Altino Cristofoletti Junior

Casa do Construtor

“ I saw an opportunity to help build Brazil. ”

COUNTRY	Brazil
INDUSTRY	Industrials
EMPLOYEES	107
YEAR SELECTED	2011
PARTNER	Expedito Arena
WEBSITE	www.casadoconstrutor.com.br

COMPANY SNAPSHOT

Casa do Construtor aspires to be the leading retain chain of small civil construction machines and equipment in Brazil. While other companies compete for the one-time US$50 billion investment in Brazil's infrastructure for the 2014 FIFA World Cup and the 2016 Olympics; Casa do Construtor (CdC) has its eyes on the US$90 billion civil construction market, which has tripled in the last decade. Founded in 1993, CdC provides homeowners, self-employed professionals and small construction companies with equipment such as scaffolding and concrete mixers through a mixed model retail chain comprised of its own 10 stores and 75 franchises. The company's 85 stores grew revenues substantially in 2010, prompting a construction trade magazine and the Brazilian Franchising Association to select CdC as the Best Franchise in Brazil. Halfway to being located in every Brazilian state and with a goal of 250 stores by 2015, CdC thinks big when it comes to small equipment for civil construction.

When founder Altino befriended partner Expedito at a Rio Claro Catholic youth ministry in the countryside of São Paulo, the teenagers didn't imagine they'd found the largest chain of niche equipment rental stores thirty years later. As young men, they dreamed of going to university to study engineering, but since they couldn't afford college, they enrolled in a public technical school in the mid-1970s. By working full-time and moonlighting on side projects, they saved enough money to pay for college tuition. They graduated from Escola de Engenharia de Piracicaba as civil engineers within years of each other, and started their own small construction companies. Yet something about bootstrapping together to become engineers bonded them. They looked for opportunities to work together, but it wasn't until 1993, when they discussed the key challenges facing their companies, that the idea for CdC was born. For both entrepreneurs, it was very difficult to get quality equipment because it was expensive to buy. But, they realized that if they purchased equipment and rented it to homeowners, self-employed professionals and small construction companies, they could afford the machinery and recover the costs. Altino and Expedito identified a neglected client base and aimed to capitalize on a niche market opportunity.

While running their construction companies, the entrepreneurs launched their first CdC store in their hometown, Rio Claro. Self-financed and self-taught, the entrepreneurs experienced a steep learning curve. In the first four years, they found the equipment rental side of the business more profitable, and abandoned selling building materials. By 1997, with CdC operations standardized, the entrepreneurs looked to expand. Investing in their own stores required a lot of capital and the cost of bank loans were too high. Given CdC's lack of resources to hire consultants, Altino enrolled in a franchising course and met with Expedito every night for months to draft the manuals and procedures of their future chain of franchises. Within a year and with their own capital, they launched a second store in Araras to pilot the franchise model, and their first official franchise in Americana by 1998. When their first franchise delivered the same return on investment as their own stores, the entrepreneurs left their construction companies to focus solely on CdC.

Casa do Construtor leases specialized construction equipment to homeowners, self-employed professionals and small construction companies for variable time periods at reasonable prices. Rental of scaffolding and related products, such as ladders, crossovers, and guardrails accounts for nearly half of CdC's revenues. The company's other top leased equipment include demolition tools, concrete mixers, and soil compactors.

CdC has been internationally recognized for its excellence and skill, winning the Ernst and Young Entrepreneur of the year in 2011 as well as the Best Franchise in Brazil award in 2012 in addition to countless other awards. Altino and Expedito do more than lease rental equipment; as role models and businessmen, they sell entrepreneurial spirit and they give small to medium size companies the resources to build their businesses.