HISPANIC EXECUTIVE QUARTERLY

Tejas Office Products, Inc.

An office-supply company expands its scope

BY SUSAN JOHNSTON

MUCH HAS CHANGED SINCE LUPE Fraga bought an office supply company in 1962—the demand for liquid paper comes to mind—but much remains the same. Companies still need paper, pens, and other supplies, and service is still a major factor in their purchasing decisions. Which is how Houston-based Tejas Office Products, Inc. has stayed in business for the past forty-seven years.

"Back in the sixties, seventies, and eighties, there was no Office Depot or Office Max," says Stephen M. Fraga, Lupe Fraga's son and the current president of the company. "The big box guys did not exist." When many small businesses began to fall prey to bigger competitors, Tejas focused on maintaining strong relationships with clients and keeping prices competitive. "It's not as simple as clicking and pointing," explains Fraga. "People buy from people. In our company that's something we've really lived by. Anyone can undercut anyone. Price is important, but when we sell office supplies, it's a people business."

Though some customers assume that a smaller operation means higher prices, Fraga says Tejas' prices are comparable. Orders are delivered the next day, and there are no automated phone trees or customer service reps lacking the autonomy to solve customer's problems. "Our staff is empowered to make those decisions," he says. "We're flexible. We don't have to run these ideas up the ladder." When a customer runs out of binders for an important presentation or desperate-



ly needs a certain toner cartridge, Tejas makes a point of delivering what they need when they need it. "That's where we demonstrate our value to the client," Fraga says. "They'll remember when you came through for them."

Eighteen years ago, when an aerospace customer asked Tejas to set up operations in Florida, the company jumped at the opportunity and hired two local deliverymen. "It's difficult, because those two gentlemen are out on an island communicating with us through phone and email," says Fraga. "But we've really been blessed because they are exceptional workers who need

minimal instruction. We go down there quarterly to meet with them and our client." In addition to aerospace clients, Tejas also serves customers in the legal, healthcare, and financial services industries. According to Fraga, "Houston is a very entrepreneurial, probusiness city. The community has been very good to us. Being Hispanic and in a city that embraces minority participation has been a competitive advantage. If you have a service or a niche, they'll definitely buy local."

Fraga says Tejas is starting to see a slowdown in business but that Houston has not been hit as hard as other parts

AT A GLANCE

LOCATION: HOUSTON, TX

FOUNDED: 1962

EMPLOYEES:

PRODUCTS STOCKED:

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Stephen M. Fraga, President



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of the country by the recession. He takes pride in the fact that the company has not laid off any of its fifty-one employees or reduced their benefits, which include 401(k), medical, and dental coverage. But the relationship with clients has changed a bit due to the recession. "We're visiting our clients to make sure they know we appreciate them," says Fraga. "We're seeing a lot of our clients come to us asking for help, so we'll show them products to substitute or how to cut down on their soft costs by ordering less frequently."

Another strategy shift has been in the products Tejas offers. In addition to the traditional office supplies (paper is still a top seller), Tejas now offers promotional materials such as t-shirts customized with the company's logo, and supplies for the bathroom, kitchen, and break room. "If you run an office, you have bathrooms and a break room, and we can be your one-stop supplier," explains Fraga. "We can bring your beverages and toilet paper or Clorox wipes. We're trying to convince buyers that you don't need seven or eight vendors." Tejas also sold the office furniture for a new bank branch in Houston. Fraga says that the addition of office furniture to Tejas' inventory is exciting for the company. "One good furniture order can really help. It's easier than selling lots of pens and pencils and paperclips."

While Fraga sees more growth opportunity in document management as companies focus on using less paper and going green, he says Tejas is still a hard copy company at its heart. "People want to write things down and put presentations together. People still need office supplies even when there's a slowdown. The core is still there, and we're here for them." HEO