

To PAINT or Not to PAINT: That is the Question

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Maintaining the exterior paint of restaurants is an integral part of preserving the image of the overall brand. The recession has placed a great deal of strain on many restaurant facility department budgets. Often, it is difficult to obtain the money to paint the entire exterior of the building, especially in casual-dining concepts, where the overall structure is much larger than quick-service restaurants. Meanwhile, quick-service restaurants usually include a larger concentration of locations within the same geographical area.

With these bigger challenges come opportunities to think differently and change the standard approach to painting buildings in general. It is widely known that some colors, particularly red, fade quicker than others, especially in markets that receive more heat and sun exposure.

Product Options

Paint quality has improved significantly in the last few years. When using colors such as red, it is important to consider using a top-quality paint that is factory mixed, rather than a substitute that is mixed at the paint store. There is a big difference in pigment between organic and synthetically ground pigment. Typically, a manufacturer and grade of paint are chosen for specific properties, such as color fastness, or certain additives such as a mildewcide. As they say, you get what you pay for. This is true with paint as well.

Even with using top-of-the-line paint, the cost of materials is normally still a small percentage of the job. With that said, a lot of contractors will substitute an inferior non-specified product in order to be more cost effective or competitive. Be cautious of the low bid. On a normal-sized casual dining restaurant, there can be more than a \$1,000 difference in materials cost from what is specified to what is actually applied.

Lessons Learned

For example, a paint contractor painted a particular restaurant location three times since 1996. When it was remodeled two years ago, this vendor was not the low bid with the general contractor. Due to the competitive nature of the situation, the general contractor went with the low-bid painter. While the building was being painted, the superintendent noticed that the painter had removed the labels from the buckets. He could tell from the color that it was not the specified product. The painter was applying \$15.56 per gallon paint in place of the specified product, which costs \$56.26 a gallon. The store looked great when the job was completed; however, in less than two years it was badly faded and needed repainting.

If the low-bid contractor had used the specified paint and applied it correctly, this restaurant would have seen at least five good years out of it. So, if the general contractor saved 10 percent on a \$10,000 job and had to have it painted two to three times as often, was there any benefit to doing it on the cheap?

It's a huge dilemma. The project manager or facility manager has to get competitive bids and control costs, but he or she really doesn't have the time to be the paint police and watch the contractor every step of the way. That is precisely why it is imperative to have a "partnering" relationship between contractors and facility managers. When there is a partnering mentality, the facility manager and painting contractor can work together to find ways to cut costs and make a project more affordable.

Extending Longevity with Substrates

The life and durability of the paint may vary depending on the particular substrate. Dimensional stability, porosity and other factors will also affect the life span of the paint.

For example, there was a time when T-111 plywood was very popular siding. It was cheap and easy to install and looked nice. However, the grain expands and contracts, and the paint is not elastic enough to keep up with it. Over time, the paint cracks and begins peeling along this grain. As a result, a shorter cycle of painting should be planned for this type of substrate. Hardy Board (fiber cement board) is much more dimensionally stable and doesn't expand and contract nearly as much as wood. When properly prepared, paint bonds much better to this surface. I have seen seven- to eight-year-old paint on Hardy Board that still looked great. Some facility managers have found it was better to upgrade from T-111 to Hardy Board siding to get away from the short painting lifecycle. In doing so, they were able to capitalize the entire project instead of taking the hit as a maintenance expense, which greatly helped the bottom line.

Many restaurants also have metal roofs. Paint contractors have all seen their fair share of paint failures on metal roofs, which in most cases, were never designed to be repainted. This is more often a result of poor preparation and poor choice of product. There are paints available for metal roofs that are exceeding expectations when it comes to color retention and life expectancy. Therefore, if the facility manager and paint contractor will schedule the component paint process of a given substrate and color for near the end of its expected life, you may be able to stretch those dollars further. If you get five years out of it instead of four, you have stretched it 25 percent—not a bad ROI.

Consider a Different Approach

In the past, facility managers painted 100 percent of the building every four to five years. For larger restaurants, such as a casual dining concept, the cost impact for a complete re-paint is huge, and often expensed to the restaurant. In contrast, if a restaurant was able to sequence the component parts of a paint job over a multi-year time frame at the full life of those components, they might be able to squeeze a few more years out of the life of the entire paint job. More importantly, by spreading this expense out over several years, they are able to break it down into bite-size expenses of \$3,000 to 5,000, instead of a one-time hit of \$10,000 to \$12,000.

Most companies budget their building repaints every four to five years. And when it's time to repaint, many times, the project will get deferred. The reason we hear is, "Well, it just doesn't look that bad yet" or, "She's good for another year." The reality is that in most circumstances painting is a maintenance expense, not a capital expense, therefore it hits the bottom-line profit (and bonus checks). What if we broke it up into little pieces like a progressive dinner?

In most cases, the facility department does not choose the color their restaurants are painted, so the biggest challenge is to keep all of the building exterior colors looking fresh and vibrant, as they were when the building was new. This helps to maintain a positive brand image.

Often, it is not necessary to paint the entire building. For example, in a particular restaurant brand, red is one of the exterior colors on the building, along with white and gray. First, determine the lifecycle of each color. If the red fades significantly within three years, you would repaint the red in year three. If the gray life span is four years, you would paint just the gray in year four. The white, having the least amount of fade, may just need a power washing/ cleaning when the other colors are painted, deferring this final color until year five.

This approach will take some planning, but a simple spreadsheet that lists the restaurant information, the date the restaurant opened (for newer builds), the style/version of the building and the date of the last building paint should do the trick. If the approach is for partial paints, allocate a column for each color that shows when it was last painted and when the next paint is due. The spreadsheet will provide an excellent tool for budget planning for the years ahead.

Additionally, you can partner with your painting contractor to track this information for you as part of the overall process and planning cycles each year. Many larger contractors have access to excellent online tracking tools, often with online portals for facility managers to access.

Partial paints will make it much easier for you to budget the necessary paint work to maintain the overall building image, especially if the cost for building repaints is expensed and affects the overall repair and maintenance line. Restaurant operations will be more open to the building being painted if you don't break their budget doing so. It's preferable that the cost of building painting be positioned "below the line," where the cost does not affect the restaurant profit and loss. However, this depends on your company's approach to budgeting and cyclical costs. Even if the cost is not affecting the restaurant's profit and loss, it is still easier to budget a smaller amount,

which allows the facility manager to paint more locations in a given year.

Think Geographical

It is also important to look at the planning geographically. You can save a tremendous amount of money if your vendor can paint multiple locations on the same trip, thus reducing overall mobilization costs. This is especially true with the larger and expanded markets that most facility managers are responsible for in today's economy, and often with multiple brands they represent. Bundle the repaints and schedule at the same time of year to achieve greater savings.

Some areas of the country allow a small window of time each year for painting the building exterior. Seasonal weather factors also come into play, and both will affect the timeline and scheduling of this work. Schedule building paints in warmer climates early in the year (February to March) before the peak season. (Your vendor will thank you because this also fills a void in schedule for them.)

Of course, the laws of nature still apply, and a little common sense goes a long way. Don't schedule a repaint in New York in January. While there are low temperature paints available, they have their limits and will fail if applied in extreme cold. Moisture and humidity are also a concern. A smart contractor will use a moisture meter. A good painting program will incorporate all of these variables and details.

It's important to not lose sight of the overall goal of maintaining a good-looking exterior. In many cases, you will have no choice but to paint the building in its entirety. For example, if the caulk between the trim and the siding is failing, it will need to be recaulked. If you paint only the trim, the caulk will still be exposed or the wall may be peeling or faded to a point where it needs to be painted as well. This has to be weighed out against the benefit of spreading the expense over time. In the end, it is up to you. It is the facility department's responsibility to maintain the overall building and protect the brand image. Hopefully, these additional insights will help you and encourage you to look at building painting with a new set of eyes.

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