



Banking in the Midlands — inside

# Midlands Business Journal

Founded 1975

ALL MAKES OFFICE EQUIPMENT CO.  
2558 FARMING ST.  
OMAHA NE 68131-3986

SEPTEMBER 7, 2007

THE BUSINESS NEWSPAPER OF GREATER OMAHA, LINCOLN AND COUNCIL BLUFFS

\$2.00

VOL. 33 NO.

## Larry Kavich turns over leadership at All Makes Office Equi

by Richard D. Brown

Forty-two years after he joined family-owned All Makes Office Equipment on a full-time basis, President and CEO Larry Kavich has turned over the top daily decision-making duties to his son, Jeff, and his daughter, Amee Zetzman.

Although he will retain the title of chairman and have a reconfigured office when a renovation of the executive suite is completed, the 62-year-old Kavich doesn't envision spending more than an hour and 45 minutes daily in his new office.

"I'm confident that I can get everything done that I need to do between breakfast and lunch," Kavich said.

During the last couple of weeks while demolition of the office suite was being done, Kavich did much of his work with his laptop at a West Omaha Starbucks. The new office complex, which will give Kavich only about one-fourth of the space he formerly used, offers a cockpit type of environment where he will share communal space with his son and daughter.

Plans for the succession were put in place in 2004 when Kavich announced that Jeff Kavich would become president-CEO of All Makes Omaha and executive vice president for stores in Lincoln and Urbandale, Iowa. Zetzman was tabbed as president-CEO of Lincoln and Urbandale and executive vice president-CEO of All Makes Omaha.

All Makes has about 70 employees at its 100,000-square-foot location at 2558 Farming St., 10 employees

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Chairman Larry Kavich at All Makes in Omaha ... Helping the family-owned business develop its niche over the years.

(Photo by MBJ / Becky McCarville)

## Ethanol important market for strong corn crop

by Mark Schwaninger

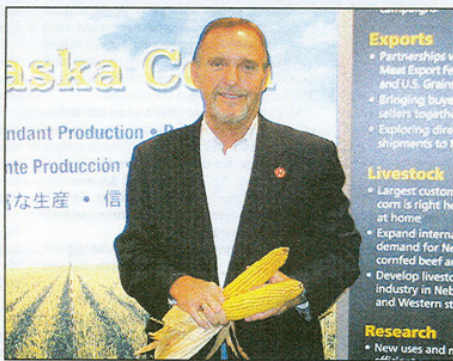
Nebraska Corn Board Executive Director Don Hutchens recalls the mid-1980s debacle when American corn producers had a 4 billion bushel carryover with no available market.

"If we had said back then that in 2007 we would produce 13 billion bushels of corn and use 11 to 12 billion bushels of it, nobody would have believed us," Hutchens said. "Today we're trying to make sure we have enough corn to satisfy demand."

"I credit corn producers across the United States who never gave up on developing the ethanol industry. It's been largely financed with corn producers' sweat and dollars."

Today, Nebraska has 17 ethanol plants that use 350 million bushels

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Nebraska Corn Board Executive Director Don Hutchens ... Nebraska has capitalized on demand for ethanol, using 350 million bushels of corn to produce 1 billion gallons of ethanol at 17 ethanol plants.

## New facility helping McKinnis Roofing expand its operations

by Ellen Grady

Its new 20,000-square-foot facility has helped accommodate steady growth in both client base and scale of projects for McKinnis Roofing and Sheet Metal in Blair.

The firm, which has 75 employees, will be the roofing contractor on a training facility for the Omaha Police Department and Fire Department.

An increase in commercial buildings with metal awnings and houses with shingles made with metal has contributed to growth. The durability of metal has made it a popular choice among building owners, said President Dave McKinnis, owner of the firm.

"With a lot of hailstorms recently, people are looking for something that will last longer that they won't have to redo as often," McKinnis said.

McKinnis Roofing and Sheet Metal — which offers a variety of metal products along with residential and commercial roofing, siding, gutters and window replacement — moved into its new facility on May 1, increasing the warehouse space, sheet metal shop, storage and office space. The company had been at its previous 12,000-square-foot facility since 1986.

Before moving, McKinnis maintained two locations to store

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Wells Fargo Private Bank opens to target high net worth families.

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Midwest Physical Therapy and Sports Medicine expands with Ashland clinic.

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Staying on top of new technology helps Inter-Tech Collision open its fifth location.

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Attorney Brady aims to help health care clients in constantly changing climate.

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Jason's Deli sees brisk office catering business, plans new Omaha store.

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## Larry Kavich turns over leadership at All Makes Office Equipment

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at its Lincoln store at 3333 O St. and four employees at an appointment-only showroom in Urbandale.

Founded by Russian immigrant Harry A. Ferer, it started as All Makes Typewriter Co. in 1918 about six blocks east of its current location. Ferer's son-in-law Lazier Kavich entered the business in 1938 and added office furniture to a line of automated office machines. Lazier Kavich, Larry Kavich's father, became president in 1940 and remained active in the business until eight months before his death at age 81 in 1996.

While he cherishes opportunities to talk about the growth of All Makes Office Equipment, Larry Kavich's memories are tempered with the many changes in the industry and his belief that the upcoming generation needs to receive the leadership reins at the appropriate time.

"Jeff has been involved for 15 years and Amee for 12 years," Kavich said. "It's my belief that if you wait too long the next generation loses their enthusiasm."

"We look at our business as the golden goose that we taught to lay eggs. I've had my turn to take care of the goose and it's time to pass her on in a healthy condition to the next generation to do what is necessary with the wolf at the door."

An advertising campaign will start later this fall to promote a 15-month celebration of All Makes Office Equipment's 90th birthday.

Kavich is still astounded by the number of people who approach him at venues around the city and say they recognize him from and enjoy his television commercials.

"The celebrity of it was good for me for more than 30 years," Kavich said. "I haven't been on TV, though, for six years because I got too fat and too gray."

"It helped develop the voice of who we are and what we wanted to be. Shameless self-promotion is part of it because you have to differentiate yourself from the competition by not only offering the best price and service, but also showing the face behind the organization."

Kavich believes changes are the lifeblood of longevity for family-owned businesses.

Although the business has never disclosed sales figures, Kavich said revenues last year increased about 7 percent. A more valid comparison, he said, is that the firm now does in three weeks what it took a year to generate in 1960.

Kavich, who started coming to his father's office in business attire at age 9, remembers watching orders being filled for three or four desks at a time and a manual adding machine. Calculators, which cost sometimes as much as \$1,600, are now being given away free as promotional items.

All Makes has ventured further into the office design market and is selling walls, floors and ceilings.

"We provide complete space planning and interior design services with project management from start to finish," Kavich said. "Through distinct designs and innovative furniture we have worked to keep our customers one step ahead of tomorrow and two steps ahead of technology."

Kavich said changes in depreciation schedules, greater acceptance of environmentally-friendly products and the evolution of products such as demountable walls



Larry Kavich, left, and the late Lazier Kavich at the construction site of the 25,000-square-foot distribution center in 1988.

have given firms such as All Makes another growth niche.

"Demountable walls give a customer flexibility and the ability to effect tremendous efficiencies," he said. "We can put a conference room in over the lunch hour and by moving the demountable walls once, they have more than paid for themselves."

The product has been especially popular in law offices, insurance firms and telemarketing businesses. The walls are built pre-wired and require no painting or wallpaper.

Kavich takes great pride in his family's decision to keep the firm downtown. That has required acquisition of additional space, including renovation of the former Rosen Novak auto dealership building.

"Opening a showroom in west Omaha is something we're talking about now, but we're happy to be staying downtown," Kavich said. "Our neighborhood is on the upswing with the development Mutual of Omaha is doing and we have great relationships with several of our iconic neighbors including Barnhart Press and Kountze Memorial Lutheran Church."

After two years at the University of Oklahoma, an experience Kavich jokes was shortened when he "ran out of idiot courses to take," he joined his dad in management training. He started as a salesman.

At age 20 in 1965, he came to the realization that he was smart enough to take a larger role in the company. His plan was to continue what he observed his father doing — surrounding himself with the right people for each position and treating them fairly.

"I'm blown away by how we've been able to attract and retain such top-notch people," Kavich said. "Our average tenure in Omaha is 12 years, and we have many 25 and 30-year people."

Kavich rattles off names from the machine department (35 years), a 35-year worker in inventory control, a shipping clerk with 20 years in. His administrative assistant joined him in 1986.

One regret Kavich has is that he never graduated from college. After starting in the business he enrolled at UNO and took business courses, but found they lacked challenge because he was experiencing on a daily basis many of the principles being taught.

One meeting about 15 years ago with Dick Winchell, former president and then foundation head of Bellevue University, was

especially telling for Kavich.

"Winchell asked what my five-year plan was and I told him I didn't even have a five-day plan," Kavich remembers. "Basically my thinking was to sell more furniture to more people today than yesterday and to remain profitable."

"This business had a great start before I came in, but what is most surprising to me is that I didn't think the growth would come as fast. Our salespeople are commission-driven and like others in our industry, we pay for performance."

By handling multiple lines of each product grouping, the business has been able to weather economic downturns. Sales, service, design, buy, lease, rent, new and used have been important descriptors used in All Makes ads that also include mention of services such as project and move management, refurbishing, reconfiguring and installation.

"Even in the late 1990s when our industry went bust and annual industry revenues fell from \$18 billion to \$12 billion in a short time we never had a call or offer to sell out," Kavich said. "It's pretty well known that down to the last stick of furniture we will remain independent and determine our own future."

Shipments from All Makes go throughout the U.S. and Canada and to Mexico and into much of Europe.

Kavich said on any given day customers can range from a retired doctor buying one chair, to a Fortune 1000 company based in Omaha wanting 20 stools shipped to Hungary, to much larger orders to equip huge

offices of customers being opened beyond the Midwest.

"We regularly do facilities planning work for companies based in Omaha that are opening locations elsewhere," Kavich said.

Kavich credits his father with setting the benchmark of getting to know the customer, taking pride in each transaction, and when mistakes are made or the customer's expectations are not met, admitting the problem and doing what's necessary to make it right.

"We've always taken great pride in our reputation," he said.

Kavich and his wife, Andi, have been married 42 years. They have four grandchildren.

Kavich is uncertain what he's going to do with the extra time on his hands. He's not a sports fan. He attended one Husker football game several years ago but doesn't remember the score or the opponent. He has never attended a professional sporting event.

He enjoys reading. The current volume on his nightstand is Bill Bryson's "Short History of Just About Everything."

A light sleeper, Kavich listens to the all-night talk show on KKAR radio and is a longtime fan of local radio veteran Steve Brown.

If he hadn't joined the family business, Kavich figures he would have ended up in media. He took creative writing classes at UNO in the 1980s and admits to being a voracious e-mail writer. His national media favorites include Larry King and Anderson Cooper.

For three years beginning in 1987 Kavich took up photography and was especially interested in black and white street portraits. During one trip to New York, he photographed author Norman Mailer and actor Christopher Walken.

Although he has made contributions to the University of Nebraska Medical Center's Board of Counselors the past two years, Kavich said he isn't a meeting person.

"That board has caused me to become a great proponent of UNMC," he said. "I've always believed that I'm a good committee member but a terrible board member because I tend to overly focus on a small part of what's happening."

One other board responsibility is Take Flight Farm, an advocacy organization that uses horses to reach young adults at risk. Kavich owns a 16-year-old horse, Rodeo, and two poodles, Sadie and Belle.

Kavich, who enjoys good health, said: "It's tough to recognize when it's time to step aside, but for me, the need to let the next generation flourish came about more easily than I expected."



All Makes now occupies the old Studebaker building at 25th and Farnam Streets.