

Hello, everyone. This is Wayne Rivers at FBI, and *We Build Better Contractors*. Along that line, our wildly successful, it just really has exceeded expectations, Contractor Business Boot Camp, next class is this fall, November 3 and 4 in Dallas, Texas. So, if you want some more information, click below and ask Charlotte for some info, and she'll get it to you ASAP.

This week, I want to talk about staying relevant. This came from an article in Family Business magazine from Amy Cosper. Amy used to be the editor of Entrepreneur magazine. I've met her a time or two, a fine writer, a very professional person. But I have to say this article is a little bit incoherent. I'll explain that to you in a second. And what about this is important to you? Golly, is that not a challenge forever? Do we not always want to stay relevant in our businesses?

Think about this. Think back a quarter century, if you can. For me that would mean I would be what? 35 years old. And that would be the mid-90s. And thinking about the marketplace here in Raleigh, North Carolina, where I live, what contractors were on the ascent? Which ones were really the top of the food chain at that point in time? Do this for your own market and see how many of those formerly prosperous contractors are still on top of the game. I can just tell you, if you look at this market 25 years ago, there's been a complete inversion. Some of the folks are no longer around. Some of them are a shell of their former selves. There are a few that have continued to thrive and prosper, and we'll get to some of the secrets for how they've done that.

In Amy's article, she starts off in a very provocative way. I'm not entirely sure when it happened, but motorcycle maker, Harley Davidson stopped being relevant a while ago. A 118-year-old company, but its enthusiast audience is dwindling. Golly. The company hasn't had much success attracting younger, more diverse audiences. The target market for Harley Davidson is going to croak out all at once. Wow. At which point it will join Blockbuster and Circuit City in the boneyard of companies that are no longer relevant. Gosh. If you're a Harley Davidson person, that's scary.

So, she talks about what you have to do to stay relevant. She first of all says Harley's not relevant anymore and is not going to be relevant. But then she says, "What three things do you have to do to stay relevant?" And I do agree with this part. She said the first thing is you have to constantly innovate, and I agree with that. You think about the changes in technology, the changes in demographics and psychographics as my group, the baby boomers are aging out of the workforce, and my children's group, the millennials and the Gen Z's are overwhelming the workforce now. So constant innovation is a key.

The second thing is know your market and your audience, so that you're not acting to trends. You're helping drive trends. I love that. I think that's terrific. I don't know if we're that successful doing that or not, but I do think that peer groups and bootcamp are certainly ways to dramatically change the construction industry. And we know that our members, because they're ... What's the old saying? Iron sharpens iron. And when the members get together and they review each other's companies and they constructively critique them, they're constantly being pushed to innovate. And some of our members have been aboard for over 20 years. That's 40 peer group meetings, 40 opportunities for iron to sharpen iron. It's a great thing.

And the third thing is you have to reinvent. I agree with this 100%. There was a study of family businesses a few years ago, and it looked at family businesses that were at least 100 years old. And I think they also had to have at least \$100 million of gross sales, something like that. In other words, they had to be fairly notable and sizeable and successful. The article mentioned that about 50% of the family businesses still owned the legacy business, and they trumpeted that as being a wonderful success. But you know what? That meant that half of those very successful families in business were no longer in the legacy business. They had jettisoned the legacy business.

That's what I'm talking about, reinventing. If you're going to stay relevant, you've got to reinvent yourself and your company at every new growth plateau. For me, that means about every five years, you have to really think about blowing up your company and starting over with a new template. I know I mentioned in a blog ages ago that I have a friend that

does that at his engineering company. He's unbelievably successful. But he just blows up the company department by department on a rotating basis, and it really, really works for him.

Now, here's where the article becomes incoherent in the second half. She went out to this guru, frankly I don't know much about, Seth Godin. I'm not sure. But popular guy on the web and YouTube and Ted Talks and all that kind of stuff. And they find another business that has been successful over the generations, like Harley Davidson. And she said she asked him the question, "How has this company remained relevant for 11 generations?" And he said, "The secret is the story. And the company has to have an emotional connection to its customers." Really? Harley Davidson doesn't have an unbelievable story? Are you kidding me? Harley Davidson of all brands doesn't have an emotional ... Are you kidding me? Harley Davidson people are fanatics about the brand. So, this expert advice down at the bottom of the article is utterly incoherent and inconsistent with the top half.

So, if you're going to read this article from the January, February Family Business magazine, read the first half and stop. You really do have to constantly innovate. You have to know your market and your audience, so you're a driver of trends, not reacting to them. And you have to reinvent your company and yourself as a leader periodically.

I'd like to hear what you have to say about other articles, perhaps that you've read in the business press. And what are you doing to innovate, know your market, and reinvent? And share with us in the comments below. This is Wayne Rivers at FBI, and *We Build Better Contractors*.