

# AMERICAN BUILDERS QUARTERLY

WINTER 2008  
STATE HOME BUILDERS  
ASSOCIATIONS & CHAMBERS  
OF COMMERCE

R.A. NELSON & ASSOCIATES INC.  
GLASS CONSTRUCTION  
CALVIS WYANT LUXURY HOMES  
DELTA CONSULTING GROUP  
DUKE FRAMING  
HOGAN CONSTRUCTION  
GENESIS PARTNERS  
ATLANTIC BUILDERS

# CHEROKEE CONSTRUCTION

REPEAT CLIENTS AND IN-HOUSE CARPENTERS CONTRIBUTE TO SUCCESS

# CHEROKEE CONSTRUCTION



## REPEAT CLIENTS AND IN-HOUSE CARPENTERS CONTRIBUTE TO HOME BUILDER'S UNIQUENESS AND SUCCESS

by **Rae Theodore**

*Above: Seamless additions to an elegant home, architect: Richard M. Cole & Associates, Inc. photo by Barry Halkin Architectural & Interior Photography*

*Cover: Exterior view of outdoor fireplace sitting area and water feature, architect: Arcus Design Group, Inc., interior designer: Philadelphia Design Company, Inc., landscape architect: Stephen Stimson and Associates. photo by Don Pearse Photographers, Inc.*

WHEN IT COMES TO ANY KIND OF BUSINESS, referrals from clients and others working in the same industry are important and can help a company gain work and grow.

A high-end residential construction company in Philadelphia has taken that concept to heart and, as a result, established an extremely successful business that builds some of the finest homes in the city and its environs.

The majority of Cherokee Construc-

tion's projects come directly from referrals from architects, designers, and clients. In fact, the company's Web site includes a list of 50 of the top architectural and design firms in the greater Philadelphia area. These companies have only the highest praise for Cherokee's work and regularly refer clients to the builder.

The company takes pride in its list of repeat clients who have come to expect the highest level of service and quality from Cherokee. Cherokee President



Tom Meyers estimates that 60 to 70 percent of the company's projects come from repeat clients.

Meyers stresses that Cherokee never pays for advertising or conducts official marketing campaigns. "Our best marketing is conducted by the people for whom we've previously built," Meyers says.

In that respect, the company's marketing plan, Meyers explains, is to always provide the highest quality of service and workmanship and to continually exceed clients' expectations. "We're most proud of the level of quality that we produce and the level of service that we provide," he says.

Cherokee's strategy of aligning itself with architects and designers involved in high-end residential construction came about 30 years ago, when Meyers founded the construction firm. While looking for a good source for a steady

flow of jobs, the company targeted the top architects in the area.

To call Cherokee's strategy a success is an understatement. Cherokee's 2007 sales volume is expected to hit \$13 million. Projections for 2008 are listed at \$15 million. Most impressive is the company's current job backlog, which totals \$45 million. In fact, Meyers says his company turns down close to 40 percent of all work that gets called in.

While Cherokee specializes in building new custom homes and large-scale residential renovations, it also takes on commercial projects, including office buildings, tenant fit-outs, shopping centers, and retail stores. Project costs range anywhere from \$500,000 to \$15 million and up.

The company usually has seven to eight projects taking place at any one time, with the typical project lasting one year or more. Meyers says that Cherokee

#### A MESSAGE FROM M. COHEN & SONS

*Ingenuity and beauty are the hallmarks of M. Cohen & Sons' work. The firm often undertakes projects that other firms consider too complex, large or risky for their own capabilities. Through an unusual solution-oriented and detailed-focused approach, M. Cohen provides clients innovative ideas in design, fabrication and installation. It's a process that gives clients peace of mind during the project and the pleasure of well executed, beautiful results at the end.*

*"We take an architect's or a contractor's idea and then work in collaboration with them to give it full expression. The part of the vision that we contribute comes from experience, from our practical problem-solving and from our creative point of view," says Allen Cohen, vice president.*

*Above: Indoor pool addition with timber trusses, architect: John Milner Architects, Inc. photo by Don Pearse Photographers, Inc.*



*Right: A dining area extending to stainless steel and glass staircase, architect: Arcus Design Group Architects, Inc., interior designer: Philadelphia Design Company, Inc., photo by Don Pearse Photographers, Inc.*

only takes on a new job when one of its project superintendents becomes available. The company is always looking for additional superintendents and project managers to add to its team. Currently, the company has 28 employees on its payroll. Unique from other high-end builders, 20 of those employees are highly skilled, full-time carpenters.

Having in-house carpenters gives the company a greater ability to control quality, budget, and schedule. "Our belief is that it would be impossible for us to have the same kind of control and provide the same type of quality without our own carpenters," Meyers explains.

Most of the carpenters have long-standing relationships with Cherokee and a tremendous amount of field

experience. Five of the carpenters have been with Cherokee for almost 30 years. The majority have more than a decade of service with the company.

Meyers himself has a carpentry background. Moreover, all of Cherokee's project superintendents are carpenters by trade.

The company always uses its own carpenters to complete all of the finished carpentry work involved in a project. On certain projects, Cherokee subcontracts framing work.

Meyers speaks passionately about his employees and how he views Cherokee as not merely a business entity but a team. "The quality of people that we have as part of this organization has built the company," he says. Often, you hear stories about how nobody cares today, he continues. "That's not what

happens around here. We care about details."

He adds that Cherokee employees feel good about themselves and their work at the end of the day. "We feel it's a privilege to have an opportunity to build the things that we build," he says.

Meyers stresses that Cherokee's projects are all "one-of-a-kind." Structures are built using natural materials such as stone, brick, and stucco. By using high-quality workmanship and top-caliber materials, Cherokee buildings actually look better as they age, he says. "That's a sign that a home is well built," he explains.

During renovation work, the company meticulously matches the colors of materials, such as stone and mortar, to create work that is seamless.

## CHEROKEE CONSTRUCTION AT A GLANCE

LOCATION: Philadelphia

AREA OF SPECIALTY: High-end  
residential

DURATION: 30 years

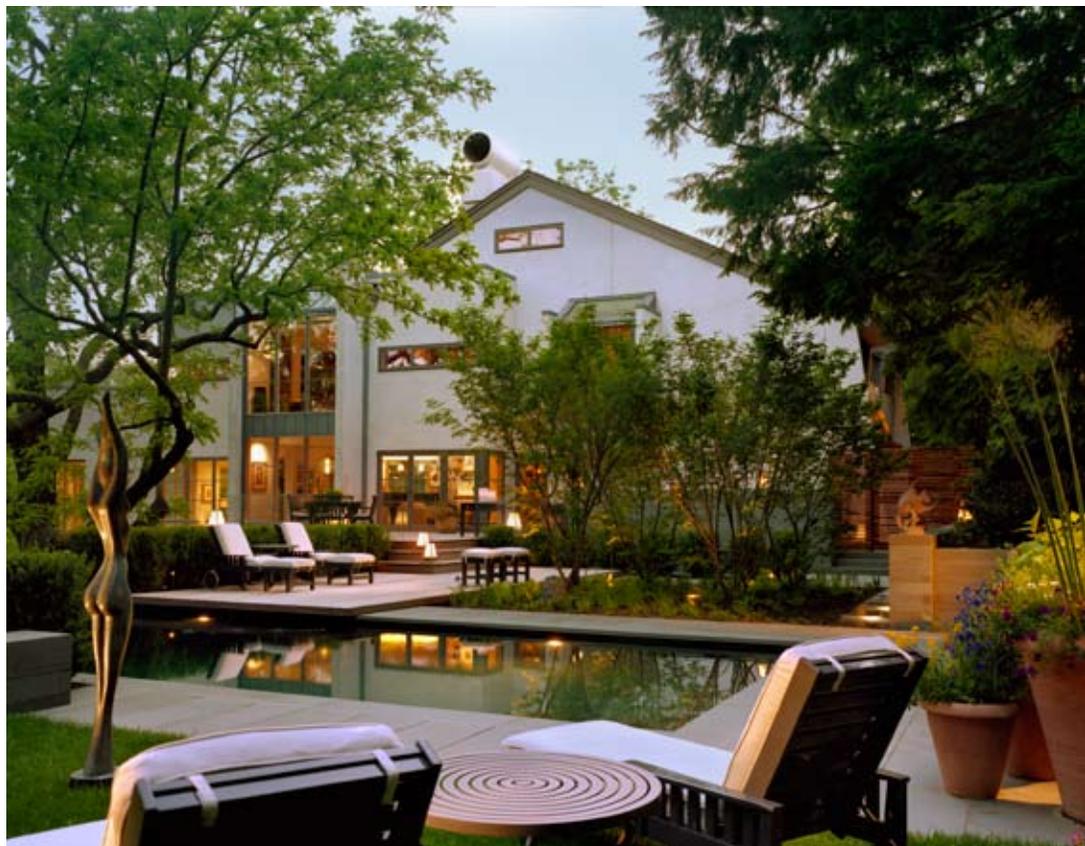
EMPLOYEES: 28

PRICE RANGE: \$500,000 to \$15  
million and up

2007 PROJECTED SALES  
VOLUME: \$13 million

2008 PROJECTED SALES  
VOLUME: \$15 million

CURRENT PROJECT BACKLOG:  
\$45 million



*Above: View of home and addition,  
architect: Arcus Design Group Architects, Inc.,  
interior designer: Philadelphia Design Company, Inc.,  
landscape architect: Stephen Stimson and Associates.  
photo by Don Pearce Photographers, Inc.*

Meyers notes that working with a builder should be a positive experience and not a nightmare. "Building something should be a lot of fun," he says. At the end of a project, I want our clients to be glad that they had Cherokee build or renovate their home, he says.

Meyers says that Cherokee's clients trust the builder not just with their money, but also with their dreams and visions for a certain lifestyle. "We don't take that lightly," he says.

Cherokee has a particular sensitivity to architectural details and understands that a successful project is a team effort. Using this team approach, the company collaborates with the project owner, architect, and designer and provides preconstruction services during the design phase, as well as preliminary budgets.

The majority of its projects are completed as negotiated contracts or construction management agreements in which Cherokee works closely with the architect throughout the design phase to produce a reliable and detailed cost analysis, which ensures that the project stays within the client's budget. The contractor works on a fee basis and all actual costs are openly disclosed in a cost plus analysis.

A negotiated contract allows the owner to enjoy the safety of a guaranteed maximum price, as well as the security of competitive bids in all subcontracted areas. The difference between the guaranteed maximum price and the actual cost of construction plus the management fee is returned to the owner. "One hundred percent of the savings goes back to the owner," Meyers says. ABQ

CHEROKEE  
CONSTRUCTION



*Above: Master bedroom with rosewood screening, leather floors and cold cathode lighting and ceiling cove, architect: Arcus Design Group, Inc., interior designer: Philadelphia Design Company, Inc. photo by Don Pearse Photographers, Inc.*



*Above: Roof deck and custom spa off master bedroom, architect: Arcus Design Group, Inc., interior designer: Philadelphia Design Company, Inc., landscape architect: Stephen Stimson and Associates. photo by Don Pearse Photographers, Inc.*