

INSTITUTE OF CURRENT WORLD AFFAIRS

RJB-8
Another Man's View

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Mr. Richard H. Nolte
Institute of Current World Affairs
535 Fifth Avenue
New York, New York 10017

Dear Mr. Nolte:



Steve LeBaron is a young man in a hurry, in a hurry to make enough money so that he can retire by the time he's 35. Steve nurses a Capecodder (Vodka and cranberry juice) and chain smokes as he tells me of his dream of making money. "I don't think I'll really retire if I get to be rich. Work is really all I'm used to, but I sure as hell would like to be able to if I felt like it."

Steve, who is 26, is not planning to make his fortune in an office. "I don't want to have a comfortable job pushing papers," he says, "I want to make things, things I can look at years from now and say 'see, I made that.'"

"I've always had that feeling," Steve says. "When I was little I liked tinkering with things. It started with cars. I'd spend most of my time messing with cars, taking them apart, and putting them back together. I got so I could fix anything on a car. But that really didn't satisfy me. I knew when I was in high school that I wanted to build things, places for people to live in."

"My school had a design course. I was interested in it but I didn't feel like doing it by myself so I talked this buddy of mine into taking it with me. We did about five years worth of architectural design in three years.

"When I finished school I had to find a job. I couldn't get started in building so I knocked around a couple of jobs for a while, and ended up working on quality control for jet parts in a big company. But I never liked it. Not that the job was bad, it wasn't, but I didn't like working for someone else. I don't know, I don't like taking orders, and I don't like doing things just to be doing them.

"So after a while I just quit and decided that I was going to go it by myself. I set myself up as a carpenter. It sounds fancier than it was. Really, I just began doing odd jobs around for neighbors and people in the family. Slowly word started spreading around the neighborhood that I could do things, and I did them for a reasonable price.

"I'm not going to kid you and tell you I did real well in the beginning, I didn't. A little job here and there kept me going. My wife and I didn't starve, but I wasn't becoming no millionaire. It just seemed I kept going, just barely keeping ahead.

"It's like anything else, I needed a break, and I got it in 1969. A guy contracted me to do a 20ft. by 24ft. extension on his house for \$8,000.

"I guess you could say I was lucky to get the job. See, what happened was my wife was talking to this woman she knows, and the woman said she and her husband planned to put an extension on their house. Well, my wife told her that I was in the business. The woman promised to talk to her husband about it.

"He called that night, we talked about the job. The thing he asked me was, was I sure I could do it. 'Sure,' I told him, 'I can do it.' I must have been convincing because that very night he gave me the job.

"Tell you the truth, I never worked on a job like that before. I didn't tell him that. I knew I could do it, but that didn't mean that I wasn't worried, I was, because I realized that doing the actual job is different than understanding it. Anyway I knew it was a real challenge, probably the biggest challenge of my life. I knew if I screwed up the job that I was finished and I could kiss it all off. I also knew that if I did a good job this guy would pass the word around and I'd be on my way.

"I didn't even have decent equipment. I had a few tools and 65 bucks in my pocket. That's right, 65 bucks and no real tools. I went out and bought a hammer, ruler and power saw. I got the guy to front for some money for supplies, and I got started.

"The extension called for a bedroom, laundryroom, full bath and family room. It took me ten weeks to complete the job. He was satisfied and so was I because I had done a damn good job. I had passed my first real hurdle.

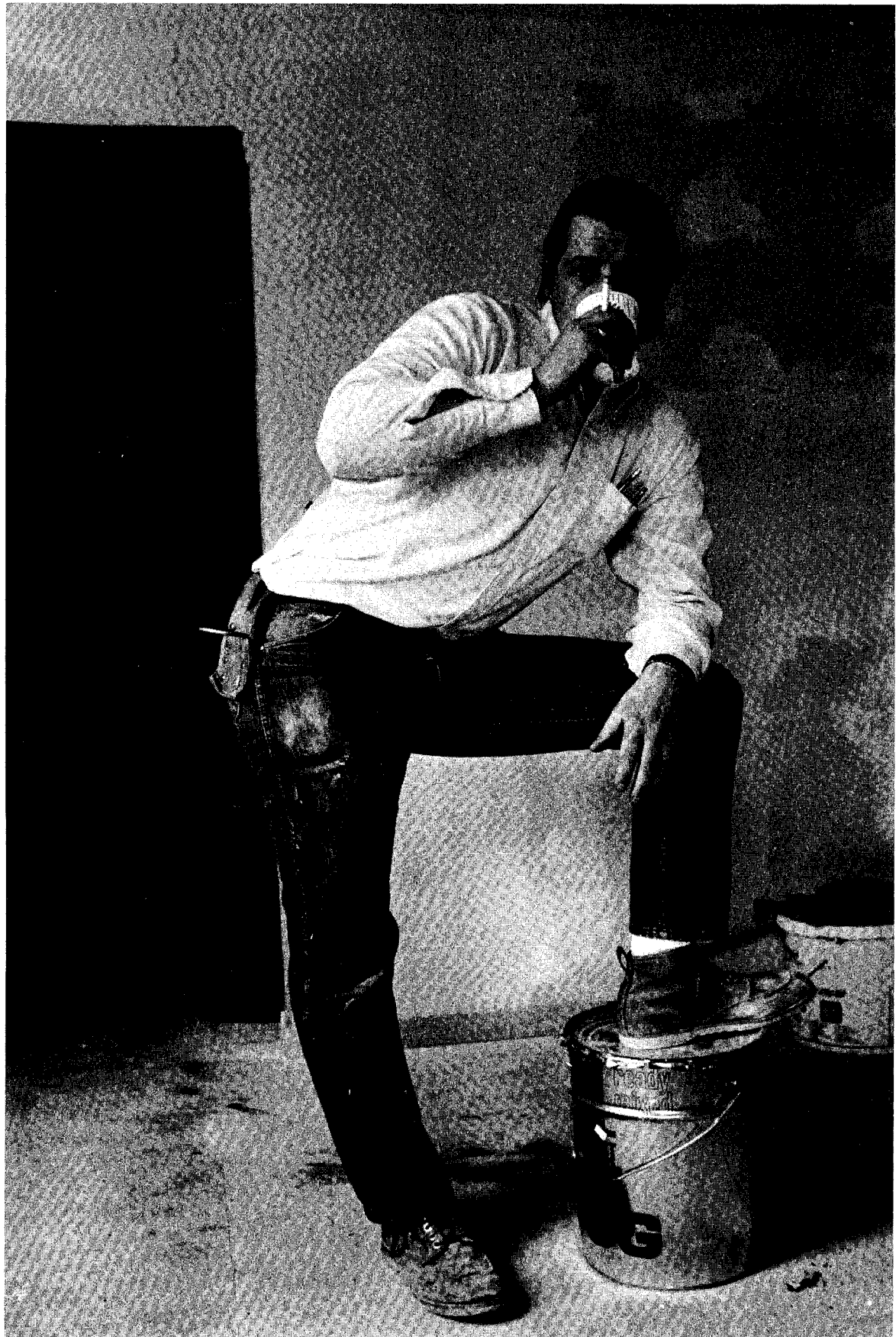
"I realized after doing that job that although I had no formal training as a carpenter, and never had worked for one, I was naturally talented. I guess you could say I'm one of those lucky people who has a real talent, and is lucky enough to discover it and put it to use. I'll tell you something, I keep getting better and better. Right now I could do that same job in five weeks, maybe even four weeks.

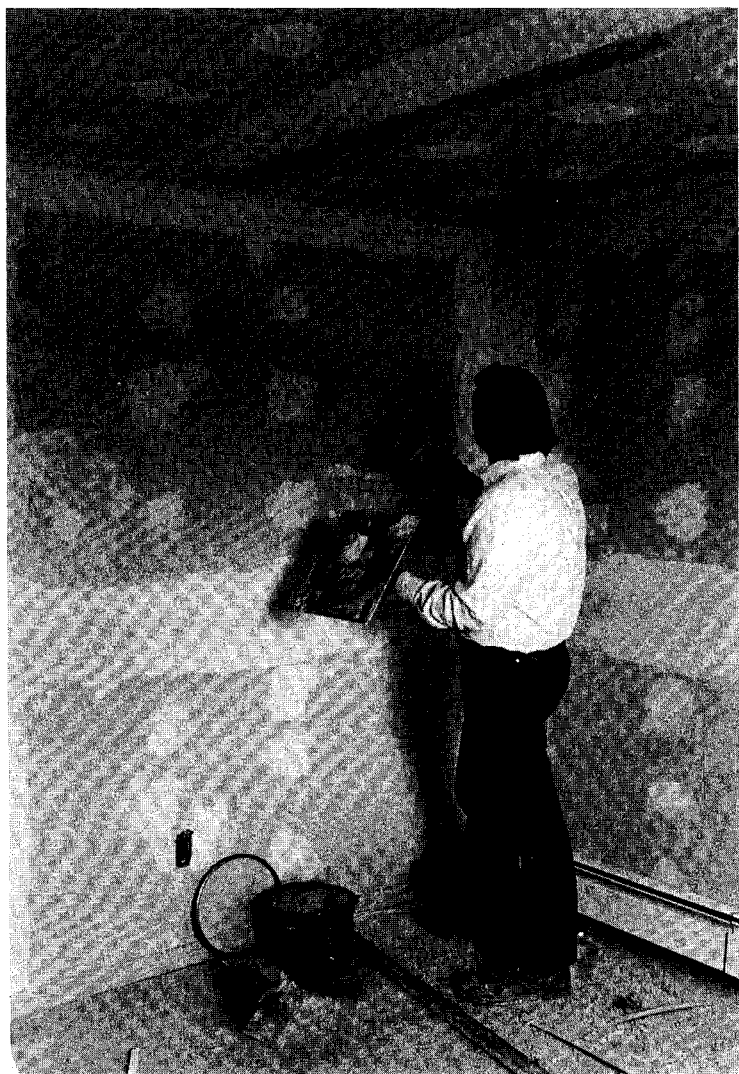
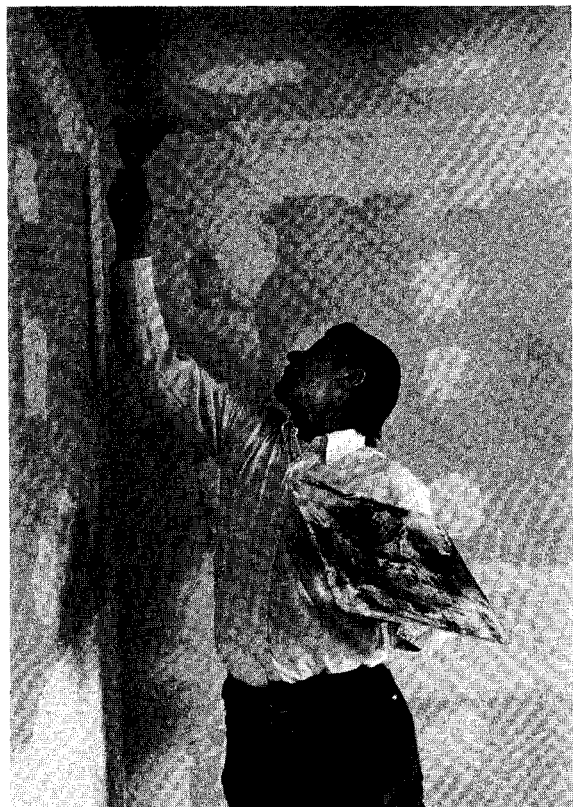
"That job was just the beginning. After that things got better. I got more and more jobs. Things didn't skyrocket, but gradually my name started getting around I got more work. I'm never content though; I figured I might be able to make a good living as a carpenter, but I sure as hell wasn't going to get rich just doing carpentry work.

"So after a while I decided what I should do is get a license to be a builder, hell that's what I really wanted to do. In order to get a license in most of the towns up here in the North Shore you've got to pass two exams, one written and one oral. I decided to take the exam in Salem. I figured it was as good a place as any to get started. I got a whole bunch of books, prepared for the exams and then took them. I passed them both and now I can build almost anywhere in the North Shore.

"I've got a lot of plans for the future about the kinds of places I want to build. So far the biggest job I've had was building a custom house in Danvers, 48ft. long and 26ft. wide. The guy showed me the blueprints he had an architect draw up. I leveled with him. I told him I would build the house the way he wanted me to, but I thought the blueprint was all messed up. We talked a lot about it, and I ended up redesigning the place. I built it in three weeks. I had five people working for me. After we finished the shell the sub-contractors took over and finished the inside in eight weeks. The house sold for \$48,000.

"I'd like to do a lot more building and I'm sure I will, but when I was just getting started things were slow so I took a job with a firm called McFillway and Robbins. They did work servicing mobile homes. They had me doing a little of everything; putting in oil burners, setting up homes, and doing an assortment of odd jobs. I only stayed with them for five weeks, but I learned a lot about mobile homes in that time. I left because I didn't like the way they treated their customers. Also, they would never listen to a suggestion even if you knew more than them. Not that I'm bragging but a lot of times they would do things ass backwards; you'd give them a suggestion, and they'd turn a deaf ear to you. So I quit and decided to set up my own mobile home repair business.





"My mobile home business started out just like the housing. I just got a couple of jobs, and then people started talking me up with their neighbors. I never advertise. My advertisement is word of mouth. Take you, for example, the guy who recommended me to you, I never even met him, but he's heard of me. Lots of people have. It's gotten so now that I get an average of four or five new mobile home customers a week. I think I can honestly say that I'm the biggest mobile home service person in the North Shore.

"Actually it was one of my customer's suggestions that got me to set up this new business of mobile home servicing. See, one of my customers, who I've known for a couple of years, said to me, 'Steve, did you ever think of setting up a regular service for people, an annual check up.?' I told him I never had, and told him I'd think about it. Well, I played around with the idea for a while, and dammit if I didn't decide it was a helluva good idea.

"I'll tell you why it's such a good idea. A lot of mobile home people buy their places believing they'll be maintenance free. Well that's silly, they aren't; they have problems just like conventional housing. You need to take care of them. If you do the regular little things you can pretty well avoid any real difficulties.

"So I have my accountant working on setting up some new books and getting me legally set up for a service operation. This service will work something like this: we'll charge a client \$25 and for that we will completely check out their home from front to back, inside and out. I've developed a whole checklist of things. Once we certify that the house is in good shape, if anything happens during the year to anything on the check list, you can call us at anytime, day or night, and we will come out and fix it and there will be no additional charge to the client for parts or labor. That's right, no charge. Once you've passed our checklist we insure those things for a year.

"Our checklist is pretty extensive. We start out by checking the levelance of the trailer both inside and outside. We check the seams on the windows and the caulking on the windows. We check all the fittings on the pipes and the water pressure. After we finish that then we go outside and check out the roof, and the heat tape under the trailer.

"Now when we check these things out, if something is wrong we fix it. Let's say the caulking around the windows has begun to go, well we will recaulk everything. On your 12 by 60 unit it would cost about \$37 to recaulk all the windows and seams. Most mobile home caulking stays good for about eight to ten years, but there is one mobile home builder who is notorious for bad caulking. I can't mention their name, because if it got printed I could be up shit's creek without a paddle.

"Another thing we do is check your level outside and inside and if the level is off we will releve the house. Again for a

12 by 60 that will cost about \$55. Most mobile homes stay level, but there are things that can throw them off. Like, if the coach is placed on soft ground some of the supports can sag thus creating hills and valleys. Also, a big wind can push these homes off level. One man who called us hadn't actually noticed his home was off level because of the skirting. He knew something was wrong, because some of his doors wouldn't stay shut, so he called me. Well it turned out that one side was nearly two inches off the support.

"Roofing is one part of a mobile home that needs regular attention, because the roof needs to be retarred every couple of years. Well, what we do is go up and make sure you have no leaks. If you have any leaks, we'll repair the roof, and if it needs to be retarred then we'll do that too.

"Anyway when we finish and have you all checked out we certify that you won't have any problems during the year with anything we have done. If you do, you call us up and we'll fix it, like I said, with no charge for parts or labor.

"Now there are two things we won't take responsibility for. The first is the hot water heater. Most mobile home manufacturers put in fairly inexpensive heaters and only guarantee them for a twelve month period. They have a way of going in the six month period after that. I'll tell you something else, maybe I shoudn't but Sears Roebuck makes a crappy water heater that they sell for \$39. It's cheap but most of them don't last. A lot of mobile home people, especially those old people on pensions, buy them because of their price. But they end up being a lot of trouble. I've seen too many people put them in and then have to call me when they've busted on them.

"Anyway the other thing we won't cover is for an act of God. If something goes wrong which we had nothing to do with then we won't take responsibility. So when something happens we will come out but then we have to determine whether it was an act of God or something we did wrong.

"If we start in the spring I hope by the end of summer that we will have 1000 people sign up for the service. If that all comes about I'll get me three men on a regular basis and a couple of trucks."

Steve wants to do more with mobile homes than just repair them. He wants to build them and develop mobile home parks. Steve has already taken the first step in this direction by buying an option on five acres of commerical land where he plans to develop his mobile home factory. We talked for a while about what sort of mobile homes Steve would manufacture.

"Most mobile homes in this area," he says, "are made in the South or for warm climates and they aren't built properly. They're not built for our weather, and I'm going to design some that are."

"Are you going to get an architect to do the design work?" I asked.

"Nope," he said, "going to do it myself. I figure I've got enough training and experience to design them."

"Is it the design," I asked, "that's going to make them different?"

"Sort of. That is, the changes that I plan are practical things, that would make mobile homes stronger, and more maintenance free.

"First, I'm going to change the water heater system. Not only do they break down a lot, but they tend to flood mobile homes when they burst, ruining carpets and everything. The reason for this is that in most of your units the hot water heater is either located behind the bathroom or in a closet in the back bedroom. When they burst, and they usually give you no warning, the water starts pouring in through the coach.

"A lot of the problems could be solved by installing a better quality water heater. It will cost more in the beginning, but in the long run it will be much cheaper.

"The other thing I plan to do is design them differently so that if they do burst they won't ruin your carpets. I plan to do this by doing two things. First I'll build the heater in a three inch thick base, so the water won't go in the house, but in the base if it bursts. I'll build the base with a drainage system to take the extra water out. Second, I'll hook up an alarm system so that when the base fills up to a certain level a buzzer will go off and warn people that their water heater is busted. None of the mobile homes have anything like that now.

"Another thing I would do is not cut corners when it comes to the piping I'd use. A lot of your mobile home manufactures use a lot of galvanized metal to save some money. I'd say you could reduce the plumbing problems in mobile homes by maybe forty percent if you shifted to copper tubing, and brass fittings. Again, it would cost more initially but it would be a lot cheaper in the long run.

"One other thing I would do is change the placement of my main water lines. Most mobile homes don't run their water lines near the heating ducts. Where the weather doesn't get real cold it really doesn't matter, but we have cold winters up here and I'd run the main water lines near the heating ducts, for that extra little protection.

"I guess those are some of the changes I would make. I'm messing around in my head with a lot of other changes and once I get down to actually designing the places I'm sure I'll use a lot of new ideas."

For Steve it won't be enough just to build better mobile homes. He wants to design parks. "A lot of your parks in this area," he says, "are mostly for retired people. There are very

few for your young marrieds. I think that's a hell of a potential market: couples just getting started. Hell, they can't afford a big house, but a lot of them don't want to live in apartments. I'll tell you something else, communities are going to have to start letting what they call low and moderate income housing into their communities, or the state is going to cut off their money. Well, there isn't anything that fits the billing of moderate income housing any better than mobile homes. I'd like to do a few parks with 70 or 80 units in each of them."

Steve says he enjoys the life he's living. "It's tough on my wife," he says, "me working all the time, but that's how you have to do if you want to get ahead."

"But look," he continues, "I don't want you to think it's all work and no play. I like to have a good time just like everyone else. A couple of times I just decided right on the spot to take off, to get out of town for a couple of days. Once I took a buddy and we went out to Vegas. Had a helluva time. Saw this great band called the Five Seouls, five sisters from Korea. Man, if you ever get a chance to see them don't miss it. Another time I just decided one afternoon to take off, and got on a plane and flew down to Florida. After a couple of days on the beach I was rested up and came home."

"You want to know something?" Steve asks. "You want to know my biggest problem in this business? My age, lots of people think I'm too young and it burns me up. Sometimes someone will call me up, you know, say they've heard of me and ask me to come over and make an estimate. I arrive and I know by the way they're looking at me that something's up. We talk for a while and then finally they'll say something like, aren't you awfully young to be doing this kind of stuff? It just burns me up. I ask them how old you have to be to do a good job. I once lost a big job that way. A guy had me over and he asked me about being young. Well the first time I just made some remark about it, but he said something again like you're really awfully young. I lost my cool and told him, 'Look, if I'm so young go get yourself someone else, cause mister you couldn't pay me enough now to do this job.' The way I figure it, if you can do a job you can do it, and if you can't then you can't. What the hell does my age have to do with it?"

"Hey," he interrupted himself, "what time is it?"

"It's nearly one, I told him."

"Sorry Dick," he said, "I got to get going. I got to get started tomorrow at seven. It's going to be another ball buster of a day. I got this big job all day and then I'm doing two estimates tomorrow night. One for a lady who wants to redo her bathroom in her mobile home, and another guy who's thinking of adding a playroom in his house. I better get going. It was nice talking to you."

Richard B. B.

