

# Larger Focus

No. 70 Jackson Design and Remodeling opts for a minimum project budget to help streamline overhead and production.

by Kyle Clapham

**SINCE 1989** Jackson Design and Remodeling has built and renovated thousands of homes in San Diego. The company simultaneously develops the design parameters, construction methods and budgetary goals for each project while communicating the process to homeowners at every step. In 2018, the organization completed 78 jobs on \$21.3 million in gross remodeling sales.

Toward the end of the year, however, president and CEO Todd Jackson decided to focus only on projects with a budget of at least \$100,000. After examining jobs that the firm has completed for less, he discovered they accounted for only \$2.3 million in sales—or 15 percent of volume at the time—despite

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Todd Jackson, president/CEO

comprising about one-third of clientele. Each project required too much overhead.

“The reality is that’s two project managers; that’s two designers,” says Jackson, who entered the business when he was 20 years old, became a licensed general contractor at 23 and built his first addition by 24. “As an owner, you’ve got to make these decisions because sometimes you [think] a lot of motion and energy is progress. What we decided to do is focus on larger-scale projects.”

Bigger jobs take longer to develop, though, and a seldom rainy winter in California washed out the first four months of 2019, he adds. The company had scheduled its subcontractors for several projects with huge foundations, but the inclement weather pushed

back the start date of each one. Weekly notifications about delays and the reasons for them helped keep homeowners in the loop.

“Some people understand that you can’t build in mud, and some people don’t,” says Jackson, who did give a \$2 million client about \$20,000 to cover additional rent while they waited for their job to finish and thought about another large-scale project. “I would say that 95 percent of the clients were OK with it; and the other 5 percent, they want you to build [no matter] what’s happening.”

About three years ago Jackson launched Home Expressions by JDR, a business that offers design and remodeling services for kitchen, bathroom and specialty jobs with no structural changes. The organization opened a new 9,000-square-foot selection center and office next door to the existing 8,000-square-foot facility for Jackson Design and Remodeling and its luxury new-home division.

“You’re promoting large-scale projects that are architectural and interior-design driven, and you attract or detract a certain clientele,” Jackson explains. “We knew we still wanted to do kitchens; the average kitchen in Southern California is that \$100,000 to \$150,000. We were having people not come to us, so we wanted to give them another opportunity of how we focus and help them.”

Home Expressions by JDR has grown steadily with volume and accounts for 23 to 27 percent of business, he notes. Jackson Design and Remodeling operates a showroom with 4,000 square feet for interior projects and another 1,000 square feet for exterior jobs. Building loyalty with vendors who fit its culture enables the company to simplify selections and pass value on to customers.

“The average kitchen and bath showroom, you walk in and they have 10 different manufacturers that they buy their cabinets from. They’re all over the place,” Jackson says. “In my world, I have two. What I’m asking for from that loyalty is preferred ordering. They’re going to put me down and they’ll log



**TODD JACKSON,**  
President/CEO

**COMPANY:** Jackson Design and Remodeling

**DESCRIPTION:** Design/build remodeler

**LOCATION:** San Diego, Calif.

**TOP 500 RANK:** No. 70

**REMODELING SALES:** \$21.3 million

me in, and now I have four weeks to finalize that order [on an eight-week lead].”

The business also receives a base rate for all wood species, instead of paying 15 percent more for maple, 25 percent more for cherry and 35 percent more for walnut, he adds. When selling larger-scale projects, therefore, the company can give clients the flexibility to flesh out some details in their final selection. If they want to upgrade from maple to walnut, for example, there is no cost.

“I give the clients the flexibility to allow us to sign an agreement, and then kind of fine-tune that as we need to,” Jackson says. “The nice thing is that we just lock it all in. The trick is taking ownership of certain aspects of products to make sure we’ll have the ability to deal with the price increase, but that we’re also going to be the benefactor [in the event of a price decrease].”

Earlier this year Jackson started a manufacturing company that offers luxury louvered roofs, and it will be introducing a new gutter system with integrated lighting. “We’re working on a dealer portal where you order the product, and it will come into my system and produce a cut list,” he says.

“It’s been kind of fun to utilize all the knowledge I have gained on the build side and learn new lessons on the manufacturing side,” he adds. “It’s funny that some of those lessons are the same.” **QR**