FROM THE FIELD

What a rip-off!

BY DAN FOLEY CONTRIBUTING WRITER

n a typical morning, my installation crews and service techs have left the office by 6:30am. I spend the quiet time after they have left to review e-mails, billing and paperwork, while enjoying a cup of coffee. Unless there is an emergency call, the phones don't start ringing until around 7:30am or 8:00am.

A couple of weeks ago, the phone rang at exactly 7:00am. I quickly answered only to hear an angry voice on the other end.

"Your serviceman was here last week and he ripped me off! You guys are crooks!" the caller said.

This is never a good way to start the day. I mentally ran through the service calls we had done the previous few days, but nothing jumped out at me. We were in the middle of a cold snap, or a polar vortex to use the weather term in vogue these days. We had run dozens of no-heat calls.

If you are in the service business, you are going to receive calls like this. I like to defuse the situation as soon as possible in order to avoid escalating the complaint into something worse. I like to divide complaints into one of two categories: technical/mechanical complaints or price complaints. The former is easy to defuse. We just go back and fix the problem. If we caused the problem or were negligent in a repair, we fix the system, file it as a free call back, and the problem is solved. Price complaints are a little trickier.

"Talk to me. Did we fix your boiler? How are we crooks?" I asked.

The client had called on one of the coldest days of the year. We were in the single digits, which here in D.C. is highly unusual. We responded the same day and fixed his steam boiler. My technician quickly diagnosed an issue with the gas ignition system. The pilot burner was dirty and the flame sensor had a coating of dirt and scale causing the burner to lock out. After cleaning the pilot burner and sensor, the ignition issue was fixed and the burners would fire without dropping out.

My technician then diagnosed a vent damper that would hang up, intermittently locking out the burners. He gave the client two choices, lock the vent damper open permanently and re-wire the controls for \$200, or replace the vent damper for \$395. The client chose to replace the vent damper with a new OEM vent damper for the quoted price.

After completing the repairs and restoring heat to the home, the client paid by check and all was well. Until the phone call.

After my technician restored heat to the client's steam boiler, he went online and looked up the parts we replaced. He found a sub-component of the part we used for \$85. He concluded that we marked up the part \$300 and that was how we ripped him off.

Never mind that his logic was faulty, my first goal was to calm him down and get him to listen objectively. Next, I explained this was an OEM part that cost \$171 six months ago, and had been sitting in truck stock so that it

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would be available when needed. I reminded my client that he approved the repair at the quoted price before any work was done and that he was complaining about the cost of the repair in the comfort of a heated home.

I also discussed the availability of repair parts on the internet. I realize that there is virtually nothing we repair or install that is not available from some internet source. It no longer bothers me. DIY'ers are not typically my clientele and if someone wants to attempt a repair on their own system, it's their business, not mine.

My issue is when we respond to a request for service, arrive at a home with a non-working system, make the proper diagnosis, quote a repair, have the required part and expertise, and leave the system in safe working order, only to have the client complain later about price.

I noted that he did not give me the option to decline the service. In other words, he consumed the service, enjoyed the benefits of our service, and only complained after the repair was complete and he had located a lower component cost online.

Let's examine that further. He would have needed the ability to make a correct diagnosis, order the complete part online (not just the motor sub-component), wait three days for delivery or pay overnight fees, take the time to make the repair and only then would he have heat. Don't forget, he would also have needed to clean the pilot burner and sensor.

My client also demanded to know our labor rate and parts mark-up. I answered that those are but two components of our selling cost. We are not a charity, rather a for-profit operation. The following is a short list of costs we must recover in reaching a selling price: direct labor, cost of goods sold, truck expenses including leases, taxes, gas, oil, insurance, maintenance and repairs, vacation, sick leave, workers comp insurance, liability insurance, tool expenses, rent, utilities, phones, internet, office staff and equipment, inventory, training, warranty reserve, and last but not least, 10-20 percent profit, which in my opinion is a meager return for the time and money

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invested to run a service and contracting business.

In discussing this with my client, I used an analogy. I like to go to Morton's Steakhouse as an occasional indulgence. The porterhouse steak costs \$55. I would never think of ordering the porterhouse, eating it, and then refuse to pay the bill because I can buy a porterhouse at Giant for \$11.99. This fact is irrelevant, same as the online source for boiler parts.

After our conversation, my client agreed that the repair was done properly and he was charged fairly. He then let me know that he had stopped payment on the check that had already been deposited, which cost me \$20. My client paid by credit card over the phone and all was well.

You broke what?!!!!!

Another client called during the same cold snap. She said there was water pouring out of the boiler vent. We had installed a condensing gas boiler for her several years ago. I assumed she meant steam and condensation and told her not to worry.

"No," she said. "It is definitely water coming out."

More than a little annoyed, I told her I would stop by
myself in about an hour on my way home.

As I pulled in her driveway, there was a steady plume of steam coming out of the boiler flue, just as I suspected.

"Not that pipe," my client informed me. "It is the flue pipe around back."

I was scratching my head because there was only one flue and it definitely was not around back.

As I walked around the back yard, I noticed a steady stream of steaming hot water coming out of the secondary drain line stubbed through the eaves. The AC air handler is in the attic along with a hot deck coil for second stage heat. I knew immediately what had happened – the hot deck coil froze and was leaking into the secondary pan and out the drain. Luckily, it was a small split in the coil and the fill valve kept pressure in the system. Otherwise, the entire system could have gone down.

I raced inside and bound up the steps to a second floor bedroom where the attic access hatch was located. There was what appeared to be a sideboard with a small horse statue on it blocking the hatch. I attempted to slide the table over about 6 inches to allow access to the hatch. That was when I found out that the table legs were not attached to the table. The components were stacked like Stonehenge or a giant sized game of Jenga.

In my hurry to isolate the leaking hot deck coil, I did not closely analyze the situation. The slightest movement of the table caused the entire thing to come crashing down, along with the terra cotta horse statue. I saw it fall in slow motion and break into a dozen pieces. I briefly ignored it and climbed into the attic to isolate the hot deck coil. Sure enough it had frozen and split (I found out

later that they used a 10°F setback at night on the radiant system, not good when it is -2°F ambient).

After isolating the coil, I went downstairs to talk to the owner, who is an avid art collector.

"Tell me about the terra cotta horse in the upstairs bedroom," I asked.

"Oh, that is an original 15th century Ming Dynasty artifact," he replied.

My heart sank.

"Not anymore," I said.

Yes, even the boss makes mistakes. Because of my high insurance deductible and difference between the appraised value and actual price paid for the artwork, I ended paying the \$2,800 out of pocket. That was an expensive lesson. What was the most expensive item you have ever broken in a client's home? I'm sure some of my readers have me beat!

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