

From left to right: Rita Sullivan, Bob Guthrie, Don Guthrie



CLIENT:
Guthrie Buildings

BANKER:
Rita Sullivan

CHALLENGES:

- ▶ Being a full-service provider
- ▶ Executing on their upside potential
- ▶ Funding business and personal growth

Together We'll Grow

Using their complementary skills, the Guthrie brothers build a business on buildings

Some might accuse Don Guthrie of having tunnel vision. Wherever he looks, the Texan sees metal buildings. Even when the buildings in question don't appear to be metal—let's say a stucco strip mall, a brick garage, or stone horse barn—Guthrie's eyes habitually squint like a laser beam and look for the metal underneath.

Guthrie comes by this singular focus honestly, and speaks from first-hand knowledge. For the past 22 years, along with his younger brother Bob, he has run Guthrie Buildings, Inc., in Spring, Texas, which specializes in making top-quality and affordable commercial and residential metal buildings. "From small barns and storage buildings to commercial warehouses to strip centers, Guthrie Buildings is your one-stop center for all of your metal building construction needs in Southeast Texas," touts the company Web site.

The "one-stop" part of the description is what gives Guthrie Buildings its competitive advantage. "My competitors are good companies," concedes Don, "but they want to shut the door on a customer after they've delivered a load of steel. They leave them to deal with foundation building, erection and everything else that's beyond the purchasing of a metal building." In contrast, since day one, Guthrie Buildings has not only sold the steel, but also provided the manpower to stand it up, and as well as designed and built a concrete foundation. "None of my competitors will do this," states Don.

DIVIDING AND CONQUERING

The two brothers, along with another employee, started Guthrie Buildings, Inc., literally in a garage, on the North side of Houston, in 1985. "We knew we wanted to start a business together and we knew the metal trade business, because our father dabbled in it," recalls Don. With complementary skills, the brothers thought they would make a good team. "He's got a mind for organization that I can't grasp," admits Don, "and I have a feel for the mix and mingle, meeting new people, as well as the electronic aspects of the business." While both brothers are capable of doing "everything," as Don says, dividing duties according to their individual strengths enables them to operate most optimally. "He does what he does really well and that enables me to focus on what I do best," explains Don.

Their combination has paid off in spades. Over the past 22 years, Guthrie Buildings has grown from three employees and minimal revenues, to 40 salaried and contracted employees and approximately \$6 million in annual revenues.

SEEING TREMENDOUS POTENTIAL

Nearly since day one, the Guthrie brothers have had another ally on their side. Rita Sullivan, at the time a teller at a small local bank called Spring National, met both brothers just three years into their business, while they were still working out of their garage. She was immediately struck by the brothers' "business savvy and how customer-friendly they were. I saw

them as having tremendous potential," she recalls. She didn't hesitate to provide them with their first loan for \$34,000 for the purchase of two trucks.

Today, nearly 20 years later, their relationship is still intact and flourishing. Spring National was acquired by Compass Bank, and Sullivan, after seven promotions, has risen to vice president of Business Banking at Compass, where she continues to handle the Guthrie's account. Compass still provides Guthrie Buildings with lines of credit, which it uses to purchase equipment, trucks, trailers, real estate and most recently \$250,000 worth of financing to build a new fabrication facility, as well as a \$125,000-loan to develop the Guthries' own shopping center. Both brothers also use Compass for their business and personal checking accounts and take advantage of the bank's Bonus Banking, which provides free checking accounts for all Guthrie employees. Don and Bob have also worked with Compass's Retail Investment Division to set up pension plans for themselves and their employees.

When asked why he has continued to bank with Compass all of this time, Guthrie doesn't hesitate with his answer. "Because of Rita," he states unequivocally. "We have grown up in business together," he continues. "Once you have a business up and running, a lot of banks want your business. Rita was willing to give us a chance when we were just three people starting out, unproven." Today Guthrie Buildings is often approached by other banks, asking for its business, but its proprietors wouldn't think of moving. "There's a connection there that you just can't replicate," Bob Guthrie says. "It's a feeling of gratitude and loyalty to Rita and to Compass Bank because they had faith in us." ■