



April 2014 United States Featured Contractor at
World Sweeping Association and WorldSweeper.com



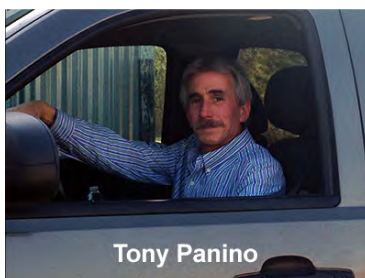
Power Vac Services Emphasizes Strong Company Expertise and Core Values

by Ranger Kidwell-Ross

One of the three partners in Power Vac Services, Claudia Passero, first became involved in the sweeping business in 1984 when she went to work for sweeper manufacturer, Schwarze Industries, a company located in her home town of Huntsville, Alabama. Although she was involved in a variety of areas, including auditing, customer service and sales team support, many long-time contractors will remember her as one of the leads for Schwarze's memorable three Sweeper Roundups. (Full disclosure: At that time I worked as a consultant for Schwarze Industries and worked closely with Claudia and the company in producing the Roundups, as well as providing a variety of other marketing support for the Schwarze family.)



Claudia's husband, Anthony, worked as a contractor for NASA during this time. In 2000, when his contract ran out, the couple decided to start their own business and saw an opportunity in the sweeping and landscaping field. Combining resources with Tony Parino, whose family owned Carpet Crafters, a local flooring store, they formed a partnership, purchased a sweeper from Schwarze and plunged into the field. From that modest beginning, Power Vac Services has become the dominant sweeping company in the north Alabama region.



"We checked out the market for what it appeared that Huntsville needed and those two services appeared under-served. So, we took the plunge," said Claudia. "All three of us drove and worked on trucks in the beginning. As we prospered, we tailored our managerial and labor duties around specific skills each one of us had. Anthony kept the

marketing cap, Tony had specialized skills in welding and certain repair work, and I worked with the employees and the customers. Jonathan, our son who was 13 at the time became our backpack blower operator.”

The three principals made a strong team, since the three partners had disparate skill sets, each having skills that complemented the others. Plus, with her stint at Schwarze, Claudia knew for certain what sweeping customers wanted and needed to stay happy.

“We started out strictly in sweeping and later added landscaping, pressure washer, and various other customer services,” said Passero. “Our expansion happened when we discovered a large work force involving the teenagers at a local high school. We then formed a landscaping crew. This turned out to be a great expansion to our business. It allowed us to supplement our sweeping income during economic and seasonal downturns. Four years into business we recognized the value of operating as some type of corporate entity and then re-formed the company as an LLC.” Proof of the company’s success is they now have 35 employees taking care of their customers’ needs.



“It has helped tremendously that we almost never have to send any of our equipment out for repair,” said Claudia. That is one thing that I think is a ‘make or break’ in this industry. You have to either have a very good mechanic or be one yourself. Sweepers need a lot of upkeep and almost continuous repair to keep them in good operating condition and those costs can eat you alive. If you don’t do your own maintenance, find somebody who is both good and who will show you how to do those procedures for yourself next time they’re needed. At the least, make sure you can do all of your own daily/weekly/monthly preventive maintenance. It’s vitally important that those get done.

“The other thing is customer service. I was very lucky to have been exposed to the strong customer service commitment of Mark Schwarze (then president of Schwarze Industries, Inc.; now, president of Victory Sweepers, Inc.). One of the things Mark talked about continuously was finding out what the customer needed that we could provide for them and then getting it done. He also emphasized anticipating their needs and supporting them in every way possible. What I learned from him has helped us tremendously in taking care of our own customers and keeping them happy with us. And, I know from firsthand experience that Mark has continued that concept at his new company, Victory Sweepers.

“As an example, we’ve had three-times-a-week customers who have called us up to say their lot didn’t look good and we knew it was because of the days they weren’t being swept. Our decision in these cases is to go ahead and sweep the property every night for a week at no additional charge. This more than addresses the issue as well as shows them what kind of results they could expect to see, ongoing, with nightly sweeping. That attitude toward service is the reason that we simply do not lose customers. We will make anything right because that’s what we’re here to do.”

Power Vac Services also has developed a successful network of subcontractors they call on when needed and who likewise call on them when service is needed in the Huntsville area. This allows the company to accept regional work for customers that have locations that are too remote for them to handle. It also allows them to advertise a wider service area than they might otherwise, by touting that they serve “all of Alabama and parts of Mississippi, Tennessee, Florida and Georgia.”

“We have run into some contractors who don’t want to participate in subbing any work, whether taking on the work or sending it to others,” said Passero. “I simply don’t understand why they would want to miss out on these types of opportunities. You get to know neighboring contractors while being seen by your customers as being able



to handle whatever their needs are. I think any contractor not doing this sort of thing is missing out on many levels.

“We like to use contractors that have the same type of sweepers that we have, either Schwarze or Victory, because we know that equipment works well and provides good results. Although we have several partners that run TYMCO or Elgin sweepers, we prefer contractors who we know can get the answers they need if they have problems with their sweepers. We know that all of the contractors we use have the same type of commitments as we do.



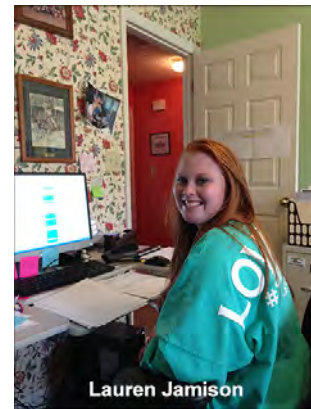
“Another piece of advice I have for contractors reading this is to learn to rely on the expertise their sweeper manufacturer offers. We can say with certainty that if you have Schwarze or Victory sweepers you can call their support teams and get answers about anything to do with your sweepers.

If we have any kind of question about our Schwarze sweepers, we know we can call and Bill Manning or Costas Cordonis will have the answers. The same is true of Victory, where Monte Countess or Steve Hanvey are always very responsive to any needs we have. These are all people with many years of product and troubleshooting experience who will do whatever it takes to keep your sweepers operational.”

Passero also counsels contractors to not be afraid of expansion. Although branching into new areas like landscaping or paving might seem daunting, she said that in every market area there are good contractors in those fields whose services you can utilize initially, with an eye toward self-performing when you get to a volume of work that can support it. By doing this sort of networking, she says, many opportunities will end up coming your way. When you have those types of partnerships going on the work just comes in.

“We have also tried many different types of sweepers,” continued Passero. “It’s important to know what’s in the market so we are able to bring the right sweepers to each of our customer accounts. We buy both new and used, depending upon our finances. Again, it helps with used sweepers that we do our own maintenance so we can assess condition better and fix whatever is needed to get back up spec. We have both twin-engine and single-engine sweepers in our fleet and allocate them as needed.

“The important thing is to use sweepers that fit both your job needs and your geographical region of operation. If you have trouble with one type of operating system or other; for example, if you’re in a cold weather region where belt-driven systems tend to not work as well, use that criteria when talking to your favorite manufacturers. Tell your chosen sweeper manufacturer about the issues you’ve encountered and work with them to make sure the specs on your next machine takes care of that issue. Include the types of sweeping you do: is there a large amount of sand or rocks you have to deal with; is your weather continually wet; do you have hot or cold weather issues. Remember, your sweeper manufacturer wants you to be successful so you will come back and they can sell you more sweepers. They’ll help in any way they can to meet your needs.”



Passero also touts the benefits of being organized. With sweeping, she says, you have to be both scheduled and flexible because that’s the way this industry is. There are constant changes in service needs and, at the same time, you have many continuous, scheduled accounts. As a small business it’s very important to keep up with all that, which includes paying payroll and sales taxes on time, meet all deadlines, etc. You can’t afford to let the paperwork get away from you and expect to stay up with all the rest. In their case, Passero

says they run a very lean office staff that means working more hours personally so they can afford to pay their outside employees better.

They recognize that the quality of their outside workforce is vital to success as well as want to minimize turnover. For them, that means putting as many resources as possible toward employee compensation. In the accompanying podcast, Passero goes into detail on the issue of taking care of their employees as what might be called 'the flip side' of customer service: taking care of employees.

"Don't be too busy making money to take care of your money," she advises. "That means timely invoicing and keeping on top of accounts receivable. We also use [Comet Tracker](#), a phone-based tracking system, which makes sense for us with eight sweeper trucks and landscaping vehicles, as well. We have found that to be a less expensive option that works great. The tracking system can go onto any iPhone or Android phone, and the phones can be swapped around between employees. Those with phones check in and out — even take their breaks — via the Comet Tracker system. For us, it's a better way to go than to hard-line the GPS into trucks."

Passero stresses to other contractors to be sure to get the correct insurance coverages and don't take a chance on operating with too low of coverage or none at all. Don't count on being a subcontractor and think you can coattail on someone else's coverage. Not only will you lose work you'd otherwise qualify for, but it puts your whole financial life at risk. And, your company has no chance to grow like it should.

"If you only have \$1 million coverage and a potential client wants \$2 million," she advises, "go to the company and ask if they can get a variance given the type of work you'll be doing for them. Sometimes, that's all it takes to become compliant. You can also say to them 'If I get the \$2 million coverage for you can I add a percentage to cover that over the next 12 months we work for you, are you good with that?' and sometimes the answer to that will be 'yes.' So, there are ways to work around what may initially seem like a hard-and-fast rule of some kind, whether with insurance or elsewhere in a contract."

"You also need to be incorporated in some fashion and not a sole proprietor since sweeping contractors typically get named in so many slip-and-fall situations. You can lose everything, not just your business, if you don't have coverage for those types of instances. Passero goes on to explain in the podcast why they chose the LLC business structure and what its pass-through income benefits meant to them in terms of taxation."

She also advises contractors not to shy away from hiring part-time people who need to supplement their income by working a second job a few nights a week or for other reasons. She said they have had a number of people work for them on that basis and that, by and large, it works out fine. Plus, it gives them a roster of previous employees they can call upon in times of need. These people tend to be motivated to do a good job and, if they can pass the company's driver's license, background and drug tests, they typically welcome the workers to come on board.



"Don't ever say no to a potential employee that can only be there three or four months when you need the position filled," said Passero. "You'll fill the spot and have time to re-fill it later on. In the meantime, you get a strong worker who is motivated to do a great job for you. In this line of work that's awesome. What I look for is someone who's going to be dedicated and get along well with our other workers. If you're going to be here for 3 months or 3 years, that's fine. It's all about doing to people what you'd like them to do to you. You have to remember that when you're hiring somebody."

“We’ve hired people who are handicapped and we’ve hired people who needed a second chance; we’ve always walked away well from those decisions. We’re in a small enough community that it seems everybody is connected in some way or another and reputations get around. We’re very proud of ours. “

This hiring practice has created a variety of interesting, positive situations for the company. They build up a file of previous workers they can call on. Other people hear how employees are treated and want to come to work for them. Others have gone on to work somewhere else where sweeping is needed and they get the call to sweep the property. Passero says this hiring philosophy has been nothing but positive for them to date.

In terms of working with third party vendors (national service providers), Passero said the same philosophy of partnering with others comes into play. “At some point or another, we’ve probably worked for all of them,” she said. “We learned from working with NASA that the winds change. First Boeing has the contract and then Lockheed might get it. What happens is the workers shift to the company with the contract. If we’ve been handling landscaping at, for example, a Coles’ store, and Divisions gets the contract, we call up Divisions and tell them we know they got the contract and encourage them to check with the store manager about our work. Chances are, after they do they call us up and we continue with the contract.

“Don’t hold grudges; don’t burn bridges,” said Passero. There’s nothing that makes it worthwhile burning those bridges. Life is too short for that. Karma is karma. We put out good karma in anticipation of getting the same in return.

“You’re in business to be successful and partnering with people on a positive basis is the way to accomplish that. If you’re going to be a sweeping contractor, or be in some other business, make sure it’s something you really want to do. Make sure you’re able to get up every morning with a smile on your face and you want to be there and be a part of it. We love being in the sweeping business and love the many people we know who are also involved with it.”

You may contact Claudia Passero via [this email link](#), or by visiting the company’s website located at www.PowerVacServices.com.