

# So You Bought A Rig...

## Now What?

## Wisdom From Those With Experience

Ken Allison - IDI



*America's Insulation Source®*



# ANTITRUST POLICY STATEMENT FOR SPRAY POLYURETHANE FOAM ALLIANCE MEETINGS

- ▶ It is and shall remain the policy of the Spray Polyurethane Foam Alliance (“SPFA”), and it is the continuing responsibility of every SPFA member company, SPFA meeting or event participant, as well as SPFA staff and leadership to comply in all respects with federal and state antitrust laws. No activity or discussion at any SPFA meeting or other function may be engaged in for the purpose of bringing about any understanding or agreement among members to (1) raise, lower or stabilize prices; (2) regulate production; (3) allocate markets; (4) encourage boycotts; (5) foster unfair or deceptive trade practices; (6) assist in monopolization; or (7) in any way violate or give the appearance of violating federal or state antitrust laws.
- ▶ Any concerns or questions regarding the meaning or applicability of this policy, as well as any concerns regarding activities or discussions at SPFA meetings should be promptly brought to the attention of SPFA’s Executive Director and/or its legal counsel.

# Many Thanks

- ▶ Roger Morrison - Deer Ridge Consulting
- ▶ Dennis Meissner - Covestro
- ▶ Gary Coffman - SDI
- ▶ Ken Anderson - IDI
- ▶ Dave Feitl - Lapolla
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- ▶ Robert Naini - Spray Foam Advisor
- ▶ Lyle Orth - Cool Roof Systems
- ▶ Mac Sheldon - Contracting Business Consulting
- ▶ David James - Insulate SB



# Top 3-5 “Things”

- ▶ If someone close to you was going into SPF, what would be the best advice, the greatest wisdom, what are the top 3-5 things you would tell them???
- ▶ Everything fit into approximately 7 buckets
  1. Training
  2. Safety
  3. Rules to live by / Wisdom
  4. Operations
  5. Products
  6. Marketing/Sales
  7. Business Management

# Just Getting Into SPF?



- ▶ PCP / SPFA Courses - 3-5 Days
- ▶ IDI - 3 Days
- ▶ United Brotherhood of Carpenters - 5 Days
- ▶ 55 Slides - 30 minutes



# Question #1

- ▶ When you are spraying and foam looks different, or the gun clogs,
  - ▶ WHAT'S THE FIRST THING YOU DO?



Answer?



# Training

## 1. Get Application & Product Training

(8 out of 11 placed this in their top 3, many at #1)

1. Train & Certify your people
  1. Not just 3 days, ongoing
  2. Not just applicators, owners must know every aspect of the business
2. Train, train, and retrain, you are only as good as your bench! Avoid a prima-donna who can hold you hostage, rotate positions on a rig
3. Expensive and difficult to learn as you go... Could lose everything
4. Get Application Experience! Take every SPFA applicator course



Learn Learn Learn



# Training

## 1. Learn Building Science

1. Why sizing of mechanical, ventilation, & moisture control can be critical BSC...
2. How to correctly complete the building envelope or enclose an attic
  1. Knee walls, garage separation, combustion rooms
  2. Existing insulation, vapor retarders
  3. Hybrid walls, condensing surfaces

## 2. Learn The Codes

1. Know the requirements and exceptions for the use of thermal barriers
2. How you comply with the code - What year is yours? How about next year?
  1. Performance/Prescriptive, ERI/HERS/UA/REScheck/Title 24
  2. BPI, RESNET, Blower Doors
  3. Get to know your local code official

Dry & Boring



**Critical!**

# Training

## 1. Full commitment to training

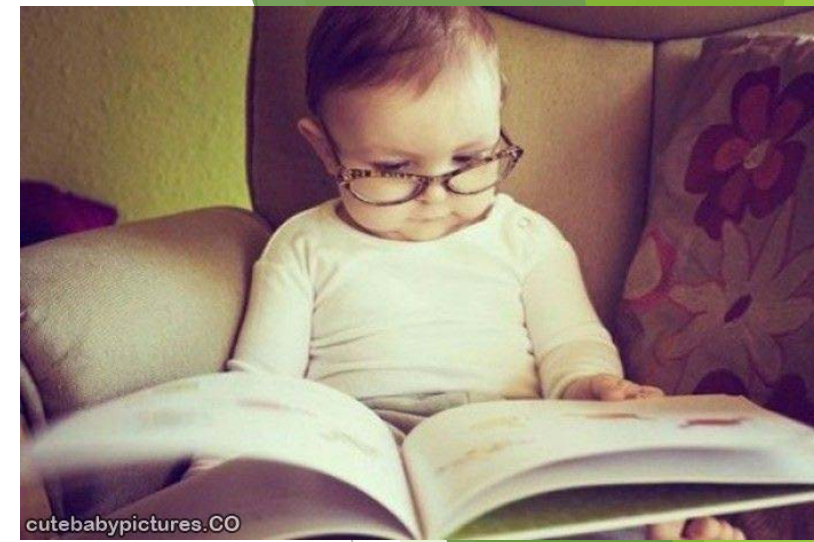
1. Safety, reviewing jobsite performance, equipment repair
2. Know the equipment (Even if you will never pull the trigger)
3. Read ALL of the SPFA documents
  1. Smartest I know, (Pioneers) swear they still learn today.
4. Train with your distribution and manufacturing resources
5. OSHA Confined space training, 10, & 30
6. Formal business training, get a mentor (be ready and accepting of change), connect with peers
  1. Operations, Sales & Marketing, HR, Employee Management & Retention, Risk Management - Whole Business



Just the beginning

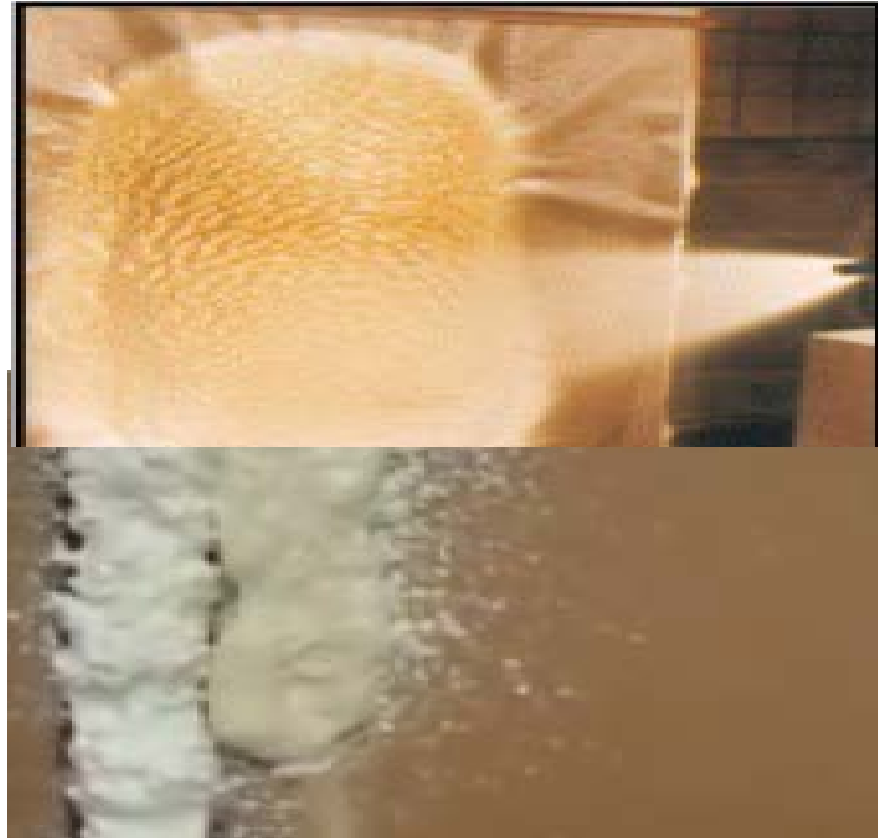


# Learn To Read Foam



## Question #2

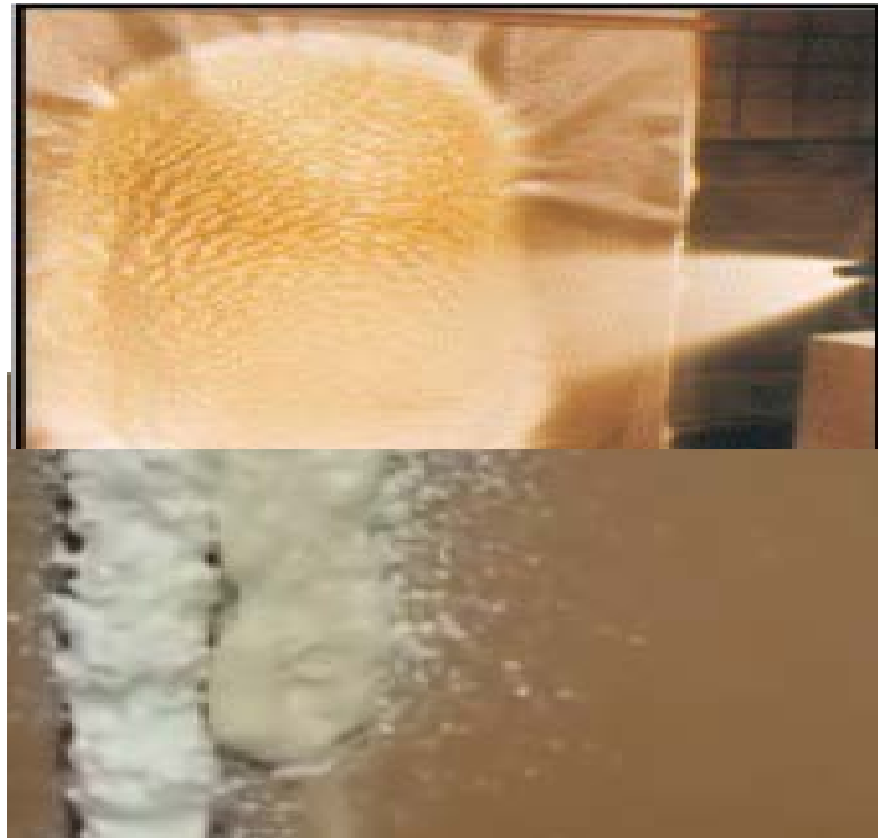
What is happening when the foam you are spraying turns darker in color?



## Question #2

What is happening when the foam you are spraying turns darker in color?

Iso-Rich or Resin Poor





# Read The Foam

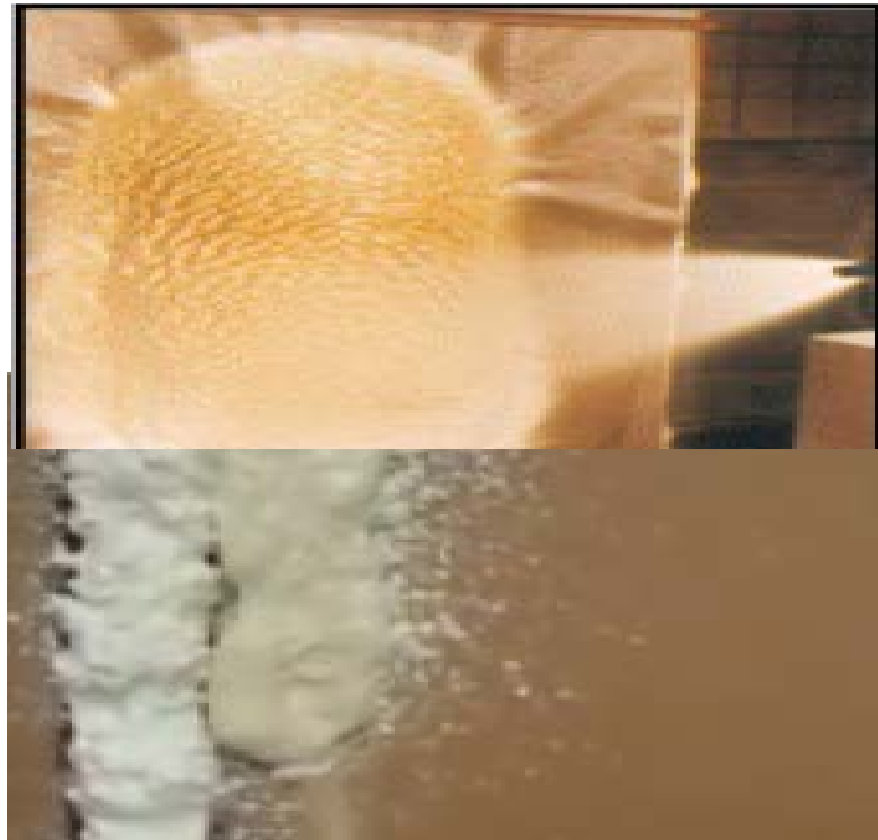
## Resin Rich SPF

- Creamy, Sticky, Wont dry



## Iso Rich SPF

- Dark, Crispy, Friable



# Wisdom

**If you want to be successful, tie yourself to  
successful people**



# Safety



# Safety

- ▶ Safety of you, your installers, clients, owners, occupants, & other trades
- ▶ Control spray environment... Staging/protecting jobsite (No one without PPE)
- ▶ Supplied air for all enclosed spaces
- ▶ Written Respiratory & Hazard Communications Program
- ▶ Having & using proper safety equipment

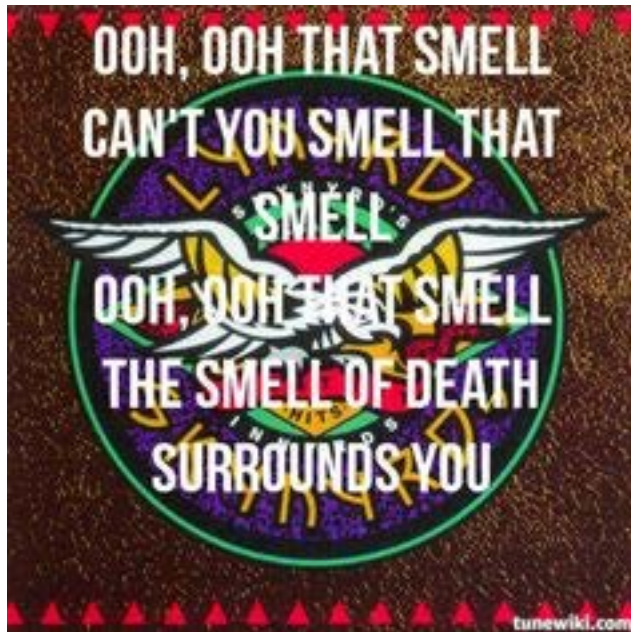




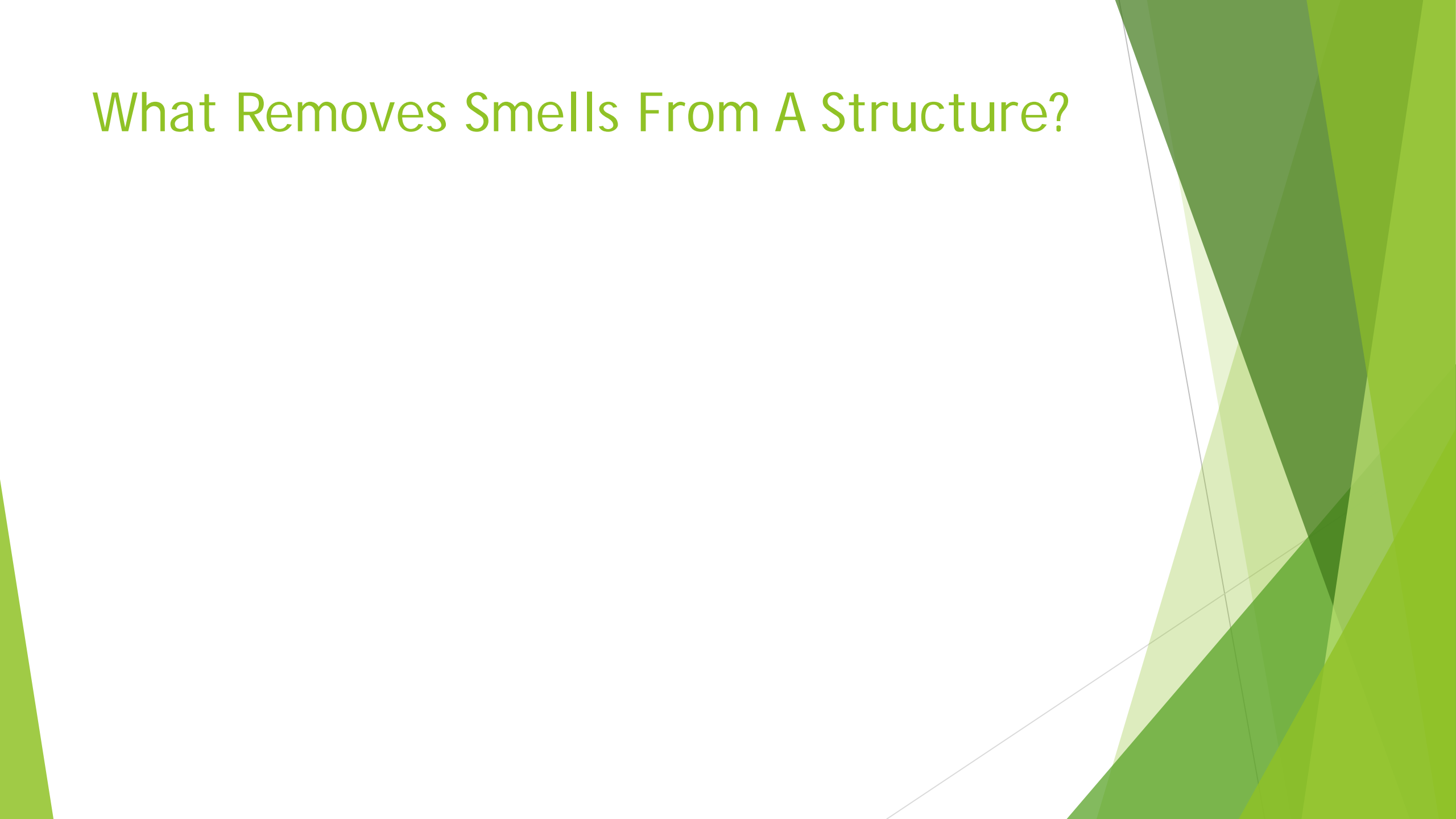
# NEVER Install Transitional Foam



Must be removed



# What Removes Smells From A Structure?



# What Removes Smells From A Structure?







# Operations

- ▶ Learn to take care of equipment
  - ▶ Equipment repair, save big \$\$ & downtime
  - ▶ Maintenance schedule
- ▶ Rig is always prepped and ready before you leave the shop
- ▶ Why are you buying a rig? What is your target business? How BIG do you plan to be?
  - ▶ Residential, commercial, retrofit, roofs?
  - ▶ How big is your proportioner? What gun? (Gap Pro, Fusion, P2, PMC)
  - ▶ May invest 75K with no payback for extended period



# Operations

- ▶ Use estimating, job costing, scheduling software
  - ▶ Multiple rigs need an automated system
- ▶ Where will you store material?
- ▶ How often will you be spraying & how long will the machine sit?
- ▶ Ventilate...
  - ▶ A lot

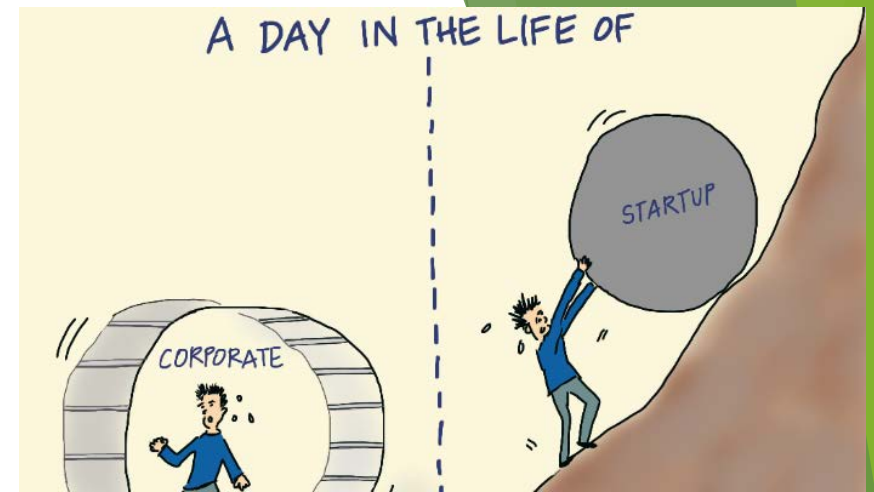


# Don't Seal Weep Holes



# Business Management

- ▶ End Goal
  - ▶ Not easy, why are you doing this?
    - ▶ Legacy business? Sell to big national? Exit strategy?
- ▶ Be a part of your trade association - you are a manufacturer
- ▶ Who are your allies when you run into challenges?
  - ▶ Industry peers
- ▶ Production pay
- ▶ Satisfy the customer - Hard to replace & better margins
- ▶ Keep Great Records
  - ▶ Batch #, how sprayed, maintenance on rigs, etc



# Wisdom

**Go to events, talk to peers, tribal knowledge  
is critical**





# Business Management

- ▶ Not a Part-Time Business - Will not run itself
  - ▶ Setting example, attention to detail, hands on
- ▶ Used equipment - NOT a friend of the inexperienced
- ▶ Must have more capital than it costs to buy the rig
- ▶ Business Acumen - Running & operating a profitable business
  - ▶ Inventory, taxes, billing, overhead, yield/production, recruiting/retention
- ▶ Learn on small projects, not big commercial jobs
  - ▶ Estimating, ordering, yield, overspray on a marble floor or tub
  - ▶ Grow at comfortable rate

How are you doing so far?

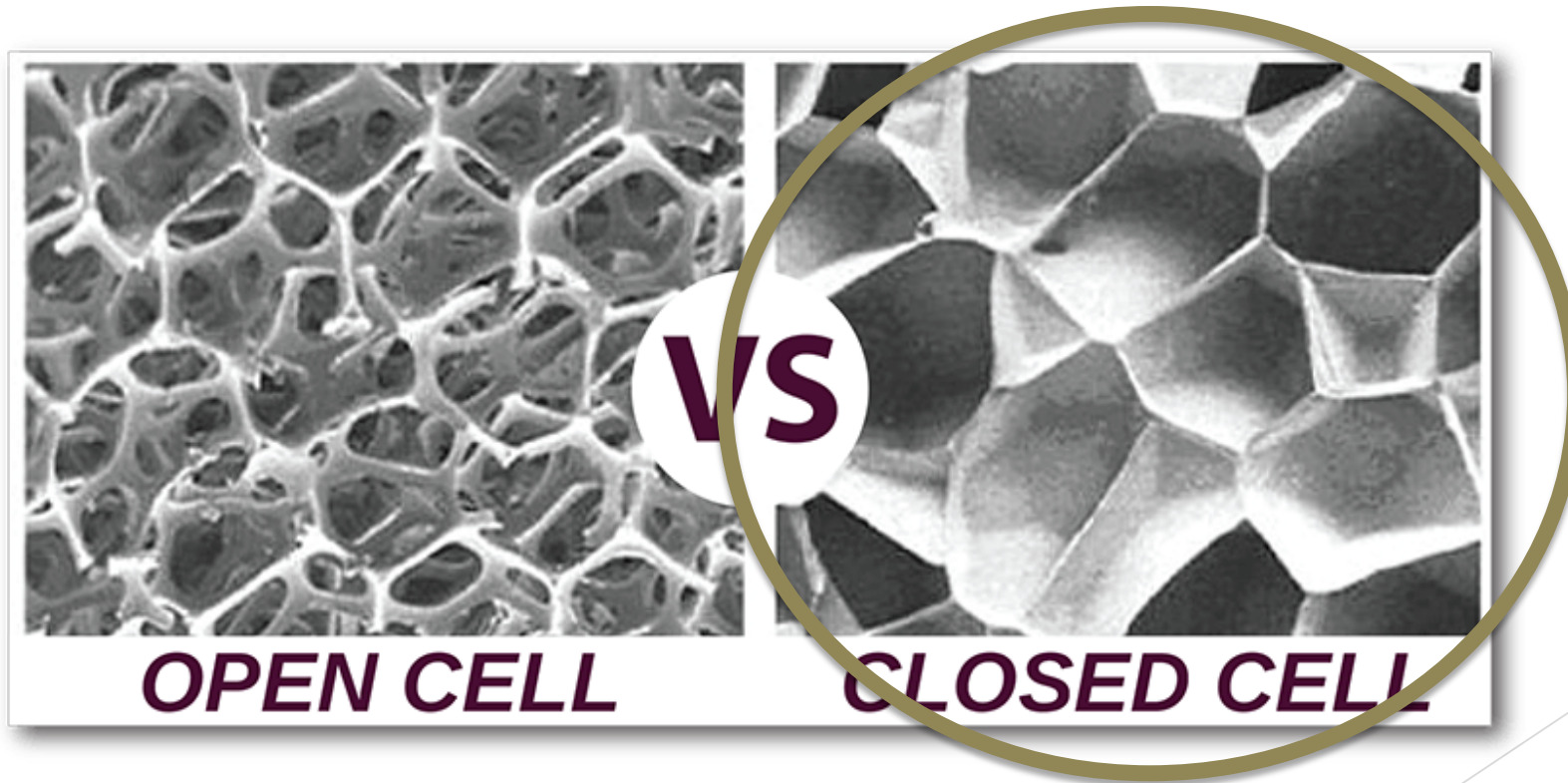




# What Spray Foams Qualify As A Vapor Retarder?



# What Spray Foams Qualify As A Vapor Retarder?




# Never Spray Open Cell On The Exterior



# Business Management

- ▶ Employee turnover - maybe lots of it
  - ▶ Partner turnover?? - Partnerships rarely work out
  - ▶ Best Employees - Get recruited / become your competition
- ▶ Sprayers can make or break your business
- ▶ Trucks versus trailers
  - ▶ Truck - navigate small area easier, need lift gate or forklift
  - ▶ Trailer - leave on site, lighter investment up front
- ▶ Quality equipment costs less, low quality can cost everything
- ▶ Get good insurance



I quit!

# Business Management

- ▶ Profitability on your first project – Don't go in blind or cold!
  - ▶ Don't dig a hole you can't get out of – shoestring budgets mean no chance of recovery
- ▶ Don't become an architect or designer on accident
  - ▶ Plans might be wrong, but do not substitute a product without the architect.
- ▶ Minimum, Nominal, or Average Thickness... What's in your Contract?



# Wisdom

**“Failing to plan, is planning to fail”**

Ben Franklin





# Never Air-Seal A Building Without A Ventilation System

**RULE # 6**



# Business Management

## ► Priority list

1. Billings out (Missed cutoff dates can add 30 more days)
2. Collections in
3. Take care of the customer

## ► Pay

1. Labor
2. Taxes
3. Supplier
4. Ancillary
5. Growth fund
6. Self





# Products



# Products

- ▶ Use materials within shelf life
- ▶ Always store according to manufacturers recommendation
- ▶ Substrates Dry, Clean, & Secure
- ▶ Each blend is unique. Know everything about the product you are installing



# Wisdom

**Cut mounds, test sprays, or piles into pieces...**







# What's The Goal?

# Getting Noticed



# Marketing

- ▶ Don't rely on one customer, or one off customers
  - ▶ Get to the point of having steady work, all the time
- ▶ Who is in your current network?
- ▶ How about your future network?
  - ▶ Industrial, commercial, government, mining, commercial retrofit, institutional, marine...
  - ▶ How do you communicate with them?





# Overspray Happens!



# Marketing

## ► Know your market:

- Who is bidding what?
- What do they charge?
- Do they offer more than price?
- How is their service?
- How far out are they?

## ► Naming your company:

- Paint a picture of who you are and what you do - Comfort Masters



# Marketing

- ▶ Wrap your rig! Advertising works...





# Marketing

- ▶ Wrap your rig! Advertising works...



First Place you go







Take your rig to town



Take your rig to town



# Keep Learning & Thrive



Thank you  
Ken Allison  
Ken Anderson



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