

# DEALER PROFILE

**DIVERSIFIED QUALITY  
WATER & AIR  
OVERCOMES TEPID U.S. ECONOMY  
TO GROW AND EXPAND DEALERSHIP**

*RainSoft®*



# DEALER PROFILE:

## QUALITY WATER & AIR

RainSoft dealer Bill McGraw doesn't like to tread water in business, much less do a back stroke. When the economy nose-dived several years ago and many companies across the nation hunkered down to weather the storm, McGraw and his Houston, Texas, Quality Water & Air (QWA) crew already were stepping up the pace. While sharpening the firm's RainSoft water treatment sales efforts, McGraw was also aggressively looking into related home service products to expand the enterprise. They have succeeded on all fronts.

"We grew every year during the 'recession,' and 2012 was our best ever by a little over 25 percent," reports McGraw, President of the dealership founded in 1989 and owned by him and his wife, Tonya. While acknowledging that "we're blessed to be in the city and the state that have the best economies in the country," he also credits relying on their own initiative and capabilities. "We just did our thing, and we're okay."

Their "thing" amounts to more than adding product lines – one of which now accounts for over a third of total dealership sales – or pushing water treatment harder. It demonstrates keen market insights and ability to adapt proven RainSoft methods that helped grow an 8-figure annual dollar volume water treatment business. While it's important to have a strong base in order to bolt-on additional lines, McGraw finds a lot more from which to draw in RainSoft culture, to accelerate and ensure success.

### **Educating customers key to selling in a soft-water area**

"Houston is a difficult market," asserts McGraw. "Our water is relatively soft: only 3 to 7 grains of hardness, and most dealers won't even look at water unless it's at least 10. People here think they have no issues with their water."



*Quality Water & Air owners Bill and Tonya McGraw opened their dealership in 1989 in Conroe, Texas. Along with 24/7 support as a "stay-at-home Mom," Tonya has also taken an active role in their numerous Houston-area and international community service and charity activities benefitting thousands of children and their families on several continents.*

"Contrast this with the Northeast, where almost everyone's parents had a water softener, or in the Southwest. Arizona water is so hard, you need a softener or nothing will work."

Granted, no matter where you are, customers don't come pounding on your door. Any dealer's first and toughest task is to generate qualified leads. "If we sell 150 units in a month, maybe three of those people contacted us," says McGraw. "We have to reach out and find the other 147."



*RainSoft's iPad app has helped boost the the first call close rate for McGraw's sales reps.*

McGraw attributes QWA's success to many factors, especially conveying multiple benefits of RainSoft-treated water to the most receptive household member:

"Women get it, things they notice daily like the water's taste or the way it cleans. About 95 percent of our appointments are set with the ladies in the home. Many times, they don't even tell their husbands we're coming. Often we walk up and hear the argument through the door: he's upset because a sales guy is about to walk into his house. We knock on the door anyway and sell about 45% first-call close."

**In-home presentation: consumer education at its best, now iPad-enhanced**

That first-call sale rate isn't surprising. The RainSoft presentation addresses numerous water quality issues that impact homeowner families, and it's been tweaked by QWA to reflect Houston area nuances.

Family-specific costs as well as savings to be realized with a RainSoft system paint a persuasive payback picture.



Last year QWA representatives started using their own customized version of RainSoft's iPad App; it shifts presentations from flip-charts to touch-screen. The interactive tool provides instant access to a wealth of data and system details, and enables household-related info to be input and compared on the spot, helping customers sell themselves.

"We've taken our presentation a step further," McGraw adds. "Customers can sign on the iPad; we touch a button and it e-mails copies to their home and our office."

RainSoft and iPads also play key roles in presentations for the dealership's recently added product lines.

Of course, getting invited into the home is Job One. RainSoft leads the industry in providing proven, easily tailored lead-gen materials to help dealers.

"Last year we had sales from about 20 sources for water alone," McGraw says. "Every year we have three of the top five or six RainSoft telemarketers in the world."

QWA reaches out to new homeowners in several ways, the best of which is “Welcoming” services. “It’s like the old ‘Welcome Wagon service,’” McGraw explains. “Someone knocks on the door bringing local-area emergency numbers and info on businesses. We work with the ‘Welcome’ women on how to bring attention to water issues, and our arrangement encourages them to do so. One service accounts for 15 to 20 percent of our business.

“We also recently introduced a call-in program, patterned after one we’re using with The Home Depot, which helps us set appointments almost immediately. I think this will be a really effective program.”

QWA’s most prolific lead source in recent years is The Home Depot (THD). An arrangement with RainSoft gives dealers access to THD outlets in their area, to generate leads for in-home sales presentations. Some say it’s like a home show seven days a week. Another plus: selling RainSoft systems via THD Home Services enables buyers to use their Home Depot credit card.

“Our first year, we increased their water treatment sales ten-fold,” says McGraw. “We’ve nearly doubled that annually in years since. We have about five different programs among the 42 stores in our area. We’re always trying new things. One successful recent initiative is an Appliance Longevity call-in program that highlights investment-preserving benefits of our systems.”

The nation’s largest home service retailer, THD is also the 3rd largest seller of major appliances,\* with annual white goods volume over \$3.5 billion.\* That’s a lot of refrigerators, freezers, washer/dryers and dishwashers where water quality can impact lifetime performance.

### **RainSoft dealer networking: ideal for water treatment business, and more**

Helping McGraw succeed from Day One, are experienced insights, ideas and solutions from other RainSoft dealers. With exclusive, non-competing



*When Bill McGraw talks about his company’s success, he credits the team. Key members in the back row from left to right includes son Bill McGraw, CFO; Brian Edwards, general sales manager; Carl Brenner, general manager; Bill McGraw, owner and President; Larry Bohac, service manager; Brad Scorka, Home Depot liaison; Mark Herman, installation manager. Front row: daughter Sara McGraw, marketing design assistant; Dianna McGaugh, finance manager; and Suzette Jones, assistant general manager.*

territories, phone calls, visits and info exchanges among dealers occur daily. An outspoken networking apostle, McGraw tells new dealers to “call three guys with any problem. That’s what I did; I always found what I needed to come up with a solution that worked for me.”

McGraw still practices what he preaches, noting that anyone can have a problem, or encounter something they haven’t dealt with before. When a dealer contacts him, depending on the issue, he may also involve some of his key marketing, sales or other staff. “They’re valuable resources and have been a big part of our success.”

McGraw regularly discusses business issues with other veteran RainSoft dealers, including several years ago when he was looking to add new lines. “We all have a substantial customer base, with business systems and assets in-place. We know how to find, qualify and sell virtually any type of home service product.”





*Quality is what customers want and get from Quality Home Products of Texas – the umbrella moniker under which Quality Water & Air (QWA) and Quality Generators both operate. The dealership’s team services nearly 35,000 customers in the greater Houston area.*

Among the options being considered, “backup generators seemed like a good fit, since hurricanes can knock out power in the Houston area for a week or more. As we began looking into generators, The Home Depot contacted me,” McGraw recalls. “They’d seen us build business through the RainSoft program, and asked if we’d take on generators. We said ‘yes.’”

McGraw set up a separate generator business within the dealership, with its own Quality Generators web site. He quickly learned, however, that RainSoft-based know-how gave him critical tools to make it work. McGraw asked Generac and GE for their homeowner sales presentations. They said “what presentation?” They said they sold through electricians and when a homeowner wants one, they put it in.

McGraw’s response: “I think there’s a better way.”

With that, he wrote what he calls “the first sales presentation in the history of generators.” While content is totally different, “I adapted the ‘pattern’ in RainSoft’s; it’s the presentation I’ve used successfully for over 25 years. In the first six weeks, we sold more generators than THD had the entire year before and in the first full year, we outsold everyone else residentially in the United States.”

Quality Generators more than doubled sales its second year, did 3.5 times first-year sales in 2011

## MCGRAW WROTE WHAT HE CALLS THE FIRST SALES PRESENTATION IN THE HISTORY OF GENERATORS.

and tripled it last year. They’re one of the country’s top purveyors of residential backup generators. Generator manufacturer senior execs called on McGraw, wondering how his firm sold so many generators when “you don’t even have a storm.” The ensuing conversation:

(McGraw): “Well, I wrote a presentation.”

(Generator execs): “Can we see it?”

“No.” “Why?”

“Over 200 people in my market could sell your generator to the customers I’m after, and you want me to give you a copy of my presentation and process?” End of conversation.

## A springboard to additional diversified business sales

About three years ago McGraw added Rinnai tankless water heaters to the dealership mix. RainSoft experience proved to be a valuable asset.

Mining QWA's Houston-area customer base tapped into a wealth of prospects for on-demand hot water and energy savings these heaters provide. McGraw again patterned a presentation after RainSoft's, helping jump-start sales.

"Our presentations give us a real advantage over others selling the same product. We initially had Apps for the generator and Rinnai presentations on laptops. Now we use iPads for these as well as the newer RainSoft App."

Water heater sales and service are part of the dealership's generator side; sales reps and installers handle both lines. Other products, including a line of bottle-less water coolers and SlimGuard gutter protection systems, fill out the QWA water division.

In today's diversified enterprise, RainSoft sales – still by far the dealership's mainstay – are strongly supplemented by generator business. Hurricane season triggers an annual uptick in generator activity and with it, McGraw's payroll.

"We currently employ 42 people full time on the generator side of our business. But that number easily doubles or triples each summer. Electricians and plumbers work with us for five or six months."

Water treatment sales are consistent throughout the year, as is its employee roster with 75 current full-timers. McGraw said that recurring service revenue from water treatment adds about 18% income annually on top of sales. "Continuous cash flow from RainSoft customer service is a big plus."

## A sales rep's journey to major multiproduct business head

McGraw started as a sales rep in 1986 for the dealership over which he now presides. In 1987, he opened a sub-dealership in Conroe, TX, buying



*Bill McGraw's dealership days began with this facility in Conroe, Texas in 1986.*

equipment from the "home" operation. Two years later (1989) he purchased the Montgomery County territory (which included four other counties) and opened his own dealership. When the Houston operation became available in 1997, he found himself back home.

Within two years, they built another new facility to house Quality Water Systems, Inc. Today, water treatment sales and marketing stems from there; administrative and installation services are run out of Conroe. The name changed to Quality Water & Air after air purification became part of their offering.

Diversification has spawned dealership facility signs that read Quality Home Products of Texas, a dba under which Quality Generators and Quality Water & Air both operate.

"Later this year, a Quality Home Products web site will reflect our full offering. We will also retain a Quality Generators site. Meanwhile, our primary multiproduct site can be found at [www.qualitywaterandair.com](http://www.qualitywaterandair.com)."

Pausing, he reflects on his success as a RainSoft dealer and the life it's provided for his family and employees.

"We've been blessed in every way. Our children are grown now and Tonya says 'where's this retirement we talked about?' It will happen someday. I could have retired several years ago. Instead, I started another business."

*\* Top 100 Appliance Retailers Report, TWICE.com, June, 2011*



## **About RainSoft**

Headquartered in Elk Grove Village, Illinois, RainSoft, a division of Aquion, Inc., is an international company with over 150 authorized and independently owned dealerships in the U.S. and 20 other countries. The company is dedicated to producing the world's finest water treatment systems, all of them manufactured in the U.S.A. and backed with the industry's strongest lifetime warranties. For more information, visit [RainSoftDealer.com](http://RainSoftDealer.com) or call 1-866-4RAINSOFT (866) 472-4676.