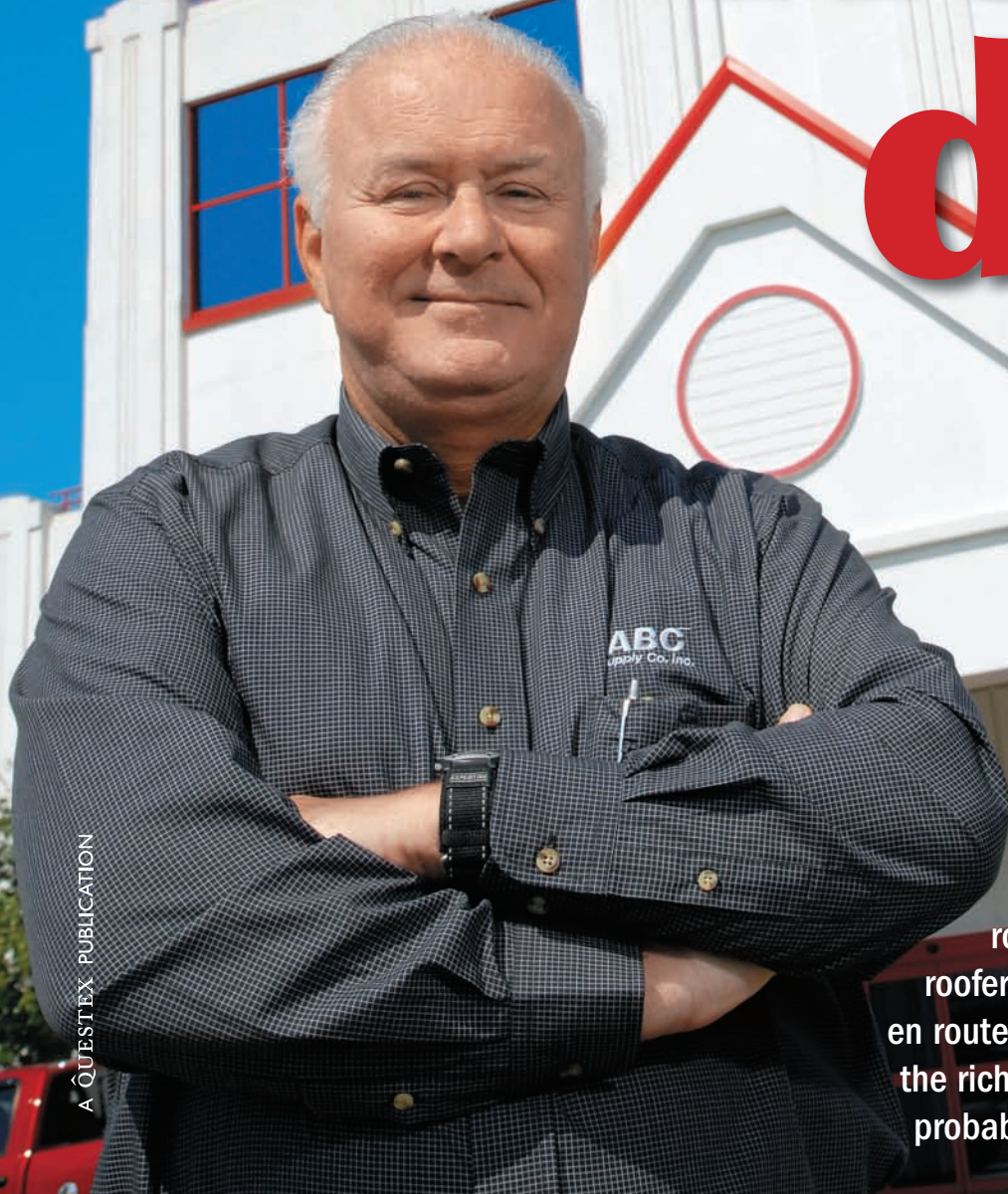


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# Ken do



Billionaire Ken Hendricks takes a once-a-roofer always-a-roofer approach to life en route to becoming the richest man you've probably already met

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# Hendricks takes me to the river

It's hard not to like Ken Hendricks, but maybe that's just me.

Both of us have an eye for the Minnesota Vikings. I lived and died with the Purple People Eaters as a child of the '70s. Hendricks, the billionaire owner of ABC Supply Co., nearly bought the franchise a few years ago. "I don't think it's all about the money for the players. Players want to play ball and win," he says.



By Thomas Skernivitz

*RSI Editor-in-Chief*

Both of us think highly of A.J. Foyt. I pretended to be him behind the "wheel" of my boyhood wagon. Hendricks sponsors Foyt's racing team. "A.J. Foyt is a no-bullsh\_t guy who tells it like it is," he says.

Both of us lean right. I voted for the Bushes. Hendricks has met father and son and even had dinner with the current president and his wife. "Bush is horrible on TV," he says. "But I've spent an hour-and-a-half with him one on one, and he's a great guy. And what he's doing now is right. But the guy off the street doesn't understand that any more than he understands what I'm doing up here."

At the same time, both of us have soured on politics and the direction of the country. "We're going to lose this country if we don't change our ways," he says. "I've got 14 grandkids and one more on the way. That's what really scares me. This country is not going to be what it is now in 20 years."

Hendricks would love the chance to

alter the course of history, but at age 65, with his hands on ABC and 32 other unrelated businesses, he doesn't have the energy or time to reform school systems and criminal justice systems, nor the patience to deal with bureaucracy from a position of office. He relates a story he heard from one of his friends, a congressman.

"He said the most amazing thing that really woke him up was that he and one other person were the only people in Congress who had made more money in free enterprise than they did for their congressional paycheck," Hendricks says. "Which tells me something — these people are here for the pay. That isn't the right reason to be there. They weren't capable of a career prior to Congress, but now they're running the country. You understand how profound that is?"

Both of us appreciate the water. I've lived my entire life in Greater Cleveland, where those politicians have never capitalized on what could be a great coastline. Hendricks, who has never strayed far from the Rock River, which drains into the Mississippi, owns a large com-

Both of us like to fish. Actually, I like to fish but only do so every few years. Hendricks has a pond at his home in Afton, Wis., but rarely uses it himself. Instead, ABC workers by the hundreds can do so at weekly parties. "I was thinking about my employees when I built my house," he says. "I love when other people are having a good time. When they aren't catching enough fish, I throw more in the pond."

So, when it comes to Hendricks and me, there is a common ground, even if we don't quite share the same standing on it.

Obviously, I'm not alone in my appreciation of the man and his success in the business world. David C. Humphreys, the president and CEO of Tamko Building Products, calls Hendricks' story "one of entrepreneurship and the American Dream."

"Ken's success has come from a tremendous work ethic and from his vision for a national roofing distribution business," Humphreys says. "ABC's success is the result of how well he has understood and served the needs of his contractor customers and provided

**"We're going to lose this country if we don't change our ways. ... That's what really scares me. This country is not going to be what it is now in 20 years."**

pany. "We're going to return to the river. You can remember you sat here and I told you that," he promises. "Trains are all bike paths now ... whereas the river is existing. The Mississippi, Ohio, Illinois, Tennessee-Tombigbee — all of the towns on those rivers are going to be boon towns."

them not only with consistently outstanding products and service but also with respect."

In turn, Hendricks deserves the same type of respect from more of his peers. He's the rare big fish who can still stand out in the roofing industry's big pond.



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# From Roofs to Riches

Ken Hendricks always resented the negative stereotype that shadows the roofing industry; \$2.6 billion later the founder of ABC Supply takes pride in treating his roofer customers (and employees) like royalty

By Thomas Skernivitz  
RSI Editor-in-Chief

**R**eaching billionaire status, says Ken Hendricks, Mr. 107 on the Forbes 400 list of richest Americans, has seemed remarkably “easy,” to the extent, he adds, that “you pinch yourself” sometimes. “All we do is sell roofing,” the founder and owner of ABC Supply Co. shruggingly says. “That’s the most amazing thing about it. We didn’t invent anything.”

Becoming a roofer, on the other hand, now there’s a feat that’s worth its weight in shakes, one that fondly takes the 65-year-old Hendricks back a half-century to his teenage days in Janesville, Wis.

“There’s probably around 50 people still alive that remember this,” Hendricks says. “I could carry a half bundle, then a full bundle, then two bundles, and then three bundles over my shoulder up a two-story ladder. I got 10 cents a bundle for hauling them up and \$3 a square for nailing them down. Well, any idiot knows that you want to get enough shingles up there because that’s where the money is.”

Ken Hendricks has built quite the fleet since founding ABC Supply Co. in 1982. The Beloit, Wis.-based company generates \$3 billion in annual sales, employs more than 6,000 workers, and operates 400 stores across the country. (Photographs by Carlos Vergara)

Few U.S. businessmen, and certainly no one in the roofing industry, have tracked the scent of success as well as Hendricks. A self-made man, he won state championships in the 110- and 220-yard sprints as a sophomore and junior and then dropped out of high school to work two 40-hour-a-week jobs.

*Forbes* magazine places his personal wealth at \$2.6 billion. His primary asset is American Builders and Contractors Supply, the wholesale distributor of roofing, siding, and gutter materials. Founded in 1982 upon the purchase of three Bird and Sons stores, the Beloit, Wis.-based company has \$3 billion in sales, more than 6,000 employees, and 400 stores. In recent years Hendricks has invested in 32 primarily unrelated ventures, ranging from wind towers to barges to garden materials.

**“We do everything we can to help our customer become successful. He has to be able to feed his family, reach his dreams, build that cottage up north.”**

Throughout his many achievements, which include raising seven children, five of whom work at ABC, as does his equally entrepreneurial wife, Diane, Hendricks has never lost sight of his roofing roots and the lessons he indirectly learned from the first roofer he ever admired, his father, Joe. “Everything I learned, I learned from my dad, but not at all the way you think,” Hendricks says.

Just as vivid are the memories of how a condescending public would sometimes treat his dad. “If you wanted to date someone’s daughter from the country club, you’d hear, ‘No, no, stay away from him, his dad’s a roofer,’” Hendricks says. After awhile, “you kind of get that attitude, you know, ‘Stick it up your \_\_\_\_.’”

Hendricks received the same type of treatment when he began making a living as a roofer in his early 20s. Surprisingly, even distributors failed to give him the time of day. Years later that black hole of customer service would become the primary reason he approached — and conquered — the distributor business.

“I’m a roofer. I love my customer. I appreciate the work that they do,” Hendricks says. “I think that’s why ABC has been successful. We can’t be successful unless our customer is. That’s just common sense. If my customer goes out of business, who the hell am I going to sell? So we do everything we can to help our customer become successful. He has to be able to feed his family, reach his dreams, build that cottage up north. You have to help him to be able to do that.”

Unfortunately, apparently far too few roofers are realizing those aspirations. According to a University of Chicago study, roofers are the most dissatisfied workers in the United States. Only 25.3 percent are “very satisfied” with their jobs; just 14.2 percent are “very happy” with their lives.

This bothers Hendricks. Roofers should take pride in their work, he says. He always had, despite the rugged work, dirty conditions, and harsh elements.

“It’s a tough job, but what I liked about it is that it’s the only job where you get paid fairly for what you do. It’s piece-work,” Hendricks says. “I’m a guy that, if I want to work hard, I can do better than the guy that doesn’t. And that’s how America should be.”

The problem, Hendricks says, starts at the top with greedy company owners who have hierarchical agendas. “It’s all

about the money for a few. I mean, I’ve made a lot of money. I’m on the lists and all that crap, but every dime that I get gets invested to start a new business to create jobs and more opportunity for my people,” Hendricks says.

Were he still the owner of a roofing firm — at 26, he employed 500 workers while running Blackhawk Roofing Co. (union) and International Roofing Co. (non-union) — Hendricks would take the study results personally, he says. “Business owners in general need to look in the mirror and figure out how they can take care of their employees better. I think there’s a class of owners, they drive their damn Mercedes and try to pay their people as little as possible. And there’s nothing wrong with driving a Mercedes. It’s how they separate themselves from their people. If they paid them more, they’d do better work, they’d get it done faster, they’d get more work, and everybody would win,” he says.

Hendricks, who drives a Jeep Cherokee and has no interest in playing golf or partaking in the country-club culture, speaks from experience. In June ABC Supply earned the Gallup Great Workplace Award, one of only 12 companies in the world to receive the honor.

“I get people that come up to me and say, ‘Where do you find people like this?’ meaning that (ABC’s employees) love their job,” Hendricks says. “Do you realize how satisfying that is? You’ve got people that are happy doing what they’re doing.”

The employees that comprise ABC Supply are satisfied,



Ken Hendricks' employees at ABC Supply Co. are his friends, which means they are respected and given every opportunity to move up the company ladder. "I ain't any better than them," he says. "We all put our pants on the same way."

Hendricks says, because they are treated as equals and with respect. Workers are encouraged to participate in the company's training program, ABC University, and are given every opportunity to seek internal promotion. More than 50 percent of the company's managers graduated from entry-level positions.

"At ABC alone we have 6,000 minds that are working, and they all have ideas. Some (ideas) are good and some are bad, but unless they are able to express those ideas, the company is going to go nowhere," Hendricks says. "And if somebody doesn't do something with a good idea, they are going to get tired and think nobody gives a damn. They don't feel any excitement or commitment to their job and they go someplace else to work.

"They're my friends. I ain't any better than them," Hendricks says of his workers, each of whom has his cell phone number. "Some (bosses) go up to their office, they close their door, they have a secretary, and you have a two-week appointment before you can see them. Here you can walk right in and talk to me. I don't care if I'm \$50 billion or \$100 million, it doesn't matter to me at all. We all put our pants on the same way."

As Hendricks often notes, he learned how to treat employees and customers from his experiences with prior bosses, particularly his dad, who died in 2004. That's not to say those experiences were always good, and in fact, Hendricks has spent a lifetime benefiting from the mistakes of others.

"My dad was a very hard worker, but he really couldn't get anybody to stay working for him," Hendricks says. "He'd start to do something, and he'd have a helper, and he'd say, 'Give me that damn hammer, I'll do it myself.'"

"What I learned from that — and I think it's one of the main reasons I've been successful today — is that unless you train someone to do what you know how to do, you can't expand beyond what you can do with your own hands in an eight-, 10- or 12-hour day. It doesn't matter if you're a heart surgeon. You can only do so many hearts unless you devise a system where you can take on more people."

The turning point in his life, Hendricks is quick to remind, occurred at around age 15 on a day when he was his father's subordinate, in this case while helping to extend natural gas lines among residences. With dad on a parts run for about 90 minutes, Hendricks diverted from the game plan and finished the job on one house.

The elder Hendricks returned to the scene and, puzzled, crawled under the house to check the work of his increasingly nervous son. "As a kid, it seemed like he was under there for hours," Hendricks says. That his father didn't say more than two words upon returning, driving home, and eating dinner didn't quell the anxiety.

The next day they went back to work on an adjacent house. His dad crawled under the structure and, upon returning, finally had something to say.

*Son, what do you think we should do here?*

"You have NO idea how profound that is," Hendricks says, sounding as though the words were spoken only yesterday. "It had really just arrived in my dad's mind that I had a brain and that I could contribute something to what he was doing."

Five decades later, Hendricks still gets a rush, not from checking his bank account — "It's not like I can write a check for \$2.6 billion," he says. "The money is tied up in the company." — but from seeing his employees and customers light up the way he did that day.

"I have fun just watching people grow," he says. "That's why I get up in the morning. When that stops, I'm not going to work anymore." **RSI**