

INTERVIEW

For those of you who do not already know him, I would like to introduce you to Douglas Hoek, who, during his career in the reprographics business, operated in the Grand Rapids, MI market area. The name of his company was, or still is, “Veenstra Reproductions.”

From Joel to Doug, I very much appreciate your decision to participate in our “Masters of the Reprographics Business” interviews. Without further adieu, let’s get on with our questions and your responses:

1. When did you first get involved in the reprographics business, and what was the first position you held? **I began working at Veenstra in 1971 when I was a freshman at Calvin College in Grand Rapids. My first responsibilities included: driver, maintenance (floor sweeping), and occasional operation of console floor model ammonia based diazo printing machine.**
2. How many different reprographics firms did you work for during your career in the reprographics industry? **One ... well, actually two, I guess. In 1999 Veenstra was purchased by American Reprographics Company –so, I guess, I worked for Veenstra and ARC.**
3. For how many years were you in the reprographics business? **1971 – 2007 ... 37 years**
4. Did you start a reprographics company from scratch, and, if so, how did you capitalize the company and how much capital did the company start out with? Also, did you start that company with partners, or, if you did not, did you add partners later on? **Purchased an existing business.**
5. If you did not start a reprographics company from scratch and joined an already existing business, how did you end up being the owner (or *one of the* owners, if there were other owners)? (Did you “acquire” a company? Did you move into an ownership position in a family-held company?) **Purchased Veenstra Reproductions from the founder/owner, Robert Veenstra, in 1978.**
6. If you had “partner owners”, how did that work for you? What are the good points have having partner/owners and, if there are any, the bad parts? **Does not apply.**

7. When you retired from the business, did you retire from the company without selling it, and, if so, did you continue on as an “absentee” owner? Any thoughts you’d care to share with us about being a retired “absentee” owner? **Does not apply.**
8. If you sold your company (or more than one), when did you sell your company, and why did you sell your company when you did? Do you regret selling your company when you did? **(1) Sold the company in 1999 to ARC (2) The company was sold because it appeared that a small stand-alone, individually held, company would not have the resources required to make the transition into the digital environment. (3) I do not regret selling my company from either a strategic or financial perspective. I do miss the challenge, testing, and excitement of business ownership/leadership. I thoroughly enjoyed directing a company, and enjoyed the relationships developed with staff, customers, vendors, and colleagues within the industry.**
9. At the time you sold your company, how many locations was your company operating? (not including “FM”-sites locations) **One location**
10. At the time you sold your company, how many people were on your company’s team? **Approx 25**
11. When you sold your company, did you agree to stay on with the company for a period of time after the sale? And, if you did stay on for a period of time after the sale, how was it different for you, if it was different? **(1) Yes, I remained an employee of ARC from 1999 through early 2007. From 1999 through the end of 2005 I was President of the Veenstra Division of ARC. (2) It was different. Some of the differences were beneficial, some not so much. I learned a lot during my ARC years ... most of it good and beneficial. The differences of being a part of a large company became more noticeable to me after ARC became a publicly traded company. It seemed the environment and culture within ARC became a bit harsher, and more reactionary, after the IPO. It seemed to me that much of the ‘value’ ARC acquired through its acquisitions was neutralized or diminished after the IPO. It always appeared to me that the ‘important value’ ARC acquired was the innovative, entrepreneurial, and creative spirit, insight, and intelligence of the people (not just owners) that came along with an acquisition. However, after the IPO the ability of ARC to unleash that reservoir of energy and talent was limited. In a certain sense ARC’s success as defined by its successful IPO offering introduced a different component within the organization which limited and restricted the ‘important value’ purchased a few years earlier. Its IPO success lead to a loss in other areas and those differences were certainly felt and noticed by me.**

12. Would you briefly share with us your frame of mind during the first year or so after you *retired*? Was it a difficult transition? Did you go through, or not go through, *withdrawal*? **I would rather be working. The first year or so of retirement was delightful, but over time I began to miss the challenges and excitement of business, as mentioned earlier. A schedule of half & half would be great, but unlikely ... work 3 ½ days, off 3 ½ days.**
13. Did your company ever “merge” with another company, and, if your company did, did the merger benefit your company, and, if it did, how so? **Joel. The answer to this question is too long, too complex, and has too many layers for me to answer by pounding on a key board djh**
14. Different from a “merger”, did your company ever “acquire” another company, and, if you did, did the acquisition benefit your company, and, if it did, how so? **Not applicable.**
15. Regarding any acquisitions or mergers you completed during your time in business, did they accomplish what you expected they would accomplish? With the benefit of 20/20 hindsight, what are the key issues to be aware of to ensure success with an acquisition or merger? **Not applicable.**
16. What’s your definition of “success”? **Success is gained, achieved, or earned over a period of years ... a lifetime, or career, perhaps. Success encompasses a sense of pride, accomplishment, and achievement. If, over a period of time, a person can look back over a ‘body of work’ with a sense of pride, accomplishment, and achievement then to some extent that person can feel and enjoy a sense of success.**
17. Given your long experience in business, how did you, back when you were still in business, rank the importance of these issues, from the eyes of customers you did business with?
- a. **Price 3rd**
 - b. **Service 2nd**
 - c. **Quality 1st**
18. In your opinion, do customers rank those issues differently today, and, if so, how do they rank these same issues, nowadays? **The products and services have changed ... they are always changing. But, the three issues you have identified remain the same. Listing them by rank of importance from 1 to 3 should be tempered by a company’s corporate strategic goals and plans. If, for example,**

- a company's vision strongly promotes the strategic position of 'cost leader' then costs could easily be their #1.**
- 19. What's your philosophy regarding "team building"? In the long term the level of success most companies achieve will be determined by the level and extent of 'team' that the company has been able to establish. The level of success and the level of team are reflections of one another, and are mutually dependent.**
 - 20. What was your approach to communicating with team members and encouraging/motivating team members to really get engaged? The best method of communication is by example ... what you say and do, the decisions you make, the environment and culture that is fostered within the company. The words and actions of the leader must be congruent; they must convey the same message.**
 - 21. How did you retain key team members? Confirmed their importance to the team, made them an integral part of the business, treated them with respect and honesty, and recognized their value and contributions.**
 - 22. What was your basic business philosophy? To be the best we could be in every way.**
 - 23. What are your thoughts on; Collections, savings, borrowing, growth, owners role in business, delegation, profit?**
 - a. Collections: It has to be done, it has to be done in an organized fashion, it has to be done 'like clock-work', it has to be thoroughly recorded**
 - b. Savings: the more the better**
 - c. Borrowing: the less the better**
 - d. Growth: the more the better**
 - e. Owners role: Many variables would have differing implications. In general: (1) the owner should establish and define the company's vision, (2) the owner must clearly communicate that vision consistently and constantly, (3) the owner should establish and communicate the corporate strategy to attain the vision, (4) the owner should define the business plan that implements and executes the corporate strategy, (5) the owner needs to build and nourish the right team**
 - 24. Kindly estimate the percentage of your sales that came from customers involved in the A/E/C Industry. 85%**
 - 25. How did you communicate with customers? (1) Direct sales calls, (2) Mailings, (3) We attempted to guarantee 'positive encounters' at every point of customer contact – phone, visits, deliveries, pick-ups, etc. It was a complex, but**

- fairly obvious, program of 'customer service' at every level, at every 'point of contact'.
26. How did you get feedback from customers? **Such an interesting question, Joel. Yet, to me, so simple: If they come back, if they place another order, it is their vote of approval. If their account goes to zero (0) I guess they are not happy about something. On another level, our staff took many opportunities to talk and listen to customers. I personally had scores of 'customer lunches' ... lunches when I was not selling or promoting Veenstra, but asking and listening to customers observations about their business and their industry.**
 27. What factors led to your company's success in its geographic market area? **High level of personal service, constantly striving to provide highest quality products and eventually technology, a team that took pride in their work and company.**
 28. If you did attempt to do so, how did you differentiate your business from your competitors? **Service, quality, leaders in technology ...**
 29. Were you able to expand into new services / business segments? And, if so, what services / segments did you add during your career and were your expansion efforts successful? **If not, why not? It was difficult ... the name and image of a blueprinter was difficult for other professionals to accept. Veenstra did have some limited success with legal and color graphics markets.**
 30. Did you expand your company's reach geographically, and, if so, were your geographic expansion efforts successful? If not, why not? **No.**
 31. What were your best sales techniques/tools? **Build 'team' with customer by providing them the top quality level products and services that they need to perform their jobs well (not necessarily the services and products they needed yesteryear).**
 32. Did your company offer "Facilities Management" (FM) services? Staffed? Unstaffed? And, if your company was in the FM business, how did being in that business help - or, to the opposite extent, hurt - your overall business? **On a meager level.**
 33. What business books, if any, would you recommend reprographers read? **Most books written by Michael Porter, especially "Competitive Strategy" and "Competitive Advantage", and "Leaders" by Warren Bennis**

34. Did you have a mentor (or more than one) when you started in business or later on, and how did having a mentor (or mentors) help you? **Provided support, encouragement, and confidence.**
35. Would you share with us two or three of the most significant “good decisions” you made during your career? **To focus on strategic goals and remain focused on them. Our company always had rather tight and specific goals we were striving to reach, and we did not waver from that.**
36. Would you also share with us two or three of the most significant “bad decisions” you made during your career? **At times we lacked an aggressive response to some competitive situations that developed in the local marketplace.**
37. If you could go back in time and start (or acquire) your business again - with the same tools available then but knowing what you know now - what would you do differently? **Not much.**
38. What’s your view of the importance of networking with other reprographers (competitors *and* non-competitors)? **It is not critical if you remain current with the business environment in other ways, but it certainly can be helpful. The more you know the better ... other reprographers can be an excellent source of information.**
39. Is “branding” important, and, if you think it is, how so? **I tend to think ‘branding’ has been over emphasized. Provide the best quality products and excellent service and branding as such is taken care-of. It is the latest in a long list of marketing topics/approaches ... it is today’s ‘latest fashion’.**
40. Which reprographics industry associations, organizations and/or affinity groups did you or your company participate in? Did your involvement with these associations or groups help your company’s success, and, if so, how so? **IRGA, NCRG, ReproCAD, ReproMAX ... all were good, each provided useful information and insight. All were committed to the traditional existing model by necessity and thus protected and guarded that territory and were thus unable, or, unwilling, to address the changing marketplace and evolving revenue models. Almost all such groups are protectors of their own status quo, by definition.**

41. What common thread do the following businesses/industries hold in common: newspaper industry, map and atlas industry, magazine industry, publishing industry, phone book industry, reprographic industry? And, can we learn something through that common thread; can our industry apply the 'lesson of the common thread' to our current circumstances? **EXCELLENT question, Joel. I would love to read the answers. djh**
42. How do you view the future of the reprographics business and industry, five years from now, ten years from now? (no response)
43. In your opinion, what are the key issues that reprographers should be concerned with, now and as time marches on? (no response)

From Joel to Doug, thank you for participating in our series of interviews!