As volunteer officers of your Residential Forum, we often ask the question “what’s the value of the Forum to the members?” Heck, I’m sure you’ve asked that very question when pondering the renewal form National PDCA sends out each year. Is it worth the investment? What will be the return on your investment be for you to be a member of the Residential Forum? Will you get your money’s worth? Will you be viewed as a brainiac (really smart dude) for joining? Will you look better in the mirror if you’re a member?

Sure, they’re all great questions. And we want the answer to each and every one of them to be Absolutely! But how can we make that happen? How can we make dead certain you will get your money’s worth each and every year of your membership? The answer is really pretty simple. We need to keep the Residential Forum fresh. Fresh with new ideas, information, experiences, and faces. If we can keep it fresh, like a banana that’s past green but short of brown, you’ll get your money’s worth. What needs to happen in the pursuit of this freshness?

First, we need faces, fresh faces that are willing to step up, give back, and bring energy and excitement to the table. In the Forum, it all starts with people, and it’s the people that make the Residential Forum so great. So, if you really want your money’s worth, make sure your face is part of the action. And remember, new faces add so much to our organization. New members bring freshness.

Next, we really need fresh ideas. Got great ideas that just needs to be set free? We’ve got AST coming this summer. We want to make this AST new, different, and the best two days you could possibly invest in. But we need fresh ideas to really make this pop. You may have the idea that makes it all worthwhile, so share!

Third, fresh information. What kind of information would really help your business be a profit making joy to own? Can the Forum help get that information and distribute it to our members? Can the Forum create an environment where that level of high impact information is freely exchanged among the members? Yes it can, but without input from members, the information that would make the most difference to you may not see the light of day. If you haven’t picked up the phone or sent an e-mail to the Forum and said “You know, I’d really like to learn more about…”, you haven’t helped the flow of information. And if you haven’t offered to share a bit of information that could make a world of difference to someone else, even worse.
The bottom line is we need your participation in the Forum to make it really great. We need your time, your ideas, your suggestions. We want to make AST really different, really valuable, and a great experience. How should we do that? We want the Rag to be something you just can’t wait to get. What would make it better? We want more members. Where can we get them? Keep in mind, the return on investment for your Forum dollars goes through the roof when you give. Because it is amazing what you’ll get back. Hope you’re all having a great 2006 so far!

Mark Lewis, PDCA Residential Forum President

LETTER FROM THE EDITOR
Welcome to your Spring Edition of The Painter’s Rag, a newsletter written by painting contractors for painting contractors. In this season of renewal you will find within these pages aspirations, resolutions, innovations and dedications!

Thank you to all the generous contributors for their time, commitment and spirit. Each edition is a reflection of the integrity of those who make up the PDCA Residential Forum. If you are reading this newsletter and are not a member, I encourage you to join and add your voice and wisdom to this outstanding Forum. If you are reading this letter and are racked with guilt because you have yet to contribute your own pearl of wisdom and feel like you’re freeloading, you’re right! You are!

We would like to add a feature to the Rag that will allow dialogue with the writers. From now on if you would like to comment on something you read, you can send me an email—Nigel@catchlightpainting.com and we will create “A Letter to the Editor” section. I will forward your email to the writer for reaction and include both comments in the next edition.

Step up! Articles and mea culpas can be sent to me, Nigel@catchlightpainting.com.

Cheers!
Nigel Costolloe, President
 Catchlight, Inc.

CONTACT INFORMATION TO SEND ARTICLES TO NIGEL FOR THE NEXT PAINTER’S RAG!!

Send MS Word documents (preferred) via email to Nigel@catchlightpainting.com
Call Nigel at 617-734-1696
A painting contractor who operates without key metrics, which are measured regularly, is like a pilot operating without the flight data needed to keep his plane aloft. I call it knowing what is on your dashboard.

Very often, the only thing that a painting contractor knows is if their schedule is full or not. They also may know how profitable their business is once a year when their accountant provides the tax statement. I would stress that to have a successful, thriving and growing business, you need to know certain data on a regular basis. Our business uses the following monitored measurements to guide us over the length of our painting year:

**CASH:** I noted in the previous newsletter that we measured our cash balances every 5 days and could compare them with cash balances from other years.

**HOURS OF WORK COMPLETED:** We measure hours that are charged to a job in 5-day increments over the length of a year. This is a more significant metric than just feeling whether you are busy or not. Keep in mind that you could be busy because you have fewer painters than the prior year. Conversely, you may feel that you are not that busy because you are overstaffed. This measurement will force you to face the reality that your company may be doing more or less work than previous years.

**AVERAGE CHARGE PER HOUR:** We also monitor our charge per hour throughout the season. We use a spreadsheet which is updated daily with finished job revenue and hours charged to the job. It gives us an ongoing picture of what our charge per hour is. This charge per hour should be compared with previous years. It should increase annually due to higher pricing that is needed to cover rising labor costs.

It is important that your monitoring of hours and productivity includes all chargeable hours on the job. Therefore, all hours incurred on a job that were paid on your payroll should be included. This includes all callback hours. It is also important that revenue which is billed and not paid be deducted from your analysis. If a customer does not pay you or makes deductions on a job, your hourly charge will drop. If you count your hours and revenue correctly, you may find the rate that you think you charge per hour is overstated.

**BUDGETS:** Budgets should be monitored on a monthly basis. You can make accurate profit projections for the year by entering the following data into your annual budget spreadsheet.

- Projected billable hours for the year. If you measure your hours correctly, you can make an accurate approximation of annual hours. This estimate becomes more accurate as the year moves along because your billable hours become more certain.
- Projected charge per hour for the year.

CONTINUED ON PAGE 4....
WHATS ON YOUR DASHBOARD CONTINUED FROM PAGE 3.....

- Projected Labor Cost per hour (Labor costs x benefit cost percentage which includes social security taxes, unemployment tax expense and workers' compensation expense.)
- Overhead item projections can be made with the help of your QuickBooks accounting software. You can compare individual item expenses with previous years on the same date. This will help you make the correct judgment on what the final amounts will be for individual overhead items for the year.

This budget/profit projection should be updated monthly using the above data. It forces you to look at projected profitability in a rational way. If used correctly, adjustments can be made that will help your company finish the season at the profit levels that you desire.

BIDS MADE PER MONTH: The number of bids that you make each month is an indicator of how well your marketing is working. It is important to measure the number of bids in the same time period in previous years. The number of bids made is also an early indicator of how much work you can expect to do for the year. Generally, the amount of work you do for the year follows the strengths of your bid activity. The measurement of bids made per month will also help you time your marketing campaigns correctly. In the Cleveland market, exterior-marketing ads sent in early February or late in September will not result in a good response. However, an effective marketing effort in April will draw the highest response rates for the year.

VALUE OF JOBS BOOKED EACH MONTH: The value of jobs booked has a strong correlation with your final revenue figure for the year. We measure our bookings on a daily basis. This data is compared with previous years and provides us with objective information that can help us with our end of year budget analysis. We summarize this data on a monthly basis.

CUSTOMER SURVEY DATA: We have measured customer survey data for 20 years. This information is analyzed on an annual basis. We mail surveys to customers every 2 weeks until this information is returned to us. Typically, we receive completed surveys on about 90% of our jobs. The information bluntly tells us if our quality is getting better or worse. This information should be a key indicator of your own performance and that of your Managers.

CREW SURVEYS: We also have painter survey data that goes back 20 years. These surveys are sent to our employee's home and are returned anonymously. The information also bluntly tells us how well we are managing our employees. It is a key measurement of my performance and that of my managers.

You may argue that you are a small company and cannot afford the time needed to measure these items or others that may be important to you. It is my firm belief that without measurements such as these on your dashboard, you would remain a small company that does not operate at peak profitability. You would be in danger of a crash and burn.

A properly designed measurement system should take a minimal amount of time and provide you with a daily, weekly or monthly picture that accurately portrays the success and failures in your business. It is time well spent.
"Huddle Your Way to Higher Gross Profit"

By Brian Nolan, President of Nolan Consulting Group, Inc. and Facilitator of The Summit Groups

One of the methods we use to increase gross profits at Nolan Painting, Inc. is called a "daily huddle". Below is a brief overview of the huddle and how it can help bring jobs in on time.

Bringing in a job on time starts with increasing awareness. The crew leaders and the painters should constantly be aware of the status of the job, relative to the goal, and make frequent adjustments. A good forum to use for this is a daily team huddle - at the beginning of each day and the end of each day.

In football, the quarterback leads a 30 second huddle before each play. The goal is to get to the end zone and every person knows their role in doing so.

We suggest that your crew leaders lead a two minute formal huddle at the beginning of each day. In the morning huddle, review:

**Job status:** make sure everybody on the team is aware of the amount of time used up and the amount of time remaining to complete the job on time.

**Goals for the day:** discuss what you would like to see accomplished that day as a whole crew ("if we get this side of the house done today, we'll be back on track"); get some feedback on whether or not it is possible.

**Delegate and make people accountable:** give each person their assignment for the day. Make sure everybody hears it. This will create a little peer pressure for the painters to meet their daily goals.

At the end of the day, meet again briefly to review the day’s accomplishments. Review whether or not the delegated items were achieved. Use it as an opportunity to recognize hard work and to seek improvement opportunities for things that did not go as planned. The "huddle" will make sure everybody is on the same page, create some urgency and get people thinking about job sequence and efficiencies.

While in Seattle last summer, I had the opportunity to see an example of a huddle in a different industry. The employees of the world famous Pike Place. Fish wrote a book called: *Catch, A Fishmongers Guide to Greatness.* Pike Place is also the company discussed in *FISH,* a story about creating fun in the workplace. Below is an excerpt from the book:

"Every day except Sunday begins at 6:30 A.M. (Sunday begins at 7:00 A.M.) when the fishmongers get into a huddle to discuss goals for the day. They talk about how much inventory of each type of fish they have on hand and about what they want to accomplish that day. The huddle ends with a loud, ceremonial "Aayyyyyeee!"

"..... At 5:45 sharp one of the fishmongers yells “five forty-five” to initiate the closing process. It takes approximately forty five minutes to break down the displays and put away the fish for the night. By 6:30, everything is stowed, and the crew gets into another huddle. They talk about how the day went in relation to the goals that were set in the morning huddle."

The huddle is simple and creates a common understanding of what the goals are. What you focus on tends to improve..... give it a try and watch gross profit rise!
This is an article about the new beginnings and resolutions of an at-home wife and mother and caregiver who set out to become employed. She then met with a painting tycoon, Chuck Fitzgerald, who was determined to bring this company of his from a vision to a reality. It worked.

The day was in April 2003 when coming off a High School baseball field, I was approached by a friend who knew that I was considering a part-time job. She told me that Chuck Fitzgerald was in need of office help for approximately 20 hours per week. Perfect! This was my thought as off I went to the 104 Ingham Hill address and much to my now surprise, Chuck was in. During our brief interview, Chuck asked me how was he to know that I could multi-task? “I have five children” was my reply. With that, Chuck then asked me “When can you start?”

With the nearing of my three years anniversary, I am pleased to say that my employment at Fitzgerald Painting has been very enjoyable. My experience as the Office Manager is an exciting and rewarding one. Chuck showed me all that he would like to see the office doing, then brought this company from a paper and pen accounting system to a full bookkeeping Quick Books program in a matter of days. This allows for all of our Accounts Receivable and Accounts Payable to be handled with proficiency and accuracy. Microsoft Word and Excel are also excellent programs used within our office for all letter writing, office forms and worksheets. We have Financial Monitoring spreadsheets along with Job Profitability and Sales Tracking Tools that allow for constant awareness of how healthy or unhealthy the business is running on a weekly, monthly and annual basis.

Chuck encourages training and education and is always interested in learning about innovative office technology and systems. This encourages enhancement and growth. I have been able to watch and to be a part of this company’s incredible growth both within the industry itself and within the individuals who are under its employ. Growing through Chuck’s creativity and knowledge coupled with the networking and involvement in organizations such as the PDCA, PDCA Residential Forum and with the On-Target and the Summit Group, Fitzgerald Painting has become a beacon of success as a company known for its stability and many years of commitment and service.

It is with much gratitude to Chuck that I write this article, and to all of those whom have aided in the success of Fitzgerald Painting, Inc.

**JOB ROTATION REWARDS**

When people do the same thing all day, day in and day out, they can get stale. This impacts their creative thinking. They become used to doing things in a certain way, and tend to repeat that behavior, no matter what the circumstances are. They don’t think about what a better alternative might be. It pays to rotate people on and off certain jobs, so that they are fresh mentally and creatively. Increase your cross training so people can do other jobs. You will see their creativity and problem-solving abilities increase along with their morale and job satisfaction.

At Weinmann Painting we are excited about the year ahead as we are trying a number of new ideas to speed the growth and diversification of our company. Last year we finished the year at $1,650,000, this year our goal is $2,800,000. To reach this we know that changes have to happen. I also wanted to diversify the company to make our winters more profitable, increase growth and to satisfy my desire to have change in my life. To accomplish this, our management team came up with the following ideas that we will implement. (Having our painters in Speedos did not make the cut.)

- We have started a new company Weinmann Remodeling, Inc. to remodel kitchens, bathrooms and basements.
- We have hired a second estimator, lost him and are right now looking to replace him.
- We are entering into coops/alliances with home remodelers, siding companies, and building owners, managers and anyone else we can think of.
- We are extending into a new market of lower price demographics.
- We are changing our advertising mix to include TV.
- We are continuing to work on our processes.

Weinmann Remodeling, Inc. — Last year we did $250,000 of carpentry. Our lead carpenter quit to answer his own call. I decided this was the time to start a remodeling company that focused on kitchens, bathrooms and basements. I was lucky to find a young person, Ryan Ekre, who has the skills, drive, intelligence and personality to do this. I thought it would be a two-year commitment of my time, but with Ryan it might only be six to nine months. He is an amazing person and I feel lucky that he joined our team. We hope the first year to do $600-700K. Then each successive year add $700K to remodeling. We are using our branding from Weinmann Painting and replaced the brush inside the red circle with a hammer. We are in a new area, but with a quality production manager, I feel confident that we will succeed.

To reach the painting goal, our Sales Manager Chuck Eiachacker hired a new salesman. This was a tough process because we don’t know what really makes a great salesperson. We know it when the projects are coming in and profitable but how do you know when hiring? But we found that person in Chris Koch. Chuck also brought the company up onto One-Step Estimating, which calls for a Home-run. Thanks Josh for such a great and needed system; it is going to help us reach our goal.

Chuck has started to reach out to companies that could provide an annuity of business instead of having to hunt for new people (houses) each year. This includes home remodelers, siding companies, building owners and managers, and others.

Tom Smith, our Production Manager, has been trying for years to get me to paint ranch houses. These have fairly low and defined price points $2000-$3900 that we have passed up in the past. Tom has devised a process that he thinks we can use to hit these price points. Tom will run nine crews at the height of our season this year so he has his job cut out for him. Tom has other ideas that I am sure we will implement this year.

Our advertising budget was at its limit for this year when Chuck approached our management team with the idea of adding television to our multi-medium media philosophy (Direct mail, neighborhood cards, letters to past customers, good van signs, site signs etc.) He sold us on the idea, then we had to prune our other budgets in marketing to keep with the 5% goal we have for marketing. Chuck and our graphic designer made up the signboards, then Chuck took over and got the commercial made in record time. It aired Monday, February 6 in prime time and is a great commercial that makes me proud.

At the end of 2005, we got together for three marathon meetings and wrote our current process on the white board then looked for problem areas. We then dissected these problem areas to see why they were causing problems and redesigned them. And then set goals for further improvement. This seems to be working very well. Instead of adding people to help the workload, we made the workload less through proper processes.

I will let you know at the end of the year our successes and failures so if you want to you can learn from them.
ADVANCED SHOP TALK 7
"LEADERSHIP"
CORE VALUES FOR YOUR BUSINESS

Hosted by the PDCA Residential Forum
Painting & Decorating Contractors of America

JULY 21-22, 2006

SNOW KING LODGE IN THE GRAND TETONS
400 E. Snow King Avenue
Jackson Hole, WY 83001
800-522-5464 for Room Reservations (PDCA group rate)

Home of the *Grand Teton National Park*, gateway to *Yellowstone National Park* and great summer vacationing, Jackson Hole is the location for AST 7 July 21-22, 2006. Jackson Hole is easily accessible by direct air flights from the East Coast and Mid West or from the West Coast with stopovers in Denver or Salt Lake City. The PDCA Residential Forum is planning an aggressive, two full day program. Make plans to arrive on Thursday and stay through Sunday in order to attend all of AST.

WHEN: Starting Thursday Evening July 20, FRIDAY & SATURDAY ALL DAY FOR AST – Friday July 21 & Saturday July 22, 2006

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thursday, July 20</td>
<td>Welcome Reception</td>
<td>5:00 p.m. – 7:00 p.m.</td>
</tr>
<tr>
<td>Friday, July 21</td>
<td>Advanced Shop Talk</td>
<td>7:00 a.m. – 5:00 p.m.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Includes full breakfast, lunch and breaks</td>
</tr>
<tr>
<td>Friday, July 21</td>
<td>Mountain Top BBQ</td>
<td>5:30 p.m. – 8:30 p.m.</td>
</tr>
<tr>
<td></td>
<td>Optional dinner – includes ski lift &amp; dinner</td>
<td></td>
</tr>
<tr>
<td>Saturday, July 22</td>
<td>Advanced Shop Talk</td>
<td>7:00 a.m. – 6:00 p.m.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Includes full breakfast, lunch and breaks</td>
</tr>
</tbody>
</table>

New to this year’s schedule will be more meetings outside and breaks with “physical rejuvenation” exercises and team building ideas.
ROOM RATES: PDCA Group room rate noted below. Condos also available at group rates!! Add 9% room tax. CALL 1-800-522-5464 AND ASK FOR THE PDCA GROUP
ROOM RATES.

- Single occupancy $170 plus tax
- Triple occupancy $190 plus tax
- Studio Condo $200 plus tax (2 to 4 people)
- Two Bedroom Condo $280 plus tax
- Four Bedroom Condo $400 plus tax
- Double occupancy $180 plus tax
- Quad occupancy $200 plus tax
- One Bedroom Condo $225 plus tax
- Three Bedroom Condo $310 plus tax

Snow King offers free shuttle service to and from the Jackson Hole Airport, located approximately 8 miles from the facility. Group rate available 3 days before or after the event.

WHAT: ADVANCED SHOP TALK 7 will include a “SNAPSHOT” speaker on LEADERSHIP, followed by roundtable discussions on leadership issues, with “Snap” summary of the topic and the summary of discussions. Why is it called a “Snapshot”? Because it is more interactive than a Keynote, in fact it will require your participation and attention and is jam packed with expert information you can use now. Plus a Panel of Experts (your peers) discussing: SUCCESSFULLY MANAGING SUSTAINED GROWTH

- ROUNDTABLES TOPICS
  - Leadership – based on discussion items from the “Snapshot” speaker
  - The Problem With People aka Hiring and Human Resource
  - Marketing Outside the Box
  - Facilitate Roundtables – the old school Shop Talk where there is an expert and topic at each table and you have the to opportunity to sit in on any table and discussion that interests you and your company.

MAKE IT A VACATION! The peak season for this area is June through Mid September. If you are planning on making this part of your vacation, make your plans now. Jackson Hole is located in the Northwestern corner of Wyoming, close to the Grand Teton National Park, Bridget-Teton National Forest and Yellowstone National Park (our country’s oldest National Park) which encompasses over three million acres of forest, lakes, grazing flats and steep rugged peaks and canyons. Check it out at www.jacksonholechamber.com, www.skowking.com, www.nps.gov (National Park Service) which will give you information on both Grand Teton and Yellowstone.

FRIDAY NIGHT BBQ! Friday evening the Forum is having an optional Mountain Top BBQ. Ride the chair lift to the Snow King Mountain summit where a delicious Barbeque will be served. The double chairlift will get you to the summit, lifting you from an elevation of 6,180 to 7,751 in just 20 minutes. Make sure you bring sturdy footwear for the chair lift and a sweater or jacket and camera! At the top enjoy the spectacular panorama which includes five different mountain ranges. Walk the scenic nature trail, play a game of horseshoes or just relax. We will start early so that we can enjoy the sunset and get down from the mountain before it gets dark!!

AST 7 REGISTRATION FLYER IS ATTACHED—LIMIT TO 100 ATTENDEES
Well here we grow again! Spring is near and it is time to build the crew that will take us through to the next snowfall and beyond. I think many of you will agree that hiring may be the single biggest obstacle in growing your business. I have hired the experienced painter (the guy who has and can do anything), the older guy (the one with the wisdom you only gain with age), the trainee (the one with all the brawn), and the painter/owner (the guy who has his own business but can’t get work so he’s giving up). Surprise, they were all flops! The truth is you can never tell what you’re going to get just by using the tried and failed methods of hiring. Well this year I am trying again. I am going to improve my process first though.

I have learned a great many lessons over my fifteen years in this glorious industry. The greatest of which have been gained in these most recent two years. What I have come to learn is that it is personality that makes or breaks the man (or woman). Most of the problems that I have experienced with employees are all directly attributed to that individual’s personality traits. In the book “The Great Connection” by Annie Warren, the author tells a story about one man’s journey to understanding personalities through his own encounters. The story follows this character through many years of his life and examines his problems and conflicts through a scientific view of one’s persona. The book develops an explanation of the DISC profiling system. DISC is a detailing of four personality types that everyone falls into. The most interesting aspect regarding this particular view of DISC is that it categorizes each of the traits into two sides. The book explains that each personality type carries effective and ineffective traits. We each have a list on both sides of the chart.

For instance, I may be effective as a communicator but my ineffective traits remind me that I may also be overly tolerant. How does that work in the real world? Well, here I am, a man who understands my employee’s woes, always willing to lend an ear and offer a helping hand but by exemplifying too much compassion I may be creating a bad employee by accepting some negative behavior as a compromise. Lesson learned, I may be better off being the great listener but then outlining some action that sticks to our policies and our mission.

There truly is no right or wrong way of being, instead it is how we interact with each other that will either strengthen our relationships or destroy them. That brings me to the point. Looking back, I can now link the problems that I have had with employees with either their own or my own ineffective traits.

Now that I have identified my own traits and I understand which of those are effective or ineffective I can conscientiously control my behavior therefore altering how I affect other people. It is amazing to see this in action. It is a great and powerful tool.

In addition, now that I am cognizant of this, I can more adeptly recognize personality types right away. That lends to my interpersonal skills by allowing me to deliver the right responses during a conversation, whether it be with a potential client or an employee. Both are equally important.

This is serving our company, as well as me as an individual. By coaching my current staff, I am helping them understand each other. I have each of the four personality types working for me. The Dominant, the Influencer, the Steady, and the Conscientiousness. No one, of course, is simply one of these. We are all a combination of them. However, it is the dominant trait that makes us who we are. Understanding the trait paves the road of communication and it is how each of these individuals interact with each other that will solidify our team and aid in our long term success.

It is this philosophy of forging a connection by marrying the right personality types in people that our current Internet couples matching services are built on. They can predict, with accuracy, how someone will ultimately interact with a potential mate by a simple test. I know... it kind of takes the magic out of it, but it works. So, why not put it to work for the employee / employer relationship.

CONTINUED ON PAGE 11....
The truth is, many companies already are. Hey, I’ve always thought of a new hire as a new relationship, the only difference is that I was just guessing how it would work out. Now, I have an indicator, a real litmus test.

If you were to expand on this system, you could develop your entire staff to reflect specific traits. You may want your painters to exhibit good social and interpersonal skills, your salesmen to be persuasive, your office staff to be detail oriented, and your officers to be great listeners while being loyal to the company. These are not necessarily traits you are going to pick up on in an interview. You need a tool for it.

Much of this is unexplored territory for me but, as I said, if the old method isn’t working... it’s time to try something new! Good luck to you building your next crew!

---

**QUOTE FOR THE QUARTER**

"IN TIMES LIKE THESE, REMEMBER THERE ARE ALWAYS TIMES LIKE THESE"

*Paul Harvey*

---

**PACE CONVENTION**

Chuck Gilmore, Past Denver PDCA President
National PDCA Board Member

Fellow members -

Are we professionals allowed to have as much fun as we had at the PACE 2006? The very first day the city of Tampa gave us a party like no other! Must have been half the city’s population around our hotel – Parades that were miles long – not room for another boat on the water – giving us presents, food, drinks and noise enough to make you feel like we had just won the Super Bowl. Those Southerns’ know how to through a party that lasts for days!

PACE 2006 education tracks were all exceptional. Our associates – SSPC, ASA, and the different forums put out all kinds of information to everyone there on their level. Young Contractors is another exciting group of the younger generation drawn by their thirst to understand this industry and do better in the marketplace. We came away with enough information to implement for some time.

Business wise, PDCA is undergoing several needed changes and it may take time. Trying to shrink the Board down to a size representative of other efficient associations has not been an easy undertaking. Some progress in getting there and more ideas suggested will carry the ball in the right direction.

Carboline, Sherwin Williams, and Benjamin Moore put on the spread. Carboline feed us well the first night, Sherwin Williams did the same in the more historic setting and Benjamin Moore with the charity auction (I came away with some really great stuff) were the kind of memories that are not soon forgotten.

The motivation, relationships and the knowledge that events like this bring back to the company we have never been to put on a price tag. Yes, it was time away from the business at hand and family, but somehow the sense of accomplishment is energizing. Meeting new and reacquainting with others in the business has given us a sense of camaraderie. Of course, we took another run to the book store tonight with our lists of suggested readings we got from others experiences.

We will all be the better for this event – PACE 2006! Renewed dreams; Refreshed bodies; Renewed knowledge and a deeper appreciation for the industry and our country.

See ya soon!
Good, Better, Best Questions
Lynn Bicknell  lbicknell@bicknellpainting.com

In the spirit of better time management, an issue we all struggle with, let me suggest that one of the biggest time leaks in your office is fruitless or wasted sales calls. If we take the time to qualify our prospects with some direct and bold questions, we should be able to quickly identify those prospects who do not merit a sales call.” Note from the Editor

It is amazing how much more effective a sales tool asking questions is than beating your chest and telling the homeowner how great your company is. I have a web page to tell our story. On the phone in the comfort of my office it becomes easy to ask the prospect a few good questions.

On the phone, I ask the prospect if I may ask some questions. I want to get a better idea of how the prospect fits into “Good, Better, Best”. “How many years ago did you have the exterior painted? 4 years you say. Who did the painting then? Why won’t you use them again, [notice I am trying to stay away from the yes or no questions which kill the momentum of the phone call]. You say you already have an estimate from your previous painter, but are getting others. How many estimates do you have or how far into the process of selecting a painting contractor are you?”

If they are getting multiple estimates, i.e. 4 or more, I mention that “we charge $50 for the estimate, but we could get together to get a better idea of the needed preparation.” This will usually run off the price shopper. Once in a while they will take me up on it and I get paid a little for my time. I normally do not charge for estimates, but it sure is a great technique to run off price shoppers. You got to do it in a nonchalant tone of voice, not a begging one. Try it!

Questions are also a great way to bond and rapport. Bonding and rapport is the salesman’s attempt to get the customer to like you. Years ago in one of my touchy feely seminars, EST, I discovered that “if I wanted to be interesting I need to get interested.” This started a phase in my life where I started asking lots of questions. It is amazing what you can learn by asking question. This is so engrained in me now that woe be it to anyone who sits next to me. My wife and I are notorious about interacting with people around us in a restaurant. I really am intrigued to meet people. It is no longer mechanical.

What I wanted to share was how questions can help you learn more about your prospect particularly in the context of “Good, Better or Best” on exterior painting jobs where carpentry repairs is such a big issue. Here in Northern Virginia, there is an epidemic of rotten wood. Houses built since 1980, that have wood trim, but got aluminum or vinyl siding have lots of rotten trim if not painted every 3 to 4 years. This situation is a great opportunity to qualify a prospect in person with questions. This does not work, if you do drive by estimates. Shame on you if you do drive by estimates and have never met your prospect in person.

There are 5 questions I like to ask a homeowner when I spot rotten wood. Their answers give me much better insight into their buying habits. We are looking for value driven homeowners, because of our labor rates. I needed to frame questions, such that the answers would show me their true self. If you ask a customer, “are you looking for a good job or a cheap job” you won’t get an accurate answer. You need to give them an open ended question and in this case a multiple choice.

CONTINUED ON PAGE 13...
Mrs. Jones, there are 5 ways we can correct this rotten window sill. (1.) We can dig out the rotten wood and fill in the hole with a wood/epoxy filler, but we cannot guarantee the filler. (2.) We can cut out the section of rotten wood and glue in a piece of wood, but cannot guarantee that. (3.) We could remove the entire window sill and put in a new one of the same wood that is in there now, but could not guarantee that, because the quality of the wood is the reason the wood rotted. (4.) We could replace the rotten wooden window sill with a new synthetic one, which we can guarantee forever, or (5.) We could wrap the rotten wood window sill with aluminum and can guarantee that. Which of the 4 would you like Mrs. Jones? This sound like a mouth full so we have to do it slowly and clearly.

The answer you get will tell you a lot about the buying habits of this homeowner. Let’s look at some of the answers you may hear. “Let’s do the filler, because I am getting the house ready to sell and I really don’t give a dam!” The other extreme is “I want the 20 year solution or at least the life time solution with the synthetic wood, because I want to live here for a long time.” Two totally different types of buyers.

You may want to phrase the questions to fit your personality, but don’t forget, lawyers get paid dearly for their ability to ask questions. The more I practice the skill of asking questions the more effective I have become as a sales person.

PDCA RESIDENTIAL FORUM APPLICATION

Please fill out all information requested.

Company Name

Contact Person

Street Address

City, State, Zip

Telephone

Fax

Email

Website

How long have you been in business? ____

How long have you been in the PDCA? ____

Do you attend the PACE Convention? ____

How many employees do you have working for you (on average)? ____

What type of residential work do you do?

% Residential new

% Residential repainting

% 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 pdca@bivenssurfside.net

Send check payable to PDCA or FAX to 714-890-5865 with your Visa or Master Card #

Exp Signature ________________

To help us provide services for our members, please tell us:

To: PDCA, 15564 Producer Lane,
Huntington Beach, CA 92649.
This is the content of the document:

As I review many profit plans/budgets with my clients in 2006 it is evident that most are planning for some growth and many are planning for significant growth. Of course there are many factors that go into achieving that growth: Effective marketing and sales to bring in additional work, enough of the right people to produce the work, appropriate capitalization, and the strategies, systems and monitoring to ensure that the additional work is profitable.

One of the Four Ways to Grow your Business that we explored at our free teleclass in February, simply put, is to get more clients. To do that you usually need to increase or improve the effectiveness of your marketing efforts or improve your sales close rate – or both. If you read the Advisors On Target Business Success newsletter last month, you may have noticed a short audio/video clip about the importance of tracking the effectiveness of your marketing and sales efforts along with some suggestions on implementation.

Do your advertising and marketing efforts really boost sales? Are you getting the best returns from your marketing budget by targeting your media and your audience? Or are you just taking a shotgun approach and hoping for the best?

If you don’t have a system to measure the results of your advertising, then you’re probably relying heavily on guesswork. And you probably aren’t getting the best bang for your marketing buck. You’ll only know for certain if you measure and track the results of your marketing strategies.

Remember the adage ‘What you can measure you can manage’. If you can measure the results of your marketing, you can assess just where advertising is really boosting your sales - that is, where you earn multiples of each marketing dollar you spend.

You may object that it takes too much time and effort. There is some justification in that view. You run a small business, and you may not have a lot of time or resources to operate complicated measurement or tracking program. But fortunately there are some simple techniques for assessing your advertising return on investment.

These vary according to whether you measure advertising that has been focused on a particular service and designed to get a sale in the short term, or whether it was designed to work long term, influencing buyer attitudes towards your business and building a certain image.

You can use coupons or postcards that correspond with special offers and then test the response. You can test ad response through hidden offers of the type, ‘Mention this advertisement and get 15 percent off’, or ‘Call this number for more information.’ If you record the number of inquiries you can get some idea of how successful the ad has been. You can also get newspapers or magazines to run two versions of the same advertisement through a ‘split-run’ arrangement. Each version would carry a slightly different offer and you could record which one got the most responses. You could also keep records of sales of advertised and related items in the days or weeks after an advertisement.

Measuring attitude marketing takes a little more stamina. You will be tracking many different strategies for marketing and brand awareness including not only print or other media advertising, and direct mail, but your signs, website and internet marketing, networking and any other methods you are using to promote your company.

You will need to track the results of a number of marketing campaigns over a period of months by keeping up-to-date records on a monthly basis to track the number of leads, bids, sales as well as the dollar value of the sales from each of your marketing strategies. We use a Sales Tracking Template built in Excel or you can create your own. This will allow you to compare sales year to year, and judge the individual and cumulative effect of your marketing campaigns.

Start tracking your marketing success now for this year, and you will be able to fine-tune your plan going forward to use your marketing dollars wisely and increase your return on investment.
PDCA RESIDENTIAL FORUM WELCOME RECEPTION AT PACE 2006

Little did we know that we would be faced with pirates and throwing beads and a 1/2 million crazy people celebrating “Gasparilla” in downtown Tampa to start PACE. To say the PACE convention got started with a “bang” is correct—actually a bang from a pirate cannon!! Pictured to the right: IS IT A PIRATE OR A PDCA MEMBER??

Above, Mark Lewis, second from left, converses with Forum members at a Welcome Reception sponsored by the Forum.

Nigel Costolloe visits with members wondering in and out of the Welcome Reception—checking schedules, seminars they planned to attend and generally happy to find each other in the crowds of PACE.

PDCA RESIDENTIAL FORUM SEMINAR
“SHARED WISDOM”

Mark Lewis, (left), Pete Wirtz, (left below) and Ken Anderson (below right) were the featured speakers for the Forum’s seminar at PACE. You had to be rugged to attend, this was the last seminar on the last day of the convention!! Even the bad timing couldn’t discourage the speakers from Sharing their wisdom or members from attending!
PDCA RESIDENTIAL FORUM
15564 Producer Lane
Huntington Beach, CA 92649
877-722-5050
Fax 714-890-5865

PDCA RESIDENTIAL FORUM
2005-2006 BOARD OF DIRECTORS

PRESIDENT
Mark Lewis, Pro Craft Painting &
Decorating Inc.
847-247-0101
Email mark@pccontracting.com

VICE PRESIDENT
John Hone, Hone Painting
& Restoration
973-403-1501
Email john@honerestoration.com

TREASURER
Michael O'Brien, PaintTek Quality
Painting, Inc.
732-968-4200
Email mobrien@painttek.com

SECRETARY
Nigel Costoloe, Catchlight, Inc
617-734-1696
Nigel@catchlightpainting.com

DIRECTOR
Ken Anderson, Anderson Famous
Painting
410-218-5643
Ken@famousptg.com

DIRECTOR
Eric Hernanz
Hernanz Painting
503-525-2955
eric@hernanzpainting.com

EXECUTIVE DIRECTOR
Barbara Bivens, Fanfare Events
& Association Management
877-722-5050
Email pdca@bivenssurfside.net
AST 7 REGISTRATION FORM  
For PDCA RESIDENTIAL FORUM  
July 21 & 22, 2006 at Snow King Lodge, Jackson Hole, Wy

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 REGISTRATION - First person from company

$299.00 REGISTRATION - Additional people from the same company

$65 per person for Friday Mountain Top BBQ - includes chair lift ticket and dinner.

EXTRA TICKETS - IF YOUR SPOUSE/FAMILY WOULD LIKE TO JOIN THE GROUP FOR BREAKFAST OR LUNCH

#____ $20 Friday or Saturday Full Breakfast Buffet

#____ $28 Friday or Saturday Lunch

TOTAL DUE

PAYMENT OPTIONS - fax to 714-890-5865 if paying by credit card

___ Visa/MC # ___________________________ Exp __/___

Authorized signature ____________________________

Check payable to PDCA Residential Forum & MAIL to 15564 Producer Lane, Huntington Beach, CA 92649.

Confirmations will be sent upon receipt of registration form and payment. Limited to 100 members - Non-Members are welcome if they join the PDCA Residential Forum at $95.00 per year. Please call 877-722-5050.
A CALL TO ALL CRAFTSMEN

Note from the PDCA Residential Forum: The PDCA Residential Forum Board of Directors has agreed to work with the Craftsman Forum on this important pursuit. Your participation will be appreciated.

The PDCA Craftsmanship Forum needs your help, knowledge, and some of your time.

We have embarked on a very noble and much needed crusade to rescue the painting industry from poor workmanship.

As open-shops, we tend to be small and under capitalized. One of the critical things we can’t afford is a formal training program for our painters. If we band together and pool our collective knowledge, we can develop a training system that will benefit all of us at a minimal cost.

At the Craftsmanship Forum, we have begun the enormous task of creating a complete set of Craftsmanship Operating Procedures for Residential Painting, or as we fondly refer to them - COPs. COPs are step by step instructions of how we want our painters to accomplish their daily work in the field. These COPs will break down the painting craft into its most basic tasks. Some examples of COPs are; Prepping a six panel door, Painting a six panel door, Prepping a window, Painting a window, Prepping a wall, and Painting a wall, etc.

If you would like to see a completed COP, go to our web site at www.pdcacraftsmanshipforum.com and click on SOPs on the top of the page. There you will find our COP Template, as well as a completed COP on Painting a 6-Panel Door with Waterborne Enamel. Feel free to use those tools in your company.

What we need now to complete this project are experienced painting contractors (and/or their star craftsmen) to join our COP development process. We have three levels of participation available at this time.

**Bronze Level: Participate via e-mail only**

This is the beginning level of commitment. We will add you to our e-mail list. You will receive a new COP on the first day of each month. You then are required to submit suggestions and modifications to us by the 15th of each month. At the end of the month, if we have received input from you that month, you will receive the final approved version of that month’s COP. So by contributing, you will have the COPs as soon as they are created at no cost to you, and you will be able to immediately start using them in your company. You can stay at this level permanently, though we hope after becoming familiar with our process, you will progress to the next level of participation.

**Silver Level: Participate via e-mail and monthly conference calls**

The next level of involvement requires you to join us on our monthly conference calls. We are looking for a core group of 12 people to be the final evaluators of the COPs. The conference calls are where we discuss the suggestions and modifications we’ve received via e-mail. This is where we deliberate and we create the final version
of the COP. We expect you to participate in at least 10 of the 12 conference calls each year to be recognized at this level of commitment.

**Gold Level: Participate via e-mail, monthly conference calls and author COPs**

This is our highest level of commitment available. To qualify for this level you need to participate in the first two levels, but also to commit to writing COPs and submit them to our committee for evaluation. In your first year of commitment, we expect you to create a minimum of 2 COPs, and the second year we will require a minimum of 4 COPs. However, keep in mind that as our stock of completed COPs grows, many items and tasks repeat from COP to COP and our job gets easier.

**PDCA Endorsement and Active Support**

It is important to point out that this Initiative has the total endorsement and support of National PDCA. Our National Association has recognized that, because of numerous market forces, Craftsmanship must move to the Center Stage in its effort to professionalize the painting industry. PDCA understands that if the industry does not step in to define what painting is, it will be done for us by other organizations, one being the "Big Box stores", which already are offering residential painting. If the industry does not act now, we are at risk of becoming irrelevant as an Association. As painting contractors, we would all suffer from an outcome such as this.

As they are developed, these COPs will be available for purchase by individual contractors. They will be downloadable and can be customized to the particular brand of craftsmanship each company delivers. COPs will be available individually or you may purchase them in segments. They will also be integrated into the PDCA's PACER Estimating System.

**Incentives and Recognition**

There is a nice ring to these words; isn’t there? By the time you read this, you may already have received an e-mail or letter from PDCA announcing their Incentive and Recognition Program. This new program is designed to encourage and reward involvement in our COP Initiative and other PDCA initiatives as well.

I hope you recognize that involvement in this Initiative is a great opportunity for you to pass along your hard won knowledge, and to influence the methods painting craftsmen will use for years to come. You can become a true "Guardian of our Trade". We know this may seem like an overwhelming task. However, this is a task that must be accomplished, for the good of all!

Being involved in this effort for four years now, we often find ourselves quoting an ancient Chinese proverb. It states that “even a journey of 1000 miles must still begin with the first few steps”. We have taken those first steps for you, and now we hope you can join us on our mission.

If you would like to help, you can contact us through our website at www.pdcacraftsmanshipforum.com or call our Craftsmanship Forum President, Mario Guertin at 847-612-5812 (cell) or e-mail him at Guertin49@aol.com.