PestManagement PROFESSIONAL

DEDICATED TO DAMAGE CONTROL

PMP's exclusive survey shows termite control is satisfying and gratifying

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WORD FROM OUR SPONSOR



YOUR PARTNER IN TERMITE **MANAGEMENT**

hile preparing my first "Word from Our Sponsor" piece, I thought there's no better time than now to say "hello," introduce myself, and express my excitement to serve our industry in this new capacity. In my role as technical service manager at Control Solutions Inc. (CSI), I look forward to sharing useful information through articles such as this.

I have been a part of CSI's research and development team for four years, supporting the development of many of our newly launched products in a behind-the-scenes role as project manager. Now, I get to come out from behind that curtain and engage with our pest management professional (PMP) community in a whole new way.

On the topic of current events impacting PMPs' business operations, it's (still) almost impossible to not mention COVID-19. As we roll into 2022, the effects of the pandemic remain a relevant point of discussion. We've learned quite a bit through this experience including that, in many ways, we can achieve success when embracing adaptability and flexibility amidst the uncertainty.

At least one thing remains certain: Termites have not stopped attacking, infesting and damaging homes and other structures.



As PMPs, we know the seriousness of termites, and the lucrative business (and liability) they can bring. Most of us have seen the statistics, graphs and charts on the annual economic impact of termites, and are familiar with the challenges that come with some termite jobs. This is why there is value in helping our customers understand that a preventive, proactive termite control program can be an effective way to protect their structures, before termites ever get the chance to start an infestation.



Bv Heather Erskine Patterson, Product Development Team Technical Service Manager, Control Solutions Inc. (CSI)

But in many cases, action isn't taken until notable damage has been done. When PMPs get that call, CSI is here to help.

Providing our industry with a variety of reliable, innovative and effective solutions is key to our product development mission at CSI. Our termite toolbox of product offerings has recently grown to include another useful option: Taurus Dry featuring CSI's Precision Delivery System (PDS).

With this tool, PMPs have another way to tackle tough termite infestations in hard-to-reach areas. Formulated with the active incredient fipronil. Taurus Dry is a non-repellent, highly effective dry flowable product that can be used against both drywood and subterranean termites. When applying this product directly into termite galleries and shelter tubes, it flows easily through those spaces within an infested piece of wood that termites move through. Treated termites generously share these deadly particles with their nestmates through physical or topical transfer, which occurs through their normal, natural, colony interactions.

Visit **csi-pds.com** for more information about this dry flowable termiticide and the Precision Delivery System.

CSI is proud to offer other termite control options in addition to Taurus Dry, including Fuse, Fuse Foam, Taurus SC, Bifen I/T, Bifen XTS, and Dominion 2L. The CSI team values our relationship with this industry, as well as our partnership with PMPs to help overcome these pest challenges. It all comes back to our credo:

CSI: Innovation you can apply.

DEDICATED TO DAMAGE CONTRO Termite control is satisfying for pest management professionals -

By Diane Sofranec | PMP Senior Editor

n the United States, subterranean termites inflict more than \$5 billion of structural damage annually, the National Pest Management Association reports, and can be found in every state except Alaska.

and gratifying for their customers

"The threat posed by termites to our customers' homes and businesses is very real," says Dr. Santos Portugal, BCE. "It is our obligation as pest management professionals [PMPs] to have the most highly trained technicians we can, to



Dr. Santos Portugal

protect the most expensive investment most people will ever make."

The technical director for ABC Home & Commercial Services, Austin, Texas, adds, "I think most PMPs would agree that pest management overall is very satisfying, and termite work is just one component of pest management. We are an industry of problem-solvers."

FULFILL DEMAND

The damage termites do to structures illustrates why pest control was deemed an essential service at the outset of the COVID-19 pandemic. PMPs are licensed and trained to use specially formulated products that protect their customers' structures from destructive pests.

Pest Management Professional's 2022 Termite Management Survey responses show existing residential structures account for the majority of termite work, among the PMPs who answered. A recent rebound in existing home sales is creating additional opportunities to provide termite control services, they say.

Many PMPs say the pandemic helped boost business because customers working from home noticed pests they didn't know they had, and couldn't bear to live with. Termite control is not a do-it-yourself service because it requires an understanding of not only termites, but the structures they invade.



Dr. Brian Forschler

"Termite management is complicated because it requires knowledge of termite biology, construction practices, and treatment options and tools," says Dr. Brian Forschler, an entomology professor at the University of Georgia in Athens, Ga. "It is not something average homeowners can understand or do themselves."

When inspecting for termites, technicians should understand the elements of a structure's foundation, and concentrate their efforts on areas with cracks and crevices. They should strive to determine the locations where termites enter the structure.

"Focus interventions for remediating infestations around known and potential entry points, based on what you know about that building's foundation," Dr. Forschler adds. "Study available termite inspection, application and exclusion solutions. Pick an approach, and understand 'one size' does not always work with termite management. So, keep track of complaints, fix 'em fast, and don't repeat."

TYPES OF TRAINING

Fortunately, training is readily available to PMPs. It may encompass termite biology and behavior, as well as construction basics based on the area. In addition to continuing education units (CEUs) required for recertification, Dr. Forschler recommends PMPs search online for schools that offer intensive, hands-on training sessions and certification classes. Clemson University, University

CONTINUED ON PAGE TM4

2022 TERMITE MANAGEMENT SUPPLEMENT

CONTINUED FROM PAGE TM3

of Florida, University of Georgia, North Carolina State University, Purdue University and Texas A&M are just a few of the places where PMPs can learn more about termites and their control.

In addition, Dr. Portugal suggests PMPs coordinate with their local extension services and/or university entomology programs for information on swarming seasonality for their areas.

Training prepares PMPs for whatever they may encounter during inspections. Customers rely on the knowledge and training the professionals they hire possess; don't let callbacks and unsatisfied customers hurt your termite control business.

"It is essential that technicians be capable of making an accurate identification and be familiar with termite biology," says Dr. Portugal. For example, he says, both the light southeastern drywood termite (Incisitermes snyderi) and the Formosan subterranean termite (Coptotermes formosanus) have alates, or swarmers, that are brownish and might appear similar at a cursory glance. The termite



"IT'S NOT AS SIMPLE AS **DECIDING TO OFFER** TERMITE CONTROL **SERVICES ONE DAY BECAUSE** YOU WANT TO MAKE MORE **MONEY. THERE CAN BE A LOT OF CHALLENGES** AND LIABILITY **CONCERNS WHEN PERFORMING TERMITE WORK."**

- Kevin Mills

species' behavior, and their respective control, can be very different, however. "A misidentification could turn out to be very costly in the long run," he adds.

Kevin Mills, president of Mills Pest Management in Burbank, Calif., agrees PMPs need to know what they are doing when it comes to termite control.

"It's not as simple as deciding to offer termite control services one day because you want to make more money," he says. "There can be a lot of challenges and liability concerns when performing termite work."

CONSTRUCTION KNOW-HOW

PMPs can overcome one such challenge by understanding the basics of their local markets' building construction types.

"More specifically, know what is behind 'that wall' and under 'that floor," Dr. Portugal says. "Know the termite weaknesses of the common foundation types in your region."

Termites often are referred to as "hidden invaders" for a reason, he adds. The termite treatments you provide will be more likely to fail if you do not have a good understanding of how

TIPS TO ENSURE TERMITE CONTROL SUCCESS

GCommunicate with your customers about what your termite service entails. Make sure your liability is covered, so your company is protected in a case of false litigation or structure depreciation. Spread the word on your company's social media channels about how to identify the dangerous difference between carpenter ant species and termite Services, East Boston, Mass.

Conducting thorough annual inspections adds value and sustains relationships with your customers. Always follow product labels for all service applications." - John Henderson,

66 Bundle your termite prevention services with your pest control services initially. Propose blanket prevention through all of the pest control services you offer." - Dean Burnside. Owner, Good News Pest Solutions, North Venice. Fla.

Underpromise and overdeliver. Always be truthful with your customers. Most consumers are internet-savvy and will research whatever an inspector says. If you don't know the answer, say so but follow with, 'I will research this and get back with you." - Tim McCafferty, General Manager, Leaf Pest Control. Monaca. Pa.

66 Our inspections and our commitment to excellence do the selling for us. If a potential customer chooses not to do business with us, it's typically because they are basing their decision solely on price. If a customer's decision is based on quality and customer service, we expect to get their business because we work hard to earn and keep it."

Improve the inspection skills of your technicians. Perform annual inspections as part of your quarterly service packages." - Andy Shrawder, Owner, Hershey Termite and Pest Control,



Andy Shrawder



foundations and structures are built. Study the buildings and homes under construction in your area. See for yourself how they are built. "Reading diagrams in a book is one thing, but seeing it with your own eyes is another," Dr. Portugal says.

Conducive conditions may lead to termite infestations, so advising customers of problem areas is critical. "We cannot see into or through walls, subfloors, joists, sill plates, etc.," says Tim McCafferty, general manager at Leaf Pest Control in Monaca. Pa. "We need to discuss conducive conditions and educate customers about the risks. and help them reach the same conclusion we did."

Spray foam insulation makes inspections more challenging for PMPs, depending where it has been used. Often, it entirely covers walls and crawlspaces, concealing the existence of termites. (Editor's Note: See the Regulatory Report column on p. 20 of this issue to learn how one state has addressed this problem.)

PLAN AHEAD

Mills says his goal this year is to grow his company's termite business. "We already perform a fair amount of termite work, but pest control has been the majority of our customer base, and I would like to be closer to 50/50," he says. "Hopefully, the economy and real estate market will cooperate."

He says he already has been getting more of his current pest control field staff licensed and

trained in termite control work. He plans to hire and train more good people, and invest more of the company's advertising dollars in its termite control services.

PMPs concerned about inflation and a possible recession are bracing for whatever 2022 may bring.

"In 'normal times,' termite management is lucrative because it is less sensitive to customers' budgetary issues," McCafferty says.



Tim McCafferty

These are not normal times, however, and the Leaf Pest Control general manager expects his company's termite business to drop sharply due to inflation and the economy. Fortunately, he has a plan in place and is offering an early-bird special for termite renewals.

"The majority of our customers are acutely aware of what's coming this year," he says. "So far, 80 percent of our termite customers took advantage of early-bird pricing that locks in their renewal rates until 2023-2024, thus minimizing the 'bite."

Helping customers prevent damage is satisfying and lucrative for PMPs with sufficient training and expertise.

"Termite work is not something to just jump into for a quick buck," Dr. Portugal says. "Do your homework. Prepare, train and have a plan of attack before you start offering a termite service." PMP

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

It doesn't matter whether the economy is up or down, customers are still interested in maintaining their largest investments: their homes. Chemical options have increased flexibility and efficacy rates, and decreased callbacks. Make sure your entire team



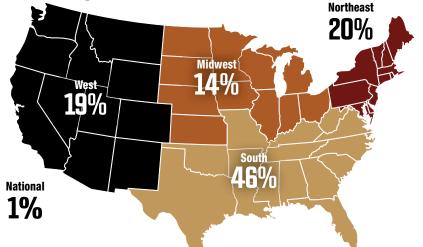
John Etheridge

 inspectors, managers and applicators — understands customer service. Follow up after you complete each termite job to ensure customer satisfaction and referrals." - John Etheridge, Owner, Seashore

Understand the strengths and weaknesses of liquid applications vs. baiting. Both approaches are very effective, but you need to figure out which is better for you, your company and customers. Invest in quality equipment, and don't forget to regularly calibrate your equipment. – Dr. Santos Portugal, BCE, Technical Director, ABC Home & Commercial Services, Austin, Texas

- Frovide excellent training and offer employees aboveaverage pay. Providing an excellent benefits package, along with annual bonuses based on company performance, will result in long-term, happy employees." - Mark Harrison,
- **Solution** Develop a marketing strategy to increase termite-threat awareness in areas with termite activity. Leverage your field sales team to increase risk awareness in areas with termite activity. Offer bundled preventive services in termite-rich areas." - Steve McCullen, Managing Director, Thomas Pest Services,
- Schedule follow-up inspections with your customers when the termite work is complete. Let your customers know the results of each follow-up inspection. Don't downplay your customers' situations or scare them."
- **66** Be polite and informative without talking down to your POW Pest Control, Farmersburg, Ind.

Area of Operations



SOUTH: AL, AFI, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX, VA, WW WEST: AK, AZ, CA, CO, HI, ID, MT, NM, NV, OR, UT, WA, WY MIDWEST: OH, IN, IL, MI, WI, MN, MO, IA, ND, SD, NE, KS NORTHEAST: CT, DE, ME, MD, MA, NJ, NH, NY, PA, RI, VT, D.C. NATIONAL

Number of Termite Techs 91% 10 or fewer

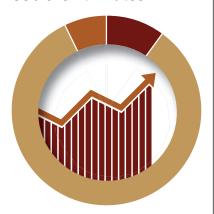
Projected 2022 Average Initial Termite Inspection & Treatment Price

17% expect to charge an average of \$499 or less for initial termite inspection and treatment services.

39% expect to charge an average of \$500 to \$999 for initial termite inspection and treatment services.

44% expect to charge an average of \$1,000 or more for initial termite inspection and treatment services.

Projected 2022 Termite Job Growth Rates



83% expect their number of termite management jobs to grow less than 20% in 2022.

7% expect their number of termite management jobs to grow 20% or more.

10% expect their number of termite management jobs to remain flat this year.

Termite Management Revenue from Existing Residential Structures

53% generate more than half of their termite management revenue by servicing existing residential structures.

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

29% generate less than one-quarter of their termite management revenue by servicing existing residential structures.



Projected 2022 Average Annual Termite Renewal Inspection & Treatment Price

10% expect to charge an average of \$99 or less for renewal termite inspection and treatment services.

80% 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.





Rebounding existing home sales

- Rebounding economy
- Effective, affordable termite control solutions
- Fewer callbacks
- Improved customer retention



Projected 2022 Termite Management Revenue **31**% \$49,999 or less **16**% \$50,000 to \$99,999 39% \$100,000 to \$999,999 **14**% \$1 million or more

Top Obstacles for Maintaining and Growing Termite Revenue

- Lack of swarms
- Sluggish economy
- Fierce pricing competition
- Hiring and retaining termite technicians
- Effective termite control solutions



Projected 2022 Termite Management Revenue from Liquid Treatments

55% expect to generate more than half of their termite management revenue from liquid treatments.

8% expect to generate one-quarter to one-half of their termite management revenue from liquid treatments.

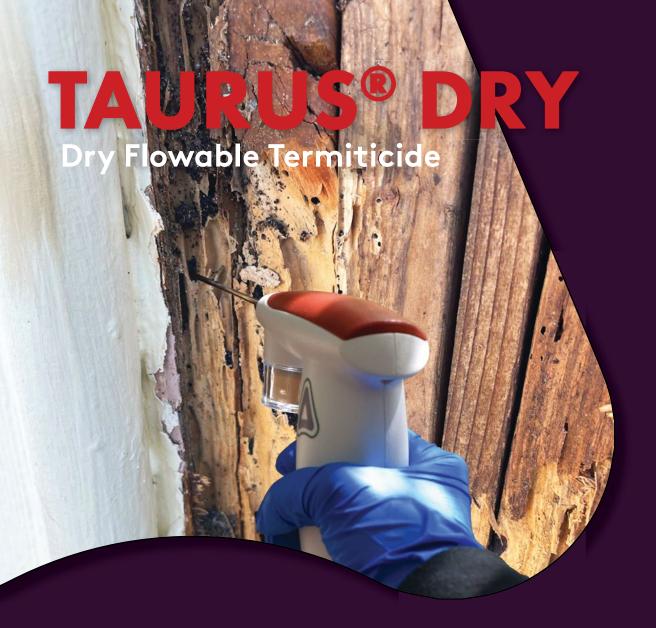
> 37% expect to generate less

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

Termites forage randomly by tunneling through soil and over stone until they encounter wood.

-DR. BLAKE LAYTON,

EXTENSION ENTOMOLOGY SPECIALIST, DEPT. OF ENTOMOLOGY, MISSISSIPPI STATE UNIVERSITY



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