

Fennemore Craig Clients, D. R. Horton, Continental Homes and Dietz-Crane, recognized for successful track record

Dale Dauten, of King Features Syndicate, spotlighted D. R. Horton, Inc. (operating as D. R. Horton, Continental Homes and Dietz-Crane in Phoenix) in an article titled, "Home Builder's Formula: Simply Successful," published in *The Arizona Republic* on Tuesday, February 18, 2003. Below is a summary of this article:

While researching the secrets to maintaining a successful business, Dale Dauten came across D.R. Horton's record for the most consecutive quarters of profit growth by any publicly traded company, "Every quarter for 25 years, the company has made more money than it did the same quarter a year before. No large company has ever done that." D. R. Horton just eclipsed Wal-Mart Stores previous record of 99 consecutive quarters of profit growth. Intrigued, Dauten interviewed Horton's CEO, Don Tomnitz, to learn more about this impressive company.

The interview highlighted the company's guiding principles, or "Hortonisms." Don Tomnitz said that the most important of these principles is "Watch the pennies, and the dollars will take care of themselves. We have the lowest overhead in the business. In a competitive business, nothing is too small to ignore. Take doorstops. You might think they're small but not when you build 30,000 houses in a year." Dauten pointed out that cost cutting was effective, but not enticing to employees and he inquired how Tomnitz motivated Horton's employees. Tomnitz said that they used quarterly bonuses as incentives. Dauten explained, "Executives in large companies often wonder how they can get 'entrepreneurial spirit' from their employees. Simple. Hire entrepreneurial people, give them some principles and a cut of the profits, and let them figure it out."

D.R. Horton now has \$7 billion in annual revenues and has maintained a record "winning streak." Dauten wrote, "Horton has managed to put together a 25-year boom, without layoffs, in a highly cyclical industry, and made it look simple, one doorstop at a time."

Dale Dauten's website is at www.dauten.com
D.R. Horton's website is at www.drhorton.com

Works Cited

Dauten, Dale. "Home Builder's Formula: Simply Successful." *The Arizona Republic*. 18 Feb 2003: D2.