

Speaker 1 00:00:05 Welcome to the Clear Impact Podcast brought to you by PGTI University. Thanks for joining us today. My name is Sherri Connor, and I am your host. We couldn't cram 40 years of history into one episode, so today we will hear the rest of the story as told by Rod Hershberger. Understanding where we've come from is foundational to our success today. Listen in as Rod shares why relationships are so critical to innovation, and his hopes for the future as well.

Speaker 2 00:00:38 When Charlie was coming, one of our drivers, in like the middle of the night almost, called one of our customers up in Tennessee or Kentucky and said, "Hey, there's a storm gonna hit Florida. It's probably gonna be there like three or four days after I get back, I need to take a truckload of plywood back. I, I think our people are gonna need it." Didn't call anybody here. Couldn't get ahold of anyone to get permission. He just did it. It's those types of things that you really want to encourage people to do to have the, uh, the hootspa, I guess it would be, to go out there and look at the situation and say, "How can I do something that's gonna make this better, for our employees or for our customers, or for people that we care about." And it's, it's really kind of cool to, to see those stories.

Speaker 1 00:01:18 Yeah. I know Debbie LaPinska shared around Hurricane Charlie and how we rented an airplane that flew a banner behind it, to the people down in Port Charlotte who worked for us, who couldn't be reached. And we wanted to let them know that there was a shelter and supplies and that they could come and, you know, get help. And so,

Speaker 2 00:01:36 Yeah, washers and dryers. And we had, people knew us by that time, so we had a local, um, supply company that gave us, literally gave us, washers and dryers and didn't want 'em back. It's like, "These are you guys', we know what you're doing, just have at it, as many as you need, washers and dryers." So we had it all set up, 24 hours a day, where our employees could come in and do laundry, get a hot meal, take food home with them, take tarps home with them. And I think what was almost cooler than that is almost every family here, particularly ones that weren't damaged. Like we live in Sarasota, and so my kids were young at the time, and every evening, like, I'd load the boys up and we'd get a generator or two, and we'd deliver 'em to some of the families. And then you'd sit down with them and have a conversation about, you know, there, there they are with a baby, no electric, a hole in the roof, and they're thrilled because they can still work. Everybody's healthy. And you just realize how important that is to be able to, to provide those supplies to 'em.

Speaker 1 00:02:29 Right. Yeah. Perspective is a big thing. That's awesome. So in 2006, the company went public on NASDAQ and today we're on the New York Stock Exchange and have eight brands, which is amazing. How does the innovative spirit continue to flourish on such a large scale?

Speaker 2 00:02:46 And Jeff would be a good one to answer this too, but I think one of the things we've always done is we've always wanted to, to free our employees up to make decisions on their own, that you put that structure in place. And I've talked a lot to other people outside the company about building a culture. And it's not something you can do overnight, but building a culture and making sure that the people that are here support that culture because it's not, it's not a one person culture, it's a team culture, it's a company culture. So that people know that I have the ability - like the driver I talked about - he knew that it was okay to buy a truckload of plywood and bring it back because someone's gonna need it. And building that culture so our people in small teams can still go out there and say, "Hey, this is an idea.

Speaker 2 00:03:21 And building that culture so our people in small teams can still go out there and say, "Hey, this is an idea. This is something we need," makes it manufacturing easier, or better yet, "This is something our customers need to make their life easier." And I think what's kind of interesting is, sometimes your customer doesn't know what they need. You know, I've used this example before, but I don't think a customer ever, ever walked up and said to Sony and said, "Hey, I need a little thing that looks a little bit like a phone that you can play music on. And, you know, I can scroll and I can put a couple thousand songs on it." They didn't, they just, customers knew they'd like to play music and they'd carry a boombox on their shoulder. And so a company looked at it and said, "Here's what we can make that will make it easier for that customer."

Speaker 2 00:04:02 We've kind of taken that same attitude with our customers in the window and door industry and said, "What can we do? What can we make? How can we deliver product?" It's not just about making product, but it's the entire chain. "Can, can we buy things for a better price? Can we partner with our customers to do that?" And then with eight different brands, it sounds like a lot, but it's really kind of cool because that way there's eight smaller companies that can be really innovative on their own and not have everything done at corporate. And sometimes, you know, the, you, you know, the old joke about, you know, the favorite saying, and the worst saying is, you know, people come from corporate and they say, "Hey, we're from corporate and we're here to help you." And, and, um, as you're leaving, they say, "We're so glad you guys came," well, you know, both of those are lies because corporate generally doesn't help. It's the small, innovative spirit that makes a difference and runs it back up and says, "Hey, here's something we can do."

Speaker 2 00:04:51 And so making sure that we can maintain that, really, that feeling and that freedom to go out there and make some mistakes and to try some things and get really innovative and look at other industries and look at other, you know, I remember when Kenny came up with a latch on a sliding glass door that was like a Tesla door where you reached out and the latch, you know, popped out. I don't know that we ever put it on anything, but we built some samples so that we could see what it would do, but coming with those kinds of ideas, because it leads to something else. And it's almost like that drive across the state that we had every other week, where for three hours, you're just bouncing like some really stupid ideas sometimes, off of each other, but they lead to, they lead to breakthroughs and they lead to some really cool things, because that way you're not just taking a little tiny step.

Speaker 2 00:05:36 Sometimes you're taking a pretty big leap and changing the whole way you're doing business, and I, I think we've been able to free up people to do that, and I hope that's something that we can continue to do. It gets harder and harder because there's always, you know, you always gotta answer to the number. Particularly as a public company, you know, there's, everyone has a budget, and you gotta answer to the number, but you've gotta make sure that there's enough freedom, that you can try things and, and fail fast, and make decisions, and then go onto the next thing.

Speaker 1 00:06:03 Well, and you can get more creative when you have those limitations because you have to. I mean, that's what everyone does. <laugh>

Speaker 2 00:06:09 Well, and, and I think what's really cool though, is because you do things like that, you really attract innovative people, people that think differently, and you know, I'll, I'll pick on engineers a little bit, but we've had some engineers in the past that were absolutely amazing. Like some of the industries leading engineers, and every time you'd ask 'em a question, their first answer was "No." And then it's like, "Well, let's try this." Or "Let's-." And eventually they would come around and

figure out a way to do it, and then as you start changing that culture, you end up with engineers, like we have now, and you ask 'em for something. And it's like, "We've never done that before, but I'm sure there's a way that we can figure out how to do that." And they just, it's just a different thought process as they approach it. And as long as we keep people like that in our company, and as long as we keep customers like that, that we're really good friends with, I think that's gonna continue, cuz they're gonna continue to ask and we wanna be the company that's able to do that for them.

Speaker 1 00:07:02 Well, that's my observance so far is, "Well, why can't we do that?" You know, well, "Let's find a reason to do that, let's try it." And it's that freedom, that permission to experiment and to fail, like not every idea is going to be the idea.

Speaker 1 00:07:21 Be sure to tune in for upcoming episodes to help you understand the fenestration industry, what you need to know when buying windows and doors and other related topics, you can find out more about us at [pgtiuniversity.com](http://pgtiuniversity.com). You can also find us on Facebook and LinkedIn.

Speaker 1 00:07:38 But I've been around the iLab a little bit and, uh, worked with Dean and his team and seen some really cool things. And this series is gonna lay out some of those future products that we're gonna be bringing to market very soon. So, uh, like the dynamic glass and the photovoltaic glass. And I mean just how cool is that?

Speaker 2 00:07:55 And it's the iLab. I mean, just think about the idea of the iLab, where we have like brilliant minds here. It's really fun to talk to these guys and, and watch 'em work and just, you know, you can kind of see the wheels turning sometimes, and the stuff they come up with is just amazing. But it's really neat cuz they're kind of freed up from some of those day-to-day activities that they can just really be creative. Like, what a cool thing that we're able to do that.

Speaker 1 00:08:16 Yeah, I think it's fun. So I do wanna hear one little quick story and that is about the driving. I heard this, I think it was at a ribbon cutting recently, around you driving, uh, windows in the back of your truck and driving them down the highway for testing.

Speaker 2 00:08:31 <laugh> We're obviously, you know, brilliant when it comes to, uh, engineering product and setting up test labs and stuff like that. So, when we first had our, our vertical four track window or EZE Breeze product now, and we wanted to see how strong that window was. And, and, it's kind of funny because we built the product so that it would not be permanent living space, but we also built the product so it would be strong enough to protect people when storms came through and just, you know, we needed to know what speed that they had to, like, either slide 'em up or down. So our test lab was, we built it on the back of a pickup truck and we raised it up above the cab of the pickup truck so it got the full wind and we drove down the highway and had a couple ropes around the vents. We wanted to see how fast we could go before the vents blew out of the frame.

Speaker 1 00:09:15 <laugh> Okay.

Speaker 2 00:09:17 So it was like, uh, it was about a 60 mile an hour window at that time, but that was our, that was our initial test lab, our initial testing. And um, you know, it's not scientific, but we could, uh, we could go in the marketplace and we can say, these will withstand 60 miles an hour. We know. We've tested them test 60 miles an hour. Yeah. Cause we didn't know at that time, we, we didn't know anything about a test lab or how a test lab worked right. Or anything like that. So, uh, that was our test lab.

Speaker 1 00:09:39 That's fun though. That's creative.

Speaker 2 00:09:41 It was fun. It, it was fun.

Speaker 1 00:09:43 That's amazing. So one last question. As you look back over this impressive history, of what are you most proud?

Speaker 2 00:09:49 That's, that's pretty easy. The people, and it, it doesn't really matter if it's this industry makes we make great relationships and it's really kind of cool, but you know, our employees obviously are some of the most important people that we've ever met or ever seen and their families. And so being able to, you know, have a lot of activities that involve families, I think family's always been important. And I remember having conversations with people and it's like, well, your kids, you know, they're graduating from kindergarten, they're graduating from sixth grade or whatever you have to go. And it's like, I'm really busy right now. And it's like, you know, your kid's gonna forgive you for not being there, but they only graduate once. Um, so the, the people that we have relationships with, the employees that we have are really critical, and our customers, you know, our customers are, are right there with them.

Speaker 2 00:10:32 The things that our customers are willing to do to help us out and the things that we're willing to do to help them out is like a big family. And so knowing those people, and it's just kind of a, a funny little story. We're doing our ETP trip in a, in a few weeks, and the, uh, the announcement went out, I guess about two weeks ago or three, whenever it did, the announcement went out and all of a sudden, like my phone's going off and my wife's phone's going off and I'm not in work every day in case people don't know, like we're home. I'm pretty much retired <laugh> and we're getting texts from customers saying, "Hey, are you gonna be on this trip? We're going down on this date. Can you show up on that date? If you're not going, like, you know, we'll help you go or something."

Speaker 2 00:11:10 So it's those relationships that you build that are so important because they make a difference. And when we talk about innovation, without those relationships, I truly believe you can't really be innovative because they're not gonna be open and free to talk to you about stuff that maybe they think doesn't matter, but they'll be real open and saying, "Hey, you know, we got some product and here's what happened." And you know, you just kind of click that off. Then you hear it from another customer and you hear it from another customer. And it's like, okay, we got, gotta find a better way to do this. So just those casual conversations, because you are so concerned about making sure those relationships work, and the relationships go deep. Back in the early days, and a lot of companies put on a, a big event for their customers.

Speaker 2 00:11:50 They usually, they have their suppliers pay for it. Like, you know, they'll, they'll tap into everyone and say, "Hey, we're bringing our customers in. Like, you know, can you provide food or drinks or money or whatever." And so we did that one year and we walked away from it and we kind of do a plan, do review. And it's like, "This doesn't feel right. This is not the way we should be doing it." So the next year we did our big customer event and it wasn't just a customer event. It was a customer, supplier, employee event where all three groups could join together. And I think that year we played golf and went fishing and did stuff like that. But it was on PGT's dime. We didn't ask somebody else to pay for it because we wanted to build those deep lasting relationships. So to me, those things are so critical and I, I hope we never get away from having those relationships. The, the eight brands that we talk about are small enough that, as you talk to people, you realize those brands have those

relationships also. And so we've been able to propagate that and make sure that that keeps happening. So for me, it's always gonna be the people.

Speaker 1 00:12:49 Well, that's the favorite thing that everyone says. When I first came on board, I said, "What's your favorite thing about working here?" And everyone said, "the people," and it's true. It's, it's absolutely true. And that's been my experience now as well.

Speaker 2 00:13:01 You know? And it's so funny too, cuz we hire people that have had pretty important jobs at other companies and they come in and you explain what it's like working here and how the teams work and you know how stripes come off at, at times and you have to have those conversations and there's times where you have to put stripes back on, but it's not very often. And it still, even though they know it, it still takes six months or nine months to, like, really get it and then understand that it really is about the team and about the people and you can fail, and you can show weakness, and that doesn't mean you're weak. It just means, you know where you're good and you know where you're not good. And surrounding yourself with people, understanding what your weaknesses are, and making sure you surround yourself with people that are really strong in those areas where you're weak and listen to 'em. It doesn't matter what their position is. Listen to 'em. It's, it's the people it's just, they're really cool.

Speaker 1 00:13:50 Yeah. Well, what's the saying, if you think that you're the smartest person in the room, you're in the wrong room. Yeah.

Speaker 2 00:13:54 <laugh> Absolutely.

Speaker 1 00:13:57 Well, I appreciate your time this morning, Rod. Thank you so much for sharing the history of the company and, and how that, that legacy continues with innovation and creativity and just putting people first.

Speaker 2 00:14:09 Yeah. I hope you guys never lose that napkin either.

Speaker 1 00:14:12 <laugh> Wait, am I supposed to have that? <laugh>

Speaker 2 00:14:15 It, it's, it's in the iLab, right?

Speaker 1 00:14:17 <laugh> Oh yeah. It should be framed somewhere. Awesome. Well, this has been a great conversation. Thank you so much. Have a great day.

Speaker 1 00:14:25 PGTI University is the Customer Education Team for an entire family of brands. We began with the original EZBreeze porch enclosure line, then became PGT, America's leading brand of impact resistant windows and doors. We then added CGI, CGIC, WinDoor, Western Windows, New South Windows, Eco Windows and Doors, and our latest acquisition, Anlin Windows and Doors. We create products built to withstand major storms, keeping people safe, secure and prepared. Our exceptional brands give you the protection you need without compromising design or functionality. PGTI University is here to educate YOU, our listener, so that you can be more informed about window and door products.