



Phantom Screens

6. C. Esther De Wolde



Interview conducted on June 23, 2008
by Dallas Froese

Biographical Information: C. Esther De Wolde

Description	Company
Dates of Involvement	1992 to Present
Title	CEO
Name of Company	Phantom Screens
Website	www.phantomscreens.com
Location(s)	Abbotsford, BC
No. of employees	120
Product/Service	Retractable screens for doors/ windows/large openings
Industry	Fenestration
Revenue (range)	\$20 million
Public/Private	Private

I. GENERAL ENTREPRENEUR QUESTIONS

1. When did you start your first entrepreneurial venture and what was it?

Besides trying to sell my used lace-up blue and white Sunday shoes on my front lawn when I was eight with traffic totalling five cars on a busy country day, and other crazy profit ideas growing up, Phantom Screens was my first entrepreneurial attempt.

At the time, I was the Director of Finance & Administration for Panagopoulos Pizza franchises and their multitude of other companies the Rooke family of Abbotsford owned. Ken Rooke, now a partner, then-boss, arrived at work one day fairly excited about a new screen he had bought for his house—we just had to come see it. And sure enough, it was a beautiful thing. To a keep a long story short, within the next year being 1992, we bought out the 'original' entrepreneur, Syb Rypma, and became the proud owners of Phantom Screens, still in its infancy stage. The product itself was a show-stopper, and sure enough at home shows it created crowds around the booth. People were amazed with the new yet simple technology and we knew we had a winner on our hands.

2. What motivated you to become an entrepreneur?

I never set out to be an entrepreneur. Honestly, it just happened. Like most kids who love animals, I wanted to be a vet. But apparently high school marks in sciences do matter and I did not get into my university of choice. Accounting came naturally to me, so I went that route instead, obtaining my CGA certification seven years later. I began in public practice and was sent out of the firm to do an on-site client audit. The vibrant exciting corporate culture made saying yes to a permanent job offer from the client very easy. So in 1988 my new job was Accountant for the Panagopoulos Pizza Franchise [the name was later change to 'Panago']. Over the next four years the company experienced significant growth via franchise expansion and new start-ups, of which I was responsible for all aspects of the financial, legal and administration. I loved the rush of being part of something brand new and seeing it grow up and flourish. When Phantom began, the Rookes brought in a 'hired gun' to make this happen. From my accountant's chair, I saw good money after bad, being thrown out the window. A previous Panagopoulos employee, Wayne Nelson, then residing in Alberta, took on the Prairie Phantom distribution

for us and due to our past working relationship we would discuss what 'we' would do if we were running it instead. But being some young twenty-something's, the General Manager didn't have the time of day for us. Can't blame him I suppose as we didn't have the resumé he did. All we had was common sense and understood the Rookes' approach and risk tolerance in business dealings, similar to our own; two key points which would later serve us very well.

3. Was there any one person who was a model of inspiration for you and in what way?

Growing up, my parents were a model of inspiration for me. I was raised on a dairy farm, so work was our second name. Not to the point of fingers bleeding or anything, but we just knew that putting in an honest day's work was what was done. I was raised in a Christian home thankfully, and so I knew that God was not pleased with laziness, so my father having his own farm always did very well in such a farming community of Abbotsford. Many of the immigrants from Holland and Germany that were around here were self employed. That was just the way of life. And for me this 'way of life' kicked in while watching Phantom's 'hired gun' run the company into a huge deficit, promising a pot of gold at the end of the rainbow, but moving the rainbow further away each day. It was then that Wayne and I approached the Rookes to discuss the fate of Phantom. The Rookes were inclined to just sell the whole works but we asked them to give us a chance. I guess they figured things couldn't get much worse, so they gave us a try. That was in 1994 and the rest is history.

4. Was your educational experience (to whatever extent) helpful? If so, in which way?

From the financial side, my educational experience was definitely helpful. Stereotypically, accountants are not always the ones who are out there as visionary champions, but from running a company and understanding numbers, I can't imagine running a company without my accounting knowledge and background.

5. How many different business ventures have you started in the course of your entrepreneurial career?

Phantom Screens was the first major company. My husband and I also have a

broiler farm we have been running, that we started in 1995. My husband, also with a partner, has a software development company which in the beginning years I was his key financial person. I did all of the books and the accounting for the first 15 years. In the last three or four years I have given that up. I can't do it all. I guess I do live in an entrepreneurial world.

6. What percentage of these business ventures do you estimate were financially successful?

We have been incredibly blessed with success overall, yet we didn't always do things right the first time, causing a few hiccups along the way.

II. QUESTIONS ABOUT YOUR BUSINESS

In order to provide some context, please describe your business: what does the company do? Who does it sell to? What does it sell? What is your competitive advantage? What is the nature of your overall industry?

At Phantom, we have the fun of pioneering a new industry. Today, we are considered part of what is called the 'fenestration' industry ['fenestration' relates to the design and placement of openings, such as windows and doors, in the building envelope]. Since we began, we have spent loads of money to create awareness not only at the consumer level, but also at the builder influencer level (i.e. architects, builders, and designers). Hopefully one day soon, we will have our own screening category within the construction industry.

As we grew, we began to realize that we weren't selling screens as much as we were creating comfort, space and preserving views within our customers' homes. To hear our customers' testimonials, you would never think they are talking about a screen. It never gets boring for us to hear about their personal 'Phantom experience'.

The products we manufacture and/or wholesale, all do this in one way or another. We provide retractable screening solutions for their home, cottage, condo office and the commercial sector (i.e. restaurants and hotels). Today, 95% of our sales are sold to the residential market. We began selling retractable

screens for doors, windows and larger opening applications to be professionally installed by an authorized Phantom distributor. Recently we have ventured into the growing do-it-yourself (DIY) market and are now selling DIY product lines, for the homeowner who wishes to install it himself. Our products screen everything from double French doors, front entry ways, windows, patio sliders, sun rooms, porches, sun decks, theatre rooms, and the list goes on. The products' uses are many from insect protection, sun shading, and ventilation all the way through to full block out. Depending on the installation application, the screens are mounted in the interior or exterior.

We target a mid to high end customer demographic selling primarily through distributor networks throughout North & South America, Australia and the UK with more international expansion high on our agenda.

Spend a day in our company and you will know our brand is everything to us—from building it to protecting it. We invest heavily into our brand hopefully creating a consistent look and feel across the world.

7. How did you identify the opportunity that led to the setting up of the business?

My partner discovered the then no-name DIY product at the BC Place Home and Garden Show, exhibited by a recent Dutch immigrant who was importing the product at the time and it was he who we bought the business from. We realized fairly quickly that unlike Holland and the rest of Europe, installations were far more complex in North America. It was then we went to the 'professionally installed only' route and re-designed the product completely, with the importer's full permission. We found out later in a nice but curt trademark infringement letter we received, that the original patent holder since the 1920's is Pella Windows of Iowa, another company of Dutch heritage. My parents and in-laws are Dutch as well and I love to flaunt the old saying 'ya ain't much if ya ain't Dutch' around my partners. They don't buy it of course!

8. What were the critical elements you assessed before you decided to pursue the opportunity?

We did not assess any critical elements before we decided to pursue the oppor-

tunity. We saw the product. We fell in love with it and we knew it was a winner. I wish I had a beautiful story of how we assessed and analyzed the market, but we did not. We dove in.

9. How much time did it take from seeing the opportunity to the first day of business?

Ken Rooke had the screen installed on his home and I think within a couple of months we had negotiated the purchase of the company. We were partners at first with the fellow and within the year realized that wasn't going to work. He had different ideas than we did, so we bought him out. It was maybe three months from seeing the opportunity to starting the business.

10. If you had partners, who were they, and how did you find them?

They are Mr. Rooke and his two sons, Ken and Brian. They were my bosses and the owners of Panago Pizza Franchises. When we saw the product that day on Ken's house, there was an operations staff member from Panago, Wayne Nelson, who was just changing to Alberta to be a prairie operations manager for Panago. When he saw the product, he became our first prairie customer distributor and he set up distribution out in Alberta while doing Panago as well. Because he was there at the right time looking at the screen and he was from a construction background, he really helped Ken and Brian although he has since sold his share in 2005. They had me as their finance person. The five of us became partners in 2005.

11. Did you have a business plan of any kind? [or any kind of written plan]

No, we didn't have a business plan when we started in 1992. When Wayne and I (that was my active partner) took over in late 1993/1994, we operated by the seat of our pants for the first year, just trying to get the company out of a money-losing position. When we saw that happening, after we took over, we thought it would be better to write down our thoughts. Finally in 1995, we began business planning and in 1996 we had our first business plan.

12. What kind of financing did you have?

Our financing was all private money from the Rookes.

13. How much capital did it take?

The capital was very low to get in, but to get us out of debt, that was a little bit more. The original owner was operating out of a single car garage up on Sumas Mountain. We did operate out of there for a little bit, but most of the money was used to buy him out. We used Panago's office, so we saved drastically on typical overhead costs.

14. How long did it take to reach a positive cash-flow position?

After I took over, it took us just over a year to pull the company into a positive cash flow.

15. If you did not have enough money at the time of the start, or at low points in the business cycle, what were some things you did in order to stretch your capital?

We went to the Rookes and we also went to our local bank, who we knew very well. Wayne and I were sweat equity partners and the Rookie's were purely the money partners, silent with big pockets, which is the kind of partners you want.

16. What did you perceive to be the strengths of your venture?

The product to begin with was a great strength and I would also say the fact that we weren't afraid to work hard and long to get this going was a strength as well. The first years were absolutely crazy, 12 to 15 hour days were very normal for me. I kept my Panago job for the first four years and that made for very long days. I would say total passion for the business and the product we had was a winner. That was truthfully what probably got us through the first few years before we could really formalize ourselves, just the fact that everyone wanted our product. If they saw it, they bought it. And, today, as it was in the beginning, I believe one of our greatest strengths is to understand and embrace the "people" side of our business. We want to ensure that our people are on the right bus in the right seats (thank you Jim Collins!) and feel respected and valued, no matter what position they hold within Phantom.

¹ Jim Collins discusses this concept in his best-selling book titled *From Good to Great: Why Some Companies Make the Leap...And Others Don't* (San Francisco, CA: HarperCollins, 2005).

17. What did you perceive to be the weaknesses of your venture?

When we were getting this plane off the ground, our lack of formal management experience was our greatest weakness. Everything we did was by the seat of our pants or operating from gut instinct, which I've come to realize, is actually not a weakness. It boded well for us, but there was (at times still is), that extra little bit of doubt or lack of confidence to some degree. I love the saying that 'your greatest strength is your greatest weakness.' This is so true for us as well. We have had to learn through trial and error; how to compassionately yet legally communicate to people or distributors that they aren't meeting our expectations and are holding back our potential for growth. This is extremely difficult when you have a love for creating relationships with people. Some people say 'it's just business' but for me it's not. To me, my conduct within the business has to honour my personal beliefs.

18. What was your most triumphant moment?

I'd have to say there have been a number of them. Probably the one that really made us feel that we had arrived was when we got on 'This Old House,' the television show with Norm Abrams; this is a worldwide syndicated TV show. Back in the mid-nineties, thanks to our Massachusetts distributor, because that's where the show is based, they recognized us, fell in love with our product and did a segment on us on their television show for free, other than the cost of the product. I think that was 1996 and that was definitely where our flag was put in the ground and we become a company to contend with. From then on, consumers began to take us seriously and that was pretty exciting.

19. What was your worst moment?

Besides personal struggles along the way with betrayals in management, I'd say one of the toughest was the devaluation of the US dollar in the last four years. It happened mainly between 2004 and 2005. It crashed so fast, but thankfully our strong financial foundation pulled us through. That could have wiped us out; we had to totally regroup and rethink how we were going to sustain what we had going and what we had lost. The dollar went from \$1.60 to \$1.00 and 95 percent of our sales are in American dollars, so from an economical point of view that was the toughest challenge.

20. Once you got going, what were the most difficult gaps to fill and problems to solve as you began to grow your company?

In the beginning, a challenge for us was learning to let go and admitting that we were going to need expert help. Once we had written the business plan, we knew marketing wise we were weak. My partner had operations down pat, I had finance and the management of the company down pat, but in the marketing realm at that point, word of mouth had gotten us through as our form of advertising.

In our business plan we had said that we had wanted to hire a Director of Marketing and in 1997 we began to look for one. Putting our management team together, and the marketing specifically, was difficult. But we were at the point of realizing that we couldn't do everything by ourselves. In the early years I struggled with a sense of failure before we decided to get outside help. When we did hire the head of marketing that also changed how our company was viewed from the outside.

I think the other toughest part as we grew the company was just going from a family-like company to being a formally-established organization. We went from an informal structure to having to formalize everything, like setting up the infrastructure of human resources and management. When you're used to being more grass roots and used to running on a wing and a prayer, there's a lot of time and energy put into structure and setting up.

21. What were the key attributes you looked for in people (partners, advisors, managers) as you grew the company?

Number one, are the values they hold. Number two would be, assuming they possess the skills and knowledge for their role, to see if they were a corporate fit. To me that has to exist or forget it, for their sake and ours.

III. REFLECTIVE QUESTIONS

22. What are some things that you have found to be most personally rewarding and satisfying for yourself as an entrepreneur?

I would have to say I've seen God work in my life because I would never ever have

dreamed I would be running a company. It was not my goal to be a 'Miss Fortune 500' President and CEO. I was a dairy farmer's kid that wanted to be a veterinarian; I loved animals. Seeing what God has done in my life has been incredible. The opportunities He has afforded me through this company have been amazing.

23. What are the three most important lessons you have learned with respect to starting and running a business that you pass on to an aspiring entrepreneur?

It's all about the people. That's the most critical piece to me. You need an appreciation for people in general, hiring for attitude, not aptitude, that whole concept. Treat them right and they will treat you right. Secondly, don't take yourself too seriously. Thirdly, if you feel something is right, and know it is going to work, don't let others get in your way. Pursue the goal and even if it doesn't work and if it is a failure, you'll learn so much from it. Just seize it and go for it.

IV. FAITH IN THE MARKETPLACE

34. What does the term 'calling' mean to you?

For me, calling means to remember that God is in control, to submit to Him, and to allow Him to work His will through you. He gives everyone different strengths and gifts, but if you submit and are obedient to Him, He will unveil His plan to you. Did I feel 'called' to be in my present role at Phantom Screens? Absolutely not. But did I see the Lord working in my life? Definitely. To me, 'calling' is just submitting to the Lord's will.

25. Do you feel that you were 'called' to entrepreneurship? If so, what does that mean to you?

Ultimately, yes, but did I have the little voice whispering in my ear when I was at BCIT? No, I did not.

26. Who, if any one, affirmed that calling?

I'd have to say my partners helped to affirm that calling, from the perspective of when we asked (ok, begged) them to take over the company. I guess they saw in us the ability, but I often think how they were my current age when us two 'young'uns' approached them to run the company, and how that took incredible trust on their part, which is pretty amazing and am forever in their debt for that gift of trust. In hindsight, I recognize their affirmation now, yet at the time I didn't perceive it that way. I just thought it was the right thing to let us go do it.

27. What do you believe your gifts are as an entrepreneur?

First, I would say definitely gifts of administration. I am able to understand how each part of the company works together in order to achieve our stated goals.

Secondly, the Lord has provided me with an incredible gift of intuition. Some people say it's a women's intuition. I don't know if it's true or not, but that has been amazing and affirmed when we finally did hire a Vice President of Marketing. In that instance, so many of the things that he came strategically to advise us to do in the marketing world were our thoughts as well, but we hadn't dared to implement them on our own.

A third gift would be patience and understanding. Through some roads travelled through hard knocks, I've had the ability to learn how to forgive and that has taught me to be able to walk a day in someone else's shoes at all times. I can remain balanced and see issues from the perspective of an employee, manager or customer. This helps me to be empathetic to others and understand that my way isn't the only way, thus listening to people, understanding them and having patience is important.

28. How did you (or do you) integrate your business expertise with your Christian calling (and how are they complementary)?

I've always been wired to see the workplace as a ministry. I can't explain why. I don't know if it was that I grew up in a home where my mom was very bold in her faith, in words and actions. I don't know if it was just bred in me that way to be bold as a Christian and not hide who you are. My dad is a total man of faith, wisdom and integrity from a Christian point of view. My dad on Sunday was the same dad on Tuesday and Friday and so I'm sure that conditioning had something to do with it.

When we started Phantom, Wayne and I both had that bent about us and

ensured our corporate values reflected our will to honour God in all we did. We built our business on a foundation that if it was not God honouring, we would not take part in it. That's been from day one and the Rookes also share the same faith base, Christianity, and they allowed us to bring Christianity into our business from that perspective.

29. How have you been involved in your local church (that you now attend and the ones you have attended in the past)? (whether or not these are related to your business expertise)?

Over the past 10 to 15 years, I have been involved in outreach events. I started and led the Alpha Course in my church for five years. I started an annual adventure fair for our community. I am always involved in Vacation Bible School and I often set up a Coffee House for the adults. I love any avenue where there is a chance to show others God's love. I am not a 'preach it from the mountain top' type, but more of a 'come alongside and be a friend and develop a relationship' type. Prior to the Alpha Course, which was the first formal program that our church adopted for an outreach objective, for about nine years I led our girls' youth group.

30. Have you been involved in your church denomination and how?

I have not formally been involved in a church denomination.

31. Have you been involved in para-church organizations and how?

Yes, I have been involved with a number of para-church organizations, Alpha being one, but also as of late, Power to Change [formerly Campus Crusade for Christ]. I have been in the last several years quite involved in their Leader Impact group, which is their ministry to the marketplace, where they empower business leaders to speak not only their business story, but also their faith journey at business forums and share it with hopefully non-Christian business leaders. I am on their speaker bureau and have had the opportunity on a number of occasions to speak through that. That to me is why I get up in the morning. At times it feels like I have a total passion for Phantom, but when I look back at how the Lord has given this foundation of Phantom and its success to gain the world's attention, He allows me to use it to have credibility to speak to other business leaders. I think that's funny. As a kid I never dreamed about becoming a speaker, but now I love it.

32. What are some examples [i.e. situations with partners, suppliers, customers, etc.] of how you have integrated Biblical principles into your business practices and thus acted differently than a non-Christian due to your Christian faith?

I would go back to our written purpose of our company. It is very clear in there what our foundation is based on and in fact in any orientation session that I do with our staff, our new distributors or any business partners; we take them through what we call our company history. At that time, it is shared with them that our foundation is built on Christian beliefs and that the Bible is our business handbook. Our corporate values, which are very public and every employee should know them, talk about four simple values, with each having a definition that is totally based on biblical principles. It's pretty clear where our strength comes from as owners.

33. What are the lessons you have learned that you believe are important for Christians pursuing entrepreneurship?

Don't ever give up. Learn to embrace the hard times whatever they might be, whether caused by you or inflicted on you, and throw trust onto the Lord that He will work it through. With regards to people, be genuine with people and always know that the hand that you're feeding today will be feeding you tomorrow. Genuinely, just care for them. It is a huge responsibility to be entrusted with employees, so enjoy it instead of seeing the staff as an inconvenience.

34. How could the church in a general sense (i.e. a local congregation) support you as an entrepreneur in pursuing your calling in business?

I don't know if the church has to do anything specific to support me as an entrepreneur in business, but it is fun when your church leadership cares about what you do. I had a pastor once who visited me all the time and he had a real bent for business. He loved learning about what it is we did at Phantom Screens and so he would support me in prayer. I know pastors don't have time to have a personal relationship with the entire congregation, but knowing that they care about what business leaders do is encouraging. One pastor I had, I could phone up at any time as a resource and he would be willing to go for coffee with a staff member;

it was really neat to have him available. However, having said that and knowing that pastors are very busy within their own congregation, was a luxury that was afforded to me. He has since moved to another congregation. I now have hired my own corporate chaplain through an organization called 'Outreach Canada'. They started a corporate chaplaincy in Alberta about three or four years ago and I believe we were one of their first customers here on the West coast. He is available 24/7 every day to every staff member or family member in Phantom Screens. He visits once a week and develops relationships with my staff as well as a personal prayer support for me. He has been here through some difficult times with our staff that I would not have known how to handle on my own because it's not always about business. Employees bring their personal lives to work. We've had sexual addiction creep up through computer usage in the workplace, drug addiction, marriage difficulties, and the list goes on. He has been able to come alongside all of these complications; a lot of it is confidential. For me, yes the church can help, but if businesses can embrace this concept of corporate chaplains, I think that would be a huge support.

35. What have been the biggest challenges for you as a Christian in business?

People look at you way closer when you are a Christian in business because if you are going to claim to be a Christian, you are under more of a microscope yet. I would say the biggest challenge is remembering that you are an ambassador for Christ at all times and making sure that you are always doing the Lord's will as opposed to your own.

36. Who was most helpful (and why or how) in addressing these challenges: church leadership, Christian friends, etc.?

Having Christian partners helped address these challenges, especially my active partner that was in the business. Also, having a few close employees in management who shared in the same belief allowed me to 'let my hair down' and talk about it and we could pray for each other. There are certain friends who take a keen interest and they are definitely a prayer support as well as the corporate chaplain.

37. Have you hired people from your church? If so, has that been a positive or negative experience?

We have hired lots of staff from church, especially in the beginning years; many of them were people from our congregation. Some worked out great and still do, some not so much. People are people, regardless of their church affiliation. I wish this wasn't so but until we get to heaven, it's the way it is. Overall though, I would say it has been a positive experience.

38. Have you done business with other people in your church and how?

Yes, there have been a few people in our church that we have done business with. I don't seek out to make a point of it, although I like to support other Christians in business because I know they will use their profit to further the Kingdom of God. For the most part, it has been very positive.

39. Has your relationship with those people you have done business with in your church been positively or negatively affected—from a business and spiritual standpoint—by doing business together and how?

My relationship with those people has been positively affected because I can communicate openly with them. I can have an understanding with them of a whole different mindset as to the end goal of a business—that is not just to make a cold, hard dollar.

40. Is there any particular passage(s) of scripture that you have found particularly meaningful or that is inspirational to you?

'Be still, and know that I am God; I will be exalted among the nations, I will be exalted in the earth.' (Psalm 46:10). I love this verse from the aspect that running a business can be overwhelming. From a theoretical point of view, there are days when I think, 'What am I doing? This is nuts.' However, I have the comfort of knowing that I am not my own, but that I belong body and soul to Jesus Christ and that He is running the business. As long as I stay obedient to Him, I no longer have the whole burden of responsibility of trying to run the show on my own. I

have to become silent and to meditate on His Word. I need to take time to rest my soul, because I find that I can get so caught up in the day to day rat race that I start walking apart from the Lord.