

Al Shapiro

"I owe my success today to Jacquard."

Al Shapiro took the helm of Active Glass, the family glazing business, after his father's sudden death in 1961. The small Chicago shop produced tabletops, mirrors, and did reglazing. Today, Shapiro is president of Active Glass Company, Inc., and Pittco Architectural Metals, Inc., leading fabricators and national distributors of glazing and architectural metal systems for commercial construction. Al attended Jacquard's six-month executive program for entrepreneurs, changing the way he ran his business.

Did your business change once you put some Jacquard principles in place?

Oh yes. I thought I was running a profitable business; I didn't realize how much more profitable I could be. Now, virtually all our inventory is allocated. We control our receivables; they are always very current. We have more cash, so we take discounts on our payables, and we have capital available for investing in new technology.

So more cash for you meant better technology?

Yes, our investments in technology have really paid off. We are most often the low-cost producer, thanks to our new systems. We turn jobs around much more quickly than before; many jobs that once took hours are now automated and take just minutes. Now we're developing a new bar coding system that will enable us to reduce our inventory even more. That creates lots of bottom-line benefit.

What about your customers? Did you change the way you work with them?

Once I learned about Jacquard's principles, I simply committed to them. I did an analysis and found that 80 percent of our work did come from 20 percent of our customers. We categorized them as A, B, or C, depending on their volume and profitability, and stopped spending time with customers who aren't profitable for us. We do only what we do best. For us, that means no downtown high-rise projects. We make the most money on big box projects like warehouses and distribution centers.

What was the most important insight you gained through the Jacquard program?

I used to think inventory was my friend. I had the idea that I should be the Ace Hardware of the industry. I thought I should be able to supply anything a customer wanted and ship it today. I learned from the Jacquard program the importance of the ABC approach to inventory. Today we stock only A and B items, those items we sell the most. We'll order a C item for a customer if needed.

What kinds of challenges do you face in staying true to Jacquard's methodologies?

I have to commit to this every day, because it can be easy to fall off the wagon. I need to remember just because I did something a certain way yesterday, it doesn't make it right for today. Our ratios have gone up. We owe less than ever.

Why do you think that Jacquard's principles and methodologies were such a good fit for you?

You either believe in this or you don't. I took away things that continue to help me every day. Every businessman needs someone like David Schwartz sometimes. People don't know there's anything wrong; companies get complacent. Owners give up responsibility, and become vulnerable to bad times. I feel like Jacquard offered me a business lifestyle—a permanent change. I owe my success today to Jacquard.

NOTE: With all due respect to Al, Jacquard relies on committed executives to lead changes in their companies. Al is responsible for his success, and we were glad to assist