Sons Work Alongside Parents at Orange’s MS International

Business Trips Doubled as Family Vacations

Shahs: Manu leads, Rika handles finances

By Sherri Cruz

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Manu Shah started his granite import business in the basement of his Ft. Wayne, Ind. home in 1975 while working an engineering job.

His wife, Rika, helped run the company while tending to their two young sons, Rup Shah, now 33, and Raj Shah, 36.

“All family vacations were tied to business trips,” Raj said. He recalls family trips to Vermont, where many clients were based. When Raj was young, a stay in a hotel was a big deal, he said. “Leaving home was interesting,” Raj said.

Raj and his brother officially joined the family business in 2003. Both now are executive vice presidents.

Today, Orange-based MS International is one of the largest distributors of natural stone such as marble, slate and granite. The company employs about 550 people worldwide, including 200 in Orange. It has about $250 million in yearly sales. MS International was recognized with the large business award at the annual Family Owned Business Awards lunch hosted by the Business Journal and California State University, Fullerton’s Family Business Council on Nov. 18 at the Hyatt Regency Irvine.

Company’s Start

Manu started out in stone distribution when granite primarily was used for tombstones. He’d import blocks from quarries in his native India. The blocks then would be sliced like bread and polished. These days, stone arrives in the U.S. already sliced and polished. As the use for granite expanded to countertops and other uses, Manu saw business boom.

In 1982, he quit his engineering job at farm equipment maker International Harvester Co., now Warrenville, Ill.-based Navistar International Corp. By 1984, MS International needed to be near a big city and a port, which meant Southern California or New York. The business and the Shah family settled in Orange County. MS International displays all of the stone and tile that it sells at its newly renovated and expanded 15,000-square-foot showroom in Orange. A homebuilder might send a home buyer to the showroom to pick out a countertop.

“Our customers’ customer comes here,” Raj said.

The company has done well in the past couple of years. MS International has expanded its products and has outlasted competitors, many of which closed in the recession.

“We’ve had our largest market share growth ever, just because our competition is falling away,” Raj said.

MS International imports most of its stone from all over the world. Importers face a lot of variables these days, including fuel prices and the relatively low value of the dollar.

“There’s a lot more uncertainty in the political and financial environment,” Raj said.

Keeping a lot of inventory in the U.S., having little debt and making decisions based on up-to-date data helps lessen the effect of those variables on the business, he said.

Today, the whole family works at the company, including a few cousins. “We literally sit next to each other—all four of us,” Raj said of his brother and parents.

Manu, who originally came to the U.S. to get his engineering degree, leads the company. Rika takes care of the finances. Raj handles sales. Rup oversees purchasing.

Lunching Together

They eat together, too.

“The default is to have lunch together,” Raj said. “One good thing about working with your mother is she makes sure you’re fed properly.” The family works well together, according to Raj. “We have natural debates, which we consider a good thing,” he said.

“Sometimes we get loud and heated. But it’s all for the good of the company—none of it is personal.” He and his brother get along well. They went to the same college and worked as investment bankers on Wall Street.

“We trust each others’ decisions,” Raj said. “We challenge each other. But we don’t get in each other’s way.” The family culture is filtered down through the ranks.

“We treat our employees like family, they treat each other like family,” he said. “We have a lot of activities together. It’s very much like an extremely large family.”