when Stock sold the company to Illinois-based Tecta America, which describes itself as the country's largest commercial roofing company, with 47 locations and more than 3,000 employees.

Like other Tecta companies, Stock Roofing still operates independently, Stock said. With greater financial strength, education on best practices and more resources for insurance and worker's compensation, the company has grown from one of Tecta's smallest to one of its largest and most profitable.

"I was trying to find a future

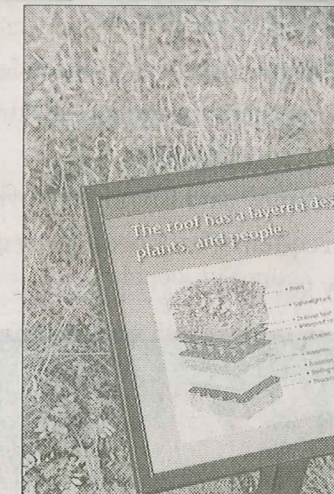
home for these guys that have been with me for a long time," Stock said of the sale.

Diverse workforce

Stock's son, Jason Stock, joined the company in 2004 and now serves as vice president of operations. Yet Jason Stock tried his best to avoid going into the family business, after working summers there while studying business management and accounting at Augsburg College.

"The problem I ran into was I couldn't sit at a desk all day," said Jason Stock. "No matter where I was, I wanted to go outside eventually. That's how I ended up back here. It's a decision I'm glad I made."

Stock Roofing also is one of



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Jason and Warren Stock run Stock Roofing of Fridley. Their company designed and built this green roof of the new St. Paul fire department at the corner of 7th St W and Randolph. Signs describe the layers of the

most diverse local roofing companies, Warren Stock said, with racial or ethnic minorities, including African-Americans, American Indians and Latinos, accounting for 67 percent of the workforce. Women constitute 8 percent of employees.

Some employees are graduates of Summit Academy OIC, a Minneapolis nonprofit that provides education and vocational training to people living in economically depressed neighborhoods in the Twin Cities. In addition to recruit-

ing graduates, Stock Roofing also provides instruction and makes donations to Summit Academy.

Loren Abraham of Abraham & Associates Architects in Minneapolis, said he was impressed that Stock Roofing agreed to make small changes to the St. Paul Fire Department roof project without asking for change orders that would have increased the cost and could have resulted in delays.

"There was clearly a commitment ... to get that project done in a quality fashion in a reasonable time without adding a lot of extra cost," Abraham said. "They were very competent and, I thought, a very dedicated contractor for this project."

The expert says: Dileep Rao, Twin Cities-based author of "Bootstrap to Billions" and a national speaker on building big companies with little capital, said that Stock offers a number of lessons for entrepreneurs.

First, he's done "a wonderful job of adjusting, expanding and diversifying his markets while focusing on his core product and service area," Rao said. "This way he gets to grow in all areas that are growing."

Even more interesting, and worth emulating, is the way Stock has excelled at so many different segments and products, Rao said. Also, all employers will need to learn to work with a diverse workforce, Rao said, and Stock appears to be doing a great job of that already.

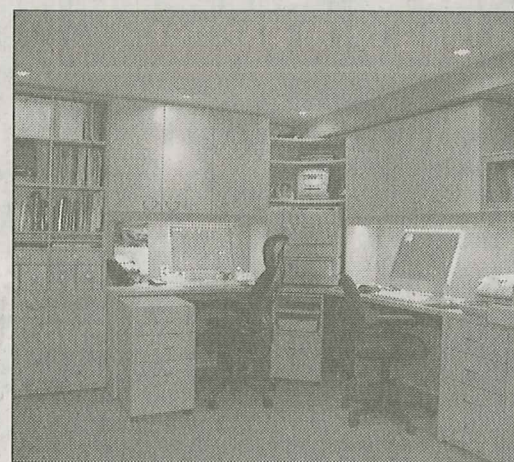
Stock's strategy to grow slowly until he had more resources was commendable, Rao said.

"However, because he sold the business to get the resources, he does not get to keep all the rewards from his growth," Rao said. "My question is whether Warren could have found the resources for growth without having to sell the business."

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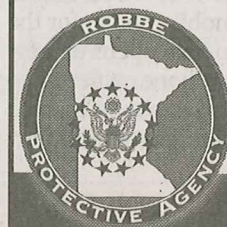
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