



The H.A.S. Breather!

Welcome to Richmond's H.A.S. Breather Magazine. Every other month we bring facts to your attention and how those facts can be used to improve your health, lower your energy consumption, and extend the life of your HVAC systems. Our magazine is not designed to give you information you already know! It's our way of helping you interpret the facts on your way to an optimal HVAC ownership.

It's Not The Gas, It's The Car!

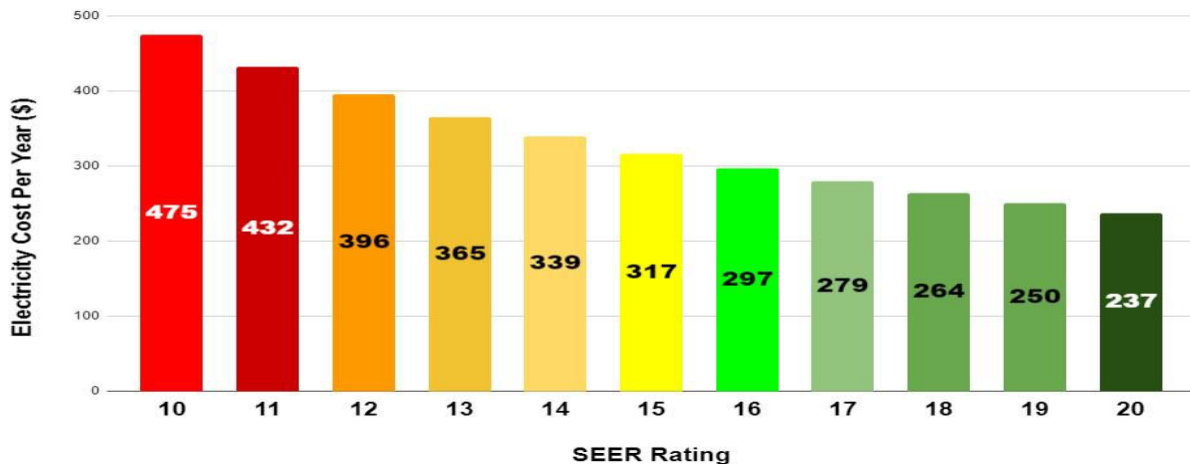
Finding analogies for HVAC equipment is a lot harder than you'd think. There is no electromechanical device in the home that runs as frequently. There's also no electromechanical device that makes heat and cold, is run by changing the state of a refrigerant, must have a water drain even though we don't put water in it, and an air filter! I'm not trying to make your head hurt, lol, I'm going to make it easier to understand why your utility bills keep going up even though Dominion has not had a rate increase since 2020!!



We've all seen one of these before. If you had a 12 gallon tank and you filled it to the brim and after just 200 miles on I-95 you are so close to empty that you go fill up again, what would you do? I'm open, let's blame the gas. You go to a different service station, gas up again, and 200 miles later you are on empty again. What's the next step?

HVAC is so off the grid that people seldom blame their HVAC appliances for higher energy bills. There's more going on in the HVAC industry this year than in the previous 16! The SEER used to be 10. Jan 1st it became 15 or 14.3 SEER 2! To understand, look at this chart...

SEER Rating Chart



The difference is a staggering \$158.00!! What was optimal is now a minimum requirement. Dominion says the average utility bill is \$140.00. In 2026 that average bill will go to \$148.41. In 2027 they will add \$2.00 per month so that by January of 2028 there will have been a total increase of \$32.41 per month. Time for some math. \$158.00 is 33% of \$475.00. Using the communicable laws of multiplication, that means that if Dominion's numbers are based on a 10 seer system, we can multiply \$148.41 by 67% to see what our bill will be when we use a 15 SEER appliance. That means if we change from 10 SEER to 15 SEER, our bill will be just \$99.43. That's a profit of \$48.98 each month towards your next new machine or your old one's repair. If you got a new machine today, you'd have \$6,000.00 saved by the time your parts warranty is gone! The person who keeps the machine they have today will lose \$6,000.00 in 10 years without ever needing a repair!!



Meanwhile... we've gotten to the mechanic and the 3rd degree has begun... Sir your oil change is really overdue! When was the last time you checked the tire pressure, the hydraulic fluid, the air filter, the fuel filter, had a tune up? Me, I just say, "It's my spouses car, I don't know." The mechanic will give me that look and tell me they'll find out what is going on. The verdict, I'm in desperate need of a tune up and some maintenance.

Just like every vehicle should be in this picture at least once a year, every HVAC should be in the picture below at least once a year



YES!! HVAC's last the longest with regular annual tune ups too! Complete diagnostic, complete systems operation check, condenser coil cleaning, evaporator coil cleaning, refrigerant check, compressor check, temperature checks, replace filters, and drain line clearing.

It's Not The Power Company, It's The HVAC!!

In Summary:

It would require a more than 20% loss in efficiency for that car to really get noticed, especially if you don't do much highway driving. It takes the same amount to notice that your HVAC is running too much or too infrequently! 200 divided by 11 is 18 MPG! A SEER 10 at a 20% loss in efficiency is a hard working SEER 7-8. Why do mechanicals have to fail to get some attention? The owners of cars and HVAC's are so desensitized to performance that they settle for things running when their purpose is to work!! When

they're working, the owner benefits, when they're it's just running, the losses are inevitable, tangible, intangible, and unrecoverable! The more you know...right?

TAG, Peek-A-Boo, and Hide N Seek?



Read, write, reflect, adjust, try, and repeat. Easy right? Not a chance! Being the MSP (maintenance, service, and promotions coordinator) is a crazy gig! It's easy to get started, challenging to grow, and impossible to finish. It's a never ending campaign to make customers and employees happy, loyal, and well rewarded! Today's communications are a lot less personal than the phone calls and mail that used to be the primary sources of new business. On the prospect side of the business, I get 3 types of communication. I've named them the tag, peek a boo, and hide n seek.

My favorite is of course, "Tag"! You inquire, we call you back, you're returning our calls, and we are working together to see if or how much we should work together etc. This group is usually existing customers, referrals, realtors, flippers, commercial projects, and people or places whose systems have failed or are not operating properly!

The next is the, "peek a boo". The peek a boo's are usually people that have more than 1 system, are just poking around, or they are disorganized. They can't remember who they called, where they submitted their information, and or haven't communicated with their spouse about their intent to improve their HVAC situation. It was so funny... We are a service provider with "ANGI". We received an inquiry about replacing a HVAC. I called the number 10 minutes after I received the notice. The husband apologized

because another company that his wife had called and purchased from had just arrived to replace their unit.



Peek a boos are also people that want additions, mini splits, Boiler/ Furnace conversions, central HVAC conversions, upgrades, etc and between the time they inquired and us talking to them, their spouse or some other expense has made them need to delay. They don't realize that once they've called us, if we don't call them back until we find out what they wanted we have to be concerned about getting those types of complaints too. "I called them, but they never called me back" is a complaint all of us have heard or read about. We call, get no answer, leave a voicemail, and leave a text. Some call or text back. Some never do. We're too old fashioned for that foolishness. We'll call a prospect up to 5 times each time they call us. After that they just get the bimonthly newsletter reminder text. For us at H.A.S. There is no fine line between due diligence and harassment, it's a double yellow. If you can't return calls and you are ignoring voicemails and text, We put you in the next category.



Hide n seek... the worst part of the job. Usually, they only have a 1st or last name, voicemail has no message, the mailbox has not been set up yet, the mailbox is full, it goes right to voicemail, they have a zip code for an address, there are no project details, and they have contacted us through the internet. There are enough red flags there to create a sail! These get 5 and done too but unfortunately take up a lot of time. From an efficiency point they add up! 45 seconds for 4 rings, a 45 second wait for their recording and leave a voice mail, 30 seconds to copy and paste a text message, and 1 minute to update the CRM. That's 15 prospects an hour if we work uninterrupted and speak to no one. Longer if anyone answers! The problem is not with the number of

prospects, it's with the number of tags! Is there anyone out there that thinks it's a good idea to spend more than 20 minutes chasing a prospect when they've asked for help, but never answer their phone, won't return calls, voicemails, or texts. Other companies will call 100's even thousands of these hide n seek and peek a boos every day until they get a result. I interviewed a person that said the company they worked at had a team of people that called everyone for 90 days straight before giving up. Just 100 of those is 2,000 minutes. That's 34 hours times \$15.00-\$25.00 an hour is \$510.00 to \$850.00 per 100 rude prospects. 1,000 would be \$5,100.00- \$8,500.00!! No, No, No, No, No! This is a business. Cold Calling is easier! With that it's tag or nothing! lol When they don't answer, we'd move on.

In Summary:

At a very young age an old man told me these categories. He said, "Never forget that the customer pays for everything, not the prospects. On and off the job, invest your time, money, and effort exclusively with people that play tag. Sooner or later you'll know what it's really like to be, "it"! That was in 1992!!

Every business has a duty to continually look for ways to offer superior products and services to customers at a price that is below fair market value. It's then up to the company to decide how far above or below fair market value their price or equipment packages will be to reach their goals. Our path is to give features and equipment no one else even mentions while keeping our price at or below what everyone is charging for systems without those features or equipment. Ask anyone in the HVAC industry how much do they charge for a Catalytic Oxidizer!! When you are ready, please play tag with us!

Gimme A Sign!



That's not a sign silly, that's a truck!



These are the signs I'm talking about. What's the difference? One says the company is doing good, the other says the customer is doing good. Look around the next time you are walking or driving through a neighborhood. The window, siding, roof, door, and security companies are all still putting their yard signs out. Why has HVAC stopped?

Ask google why companies use yard signs. Then, ask google why a company would not use yard signs. The one that got me was, "Low-Cost Perception!" It says, "Poorly designed or basic yard signs can give the impression that a business is not reputable, lacks insurance, or only caters to low cost jobs, discouraging quality customers". That's just ridiculous!! When customers aren't happy they take down your sign. When they are happy, they put it back where it was after mowing!! Champion, Sears, Owens Corning, Anderson, Terminix, and just about every other successful home improvement company would have a fit if there were no yard signs being placed at their jobs!!

There are a few reasons I've seen in the last 35 years that explain why some companies don't put out yard signs;

Poor workmanship/customer service. The customer is having the type of experience that does not deserve positive publicity.

A, “What the market will bear” pricing ideology. This simply stated means that there is no like price for like work! 2 identical jobs can be contracted for substantially above or substantially below fair market value.



Post sign marketing. The facts. A person can pass a background check to sell, service, repair, and install HVAC, and fail the background check to solicit the sales, service, repair, and install of HVAC! The most effective home improvement sign advertising inarguably must be accompanied by canvassing. The flyers must be delivered to neighboring homeowners whether there is an opportunity to speak with them or not!

Last I checked, solicitors permits can be denied for DUI's, Domestic Violence, Stalking, Felony Child Support, misdemeanors or felonies of Moral Turpitude, etc. Some denials are based on arrests, not convictions. In some areas canvassing without a permit is a category 1 misdemeanor with a \$60.00 fine for each offence. 100 flyers, 100 counts and a \$6,000.00 fine. Canvassers with no visible badges, company logos, or references to yard sign should be considered suspect. Where permits are required, canvassers should display them at all times. Canvassers also required to obey, “no trespassing” and, “no soliciting” signs.



The company doesn't have the time, money, skill or patience. What AI does not mention is that customers are often compensated for displaying yard signs. Weak

locations in cul-de-sacs or off roads earn as little as 2%. Signs that have high driver and walker visibility or that will represent multiple signs in an area can be worth up to 4% or 5%. The conscientiousness required to track signs, discounts, wages, bonuses, canvassers and telemarketers, requires skill, experience, training, and personnel. Sign advertising requires more time, effort, patience, and customer service skills but it's costs are way less than media!

In Summary:

Signs say a lot about what a company is about and the types of relationships they are planning to have with their customers, in their customer's community, and with the customer's referrals.

Signs should be put out for every tune up, repair, and replacement. When H.A.S. follows up a sign with canvassing, we have the customer's permission to use their address! If there is no sign nearby, we won't be canvassing that neighborhood.

Media has large upfront expenses! The best rates require longer commitments, longer ads, or more frequent ads! Sign advertising gives more opportunity to pay as you go. Week to week, month to month. The ultimate goal has to be using both!