

From left to right:
Keith Post,
Jayne Williams,
Karen Hunt,
Steve Little



CLIENT:
K Post Company

BANKER:
Karen Selbo Hunt

Shared Vision, Shared Goals

K Post Company president Steve Little and Compass Bank's Karen Selbo Hunt put the "strategy" in strategic partnership

It makes sense that business managers and their bankers would have somewhat different perspectives on certain issues. What characterizes the most productive relationships between businesspeople and their bankers, however, is symmetry of vision as far as goals are concerned. Steve Little, president of K Post Company, and Karen Selbo Hunt, vice president and corporate relationship manager at Compass Bank, have just that.

Compass spoke with Little and Hunt about what makes K Post unique, its goals and the benefits of working relationships beyond the company's walls.

Compass: What is it about K Post that differentiates it from other companies in its industry?

Little: K Post consists of three distinctively different businesses—commercial roofing, commercial waterproofing and lightweight decking (a form of

concrete roofing insulation)—each of which could be a business on its own. We offer general contractors, property managers and building owners a single-source provider for the entire building envelope, with the exception of doors and windows. We have 100 of the best construction people in the industry in our company, with more than a thousand years of combined work experience.

Compass: Where did the idea for K Post come from, and how are its philosophy and strategy manifested in its operations?

Little: Our founder, Keith Post, left an established business he helped build over 20 years after trying unsuccessfully to buy out his partners. In January 2004, he launched K Post, investing his money, his heart and his soul into creating a company with a unique vision. He put together a talented

management team and incubated a corporate culture that focuses on safety, quality and value and emphasizes the importance of strategic relationships with key partners. Everyone here gets it. We all try to figure out the best way to manage our area of the business because we know our actions affect other people, either positively or negatively.

Compass: How successful has K Post's business model proved to be in the real world?

Little: When the company was kicked off, the management team had been involved in about \$450 million of projects in the Texas market. We set a goal of doing \$6 million in business our first year and surpassed it by more than 30%. We have continued to overshoot our revenue targets, generating \$14 million in our second year and \$16 million in our third year. We're on track to do at least \$19 million this year. We've established a culture of safety that has resulted in one of the lowest rates of insurance safety modifiers in the state, a loss-to-premium ratio of less than 20%. We've been able to win projects like the new Cowboy Stadium, which its owner says will be the largest arena in the world, and we were chosen to work on one of the top 10 icons in America, Texas Stadium. This all happened in 36 months. I'd say it's working out pretty well.

Compass: What goals has your team set for K Post in the future?

Little: Our goal is to be a \$25 million company that sets the standard by which everyone else in the roofing, waterproofing and lightweight decking industries is judged. We want to minimize the peaks and valleys of our business cycles, exceed our customers' expectations and continue to take care of our employees.

Compass: What role does your strategic partnership with Compass Bank play in helping K Post achieve its goals?

Little: Compass is an important strategic partner for K Post. We work closely with Karen Hunt, and we have met with other bank executives at the local, state and national level. They "get" what we are trying to do. They keep us grounded and provide us with the financial resources we need to achieve our vision. Initially, we relied on a smaller, local bank as our primary banking partner. They warned us we would become "just a number" at a big bank like Compass. Karen convinced us otherwise, and everyone at Compass has since proved her right. She treats us like a little old country banker, but with the resources of a big financial institution. Incidentally, that local bank we originally partnered with has gone through an acquisition and two personnel changes over the last two years. It's kind of ironic that we found the "small town" service and relationships we were looking for at a larger bank.

Hunt: K Post views its primary vendors, including its bank, as strategic partners in its business. They are looking for expertise and they value the input they receive. Compass is an institution and, as a banking professional, I value that viewpoint. It is important to both K Post and to me to meet on a regular basis. We anticipate needs and challenges so that preparations can be made to fulfill the need or meet the challenge. That type of communication reduces stress and allows Steve, CFO Jayne Williams and Keith to focus on the bottom line of their business instead of on the daily grind. ■