

tooling up for new markets

By K. Schipper

UN VALLEY, Calif. – Solomon Arych believes in planning. An industrial engineer by education and experience, he's constantly fine-tuning the various components that have made SMG Stone Co. run efficiently for most of the past two decades.

With an emphasis on commercial and high-end residential work, SMG was moving steadily upward until the latest recession threw a big wrench into commercial development of all types.

Already one to take a slightly different approach to business, such as his employing four architects on-staff for the production of shop drawings, Aryeh opted to retool and refocus some of his attention to the burgeoning demand for lower-cost residential work.

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An employee adjusts SMG Stone Co.'s waterjet from Flow International Corp. Owner Solomon Arych claims it's the most-versatile piece of equipment in his well-equipped shop. (All photos courtesy SMG Stone Co.)

fabricator focus

These days his shop is full of new computer-driven equipment, and SMG is actively courting the developers of tract homes – as well as some select big-box work – as the company seeks to expand beyond its long-time core markets while maintaining its reputation for doing excellent work on-time and on-budget.

BALANCING ACT

Certainly, Aryeh and SMG wouldn't be where they are today without the owner's background in industrial engineering – and his love of stone that first began in his native Iran.

After growing up in Iran, Aryeh continued his education at San Jose State University in San Jose, Calif., earning an undergraduate degree in engineering in 1974.

"After that, I went back to Iran and worked for Proctor and Gamble as a plant industrial manager," he explains. "My responsibility was to assess ways to save money. I was doing studies to see how much we



The company's five-table CNC bridge saw from Breton S.p.A accelerated the company's cutting times. Owner Arych believes technology allows his employees the time to put their craftsmanship to work where it's needed, rather than on more mundane tasks.

could save by using more and newer equipment."

In his spare time, he was also involved in helping his parents build a new home that incorporated a lot of stone. However, Aryeh adds that natural stone is an important part of Iranian architecture and culture.

"It's always in everybody's minds

in Iran," he explains. "There's all this pretty construction of stone and ceramic. There's a city in the center of Iran – Esfahan – that's known to have the best architects, and some of the architecture there is still unique."

The overthrow of the shah in 1979 and the subsequent political and religious turmoil sent Aryeh – an

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Iranian Jew – back to the United States, this time to Southern California. (Aryeh also became a U.S. citizen.) He operated a couple of other retail businesses before starting his own stone business in 1982.

"I had a friend in the business and he exposed me to it," he explains. "I started in sales and marketing for that company, and then we started selling the jobs and subcontracting the fabrication and doing the installations. In 1985, we started our own fabrication facility."

While many people date the present boom in stone to the mid-1990s, Aryeh says in Southern California demand was high even as SMG was first getting its bearing. It's only spread into smaller projects in the last decade or so.

"Even in 1982, when we started, there was a lot of demand for stone," he says. "The demand was all high-end custom homes and commercial projects, because it was so expensive. It really was a luxury item at that point, and we had very few competitors."



SMG Stone Co. also utilizes a CMS/Brembana Maxima CNC machine. Late last year, the company added an electronic templating system to keep all its CNC equipment working at peak efficiency.

Arych might have continued indefinitely serving those two markets, but a steep downward trend in all types of commercial jobs – from hospitals to hotels to high-rise condos – and the boom in the Southern California housing market encouraged him to change his focus approximately two years ago.

"Because of the growth of larger residential developments and the booming residential industry in general, we wanted to be flexible enough to handle both strongly," he says. "That's why we've developed our countertop division with a state-of-the-art shop to handle larger residential developments."

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CAREFUL SHOPPER

Although he admits to still having his first bridge saw available as a backup, Aryeh the engineer was looking for an equipment setup to automate that part of his operation as much as possible.

And, rather than buying a package of equipment from one manufacturer, he looked at his needs and the capabilities of numerous machines before outfitting his 20,000-ft² shop with a quartet of machines.

Arych began by purchasing a multiple-head polisher from Comandulli Costruzioni Meccaniche S.r.l. From there, he added a waterjet from Flow International Corp., and a CMS/Brembana Maxima CNC machine. His final purchase: a five-table computer-numeric control (CNC) bridge saw from Breton S.p.A.

Even with the best-laid plans, however, Aryeh says if he had to do things over, his first purchase would probably be the waterjet.

"From our experience, it's been the most-flexible and we use it the



The SMG shop has plenty of room to efficiently move slabs – and the equipment to do so.

most," he says. "It's a very handy tool, although the CNC is a great tool, too, and the automated bridge saw has increased our production three times in cutting. They're all good machines."

The facility is totally automated, including using an electronic templating system that was introduced

about a year ago. Aryeh adds that it also helps that some of his fabrication-shop employees have been with him for more than 15 years.

"Our company is staffed with a group of highly-specialized professionals who couple Old World craftsmanship with the efficiency of modern technology," Aryeh says.

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Perhaps where SMG varies the most from shops that focus on retailing jobs to individual homeowners is its front-end staff. For instance, the firm has two estimators and three project managers. The latter are each responsible for one of the company's three divisions: countertops, commercial and custom residential.

Also out-of-the-ordinary is the company's six-person engineering staff, four of whom are architects. Arych explains that the engineers and architects are a key part of the company's commercial and high-end residential work.

"They're good detailers and familiar with the stone industry," he explains. "Aesthetically, they help with a better appearance of stone, whether it's for siding or molding or different shapes. We're also extremely strong in doing shop drawings, and I believe the first instrument in any stone project is the shop drawings."

Good shop drawings can also be critical given that many of SMG's larger jobs – hotels, casinos and condo-



Rather than outfitting his shop from a single equipment manufacturer, Solomon Arych put his engineering background to use and determined which manufacturers offered the best solutions for his particular needs. He opted to buy from four different equipment manufacturers, including this Flow International Corp. waterjet.

minium projects where the company may have 40-50 installers in the field – are actually fabricated overseas.

"We have fabrication done all over the world for different projects," Aryeh explains. "Then, we bring it in and install it. That's one of our capabilities. We do the planning and then we're able to bring in a job and it works."

He's quick to add that SMG isn't importing unfinished stone for resale, and that the slabs it does import are only to back-up jobs where breakage might be an issue.

"If it's something we're fabricating here, we're buying locally," he says.

STRONG RELATIONS

If anything, the company is working at developing stronger relationships with distributors and suppliers in the greater Los Angeles area because of its latest venture: doing work for three The Great Indoors stores in that market.

The 130,000 ft² stores, conceived and operated by Chicagobased Sears, Roebuck & Co., are selfdescribed as being the premier idea and solution resource for decorating and remodeling needs and desires for its customers.

While offering a wide range of natural stone, The Great Indoors also features Verona Marble Company Inc.'s Legacy® and **DuPont** Surfaces' Zodiaq® engineered stone, although SMG will purchase and fabricate other quartz products as different jobs demand.

Along with its emphasis on highend work, Aryeh says he likes The Great Indoors because it has a lot of potential for expansion, although at a pace that will allow SMG to expand



Blessed with 20,000 ft² of space and Arych's understanding of how to make the workflow efficient, the SMG shop is purposeful and orderly.

its capacity gradually.

"We're very careful in making sure of the direction we want to go," says Aryeh. "We can cover everything but we don't want to overextend ourselves. We don't have to do work for every big-box store, every tract home or every custom builder. We have a facility where we can fabricate

the work, but we want to make sure the partners we have relationships with are the right ones."

Those relationships are important to the company, since Aryeh says that's really what has driven SMG's growth over the years.

"Normally we grow with our customers, and that's the safest way



to grow," he says. "We're also totally flexible. We'll do any kind of work for the right client, and we let our clients dictate the work."

For the right clients, SMG develops true partnerships where it's important that both sides win. The company's bottom line: "We deliver more than we promise."

It's a marketing tool that works. Aryeh is extremely proud that he has relationships with architects, designers and general contractors that stretch back 20 years and more. And, while SMG has recently added Heidi Huber as the firm's first sales and marketing manager, he says the company's success will continue to hinge on its performance.

"What we're known for is that we give more than the contract calls for," Aryeh says. "We're extremely cooperative, we meet our clients' schedules and budgets. We have files of recommendation letters stating that."

Aryeh also believes the company has continued strong because of its emphasis on 3cm material and on its expertise in slab installation. While acknowledging that 2cm slabs are more the norm in many jobs in the Western U.S., he says not only does he believe that 3cm material is the wave of the future, definitely reducing the need for time-consuming lamination.

"Installing slabs and tile are two different businesses," he adds. "While some contractors don't seem to realize that, we will continue to emphasize our stone slab experience, and we believe the selective general contractors will look for subs with that specialized skill."



Arych's first purchase when he opted to retool his shop was a multiple-head Comandulli polisher that's proven to be a workhorse.

It's an approach he's committed to continuing. With its recent major equipment investment, believes SMG is well positioned for the future. He estimates it should handle the company's growth for the next three-to-five years, especially if at some point it adds a second fabrication shift.

"We certainly have room for more equipment at this stage, and if we grow beyond our capacity in a year-and-a-half or two we may buy more sooner," he says.

In the meantime, Aryeh says he's confident that this expansion and move into the tract home and bigbox markets will do well to solidify SMG's position in the overall market, which he sees no signs of slowing.

"All three of our markets are really strong," he concludes. "Of course, we're good planners, but things are working out to our plan. So far, we've been on target." ■



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