

Good Advice 4 Y2K

by: McKain



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"Welcome to the new Millennium. It's certain to change the way we build and rebuild roads, streets and highways. Another inevitable conclusion that we, as specialized asphalt pavement equipment dealers, must face is that we have to change the way we do business. It isn't good enough that we have been a success in the past, although we have consistently been a Top Ten Blaw-Knox Construction Equipment Corp. dealer for years. We must do more today to remain that way tomorrow," said Ralph George, President of George Associates.

"There is a real revolution ongoing in the hot mix asphalt paving industry that we know will affect our bottom line. Newly engineered pavers and accessories already in the pipeline, advanced roller designs and more productive asphalt plants than we have ever seen are here. These are, in part, an answer to the new mixes, especially the almost customized Superpave mixes, that are now a fact of life."

"The key to a successful dealership is to know everything there is to know about the products that you sell and to know your customer and his business needs almost better than he does," advised the late Abe George when pressed for the "secret" of his success.

It has long been held that the good work a man does while here on earth and the good advice that he gives in his lifetime live on long after he has departed. And nowhere in the annals of the asphalt paving industry is this more true than at the offices of George Associates, Inc., a 38-year Blaw-Knox dealer. They are headquartered in King of Prussia, PA.

It is further tribute to the memory of the man that, when Abraham George passed away in 1994, the firm that he founded continued on as he would have wanted. It was back in 1961 when Abe George, after 12 years

as a Blaw-Knox Construction Equipment Corp. factory representative, founded the firm that still bears his name. His advice as to becoming one of the top dealers in the industry never really was a secret; it was more of a well-shared philosophy.

Another key to the success of George Associates, Inc. is that they are exclusively an asphalt house. They sell no loaders, air compressors, excavators or cranes. But they're hell on everything blacktop from Gencor asphalt plants to Blaw-Knox pavers to Etnyre Distributors and Hamm rollers, as well as smaller blacktop tools.

"We are a family oriented organization so we find it somewhat easier than a highly structured corporate dealer to treat a customer like family. As well as our Pennsylvania headquarters, we have offices in Silver Spring, Maryland and S. Plainfield, New Jersey. In addition to myself, I have my brother, Ed; a sister, Helen George; Abe's son, Mike and nephew, Mike Moses working with the company. Right from the beginning, dealer service to our customers has been closely linked to the firm's success," commented Ralph George.

Almost as a verification of this tenet, Mike Moses, the company's vice president for its Southern Division, was named the Man of The Year for 1998 by the Maryland Asphalt Association. The MAA, in its long history, has distinguished only three such men. Those honored prior to Mike Moses were both owners of large asphalt paving companies. This recognition was a singular honor to Mike and George



Associates due, in part, to their dedication to servicing what they sell.

"In any one paving season we'll probably have ten direct, hands-on, contractor instruction courses that we give. It can be as high as classes for 20 different contractors, depending on the demand," said Mike Moses.

"Normally, we go to the contractor because that enables him to assemble his people together as a team at his facility. We not only do some classroom training, he'll often have a machine parked in his yard where we can do some hands-on training," he added.

"It's best done at his facility because, if any of the men don't feel comfortable with the automatic controls, we can address that on the machine they own or operate. If they don't know how to service a new machine, we cover that, too. This gives us the chance to do both: some classroom and direct 'hands-on' training. Our customers apparently like that because it's being done on the actual machines that the crews will be using."

"Typically these classes will last a single day. It all depends on what the customer needs. Sometimes it can be longer. Whatever it takes for the owner to feel comfortable that his crew is up to speed, and ready to go to work. This is essential, especially today, in light of the change over to end result paving specifications," added the VP.

"To this end we also have the increased emphasis on the use of unloading machines and continuous paving. The Blaw-Knox MC-30, for example, brings about a different kind of paving operation. The contractor who is



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about to rent or buy one of these must have his crew trained in their operation. The operational philosophy is significantly different from the one-truck-at-a-time hot paving. The bottom line is that we are talking incentive/deceptive money here that can affect the bid's bottom line appreciably. We know the machines are good, now we have to be certain the crews using them are equally matched to the task," continued Moses.

"We always have someone to accompany the delivery of a new machine. They stay with it as the contractor's crew familiarize themselves with the mechanics of operating the new equipment."

"One of the things that we haven't covered is used equipment. Everybody is going to have to face that problem at one time or another. And the more new equipment you sell, the more old equipment you are going to take in on trade. The real trouble comes when you take a competitive brand in on trade. You want to sell that customer a new Blaw-Knox paver, but you know that you are going to have a problem selling the other machine," said Mike George.

"The best way that we have found to handle this problem is to fix it up, repaint it and put it up for resale. In the meantime we use the rehabilitated machines as a rental fleet for medium to long-term rentals."

"We try to stay away from short-term rentals. Generally no daily or weekly rentals except for our really good customers. In fact, now and then we'd rather loan a good customer a machine for a few days if they get in a bind. This normally comes back to us in the form of a long-term rental or the sale of another new machine. Rentals, and even our loan policy, also give us a good opportunity to talk to the customer about the purchase of a new paver," continued Mike.

"Although we do a lot of advertising, our best advertisement is by word-of-mouth. There isn't a better referral in the business than a satisfied customer. Long years of acquaintance pay off, too. People recommend us to other contractors. Mike Moses, Mike George, and most of our sales people can and do actually go out and fix the machines in the field when we need to. We can do this as well as sell equipment, and

our customers understand this," continued Ralph George.

"That gives people a lot more confidence in us as salesmen because they know that we know what we are selling. We'll be there to help them out, with our hands if necessary, in the event of some trouble with a machine that they buy from us."

"Today the firm's territory includes all of Delaware, Maryland, the District of Columbia and parts of Pennsylvania, and Virginia. If they were to try and sell a paver to a customer in Washington, D. C. the way they approach a sale in Maryland, they wouldn't get the time of day from the contractor."

"In fact, George Associates probably has a totally different method for each prospective client, even within the same state. The reasoning is that each customer is unique and has a different reason for investing a sizable amount of money in equipment. It is up to us to find that reason. If we go on a sales call without knowing everything about a customer that we can, we have lost half the battle even before we get out of our car," said Ralph George.

That there were changes in the company was to be expected with the change in leadership and the passage of time. This was nothing more, however, than a positive move. If anything, it all carried on and to a degree enhanced Abe George's policies. There are new machines and newer options for older ones coming from the factory. It was to the dealer's benefit to get this information and product out to the customer. It would give George Associates, Inc. an advantage over their competition.

"The asphalt paving pie is getting smaller and smaller every year. Barber-Greene (now owned by Cat) is still out there and getting more aggressive. There are RoadTec, Cedarapids and others that are also giving us a run for the money. So we really need factory options that the customer has a great need for," said Mike Moses.

"A case in point was when Blaw-Knox first introduced its built-in hydraulically-powered generator set. It was a natural for us, being that all three of our offices are located in or near urban metropolitan population centers.

This means a lot of heavy vehicle traffic during the day. So much so that it is almost impossible to shut the roads down for daytime paving operations. The result is more and more night paving which calls for auxiliary lighting. Anything that could be done to increase the safety and efficiency of the contractor's work would be of mutual benefit to us and them," commented the vice president.

"What has brought this about, at the same time of the increased demand for night time paving, is the need to work longer days and extended paving seasons. This means starting work before daylight and finishing after the sun has set. As the paving season is extended, the days tend to get shorter, too. Some of these contractors may not work all night; they just need some way to keep the job going for another hour or so after dark to complete it."

"We have been showing the Blaw-Knox Gen-Set for other reasons as well. Safety is a big one. There's hardly a portable generator built that can run all night without having to be refueled. That necessitates a need to suspend the paving operation while the hot portable generator cools down before adding fuel. Otherwise you are risking a fire onboard the paver that could burn up the generator and possibly even destroy the paver. The safety and insurance people love the idea of the new Gen-Set that runs off the paver's own hydraulic system."

"Then there is the case to be made for not having to have two or more men to lift the portable generator on and off the paver. None of the possible back strain with the built in Gen-Set because once installed, it's there whenever you need it."

"And that's a big plus for reducing theft, too. I'd have to say that every one of our major customers loses at least one portable generator a year. We're talking big dollars here, probably around \$3500 for a good 4kW set. It doesn't take long at that rate to pay for the new Blaw-Knox option. Therefore both the Workmen's Compensation people and general insurers love it. They take rapidly to anything like this that helps reduce claims against them," continued Moses.

As a final and even more personal benefit, the new device reduces the possibility of noxious fumes and excessive noise from reaching the operator. Plus it helps eliminate a possible blind spot while sitting on the paver.

Already George Associates' mechanics have retrofitted the Gen-Set on PF-200Bs and PF-510 pavers of many long time customers. These include David A. Bramble, Inc., F.O. Day Co., Inc. and P. Flanigan & Sons, Inc. in Maryland, APAC of Virginia and Superior Paving Corp., Inc. of Virginia, and Glasgow, Inc. of Pennsylvania.

"While it is the optional built-in generator set that is currently creating the most interest, it is far from the only one. There is the new Blaw-Kontrol 7.0 electronic grade and slope control; there is the Ultra 3^s sonic material system; and there is the Mixer/Agitator that reduces material segregation, especially in the new design mixes," said Ralph George.

"But I can tell you something else about the new Gen-Set. We believe so strongly in it that we have ordered it factory installed on the next series of PF-5510 and PF-3200 pavers that we have scheduled for delivery. I don't believe there is a contractor in our service area who would be without it. It's just too useful an option for them," concluded the president of George Associates, Inc.

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