

RCF Group ready to reach new milestone

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(Photo: Provided/Joe Harrison, JH Photography Inc.)

Scott Robertson remembers it like it was yesterday.

In February 2003, Procter & Gamble brought its various suppliers downtown and split them into two groups. In one room were CEOs like Robertson, who then ran Globe Business Interiors. In the other room were CEOs of minority-owned companies like Carl Satterwhite, then president of Infinity Services Inc.

P&G's message was straightforward: It wanted to do more business with minority-owned suppliers. Those suppliers, though, had to have the scale and sophistication to service the Fortune 500 giant.

P&G suggested that the CEOs in each room start talking and exploring joint ventures, but Robertson and Satterwhite were ahead of the game. The two were already talking about combining companies, and the P&G meeting accelerated their efforts.

The result was RCF Group, an office-furniture and workplace-design firm that opened for business in 2004 and has tripled its revenue over the succeeding 10 years. The growth is more remarkable considering that the combined revenue in the industry has fallen 40 percent during that time.

Now, RCF Group is poised for a new phase of growth.

This month it acquired a Cleveland company – the Cuyahoga Companies Inc. – giving it access to that market, which is home to organizations including KeyBank and Cleveland Clinic. RCF already is doing work with KeyBank.

Robertson, owner and chairman of RCF Group, said the company also is studying growth opportunities outside of Ohio. The chance to add new clients is not important just to his company, but also will benefit its existing customers in this region. Among them: Western & Southern Financial Group, Cincinnati Children's Hospital Medical Center, P&G and Great American Insurance Group.

"KeyBank will do things different than Procter, and we'll bring back those learnings," Robertson said.

"That exchange of knowledge, that sharing of information fundamentally has a huge impact on what we can deliver across so many different clients. Whether it's Cleveland or whatever market we go to in order to develop new corporate clients, that helps our existing client base."

Mission from the get-go: building a great business

In one sense, RCF Group reflects the efforts of Cincinnati's top business and civic executives. They made growth among minority businesses a priority following the 2001 racial unrest and today categorize diversity as a core part of economic development.

RCF Group was the first joint venture facilitated by the Minority Business Accelerator, an economic development initiative created by Cincinnati Community Action Now in 2003 and run by the Cincinnati USA Regional Chamber. Fast-forward and RCF Group is purchasing a majority-owned business, which is unusual for a minority-owned business.

The bigger story, owner and president Satterwhite said, is what happens when companies focus on building a great business, period. That's been RCF Group's mission from Day One. It's why Satterwhite, Robertson and chief operating officer Bryan Lindholz are particularly proud that RCF Group was one of six firms in 2013 to receive Jones Lang LaSalle's Supplier of Distinction Award.

“Business is fierce, business is tough. If diversity or minority status matters to a client, that’s one checked box somewhere. But we’ve never won any business because we were minority owned,” Satterwhite said.

“A long time ago we decided that, while we happen to have minority ownership, we have to be a highest-quality, best-in-class company. We always benchmark ourselves against those stronger than us. In our industry, those stronger than us happen to be majority firms. Servicing Fortune 500 firms is not easy, and you have to deliver to those corporations.”

The furniture industry is a territorial business, which can limit growth. Furniture makers have individual relationships with suppliers in various geographic territories, and so, while RCF group can service P&G buildings anywhere in the country, it cannot go into another city or state and solicit business from a new company unless it’s invited. In those cases, Robertson said, RCF Group doesn’t take the work unless it can partner with a local company. That’s a central part of its go-to-market strategy.

“In the long run, the amount of business we give up if we can’t partner with somebody is dwarfed by the business we do when we find a partner,” Robertson said.

RCF Group’s expertise is key as companies redesign offices

The acquisition positions RCF Group to compete for business in Cleveland and introduce its unique business model to that market.

In addition to providing and maintaining office furniture, RCF Group has expertise in interior architecture – everything from flooring to noise control – as well as landscaping and facilities management. It’s a strong model as a growing number of companies redesign their spaces to generate more innovation and collaboration.

Lindholz notes that ultimately furniture is ... well, furniture. That makes customer service focusing on clients’ needs a key differentiator. RCF Group’s relationship with Cincinnati Children’s highlights the point.

During flu season this year, Lindholz got an emergency call at 9:30 p.m. from Children’s, which needed temporary beds. It’s the kind of contingency RCF Group plans for, and a crew delivered the beds within 45 minutes.

“One of the things we talk about is delivering outstanding outcomes, experiences and value for our patients and their families. Those three ideas are what we look for in our supplier partners,” said Michael Fisher, CEO of Children’s Hospital.

Fisher has a unique perspective on RCF Group. When the company formed, Fisher was the chamber CEO and among executives who helped create and implement the Minority Business Accelerator. He's watched RCF Group grow and become part of the business and civic community.

"Their particular example is so meaningful because, from the get-go, they've made it a high priority to give back to the community, both in their own involvement and development of other minority- and women-owned businesses, but also in their civic leadership and philanthropic support," Fisher said.

"It's one example, and one the community should be proud of. The good news is there are a number of other stories like theirs. And we would all benefit from dozens and dozens more." ■

National recognition

RCF Group is one of six companies that Jones Lang LaSalle recently recognized with a Supplier of Distinction Award for 2013.

RCF Group won in the category of Total Cost Management. The company saved a client more than \$1 million and delivered an additional \$200,000 of year-over-year cost savings.

Jones Lang LaSalle, a financial and professional services firm, evaluated hundreds of suppliers around the world for the award.

Leaders in business, civic affairs

Scott Robertson and Carl Satterwhite are deeply embedded in the region's business community.

- Robertson is president of the Cincinnati Regional Business Committee, which is made up of the region's mid-sized companies and is focused on economic development, government affairs and education. His board roles also include REDI Cincinnati, which is charged with business attraction and expansion.
- Satterwhite is on the Cincinnati USA Regional Chamber's executive committee and a board member on the newly formed Ohio Minority Supplier Development Council. The council, which used to be split into north and south factions in Ohio, merged in December and has a strong local presence.

Dwain Carver, P&G's associate director of corporate supplier diversity, is the chair.
Denise Thomas, Kroger's director of corporate supplier diversity, is the vice chair.

- Robertson and Satterwhite also are part owners of the Cincinnati Reds.