**5 questions with Webb Analytics’ Craig Webb**

**Who are you and what do you do?**

My name is Craig Webb and I’m the founder and president of Webb Analytics LLC, a data and research consultancy focused on helping construction supply executives spot the trends, opportunities, and threats that affect LBM dealer profits.

The company was founded in 2018 after I spent a dozen years as editor-in-chief of an industry trade magazine and came to love the dealer industry. During my time there, I visited dealers in 49 states and spoke to groups across the U.S., Japan and Canada, even winning a few awards along the way. I’ve also worked with The Wall Street Journal, UPI and McGraw Hill, so clearly digging deep and reporting the facts is in my blood!

I’m all about making connections, whether it’s for companies, investors, or helping to locate talent to meet a dealer’s need.

**What challenges do you see in the lumber retail industry today?**

Employee retention continues to be an ongoing challenge, as evidenced by the continual (and growing) labor shortage industrywide. Webb Analytics’ recently-released 2022 Construction Supply 150 report found members reporting challenges in attracting and retaining workers. When dealers were asked to rate on a 1-to-10-point scale their difficulty in finding workers, the average was 7.3. Truck drivers were the most difficult at 9.2; roughly half rated it 10 out of 10 on the scale. Truckers were followed by yard workers and sales reps at 7.8 and 7.3, respectively.

Dealers that didn’t make acquisitions and kept their facility counts the same as the previous year say their payrolls have risen nearly 20% since COVID arrived. This bears watching, because it means dealers have higher operating costs that will remain after the current rabid demand for building products ends.

**How have LBM dealers’ relations with their customers changed?**

Supply-chain issues have led to dealers communicating with builders and remodelers far more often than in, say, 2019. At the same time, dealers’ e-commerce capabilities have risen dramatically. Seeing your bill online now is common, and the ability to pay online is coming quickly, too. Next up will be the ability for customers to see if a product is in stock and then order those materials without having to call a sales rep.

**What tips would you offer regarding what dealers are doing that timber mills should track?**

The worker-employee relationship is changing. Yes, labor shortage issues are prompting dealers to offer more money. But we’re also seeing changes in working conditions that are making construction supply jobs more attractive, potentially reducing turnover.

Allow WFH (work from home) and up the vacation days. Just under 50% of CS150 companies who told us about their benefits said they started letting some employees work from home permanently. Roughly one-third said they have increased the number of days a worker can take off, and one-third have stopped requiring a year of employment before a worker can go on vacation.

**What is one trend you’d like to share with lumber retailers?**

We’re seeing increasing efforts to hire women and minorities. In some ways, dealers already are doing better than their peers in construction: While the NAHB estimates only 10.9% of all construction workers are women and 11% are black, Asian or Hispanic, among CS150 members women made up 36.3% of the workforce and minorities were 30.7% of the total.

**Final thoughts?**

Ultimately, timber mills and dealers help make it possible for people to live in safe, comfortable, affordable homes. How homes are constructed is changing—witness the increased use of CLT, modular building components, engineered wood, and even trusses. Close communication and coordination between mills and dealers will be vital as the construction industry evolves.