

# Improve productivity and profitability

Whether your business is an industry franchise or a small-to mid-sized independent entity, it's difficult to succeed in today's business world on your own. Employee payroll, insurance, building codes, taxes, state and federal regulations, marketing, training, customer service — plumbing and heating contractors have a lot of plates to spin to keep their employees productive

and their businesses profitable.

The United States continues to deal with a slow-moving economy, but glimpses of growth in the housing industry are reasons to remain positive for plumbing and heating contractors. The key is to make sure contracting businesses use the best information available to streamline their businesses, train their employees and reach out to their customers.

Franchises have systems in place to help them in all aspects of their businesses. The International Franchise Association, in its Franchise Business Economic Outlook for 2013 (updated in March), says that franchises will continue to grow this year at a slightly faster







rate than other businesses in terms of job creation, new business formation, economic output and gross domestic product contribution. The report adds that businesses in commercial and residential services have something to look forward to this year.

“With the accelerating improvement in the housing market, spending on home improvement is also growing more rapidly,” the report notes. “Spending on residential additions and alterations as recorded in the investment component of the GDP accounts was up 4.4% in nominal dollars in 2012, and we expect an 8% increase in 2013. Businesses associated with the broadly

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PHCP FRANCHISES

	About the group	Number of operations or members	Restrictions	Costs/fees	Contact
 1-800-Plumber	Offers plumbing and/or HVAC franchises to entrepreneurs looking for a best-practices model.	N/A	Yes.	Dependent on market size and approval.	Call 800/758-6237, email franchiseinfo@1800plumber.com or visit www.1800plumber.com.
 ACE DuraFlo Systems	In-place pipe restoration systems for contractors who want to offer their customers a choice when it comes to repairing small-diameter piping systems.	55 in North America and Europe. Of those, seven are corporate-owned.	Yes, based on population.	Initial investment is as low as \$39,150. Investment varies based on equipment package and size of territory. There are ongoing fees.	Virginia Steverson, 800/359-6369, vsteverson@aceduroflo.com, or visit www.epipeinfo.com.
 Aire Serv	A subsidiary of The Dwyer Group, Aire Serv provides installation, maintenance and repair of HVAC and indoor air quality systems.	More than 160 locations in North America; all are locally owned and operated.	Yes. Restricted by territory/region.	Initial investment ranges from \$77,600 to \$201,400, depending on size of territory and population. There are ongoing fees.	Bruce Knudson, director of franchise development, 800/583-2662, AireServFranchise@dwyergroup.com, or visit www.leadingtheserviceindustry.com.
 American Leak Detection	Provides nondestructive detection of concealed water, sewer and other leaks.	138 locations worldwide; 125 locations in the United States and 8 locations in three countries. Five locations are corporate-owned.	Yes. Every territory is defined and protected.	Initial franchise fee is between \$29,500 and \$120,000. The overall investment ranges from \$76,755 to \$259,550. Royalties are paid on monthly adjusted gross sales.	Judy Howard, director of franchise operations, 800/755-6697, jhoward@americanleakdetection.com, or visit www.americanleakdetectionfranchise.com.
 Benjamin Franklin Plumbing	Clockwork Home Services' nationally branded franchise in the plumbing market.	As of January 2013, there are 259 franchises across the United States. Of these, 11 are company-owned.	Yes. Exclusivity in a defined territory.	There is an initial investment, which varies according to the population of the territory, and ongoing fees based on sales volume.	John Henkels, 866/574-7431, or visit www.benfranklinfranchise.com.
 Linc Service Network	Provides energy solutions to commercial building owners worldwide.	156; 25 are company-owned.	Yes. Franchise rights are to a specific territory.	Franchise fee is \$65,000. Royalty fees are charged by a schedule based on service revenue. Additional fees for training and recruiting are charged.	Dave Cernich, senior vice president of sales, 412/394-7413, Dave.Cernich@abm.com, or visit www.lincservice.com.


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PHCC FRANCHISES	 <b>Mr. Rooter</b> The Dwyer Group's plumbing installation and repair franchise.	About 245 franchises in North America and about 100 in other countries. None are company-owned.	Yes. Based on population.	Total investment, including franchise fees of \$30,000 per 100,000 population, ranges from \$68,375 to \$162,600.	Call 800/298-6855, email MrRooterFranchise@dwyer-group.com or visit www.mrroooterfranchise.com.
	 <b>Mr. Waterheater</b> An emergency-response specialty plumbing business that can be added to a full-service plumbing or HVAC company.	N/A	Yes. Protected territories are 50,000 to 100,000 households.	Initial franchise fee is \$9,900 and a territory fee of 25 cents per household. Total investment ranges from \$47,075 to \$156,000. The royalty rate is 5% of sales.	Call 866/MISTERW or visit www.mrwaterheater.com/franchiseinfo.asp.
	 <b>One Hour Heating &amp; Air Conditioning</b> Clockwork Home Services' nationally branded franchise in the HVAC market.	As of January 2013, there are 277 franchises across the United States and five in Canada. Of these, 43 are company-owned.	Yes. Exclusivity in a defined territory.	There is an initial investment, which varies according to the population of the territory, and ongoing fees based on sales volume.	John Henkels, 866/574-7431, or visit www.onehourfranchise.com.
	 <b>Plumbing Doctor</b> Offers its plumbing service and repair franchise system to other plumbing contractors in small- and mid-sized markets.	Four; two are company-owned.	Yes. Plumbing Doctor's territories are based on ZIP Codes.	Franchise fee is \$20,000. There are additional costs, such as tools and insurance. Estimated total cost is between \$24,500 and \$59,300.	Jessie Tavera, 916/915-3740, Jessie@plumbingmd.com, or visit www.fastaidssuccess.com.
	 <b>Rooterman</b> For contractors and business owners looking for an opportunity in the sewer- and drain-cleaning business.	421 franchises.	Yes. Select territories are available.	Franchise fee is \$3,975 per 125,000 population. Royalty is a flat monthly fee of \$125 per 125,000 population. Total equipment investment ranges from \$25,600 to \$46,800.	Call 800/700-8062 or visit www.rooterman.com.
	 <b>Roto-Rooter</b> The Roto-Rooter U.S. franchise system is full (international opportunities are still available) but Roto-Rooter continues to partner with independent contractors in various markets.	47 company-owned branches, 500 independently owned franchises and 65 independent contractors.	Yes. Territories are owned by Roto-Rooter and serve markets with population sizes of 200,000 to more than 1 million people.	Through a licensing agreement, Roto-Rooter contracts with an individual to run a Roto-Rooter business within a select territory.	Call 800/780-3292, email contractorrecruiting@rrsc.com or visit www.rotorooter.com.
PHCC AFFINITY GROUPS	 <b>AirTime 500</b> Success Group International's affinity group for independent HVAC contractors, providing them with management direction, buying power and training.	Approaching 400 members.	Yes, to ensure contractors have a competitive edge in their markets.	An initial membership investment gives members access to the In-stafix system and franchise-level tools. A minimal membership fee provides access to a team of industry experts for consultation.	Call 800/483-8190 or visit www.airtime500.com.
	 <b>Construction Contractors' Alliance</b> An enhanced service group of PHCC that provides contractors with a means to find solutions to the specific issues new construction contractors face.	Averages 25 members.	No territorial restrictions, but prospective members must belong to PHCC.	Dues are \$3,750 per year.	Charlotte Perham, 800/533-7694, perham@naphcc.org, or visit www.phccweb.org.
	 <b>Mechanical Service Contractors of America</b> A subsidiary of MCAA, MSCA provides education, marketing and labor/management services to its union mechanical service contractor members.	More than 1,400 members.	No territorial restrictions, but must be union mechanical service contractors.	Dues are .07 cents per manhour, with a minimum of \$840 and a maximum of \$17,500. Members of MCAA and MSCA make only one minimum dues payment.	Jan Grillo, 301/869-5800, jgrillo@mcaa.org, or visit www.mcaa.org.
	 <b>Nexstar Network</b> A business networking organization for the plumbing, HVAC and electrical home services industries.	450 member companies across the continent.	Yes. Membership is allocated by market areas.	There are several levels of membership, each having a range of dues and fees appropriate to individual needs.	Lisa Schardt, 888/240-STAR, membership@nexstarnetwork.com, or visit www.nexstarnetwork.com.



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	About the group	Number of operations or members	Restrictions	Costs/fees	Contact	
PHCP AFFINITY GROUPS	 Plumbers' Success International	Success Group International's affinity group for independent plumbing contractors, providing them with management direction, buying power and training.	Approaching 300 members.	Yes, to ensure contractors have a competitive edge in their markets.	An initial membership investment gives members access to the Profit Success System and franchise-level tools. A minimal membership fee provides access to a team of industry experts for consultation.	Call 800/419-6551 or visit <a href="http://www.plumberssuccess.com">www.plumberssuccess.com</a> .
	 Plumbing Contractors of America	A subsidiary of MCAA, PCA provides education, marketing and labor/management services to its union-affiliated plumbing members.	MCAA members are automatically a member of PCA without separate dues.	Yes. Must be union-affiliated plumbing contractors.	Part of MCAA's dues; based on manhours.	Sean McGuire, LEED AP, director of industry programs, <a href="mailto:smcguire@mcaa.org">smcguire@mcaa.org</a> , or visit <a href="http://www.mcaa.org">www.mcaa.org</a> .
	 Quality Service Contractors	An enhanced service group of PHCC that provides plumbing and HVAC service contractors tools and networking to improve their businesses.	210 members.	No territorial restrictions, but QSC members also must belong to PHCC.	The 2013 QSC investment is \$3,798 for 12 months.	Charlie Wallace, vice president/COO, 800/533-7694, or visit <a href="http://www.qsc-phcc.org">www.qsc-phcc.org</a> .
	 Radiant & Hydronics Council	Provides specific services to radiant and hydronics members of ACCA to help compete in the modern business climate.	More than 500.	None.	Included with ACCA dues, which vary depending on location and number of employees.	Email <a href="mailto:radiant@acca.org">radiant@acca.org</a> , call 703/824-8854 or visit <a href="http://www.acca.org/hydronics">www.acca.org/hydronics</a> .
	 Service Roundtable	Provides contractors best-practice tools to generate leads, close more sales, increase profits and create an exit strategy.	More than 3,500 people.	No. Any plumbing, HVAC, solar or electrical contracting company can join.	\$50 per month for one industry channel; \$75 per month for any two industry channels together.	Email <a href="mailto:Success@ServiceRoundtable.com">Success@ServiceRoundtable.com</a> , call 877/262-3341 or visit <a href="http://www.ServiceRoundtable.com">www.ServiceRoundtable.com</a> .
	 The Unified Group	Offers independent commercial and industrial HVAC contractors industry-specific training and other business tools.	50+ members.	Yes. Territories are geographically exclusive.	N/A	Allison Rodgers, 888/714-5990, <a href="mailto:roddersa@theunifiedgroup.com">roddersa@theunifiedgroup.com</a> , or visit <a href="http://www.theunifiedgroup.com">www.theunifiedgroup.com</a> .
	 Union-Affiliated Contractors	An enhanced service group of PHCC that addresses the specific needs of signatory contractors within PHCC.	294 members.	No territorial restrictions, but members must employ union plumbers and pipefitters, and belong to PHCC.	\$377 per year.	Rodney Jones, executive director, 888/997-0535, <a href="mailto:jones@naphcc.org">jones@naphcc.org</a> , or visit <a href="http://www.phccweb.org">www.phccweb.org</a> .
PHCP ASSOCIATIONS	 Air Conditioning Contractors of America	ACCA serves professionals in the HVACR community, working together to promote professional contracting, energy efficiency, and healthy, comfortable indoor environments.	4,000 members.	None.	Varies depending on location and number of employees.	Email <a href="mailto:member@acca.org">member@acca.org</a> , call 703/824-8854 or visit <a href="http://www.acca.org">www.acca.org</a> .
	 Mechanical Contractors Association of America	MCAA provides industry education to union mechanical construction contractors (mechanical service and construction, plumbing and pipe welding).	2,300 members.	General membership is restricted to union mechanical construction, service, plumbing and pipe welding contractors.	Dues are .07 cents per manhour, with a minimum of \$840 and a maximum of \$17,500. These dues include membership in the PCA. Members who belong to both MCAA and MSCA make only one minimum dues payment, which applies to both organizations.	Jan Grillo, 301/869-5800, <a href="mailto:jgrillo@mcaa.org">jgrillo@mcaa.org</a> , or visit <a href="http://www.mcaa.org">www.mcaa.org</a> .
	 National Association of Oil and Energy Service Professionals	OESP educates and trains oil and energy service managers on energy and home comfort issues.	1,200 members.	No.	\$100 for national dues. Chapter dues varies between chapters — anywhere from \$10 to \$60. Corporate membership is \$545.	Judy Garber at 888/552-0900 or George Fantacone at Santoro Oil, <a href="mailto:gfantacone@santoroil.com">gfantacone@santoroil.com</a> .

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PHCP ASSOC.	 Plumbing-Heating-Cooling Contractors-National Association	PHCC provides promotion, advancement, education and training to plumbing, heating and cooling contractors.	More than 3,500 contractor members and 70,000 technicians.	No.	The annual national membership dues amount is \$460. Special introductory membership fees are currently available. State and local dues of varying amounts also may be required, in a member's area.	Call 800/533-7694, email <a href="mailto:naphcc@naphcc.org">naphcc@naphcc.org</a> or visit <a href="http://www.phccweb.org">www.phccweb.org</a> .
	 Radiant Professionals Alliance	A group of radiant and hydronic manufacturers, distributors, contractors, designers and dealers.	About 500 members.	No.	Manufacturer: Category 1 - \$1,500, Category 2 - \$3,000, Category 3 - \$4,500; Distributor - \$300; Dealer or contractor - \$300; Associate - \$300; Design professional - \$300; Individual - \$50; Organization - \$50; and IAPMO Associate - \$50.	To reach Membership Director Alan Wald, call 909/472-4211, email <a href="mailto:alan.wald@iapmo.org">alan.wald@iapmo.org</a> , or visit <a href="http://www.radiantprofessionalsalliance.org">www.radiantprofessionalsalliance.org</a> .

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defined residential housing market can expect 2013 to be a better year than 2012.”

On the commercial side, vacancy rates in retail, industrial and commercial building are decreasing and investments have been made in new building construction as well as remodeling and retrofitting of existing facilities, the report says. Growth in spending is expected to slow to 2.9% in 2013 but then ramp up to double digits beginning in 2014.

Output of franchise businesses in commercial and residential service businesses expanded by 4.9% in 2012 and should grow by another 5.2% in 2013, the report predicts.


Independent plumbing and heating contractors can access similar processes and systems through the various groups listed on these pages. Some groups excel at marketing strategies and sales training, while others provide access to government sources and deal with national issues.


Whatever your situation, partnering with one or two of these groups can provide education and training on a variety of business topics to keep you focused on making your business profitable. Do your homework to find the best fit for your business philosophy.


For more information on these groups, visit [PMmag.com](http://PMmag.com). **PM**

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