



# ServiceTrade Renewal Review

Juanita Guzman with Anderson Mechanical Services  
Recorded on 4/21/23 via Zoom, 25 min.

## Participants

### **SERVICE**TRADE

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*Account Manager*

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# Topics

<i>Pricing</i> .....	1:56
<i>Pricing</i> .....	7:22
<i>Pricing</i> .....	13:38
<i>Next Steps</i> .....	20:24
<i>Next Steps</i> .....	22:25
<i>Wrap-up</i> .....	24:08

# Transcript

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JONATHAN

0:00 Hey, Nina. How are you?

JUANITA

0:01 Hey, I'm doing well. How are you?

JONATHAN

0:03 I'm doing good. No.

JUANITA

0:04 A week?

JONATHAN

0:06 Yes, yeah.

JUANITA

0:09 Yeah.

JONATHAN

0:11 Well, I'm in the middle of an it fiasco. So.

JUANITA

0:14 No. What happened?

JONATHAN

0:16 I getting a new computer monitor setup and I accidentally broke monitors.

JUANITA

0:24 Yaks, oop, seas.

JONATHAN

0:27 I'm down to my laptop and this thing over here. So.

JUANITA

0:32 Gotcha. Well, I appreciate you taking the time. I know you're a busy man and I don't anticipate it taking the full 45 minutes, but just figured give us a little bit of cushion if needed. But I know your renewal is coming up may one. So do you have any updates for me as far as decision making?

JONATHAN

0:59 Yes, we would like to continue with service rate. As I said, all along, I really don't want to switch. So we'd like to go with service straight for the switch we are looking at. Obviously, we've been in communication with oops and... some of their pre work planning has got us prep to jump ship if we need to. We don't I don't want to. So I'd like to get a decision at today. I can't so looking at my sheet here, so BuildOps came in with 24 technicians for them. Helpers are free. And then their time card service is incorporated with the program. They don't have anything like the TAM, they don't have anything like that.

--- Pricing ---

JONATHAN

1:56 So I kinda consider that a bonus for you as far as what's available grant of paying for it. So looking at everything all in BuildOps would be a little bit cheaper than you guys, even after I narrowed down our technicians versus helpers list. So narrowing it down, we've got 19 people that probably need to be technician, and then 11 that can be converted into help, which helps our price, which leaves 30 for card and the TM F bringing us down to 57,322. So at that rate, you know, BuildOps is still beating you guys by almost 11,000... annually year. Now, the BuildOps contract is a three percent annual maximum increase cap as well, and I know you guys said you did that because we were grandfather in or whatever. But I was wondering if there's anything else you guys can do on a per technician price or the per helper price or something to try and swing the favor back over a little bit?

JUANITA

3:20 Okay. Yeah. Let's talk through this. Okay? So I do wanna set the expectation that it would be, you know, at minimum and annual subscription. So it's not like, you know, mid term, you could jump ship or what did you mean by being in contact with BuildOps kind of like as a last resort sort of thing, is it?

JONATHAN

3:48 Well, so we have a, we have a contract pending with them. It's just a matter of who side?

JUANITA

3:57 Got it. Okay. For like you'll be up and running with BuildOps in nine days.

JONATHAN

4:04 Close enough. So they basically, they have all of our data... and we just, we are waiting to see what their in stage product for us looks like before we sign.

JUANITA

4:22 Gotcha. Okay. That makes sense.

JONATHAN

4:24 So they built everything out for us. They've done, you know, we, we've paid in them. We have paid them upfront for onboarding. We have not signed the annual subscription.

JUANITA

4:36 Okay.

JONATHAN

4:38 So... that's where we're at with BuildOps?

JUANITA

4:44 Yeah, we could certainly work something out.

--- Pricing ends ---

JUANITA

4:50 We definitely try to not always like compete on price, you know, we try to focus more on like our value proposition, which is actually why I was trying to get, I was working really hard to get you in contact with, you know, a customer that previously used BuildOps, but I got a little bit of pushback from leadership only because it's really just not our style, right? We would rather much, you know, reinforce the value that we provide as opposed to just competing strictly and solely on, you know, the rate.

JONATHAN

5:22 The the and I would love to be able to discuss what's better about service trade as far as internal components rather than price. But I don't have like I've got this from my perspective. I've got what we've used in the past that we're familiar with and we know what it works with it, what doesn't work with it on one hand with service trade? And then I've got, you know, BuildOps with their new and shiny. And I've got a boss who loves new and shiny. I prefer the old and familiar because I know how things are gonna work and I can predict things. My boss however likes new and shiny. So even if it may create short term, he believes it's he is currently convinced it's a better one solution for our, for everything we're trying to do especially around projects and bidding and cost codes and a billing and all of that sort of work. Now, I do more of the day to day on break fix and I think service trade is a better fit for break fix, but the projects where the money's at most of our revenue projects as a department. So that's why I was kind of excited to talk to those customers but I understood understand that kinda fell through.

JUANITA

6:51 I could likely still look into it. But like I said, it's really just not our style. And I mean, when they're doing things like this, it's kind of like, you know?

JONATHAN

7:04 Yeah. Well.

JUANITA

7:05 You know, I think that speaks for itself really.

JONATHAN

7:09 Right. Yeah. So, well, I mean if we do this 19 text versus 11 helpers, I mean it, does it create?

--- Pricing ---

JONATHAN

7:22 It helps reduce our cost from last year down from 62 down to 57 is what I had. So.

JUANITA

7:36 So this was last year with 32 texts... it was one helper TAM service time card. So in lowering you to the 19 text, you'd be automatically bumped up to the list and lose your old rate just because we're lowering tech count doing so, it would still be less than last year. And the good thing about this is that service time card would be included in the list rate. So that would be zeroed out.

JONATHAN

8:13 Okay. We're saving money on that. And then.

JUANITA

8:18 If you're going from 32 to 19, yes, if you were going from like 32 to 30, it would it make sense? It just makes more sense to stick with 32 and grow into it so you could keep the old rate as opposed.

JONATHAN

8:32 Still need time card for the helpers, right? I mean, so we would still have 30 users on the help on the time card because the text and helpers would both be paid out. Okay?

JUANITA

8:48 Yeah, time card is included in the list enterprise rate for unlimited users.

JONATHAN

8:55 Okay. It.

JUANITA

8:58 So this was last year's annual rate. So this would be the revised one if we go from 32 to 19. And then you mentioned 11 helpers, keep TAM, and then service time card would be zeroed out because it's included.

JONATHAN

9:18 No. What do I do? We are still growing as a department that 19 is not gonna stay 19 probably for long. Do we purchase extra tech licenses as a barrier buffer?

JUANITA

9:35 So we could do one of two things. Let me ask you this. How, by how many technicians do you anticipate growing in the near future? I don't know maybe like within the next six months to a year.

JONATHAN

9:49 Well, we added three technicians last week. It's that's difficult to say. The only reason why we're down to 19 is because we've had so many leaves and then the, their replacements have not been as skill. So I and I wanna clarify, can... our helpers still able to put notes in comments attachments? Anything like that?

JUANITA

10:19 No. So helpers can only do three things that view their appointments in the mobile app, clock in, clock out and upload attachments which include things like pictures, videos, audio memos, helpers cannot do things like add job comments and full disclosure. The reason we set it that way is because we learned some customers were kind of working around being able to like upload efficiencies by adding them as comments. So that's another thing helpers can't do is, you know, create efficiencies for liability purposes, for example, in the fire and life safety industry, if they're not certified, you know, they can't log efficiencies at all, right? So it's more so for like liability purposes. But yeah. So helpers cannot do things like add job comments, create deficiencies, add labor items. So if you're telling me these will actually probably end up being technicians and you will eventually grow into the 32 or more. I could probably work out an agreement in which we would essentially slap a signing discount onto the renewal to essentially credit the technicians you're not using yet, but that you will grow into. So that way you can keep your grandfathered rate and just grow into that while we credit the amount.

--- Pricing ends ---

JONATHAN

11:56 Okay.

JUANITA

11:56 Just a lot of numbers that I'll have to team up with our deal desk manager with and present that to you.

JONATHAN

12:05 Okay. Because looking at my list, so if I take the people who probably truly are gonna need to enter comments and efficiencies in a short term basis, I've got...

JONATHAN

12:31 To...

JONATHAN

12:38 That puts me in 25 technicians down to five helpers. So I've still got some helpers, who, that's all they need, clock in clock, all view their appointments, et cetera. I just, I don't have as many because what our helpers traditionally do is they work on the internal paperwork while the senior technicians talk to the customer that's how we typically operate is our helper will head out to the band truck or whatever and start writing everything up based on the notes that they took a while on the site while the senior technician walks the customer through here's. What we did here's, what you can expect. Yeah. Yeah. So... so retaining the ability to put in notes and efficiencies on some of our junior guys support. So, but I've got three drivers who don't really need. Well, four drivers who don't really need it. And then I'm borrowing like two guys from Construction.

--- Pricing ---

JONATHAN

13:38 So they don't need it either. So that would, I mean we probably still could pay for 30 because we're gonna be expanding back to that number, probably pretty soon. I mean, I had four senior technicians quit in the last two months and I'm still looking for replacements for, so.

JUANITA

14:01 Gotcha. Okay. Let me play with these numbers a bit. I know we probably have to come up with something very soon. But what I'm thinking would be the best path forward, you know, staying with the 32, figuring out a way to essentially apply a signing discount that would credit the technicians you're not using yet and allow you to grow into that.

JONATHAN

14:28 Okay.

JUANITA

14:29 That's one number two. I'm gonna ask about service time card, see what I can do about that. Okay? Number three.

JONATHAN

14:42 Because if it comes down to it, I could probably eliminate time card because the way that we're using it is not the way it's intended for. If that makes any sense. We're not exploiting any system or anything like that. I'm kind of just using it as a verification piece rather than a primary payment piece. So just because there were



some oddities in the, with the payroll person who no longer works here, I just have it switched back to using type card the way it's intended.

JUANITA

15:17 Okay. Well, my approach is gonna be to just pitch to zero it out and include it in the renewal. That's gonna be my pitch to my boss. So...

JONATHAN

15:34 Finance account our accounting department lost because then they could credit payroll against the jobs specifically on the accounting end. So.

JUANITA

15:49 This is me just playing with some numbers but that zeros out and then... 25, let's say seven.

JONATHAN

16:03 If we go down to 30 techs, would that help us at all? I mean, saves for grand annually.

JUANITA

16:12 So, realistically, you'd be using 25 out of the 32 seven?

JONATHAN

16:19 Right.

JUANITA

16:21 2013 point 39 that would save... 14.

JONATHAN

16:28 40 26.

JUANITA

16:31 10 nine three.

JUANITA

16:43 Comer period. Okay. So, I'm thinking maybe like a signing discount of this amount?

JUANITA

17:04 Remind me again where BuildOps came in at?

JONATHAN

17:08 BuildOps came in at 46,000.

JUANITA

17:11 So...

JONATHAN

17:16 But...

JONATHAN

17:21 I know... for me... I don't know. I've been arguing that lost cost opportunity of switching and my argument is not getting very far.

JUANITA

17:37 Well... essentially, like I mentioned to you before, we'd love to continue the partnership and we'd love for you guys to stay. So, basically, you tell me what I need to pitch and I will do my very best to make it happen. Obviously, we likely cannot come in at 46, just full disclosure, but I have gotten approval CEO level to give you guys Northboundary at no charge for the first year as like a little bonus on there.

JONATHAN

18:10 Well, that.

JUANITA

18:11 Well...

JONATHAN

18:13 We were very interested in Northboundary, I was at least getting our sales guys a little bit more organized, right? And I love what Andrew has been doing with TAM, that's been a big selling point for me trying to push it. I think if we're in the fifties, we're in the ballpark realistically because, well, I mean, we've already kinda paid BuildOps onboarding fees in order to see what they can do with our data as far as building our system out, but, you know, so the 46 is just what's remaining for the, for on an annual contract, but it's not signed yet. So, but I mean, I think anything around the 55 mark is gonna be a winner in my mind at least, so.

JUANITA

19:05 Okay.

JONATHAN

19:06 And you're close, I mean, with the signing bonus here at 60?

JUANITA

19:10 Right. Yeah. And 55? Okay. Would you guys be open to, and this is, I just, I'm like preparing myself for the questions I'm gonna get from my leadership team,

would you guys be open to like a multi year agreement like two years?

JONATHAN

19:28 Actually, yes, my boss asked me about that the other day.

JUANITA

19:32 That would lock you in and prevent the increases.

JONATHAN

19:36 Yeah, that, that's actually probably a solid option to present two, three years something like that. So I would probably want to lean towards three because again, I don't like the headache of switching.

--- Pricing ends ---

JUANITA

19:52 Great.

JONATHAN

19:55 So at three years old, probably, I would hope that we could get a better rate with three versus two or whatever.

JUANITA

20:03 That, I mean the three years would help me get you to 55 for sure. Okay? So that, that's great to know.

JONATHAN

20:12 Yeah.

JONATHAN

20:16 So, and I'm willing to meet any day next week that you need to meet, so we can rehash and get updates on additional information.

--- Next Steps ---

JUANITA

20:24 Cool. That, yeah, that would be super helpful. I'm actually going to be in the office Monday Tuesday, part of Wednesday for our quarterly like company meetings. So I'm gonna have face time with everyone including CEO. So that's going to be super helpful. So, yeah, that would be a good time for us to reconnect. I don't know when I'll have like a quick like me like 15, 20 minutes, but yeah, I can definitely let you know.

JONATHAN

20:49 Yeah. Just let me know Tuesday is the worst day for me because of meetings. But if you, I can carve out 15 minutes to even just for a quick phone call that's fine. Happy to help.

--- Next Steps ends ---

JUANITA

21:00 Okay. Sounds good. Okay. So I've gotten that and then remind me... because I know they're going to ask me this too. So you'd be using 25 right at the gate, the remaining seven, how long until you anticipate growing into the seven.

JONATHAN

21:28 End of the year. Yeah. I mean, so our current crop of apprentices just started over the last from January to now. So none of them have been here for longer than a year. The only the people that we would want to add at this point are going to be senior guys and they're slow to come. So I'm on the hunt for like a senior VR, F technician, a couple of other senior positions, and those are few and far between. I've got two offers out right now, but I'm like I don't know if they'll accept or not. So. But in the almost a year that I've been here, hired four senior guys and I've had three senior guys quit. So it's kinda it's kind a balanced itself out, which is why I would say end of the year before we grow into the 32.

--- Next Steps ---

JUANITA

22:25 Okay. That's helpful to know for sure. Yeah. All right. So, yep, I know what I need to do.

JONATHAN

22:35 Okay.

JUANITA

22:36 I'll be in touch with you, Jonathan early next week.

JONATHAN

22:40 Yeah, sounds good.

JUANITA

22:41 And hopefully we can wrap this up by. I don't know you think Wednesday Thursday of next week is doable.

JONATHAN

22:49 Definitely. So, yeah, just stay in touch. Do you have my phone number in case you need a call?

JUANITA

22:55 Is it in your email signature?

JONATHAN

22:57 Should be.

JUANITA

23:01 The two email addresses for us here, one you prefer?

JONATHAN

23:05 No, they feed into the same email box.

JUANITA

23:07 Okay. Okay, perfect. Let's see office up. Yep. I've got it ending 10 36.

JONATHAN

23:16 Yep. That's the one. So, just give me a call if you need anything, and I haven't responded and you need an answer ASAP. You can also text it.

JUANITA

23:25 Great. I love texting.

JONATHAN

23:27 It's good.

JUANITA

23:27 So much easier. I know we got some time to spare but I don't think it's needed anything else you have in mind.

--- Next Steps ends ---

JONATHAN

23:33 I did have a question for you.

JONATHAN

23:40 Hang it. I remember at the beginning of our conversation too, and I've forgotten it.

JUANITA

23:45 Was a product management Northboundary?

JONATHAN

23:54 Completely gone.

JUANITA

23:55 We'll come to you as soon as we click leave meeting.

JONATHAN

23:59 Will they will?

--- *Wrap-up* ---

JONATHAN

24:08 No, it was a question that I got asked me yesterday and I was like I'll ask one tomorrow when I'm talking to her. Dang, it. All right? It'll come to me, I'll email you.

JUANITA

24:18 Yeah, or you can text me to the number in my email signature. I can get text messages.

JONATHAN

24:23 Okay, perfect.

JUANITA

24:26 All right. I appreciate the time. Jonathan have a great weekend and I'll talk to you early next week.

JONATHAN

24:31 Okay. Sounds like a plan. I'll talk to you then.

*The End*