



SWIFF-TRAIN
C O M P A N Y

OUR STORY

BY RONA TRAIN
EDITED BY THE TRAIN FAMILY



If Anne hadn't traveled to visit her sister, there would be no story. On that trip she met Herbert, they married and produced three outstanding sons, I became her daughter-in-law, and it is my pleasure to tell you the tale.

In the beginning



Helen Greengus and Joseph Swift met in their native country of Poland and fell in love in their teens. He was conscripted into the Polish army and after discharge, Joseph traveled to Houston in the late 1890's and worked there as an accountant until his family encouraged him to return to Poland, where he married his sweetheart. Anne Swift was the third of four children, including older siblings Jean and Hanan, and younger brother Harry. The oldest two children were born in Poland. Seeing a grim future in Europe, Joseph had a passion to return to the way of life and freedom he had experienced in the United States, so he convinced Helen to leave their families and everything familiar to immigrate permanently to the United States. Contrary to so many stories depicting immigrants traversing the ocean in steerage, the Swifts were able to book passage in comfortable quarters. Helen was pregnant with Anne on the voyage.

Entering the country through the port of Galveston, they settled in neighboring Houston, arriving approximately March, 1914, and Anne was born August 16. Joseph possessed an astute business mind, and saw that the port city offered more opportunity than the still-developing Houston. He moved his family to Galveston, and opened the J. Swift Cotton and Bagging Company. He and Helen prospered and became pillars of the Jewish community. They were able to build in 1925 a stately home on 25th Street, and the four children grew up in comparative luxury. Photos show the young family posed in front of the elegant fireplace, all dressed in fashionable and expensive-looking attire. Anne later told of her favorite pastime: walking to the tennis courts, bouncing her ball with the racquet all the distance. She loved the nearby beach, and getting

a good suntan.

Herbert Train experienced a very different early life. Born in New York City to first generation Americans Louis Arthur (known as L.A.) and Bertha Siegel Train, he lived in the Bronx in a typical apartment with his two sisters and mother. Their father traveled the world to sell fabrics made in the United States, and was rarely home. He loaded the goods on trains in New York, traveled on the train the week it took for his merchandise to reach San Francisco, saw the material transferred to steamer ships, and boarded the ship for the month's journey to Shanghai, China, where he unloaded on a wharf and proceeded to spend about a month selling his inventory. He also traveled to South Africa in the same way, with the added bonus of visiting his relatives who had settled in Johannesburg. Never did Herbert talk about his father to following generations, saying that he hardly knew him.

Though not poor, they were comfortable, and the maturing Herbert had no family business opportunities for a better future. He graduated from high school and worked to earn salary to contribute to the household with some funds left to enjoy the life of a dashing young man. His later references to fun times under the boardwalk at Coney Island and Rockaway Beach, related with a sly grin and twinkle in his eyes, confirmed the early formation of his rakish personality.

In 1934, Jean Swift was studying fashion design in New York City and invited her younger sister to visit. Anne had spent a year at the University of Texas in Austin, but was forced to drop out of college because the depression had depleted the family's ability to pay. Jean's education in New York and brother Hanan's dental school enrollment were all their parents could financially handle.

How did one travel from Galveston, Texas, to the Big Apple in those days? By boat, of course. Jean arranged dates for Anne with available young men, and one of them invited his friend Herb to find a girl and double date. They went dancing, and apparently the dates were ignored as Herbert and Anne found the first of their many shared

interests. They made a beautiful and well-suited couple from the beginning. The two parted after that trip, but Anne returned to New York in 1935, surely anxious to spend more time with Herbert. Always dynamic, always thinking ahead and outside of the box, Herbert was permanently smitten by the beautiful visitor from Galveston and saw a multitude of opportunities. Then and for the rest of his life, that man never took no for an answer. Thus, when for the second time Anne boarded the boat back to Galveston, Herbert accompanied her.

One can only imagine the reaction of the Swifts when Anne brought Herb home. Who was this guy, and what were his intentions? Joseph put him to work, allowed him to live in the family home, and after a few months made it clear that it was time to make a commitment or leave. The young couple was obviously in love, and Joseph gave them his blessing. When asked what plans Herb had for their future, he said that he didn't know what he would do to earn a living. Joseph said that he could give Herb a lot of money, but instead he would give him advice, which of course was worth much more than money. Herbert always thought that was a typical indication of Joseph's generosity. Joseph was extremely philanthropic during his lifetime and financially supported many causes and institutions. To his family he gave advice.



The birth of Swift-Train Company

Herbert returned to New York to prepare for his new life, and during the following year he and his family traveled to Galveston to meet their new family. The ceremony took place on 25th Street in front of that elegant fireplace. December 27, 1936, they married, and Herbert and Anne honeymooned in Mexico with the grand sum of \$50 to spend.

Corpus Christi looked like a good place to open another location for his cotton and bagging business, and after the wedding Joseph would

send the young couple there. Together, Joseph and Herbert went to Corpus, bought land, built a corrugated steel building, and established credit with a major Corpus Christi bank. The newlyweds located to Corpus Christi in January 1937, establishing for the first time Swift-Train Company. The goal was to duplicate Joseph's business, which was buying, cleaning and re-selling the cotton and burlap bags used in those days to be re-used as the covers for cotton bales. He also bought damaged cotton bales which had burned in the many fires which occurred in South Texas cotton gins. They would re-bale the good cotton, use their bags to bind them, and secure them with steel straps to hold the covering. In other words, Swift-Train was a re-cycling company. Joseph put up the capital and established the credit, Herbert provided the work and the manpower, and they agreed to be 50-50 partners.

Herbert had ideas to increase and diversify the



business; Joseph, however, had other ideas. In 1939 they agreed to disagree and separate their interest in Swift-Train Company, which was done amiably. The separation included the loss of Joseph's bank guarantee for operating capital. Herbert had little money and only a short history with the bankers. At twenty-five years of age, Herb was married with a child on the way, employees and creditors who depended upon him, and only his wits and initiative to draw upon. He went to the banker and literally cried and asked for assistance. Luckily the banker

recognized the character and potential of this young man, or this story would end here.

The 1940's

Hard working and tireless, Herbert built his business. At the outset of World War II, he received a draft call. He sold his business to an acquaintance and reported to San Antonio for enrollment. His orders were waived because of his marital and family status, and he returned to Corpus Christi and bought back his business. A total of three times he was drafted, waived, and returned to re-acquire the company.

During the on again-off again draft call, he continued to operate his business. Because of the shortage of United States steel which was being used for the war effort, he went to Washington, D.C., to secure an import license for the wire strapping for the cotton bales, and met other importers there on the same mission to find foreign steel suppliers. He secured a source in Mexico, which was an important factor in the growth of his business.

In the mid 1940's, south Texas was more and more dotted with oil wells. Herbert hired a driver named Willy, and the two of them covered the oil fields, buying used oilfield cable which could be sold to the logging industry in Oregon and Washington. Herb would drive from rig to rig during the day while Willy slept in the back seat, and they changed for the night drive in order to get more done and be able to return home for the weekend. Because segregation was endemic in south Texas, Willy had to be taken to restaurants and an occasional hotel which served Negroes. The two spent many days and nights together, and many years later Willy showed up at a Swiff-Train event in San Antonio, Texas. The old friends embraced and shed a few tears, and we got to meet the legendary Willy who helped young Herbert launch a thriving steel business.

During the nineteen-forties and even the fifties, Herbert returned to D.C. several times to secure additional import licenses. On these trips he met other importers and those associations paid off. Herbert began importing pipe and other steel products the oil rigs needed, steel bands for

cotton bales, and steel wire and reinforcing bars for roads, bridges and buildings. After World War II new steel mills developed in Europe, and other importers whom he had met in Washington found steel suppliers in other countries and asked Herbert to sell the products they sourced. Thus Swiff-Train became a trading company, purchasing various types of structural steel products from these importers and his own suppliers and then selling to third parties. He sold most of the shipments before they arrived at the Corpus



Christi docks, and gained a reputation for being an aggressive and innovative broker of imported steel. His sons remember helping to supervise the unloading of steel from the ships onto trucks or smaller ships for transport to the buyers.

Herbert's success in the steel business between 1945 to 1947 made it advisable to close the bagging and cotton recycling business and concentrate on the steel. His entrepreneurial mind constantly saw solutions and possibilities, and he truly never took no for an answer. "If you can't get in through the front door," he would say, "go in through the back door. And if you can't get in through the back door, go through a window." He made things happen.

The 50's and 60's

Herbert and Anne Train were beautiful, elegant, fun-loving people who enjoyed the fruits of their successful business.



They were down-to-earth and loving parents and friends. The three sons they raised enjoyed a stable and happy upbringing, with

reasonable rules which were meant to be followed, a beautiful mother who cooked a wonderful dinner every day in her Ferragamo heels and June Cleaver pearls, and a strict but loving father who taught them that family is the most important element in life.

A great boost to the flooring industry occurred in the late nineteen-fifties when the federal government allowed the cost of interior housing finishes to be included in a home mortgage. Heretofore, only the construction of the house could be mortgaged. Now flooring became affordable when amortized over the life of the loan. Better quality, more long-lasting choices in flooring encouraged the development of more manufacturers as the market grew. After the Korean War in 1953, the demand for new home construction exploded even more. With such an active market, many installers secured financial backing and opened their own stores.

In 1957, a Swiff-Train salesman suggested Herbert purchase the inventory of a small distributor who was going out of business in Corpus Christi. The products included Wilsonart plastic laminate and Flintkote asphalt tile. Fifty years later we were recognized as one of Wilsonart's oldest distributors.



Kenny came into the business in 1960, and by this time, Swiff-Train Company had grown to include office staff, a salesman in addition to Herbert, and a warehouse and yard to inventory barbed wire, nails, and some steel. These products were sold to lumber yards and fabricating companies. Mannington Mills,



located in Salem, New Jersey, invited Swiff-Train to be their South Texas distributor of the temporary felt-backed roll goods and vinyl rugs they produced. Inexpensive Mannington rugs were rolled out in a kitchen, thrown away when worn out a year later, and replaced with another one.

Kenny was given the lumber yard, paint store and furniture store trade, located in Corpus Christi and all the towns south and through the Rio Grande Valley. He traveled the area selling nails and barbed wire, Mannington rugs, asphalt tile, and Wilsonart plastic laminate for countertops. The Wilsonart brand made in Temple, Texas, featured those ever-popular colors Harvest Gold, Avocado, and sparkling Gold Lamé. In those days, furniture stores were the primary source for the consumer to purchase flooring, and dedicated floor covering stores were just beginning to appear.

L.A. joined the company in June 1962, about two months before marrying Rona Chafetz. He took over the southernmost area of Texas, and Kenny started to expand the company into San Antonio.

The flooring customers started asking for more... why don't you have carpet? So we brought in a few rolls of carpet and sold them. We brought in more. Coronet Carpets gave us samples and encouraged us to stock their line, and we became the distributor for South Texas. With the continued expansion of our flooring distribution, we grew our inventory and Herbert built a new office and warehouse in 1967, and Swiff-Train moved to down the street from 3200 Agnes to 2500 Agnes.

In March, 1963, Susan Franks became Mrs. Kenny Train and the plan was to send them to

open a branch in San Antonio. After about five years, they were to move back to Corpus Christi. They never returned.

Into the 70's

Jeffrey completed the father-sons team in 1969. He started his Swiff-Train career in customer service and sales in Corpus Christi. The perfect bride was not to be found in that city, so his parents sent him to work out of the San Antonio branch where the opportunities were better. They were right, and in 1973 Marilyn Cohen joined the family.

Herbert continued to broker steel throughout the globe, and he taught L.A. that business. There was no office for him, so Herbert's couch sufficed. L.A. sat on the sofa in his father's office, with a phone, a cocktail table, in close proximity to his father. L.A. learned how to sell and buy by being right there with his father all day every day. The steel business continues to this day, as ST American.

Kenny and L.A. focused on sales, and Jeffrey found his niche in the operations aspect of the business. Herbert's dynamic and inspiring presence remained at the helm. He spoke with his sons every evening, going over what they had done, whom they had contacted, what they had said to gain business. He always had a creative and often out-of-the box comment to help his sons learn.

The manual inventory system using card files became inefficient for the company as SKUs increased, and we took the major step of installing an IBM system. A young Tim Graf was in our Corpus Christi Customer Service department in 1973, taking phone orders and waiting on customers. Herbert knew that Tim was taking computer courses, and asked if he would like to learn our new system. Tim developed our customized software over these many years, and grew the department to its excellence of today.

Simultaneously with the steel business, Herbert, Kenny, L.A., and Jeffrey established their floor covering distribution business throughout south Texas. We evolved, one branch at a time, occasionally closing a branch, frequently

expanding a branch, always looking for new opportunities and new products. The 1970's saw the opening of additional Texas locations in Laredo, Austin, Harlingen and Victoria. Ceramic tile imported from Peru was added to our product mix.

As the San Antonio market grew, Herbert looked to invest in our own warehouse there. He purchased a building at 3535 Pan Am Expressway, and Kenny and Jeffrey built that branch as a center for both area sales and corporate operations

When in the mid-1970's President Richard Nixon accomplished rapprochement with China and opened the door for trade, Herbert Train was among the first to secure a visa. His primary goal was to buy tungsten, used to strengthen steel, and with Anne to experience the ancient and mysterious culture which had been closed to Americans for so long.



Security was stringent in China, and the Americans were escorted everywhere they went, locked in their hotel rooms at night, and only taken to approved places. In those early days China was not at all modern, and the hotels were lacking in many amenities, such as air conditioning, and the visitors' beds were draped in mosquito netting to keep the insects away.

Herbert met with the tungsten supplier, Madame Chung, and an interpreter repeated Herb's English words in Chinese to the seller, then Madame Chung's Chinese back to Herbert in English. It was a tedious process, taking several hours. At the conclusion of the negotiation, Herb asked the interpreter to thank Madame for her hospitality and tell her that it was a pleasure to meet her. In perfect English, Madame Chung replied "It was a

pleasure to meet you, too, Mr. Train.”

As our flooring business grew, we learned that incentive trips helped to develop loyal customers. By agreeing to add a percentage of the sale price to each invoice, funds accrue which would pay for a trip. We engaged a travel company and enjoyed several vacations with our customers and sales personnel who qualified. The itinerary in Nassau included an excursion aboard a party boat to a private island. It was surely a pirate’s hideaway, complete with a narrow entrance into the bay and obvious locations for lookouts to see all approaching threats. We enjoyed swimming in the bay, lazing on hammocks strung between palm trees, plenty of those wonderful tropical drinks, and hungrily awaited the lunch which was on the grill. A titter began to spread through the group, and one of our salesmen told L.A. that there was a mermaid in the bay. A sleek sailboat had docked, and we could see aboard several very fit young men and one beautiful female... sunbathing topless on the prow. Our guys were literally hiding behind trees to peek at her without being seen. Herbert Train never took no for an answer, and neither do his sons. L.A. told the sales team to watch. He purposefully grabbed his camera and strolled the dock. Reaching the sailboat, he approached one of the mermaid’s posse and asked if he could be allowed to take a picture of their young lady. “She’s a very expensive model,” the Adonis replied. “I’m an expensive photographer,” L.A. answered, and he was escorted aboard. The photo of a triumphant L.A. and the topless goddess is legendary; the sales team later made it into a poster. Upon returning to the group to thunderous applause and cheers, he remarked, “That’s the difference between hoping for the order and asking for the order.!”

The 80’s

Growth of Swiff-Train’s floor covering distribution continued through the 1960’s, seventies and into the eighties... until the Texas oil decline of the mid-eighties. The steel business remained strong while the flooring division became increasingly challenging, as many customers and competitors went out of business. Ailing home builders and commercial renovators couldn’t pay their flooring suppliers, who couldn’t pay the distributors, who suffered along

with the rest of the Texas economy. Numerous banks were dissolved or merged with healthier institutions. By the end of the eighties, we were in debt to the local bank and were in danger of closing. An attorney for our bank told us that the only reason they didn’t shut us down was that we were in better shape than the bank.

You never know when opportunity will come knocking. In 1982, Julie Chen called on Kenny with a strange story. She was Taiwanese living in Houston with her husband, and to fill her time had asked her family to send her inventory of the Winton vinyl tile they manufactured in Taiwan, and she would try to sell it. It was self-stick and very thin, backed with glue and peel-off paper, in various patterns which appealed to the Asian customers but not to Americans. Julie had tried every distributor in Texas and no one wanted it, but several had suggested she see Kenny Train in San Antonio, as we imported products and might be interested. Kenny saw potential and told her to see his father and L.A. in Corpus Christi. They recognized that the patterns had a very limited appeal, but always creative, Herbert made a viable proposal. Julie could ship it all to our warehouse, she could stop paying storage for the goods in Houston, and we would send her money as we sold off the inventory. That was the beginning of Swiff-Train Company becoming a pioneer and leader in the Luxury Vinyl Tile category. As our slogan now goes: “Swiff-Train was LVT before LVT was cool.”

Rona began a real estate career in 1983, and was quite successful until the Texas economy plummeted. One afternoon L.A. came home especially early and said that he and the sales manager had been to a Corpus Christi salesman’s apartment to find out why our customers didn’t know they had a Swiff-Train representative. They found him at his pool, reading a book in the early afternoon. No wonder sales were so

dismal! So in August of 1987, with the approval of Herb, Kenny and Jeffrey, Rona was conscripted to fill that sales territory and join the family business.

Carpeting was tufted by mills and sold through distribution to furniture stores. Then dedicated floor covering stores began to appear, along with the improved technology which increased capacity to produce carpet in more quantity, in more styles, in synthetic fibers such as nylon and olefin, and for the first time with stain resistance. These improvements produced carpeting quicker and cheaper. The normal distribution channels could not accommodate the increased quantity and styles, and the mills began bypassing the distributor, sending sales forces directly to the retailers, and pricing their goods very close to the distributor cost. With the loss in margin dollars coupled with the challenging economy in Texas and throughout the country, many distributors either went out of business in the late eighties and early nineties or totally eliminated carpet from their product lines.

Herbert's many years of experience importing and exporting steel and other products paid off during the Texas depression of the 1980's. It was no stretch for the family to locate a carpet mill in Monterrey, Mexico, and produce competitively priced, quality, stain resistant carpet to compete with the changing marketplace. This association kept Swiff-Train Company in the carpet business.

In the late 1980's, Herbert moved into semi-retirement, continuing to pursue opportunities from his home office, and the three sons took over the day to day running of the distribution business. The brothers' goal was to continue to grow the business, following their father's mantra to first take care of the business and the business will take care of you. Raised in harmony, their business relationship has always been harmonious. No jealousy, anger or harsh words ever occur, just collaborative discussion and decision-making for the good of the business and thus the family.

Kenny and L.A. continued to focus on sales and Jeffrey on operations. Kenny's fluency in Spanish,

gained in part when he spent a college summer working with a steel mill in Mexico, made it a natural for him to reach out to customers in Mexico and later throughout most Spanish-speaking countries. He first started exhibiting our products in Latin American trade shows, which helped develop new customers in Mexico, Colombia, and Argentina. In the same way, he eventually gained customers in France and Dubai.

In 1984 we opened a branch on Pinemont in Houston, just before the Texas economy was taking another oil-related dip. Who knew that the first year in Houston would be our best year for quite a while. Houston's port made that branch a natural to be our hub for inventorying products to distribute to our other branches as well as to our growing national customer base.

A significant development in 1989, both for the Train family and Swiff-Train Company, was L.A.'s health deterioration. In September, L.A. and Rona moved to Houston to wait for his heart transplant. He was able to keep up with business from an office in their apartment, Rona worked out of the Houston branch calling on architects and designers, though as L.A. continued to deteriorate, this became more difficult for both. Jeffrey spent most of his time at the Corpus Christi branch and Herbert returned to full time involvement in the business. The dedication of all the family and employees to working smarter in these unusual times helped see the company through the worst depression in Texas since the Great Depression.

The 90's

A major step forward was the 1990 hiring of Don Evans as Vice President of Sales. Don's experience, personality, and respect from the flooring world provided the right sales leader at the right time.

L.A.'s successful transplant allowed Rona and him to return to Corpus Christi in mid-1990, Jeffrey to return to San Antonio full time, and Herbert to resume making things happen from his home office. The Texas economy was improving and so was Swiff-Train Company.

Since Rona's sales territory had been filled during their time in Houston, the question was whether she would re-enter the real estate profession or remain with Swiff-Train...but what would she do in the company? The decision was up to Kenny and Jeffrey, who said they would "sleep on it" and get back to them. They returned with a list of responsibilities which were not being addressed, and concluded that there was plenty for Rona to do.

Soon an organization-changing situation presented itself. Jeffrey was dealing with disruptive personality conflicts between the San Antonio Operations Manager and the Warehouse Manager, and had engaged a consultant from the University of Texas Industrial Outreach Department to help solve the issues. One of Joe Wood's tools was administering personality tests to the personnel involved as a way of quickly detecting a path to common ground. This approach was so successful that Jeffrey approved continuing the testing for all other San Antonio personnel. Joe asked for some help in scoring the tests. Jeffrey asked Rona. Joe determined that scoring the tests would be only the beginning, and taught Rona to analyze the results as well. Then he directed her to go to the library and find every book she could on Deming, Durant and Crosby. That was Swiff-Train Company's introduction to Total Quality Management. It was as if the wheel had been invented and nobody had told Swiff-Train about it! What a revelation! Don't assume management knows what's best. The key is including employees in determining processes and procedures, because the people actually doing the job know what needs to improve...and what to do to fix it.

Rona told LA, Jeffrey and Kenny about TQM and they asked her to come back to them with a proposal to implement the concept. Don Evans cautioned that he had experienced a very enthusiastic TQM initiative with his previous employer, a large carpet mill, and they spent a lot of time in hotel meeting rooms working on flow charts and brainstorming. Beyond that, nothing ever happened. Nothing changed. He cautioned

that unless someone was designated in charge of the program, we would have the same result. Rona was appointed Quality Manager and the team concept was launched in 1991, with enthusiastic support of several colleagues, skepticism from many, and indifference from most.

Our consultant guided us through the first couple of years, conducting training seminars for our managers and constant education to Rona. The quality team effort began with such enthusiasm and momentum that at one early point Kenny remarked that we needed to slow down the teams in order to leave a few people in place to carry on the day-to-day business.



The first team was formed to identify what processes and procedures should be addressed. The fishbone diagram which named specific areas for improvement and development was so extensive, so daunting, that it seemed an impossible undertaking for our company. Step by step, however, cross-function teams were activated, populated by volunteers who gave their time and energy to work through the many areas which needed improvement. In the doing, the culture of the company grew from less us-against-them into more we're-in-this-together. We began to understand the challenges and needs of our co-workers in other branches and departments, and how each of us is the customer. The internal customer who needs something from me is as important as the external customer who buys our products.

A monthly internal newsletter was initiated as an important component of Total Quality Management. The ChooChooNoos continues to this day as a vehicle for information, recognition, and cohesion.

As the Texas economy improved during the nineties, Swiff-Train Company improved as well, due in part to Quality Management, as well as to venturesome product sourcing and innovative sales efforts. We implemented more extensive testing of applicants for employment, and in time built a workforce of intelligent, trainable associates who could advance within our company, and bring experience and expertise from their previous positions to make them and our company even better as they took on new responsibilities. This movement within the organization is one of the keys to the long tenure of so many of our personnel.

Several other factors were changing the flooring industry during the nineties. In a search to remain in business and counteract the debilitating effect of competition from the carpet manufacturers, most distributors began to focus on various hard surface products as a viable product. Our affiliation with Robbins Hardwood was a major impetus to our growth to the next level of excellence.

Recognizing that vinyl tile offered great potential, we continued to focus on that product, and our Taiwanese friends produced tile with designs which appealed to the Texas market. We discovered that there was an untapped customer for self-stick, thin tile in the apartment world. The maintenance people could replace a kitchen or bathroom themselves, just by cutting the tile with scissors to fit the angles, peeling off the paper, and sticking the new flooring down over the old if it was well adhered. We found that apartment supply companies were local or even national, and the vinyl tile business exploded.

About 1992, LA and Kenny traveled to Taiwan to visit the Winton factory and family. Soon thereafter they began locating Chinese manufacturers in creative ways, as this was years before the Internet, inexpensive long distance

calling, and numerous international trade shows. Kenny and LA attended a trade show in Hong Kong, where they met potential suppliers, and began traveling to visit their factories.

They secured visas and found that they were not allowed entry to China any other way than first flying to Hong Kong. There they were required to go through immigration to enter Hong Kong, then they had to take transportation the Chinese border, go back through Hong Kong immigration to enter a neutral zone, then to Chinese immigration in order to finally enter that country. Those were early days, and China as yet had no expressways, no high speed trains. Airports were few and far between, with many of them located on military bases. It was somewhat frightening to land on those airfields, surrounded by jets and soldiers. The roads were two-lane highways overcrowded with automobiles, buses and potholes. Also on the roads were pedestrians, donkeys pulling carts, unusual motorized vehicles of all types, and bicycles that served as trucks with loads which defied the laws of weight and gravity. They never traveled the roads at night, for fear of running into or being run over by any of the above. Amenities were non-existent. Throughout all these years, we have always been treated as honored guests, and our hosts could not be more hospitable. We have enjoyed warm relationships spanning many years, and have marveled at the speed at which China has modernized.

In 1992 Kenny and L.A. traveled to Germany to check out Domotex, the largest flooring trade show in the world. The first year at Domotex, the brothers showed a few patterns and talked with a few potential customers who were browsing the show. The next year a few more were interested and thought they might place a trial order soon. And so it grew. From a small 4 meter by 3 meter space in 1998 to being a major presence by 2010, Swiff-Train 's Earthwerks brand of luxury vinyl tile has been sold in over 50 different countries. We design our own patterns and colors with in-house and

outsourced talent, maintain a sales force throughout the world, and inventory products in the U.S., Canada, Belgium and the UK .

As our international LVT presence grew, our friends in the United States flooring distribution industry were natural customers for our successful products. Our first such account was opened in 1990. Most distributors had no experience with this new flooring and learned with Earthwerks. Because we are distributors selling to distributors, we uniquely understand their business. Some of our customers were very successful, and some never were, for a variety of reasons. National sales of Earthwerks LVT offered Swiff-Train a way to increase sales, both in direct container shipments to large buyers as well as out-of-warehouse sales from our Houston inventory to fill in when these distributors needed product before their own shipments arrived.

In San Antonio, Customer Service Representative Teresa DeBow was on a mission. Sometimes things don't go as planned: a delivery to a customer could be delayed; the wrong item might have been sent; we might be out of stock of something the customer has to have; the product might be damaged... and on and on. And who has to deal with the unhappy customer, make it right, keep the customer coming back to Swiff-Train Company, and do it all with a positive attitude and a smile? The Customer Service Representative

does! Recognizing the importance of this position, they should be thanked, taught more about our products so they will be more knowledgeable, and they need to be treated to a day of fun besides...so let's have a pep rally. It took Teresa two years to convince Jeffrey to authorize the expenditure and Rona to facilitate a planning team, and the first Pep Rally took place in San Antonio in February 2000. It was attended by Customer Service Reps from almost all our branches, and held on a Saturday so that business would not be interrupted. As the ChooChooNoos reporter stated after that first Pep Rally, "We don't often get to spend time with our co-workers because we're scattered all over the state of Texas. It was a great opportunity to put voices and names with the faces." It was such a success that warehouse guys asked why they weren't invited, then salesmen wanted in, and quickly the Pep Rally



grew to include anyone who was willing to give up part of their weekend to meet and spend time with their co-workers in person instead of only over the phone or computer. Every event is a family reunion, and the beat goes on.

Below: Pep Rally 2000, and the 2014 group

The Train brothers did not provide a safe harbor for their children, and always told them that they should not expect a job to be waiting for them unless they first worked elsewhere and could bring experience and new ideas with them. Rona and LA's son Richard returned to Texas in 1992, and was the first of the fourth-generation to join the company. He covered Swiff Train sales territories first in Houston, then Austin, and moved to Corpus Christi to launch a telemarketing department. Richard and his family relocated out of state before our national Earthwerks program began, and he left the company to pursue other opportunities.

Jonathan Train, son of L.A. and Rona, joined Swiff-Train Company in 1995. He had graduated from the University of Texas, then worked in Dallas in the accounting departments of two large companies, and achieved his Certified Public Accountant designation. He and bride Nina moved to Corpus Christi, and Jonathan became Accounting Manager. His responsibilities evolved and he became Corpus Christi Branch Manager, supervising warehouse and customer service managers.

A Steering Committee of executives was enacted in early 1990's as an output of TQM and over time evolved over the years into an Executive Committee. The Steering Committee focused on strategic planning, sales efforts, and sharing information.

The new millennium

New Year's Day 2001 was the end of an era, when Herbert Arthur Train died. He left the legacy that Swiff-Train Company was under the well-trained and experienced leadership of his three sons and strong associates. Even after retirement he had remained active and involved. "We are a sales company," Herbert always

stressed. "Nothing happens until we make a sale."

After graduation from the University of Kansas, Jeffrey and Marilyn's son Jason spent time within the Enterprise Car Rental organization. He was recognized for his sales success and management ability. In 2003 it was time for Jason to join the family business, and he moved back to San Antonio.

The economy and our business had stabilized and grown after the downturn of the 1980's, and we again began hosting customer trips. The first was to Lake Tahoe, and since then we have traveled to numerous resorts, enjoyed many cruises, and toured the United Kingdom. Our customers are our friends, and every trip is like a family reunion.

As our LVT business continued to grow, we created our own brand: Earthwerks. Early on, Korean and Chinese associates were brought on board to translate in our behalf, and to be in closer proximity to the factories in these countries. The Train brothers, with Jonathan and Jason actively involved, continued to build relationships with new factories and introduced the new generation to our long term friends.

By the new century, Houston's port still made that location our best choice for a central distribution point to serve our own branches and later our national customers. We leased warehouse and office space for several years, and with growth we looked to build our own facility. Our warehouses and our inventory levels needed to increase in size to accommodate this new demand. We secured property in 2002 in a new development off of Brittmoore large enough for future expansion, and began to work with the developer and architects to design our new facility.

One exceptionally cold Saturday morning in January 2003, still occupying our leased warehouse, we were the victims of unlikely circumstance: a fire. The cause was unintentional. We used heat blowers to warm our cold warehouses while workers were

present, and when they left they turned them off, but one of the heaters was not turned off properly. That Friday night, the extreme cold proved to be our enemy, and at least one of the blowers happened to be aimed at racks containing rolls of sheet vinyl. Spontaneous combustion eventually ignited the rolls. Sprinklers were activated, but there was extensive damage. Black smoke billowing out of the roof vents was pictured in the Houston newspaper and shown on local television as well as on CNN. We moved to temporary quarters in two separate buildings and worked even more diligently to complete construction of our new warehouse.

Primary involvement in the design and construction fell to Jeffrey, our Controller Jerry Carter, Sales Vice President Don Evans and Rona. Our concept in Houston was to provide for future growth by leaving the second story of offices open and unfinished and constructing warehouse space to lease until we needed to expand into it. We left the demising warehouse wall open to drive forklifts through, thus allowing us to place pallets there for a while. We grew so fast that we needed that space and never closed the wall. The property was large enough for us to add more warehouse space to the existing building, which we did sooner than we had planned.

To increase Earthwerks exposure, our team exhibited at more and more trade shows, including Domotex Germany, Domotex Asia, Batimat in Paris, and numerous United States shows aimed at specific markets such as hospitality, health care, and multi-family. Among the most prominent was for many years Surfaces in Las Vegas.

We continue to show at most of the above, and in 2006 booked our first regional Dallas Market at the Hilton DFW Lakes. Over the years, our team has become proficient, efficient and creative in exhibiting our products with a friendly, fun, family flair. Working our markets is another family reunion, with hugs, good food, and even sales. Our customers tell us that our shows are the best. It's a great way to learn more about their needs, while all enjoy the fun and energy created by the show.

As Asia became a greater source for multiple products, it made sense for Jason to move to Dalian, China, in 2006. He learned about our factories, the Asian culture, and worked with Jonathan to build our Earthwerks hardwood line. This continued for about three years.

We initiated State of the Company meetings to share information with all our employees. Where we are, where we are going, what it will take to get there... helping all our personnel to agree that each one is important and each one can benefit in the success of Swiff-Train Company. Jonathan and Don traveled to our major branches, our staff from the smaller locations joined in, and with graphs and charts they illustrated sales increases or declines in our product lines, in our regions, and what each person can do to contribute to the bottom line. We instituted profit-sharing, IRA and 401(k) enrollment, company-paid life insurance for all employees, and more extensive insurance options.

Jonathan moved his family from Corpus Christi to Houston in 2007, and he became Hardwood Products Manager, also remaining involved in LVT product development and sourcing. With the continued growth and importance of LVT in our product mix, it became development by committee.

We built out the Houston upstairs office space in several phases as we identified need, beginning in 2010. The upstairs open space and showroom provided a location for our various meetings, and we even created a kitchen area so that we could cater with home-cooked dishes. It was like coming home to family when so many of our personnel from our various locations congregated in our branch instead of in a hotel, and the aroma of casseroles and desserts added a real comfort to the business at hand. As space was taken away when needed for offices, we adjusted the meeting layouts and were able to continue gathering in the Houston building. The feeling of family is most important to our culture, and this ability to get together "at home" is valued.

In 2008 we moved out of San Antonio's warehouse to temporary quarters while we looked for a site and could build a larger facility. We purchased an existing building in Schertz, a suburb of San Antonio, in the new commercial development. A portion of the building was already leased by an oil service company, and they continued to occupy their space. Jeffrey, Kenny and Rona, with active participation of our Controller and San Antonio Operations Manager, took the lead in working with architects, contractor, and racking specialists to make the challenging layout fit our needs. Again, as in the Houston property, we intended to lease another portion of the building, and again we left a demising wall open only to fill the extra space with our own "stuff." Naturally, we never closed the wall and eventually incorporated the section for our own use.

As Vice President of Operations, Jeffrey worked closely with our warehouse and operations managers, as well as our trucking manager. Racking warehouse space in the most efficient and cost effective manner, supplying our personnel with safe and sufficient forklifts and equipment, maintaining our trucking fleet, managing our branch and operations managers, and numerous other internal oversight responsibilities fell to Jeffrey. His intimate knowledge of our entire operation, from sales to collections, kept him most qualified to be the final approver of credit, major purchases, and more. As our Earthwerks business grew internationally, he took the lead in trademarking our products in different countries.

Since its inception in 1971, the National Association of Floor Covering Distributors has been an important means of networking and education for our company. The NAFCD in 2011 recognized the three Train brothers for their outstanding lifetime achievement in the industry. L.A. had been named the outstanding young executive of the organization in the mid-1970's, and Jonathan received this award in 201__.

Many U.S. flooring manufacturers evolved into offering a full range of flooring products. For example, Shaw, a major carpet manufacturer which in the 1980's had begun the movement to establish a sales force to bypass the distributors and sell directly to the retailers, gradually added other

flooring products to their mix. They, like Swiff-Train Company, used foreign factories to produce products to their specifications.

The International Trade Commission is an "independent", quasi-judicial federal agency that provides trade policy advice to both the legislative and executive branches of our United States government. In 2010 U.S. manufacturers petitioned the ITC to impose added duties on hardwood flooring out of China. This created much debate within the industry, and changed the nature of where and how we source. Once again Swiff-Train Company adapted to market changes and established new channels for those products. Many hardwood importers formed an Alliance to contest the merit of the petition, and Jonathan was named Chairman. He worked closely with the members, and testified in hearings before the ITC committee. Even though duties were assessed, the concerted effort of the Alliance minimized the impact.

Jonathan and Jason grew in experience and knowledge, and more and more became ready to assume leadership. The senior Trains, wanting to remain active but recognizing the need for transition, worked to identify and train good people who could take on their various responsibilities.

A new partnership

In 1980, a relative of the Trains in New York introduced Herbert to a business broker, Sperry Mitchell. We had no interest in selling, but they continued to stay in touch. As our senior family and executives were looking to transition the company, Sperry Mitchell introduced us to outside investors to help with the growth and future of the company. Over the years, the group had occasionally brought us interested buyers, and a few times we met with prospects who visited us. Our company was expanding and profitable, with the next generation poised to take the reins, and we asked questions of our visitors. They could bring us money, which we didn't need, but we would welcome their expertise and contacts to help us grow our business better and faster than we were already doing ourselves.

In March of 2014 Mike Bruno came to Houston to meet our family, and our first date was promising. Stonebridge is a private investment firm established in 1986 to acquire middle market companies in conjunction with management. He seemed impressed with our company's family culture, the fact that our family clearly love and respect each other, our uniqueness in being a distributor as well as being involved in multiple facets of the supply chain, and he saw opportunities for an investment. Many meetings with the Stonebridge team, as well as with our attorneys and accountants, along with a constant flow of documents and discussions, resulted in the sale of Swiff-Train Company in December 2014. A Board of Directors was established: Jonathan was named President and Chief Executive Officer, Jason Vice President of Sourcing, L.A. had a seat on the Board of Directors, and Kenny, Jeffrey, and Rona continued as employees. Dan Murphy of Stonebridge became the Operating Partner, working closely with Jonathan and Jason.

The nine months of negotiations had been secret for all but the necessary few top level associates, and the last couple of months several more were confidentially interviewed by Stonebridge, but the announcement of our sale took the industry by surprise. Our personnel feared the uncertainty of their own future and the change they anticipated. It became the job of our family to assure and demonstrate that we would remain active and visible. Rather than looking to retire, we all felt energized and excited to partner with a group whom we respected, personally liked, and from whom we could learn. They brought to us exactly what we sought: expertise and education. They seemed to value our family members' contribution to the business, especially our knowledge and our relationships with employees, suppliers and customers.

A new organization chart for the future was developed by Dan, Jonathan and Jason, and they began filling in the names. Stonebridge brought in various excellent consultants to assist us in improving our processes and procedures.

Our Controller, Jerry Carter, had been invaluable throughout the due diligence preceding the sale,

and delayed his retirement to help in the transition. Thus, the first order of business for Dan, Jonathan and Jason was to find a new Chief Financial Officer. The first of many consultants worked with Jerry and Tim Graf to begin expanding our financial reporting. In February 2016 Kathryn Daley joined Swiff-Train as CFO. With added positions in our finance team and participation of all personnel who spend money, we established better inventory control, tighter expense management, and increased knowledge of cash flow. We learned to budget, forecast, and better plan.

Sales Vice President Don Evans wanted to reduce his role, as well, and return to his love of selling rather than the burdens of executive management. His goal was to call on customers and sell overstocked or dead inventory, and the search for his replacement gained us Shane Callaway as V P of Sales. Shane would direct all sales, including national, international, and a new position of specifically Texas-Oklahoma-Louisiana-Arkansas Sales Manager was added.

Today, Jason's focus is sourcing and product management. He and Jonathan worked together to expand our suppliers into Vietnam and other countries, and have taken the lead in all international sourcing and product development. Kenny and L.A. focus on international sales while working with associates who are assuming more responsibility for these areas. Jeffrey continues active involvement in operations, as Keith Rogers has moved from being his Assistant V P to Vice President of Operations. Rona, as Corporate Projects Facilitator, remains involved in planning events, publishing the ChooChooNoos, assisting HR, and facilitating various projects.

Jonathan and Jason along with the executive team work well with the Stonebridge group. With the continued support of our dedicated employees, loyal customer base, and strong suppliers, Swiff-Train Company is on track to continue growth and profitability. As we celebrate the 80 year anniversary of Swiff-Train Company, our future is exciting and dynamic. We look forward to the next eighty years and beyond!



Above and left:
Herbert Train and
sons in the 1980's
and 1990's

Right: Anne and
Herb Train on their
50th
Anniversary



Below: Don Evans,
Kenny, Jeffrey and
L.A. Train
celebrating
Swiff-Train's 70
years



SWIFF-TRAIN TRADE SHOWS OVER THE YEARS



From this



To this



To these



Our Dallas Market is serious business...

...But it's fun to dress up in keeping with each year's theme.





Jason and Jonathan receive good advice from the pros, Winton's Zyi-Fong Chen and our own Don Evans



OUR BRANCHES



Above:
Corpus Christi and
San Antonio

Right top: Austin
Right Lower: Houston

Near Right: Harlingen

Below: Dallas

Below Right: Victoria

Not pictured:
Belgium and UK



Above: Oklahoma City

