



Stephen Klein, president of Anthony Home Improvements, stands among display models for a walk-in tub and a specialized toilet for bathroom-remodeling projects for senior citizens. The firm has grown from its beginning as a plumbing firm to several operations. *CLEM MURRAY / Staff Photographer*

Valuing business diversity

As business challenges go, Stephen Klein has known his share. There was the gun shoved in his ribs by a union agent unhappy with his family's nonunion company, long named Anthony, the Family Plumber. And the brick thrown through the living room window of Klein's former home in Philadelphia's Mayfair section. And the beatings and tire slashings endured by his employees.



Diane Mastrull

"A nasty time" is how Klein, 58, of Rydal, recently summed up that period in the mid-1970s when the economy was rough, and the region's plumbers even more so. It would be a primer for the business trials ahead — including the loss of a nearly 20-year service contract with Sears that constituted most of Anthony's revenue. That and other tests would convince Klein of the survival value of diversification and embracing trends in the contracting business. "It's no longer, 'Hey, I'm a good plumber,'" he said. "You have to be a businessperson if you're going to survive today." At the very least, it requires far more than the attention-grabbing gimmicks employed by Klein's late father, Irving, when he formed the family business in 1954. The elder Klein picked the name *Anthony* in part to give the company place-

ment advantage in the Yellow Pages, where listings are alphabetical. A happy-go-lucky advertising jingle that played on radio and television had young and old singing Anthony's phone number — P14-2200 — when the company's white service trucks with eye-catching red and brown lettering rolled through neighborhoods. Today, no one jingle could adequately summarize the Elkins Park company of 35 employees Stephen Klein runs. His name is on five different business cards representing separate ventures that collectively raised \$9 million in revenue in 2010. The primary business has been renamed Anthony Home Improvements. The name reflects an evolution triggered by a plumbing-service contract with Sears in 1984 that grew into similar agreements that had Anthony handling electrical contracting, kitchen work, and sunroom and awning installations for the Chicago retailing behemoth. Revenue from that work would blossom to more than \$6 million a year, or 80 percent of Anthony's total income. But a near-crisis would hit in 2001, when Sears decided to exit the home-services business — and its relationship with Anthony ended. A lifeline would come two years later from an entity that could have just as easily delivered a knockout punch to Anthony — Home Depot. In 2003, Klein convinced the Atlanta home-improvement chain to give his company a chance to do its kitchen-installation



Home Depot apron signed by company executives hangs in Anthony Home Improvements' office to recognize its status as the "Best in Class" for satisfying Home Depot customers.

philly.com

Hear Stephen Klein talk about how his company, Anthony Home Improvements, has adapted over the years, at www.philly.com/business. For more coverage of the region's small businesses, go to www.philly.com/mastrull

Monday, July 25, 2011

THE PHILADELPHIA INQUIRER



Bathroom Coordinator Adam Klein (right) of Anthony Home Improvements talks with contractor Paul Monteiro (left) about a bathroom-remodeling job they are doing in Chalfont. *CLEM MURRAY / Staff Photographer*

Klein

Continued from A11

tion work. An initial agreement to make Anthony an authorized service provider for three Home Depot stores has expanded to include 59 stores in four states, for which Anthony does bathroom and kitchen jobs under the name Housecrafters. The Home Depot work accounts for 75 percent of Anthony's remodeling income, Klein said. Not eager to relive the Sears experience, however, he has been on a diversification mission. The most recent manifestation of that: 1 Call Bath Solutions, a division he recently formed after becoming a certified aging-in-place specialist. Through the sale and installation of walk-in bathtubs and showers, hip- and knee-friendly toilet seats, and safety bathroom accessories, Klein hopes to capitalize on a promising market: aging baby boomers. Another initiative, Kachina Lead Paint Solutions, is a response to federal legislation that took effect last year that requires contractors working in homes built before 1978 to

test for lead and follow protective practices if it is found. Kachina offers contractors \$250 training approved by the U.S. Environmental Protection Agency, as well as certification forms, pamphlets, insurance, and safety supplies. With his National Association of Professionally Accredited Contractors, Klein said, he is trying to "elevate" an industry long plagued with a fly-by-night reputation. The fee-based agency offers training, legal guidance, and contract-drafting help to its members. It represents a commitment to professionalism that Orien Reid, longtime local television personality, consumer advocate, and critic of the home-improvement industry, said she recognized in Klein years ago. Reid served with Klein on the Consumer Council of Greater Philadelphia in the 1970s, where she could "depend on him" to right home-improvement wrongs Klein had nothing to do with — sometimes for free. Decades later, Reid would agree to be a spokeswoman for Klein's company for a year or so — a request she got from many businesses, but rarely honored. "I just could not lend my name to a company that I real-

ly did not believe in," Reid said. "Customer service is a top priority for them, and quality work. When you combine the two, then you will have a successful company." In April, Klein helped found the Lead Safe America Foundation, a nonprofit group to educate the public on new certification requirements for contractors handling lead-based paint and to help children sickened by lead poisoning. He said he was moved by an Internet posting by Tamar Rubin, a Portland, Ore., mother of two children with developmental disabilities she said were related to a contractor's improper use of an open-flame torch to remove lead paint in their home. "I'm just thrilled he reached out to a total stranger and offered to help," said Rubin, cofounder of Lead Safe America, who has yet to meet Klein in person. "He's just an incredible, selfless, generous man." Klein said his business and charitable strategies are the same: "Fill a need." Contact staff writer Diane Mastrull at 215-854-2486 or dmastrull@phillynews.com. Find more coverage of small business at www.philly.com/mastrull.