



Liberty

Attention Medicare Beneficiaries!
Contact Liberty and receive a **FREE Meter***



See if you qualify
CLICK HERE
or call **1-866-891-5405**
[Important Disclosure](#)

hanley wood

Builder

The Information Source for the Home Building Industry

From: [BUILDER 2009](#) | Posted on: May 13, 2009 1:28:00 PM

BUILDER Magazine Honors Pulte CEO as Executive of The Year

Richard Dugas is recognized for his company's performance and customer service in 2008.

By:

[John Caulfield](#)

Richard Dugas, the president and CEO of [Pulte Homes](#), was named [BUILDER's Executive of the Year](#) during an awards luncheon during the magazine's [BUILDER 100 conference](#) in Chicago yesterday.

At 43, Dugas is the youngest recipient of this award, said Boyce Thompson, editorial director of BUILDER magazine. Thompson noted that Dugas was being honored for his company's "outperforming its peers" in 2008, during which Pulte jumped to second place, from fourth in 2007, on the [BUILDER 100 ranking](#) of closings and revenue. Thompson added that Dugas was also instrumental in sustaining Pulte's record for customer service. Pulte is the [highest-ranked builder for customer satisfaction, as ranked by J.D. Power & Associates](#), in 11 of its markets. In addition, Pulte last year was cited by the U.S. Department of Energy for its efforts in building energy-efficient homes.

In his speech accepting the honor, Dugas praised his company's associates for their work every day in Pulte's performance. "I consider this a team award," he said. Dugas also recognized company chairman Bill Pulte, who was in the audience, and his company's competitors, with which "we share common challenges," he said.

Dugas also commented on the state of the housing industry. "I do see a lot of hope for a turnaround," said the Pulte CEO, who made what has become his standard pitch in public forums for an expansion of the federal tax credit. (He'd like to see the credit increased to \$15,000 and extended to all buyers.)

He touched on the [pending merger between Pulte and Centex](#). Announced in April, the deal will create the country's largest home builder, with Dugas at the helm. When asked what synergies the combined company might realize quickest, he replied that both companies are "underleveraged," and by joining forces, they'd be able to return to profitability faster. The merged firm also will realize considerable overhead savings by combining two company headquarters into one, having one division president instead of two in markets, and filing one set of paperwork with the S.E.C., according to Dugas, who reiterated previous estimates that the merger would save the new combined company \$350 million per year.

Other remarks covered Pulte's future branding strategy and land plans. Going forward, Dugas said Pulte planned to "segment" its brands by customers; for example, the "Centex" and "Fox & Jacobs" brands would target entry-level buyers, the "Pulte" brand move-up buyers, and "Del Webb" brand active adults. On the land front, Dugas seemed to be moving toward a middle ground. When asked whether the new bigger Pulte would lean towards Centex's asset-lite land strategy, Dugas said he prefers an "asset-efficient" model where "you control the right pieces of property but don't own all of it." He added, however, that Pulte would continue to own large land tracts needed for its Del Webb communities.

During the luncheon, BUILDER also recognized [LGI Homes of Conroe, Texas](#), as the industry's fastest-growing private company in 2008. Eric Lipar, LGI's president, gave a rousing acceptance speech, in which he pointed out that company's aggressive sales and marketing efforts are bearing fruit even in this difficult year: it has averaged 70 home sales per month, and just last weekend, the builder received 450 calls from interested prospects. During Mother's Day, LGI Homes' three sales offices in Houston and San Antonio were visited by more than 100 customers.

"We're really a sales and marketing company that sells houses," Lipar said. "We sell directly to the consumer [last year, only nine of its 475 closings were attributable to real estate agents], spend an hour with them, and pull their credit histories before they are shown a house."

It also keeps the process moving by strategic use of specs. With more than 100 completed spec homes on the ground, LGI can "move [a buyer] in 30 days," Lipar said.

As a result, the builder is continuing to buy land and market its offerings. Lipar said that his company just signed a contract for 700 lots in the Dallas-Fort Worth area, and over the last two weeks, it has sent out 11,000 direct-mail pieces to prospects, at a cost of only \$3,000 for the mailing. "So far, we've gotten 127 calls—for a \$3,000 investment," he noted.

In the current market, such success stands out. As Dugas followed Lipar to the podium, the Pulte CEO paid what might have been the greatest business complement to the LGI Homes leader as he playfully asked Lipar: "Is your company for sale?"

John Caulfield is senior editor at BUILDER magazine.

Related Articles

- [Builder 100 Company Profiles and Charts](#)
- [Pulte Doesn't Foresee Revenue Rebound Until 2011](#)
- [Survival Is the Name of the Game in Pulte-Centex Merger](#)
- [KB Home Tops in Green Building](#)
- [Painful Year for Country's Largest 100 Home Builders](#)
- [Acquisition Season](#)
- [Make Bonus Rooms Comfy](#)
- [Building a Better Web Site](#)
- [BUILDER Magazine's Top 10 Elements of Style](#)
- [Satisfaction Guaranteed](#)
- [Fear Factor](#)
- [Steeling Home](#)
- [The Systems Sub](#)
- [Mold](#)
- [The Nationals: Sending The Right Message](#)
- [Virtual Realty](#)
- [America's Best Builders: Part III](#)
- [America's Best Builders: Wayne Homes](#)

Related Topics

- [Mergers and Acquisitions](#)
- [SALES AND MARKETING](#)
- [Land Acquisition](#)

- [Business](#)
- [Awards](#)