

The President's Club Monthly

THE MONTHLY NEWSLETTER FOR NATIONWIDE, ADVANTAGE, KEY HOMES, INSTANT LIVING, AND THE FACTORY OUTLET STORES

Oak Creek, Mobile America Merger Nears Completion...Now there will be One Company with One Mission

On August 31, 1993, Oak Creek Homes of Fort Worth and Mobile America Housing Corporation of Houston agreed, in principle, to merge. All remaining documents and formalities are expected to be completed in the next few days. Because Mobile America is the parent of a number of subsidiary companies,

each with its own stockholders, a "roll up" is also taking place, during which all subsidiary stockholders will exchange their stock for MAHC stock. As a result, everyone will be sharing the same mission...maximizing earnings in order to do a public offering. Oak Creek Homes and Mobile America Housing Corporation worked

closely to survive the "hard times" and have each evolved into industry leaders in their respective fields, manufacturing and retailing. In 1992, a formal partnership was established with the creation of a new manufacturing company...American Homestar. This company builds some of the region's highest quality, best selling homes in its two Metroplex plants.

The result of this merger will be a much larger company, consisting of 3 state-of-the-art manufacturing plants, 24 retail locations (in three states), a network of 46 independent ARG1 retailers and a mobile home transportation company. Projected FY 1994 revenues are expected to exceed \$100 million. Once the merger is completed, Mobile (Continued on the Next Page)

Redman Industries Goes Public, Market Still Hot

In what is certainly an excellent indicator of the market's continued support of the mobile home industry, Redman Industries' stock was offered to the public on the NASDAQ exchange on September 17. The demand for the 4.7 million shares was strong from the opening bell. Initially offered at \$15 per share, the stock price rose as high as \$17 before closing at \$16 7/8, a first day rise in value of 13%. "This shows that the manufactured housing

industry still has an excellent reputation among today's investors," said Mobile America Chairman Buck Teeter, "and there is little reason to believe that this feeling won't continue." Redman, Nationwide's largest supplier of homes, is different from Mobile America in that it is not a vertically integrated company. Redman is strictly a manufacturer of homes while our company is involved in the manufacturing and retailing of product. In the past few

years, vertically integrated mobile home companies have been some of the stock market's top performers. Given this fact, it's safe to say that if Redman's stock came out of the gate quickly, Mobile America's should come out running like a thoroughbred. You can follow Redman's success by looking up their daily stock price on the NASDAQ market in the business section of your local or national newspaper. Their company's stock market symbol is RDMN.

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September, 1993

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Cover Story, Contd.

Merger Nears Completion

COMPANY BIRTHDAYS October, 1993

Phillip Kussman
October 1st

Dwayne Teeter
October 6th
(Banks Closed)

John Lennon
October 9th
"I am the eggman, they are
the eggmen, I am the walrus!"

Scott Votaw
October 14th

Melvin Black
October 15th

Michelle Butler
October 15th

Mike Alders
October 20th

Laurie Lowery
October 24th

Arthur Boyd
October 26th

Randy Wilson
October 27th

Clint Brown
October 29th

(continued from page 1)

America Housing Corporation will be one of the largest vertically-integrated manufactured housing companies in the country and will be well-positioned for a public offering which, if earnings are acceptable and the stock market cooperates, could be completed

Laurie Lowery

The Role of a Business Manager

Over the last year, we've seen several of our locations add a new position to their usual staff.... the Business Manager. Nationwide and Instant Living of Albuquerque were one of the first to see the potential benefit a Business Manager could bring to their organization. Although a struggle in the beginning, the decision to move **Richard Fenley** into this position has proved to be a profitable one.

Job responsibilities for a Business Manager differ slightly by location, however the purpose is always the same: to communicate with the lenders, to coordinate closings and ultimately maximize the profit opportunities that are available to the location. President of Nationwide of Albuquerque, **Mike Wallace** says "adding a Business Manager to our staff will

About Richard Fenley...

enable us to improve our funding which will result in floor plan savings and lower costs." Richard regards his job to also be that of a Public Relations Department because he serves as the liaison between the location and the lenders, the customers and often the sales and support staffs. Most importantly, he is the person who last deals with customers and thereby leaves the last impression of the Company.

"Richard is extremely knowledgeable which leaves the customer feeling like their loan has been handled by a professional", reflects Wallace. Prior to his current position, Richard was a salesperson with Nationwide and uses that experience daily. "You must have empathy for your customers and empathy for the salespeople, but sympathy for neither...in order to be successful in this position" says Fenley. Because of his sales experience and personal experience as a buyer, Richard is able to put himself in both their shoes just enough to gain the confidence of all parties and represent them without jeopardizing what is good for the Company.

Its about making more money on every sale

Profits are the name of our game and Business Managers contribute to their generation by pursuing the profit opportunities

that each individual deal represents. Utilizing lenders with participation programs and maximizing the physical damage and credit life insurance can make a tremendous impact on profit at no cost to the Company. Since November, Richard has closed over 90% of his deals with the maximum term of insurance allowed by the lender. To what does he attribute this accomplishment? Product knowledge and the ability to successfully "feature/benefit". "In the closing, so often I have to reaffirm the customers decision to buy by reminding them of the benefits" says Fenley.

A word of advice to those new to the game...

In advice to new Business Managers or salespeople who close their own deals, Richard was able to make several suggestions. (1) Develop the product knowledge to present insurance as a "significant benefit" instead of a required necessity. (2) Inform the customer instead of providing them with an opportunity to buy something else. (3) Be professional. (4) Build rapport by reinforcing their buying decision. (5) Assure the customer in the beginning that everything in the loan process is handled by the location. This is a tremendous benefit to them and should make them feel more at ease.

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Profiles in Excellence

Jim Rudolph, President of Phoenix Manufactured Housing

Profiles in Excellence is a new feature which focuses on people or locations in our company which have consistently set standards for others to follow.

Jim Rudolph was born and reared on a ranch and farm in the small South Texas town of Karnes City. Being only 65 miles South of San Antonio, St. Mary's University in the Alamo City was his natural choice for college. There he excelled in the school basketball program and various scholastic endeavors. He married his wife, Lola, in 1957 and she gave them two wonderful daughters, Deborah and Donna.

Jim's first 13 years in the professional world were spent as a wholesale rep and sales manager for the Hotpoint Division of General Electric and the Friedrich A/C factory. He achieved the "Mr. Hotpoint of America Award" in 1962 and the "Million Dollar Ring Award" from Friedrich in 1965. During his stays with these two companies, Jim learned the basics of selling value. "I always had the highest priced product on the market," said Jim, "as a result, I always knew where I stood selling my product."

From Appliances to Mobile Homes

Jim got into the mobile home industry in 1970 and joined Mobile America Sales Corp. in

early 1974 in San Antonio. He sold homes and managed other locations for the big M.A. in Houston, Beaumont and Huntsville. In August of 1983, he joined Key Homes in the capacity of Vice President of Sales and stayed in the position until Phoenix Manufactured Housing was founded in 1989. He currently oversees one of the company's most successful locations in Athens, and with the help of his partner **Chuck Ladd** and General Manager **Harry James**, he has been instrumental in turning around the Key Homes lot in Greenville. The President's Club Monthly recently spoke with Big Jim Rudolph and this is what he had to say....

The Interview

You consistently maintain the highest profit margins in the company. How do you get such good prices for your homes in one of Texas' most competitive markets? *Value as perceived by the customer is the only thing that matters when it comes to price. How your staff is trained to present your products, time spent with the customer, and how your display homes appear to the customer is the all important thing. We, as salespeople, must discipline ourselves to spend enough quality time with our customers. Build value in the customer's mind with an enthusiastic presentation of the product. This may be delivered both verbally and with an expression of excitement. FORGET COMPETITION!*

The salespeople in your staff need to know what is expected of them and also understand what makes them money. PROFIT is the only key to higher commissions.

You are known for running a very tight ship.

How would you describe your management style?

Generating sales dollars and profit is relatively easy to do. Plugging the cracks and managing cost is the hardest. Your entire staff has to be aware of "COSTS." Dotting the I's and crossing the T's to eliminate mistakes and costly errors has to be the shared responsibility of everyone in the organization. Again, discipline and demanding awareness to cost are very important factors. Making money is easy.

Holding on to it is the bottom line on the P & L.

Has operating in the same city as Redman's Athens plant resulted in a unique edge over your competition?

Key Homes and Redman Homes longevity in the trade area has established a very high reputation of both dealer and Redman products. Giving a factory tour is a big asset. There is a large amount of confidence felt by a customer who knows that both the dealer they are buying from and the factory building their house, have a long record of success.

As President of Key, what are your plans for the future?

I enjoy what I'm doing very much and spend a lot of time at my office. Teaching

and sharing my knowledge of the business to people who are really trying to better themselves and become more knowledgeable of the industry is something I enjoy doing. Seeing them become better business people and enjoying a more wholesome way of life is very satisfactory. As Mike Smith says, "Being the Potentate of Profit is my Goal." Working with an organization that has planned to go public affords unique opportunity. Making sure your team contributes its share to the whole of Mobile America is very challenging.

You became part of the Nationwide team a little over a year ago. What advantages has that provided you in your marketplace?

Having a big brother in your corner gives you a lot of confidence. Plus I have more tools to attain the job goal that needs to be done. Product lines, financing, business expertise and sales training are important ingredients for accomplishing good profitability...that often can't be achieved if you try it alone.

Though at times the going was tough due to the economy, Jim feels that the mobile home industry has been good to him and his family. They all enjoy the lifestyle of rural Athens and watching their granddaughter learn to ride horses. Jim says relaxing on the lake with his Redman rep also makes for an enjoyable day.

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WHO'S HOT

FIRST QUARTER CONTEST WINNERS

Sandy Arkelin, of Tyler, blew past the competition with a spectacular August and won \$2,000 in the first quarter contest. **Dave Schwartz** finished in second place and brings home \$1,500 dollars in winnings. **Mike Smith**, of Athens, became Key Home's first quarterly winner by placing third. That was good for a cool grand in winnings. Only 1.2 points behind Mike was Jacksonville's suntanned superstar, **Jack Williams** (\$750). Never one to be left out, the top five was rounded out by Jacksonville's sales pro in residence, **Gay "Consistency" Clary** (\$500). Congratulations, everyone!

Sandy Arkelin - Tyler

An incredible 7 deals in August! Holy Cow! Sandy's incredible production was good for 59 President's Club Points! She never slows down...NEVER!

Tim Branscum - Tulsa

Tim nailed down four deals for new houses in August and racked up 36.4 President's Club Points while he was at it. Way to go, Tim, keep it going!

Dick Willingham - Midland

Watch out for Dick! He sold 5 homes in August and is challenging all comers to the title of "Midland's Top Dog." Keep your eye on this guy!

John Raine - Lancaster

Normally when a salesperson takes a vacation, their business suffers as a result. Not with this big, bad sales guru! 6 deals in August...5 of them new! Unbelievable!

Sandy Roberson - Greenville

Sandy went on a tear in August and took no prisoners. She nailed down 4 high grossing new home deals and finished with 35.9 President's Club Points for the month. She was an important part of Key-

Greenville's excellent \$41,023 payable gross month. Keep the ball rolling, gang!

Fred Guillen - Key in Athens

Four deals in August and an average new home payable gross of \$7,332!

Unbelievable!

Mike Smith - Key in Athens

Mike turned on the heat in August and sold three houses for 27.7 President's Club Points. That was enough to earn him a third place finish in the First Quarter Sales Contest.

Way to go, Mike!

Gay Clary - Jacksonville

You can't keep a good person down. When it looked like Gay would miss placing in the big contest, she came through with an unbelievable 6 new home deals and an impressive 54 President's Club Points. That was good for 5th place for the quarter! Yeah!

Dave Cuellar - Instant Albuquerque

Dave, who is relatively new to the business, took down \$20,187 in new home payable gross in the month of August. Nice month!

Kris Kaiser - Denton

Kris deserves special recognition for having a heck of a good August...4 deals, 3 of them new and

48.3 President's Club Points. Whoa!

The Entire Nationwide of North Texas Team

What a month! \$83,858 in payable gross, nine different people contributing with sales, almost 13k in physical damage sold, 19 deals...great month, team!

Billy Rolando Corpus Christi

Billy, an industry veteran who knows how to sell homes, showed everyone what she is made of in August...4 new singles for \$18,275 in payable gross!

Jack Doss Channelview

Four deals for \$22,381 in payable gross! Jack, once again, shows everyone how its done.

Billy X. Alt

Back in Mesquite

After a few months of temporary insanity, **Billy X.** (stands for X-citing) Alt, of Mesquite, has returned to where he belongs. Billy had left to take a job with our main competition, but due to "better product, great people and more opportunity for advancement," he soon returned to Mesquite. Billy has a fresh attitude and looks forward to doing what made him a top 10 salesperson last year. In unrelated news, his wife, **Dawn**, is expecting a baby in 6 months.

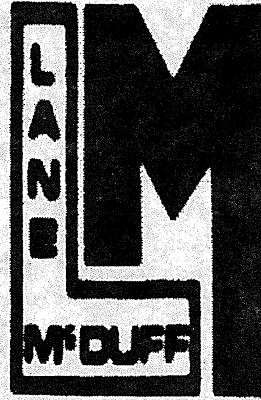
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LANE McDUFF *New Foundation System Offered*

Abesco Corp., a Sacramento based company, manufactures a permanent foundation system for manufactured homes.

The system is HUD approved and qualifies doublewides for permanent 30 year FHA financing. It is approved by the Texas Department of Licensing and regulations as a permanent foundation for all manufactured homes and commercial temporary structures. This eliminates the need for standard anchors, blocks, piers and wedges. The system consists of three

basic components. A mobilup stanchion attaches to a concrete footing at ground level and the I beam of the frame at the top. These are placed on 8' centers. The second component is called a ridge beam support, and it is also mounted on a concrete footing and attaches directly under the marriage wall. These are normally placed under weight bearing walls. The third is called a perimeter jack. It can be mounted on a 4" concrete pad or wooden pad. The top



of the jack is screwed to the bottom of the perimeter wall at 8' centers.

The perimeter jacks are equipped with plates to accommodate wooden nailers. The nailers then provide an option of attaching any type of wainscot, skirting or pushing dirt against the bot-

tom of the house.

Lane-McDuff Sales Company, Inc. has been appointed as the stocking Abesco distributor for the area served by Nationwide Housing. They

have warehouses located in close proximity to most of our locations.

George Lane, of Lane-McDuff has expressed a keen desire for his Company to offer this quality system in our trade area. He is especially impressed with the design of the American Homestar Meridian series home built in our Burleson plant. George assures us that the use of these systems will help increase sales and greatly improve the image of our industry.

For additional information, feel free to call Lane-McDuff Sales Company at 1-800-792-1030.

GRAPEVINE *Marriage Fever Hits Denton*

Two of the Nationwide of North Texas's brightest young stars, **Larry Miller** and **Christi Linley**, will soon get married...not to each other, though. Larry will tie the knot with **DeLynn Lillard** of Gainesville, Texas on November 6 at the 1st Baptist Church. Christi has announced her engagement to **Robert Lancaster** and will be walked down the aisle by **Robbie Golden** on October 22 at the Brookside Convention Center in Hurst, Texas. Even Denton's new office manager, **Connie Prather**, will be taking the plunge. She's marrying Michael Delucia on

December 4. If any of our readers are also in the mood, stop by Nationwide right off of I-35 in Denton. Who knows what might happen.

Rick Crosby Has a Baby!

Well, actually, it was his wife, Jane, who did all the work. On September 13th, she gave birth to a 7 lb. 6 oz., 21 inch long girl named **Rachel Michelle**. Rick, who works at the the Super-Center on 288 in Houston, was joined at the Hospital by a liquored-up **Jim Taylor** and **Skip Crosby**, who gave him a lot of moral support. Congratulations, Rick & Jane!

5 Years for Christine!

Nationwide of Mesquite's and Lancaster's **Christine Gomez** recently celebrated her fifth year with the company. Christine has been a loyal, dependable and hard-working asset to the company for a long time. Congratulations, Christine, you are the best!

Send Me Your Pictures

As many of you know, the home office has added a scanner to its ensemble of computer equipment. What a scanner does is essentially "take pictures" of photos or logos and embed the image in a computer document (like the Lane-McDuff logo above). We would like to start including pictures in the Who's Hot section of the newsletter but we can't do that

unless we receive photos from everyone. As soon as possible, take it upon yourself to get color pictures (no instant photos please) of everyone on your lot (both separately and together) and send them to the attention of Dwayne Teeter at the home office. No nudity, please.

Dennis Brinkhus Joins Nationwide in Fort Worth

You read it right... Dennis is the new General Manager of the Fort Worth N/W, located across the street from the Burleson Homestar plant. He will take over duties for **Ray McKinney**, who will now devote more time to all three of his lots. Congrats, Dennis!

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Changes in Oklahoma

Stevenson Moves to Tulsa

When **Larry Speck**, President of Nationwide of Mesquite, bought out two existing locations in Oklahoma a few months ago, he knew he was taking on a huge challenge. Neither of the two lots had proven themselves as big money earners for the previous owner despite the hot Oklahoma market. Enter **Jim Stevenson**. With Larry's help, Jim has put together a winning team in a short amount of time. The crew, consisting of Business Manager **Connie Yell**, **Patti Austin**, **Avis Ladiski**, **Rich Ladiski**, **Robert Bennett** and **Brett Austin** have all banded together to put together an excellent September and have great carry-over for October. Recently, Larry made a change in the management of his Tulsa location and he looked once again to Jim Stevenson to help build the team. Jim accepted the challenge and will take over in the next few days. The new General Manager in Oklahoma City will be **Jeff Goodrich**, formerly of Jim Daugherty's Freedom Homes in OKC and Denton, TX. Jeff's a welcome addition to the Nationwide team.

Roadmaster's News

The Thrill of the Hunt

In a show of appreciation to

many of its best customers, Roadmasters hosted the dove hunt to end all dove hunts on the weekend of September 25, 1993 in Pearsall, Texas. The sky was littered with the carcasses of falling symbols of peace as all involved joined in the fun. **George Cooper**, of American Homestar of Burleson, said "it was like something you read about in outdoor magazines." In other news, Roadmasters continues to have one record breaking month after another. In August, **Larac Austin** in Fort Worth lead the way with another outstanding month. The number 1 driver for that same period was none other than **Danny Whitlow**.

Say Hi to Judy New Executive Asst. Joins Home Office

Judy Haldane has joined the home office staff in the capacity of Executive Assistant. She replaces **Adonna Boros**, who left September 16, and will work for Chuck and Dwayne on a full time basis. Judy will be responsible for the accumulation of President's Club Points, the Monday Reports, Coordinating travel and meetings, Model Value Guides (eventually) and any heavy lifting that needs to be done around the office. Judy has already proven herself to be an impact player and will soon be up to speed on all of

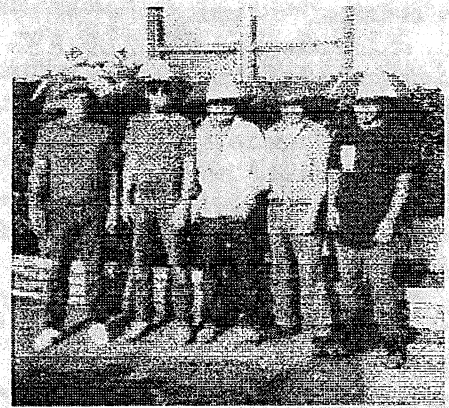
her new duties. Please welcome her to the team next time you get the chance. If you need to reach Judy, her extension is 3045.

Pursuit Update *New Version Offers Best Features*

Ron Messick, designer and marketer of the Pursuit software, has announced the arrival of Mini-Pursuit, a scaled down, customer tracking tool which is designed to be the first step towards full Pursuit implementation. It differs from the full version of Pursuit in that it offers no inventory tracking or customer interfacing. It does however, create a customer database, write follow-up letters, produces important reports about your customer's demographics and generates Chuck's Weekly Traffic Reports. Above all, though, it coordinates the follow up of all customers who get entered into the system. It does this

through the use of salesperson-to-do-lists which it prints up on a daily basis. This establishes recourse between the Sales Manager and the salesperson for every single customer. I (Dwayne) understand this is vague, so, in a few weeks, I will be visiting any of the lots who want a more detailed explanation of the software. Regarding the full version of Pursuit, right now its in major league limbo due to the recent departure of its main programmer. It seems the pressure of having to redesign a program and deal with me on a daily basis finally drove him to the funny farm. There were a number of changes we had hoped for which, right now at least, don't seem to be possible. So, for the time being, we'll concentrate on mini-Pursuit, at least until Messick finds a new programmer.

Look Great While Beating the Heat!



Members of Don Simpson's Delivery Crew complained about the heat once too often and were forced to wear these hats while delivering Chuck Sr.'s houses.