

It's All In The Way You Look At It

By George Porter

This is the season for regional manufactured housing shows and I attend most of them on behalf of manufacturers. During the recent Pennsylvania Show I was talking to a retail dealer who made the comment that the shows are not as crowded as they used to be. He was concerned that the industry was about to take a turn down again. He had been a dealer for thirty years and he had seen this before. When he was asked if he was up on the national statistics he said no and frankly he did not care what was happening in the rest of the country, he had all he could do to mind his own business, what someone else is doing is their business, not his. If other parts of the country were doing well then that was nice but it did not put any money in his pocket. He had a bad feeling about the future.

If I were him I would too. What This fellow does not understand is that the industry is changing, and most of these changes are not only good but long overdue. Yes, the show was not as crowded as in years past, they none are. I can remember in 1972 and 1973 when the show was so crowded that you were shoulder to shoulder in the aisles and there were lines waiting to get in the homes. People were buying homes like it was the floor of the New York Stock Exchange and factories were inventing new lines of homes as fast as they could think of new name plates to screw on the front of them. Those days are gone and some wild and crazy times went with them. I was once a witness to a crap game in the midwest where I saw a man win and loose \$80,000 in ten minutes in a janitors closet. Everybody was a "high roller" back then, most of the people that have survived and are prospering today are serious business men. They make plans far in the future and do not fly by the seat of their pants.

There was a time when dealers would look at a house and say to the salesman " this coach has some flash, send me three, you pick the colors". It seemed like every gas station had three homes for sale and it was hard to sell quality instead of price. Lots of dealers and factories folded when things got rough because they had no long term plan for the future. The retailer today uses market research, weighs financial considerations, solves zoning problems, studies inventory control, and uses many other tools. When a dealer takes on a line of homes it is not an emotional decision and when a factory contracts with a dealer they look at a lot more than his eagerness to stock the product. As a result there are less dealers but they are better informed, less factories but they offer more services and products, AND THERE ARE MORE CUSTOMERS THAN EVER.

This dealer does not realize that this is a sign of the times and could be a good omen for us all ! The pie is bigger and the pieces are fewer. So, if you are aggressively seeking business instead of thinking about cutting back like this guy is, you are fueling the fire of the industry and are doing well. Those that have survived know why there are not as many dealers as there used to be in the early 70's at the shows, it is called 'the law of the jungle', and only the strongest have prospered. These laws of natural selection have produced some powerful players indeed and the industry has become healthy and robust with them. When you walk through a Manufactured Housing Show and remember the crowds back then, just smile and tell yourself you are one of the people who helped make this industry the best it has ever been, and you're in very good company.