



REVENUE BUILDER

PROFIT FROM INSULATION DONE RIGHT

Whether you train your team or outsource the work, here's what you need to know to make this add-on service work for you

By Heather Gooch | PMP Editor

Are you looking to boost revenue and grow your customer base while earning referrals? Try looking in the attic.

More specifically, it could be worth exploring offering pest preventing, loose fill (also known as blown-in) insulation services for your customers' attics. Blown-in and foamboard insulation are two valid means of protection for basements and crawlspaces, too. Polyurethane spray foam insulation (PSFI) is yet another option, but if installed incorrectly, it can cause

problems for pest inspections down the line and is beyond the scope of this article. (*Editor's Note: For the Association of Structural Pest Control Regulatory Officials' take on PSFI, please see Pest Management Professional's November 2019 issue, p. 23.*)

FIRST THINGS FIRST

With borate-impregnated product available to pest management professionals (PMPs) via their industry distributors, online direct and even, in some cases, via big box stores (but to small-scale professionals only,



Page 30: A PMP inspects the condition of existing attic insulation.
Page 31, far left: The insulation blow-in process uses equipment that is minimally disruptive to occupants. **Page 31, immediate left:** a job completed using TAP insulation.

not competing with do-it-yourselfers), there are three main ways, in no particular order, in which you can offer insulation services to new and existing customers:

- **Basic service** is ensuring there is a proper amount of clean insulation to save customers on heating and cooling costs — up to 30 percent, say some sources. Insulation done right also provides them with a quieter environment, and helps to protect their homes from wildlife, rodents and other pests, both as a physical barrier to entry and by reducing moisture levels from condensation and other factors. It is typically bundled with exclusion services.

- **Attic capping** involves blowing in insulation directly on top of existing insulation, or “capping off.” It can be bundled with quarterly pest control services.

- **Attic restoration** involves removing soiled insulation and replacing it with new insulation. It can be bundled as part of a whole-house treatment for pest control and prevention.

These insulation services can be performed by your team, subcontracted, or you can take a hybrid approach. A lot of information is out there regarding this market segment, but in addition to the highlights that follow, know that your supplier and distributor representatives can help answer specific questions.

Common pest control industry insulation products include Thermal Acoustical Pest Control (TAP) from Pest Control Insulation (PCI),

which features technical-grade borate (orthoboric acid). Because it's registered by the U.S. Environmental Protection Agency as a pesticide, TAP only needs to be applied by a pesticide license holder; no insulation contractor license is required.

Other borate-impregnated products include Supreme Plus (for residential and commercial use) and ChickShredz (for agricultural use). Both blown-in insulation products are manufactured by Service Partners, and feature the Zone Defense additive with hydrogen borate. Bora-Foam from Crawlspace Depot, meanwhile, is a sodium borate-impregnated insulated foamboard product for crawlspaces and basements.

Depending on your state and local regulations, your homeowner customers — and, if you are working in new-construction, your builder customers — may qualify for special tax credits and incentives from energy-saving program initiatives. To see what is available in your market, visit the Database of State Incentives for Renewables & Efficiency (DSIRE) at DSIREUSA.org.

PMPs LEARN THE ROPES

Glen Ramsey, BCE, senior manager of technical services for the Rollins Support Center in Atlanta, Ga., notes that Orkin Pest Control's history with insulation goes back to the early 1990s — but with the more traditional fiberglass batts and rolls. The firm officially launched its borate blown-in insulation service in 2001.

Bundling insulation services with

existing pest services, Ramsey says, is key to profitability for PMPs.

“If we do some exclusion work and the insulation is damaged, then we offer a remediation including new insulation,” Ramsey offers as an example. “If we determine the customer needs a higher R-value than they have, then we can offer a capping service. It is always attempted to be coupled with another pest control service, if possible.”

Ramsey says the company's insulation services are offered as an add-on at the time of any sale.

“Whenever we have a customer contact point, we try to provide services they need or that will improve the value of, and investment in, their homes,” he continues. “We developed marketing materials to support the sales process and describe the benefits of the insulation we use.”

Ryan Gates, ACE, is regional sales manager for Knox Pest Control, Columbus, Ga. The company strives to make itself one-stop-shopping for customers, offering lawn, wildlife and termite services in addition to residential and commercial pest control.

“We started out doing only crawlspace insulation, and that really hindered us because we could only service homes that had crawlspaces,” Gates recalls. “I wanted to be able to offer this service to all types of home construction and provide the best service possible.”

In January 2018, the company launched a program geared to its

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HAPPIER CUSTOMERS, HEALTHIER BOTTOM LINE



"OUR FIRST YEAR, IT ADDED \$100,000 TO OUR BOTTOM LINE. WE'RE ON TRACK TO DOUBLE THAT IN 2019, OUR SECOND YEAR. WE ARE VERY HAPPY TO PROVIDE A HOST OF SERVICES TO OUR CUSTOMERS, AND OUR CUSTOMERS HAVE BEEN EXTREMELY HAPPY WITH THAT ASPECT."

RYAN GATES, ACE

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current customer base, and it took off faster than expected.

"Our first year, it added \$100,000 to our bottom line. We're on track to double that in 2019, our second year," he says. "We are very happy to provide a host of services to our customers, and our customers have been extremely happy with that aspect."

In many cases, Gates notes, Knox bundles insulation service with its wildlife program because the two play in the same space.

"Overall, our customers have been extremely happy with the added service and the value insulation brings in lowering heating and cooling costs," he says.

Still, the borate ingredient in these products available today also can protect your customers from several of the usual general pest control suspects, including cockroaches, carpenter ants, silverfish and darkling beetles.

Robert Keef, owner of Bay Pest Solutions, San Jose, Calif., has been selling insulation service

for more than a decade. He notes that he saw the value of the service during his 35-year stint at a larger pest control firm, so when he struck out on his own, it became part of his plans.

"We bundle the insulation service with our wildlife exclusion service

to help eliminate fecal matter and urine from rodents," Keef says, noting that the service is outsourced and the insulation company comes in to help train his employees on how best to work together.

Keef says that while outsourcing means he doesn't have control over when the job can be completed, because of the subcontracting company's availability, there definitely are more benefits than drawbacks.

"They're trained to perform this service, and we don't have to buy any equipment or vehicles," Keef adds. "We're reaching new audiences, and market the service with our wildlife services. Customers are very open to having one company perform their home services this way."

Marietta, Ga.-based Northwest Exterminating has been offering insulation long before its acquisition by Rollins in 2017. When it began offering wildlife removal and exclusion to its list of home services in 2006, says Regional Sales Manager David Niles, attic insulation service seemed like a natural fit.

"Considering all the benefits the insulation can bring to our customer's home, it seemed like a no-brainer for us," he continues. "We started training to ensure we could deliver the care our customers deserved, and we have been performing the insulation service for more than 13 years."

Niles says attic insulation service is "a great second step for some customers who may be experiencing critters in their attics," after exclusion.

"We can bundle our wildlife exclusion and attic insulation services together for customers where there may be a benefit to their homes," he says, adding that they also perform attic insulation as a standalone service for customers who need soiled insulation removed or their current insulation topped off.

Northwest has expanded its insulation involvement from wildlife and rodent customers to termite customers, too, Niles says.

"Our current customers' yearly termite inspection involves our teammates checking the attic for signs of pests, wildlife, termite or insulation issues," he explains.

"Because of these and other routine checks, we often are able to catch concerns for our customers and let them know about this service we offer. Though we do try to reach potential customers through some of our advertising efforts, we primarily focus on educating our current Northwest customers on attic insulation and its potential benefits for their home."

Attic insulation installation is less disruptive to customers than, say, a fumigation, where they have to vacate the structure. In most cases, the setup process is straightforward: Equipment is mounted on the truck, so only a 3-inch-diameter hose is brought into the structure. To keep dust to a minimum, the crew lays plastic tarps on surrounding floors, walls and around the attic access point. In the attic itself, the crew preps recessed lighting, eave vents, attic fans, exhaust flues, etc., so that the insulation is kept at least 3 inches away from such fixtures with some sort of barrier.

DAVID NILES



ROBERT KEEF

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It's a good idea to install an R-value ruler, so in the future, you can tell at a glance how much the insulation has tamped down to over time. In most cases, blown-in insulation won't need to be topped off for at least 15 years if it's kept clean and dry.

After installation, the crew affixes a warranty card and inspects their work before considering the job complete.

TRAINING

The process might be straightforward, but it's not exactly intuitive. Insulation suppliers are well-equipped to help PMPs learn the process, and continue to fine-tune it once they have the basics down. Reinforcing concepts with training, which PCI in particular offers its PMP customers directly, can then take a crew from great to outstanding. PCI also helps PMPs calculate the amount of product needed with an online calculator at TAPInsulation.com/bag-calculator.

Gates says Knox Pest Control has a dedicated team that provides attic insulation services, and staff is trained monthly, from sales to service.

"We are able to perform the service in-house, which means customers aren't dealing with a number of different

The Knox Pest Control install team includes, from left, Steven Brock, Dylan Craig, Dustin Hester and Michael Ott.

Installing an "R stick," or attic ruler, can help determine whether the depth of insulation is sufficient as the years pass.

contractors," he says. "It is also a full benefit to us, because we don't have to pay any outsourcing fees, and we are able to tie the price into one simple concept for the customer so that we don't overwhelm them with different contractors coming in."

The company is in the beginning stages of offering the service, and is introducing it to current customers. Gates says he has not yet aggressively marketed insulation outside of its customer base, which is substantial enough to support the program as of now. He also has received a lot of referrals.

Ramsey notes Rollins' training consists of an internal training and certification program that all sales and installation teams must pass to be able to sell or provide insulation services. In some branches, the team members are separate from its general pest control service technicians whereas in others, they are the same. And in some cases, Rollins subcontracts the work.

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TIPS BEFORE TAKING THE LEAP

"Make sure you can provide the service at a very high standard. Train staff consistently, and make sure you have a future forecasting plan for the insulation side. This program also ties into our industry as a whole, as we are in attics all day, every day. We provide wildlife services and rodent control, which are your main reasons to be in attics. You're not only giving your staff more opportunity, but it will help your company's bottom line."

The attic program provides a great service not only for our company, but for our customers as well." – *Ryan Gates, ACE, Knox Pest Control*

"Insulation is a very profitable service, and it will help with customer retention. If you do not offer it, you risk the customer going to a competitor for one-stop shopping." – *Robert Keef, Bay Pest Solutions*

"Really look at the investment and training that is needed to do the service correctly. Pay attention to local codes, and ensure you get the appropriate licensing needed in your particular service area. Consider partnering with another company that does this, and sub work out to see if it is something you want to get into further. Work through your state association contacts and see if you can ride along with another company doing a job. Participate, and ask about safety and risks. Then, make a decision on offering it as a service line." – *Glen Ramsey, BCE, Rollins Inc.*

"If you feel this service could benefit the customers you serve, do your research and find a vendor you trust. From our experience, most attics need more insulation, so the attic insulation service is something that can greatly benefit your customers – not only from an insulation perspective, but also from a pest prevention standpoint. In some cases, we have been able to remove old or soiled insulation without having to add new insulation. We have found many ways this service further allows us to care for our customers." – *Don Saladrigas, Northwest Exterminating Co.*

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Offering pest-protection insulation service can make you even more valuable to existing and new customers.

You have to vet their work because your reputation is attached to their work."

Northwest's service is all in-house. As Attic Insulation Supervisor Don Saladrigas points out, "Our insulation team is part of our wildlife department. We use our vendor's resources, ongoing internal training classes, and on-the-job training for our teammates who work specifically with our attic insulation service." PMP

DON SALADRIGAS

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"The benefits to subcontracting are that we can offer the service in areas that might not do it often and don't want to invest in the equipment needed to do it properly," Ramsey says. "The drawbacks are the same with any subcontractor:

A SUBCONTRACTOR'S POINT OF VIEW

Based in Sacramento, Calif., with 13 offices statewide, Alliance Environmental Group offers a variety of services, from asbestos removal and mold remediation to methamphetamine lab cleanup. David Hughes is project manager for Alliance's Insulation Division. He has more than 20 years of experience in the residential retrofit industry, which focuses on making existing homes more energy-efficient; six years of insulation experience and six years of pest control experience.

But the division has no end user customers to call its own. Rather, its customers are a variety of service companies — primarily, pest management firms.

"We do hold a pest control license, because in California, that's the rule," Hughes explains. "But if you had to summarize Alliance's business model, it's to stay behind the scenes."

Hughes notes that subcontracting lets the pest management firm be the hero to customers, to not just say "Well, you need to call an insulation company about that." It's tough, hard work, and they usually run in three-man crews to optimize time and labor for a typical insulation job. It's never going to be same-day scheduling, either, he points out, noting that they're often scheduled out about two months ahead.

"If you take the average 2,000-square-foot-house, for full removal of soiled insulation and installation of new materials, it's going to be one job per day," Hughes estimates. "If it's just install-only, you can do two, maybe three jobs in a day if you have the proper equipment."

Hughes estimates his "personal best" was on a government job with five houses in one day, totaling 8,000 square feet. But the stars basically aligned for that to happen, he admits.

If you're not looking to subcontract, or maybe want to take on a few jobs in-house and subcontract the more complex accounts, Hughes advises that hiring the right people from the start can make or break you.

"Good attic installation installers can be hard to find," he says, noting that the required personal protective equipment (PPE) of glasses, respirator and "crawl suit" isn't exactly what all



DAVID HUGHES

of the cool kids want to wear. "They are very hard workers, and they just want to show up, do the job and go home. There's not exactly a line out the door to work in a hot, dirty attic."

He advises looking outside your typical hiring zone and seeking journeymen tradespeople. However, they're often already in union jobs, and competitive wages and benefits may be a factor.

Another option, he says, is to "pull your exclusion tech and give him/her a partner or two to do the work. But you need to incentivize: On, say, a \$4,000 job, give them \$200 on top of their regular pay."

Unfortunately, Hughes says, it's a young man's game.

Women are welcome to apply, of course, but not many do. And once an insulation tech hits middle age, it gets even harder to run the route.

It's not impossible, though, Hughes says with a chuckle. "Two of our best guys are Jaime, who is in his late 40s and Leo, who is in his early 50s. We are constantly telling the new techs who are wilting in the heat, look, these guys are old, and they can do it! You can, too."

Once you've got the crew in place, Hughes says, "Selling is easy. You can get one truck or trailer — a blower and two vacuums — you can store materials, and you'll be able to keep your guys busy."

The hardest part, beyond the physical labor, he says, is the constant communication during the day-long process. As the sole license-holder for the company, Hughes is constantly conducting quality control checks via texts and photos.

If you do subcontract, Hughes says, don't expect to get exclusivity in the market.

"We're like Samsung TVs: You can get us at Walmart, Best Buy and Home Depot," he teases. "But seriously, because we don't sell direct, we couldn't sustain our workload if we were not working for everyone. All pricing is confidential, and very rarely does the customer even realize that we're not with their pest control provider. Once in a while, they'll see our trucks roll up with our company name and they'll say to the technician, 'Wait, you've subcontracted the service?'"

Hughes notes that there has yet to be a problem with an honest response: "Yes, they're the experts, and we strive to only provide the best service for you." —HG

CLOSED CRAWLSPACES ARE AN OPEN OPPORTUNITY



Above left is a "before" shot; to its right is the "after" with a vapor barrier and borate-impregnated foamboard insulation installed.

The consumer-targeted website Crawlspaces.org, maintained by nonprofit energy firm Advanced Energy, features an article with an interesting take on the concept of encapsulating, or "closing," crawlspaces and basements with energy-efficient vapor barriers and insulation. The article directs consumers to think of the crawlspace as a plastic container for leftovers:

A closed crawlspace needs to be sealed tight, so no outside air gets inside. To build this airtight box, the contractor will install plastic sheeting over the soil plus the masonry walls and piers, overlapping and sealing the seams. They will also seal all holes and gaps linking the crawlspace to the great outdoors and the interior of your home with caulk or foam. This includes installing weather-stripping on the crawlspace doors and covering crawlspace vents with rigid foam or wood. Once all six sides of this crawlspace "box" are sealed, insulation should be installed either on the perimeter walls or touching the wood subfloor.

The website overall urges consumers to leave this work to the professionals. And pest management professionals (PMPs) happen to be well-equipped to add this service, thanks to their common presence in crawlspaces for inspections anyway.

PMP Hall of Famer (Class of 2017) Billy Tesh embodies this idea. In the late

1990s, the president of Pest Management Systems — who started the Greensboro, N.C.-based company a decade before, while still in his 20s — began seriously looking at why so many of his customers complained of "sweating" crawlspaces that additional ventilation wasn't helping. Tesh teamed up with Advance Energy to conduct some research, and to dispel the myth that having closed crawlspaces would lead the homes to rot. Along the way, known as the first PMP doing this type of work and finding it hard to source materials, he founded sister company Crawlspace Depot as a clearinghouse for supplies and equipment.

"In 2002, when we started looking at the closed crawlspace arena and I made trips around the country talking to PMPs about closed crawlspaces — even then, the industry was worried about the negative impact of them doing that work" because of the rot myth, he says. With that myth since put to rest, and the proven energy savings prominently touted in it today, Tesh says, it's come full circle.

"Now, PMPs realize it's a service that is needed by customers, and they don't want to see another entity doing that work," he says. "PMPs are the ones heavily engaged in that realm of that structure, so we should be the only ones sealing it because we know what all is going on under the house."

DO YOUR HOMEWORK

There are a variety of crawlspace solutions available, including TAP's ComfortTherm fiberglass insulation and Crawlspace Depot's insulation and encapsulation products. Whether starting or streamlining the process, Tesh emphasizes you must know your current local market specifications and energy codes. A good resource to locate local R-value requirements, for example, is the Responsible Energy Codes Alliance's website, RECA-Codes.com.

After familiarizing yourself with the applicable building codes in your market, Tesh advises starting at a level with which you're comfortable. Online and in-person training is available from product manufacturers and distributors, he adds.

One benefit to offering crawlspace encapsulation is that you can keep your termite technicians busy in the winter between jobs. While a typical home can be encapsulated in two to three days by one person, Tesh says it's better to have two and best to have three. With four, however, people can get in one another's way.

"One person can stay outside cutting and measuring, then the other two can transfer materials back and forth," Tesh explains, joking that "since there's only one hole to get in and out of, you only want to make one trip if you can."

His company started offering the

system two decades ago by hitching a trailer for equipment to one of its existing termite rigs. Today, Pest Management Systems has four trucks devoted just to encapsulating crawlspaces. The company also sells annual renewals, just like it would with a termite program. The renewal gives the company the chance to replace monitoring batteries as appropriate.

Tesh notes the renewal inspection also allows a PMP to get in and ensure there are no plumbing leaks, or tears from a cable technician or electrician who performed work and ignored the signs posted to leave the system as intact as they found it. To protect the system, his company posts notice signs at the crawlspace entrance that holds the outside contractor liable for costs related to repair work.

"We've gotten to the point with some contractors where we say, 'Why would you disrupt our system? Would you do that to sheetrock? Of course not. This, too, has an intended purpose that disturbing will invalidate,'" he says.



BILLY TESH

PROFITABLE PROPOSITION

Tesh has helped many PMPs get their encapsulation service off the ground, and has fine-tuned his own company's program over the years. He has found that hourly pay to the termite crew works, but adding a production bonus is what really gets employees to buy in.

"We keep an Excel sheet that calculates every factor, really breaking down time, labor and materials," he explains. "When we run the calculations and come up with the profitability ratio, we can award a bonus to crews who do quality work on time and on budget." He notes that his crews run nearly like clockwork as result.

Tesh says he foresees closed crawlspaces only growing in popularity as more builders and homeowners seek energy-efficient solutions. There's another bonus, too, he says:

"Our company offers both attic insulation and crawlspace encapsulation services. But during a North Carolina summer, when the attic temperature gets to be 200°F and we can't feasibly get an insulation job done that day, we certainly can schedule one for a crawlspace, where it's much cooler!" —HG

LINKS TO GET YOU STARTED

- Download a free PDF of Crawlspace Depot's equipment and inspection checklist at [Bit.ly/2EScgOu](https://bit.ly/2EScgOu).

- Many states have adopted the International Residential Building Code R408.3, which is detailed online at [Codes.iccsafe.org/content/IRC2018/chapter-4-foundations](https://codes.iccsafe.org/content/IRC2018/chapter-4-foundations).

- Some states, like North Carolina, have their own code, which is detailed online at [Codes.iccsafe.org/content/NCRC2018/chapter-4-foundations](https://codes.iccsafe.org/content/NCRC2018/chapter-4-foundations).

— Andrew Hicks,
Director of Operations,
Crawlspace Depot