

Cathedral Builder

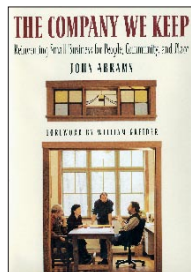
John Abrams believes that homes, relationships, communities, and small companies should be built to last for generations.

LEAH THAYER SENIOR EDITOR

It's late August on Martha's Vineyard, and the idyllic Massachusetts island is awash with vacationers, affluent homeowners, and, with the election just 14 months off, presidential contenders. You might think it's all lobster rolls and multimillion-dollar beach getaways on this storied playground of the Eastern elite, but an insider's tour reveals a more complex reality.

John Abrams is driving his dusty hybrid Ford Escape. Thirty-two years ago, he drifted onto the island on a lark. Then in his mid-20s, he and a friend — both back-to-the-land woodworkers who had little building and less business experience — had been asked to create a home for Abrams' parents. The job lost money, but the two loved the challenge, accepted more, and never left. Today, South Mountain Company (the name is a holdover from the New York cabinet shop the initial partners had run) is a \$7.5 million design/build company with 15 employee-owners and 17 owners-to-be, and Abrams is showing some recent projects.

At the high end, there are custom homes down meandering dirt roads, nestled discretely into their natural landscape. Seasonal retreats for people whose primary homes are on the mainland, these feature centuries-old lumber salvaged from river bottoms and wine barrels, custom furniture and railings made



South Mountain Co. on its 1986 holiday card, above. Abrams recounts its journey of growth and sustainability in his 2005 book, *The Company We Keep*.

Photo: Randi Baird

Cathedral Builder

of driftwood, and structural oak posts selected carefully from the lots on which they're built. The homes are green by any measure, but let's just say that their solar electric and hot water systems and composting toilets are a cut above those you last saw in the '70s. The clients greet Abrams with hugs; at one, the owner is grilling venison burgers for the crew.

Farther down the economic spectrum, there's Jenney Lane, 10 "clustered" homes that South Mountain Co. is developing in a more densely populated area. So airtight they won't need central heating, even in the bitter Massachusetts winter, these two- and three-bedroom homes will be sold through an income-qualified lottery for as little as \$170,000, at a time when the island's median home price is close to \$700,000. In a classic case of success being its worst enemy, the Vineyard's desirability has made it unaffordable for much of its vital working class: its teachers, waiters, bus drivers, fishermen, construction workers, and others. Many take the ferry to work, a daily commute that can take hours.

A short drive away, at Martha's Vineyard Regional High School, you also see a 10-kilowatt wind turbine spinning quietly atop a 100-foot tower. It was funded in part by a bequest from a South Mountain Co. client and will serve several purposes, among them reducing the school's electricity bill and inspiring students to pursue careers in renewable energy and green building. In another challenge relevant to businesses and communities nationwide, the Vineyard struggles to find enough skilled craftspeople to replace its aging workforce.

South Mountain Co. has grown steadily and very much by design, as evidenced by a significant backlog and enough money left over (after generous benefits and \$240,000 in profit sharing in 2006) to donate 10% of annual profits to charity. The company embraces such a diversity of work not to hedge its bets, or to maintain cash flow during downtimes, or to harness its fortunes to the money and community spirit that are so abundant on Martha's Vineyard.



Custom cabinets, millwork, and furniture are made in South Mountain Co.'s shop (top). Development projects (above) are tightly clustered to preserve open spaces. Small wind turbines (left) are a key element of the company's renewable energy division.

Instead, the company selects this broad range of projects — some far more profitable than others — to support its broader commitment to sustainability: that is, to homes, communities, natural resources, and above all, to a company intended to last for generations. Abrams' metaphor for this long-term view is "thinking like a cathedral builder," referring to the craftspeople who laid foundation stones and framed walls for the enduring structures knowing they would never see their work completed.

As lofty as this thinking might sound, several indicators show that it works for South Mountain Co. Long-ago clients are as delighted in their homes today as they were 25 years ago. Wooded pastures and hilltops that came close to being cleared are preserved; any homes built on them are tucked into the vegetation. Old homes that might have been torn down are put on trucks and relocated as affordable housing, or "deconstructed" for use in other homes.

But the best evidence of sustainability may be the 32 people who make up South Mountain Co. today. In 1987, Abrams restructured the company as an employee-owned cooperative. (He was sole owner at the time; Mitchell Posin, his co-founder, left in 1984.) Initially, Abrams had two co-owners, both of them foremen; today, he has 14, with the remaining 17 employees expected to become owners after a five-year vesting

Career and Business Highlights

1975

Establishes South Mountain Co. (with Mitchell Posin) on Martha's Vineyard.

1976–90

Founding board member and president, Energy Resource Group of Martha's Vineyard.

1979–80

Founding board member, Cape and Islands Self-Reliance Corp.

1980

Company has five employees and \$500,000 in revenue.

1983–89

Member, Chilmark Board of Health (chair 1987–89).

1984

Fire destroys South Mountain Co. shop. Shop and office are rebuilt in 1985.

continued

Cathedral Builder

period. “When we hire, we’re hiring future owners,” he says. The often slow, deliberate nature of this hiring process pays off with a loyalty that many companies can only dream of. The average tenure of South Mountain Co.’s employees is 12 years. A few co-owners have been there more than 25 years; only one has left since 1995, and that was to go to engineering school.

No doubt, many of these people were attracted to the company by the quality and subtlety of its work — an aesthetic that is quiet, natural and “not chest-beating,” says Kevin Ireton, editor of *Fine Homebuilding*. “More than just about any other company I know, they exemplify first-rate craftsmanship.

It’s not only the product, however. “John is just thinking on a whole other level,” Ireton adds. “He’s figured out a way to attract good people, where they enjoy what they do and feel good about it.”

PUSHING THE ENVELOPE

At 57, John Abrams may be the most influential but least-known design/builder around. You won’t see signs or advertisements for South Mountain Co. anywhere, not even on Martha’s Vineyard. He travels extensively and speaks dozens of times each year, though more often before community and environmental groups than construction audiences. His 2005 book, *The Company We Keep: Reinventing Small Business for People, Community, and Place*, has sold well enough that he’s been asked to update it in a second edition.

In fact, Abrams has never really considered himself a remodeler; roughly 70% of South Mountain Co.’s work is new construction. But he likes to think that his being selected for The Fred Case Remodeling Entrepreneur of the Year Award implies that the word “remodel” can — and even should — be more broadly defined. “We’re radical remodelers, perhaps,” he wrote after being informed of the award. “Aside from some traditional remodeling, we remodel homes by adding renewable energy. We remodel sites and give them new life for new generations. We do total remodels when we move houses and prepare them for their existence in a new place.” (For details about the Fred Case award see page 88.)

Abrams’ friends and colleagues appreciate that expansive thinking. They say he’s “a big-picture thinker,” “extremely collaborative,” “a wonderful



Tucked into a glen 150 yards from the water, this home “is refined but not tricked out,” Abrams says. Salvaged and native materials include seven structural oak posts selected from the property. “It looks like it belongs here,” say its owners.

leader,” “articulate,” “charismatic,” “curious,” “modest,” “balanced,” “creative.” “He’s very studious and inquisitive,” says Richard Leonard, president of Martha’s Vineyard Cooperative Bank. “He will travel the world ... to bring fresh ideas and perspectives” back to his community and his company. In 1990, for instance, Abrams toured co-housing neighborhoods in Denmark, where the concept originated. In 2000, South Mountain Co. completed Island Co-Housing, a 16-home community where Abrams and his wife Chris live.

This studious approach also plays out in Abrams’ interest in alternative construction methods and materials. “John has always been pretty early to embrace new ideas,” says Alex Wilson, founding editor of *Environmental Building News*. “But he doesn’t do it in a cavalier fashion without studying whether they’re going to work.”

Clients are similarly complimentary. In the late 1970s, Frimi Sagan and her husband Eli hired him and Posin to build them a house that would be “interesting, but contextual,” Frimi says. The process “couldn’t have been more comfortable and congenial,” and for years Abrams brought prospective clients to see it. “The beds were always made. We wanted them to be successful,” she says. More recent clients continue the practice of opening their homes today.

Politically, Abrams is as left of center as you might expect, but his openness to new ideas helps him bridge broad ideological chasms. “I call him my little red friend,” says Merle Adams, CEO of Big Timberworks,

1987

Restructures South Mountain Co. as a worker-owned cooperative.

1990

Company has 5 employee-owners, 10 employees in all, and \$1.6 million in revenue.

1990–96

Board member, Northeast Sustainable Energy Association. Receives its Lifetime Achievement Award in 1998.

1999–PRESENT

Advisory board member, *Environmental Building News*.

2000

Company has 13 employee-owners, 24 employees in all, and \$5 million in revenue.

2000–PRESENT

Board member, Island Affordable Housing Fund (chair 2000–05).

2004–PRESENT

Board member, Island Housing Trust.

continued

Cathedral Builder

a Montana timber-framing company also known for its use of salvage lumber and its creative design. They disagree about a lot, yet they're also good friends who counsel each other on business issues. In fact, Adams was so impressed by Abrams' employee ownership model that he adopted a similar structure several years ago.

"One thing that probably is not apparent to most people is that John is an absolute bulldog," says Tom Chase, director of special projects for the Massachusetts chapter of The Nature Conservancy. "He is kind and respectful and open and giving, but underneath all that stuff is dead earnestness. If he sees something that needs to be done, he really puts his back into it," especially as it relates to affordable housing and environmental issues.

Education is a key way Abrams puts his back into issues that matter to him. Chase remembers being at a public discussion about affordable housing when a skeptic raised questions about the supposedly higher costs of natural materials. (South Mountain Co. uses sustainable materials in all of its work.) "John said, 'Everyone talks about the cost of materials, but almost no one talks about the cost of maintaining them.'" Abrams helps people understand how salvage cypress, for instance, is not only beautiful but will last forever; how natural landscaping doesn't require mowing or irrigation; how good day-lighting and cross-ventilation minimize use of electric lighting and air conditioning.

"He likes to push the envelope on things," says client Brian Mazar. "He wants people to understand how some things are for the collective good."

FIXING THE SYSTEM

Abrams' curiosity and determination have biological roots. Born in San Francisco and raised mostly in California, he had an academic upbringing but never completed college himself. His father, Herb, was a pioneering radiologist who later co-founded International Physicians for the Prevention of Nuclear War (winner of the 1985 Nobel Peace Prize). They're very close, Abrams says, and his father "has never wavered in his firm belief that if you work hard enough at changing the world, the world will surely change."

The relative who had an even greater impact on



The 16 homes of Island Co-Housing look onto common green spaces. Important trees were mapped and protected during the construction process.

Abrams' career was his paternal grandfather. In *The Company We Keep*, he writes about the hardware and machinery business that Morris Abrams established in New York City in 1922. It thrived for decades, and a highlight of young Abrams' trips east was wandering "through the maze of storerooms that felt like caves filled with treasure." But its fortunes declined in the 1950s as key people left and started their own companies. Morris Abrams Inc. was sold several times, and the final owner even sold the name before going bankrupt.

"The loss of good people, and the business that left with them, took its toll," Abrams writes. "I have come ... to think that small businesses like my grandfather's do not have to die this kind of death." While recognizing that not every company can become a permanent institution, the demise of his grandfather's business made Abrams "look at what was wrong with the system and figure out how to fix it," he says today. "You need to empower others, thereby inviting them to stay."

The employee-ownership model has been a work in progress for South Mountain Co. (Abrams explains the particulars in great detail in his book as well as on www.somoco.com.) Nothing is static, and the company as a whole seems to thrive on constantly evaluating better ways of doing things. "The danger is if you stop asking questions," says owner Peg MacKenzie, who started as a carpenter 20 years ago and now runs a number of office systems and also manages the personnel committee.

2005

South Mountain Co. receives *Business Ethics* magazine's Workplace Democracy Award.

2006-PRESENT

Steering committee member, Martha's Vineyard Island Plan.

2007

South Mountain Co. makes the Dave Thomas Foundation for Adoption's list of companies with best adoption practices.

2007

South Mountain Co. makes the WorldBlu list of Most Democratic Workplaces.

2007

Instructor on reinventing small business, Yestermorrow Design/Build School.

2007

South Mountain Co. has 15 employee-owners, 32 employees in all, and \$7.5 million in revenue.

Cathedral Builder

For instance, recognizing that skills sharpen, interests develop, and bodies age, Abrams and his fellow owners encourage one another to pursue interests that could benefit them and the company alike. Nobody is forever pigeonholed as a job function. Owner Phil Forest is a prodigiously gifted carpenter who had long been interested in energy efficiency. He spearheaded and now runs the company's renewable energy division, which performs home energy audits that often lead to significant contracts to design and implement improvements. "John recognized that it's something I really wanted to do, and he provided me with the opportunity to do it," Forest says.

Owner Deirdre Bohan came on board in 1995 as bookkeeper and quickly made it a half-time job. Abrams asked her what she really wanted to do, and she said she liked interior design. For the next two years, she spent the other 20 hours a week going to school and creating what is now a thriving interiors division that, she explains, "helps assure that our projects' furnishings and architecture will be complementary and harmonious."

It's worth pointing out that nobody gets



The company gathers for its 2006 holiday card — an annual institution that clients look forward to.

a blank check for such pursuits. Ireton says that Abrams "also thinks about business as a craft. He respects the business side and devotes himself to being good at it." Bohan remembers a "somewhat rigorous" process that required a detailed business plan and the clear demonstration that she could execute it. Forest created a plan that explored objectives, feasibility, financial expectations, and more for renewable products. Clients were asked of their interest in such a service; committed to the company's success, they weighed in with valuable input.

If that comfort with flexibility and individual initiative is more than some business owners have or even want to have, then Abrams suggests that they reconsider how they think of their business. "If you think of it as your individual path to wealth, and others are there to serve your needs, there

will be consequences, in terms of commitment and levels of responsibility," he says. "If you think of a business as a community of collaborators, all of whom are contributing to the best of their ability, then you can do a lot more for those people and the community that you're a part of."

You might even build a business that outlives you. "Here's what I see builders thinking about when they're my age," Abrams says. "You put 30 years of your life into building these things that you love, put your heart and soul into it, and what do you do with it?" Your kids may not want it, and chances are nobody wants to buy it from you. "You don't want to just close the doors.

"I suppose the best advice I can offer is to trust others. It can be difficult and frightening to let go, but the rewards are always greater than the risks." The greatest reward, he says, "is seeing that sometimes, when people do things their way, it turns out to be a *better* way, which is good for me, good for them, and, most importantly, good for the company." **R**



WEBXTRAS: For more information about John Abrams and South Mountain Co., go to www.remodelingmagazine.com/webxtras.

About the Award

John Abrams is the first winner of The Fred Case Remodeling Entrepreneur of the Year Award, established and endowed by the founder of Case Design/Remodeling, one of the largest full-service remodeling companies in the country. The award replaces REMODELING's Lifetime Achievement Award and comes with a cash prize of \$12,500 (\$10,000 plus \$2,500 for each of the four finalists, including Abrams).

Fred Case wasn't involved in reviewing the candidates, but he says he's pleased with the judges' choice of Abrams. "The thing that really impressed me about John is that he's a caring person," Case says. "Remodeling is a tough business, and you have to keep your eye on the ball all the time. When somebody extends themselves to try new things — when they take risks that bring change and



opportunity — I really admire that."

Case particularly respects Abrams' commitment to the staff of South Mountain Co. "One cannot keep good employees without giving them opportunity," he says.

Mark Richardson, president of Case Design/Remodeling, says he was struck by Abrams' "holistic entrepreneurial spirit. I think it's rare for someone to excel on so many levels" of running a business, he says, including financials, employee retention, and community relations. "I also think any leader in the remodeling industry has got to be committed to green," Richardson says, noting Abrams' long-standing embrace of sustainable building materials and methods.

To learn more about The Fred Case Remodeling Entrepreneur of the Year Award, see the July issue of REMODELING, page 33. —*L.T.*