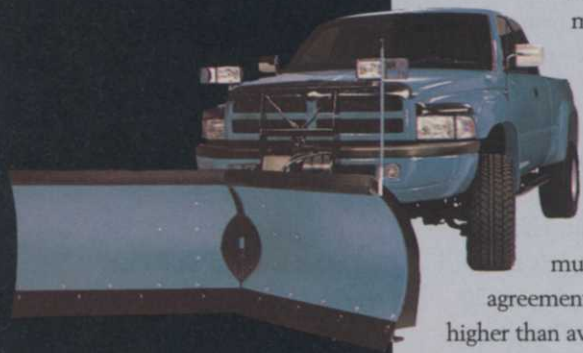


Top snow removal contractors tell why they prefer to let others push with their own equipment

By TERRY McIVER



Success with subcontractors

Gary Amato's Burrington Co. is a leading asphalt paving company in Kirkland, OH, east of Cleveland. The 18-year-old company runs 15 trucks for snow removal.

Advantages to using subcontractors, says Amato, include their personal accountability for equipment and stronger motivation to produce.

"The guys tend to take care of their own trucks a little better than they would take care of mine, so they run a little better, are a little more reliable—not to mention the fact that if they are the ones with the expenses, they are more willing to work. They've got an investment they have to pay for and maintain, rather than come in for \$10 to \$12 an hour," Amato says.

Each year Amato must recruit up to three new drivers due to attrition. Qualifying a driver is tough. Amato meets with a prospective subcontractor with the hopes of making an accurate character judgment. Referrals help eliminate the doubt from his mind, and prospects must sign a non-compete agreement. Amato claims paying higher than average wages helps too. He pays by the month.

It's about the money

"I pay them more than they can get anywhere else," asserts Amato. "That's the only way to keep the most reliable and most efficient ones. Not only that, they can't have daytime jobs. Much of the time we'll start at midnight; by the time we've gotten through the entire route, it's six in the morning. If it's still snowing, we have to let the cars come in and park, and then

hit the aisles. Then we hit them again before lunch, and again before the place empties out. And, we'll have to come back and do them all up again."

Amato's accounts are located close to each other, in corporate industrial parks. Many consist of a series of manageable lots connected by a main road. Contracts are for the season or per occurrence at or above two inches.

Subs can reduce costs

Nairs Lawn Care Inc., Medina, OH, began in the landscaping business in 1984, and snow removal has always been one of its service offerings. Jody Gibson, with the company since 1985, is in charge of the snow division.

Gibson points to huge savings in equipment dollars as the most obvious reason to use subcontractors. Some are more reliable than others; it all depends on who's got the hunger for work and income.

Gibson finds subs by word of mouth or, after someone applies to push for Nairs, he'll do a background check, primarily by checking with the applicant's current or last employer.

"The most important thing for me is to look at their truck," Jody says. The company pays more to drivers with the best equipment. "If all they have is an older truck with an older plow, they won't make as much as the guy with a brand new truck with wings and a cell phone."

Gibson admits the disadvantages to using subs who are laid off from other jobs is they must leave if they get called back to work.

During a storm, Nairs will have 25 men pushing snow, which combines subs with in-house help. Some of the larger customers want to see a company vehicle on site.

Snow & Ice Removal Guide



Gibson:
Make sure drivers know the phone may ring at any time.

Nairs picks up its snow business from business accounts, with very few residential pushes. "If anything, I put residential accounts on a flat fee for the year. It's usually a two- or three-minute plowing, and we won't get burned on a set fee. We'll also shovel the sidewalk from the driveway to the front porch."

These few residential accounts are also serviced by Nairs' lawn care division. Customers pay a flat fee per month for all services. "That way, they don't have to worry about how many times we cut or plow," Jody explains.

Mistakes in technique

Technique and safety is everything when pushing snow. Not only must you be aware of pedestrians and other vehicles, you have to move the white stuff to a place where it is no longer a nuisance to traffic. You don't just *move* it; you move it out of the way.

A common mistake Gibson sees in the field is when drivers push snow up to curbs, but not over the curb. "After about five or six snowfalls, you have snow hanging out into the parking lot. If parking is tight, it makes it tough for vehicles to get around."

Extra effort by drivers is another important trait. "Lots of guys don't like to get out of their truck to clean a walk or around a gas station pump. They get spoiled sitting in the truck."

Elements to success

Gibson says the best snow removal experts: have a plan in effect before the snow hits and have good people and have good equipment ready to roll.

To work the plan, understand the possibility that the phone may ring that night, and the plan must go into effect at once. You must be committed.

"Because you never know where or when it's going to hit, you must make sure your people are aware of the possibility of having to come in; stress that as much as possible. Have them ready, especially on a Friday or Saturday night," says Gibson.

"I tell them to make sure they're available at 2:30 in the morning," says Gibson, "and that they make sure their pagers are turned on."

Additionally, Jody has established a set route for each driver to eliminate confusion and questions.

Subs for success

Alan Steiman is a straight-talking pro who battles the snow and ice from his offices in Northboro, MA. His snow business is run entirely with subcontractor services.

"I'm a strong believer in subcontractors; I don't recommend anything else," advises Steiman, who uses a minimum of 50 subs during a season. "I have 15 or 20 of my own personnel managing the subcontractors. They (subcontractors) are the ones that are carrying all the burden.

"If their engine goes, their rear-end goes, their transmission goes—call the next guy, and hope the other one comes back when his truck is fixed!" Steiman says.

He qualifies prospective subs by "running them through the mill," to see how flexible they are to last-minute changes.

"If a guy calls wanting to plow for me, I say, 'Okay, meet me on Tuesday at 4:20 p.m.' He shows up and I say, 'I can't meet with you now, come back Sunday at 7



Richter:
Tell your accounts that you will manage their lot. Emphasize liability issues.

a.m.' If he shows on Sunday, I know he wants to work, and is flexible. Right away you weed out the bad from the good operators." He also seeks referrals when looking for a sub, whether it be from an existing sub, or a friend or relative.

Pay them well

Steiman tries to pay his subs an unbeatable wage. "We try to pay them more than anybody else, by about \$5 per hour, so that we get them before somebody else. In return, we try to charge our customers slightly more than everybody else. Our reputation," he says, "is that we're very good, but we're a little expensive. I think that's a good reputation to have.

"If you can get all of your old customers signed up for the new season, you're in a much better position than if you wait till Halloween to wonder who you need, and what you're supposed to do. If a big call comes in, you're already set, and it's easy to decide if that new account is something you can handle."

If you think you need to raise your prices, says Steiman, early prospecting gives a snow professional a chance to replace those who won't accept the price hike.

"It's about peace of mind," says Steiman. "Snowplowing is a very stressful business to be in. The more you can do now to reduce your stress later is a good strategy. It's also a lot nicer to be working on equipment in July rather than November."

Can you say backorder?

Early planning also lets a snow specialist review equipment needs, and get guaranteed delivery before equipment stocks are gone.

"There is an expensive piece of equipment I believe I need to purchase, says Steiman. "I called the supplier this morning. He was on vacation, with another week to go. I told him I needed this machine; he said, 'you better order it today because you won't have it until December.'"

"Had I made that call in September, I would have been out of luck," he says. "Don't think that machine is just sitting in

Use tough trucks, equipment

Picking the right truck for the kind of plowing you do can prevent problems down the road.

Begin by asking yourself: What kind of plowing situations are you likely to encounter? Will you be plowing small or large lots, driveways or roads? Is it likely that your business will expand and your need for bigger equipment will increase?

Residential or small business plowing situations don't usually require large areas to be cleared. You'll likely spend less than two hours plowing during any storm. In this case, a smaller truck, such as a half-ton pickup with a standard size plow, should serve you well.

Gary Amato, Burrington Co., Kirkland, OH, says three-quarter-ton pickups work well at many of his accounts. They're maneuverable, can turn in tight circles and can work around loading docks and other obstructions.

"If you do have a big lot, 400 to 500 feet by 800 to 900 feet, I'd have an F-700, a single-axle truck similar to city trucks, to pick the bulk off. Then we'd get pickups in there and clean it up," he says.

Jerry Richter, Garden Ridge Nursery, Defiance, OH, likes bigger equipment, like farm equipment. These large, 4-wheel-drive tractors have been modified to push and pull 12-foot blades.

"We can buy a 20-year-old, large 4-wheel-drive farm machine for about \$6,000 to \$8,000," Richter reveals. "They're obsolete for farming purposes, but yet they are 200-hp machines. We can get this for less than half the price of a used, late-model pickup truck. Then we put a 12-foot plow

on the front, get it equipped with a hitch and we have a unit that basically is less than \$10,000."

Richter has also purchased used equipment at auction from the city highway department. He says you can't beat the price and the equipment is in good condition usually. For Richter, the pickup truck is not up to snuff mechanically. "We have all ton-and-a-half and 2-ton trucks that we do all our landscape work with and they become our smallest snow removal units," he says.

With payloaders and Bobcats (which he also uses in his landscape business) and a Steiger tractor capable of cutting a 36-foot swath, thanks to three 12-foot plows mounted one in front and two in the rear, Richter says, "Let it snow."

Contractors, landscapers and municipalities often have the need to use their equipment for long periods of time, sometimes as much as 24 hours straight. That's why plowing equipment must not only be rugged but not too hard on the operators either.

When buying a truck for plowing snow, keep the following in mind:

- ▶ Buy the biggest truck you will need for the current or anticipated job.
- ▶ Get the heaviest front-end capacity you can. This should include heavy springs, axles and sufficient tires (see point #5). Many of these are available in trailer towing or camper packages as well as snow-plow prep packages.
- ▶ Get the largest battery and alternator available. This is critical since most plows today operate off the vehicle electrical system. Prolonged use can run down a vehicle

be done.

"They'll say, 'I won't be ready to talk about snow removal until October.' I say, 'Maybe you can be ready to talk in September because I'm talking to you in July.'"

Steiman uses four types of contracts: seasonal, by the inch (or increment of inches), hourly and a combination of sev-



Nair's fleet includes dump body trucks and 3/4-ton pickups.

battery in a short time when used in combination with heater blowers, lights, radios and salt/sand spreaders.

Again, these may be available as part of a trailer towing or camper package.

▶ Most plow applications require 4x4 trucks, ideally with positive locking differentials, V-8 engines, and automatic transmissions for driver convenience.

▶ Every plow truck needs good aggressive tread tires with sufficient weight rating to handle the weight of the truck and the plow on the axle. Care must be taken to make sure these tires have the correct tire pressure to meet the rating on the tire.

▶ The use of ballast (weight placed rearward of the rear axle) may be required to prevent overloading the front axle. Ballast will also improve traction while counterbalancing the weight of the plow.

Source: Terry McIver and information from Western Products Service Department

a parking lot waiting for you to buy it in September"

Steiman attacks the re-enlistment process early. Don't assume that the customers that you had last winter will re-up, or that they have not been called on by a competitor. It's tough to get them thinking about snow removal in mid-summer, but it must

eral of them.

"It isn't always up to us which contract we go with, depending on the [size of] the account," says Alan. "Therefore help them make a rational decision."

Off-season cash flow

Jerry Richter of Garden Ridge Nursery,

Snow & Ice Removal Guide

Defiance, OH has been in the snow removal business about eight years as a way to keep money coming in during the landscaping off-season, as many landscapers do.

Richter's nine in-house machines hit the road to handle commercial lots. Its only residential business is done for owners of commercial accounts, another common practice.

"You're dealing with too many people in a \$25 to \$50 price range," with distance between each stop, perhaps a block or two, explains Richter. "Charging \$25 to \$50 to do a residential driveway is probably not bad money, but unless you've got 15 to 20 of them side by side you have too much drive time."

Richter says subs are not a part of his world, in a town with a population of about 25,000.

"There are not a lot of places to get work for many companies. We have a total of 60 acres of asphalt that we manage," Richter explains, "and we are equipped to do that 60 acres in 7 to 8 hours."

Contract common sense

Richter has been pricing all his snow removal work by the hour, but says that will now change, after he learned some things at the last SIMA conference.

"Some accounts will be on a 'per push' basis," Richter says, "because with the big equipment, we're getting things done much faster than the competition could, and we find that our billing rates are not high enough to bring in the value."

"The more efficient we get with the equipment, the faster we can manage the snow; but then it leaves some cash on the table, which the customer perceives as value. It builds loyalty, but it doesn't build as much profit opportunity into the work as it could," Richter says.

Richter says he will scout around new businesses looking for more accounts, even though he has never lost a customer, and is careful not to over extend his capabilities.

"So far, we've been able to maintain existing customer satisfaction, and we use that to build new accounts that move in next door, across the street, whatever," Richter explains. "When we specialize in very large lots, there just haven't been a lot of people who have shown the ability with the backup equipment to come in and handle the big lots," he adds.

You're the expert

"A common mistake I see other people make is that they don't really go after the business," and sell themselves as the expert, says Richter. "They have contracts with some accounts, but they let the customer dictate to them what their snow removal needs are instead of taking control."

"You have to tell customers: 'We're going to manage your lot. We're going to keep your liability down. We are the manager,'" he stresses.

Richter says a snow removal customer has to agree to have the lot salted, for reasons of safety and profit.

"If a commercial account doesn't want salt, then I usually don't pursue them," Richter explains, "because we're in a market where we push now maybe six to 10 times per year. But then we have another six to 10 snowfalls where it's a half-inch to an inch-and-a-half that turns to ice. So half

of our potential market is in the deicing business, where we manage the slippery conditions."

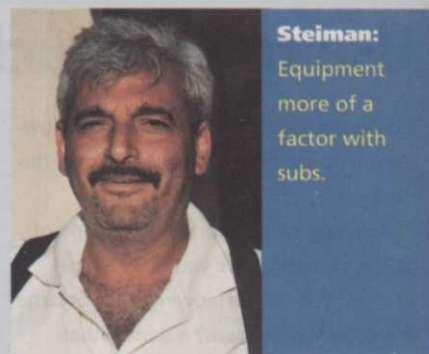
It's a funny business when you consider what some people think of doing business: Richter says the little competition he has may not even plow in less than an inch-and-a-half

conditions.

"So we try to manage each event as opposed to doing strictly snowfalls; we're doing more snow and ice management," Richter says.

Educate the client

As the expert, it's important, says Richter, that you bring to the client your experi-



Steiman:
Equipment more of a factor with subs.

ence and wise counsel when it comes to liability issues.

"If a restaurant owner has never been sued or faced with a liability issue, he will not see (deicing) as necessary," Richter explains. "We've had several accounts that didn't want salt, but we held on to them for their snow removal business. They had a 'slip and fall' and all of a sudden, they realize what it's like to have an employee out of service, pay workman's comp or face potential liability costs. They've been loyal deicing customers ever since."

The key, then, to getting customers to accept deicers, is to educate them on the potential for liability and let them know that you can provide that preventive service that perhaps smaller competitors can't.

Educate the crew

Richter's crew training begins with an all-day meeting and a tour of customer properties, usually in late November.

"We rent a bus or van and drive to each account and show the drivers where we do or don't push snow and where we pile it. Then we stake (with four-foot long, steel fence posts) the islands and any plazas that don't have trees, so we can mark where the curbs are," Richter says. The stakes are sprayed with fluorescent paint."

Other tips Richter offers snow professionals: Be prepared and focused on customer liability and use it to sell your service. Have enough backup equipment, parts and people.

"It takes a lot of support to keep all that going." □

—The author is a freelance writer who lives in North Royalton, OH

Driver qualities

- Enthusiastic attitude
- Clean vehicle
- Respect for equipment
- Pride in ownership
- Committed to working a certain amount of hours
- Experience