Volume 41 Issue II CASCADE SWIMMING POOLS NEWSLETTER Winter of 2012 CASCADE CELEBRATES 40th ANNVERSARY



On February 11th 2012 Bridget & Larry Ogden the owners of Cascade Industries Limited celebrated the 40th anniversary of the founding of "Cascade Swimming Pools Limited " in NZ.

After a number of years selling and building Cascade pools in England

and Western Europe, Rob Smith & Larry Ogden came out to New Zealand "for Christmas" to visit Larry's family, bringing two late model "E-Type" Jaguar cars to sell to pay for the trip - only finance minister of the day - Rob Muldoon - had other ideas and introduced a two-year waiting period before automotive imports could be sold without a huge Sales Tax being charged!

Bring on 'Plan B' - sell a pool or two to fund the trip.

Originally sharing 'Cascade' with two of the few Kiwi Swimming Pool builders of the day -Brian Smith & Bernie Menzies- as silent partners, Robert ('Rob') Smith and Laurence ('Larry') Ogden formed an \$8,000 capital Limited Liability com-



pany - raising their \$4,000 share funds by selling (and paying the Tax) one of the two 'E-Type' Jaguar cars they imported from the UK. Rob's 1967 4.2 litre hard-top coupe.

On November 26th 1971, handing over the first Cascade 3.6m x 7.2m 'Sat-

urn' model pool for \$1,495 to 'Selwyn Hubbard' in Henderson West Auckland, more than 80 pools were sold in the following year.

The decision to incorporate Cascade was made early in 1972 after needing to formally establish the pool building operation because of selling "a few" of the innovative Cascade type vinyl liner pools over the Christmas and early summer of 1971-72 - turning what was intended as simply an extended holiday in New Zealand into a lifetime project - for Larry at least.

After the initial trading year, not seeing eye-toeye on company policy with Brian & Bernie, they were bought out for \$20,000 and Rob & Larry carried Cascade on by themselves. So much for the short "Christmas Trip" to New Zealand!

Pool sales flourished - rising to 160 in the 1973/4 season and 350 1974/5 - a sales level that was maintained for the next 15 years!

Sometime more than 60 pools a month were going out the 16 George Terrace (Onehunga) factory door!

Our staffing levels reached sixteen Installation Crews, four Installation Supervisors, a Sales Manager (Canadian Bill Forbes) and four Salesmen.

One salesman - pipe-smoking Keith Newbury (quote: 'Sell the Sizzle not the Steak')- sold over 1,000 pools! A record never reached by any other Cascade salesman (except probably me).

Other names from that era include (Pool Installers) Alan Wayper, Hamish McGill, Terry Hunt, Terry Middleton, Alan Chamberlain, the "Beach Buggy Boys" led by John Nicholson of Kiwi Rider fame, Graeme 'Croz" Crosby (World Motorcycle Champion) and other Crew Members I have forgotten, (Salesmen) Ron Winney, Brian Berry, Kenneth George Teale, Bob Hollingdale - and Dave

The two Jaguar E-Types imported from Britain

Boyd ('Dave The Fireman'). In 1975 Mike Van Skiver was hired as General Manager - remaining until the company restructured in late 1985.

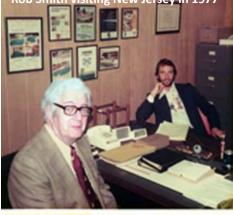
Office Staff included June Molesworth, Dale Franklin Perry, Beverly Day and later June Nevin and Alexa Watts. (Factory Staff) Liner expert Geert Kremer, storeman Lennie Owens, with Graham 'GK' Kelly, Mike Coghlan and Warwick Howarth early in the 1970's making pool liners (Mike is still here with us as a Consultant & Pool Salesman, GK works with Aquatech Industries), Willy Wilson was our Pool Service man, and John Sutherland was the Project Supervisor and later Factory Manager, and a couple of various Truck Drivers doing local deliveries. (Apologies if I have left anyone out).

We used to purchase new Holden cars in lots of ten, every five years. I had always liked the idea of the Cascade pool system being easily transported and I liked the idea of Cascade Dealers (Franchises) and by 1975 had four in Auckland (Outdoor Emporium in West Auckland, Marlin Pools in Takapuna, PoolWorld in Pakuranga, The Garden Centre Warren Traill in Papatoetoe and Ross Roofing in Takanini (now Frontier Pools) and Dealers in Whangerei, Hamilton, Tauranga, Napier, Masterton, New Plymouth, Lower Hutt, Nelson and Christchurch. The Dealers accounted for 50% of our turnover in those days.

In 1977, after missing his family and "schoolday friends" Rob returned to England after Larry purchased his shares for \$80,000 and he embarked on a successful career of investment rental property

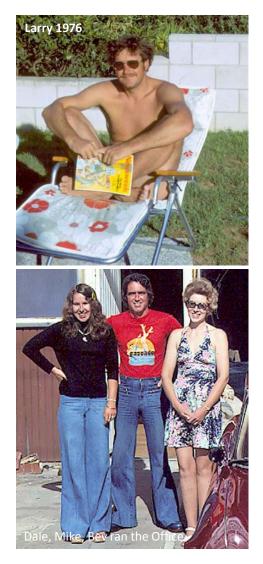


Ted Barrie (Cascade USA Founder) Rob Smith visiting New Jersey in 1977



ownership and part-time pool sales & servicing a 'tidy little earner' from his initial \$2,000 investment! I think the main reason he went back was he missed the civilised pubs and the English beer! I remember how gob-smacked he was the first time he saw a typical kiwi 'Men Only' Public Bar with sawdust on the floor & beer served straight out of a long hose pipe! Those were heady days!

The concept of a building a Cascade swimming pool "in your own back-yard" - in less than a week, for less than \$1,500 was a raging success in the 'Five Days a week shopping' and 'Closed All Weekends' of 1970's New Zealand, where the only real swimming pool alternative was an architect-designed "Gunite Concrete" pool costing more than \$15,000 and taking six weeks to build! Cascade was a sure-fire winner, clocking up many thou-



sands of family swimming pools. In 1986 Bridget Porter had joined the company (later to become Mrs Bridget Ogden) and by then we had sold more than 5,390 pools.

The Great Global Recession of November 1987 also created havoc across New Zealand - havoc lasting until well into the early 1990's.

Although 1990 turned out to be the worst year Cascade ever ex-

perienced (that is - so far!) and we sold only 19 pools - we managed to stave off bankruptcy and stay in business by cutting staff employees (to zero) as everyone's employment had to be terminated. We moved my office from our Te Papapa factory complex to the front room at my Bassett Road home! We were distraught to say the least - but managed to stay on! Everyone went on contract rates!

The early 1990's were hard times, as we had to disband our Cascade team of factory workers & pool installers, divide the company into two halves - Aquatech Industries Ltd (the wholesale Pool Liner production company) with John Sutherland buying 50% of the shares - and Cascade Swimming Pools Ltd (Dealer & Retail Sales & Installations) owned by Bridget & I. Times were so tough that Bridget got a part-time job helping out at the corner dairy - bringing home \$60 a week to help us get through. Mike Coghlan went back on the tools with GK to build the few pools we had on the books. What a comedown for us all

We learnt an invaluable lesson from those times, forcing a major rethink on how our business was financed. I developed a totally different Progress Payment regime, which in modified form is still in use today, and we have never slipped back into those old (and destructive) habits!

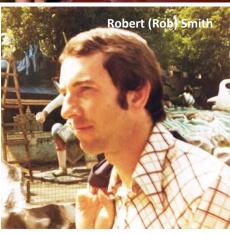
I rewrote the Sale & Purchase Agreements to require a much smaller deposit. We were getting \$2,500 or more up front - and spending most of it before we got around to building the pool, thus effectively pre-spending the profit then having to build the pool months later for no financial benefit after paying the bills! I instituted a \$500 deposit, 75% payment when we started the installation, 25% when we filled the pool & started the filtration and \$250 retained by the client for one month.

We still follow a very similar payment schedule, with \$1,250 deposit (this pays the Structural Engineer's fees), 85% when we commence the installation, 15% when we fill the pool & start up the filtration system, and \$250 the 20th of the month following.

We do not vary these payments under any circumstances, and have actually turned down jobs where the customer had refused our terms.

One recent North Shore 'wize guy' wanting a

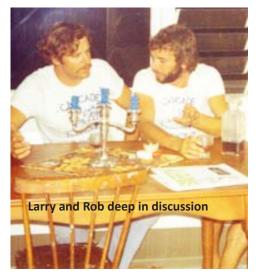






\$30,000 pool for which we had quoted , offered us \$10,000 'Cash' deposit \$10,000 'Cash' on starting the job and \$10,000 'Cash' the month following completion.

I refused to accept these terms, and after a few





cascade refurbishments limited





"choice words" in my direction he bought a fibreglass pool from *****. He got the pool OK but they only got the first \$10,000 - never seeing the balance! That company went broke, incidentally.

Our 1980's Factory Manager Anthony (John) Sutherland was offered and eventually purchased, a 50% share of Aquatech and continued to manage it as a supply company to the Trade in general, anticipating sales to the swimming pool trade by keeping the connection with Cascade 'on the quiet' so that the existing pool industry would deal with him - the company exists in much the same way today and is probably New Zealand's largest pool liner factory.

In 2005 John's Associated Financial Interests purchased the 50% balance of Aquatech shares, ending Cascade's 30 year association with Aquatech, which is continuing with the business of making swimming pool liners and selling pool equipment and spares to the Trade.

Surviving the 1987 Global Recession: (55% of listed companies went bust, I understand) Cascade was previously typical of many companies suffering the ubiquitous "Kiwi Malaise" - being far too trusting with its customers! The "average" Creditors & Debtors was 180 days! Six Months!

We would typically build a pool for - say \$20,000 - and send a bill when we finished some time later - and wait up to six months to get paid! Equally our creditors didn't expect immediate payment for supplying goods - and it was unheard of to get a 'phone call asking for payment in less that seven or more months after the goods had been supplied!

The "Gold Rush" of the Share Market in the late 1980's created an almost manical desire on everyone's part to invest in *any* shares! It was 'money for old rope' as share values went through the roof! Everyone was an investor! - Everyone except us. We invested in our company and worked hard, but didn't own shares in other companies.

When the inevitable Great Crash of 1987 happened - we had 58 partially finished or completed pools with a large % of the revenue not received yet - around \$358,000 being owed, plus \$250,000 in Creditors! It seems all our customers had the same idea get the pool built, cash in a few shares, and pay the Pool Guy. Only that didn't *ever* hap-

pen so we embarked on **Plan C**. "Restructure the company"

As sales slowly regained momentum over the early years of the 1990's we gradually sorted out our finances (and paid all of our Creditors) outgrowing the "Front Room Office" and moved into commercial rental offices, first in Ellerslie then Te Papapa on Church Street - a stone's throw from our former 35,000 sg ft factory, which remained





empty. (It was never occupied again, and was demolished in 2008, remaining an empty site except for weeds). Mike Coghlan rejoined the staff in 1995 as a Salesman and GK continued to build pools with Chris Geale (currently doing refurbs).

The company continued to regain its position in the market, and in 2002 we moved into our current premises 134a Marua Road. Around the same time, I decided we needed a 'face-lift' on our pool range, and sat down with a blank page and started from 'square one'. I looked at what we were selling and decided to reverse the traditional view and look at our product strictly from the customer's viewpoint.



The ULTIMATE pool: My initial thoughts were related to Pool Heating - using as much Solar Energy as possible! After all we live in a country that enjoys a large number of sunny days (not the summer of 2011/12 perhaps). The problem was not getting the Solar Energy INTO the pool, but KEEPING it there! I had to redesign the pool walls to incorporate 'INFILLFOAM' a refrigeration grade insulation foam. I tried various thickness insulation, starting at 40 mm but found we had to increase thickness to 90 mm before zero heat would be transmitted out of the swimming pool.

But how to fit the foam into the wall design?

One other factor that had been bugging me for a few years was the Coping cracking occurring on some pools if the walls shifted at all due to even the slightest subsidence - the Copings cracked or opened up at the joins where the grouting was inserted. The top receptor on the 'Classic' pools was only 100 mm wide x 15 mm deep - enough for a grouting bed for the copings, but no structural strength at all! So I upsized the top coping

receptor to 150 mm wide and 100 mm deep - with a 10 mm ReBar reinforcing steel rod. This solved the cracking issues forever!

The steel reinforced top coping recepton effectively bacame a bond beam. To





hold this beam in place, the design led to alternating 'Pillras of Concrete' 100 mm x 100 mm and 150 mm x 150 mm steel reinforced vertical tubes, leading into a lower bond beam of 250 mm x 350 mm. These two

concentric rings of concrete formed an extremely robust structure!

Now the 'INFILLFOAM' blocks can be fitted between the pillars of concrete! An 18 mm sheet of galvanised sheet steel would form the smooth inner surface of the pool, as in the earlier Classic pool models. It followed that the concrete strength should be increased from 8:1 sand/cement plaster to the same High Density Shotcrete used for sprayed concrete pools: 25 mpa - and as we have the Concrete Pump & Delivery Truck on site, use the same mix to create a 70 mm concrete floor! We now virtually have a concrete pool!

The superior strength and robust quality of this new ULTIMATE pool engendered an upgraded pool liner - but our current liner factory (Aquatech) had difficulties making liners that didn't show the welded seams too much: the Fiberglass Boys were 'dissing' us for the visible seams, so we had to act! We contracted with ABGAL (Qld Australia) to purchase their 'Hot Wedge Welded" pool interiors - in the increased thickness of .75mm (up from the .47mm and .577mm Aquatech liners with 'Beaded Seams'. Both a visual and cost improvement, only problem being the 14 day turnaround time, but as the shotcrete curing time is 85% cured in 14 days, it's not too hard to live with!

Add the incredible AquaGenie Skimmer/feeder and now Ozone water treatment, the 21st Century Cascade pool really lives up to its name - the ULTIMATE swimming pool!

Because your pool should be a PLEASURE!







On 1st July 2010, my two sons Myles D Ogden and Julian G Ogden negotiated the purchase of the Auckland Region Franchise (Not including the old Rodney District which is operated by Franchisees Martin & Nicole Dunn) joining the other Franchises and Sales Agencies as possible the largest Dealership we have.

Bridget's brother Phil Porter and Josh Price (my grandson-in-law in waiting) round off the 'Family' nature of Cascade Auckland Central/South.

By early 2012, Cascade's swimming pool sales organisation has sold more than 8,170 home swimming pools, as well as operating a flourishing refurbishment business that adds around 20 or 30 more jobs annually as the early day pools reach their liner's design life. The new generation of the Ogden Family have taken over the reins of an established Retail business in the knowledge that their company is founded on a colourful history reaching back more than forty years!

Finally, my sincere thanks for the support of myself and the Cascade 'Name and Reputation' by our Suppliers, Aquatech ABGAL and Filtermaster, our valued Franchisees and country-wide Sales Agents (past and present) including the late John Puklowski (now his heirs Lisa & Simon), Nelson, Paul & Jackie, Ashburton, Ray & Anne Senior New Plymouth, Nik & Grant Ayson, Kapiti, Deane Collinson, Northland, Denise & Jeff Hastings and a special thanks to Martin Dunn (Auckland Rodney), Andrew Newitt (Tauranga), Paul Bailey (Palmy) and Darryll King (Waikato) for their sincere efforts in keeping the Cascade name and reputation planted firmly in the public arena.

Laurence E (Larry) Ogden, June 2012

