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Editor's Message

Wall Panels—Your Customers' (and Your Business') Ticket to Added Value

by Barry Dixon

The popularity of wall components is growing; make sure you don't miss out on the benefits they hold for your business!

This issue of *SBC* focuses on wall panels, and the timing couldn't be better. This is the perfect opportunity to talk to your customers about wall components. Builders are looking to find savings in their direct costs, and wall panels just may be the answer, not to mention providing a chance to grow your business.

We all know that components save time in labor and produce less waste in building materials. WTCA's collaboration with the Building Systems Council of the National Association of Home Builders (NAHB) on the *Framing the American Dream*® (FAD) project clearly shows the benefits that wall panel framing bring to the construction process. This 1996 FAD project (see photo below) compared two identical houses side by side—one stick built and one with component construction—and trusses and wall panels emerged as the clear winners in terms of time and waste savings. While wall panels qualify as components, it's important to understand that the similarities end there. The wall panel industry has unique issues and challenges that manufacturers need to address before launching a wall panel business. Many factors need to be taken into consideration, including entry level manufacturing, installation services and value engineering.



Savings: 66.5 man-hours

at a glance

- Start small—before launching a wall panel line, consider adding subcomponent product lines as a low-cost way to feel out the market demand.
- Increase your chances for success by turning framing contractors and builders into wall component advocates.
- Value engineering your walls may help you find the competitive advantage needed to create a niche in your market.

Speaking from personal experience, launching a wall panel line and supplying the full exterior and interior wall panel package can be a little overwhelming. In light of this, I recommend that you build up demand for wall panels by accumulating small successes along the way. First you may want to see if there is a market for subcomponents like corners, Ts, Ls and pre-cut headers. There are a number of advantages to this approach. For starters, it allows you to add a new product line with little capital investment. Offering subcomponents also enables you to develop lines of communication with framers and contractors without overwhelming the builder's team—which can include contractors, subcontractors, framers, architects and others—with a complete wall panel package. From this starting point, you might want to advance to window and door components, then load bearing walls without sheathing. A logical next step would be to add partition walls and then begin to sheath exterior walls. By taking this "learn to walk before you run"

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approach, you will be able to identify problem areas early, develop a system that is beneficial to everyone, and turn framing contractors and builders into wall component advocates, whose word of mouth advertising alone will grow your business.

Installation is one of the biggest hurdles to overcome when trying to break into the wall panel market. Developing a plan to work with framing contractors is critical if you are going to be successful manufacturing wall panels. Framing contractors are used to assembling walls, and they have set up their labor force to build walls on site. By using components for framing, contractors can make better use of their labor because component construction requires fewer workers on the jobsite. Contractors' production volume will increase with the reallocation of their labor force as long as they believe that this reallocation has value to their business. Otherwise, the contractor will be your biggest detractor.

If the contractor is not an advocate, another route is to add field installation of your products as an additional service for your customer. This type of "turnkey" framing includes supplying all of the components for the project, the loose lumber necessary to tie them together, and the labor as well. However you choose to handle field labor, by componentizing more of the house you will definitely discover new ways to increase savings and quality for your builder.

Finally, value engineering your walls (putting in place a systematic method to improve the value of what you are providing) may also help you find the competitive advantage needed to create a niche in your market. You can easily differentiate your business from traditional framing by value engineering your products—optimizing the use of materials and incorporating that analysis into the manufacturing process and the final structure. This provides that the flow of loads through the structure have the optimal resistance provided, which will allow the best use of framing and connection materials. Properly performed, the cost savings provided will be greater than those found in the FAD project mentioned above, since that component structure was not optimized. Value engineering will also assure proper consideration of issues such as building codes; regional applications like high wind and earthquakes; critical serviceability or climate issues, etc. With value engineering, you can incorporate new technologies and materials to help lower costs for the builder and make wall components provide a very real competitive advantage over field framing.

Given all this, I believe the time has arrived for wall panels. Offering savings to builders and a growth opportunity to component manufacturers, wall panels can be a win-win. Take a look at your market and see if wall panels are being used to their full potential. While they pose their own unique set of challenges, wall panels offer manufacturers flexibility—from offering subcomponents to providing installation services to incorporating value engineering—to start small and tailor their offerings to meet the customer's needs while growing their own business. **SBC**

Do you have an article idea for a future issue or a topic that you would like to see covered? Email your thoughts and ideas to editor@sbcmag.info.

STRUCTURAL BUILDING COMPONENTS™ THE FUTURE OF FRAMING

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The mission of *Structural Building Components Magazine (SBC)* is to increase the knowledge of and to promote the common interests of those engaged in manufacturing and distributing structural building components. Further, *SBC* strives to ensure growth, continuity and increased professionalism in our industry, and to be the information conduit by staying abreast of leading-edge issues. *SBC's* editorial focus is geared toward the entire structural building component industry, which includes the membership of WTCA – Representing the Structural Building Components Industry. The opinions expressed in *SBC* are those of the authors and those quoted, and are not necessarily the opinions of Truss Publications or WTCA.

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