



Fired Up and Ready!

“You can’t just stop when there are big hurdles, because then there is no future.”

By Leslie Mladinich

Businesses nowadays are getting used to tighter credit and declining bank balances. But for Frances and Patrick Doherty of Doherty Painting & Construction Inc., problems such as these have been just hiccups.

To the Ireland natives survival has taken on a different meaning since the third anniversary of their 20-year company was almost the last.

As a young couple who canvassed San Francisco's exclusive Sea Cliff neighborhood in the late 1980s with painting equipment they dragged from their one-bedroom apartment in the bordering Richmond district, the Dohertys knew their business was finally growing when they were asked to cross town to the Haight-Ashbury and repaint a Victorian fixer-upper in 1990.

At the time, burning old paint with a blowtorch to create a raw surface for new paint was industry standard. This time, however, a spark flew into the wall cavity of the house and started a fire. As it spread, Patrick tried to put it out, burning his hand and his hopes of saving his business. The fire rose above the city.

"We had a big sign up that said 'Doherty Painting.' The fire marshal came over to us and said: 'The media is on its way - you'd better take your sign down,'" recalls Frances. "We thought, 'that's it ... we are finished.'"

However, Peter Williams, co-founder of Picetti-Williams, which would later become Heffernan Insurance Brokers, and the grandfather of current San Francisco office head Steve Williams, had asked the Dohertys to paint his house in Sea Cliff. But before he let them he asked the Dohertys if they had insurance. When they said no, Williams bought it for them.

Steve Williams had been at Heffernan for a year when the fire happened. When he and Pete Picetti consulted with the couple, the Dohertys were relieved.

"They said- 'It's our problem now,'" Frances remembers.

The homeowner got a brand-new house, and Doherty Painting flourished, adding more employees, buying its own property and expanding painting services to contracting by hiring skilled craftsmen. With construction under its belt, Doherty has taken on jobs on some landmark sites, including the exterior paint of the San Francisco Conservatory of Flowers and all of the interior painting in San Francisco's U.S. Customs House. They have worked on schools and churches, and like to point out that most customers call them back when they have another improvement they'd like done. They average about 200 jobs a year.

Yet in a highly competitive business, they are used to being told "no." Each had had enough of odd, unreliable jobs when they emigrated to America. When they founded the company, it was with \$200 to buy a power washer and two ladders. Doors were slammed shut when they applied for conforming loans or tried to open accounts at painting supply stores in order to buy the equipment necessary for their take-off.

"We couldn't get credit, we were immigrants," Frances says.

The same survival tactics that have helped them grow are being put into action in the same year spending on high-end home improvements is down 12 percent nationally, according to the 2009 Leading Indicator of Remodeling Activity published by Harvard University. Although Doherty's \$3 million a year revenue is level with last year, it's down about 30 percent from 2006.

Doherty has thought beyond their hurdles, and even their triumphs, to ensure the company's survival. For example, when they finally got a Small Business Association loan to buy their warehouse location, they asked for more money than they needed to create a safety net. When new rules were formed to reduce the dangers of lead-based paint, Frances thought they were finished a second time. She got in on the issue before it hit the industry, helping write legislation around it. "I would rather be part of the solution," she says.

When the Dohertys wanted to provide health care to employees at their small company and there was no system in place to do so, Frances lobbied Sacramento. When their business blossomed to 50 employees and they discovered quality at some jobs was being sacrificed, Frances and Patrick cut workers back to 20.

"You can't just stop when there are big hurdles, because then there is no future," Frances says.

The future for Doherty entails placing a new emphasis on the talents and newly formed specializations of the company. In the past, many customers have asked their crews to paint and take on large-scale improvements without demolishing and rebuilding from new, getting Doherty Painting & Construction into restoration.

"We are reinventing ourselves to focus on restoration using LEED-certified products, rather than only painting and construction," says Frances. "We are trying to get it out there now that we are across the board. Environmentally friendly restoration covers all of this."

And although it's had one for years, the company's website is being revamped along with other marketing materials.

"We never used to need technology to sell ourselves," says Frances.

In order to tap into new markets, Patrick is getting back in the driver's seat and meeting with customers face-to-face "like only an owner can," says Frances.

His take on survival?

"Cut out the fluff and get back to basics," Patrick says.