

Jan. 26, 2018
Dow Jones Industrials

+223.92
26,616.71

Record High: Jan. 26, 2018
26,616.71

Jan. 26, 2018
Nasdaq

+94.61
7,505.77

Record High: Jan. 26, 2018
7,505.77

Jan. 26, 2018
S&P 500

+33.62
2,872.87

Record High: Jan. 26, 2018
2,872.87

The
Winchester Star

Saturday
January 27, 2018

B4



SCOTT MASON/The Winchester Star

Chris Cardinale (left) and Caroline Wingenbach stand inside the showroom of Sidney Enterprises, which has provided design and contracting services from Harrisonburg to Martinsburg, W.Va., for the past 10 years. When the Cardinales opened the showroom and design studio, they added Wingenbach, an in-house designer.

Sidney Enterprises offers one-step solution for design, remodeling

By BRIAN BREHM
The Winchester Star

WINCHESTER — The home-improvement shows on TV make it look simple, but any do-it-yourselfer knows there's nothing easy about designing and remodeling.

Sidney Enterprises of Winchester offers a one-stop solution that can save homeowners aggravation and, quite possibly, a good bit of money.

For 10 years, business owners Chris and Brenda Cardinale have provided design and contracting services from Harrisonburg to Martinsburg, W.Va.

Their company's story starts 14 years ago, when Chris Cardinale was buying, restoring and selling bank foreclosures in the Winchester area.

"The problem with that was, I really couldn't do my design work in them ... because I had to sell these houses at low cost," he said.

A friend hired Chris Cardinale to remodel a bathroom, which in turn inspired the Cardinales to start their own remodeling business.

For more than eight-and-a-half years, Sidney Enterprises operated out of a small storefront on National Avenue. Since there was no showroom or warehouse, the Cardinales were limited to showing samples, not full-size products and suggested implementations, to prospective customers.

"We said, 'Let's build a studio where people can come in and look at all the finishes and products that we can build for them,'" Chris Cardinale said.

It wasn't quite that simple, though. Showcase studios are somewhat common in major metropolitan areas, but Chris Cardinale said there has never been one in Winchester.

He called a friend who owns a design studio and showroom in Florida and asked for advice.

"He convinced me that this is the

way you have to do it nowadays," Chris Cardinale said. "You can't compete with the handyman, you can't compete with Amazon and [major home improvement stores like] Lowe's. You have to build a vision for people."

That led to the October 2016 opening of Sidney Enterprises' showroom and design studio at 31 E. Jubal Early Drive.

"We can design, estimate, install, sell materials, source those materials from anywhere customers like and put it all together for them," Chris Cardinale said. "It kind of simplifies and streamlines the [remodeling] process."

When the Cardinales opened the showroom, they added an in-house designer, Caroline Wingenbach, who had previously used Chris Cardinale as the contractor for her own design practice, Virginia Dwelling, that she continues to operate in downtown Winchester.

Wingenbach and the Cardinales learn all they can about their customers in order to provide them with the kitchen, bathroom, finished basement, deck or home addition of their dreams.

"We come to your house ... we listen to all your design ideas, we follow your Pinterest boards to see what you like," Chris Cardinale said. "We bring that back to the studio and develop a detailed estimate for you to look at, and Caroline's able to go through and refine that estimate based on material selections."

"We have a great computer program and we can do 3D renderings for people, 2D renderings, and help them understand what their house is going to look like," Wingenbach said.

Sidney Enterprises offers a wide range of tiles, flooring, lighting, cabinets, plumbing fixtures and other materials, eliminating the need for customers to find their own items at home-improvement stores and hiring a contractor to install them.

"Then we come in and build the kitchen or bathroom or basement or addition

for you," Chris Cardinale said.

Sidney Enterprises will consider projects of any size and scope, but most of the remodeling and restoration work performed in the past decade has ranged in price from \$10,000 to \$500,000.

"If it's kitchen, bath, basement, additions and decks, we're going to explore the job with the customer," Chris Cardinale said.

The company's labor rates are in line with other local contractors, he said, and design services are included at no extra charge.

"It actually makes it easier on the customer and on us to do all of the work," Chris Cardinale said, "because when you rely on other people to send you tile or other vendors to get you things, the job slows down ... and it costs more money."

Construction doesn't start until the customer is completely comfortable with the design and materials.

"Sometimes it takes a month or two to get all of those things worked out, but if they're worked out in the beginning, then we don't have all these problems during the build," Chris Cardinale said.

He said the key to his company's ongoing success is simple: Keep the customers satisfied.

"Word of mouth is always the best thing," Chris Cardinale said. "We have great reviews online, A-plus rating on Angie's List, five stars on Google. We're able to get those reviews because we [employ] craftsmen with years and years of experience. They know the jobs inside and out, from plumbing to carpentry to finish work to electricity."

Sidney Enterprises' showroom and design studio at 31 E. Jubal Early Drive is open noon to 5 p.m. Monday through Friday, and other times by appointment. For more information, call 540-664-4464 or visit sidneyenterprises.com.

— Contact Brian Brehm at bbrehm@winchesterstar.com

Bank of Clarke County reports earnings for fourth quarter

Star staff report

BERRYVILLE — Eagle Financial Services Inc. (OTCQX: EFSI), the holding company for Bank of Clarke County, whose divisions include Eagle Investment Group, has announced its 2017 fourth quarter and annual profits.

President and CEO John Milleson said "2017 showed remarkable growth in consolidated assets. During the year, growth in both loans and deposits averaged \$1 million per week. We attribute this growth to the unabated churning in the markets we serve, and our efforts at positioning Bank of Clarke to become the bank of choice for many customers seeking another bank home."

The bank's net income for the year was \$7.8 million, which represented a 22.2 percent increase when compared to net income in 2016. This increase resulted mostly from the \$1.8 million increase in interest in fees on loans. Gross loans increased \$51.9 million. Net income for the fourth quarter was \$1.7 million, a decrease of 5.4 percent from the fourth quarter of 2016. The decrease resulted mostly from the increase in income tax expense.

"Because the Tax Cuts and Jobs Act was signed into law on December, 22, 2017, the Company's deferred tax assets and liabilities were adjusted at December 31, 2017, for the effect of the change in the corporate tax rate. This adjustment resulted in a net increase to federal income tax expense of \$430,152."

The bank's total consolidated assets for the year were \$765.8 million, which represents an increase of \$65.6 million or 9.37 percent from total assets of \$700.1 million the previous year.

Shareholders' equity was \$83.8 million for the year, up from \$79.4 million the previous year. The company's book value as of Dec. 31, 2017, was \$24.40 per common share. On Jan. 17, the board of directors declared a 23-cent per common share cash dividend for shareholders of record as of Feb. 2 and payable on Feb. 16.

W.Va. regulators approve Atlantic Coast Pipeline

The Associated Press

CHARLESTON, W.Va. — West Virginia's environmental regulators have approved a construction stormwater permit for the Atlantic Coast Pipeline, which would carry natural gas southeast from the center of the state.

The permit covers stormwater discharge associated with the disturbance of approximately 2,500 acres of land for the natural gas pipeline along with a compressor station, meter stations, access roads and interconnects, according to the Department of Environmental Protection. It gives the state agency inspection authority along the entire route in West Virginia including water crossings and uplands, the department said.

The 600-mile pipeline would extend almost 100 miles through five counties in West Virginia, then cross Virginia and bend through eastern North Carolina.

U.S. economy grew at solid 2.6 percent rate in fourth quarter

By MARTIN CRUTSINGER
AP Economics Writer

WASHINGTON — The U.S. economy grew at a solid rate of 2.6 percent in the final three months of last year, helped by the fastest consumer spending since the spring of 2016 and a big rebound in home construction.

The fourth quarter advance in the gross domestic product, the country's total output of goods and services, followed gains of just above 3 percent in the second and third quarters, the Commerce Department reported Friday. The slowdown in the October-December period reflected a worsening trade deficit and less growth in inventory restocking by companies.

For all of 2017, the economy grew 2.3 percent. That is a significant improvement from a 1.5 percent gain in 2016 but little changed from the modest 2.2 percent average growth rate turned in since the Great Recession ended in June 2009.

Economists are looking for even better growth this year, propelled by the \$1.5 trillion tax cut that President Donald Trump pushed through Congress in December. The Trump administration contends that its economic program of tax cuts, deregulation and tougher enforcement of trade laws will lift economic growth to sustained rates of 3 percent or better in coming years.

Trump has said his tax plan will serve as "rocket fuel" for the economy by prompting Americans to spend more and businesses to step up investment.

Economists, however, believe the growth spurt will be short-lived.

"Deficit-financed tax cuts will provide some near-term juice to the economy but it will prove to be temporary because we are already at full employment and the Federal Reserve will respond by raising interest rates more aggressively," said Mark Zandi,



MARK HUMPHREY/The Associated Press

Workers build an apartment and retail complex in Nashville, Tenn. On Friday, the Commerce Department issued the first estimate of how the U.S. economy performed in the October-December quarter, showing it grew at a solid rate of 2.6 percent.

chief economist at Moody's Analytics.

Michael Pearce, senior U.S. economist at Capital Economics, said that the imports surge that widened the trade deficit reflected a pay-back from port disruptions caused by hurricanes in the third quarter. He forecast solid growth in coming quarters.

"The U.S. economy had plenty of momentum even before the tax cuts take effect this year," Pearce said.

Treasury Secretary Steven Mnuchin, interviewed on CNBC, described the modest slowdown in the fourth quarter as a short-term aberration.

"We're not concerned about any one quarter which could be revised up or down," he said. "I think people now expect

we're getting to 3 percent GDP."

Mnuchin said the administration was very happy with the initial reaction from U.S. companies to the new tax bill, which he said had already generated pay bonuses for more than 2.5 million Americans, amounting to "literally hundreds of billions of dollars of commitments."

The president, speaking Friday to the World Economic Forum in Davos, Switzerland, also touted the benefits of the tax overhaul, saying, "America is open for business and we are competitive once again."

Trump said that because of the tax plan, which had reduced individual and corporate tax rates, Apple had announced it planned to bring \$245 billion in overseas profits back

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The U.S. economy had plenty of momentum even before the tax cuts take effect this year.

— Michael Pearce
Senior U.S. economist
at Capital Economics

to America.

Zandi said he believed the tax cuts would add as much as 0.4 percentage points to growth this year, pushing total GDP to 2.9 percent. He said growth would fall back to 2.2 percent in 2019 as the impact of the tax cuts fades, then slow further to a tiny 1 percent gain in 2020 as rising interest rates from the higher budget deficits and Fed rate hikes begin to drag growth.

Friday's GDP report showed that the fourth quarter growth was spurred by a 3.8 percent surge in spending by consumers, who account for 70 percent of economic activity. That was up from a 2.2 percent rise in the third quarter and was the fastest quarterly advance since the spring of 2016.

Business investment in new plants and equipment was also strong, rising at a 6.8 percent rate in the fourth quarter. Spending on home construction surged at a rate of 11.6 percent after two quarters of declines.

The areas of strength were offset somewhat by a big increase in the country's trade deficit, which subtracted 1.1 percentage points from growth, and a slowdown in business spending to restock their inventories, which trimmed growth by 0.7 percentage point.