

FABRICATOR, POST COVID-19, AND THE VIEW OF PEARL WINDOW SYSTEMS

Chris Champion, Glass News' Editor, talks to Jeff Walsh, Pearl Window Systems' Managing Director, about how the Covid-19 epidemic will affect Pearl's business, specifically, and fabricators as a whole.

Pearl Window Systems fabricates frames for the window and door industry and has a capacity of circa 5,000 frames per week. Did you have to close, completely, or have you managed to provide a service of any kind during the lockdown?

Jeff Walsh: Following the announcement from Boris Johnson on the 23rd March our retail customers closed immediately. It was thought at first the new build sales would continue for some weeks, however on 24th March one national house builder after another announced their site closures, therefore we had no choice but to close our manufacturing facilities. We have remained open for sales, operational management, accounts and IT to deal with any enquiries throughout and to help any of our customers to navigate their way through what lay ahead. I do feel we have cemented more long term relationships in doing so and have bonded more closely to customers whilst we have all tried to understand the situation. Hopefully we've made the right decisions along the way and made friends for life, this is how I think would be a good way to term this.



The best decision I made was to continue with our Social Media campaign, we have some incredible offerings at the moment which I will come to later. Our campaign has led to a record number of enquiries whilst in lockdown, people have had time to view and search for things and review their supplier chain.

How many of your customers locked down completely? Of those that kept open, what level of service did they offer during that time?

Jeff Walsh: I would say all our customers closed for incoming goods (manufactured windows and doors), most stayed in communication with their customers which I think was imperative in order to keep relationships open and offer help where needed. By week 4 we began to see some activity, people placing orders and we've heard of some real success stories in there too.

Did you continue to receive supplies from your various suppliers during lockdown? Was hardware affected and was there a difference in supply according to the geographical origin?

Jeff Walsh: No, with closing the 3 sites down there was no need to receive any incoming goods from our supply chain. In January we realised there would be issues with goods from overseas, we therefore ensured we had sufficient stocks should shipments be delayed following the lockdown in China for one. Little did we know we would be in full lockdown ourselves towards the end of March.

You offer a wide range of product and distribute it to installers nationwide. Do you anticipate that some customers may have gone during lockdown and you may have to ramp up sales?

Jeff Walsh: That's the question on everyone's mind, certainly an unknown arena as we enter post lockdown. Its undoubtedly going to be tough as some businesses won't have made it through this. We engaged in ramping up sales the day we went in lockdown by increasing our spend on our brand and awareness to retail consumers, retail installers and trade counters. This has paid off as we have received 57 enquires alone up to the start of May. Our marketing efforts will continue, going forward.

Do you think 'the blame game' over responsibility for starting this pandemic will influence either your thinking over suppliers or prove to cause problems from a political aspect?

Jeff Walsh: I have my opinions of course, I don't do politics as it can drive you insane, we can't detract from what's important and that's getting back to business, so instead of getting into the reasons why or whose to blame we need to look forward not backwards. If myself and my team can rebuild our business and in turn employ extra people, we can be proud in the fact that we've helped someone at the end of all this. People that have suffered will be looking to businesses that have managed to survive this for help and employment, looking after our own is what's important to me.

In your opinion, will there be an increase in the amount of product purchased from Europe and less dependence on overseas suppliers or will logistics and world trade return to how it was before coronavirus?

Jeff Walsh: People will hopefully be led by what's economic and not what they read via daily news feeds. Before all this the US and China agreed to a huge trade deal, how will that play out, what impact is that going to have on exchange rates and commodities? Price unfoundedly has a huge impact on us, we don't have the luxury to buy from anyone we wish to, sometimes its products and relationships, ultimately its cost driven efficiencies to enable us to be competitive in what's now going to be a stranger time than we once knew.

In short, we will be led by the giants of this world on how things play out as to which direction we have to feed into.

What have been the key difficulties with returning to work? What exceptional arrangements have you made in terms of staff and customer protection?

Jeff Walsh: There's no short answer to this Chris as we've done so much. I'll try to keep it brief! We decided to go the extra yard with factory employees, wearing face shields is mandatory, optional neoprene gloves and masks (this includes drivers), office staff where possible remain working remotely so we can allocate office space to individuals, face masks, gloves, hand sanitiser stations throughout the entire sites.

We have rearranged production lines to include safe working distances, canteen facilities, one-way routes around the factories including entrance and exits



to factories, the list goes on! This is all a moving target which we will be reviewing daily and weekly as things hopefully change for the better.

One thing I am proud to say, working closely with CORGI Fenestration we have a safe "Code of Practice for Installers" which is being distributed to our customers to help them return to work safely. This also includes a "Consumer Code of Practice" that will give consumers the confidence to know they have chosen the right partner to replace their windows and doors safely and professionally.

Relationships are bound to change following the pandemic, particularly if you have had customers who have been slow or reluctant to pay what they owe you. Has that been an issue for Pearl and, if so, is there a way to repair the damaged relationship?

Jeff Walsh: We are so proud with the way the majority of our customers have conducted themselves. It's clear we have solid relationships with a lot of people. Realising how old I am getting I don't take risks. Since the last recession we credit check and insure any customers who require credit from us, no insurance, no credit. That's not arrogance by any means,

it's just good business. I am pleased to say the vast majority have been perfect in their conduct throughout this. For sure we have a select number of clients whose terms will change once we return, we should never have to apologise for asking for payment for goods supplied and that's never going to change for me. Anyone in business works hard and works to a budget, to then have to chase your money isn't a good business model. Can you repair damage once this is over? Let's see how people react once they want more goods and haven't paid their bills shall we?

Looking at timescales, have you re-opened for business or, if not, how long do you anticipate it will be before you are fully operational?

Jeff Walsh: Having kept a senior team off Furlough we commenced an overhaul of the 3 factories (thanks to TMS for their help). This was completed on 7th May and ensured we had a safe return together, with everything fully operational week commencing 11th May. As things started to move we had a phased return to work and have been fully operational from 18th May.

Have you started to receive deliveries from your suppliers and, if not, when do you expect those deliveries to commence?



Jeff Walsh: We've been able to facilitate deliveries from week commencing the 18th May.

Do you think we are talking about months or, perhaps years, before Pearl can say that you have returned to the same financial position as you were prior to December 2019?

Jeff Walsh: We had a great start to 2020 including up to March the 23rd, if we hadn't of closed so quickly we would have been up on 2019 month by month which was encouraging. All of us will have a black hole to plug once the wheels start turning. Post the last recession we had to re build and unfortunately take our market share from our competition, for me we have to prioritise and look after our staff and their families first and foremost. Our approach will be strategic and aggressive. If we can get to the end of 2020 having not lost a pound but not made a penny, I will be proud to be able to say that. Anything better will be a bonus anything, anything less will be a disappointment, we will be focussed on a reboot to platform us into 2021 and beyond.

Finally, what is your vision for the future? Will Pearl have changed substantially? Can it be as successful as it once was? And do you think the market will return as it was and, if so, how long do think that will take?

Jeff Walsh: We have many ideas to compliment our existing "Signature" range. We have completed a Virtual Sample which showcases our actual products live, we are really pleased with the final version. We've just finished shooting a "Virtual Showroom", this will be edited in the next week and hopefully available by the last week of May. This showcases our entire range of products. Our intention is to create a digital / virtual platform for all our Signature Retail and Trade buyers, to help them sell remotely to the consumer. There will be complimentary

software to enable electronic quotes with the exact products in profile detail, electronic payments, Apple-Pay, PayPal etc. With our QR Coded products we have brochures, CE docs, energy rating, extendable warranties, compliance certification, video links and much much more in the cloud. The fact we literally have a "VIN Number" for each product now is truly amazing. I started all this in 2016, the push now to a virtual way of presenting our package complements our existing offering. We are weirdly (sadly) being pushed to change the way we work (is this the end of printed brochures)? Now being able to offer Retail and Trade Super User's the Signature CORGI Fenestration approval scheme only makes us stronger. We have an offering second to none which gives the consumer the confidence they need that their installations and whole order process will be conducted professionally, safely and have the longevity of the traceability of their products, once the installation has been completed.

It's no longer about supplying a window to our customers and the consumer, we have an extensive package that needs to be presented in the right way. With all customers, training is needed for sales personnel, surveyors and installers, this enables our clients to present their Signature package to the consumer. Presented correctly I see no reason why the extended values and benefits we have brought to market would not be the choice for the consumer. This would also allow our customers to add value to their products as it's not always about the price, it's the detail that makes the difference. It's been 4 years since we started on extendable warranties alone and we embrace the challenge of change Chris and welcome anyone who wants to share this with us.

