

Rental Rag February 2003

PRESIDENT'S MESSAGE

HAPPY NEW YEAR! Do you believe it? 2003!

Where do we go from here? If you, like many of us are pondering this question, it may be time to take time away from the counter and the phones to think it through. Can we brainstorm the answers? Can discussions with other store operators give us some insight? What about professional insights?

If the answer to any of these questions is yes, then you must participate in chapter activities as often as possible! Get involved now!

Check out the programs coming up- they are blue chip and can help your business! The networking that can take place can give you insights from another perspective.

You have already heard about our Tony and Tina's Wedding theater experience. No, this is not Tony Perrota reaffirming his vows.

Next, we have an exciting program to be put on by [Greg Smith](#) entitled "Small Businesses Don't Just Fail, They Commit Suicide". Mark your calendar for March 6. You do not want to miss this!

We Have "The Lawn and Garden Equipment Edge" featured as the first [RenTech in Region 2](#) to be held March 19-20 in Cherry Hill . Our own Joe Mihalko is chairing the program which will be aimed at store managers and key counter personnel.

Next we will go to the races at the Meadowlands on April 23- a social evening and you still can pick the brains and share ideas with lots of colleagues.

We can take advantage of opportunities, or we can let them slide.

Which are you going to do?

If you have any questions, comments, or ideas that you would like to share, please let me, or any board member know.

See you in Anaheim!

..... [Howard Heller](#) M & R Sales, Inc.

WAR STORIES



The customer came in on a busy summer day to rent 8 ft banquet tables. He encountered a summer employee at the counter. When the paper work was finished, and they were on the way to get the tables, the customer advised the counterman the tables would not fit his vehicle. But, he said, we could just tie them to the roof of the car. The employee told him of our policy of not tying table on car roofs. He would have to come back with another car or he would otherwise not be able to rent the tables. At this point the customer indicated he had rented tables in past years at another local rental store and they always put them on the roof for him. Trying to be both congenial and competitive, and not wanting to upset management, he conceded by allowing the rental to proceed with the table on the roof.

Next Monday the customer returned with the table and his apologies because the table was a "little worse for wear." It seems the table flew off the roof on the return trip. "But nobody got hurt!" He said on a positive note. "Where did

it fall off////////?" Our summer employee asked. "What a coincidence," marveled the customer, "it was on the same corner as the table I rented from that other rental store last year."

The question I asked the employee when I saw the table in the repair shop was, "How many tables do you think you would have to rent to pay a claim for a table that hit another car or flew in the windshield and hurt, or indeed, killed someone?"

..... [Dave Hinck](#) - A Party Center

LIFE AFTER THE RENTAL DAY



Well, things sure changed since my last column. Remember I said I do nothing but work. Well—the holidays came, (and unfortunately went) and so did I.

My wife and I took two long weeks off and did absolutely nothing for the first week. The second week, Joanne and I went to the Caribbean for 7 days of indulgence aboard a cruise ship. (Can you say "Otro cerveza por favor?") Unfortunately, I came back with some extra baggage (and I don't mean luggage) that I have to work to lose now.

In this business, when we get a two-day weekend, it feels like a week. When we get a week it feels like two. So you can only imagine how long two weeks felt. My speech and breathing slowed to a reasonable pace; my heartbeat only increased past 72 beats a minute when I saw a beautiful beach. And my elbow spent many hours bending Grey Goose to my lips.

Talk about the ying and yang of the world. They say no good deed (or in this case good time) goes unpunished. Back from vacation only 2 days, I had to scramble to exhibit at a trade show in Orlando (5 days) and then a second show in Las Vegas for another 5 days. Upon returning from Las Vegas, I then had another show in NYC for three days. No rest for the weary.

And now, I am at last back in the comfort of my office counting the days when I will see all of your at the ARA show in Anaheim. This year promises to be great. Start it off right by coming to the show. And don't forget to stop by my booth # 4369. Aside from seeing the linens you know we are known for, you can see our new line of Luxury Linens for Less as well as my smiling face.

..... [Murray Vale](#) A 1 Linen

SO YOU THINK YOU MADE MONEY?



If you're like me, every time you call your lawyer or accountant, the meter starts running. No matter if it's a simple question that requires a yes or a no response or a complicated issue. We appease our- selves rationalizing, "Well, this is how they make their living." How is what they do different from what we do? We're in the service business as well. You do rent more than a product, don't you? Should we be charging for the things we do that don't present themselves in a physical sense?

When was the last time you took a hard look at what you actually made on a particular job? Sure, we look at that bottom line of that rental contract and say this job made us such and such. But are you capable or actually calculating what that rental cost you?

Most of your software systems should be able to calculate job cost, which are direct itemized expenses that went into a particular job. These are simple entries for supplies you had to acquire, or repair and maintenance entries associated with the rental.

How about all of us taking this exercise a little further. For those of you who are slightly computer savvy, set up a basic spreadsheet (see below) in Excel or Lotus and make sure all employees have access to this file. Each time a cost related to this job occurs, list it. Remember, just like our accountants and lawyers, TIME is a cost! You will be very surprised how basic cost adds up and start to make the profitable rental not so profitable after all.

A	B	C	D	E	F	G	H	I	J	K	L
1	Entry 1	Entry 2	Entry 3	Entry 4	Entry 5	Entry 6	Total Minutes	Total for item	Cost per min	Total cost	
2	Phone call(s)	30 mtes	45 mn	50 mn							
3	Contracts reprinted	1	1		3						
4	Visits to client										
5	Faxes	4	4	3		1	1				
6	emails	5	8	9	insert columns as you need to						
7	postage	1.25	3.75								
8	subrentals	\$125	\$350.00								
9	Deliveries to client	1	1	1							
10	Fuel	30 Gal									
11	load time	2 hr									
12	unload time	2 hr	2 hr								
13	delivery time	1 hr	1 hr	1 hr							
14	cleaning time	1 hr									
15	prep time	45	1hr 30 m	entries can be made in hours or cost and then calculated							
16											
17											
18	add as many items that you can think of										
19											
20											
21											
22											

I'm sure there are those of you that will argue with me that many of these costs are built into the prices of the rental. I beg to differ. When was the last time anybody seriously raised their cost based on information **other** than what your competitors are charging?

Costing is not an exact science, and many factors come into play, but the main point to consider is we do have the power and the ability to change our cost based on what we can expect from a particular rental.

Over the past year I have talked to fellow rental store operators who now have charges for items such as trucking, material handling, washing and processing fees, permit fees, waste disposal, overtime, early setups, late night pickups, tolls, mileage and environ- mental charges.

Folks, this is the time of year to sit down and take a hard look at what goes into a rental and what comes out. We have many tools to help us do this. Yes, the computer is a great asset for doing this, but we all have one great tool that we need to tap into:

"COMMON SENSE."

Respectfully submitted, [Steve Kohn](#)

MARK YOUR CALENDARS

March 11 - [Greg Smith Seminar](#) for store owners - see details next page

March - 19 & 20 - [Rentech, Mapleshade, PA](#)

Program: "Lawn & Garden Cutting Edge"

Registration forms will be out in February

March 26 - General Meeting - program "How to Get the Most Out of Your Payroll Service." plus "financial investing opportunities" ABC Rentals, Wanamassa, NJ.

April 23rd - Regular Meeting - Program "Stress Management." Wacker Corp, Mine Hill, NJ

Details to follow.

May 14 - Night at the Races - Pegasus @ Meadowlands. Watch for registration form.

July 16 - Board Meeting

August 20 - Seminar on phone skills (location to be advised)

September 24 - Board Meeting

October 8 - General Meeting - details in works

November 19 - General Meeting & Vendors Night. Location to be announced.

A UNIQUE RENTAL



This is my first installation of a "unique rental" story- you know, something out of the ordinary (like that isn't true of most rentals.) But these are stories of rentals that are one above the rest, just a bit different. For my first "Rental Rag" issue, I'd like to take you to Johannesburg, South Africa where United Nations World Summit on Sustainable Development was hosted.

In order to make this event work, they needed a tent structure large enough to serve as a transport hub and an exhibition venue for 22,500 attendees. Johannesburg based Tent Company Gearhouse SA was contracted to do the job, setting up their Tensile 1 tent, a 500 by 250 foot structure using a crew of 40. It took approximately 1,000 man-hours over a five-week span to set up this monstrosity.

Some of the special features this project included was a wind meter that was installed on one of the 82' poles that was constantly checked for wind gusts (a good idea even for those 20 by 20's.) Another feature I thought was interesting was they used scaffolding to compensate for the uneven ground to put under their carpet tile flooring (no shims!) The problem they ran into was not using enough layers of boards were placed between the scaffolding and carpet tiles, which caused it to shift. They'll know better next time...

The whole event was over in three weeks and took the crew *only* 600 hours to breakdown. Great job guys!

..... [Kristen Redmond](#) United Rental All

An ARA-NEW JERSEY Special event!

"Businesses Don't Die - They Commit Suicide!"

A program especially for YOU, the ARA-NJ Rental Store Owner:

Attract clients and customers away from your competition

Increase sales from your current customer base

Quick and easy ways to market on the Internet

Get media people to write rave reviews about your business

Use you computer to increase sales and build loyal customers

Stop wasting dollars in ineffective advertising

Get on television without spending any money

Get maximum visibility with a minimum budget

Capture free publicity from newspapers, magazines and radio

Use the Internet to market and sell your products and services

Receive a 33 page reference guide listing over 100 tips and techniques

This seminar will be conducted by [GREGORY P. SMITH](#) the founder and President of *Chart Your Course International* a consulting firm located in Conyers, Georgia, a small business he quickly transformed to international status.

Greg and his company have been featured in *Business Week*, *Kiplinger's Boston Globe*, *Christian Science Monitor* and national TV programs among others. The list of companies he has consulted and developed training programs for include Ace Hardware, Delta Airlines and Yamaha to name just a few.

[The date is March 11th from 12:30-4:30 PM](#)

At the Murray Hill Inn, 535 Central Avenue, Murray Hill

Cost per person - \$30.00 (to help defray actual cost to ARA-NJ)

ARA-NJ will forward additional information shortly - in the meantime, you can reserve your place at the seminar by filling in and mailing the form below with your check to :

ARA-New Jersey c/o Carl Sparacio, 28 Refy Avenue, Ramsey, NJ 07446

YES, include me in!

Name: _____ Company: _____ Phone: _____
 Fax No: _____ e-mail address: _____

_____ Check enclosed

print and mail in this form

WE'VE BEEN BLESSED!



The rental business has been blessed. That's right MK has come out with a portable yet heavy enough walk behind saw the CX-3 to get the job done. Or will it? In the feather weight class this saw is sure to make contractors' or homeowners' work easy.

Equipped with either a 6hp Robin or a 6-1/2hp Honda this MK is no joke. With a total weight of 128lbs I'd let my Grandmother take it for a walk. Lets talk versatility; left or right side cutting. If that's not enough with its 1" arbor you can slip on a 12 or 14 inch blade. But wait there's more... throttle and depth controls are conveniently located at your finger tips. Wet or dry this modern marvel is a work horse. If you buy now Howard will throw in a year supply of diamond blades (only kidding). Portability and versatility are what will make the CX-3 a home run. Visit their website at <http://www.mkdiamond.com>

..... [Dan Mihalko](#), Do It Yourself

Tech Tips

A couple of years ago I rented a 20x40 frame tent with window walls to a good customer of ours. The party was on Saturday. Monday when we got to the job all the walls had been slashed. The cuts were clean and I guessed a razorblade knife or something similar had been used. I was paid for the walls by the customer but I didn't throw the walls out because I thought I could repair them. Well I found out quickly that it wasn't worth repairing them so I put them in a box and forgot about them. Earlier this year a customer wanted us to put some kind of covering on a floor before an event. I called wholesale Tape in California and they sent me some flyers on all their products. I found a floor mask that worked well. They also have some clear Vinyl Tape. I tried the clear tape on the window walls and it has worked well so far. I hope other rental stores get some use from this.

..... [Tom Lade](#), All County Rental

ADVERTISING RATES

Full Page - \$75.00 per issue
 Half Page - \$50.00 per issue
 Quarter Page - \$25.00 per issue
 Business Card - \$25.00 6 issues

All copy must be camera ready in the proper display size ordered. Ads will be printed in black and white.

Please call Carl with any questions.

Phone: 201-327-2495

E-mail: poppicarl@aol.com

Classified ads are open to all members without cost. Limit wording to no more than 25 to 50. Send to Carl.

M & R
 M & R Sales, Inc.

Howard Heller



SALES & MARKETING -UP-SELLING

For many years I have had the opportunity to speak at the ARA show or the Events & Tents Seminars prior to the show. During the question and answer portion of many of the topics I have handled, I always come back to one of my favorite up-selling techniques. This technique may be new to some and not so new to others, however, it works. I call it "packaging." I also serve as REAP advisor to ARA and as I sit in my office waiting for a conference call, I decided to bang out this for the RAG.

Many years ago when we were new to the special event portion of the rental business, we began renting lighting for our tented events. A customer would call and we would sell them on a particular style of lighting. Our quotation to the client would list the lighting and would also list many line items relating to the lighting and the installation of that lighting that carried a nominal cost.

After looking at our quotation forms one day, and sitting down and mapping out what equipment we really used on a particular job site, I realized that our quotes were far more confusing to the client than they should be; AND WE WERE USING A LOT OF EXTRA ITEMS ON THE JOB SITE AND NOT CHARGING FOR THEM. An example might be power strips, quad boxes, three ways, or even extra cords.

We decided that it was time to simplify our quotes by creating "kits" in the computer and showing only a single line item to the client that showed the tent size and the price for that particular style of light.

We then took every tent size and style of lighting and worked out every possible item that we would use to install that lighting package, assigned a rental amount to all of those items, and added a percentage of profit on top. That price became the "kit" price. To date we now make a very handsome profit on our lighting and very few customers question what the cost of lighting is. Greater profit and less paperwork, Great concept.

About three years ago, after doing battle with a customer who had rented heaters, had a 60 degree day, and wanted to cancel some of the heaters, we decided to do the same with "heat." When you rent heat for a tent job from us, you get a heat package, not individual heaters. From that date forward, we have not had "heat" canceled or questioned.

All of this comes back to the idea that we are the event, or tool, professionals. We need to dictate to the client what equipment they need to do the job correctly, and then take the order. Figure out, in your market or business, what you can package together, provide all of the items your client may need, then sell it to them. They will appreciate it.

Believe me, it will make your business life easier and more profitable. Remember, we all already know how to order a "combo" meal at our favorite fast food restaurant. Apply that concept to your business today.

Thanks again for reading.

..... [Matt Holt](#)

NOTE:

It has come to our attention from our safety director and Penske Trucking, that because we cross state lines, as do many rental companies, and our vehicles are all over 100,000 lbs. GVW, we are a commercial motor carrier. As such, all of the regulations that apply to interstate truckers, apply to us.

This requires registering for a DOT number (Web site address: fmcsa.dot.gov) and drivers having and carrying medical cards at all times.

..... Matt Holt

It used to be
That only death and taxes
Were inevitable.
Now, of course,
There's
Shipping and handling,
too.



ARA of NJ
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