PRESIDENT'S MESSAGE

Dear Fellow Contractors,

Greetings from sunny and (finally) dry southern California. We have had a slow start to our business year but now we are as busy as we have been in a couple of years. Now we are turning away work and don't you hate that! Recruiting the right kind of personnel is the challenge we currently face. Perhaps I'll pick up a few pointers at AST this summer.

I received an email recently from one of our Residential Forum Honoray Past Presidents Andrew Wallace. We have been strategizing and working on projects that will make the Residential Forum and PDCA better and stronger. In his email, Andrew mentioned that in all of the things we are working on it is important to remember that we must “not lose sight of the Forum's primary goal of...” The thing that struck me was the reminder of “not losing sight of...” Every individual, family or organization has its own, unique goals. Goals are essential but they lose their effectiveness if we fail to remember and refer to them.

The major topics at AST this year are tied together around this particular emphasis of “not losing sight...” Separating Your Business from the Competition: What makes us unique? What makes customers willing to part with hard earned money to hire us? Sometimes we do in fact take our eyes off the ball or start swinging for the fences. That is OK if you are a home run hitter but not so good if you are designed to be a contact hitter. Critical Mistakes – Learning From Others: We all have done it, and we have the horror stories to prove it; however, the wise man watches, listens, and learns from the mistakes of others. He passes on that wisdom so hopefully others can become wise as well. In time though we settle down, catch our breath, and remember what it was that got us to the dance: Back to Basics. What are the things that a good contractor needs to do to consistently recover his costs and produce an acceptable profit margin? Most of us would settle for that in our businesses, right?

These are the things we will be discussing at AST this year. I look forward to seeing my old friends from AST's past and to making some new friends. Please do not wait until the last minute to make your reservations. We just reserved another block of rooms because Seattle is such a desirable setting at any time of the year but especially summer. Please do not delay; I know it is a cliché but: Space is Limited.

Thanks again to Andrew Wallace for his past (and present) leadership and keen insights.

Warm Regards to All,
Michael M. Chism

AST 6
SEATTLE, WA
JULY 22 & 23, 2005
DETAILS ENCLOSED
RSVP ASAP
The event is selling out quickly so register today!!

WHAT'S INSIDE
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PLUS INSERTS TO REGISTER
FOR AST 6 & SPECIAL
EVENTS
Reinventing Yourself – Part II
Growing With Your Business!
The Key to On-Going Business Success
by Dean Ridings
deanr@ridingsinc.com

My Uncle Chuck was a hard worker, often working 12 hours a day or more, six days a week. As owner of Aspen Janitorial he serviced restaurants, offices buildings, churches and offered carpet cleaning to homes. Over the 30 plus years Aspen Janitorial operated, Uncle Chuck saw his share of ups and downs. One year in the prime of his business he employed 15 people, but after losing control of the work being done, and losing some accounts and money Chuck went back to his manageable three to five employees, with at least one or two being a relative or son or daughter of one of his close friends.

Chuck made an honest and decent living; he always had a joke to offer and a smile on his face. However, Uncle Chuck did not run Aspen Janitorial, rather it ran him! He was never out of town long for fear of losing an account and he did most of the difficult jobs himself to ensure they got done right. Chuck never thought about working on his business, he did not attend seminars on how to improve his business systems or take additional courses on sales and marketing strategies; in contrast Chuck worked in his business to keep it going. He was your typical small businessman; the business ran because he was there to make sure it ran. He was not CEO of his business, but rather a small business man who was owned by his business.

America was built by Uncle Chuck’s who worked hard and offered a valuable service. This article is the second in a series discussing how to reinvent yourself in order to build your business to new heights. In part I we discussed the various levels of business ownership and development; Painter, then Painting Contractor, and then Business Owner, followed by becoming CEO of your business, arriving at last at the Director level and function. I suggested that the only way to grow your business is to first grow yourself into the person who could oversee and manage a sizable system based growing business.

To Change and Develop as Individuals We Will Need to First take the Following Steps:

Acknowledge that we are Deficient in ourselves. We are not perfect and need help. [We need to change...]

Identify our Personal Weaknesses which may hinder your business growth.

Develop a crystal clear picture of what you want to become and where you want to go as a person. [What type of a person do you want to become? What do you wish to be remembered for?]

Make a plan to develop and compensate for your weaknesses. [This plan may include God’s help – we can’t do it without Him.] This plan could very possibly include hiring to compensate for your weaknesses, or to free up your time to be invested where it will bring the greatest return.

Review and adjust your plan quarterly.

Enlist someone to keep you accountable to your personal development and growth. [Personally, I have invested in two professional coaching type organizations, one being a Nolan Summit group, to ensure that I get the assistance I need to stay on task. Perhaps you could start a buddy program; you help them and they help you. Grow & expand your skills together.]

Hiring for Growth: Now we need to make a plan for what we need assistance with in the company and who will give us that assistance - before you develop your plan to Hire for Growth!

First consider the Hats you now Wear? What are they? How many are they? [List them all out in detail.]
* Painter * Office manager * Bill payer
* Estimator – Sales * Bill collector * Safety committee

When Do You Further Develop Yourself and When Do You Invest in Infrastructure and Hire the Right Person to Take Over that Job? Here is a quick test:

- Lack of Expertise & Lack of Knowledge + Low Risk [importance] = Hire
- Inside Your Key Competencies + High Risk [sales] = Don’t Hire for or delegate.
- Time intensive + Low Risk [such as data entry] = Hire
REINVENTING YOURSELF—PART II
Continued from page 2...

- Specialized knowledge required + High Risk [i.e., legal issues of various types] = Outsource to a qualified attorney.
- Basis skills required + time intensive + cost justifies expenses [i.e., driver, or delivery coordinator] = Hire

Who you add and when you add them, will be somewhat a matter of consideration of:
- Consider Your existing staff and needs
- Consider Your personal skill sets and talents
- Type of work you perform as a company [i.e., new construction, repaint residential, etc...]
- System of execution now being used to perform projects, where is it strong and where is it lacking?
- Personal preferences as an owner.

Hiring the Best:
You will need to enlist the assistance of the best possible minds and talents to grow yourself and your company beyond where you are today.
- Hire Smart – smart people with common sense.
- Hire Up – as far as you can! People you respect and will treat with respect.
- Hire for the Long Haul – think in years and years.
- Hire the Best you can find!
- Pay them as Much as you can afford!
- Educate Them - Train them well
- Invest Yourself In them – give of yourself sincerely – care about them like family.
- Let them Go – allow them to do what they do best & get out of their way.
- Continue to educate and develop them.
- Hold everyone accountable for what they are to accomplish; everyone should answer for what they do. Everyone is accountable on a regular basis!

How Do We Attract the Right People to assist us to the Next Level of Business Growth? By building the company and being that person who can attract key and gifted people.

Company Mission – Purpose: People long to be apart of something bigger than their individual efforts. Together we are Great! Together we are building an enduring, and lasting enterprise, which will outlast all of us. A company in which we all prosper together & stand together in pride with the results.

In summary, remember “seek not to be a man of success but rather a man of value” Albert Einstein. Infuse your company, staff and clients with a passion for greatness! Give them a vision to be part of and to grow with. Recently, after hiring a veteran painter who previously owned his own company, I asked him why he wanted to come to work for Ridings Custom Painting Inc. he replied “I just want to do something great”! May all of your hearts beat with the calling “to do something great”!

Something to Consider:
Options - for Key Positions to Hire for:
- Administrative Assistant – Clerical
- Salesman [Estimator]
- Operations Managers [Field Supervisor]
- Driver [Delivery Coordinator]
- Bookkeeper
- Controller [Advance bookkeeping, oversees other bookkeepers & data entry staff, and assists with business analysis]
- CFO – Chief Financial Officer
- Office Manager – oversees all office personnel.
- Shop Supervisor – oversees the shop, equipment & inventory.
- Colorist – someone to oversee the color selections with clients.

TYPOGLYCEMIA
I cdnuolt blveiee taht I cluod aulacity uesdnatnrd what I was rdanieg. The phaonnmeal pweor of the human mind. Aoccdming to a rscheearch at Cmabrigde Unervtisy, it doesn’t mtttaer inwaht oreder the ltteers in a word are, the only iprmoatnt thing is that the frist and lsat ltteer be in the rghit pclae. The rset can be a taotl mses and you can still raed it wouthit a porbelm. This is bcusaeae the hu­man mind deos not read ervey lteter by itself, but the word as a wlohe. Amzanigh huh? Yaeh and I awlyas thought slpeling was ipmorantt.
We frequently talk about ‘the team’ in our businesses when we’re really just talking about the group of people who work there. A team is a lot more than just a collection of employees; it’s people who actively work together to achieve the business’ vision and goals.

Teams don’t just happen. They’re built by forward-thinking managers who recognize the value of teamwork and actively set up the right conditions for it to flourish. In fact it takes real planning and commitment to turn a group into a team, but consider some of the business benefits:

- **Willing collaboration and sharing of ideas to develop new or better solutions for the way things get done**
- **A sense of belonging that is good for individual and workplace morale by minimizing conflict and getting people engaged with their jobs**

You can make a good start on building a team just by making sure you have the right foundation to build on. Here’s where to start.

**Develop a vision for your business:** The greatest benefit of teamwork is the ability to get everyone pulling in the same direction. But if the business doesn’t have a clear idea of where it is going and what it wants to achieve, then you can’t get people to look outside their own immediate task, see the bigger picture, and work towards achieving it.

**Prepare job descriptions:** It’s helpful if every team member has a written job description that sets out their individual role and responsibilities. Without clear guidelines on what they are meant to be doing there will be a lack of focus and some argument about who is responsible for what.

**Improve your leadership skills:** It’s a major challenge to run a group of people as a team and requires some real skill, particularly in the areas of interpersonal communication, conflict resolution and acting as a team leader rather than as the ‘boss’. If need be, take some lessons to improve these skills.

**Document your workplace practice policies:** In the absence of agreed practices within the workplace a lot of conflict and resentment can be generated just through people ‘doing their own thing’. Set rules about potential conflict areas like smoking in the workplace, personal use of equipments and so on and sidestep these opportunities for clashes between team members.

**Create channels for communication:** One of the defining features of a real team is the quality of communication that takes place between people. To allow that to happen, you need to create the channels, such as a regular team meeting, and a way of handling discussion that allows people to feel safe in speaking up and sharing ideas.

**Do some teambuilding exercises:** While a lot of teambuilding happens in the workplace it can be valuable to take time out for some formal teambuilding activities. The type you choose should be suited to your team and what it does, but there’s a large range you can consider - from trust exercises to weekend retreats.

**Celebrate together:** Build in some fun to the work routine to relieve stress and let off steam occasionally. There are any number of things you could do from workplace drinks and snacks on Friday afternoon to group outings.

Teamwork is a big asset to any business – the same number of people at work but working together better and more efficiently. But it won’t happen unless you build on solid foundations.

**THERE IS NO SECURITY ON THIS EARTH—THERE IS ONLY OPPORTUNITY.**
Douglas MacArthur
The Role of the Crew Leader: Job Accountability
By Brian Nolan and Kevin Nolan, Nolan Consulting Group, Inc.

For painting contractors, training your crew leaders on how to accept job accountability is an effective way to get yourself out of the hour glass and build additional managers to help you run your business. Coaching your crew leaders to manage jobs, from start to finish, is never ending. It takes continual attention. Crew leader training programs, focus groups (getting ideas from crew leaders) and job review meetings should become core components of your business.

Crew leader training on job accountability is the single most important thing you can do to:
- Realize consistent results
- Reduce the number of headaches
- Get yourself out of the hour glass (you do everything)
- Create more thinkers in your company
- Grow without breaking!

Crew leader job accountability starts with clearly communicating expectations and establishing a clear reporting format. Consider the following crew leader duties and responsibilities.

Which ones might you want to integrate into you business? Remember, it takes time to get your crew leader used to taking on more accountability. Give it time, but never give up!

Crew Leader Duties and Responsibilities:
- Attend pre-job site visits with customer prior to start of job.
- On the first day, get all color samples approved and come up with "game plan" to finish the job on time.
- The crew leader is responsible for the safety and performance of every man on his crew.
- The crew leader is to monitor attendance, appearance, language, proper use of equipment.
- It is the crew leader's responsibility to see that all new hires are trained according to New Hire Training Procedures.
- The Skills Book is to be completed appropriately, completely, and in a timely manner for all new hires.
- He should monitor his crew's performance and make the necessary adjustments to bring the job in "Happy & Under".
- He is to keep written records of everyone's attendance and make performance level evaluations, whether good or bad, on his crewmembers.
- Attend weekly crew leader's meetings.
- Keep an accurate account of time spent on specific jobs.
- MSDS Books are to be maintained and present in every van, along with fire extinguishers and first aid kits at every job.
- To see that company trucks are maintained and cleaned regularly.
- Keep job site signs on all current jobs, return them after job completion.
- Order materials as needed for job with office approval.
- Deal with customers' questions and concerns on the job-site daily. Report concerns and/or problems to field supervisor or general manager immediately.
- It is the crew leader's responsibility to see that a 1/3 deposit is received at the beginning of the job and that the job is billed correctly. It may be necessary for a crew leader to ask for progress payments during large jobs.
- During the course of a job there will be opportunities to sell additional work or a customer may ask for additional work to be preformed. The crew leader may sell or take on additional work, provided that a change order form is completed and signed by the customer. Once this form is used it must be returned to the office and put into the job file to be added to the final bill.
- It is the crew leader's responsibility to collect final payment in full on the last day of the job.

To summarize the above, the crew leader, as a manager, has three things to continually think about and manage:

1. The customer - managing their expectations and making them smile
2. The timing and status - bringing in the job on time
3. The crew - delegating and communicating job sequence and their role; leading by example; teaching and providing feedback.

Consider giving each of your crew leaders a three ring binder / organizer. In the binder, place important information in sheet protectors, such as telephone numbers of employees and paint suppliers, production rates (if they're selling additional work orders) and scripts for pre-job visits and finalizing a job. The binder should also include a calendar and note pad. The binder will help to keep crew leaders organized. You can buy a simulated leather organizer at Staples for about $20.

Consider holding a weekly meeting with the crew leaders, where the crew leaders report on their jobs using a standard reporting format (also in their binders). We call these meetings operations meetings. It will help to distinguish your crew leader from the other employees, get crew leaders thinking ahead about their jobs and create some peer pressure to bring jobs in on time. Most importantly, it will begin to establish your crew leader as Managers. At Nolan Painting, weekly meetings are held on Wednesday's from 7:00 am – 7:50 am.

It takes relentless effort on the part of the President to find and train great crew leaders. Never ever give up on this effort. Over time, your persistence will win out. Persistence is the most valuable trait. Good luck!
RECIPE FOR THE WIVES OF PAINTING CONTRACTORS
By Jane Fitzgerald

I don’t know anyone who has gotten to the top without hard work and support. That is the recipe. It will not always get you to the very top, but should get you pretty near.

As the wife of a painting contractor, I have attended Advanced Shop Talks, On Target Groups and National Conventions with my husband, in support of him, and our future. I have not regretted any one of our many trips and we return home full of exciting ideas, anxiously waiting to vigorously begin implementing. Our business has grown by leaps and bounds and has become more profitable and more trouble free since we joined these groups; I can’t say enough about the benefits of meeting with these painting contractors to problem solve, and it’s a great way to develop and share best practices. Remember: “Two heads are better than one”. Our spouses deserve greater knowledge about systems and ideas that they’ll be able to implement into your painting business just by reaching out to other members and joining these gifted people at a seminar. Sharing and caring are just two of the numerous ingredients of the PDCA (Plan, Do, Check, Act). They share the best information, ideas, systems and methods of implementation; this process becomes a way of life. Being prepared lets us face the future head on and with added confidence. Business continuation requires planning. Ongoing sales and service requires systems. Profitable sale of a business requires preparation.

I strongly recommend that you encourage your Residential Forum mate to attend a National Convention or Advanced Shop Talk, or to join the On Target or The Summit Group. Not only will this promote well being in your mate so that he can be a better man, the other members will provide contacts that are priceless and the opportunity to receive support from others with alike goals and similar obstacles; he won’t feel so all alone. His goals, instead, will be shared with a group of successful business leaders doing it with a sense of camaraderie, together. Swimming with the tide opposed to swimming against the tide. BAM! Add some positive attitude, which is derived from positive energy, and our business and our lives are kicked up a notch.

Ladies: If you’d like to hear more detailed input from a wife’s perspective please feel free to email me at Seasidejane2@msn.com; I welcome your inquiries and comments.

SOME THINGS I LEARNED THAT TOOK ME OVER 50 YEARS!
1. There is a very fine line between “hobby” and “mental illness”
2. You should never confuse your career with your life.
3. Never lick a steak knife.
4. The most destructive force in the universe is gossip.
5. Never be afraid to try something new. Remember an amateur built the Ark. A large group of professionals built the Titanic.

Drug Testing at Your Shop!!
By John Peek peekbros@sbcglobal.net

I have been drug testing new hires as part of my pre-employment screening for quite some time. It is amazing how much better my crew is compared to a few years back when a few of them were drug abusers. It only takes a few bad apples to spoil the whole company morale and create huge liability issues for you in the areas of workers compensation and theft.

Up until recently, I have been sending new hires to a drug lab and waiting three to four days for an answer….needless to say it is very inconvenient to everyone as I cannot let them on the jobsite until they have passed the test. I found the answer to my dreams! I found a completely legal way to do in shop drug tests. It takes only 5 minutes to get results. If they are negative (good) then I can hire them on the spot and put them to work. I only have to send the specimen in for medical review if the test shows positive (bad).

Realistically, 99% of all tests come back ok because no hire wants to take a test if they know it will be positive. So, this is a quick way to be diligent, yet effective in the hiring process. Each kit costs about $30 and I bought a case of 12 for $300. If you are interested contact www.phamatech.com or call 1-888-635-5840x262 and talk to Marco Gonzalez, who gave me great customer service.
ADVENTED
SHOP TALK 6
"BUSINESS EXCELLENCE"
Presented by the PDCA Residential Forum
The Premier Educational event of the year presented by the PDCA Residential Forum specifically for members and by members. Share your success, learn from others, collect forms that work!!

SEATTLE, WASHINGTON
MEETING LOCATION—RED LION HOTEL ON FIFTH AVENUE IN DOWNTOWN

SPONSORS:

HOTEL RESERVATIONS
DOWNTOWN SEATTLE HOTELS ARE EXPECTED TO SELL OUT IN JUNE FOR JULY 21, 22, 23, 2005
PDCA now has rooms blocked at two hotels in the downtown area. There is a large citywide convention the weekend we are in town and all hotels are expecting 90%+ occupancy. The Red Lion, our host hotel, is sold out except for the room block for PDCA and that is filling up quickly. Discounted rooms for PDCA are good only until Friday, June 24, 2005

RED LION HOTEL ON FIFTH AVENUE IN DOWNTOWN SEATTLE
1415 Fifth Avenue, Seattle, WA 98101 * Call 800-504-3909 for PDCA Rate
Room Rate for PDCA is $120.00 per night single or double, plus tax.

Or

SHERATON SEATTLE HOTEL DOWNTOWN SEATTLE
(ONE BLOCK AWAY FROM MEETINGS AT THE RED LION)
1400 Sixth Avenue, Seattle * Call 888-627-7058 for PDCA Rate
Room Rate for PDCA is $169.00 per night, single or double, plus tax

LIMITED RESERVATIONS FOR EVENT
Advanced Shop Talk is limited to the first 100 members and additional registrants from the same company who register and pay. This event has been a sell-out for the last five years. You must to be a PDCA Residential Forum Member to attend. PLUS don’t forget to reserve for events before, during and after AST.

All registration forms are enclosed, along with schedule of events and roundtable topics.
Are you looking for ways to speed up production? When you study the way you do things, you realize some of the time-wasting steps that you do in your regular routine. We have begun to incorporate new ideas. One new system is having our foreman run two jobs simultaneously. When doing this, we realized one problem pretty quickly. When the foreman would leave with the van to go to start the next job, the first crew would eventually need something that was left on the van. As we thought through this problem, we came up with a bin system. We have standardized our vans to now carry 8 bins: 4 bins per crew. It is now standard procedure at the beginning of the job that the crew is to carry in the bins to the jobsite shop area. This has really helped organize the job shop. Another benefit is that the crew is no longer making long trips back and forth to the van to grab a miscellaneous item. We found that most of the time the guys weren’t bringing in some of the items needed for basic jobs. So to fix this problem, we standardized how and what we bring in on every job. Bin 1 consists of patching & fillers; Bin 2, masking; Bin 3, interior drop cloths; Bin 4, tools. (Each crew member is required to bring in their own grip bucket of personal tools as well). We also bring in a small plastic file box to carry different grits of sandpaper in file folders. Lastly, we carry in a cleaning bucket (see list below). On the inside lid of every bin, there is an inventory list so everyone will know what is supposed to be in that bin.

<table>
<thead>
<tr>
<th>Qty</th>
<th>Bin 1 (Patching &amp; Fillers)</th>
<th>Qty</th>
<th>Bin 2 (Masking)</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>Caulking</td>
<td>12</td>
<td>Orange 1 1/2 &quot; masking tape</td>
</tr>
<tr>
<td>1 box</td>
<td>One Pass – Rapid Set/ 5 min Patch</td>
<td>12</td>
<td>Blue 1 1/2 &quot; masking tape</td>
</tr>
<tr>
<td>1 box</td>
<td>Stucco Patch (smooth &amp; Coarse ea)</td>
<td>1 box</td>
<td>Plastic – small box 12 x 400</td>
</tr>
<tr>
<td>1 box</td>
<td>Fix-all quick patch</td>
<td>8</td>
<td>12&quot; masking paper</td>
</tr>
<tr>
<td>2</td>
<td>Qrt. Crawford’s Wood Putty</td>
<td>2</td>
<td>Stucco tape</td>
</tr>
<tr>
<td>3 lb</td>
<td>Crawford’s spackle</td>
<td>1</td>
<td>Fiberglass tape</td>
</tr>
<tr>
<td>1 gal</td>
<td>Bondo</td>
<td>1</td>
<td>Rags (sufficient supply for the entire job)</td>
</tr>
<tr>
<td>1 qt</td>
<td>Glazing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 qt</td>
<td>Ext. Spackle</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Mud pans</td>
<td>3</td>
<td>12x15 or 9x12 drops</td>
</tr>
<tr>
<td>2</td>
<td>Sets of mud knifes</td>
<td>8</td>
<td>Runners (to fill the bin)</td>
</tr>
<tr>
<td>Qty</td>
<td>Small Plastic File box (Sand Paper)</td>
<td>Qty</td>
<td>Bin 4 (Tools &amp; Misc.)</td>
</tr>
<tr>
<td>-----</td>
<td>-----------------------------------</td>
<td>-----</td>
<td>----------------------</td>
</tr>
<tr>
<td>50</td>
<td>80 Grit; 100 Grit; 180 Grit</td>
<td>1</td>
<td>100’ extension cord &amp; 50’ extension cord</td>
</tr>
<tr>
<td>25</td>
<td>120Grit; 220 Grit</td>
<td>6</td>
<td>9” roller cover – 100% lambskin – 1’, ¾’, ½’</td>
</tr>
<tr>
<td>5</td>
<td>Sanding Sponges</td>
<td>3 box</td>
<td>Wennie roller covers – 3/8’, ½’, ¼’</td>
</tr>
<tr>
<td>5</td>
<td>Drywall Metal Square Patches</td>
<td>4</td>
<td>Spray texture cans (Knockdown &amp; Orange peel)</td>
</tr>
<tr>
<td>10</td>
<td>‘Wet Paint’ signs</td>
<td>1 box</td>
<td>Dust Masks</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4</td>
<td>Roller Frames – 9” &amp; 6”</td>
</tr>
<tr>
<td>Qty</td>
<td>Cleaning Bucket</td>
<td>Qty</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>409 spray glass / tile cleaner</td>
<td>3</td>
<td>2 gall Roller grids &amp; 5 gal Roller grids</td>
</tr>
<tr>
<td>1</td>
<td>Roll of paper towels</td>
<td>1 box</td>
<td>Heavy Duty Trash Bags</td>
</tr>
<tr>
<td>1</td>
<td>Goof off paint cleaner</td>
<td>1 box</td>
<td>Switch plate baggies</td>
</tr>
<tr>
<td>1</td>
<td>Box of razor blades</td>
<td>1</td>
<td>Electric Screw Gun with extra battery</td>
</tr>
<tr>
<td>1</td>
<td>Can of carpet cleaner</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Clean terry cloth rags</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Clean sponges</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Now to do this (carry these bins in the van), we had to customize our vans a little bit. We took out the passenger side racks that come standard when you buy the rack system from Ford and we built a shelf rack system that accommodated our 8 bins. Here is what our vans’ interior looked like before the bin system and after. Notice the racks that we installed to accommodate 8 bins (picture left)

BEFORE ON LEFT & AFTER ON RIGHT
IMPLEMENTING A SUCCESSFUL REFERRAL STRATEGY
Five ways to double your business without making cold calls.
Carl Utter, Training Group, Inc.

Overview
There is no doubt that you’re committed to growing the size of your business and making more money. If your marketing budget were fueled by a magical self-perpetuating pot of gold, surely you’d be on national television! Well, real-world painting businesses need an effective and cost-efficient method to increase sales. That's where 5 Ways Referral Strategy, developed by the Training Group, comes into play.

Some facts
<table>
<thead>
<tr>
<th>Contact type</th>
<th>Success rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cold calls</td>
<td>1%</td>
</tr>
<tr>
<td>Warm calls/leads</td>
<td>15% - 25%</td>
</tr>
<tr>
<td>Referrals</td>
<td>50% to 80%</td>
</tr>
</tbody>
</table>

A successful referral strategy is built on having enough of the right kind of sources of referrals to meet your goals. Your objective is to get referrals and introductions to your ideal clients, as well as referrals and introductions to those that can introduce you to your ideal clients. The 5 Ways Strategy gives you the tools you need to increase referrals.

The first step in using the 5 Ways Strategy is to understand the Five key sources of referrals and introductions.

Five key sources of referrals and introductions
1. Inner circle contacts
   - This includes friends, business contacts, acquaintances, and family. They know you, like you, and want to help you.
2. Clients
   - These are your current (and previous) customers.
3. Referral Partners
   - Referral partners are willing to refer in exchange for referrals back. This is a peer-to-peer relationship where the businesses are complimentary and not in competition with one another.
4. Centers of influence
   - These are key people who have high levels of influence with your ideal client. They are willing to apply their influence on your behalf. Their businesses are well-established and they do not need a reciprocal referral relationship with you.
5. New key referrers.
   - These are centers of influence, and referral partners that you haven’t met yet.

Your goal is to establish relationships with referrers who will refer or introduce you to ideal clients, sharing how your products or services can benefit them. Strong referrals and introductions are an essential component of a successful referral program. By developing referrals and introductions, you will find you have pre-sold a high percentage of them. A great source of these types of referrals are high end decorators and other contractors who sell complimentary services. Realtors have tremendous potential to refer projects as do kitchen and bath designers just to name a few.

The following are four key elements to a successful referral strategy:

Create a list
Create a list of potential referrers, listing all people who could be a source of multiple referrals. Include 1) inner circle contacts, 2) clients, 3) referral partners, and 4) centers of influence.

Do not pre-judge as you create your referral list. You will qualify this list in the next step. For now, simply get names on paper. This is the most important step. If you don’t get the names on paper, you’ll never get started – this is key. Use the categories above to jog your memory.

Qualification
Now that you have a list of potential referrers, you are ready to qualify the list by considering who can best deliver on your expectations of referral. Consider each potential referrer with regard to willingness and ability, ensuring that this is a good person to spend your time with.

Ask yourself the following questions as you qualify each potential referrer:

Willingness:
- What is the potential referrer’s willingness and commitment level to referring you to their contacts?
- Will they understand the value of being in a referral relationship with you?

Ability:
- What is the potential referrer’s ability to refer?
- Do they have enough contacts?
- Do they have enough influence with their contacts?
- Are they the right contacts for you at the right level?
- Are those contacts with your ideal client?

Conclusion
5 Ways Referral Strategy will empower you to grow your business by implementing an effective referral program. Stop wasting time with ineffective cold calls and leads. Build and strengthen your referral skills with 5 Ways Referral Strategy [link]. Sign up today!
What do I get if I join the PDCA Residential Forum?
For your Annual dues of $95.00 you will receive a one year subscription to “The Painter’s Rag” newsletter, back issues of the newsletter, the current edition plus all previous editions of the Business Systems Workbook for Residential Contractors. You will also receive additional mailings on events planned by the PDCA Residential Forum and the availability of support from fellow residential contractors around the country.

What are the requirements for Membership in the PDCA Residential Forum?
You must be a PDCA member, either Nationally or through a Council or Chapter. The PDCA Residential Forum is designed to be an additional level of membership information and benefits specifically for the residential contractor.

APPLICATION FOR MEMBERSHIP

Please fill out all the information requested.

Company Name

Contact Person

Street Address

City, State, Zip

Telephone

Fax

Email

Website

To help us provide services for our members, please tell us:
How long have you been in business? ______
How long have you been in the PDCA? ______
Do you attend the National PDCA Convention? ______
How many employees do you have working for you (on average)? ______

What type of residential work do you do?
% Residential new
% Residential repaint
% Residential custom

Do you provide specialty finishes? Please list ______

Please check PDCA Membership information:
___ Current National Individual Member
___ Council/Chapter Member
Council/Chapter Name

Questions??? Call 714-372-3837 or toll free 877-722-5050 or email to pdca@bivenssurfside.net
Send check payable to PDCA or FAX to 714-890-5865 with your Visa or Master Card #

Exp ___ Signature ____________________

Dated _______

____ YES! I want to join the PDCA Residential Forum. I will receive a subscription to “The Painter’s Rag”, the Business Systems Workbook for Residential Contractors, and a Membership Certificate. Enclosed is my check for $95.00 or charge my Visa or MC card as noted in the application.
AST 6 IS SELLING OUT. THIS IS THE LAST INFORMATION AND REGISTRATION FORMS YOU WILL RECEIVE BY MAIL.

DON'T HESITATE TO REGISTER TODAY

CALL 877-722-5050  FAX REGISTRATION TO 714-890-5865  WEBSITE www.pdcaresidentialforum.org

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DISCLAIMER
The opinions, beliefs and viewpoints expressed by the various authors and Forum participants in this newsletter do not necessarily reflect the opinions, beliefs and viewpoints of the PDCA Residential Forum Board.
PRESENTED BY THE PDCA RESIDENTIAL FORUM

AST 6 SCHEDULE OF EVENTS

PRE-EVENTS ON THURSDAY, JULY 21
9:00 a.m. 5:00 p.m. PDCA Commercial Forum meeting - for more info email clucas@associationplanet.com
1:00 p.m. 4:00 p.m. Advisors On Target & Nolan Consulting Group Seminar - Building a High Performance Organization

RESIDENTIAL FORUM PRE-EVENTS ON THURSDAY, JULY 21
2:30 p.m. 5:00 p.m. PDCA Residential Forum Board of Directors meeting
5:00 p.m. 6:00 p.m. Early Check-in
6:00 p.m. 9:00 p.m. Welcome Dinner and Tour - Ridings Custom Painting at the Meydenbauer Showroom. RSVP required.

FRIDAY, JULY 22
8:30 a.m. 9:30 a.m. Check-in and Continental Breakfast
9:45 a.m. 11:45 a.m. Keynote presentation – Doug Trenary
Top Ten List for Business Excellence
11:45 a.m. 12:45 p.m. Working Lunch and Keynote-led Roundtable discussion
1:00 p.m. 4:30 p.m. Roundtable Session One
Separating Your Business from the Competition
4:30 p.m. 5:15 p.m. Role Playing
5:15 p.m. Adjourn for the day
6:00 p.m. 10:30 p.m. Dinner & Seattle City Tour. RSVP required.

SATURDAY, JULY 23
6:45 a.m. 7:45 a.m. Full Breakfast Buffet – guests welcome at $25 per person
7:45 a.m. 8:00 a.m. Review of Roundtable Session One
8:00 a.m. 8:30 a.m. Shared Wisdom – Presentation One
8:30 a.m. 11:50 a.m. Roundtable Session Two
11:50 a.m. 12:15 p.m. Role Playing
12:15 p.m. 1:15 p.m. Lunch – guests welcome at $25 per person
1:15 p.m. 1:45 p.m. Shared Wisdom - Presentation Two
1:45 p.m. 2:00 p.m. Review of Roundtable Session Two
2:00 p.m. 4:25 p.m. Roundtable Session Three
4:25 p.m. 4:55 p.m. Shared Wisdom – Presentation Three
4:55 p.m. 5:00 p.m. PDCA Residential Forum Business Meeting
5:00 p.m. 5:30 p.m. Review of Roundtable Session Three
5:30 p.m. 6:00 p.m. Testimonials & Closing - Evening on your own

SUNDAY, JULY 24 – POST EVENT
8:00 a.m. 10:00 a.m. One Step Estimating Seminar
Keynote Presentation
TOP TEN LIST FOR BUSINESS EXCELLENCE
Doug Trenary
Friday, 9:45 a.m. - 11:45 a.m.

Doug Trenary is a unique, cutting edge and authoritative voice on possessing the necessary skills for personal and business success in today's competitive world. Forget theories! After starting quickly on a success track as a college basketball player and honor graduate, Doug took on one the toughest sales jobs possible: selling copiers on straight commission, paying his own expenses and making at least twenty cold calls a day!! He racked up over 25 sales and management awards in three short years.

ADVANCED SHOP TALK TOPICS

#1 SEPARATING YOUR BUSINESS FROM THE COMPETITION
2. Marketing in the Internet Age
3. Building Customer Trust
4. Image & Branding - Sales & Presentation Materials
5. Character Training
6. Scheduling Tools - Committing from Start to Finish

#2 CRITICAL MISTAKES - LEARNING FROM OTHERS
1. Hiring Right the First Time...Critical Mistakes That are Common
2. Worst Job Ever...Share What Went Wrong and What Was Learned
3. Creating a Culture of Truth, Empowering Employees to Deliver Bad News
4. Major Estimating Mistakes...What Not To Do
5. Safety First - How Your Company Trains to Avoid Accidents
6. Coating Mistakes and Lessons Learned

#3 BACK TO BASICS
1. TQM - Total Quality Management Meetings
2. Job Costing - Tools and Worksheets
3. Determining Your Market
4. Delivering High Quality Craftsmanship
5. Accounting Systems to Manage Your Business
6. Personal Organization Methods & Tools

BRING YOUR FORMS TO SHARE
Each attendee is requested to bring a minimum of five (5) forms to share with the group. Forms, Marketing Materials and other systems that your business uses. Please bring forms related to the Roundtable discussions. Bring your forms and paperwork to share in MS Word or MS Excel on a CD-Rom. Bring your forms to be scanned into pdf files. All forms submitted will be organized and mailed to all attendees after the event – in CD Rom or hardcopy – whichever you prefer.
Company ____________________________

Name(s) of people attending & positions in company

Street Address

City ____________________________ State ______ Zip ______

Email ____________________________ @ __________

Phone (_____) ______________________ Fax (_____) ______________________

COSTS: Includes all materials and paperwork, breakfast & lunch Friday and Saturday, plus refreshment breaks

$349.00 First person from company

$299.00 for additional people from the same company

$20 per person for Welcome Dinner – Roundtrip Bus ___ # of people

$75 per person for Friday Dinner & Seattle City Tour ___ # of people

___ Salmon ___ Filet ___ Vegetarian/special diet

EXTRA TICKETS FOR GUESTS – NOT REGISTERED ATTENDEES

# ___ $25 Saturday Full Breakfast Buffet

# ___ $25 Saturday Lunch

TOTAL DUE

PAYMENT OPTIONS

___ Visa/MC # _____________________________ Exp / __

Authorized signature ____________________________

OR ___ Check in the mail payable to PDCA Residential Forum – FAX FORM AND MAIL

CHECK to PDCA RESIDENTIAL FORUM 15564 Producer Lane, Huntington Beach, CA 92649 or email at pdca@bivenssurfside.net

QUESTIONS – GIVE US A CALL 877-722-5050

FIRST COME, FIRST SERVE – LIMITED TO 100 ATTENDEES – DO NOT HESITATE TO RESERVE TODAY!!
Dean Ridings, President of Ridings Custom Painting, has invited the PDCA Residential and Commercial Forums to a Welcome Dinner and tour of his Showroom. Not your regular painting contractor's shop, this Showroom is in the Gold Coast area of Bellevue, just across Lake Washington from downtown Seattle. The Showroom is located in a mall with others specializing in remodeling and home improvement services.

Due to space at the Showroom, we will be staggering buses leaving and arriving every 20 minutes from the hotel to the showroom beginning at 6:00 p.m. and returning from the showroom to the hotel with last ride back at 8:20 p.m.

6:00 p.m. Buses will begin leaving the Red Lion Hotel – Buses will leave every 20 minutes until 7:20 p.m.
6:30 p.m. – 8:00 p.m. Welcome Dinner and Tour of Showroom starts Hosted by The Flood Company
7:40 p.m. Buses will begin leaving the Meydenbauer Showroom
8:20 p.m. Last bus leaves Meydenbauer Showroom back to the Red Lion Hotel

DINNER HOSTED BY THE FLOOD COMPANY
PRE-REGISTRATION REQUESTED
COST PER PERSON FOR BUS IS $20.00 ROUNDTRIP

We are purchasing ___ bus tickets to the Welcome Dinner
We are traveling on our own to the Welcome Dinner
We will have ___ people for dinner.
Site Address: 1044 116th Avenue NE, Bellevue, WA

Name(s)________________________________________________________

Company________________________________________________________

Visa/MC # ___________________________________ Exp ______
Or mail check to PDCA Residential Forum, 15564 Producer Lane, Huntington Beach, CA 92649
Questions??? Please call the PDCA Residential Forum office at 877-722-5050
DINNER & SEATTLE CITY TOUR
FRIDAY, JULY 22, 2005
Optional evening event with the PDCA
$75.00 per person

6:00 p.m.  No Host Cocktails
6:30 p.m.  Dinner - Choose from two menu selections, salad, wine with dinner and dessert
7:30 p.m.  City Tour by Bus
10:30 p.m. Return to the Red Lion

CUTTERS BAYHOUSE RESTAURANT
Join the PDCA for a short, 2 minute stroll, from the Red Lion to the Cutter Bayhouse
Restaurant in the Pike Place Market. Cocktails and dinner will be served in the private
Bayroom, which boast a sweeping view of Elliott Bay and the Olympic Mountains.

Dinner Choices:
Dinners start with a Maytag Blue Cheese Salad. There are two Entrée
choices: Northwest King Salmon – apple wood grilled and basted with
lemon, garlic and vermouth Or Filet Oscar – Tenderloin medallions grilled and
topped with Dungeness crab, asparagus and bérarnaise sauce. Entrees are served
with seasonal vegetables. Washington Merlot and Chardonnay will be served with
dinner. Finish the meal with the famous “Cutters” Burnt Cream – rich vanilla custard
with a caramelized sugar crust. Vegetarian selections are available if requested in
advance – call the PDCA office.

CITY TOUR OF SEATTLE
After dinner, we will be picked up by luxury motor coach for a Grand Tour of the Seattle area. This
is our own private tour, with narrator, so we can make stops along the way. We plan to see:
Seattle Center (Home of the Space Needle), Pioneer Square, Chinatown District, the waterfront, the
Ballard Locks and to top off the evening, if there is still time, a stop in West Seattle for the picture
opportunity of a lifetime – the City of Seattle in lights. City tours are a great way to see the
highlights and make plans for where you would like to spend more time!

PRE-REGISTRATION REQUIRED
PLEASE RESERVE NO LATER THAN MONDAY, JULY 18.

Name(s)_____________________________________________________________
Company_____________________________________________________________

#_____ of Salmon Dinners         #_____ of Filet Dinners
#_____ please order a vegetarian dinner or note other dietary requirements

Visa/MC #_________________________ Exp ______
FAX to 714-890-5865
Or mail check to PDCA Residential Forum, 15564 Producer Lane, Huntington Beach, CA 92649
Questions?? Please call the PDCA Residential Forum office at 877-722-5050
Advisors on Target and Nolan Consulting Group are pleased to jointly present:

BUILDING A HIGH PERFORMANCE ORGANIZATION

Join us the afternoon prior to Advanced Shop Talk 6 on Thursday, July 21st 2005 from 1:00 – 4:00 PM at the Red Lion Hotel, Seattle and take part in this exciting workshop that integrates financial and organizational principles from Advisors on Targets with Nolan Painting’s secrets for building an effective team. Learn to:

- Build a growth budget & profit plan
- Determine when to add sales, administrative or management personnel
- Understand the costs of adding infrastructure & how to implement it successfully
- Inspire your team to outstanding performance
- Discover effective methods to systematize your business
- Prevent “failure to implement” and develop an action plan to achieve your goals

Presenters:
Kevin Nolan: Nolan Painting, Inc., and Nolan Consulting Group, Inc.
Brian Nolan: Nolan Consulting Group, Inc.
Linnea Blair: Advisors on Target, LLC

Cost: $50 (On Target and Summit members $15) Registration required
For more information:
Contact Linnea Blair at (858) 320-8996 or Brian Nolan (215) 643-5354

To Register: Fill in form below and fax to (858) 404-6974

Name(s) of Attendees: ____________________________________________

Email Address: ________________________________________________

Telephone Number: ____________________________________________

Name on Credit Card: __________________________________________

Credit Card #: ________________________________________________ Exp. Date: _____ Visa MC AMEX (circle one)

Billing Address: ______________________________________________ 

City: ___________________________ State: __________ Zip: __________

Signature: ____________________________________________ Amount to be charged: $ ______
Joshua Abramson is pleased to present:

**ONE STEP ESTIMATING SOFTWARE**

Join me the morning after Advanced Shop Talk 6 on **Sunday, July 24th, 2005, 8:00 – 10:00 a.m., at the Red Lion Hotel, Seattle** for a free continental breakfast and take part in this exciting workshop that will show you how to revolutionize the way you do estimates.

Learn how to:
- Turn your handwritten estimating notes into a proposal automatically
- Never have to type another estimate again
- Present your professional estimate and contract on the spot to be signed
- Have a detailed, typed work order at the touch of a button
- Do all this using your own current Microsoft Word documents

**Presenter:** Joshua Abramson  
A. Allbright Painting, Inc.  
One Step Estimating

**Cost of Workshop:** FREE  
**Registration required**

**For more information:**  
Contact Joshua Abramson at (661) 294-1159 or visit [www.onestepestimating.com](http://www.onestepestimating.com)

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**To Register:** Fill in form below and fax to (661) 294-8285

Name(s) of Attendees: ____________________________

Email Address: ____________________________

Telephone Number: ____________________________