

THE 2009 CARRIAGE HOUSE SALES REPORT

Dealers Sound Off on Struggles and Strategies

Carriage house doors comprise 13 percent of the typical North American door dealer's residential garage door sales, according to a new study by Door & Access Systems newsmagazine. (See survey details at the end of this story, on page 54.)

The new survey, conducted in early May, revealed an increase from 10.8 percent in the 2007 study and 6.4 percent in the 2005 study. According to comments from dealers, the sluggish economy has contributed to the slowing growth of this stylish garage door.

The study shows a shift in the number of dealers who are selling more of these new doors. In 2005, only 4.1 percent of our survey respondents said their carriage door sales exceeded 30 percent of their sales. That number rose to 6.9 percent in 2007 and then jumped to 13.5 percent in 2009. (See chart on page 54.)

The Economy

Survey respondents were asked why they didn't sell more carriage house doors. In 2007, 50 percent checked the box that said, "Steel raised-panel doors are cheaper." In 2009, that percentage actually increased to 55 percent.

Dealers were eager to express their comments—more than 130 dealers submitted opinions about carriage door sales. Several dealers felt that the economy was creating a price-sensitive market.

"The only reason for fewer sales in the last two years is the bad economy," wrote a dealer from the Boston area.

"Higher-end sales are down ... all sales for that matter," added a dealer from California, among the areas hardest hit by the current economic downturn.

"We sell as many as we can in this economy," wrote Henry Tarnow, Tarnow Doors, Farmington Hills, Mich. "We have sold more in the past."

"Customers like the look, not the price," said Randy Pehling of Quality Overhead Door, Rochester, Minn. "Right now, they are getting five to six bids before they buy. Once people get more confident that the economy is better, we will see more upgrades in product purchases."

The Price Is Too High

Regardless of the economy, some dealers felt that carriage house doors are simply too expensive.

A dealer in Austin, Texas, commented that the doors cost too much. "Customers get the price, and then just go with the regular doors," he wrote.

"New Englanders tend to be old school and don't view this product as frugal," submitted a New Hampshire dealer. "Yet more people are coming around as they are tired of raised-panel steel."

A few dealers felt that the manufacturers need to lower their prices. "We need more competitive prices in order to sell the doors," said a dealer in Charlotte, N.C.

"The manufacturers can offer these doors at more competitive prices, but have chosen to keep margins high," added a dealer in Olympia, Wash.

The Price Is Too Low

Ironically, several dealers held to the opposite opinion, contending that the price of carriage doors is getting too low. Consequently, customers don't see the doors as special.

"We could sell more carriage house doors, but in our market most companies sell the carriage house door just as a raised panel steel door, no markup on material and very low labor rates," said Bob McManus of Door Boy, Berkeley Heights, N.J.

Similarly, a Boston-area dealer complained, "Other dealers are giving them away."

"I don't like how the industry is cheapening the market for carriage house doors," added a dealer from rural Kentucky. "A competitor sells the carriage house for the same price as a raised-panel door. These doors are special only when everyone doesn't have one."

continued on page 52



Amarr Classica in Woodgrain, 2008



C.H.I. Model 2752 Fiberglass, 2009



Designer Doors Teak and Mahogany, 2008



Martin ArchCrest Aluminum, 2007



1st United Door Technologies Steelite, 2009



Clopay Reserve Collection, 2008



Carriage House Door, 2007



Haas Classic Wood Collection (steel), 2008

“Once a company learns that they have to install 25 or 30 steel doors to gain the same revenue as installing one fancy door, it becomes a no-brainer,”

**-Scott Jensen,
San Jose, Calif.**

continued from page 50

Praise for Profitability

The higher price certainly has its advantages. Many dealers praised the profitability of the carriage door and hailed its positive role in saving the business in a down economy.

“Our unit count is down but our sales volume is holding because of carriage house doors,” commented a dealer in Maine.

“Low-end housing is dead, but the high end is still okay.”

“The wood carriage house door is our number one seller, profit-maker, and the pride and passion of our business,” wrote an Oregon dealer who also manufactures wood carriage doors. “We have been fortunate that we took the lead in this segment.”

Another dealer/maker in California exhibited similar pride in selling custom wood carriage doors.

“Once a company learns that they have to install 25 or 30 steel doors to gain the same revenue as installing one fancy door, it becomes a no-brainer,” said Scott Jensen of San Jose, Calif. “We learned that five years ago, and that was indeed a very important bit of knowledge capital!”

“Carriage house doors increased our sales revenue a great deal,” wrote a New Hampshire dealer. “Even though the amount of orders we

close is 10 percent, the sales dollars create a big boost for our monthly gross sales.”

Bob McManus of New Jersey also praised carriage doors as “a great way to bring more profit to your company.” But he emphasized the importance of charging an appropriate amount for a quality product.

“Most companies are leaving a lot of money on the table, and it hurts the entire industry,” he added.

The Role of Salesmanship

It’s easy to sell any product on the basis of price. But many dealers noted that selling carriage house doors requires some savvy salesmanship.

“As a salesman, don’t assume that the price is too expensive for the customer. Give them the price and let them decide,” wrote Eric Miller of Milford, N.J.

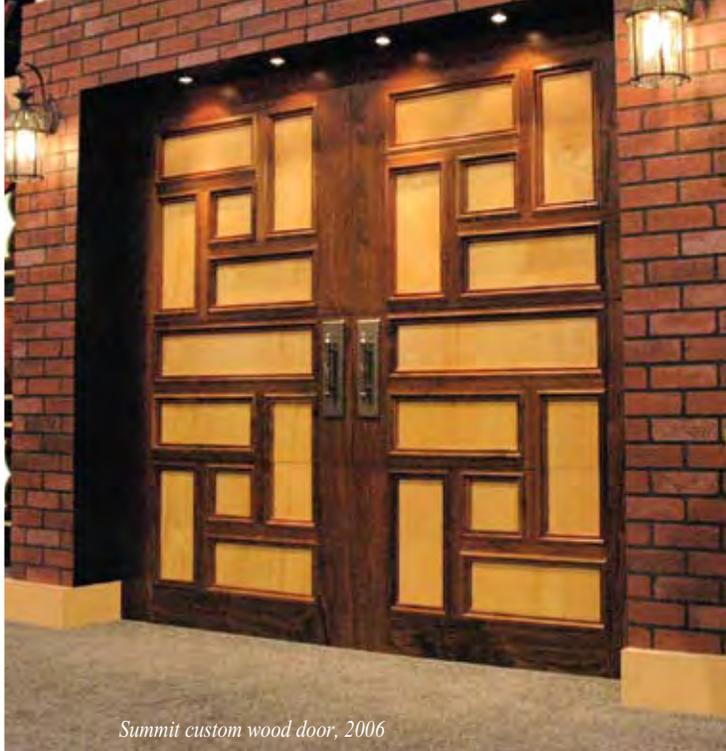
“We don’t offer (a carriage house door) if the customer doesn’t ask for it. It’s OUR poor salesmanship,” admitted a Pennsylvania dealer. Another Pennsylvania dealer confessed, “We aren’t taking advantage of this opportunity enough.”

Nevertheless, the pride was obvious among dealers who have developed a strategy for selling these upscale garage doors.

“We always offer carriage house doors before we move to the less expensive steel doors,” said a California dealer.

Randy Solberg of Waco, Texas, agreed. “We usually start with these doors in our sales process and work down to the builder door. All of our showroom displays are carriage house style.”

“We’ve marketed our company as the area’s carriage house door experts, using exclusively carriage house door photos in our marketing and prominently displaying them in our showroom,” said Gary Bechtold of St. Cloud Overhead Door in Minnesota.



Summit custom wood door, 2006



Raynor RockCreeke, 2007

Worth a Thousand Words

Other dealers lauded the persuasive power of photos, such as Amy Morse of Elite Overhead Doors, Ormond Beach, Fla. "The more doors you sell and photograph, the more you'll sell." She recommends posting these photos on your Web site.

"We could sell more if customers could see how they would look on the house," said Doug Kale of Precision Door, Charleston, S.C. "It's a big change in the appearance of the house."

Most manufacturers offer this visual opportunity by including a "door designer" on their Web sites. Some, such as Clopay,

Overhead Door, Garaga, and Wayne-Dalton, let homeowners upload photos to their Web sites to see how stylish new garage doors would look on their own homes.

Curb Appeal

Many dealers have found success in selling carriage doors when they point out the "curb appeal" of these doors.

"Carriage house doors are an easy up-sell if the garage is visible from the curb," wrote a dealer in Louisville, Ky.

"Curb appeal has become more important," added a Maryland dealer. "The homeowner has

to look at their door a minimum of twice a day (about the same rate as seeing their teenager), so it is important that they like the door."

"I do push the new look and curb appeal with almost every customer first," said a dealer in Minneapolis. A Wisconsin dealer said he likes to add, "It can bring a whole new look to your house."

"Carriage doors are the future," stated George Boulos of Overhead Door of Greenville, S.C. He added that more homes today are designed with front-facing garages, resulting in a dominant exposure of the garage door.

continued on page 54

1

DISTRIBUTOR

has it all

AND MANY MORE

Encon offers all the products you need. Order from over 50 manufacturers by dialing ONE number.

1 WAREHOUSE

If you need gate operators, commercial door operators, accessories, phone systems, wire or essential tools, Encon has it all **IN STOCK** ready for **SAME DAY SHIPMENT** in our nearly 10,000 square foot warehouse.

1 STOP

Place your order, receive expert technical support, schedule customized training and attend free seminars all at **ONE** location.

1 STANDARD

Encon provides the highest standard of support and customer service. We offer quality products, the largest technical team, a **ONE** of a kind training facility and the only entire tech team with **GOIC** (Gate Operator Installation Certification).

800-782-5598

ENCONELECTRONICS.COM

continued from page 53

“When you mention this and the curb appeal the carriage door presents, you end with a customer that has enough vision to invest in a more appealing product.”

Not for Every Home

Some dealers and customers, however, cite objections to selling carriage house doors. More than half (53 percent) of our survey respondents said they don't sell more of these doors because they are “suitable only for limited home designs.”

“Carriage house doors are a great addition to our portfolio of options, but they will not work for every home. Their applicability is not as great as a raised-panel door,” said Jeff Hunter of Hunter Door Service in the Philadelphia area.

Al Heller of Fairview Heights, Ohio, added, “The most common statement we get from our customers is, ‘That’s a beautiful door but it would not work with my house.’ But people who feel it would work are always interested.”

A Closing Story

In 2006, Clopay released the results of a nationwide study of real estate agents, revealing that replacing the garage door prior to listing a home for sale could increase the asking price anywhere from 1 to 4 percent. Mark Northfield of All Seasons Garage Door of Minneapolis, Minn., reported a similar discovery in his response to our 2009 survey.

In May 2007, Northfield’s mother needed to sell her home quickly. Northfield installed a steel carriage house door on the garage, and the home sold with a full price offer in two days.

“Then, in August 2008, my wife and I had an opportunity to move to our dream home on the Mississippi River. The only way this was going to happen was to sell our house quickly,” he wrote.

Northfield had a steel carriage house door on his home. In spite of a sluggish real estate market, his home sold in seven days with a full-price offer.

“These are true stories,” he adds. “Coincidence? Do carriage house doors make a difference?”

You can be sure that Northfield is a believer. The first thing he did on their new home was to replace the old garage doors with new steel carriage house doors. ■

To comment on this story, send an e-mail to the editor at trw@tomwadsworth.com.

SURVEY DETAILS

- The 2009 online survey was conducted May 1-13, 2009. E-mail invitations were sent to 1,491 garage door dealers throughout the United States and Canada. A total of 244 dealers (16%) responded.
- The 2007 survey (May 1-12, 2007) was sent to 790 garage door dealers throughout the U.S. and Canada, and 159 (20%) dealers responded.
- The 2005 survey (April 26-May 6, 2005) was sent to 967 garage door dealers throughout the U.S. and Canada, and 220 (23%) dealers responded.
- The survey defined a carriage house door as a residential sectional door (of any material) that appears to swing open via side hinges.
- The survey’s final averages (2005 = 6.1%, 2007 = 10.8%, 2009 = 13.0%) were calculated by taking the average percent of each range offered in the survey. For example, when dealers said their carriage house door sales were “1-3%,” we assigned each of those dealers a sales percentage of 2%. When they checked “7-10%,” we assigned them a percentage of 8.5%. If “16-20%,” then we assigned them 18%, and so on.

What percentage of your total residential garage door sales are carriage house garage doors?

| Percentage of Sales | Percentage of All Respondents | | |
|---------------------|-------------------------------|-------------|-------------|
| 0% | 9.5% | 3.1% | 3.3% |
| 1-3% | 42.7% | 24.5% | 20.5% |
| 4-6% | 20.5% | 20.1% | 19.7% |
| 7-10% | 14.5% | 18.2% | 19.3% |
| 11-15% | 4.1% | 11.3% | 10.2% |
| 16-20% | 2.7% | 6.9% | 7.0% |
| 21-25% | 0.9% | 5.7% | 4.5% |
| 26-30% | 0.9% | 3.1% | 2.0% |
| 31-35% | 0.9% | 2.5% | 3.3% |
| 36-40% | 0.9% | 1.3% | 3.7% |
| 41-45% | 0.0% | 0.6% | 1.6% |
| 46-50% | 0.9% | 1.3% | 2.0% |
| More than 50% | 1.4% | 1.3% | 2.9% |
| | 2005 | 2007 | 2009 |