

Ductwork Retrofitting - An Excellent Economic Opportunity - Don't Miss IT!

"More than 80% of the duct systems in residential and light commercial applications 'do not' work as designed." Do your service agreements include the duct system? If not, this is an important & significant business opportunity that you are missing!

Your best access into the duct renovation market is to include the duct system in your service agreements. What this includes is having the service tech measure static pressure on each service visit. Remember, this takes five minutes or less. If pressures are very high, or very low, send out a tech competent salesperson with a flow-hood and a manometer to identify the problem, and propose a bid to do the necessary ductwork fix.

One reason we have service agreements is to gain additional income from repairs, "so start repairing the real problem with the system," and not just the equipment. In most areas of the country there is very little competition for quality duct renovation and air balancing.

Prescribing HVAC repairs without competition from other contractors in a way that will greatly improve performance and efficiency will delight your customers - that's our definition of opportunity.

Measuring Static Pressure is a sure Thing

Would you consider doing something that takes less than five minutes to do that could generate, oh, let us say, more than \$90,000 in revenue? Read on and see how measuring static pressure on every service call could conservatively earn you \$98,000 in new revenue this next year.

If you had three service techs doing three calls each that would total nine service calls per day. In a week's worth of service calls (45), **if only 25% had high static pressure**, (a safe bet), you would have a potential for 11 diagnostics a week. **Of the 11 potential diagnostics, if only 3 of these customers bought one and only one of those customers agreed to a duct renovation you'd be on your way to \$98,000 of new revenue this year.**

Three diagnostic tests and one duct renovation job a week! That's all it takes. Let's review the numbers:

3 - Service techs.

3 - Calls per day.

45 - Service calls per week, measuring static pressure on every one of them.

3 - Diagnostics per week. (\$395 for the diagnostic).

1 - Duct renovation job per week. (average \$1,275 for each one).

40 - Weeks of service calls.

Results:

40 weeks x 3 diagnostics a week x \$ 395 per diagnostic = \$47,400

40 weeks x one duct renovation a week x \$1,275 avg. renovation price = \$51,000

Total new revenue: \$98,400

The number of technicians, service calls, diagnostics sell price and average duct renovation price **used in this example are conservative.** Use the formulas in this example and estimate the potential for your company.

What else do you have at your fingertips that will bring in \$98,000 or more in new revenue this year? By the way, you should be able to perform the diagnostic and duct renovation work at a gross margin of at least 70%. Even if you're overhead is a whopping 40%, that drops about \$30,000 to the bottom line. How are the plans for the new boat coming along?