

## FROM THE FIELD



## A different take on marketing

BY DAN FOLEY CONTRIBUTING WRITER

A few years ago, I was riding to a job site with my good friend Bill Burton, my current Warmboard rep who at the time worked for Danfoss. We were meeting with an engineer to review the mechanical plans for a large residential new construction project for the CEO of a Fortune 500 company. We were also installing the mechanical system in an adjacent 12,000-sq.-ft. private art gallery.

Bill commented to me, "Most contractors have one ultimate showcase project that they do in their career. You have three in progress right now. How do you get these jobs?!!!"

That got me thinking. How did I get these jobs? To answer this question, I had to backtrack a bit. A little over a third of my business is large engineered projects. Some have timelines measured in years. It wasn't by accident. It wasn't by luck. Allow me to share my story.

First, let me say that this has worked for my company in my market. It may not work for your company or in your market. Each company and each market is unique. What you may find useful is to evaluate what worked for me and find the nugget that will work for you and apply it to your business.

If you were to review my 2010 end of year P&L statement, you would see that I spent a total of \$2,289.50 on promotion and advertising. That is about 1/10 of 1% of our \$2.5M gross sales. That meager amount was spent on a "Find-A-Contractor" ad and for some display advertising that supported a trade association. Zero was spent in the following areas: yellow pages, newspaper, print, radio, direct mail, TV, Internet, Google, or any other traditional media.

I can hear the marketing gurus howling already. "You can't run a business that way! You are an idiot! You are crazy!" They may be right, but not for that reason. I "spend" plenty on marketing but not the way you think. I spend it with my time. In particular, time spent forging relationships with architects, engineers, manufacturers, reps and wholesalers. This time has paid dividends tenfold.

Beware — "relationship building" is a two-way street. Case in point, back in the mid-'90s, I was working on a radiant project. Radiant was new and exciting and I was just getting my feet wet. I had attended several training classes, went to John Barba's three-day advanced radiant course and immersed myself in the study of all that was radiant. The architect on this project hired a mechanical engineer to design the system. This experienced engineer knew hydronics but it was quickly apparent that he had little experience with radiant floor heat. There were some key mistakes in the piping flow diagram and the control strategy would not work as drawn.

Rather than approach this engineer in private and discuss a solution, I made sure I let everyone involved in this project know how smart I was by pointing out the engineer's mistakes. This included the owner, architect, general contractor and anyone else who would listen. I went out of my way to embarrass this engineer. What I

didn't realize then, but am acutely aware of now, is that all I did was make a jerk out of myself.

We finished this project and installed the radiant system properly. We never did another project for this architect, engineer or GC. The architect is still in business 10+ years later and I still have not done work for him. To this day, I regret what I did and I learned from my mistake.

My immaturity cost me this client but I learned from it and moved forward. I now spend many hours working as a team with architects and engineers. We have design meetings where we hash out design issues, mechanical system strategy, duct and piping layouts, controls, etc. in private. We then present a common solution to the owner.

When there is dissent about the mechanical system design in front of a client, he loses confidence in all involved. No one wins. When an elegant solution is

**If you were to review my 2010 end of year P&L statement, you would see that I spent a total of \$2,289.50 on promotion and advertising. That is about 1/10 of 1% of our \$2.5M gross sales.**

presented by a common front, the client sees a professional team working together. This is what a client is looking for. It makes price as well as your competition secondary issues. You are now in the driver's seat.

I help architects with the mechanical design. I have several key contacts that I work with on a regular basis. I don't get all of their projects but I get my share. For example, one local jurisdiction will not issue a building permit without a mechanical design and load calculation. I help several architects with this mechanical design (for a fee) and it puts me first in line for the mechanical contract. I have found that it is a lot easier to close the deal when you are bidding your own design.

I work with two local mechanical engineers as well. I share my areas of expertise with them and I learn just as much from them in their areas of expertise. This team approach leads to better design, better solutions and it gets me to the front of the line when they are referring mechanical contractors to their clients.

When we run into a problem on an engineered project, I don't point the finger at the engineer. I work toward a resolution. For example, we recently completed a large 60-ton geo project. The bid drawings left off the air separator, expansion tank and relief valve on the loop field. Some may say that these components aren't necessary but I consider them a requirement.

I checked my bid and I did not have these components in my contract. A 4" flanged air separator, a commercial expansion tank and associated piping would not be cheap.

➔ Turn to FOLEY on p 60

FROM THE FIELD | CONTINUED FROM PAGE 58

I could approach the owner with a change-order for these components who in turn would stick it to the engineer. Instead, I made the engineer aware of the omission and included the missing components at no additional cost to the owner. I have a line item for contingencies in my bidding spreadsheet just for this purpose.

I could have gotten a hefty change-order for this work. It might have also been the last project I did with this engineer. Instead, I have done two other projects for this engineer and have two more in the pipeline. The total amount of these four projects totals over \$1M. I am not advising that you blindly cover for everyone else's mistakes. What I do advise is considering the long term value of the relationship as you make decisions and not just react to immediate issues.

I meet with my local reps and wholesalers on a regular basis. I make a point of introducing myself to them at local trade association meetings and let them know about our specialties and areas of expertise. I ask for leads and follow up on the leads as they come in.

I serve or have served on several trade association including RPA, PHCC and ACCA. I volunteer for committees and have run a Habitat for Humanity project. This volunteer work has introduced me to new contacts that have in turn referred work to me. I have even gotten leads from fellow contractors who have referred specialty work such as radiant or steam that was not in their

wheelhouse. They would have never known that we did this type of work if I did not participate in these associations.

I also offer to help with any problem jobs they may currently have. I don't have all the answers but I'm not afraid to roll up my sleeves and give it a try. We have all had that "problem job" that you have been back to multiple times and just cannot figure out. You get that sinking feeling when your phone rings and that angry customer is demanding a solution — NOW! Sometimes all that is needed is a fresh set of eyes and a clear mind. I offer to help where I can and many times this little effort is wildly rewarded with good leads and referrals. Manufacturers, reps and even fellow contractors will never forget the time you helped them out of a bind and will think of you when they have a good lead.

These are the strategies I have used in my company to create new work. Some, all or none may work in your company. Apply one or more of these concepts to your company and see what works. You don't know if you don't try. ●

*Dan Foley is president and owner of Foley Mechanical, Inc., based in Lorton, Va. FMI specializes in radiant, hydronic and steam systems, as well as mechanical systems for large custom homes. He can be reached at 703-339-8030 or at dfoley50@verizon.net.*

# THE LAARS® MASCOT® II

STAR QUALITY, POWER AND PERFORMANCE!

The Mascot II is a stylish, intelligently designed, combination boiler & water heater from Laars Heating Systems. Its 93% plus efficiency lowers operating costs and the "zero clearance installation" allows it to fit just about anywhere.

Homeowners love the quiet, dependable, and energy saving operation of the Mascot II. This wall-hung, compact powerhouse has ample output for both home heating and a continuous supply of domestic hot water.

Contractors appreciate the Mascot II for its service-friendly design and fully packaged system components that allow faster install times compared to other units on the market.

Included components can save contractors hundreds of dollars in material and labor costs and help to reduce installation errors.

**The Laars Mascot II. Simple. Quiet. Reliable. Dura.**  
*Exactly what you've been looking for!*

More information at [www.laars.com/MascotII](http://www.laars.com/MascotII)



[www.Laars.com](http://www.Laars.com) | Built to be the Best™ | 800.900.9276

©2011, LAARS Heating Systems. All rights reserved.