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## Lee, Lawrence (Larry) Oral History Interview: Carl Frost Center Oral History Project

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**Oral History Interview**

Lawrence Lee

Conducted and Transcribed by:

Ryan Harvey

August 4, 1994  
1:30 p.m.

RH- First, could you state your name, date of birth, and the company you presently work for?

LL- My name is Larry Lee. It's Lawrence Lee formally, but I go by Larry. The date of birth is [date removed], 1942. The name of the company that I work for, that we're at today is Hart & Cooley, Inc.

RH- How long have you lived in the Holland area?

LL- I've lived in Holland for about eight years now.

RH- Where did you live before?

LL- I lived in Connecticut before I came here. I came here with my family in 1986. My wife and I were both born and brought up in Connecticut. Then, we moved a few times, for job reasons, to the South. Then, we moved back to a different part of Connecticut, and then out here to Michigan.

RH- Could you describe your educational background?

LL- Educational background, yes. I have a bachelors in business administration from Fairfield University, which is in Fairfield,

Connecticut. That was in 1964. Then, I got an MBA, from the University of Bridgeport, which is also in Connecticut. I think that was around 1970. I actually went to work first, then went back and got that degree. I was in accounting at the time, earned a CPA certificate first, and then went to get that masters degree. Then, a few years ago I decided that I wanted to take some Biblical studies. I went to school at what is called the Liberty University School of Life Long Learning. That's in Lynchburg, Virginia. It's like remote learning. Mostly we had video tapes and a local proctor, etc. I had to go down to the campus a few times and take some on-site courses. I did that and got a master of arts in religion. That was in 1992.

RH- Could you describe some of your job experiences, either before or after college?

LL- Right out of college, I started out by putting some time into the Army National Guard. When I started working full-time, I started in the world of accounting. I worked for a small public accounting firm for two or three years in Connecticut, and earned my CPA certificate there. Then I really decided that I did not want to be in public accounting. I thought I wanted to do things and let somebody else check things. So, I went to work in private industry. I worked for a couple different companies there in Connecticut. I worked my way up to general accounting manager of a company in Connecticut, and then they transferred me

to a job in the South, in Virginia actually. I became a division controller down there, and we lived there for a few years. Then, I changed jobs again, and got a job in South Carolina and worked there for quite a while. All these jobs really were in the financial part of the business. The company was restructured that I was with in South Carolina. Their corporate headquarters was in Connecticut.

So, I got transferred up to Connecticut and got a corporate accounting job, quite different from the operational stuff I was used to. The corporate job was director of financial planning and reporting, and really wasn't what I wanted to be doing with my life. So, I made a change there. I went to work for another company in New Britain, Connecticut. I'm really still with that company now. I started out as Vice-President and controller of a large division. Then I was promoted to group controller, and then general manager of a small division, probably a ten million dollar division. After that I was transferred out here to Holland to be the President of Hart & Cooley.

RH- Could you describe a little more about how you became involved with Hart & Cooley?

LL- Hart & Cooley has been in Holland, since 1928. Like any company has its ups and downs, it was growing kind of slowly. It had some problems. There were some management changes. Anyway, there was an opening here in late '85 for a President and General

Manager, they called it at the time. It was really a division and not a corporation as it is today. I had been a general manager of a smaller business and wanted something a little bit larger than I had. I knew of this opening and saw it as a potential for my own advancement. It was much larger than the company I was running at the time. Hart & Cooley was a sixty million dollar business at that time. Although I wasn't totally optimistic I'd get that chance, they did finally decide that I would be the one to run it, and transferred me out here. I would say a lot of changes were required in the company. It was going through difficult times in the mid-eighties. A lot of changes had to be made to get back into its growth pattern.

RH- Did you know anything about Holland or Michigan before you came here?

LL- Not one thing. I just knew it was cold. I visited here one other time, and I called home and said, "you wouldn't believe this place. It snows all the time." So, I didn't know anything about it. I just came out and looked around, and kind of visited before we made the final decision, then decided to come here. It was kind of a shot in the dark, Holland, Michigan.

RH- What were some of the difficulties in your first years here?

LL- The parent company had a couple of financing problems. It

was in New York at the time. It's a different parent company now. They had, I guess, not invested very well in, the Hart & Cooley division at the time. They also had a couple of management problems, and problems out in the marketplace. I think the thing that I had to deal with mostly was to get people working together as a team, get morale restored. It was kind of at a low level when I came out here, and we needed to give the customers a feeling of "everything's okay." There were some concerns out there that both Hart & Cooley, and the parent company were really in enough financial trouble that it wasn't going to make it. We had to change that perception by the customers without losing them along the way. Those were some of the earliest challenges.

RH- Who is the parent company?

LL- Now today? Right now, it's Eagle Industries, which is located in Chicago.

RH- Has Hart & Cooley always been a division or was it originally started as a private company?

LL- I think it was probably structured as its own company. It's been sold a few times over the years, like a lot of companies with the growth of American business. I think it was acquired in '78, then again in '80 and again in '83. Our current parent

company came on board around 1986. That's when they bought, they actually bought the previous parent company. So all of those operations became part of Eagle. Then, they created separate subsidiaries. So now we are legally a corporation called Hart & Cooley Inc. We are a corporation headquartered in Michigan.

RH- Have you seen the business expand much since you've been here?

LL- It's expanded very much since I've come here.

RH- Do you get most of your capital from your parent company, or do you raise your own capital?

LL- The way the parent company manages it, we are certainly profitable enough that we do generate enough capital to sustain this business. The parent company does control where the funds get invested in the corporation. They're our 100% owner. They get to decide where they're going to invest money in the future. So basically they're in charge of, cash management and reinvestment.

RH- Do you have a local board of directors?

LL- Really it's in Chicago. I think a main point on management is that the corporate headquarters are in Chicago for Eagle. The



people on the board are there, and the top Eagle management is there. However, the company, Hart & Cooley, is run very or autonomously. So, although the legal types of things are there in Chicago, the action operationally is here. This is where we really make all the decisions on management of the business.

RH- Are there any particular reasons why the business was located in Holland?

LL- I guess that's part of the history I do know. I don't know too much history. Hart & Cooley goes way back, but I do understand that the company was actually begun in 1901 in Connecticut. They moved out here to Holland in 1928. I understand they made a decision to get in the middle of what they call the warm air furnace market. They wanted to be more centrally located in the U.S., wherever there were warm air furnaces being used for heat. I think that's how it got here. The way I got here I already said. I saw and heard good things about Holland, Michigan and the company.

RH- Has there been any thought of moving Hart & Cooley elsewhere?

LL- We discussed it once or twice. There's been a thought a couple of times. I would say mainly because of the concerns dating back to the early and mid-80's when it wasn't that

profitable. The wages are very high here. The wages are high, and the benefits are high. On an hourly basis, it's a very costly operation. However, even with that cost, we've managed to make it more productive and more profitable with a good return on investment.

RH- What are some of the most difficult decisions you've had to make since you've been here?

LL- One of the early ones I made was related to that last question you just asked, because they asked for my input on moving and I recommended against it. It was really a parent company question of, "the company doesn't seem to be doing that great. You pay a very high wage there." We had a union contract. We have a union here in Holland. So, the wage was established via contract. The decision of mine was, do I want to recommend to these corporate folks that we move it or not move it? I looked at the company, and the people, and the potential, and everything else. Everything to me seemed like we ought to stay right here, and try to work on things other than just the labor rate, such as productivity and things like that. So, that was one of the tougher ones.

People decisions are often tough decisions. When something isn't going well and you have to make a change in people, that is always a tough decision. What else is very tough? I guess once in awhile you run into a customer issue. We really emphasize

service a lot, and an attitude of customer satisfaction. Every once in awhile you bump into a customer that will not really believe in what we call a partnership, where it's kind of a win-win. They just are openly demanding and not easy to work with at all. Occassionally, you have to take a stance with a customer, and that's always hard too because you're not used to that at all with a customer. We've done that a couple times. We've always come away from it knowing we've done it honestly and fairly. It's actually worked out okay.

RH- Who are your major customers?

LL- I don't think I would mention them by name. The majority of our business is sold through heating and air-conditioning wholesalers. The wholesalers are the people who buy from manufacturers, and they turn around and sell it to contractors. If you were going to get a furnace put into your house or air-conditioning, you might call a heating contractor. Those are the people that buy from the wholesalers. We sell to the wholesalers. They carry furnaces, air-conditioning, and our products, which are really accessories in that market.

RH- What are your major products?

LL- Major products are first of all, what we call grilles, registers, and diffusers. Those are really heating and air-

conditioning accessories, as they're often called in the industry. This industry, by the way, is called the heating, ventilating, and air-conditioning industry. So, if you hear me say HVAC that's what it's called. It's kind of an acronym. We sell the registers, the ceiling defusers, all things through which the conditioned air passes when it comes into the room. It either directs it a certain way into the room, or sometimes you have to control the volume of air coming into the room. That's one of our major products.

We also have a line of venting systems for gas-fired appliances such as furnaces and water heaters. We also sell a line of flexible duct products. We don't make that here, but it's controlled here at our headquarters here in Holland. That's another very large growing product for us. That was a result of an acquisition. We've made a few acquisitions also in the last few years, and got some pretty exciting new products for us. Then we have a couple other product lines that are a little bit smaller, but those are probably the three major ones that I would mention.

RH- Has the company every experienced a crisis situation?

LL- Crisis situation? I'm sure it has. Everyone has a different definition of crisis. A lay-off to some people is a crisis. A drop in business is a crisis. It sounds to me like you're probably thinking of something more earth shattering than

that. This company had a terrible flood in 1982. Holland had a horrible rain storm. I wasn't living here at the time. I forget how many inches of rain came down in just an hour. There's a stream that runs behind the plant about a hundred yards or so, and it overflowed. It came in and just flooded the entire plant. From the stories I've heard, and the pictures I've seen, there were just feet and feet of water in the plant. Things were floating around, and electric vehicles were moving around all on their own. It wasn't good. It wasn't safe. It was multi-millions of dollars of damage. It interfered with customer service. It ended up rusting things, and ruining our floor. It was a real disaster. It was tough, a very tough time for the business right then. If there was a crisis, that's probably the biggest one. We've had a strike or two. I don't consider them a crisis. I consider that part of management. If you have a strike, you have to deal with it and get it resolved. We also had a couple of tough years in profitability and things, but none of those are really crisis situations.

RH- How do you feel the atmosphere is between labor and management right now?

LL- I think it's excellent. We have an excellent relationship between our management and the union here.

RH- How would you describe your management style?

LL- My style-- I guess I would describe it as participative. I'm a big believer in and preacher of teamwork. I think people really have to work together to make a company successful. You can't just be a one man show, or a two person show, or something like that. You have to really have team work. It's my job, along with some others, to provide leadership, which means not banging your fist, but motivating people to follow. If you're going to be a leader people have to follow. So, it's more of a teamwork, working together, not being afraid to make decisions, but getting the right amount of information before you make it. I am a level headed manager, not an emotional manager. I don't think there is any place for explosion, personality-wise, in business. At least, I don't believe there is. So, I stay pretty calm. The other part of my style or philosophy, I'm a big believer in planning. I think you really ought to plan as best you can, and there will be some variation from it, but shooting from the hip does not work long-term. You can't just react all the time. You have to plan. We do a lot of planning, both short and long-term at Hart & Cooley.

RH- Have you installed any participative, team management plans since you've been here?

LL- Probably the biggest thing we have going along those lines is our total quality management program. We call it "Quest For Quality." We have been working on quality for a long time,

that's product quality. We put this new system, a new program into place in the last couple of years. We really formalized it in 1993. One of the key parts of it is teamwork, doing things together as a team, meeting together, working together, solving problems, coming up with answers to problems, finding better ways to do things. It involves continuous improvement, if you've heard of that term. (It's getting over-used these days.) We're trying to get people to have an attitude of continuous improvement, saying there's a way for us to do everything better. That includes me.

That whole "Quest For Quality" program does not work without teamwork. We've done a lot of training. We've actually met with all employees, at all Hart & Cooley locations, on all shifts. That was a tough trying time last fall. We wanted to go through this whole formalized program we put down in black and white. Also, we developed the ten core values for the business. We went through the ten core values. That is really the management getting together and saying, here are the ten most important things about the way that we do business. You need to know this and understand it to really be a part of the team. That took some work to develop them, to agree on them, and to communicate them, and ask for input. Really it went well. I think people appreciate knowing where we're coming from. So, those core values are kind of the guts of our total quality system.

We've also redefined quality to include everything we do. It used to be, typically in America, it was the quality of one of

our products. Now we're talking quality in everything you do, the way you talk to somebody, the way you answer the phone, the way you enter an order, everything you do has to be in a total quality way. So, we really broadened that whole definition of quality. We've done a lot of training of what we call facilitators for our "Quest For Quality" program. The facilitators are the ones that help lead teams through an effective process of coming up with answers. That's gone well. People are really pleased to be a part of it, and know that we're committed to customer satisfaction, teamwork and continuous improvement.

RH- Is this the only plant that Hart & Cooley operates?

LL- No. We have others. This is the largest one here. This is the headquarters of Hart & Cooley Inc., and the largest plant. We also have two plants in Tennessee, one in Memphis, Tennessee, and one in Jackson, Tennessee. They both are involved in the manufacture of our flex-duct product. I don't know if you've ever seen a flex-duct, but it's interesting. It's got to wrap around where hard metal can't. It's very popular with contractors because it's a lot quicker and easier to install, if you want to take it from a furnace up to an air-conditioning outlet or something like that. Anyway, they both are involved with the manufacture of that business, which has grown tremendously for us. In fact, we're going to be adding another



flex duct plant in the near future. In Alabama, we also have two locations. We have a manufacturing operation in Huntsville, Alabama. That manufactures a lot of the larger commercial type products that we sell. They go into large commercial projects such as office buildings, or hotels, or factories, or something like that. They're all pretty much related to air movement. We have a plant in southern Alabama-- in Geneva. That plant makes all of what we call extruded aluminum products, which are all aluminum. They're a little more specialty. They do a lot of special custom work, not large jobs, but small specialty type work. They're well known for their service. It was an acquisition for us that really has worked out very well.

Those two in Alabama, two in Tennessee, and Holland make up the majority of our manufacturing. We have a small operation in Mexico, a *maquiladora* type thing. We don't really own it, but we run it down there. We have, I think, maybe forty or fifty jobs down there, which is all assembly work. Then about a year and a half ago we opened a distribution center to serve the West Coast. That's out in Sparks, Nevada. So, that's our newest facility, and that's helping us break into the West Coast. That's the one part of this country where we always had a tough time really getting a major market share was out there.

RH- What changes have you seen in the market and your business in the last twenty years?

LL- Well, I've been here eight, so I can't really answer for twenty. I'm sure over twenty years there have been ups and downs, like the American economy goes. We're tied to construction. We serve residential and commercial construction markets. When they go up we do better, and when they go down we don't do as well. Although, I've got to say that we don't let ourselves become victims of the markets swings as much as we used to. In the last few years, we had, as you know, the recent recession from '87 through maybe '92. It was just tough, and construction went down and down. Housing starts in 1991 were the lowest number that has been recorded since World War II. That's how low that got. Interest rates got real low as you might know because no one was buying a house anyway. Commercial construction was even worse. It just was terrible.

In '86, when I first came, it was a strong market. Then, it started working its way down, and it kept going down through '92. In '93, it started to turn around for residential construction. Commercial is just starting now in '94 to turn around a little bit. There was a major change if you're familiar with housing starts. There were 1.8 million housing starts in the United States in 1986, and that went down to a million in 1991. So, whatever that calculation is. It's like 40% of the market went away. It was a big change.

The change that we made during that time though, Ryan, we decided to do some things, and maybe take advantage of the situation where companies were all kind of pulling back, and

being careful, and not spending anything. We decided to invest, and go out and improve our service, improve our quality, and do things that could help us win more customers. Our real goal was, even though the total pie was getting smaller, we wanted to get a bigger piece of the pie. So, we did not let our sales go down, as the economy did, or as our markets did. Really, we've been on a program of increasing our market penetration for years now, and we continue to do it each year. With the exception of one year, we have grown the company despite that recession and the big drop in our markets every year. We had one year where I think our sales went down about 2% in one year. That was in 1991. All other years, from '86 on, we've had some good substantial growth.

RH- What markets do you sell in? Is it all in the U.S., or do you have international sales also?

LL- Primarily the U.S., we just started emphasizing international in the last year and a half or so. We now have an international sales manager. We're getting some customer service support, in house, for that manager. We are starting out by doing exporting to other countries. There's such a big world out there, but it's getting closer and closer with this economy. Certainly right now we see South America and Asia as real opportunities for us. Right now, I'd say Europe is kind of slow, like America has been recently. But in South America, Mexico,

China, we see as real opportunities. So, we see some real opportunities out there. We have doubled our international, our export sales over the last year. But that's still a very small percentage of our total business. We're expecting them, though, to go up substantially in the next few years.

RH- Do you sell most of your products in cold-climate states?

LL- Actually, it's spread around, but it depends on what the product is. We sell a lot in the South, believe it or not. That's for air-conditioning. A lot of the registers, the floor registers, a large business for us, a great percentage of that would go into a climate where it gets cold because you're going to have the heat coming through the floor usually. But we do a lot of business in the South for air-conditioning.

RH- Have you seen many changes in the Holland business climate in the last eight years?

LL- The Holland business climate is incredible. It's probably one of the best business climates in the United States. Western Michigan, including the Holland area, is just a very healthy economy. We did not have the devastating effect of the most recent recession. Holland itself is growing with more companies and more employees coming. We're part of that. We're growing. We're hiring more people all the time. We now have more people

than we've ever employed. So, I just see it growing very nicely. Hopefully the city and the townships can keep up with all the growth. We were talking about planning before. You don't want to find out that you don't have enough roads, or enough water, or enough sewers or something. That takes a lot of planning to do it. Holland has an excellent Chamber of Commerce, excellent, the best I've seen or heard of, very active. They are proactively out there trying to get business, the right business, support it, and to make Holland a better place to live. I think those folks are going to be out there in front making sure that we do some planning and working with the cities, and townships, and state, etc. I think that's a real plus for the Holland area is their Chamber of Commerce. By the way, I'm on the board there, so I'm a little biased. My term's expiring momentarily, but it's a really good active chamber.

RH- Louis Hallacy was one of the people I've interviewed.

LL- Was he? He is just a great active President. He is just so devoted to this area and that Chamber, it's unbelievable. He does a great job.

RH- Has the business turned out the way you originally envisioned it?

LL- Although I'm an optimist in life, this business has turned

out probably a little better than I envisioned it. I thought that I would take it, and we would grow it a little bit, and restore profitability. But we've grown it more than a little bit. We made it more profitable than a lot of people thought could happen. So, I would say it's done better. Another part of it to me is, we are providing jobs for people. I am just really pleased at what's gone on. I told you about the morale in the mid-eighties. It was not good. I think people are a lot more comfortable today. They feel more a part of the team, and they can feel secure. We have a great team. That to me is success too. As far as, how's the business doing? How do the people feel about it? I think they feel pretty good about where we've come from , and where we're going.

RH- What future do you see for Hart & Cooley?

LL- Just keep growing.

RH- Any major changes in the future?

LL- I think this total quality program that we just formalized last year provides the ground work to take us into the next century, not just the next decade. I think that's a critical part of it. Our international sales will continue to grow. It's very important to be competitive now. I think a key part of being successful in the U.S., and we in the U.S. have learned it

the hard way, is you have to be cost competitive. You can't just sit back and pass along inflation, and let your cost go up. You have to find better, smarter ways to do things. It's productivity of people, but it really is of facilities and equipment too, whether it's automation, or just doing things smarter. That's why I like the continuous improvement part of our quality program so much. It's amazing, but there usually is a better way to do things. If we don't find it, some other company outside this country will probably find it, come in here and steal the market from us. So, it keeps you on your toes. Hart & Cooley is going to continue to grow as it has. We have a lot of exciting growth plans. Our parent company is extremely pleased with the performance. We're probably the best performer financially of all the companies that Eagle owns right now. So, we're sitting in a good place. They're very willing to invest money. They let us run the business here, locally, because they know that we've had results. That's a good test. We will probably make some more acquisitions. We've done that, and I think we'll make some more.

RH- Do you think you will stay at Hart & Cooley for a while?

LL- I hope so. I like it here, and with all the growth and all the things that are going to happen, I would hope that I would be right here for a while longer.

RH- If you could change any of your business decisions would you make any changes?

LL- I think one particular decision, the decision that we made to stay here in Holland, was a good one. The acquisitions that we've made have all worked out well. I'm not a person who looks back a lot. I don't think that's very healthy. I mean to learn from it, yes, but not to dwell on it and say, "oh boy why did I mess that up," whether it be business or personal. You can't change what's happened. You can't change what you did yesterday, at least I can't. So, I look forward. There's been no major decision that I've made that I've said, "I wish I could undo that." There is nothing coming to mind at all.

RH- What advice would you give to a young entrepreneur, or a young business person?

LL- I think in today's world, for your profession in business, some of the things I have talked about are important qualities. One thing that I have come to believe in more strongly all the time, is the importance of honesty and integrity, that whole area of business ethics. Some people take it lightly. I take it seriously. It's right in our core values, our whole area of ethics, where we're saying we want people to be morally and legally good and right in everything they do. Everything is going to be above board. I think that is the only answer.



People can play games, or have under the table deals, or something that's a little bit shady, in a way to get ahead. A, it's wrong, and B, it doesn't work in the long run.

I think we just need to be open and honest with people. Just go out in your own profession, and do a honest days work, and let people see the real you. I would say, don't play politics in business. If you do a good job, and you're honest, and you have integrity, and you want to get ahead, I think it will be seen. I think it will be observed and you will be rewarded for it in most companies. Of course, if you get in a company where it isn't, then you have to do something about it. I guess that's why people change jobs sometimes. That's a very important part of it. I don't know how often you hear that, but I think that's a very important part of an individual's and a company's success.

RH- A lot has been said about the "work ethic" in West Michigan. Do you feel there is a difference from other parts of the country, and if so has it benefitted Hart & Cooley?

LL- I heard a lot about that before I came here. First of all, I would say the work ethic is generally probably higher in the West Michigan area than it is in many parts of the country. I think there are other places also with good work ethics. So, it isn't that it's just here in Holland. Is it above a lot of places? Yes. America has a lot of problem areas where the work

ethic is just poor. You could talk all day about the cause of that. I'm not sure if that's the workers fault. It could be the management's problem. You have to look at each company to see what happens there. I think the work ethic here is very good. I think that America, in general, is sort of sliding down the moral scale. So, I think the ethics that you see all over the country have deteriorated, there may be a little bit of that in Holland too. We don't want to kid ourselves and pretend we're immune to what's going on around this country. We do have great employees at Hart & Cooley. The work ethic is definitely a step above what I would say is average, but I think we have to be careful and never take it for granted. We have to encourage that. We have to thank people and appreciate their honesty, and hope that they give you a good day's work for a good days wage. We should never take that for granted. That's one of the reasons that I think we ought to be in Holland. I feel very good about the work ethic here.

RH- Has the company been involved in any community service?

LL- We like to be active in the community. In fact that's one of our ten core values. I'm glad you brought that one up. To be a good citizen in our communities, we want to be both socially and environmentally responsible. I think we have a duty in all the communities where we operate Holland is the major one for us, but we have a lot of others also. Part of that, socially, is to

be involved in different projects and organizations. We encourage people to be involved in organizations around this community. I have been active in the Chamber. I'm going to get off, and somebody else is going to be getting on the board there next month. We have other people who have served in numerous activities, for instance, of the Chamber. A couple other examples of organization that we have worked with the United Way through an employee giving program, the Holland Community Foundation, and OAR which is Ottagan Addictions Rehabilitation, where I'm also on the board. We actually use their services here to help our employees. We have an employee assistance program. If anyone has a problem, especially in the area of alcohol and drugs, but any other personal problems; they can get some help confidentially, and help get it straightened out. Drinking and drugs constitutes a major community issue in virtually all communities. I think you've got your head in the sand if you want to pretend that it isn't. So, we're involved in a number of ways. We have some other people involved in that alcohol and drug area also. We've supported Youth For Christ, which does a lot for kids who are in trouble, and the Girls and Boys Club. We have people on boards, I can't even think right now. The Holland Christian Schools, we've had people on the board over there, as well as Kandu Industries. You name it. We encourage it. There's a lot of it. We've been very active with Junior Achievement and Upward Bound at Hope College. And just a number of other things. We like to stay in touch with the college

itself. We don't have with big money being tossed around the community. We're not locally owned. To be realistic, that's not what we do, but we try to give reasonable donations to good causes each year. We have a program in our budget for that in order to support the ones that are really helping the community be a better place to live.

RH- For a final question, in you own words what is Hart & Cooley's mission statement?

LL- We do have a written mission of course. It's pretty long so I'm not going to recite that right now. I could give that to you sometime. Basically, it deals with serving the values of our stakeholders, as we call them. Our stakeholders would be our customers, our investors, our lenders, our employees, and our vendors. Those are the five major stakeholders that we name. We have to keep the balance of having those five groups of stakeholders all being served in a positive way. We are in business for profit.

We are not a non-profit organization. We have to make an adequate, certainly satisfactory return on investment for our investors too. We do serve the heating, ventilating, and air-conditioning industry. We put that right in our mission. We don't just do anything. We wouldn't go out tomorrow and buy a basketball company or something. We try to stick to the "knitting", stick to the areas that we have some expertise and

really can do something, and grow. I probably didn't say that too well, but our overall mission is to be successful in the industry, serving those five groups of our stakeholders.

RH- That takes care of all my questions, unless you would like to add something.

LL- I guess we could proudly say, in most of the market segments we serve, I think five out of eight segment we identify, we have the number one share in the country. So we have really attained good market recognition and share. I know within the company, the word is out about our belief in ethics, and sincerity, and integrity. I think that has spread out to the market place. Maybe that's a personal issue of mine, but I really feel good about how that has gotten out. People know what kind of company they're dealing with.

We've really come a long way. One of the key things we've done to achieve the share and the growth of the business.... I don't know if I gave you that growth by the way. You were asking about a twenty year history. Twenty years ago, our sales were probably around 25 million dollars, now they're about 160 million. So, we've grown it many times over, during that time. I know we've just doubled it this last five years. So a lot of it has come very recently with some of these market penetration programs I told you about.

One of the ways we've done that is through customer service.

We did not have good service in the early to mid 1980's. It was like, we'll ship it to you when we get to it. Now, when somebody orders something from us we measure our service. When they order it, we should have it in stock ready to go out the next day. We measure the on time shipments. Our goal is to have 95% or better on time delivery to our customers. Obviously, to have it on time it has to be in stock; so in stock, shipped out on time. At first, I think we had a lot of unbelievers who said, "that's an impossible goal." But we have achieved it consistently now. That probably is the number one thing that has brought us the success we have. Customers talk to us asking, "when can I get it?" We tell them when. Then we get credibility when we do it. We've really come a long way there. So, there's a couple significant things about the company, especially recent changes, that I can talk about from experience of the last few years.