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# **Creating Customers for Life**

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**CUSTOMER RELATIONSHIP** 

RELIABILITY

**SERVICE** 

LOYALTY

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24 Is Your Brand Relevant?

28 Sizing Equipment for Walk-ins

Measure customers expectations, experience and evaluations to determine how well your team manages service calls, and to measure the potential for future sales.

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### Contracting JUNE 2023 | VOLUME 80, NUMBER 6 **Business**



**ON THE COVER:** The customer loyalty tower must have every block in place. Source: cnythzl / iStock / Getty Images Plus

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### **New DIGITAL CONTENT**

Popular Stories in Contracting Business



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**ACCA Rolls into New Orleans** 

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Super Man with a Heart for Helping

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Chemours, JCI Share Refrigerant Info

https://contractingbusiness.com/21263837

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PHCC of Georgia Awarded for "Power Up!" Program

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### MSCA, HVAC Excellence Partner for Careers

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### **Beckett Begins Project Photo Contest**

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## Contracting Business Success

4 Requirements of Success https://contractingbusiness.com/21256089

### **Dispersion is Weakness**

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### **eNewsletter Update**

HVAC INTELLIGENCE eNEWSLETTER

### **Furnace Door Switch**

Don't bypass this switch. Dangers include backdrafting, electrocution. https://contractingbusiness.com/21265939. To receive HVAC Intelligence and other newsletters, visit: bit.ly/CBnewslettersubscribe

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▲ ACCA 2023 New Orleans

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### **Emerson Now Under the Copeland Name**

ou 've seen the Copeland name often, in connection with its HVACR compressor product offerings. Now, one of the most recognized names in HVACR has been adopted as the official name of the Emerson Climate Technologies businesses.

In news received May 31, 2023, Blackstone and Emerson announced that private equity funds managed by Blackstone have completed the previously announced acquisition of a majority stake in Emerson's Climate Technologies business, in a transaction valuing the business at \$14 billion.

The new standalone business will be named Copeland, in recognition of that brand's 100-year legacy, global recognition and influence across the HVACR industry. As a standalone company focused on serving the global HVACR market, Copeland's product portfolio includes often specified compressors, controls, thermostats, valves, software and monitoring solutions for residential, commercial and industrial customers. Copeland had fiscal 2022 net sales of \$5 billion.

"Copeland has long been a pioneer in the HVAC and refrigeration industries with unmatched capabilities in engineering, design and innovation," said Ross B. Shuster, chief executive officer of Copeland. "With the focus that comes from being a standalone company, and the support of our shareholders, Blackstone and Emerson, we plan to extend the company's leadership position in the industry and develop new and integrated climate technology solutions. The Copeland business is made up of over 18,000 talented team members, who are aligned and committed to developing technologies and solutions that drive decarbonization at scale, accelerate the global trend of electrification and deliver greater value for our customers and end users."

As a major HVACR industry manufacturer, Copeland is in the middle of myriad changes related to electrification, as well as the EPA's mandated phasedown of HFC refrigerants. Demand for any product that is forced by legislation is a blessing for any business, and sources report the HVACR market is seeing significant demand for Copeland's offerings and those in the refrigerant sector.

"Copeland has grown into the market leader in supplying critical components for residential, commercial and industrial climate control solutions, and we are thrilled to support its next phase of growth as a world-class standalone company," said Joe Baratta, global head of Blackstone Private Equity. "Leveraging Blackstone's long track-record of successful large-scale corporate partnerships, we look forward to working with the Copeland and Emerson teams to accelerate the company's profitable, long-term growth. We're confident in the runway ahead to advance Copeland's industry leading position by delivering even more innovative, energy-efficient solutions to support its customers' carbon reduction efforts."

"We are pleased to complete this significant transaction, an important milestone in Emerson's portfolio transformation into a cohesive global automation leader," said Lal Karsanbhai, president and chief executive officer of Emerson. "The upfront proceeds from this transaction allow Emerson to advance our portfolio in attractive, higher-growth automation markets, while our remaining noncontrolling investment enables Emerson to benefit from Copeland's future upside under Blackstone's ownership, until we exit the business. With our focused portfolio, we are bringing comprehensive automation products, software and solutions to a diverse set of end markets, driving operational excellence and enhancing value creation for Emerson shareholders."

Copeland will continue to operate from St. Louis, and continue to serve global customers.

### **MSCA, HVAC Excellence Partner for Career Placement**

Eugene Silberstein, the new National Programs Director for HVAC Excellence, recently issued a letter to training organizations, calling attention to job opportunities in MSCA-member contracting businesses.

In his letter, Silberstein notes that MSCA-Mechanical Service Contractors of America—the nation's leading trade association for heating, air conditioning, refrigeration, plumbing, and facility operations contractors—is struggling to fill open positions despite offering some of the most sought-after jobs in the industry. Therefore, MSCA has partnered with HVAC Excellence to identify HVACR educational programs that have met nationally recognized standards, and those graduates who have the training necessary to work for leading organizations. Those organizations include manufacturer installation teams such as Johnson Controls and Carrier Commercial, as well as more than 1,200 MSCA contractor members.

Find the entire announcement online, at https:// contractingbusiness.com/21266758. CB

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### **Unified Group Holds Succession Forum**



Broadview, IL, May 2023 — Owners of HVAC companies excel in project planning and execution — but when it comes to building a succession plan, many struggle. To help address this important topic and ensure a successful transition of ownership in the future, The Unified Group hosted its first-ever Succession Planning Forum in late March. Participating members included current company owners along with their chosen or potential successors, and all were excited to dive in and learn more about the process.

"The highlight from the session is knowing that we are on the right path to a successful transition," said Andy Carver of Adrian Mechanical Services.

The two-day workshop featured Randy Nemchin and Erika Wickstrom of Radical Guidance Consulting and Craig Woodall of Grinnell Leadership as guest facilitators, who are well-known for their experience in leadership and organizational development. Nemchin facilitated the group of tomorrow's leaders, while Wickstrom and Woodall facilitated discussion with the owners.

The group of owners focused on accommodating the three sides of business: technical, administrative, and human relations. The group consisting of each company's next generation focused on adapting to change, leadership, and fears. After lunch, the two

groups reunited to speak on conforming to change, with large group discussions and interactive exercises.

"I really liked everybody's openness of sharing processes during the discussions," said Scot Hottel of Harvey W. Hottel. "It was very enlightening."

The second day began with a full group recap, then again split into owners and next generation groups. The owners dug into each of their own succession plans, with a lesson in timeline, successors, backfill, business valuation, finances/funding, and more. The next generation of leaders focused on trust and integrity, and how the two are correlated to provide optimal success. After lunch the two groups came back together to dive further into the details of the succession process.

"This was a very informative session that allowed a caring group of people to work through very challenging topics," said Kelly True of General Sheet Metal.

Upcoming sessions include Small/Special Projects, Construction, Safety Directors and more. Learn more about membership with The Unified Group by contacting Janet Kelleher at KelleherJ@theunifiedgroup.com. CB

### **HVAC Excellence Promotes Silberstein**

Mount Prospect, IL-HVAC Excellence, a standards organization dedicated to improving education in the HVACR industry, has appointed Eugene Silberstein as its new National Programs Director.

Silberstein has devoted more than 40 years to the HVACR industry, and is a widely recognized expert in the field. Since September of 2015 he has served as the Director of Technical Education and Standards at the ESCO Institute. Throughout his extensive HVACR career. he held many positions including field technician, system designer, service contractor, professor, administrator, consultant and industry-leading author. Eugene has

over 25 years of teaching experience and has taught at private, secondary and postsecondary institutions, and has been an author and frequent seminar presenter.

Silberstein earned his dual Bachelor's Degree from The City College of New York, where he studied electrical engineering, economics, and operations management. He earned his Masters of Science degree from Stony Brook University, where he specialized in Energy and Environmental Systems, studying renewable and sustainable energy sources. In 2010, he earned his Certified Master HVACR Educator (CMHE) credential from HVAC Excellence. Eugene also carries ASHRAE's BEAP



Eugene Silberstein ESCO Group

credential, which classifies him as a Building Energy Assessment Professional.

As National Programs Director, Silberstein will be responsible for overseeing the development and implementation of HVAC Excellence's national train-

ing and certification programs, including programmatic accreditation, as well as working with industry partners to identify emerging trends and technologies and help training programs implement these technologies into their curricula.

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### **METUS Opens Florence, NJ Facility**

SUWANEE, Ga., May 3, 2023 — Mitsubishi Electric Trane HVAC US LLC (METUS) celebrated the opening of its Distribution and Training Center in Florence, New Jersey with a ribbon-cutting ceremony held April 26. Strategically positioned near the New Jersey and Pennsylvania Turnpikes, this new 400,000-square-foot facility is intended to strengthen the company's supply chain and provide efficient heat pump distribution to the Northeastern U.S.

Government officials in attendance included representatives from the Florence Township Council, the New Jersey State Assembly, U.S. Representative Andy Kim's office (N.J.) and U.S. Senator Cory Booker's office (NJ). When asked about the significance of the new facility, Florence Township Mayor Craig Wilkie said, "We welcome Mitsubishi Electric Trane HVAC, which manufactures and distributes energy-efficient heating and cooling systems and equipment with 'green' technology, to Florence Township. Located on an environmentally remediated site that once provided the world with cast iron pipe during the 19th and 20th centuries, the company

will bring new jobs to the Township and region. Florence Townships looks forward to a long-term, mutually beneficial relationship with Mitsubishi Electric Trane HVAC."

"The Florence Distribution and Training Center is a significant investment in our country's sustainable future. The facility will supply all-climate heat pumps and VRF systems to distributors, contractors and end customers quickly and efficiently in our Mid-Atlantic and Northeast business regions," said Mark Kuntz, chief executive

officer, Mitsubishi Electric Trane HVAC US LLC. "With the passing of the 2022 Inflation Reduction Act (IRA), the demand for electric products and services is high. As Americans take advantage of the tax credits, rebates and incentives available through the IRA, the Florence facility will help transform America into a Heat Pump Nation."

METUS plans to use the facility to generate 60 distribution center jobs and empower HVAC businesses with the training and



Mitsubishi Electric Trane HVAC US (METUS) representatives and government officials cut the ribbon on the Florence, New Jersey Distribution and Training Center. Pictured left to right are: Kristen Foca, outreach director for U.S. Representative Andy Kim; MacKenzie Belling, South Jersey director for U.S. Senator Cory Booker; Brinnon Williams, vice president of residential business, METUS; Andy Kelso, COO, METUS; Mark Kuntz, CEO, METUS; Robert D. Smith, vice president of Supply Chain, METUS; Paul Ostrander and Kristan Marter, Florence Township Council; and Marty Eckert, Florence Township director of economic development. METUS

METUS plans to use the facility to generate 60 distribution center jobs and empower HVAC businesses with the training and support needed to sell, install and service all-climate heat pumps. METUS anticipates that its distributors and their customers will create many jobs. METUS



### Beginning in May 2023, the training center team plans to host 40 to 45 classes each year, training 500 to 600 students annually.

support needed to sell, install and service all-climate heat pumps. METUS anticipates that its distributors and their customers will create many jobs.

"Locating our Distribution and Training Center in Florence provides several key benefits, including strengthening our supply chain," said Robert Smith, vice president, supply chain, Mitsubishi Electric Trane HVAC US LLC. "It will provide efficient and strategic distribution access to our Mid-Atlantic and Northeast distributors by having the right products in the right place ready to ship. In fact, we anticipate that the Florence Distribution Center will ship thousands of hyper-efficient heat pump systems every month and would result in a reduction in miles driven to deliver products, subsequently also reducing the carbon emissions of those deliveries." Smith noted that Florence offers easy access to the interstate and Port Elizabeth, making the facility accessible for both shipments and students attending training classes.

### **Training for Small Business Professionals**

Beginning in May 2023, the Training Center plans to host 40 to 45 classes each year, training 500 to 600 students annually. Classes are anticipated to cover residential and commercial product lines and subject areas, including heat pump installation, start-up and service essentials, advanced service, and controls.

Students will have the opportunity to practice what they learn on actual working Mitsubishi Electric equipment. Products installed in the Training Center for training purposes include four commercial VRF systems with seven styles of indoor units and seven residential heat pump systems with six styles of indoor units.

### **Building Environmental**

With a corporate environmental mission of reducing carbon emissions in all Mitsubishi Electric US facilities by 2030, METUS plans that the building will meet LEED® certification requirements. Currently, the facility features 100 percent LED lighting,

energy-efficient Mitsubishi Electric heating and cooling equipment and occupancy sensor controls on all lighting. Further demonstrating the company's drive toward electrification, the Distribution Center uses all-electric forklifts instead of the typical propane-powered forklifts found in many warehouses.

In addition to Florence, METUS has distribution centers in Suwanee, Ga., and Mira Loma, Calif. METUS Training centers are located nationwide at 75 locations. To learn more about Mitsubishi Electric Trane HVAC US. visit *MitsubishiComfort.com*. CB



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of the duct system. A CFM indicator is included, plus an internal EEV. bit.ly/amanaavhe

Daikin DFVE air handlers combine variable-speed, inverter-tuned performance with multi-position convenience-all engineered for compatibility with the transformational Daikin FIT inverter split systems.

For enhanced durability and exceptional heat transfer performance, the DVFE uses an all-aluminum evaporator coil featuring 7mm coil tubes. Its variable-speed ECM motor provides constant CFM, over wideranging static pressure conditions, for improved humidity and comfort control. A factory-mounted electronic



expansion valve (EEV) allows both cooling and heat pump applications. bit.ly/dakindfve

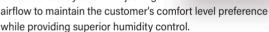


Designed with cabinet and coil durability and performance, Goodman° brand AMVT air handlers bring advantages to installers and homeowners alike.

The multi-position, variable-speed AMVT uses a rigid SmartFrame™ substructure intelligently devised for lateral strength, while providing a sturdy mounting framework for components. To for low operating noise, SmartFrame™ secures the foil-faced insulation covering the entire blower casing. All of which helps provide resilience and reliability. bit.lv/ goodmanamvt

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rheem com



Fujitsu General America's multiposition air handler units are now compatible with the company's XLTH (extra low temperature heating) outdoor units, which provide heating capacity at outdoor temperatures as low as -15°F.

Available in four sizes from 24,000 to 48,000 BTU/H, the multi-position air handlers feature all-aluminum indoor unit coils, high static pressure capability, indoor sound levels as low as 24 dBA and adaptive fan motor control

for optimum comfort. FujitsuGeneral.com

The Trane Performance Climate Changer™ air handler has been significantly redesigned, with an upgrade that allows for seamless connection to the Symbio 500 unit controller, this air handler provides a smart, factory-mounted, and tested solution



ready for integration, with distributed input and output layout for simplified installation and maintenance, less wiring and fewer point-to-point connections for minimized failure points and errors, and reduced labor time, cost, and risk for contractors.

Also from Trane is the Custom Air Handler with a nonmetal thermal barrier. It has been improved with an absolute non-metal thermal barrier that eliminates metal-to-metal contact within the entire casing and related noise, corrosion, and rust. By reducing condensation generated during standard system operation, this air handler provides a more robust solution with a longer working life, ideal for high-end commercial and humid environments. www.trane.com or www.tranetechnologies.com.



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### **Grilles Registers Louvers**

Greenheck's new line of healthcare, laboratory, and cleanroom (HLC) air distribution products are designed, engineered, and tested to meet or exceed critical environment standards for performance and energy efficiency, sources report. This product line includes Laminar Flow Diffusers, Radial Flow Diffusers, and Surgical Air Curtains, Laminar flow diffusers are engineered to provide a vertical projection of low-velocity supply air, introducing clean supply air without the entrainment of airborne particulate in the space due to its low velocity. These diffusers play a critical role in maintaining an aseptic environment below the diffusers in operating rooms, patient isolation rooms, pharmacies, and cleanrooms.bit.ly/greenheckcleanroom

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system requirements, improve IAQ and reduce ventilation costs.

Intelli-Balance® 200 Balanced Air Solution is a ceiling, floor or wall mount Energy Recovery Ventilator (ERV) that's ideal for meeting whole house ventilation requirements under ASHRAE 62.2. Intelli-Balance®100 Balanced Air Solution Cold Climate is ideal for single family homes and multi-family units. This unique and cost effective Cold Climate ERV was engineered for total versatility and installation flexibility, in a cold climate zone. Now with Boost function, which can move the fan speed to high when activated. bit.ly/panasonicERVs

All product claims are made by the manufacturers.



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Dehumidifiers



Pumps



Maintenance







# **Educate, Train, Engage**

Young candidates for building trades need a system that helps bridge the gap between their talents and potential and career-focused employment. The Building Talent Foundation offers a solution.



'We need to take advantage of the entrepreneurial spirit of Generation Z. They're brave and very, very creative.'

- Branka MInic

uring a prior career Branka Minic worked in information technology development and management. Today, as the CEO of the Building Talent Foundation, she helps new job seekers get plugged in to lasting careers with home construction, HVAC and electrical contracting businesses. The Building Talent Foundation addresses the severe and persistent talent shortage across skilled trades by improving talent supply, training and retention.

"I love to put people to work and I love to put young people to work even more. That's my passion," she said, speaking from her office in Washington, DC, a few weeks after a well-received presentation at the 2023 Air Conditioning Contractors of America conference.

"I have always been involved in how to help people develop their careers and find their way, in jobs where they feel good about those jobs; and the companies are truly benefiting. It's not just about people. It's also about businesses finding the right talent and having the best productivity, the best morale, the best customer service. That only comes when you have talent that's fully engaged."

Minic's mission with the Building Talent Foundation is to provide the best atmosphere and career exposure that will ensure a meaningful and information engagement, into what HVACR is all about. Minic and the BTF team apply best practices for recruitment and retention combined with effective relationships with major HVAC manufacturers and contracting businesses.

In a survey conducted by BTF and the Oxford Centre for Employee Engagement 2021 Homebuilding Workforce Engagement Study, construction workers stayed on the job for the following

- · opportunities for career advancement
- · feeling valued and respected and well-treatment by the boss
- · enjoyment with working in the construction trades
- · pay and benefits.

Key reasons given for leaving their jobs were:

lack of opportunities for career advancement

- training and development
- pay and benefits
- not feeling valued or respected and poor treatment by the boss.

As a solution, BTF strives to provide opportunities for career advancement and develop positive supervisor-employee relationships.

Branka Minic was born in Serbia. Her family has worked in construction since 1908, when Branka's great grandfather started a general contracting business there. Later, her father ran a heating, ventilation and ventilation business, which is now operated by a brother. She chose to follow a computer science and computer engineering path, "but all the time I was growing up, I heard from my father and later my brother that they could not find good people. And so today, there is still a big problem finding talent. People are not qualified, and they jump to another company for just a tiny bit more in wages."

"I think that in this later part of my career, I am destined to be solving my father's and my brother's problem. I have a special place in my heart for HVAC. I remember my father telling us as children we should be thankful for Mr. Carrier, because he brings food to our table."

To serve those students who just don't know what type of trade career they're seeking, Minic said there are "try before you buy" offerings.

The Building Talent Foundation was founded in 2019 by the Leading Builders of America member companies, home builders with a definite interest in the growth of the American construction workforce. Its purpose is to address the severe and persistent talent shortage across the skilled trades by improving the talent supply, training and retention. Today it has 700 employee partners and more than 500 education and recruiting partners.

Minic appeared at the ACCA conference in order to tell the BTF story and invite other contractors to become employee partners. There is no charge to contractors, because BTF is supported by large home builders and manufacturers, including Carrier, Daikin and Resideo.

"Having all of those behind BTF has placed us in a position to be able to provide assistance in hiring qualified and diverse talent," Minic said.

One of BTF's key assertions is that there is no clear career pathway for students who might have an interest in HVAC careers. Minic said this is caused by three problems within the construction industry:

- a weak and not very diverse talent pipeline into the sector:
- a misalignment between what schools teach and what employers actually expect;

 a lack of engagement with and retention of talented people.

Combine that with what Minic described as the "4 Ds"—the misperception of trade careers as, "dirty, difficult, dangerous and dead-end"—and it's easy to see how the recruitment challenge becomes amplified.

"Maybe that's how those jobs were a long time ago, but today, nursing is not any less dangerous or difficult than a job in construction. And a job in HVAC is definitely not a dead-end job. There are tremendous opportunities for these individuals both in terms of becoming a master at their craft and

### **BTF, BIP Collaborate for Careers**

BOSTON and WASHINGTON (May 23, 2023)—Building Industry Partners (BIP), the leading private equity firm in the U.S. building industry and Building Talent Foundation (BTF) have formed a strategic collaboration to positively impact industry workers, their families, and the industry at large. BTF is a national non-profit organization dedicated to advancing the education, training, and career progression of young people and people from underrepresented groups in residential construction, helping them develop into skilled technical workers and business owners. BIP and BTF share an interest in changing lives through job creation and career development, while building and fortifying a pipeline of talent to ensure the industry remains viable for the future.

The announcement comes at a critical time for the industry, as it faces what sources report is a 500,000 worker labor shortage and significant attrition as large segments of the workforce retire or near retirement. The sector needs to add approximately 740,000 workers per year during this decade to sustain itself, according to projections from the Bureau of Labor Statistics and analysis by the National Association of Home Builders. Left unaddressed, the talent gap will inhibit the sector's ability to expand, to meet the housing demand, and to make homes more affordable.

Through their collaboration, BIP and BTF will attract, develop and retain talent to and within the U.S. residential building industry and enable employers in the industry to become "Employers of Choice." The organizations' plans to collaborate include, but are not limited to, co-sponsoring initiatives designed to drive workforce development at the local level, connecting and leading their respective networks to focus on solutions for industry workforce challenges, engaging in research about the best human capital management practices, and rallying the industry to increase the workforce value proposition on a larger scale.

"We are thrilled to join forces with BTF and have this chance to make an impact in both the short and long term," said Matt Ogden, Founder and Managing Partner at BIP. "As BTF has demonstrated, creating job opportunities and carving career pathways for those who may be considered 'unemployable' in the industry can make an immediate, life-changing difference for individuals and their families. Having a secure job and source of income has a

measurable impact on financial wellness which has been proven to be linked to both physical and emotional health. In addition, investing in employees—creating a strong employee value proposition for them—can lead to enhanced business outcomes. It is a true win-win for businesses and their workforces."

In 2020, BIP evolved its purpose to include elevating the industry's employee value proposition, in addition to building exceptional businesses and generating world-class investment returns. The firm is now championing broad-based employee ownership at its growing list of portfolio companies, which currently includes West Coast Lumber Supply, Southeast Building Supply Interests, North American Specialty Laminations and Endeavor Fire Protection. It is also in the process of working to enhance the overall employee value proposition at its portfolio companies through a variety of advanced human capital management practices, such as introducing employee financial literacy education, providing clarity around career paths, and offering job training.

"BTF's mission is wholly aligned with BIP's newly evolved purpose and 'people first' management philosophy, making this relationship such an easy, organic fit," said Stu Kliman, Partner at BIP. "We are committed to doing our part to support BTF's mission so that our industry's workforce—which represents approximately 10% of the GDP of the U.S.—can not only sustain itself, but also flourish well into the future. We are eager to collaborate with BTF to galvanize widespread support so that we can collectively raise the bar for our industry, and most importantly, for the people in it."

"BIP's pioneering spirit, its coast-to-coast presence, its leadership across multiple verticals within the industry, and, most importantly, its true appreciation for—and commitment to—the people of the building industry, make it an ideal partner for BTF," said Branka Minic, Chief Executive Officer of BTF. "Having BIP's support—and particularly Matt and Stu's thought leadership, deep macro-level industry knowledge and extensive networks to help propel BTF's mission—is invaluable, especially during such a critical time for the industry."

As part of the relationship, Ogden and Kliman will serve on BTF's Advisory Council and Minic will join BIP's Advisory Council.

making a very good income, or becoming a business owner or joining a corporation and building a strong corporate career."

"I have seen such sophistication in HVAC in some schools it's amazing, and I don't think young people and parents know about this."

Minic said she does not believe school counselors are incentivized (emotionally, not financially) to get young people into the best careers that would provide them with the best overall employment outcomes. "Rather they are heavily pushed to counsel young people towards college. And on the other side it seems that these days there are so many other problems in our schools that counselors are not even getting time to provide enough career coaching and guidance to students, when they have to deal with bullying and gunshots and the other issues we have right now in schools."

Minic opposes the commonly-held belief that the youngest career seeking generation—Generation Z—has a poor work ethic, is impatient, unwilling to follow rules and remain interested in an career over the long term.

The Building Talent Foundation has 30 different pathways. Young people or people changing careers can also obtain information on earning potential, schools in each neighborhood that provide HVAC training, a technical portal with information. They also have a team of career coaches in BTF's 18 markets who provide additional help.

"In just the first quarter of 2023, we spoke to more than 24,000 people about careers in construction and trades," said Minic.

### 3-Point Platform

Contractors with an interest in working with Building Talent Foundation are invited to visit **jobstobuild.com**. The platform has three missions:

- 1. Educate students and job-seekers about career paths.
- 2. Allow companies to post unlimited jobs and get connected with a rich talent pipeline of diverse candidates.
- 3. Provide students and job-seekers with career coaching and guidance from Engagement Managers.

"Once there, employers can tell us know the types of skills they require, and their timing, and we will gladly help them at no cost. We are also working with ACCA. They have their own career portal and we are working on integrating their career portal and jobstobuild.com, so that people don't have to do double data entry. So that when we put their job on one of the platforms it automatically appears on the other. We are very proud of the relationship we have with ACCA."

To serve those students who just don't know what type of trade career they're seeking, Minic said there are "try before you buy" offerings. One is Careers in Construction Colorado, a high school program that leads to internships. "These young people get experience before they graduate from high school. And then, the sky's the limit. They can take a job or they can continue to a college, or both.

In California, the Building Industry Technology Academy is an excellent program that offers similar types of skills to young people before they come out of high school.

Minic opposes the commonly-held belief that the youngest career seeking generation— Generation Z—has a poor work ethic, is impatient, unwilling to follow rules and remain interested in an career over the long term.

"That's too much of a blanket statement and also, it's not that young people are to blame. Why wouldn't we say that today's managers don't know how to engage and motivate Gen Z? Why should we just blame the young people for that?" said Minic.

"And as far as a work ethic, it's on us the parents and counselors and manager in organizations to instill in them the values and qualities that we want them to have. I think we need to be better at mentoring these young people. Second, we need to take advantage of the entrepreneurial spirit of Generation Z. They're brave and very, very creative. Why wouldn't we create new types of jobs and mentoring and management practices so that we take the best our of them, instead of blaming them when something doesn't work? Our workforce is seriously aging, and 40 percent are supposed to retire by 2031.

Minic said there must be new ways to motivate Generation Z, and get them excited about jobs in the trades.

"I think the fact that you can have your own business earlier than in other sectors can play a big role for us in attracting Gen Z to this sector."

Minic recalled comments by a home building executive related to "redesigning" trade jobs, so that employers can adjust to the new generation, and have a workforce that reflects them, but also the consumers and buyers in this industry (who are also now trying to employ younger workers).

"Maybe they will participate while they're going to school, as a side job. Maybe it will be something like a 'gig' in an 'Uberized' workforce, where people work in construction when they're not doing other things that occupy their interest. There are many ways to address this problem, but the last of them would be to blame the young people." CB











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Measure your customers' expectations, experience and evaluations to determine how well your team manages service calls, and to measure the potential for future sales.

n one of the chapters of "Profit is an Attitude," I write about controlling the costs associated with a business and how the major cost in any organization is labor. When you add up all the truck expenses, payroll, benefits, insurance and so much more, you can easily see why labor consumes most of the expenses. It isn't that you don't need labor, it's just that you just don't need too much labor to take care of you most valuable asset—your customer.

Think about the value of a company. I value companies all the time and, while they all have assets that can be sold, most buyers can purchase those assets elsewhere. The only real assets in a business are customers and goodwill. It's hard to buy customers and it's difficult to measure goodwill.

About 20 years ago, a heating, ventilation and air conditioning client of mine wanted to expand.

I told him to start by looking for a business to buy. It takes a lot of money to start, or even expand, a business, but an existing business already has assets, organization, a company name and customers. Why not buy a proven business where most of the work has already been done?

I suggested that he call every heating, ventilation and air conditioning company in the phone book and make note of those that were out of business. He followed my instructions and found seven that were defunct.

Next, I told him to go to the county records and find the owners of those businesses, contact them ask them if they had sold their assets and if he could schedule a private meeting with them.

Upon completing this task, he called me back and said he had found one that had sold about \$300,000 worth of installations and service. The owner had

just grown older and closed his business. I told him to schedule an appointment and I would attend the meeting with him.

On the day of the meeting, I asked my client to stop by the bank on his way and withdraw \$10,000 cash.

The owner was great, and we enjoyed hearing about how he had started the business with his son. In the end, however, he couldn't do enough work to sustain both of them. The son wasn't necessarily pulling his weight in accordance with the pay he was given. The owner had finally shut the doors because he couldn't do all the work and he was too tired to continue.

The only assets we wanted were the owner's company name, phone number and customer files (in this case, three filing cabinets out in his garage). My client started counting out cash until they reached an agreement. We walked away that night with the assets we wanted and everyone was happy. Customers are key. As I have said in my workshops, "Businesses go out of business every day, but service stickers, business cards, decals and phone numbers just keep on going."

*My client forwarded the phone number to his office, sent letters* to the customers that had been with the other company for over 20 years and, because of the purchase, increased his overall business about \$200,000 the first year.

Great companies don't want customers to buy just one item, they want customers to buy multiple items multiple times. Think about Amazon and you'll understand how this should work in your business.

### **Understand Marketing Versus Advertising**

Before we launch into the creating Customers for Life program for your company, let's differentiate between marketing and advertising.

Marketing is everything you say and do that affects a customer's desire to purchase from you. Lettered service trucks, signs, brochures, ads, uniforms on field personnel, letterhead, answering the phones and quality of personnel are many of the things in your business that influence how customers make the decision to buy (or not buy, as the case may be). You want to constantly market to customers because you're building your image and the value that image conveys.

Advertising is just promoting your product. For example, placing an ad for a service in a newspaper or on a website is advertising, not promotion, of your image.

You may have heard that marketing follows these three rules:

- Expectation
- Experience
- · Evaluation.

You want to measure all three to see how well you did and measure the potential for future sales. Imagine, for a moment, that you are a restaurant owner...

What does a customer expect from a restaurant? Do they expect a nice location, easy parking, friendly greeters, nice atmosphere, quality service, good food, acceptable prices, clean space, well mixed drinks and lots of choices? Yes to all of these.

Next, look at the customer's experience at a restaurant. Did it provide great food, incredible service, beautifully laid tables, professional servers and valet parking?

To get the evaluation for a restaurant, you'd use this formula: **Expectation** × **Experience** = **Evaluation** 

Let's say I expected seven things from a restaurant, one of which was convenient parking. When I arrived, they actually provided me with free valet parking—a step above convenient parking. If I expected a seven and they gave me an eight, my evaluation would be 56. It would have exceeded my expectations.

As I was preparing to return home from a business trip, I got a phone call from my wife. She confirmed that she'd pick me up from the Dallas airport as planned, but that we'd stop for dinner with friends on the way home. I made a reservation at a new restaurant near the airport; we'd heard that they served great food.

When we arrived at the restaurant, we were immediately greeted by the hostess. She told us our table would be ready in just a few minutes and she took our drink orders while we waited. She served us those drinks before we were seated—an experience that made us feel like celebrities, and it was a great way for the restaurant to make more money.



Consider assembling a customer focus group to bring customers in to discuss their expectations and what you as a company did and didn't deliver.

When we arrived at our beautifully laid table, the attendant seated us at the appropriate place—at each of our place settings there was a small place card printed with our name. JR definitely thought I was buddies with the owner because he gave me both the thumbs up and the OK sign. It was an incredibly nice touch from the restaurant, but I had arranged nothing.

Then I remembered that when I had called to make the reservation, I was asked who would be joining my wife and I for dinner. I gave them the names of our guests and thought nothing more about it. But wow, what a special, personal touch!

That night was full of fabulous food, superior service and wonderful drinks, but when JR brought up that night out on the town over the years, he always mentioned that small piece of cardboard, a simple place card.

Think about my entire restaurant experience. Your company

- List the customer's expectations
- Review those expectations with the team
- Determine how you're going to exceed those expectations

and provide the customers with the experience they're looking for

Consider assembling a customer focus group to bring customers in to discuss their expectations and what you as a company did and didn't deliver. Follow-up with a customer after a sale. Look at your online reviews. Do you like what you see?

### **Exercise**

- What do you think customers expect from your business?
- What do you think your customers actually experience?
- What do you do after the evaluation to gain more of their business and referrals?

### **Use the "Customers for Life" Model (CFL)**

Ron Smith, the author of HVAC Spells Wealth, ran a phenomenally successful air conditioning company for many years. His model talks about follow-up and the importance of keeping in contact with the customer. The more contacts, the more touches, the greater the chance for more sales.

The Customers for Life model starts with someone buying a product or service from you. You created a great website, a great expectation, and the customer answers with a sale. Now what?



### If you can get referrals and repeat business, the sales generated are typically at higher margins.

If you order from Amazon, you immediately receive a receipt for the product. Soon you receive a notice that they're preparing the item for shipping, which is followed by a notice that the product has shipped. After the product arrives you get another notice about the actual delivery.

See how many times they "touched" you? There is no way you could have forgotten about Amazon and the product they sold you.

The Customers for Life model must include immediate followup and continued interaction with the customer. Let's look at how the model would work in real life. Imagine for a moment that you're the customer...

- 1. You call a company for service and make an appointment.
- 2. The company calls back to confirm the appointment.
- 3. They send a service technician to your home.
- 4. After the repair, the technician offers you a service agreement to maintain your equipment with discounts on future repairs.
- 5. You receive a call/email from the company asking how the initial contact was, how the service call went and your satisfaction with the technician. I call this a "happy call."
- 6. A few months later you receive a call/email to schedule a

- maintenance call. You call the company back and schedule the appointment.
- 7. The company calls the day after the appointment with another "happy call."

All this repeats itself over and over and over.

Sell a product. Track the product. Deliver the product. Make a happy call. Call or email again. Sell a product. Track the product. Deliver the product. Make a happy call. You do this over and over again to keep the customers close to you.

The problem with most small businesses is that they don't follow-up and don't have a plan for Customers for Life. You get one sale and that's it. No happy calls, no follow-up, no opportunities. If you remember the customer, they will remember you.

One of my clients has a heating, ventilation and air conditioning company that sells and installs heating and air conditioning equipment. After they replace a furnace or air conditioner, they contact Cookie Advantage who sends a custom tin of chocolate chip cookies to the customer with a thank you card from the owner and a survey card to see how well they performed. The customers get cookies and the company gets immediate, personal feedback.

### **Develop Your Plan**

Just like with other procedures in your business, which we'll discuss in detail in Chapter 15, have a written plan for what to do to get the sale, monitor the sale, follow-up on the sale and generate new sales. You don't just want sales from your customers—you want sales from their family, friends and neighbors as well. If you can get referrals and repeat business, the sales generated are typically at higher margins.

### **Get Out**

You also need to get out of your office. Not a lot of business is generated in a small business from your office. You might be a member of the Chamber of Commerce but don't go to meetings. Maybe you're in Rotary but never attend. Part of Customers for Life is being out in the community that you need to support you.

Customers are a lot like people. First they have to know who you are. Then they must respect and admire you, believing that you're a good person who runs an honest business. If these things are true to a customer, they will buy from you once—and the service or product you provide during that first sale will determine whether they buy from you again. How many times do we go back to a bad restaurant? Zero. The same is true for a business.

Have a definitive plan and stick to it. Measure your leads to see which are the most effective and invest more in those with the greatest return.

### **Generate Leads**

Put someone in charge of marketing in your company. Most small business owners are too busy to market effectively, and most owners don't know how to properly market in the first place. Set aside at least 3% of sales for marketing, maybe even 5% if you're just starting out. Many customers don't know you exist, so explore the many options you have available to tell your story.

If you send out a marketing piece, let's say direct mail, you'll reach three kinds of people:



### Many customers don't know you exist, so explore the many options you have available to tell your story.

- Active customers (bought from you in the last 12 months)
- Inactive customer (bought from you, but longer than 12 months ago)
- Non-customers (have never bought from you).

You'll get leads from all of them, but your active customers are five to seven times more likely to buy from you than a noncustomer. Inactive customers are three times more likely to buy than a non-customer. It costs you about \$220-\$403 to convert a non-customer to an active one.

Most small businesses tend to focus on the non-customer instead of the active and inactive customers, but that's not the best approach. If you have \$1,000 to spend, put \$500 toward active customers, \$300 toward inactive customers and \$200 toward non-customers. The same is true for emailing customers and Facebook marketing.

### **Manage Customer Files**

Too many businesses have paper files for their customers. These aren't easily sorted to send emails, letters or text messages as part of a Customers for Life plan. I've seen businesses with 10-20 file cabinets stuffed with paper. One company I worked with had a computer folder with scanned documents for each customer. They had over 6,000 folders and each folder had 10-60 scanned documents. What are you going to do with that?!?

Turn your customer information into useable files and develop a specific plan to follow-up a sale, a solicitation for a sale or a reminder for service or specials. Target your active customer base and have them grow your business. Using customer management software, as we discussed in Chapter 3, will be a key part of these processes.

### Summary

This was not a marketing chapter from a marketing book. There are many great books on marketing (some of my favorites are from Jay Conrad Levinson). This was a chapter to emphasize the importance of customers and their relationship with you. Marketing books will tell you how to get leads and maybe turn them into customers, but Customers For Life shows you what to do with them after they become customers. CB

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# Brand Relevance in the Latest Merger/Acquisition Era

Successful service brands are dynamic, allowing room for tweaks and refreshes.

t's no secret that one of the big trends in HVAC is the consolidation of contractor businesses, as large chains and private equity groups buy out smaller firms. This has been a positive outcome for many small business owners who are either nearing retirement or want to scale their growth by merging with a larger company.

But customer retention after the merger occurs can be an issue. In addition, smaller businesses that continue to operate independently are now facing a new threat: competing with bigger companies.

Whether you're the "small fish" being acquired, the "big fish" taking over, or one that remains independent, it's important to take stock of how your company brand is perceived and whether it's still relevant in your marketplace.

When you think of your brand, what comes to mind? Your logo? Your tagline? The colors on your trucks? Or is your values and reputation in the community or

something unique that competitors don't offer? Frankly, your brand is made up of all these things because your brand is how people perceive your company.

HVAC businesses need to decide how they want to be perceived (brand positioning) and take steps to achieve that objective. Brand development is a way to look at where you are now and what you want to become. Brand messaging is the strategy

Big fish or small, take stock of how your company brand is perceived and whether it's still relevant in your marketplace.

on how to communicate this positioning. In an ideal world, your branding reflects who you are today and establishes your uniqueness compared to competitors.

To succeed in this new environment of greater competition, owners are

encouraged to take a close look at their brand and determine if it's still relevant. It's critical that the company brand communicates your values and your strengths and does so in a transparent, consistent manner.

### **Branding After an Acquisition**

Mergers and acquisitions are often a trigger for a brand "refresh" which can be as simple as a new tagline or color scheme to reflect the growth that is occurring and to signal that this collaboration and new direction is a positive, exciting development. You'll want to find ways to demonstrate that this expanded HVAC service network is a strength that will impact offerings such as service, lead times, products, or cost.

You may have purchased a company to gain access to their territory or to acquire customers. If they were successful before you bought them, you should find a way to retain the positive perceptions their current customers have about the firm, with the new value this merger offers.

A solid brand positioning and messaging strategy is key any time an acquisition occurs and is an important element to support the new or refreshed branding.

On the "big fish" side, obviously you want to retain the clients of the business you just bought, so you'll need to state clearly and succinctly why they should transfer their loyalty to you. This may need to be done with a degree of restraint, communicating that you're not taking anything for granted, that you know you must earn their business.

The strategy should also include key messages to share with existing customers, explaining how this expansion will benefit them.

If you're the "small fish" being acquired, the last thing you want is for customers to feel confused, or worse—left





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### COMPETING

behind—wondering what happened to their go-to HVAC contractor. The strategy should include direct mail and email marketing campaigns, as well as social media posts, explaining the acquisition and what that means to customers in terms of warranties, service contracts, and existing appointments. Taking these steps will help solidify trust and help people feel they're in good hands.

Also, don't forget to communicate your refreshed brand positioning strategy and messaging to your employees. They need to be clear on the benefits and brand story going forward, since they are the face of your company, representing your brand day in and day out.

### **Branding to Address New Competition**

HVAC businesses that have not been snatched up by larger organizations are facing some new realities. You're now competing against national companies that have considerable marketing budgets and may be running extensive advertising campaigns.

This new entry into your marketplace threatens not only your customer base but also your ability to recruit and retain employees.

To compete successfully in this new environment, consider your communication platforms. Does your online presence like your website and Facebook page address everything that matters to your customers, like on-time appointments or transparent pricing? In this time of a shrinking talent pool and supply chain

delays, are you promising anything that you can no longer deliver such as 24-hour service or new equipment installed within

Reviewing your brand positioning requires looking at all these issues and figuring out if your brand represents who you are now and communicates why you should be the HVAC provider of choice. What is truly compelling about your brand that will motivate consumers to engage with your company?

### **Successful Brands are Dynamic**

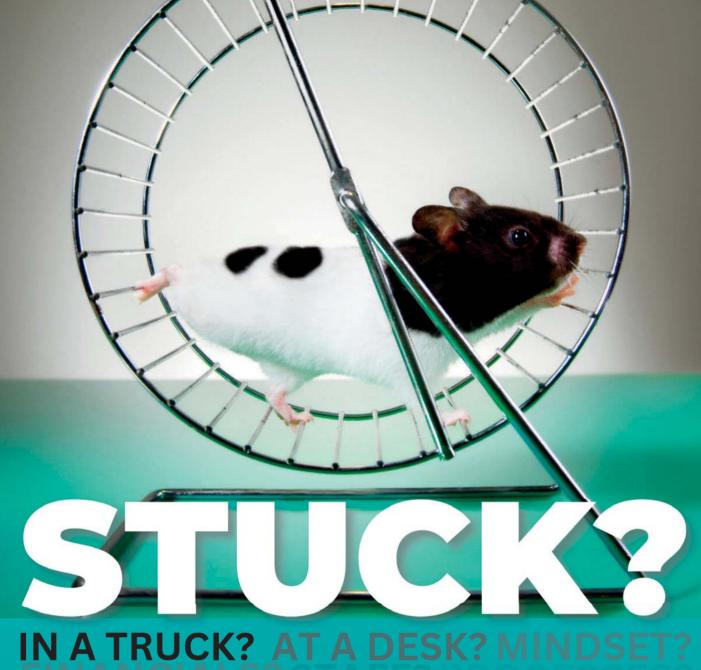
Different scenarios are described in this article, but one thing remains true for all: Brands can lose their luster during times of change, whether it's new management/ownership, expansion into a new geographic market, or the threat of more competition.

Remember that successful brands are dynamic, allowing room for tweaks and refreshes that help them remain relevant in the eyes of customers. So, keep your eyes open to the changes happening in your market and ask: What am I doing to keep my brand relevant? CB



Tim Leon is the president of Geile/Leon Marketing Communications. He regularly speaks on "Dynamic Branding" an approach to keep brands relevant in the face of change. For more information, visit Geileon.com.





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# **Equipment Sizing for Walk-in Units**

The goal is to ensure constant and efficient cooling performance. By Jarod Roberts



hen it comes to walk-in coolers and freezers, selecting the right equipment size is crucial for optimal performance and energy efficiency. Oversized or undersized equipment can lead to excessive energy consumption, inconsistent temperature control and premature equipment failure.

This article will focus on the key factors to consider when sizing equipment for a walk-in cooler or freezer, using a practical example for load calculation. First, let's take a look at the key factors you must consider.

**Ambient Conditions:** Begin by determining whether the walk-in box is located indoors or outdoors, as this affects the ambient temperature surrounding the box. Indoor and outdoor environments have different heat transfer characteristics that influence equipment selection.

**Box Temperature and Humidity Requirements:** Identify the desired temperature and humidity levels within the walk-in box. This information will determine the type of evaporator coil and condensing unit suitable for the application.

**Box Dimensions and Insulation:** Measure the length, width and height of the walk-in box. Additionally, consider the type and thickness of insulation used in the ceiling, walls and floor. Proper insulation is vital for minimizing heat transfer and maintaining consistent temperature levels.

**Infiltration Load:** Assess the average, heavy or extra heavy usage of the walk-in box to determine the infiltration load. Infiltration refers to the heat, both sensible and latent, that enters the box through door openings. The frequency and duration

of door openings impact the cooling load.

**Product Load:** Take into account the type of products stored in the walk-in box, their weight, the initial temperature upon entry and the desired pulldown time. These factors help calculate the cooling load required to bring the products to the desired temperature.

**Miscellaneous Loads:** Consider other factors that contribute to the overall cooling load, such as lighting (watts/square foot), motors (based on the volume of the box), forklifts, people and glass doors. These additional loads influence the equipment sizing requirements.

**Electrical Service:** Determine the available electrical service in terms of voltage and phase. This information ensures the proper

selection of equipment compatible with the electrical supply.

**Condensing Unit and Evaporator Type:** Decide whether the condensing unit(s) will be installed indoors or outdoors and whether air-cooled or water-cooled units are preferred. Select the appropriate evaporator type, such as heavy-duty, low silhouette or low velocity, based on the specific cooling requirements.

### **Load Calculation Example**

Let's use an example to illustrate the load calculation process. Suppose we have a cooler with the following specifications:

- Room temperature: +35°F (+95°F ambient)
- Box dimensions: 30' x 50' x 10' with 4" styrene insulation in walls and ceiling
- Product: 10,000 lbs. entering at 90°F, with a pulldown time of 12 hours to reach 40°F.

Based on these parameters, the load calculation is as follows:

- Box Load: 30' x 50' = 1,500 sq. ft. (box area)
- Box Load = 1,500 sq. ft. x 62.8 MBH + 10% (safety margin) = 66,600 BTUH
- Product Load: 10,000 lbs. x 666 BTUH to cool 1,000 lbs. per day / 10°F temperature difference = 66.6 MBH
- Total Load: 66.6 MBH (product load) + 62.8 MBH (box load) + 10% = 135,560 BTUH.

### Accurate Load Calculations in the Field

Contractors and technicians in the field can streamline the process of sizing equipment for walk-in coolers and freezers by leveraging innovative tools such as the Refrigeration Toolkit Mobile App by Heatcraft Refrigeration Products. This app offers a comprehensive

set of tools and resources that enable contractors and technicians to determine the necessary specifications quickly and accurately for walk-in cooler and freezer installations. Let's explore some of the key features of this app:

**Box Load Calculator:** The app enables a quick and easy way to obtain load calculation within seconds by selecting a box size and room temperature on either a typical or heavy load condition. The app does all the calculations internally and allows the user to pick the right walk-in cooler or freezer application using the quick selection tools.

**Ouick Selection Tools:** The app comes pre-loaded with a vast product database that contains information about various evaporator coils and condensing units for walk-in cooler or freezer applications. Contractors and technicians can easily access this database to select the appropriate equipment based on the specific requirements of the project. This eliminates the need for manual reference books or additional research, saving valuable time and effort. Once the load calculation is done the app recommends condensing units and evaporator coils (unit coolers).

**Energy Calculator:** The app provides the functionality to determine if it is beneficial to upgrade the existing system, resulting in energy cost savings and improved compliance. It allows for easy selection of equipment and provides an estimation of potential savings achieved through upgrading to a newer system. Many older systems are inefficient and consume excessive energy, and the app enables users to calculate the return on investment (ROI) for upgrading.

Built-in Formulas and Calculators: The app includes a comprehensive library of formulas and calculators that facilitate quick calculations.

### **Conclusion: Proper Sizing = Optimal Results**

Accurate equipment sizing is essential for maintaining optimal performance and energy efficiency for walk-in coolers and freezers. By carefully considering factors such as ambient conditions, box dimensions, insulation, product loads and miscellaneous loads, contractors can ensure that the selected equipment meets the specific requirements of the application.

Properly sized equipment ensures consistent temperature control, minimizes energy consumption and prevents premature equipment failure. By considering the unique characteristics of each project, contractors can select the appropriate evaporator coils, condensing units and other components to efficiently meet the cooling demands.

Ultimately, accurate equipment sizing is a critical step in providing reliable and efficient cooling solutions for walk-in cooler and freezer applications. By considering all the necessary factors and utilizing the available resources and tools, contractors can deliver optimal results that meet the specific needs of their clients. CB



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**Every person who** asks you the price already knows they need and want a replacement.

### **Home Shows and Replacement Sales**

ome shows work, when you work them right. Here are my two major strategies.

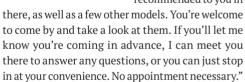
### **Display Some Equipment**

Having condensing units, heat pumps, boilers, furnaces, and IAQ products in your booth is helpful.

In sales, tangibles, such as cars, clothing, jewelry, etc., are things you can see and hold. Intangibles are "ideas", such as insurance and investments. Professional salespeople find tangibles much easier to sell than intangibles. As HVAC salespeople, we're selling a tangible product, but because the best you can do is show a picture, it might as well be an intangible.

Where I worked, we had a small reception area measuring about 12-ft. X 15-ft. I moved several pieces of equipment in there and made some fliers stating why we were their best option in choosing a service provider. I framed testimonials and hung them on the walls to give people something to read while they were waiting.

> If I couldn't close them on the first call. I'd ask, "Did you want to see the actual air conditioner I'm recommending for you?" When they said, "Yes," I'd mention, "We do have this very small showroom. I've got the air conditioner I've recommended to you in



Every couple that came to look at the equipment bought from me. It's the same thing with home shows. You're an HVAC company, so put some HVAC on display.

### **Quote Prices**

When people at a home show ask, "About how much is a new air conditioner?" salespeople tend to get very evasive and are reluctant to even quote a ballpark price.

If a salesperson won't give you the price on an item without first giving you the sales pitch, what's the one thing you know about the price before you get it? Some people say, "The price must be high." I say it means that the salesperson thinks it's high. Think about it, if you thought your price was so low that you might as well be giving it away, when a customer asked the price, you'd respond with a "take it or leave it" attitude, right?

I was the only salesperson, that brought my price book with me. When people asked me for a ballpark price, I would ask, "Do you know what capacity you need or about what size your house is?" I would open the price book and say, "Before we come to a formal agreement, I'll come out and measure your house and do a load calculation on it where, based on its construction. I know exactly how much heat it gains on the hottest say of the summer and how much heat it loses on the coldest day of the winter, but based on what you're telling me, it looks like you need about this size. As you can see, there are several different options, so while I'm there I look everything over and recommend which of these would best suit your individual situation, and we can take it from there. That's at no charge, by the way."

I'd pull out my calendar, and say, "When's a convenient time for me to come out?"

Every single person who asks you the price of a replacement home comfort system already knows they need and want one, and will speak with every HVAC contractor at that home show. The only other contractors at that show who dare to quote prices will be the low-price leaders. That doesn't scare me.

### What to Expect

In my most successful home show, the contractor next to us had stacks of builder's grade condensing units with a big sign stating that the installed price was about one-quarter of the lowest-priced condensing unit that I had. The other salespeople that worked with me were refusing to quote prices and were struggling to get appointments. They kind of hated home show leads because they hardly ever closed them.

At that show, nearly everyone I spoke with booked an appointment with me. I could only work the home show a couple of hours because I had all these hot appointments set. Every single person I saw bought from me on the first call. They had already spoken with other contractors and already knew my price. There really wasn't much to talk about or "sell" once I got there. CB

Charlie Greer was voted "Favorite Industry Sales Trainer," "HVAC Consultant of the Year," and is a member of the Contracting Business Hall of Fame. For info on Charlie's products or services, call 1-800-963-HVAC (4822) or go to www.hvacprofitboosters.com. Email you questions or comments to charlie@charliegreer.com.





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**Reduce hiring** mistakes by identifying company values.

### **Stop the Hiring Insanity**

ne definition of insanity is doing the same thing over and over, expecting different results. By this definition, many contractors are insane when it comes to hiring. Here's how to stop the hiring insanity and build a company that can operate without you.

### **Slow Down**

The truck may be idle during peak season, but if you rush to fill it with the first person who can pass the 98.6 test, you are setting yourself up for failure. Yes, the person might be a great hire and great fit for your company, but most snap hiring decisions yield sub-optimal results. Before you hire a technician, CSR, or other position, make sure the person fits your culture.

### **Culture is the Sum of Company Values**

Your company culture is the sum of the company values. Everyone may not share every value, but everyone should accept and be compatible with every value. Hire someone who fits with your values and you will hire someone who fits your culture and will strengthen your culture.

### **Identify Your Values**

If you are the company owner, what do you consider the essential values for your business? Is honesty a value? How about responsibility? Those may seem pretty obvious, but what about patriotism? If you are a proud military veteran who believes in the country and flag, a young tech who has been indoctrinated by our public schools to think America is a horrible, racist place will probably not fare well under your employ. More to the point, friction is likely. So, maybe you should try to hire those who are patriotic, or at least, indifferent about country and flag.

If multiple people participate in the ownership of your business, you must include them in the identification of company values. The values must then be shared values. This will lead to discussion and compromise to arrive at a good set of shared values, but it leads to a more cohesive culture. Frankly, it is a good idea to go beyond owners and include your entire leadership team in the value identification process.

### **Identify Accompanying Behaviors**

Certain behaviors are consistent with certain values. Other behaviors may be in conflict with a value. By identifying the behaviors that are consistent with a value, you can create hypothetical situations that bring out a job candidate's values.

If you are trying to identify whether a candidate

shares the value of integrity, you might say, "Tell me about a time when it cost you to do the right thing." To identify the value of initiative, you might say, "Tell me about an action you took at your last company to fix a problem or improve a situation without anyone telling you to do it."

Behavioral questions are hard to create and difficult to answer. Not every value needs a behavioral question for an assessment. For example, if you value friendliness, you can ask your receptionist how the candidate greeted him or her upon arriving.

The work in identifying your company values, their accompanying behaviors, and a set of behavioral interview questions is well worth the effort and will reduce hiring mistakes. Each hiring mistake is expensive. It's expensive to hire someone in the first place, expensive to remove them, and expensive to undo the damage a bad fit imposes upon the team.

When you hire to culture (to your values) you stop the hiring insanity. The hiring process may lengthen, but hiring mistakes will be minimized.

### **Culture Eats Strategy**

Hiring to culture does more than minimize hiring mistakes. Management guru, Peter Drucker famously said, "Culture eats strategy for breakfast." Drucker meant that great strategy must be executed or it's no good. Meanwhile, culture is self-executing. Culture works when no one's looking. It is self-regulating.

The right culture means the right behaviors are performed. The right behaviors drive the right results. Thus, good culture drives good results, brings greater profitability, and makes management much easier.

### **Culture is Freedom**

A true business is a company that can operate without you, freeing you to work on the business, on the things you want to work on, or not work at all while enjoying the benefits of ownership. Until you build a good culture, you will never have a company that can operate without you. You may think you own the company. In truth the company owns you. A good culture can free you from hiring mistakes and from the shackles of your own creation.

To learn more about building a great company culture, attend a complementary Service Nation Success Day. You can find the schedule of upcoming Success Days at www.ServiceRoundtable.com or call 877-262-3341. CB

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