PRESIDENT’S MESSAGE = PDCA = Big Value

PDCA has been hard at work reinventing itself. Many of your fellow painting contractors have devoted time and effort to make this association the best it can be. Making it better means making it a better value for all of us as members. The goal is to make PDCA such a big value that you couldn’t invest your hard earned dollars in anything else and get more in return.

There is so much that is new at PDCA, it is really amazing. New literature, new marketing materials, new software, new Accreditation opportunities, new standards, fabulous educational options, and so much more. PDCA is also taking a close look at the way it governs itself to make absolutely sure even that aspect of the association is providing the best value for the membership.

It’s an exciting time for PDCA. We’re blessed with some great volunteer leaders, a staff that couldn’t be better, and an industry that offers some outstanding possibilities. If you are a painting contractor, especially a residential contractor, you’re in the right place at the right time. PDCA and the Residential Forum will only enhance your experience in this business and will have a big impact on the industry as a whole!
Editor’s Letter

Welcome to the summer edition of the Rag, a newsletter written by painting contractors, for painting contractors.

In these pages lies a wealth of wisdom. It is remarkable, the honesty and forthright reflection that is contained here. Frank discussion of the challenges of growth, new awareness of the need to replace the underperforming 10% of employees, issues of self-worth and low self-esteem that affect our industry, new marketing tools that are creating sales and growth. Read and learn!

I tip my hat to the current contributors for their effort and investment. I hope you, dear reader, find in these pages inspiration and motivation to submit your own reflections.

This issue also begins a new feature, one we will call ‘A Conversation with...’. I am constantly impressed by the stories I hear of how a company or individual has grown in this industry, and so jumpstart this feature with a look at Joshua Abramson of A. Allbright Painting. I hope you enjoy it. Here’s to a profitable, healthy and happy summer!

Nigel Costolloe
Catchlight, Inc.
Nigel@catchlightpainting.com

A CONVERSATION WITH JOSHUA ABRAMSON, PRESIDENT OF A. ALLBRIGHT PAINTING, INC.

Q. Josh, how long have you been in business?
A. 18 years!

Q. When did you start to take your business seriously and when did it begin to ‘take off’?
A. Actually, probably just within the last 6 or 7 years. When I first began A. Allbright, I became disillusioned because I thought my business could only ever handle as much work as I could personally produce. When my wife Debbie and I decided to start a family, we knew we wanted her to be able to stay at home with the children, and I knew that we would have to replace her income when she did. I prayed for guidance and for help to be the family breadwinner. I had just started a new retail business and although it failed, I learned a lot about human resources and the hiring and firing of employees. Then in 1994 the Northridge earthquake created a huge demand for A. Allbright’s services and I felt ready to add employees to take advantage of the boom.

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
Q. What would you describe as the key to your success?
A. Definitely the influence of my industry peers and professional coaches. In the past I was happy to 'wing it' and take risks. Also, I was comfortable with working under pressure and felt confident stretching my abilities. This came from growing up without a father figure, I believe. I was forced into a grown-up role early on and learned to rely on myself.

Q. What did you do before A.Allbright?
A. Well after I dropped out of high school I worked as a gas station attendant and appliance repairman's assistant. Both jobs were part-time.

Q. What life experiences have shaped your business model and management style?
A. I always knew I had an entrepreneurial spirit. I was raised with very little family stability so I was used to change. So I enjoy challenges and realized early on I wanted to run my own business and not work for anyone else. At first, I enjoyed working without a structure, but now I appreciate the need for structure and accountability within a company. One of the inherent tensions I face being the boss is balancing the desire to create a positive and enjoyable place to work with the desire to not be too lenient or forgiving. If my expectations are met, I’m the nicest guy in the world. And though my fuse is long, when I’m pushed, I act decisively and quickly.

Q. What is the greatest challenge to your business?
A. Me! My leadership! I also need to delegate more to others, to rely on and respect the counsel of people I have hired to help A.Allbright grow and prosper. I find I begin to lose focus on the big picture when I am involved in the daily operation of the company. Finally, I need to improve the way I manage, motivate and hold accountable our field employees. I take leadership seriously. I want to be able to motivate and inspire those around me. I am currently reading a book that is helping me in this endeavor: Every Man, God's Man by Steve Arterburn.

Q. Where do you see your business in 10 years?
A. I would like the company to run without my daily involvement and influence. It should be sellable for a healthy and profitable amount by then; I would like to sell it for about $3 million. I would then begin to move into property development.

Q. Any advice for someone still struggling with a young business or the challenges of growth?
A. Get involved in peer groups! Hold yourself accountable; implement systems to handle growth before it arrives! Constantly hone your leadership skills!

Q. If you could start over again, would you do things differently?
A. Definitely. I would spend less time rushing the growth of my company and slow the whole process down a bit! I would make sure I had the systems in place first.

Q. All right, final question – what do you do for fun?
A. I really enjoy designing marketing materials for my company and others! But to relax and unwind, I enjoy spending time with my family.
I Can’t Find Good Employees! 
(What Kind of an Attitude is that?)

By Mark Clayton, Harbor Paint and Powerwash
harbor11@optonline.net

That’s right attitude, it’s all about attitude. You are what you think, you get what you expect, all that stuff. If you believe you can’t find good employees, you won’t. I offer a couple of strategies to help put it in perspective.

As business owners we have three things to contend with:

- **Our companies** - setting goals, planning, accounting etc.
- **Our customers** - sales and service
- **Our employees** - recruiting, selecting, training, and retaining

If you look at the model, the only thing holding up the company is customers and employees equally. We either have too many employees or too much work. Now, we all have a customer service and sales strategy, but how’s your employee service strategy? Do you have one? As owners, we hold sales and service as priority, and will bend over backwards to please our clients. Do you feel the same way about your employees? You should. What makes your good guys good? What do you want in an employee? Do you know?

**Company**

Customer

Employees

Write down what you want in an employee. Be specific on every detail. Attitude, character, experience, skills, ability to anticipate, work ethic, interests, outlook on life, goals, think of everything – do a Brain Dump! What does the perfect employee look like? Now realize that guy does not exist. But by identifying the most important qualities, you increase your chances of finding someone you can train and retain. It’s a numbers game. People will come and go and you may have to contact 50 guys to find the right one.

You know the deal, “hire slow, fire fast”, “hire attitude, train skill”. OK, you know that.

Now What?

**Scour The Earth!**

That’s right, scour the earth. Look everywhere and never stop. There are good people out there, Make the effort.

1. Put an ad in the paper, OK, that’s a start.
2. Put an ad on www.craigslist.com or www.monster.com, etc...
3. Make up a recruiting card and give it to everyone. We have been giving this card to our employees, friends, family, strangers, all of our clients and prospects and have had great feedback.
4. Send letters of introduction with cards to guidance counselors at the local high schools, and colleges.
5. Send similar letters to the local trade schools.
6. Hey, how about local embassies, community centers, churches, unemployment offices, citizen affairs office, etc.
I CAN’T FIND GOOD EMPLOYEES
Continued....

7. Employee bonuses for referring a candidate.
8. Let your local politicians know your hiring, they love to find people jobs.
9. Advertise your website and have a CAREERS section.

There are many other areas to get into. Think out of the box and try to have fun. Enjoy the road, because it’s a long one. Jack Welch reminds us that ‘great leaders never miss an opportunity to upgrade their team’. Use every encounter to tell your story and look for the next recruit. Remember, if you have the right attitude, they’re out there.

Now Go Get Em!

CRAFTSMAN FORUM
Reserve September 15-16 on your Calendar
On September 15-16, the Craftsmanship Forum will host its 5th Annual Craftsmanship Conference in Schaumburg, Illinois. At the Conference, four to six COPs (Craftsmanship Operating Procedures) will be developed and added to our inventory needed to do the work of painters in a room in someone’s house. By the time PACE comes along, the goal is to have completed most the COPs. During a portion of the Conference, Rich O’Neal, the Chair of the COP Committee will make a presentation on his company’s experience at using COPs as a training tool. Each conference participants will receive a set of the completed COPs to that point. The cost of the Conference is $275. Interested to learn more, call Mario Guertin at 847-612-5812 or go to the Forum’s website at www.pdcacraftsmanshipforum.com.

HOW TO BEAT A DEAD FISH!
Terry Miller, Tegrey Family of Coatings

Fact: Most good organizations are having problems recruiting new members.

We offer the very best education, benefits, ideas, networking available. We offer discount memberships. We give away free memberships. We constantly offer the fish a new big fat juice worm, coated with the best bait juice out there. Programs offering 90% deduction for workman’s comp. is a great bait. We certainly bit it when we became members. We ate every idea and incentive we could latch onto. We are getting fatter and enjoying our fresh new pond every year. Our feed is our daily readings, ideas, networking, new programs, old programs, Brother you name it we got it! Getting fat is not the problem. There is plenty of food for everyone.

Why the problem of getting new fish?

I honestly believe many are already dead. They couldn’t feed in our pond. They cannot find the right stream. They are in muddy water. They are the bottom suckers. We offer to take them into our fresh water but they cannot see past their noses. If they do make it they only last a year or two. I believe we really don’t want to invite them into our water. They contain parasites and sores that will never heal. They don’t carry insurance or pay taxes. They hurt their own employees. They will die in the contractor pool, with the other bottom feeders.

What should we do?

How about looking not for every fish, but healthy fish. If you caught an infected fish for dinner, would you eat it? A healthy fish will give us all life. They will help us grow. I certainly like to be in a pool of healthy fish. I feed from them as they do me. We all have something in common. We want to grow and prosper in our pool. I don’t think all sick fish will parish from the pond, but it will take a long time to make them healthy. Do we have that much time? If we look for a new employee we hire the very best we can afford. We buy the best equipment and supplies we can afford. That is what makes us grow. Would looking for the healthiest fish in the pond work? I don’t know, but it wouldn’t hurt. We have the best fishermen & women out there. Let’s all catch at least one good fish this year and bring them into our pond. Feed them, nurture them to grow and become fat cats. That will make our pond the best yet. I believe one good catch a day is better than ten bad catches.

Sharpen your hooks, bait it and let it go. Snag the best fish this year!
Get Focused, Get Organized and Get Peace of Mind

By Linnea Blair, Advisors On Target
www.AdvisorsOnTarget.com

As I speak with business owners, one of the issues that always comes up is time. Time to get all your work done, time to do big picture planning for your company, time to develop new systems or implement some of the great ideas you take away from meetings like Advanced Shop Talk, time to relax and enjoy life with your family. This is a common challenge that most of us struggle with to a greater or lesser degree, but sometimes you may feel like you are in overload mode for extended periods of time. When this happens, you may start noticing that you are dropping the ball on commitments to get back to people, forgetting things, spending too much time trying to find things in your office, or maybe even waking up in the middle of the night thinking of things you have to try not to forget to do the next day! Sound familiar?

A year or so ago, I read Julie Morgenstern’s book Organizing from the Inside Out. This is an excellent book and I was able to do a great job of organizing my office and even my home. It was wonderful! But as the months passed and I got busier and busier with all of my clients and projects for my business that it all somehow got out of hand again. Piles started forming on my desk, credenza, book shelf and filing cabinet...and finally (gasp!) even the floor. My email inbox was closing in on 1,000 items even though I had plenty of folders to sort them into.

This was just at the time when preparing for a client conference, I found just what I needed (and many of my clients too) - a simple system that I could quickly implement (and stick with!) to:
- Deal with incoming items whether they are verbal requests, paper, email, phone messages or ideas to act upon by quickly making one of 5 decisions: Discard, Delegate, Take Immediate Action, File for Follow Up, or Put in a Maintenance File
- Prioritize tasks more effectively by having all your task for the day in a folder so that you can quickly pull them out and prioritize at the beginning of the day
- Use focused blocks of time for larger projects
- Be able to spend more time on the big picture because you are being effective in the preceding 3 ways
- And have peace of mind that everything is being handled

If you have read the book “Blink!” you will understand that when I “stumbled upon” this system, I immediately knew it was just what I needed. The GO System developed by Chris Crouch is actually not a lot of new ideas, but a simple variation on the tickler file system, and some new ways of thinking about your approach to your time and work. Systems like this are out there in various iterations – you may have heard of 43 folders or Getting Things Done, by David Allen, which is an excellent book on the subject.

A great concept that I am recommending to my clients and using myself is the 96 minute rule from The GO System. Based upon the 80/20 Principle that you accomplish 80% of your best results in 20% of your time, 96 minutes is 20% of an 8 hour day. If you spend a focused 96 minutes (without interruption) on your most important project each day you will be miles ahead by the end of your week. Think about it. I challenge you to try it!
Using A PHONE SCRIPT TO AVOID GOING ON POINTLESS SALES CALLS

By: John Hone, Hone Painting and Restoration

A phone script is a sales tool but more importantly, it is a time protection tool. It is a system that, if applied well, should improve your close rate and maybe give you back some of that personal time that you may have been spending on “pointless sales calls”.

Definition of a pointless sales call:
A sales call where you have made the time commitment to drive to the appointment, the commitment to ½ to 1 hour with the “suspect” and the time to drive back only to find out sometime after you arrive that there is an impediment to doing business with this “suspect” and that had you asked more questions you would have never booked the appointment as it has become evident that you will not be able to do business with them.

Why phone scripts?
The system is about qualifying prospects and avoiding booking pointless appointments. No lead deserves an appointment simply because they are “interested” in what services you provide. “Interest” may be a disguise for price shopping or worse – expertise stealing without a sincere desire to buy from you. Prospective customers must “qualify” for an appointment.

The goal of the systems is for you and the prospect to decide that it is mutually beneficial for you to meet. This means that you will be turning some people down when they want you to come to see their work.

Some of the reasons people do not qualify for meetings:
• We can not service them in time.
• They are looking for a low cost painter.
• Their needs do not match our services.
• The project is too small or too large.
• We intuit a problem with the prospect’s personality.
• The person rents and does not own.
• They are fixing up a home on the cheap to sell.
• There are no problems to solve, hence our value is reduced.
• The work is out of our area.

Two disclaimers to the system:
You need to be marketing continuously to be able to have more leads than you need to have the strength to turn down estimate requests from non-qualifying suspects.

I had to transform myself from someone who went on every call out of a sense of “obligation”. This system will not work for you if you are a slave to that obligation like I used to be.

Questions
Using a phone script means asking questions, often many of them, with the goal of determining whether or not your prospect’s needs, quality standards and budget match your company’s services.

On a deeper level you are trying to match your company to the type of customer and project that allows your company to shine and create a win-win relationship with your customers.

Continued on page 8...
Questions, however, can feel like an interrogation and must be asked artfully, in an interview style, that keeps the focus on the customer and not on your needs. Of you make the questioning process feel like an interview you can then get them to do most of the talking which is when you begin to find out if this prospect may be a good customer match for you company.

The art of questioning:
- Ask and then get out of the way and listen. The goal at this point is to get them talking about their needs not for you to be touting the attributes of your company.
- Ask questions softly, in a friendly interview style. Be interested, not interesting and keep the focus on them.
- Well asked questions also establish you as an expert.
- Questions usually beget more questions. Keep digging until you find the reason to book or turn down the appointment.
- Your script should not be rigid, it is like jazz, notes on paper that are meant to be improvised depending on the prospect and the interview.

The questions themselves:
The first step is to ask for permission to ask questions. We ask for that and explain that we ask many questions so we can understand their goals for their project/house/paint job. This keeps that focus on them and sets the stage for harder questions that may come later. Once they accept that we will be asking questions they typically have bought into the process for the duration.

USING THE SCRIPT
THERE ARE FOUR SECTIONS TO THE SCRIPT:
- PERMISSION TO ASK QUESTIONS
- BASIC INFO LEAD SOURCE PHONE NUMBERS
- PROJECT INFO, PROBLEMS, NEEDS BUDGET AND MARKETPLACE
- QUESTIONS, NUMBER OF BIDS, CONTRACTOR INFORMATION

SECTION ONE – PERMISSION TO ASK QUESTIONS
Introduce yourself. Good manners set the tone. “Would you mind if I asked you a few questions so I can understand what you are looking to accomplish and to make sure that we are a fit for you?”

Three things are happening with this first question:
- You got permission to ask questions.
- You show that you are concerned about their needs.
- You do not look like you are out to sell them something.

SECTION TWO – LEAD SOURCE AND CUSTOMER INFORMATION
“How did they find out about your company?”

SECTION THREE – PROJECT INFORMATION, PROBLEMS, NEEDS
“Can you please describe the work you are looking to have done?”
- Here you are looking to make sure your services match their needs.
- Ask about the scope of the project.
- Ask about their quality goals.

CONTINUED PAGE 9...
After you select your contractor, when are you looking to have the work done? We ask this way because when we simply asked "when do you want the work done?" Some people get upset and think we were trying to schedule the work before giving the estimate. If their current deadline is one you can not meet try the following question.

Suppose you met us, find out we are what you are looking for in a contractor, assuming we are within your budget, would you be willing to wait? (would say that 20 – 30% of the time their deadline will change after the timing question is restated.)

SECTION FOUR – THE TOUGHER QUESTIONS – BUDGETS, MARKETPLACE QUESTIONS, NUMBER OF BIDS

CONTRACTOR INFORMATION

“How many bids will you be getting?”
If they are getting more than three, we counter with “In our experience when people are getting more than 3 leads it is usually for one of the following reasons: They are having trouble finding a qualified contractor. They are shopping for the lowest price or something else = where do you see yourself?”

“Have you ever hired a professional painting contractor before?”
• If no – we ask “have you prepared for the cost?” which opens the budget decision
• If yes – we would ask “would you use them again?”
• If no – gently ask why
• If yes – gently ask since they are seeking other quotes, what are they hoping to improve over their last experience.

Money questions are the toughest of all. Do you have a budget you are working with? We often do not get a budget number from our prospects over the phone. We do however get into a conversation about where in the market they are looking to buy – cheap, quality, craftsmanship? And with that answer we let them know that we are not the most expensive but that we are in the upper third and ask them if that is where they expect to spend. We also ask questions concerning quality and value and price to understand where they are regarding price versus quality. The usual result is that they will see us affordable or not affordable and make the decision themselves as to whether or not to ask us over for a meeting.

HOW TO POLITELY TURN DOWN A REQUEST

Most often, by keeping the focus on the prospect, the prospect usually figures out on their own that we are not a match. In the rare case that we have to insist that we will not come out, we would restate all the reasons that we are not a fit for them and politely decline the appointment.

NUANCES IN APPLYING THE SYSTEM

When repeat customers call, we typically go but we will ask the timing question to make sure we can service the work.

When referral customers call we ask the source, timing and project questions but are highly likely to go on the call for two reasons – we have a higher close rate on referrals and we look at this as a way to thank the customer for the referral.

Added questions for non-referral sources: Yellow pages and non referral sources (Some of our best customers come to us from the Yellow Pages.) What the Yellow Pages does not offer is word of mouth information. If you asked our customers about us they would tell you that we offer high quality, are detail oriented, are fully insured and deliver what we promise.

CONTINUED ON PAGE 12...
Sponsored by the PDCA Residential Forum at the Snow King Lodge, Jackson Hole, WY

If you could walk away from this event with information and forms on just one of these topics from AST to make you business better, would you attend? We think so! AST 7 is fresher, on the cutting edge and in a great locations. Check out our website at www.pdcaresidentialforum.org or call the Residential

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THANK YOU TO OUR SPONSORS!
PLEASE GIVE THEM YOUR BUSINESS

The PDCA Residential Forum thanks ICI Paints as the exclusive paint and coating manufacturer sponsor for AST for both days of the event, Wooster Brush as sponsor on Friday with ICI and Advisors On Target for Friday's morning and afternoon refreshment breaks.

HOW DO I REGISTER???
I CAN'T AFFORD TO MISS THIS CONFERENCE!

1. Call the Office toll free at 877-722-5050 and we will email, fax, carrier pigeon or read out loud the registration information!!
2. Email the office at pdca@bivenssurfside.net and we will email you back all the info and the registration form. All registrants will get a confirmation and more information!!
3. Go online to our website at www.pdcaresidentialforum.org
   Go online to PDCA website at www.pdca.org and you will find out link

THE QUESTIONS EVERYONE ASKS?

Why in July when we are so busy? A successful business can run without the boss for two or three days while the owner attends a conference that will guarantee that his business will be more and more successful by his participation (not to mention maybe some vacation!) Originally July was the only month we could find that did not conflict with National and Council conventions. Who else would be crazy enough to do it in July?

Why Jackson Hole Wyoming? First, the membership survey came back with the majority of members wanting to go to a vacation destination versus a city atmosphere. AST 6 was in downtown Seattle, AST 5 was in Philadelphia. Mid America got a heads up on the survey. So Jackson Hole was the only reasonable place in Mid America that is cool enough in July (6,000 ft above sea level)! Close by is the Grand Tetons and Yellowstone National Parks, an Elk Reserve and plenty of fishing, boating, whitewater and hiking!!

All jokes aside – why else would 100 contractors go to AST every year for the last seven years?

Note: If you have not already reserved for your hotel and airfare, you are still in luck. There are a few rooms available at Snow King, but there are additional hotels within walking or free tram distance. Also, a tip for saving on airfare – check out flying into Idaho Falls, ID and renting a car for a hour and a half drive to Jackson Hole, WY. Call the office for more details 877-722-5050 and we will help get there!!!
PHONE SCRIPT....continued

Does that description match what you are looking for in a painting contractor regarding quality and cost?
You can be more assertive with cheap customers – Some of the people who are finding us in the Yellow Pages are looking for a company like ours and some are shopping for the best price. Where would you see yourself?

BUILD YOUR SCRIPT
Before you write your phone script, I would advise that you create an ideal customer profile in terms of services needs, location, income, type of project, personality, etc. This will help you and your staff understand just what questions to ask so that your team can recognize a good customer match.

• Create a prospect profile.
• Who are your customers – demographic information, married, what income level?
• What price range are the homes you work in?
• What types of painting and/or construction needs drive your business?
• What geographical area do you service?
• What is your realistic lead time?
• How small of a project will you take?
• Who do you NOT want to work for?

Create your questions.
You can start with ours, but tailor it to your style and business.
Create your own “knock out list” – who you won’t work for, what jobs you won’t take, etc.
Practice in low threat situations – you can be more assertive on leads that you are not afraid to lose.

SUMMARY
This is a time protection and sales system. It revolves around questions asked artfully and gently. It is an interview – not an interrogation. Market so you have enough leads to turn some down. You are not obligated to go on a sales call. All leads are “suspects” until they earn the title “prospect”. Hold out for the sales calls that are in both you and your prospects best interest. It’s your time so protect it and maximize your sales efficiency.

PACE 2007 * DALLAS, TX
FEBRUARY 11–14, 2007 * Dallas Convention Center
The PDCA Residential Forum has requested a seminar for Shared Wisdom.

The next step, very quickly, is to develop topics and speakers.
If you are planning to attend PACE 2007 and have a presentation that you would like to give with fellow Residential Forum members, please contact the office immediately—877-722-5050
On the very last business day of 2005, Nolan Painting hit the 5 million (annual sales) mark, and left Death Valley. Yes!

We had a bitter sweet celebration on the evening of December 30, 2005. Everyone was invited; well not everyone. Some decided not to stay with us on the journey. Others were let go. It would be overly dramatic to say we almost didn’t make it. It’s just that the changes we have had to make in the last year were far more difficult and dramatic than I ever thought they would have to be. As far as I could tell, we entered a “Death Valley” in 2002, when we hit the 3 million dollar mark.

Death Valley is the opposite of a plateau. It’s when you fundamentally have changed the costs of doing business and you need to grow out of it, or shrink back. You can’t stay in Death Valley.

I have experienced other Death Valleys. Just after Nolan Painting hit the 1 million mark we needed to hire a sales person, and we had to hurry up and grow to the next level. We did, and we became very profitable again at 2 million. That took only a year.

The 3-5 million climb took 3 years and I had thought we were doing okay. We built systems and hired terrific staff. We trained field personal. We won awards. We sought out new markets and expanded the services we offered. We paid everyone well and provided great benefits. We were a great place to work - ranked # 2 in the state in 2004.

I was even being paid well as a CEO, maybe too well. (The average salary and compensation of the president of a corporation up to $5 million in annual sales is $110,000 annually, according to the Institute of Management and Administration) The only problem was that we struggled with profitability. Nolan painting wasn’t unprofitable we just weren’t profitable enough. “Thin margins” I believe is the term.

In Early June of 2005 we were in the middle of our third year in this valley. Our winter losses were not going away so fast this year. Two weeks worth of bad weather in May had kept our revenues down. I was very concerned. All the current budget numbers were going to show a $100,000 loss! Action needed to be taken! But what should I do? Everything!

Thus started a paradigm shift in my thinking, that continues one year later. I stepped into the role of a turn around specialist. I slashed expenses and drove productivity. I fired a senior manager, a family man whose only fault was that he was a mediocre middle manager and overpaid and therefore he was expendable. I also let go a new salesperson, who had just started earlier in the year and showed a lot of promise. I moved the entire company’s clock forward. I decided that instead of 8:00 AM job starts, we would start at 7:00 AM. Instead of 7:00 AM crew leader meetings, it would now be 6:00 AM.

We changed our training program: now sessions are held a 7:00 am, instead of pulling people out of the field for a 4:00 PM session. We also have driven training out into the field with weekly tailgate topics.

We chose one paint company to be our sole supplier. I told the rest to go away. We negotiated an eighteen month contract around services levels, deliveries, and locked in prices.

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I asked everyone in the company to work “four tens and an eight” or a minimum 48 hour a week during a very hot stretch in mid summer to make hay while the sun shines and we have the work.

We got very tough with our insurance renewal and saved $80,000. (our experience rating is excellent). We also raised deductibles.

Every item was looked at: gas, phone usage, travel time. Employees were told to bring their lunch, stay out of paint stores and stay on the job. I pulled up our two best crew leaders and turned them into supervisors. Then, I drove them hard, to get results with the crew leaders they managed.

I gave the sales department tough quotas and said we have to hit them. We set up systems to scrutinize estimates and to make sure production rates are followed by the estimators (I am an estimator and I have had to make big changes to my approach as well). We did the same thing out in the field. We check to make sure production rates are being meet or beaten.

We became more selective in our services and the jobs we selected. We pulled out of our Maryland expansion, in favor of more contiguous geographic boundary expansion. We could not support any unprofitable ventures.

I pushed everyone to perform at a higher level. I became Attila the Hun. I have since read a book on Attila and I have learned that he was a very effective leader. He could be ruthless and generous. His armies brought down a tyrannical Roman Empire. While I haven’t literally beheaded anybody, some people quit and some were fired. I stepped into the role of hardnosed CEO and I think I am a better leader for it. I am no longer just the owner. I now have my marching orders. I said to myself, get this company profitable or you are fired.

In late November the Best Places to work results were in for 2005. We come in at number 5, not too shabby considering all the turmoil.

Now it is a year later from when this all started. The results have been outstanding. We have produced 20% more volume year to date and yet we have been able to cut our expenses. Our labor and materials numbers are actually lower than last year in spite of the increase in revenue. There is talk of profit sharing. We have a lot of young people here. We have formed a Junior Management Team that is helping us. The various other committees and our Advisory Board are working hard to get us more productive and efficient while keeping this a great place to work. We have recruited some great people. There is a renewed sense of enthusiasm. We will be very profitable this year. Profit is a very good thing. I will keep my job and I believe I am earning my salary.

We have grown out of Death Valley. All the changes we had to make have been worth it. This year we’ll skip the party and quietly pass the 5 million dollar mark. We’ll celebrate profitability as organization with a focused team of employees.

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THE OTHER SIDE OF THE VALLEY

What to do when your company is in a Death Valley:
• Redo your budget; know what best case and worst case scenarios look like.
• Explain in detail the situation to all stakeholders, vendors, employees, spouses etc., people will stand behind you.
• Take responsibility, learn from your mistakes,
• Have no sacred cows.
• Assemble an advisory board
• Don’t be afraid to over react, It’s better than the alternative
• Work your butt off

PDCA RESIDENTIAL FORUM APPLICATION

Please fill out all 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 PACE 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
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Questions??? Call 714-372-3837 or toll free 877-722-5050 or email topdca@bivenssurfside.net

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To: PDCA, 15564 Producer Lane, Huntington Beach, CA 92649.
ARE YOU JUST A PAINTER?

By Joel Hamberg
President, Joel Hamberg Painting, Inc.

When asked your profession or what you do for work, do you reply, "Oh, I'm just a painter"? At times, are you embarrassed of your profession?

Are you hesitant to identify yourself as a craftsman?

What could be the underlying reason? Does a painter have a diminished role in the building trades organizations? Do you feel that your work on homes, businesses or other facilities should be secondary to more high profile trades?

What can help raise the bar, enhancing your self-image and your company's reputation? We will examine four areas that can be improved to overcome stumbling blocks to advancement and self-image:

1) Dress & grooming
2) Impression your vehicle conveys
3) Businesslike communication
4) Confidence & determination

Dress and grooming

Ask your clients about the appearance of your employees, and openly accept suggestions where your company can improve. When in a paint store, observe the dress and grooming of other painters. How does your company measure up?

If you dress sloppy, how will that reflect on your craftsman image? Put on clean whites, shirts, and presentable shoes. Never wear old, torn or grimy pants, shirts or hats. You as an owner set the standard in presenting a professional clean appearance and aroma.

Now that you've improved your image, educate your employees about clothing and hygiene, if needed. Require them to arrive shaved and smelling fresh. Have you considered the impact to a client when an employee changes job sites from a muddy exterior to a polished interior, without changing into clean whites?

Provide pants, shirts and hats for employees, even an extra pair. Shoe covers, for example, cost just pennies. "What!" You say? "It's too expensive to provide employee's clothing!" Consider what your budget is for advertising, such as business cards, signage, mailings and phone book ads. If you can spend hundreds (if not thousands) of dollars on marketing, you can and should provide attire that will reflect your company's improved image!

Think of the gratifying reaction when your company arrives clean and professional to your job site. Feel proud as a business owner to wear your logo on your company shirt with clean pants and acceptable shoes. People notice!

Impression your vehicle gives

Is your work vehicle an old rusty beater? Is your dashboard cluttered, overflowing with receipts, color charts, fan decks, or your half eaten lunch from last week? Does your van or truck have paint running out the doors?

What type of impression do you think this makes on people who are meeting you or your company for the first time? If you have never worked for them before, they don't know the type of high quality work you are capable of. They could base their hiring decision by what they see. Take a look at your competitor's vehicles. Probably 70% look like they are headed to the junkyard to be put out of their misery. Don't you make judgments on how well your competitors are doing by how their trucks look? Your customers think the same way as you do!

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ARE YOU JUST A PAINTER.....

Of course you’re busy, but how long does it really take to clean up and organize your vehicle? It would probably take an hour or two, and once it’s clean it will only take an extra few minutes a day to keep it looking good. Also, how much does it cost to run your vehicle through the car wash? You spend more when you go out to lunch. Next time you are driving up to a prospective client’s property for your initial meeting, remember that you are making a lasting impression. A sparkling clean, well-maintained and attractive vehicle shows your client the care and attention that you will focus on their property. Set yourself apart from the rest. Be the standard! Your clients and your competitors will look up to you.

Businesslike communication

Consider how you are seen as a communicator. Do you listen carefully? Do you blurt out comments impulsively? Do you swear or use vulgar speech for emphasis? Are you overly familiar? Are you always right? Perhaps you have to have the last say? Each of these traits could hinder communication.

In contrast, build communication by listening, using good eye contact. Weigh what you’ve heard, and then speak. If you do this, you will put others at ease, and open the door for them to openly express their concerns and needs. Summarize verbally what the client told you to clear up possible misunderstanding.

All verbal agreements should be put into written form. This is a form of communication that smooths out potential disagreements. Decisions based on assumptions from verbal communication lead to trouble. Take specific notes, use change order forms and follow up with signed agreements to avoid the pitfall of imperfect memories.

Some tradesmen consider swearing and vulgar speech an ordinary part of communicating. It is inappropriate in today’s business environment. Why open the doors to possible legal action, from using abrasive and defamatory language?

Find colorful expressions that aren’t off color. Using high quality speech dignifies the client and shows class.

If your client doesn’t say much, ask questions to discover their unspoken concerns. Some issues, such as preparation, job sequencing, choices dealing with paint technology, and why paint fails may be questions they don’t know how to ask. Every profession has a special vocabulary; learn to explain painters’ terms. Educate your clients about what to expect from a professional craftsman.

Build professional, friendly relationships with mutual respect and understanding. If you see a need for improvement in your communication style, look within PDCA for advice. At Chapter meetings and functions, there are many opportunities to express yourself. Get involved in group discussions and public speaking to enhance your communication skills.

Confidence & Determination

Linked closely to being professional is being confident. Your years of experience, training and learning from mistakes can really put you above the competition. How you use what you learn and display the results of them will determine your level of confidence.

However, don’t mistake overconfidence for self-assurance. If you think you can paint a waste treatment plant, while your real expertise is in residential faux work, you have a lot to learn. That can contribute to the deflated, self-defeating attitude that you are only “just a painter.” Failure can be written on your face when you are too proud or stubborn to just say “no”, or “I don’t know.”

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CLICK, CLICK, CLICK AND THEY DON'T STOP
By David Chism

If building a professional web site that causes users to keep coming back is a priority to you, check out a fantastic read entitled, “Don’t Make Me Think” by Steve Krug. It’s a useful resource full of tips on how to design and market a website that not only looks good but makes the person browsing your website want to stick around. A user-friendly website is obtained by building a site that does not make the prospect expend too much brain power trying to figure out how to use it. How many times have you been to a website and wondered what text was a “live” link or just text? Or have you ever been distracted on a home page wondering where to start? Some sites are simply not worth the trouble it takes to navigate them.

Your website should be built with the prospective client in mind. It should be easy to navigate and communicate the fundamental details. Some achieve this by limiting the text on their main pages allowing for quick viewing. People do not typically read more than a few sentences on a page. They often hurry through a site clicking on page after page without pausing to read much substance. They do not want to go to your Services Page and find something like, “We use 100% horse hair paint brushes to apply top of the line alkyd paint to fine woodwork, and we use only the best vinyl-back drop cloths to cover the floors, furnishing…” However, they may stop and read a bullet point such as, “Oil Base Finishing Experts” or “Protection of Your Property.” People glance across the pages looking for something that catches their eye. It is in those vital few seconds that you capture or lose your audience. If you do want to include all about your horse hair paint brushes, create a link on the short text “Oil Base Finishing Experts” that they can click and read to their heart’s content.

Although having less text and more headers and sub headers is important on the main pages, it is wise to have a vast amount of text on a website, in the right places. Including articles of any sort, starting a company blog, or having a link page to different sites can help make your website easier to find and increase your rankings on search engines. Search engines utilize something called a “spider” or “webcrawler” which essentially crawls over a website in search of keywords. Thus, the more appropriately displayed content on your site, the better your rankings and your consumer success rate.

A good website does not have to be costly. Whether you have a website or plan to start one soon, think about how you can make yours the best in your area—one that will cause people to stop their mindless clicking and read what you have to say.
OUTSOURCING BUSINESS BASICS
By Mick Chism, Chism Painting

Most of us are small but growing companies. We are accustomed to doing it all. The idea of paying someone to do what we CAN do ourselves just goes against the grain. Does it not bother you sometimes to write a check to an auto mechanic to change the oil on your vehicles when you know how easy it is and you can do it just as well if not better than they can! Yes, but who wants to do it?!! That is one check I am all too HAPPY to write! That leads me to ask how many other tasks are there out there that we could delegate to others for a cost effective fee that would not only free up significant time but also give us superior results? What follows are some services that we are utilizing to good success in our business, (the auto mechanic not with standing!). What are some things that you could add to the list?

Accounting Services: One very important area is accounting. While the advent of specialty accounting software, (QuickBooks) has made it much simpler and less expensive to do basic bookkeeping in house we have still found the need for consistent oversight of a true accounting professional. We located a small bookkeeping/tax service professional possessing a strong accounting background. Our accountant comes in once a week to cover areas including reconciling our bank statements, preparing our financial statements, maintaining our budget spreadsheets and interfacing with our consultant when required. The expediency of these services is recovered many times over as we are able to maintain current information affording us with the knowledge necessary to make good management decisions for a cost of less than $500 per month.

Business Education and Development: As we started to actually make more money, we realized our many shortcomings in the areas of business management. We decided that what we needed was a Business Consultant. So we plunged in with a vengeance. We spent a lot of money, some of it not as carefully as we care to admit. However, each different experience contributed to our knowledge and helped refine our vision and goals, giving us new insights into managing our business. Finally, we settled into a consistent groove with On Target and Nolan Consulting. We continue to budget a significant amount to keep our knowledge sharp and growing. These implementations have proven invaluable as we continue to meet our growth trajectory and make new goals each year.

Information Systems: As we began to grow we started adding more and more computers until we found ourselves with our own small network. Our estimator can do estimates in the field on a Tablet Computer. We have a web presence and use a Web Design firm to build, host and maintain our site. This necessitates regular computer maintenance, repairs and upgrades. Our network definitely outgrew my abilities and I found I had to call on professionals. We located a small company that has several technicians on staff which provides the computer service we require. We now pre-pay for the service in 10 hour blocks to obtain better rates. When we have a problem we simply call them. When they cannot walk us through a problem over the phone, they can usually dispatch someone that day to get us up and running again. Technical service costs a few bucks but the time and aggravation saved is well worth the cost.

There are certainly other categories of outsourcing services that would help make a good business more productive and efficient. These are the big ones that we have found to be well worth the cost.
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