

# Chicago Lumber's retail division finds growth to offset slow new construction

by **Matrissa Leggett**

The diversity of Chicago Lumber Co. of Omaha has allowed the company to grow during a decline in the new construction market through the expansion of its retail division.

The company, which specializes in lumber and other building related products, has three main areas of focus, according to President Rick Hullinger. The wholesale division distributes its product

lines to its retail lumber division, Century Lumber Centers. There are eight retail lumber yards located throughout Nebraska: Nebraska City, Norfolk, Geneva, Blue Hill, Grand Island, Ainsworth, Scottsbluff, as well as Torrington, Wyo. The company also distributes to other lumberyards in Nebraska, Kansas, Iowa and Colorado. The company also owns Marvin Window & Door Store in Omaha that

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**President Rick Hullinger ... Diversifying through the expansion of the company's retail division.**

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sells the Marvin window product lines as well as Thermatru entry doors.

"I think the diversity of our products, company structure and geography have helped us weather the downturn," Hullinger said. He added that Marvin Window & Door Store, as well as the Torrington and Ainsworth locations, all had the best sales years in their histories in 2009.

According to Hullinger, retail sales currently make up about 65 percent of overall revenue. The wholesale division contributes 25 percent and commercial sales, 10 percent. Chicago Lumber Co.'s sales were up 4 percent in 2008 and an additional 3 percent in 2009, Hullinger said. The company also increased its staff by 12 percent during those two years.

"Last year people were spending money to remodel or replace windows, doors or cabinets," he said. "In 2010, we are beginning to see an upward trend in the recovery

of the new home market.

Hullinger credits the construction of a new building for the Torrington location in 2008 that increased sales space, and the purchase of its Scottsbluff location in 2009 as reasons the company has remained strong during the past two years.

"Those two facilities helped our sales and revenue volume," he said. "Updating the Torrington location helped to strengthen that market. Business was good there, and the new building gives us three times more sales space."

He said the company bought the Scottsbluff location as an existing family-owned yard that had been a customer of Chicago Lumber Co.'s wholesale division.

"We saw it as a good fit that would give us greater impact in the western Nebraska and eastern Wyoming markets," Hullinger said. "It is only about 30 miles from the Torrington location, so the two stores can build on each other."

With a focus toward the strong remodeling and replacement market, Chicago Lumber Co. also hired a new sales person and two window installers for its Marvin Window & Door Store last year. The commercial division also added a new product line of energy efficient aluminum windows called Traco. Hullinger said the new line has enabled the company to become involved in more historical and institutional projects such as the Norfolk Regional Center and the Harvester Artspace Lofts in Council Bluffs.

"With this lines, we are able to offer better solutions for architects and owners for all projects," he said.

Hullinger said the company also took the

opportunity to advance its computer system during the new construction lull.

"During 2008 and 2009, we invested in new software and new technology that centralized all our computer server operations companywide, so we will be in an even better position when the economy comes back up," he said.

Hullinger grew up near Scottsbluff and has a bachelor's degree in business administration and management from Midland Lutheran College in Fremont. He spent two and a half years with Kiewit. He joined Chicago Lumber in a customer service role in 1989 and worked his way up in various management positions before becoming president in 2004.