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French Concrete Manufacturer Spurs
Business Growth by Adding Retaining
Wall Production Equipment



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Redi-Rock International, Charlevoix, MI 49720, USA

French Concrete Manufacturer Spurs Business Growth by Adding Retaining Wall Production Equipment

Family-owned businesses provide more than 50 % of the private sector jobs in Europe, according to European Family Business. But only 10 % of those family businesses make it to the third generation. Lachaux Bétons of Brive-la-Gaillard, France is a third-generation family business beating the odds as it scales up its concrete block manufacturing division and charts a course for growth. Like many areas in North America and Europe, France's economy struggled through the 2008 recession and the years following. Recently, however, that's turning around. The Wall Street Journal reported that the French economy expanded at its fastest pace for six years in 2017, fueled by the largest increase in business investment for a decade.

Lachaux Bétons is one of the French companies investing to grow. In 1948, the quarried stone and sand company launched and has grown into a good business for the Lachaux family. In 2013, third generation business owner Vincent Lachaux took over the company.

Motivated To Grow

Early in his leadership of the company, Lachaux recognized the need to diversify and saw an opportunity in producing concrete in-house. "I thought it's now or never. I am young and motivated. More and more big groups are buying small operations like us. We are small, but we will show that we are here," Lachaux told La Montagne Entreprendre in 2013. "Our greatest asset is flexibility. We already produce the raw material. Now we can control the whole process of concrete manufacturing, quality, and service."

Lachaux formed a business entity for the concrete side of the business, calling it BBlox. BBlox initial product offering was cubic blocks for security installations. "Before we got into concrete, the business was flat," explained Eric Zavras, Project Manager of BBlox. "Now that we're producing concrete blocks, the business is growing. We've built a new factory, we're growing production, and we're recruiting more people."



The BBlox factory produces cubic blocks and Redi-Rock.



Staging retaining wall blocks for fast shipment helps BBlox supply projects throughout Southwest France.

Lachaux saw growth but quickly realized that there was even more opportunity in producing a product that no other company in France offered. "We wanted provide a better retaining wall system in France. There's a big opportunity for retaining walls because of the topography from the mountains, rivers, seashores, and so on. The potential is amazing," Zavras said.

Lachaux's team experimented with developing a better looking retaining wall product themselves by integrating natural stones with cubic blocks. They quickly found that this concept was difficult and expensive to produce. In addition - cubic blocks could only be used to build retaining walls up to three meters high.

In search of a retaining wall system to build the business' growth strategy around, Lachaux attended InterMat/World of Concrete in Paris in 2015. "I was looking for a new product that did not exist in France - a product to stand out from my competitors," Lachaux said. Zavras added: "It needed to be a serious solution for engineers."

Lachaux encountered the United States-based retaining wall forming system Redi-Rock at the show, and spent some time afterward researching the company and the potential for Redi-Rock retaining walls in France. Redi-Rock provides licensed manufacturers with steel forms and polyurethane molds to create great-looking structural retaining walls. Beyond a forming system - Redi-Rock provides engineering and marketing tools to help manufacturers launch and support the brand in their markets. Lachaux took delivery of forms in April of 2016 and quickly ramped up production.

"Redi-Rock was the right solution at the right time in the right place," explained Zavras. "The potential for the product is amazing in our area, in southwest France, and in all of France. We hope to be able to provide some solutions for the Olympic Games in Paris in 2024."

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The BBlox team pours Redi-Rock freestanding forms to create freestanding wall blocks.

Lachaux Betons is well on its way to providing these types of solutions. BBlox's Redi-Rock walls can already be seen protecting shorelines, lining riverfronts, and creating space for roads and backyards.

BBlox has seen so much success with Redi-Rock since launching the product in 2016 that the company has expanded its production facility. "Now we can produce 3,000 blocks per year but we will grow to 4,000-5,000 blocks and beyond. We will start double casting soon to meet the demand," Zavras said.

In recognition of the rapid startup and tremendous growth of BBlox, the Mayors and Local Communities Fair recognized BBlox as a finalist for the Innovation Award in the Building / Public Works / Roads category in Paris in 2017.

Laying the Foundation for Results

"In French there's a saying, 'Small streams make big rivers,'" Zavras said. In that vein BBlox has started small, knowing that laying a solid foundation will lead to big results in the future. "If we get a big project, we need to be sure we can produce the blocks correctly and on time. So we prefer to start slowly. We decided to first develop the Redi-Rock system around Brive, then around the department, then around southwest France, then around all of France. In Brive now, everyone knows Redi-Rock. So last week, I was in Paris speaking about Redi-Rock," Zavras said.



Redi-Rock blocks install like giant Lego blocks using an excavator and small crew.

To meet the growing demand, Lachaux has expanded its team. "It was a small team to start. This year, they recruited me as a chief project manager and to develop Redi-Rock. We have four people in the office and four people in the plant. We'll continue to recruit more people as we grow," Zavras said.

The team that has made BBlox growth possible includes Marty Eloj, a concrete production and procurement expert. Eric Zavras is a project manager who works in sales and builds relationships with other customers, plus other manufacturers in France and the US. Marie Lyne Barret handles takeoffs, quotes, and finances, and "of course, Vincent is the big boss," Zavras said.

One of the keys to growing a burgeoning retaining wall business is building healthy relationships with the engineering community. "For all the projects in France, we use an engineering office that we have a very good relationship with. It's necessary for credibility and for safety. If you want to have a safe retaining wall, it's necessary to have a good engineering office," Zavras explained.

Having a core network of trusted retaining wall installers is also critical to the success of a retaining wall manufacturer. "We have very simple, very clear relationships with our installers. Pignot TP was the first company who decided to install Redi-Rock. Once the owner was finished with the first project, he told us 'I'm a Redi-Rock man now. I want to use Redi-Rock on every project,'" Zavras explained. Lachaux Betons also has five other smaller installers they rely on for smaller-scale projects.

Marketing has played a key role in the growth of BBlox. The company has been very proactive in seeking media attention, including inviting local television stations to tour the plant. "They're interested in seeing Redi-Rock production because it's very new and it's from the US, so it's interesting," Lachaux said.

The company has also invited local politicians to the plant to see how the products create jobs and help build infrastructure.

Social media has been another driver for BBlox; Lachaux pushes out several posts a week featuring local projects, block shipments, awards, and more. "It's all about finding customers and making sure people think of Redi-Rock and BBlox when a project comes up," Zavras said.

Because Redi-Rock is an international brand, the Redi-Rock team in the US also works to brand and market Redi-Rock in Europe. As more manufacturers join the network, growing a strong brand and recognition for Redi-Rock solutions is critical.

In France, five concrete manufacturers have banded together to offer the Redi-Rock retaining wall solutions in their market. "In our small country, everybody in concrete knows everybody. We want to work together to make sure Redi-Rock is the retaining wall of choice throughout France. We are working to set up more manufacturers so we can offer Redi-Rock in all of France," Zavras explained. Today, there are almost 150 Redi-Rock forms in production in France. The network continues to expand as well; Zavras estimates that France needs 10-12 manufacturers to serve the need for Redi-Rock retaining walls in the country.

The Future

"We've continued investing in Redi-Rock because we see the potential in France. We have a big opportunity in France for Redi-Rock because of all of the retaining walls going in in France. We'll be the retaining wall experts in France," Zavras said.

In 2019, Lachaux's goal is to have 30-40 % of total revenue coming from Redi-Rock. Then the company aims to increase 10 % each year. "We want everybody everywhere to think of Redi-Rock when they have a project," Zavras said.

To continue its growth trajectory, Zavras said the company would like to start producing barrier walls for security using Redi-Rock in the future. "I was in the French Army for 40 years. I know exactly how to use this system in France. We've been speaking with the Army in Paris and they are very interested," Zavras said. Redi-Rock can be used to build barrier walls in several ways, including freestanding blocks bolted together or hollow-core freestanding blocks through which a continuous bond beam is poured with concrete.

Lachaux is very confident in the opportunity to grow his Redi-Rock sales in France. "In five years, I will buy Redi-Rock Inter-



The BBlox team: Marie Lyne Barret, Vincent Lachaux, Kevin Loe from Redi-Rock International in the US, Eric Zavras, and Gero Vosloo.

national," Lachaux joked. "The potential is amazing," Zavras added. "That's why we decided to choose Redi-Rock - we saw the potential. Now we continue to see growth."

Redi-Rock is continuing to expand in Europe and manufacturing opportunities in select markets are available. ■

FURTHER INFORMATION



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