

Small Business Heroes

*San Diego Metropolitan's seventh annual
salute to the SBA's finest*

BY PATRICIA MORRIS BUCKLEY

A Strong Foundation For Success

Jan Jansson turns soil into lucrative living



Jan Jansson is the perfect example of an immigrant success story. In the five years since he moved to America, Jansson built Soil Retention Systems Inc. into a \$10 million-a-year business. He holds numerous patents and his retaining wall products are distributed through The Home Depot in Southern California. In recognition of those achievements, Jansson has been named the 2003 U.S. Small Business Administration's Small Business Person of the Year in San Diego.

For Jansson, it begins with a love of building. "I like understanding how everything works and then building it," says Jansson. "I remember a lot of building going on around where I grew up."

Born in Sweden as the only child of a bricklaying father and clothing clerk mother, Jansson experienced his first real challenge at the age of 7 when his father died. When he reached high school age, he opted for carpentry school so he could contribute much-needed income to his family. Later, not only did he finish high school, he also obtained an engineering degree. After five years as a superintendent and assistant project manager for a major Swedish contractor, Jansson in 1969 started his own construction company. By 1986, the firm's annual revenue reached \$15 million.

During that time, Jansson began traveling with his wife, Margareta, and their two sons. He bought a vacation home in San Diego in 1979. "I had been here a few times and wanted my kids to learn English," he explains. "It was a good place to spend time, but I had no idea to immigrate."

Changes in his country convinced him otherwise. The socialist movement, with its heavy government regulations, made him uncomfortable. In 1986, he made his summer home his permanent place of residence. A year later, he purchased a Loffelstein franchise with two partners and formed Loffel Retaining Walls Inc., now SRS (his partners bowed out after six months). The company builds retaining walls, manufactures blocks, sells to contractors and does research and development on improving its products. This is a growing field a development in Southern California moves more to hillsides as flatland areas build out.

The license holder of Loffelstein block for California, Arizona and Nevada, SRS has installed 2 million square feet of retaining walls in Southern California housing developments, commercial centers, resorts, golf courses, retail centers, highways and public works. The company's goal is to "develop, produce and build cost effective, attractive, plantable retaining walls up to 45 feet in height."

Accomplishing this is no easy task.

"Retaining walls are a very, very risky business," says Jansson, his company's chief executive and president. "The dirt on any site is not the same. And if there's not enough reinforcement, the wall will have trouble standing up. If the foundation is not right, the house will come down. There are a lot of failures in this business, but we haven't had one in 15 years."

While that's a matter of pride for Jansson, he's also pleased to have brought the company through a difficult recession and to have many longtime employees among his staff of 50. The company recently purchased an office building in Carlsbad with SBA funding and owns a manufacturing plant in Romoland. In addition to SRS, Jansson owns Soil Retention Products Inc. and Toy Rental Inc. (its sole business is to rent heavy equipment to its sister companies, SRS and SRP). The company has a reputation for professionalism and thoroughness.

"We were delighted to assist Mr. Jansson with his second SBA (504) financing recently and were extremely impressed in contacting his customers and suppliers with his reputation in the industry," writes Ric Schroder, senior vice president of First National Bank in San Diego. "He has chosen to grow his business using integrity and quality. His success is a testament to that approach."

Research and development is key in Jansson's business plan. SRS has developed the Yardstone block product as well as its Verdura line at The Home Depot. The company also has special techniques for installing retaining walls and controlling soil erosion.

"Being an engineer, I'm always wanting to improve things," says Jansson. "And I've always found it's best to have a better company than anyone else than to be cheaper. That's why we're continuously developing new products."

New products don't instantly equal profit. Jansson estimates it takes four to five years and about \$700,000 to go from an idea to a marketable product.

To keep abreast of the industry and its needs, Jansson belongs to professional organizations, including Associated General Contractors of America-San Diego branch, the Building Industry Association of Southern California-Orange and San Diego, the North American Geosynthetics Society & International Geosynthetics Society, Construction Specifications Institute, National Concrete and Masonry Association, Southern California Contractors Association, Specialty Contractors Council and Southern California Builders Exchange-SCOP Program.

In April, Jansson and his wife celebrated 37 years of marriage. They recently moved to Carlsbad to be near the new company office. Their older son is in the business. The younger son, a civil engineer, has worked there in the past. While Jansson enjoys traveling in his off time, the strong work ethic that made him such a business success story keeps him devoting his time to building the company. "I like to work building and developing things," he says. "It's what keeps me getting up in the morning."