## PestManagement PROFESSIONAL

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# HOMEWRECKERS!

**PMP**'s exclusive termite survey focuses on control trends and tips

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## **Guide your customers** with professionalism

BY DR. JANIS REED. BCE | Control Solutions Inc.

ermites are scary to property owners. They are "invisible." They are silent and misunderstood. Many owners imagine their home is about to fall down around them when they find out they have a termite infestation.

This is when our relationships, our professionalism, and our knowledge can calm these fears and ease their minds.

I recently had the opportunity to attend a leadership engagement seminar. While this may sound about as exciting as watching grass grow, the speaker was enthusiastic, energetic and had several fantastic tips for engaging employees and building a better, more engaged workforce.

The entire topic got me thinking about what we do in our jobs and in our businesses. What exactly



are we doing every day? I think most of us would say managing pests. Killing bugs. Stopping rodents. Solving problems. We think of hard work, sweat, dirt, windshield time, cell phones ringing,

expectations and consequences.

DR. REED is Technical Services Manager, Product Development Team, for Control Solutions Inc.

However, this speaker got me thinking about it from a different, more "big-picture" perspective. In reality, we are doing much more than managing pests. We are protecting homes, businesses and investments. In truth, we are protecting health, reputations and property. At the end of the day, we are easing fears. None of these things are directly related to managing the pests. They are directly related to our relationships with our clients, however,

When providing termite management, how do you handle complex situations? How do you handle difficult clients? I think taking some time to remember that today, the day you tell a client they have a structure infested with termites, is a very difficult day for them. They are facing a problem they have most likely never faced before, and they are scared and unsure.

As leaders in our industry, and as professionals, we need to remember to be patient and compassionate, even with the most difficult clients. An everyday occurrence for us — finding active termites — can be, quite literally, your client's nightmare.

Take a few minutes to understand your client and their perspective. Your clients will notice. This simple reframing of a conversation can mean the difference between a great interaction and a frustrating one.

Our team at Control Solutions Inc. strives every day to understand our clients - pest management professionals. We work to provide our industry with tools you need and can use. We want to help make your business better and more profitable. We want to increase your customer's satisfaction by providing effective, economical solutions to their pest problems. CSI is working to not just provide great products, but innovation you can apply.

# Homewreckers!

ermites cause more than \$5 billion in damage anually in the U.S., according to the National Pest Management Association. Fortunately, pest management professionals (PMPs) do more than control pests. They protect property, too.

"We protect the customer's most valuable asset, and provide a service that relieves the stress of worrying about whether insects are going to destroy their home," says Randal D. Dawson, ACE, operations director, DC Scientific Pest Control, Tuscaloosa, Ala. "We provide the best protection we can for our customers."



RANDAL DAWSON

That's the primary reason the PMPs who responded to *Pest Management Professional's* (*PMP's*) 2019 Termite Management Survey find termite work rewarding.



JOHN ETHERIDGE

"We are protecting people's homes and buildings from potentially devastating termite damage," says John Etheridge, owner, Seashore Pest Control, Huntington Beach, Calif. "A large percentage of personal wealth is tied up in homes, and being entrusted to protect those homes is a privilege."



# Protecting property is one reason PMPs find termite management work so satisfying.

BY **DIANE SOFRANEC** | PMP Senior Editor

Termite damage can be devastating to a homeowner, and no one knows that better than the PMPs who have seen the destruction firsthand.

Scott Kight, ACE, Fort Myers Pest Control in North Fort Myers, Fla., says he enjoys termite work because no two homes are exactly alike — and termites don't attack them the same way every time.



SCOTT KIGHT

"I find it gratifying when I can go into an infested home and control an issue that is literally eating the customer's house," Kight admits.

#### LIQUID REMAINS FIRST CHOICE

As in years past, the majority of respondents expect to generate more than half of their termite management revenue from liquid treatments. Bait applications are a distant second, followed by fumigation and borate treatments.

"Termite jobs are very satisfying," says Kyle Elzey, designated certified operator (DCO) and integrated pest management (IPM) specialist for Pest King Services, Gainesville, Ga. "Sometimes different build types make them challenging. But overall, when termiticide



KYLE ELZEY

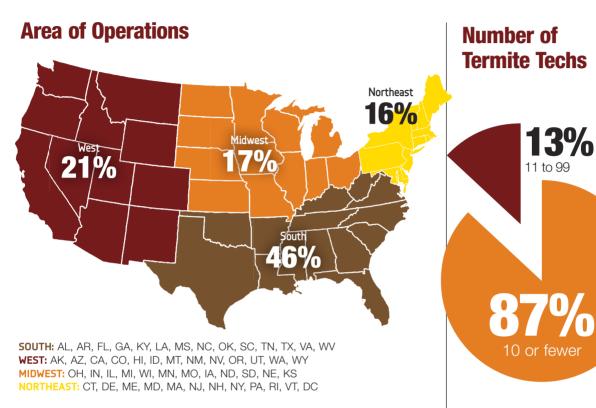
is applied properly and the prep work is performed properly, you have less than a 1 percent fail rate with a liquid application."

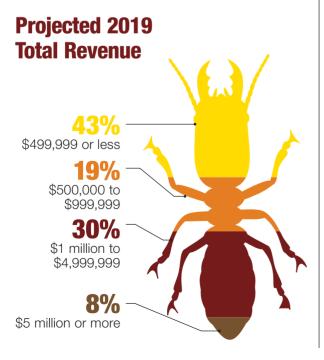
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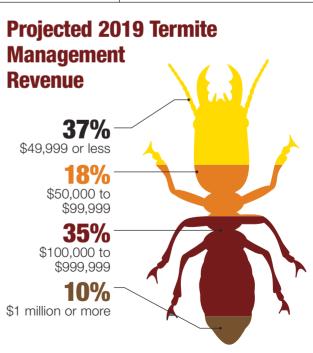


SOURCE: PMP ONLINE SURVEY CONDUCTED NOVEMBER - DECEMBER 2018

### **TERMITE MANAGEMENT SURVEY**







### **2019 TERMITE MANAGEMENT SURVEY**

CONTINUED FROM PAGE TM4

#### A PROFITABLE PEST

Daren Horton, ACE, owner of Gecko Pest Control in Marshall, Texas, says termite control has always been one of his favorite services to offer customers.



DAREN HORTON

"The challenges that come with different construction

methods, home additions, air ducts in slabs and a world of variables stretch one's deductive reasoning and problem-solving skills," he says "I have not found a more satisfying feeling in this business than solving a termite issue that a customer has struggled with for years."

Indeed, many PMPs favor termite work because it generates solid revenue.



DAYTON HYLTON

"Termite work can be profitable if priced right," says Dayton Hylton, owner of Dayton's Pest Control Services in Knoxville. Tenn. "It also builds up a customer base for annual termite warranty renewals."

Survey results show termites are more prevalent in the southern portion of

the United States. Of the PMPs who answered the survey, 46 percent were in the south.

"In Georgia, where we are located, it's not a matter of if you get termites, it's when you get termites," Elzey says. "I expect our 2019 termite business to generate more volume in 2019, due to our company growing and our positive reputation in the community."

A strong economy is key when it comes to termite control because new construction provides work for many PMPs.

"With a strong economy and consumer confidence on the rise, we should see growth in new home construction and home purchases," says Horton. These factors — along with growth through sales, marketing and attrition — should lead to a strong year for termite control."

Diedrich Schweers, owner of SWAT Mosquito & Pest Control in Georgetown, S.C., explains growth this year for his company will be thanks

CONTINUED ON PAGE TM8

#### **Projected 2019 Termite Management Revenue from Liquid Treatments**

**59%** expect to generate more than half of their termite management revenue from liquid treatments.

9% expect to generate onequarter to one-half of their termite management revenue revenue from liquid treatments.

to generate less than one-quarter of their termite management revenue revenue from liquid treatments.

#### **Projected 2019 Termite Management Revenue from Bait Applications**

**22%** expect to generate more than half of their termite management revenue from bait applications.

% expect to generate one-quarter to one-half of their termite management revenue from bait applications.

67% expect to generate less than onequarter of their termite management revenue from bait applications.

#### **Termite Management Revenue** from Existing Residential **Structures**

60% generate more than half of their termite management revenue by servicing existing residential structures.



18% generate less than one-quarter of their termite management revenue by servicing existing residential structures.

#### **Termite Management Revenue** from New Home Building

5% generate one-quarter to more than half of their termite management revenue by servicing new homes.

95% generate less than onequarter of their termite management revenue by servicing new homes.



#### **Termite Management Revenue** from Existing Commercial **Structures**

**7%** generate more than half of their termite management revenue by servicing existing commercial structures.

13% generate one-quarter to one-half of their termite management revenue by servicing existing commercial structures.

80% generate less than one-quarter of their termite management revenue by servicing existing commercial structures.

#### **Termite Management Revenue** from New Commercial Building

**2%** generate one-quarter to more than half of their termite management revenue by servicing new commercial structures.

98% generate less than one-quarter of their termite management revenue by servicing new commercial structures.



### **2019 TERMITE MANAGEMENT SURVEY**

CONTINUED FROM PAGE TM6 in large part to new capabilities he's offering and a strong economy.

"We are seeing people buy, sell and build homes and businesses constantly. Anywhere you look, you can see something being built," he says. "For pest



**DIEDRICH SCHWEERS** 

control companies, this can be good. It allows us to engage more with customers and provide them with services such as termite pre-treatments and wood infestation reports."

Dawson expects revenue to increase for the same reason.

"We expect to grow our termite business in 2019 at a sustainable rate that we can handle and still provide the level of service that our customers expect," he says. "The improvement in the economy has the construction industry beginning to steadily increase."

Consumers with more expendable income is another reason for more termite work, he says, and that's true for many PMPs who took the survey.



LEVI REYNOLDS

"By educating current customers and new customers. our retention rate and new customer rate has grown, and will keep growing, due to the customer's knowledge of why we are protecting their most important investment," says Levi Reynolds, branch manager for McNeely Pest Control in Winston-Salem, N.C.

Not all termite work is found in the south, of course. Etheridge also expects continued growth of his termite control business. Termite work for his company has increased every year since 1998, when he first got into the business.

"New construction is a constant, and property owners are acutely aware that real property values can be dramatically affected by unchecked termite problems," he says. "We expect to see termite treatment and repair revenues go up by 10 to 15 percent this year."

The new construction often leads to new customers for savvy PMPs.

"Clients are taking advantage of free inspections, which in our industry is really a chance to sell them our services and help educate them," says

CONTINUED ON PAGE TM10

### **Projected 2019 Termite Management Revenue from Fumigation**

//o expect to generate more than half of their termite management revenue from fumigation.

4% expect to generate one-quarter to one-half of their termite management revenue from fumigation.

89% expect to generate less than one-quarter of their termite management revenue from fumigation.

#### **Projected 2019 Termite Management Revenue from Borate Treatments**

opect to generate more than half of their termite management revenue from borate treatments.

4% expect to generate one-quarter to one-half of their termite management revenue from borate treatments.

**92%** expect to generate less than onequarter of their termite management revenue from borate treatments.



**4%** expect to generate less than one-quarter of their termite management revenue from exclusion and other services.

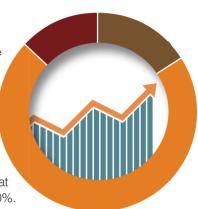
#### Projected 2019 Termite Job Growth Rates

16% expect growth for termite management services to remain flat.

71% expect termite management services to grow at a rate of 1% to 20%

a rate of 1% to 20%.

13% expect termite
management services to grow at a rate of
21% or more.



# Projected 2019 Average Initial Termite Inspection & Treatment Price

**16%** expect to charge an average of \$499 or less for initial termite inspection and treatment services.

45% expect to charge an average of \$500 to \$999 for initial termite inspection and treatment services.

**39%** expect to charge an average of \$1,000 or more for initial termite inspection and treatment services.



17% expect to charge an average of \$99 or less for renewal termite inspection and treatment services.

73% expect to charge an average of \$100 to \$499 for renewal termite inspection and treatment services.

**10%** expect to charge an average of more than \$500 for renewal termite inspection and treatment services.

PHOTO: ISTOCK.COM/ARKADY2013

## **2019 TERMITE MANAGEMENT SURVEY**

CONTINUED FROM PAGE TM8 Aaron Brunell, manager of Brown Exterminating in Stanardsville, Va. "Termite work should be lucrative for any pest control company."

**AARON BRUNELL** 

#### **KNOWLEDGE IS KEY**

While termite work is lucrative, it also is labor-

intensive because it's important to have some basic construction knowledge, according to Elzey.

"You have to understand building and structures to a certain degree," he says. "Study the basic construction of common types of homes, such as those with crawlspaces and basements or built on slabs."

PMPs also can build their businesses on renewals, Elzev says.

"Termite treatments are good if they are not underpriced, not under-treated, and renewals are pursued," says Hylton.

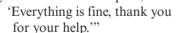
Working with real estate agents and home inspectors is a great way to boost revenue, too.

"Don't let builders and Realtors pressure you into giving termite treatments away," Hylton warns.

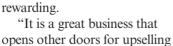
Dawson agrees. "Don't ever cut corners," he says. "Charge what the service is worth. You can't fall for the temptation to cut prices just to take business from a competitor for a short-range gain."

Macy Ruiz, BCE, technical services manager for Rentokil North America in Pineville, N.C., notes that termite control "can be lucrative if you price it correctly. You get the satisfaction of a job well

> done when you follow up with your client and he replies,



Indeed, the majority of the PMPs who answered the survey said termite management is lucrative and



opportunities in the pest industry," says Dawson. "If your customers trust you to protect their homes from termites, they should trust you to take care of any of their other pest control needs." PMP

You can reach SOFRANEC at dsofranec@northcoastmedia.net or 216-706-3793.

#### **HOME IMPROVEMENTS MAY IMPEDE INSPECTIONS**

For many homeowners, spray foam insulation is a popular choice for reducing heat loss and lowering utility bills. But it certainly makes pest control more challenging, particularly when termites are involved.

"Business is beginning to be affected by spray foam insulation in homes and businesses, and it has made relationships with current and potential customers a little more difficult," admits Randal D. Dawson, ACE, operations director for DC Scientific Pest Control in Tuscaloosa, Ala, "In our area, this issue is being looked at carefully by our industry."

Turns out, spray foam insulation makes it difficult for pest management professionals (PMPs) to see termite activity. Unfortunately, termites can, and do, penetrate the insulation. As a result, homeowners may have termite problems that remain undetected.

In Georgia, homeowners received word from the Agriculture Commissioner Gary W. Black and the Georgia Department of Agriculture's Structural Pest Division to hold off on using spray foam insulation in their crawlspaces until they check their contracts for pest management services.

In a statement released by the Georgia Department of Agriculture, Dr. Kristine Braman, head of the Entomology Department at the University of Georgia, said spray foam insulation may "inadvertently hide termite damage and/or the presence of live termites" and that could void existing termite control contracts.

#### NPMA'S PUBLIC OUTREACH

Spray foam insulation does not attract termites, but it does make them difficult to detect. As PMPs know, inspection is key to finding and managing pests.

That's why the National Pest Management Association (NPMA) issued a Consumer Alert designed to help PMPs discuss with customers how making alterations to their structures — including adding spray foam insulation — may increase the risk of termite infestations.

The document advises homeowners to check with their PMP before making these changes: applying spray foam insulation, finishing a basement, enclosing or sealing a crawlspace, adding to or altering a structure, building an addition onto an existing structure, altering landscaping or grading near the structure, and installing a French drain system.

The NPMA's Consumer Alert emphasizes that covering up areas that PMPs previously could see and inspect may void a termite management warranty. To view the document, visit NPMAPestWorld.org/ default/assets/File/Resource%20Center/ConsumerAlert\_ SprayFoam\_v2.pdf -D.S.



MACEDONIO RUIZ

## For more termite management advice and tips, visit PMPPestTalk.net.

# Termite management tips

# Take some advice from the pros who have learned from experience.

BY **DIANE SOFRANEC** | PMP Senior Editor

The customer is always right. Nurture the same attitude in your employees and inspectors. —John Etheridge, Owner, Seashore Pest Control, Huntington Beach, Calif.

Treat customers with respect. Do for the customer what you promised. — *John Higley, Owner, John Jr's Termite & Pest Control, Tucson, Ariz.* 

Show the client where the infestation is, and explain how you treat for termites. — *Gustavo Hernandez, Owner, H2 Environmental Pest Management, Astoria, N.Y.* 

Do not rush to the point of doing a shabby job.

— Perry DuBose, Owner, Absolute Termite and Pest Control,
Sugar Land, Texas

Build the customer/company relationship. — *Ed Chamberlain, Owner, Chamberlain Exterminators, Salisbury, N.C.* 

Review the contract with the customer prior to doing the work. — Bud Ore, President, Bud's Pest Control, Palm Coast, Fla.

Take time to explain to the customer the differences among termite species. — *Colby Gregory, Owner, Pest Control Solutions & Services, Largo, Fla.* 

Know your customer's structure intimately, and keep accurate inspection and treatment records. Historical data is very valuable. Know your customers, past and present. — Wayne Koide, President, Environ Control, Waipahu, Hawaii

Offer complimentary inspections to the neighboring properties of those you treat. — *Eric Fletcher, Owner, Eastern Arizona Exterminating, Gilbert, Ariz.* 

Use your existing customer base to upsell. If you are providing them with outstanding service elsewhere, make sure they know you offer termite protection as well. — Randal D. Dawson, ACE, Operations Director, DC Scientific Pest Control, Tuscaloosa, Ala.





Offer discounts on termite treatments to seniors, veterans and single mothers. — *Kyle Elzey, DCO/IPM Specialist, Pest King Services, Gainesville, Ga.* 

Make the retention of existing contracts a priority.

— Tim Harris, Owner, Harris Pest Control, Effingham, S.C.

Educate your whole team of employees. It could be a problem if just your termite guy — and not your general pest control or office employees — knows termite management. — *Aaron Brunell, Manager, Brown Exterminating Co., Stanardsville, Va.* 



Always buy the best equipment possible. It makes hard work easier and [your tools will] last longer.

— Dayton Hylton, Owner, Dayton's Pest Control Services, Knoxville, Tenn.

Have all your termite-related paperwork finalized by an attorney specializing in the pest management industry. Also, it is not a bad idea to have your general liability insurance company look it over, too. — Scott Kight, Associate Certified Entomologist, Fort Myers Pest Control Inc., North Fort Myers, Fla.

Develop and implement new programs to keep up on cutting-edge technology. — *Mike Barker, Office Manager, Times Up Termite, San Leandro, Calif.* 

Provide more public awareness during swarming season. Educate city building inspectors and real estate agents on termite behavior overall. — *Jason Moreno, Owner, Moreno Exterminating, Odessa, Texas* 

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