

# **PCI PAINTED PICTURE FOR DEC 31, 2011**

The best way to ensure that dreams become reality is to take that vision from your mind and share it with people. The following Vision, our "Painted Picture", which Tim and Terry jointly share, is a vivid image of what PCI will look like, feel like and act like by December 31, 2011. This is our Vision for PCI.

## **PEOPLE AND CULTURE**

PCI is a hotbed for the growth and attraction of intensely innovative, ambitious, cooperative, accountable and disciplined team members. They are cross-trained inside PCI to provide support to each other when schedules require it.

Our culture attracts competent, fun loving, thick-skinned, self motivated, multi-talented individuals who enjoy an atmosphere that is demanding and personally rewarding. They demand the best of themselves and each other. They love being responsible for outcomes. They discuss and debate with each other respectfully and encouragingly. They enjoy getting feedback and suggestions from each other because their ultimate goal is mastery in their work.

Being the best at what they do is serious business to them but they have fun doing it. They feel personally connected and directly responsible for the success of the company.

They value accountability and ethical behavior. They believe that the quality of their relationships defines the quality of their lives.

They are the best paid and best trained people in the industry. They have incredible work-life balance and enjoy all the time off they need to support growth both at work and personally.

They can't imagine working anywhere else.

## **SUCCESS**

We are becoming a Great company. We are known in the industry as one of the most innovative and rapidly growing companies around. We know we are successful and take great enjoyment in the fact.

We operate internationally. We are moving toward opening a second operations center in Dubai or some other prime international location in the next year, or possibly a second operations center in the U.S.

We have perfected the art of seeking out, developing and maintaining long term profitable relationships with vendors. Our vendor network stretches coast to coast and internationally. We are able to bring our networked capacity to bear on any project we wish with profitable result.

We fund our own growth internally without carrying significant debt.

PCI has implemented an “open books” policy with employee profit sharing and accountability. Team members can directly see how their actions affect the financial success of the company and their own share of that success. They are educated in and have a practical working knowledge of the company financial statements.

### **BRAND/IMAGE – how people see us**

We focus laser-like upon the needs of our clients and vendors– never accepting a task to be impossible, but acting on every available possibility. We turn the seemingly impossible into the possible as a matter of course. Our reputation is that of high caliber execution and reliability. We are known as problem solvers.

Customers turn to and trust us because they know we can handle jobs where most millwork companies fail. They know we value accountability above gain.

The Customer is the object of our affection. Everything we do advances that relationship. Our vendors carry our message to our customers; they are happy and well-trained. We help our vendors please our customers. We help each other please our customers.

Vendors rely on and trust us – they know us to be completely vested in their success. We mentor them to guarantee it. We show them daily that we mean it when we talk about long term relationships. They seek us out based on our reputation alone, and end up preferring our work to work from their other customers.

We are voted one of the best places to work in the U.S.

### **SYSTEMS**

We have fully functioning Sales, Estimating/Engineering, Project Management and Administration systems in place. We continue to create and enhance these and other systems via company-wide internal debate and discussion.

### **SALES, MARKETS AND PROFITABILITY**

Annual sales are between 14 and 16 million. Our market sectors remain highly diversified into Institutional, Hospitality, Retail, Government, Commercial Office, Religious and Estate Level Residential. Geographically we sell and operate nationally in the U.S, in the Caribbean and the Mideast/Dubai. We are leveraging our international experience in Dubai by investigating other overseas markets. Our field sales/relationship management team consists of 2-3 members, two domestic and one international. Our sales team has mastered the art of homing in on those projects most resonant with PCI’s model, resulting in markedly higher rates of closed sales since 2008.

We have further leveraged and developed the PCI model into multiple related finish disciplines, such as Stone, Tile, Architectural Metals, Doors/Jambs/Hardware and others, increasing size of sales to existing clients and multiplying potential contact points with prospective ones.

Profitability on operations is up significantly since 2008. High gross margins have made the company safer, more robust and more profitable.

### **C.O.R.E (Costing -Optimizing- Resourcing- Engineering)**

We have fully developed our Estimating/Engineering department (**C.O.R.E.**) as a central hub for the company's operations. Projects are costed and engineered from the same data and management platform and meaningful feedback systems are in place from project management back to estimating. Awarded projects move methodically and smoothly out to the project managers. Project budget sheets are prepared by the **C.O.R.E.** prior to project hand-off so that buyout is easy and quick and job costing simplified and accurate. Subsequent contract change costing is handled by the **C.O.R.E.** department, relieving the project managers of this burden.

Our hit rate on awarded projects vs. bids has doubled since 2008.

Inside this department are 8-10 high performance team members, several of which are skilled in both Estimating and Engineering/Drafting.

PCI produces 80% of its submittal and production drawings in house. Our vendors value the relationship with PCI above others in large part due to the quality of our shop drawings and production information and the mentoring we offer them on cost and profitability.

### **PROJECT MANAGEMENT**

Project managers at PCI consider themselves to be an elite team – and rightly so. Few positions in the industry demand the multitude of skill sets and level of attention required of a PCI project manager. At PCI they make it look easy while knowing it is not.

From a cost standpoint projects are managed to the smallest detail and unexpected costs are rare. PCI's job costing system functions smoothly with few errors. Because costs are controlled and predicted and the C.O.R.E. department supports them, the PM's are able to manage more work. Dollar volume of work handled by each PM doubled since 2008.

The technical details of the projects are handled with ease, and technical coordination between the PM's and the C.O.R.E is efficient and direct.

Customers have such good experiences with our PM's that they request them specifically for the next project. Vendors can expect profits and few headaches. Our PM's are masters at customer and vendor relations, technical execution, schedules and cost management.

We have six to seven project managers for our domestic projects and one for international projects.

While the C.O.R.E is the "hub" the PM's are the "spokes and the wheel".

## **PRODUCTION, LOGISTICS AND PROJECT SUPPORT**

As the scale of operations doubled from 2008 – 2012, so has our in-house production and project support facility and staff. PCI has acquired numerous new production machines as needed to support the growth. The production shop now has a staff of 10.

Management in this department has become expert at handling the ever changing demands placed upon the production and logistics staff. Coordination/cooperation with the Project Managers has become routinely efficient.

We have an in-house training program in place to develop our millworkers.

PCI has acquired 1 to 2 delivery trucks and a full time logistics/driver/delivery person.

## **ADMINISTRATION AND SYSTEMS DEVELOPMENT**

PCI has centralized administration for all of its national and international operations. Office and accounting systems are efficient and effective. It is the grid through which the information and energy of the company flows – the backbone for all operations.

Inside this department are 4 – 5 team members who are directly involved in the ongoing innovation and enhancement of the systems they operate. Because of the efforts that have been made over the intervening years since 2008 the work in this department has now become efficient enough that these team members can spend 20% of their time solely on this creative process.

Following its business model, PCI outsources as much of its human resources tasks as is practical.

Within this department these people get more stuff done with less people faster – and the influence of this concept spreads from them throughout the company.

## **FACILITIES AND WORK ENVIRONMENT**

PCI has moved to an entirely new, larger facility in the same geographical area as our current building. We have adequate space for all our office personnel plus room to expand - 10,000 sft available for office with 20-30,000 sft in shop/warehouse space. Profitability has allowed PCI to enhance the work space environment for all who work there. The production shop is modern, safe and clean. There is an up to date employee lounge/break area. Office space has been remodeled and reorganized around a more interactive model – more open, fewer doors. It feels relaxed yet humming with activity. It is constructed to allow privacy when required but is open and relaxed and fosters direct communication. The effect is that everyone is energized by the visible presence and activity of everyone else, yet does not feel distraction or interference from it. It feels like a team working together.

