

DEALER PROFILE

____ BY THE NUMBERS: ____
**BUSINESS ACUMEN,
PHILOSOPHY AND
SERVICE ADD UP FOR
CRYSTAL CLEAR WATER.**

RainSoft®

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CRYSTAL CLEAR WATER

It's not unusual for potential water treatment dealers to shy away from the business with protests such as "I don't know water" or "I'm not a plumber." But Marcel Jimenez, a RainSoft dealer in Virginia, provides proof that neither claim holds water.

"I'm a numbers guy," Jimenez, President of Crystal Clear Water calmly states. "I didn't know anything about the water treatment business when we first bought this dealership, but did feel confident that I had the expertise to run a business and make it profitable."

Jimenez is doing precisely that. The evolution of Crystal Clear Water (CCW) since his arrival provides notable guidelines and "how to" pointers for virtually anyone seeking entre into this industry or advancement of an existing water treatment enterprise. From home service contractors considering the addition of water treatment to their portfolios or current water dealers looking to secure a firmer future by taking their operation to a new level, individuals with strong credentials can learn from Jimenez, whose background is business and finance.

From Fredericksburg to Richmond and Northern Virginia

Although Crystal Clear Water has been a fixture in Fredericksburg, VA, for 35 years, in many ways it is a "born again" RainSoft enterprise since 2004 when Jimenez and several investment partners took over the business. With a financial and operations background as controller of an international firm, Jimenez spearheaded the group's search for business opportunities, focusing primarily on home service options.

"We wanted a service business, one that helps people live better lives," Jimenez says. "RainSoft products make sense by providing cleaner, better water for household tasks and good tasting drinking water from



Crystal Clear Water has proven to be a successful business in northern Virginia for over 35 years.

the tap. We help people stay healthy and save them lots of money on bottled water, most of which we have tested and isn't very good anyway."



Crystal Clear Water managing partner and president Marcel Jimenez leads the business efforts for the RainSoft dealership's Fredericksburg and Richmond, VA, offices.

But feel-good products don't necessarily make for good business. "We looked at operating capital, cash flow and the bottom line of the business itself. From that we could project our own income potential. After reviewing the dealership's financial statements along with the RainSoft offering, we thought there was a real opportunity to growing this business.

"Another key factor is that water treatment is not seasonal," Jimenez emphasizes. "We wanted steady income and with some home service lines, seasonal fluctuations can make cash flow tight. Over the past eight years, our service business is pretty much the same month-to-month. Sales can vary a bit with Christmas or other holidays, but seasons and weather don't impact income."



Map area of Richmond and northern Virginia.

RAINSOFT LEADS THE INDUSTRY TODAY IN DEALER TRAINING AND SUPPORT COVERING ALL OPERATIONAL AREAS.

Marcel Jimenez, President of Crystal Clear Water

Consistent results in Fredericksburg convinced RainSoft that Jimenez was the man to help grow business in neighboring areas. In 2009, the company offered CCW the opportunity to take over its Richmond, VA, territory. In late 2011, Northern Virginia was added to CCW's RainSoft territorial domain.

Company ownership has evolved to two 50-50 partners, Jimenez and Steve Clifton, the latter not actively involved in day-to-day operations. Key considerations when purchasing the Fredericksburg operation have marked the dealership's expansion.

"Buying the company in Fredericksburg as opposed to starting a dealership from scratch gave us core staff crucial to success," Jimenez says. "RainSoft leads the industry today in dealer training and support covering all operational areas. But having smart people with experience in-place is a real business asset."

"That's how some home service contractors are getting into water treatment," Jimenez observes. "They already have core assets in place with sales, marketing and service, with which to adapt and build. Even then, they may look for personnel with some water treatment experience. In Fredericksburg, we had a group of players to work with."

Getting the operation up-to-speed didn't happen overnight, Jimenez acknowledges. "RainSoft provides guidelines but every business is different. You have to adapt and I probably made some poor decisions along the way."

Nevertheless, they stepped up sales, solidified service, instituted internal efficiencies and updated accounting procedures to improve cash flow. General Manager Lee Foster now oversees day-to-day operations for both Fredericksburg and Richmond, and CCW services 5,000 - 6,000 customers in each area.

Service helps mine customer base, driving upgrades along with new system sales

When RainSoft shifted its Richmond territory, Jimenez tackled the task of upgrading that operation. He accomplished it by borrowing a few key people, updating systems and from his experiences in Fredericksburg.

"We bought another firm in Richmond, a small water filtration company that had been in business for 20 years," he reveals. "This gave us several advantages. They had an excellent customer base and experienced staff, all core assets required to maintain the service revenue. We then blended the two companies into Crystal Clear Water – Richmond. The combination gave us much more flexibility. Service income from previous filtration customers helps us do more and quickly grow the sales side."

While noting that water treatment is a service business, Jimenez says the actual daily servicing of customer systems and equipment “is our bread and butter. Good service keeps customers from going elsewhere and currently accounts for about 30 percent of our total income.”

Servicing previous filtration firm customers provides a sales plus. The equipment wears out sooner or later, Jimenez explains, and it’s no match for RainSoft systems or their Lifetime Warranty. As opportunities arise, CCW upgrades those customers to all-new RainSoft water treatment. He said this tactic could also work for any water treatment firm that becomes a RainSoft dealer.

“Other systems have a limited warranty but RainSoft offers customers a Lifetime Warranty. No one else can compete with that.”

Of course, generating leads for new system sales drives any water treatment enterprise. Crystal Clear Water employs an array of options, including participation in a special arrangement between RainSoft and The Home Depot. Jimenez says the



program gives CCW access to the retailer’s outlets in their area, offering store visitors free water quality analyses. These leads are given to the marketing department to set appointments for in-home sales presentations.

“Fredericksburg was our sole office when the program began, with four stores in the area. Eight more were added with the Richmond territory. At one point we were getting more leads than our staff could properly handle,” Jimenez said, citing that CCW has yet to extend its efforts into Northern Virginia, where another 20 stores are available.

Financing is another plus with RainSoft’s program, according to Jimenez. “We work with various institutions for financing consumer purchases, but The Home Depot customers have the option of using that credit card. It’s a convenience for them and us.”

While about half of CCW’s leads now come through The Home Depot, the rest arrive from local

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Marcel Jimenez

community efforts and cyberspace. Search Engine Optimization (SEO) is extending lead-gen beyond Richmond and Fredericksburg, into Northern Virginia. Jimenez revealed he is working with an SEO company that when people Google water issues, one click takes them to CCW’s web site.

Along with direct mail, telemarketing and other traditional media, Crystal Clear Water provides a scholarship for area high school graduates going on to college or other career education. It also supports the local San Francisco Giants-affiliated minor league baseball team, the Richmond Flying Squirrels.



In-home presentations by CCW-Richmond sales people now incorporate the new RainSoft iPad App, which shifts storytelling from

flip charts to touch-screen. “This is indicative of how RainSoft has advanced in leading the industry,” asserts Jimenez, who expects good things to happen as usage and familiarity expands throughout his organization.

“I know a lot more about water treatment than I did eight years ago, but I’m still no expert and I don’t have to be,” Jimenez sums up. “My philosophy is to surround myself with people who are smarter than me and give them the products and tools they need. I’m still a numbers guy who knows that people with complementary talents doing their jobs, adds up to success for all of us.”



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 or call 1-866-4RAINSOFT (866) 472-4676.