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Editor's Message



Continuing to Frame the American Dream with Wall Panels
by Kendall Hoyd

"...the number of carpenters with the skills to read a plan and site-frame a house is getting smaller every day as America's largest generation goes into retirement. This is where wall panels come in."

If you've ever been involved in the process of trying to sell pre-fabricated wall panels in a non-panelized market, see if any of these objections sound familiar:

- "I can frame walls faster in the field than you can install wall panels."
- "It'll never work because the foundation is always a little bit off from the plan."
- "You can't get the same quality in your wall plant that our framers do with site-built walls."
- "Too expensive—my framer charges me the same with or without wall panels. If I pay you for the walls, I end up paying twice."

And so on. Like any objection, any of these can be true in the right (actually wrong) set of circumstances, and if the buyer has no intention of overcoming them (see the entry for "inertia" in your Webster's). Any of them can also be shown to be untrue in different circumstances, if the concerned parties have an interest in making a new framing system effective.

If you were trying to sell trusses in a "non-truss" market about 30 years ago, you might have heard the following objections, similar to those above:

- "I can frame roofs faster in the field than you can install trusses."
- "It'll never work because the foundation is always a little bit off from the plan."
- "You can't get the same quality in your truss plant that our framers do with site framing."
- "Too expensive—my framer charges me the same with or without trusses. If I pay you for the trusses, I end up paying twice."

With the advantage of hindsight, we can see that these objections are ridiculous when considered with respect to trusses.

As anyone can see from even the most cursory investigation, component framing, in the form of metal plate-connected wood trusses REALLY DOES WORK! Millions of baby boomers might never have been able to afford the home that is part and parcel to the American Dream if it hadn't been working for the last three or four decades. Our industry has lowered the cost of any given home and increased the ability of our builder customers to deliver cost-effective variations

materially and continuously since the 1950s.

From where I sit, there is really no reason to think that it will be any different with pre-fabricated wall panels. As with trusses forty-some years ago, there will be some adjustments in the supply chain that will be required to effectively implement panelization of walls. But, just as it is now very easy to find a crane on the jobsite when trusses are being delivered or set in place, (how different is that from 1958?), the adjustments at the jobsite and among our customers and the framers that will make wall panels flow smoothly into the market will soon be very commonplace.

The main reason that I am so sure that wall panels will one day be as common as trusses is because we are at the opposite end of the same demographic trend that drove the growth of the metal plate connected wood truss market and the housing market in general starting in the 1950s, only in reverse. I'll explain.

In the '50s, there was the beginning of a housing demand increase that simply couldn't have been met with the traditional framing methods in place at the time. Can you imagine any way there would be enough qualified carpenters to site-frame roofs on 1.5 to 2.0 million housing starts every year? Put another way, do you think there would have been any real demand for wood trusses if there hadn't been a generation of baby boomers that wanted to own their own home? Necessity is the mother of invention, and the baby boom is the mother of the truss industry.

Now we are at the other end of that same demographic curve. The baby boomer generation is flowing out of the work force and there is a significant dip in the number of workers available to fill their shoes. Due to population growth and net immigration, there is still a demand for 1.5 to 2.0 million housing starts per year, but the number of carpenters with the skills to read a plan and site-frame a house is getting smaller every day as America's largest generation goes into retirement.

This is where wall panels come in. The improvements in the design software, the manufacturing and delivery equipment, as well as the integration among those three give powerful leverage to workers skilled in their operation. Where it might take a crew of four framers five days to site-frame the walls for a mid-level house, a production crew of four plus one wall panel designer can frame walls for two of the same house in the same amount of time. This effectively doubles the effect of the guy in the process that is the bottleneck—the one that can read blueprints and create the corresponding wall layouts.

At the beginning of the baby boomer demographic swell, the wood truss industry had to be invented to keep up with the demand for housing. At present we are at the trailing end of the same swell, and I believe that panelization will be swept along in the same current as the market continues its relentless purpose of satisfying demand at the lowest possible cost.

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