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Interview no. 1492

Patti Holland Branch

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Name of Interviewee: Patty Holland Branch
Date of Interview: 27 July 2010
Name of Interviewer: Kristine Navarro

Today is July 27, 2010. I am Kristine Navarro interviewing Mrs. Patty Holland Branch.

KN: Good morning.

PB: Good morning.

KN: How are you?

PB: I'm doing wonderful, thank you.

KN: Good. I just have a couple of starter questions.

PB: Okay.

KN: Can you tell me a little bit about where you were born and when you were born?

PB: Okay. Well, first of all, I was born in Chihuahua,, Mexico. My mother is from Chihuahua. My dad is actually from England, and he was working for ASARCO as a metallurgical engineer when I was born. He met my mother in Chihuahua. And I was born on March 29, 1944, so I've been around a long time.

KN: Well, you look amazing.

PB: Thank you.

KN: Now, did you grow up in Chihuahua?

PB: I spent my early childhood here. I actually moved to El Paso when I was starting first grade, and my dad came to work here in El Paso, working for ASARCO, here

in the laboratories and started right at Crockett grade school and when on through Austin High School, and then into Texas Western at the time.

KN: Can you tell me a little bit about your dad and his name, please?

PB: His name is Israel Ayrton Zangwill, and his family emigrated, actually, from Russia into England, and his mother was originally from Ireland, but she was raised in Japan. So, a very diverse culture. Both of his parents were writers. My grandmother came from a family of scientists. And, in fact, her mother was actually the first woman doctor in Europe, and her father was an electrical engineer. And on my dad's side, his father was the one that emigrated from Latvia—his grandfather, rather. But my grandfather was a playwright and wrote some well-known books, *The Melting Pot*, that phrase is coined, *Children of the Ghetto*. He did a lot of the Hebrew translations into English and was recognized about probably ten years ago. We actually happened to be in Europe at the time visiting my aunt in England, and the Jewish museum there was honoring his 100th birthday and actually recognizing him as one of the foremost Jewish playwrights and writers. So that was totally a surprise to me. And he was well over a hundred [years of age] at the time they were recognizing him, but it was just a celebration of Israel Zangwill. And my dad, Ayrton Israel is very much like my grandfather. He was very quiet, very studious, a man of a few words, but a wonderful British humor. But he was completely different from his parents in that he went into engineering, and his brother also became an academic. He was head of the Psychology Department at Cambridge University his whole professional career. And then he had a sister who was ill and remained ill most of her growing up years. But the two men in the family both did very well in their professions. And my dad was with ASARCO until he retired, and he passed away several years ago. But he went from El Paso to New Jersey, but by the time he moved, I was already married and gone from the home. And he ended up coming back here to El Paso to retire and became involved with the theater, El Paso Playhouse, as a lighting director. And then my mother became a very well-known artist while

they were living in New Jersey, started in the arts in her fifties, and painting and sculpting and carried that love of art back to El Paso and was active in the art community here. In fact, she was recently recognized as one of the well-known artists in the last fifty years at the—what is the studio downtown? You have to stop a second. I can't think. It used to be a funeral home, Marcus, Hal Marcus. In the Hal Marcus Gallery. And I didn't know she was going to be featured. Someone saw her painting, and I bought it, and it's in my office here.

KN: Oh, that's wonderful.

PB: So that was a nice little surprise, yeah.

KN: Can you tell me your mom's name, please?

PB: Her name is Sarah Olivarez (Saderasas??).

KN: Can you tell me a little bit about the things that they instilled in you growing up, the values or any business experience that you learned at a young age?

PB: You know, as far as values, both of my parents were very careful to raise us without any prejudice whatsoever. One was Jewish and one was Catholic, so that was a challenge in itself. But my dad believed that we needed to be raised Catholic like my mother, and that's the way we were, my two sisters and I. We always had a sense of business ethics, in everything we did, always be honest and treat each other with respect. As far as business is related, my older sister became a banker. I was the one that became more entrepreneurial. And when you first asked me that question, I was trying to figure out what instilled me to get into my own business and how early did that start? And actually, when I was very young, I must have been eight years old—my parents had a very modest income, even though my dad was an engineer. But my mother did not work. She was at home raising us. And I remember my mother expressing some kind of financial need.

Well, I went to the little local five and dime store and with my allowance, I bought this little weaving thing, a machine, that made potholders. So I made potholders, and I sold them in the neighborhood, and then gave my money to my mother. And then I did the same thing when I became probably ten [or] twelve years old to start a little school for my baby sister who was six years younger than me and the neighborhood kids. So in the summertime, I hosted this little school, and some of the neighbors would give me a little cash, and I would give that to my mother or I would pay for my expenses, so my dad didn't have to pay for them. And then, when I was thirteen I had my first job. My uncle, at the time, was the city manager, and the mayor needed a scrapbook. So I was very artistic, so my uncle said, "If I pay you, like, an allowance out of my pocket, could you help the office with this scrapbook?" So I did. That was my summer job when I was in junior high. And then, when I turned sixteen, officially old enough to work is when I started working at my first job from working at swimming pools to a check-cashing girl, sorting checks at banks, to ultimately working at UTEP under Mr. Moran (Marat??) as his assistant and trying to pay my way into school. And also, I had a Dorrance D. Roderick scholarship at the time. But at that time, I had really no desire to have a business, or own a business, and no desire whatsoever to get a business degree. At that point, I thought I was going to be a writer like my grandfather.

KN: And then how did the process come about that you became a business owner and that you started your business?

PB: Well, it was actually a very lengthy process. I got married very young. My ex-husband was graduating from UTEP, and I met him in his senior year. And he was joining the Army as a second lieutenant and wanted me to go to Germany with him. And of course, that sounded very romantic at the time. My dad was not too happy because I was on full scholarship, and my husband at the time agreed to help me continue on with my education, which was important to all of us. But when we were in Germany, it was much more difficult because we

weren't close to a school, and there was no such thing as an online university. There were some remote classes, but we started our family almost within the year after getting married, so it really became impossible at the time. It wasn't until we ultimately ended up back in El Paso, about four years later, that I looked into the possibility of going back to school. And at that time, we were renting a house, and we realized if we were going to have our own house, that we had to design it ourselves because we couldn't afford to have someone design it for us. We didn't see much on the market that we could afford, then. We knew where we wanted to live, but the land had to be purchased. The area hadn't really been developed yet. So my ex-husband being a civil engineer, and then just with my artistic ability, we started creating our plans. Well, once the house was designed, somebody had to supervise the construction. So I ended up becoming the general contractor, and in some cases, the subcontractor and the general contractor. And we did that through the first house. And about three years later, we did it for our second house. And right after that, we actually bought a development. We bought about thirty acres, and there were about nine people that built in that property. And at that point, we had four children, and realized that if I was going to be able to stay at home and also work that this was a good way to do it. And so we ended up assisting all of those homes with their plans. And then I became the general contractor for all of those homes and learned the basics of construction, working with subcontractors, working with contracting vehicles and, just, time and materials, Gantt charts and what not. After we lived in that house probably about three or four years, we actually separated, and he went on to Alaska. And a year later, we decided to get together again, and I followed him to Alaska. By then, I had already gone back to UTEP and had shifted from journalism into education, did not enjoy education, not because it wasn't a good career and I didn't respect education, I certainly did, but it just didn't fulfill the need I was looking for. So I spent a year taking, I don't know, about twenty-two hours, quite a few hours, that year. And then when we moved to Alaska, we lived in Anchorage, I was working with an organization that was helping promote the gas line. My ex-husband was working for El Paso Energy. So it was a lobbying group, so I learned a lot about

people and community effort, and the importance of communities working together. And I got involved in the politics of the state and what was going on in the nation with Jimmy Carter's administration and how to promote a cause and get a buy in from the local community perspective, a statewide perspective. And it was really an exciting couple of years. However, the president did not approve the gas line. It was awarded to another company going through Canada, and it was never built. And it was putting L&G through a pipeline along the existing pipeline corridor in Alaska, the oil line, and putting it on L&G ships, shipping it to California and basically going into existing pipelines to get natural gas into the western part of the United States. So that never happened, unfortunately, but it was a great learning experience for myself. I also got involved in helping a local dental lab, and it was an independent small, small company, but he did quite a bit of work. So I got involved with the operations as well as just learning the basics of that business. And believe it or not, waxing crowns is very creative (laughing). I even learned that just to try and learn the business.

KN: Why did you see it important to learn the business?

KN: Why did you see it important to learn the business?

PB: Why did I see it important? I've never been able to just know one part of something, whatever it is I do. I'm a doer. I have to understand why I'm doing it and what's the result, what's the result I'm trying to achieve. So even going back to a very young child, I knew the means to the end was to do something, and at that point, I could only do something with my hands to make something because I knew I could get a return, which was at that time cash. So that very simple philosophy just kind of followed me all the way through school, and then getting into business, even working with a small business in Alaska. When we moved back to El Paso, we were back into an apartment with two dogs and four kids, which was not a very exciting time. And also, the housing market was very constrained at the time. So we decided, even though it wasn't something I wanted

to do at the time, that it was the best thing to go back to what we did before we moved to Alaska, and we found some property in the Upper Valley. Did the same thing as a development possibility. And in that particular one, I ended up doing all the design, except for it was a floating concrete slab because of the clay in the soil. And then had some help with some of the engineering on the plans and the civil engineering as well. When it came time to build the house because we had children getting ready to start school, timing was very critical. So every contractor that I approached, and I thought maybe this is one we need to have a general contractor build, no one could do it in less than six months. So working with a critical path, I went back in and said, "You can do it in six weeks, but you need to do this, this, and this." Back then, women weren't prevalent in the construction business, so I was pretty much laughed at no matter where I went, including some of our well-known contractors at the time, and some that are still around today. But I just knew it could happen, and I had no proof. I just knew instinctively it could work, but it would require a lot of effort. So what I did, I went to the different general contractor construction sites and watched different subs build, and got to know some of them by first name, and I did this over a short period of time, hauling four kids with me. But I was able to come up with a list of subs, and I said, "We're going to put this out to bid, but I'm not looking for the lowest price, (yet??) but it's certainly a measurement." But [I said,] "It's how fast can you work? What is the quality of the work, and can you stay within specification?" Based on that, we hired a crew, and there were probably about nine different subs for everything from, you know, I mean, you can imagine a new home. I don't have to get into that level of detail, but a sub for everything. And believe it or not, the only delay we had is the tile was originally from Italy. There was a strike in Italy, and the tile factories, which put our tile about two to three weeks behind by the time it finally got to El Paso. So we were in that house in about eight and a half weeks, instead of six weeks. So it worked so well that some of those same contractors that said they could not do it actually were coming by the job site because they couldn't believe how fast this house was going up.

KN: How were you able to keep it so on track?

PB: I would start at six o'clock in the morning calling all the subcontractors that had to be there that day and telling them what time they needed to be there. And if they did not show up, they were fired. I said, "You have to be on time. We all had a contract, and these were the rules." And you'd be paid on time, but you had to show up on time. And so it became really a fun project because everybody wanted it to work. And sometimes it was really difficult because we were climbing over each other trying to make sure everything happened within this Gantt chart. The other thing, too, my children were by then in school, so I would take them—they would get a bus that picked them up, right there, in front of the lot. So we'd get there at 7:30, wait for them to go, and I would be on the construction site until the bus dropped them off, which was about 3:30 in the afternoon, quarter to four. And so I would end my day there, and then my ex-husband would come, if there were still subs working, after he got off work to make sure things were done for that day. And then I'd go back home in the evening, go through everything that happened in the day, making the adjustments that needed to be done, and then start the same thing the next day. So we did that five days a week, and some of those subs worked also on the weekend. But I had an end in mind. I needed to get in my home. I needed to get the kids within the school district that they were going to school, and we only had a short timeframe to do that. So that was the motivation. And then, obviously, the motivation, too, was a huge savings in cost by doing everything ourselves. Probably at the completion of that project, I said, Okay, I really like the construction business. I really like process management. I like things that have a beginning, a middle, and an end that have definable goals. I like working with budgets, and I like the creativity aspect of it. But then, with my children, by then they were junior high, high school, grade school, I was very, very involved in their education. And I was actually president of two parent/teacher organizations, the junior high and the high school at the same time, which was a real challenge. How I got into that, I

can't even begin to tell you. But we had an issue at one of the high schools. You know, today we have issues of gangs and all the battles that that brings. At that time, we had some gang issues, but it wasn't as prevalent as it is today. But there was some fighting, rock fighting and things like that that were happening at the high school. So we had meetings with the superintendent of school with the board members, and then we decided to take our efforts to every community church because everyone goes to church in the Valley. I mean, it was a very spiritual, family oriented culture at the time. And this is back in the early eighties, late seventies. So we gathered a committee together, and we visited and made presentations at each church to plead with parents because sometimes the parents were involved in these conflicts, as to what role model we're setting for our children. And that was really when the sense of community really hit home. How effective we can be as individuals working with our community and changing the course of history. And we were able to completely eliminate these fights. We started tracking marijuana in the school, and every parent had a role of trying—I mean, we would show up at school at unexpected times. We'd show up at the river, unexpected times, so we had our own little watch group to take care of our children. In junior high, it was really getting them ready for high school. But that whole experience taught me a lot about leadership. It taught me a lot about conflict management because we were dealing with some really sensitive issues with families. And it further engaged me in how important it is to always be involved with your community. From there, right after my oldest son graduated from high school is when my marriage fell apart. I had already gone back to school, but the unfortunate part at that point all the way from the time I finished building that house to getting back into school full time, I knew exactly what I wanted to do. I wanted an interior design degree because I felt that would be the easiest road to construction because there wasn't a degree in construction. There wasn't even, at that point, much of a two year degree in construction. The only school that offered a four year degree was New Mexico State. When I went to register, they canceled the program. I was just devastated because here I am, going through a divorce from a twelve year old to an eighteen year old, and

obviously couldn't leave town to go to school. I had already picked up all of my pre-requisites from UTEP and also went to the University of Alaska when I was in Anchorage. So I thought, okay, I researched and found there were two local schools offering associates degrees in interior design, so I said I'll start with that and see what happens. And I ultimately decided on El Paso Community College. Eugene Pate who was the head of the department, really became a tremendous mentor to me. I went and met with him, [and] said, "Here's the dilemma I face right now," and he said, "What is it that you want to do?" And I said, "Well, I want to get into, possibly, construction, but definitely commercial design. I'm not interested in residential." And he said, "Well you just built all these homes." And I said, "Well, I had to deal with myself, which is fine, in making decisions. I don't want to go through that with other residences because I don't have that talent." You know, you're dealing with a husband and a wife, and it's a very intimate decision. You have to have a tremendous amount of patience, and I'm not a very patient person. So I said, "I think I would be better suited on the commercial side because that's what I enjoyed about home building." It wasn't just dealing with the details of design on the inside, it's dealing with the structure, the process. So to get that and achieve that, from what I've read, and I used to try and read everything I could about interior design at the time, commercial design is better suited for me. So at that point, his program was only residential, and he was able to structure it with assigned projects to be commercial. And then I said, "Okay, I need to get through this program in a year and a half," and he just kind of chuckled. And he said, "Patty, I don't have anybody that finishes in a year and a half, much less two or three years because," he said, "there's so much work outside the classroom that has to be done." And I said, "I have all my pre-requisites," except, I think, accounting was the only thing I needed. And so I said, "I'll take all the hours I need." And he said, "You're talking about eighteen or twenty hours per semester." And I said, "If that's what I have to do," I said, "I need to get to work." And so I started that Fall. I don't even know how many hours I took, and I actually ended up spending all day at school. And my middle son was about sixteen, so he was responsible to make sure the twelve-year-old got

home, and we had our rules of who could do what. The other one was already away at college. And then my daughter was finishing high school. Actually, I take it back, they had both just finished high school because the oldest one was already a freshman at UNM, and my only daughter, at the time, was going on to UNM as well. So I had the two boys at home. And all of the classes were split between Valle Verde and Trans Mountain, so I would take the earliest class possible, and then stay on campus to do whatever work I needed to do on campus until it was time to come home, to be home, for dinner for my kids, and then once the family work was done, then I'd start all my homework. So I got used to very long days. So sometimes I'd get finished at two [o'clock] in the morning, and I'd have sometimes three hour nights and sometimes four hour nights, but never more than five hours. And that's the way it was for that whole time. And I was able to graduate with a 4.0, and I actually could not take my finals because I ended up having major surgery before my finals. And I was very fortunate because they thought I had cancer and did not, which was really a blessing. But during that time, it was so intense. I had to learn time management (laughing). So our life teaches us skills that we don't really sit back and reflect as to how we learn certain things. But, again, it improved my way of research, and because I did have to rely on resources, not just at school, and pull resources. The Internet was not prevalent then as you recall, so everything was hands on reading, research and then putting projects together and then studying. When I finished, I wanted to do an internship with an architectural firm, which I did, and it was very helpful because I could understand even though it was only a three month internship, I really tried to spend as much time as possible. And that was part of my last semester, by the way, was how an architectural firm functions. What's the process they use for design. One of my neighbors was (Merve Moore??) who is still a dear friend, it was his firm, his first firm that he was with, and he was wonderful, as were several people that I still know today that are in the architectural community of spending time and nurturing. And the other thing to keep in mind, too, at that time, when I graduated, I was at the age of some of those students' mothers. I was in my early forties, so I was starting when others

were probably already into advanced degrees, well into their professional career. So that was a huge challenge, and the only way I knew how to overcome that handicap is by reading and doing as much as I could to bring myself up to a certain level of expertise. My very first job was with BPSI, this was before Dave Horsley took over the firm, and the owners were great. They were mainly out of town. It was mainly being run by the management in town and [inaudible] was his wife, Jeanette because he was developing his refurbish business in California. They gave me the opportunity to start with them. And when I first got in, going to trade shows and everything is something they really didn't budget, so I paid my own way because I knew the only way I could really get exposure to the industry is to see it firsthand. So my first trip to Chicago to (Uni Con??), I paid for, and I learned a lot when I was there.

KN: What did you learn?

PB: First of all, I didn't realize, at that point, to me the industry was huge. And I really didn't understand the whole contract furniture market. Let me grab some water real quick. When I joined BPSI, they gave me the privilege of being involved in different sectors of their business. I was the librarian, I handled showroom sales, and I did design work. And then as I got into the design work, I kept coming back to when I did the home building and the process and all that. And I thought, Well, if we're selling the furniture, why aren't we doing the entire project? Why aren't we getting involved with the tenant improvement? Why aren't we talking to the general contractors? Why aren't we in Juárez? The maquila industry was just mushrooming at that point. So I went to Jack (___??), who was in town one time, and said, "I've got a little business plan that I wrote up. I'd like to show it to you." I said, "I'd like to be a project manager," and I, of course, didn't know all the meaning of what a project manager is." I said, "This is what I think I can do." I had just brought in a project where it involved renovation of a building off of Pisano, and it had offices and retail and what not, and I got involved in the interior design hands on, and also a little bit of space

planning with the actual construction, dealt with the contractors, the owners. And then they ultimately did buy a lot of furniture. But I said, “I think we’re missing this part of the business where we can impact and get involved earlier rather than at the back end on the retail end of it.” And I said, “Also, there’s a lot of stuff going on in Juárez,” and I said, “And I’m from Chihuahua, and I’m fluent in Spanish. And I think, just family members alone, I can get into these maquilas and try and figure out how to promote business in Juárez.” At that point, Herman Miller, which is the manufacturer they represented, had representation in Mexico City, and they said, Well, we really don’t want to be in conflict with that territory. I said, “Well, there’s a lot of other opportunities.” They just didn’t see that being a relevant part of their market, which is fine, but at the time, I just thought we’re in region— I never could understand why we could not look at the area as a region. And the same thing with southern New Mexico. I said, “I don’t mind being on the road and going and covering some of these areas.” He said, “Well, you’re a female, and I really don’t want you on the road by yourself,” and whatever.

KN: You’re kind of laughing at that, I see.

PB: I’m laughing at that because it was the same discussion we had at the time and probably something that, I don’t know if you want to publish it or not, but we had a discussion about salary because the task I was doing was similar to a task one of the male salespeople was doing. And my base was lower, and I was doing actually more in the way of overall business. And we broached that subject, and his answer to me, “Well, he’s the primary breadwinner for his family.” And I said, “Jack, I’m the primary breadwinner for my family.” But it just didn’t impact, and that was just the world we lived in, Kristine. That was just the world of women, at the time. We just sucked it up and didn’t make an issue because you needed your job, so you just dropped it, which I did. But everything I did from that point on I tried to look at it more holistically. Sometimes it worked, and sometimes it didn’t. And I spent not quite three years there, but at that point, I

needed to grow. I needed to grow financially. I mean, with my kids and everything, I just was not making enough money to take care of my needs. And not that I was completely dependent on that salary, but definitely with four kids, there were huge expenses. So I looked at other opportunities, and I decided I would be better suited being a contractor, helping some local designers. So I thought well, I'm going to try that for six months to a year. If that doesn't work out, I'm going back to UTEP, and [I] did not have any interest in a business degree, but I decided if I got that degree, maybe it would open up other doors. Maybe my dreams were just that, just a dream, and it's not going to happen in the design business. So, I did. I ended up subcontracting to a local designer, and our personalities were just like oil and water. We just did not jibe together. She was a good designer, but it just was not working out. And so I told her, "I just need to work from my house." And she asked me what I was going to do, and I said, "I'm going to try it on my own for a while." And she said, "You're not going to make it, you're going to fail." And of course, there was a little bit of bitterness there, but I thought, Well, you just now gave me incentive to succeed. That's what I was thinking because I'm so competitive. But I thought, At whatever I'm going to do, by golly, I'm going to succeed. It may not be easy, but I'm going to make it. So I went home, called my insurance man, I called my brother-in-law who was with the phone company because I needed to set up a separate phone line. I had a little computer, and just set up my breakfast nook as an office, and set up a design library in a little family room. I had a townhouse on the Westside. And readjusted bedrooms and what not, and I thought, I'm going to make this work. And just about that time, I got a call from—it was a client that I had helped when I was at BPSI, they were an out of town client, and said, We're getting ready to do a facility in California. We really like what you did in El Paso. Would you be interested? I mean, God is good. And I probably within the same timeframe received a call from UTEP, Charlie Solice (Salas??), at UTEP saying, "We need some help over here [at] Kelly Hall and at the Union, can you help?" And the third call was from Southwestern Bell, Hector Gutierrez, you know Hector, who was then head of Southwestern Bell. Someone in his company, I

can't remember who it was, called me and said, "We've got small project for you, some design work, can you help?" So those three were literally, and thank God to UTEP, because they became a client for the rest of our career, but those three are really what kept the doors open the first year. I ended up bringing on a student intern who ended up working for me for about three years. And also, her sister, and we were working from home, of course, balancing kids—everybody had children. And after a year, realized this isn't working out very well. And I knew it definitely wasn't working out when I approached a bank about a line of credit and went to go meet with him and said, "This is my situation. I've got some resources that I can put up as collateral, but I need a line of credit for manufacturers to do business with me, and my clients are now asking beyond just design. They want me to start buying things for them, buying furniture, carpet, what not, but I can't do it without a line of credit." And he said, "Well, why do you have to grow? Why don't you just stay in your home like most of the decorators do and just work from your home?" And I looked at him, and I won't say his first name because he's still here, I said, "Do you think I should meet in my dining room or in my kitchen when I bring in the executive to talk about his project?" And he just kind of looked at me. And I'm sure he was thinking this lady is going to get in over her head, which I have several times, by the way, but I said, "That is not going to work. Not the direction I'm going." I said, "I'm committed now. I now have people calling me, without me calling them. So that means I must be doing something right. And I've got to move to the next step. I need to get out of my house." So I ended up financing my own self, and I did end up getting a line of credit with that bank at extremely high interest rates, but it was all I could do. And that's what I had to do to start business because, again, look at the times. It was early [the] eighties, and business was not very woman business friendly at the time. And not that it was just that, but it's also a startup business, high risk with startup business, even then. So there were all these factors working against me, and we were in the middle of a recession. So everybody says you're starting a business in the middle of a recession? Well, when I looked at my options, I thought the worst thing that can happen is these

clients don't work out, and I'm out a little bit of money, but not a lot. And then I'd go back to school and get a business degree. And I ended up signing up for some courses that I was just taking through community college in SBA, you know, on some basics so I could start preparing. And that's when I thought, Oh my goodness, why didn't I start off with a business degree instead of journalism? It was a real challenge.

KN: What were the challenges?

PB: Well, just understanding the basic principles of setting up a business, setting up your books. I did find an accountant to help me work through that. Understanding I hadn't become incorporated yet, but I knew I needed to become incorporated. Just understanding the basic structure of business. I was very naïve. I understood the mechanics of how to get through a business process, as far as working a project, but not on setting up a company. So it was going back to SBA, going back to community college, talking to other business owners, talking to my accountant, talking to my attorney. Just different people to help me get it structured. And then figuring out formal contract writing, all of that was very difficult. I bought business books. And then also, I had a good design library. I was always purchasing whatever book was available at the time as far as setting up your business and design business. The other part that was difficult is managing people. You know, I'm the kind that wants everybody to be my best friend, and that doesn't work when they're employees. So HR law was something that I had no understanding of other than you treat people a certain way, and they're supposed to treat you a certain way, and that just is not the way a business works. So I had a lot of difficulties in making sure that that structure finally got put in place. And that's a never ending process, people development, which I'll get into later. But the first group of employees I had ended up having to move out of town or whatever, and at one point, it ended up being back with just me. And that was a real challenge because we had just done a project on the eastside of town with one of the, I don't recall if it was Levi, but one of the plants and did a

complete space planning, design, everything. And I actually had a designer working for me that was out of Chicago for most of that year. She had a family emergency and had to leave. And I had entrusted that project to her, and we were installing it, and the installer calls me and says, "Patty, we're off by six feet." And here's a licensed designer, had all the credentials whatever, so I put on my Levis, haul myself to the eastside of town, get with the installers. We figured it out. Ordered parts, pleaded for—just pleaded with the client to give me just a week to figure this out. And we did, we got it figured out. And one of the things in that whole process is you have to learn lessons in life by doing it yourself. You've got to suffer the pain and agony, so you don't make that same mistake again. And I learned that it doesn't matter how much education a person has, how much skill they have, we still have to have checks and balances. We have a very strong QA process here, and even with that, we still have errors. So that's something that follows you the rest of your life is you have to have checks and balances and QA processes regardless of a person's ability and education. That's just the way life is. So we went through all that, and as we continue to grow, we did a lot of work with the Maquilas. I met my husband, and believe it or not, within a year after we met each other, it was really interesting because he was at a point of life, and I was, too, that neither one of us were really dating. We just kind of left that scene and said that's not for us. We're very family oriented. In fact, our first dates was really taking our kids out to things. We didn't really have a date until after we were married where we actually went out to dinner and to a movie. It was always with kids. And we had faith, the same faith. And I had started attending, actually, a church that he was associated with, so everything was aligned. And we got married, and he was with Hewlett Packard, and he opened up Mexico for Hewlett Packard. And I said, "Dave," I said, "I would really like an opportunity to do business with the Maquilas, this is something I've been wanting to do for years since I was with BPSI, but I don't know how to get in the door. I know once I can get in the door, I can work the project, but how do I get in the door?" So he helped open doors up with Phillips and General Motors, which then became Delphi, and a year later, he joined the company. Of course, he was the only man,

then. We had about seven people then, and he's very strategic. A lot of our success is due to his strategy. And I'll never forget, he went on his first call as what was then PZH Contract Design, that was our first name, he went to Juárez to call on EDS and General Motors and Phillips, and he came back all excited. He said, "We have the General Motors folks coming over tomorrow." I said, "Really?" And he said, "Yes, we have a project." Well, how did you sell a project when you're just—I mean, he had been, maybe, a week there at the company. [I asked,] "What did you sell?" He says, "Well, they're doing a renovation of their HR area. They're building a new kitchen cafeteria. They needed something to do with their environmental system." He went on and on, and I think I was probably as white as could be by the time he finished. I said, "We don't have this capacity. How are we going to do it?" He said, "Well, we've got to figure it out because there's about ten people coming tomorrow. "By then, we had moved into a building downtown, one of the historical homes, and Mervin and I were sharing this building. So I went to his office. I said, "Mervin, I need your help. We've got to pull together a mechanical engineer, we need a structural engineer, we need a civil engineer, we need you, we need this, we need this, we need this." He said, "When do you need it?" I said, "By tomorrow at eight o'clock or nine o'clock," whatever it was. And believe it or not, by the next morning, you would have never known we'd never done this type of project, but at the conclusion of the project, we ended up designing and building and, of course, Mervin did all the architectural, put together all the engineering, everything. We put the construction out to bid. But it was the first advanced kitchen cafeteria for any Maquila in Juárez. It was as beautiful as you can get. I still have photographs of it. The kitchen was huge because when you bring foods in from Mexico, the cleanliness isn't always there, so you have to clean it before you actually get it into the kitchen environment to avoid any bacteria, things like that, from getting to the kitchen. So it was a very sophisticated process. And then, beautiful cafeteria furniture. Then we did the HR area. Then we did all their [inaudible] area where their exportation and everything took place. Then we did implant offices in the factory. And so by the

time Delphi announced that they were actually coming to El Paso, we were already put in a position of preference to do the interior design. But we went through a very grueling bidding process before we actually ultimately won the furniture contract. But Dave helped in paving the road, not to pull any favors per se, but teaching me how you sell at a corporate level because these projects, we had to meet with the engineers in Ohio. We ultimately took them to Hayworth Corporate in Michigan. So we were dealing at a corporate level before we dealt at a local level. But teaching me the infrastructure of how manufacturers are set up, you know, the Maquilas. Because typically, at that point, your plant managers, maybe, had authority to sign off on \$2,500 and these were obviously hundreds of thousands into the millions of dollars in projects. But that was an expedient growth in the company of realizing we can play in this game, but you have to do it with the first strategic alliance that you ever had, which was with Mervin and his team. And then the other thing, too, we became more solidified in our relationship with Hayworth and became one of their preferred manufacturers, representatives, or dealers. We also had to expand our services. We had to bring installation in-house. We did not have warehousing or anything. It was all done all remote, and that's when we realized where we were was great if we were just doing design or selling furniture. But if we were truly going to be a sophisticated dealership with multiple services, we needed our own building, or we needed to lease a space. Dave happened to be out for breakfast somewhere and ran into John Nobles, and John said, "I heard you're looking for a building." And he says, "Really, how did you know?" He said, "I got an offer you can't refuse." He says, "I have a building that I want to sell." And he said, "John, we can't afford that property." He said, "Well, how do you know before you even asked how much it is?" So literally, over a hand shake, we bought this facility, which is about an acre property. And at that point, it was a small, little office space next door, this main building, and then the small warehouse you saw in the back. And so we renovated it slightly, and we had a very limited amount of money to do some renovation, but we made it work. We had our big grand opening, and we then were in the installation, design, and dealership business with all the related

services. And we focused heavily on Mexico because of the growth of the maquiladoras and in El Paso, too. But our larger projects were south of the border. At that point, too, we realized for us to service some of the Mexican owned facilities and some of the maquilas, we needed Mexican—excuse me for a minute, I forgot the term. I'll skip the term. But we needed the ability to do Mexican invoicing. So we ended up forming a very small Mexican company, and we only kept that in place for a very short period of time because we realized we needed full staff on both sides, and the resources were just enormous to be able to support that. So by that time, cell phones were just entering the market. And laptops were just starting to enter the market. So I thought, Okay, let's buy a cell phone and figure out how to handle Mexico remotely, which is on this side of the river. Let's face it, we're neighbors. So we figured that would be a much cheaper way of doing it. And it worked pretty well in most cases. The thing is that our manufacturers had a difficult time in understanding that we are in a regional market. That Juárez wasn't hundreds of miles from here. It was maybe twenty miles, if that far, door to door from our office in Juárez that we had at the time to here. So we actually had one manufacturer that opened up another dealer selling the same product in Juárez, and it created a lot of problems for us. It created competition against ourselves because we were selling the same product in a small market. When you look at this regional market, it is a small market compared to other metro areas. So that definitely affected our bottom line. It was a very painful period. That dealership didn't survive. The cost of doing business, if you don't know what you're doing in Mexico, can be pretty painful. And so they closed down in less than five years, and we ended up gaining back that client. There were a couple clients that we lost. We were able to recuperate that business, but not without tremendous loss. That was a very painful time. The other thing that happened around that timeframe is we had the Asian meltdown and the dot com bubble. And so we went through several years of one crisis after another. To survive that timeframe, we had to diversify because there were times when there were no product sales coming in. We also, before that crisis hit, we had started doing business with Hewlett Packard on the national level as a

minority owned business. We had become certified under National Minority Supplier Development Council. So that was starting to open up doors with those corporations that were looking for minority businesses. And together with Hayworth and then local Hayworth dealers at that particular location, whether it was in Washington State or in Oregon, which was where most of the business was, some of it in California. There was always a servicing dealer there locally. And they also had large installation companies that were also minorities that they had brought on board as part of this contract. And it was significant business. Some years were ten million, fourteen million in sales during the height of all their purchasing. Very low margins though, so learning on how to increase margin was always a task. We ended up in one case having to actually put a full time person in a Hewlett Packard plant that was a designer, and designers are not inexpensive, especially seasoned, certified designers or licensed designers. And so we had all of these things in place when we got a call from HP and [they] said, Well, you're hearing (here in??) the national news. We need to notify you that we're stopping all purchasing immediately. We'll process any orders that are already in house. We'll pay for everything that's in house. But everything else is coming to a halt. And by the way, can you still keep your person up in Oregon because we need her for moves, ads, and changes and what not. And I said, "Well, this is what we need to be paid for for this person." They said, Well, we've bought all this furniture from you, why do we need to pay for that? And I said, "That's in the past. We're talking about the future. I have to have that person's salary paid for, benefits, we've got computers and what not." Well, they just didn't have the resources even as a huge corporation, so we had to close that person down, which was computers, furniture, everything for that person and close that site down. And then we worked very closely with the local dealership to transfer information so that no one would be hurt in the process as far as the client was involved. And we had gone through three or four years that we were doing business with them through their quality process on a quarterly basis. We were being reviewed. It's TQRDC&E [TQRDC-E], technology, quality, responsiveness, delivery, and I can't remember right now what the E was for. But

we practice that internally. We ended up marrying (mirroring??) their process, internally, on how they had reviewed projects because we had formal reviews onsite with their project management team, so I gained a deep knowledge of how they work through a project management process and the importance of that quality process. We dealt with companies that were Malcolm Baldrige Award companies, and we benefited from their experience, which was Milliken Corporation, a carpet mill. Hayworth was going through also trying to become certified and also through their (Iso??) program, and they were pursuing the Malcolm Baldrige Award. So we were able to benefit from all these processes from the customer standpoint, the manufacturing process that supplied us, and then bringing it in house and trying to work it internally. Even though all that business went way, it was a huge hit to the bottom line, and the same thing happened with General Motors at the same time. So we lost, overnight, well over 50 percent of our business. So we had to cut staff, reduce expenses. It was a devastating time. What helped us survive is that, as you know, at the time, there was a financial crisis here. There were a lot of liquidations going on. We became a liquidator, and we liquidated banks, facilities, and sourced a lot of that product into Mexico. But it was cash in/cash out. It was all based on cash transactions, and it was also a learning experience because we learned what we needed to do to survive in tough economic times. The industry was not as complex as it is today. So the industry itself did recuperate. We were able to bound back, but we're a little bit more wounded, a lot more scars, but we did rebound. And it was just a tough learning time. I want to say we also looked at our market, on who our customers were, at the time. It was still basically commercial, but we were really gun shy about pursuing those large corporate accounts because when they're out of town, like all the HP business was, we really can't affect the bottom line as well as we would like to because they drove the margins. And also, they could cut it off at any time without any warning. So we really worked on building back that local base, that local business. And that took some time to do that.

KN: Did you all re-evaluate yourselves once these large contracts were gone? Did you look internally and—

PB: We did, and it was such a survival mode at the time, and there were so many changes going on in the industry itself and the way we went to market that I can't really—you know, I haven't had the time to really reflect back. And maybe I can do that at a later date, to really take that timeframe, and what did we do, because we made a lot of changes in how we developed people. At the time, resources were so tight that we didn't really spend as much money as we needed to in training people. And that's something we do differently today. There was an article I read years ago where someone was interviewing different business owners, and the lack of investment in the people was pretty astounding. And they said they were able to track business growth. And the ones that grew the healthiest were those that invested the greatest amount on their staff. Some people were of the opinion, well, if I train them to do this, they're going to be gone. They take all that knowledge. And yes, that happens. I mean, we've trained a lot of people that are no longer with us. But it helps you with how you evaluate people moving forward. And some of those people end up coming back or end up in another location, in another career, and they send business back to us. I ran into the very first Hayworth representative we ever had. He was working for Hayworth, at the time. And just a young kid, just outstanding. And now, he's gone full circle. He was out of Dallas. He's worked for other dealerships, and other dealerships, and other dealerships, and now, he's back into a senior role with Hayworth again. But he gathered all of that knowledge and being more entrepreneurial that he can now feed back to the dealer community. Unfortunately, he represents another region of the U.S. I would love to have him be our Business Development Director, but I saw him Unicon in Chicago this last year, and I hadn't seen him in many years. And we spent so much time talking together. And he said, "Anytime you need to call me, call me." And I said, "The same thing here." So, I've got a forever mentor out there in the industry, and so there's people that I've run into, and I find out what they're doing, and we end up

helping each other. So you never waste resources and training people. It always comes back to you in a positive way one way or the other. And one of the people that we've had here the longest, Sergio Aragon, he's our VP of Services now. He started out as a kid, as an installer. And put him through school, encouraging him to go get his MBA there at UTEP, but he's been with me seventeen years. Got married, he has got children now. One getting ready to go to junior high now, and we have several people that have been here ten years or more. So it's really rewarding to see a career path. And then we have a lot of new people that we brought on board, too, for different reasons. So I'll go into that. But I was just wondering if in that process, when I was talking about that painful time, when we were at the height of that Hewlett Packard business, it was also the time that I was Chairman of the Board of the Greater Chamber, was just coming on board to the Federal Reserve Bank. I've been on the advisory board for Community College Design Department since I left school, so you can imagine how many years it's been. And one thing I wanted to reflect on, too, I mentioned Eugene Pate. He and I always stayed in contact with each other. He passed away several years ago, and he was such a wonderfully motivated man to see other people succeed that I had so much respect for him. And there was a group of us that got together to form a scholarship in his name through El Paso Community College Foundation, it's called the Eugene Pate Scholarship. So my thanks to him is every year since then, I do everything I can to raise scholarship funds for that scholarship and ultimately joined the Hispanic Chamber Foundation and [I] have been part of that for many years. And I chair the symphony, the Christmas Symphony, which is a scholarship raising fund. And then we do two events, one of them is the Gary [Del] Palacio Golf Tournament and the symphony concert. I mean, the Christmas Symphony. And it's so rewarding because I get to talk to these students that receive the scholarships and what they're doing with their lives, and I always share with them how important it is to not give up. Don't give up. No matter how hard it is, no matter how old you are, stay in school, go back to school, get your education. I said, "Had I have started it at a younger age," I said, "I would still be in school." It just didn't work out for me. I learned the

hard way. And you can learn so much by being in school. I'm going through that right now with my oldest granddaughter. She's having a few struggles about college, and I shared with her, she was here this weekend for this baby shower that we had for my daughter-in-law, and talked to her about the importance—things in life. What things do you need to aspire to? So I try and do that with the young people as much as I can. And through this scholarship program, even though we only impact maybe a hundred students a year, it's a hundred students that are online for the rest of their life. When I went to the scholarship banquet a month or so ago, and I was sitting next to this young lady, she was obviously the first high school graduate, much less community college student—wait, excuse me, high school graduate for a family that was going onto college. And I think she was the one that was going to Boston College. And her parents were just wonderful—very, very humble, extremely proud of her. And I talked to them in Spanish about how wonderful it is that they're supporting her and to keep supporting her. And then, for her not to give up. I said, "It's expensive, it's a struggle, you're going into a whole different part of the country, but you'll never, ever regret it." And so if we can just, as little businesses here in El Paso, each adopt some students that we can encourage to get an education, our community would be so much better off. And I hope I'm able to do it because I've been on the Foundation for a lot of years now, but the next thing I would like our Foundation to do, and we've talked about it, is just we're not getting more board members in place. Eventually, hope to have a grant writer in place, that is part of our team, there, to be able to build the promo where we can get businesses here in the community to become role models, mentors, and actually have those students work in their business during the summer in the field that they're going to school for, whether it's medical, whether it's business, whatever that is, engineering, to get experience. So you're mentoring the student that you could hire when they get out of college.

KN: Why is mentoring important?

PB: It's important because students today, in speaking to many of them, some of them come from broken homes. They don't have a role model where they can see themselves becoming successful, where they can overcome the challenges of—some of them have low self-esteem, and they just can't get beyond it, can't see themselves succeeding. They need to hear from different women, men that have been able to pull themselves up and get out of a bad situation and get educated. We have a young man here, he's a West Point graduate, he's a veteran. He came from the worst part of L.A. that you can imagine. And he has never given me all of his stories, but he's said he's been there and done that. Okay. He was an All-American football player. He separated himself from his peers, that he was growing up with, and made a decision to do something different. And we look at the situation going on today with the [Barrio] Azteca gangs and the cartel issues. We look at Juárez, so many of those young people that are getting killed have no other hope. They have no income. They have no job. They have no education. What else are they going to do? They become victims, and we have to get them from a victim, to feeling that they can be successful, to be successful. When we listen to the Mayor from Medellín coming to speak to us of what he had done there, I was just absolutely blown away. I thought, Okay, here's a country that most of us thought it was just not possible. And we saw photograph after photograph after photograph of community projects, libraries, schools, built in the worst parts of Medellín. I thought, Okay, that can be Ciudad Juárez. The challenge that we all had is that we have so little resource in the way of time that we have to keep our businesses running, we have our families, but it takes an overall effort as a community and, obviously, an outreach into both of our Federal governments to make that possible. We've got a long road ahead of us. But if we just start with one or two, that we can impact, then that's a step in the right direction. We can't solve the problem of thousands, but we can influence one or two, each of us. And that's how it starts. That's why I look back at Gene Pate because there was a really low point when I was starting school, my marriage had just fallen apart, I had a twelve to eighteen year old kids, four of them. And not having a very high opinion of myself at the time thinking, How am I going to do

it. He was so motivational, and I remember coming to him when I was getting ready to finish school, and I said, “I feel like I’m not ready, that I need to go right into UTEP full time and figure out how to make it work.” He said, “Patty, the worst thing you have working against you is your age right now. He said you need to start your career so age doesn’t become a factor.” And that’s what I did. Whether it was the right thing or the wrong thing to do, but it was probably the right thing at the time. If I had been ten years younger, it would have been very different. But at that point, that was the right decision. But he took enough time to care, and when he passed away, one of the other designers, who was also a very close friend of his, as well, found his student records. He had tracked, without a computer, every single graduate that he had had in the program. And I’m sure he would call them to figure out, okay, are you doing okay? Because I would get a call out of the—

KN: Did that make a difference?

PB: It did. Someone really cared. And it was amazing, the times I would get those calls would be at a time I was having a really difficult day or difficult moment, and he’d say, “How are you doing?” And, “Don’t give up. It will be fine. Thing about this, think about that.” And I know he knows the influence he had on people, but there’s a lot of people like that in this community, a lot that do reach out and help people. And that’s what I meant about getting involved in your community because if we have a healthy community, if we have a giving community, if we get involved in the politics and all the infrastructure, everything, we build a place for future generations so that our children, our grandchildren have a place that they can continue to call home. In spite of the issues we have next door, we have a good community. I have family in Juárez, I have family in Chihuahua. I was speaking to my cousin, it was a week ago Sunday—excuse me, a week ago Friday. I was in the last session at Tech, and I thought I had my cell phone off, but it was on, and it was my cousin from California letting me know that his nephew in Chihuahua had just been shot.

Okay. I jumped out of my chair, went to the patio, called my cousin in Chihuahua, and it's her son. I said, "What's going on?" And she said, "He wasn't shot, the one standing next to him was shot." And I said, "How are you doing?" And she said, "It's unbelievable. We can't entertain outside of our homes. It's not safe." They were in their place of business. I don't know whether someone tried to ask him for *mordida*, or whatever, I don't know, it wasn't important. I was just glad he was safe. And I said, "Why don't you move here to El Paso?" And she says, "I'm on a peso budget," she lost her husband to cancer last year. She said, "I can't afford to." But she said, "I will tell you that my—," she has one daughter and four sons, the daughter just got her PhD in Cuba, in Havana, Cuba, and she is a U.S. citizen, and she got an education. I said, "Well, tell Cecilia come stay with us," she has children as well, "look at El Paso," and she said, "She can't get her husband out of Cuba." They're telling him now because he's from Cuba, but he went there for the graduation, and it will be a year before he can get out of Cuba. So I thought, We have such international problems that my problems are nothing compared to some of the family issues that we have right now. But the good thing is that this community has opened their arms to families moving in from Juárez. And together through Paso Del Norte and other organizations, we're working together to try and figure out a way to solve this. It's not a short term problem. But we're working together as communities. And I remember back in the eighties and going into the nineties and when I was chairman of the Chamber, we were working together to bring this Camino Real Economic Alliance to bring the communities together and look at strategic marketing and economic development as a region. And look at what we're doing today. I mean, we have REDCo, Juárez and El Paso hand in hand are bringing in industries. Yes, we're facing some challenges right now, but you should see our funnel. It's incredible. We have a couple of hundred companies looking at El Paso and Juárez. Some of them are short listed, some of them have moved here but can't announce because of the issues, and others that are getting ready to announce. And that's been a collaborative effort that was started more than twenty years ago, and community building did that, and that's why coming full

circle—like each of us have a responsibility for our own community, whether it's our neighborhood, our schools, our churches, or our city, or our region. We have not only a commitment, but it's also a privilege to do that because we benefit as well. Do you think that I haven't received business as a result of that? Of course I have. Am I doing it just because of business? No. I want a safe community and a place that my children and three of our adult children are living here and grandchildren. So it is their home. But the other thing, too, is being involved with the Federal Reserve Bank and Hispanic Chamber and the Greater Chamber really gives us a sense of how everything works together.

KN: Why is that so important for small businesses to get involved with the Chambers?

PB: You cannot find a better source of networking than to get involved with your local Chambers of Commerce. They are incredible. And they each have their own role. Like with us today, I'm involved on the Armed Forces Committee at the Greater Chamber. Dave sits on that executive board for the Greater Chamber, but I'm just involved in the Armed Services because the majority of our business is from the Federal government. On the Hispanic Chamber of Commerce, they've been wonderful at mentoring and helping us out in growing us from a small 8(a) to giving us exposure in Washington, which has ultimately given us a tremendous amount of business, not just through Hispanic Chamber, but just showing us resources that may have been harder for us to find on our own. But they're extremely supportive, too, also of startups, and they offer wonderful mentoring through their programs. I will give you an example, when we first started our business, when we first moved into that space on Mesa next to Jackson, I hardly had enough money to buy paper supplies, yet I wrote a \$200 check to become a member of the Greater Chamber Minority Division. They had just started the Minority Division. And why was it important? I had no idea on how to network. I really didn't. I had not been to a networking event. I wasn't even really sure what networking meant. And being part of a minority division [I] thought, Okay, there's other people like myself, whether—we (weren't??) all from Mexico, but at

least I felt I had a commonality to help me start up with an organization. But I learned so much through getting involved through multiple committees. And sometimes it was a hard balance because I over committed myself. The year I was chairman was really, really difficult. We were renovating the Chamber, and we actually had to vacate that building, move everybody into what is now the Wells Fargo Bank building because we completely gutted out that facility. The Chamber didn't have enough money to have a construction manager, so between the architect and myself, we took on that role. Being an interior designer, our team, here, worked really hard. And it also sometimes created conflict, too, because I'm sure people saw us, [and thought,] Well, you're in a competitive situation. You're doing this. But what they didn't realize, a lot of it was gratis. There was no compensation for that time. And what was compensated was miniscule in comparison to the hours that were spent. But it was an interesting experience. We, at the end, had a great facility and it's served us (it serviced??) well since then. But more so than that is at the time, Economic Development Group was a separate organization, and it really needed to come back into the Chamber to function in a healthier environment where there could be better benefit to all for industry being recruited into the area. And that was a really painful experience because there was a contingency that did not want that to happen, and others that did. So that took really into Hector Bustamante's tenure before that ultimately happened. But it was good, and then when we were ready to grow again, here we were saying now we're going to become an independent organization, but it was very different. We had a structured board of directors, we had very specific bylaws. I mean, the whole direction was completely different and remains different today. It was a very well managed organization. We recruited Bob (Clark??), even though he was already here in El Paso. He had to go through a grueling interview process with multiple candidates before he was selected. So everything that was done was done professionally. And we don't regret one thing because now the organization is extremely focused. We bring in new industry. We bring in new business. We're not a chamber, we're not a membership driven organization. We're an investment group. You know, you

invest into the organization, and it's worked well. We work well with the city, we work well with the chambers. Collectively, we work together to recruit and grow existing business and recruit new industries. The other thing that has evolved, I'm just trying to think if I left anything out from that whole nineties going into 2001, 9/11, which was another difficult time. Oh, I forgot something. Back, also, right after I served as Chairman of the Board at the Chamber, shortly thereafter when I was also serving on the Federal Reserve Bank Board, then Governor Bush recruited me to serve on the Texas Board of Economic Development. And that was an interesting process because I never envisioned myself serving in that capacity. I didn't think I had the qualifications to do it. I was extremely honored, and it wasn't a political appointee kind of thing because—I mean, it was and it wasn't. I was an Independent. So when I first got called, no one ever asked what political alliance I had, and so I just thought well you didn't get on these boards unless you were Democrat or Democratic governor or a Republican. But at that point, with the work that I had done with the Greater Chamber and then the involvement with the Federal Reserve Bank, somebody thought I obviously was capable of going into that position. And it was really interesting because when I first served on the board, there really wasn't any focus on the border. And I started talking to our chairman and saying we really need a committee focused on border issues. First of all, this is going to be at some point in time predominantly Hispanic state, so if we don't take care of the border, we're not taking care of the rest of the state. And so we formed what they call the Texas Border Trade Committee. And then what was the name of that committee I chaired? Well, I think that's what we called it—just the Texas Border Trade Committee. So I chaired that. And what we ended up doing is going to every major Mexican and Texas border community and having meetings and signing sister city documents. And we formed this alliance, and then they actually would come to Austin, the representatives from those communities, on both sides of the border, and just started looking and talking about how do we strategically focus on building the border as an economic region. And that was at the same time that Senator Shapleigh was starting to focus on the border. So it was very positive. I think

that ultimately led into other aspects of the economic growth along the border. At least it became more prevalent and exposed some of the trials and tribulations along the border. Whether you're a Republican or Democrat was not really relevant. The fact is we had high unemployment, major issues, at the time. So I think I was on that board for about four years, and then my term ended. Governor Perry was then governor, and he asked me to be on another board, but the time commitment is just extensive. And also, the costs. I mean, you pay your own costs going back and forth. There is some reimbursement, but the time away from the company was just too great. And then that following—right after the year I spent as chairman, which I was out of the office constantly, was taking its toll. So I really backed away at that point and really started focusing heavily on what we were doing here. And then we were hit with 9/11, which was devastating to everybody. It really didn't hit our industry until about six months later. But we were anticipating it, so we had already looked at ways to cut back and be ready for this downsizing of business. So it was really difficult, and we went back to our main manufacturer, Hayworth, and looked at options. And we talked to their dealer development. By that point, I mean, we'd been through—we started off in a recession, we went through three more economic downsizing, crises, whatever you want to call it. And my husband and I looked at each other and said, "We're tired. We don't want to do this anymore." And so we called the head of dealer development for Hayworth Corporation. By then, we were a sizable dealer for them and said, "We want to sell our business." And he laughed. He said, "There's nobody buying dealerships right now." And, you know, here you work all these years and you go, "You've got to be kidding, right? No. There's nobody buying dealerships right now. So we looked at each other and, for whatever reason, God really watches over us. We were at a fundraiser for Congressman Reyes, he's a wonderful man. And we were telling him about our dilemma, and he looked at me and looked at Dave, and he said, "Patty, you need to be applying for your 8(a)". And I said, "Congressman, I tried that several years ago. It was a fruitless effort. It was just time consuming," whatever. He said, "Do it again." And he said, "What other certifications do you have?" Well, National Minority

Supplier Development. [He said,] “Well, you need to do this, this, and this. You need to have a mentor/protégé relationship, you need to get your 8(a). Whatever certification you can get, you need to get it now.” I said, “Okay, what’s going on?” And he said, “BRAC is going to be very good to El Paso. And that’s all I can tell you.” I said, “Okay, I trust you, we’ll do it.” We hired a consultant instead of trying to do it ourselves, to get our 8(a), and it took about six months. As soon as we had it, we went to Hayworth and said, You’re our largest supplier. Why don’t you become our mentor? They didn’t even know what the program was. They didn’t even know what they were supposed to do. So we gathered all the data, met with SBA here and in D.C., gathered the documents, went up to Michigan. And we said, We want to meet with the CEO, chairman of the board, CFO, et cetera. We want the entire executive team from Hayworth, two billion dollar corporation. We want to meet one on one with them. So our local market managers were going, What are you thinking? I said, “This is too important. You don’t understand the benefit to Hayworth Corporation without us approaching them at this level, it will never happen, and we need to do it quickly,” because BRAC had already been announced that Fort Bliss would be the recipient of the growth of the Department of the Army. So anyway, we went up there with a team, and Dave and I made a presentation. And I’ll never forget that the president was fairly new to Hayworth. He headed up their European division, he’s Italian, Franco Bianci, great guy. And he was very proudly stating, “We’ve got all these millions of dollars of business from GSA. We’re very happy with our numbers.” And Dave stood up and he said, “Sir, you should all not only not be exciting about your numbers, you should be embarrassed.” Well, we had done our homework. They were looking at everything that was GSA. They weren’t looking at Federal business as a whole. We had all our numbers as to the benefit of being a mentor, what that meant to direct business over a period of time. We had all our data of the different sized contracts that were being let to 8(a)s, minority owned businesses, with all the different major Federal agencies from the Department of Commerce, Department of Energy, et cetera, et cetera, the Army, Air Force, Navy, what not. And then what dollar amount he could have been benefiting

from if he'd done all of this. And there was just total silence in the room. He says, "Okay, what do you need?" I said, "We need a quarter of a million dollars to fund our Federal program, and this is how we'll spend it. We need to set up a team. We need lots of travel because we've got to go to D.C. to recruit that business. We have to go to industry days, we need to do this, we need to do that." They did it. And they structured it over a year's time. And since then, because of the lending situation, right now, with banks, they have been basically our bank in funding projects to keep cash flow continuing as we continue to grow. We've gone from three million dollar in revenue to this year, depending on where we're going to end up in September but certainly by December, we should be close to forty million dollars. And we've done that in about less than five years. This is primarily due to Federal business. Our Federal business is about 80 percent of our business. My husband and I look at business two different ways. He looks at it very long term, very strategic. I'm the tactically person. I look at the steps. I look at how balanced are we with different markets, and I see that parts of the Federal is one client, which I remember the old General Motors, HP days. So if President Obama says, "We're cutting the budget." It's a ripple down effect to us. But the thing is, it's not every agency and every military division. Some projects have been prefunded. So we're constantly analyzing the strategy. And what we're doing today that's different from what we've done in the past is we know we can't do it ourselves. First of all, Tuck has been trying to get us there for three years. We finally said, Okay, we've got to make the time. They said, You need to come together. I went to Kellogg by myself, which was great. I learned a lot. Try and come back and tell your spouse who's president of a company, that leads the Federal division, that he needs to change the way he's doing business and try and tell your team of people, when your spouse and yourself aren't together on the same page, that you need to make some changes. This time we went together. Is it easy? No, we've only been back a week. We're going through, right now, in talking about our value proposition.

KN: Can you explain what a value proposition is?

PB: Well, you have to be able to explain succinctly what is it you do. What is it (at??) the value that you give to your clients and very specifically and do it in less than five minutes. When I started my value proposition and my executive summary because I'm a person of a lot of words and on and on and on. Okay. And then Dave who is a man of few words, this is what it is. So today, the other thing, too, our company used to be PZH, which was me. We got married. Then it became HBPZH. Too many words didn't really say what we did. So we went back to our clients and said, If you were to call us, how would you find us? And they said, Well, you better start off with the name facilities because if we need something in our facilities, we're going to look up—and that was in the old phone book days, not the Internet days. So I said, "Okay, that's a great way to start. What's the real name going to be?" And I spent weeks trying to figure out the name. And I was talking to an architect, or a contractor, or somebody, and I said, "We need to connect." Got it. And didn't know what 'got it' meant. I said, I just figured out our name. We're going to be called Facilities Connection because we connect the client, we connect the contractor, we connect to the architect, we connect the strategic and alliance partners. We're the connection to make your facility work. So we've always been a C-Corp, and we're analyzing today whether we need to be an S-Corp. We're still trying to make that decision. But we went from a page to saying Facilities Connection Incorporated, or FCI, is a global modular solutions and systems integration company with twenty-four years of extensive experience in comprehensive interior design, which is CID, and furniture management, which is CFMS, for Federal, healthcare, higher education, and commercial clients. Products and services also include program management, professional project management, logistics management, and installation, modular architectural walls, raised access floors, plug and play modular power and structured cable. That's what we do.

KN: Very succinct, very precise.

PB: Yeah. So it took a week, plus a weekend, to get to these two sentences as husband and wife. But the other part that we're going through, I mean, we have a business plan, a very comprehensive business plan who are manufacturers thought was great. We started off with the strategic part, an agenda, following the process for typical business plans. I mean, we used a software program to create this. Financial data, competition, everything is in here. All your [inaudible] analysis, everything. When we went through the first day because we put in fifteen hour days when we were at Tech, and we started on Sunday afternoon, and we finished on Friday afternoon. And that included time studying, time getting in team meetings, but in the evening, Dave and I were the team, which is how this worked. But just to let you know where we are in the process, we've got the value proposition, next is the executive summary. What do we want to say about the company? And then we'll drill down after that. We each have different opinions of what the actual strategy needs to be for each part of the business because in your strategy building, when you're working with Federal business, it's run completely and entirely different from anything else. So that's the strategy. And the business with Federal government global, Federal government national and Federal government local is also completely different. So that's three more strategies within one large strategy. We're working, right now, on a project in Japan. Okay, first of all, we had to figure out what is it that we needed to do from a logistical standpoint so that we could say, Yes we can do the project in Japan. We've always exported into Mexico, so if you understand exportation, whether it's Japan or wherever it's going to be, is understanding the basics. But it's different when you're dealing with high secured computer systems and furniture. They're not handled the same. They're not exported the same. The documentation is different and all that. Also, we had to be confident that we had a team in Japan that could do the installation and be the ongoing service with that particular client when we're gone. So that required some research. Then the other thing, too, is finding an international logistics company because we're going to be doing projects in Korea and Europe was well that can follow us. We make one decision, one time, and get the right company. So we ended up hiring a

company that they're the fourth largest worldwide logistics company. So they're going to be our strategic alliance partner in this endeavor. The other thing, too, is structuring the internal team to handle the complexity, and we have conference calls. And I'll talk about that in just a minute. But some of them are international and some of them are national with the different strategic alliance partners. But getting that all to happen, and then getting proposals and everything done, we're right now in the proposal stage. And those will be sent out in about another week or two. But if we hadn't have already done several projects with that particular agency, we would not have been able to tackle this. And, again, this is all Federal, and it has its own strategy. When you get into healthcare, the contracts with healthcare are a completely different animal from contracts with the military. The military we use an electronic system. All your bids come electronically. All your submittals come electronically. All your payments come electronically. And this whole philosophy that—don't do business with the government because they never pay on time is not true. If you do your paperwork right, if you close out your projects correctly, you'll get paid on time. But it's a very structured process with the military with Federal customers. When you get into healthcare, some of it can be very relationship driven, some of it could be corporate driven, and sometimes you're dealing with the actual technical people, the nurses and doctors. Other times you're dealing with materials management, other times with executives, and sometimes an out of town contractor, an out of town project manager is leading the project. And sometimes you have everything in between. So they're very complicated projects, and there's not a specific structure to working with anyone. It depends on which—

KN: How do you weave through that?

PB: You have to ask a lot of questions. You have to understand who your client is and who is making the decisions and who is effecting those decisions because healthcare is its own animal. And if you're dealing with a hospital, it's different from dealing with a doctor's office, and that's different from dealing with clinical

laboratories. So it's all one large target client, but they're all different contracting vehicles and processes. So you have to go back to basics and following the basic structure of design process and how you manage projects. We have a dealer process model, and we're perfecting it right now with a project management process that's taking this and further defining it, incorporating project management. So that's in process right now because we have two certified project managers. One of them focuses outside the region and one internally, one is Federal, one is more construction and commercial. But you can't function without this. And then you have to constantly be looking at your process because it may work for one client, but there is something here that won't work for another.

KN: So do you develop one for each client that you have?

PB: No. You adjust your process. But when we went through this training at Tech, and we were saying, Why are we having so many problems in trying to get everybody, internally, to realize how to do a process, and they said, Because the process changes. It depends on your strategy and what is the strategy for that particular target? And does an employee understand when they're dealing with that particular client, they've got this strategy. But when it's this client over her, it's this strategy. Have you trained to that level? Well, no, we've been training on a generic model. Well, that's your problem. Okay. So you have to go back to your business plan, which is—Dave and I are working on it right now, and trying to understand what are our strategies and what are going to be our targets? Is it the same target? Are we going to modify those targets so we can define the strategy? And then we train to the strategy, and then we adjust the process to the strategy. So how would I know this today if I hadn't gone back years ago when I tried to figure how to build a house? Okay. So life changes and life teaches. So you learn to adjust and change. And the world is changing every single day. I didn't walk in with my Blackberry. You know why? Because it would be a distraction. The Blackberry leads my life. I wake up with it, I go to sleep with it.

And my husband thinks I'm nuts because I never turn it off. But I'm scared to death I'll miss something. And now, I'm in Lincoln, and I'm going, Oh my gosh, did I just create—I'll never get on Facebook. Never say never, or Twitter, never say never. But I have enough complexity managing anywhere from a thousand to fifteen hundred e-mails that to add any more to that nutty day that I have, I can't even envision it. We're going to get to a point where we've got to figure out a way to communicate without e-mail. It is crazy. You know, trying to sort and whatever. I have an assistant, and her job is to scan e-mails just to make sure I don't miss something important. But we're hitting that saturation point. Human beings can only handle so much. So we're going to have to figure out a robotics way of doing it, which we will. I mean, we have a lot of ingenuity as people. We'll figure out a way to sort that information and make it so we can understand it, and so our little brain can function. But we're not there. Right now, we're just killing each other. And if somebody comes up with another Facebook, I don't know how we're going to manage it. We have young people today walking around texting all the time. They don't even know how to talk because they're actually talking and texting at the same time. Believe it or not, I'm watching my grandkids carry on a conversation with me while they're doing this. I go, "What are you doing?" "I'm answering my boyfriend." [I reply,] "How can you answer your boyfriend while you're talking to me?" I mean, they don't even know how to answer. They're just doing it. I'm going, That's amazing. They tell me we can't multitask. Not effectively. I say "Well, be careful what you just typed." But that's what we've come to. So we have to go back to these very intelligent PhDs, that are trying to figure it out, and tell us as small business people what do we do? We've got so much communication to keep up with. We've got all these processes, and we are in a business that touches a lot of things with a lot of different types of targets. So we may end up, by the time we get done, saying you know what, you can't have four target markets. You can't have two target markets. That's what we're trying to decide. What do we need to do so we can become more efficient, effective, and more profitable. And profit at the beginning, not at the end. The other thing, too, is do we have all the right people?

Before we went to this class, we got a questionnaire, I don't have it in here, it's probably about thirty-eight questions. It walks you through your whole business in thirty-eight questions. I gave that to our executive team [and] I said—they sent it to me, all together, with their answers. I said, “No, no, I want your independent answers. I want to find out, exactly, how do you feel about cash flow? How do you feel about people? I want specific with each one of you so that I can understand how you're going to relate to what we're going to be changing because we are going to be changing. We have to.” And you look at, I mean, you get into some of these things. Just if you look at the outline, and that's the other thing we were talking about yesterday. You go from your executive summary to the overview of the company's products and services. And, again, remember, I'm the detail person. So I'm looking at my husband's response, and I'm looking at the detail, here, because he's waiting for me to give input. And I say, “Well, you put this part before this part.” He said, “Well, it's in there.” I said, “Well, there's a reason why we're going it in a sequential way because if we don't think sequentially, we won't act sequentially.” But, again, that's the difference—the we think. When we're thinking very big picture, we're not worried about the steps it takes to get to the big picture. But that's why you need different kinds of people in a company, small, medium, or large that can look at it from the inside out and from the outside in. So that's what we're doing right now with our executive team. And we hired a VP of sales and marketing who comes from corporate America. He was a regional president for Corporate Express and Office Depot and then that went into SP Richards. And then he just got tired of the big corporate world. And he was in Atlanta, and that market was sinking. And our head hunter found him. And he's been here three months, and the other day, I popped into his office, and I said, “By the way, did you think of this?” And he stopped in the middle of the sentence, he said, “How do you remember all these details?” And I thought he was kidding. So I just joked back and later, he said, “I'm really serious. How do you keep up with all these details?” And I said, “I don't know how to think any other way.” He said, “I never envisioned how hard it was going to be in transferring from working in corporate America to small

business, he said, “This is really hard work.” And I looked at him, and I don’t know why I was surprised. I thought it was just the opposite. And he said, “You have to be aware of so much detail, that I had no idea.” He said, “I’m having to remember how to do a spreadsheet, and you’re thinking about, did you call so and so about such and such.” I never thought about it that way. So that’s the other thing about small business is, if you’re starting your own business, don’t think you can call your own hours, and say, Oh, great, I’m going to come in at nine [o’clock] and go play golf at four [o’clock]. Well, you know, nine at night, maybe, and maybe you still are there at four in the morning. I mean, that’s the reality. If you own a small business, there are no hours. And if you’re husband and wife in the business, there’s no way you can get away from it. You just have to come to a resolution—hey, there are some things that are just going to be sacred. There’s no business discussion during those time frames. But the reality is we tried for years to figure out how to live as husband and wife and not talk about business when we got home, and we got into fights, and we’re talking about how we’re not going to talk about business. So the reality is you can’t get away from it, but you have to have areas that you can get away from each other and get away from the business so that you can have some peace of mind. I’m the compulsive workaholic, and Dave knows how to separate himself to get peace of mind. The other thing is he had a heart attack a year ago, and thank the Lord he lived through it and had no side effects. But it was a reality check for him. He has a family of heart disease, so he realized he can’t be intense in the business. And I also realized that we’re not going to live forever, that we have to start planning our succession plan and how do you do that? Well, that was another reason we went to Tech (Tuck??). And I’ll show you a photograph. Most of those people are between ten years older than I am to about my age. And they’re all thinking the same thing. Who’s going to take over the business if you don’t have children in the business? Or if we have children in the business, how do you decide who is going to be the leader without creating sibling rivalry? And are you thinking of selling? Are you going to bring in a venture capitalist? Are you going to bring in an angel investor? What does that mean? What do you have to go

through? And just the financials and everything. And some of them, you know, a venture capitalist is going to come in and make their money. They're not there to nurture and grow you. They want to make their money on you. So does an angel investor. Then you look at, also, merger and acquisitions. Do you acquire to become larger? Do you merge to become larger? Do you bring in other expertise levels to become larger? In the last three years, in working with a very, very large Federal agency, we knew the only way we could grow is to develop strategic alliance partners because we were not in the position to go buy companies. So what we did, that particular client found us—they were looking for an 8(a)—they're out of Orlando, Florida, and they needed three facilities done. They did not have time to put them out to bid. They could go to three 8(a)s and ask for pricing, but the complexity of the project was so great that if we could handle it, we would win the project. I said, "Okay, what all is involved?" [They replied,] "Well, we want you to furnish everything that goes inside the building." [I said,] "Okay. Not a problem." [They said,] "We want you to do all the IT integration and buy all the hardware." (Laughter) Got to think about that one, okay. Obviously, install everything. I said, "Okay. And how many locations?" Well, it starts out Fort Riley, Fort Campbell, and then the last one's at Fort Bliss. I said, "Okay, let me think about it." And so their small business contracting officer called Dave and spent lots of time with him and asked—they looked us up on the Internet, by the way, which is another key thing that's wonderful. Keep your Web site current. And keep your CCR, which is how the Federal government finds you, current. Get as much media, everything you can about yourself out on your Web site so people know about your projects. We put everything on our Web site. We put white papers, we put our client lists, whatever. And they say, Well what about your competition, I say, "How's my client going to find me? I could care less about the competition. I need to stay ahead of the competition, but I need my clients to find me." And that's how we get found. It's not by going and knocking on doors. In some cases, it's industry days, but they find you on the Internet. They went on the Internet, and they said, Okay, all your stuff is here. Let me ask you some questions. And they kept drilling and drilling and drilling

for I don't know how long—just probably a few weeks. [They said,] Okay. We're comfortable you can handle it. By the way, here's a company we want you to talk to about buying all the hardware. They're on the CHESS contract with the Federal government. They're a multibillion dollar company. Talk to them about being your supplier on the hardware. So we did, it was CDW-G. They became a strategic alliance partner. Different role. Here I am, the small business, telling them how to perform. They're my subcontractor. And then we had to find the IT integration company. Well, my son heads up Varay Systems. So I call him. Dave and I get with him. I say, "Okay, here's what they're asking you to do, can you do it?" [He said,] "Well, I can but I need to go out and hire this and this and this, and we've got to have a project manager." Okay. They've done a fantastic job, by the way. And then we needed to find someone that could do the secured network part because there's security requirements and all kinds of things, so CDW found that particular strategic alliance. Then throughout the last ten years, we've had somebody in the background who created the software that we run all our projects on, and he has a company called IQ Group in Kansas City—
incredibly bright young man. And we started doing business with him when we were looking for a tool because our accounting system is an industry specific product. It doesn't handle service very well, so design billings, installation billings and all that without a lot of minutia, and it doesn't handle the project management part of it, the design management. His product did. So over the years, he's evolved it to handle our projects. And then he's been able to sell those services to other companies. Well, now what we're doing—he became our data manager, and that process has been so successful that that particular agency relies on those weekly reports. We set up all the conference calls. We document every e-mail that comes from anybody on any project. We create the lessons learned. We create the Gantt charts. All that comes out of it. Now, we're taking it to the next level to be able to tie in all the invoicing so it makes more sense because we get the invoices from the different strategic alliance partners, and it's hard to get everybody to follow a consistent format to the point where it can delay payment. So he's working with our CFO and our project manager to refine the software

even more. And because those three projects were so successful and ran so smoothly, the rest of the forty facilities were put out to bid with the whole prime contractor network. And GDIT won it, General Dynamics Information Technology, won the forty projects. So, that's all the IT component. And their first task order was to come to El Paso to meet us. That was their first task order. So not only did they come, but the program director, out of Orlando, Georgia, with PEO STRI came with them. And they brought—General Dynamics probably brought four people here. So they not only came here, we took them down to Varay so they could see the facilities. We did the design for the seventh and eighth floor for JDW and Varay and also talked about strategy. We spent two days and then we went to Fort Bliss. Two full days with them, so that they could see all of our process, and I'll get you one of the things we do, the type of report we do. So anyway, they accepted us as their team. They did a little media notice. And we're now working on, I think, sixteen locations of which most of them are IT related secured network systems. And we're averaging about three furniture projects a year. The last one, this year, is in Japan. And then we'll have three more next year, and three after that and it's about the next four to five years with them. But we have to keep getting better. We have to keep giving them a reason to come back to us because they don't have to commit year after year. So it's our job to make sure that we get better.

KN: And how do you do that?

PB: It's going out and getting educated and finding out how to be a better business. We're always trying to hire the right people and train the right people. We've got people going out for training. One of the account managers, that handles this client, is going to Hayworth training and will be spending two weeks, a week at a time and then back a couple of weeks, and go back another week. On the project management, poor Jay has been on the road so much that he hasn't been able to attend any training but he's learning the furniture industry on the fly while he's learning all the rest. He's a systems engineer by education. It was his friend,

actually, from—they graduated from West Point together and served in the military and they were both football players together. He became the Federal account manager. He moved in here from Fort Leavenworth, and he's a civil engineer by education. The other project manager has been in construction for twenty-five years. And also has his degrees as well and certifications. And there's no special magic, Kristine. It's just a lot of hard work. And just when you think you have it figured out, you get hit with another surprise or a client calls up and says, "Guess what?" One of our major clients just contacted our design manager, and we just installed a bunch of new furniture that they're having a glitch in their economy right now. Within their corporation, they're going to be downsizing a little bit. And but then the next week, they could come back and say—we have one client, we did three buildings for them and we've uninstalled and reinstalled their furniture multiple times because that's just the way business is. There is cutbacks and downsizing. And then the next year, they've got a new project, so now they've got to reinstall those workstations. So that just happens everywhere. The thing, right now, is I don't ever remember in my adult life or even young life of having as much instability as what we're all experience right now. We're very blessed that we've got Federal business, but even that you have to pay attention to a great amount of detail and trying to figure out where we need to be as a business. Are we positioning ourselves, get our cash flow in line, cash is king is always the rule. And it's a challenge when you're dealing with large contracts and something gets hiccups somewhere down the road, a projector mount isn't working so somebody doesn't want to pay their invoice. Just little things like that. And it tremendously impacts cash flow. The other thing, too, is making sure we don't make mistakes. The amount of detail that we have to review is insurmountable, it's overwhelming. That's why it takes so long to train people in this industry. It takes at least two years. And we have a project that we did just recently. I've got eight beautiful leather chairs back there that came in the wrong color. It's things like that—at \$1,200 or \$1,500 a chair. Very expensive. That happens. And so you have to go through and dissect everything you're doing. We have a situation over at—I can't remember if it's Fort Benning or Fort

Bragg where we have a huge amount of training tables. And all the specs, everything that was sent to them on the power modules, what they look like and what they need to be down on the floor, the electrician installed something different on the floor. So the power module doesn't work with what's on the floor. Now, they say it's a table problem. So we have a conference call going on in the other room, there, to discuss this issue. Even though it's a building issue, we get involved because they think it's a furniture issue. But we have to help solve that, so it takes a lot of effort, a lot of time. And it's just a business of a lot of details, but that's not unlike any small business. You don't have a corporate envelope where you can say, Okay, here's the executive team. You're going to focus on this, long term strategy, blah, blah, blah. Here's all the business development folks and all the account managers under them. They're going to go build \$20 million worth of business and so forth and so on. You don't have that in a small company. You have a few people doing a lot of things. And I think, right now, in corporate America because there's been so much downsizing, probably more now than ever before, large companies are beginning to realize they're having to function like small companies because there's fewer people doing a lot. They're having to think on their feet, make quick decisions, and sometimes those decisions aren't the best decisions, but you still have to start with your basics and your long term strategy. The other thing, as a small business, we write a business plan every year. But to go back and really analyze that business plan on a regular basis, we get caught up in the day-to-day business. And that's the other thing that we're trying to get our executive team to do and our management team is we can't just write it and put it on a shelf. We got to work it. If it's not working, we got to change it and don't be afraid to change. You have to change. So those are some of the—you know, I talked a long time, I don't know—

KN: —No, you covered—. Are there any final thoughts that you have, as we're closing this interview? Any words of advice that you would like to pass down?

PB: Well, one word of advice is, as a business owner I learned a long time ago, that you always surround yourself with people a lot smarter than you are and never be shy about doing that. I mean, that's what builds success. There's no way that a business owner can be all things to all people. You have to make a decision early on of where your talents are and concentrate on your talents and then bring in the people in the areas of expertise that you don't have talents in. The other—flexibility is key to success. You can't build a structure and know that it's going to work for multiple years. It's just not the way business is anymore. If you look back—like my father. My father worked for ASARCO for forty years. How many people work for anything for ten years much less forty? You have to be willing to change. And if you look at where we are today versus where we were even five years ago, we're a very different company. If we hadn't have changed, probably we would have been out of business after the first crisis. There is no easy path to success. You have to decide: what is, really, success for you? Success for me is not a lot of money. I mean, money has never been a motivator. I do want to make a profit because we have a lot of people who work for us, and we need to continue building because if you don't build, there's only another choice. You either downsize or you build. You can't stay the same. And so it's important to build a profit. But I'm not doing it because I want to leave a legacy of this famous person that built a company. This is very gratifying for me. I love what I do. I love the business. I love the people. I love the customers. I love mentoring employees and helping them grow. I love getting other people excited about having a business and being part of the economic development of a country, of a community. It's just the way life works. But the main thing though is I have faith. I mean, I would not be where I'm at today if I didn't have a deep faith in my Lord. It's just the way life is with me. And there's times where I've had a lot of doubts. I've been scared, worried. I mean, I probably wake up every day that way. But at the end, what is really important? You know, we have to feel good about the decisions we make. They may not always be the best decisions, but it's the best decision we could make at the time. And I know I've been guilty over the years of just beating myself up over a decision I made. But

you know what? That's the best I could do at that time. You work hard, you're honest, never take advantage of people. Whatever goes around comes around. If you take care of yourself and your people and your family and pray and take care of those that you can affect positively, it will always come back to you. We get so caught up in greed. So much of the issues that have happened on Wall Street, and all the indictments that we've seen, if you look at it closely, it's really based on greed. There's no need for that. There's plenty for people. Some people are more concerned with having too much. Others are concerned with having too little. But what is really enough? As long as we can take care of ourselves, our health, our families, the things that are around us, what difference does the rest mean? And then if we work so hard that we can't enjoy the families that we have, and we can't enjoy our accomplishments, then what are we doing it for? And that's where I'm at right now. I mean, I've got to get to a point, and I know fairly soon. I've got grandchildren that are growing up. They're very important to me. They're our future. And I know I can have positive influence in what they do. So I've got to make that time available. And the other part is, my husband and I need some time to just go hiking and enjoy the outdoors, and we don't get enough of that right now. So our goal, right now, is really looking deeply at what we need to do to structure the company so it's ready for the next phase. Am I ready to walk away—full retirement? You know, I look at Myrna Deckert, and I've asked her about that many times, "When are you going to retire?" She just chuckles. You know, I really am retired. I just want less stress in my retirement (laughter) because I'm already doing what I enjoy doing. I just need to do less of it so I have time for family and other things as well. So work hard, be honest, don't lose your integrity. In the midst of business, you can never lose your integrity. So other than that, I think that's it.

KN: Thank you. Thank you very much.

[Continuation of the interview]

KN: So add that last comment.

PB: Okay. Out of a family of five children, four of the children are entrepreneurs. And one is a doctor who is probably the most sane one of the group. But the oldest son is head of Varay Systems, a technology company here in El Paso. And his sister has (Samia??), which is a grant writing group out of Chandler, Arizona, and she is in Washington D.C. right now writing a grant for (Maximas??), a large (state??) here in this country, so she's been very successful. The next one, our youngest daughter, my step daughter, my husband's daughter, also owns her own business, and she is taking over her mother's business. And then, the youngest son is in Dallas, and he bought a franchise from us eleven years ago and has grown that into a statewide business. So he's also very successful as an entrepreneur.

KN: Why do you think so many entrepreneurs came out of your family?

PB: You know, I think they saw early on how entrepreneurial I was and what we did at home. I didn't talk about it earlier, but when they were very young, I had a crafts business in making home crafts. And then we'd sell them at shows, and they'd help me with it. And they just saw the business developing off the kitchen table. And so when they started looking at business, they realized they wanted to be their own boss. Of course, several have come back and said, You didn't tell me how hard it was (laughter). But they've done well, and they're also diversified. I wish we had one, at least, that was in the family, here, at this business because that would have been wonderful. Our youngest daughter's husband just recently bought our MilliCare Commercial Carpet Care franchise, so he offices in the back building here on our lot.

KN: Thank you.

[End of Interview]