

A fresh, youthful perspective

College students sharing entrepreneurial expertise with owners of AMC of Wisconsin

by Sean Fitzgerald,
New North B2B publisher

Axel and Carmina Mendez’ efforts to improve the performance of the Fond du Lac-based decorative stone countertop fabricator they own came with some additional assistance during March, April and May.

As participants in B2B magazine’s Firefighters of Northeast Wisconsin business improvement initiative, the Mendezes and AMC of Wisconsin have benefitted from the perspective of Lawrence University seniors Ryan Eardley, Mattias Soederqvist and Felix Henriksson, all three economics and entrepreneurship students who graduate this month. The team of three students also won the inaugural “The Pitch” event in early May where it developed a business plan and competed against entrepreneurial students from other four-year schools across northeast Wisconsin. The team won a \$10,000 prize to help further implement their business plan.

“They’re very creative people,” Carmina Mendez said of the university students. “They’re very good listeners. How lucky are we to have them.”

She said the students have engaged in a variety of projects to help AMC enhance its operations, including improvements to its retail showroom, where it generates higher profit margins for the countertop products it sells through that channel. Mendez explained the students toured various competitors’ showrooms to identify and bring back best practices in how the showroom is presented, some of which the Mendezes have adopted.

Waste not

They’ve also worked on a plan to capitalize on the orphan slabs and remnants, the byproduct of the company’s fabrication process.

“It’s not waste,” Carmina Mendez explained, “but we haven’t been able to (find a revenue stream) for those items.”

As part of the effort, the students have been researching other companies that might be interested in buying the irregular, leftover decorative stone for possible use in landscaping, paving or boutique artisan applications, Mendez said.



Submitted photo

The three Lawrence University students assisting AMC of Wisconsin, from left to right, Ryan Eardley, Mattias Soederqvist and Felix Henriksson, posing with their first prize from The Pitch competition in early May.

But the company hasn’t managed its stock of orphan slabs, so it’s not certain exactly what it has available. Mendez indicated that the company hired an employee to sort through its yard of stone which is no longer usable for countertops, and precisely inventory the materials AMC of Wisconsin has available.

“That’s been a humongous task for us,” Mendez said. But once it’s completed, the company can begin offering the product to customers.

The Lawrence students were brought into the Firefighters initiative through Gary Vaughan, owner of Guident Business Solutions of Appleton, who is donating six months of business

COMPANY: AMC of Wisconsin

OWNERS: Axel and Carmina Mendez

LOCATION: Fond du Lac

FOUNDED: 2002

EMPLOYEES: About 40

WHAT IS DOES: Fabricator of decorative stone countertops for the home improvement industry. Much of its product is sold wholesale to a mix of national big-box and local, independent home improvement retailers. A smaller amount is sold direct to consumers through its own retail outlet.

WEB: amccountertops.com



consulting services to AMC of Wisconsin at no cost. In addition to his company, Vaughan serves as a lecturer in economics and coordinator of the Innovation and Entrepreneurship Program at Lawrence, a role he's held since 2009.

Vaughan said the students have also been working on breaking down the costs on each job AMC of Wisconsin does for its customers, helping to more accurately determine what activities generate the most profit and as well as those activities that may be losing money for the company.

"We want to do this to be able to validate the estimating process," Vaughan said.

Working smarter, not harder

As the home building and home improvement seasons ramp up heading into late spring, AMC of Wisconsin finds itself at one of its busiest times of the year, Mendez said. But now the company has begun to recognize that being busy processing high-cost jobs doesn't necessarily pave the road to success.

"We don't need to fabricate more to make more profit," Mendez said, explaining that it's been investigating ways to add more value to the jobs it's already secured, charging higher prices and driving a wider profit margin. The company had begun offering rounded edges to its countertops – an upgrade from countertops with distinct edges at a right angle that have the potential to chip more easily.

AMC of Wisconsin has also begun offering customers a 5-year protection plan, a type of extended warranty on the products it sells to customers. Mendez explained the protection plan is administered through a third-party finance company, but AMC retains a portion of the revenue for each plan it sells.

Lastly, Mendez indicated the company is wrapping up work with the Lawrence students to analyze each expense account to determine where savings could be achieved rather simply with minimal impact to operations. She said expenses for both office supplies and telephone service were two line items where the company could save hundreds of dollars per month

Gary Vaughan

Guident Business Solutions, Appleton
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Vaughan launched Guident in 2009 after spending his entire career teaching – both in the classroom and in business. Having previously spent many years as a business owner himself, Vaughan realized many business owners lacked fundamental skills such as understanding financials, human resource practices and management skills, as examples. His firm's proprietary Guident 360 Assessment Program enables business owners to holistically address their business needs.

Vaughan has professional experience in a variety of industries, including retail, petroleum, manufacturing and academics. He is a senior adjunct instructor in the MBA program at Concordia University of Wisconsin, and a lecturer in economics and entrepreneurship at Lawrence University in Appleton.

Methodology

New North B2B magazine began seeking entries for its 6th annual Firefighters of Northeast Wisconsin initiative late last year, with a goal of assisting those northeast Wisconsin small business owners who feel as if they're constantly burning the candle at both ends, putting out fires, spinning their wheels, but intent on finding a way to improve.

Through the generous help of Gary Vaughan of Guident Business Solutions in Appleton, AMC of Wisconsin's owners Axel and Carmina Mendez will receive five month's worth of consulting at no cost to help them work on the strategy of improving their business profitability.

B2B will provide a monthly update on the progress of the Mendezes efforts in each issue leading up to a capstone article in the August 2017 issue of *New North B2B* magazine.

without noticing any changes to its operations.

Unfortunately, the Mendezes are bidding farewell to the three university students in early June as they graduate from Lawrence and move on in their careers. But Vaughan will continue his work with the company into July.

B2B will return with another update from AMC of Wisconsin in our July 2017 edition before wrapping up our 6th Annual Firefighters of Northeast Wisconsin initiative with a capstone article in August. ■

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