

PIPELINE

FUEL FOR YOUR BUSINESS

MAY/JUN 2017

THE NEWSLETTER OF UTAH'S HVACR INDUSTRY

153 SOUTH 900 EAST, #3 • SLC, UT 84102 • WWW.UTRMGA.ORG



Summit Attendees Discuss HVAC Future

The RMGA Education Summit last month at the Hilton Salt Lake City Center was **attended by nearly 60 HVAC Contractors**, who began the day with a discussion of the future of HVAC Contracting in Utah.

Inspired by recent legislation that eliminated training and testing to become an S350 specialty contractor in Utah, the discussion continued during lunch, with the attendees

addressing various topics: certifications/testing, membership/branding, consumer

outreach, and education/training at each round table. Working with Targa Media consultants, the board of directors hope to develop a marketing strategy for RMGA and its members.

Johnstone Supply sponsored breakfast and Vicki & John LaPlant's Power of Positive Pricing

seminar.

Thank you to all who participated. ■

Federated Insurance was our Platinum Sponsor!

Speakers pictured, top left to right: John LaPlant, Vicki LaPlant, and Mark Knold













HIGH DEMAND FOR CODE UPDATE CLASSES!

Over 100 HVAC Technicians attended RMGA Code Update Classes in March, and received the 2015 Intl Residential Code, the 2015 Intl Mechanical Code, and the 2015 Intl Fuel Gas Code in addition to the three hours of instruction and dinner!

This Fall, RMGA will hold two more Code Update Classes: one in St. George, and one last class on the Wasatch Front.



MESSAGE FROM THE PRESIDENT

RYAN SNOW, RMGA PRESIDENT

Ryan Snow ryan@timeforcomfort.com 801-224-8899 westernheatingair.com

Hello RMGA Members & Friends,

The RMGA just concluded another successful Education Summit. I really enjoyed the education and discussion that we had. I always take away great things that I can implement into my business right away. I thought the economic forecast that Mark Knold of the Department of Workforce Services was great. His presentation will definitely affect the way I do my future planning. Brent Ursenbach was so good with his code class. His trainings are always so helpful when it comes to staying ahead of the curve. Finally, the presentation that John & Vicki LaPlant gave on the power of positive pricing was fantastic. The ability to analyze our numbers to make better decisions will no doubt have an effect on the profitability of our businesses.

I want to thank John Hill and Amy Maddux for putting together a great day of learning.

Have a safe and profitable summer!

RMGA EDUCATION CLASSES

Friday, May 5 &

Saturday, May 6

8 am - 5 pm

Review and Exam

Saturday, May 13

8 am - 4 pm

All classes will be held at:

Questar Gas

1000 West 100 South

Salt Lake City

\$375* per person

and lunch!



register for all classes

Partial funding of RMGA training programs have been provided by the Division of Occupational & Professional Licensing from the 1% surcharge funds on all building permits.

credit

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Meet and Get to Know: JOHN & VICKI LAPLANT

Vicki and John started their HVACR careers with Lennox, John in 1972 and Vicki in 1979. Lennox trained their employees very well and we benefitted from that. When Vicki started her own company in 1995, Vital Learning Experiences,

it was the beginning of an extremely rewarding future.

VLE was a HVAC-focused training and consulting organization, specializing in

process driven techniques for retail sales, customer service, marketing and business management best practices.

It was all about business development guidance and process implementation, resulting in the highest levels of business model performance. VLE is proud to

have assisted companies become Contractor of the Year, achieve significant revenue growth with over 20% NPT and become the recipients of numerous

distributor President's Awards. VLE also has been key in the transfer of business equity ownership to second and third generations by providing strategic guidance and business valuation information.

In 2016, VLE became part of the Service Round **Table/Service Nation Alliance** organization. That has been one of our very best decisions.

Vicki is also President of the Joseph Groh **Foundation.** Both of us are Board of Directors volunteers. This is a foundation dedicated to our industry family. So, when someone is faced with a life altering accident or illness, this vital foundation is ready to provide improved lifestyle assistance. "So, if



JOHN & VICKI LAPLANT

"A DAY WITH PURPOSE IS ALWAYS A

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CUSTOMERS."

of it would fund this important foundation. There is so much need and not nearly enough money.

we had a ton of money, a good portion

Of course, we would have a few dollars left to visit Norway and Sweden! Maybe even England is a possibility.

A day with purpose is always a good day and we have always strived to make a difference in the lives of our contractor customers. And that is why working for Service Roundtable is such

a great fit for us because that is the daily goal of SRT.

Our journey continues with some of the greatest folks in this world, members of the HVACR Industry.

We have a son, Wes, who is married with two fantastic children, Paloma and Cooper. Wes is a

> Corporate Counsel and is currently running for a local School Board seat, When Vicki's father was alive, he always said "the only true measure of success in life

is how your children turn out." Well, Vicki and I hit the Jackpot! And Grandchildren just plain reset

your value priorities. I might brag a bit too much about those two youngsters, but, hey, it is always the truth. We have been more than blessed with our family." ■

Advertise in RMGA PIPELINE! This size ad for only \$60! **Call Duane Hill** @ 801-521-8335 to reserve your space!

I am the customer — respect me

- By Matt Michel

When your phone rings, it is me (the customer) who is calling. I start the process that drives the needle. I am the customer. I'm calling because I have a

problem. It is a problem that I either do not want to fix myself or cannot fix myself. Usually, it's the latter.

I am anxious when I call. If I'm calling you for the first time, I'm especially anxious. I want to trust you, but I do not know if I can. Until you prove yourself to me, I will be cynical. I fear you will take advantage of me.

I worry if you will be able to respond as fast as I want. I worry that you will make me sit around the house all day waiting. I have things to do.

Most of all, I worry about my problem. How serious is it? What is involved in fixing it? How long will the repair take? What kind of mess will I face? And, of course, how much will it cost?

All of these things pass through my mind before I pick up the phone. When you answer you are talking to a bundle of anxiety. When I call, I want to hear a friendly voice, a pleasant disposition and be reassured. I don't want to hear a machine. I do not want to hear a distracted voice on a mobile phone, interrupted while solving someone else's problem.

I don't want you to promise something you cannot deliver, but I also don't want you to sound vague and evasive. If you do, red flags will be raised and I may call your competitor.



"I WANT TO BUY FROM YOU. IT'S WHY I CALLED. I WANT TO GIVE YOU MONEY TO SOLVE MY PROBLEMS."

> If I have to wait for the Certified HVAC Technician to be dispatched, I want you to keep me informed. Ask me if I prefer to be updated by phone or text. If texting is less invasive to me, I will be happy to give you my mobile phone number.

> When your Certified HVAC Technician arrives, I want his truck to look professional. I want your Certified HVAC Technician to look professional. I want him to be clean and presentable.

He should smile, look me in the eye when I'm explaining things, and act like what I'm saying is important . . . even if he's heard the same thing from a hundred other customers. My problem may be an old hat to him, but it's not to me. If he finds other

problems besides the one I called about, he should share what he found and give me options. I like options.

I rarely think about my home's furnace. It's just there. I expect it to be there and to work. I don't think about improving it because I'm not aware it can be improved. If there are improvements or enhancements I could benefit from. I appreciate learning about them, even if I am not ready to take action right away.

It's okay to talk with me about zone systems, air purifiers, humidifiers and more. But don't be surprised if I pass. You are planting seeds for me to think about.

Above all, I want the respect I deserve. I am the reason your company exists. I buy what you sell. I pay your bills. I am not an irritant. I am not unreasonable. I am not stupid, even if I am uninformed (and it's your job to inform me). I want to buy from you. It's why I called. I want to give you money to solve my problems. If you treat me well, I will call you again. I will tell my friends about you. If you let me know about the other things you offer that could improve my life, I will buy them . . . some of the time.

I want to call you "my Certified HVAC Technician." Treat me right and I will. Treat me wrong or indifferent, and I'll call your competitor.

This is a reprint from CONTRACTOR, the Newsmagazine of Mechanical Contracting. Matt Michel is CEO of Service Roundtable. Call *877-262-3341* ■

Ask The Expert

JOHN LAPLANT VITAL LEARNING EXPERIENCES

Question:

If you only have time to measure and follow 3 financial Key Performance Indicators (KPIs), what should they be?

Answer:

Minimum Cash Position

Cash is king as the saying goes. This may also be termed the "how well you sleep indicator." Generally look for 10 to 14 days of average operating expenses plus 10 to 14 days of average field payroll cost plus 10 to 14 days of average vendor costs. This should allow for business as usual if revenue slows down or stops for a brief period.

Break Even Point and Analysis

Break even is \$ of overhead divided by Gross Margin %. At the point where Gross Profit Dollars = Overhead Dollars, the company is at break even. The annual target for break even is early fourth quarter. If this is achieved, the company will enjoy approximately 90 days of dropping gross profit dollars to the bottom line. This generally assures a double digit bottom

Gross Margin (GM) Targets by Department

Consolidated company = 50% GM Residential Demand Service = 65% GM *Residential Installation* = 45% *GM*

These three Key Performance Indicators are in our "Top 10" for better management. Cash certainly is critical to moving forward. Break even allows management to gauge the effectiveness and efficiency of pricing and operational processes. And margin performance tells the story of the company's value proposition and the use of targeted marketing. Good Luck future forward.

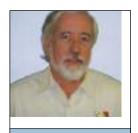
John LaPlant is co-owner of Vital Learning Experiences, with his wife Vicki. They are featured in the "Meet and Get to Know" section of this issue.

Enhance your Brand, include the RMGA Logo in your Company Communications



MECHANICAL CODE DISCUSSION

Use of Open Combustion Appliances



BRENT URSENBACH

BRENT URSENBACH

SALT LAKE COUNTY PLANNING AND DEVELOPMENT

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THE USE OF OPEN COMBUSTION appliances within buildings often results in harmful or dangerous conditions.

Please consider:

- Open combustion appliance cannot be located within or accessed through bedrooms, due to danger of CO poisoning.
- Open combustion furnaces connected to common vents in multi-family building may result in CO spilling in another occupant's dwelling.
- Open combustion gas furnaces and water heaters with open combustion air duct, located in newer tight construction, must be isolated within a sealed, insulated room.
- Open combustion gas appliances are susceptible to back drafting due to negative pressures created by exhaust fans, improperly located return airs, or wind.
- Open combustion gas appliances exposed to household and business chemical fumes often create harmful or corrosive by products.
- Flame rods in open combustion appliances are susceptible to the

effects of laundry soaps, fabric softeners, hair sprays and other household chemicals; resulting in frequent flame sensing failures.

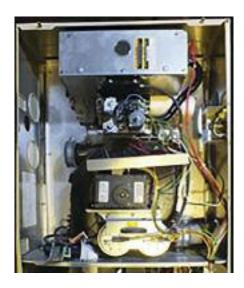
Direct vent gas appliances resolve virtually all concerns, if installed correctly, in a truly direct vent manner.

The IRC, IMC and IFGC define:

DIRECT-VENT APPLIANCE:

A fuel-burning appliance with a sealed combustion system that draws all air for combustion from the outside atmosphere and discharges all flue gases to the outside atmosphere.

For many years, direct vent gas furnace included a sealed burner compartment, with a sight glass installed in the front panel, to allow observation of the operation of ignition system and burner operation. The inducer fan, pressure switches, gas valve and other components located in this upper compartment of the furnace are basically exposed to the interior atmosphere of the furnace room. The upper furnace door/panel is not air tight, and sealing of gas line, venting or other penetrations of the cabinet wall is not required.



The current trend in many furnace designs is to eliminate the sealed burner compartment, creating a direct vent condition by sealing the entire upper compartment in the furnace, complete with a gasket and positive latches on the upper door/panel.

When installing these newer direct



vent furnaces, the manufacturer's installation instructions must be followed, with a specific focus on sealing all penetrations, and insuring the door is installed properly on the furnace. Failure to complete each the following will result in a non-direct vent condition.

- Venting adapter plates and gaskets must be installed at the cabinet wall penetrations.
- Gas line must include the rubber grommet sealing the cabinet.
- Any holes through the side or top of the cabinet MUST be sealed.

This includes any knockouts not used due to vent configuration changes (left, right or top).

■ The intake/combustion air pipe must be installed completely from outside, with all joints and connections sealed.

Thanks for your response to previous discussions, your suggestions and

questions, your attendance and participation at the classes, and the education summit!

—Brent ■



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