

Home Comfort Certified System[®]



Ductless Mini-split User Guide

Revised: 4/18/2024

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WHAT IS FLAT RATE EQUIPMENT INSTALLATION PRICING?

Flat rate equipment installation pricing is the term retail residential HVAC contractors use to describe providing a fixed upfront price to the customer for a specific equipment installation. To the customer it is an “upfront price” because the price that is quoted before the work begins is the price the customer will pay. The customer always knows the total investment for the work before any work is done. Naturally, customers love this type of pricing because they can budget the work to a fixed dollar amount without any surprises.

Many residential HVAC contractors still quote a single price by the job without itemization. Unfortunately, most customers do not fully understand what is included in the quoted price. This may cause them to suspect that the price is higher than necessary or, even worse, to feel that they are getting ripped-off.

The “open book” approach used in our *Home Comfort Certified System* flat rate process helps eliminate objections. While reviewing with the customer the *Investment Options Worksheet* objections are easily handled, and their unique equipment and installation options can be explored. This process handles most objections to equipment, installation, or pricing before they are even raised. Due to this open book approach, typically the only issues that will have to be dealt with are installation timing issues.

Home Comfort pricing objective is to recover 100% of the installation employee costs:

- 40%+ travel & non-chargeable billable hour recovery
- 25%+ overhead cost recovery
- 100% warranty labor & material support costs recovery
- 20%+ Net profit before taxes

WHY DO RESIDENTIAL HVAC CONTRACTORS NEED THE HOME COMFORT PRICE GUIDE?

1. It enables your company to open the hiring field to non-technical salespeople who are often better suited to selling to consumers.
2. It allows your retail residential HVAC installation business to charge a rate that recovers installation department overhead to be profitable but without alienating your customer.
3. It improves the professional appearance of your company’s salespeople and/or selling technicians.
4. It helps demonstrate that you and your company have the experience with the type of problem your customer has, since the installation they need is described and already priced in a flat rate price book.
5. When you quote out of the flat rate price book, the math is already done, the proper spelling is right in front of you, and the customer is assured that they are paying the same price as everyone else.
6. It improves customer satisfaction. Why?
 - Customers are happier due to the high level of professionalism during the sales call.
 - The upfront approval they give improves the collections process later.
 - It helps eliminate complaints of “*the price is too high*”.

WHY DO YOU NEED THE BUILT-IN PROFESSIONAL SELLING SYSTEM?

The truth is 7 out of 10 contractors do not use proper equipment installation upfront pricing due to:

- The high administrative cost of maintaining and updating costs in their price book for each of the thousands of equipment installation tasks or system enhancement installation types.
- Not being able to afford the high cost that can typically run from \$1500 - \$3500 upfront with an additional \$65+/month per book.
- Poor business/pricing understanding.
- Not feeling comfortable or proficient enough with computers to install software, or to navigate or modify databases to meet the ever-changing pricing requirements.

The only way customers can protect themselves is through careful evaluation of the contractor that responds to their call. One way you help your customers conclude that you are such a viable option is to meet their unique installation requirements. This is easily communicated through our *Home Comfort Certified System* branded installation solution. The *Home Comfort Certified System* flat rate pricing and selling approach has proven to have the added benefits of improving your professional image while increasing profit margins by:

- Making it easy for the customer to understand your unique solution for them.
- Setting your offer apart from those of the competition.
- Showing that your company has a standardized business delivery process.
- Having an associated higher professional and quality image.
- Having the ability to yield higher margins over the competition.
- Making it easier to communicate a common purpose to protect the customer's investment.
- Systematically communicating your entire value proposition leaving no unanswered questions.
- Minimizing any objections by addressing all pre- and post-installation items.
- Exploring all financing options or addressing any concerns of which most customers aren't even aware.
- Assisting the customer in advance of the purchase decision.
- Raising the benchmark for which all your competitors will be compared.
- Closing the sales on the first call more often.

HOW DO YOU IMPORT THE HOME COMFORT PRICING DATA INTO ACCOUNTING OR DISPATCHING SOFTWARE?

Integrating your *Home Comfort Certified System* with your accounting and/or dispatching software can streamline your activity in the office. We can provide a data table that is compatible with most software. Do you want to request this feature? Here's how:

1. Do you only subscribe to a single Home Comfort Price Guide? Obtain the upload file simply by upgrading to the 3 Price Guide Set.
2. Do you subscribe to Ready-Built HVAC programs that include a 3 Price Guide Set? Obtain the upload file for no additional cost simply by executing a separate Agreement.
3. Do you subscribe to the 3 Price Guide set, but your Set-up & Order Entry Form does not have the wording "*with CSV Upload*" at the top? Obtain the upload file for no additional cost simply by executing a separate Agreement.

4. Do you subscribe to the 3 Price Guide set, and your Set-up & Order Entry Form already has the wording “with CSV Upload” at the top? Obtain the upload file for no additional cost simply by requesting it.

See “Appendix B – Data table for upload to field management and/or accounting software” on page 15 for more details about this file for uploading.

WHY IS OUR SYSTEM YOUR BEST OPTION IN TIME AND MONEY?

Most other flat rate programs:

1. Are too complex for the user requiring computer skills and business sophistication.
2. Must be maintained by the contractor at a high administrative time cost.

Benefits using our program:

1. Simple system configuration set-up using a spreadsheet or other convenient methods.
2. No database maintenance; we maintain the book for you.
3. A small investment which is typically recovered on your very first sales call.
4. This guide includes online recorded and live training and implementation support, right-at-your staff's desktops or handheld devices.
5. Includes a service agreement selling system with access to service agreement print documents.
6. Includes a selling tech/comfort advisor system replacement “One-Call Selling System” with access to HVAC and boiler replacement proposal agreement printed documents.
7. Includes selling tech/comfort advisor soft communication skills training.
8. Includes pricing database upload files for QuickBooks or any field management software program.
9. No required software aside from any PDF document reader. (See more information in “Downloading the *Home Comfort Certified System* guide:” on page 13.)

HOW IS THE HOME COMFORT CERTIFIED SYSTEM PRICE BOOK MADE?

The Home Comfort Certified System installation presentation price book uses industry average tasking labor time for each system installation type. Then it uses the costs from your wholesale HVAC distributor partner for equipment and installation materials. The cost databases from your distributor are updated continuously on your behalf. It also uses your labor rates and profit margins which can be customized based on your own actual financial performance requirements.

In order to quickly obtain a price book for your company, all we need are your: company name and address and phone number, actual labor cost rates, equipment costs, state sales tax rate, and (optional) local utility energy rates and financing rates. (For details please see the section Filling out the “Home Comfort Set-up and Order Entry Form” on page 11.)

Included is an introductory section to be used by your Comfort Advisor or selling technician to review with the customer. This section helps professionalize the sales call by explaining to your customer:

- a. Your company's mission statement and how it relates to their best interests.

- b. What makes you different and why you are the preferred HVAC Company in the area.
- c. The process you will use to find the best solution for them.
- d. Why your company has to set the standards of performance in your area.
- e. The quality they can expect before, during, and after the installation.
- f. How you will be sitting down with customer after the installation survey to explore their purchase options.

The Home Comfort Certified System price book is presently being used by hundreds of retail residential HVAC companies all across the US and Canada. In addition to using your company's own costs, we can customize the labor hours built into each system installation type. Please see "Appendix A – Default installation costing" on page 14. Furthermore, we can also include your company logo on the cover page and customize wording for you in any section of your price book. Any customizations we make for you will be saved for future updates to your price book.

We can also put your company logo on the cover page and customize wording for you in any section of the price book. We allow up to 20 text changes or global word/phrase replacements or any combination thereof. If you require changes beyond the initial 20, then prior to proceeding with any work we will provide you a quote based on a \$75 fee for each hour required to customize your price book. This quote and a credit card authorization form will be sent to your email address for approval.

The price guide is already set up to include all systems available to you from your distributor, including single-zone and multi-zone in all available capacities. You can decide what systems you want to include to be able to offer to your customers. Any changes we make to the price guide for you will be saved for future updates to your price book.

The only caution we give to new users of the price book is to not try to 'reinvent the wheel'. Also, if a requested modification could adversely affect the selling process that has been carefully designed in the Home Comfort Certified System, we will discuss with you your specific needs. Once it is decided what changes are needed for your company then simply print out the pages that need changes and clearly write your changes on these pages. Then scan back those marked up pages to your assigned coach or fax them to us at 603-386-6342.

If no customizations are required for your price book, then we can have your completed price book to you in PDF format within 3 to 5 business days from receipt of your order entry form and your equipment configuration set-up worksheet. If there will be customizations, then please allow up to 5 business days after processing the approved authorization form.

If you are seeking to professionalize your selling process, then please visit our website at www.GrowMyHVAC.com and check out our online HVAC contractor support training center. Our flat rate installation and service repair price books are integrated into our complete "A through Z" best-practice training tracks and associated forms for your retail residential service and installation departments.

Our complete business operating packages are sold separately. There are 8 packages to choose from. Each one provides a set of proven business processes, methodologies, and governances for a successful retail residential or commercial HVAC service business. These packages are designed to FAST TRACK your business growth and development efforts.

8 Available Business Development Package Options:

1. Residential HVAC business operating system & forms
2. Commercial HVAC service business operating system & forms
3. Combined retail residential and commercial HVAC service business operating system & forms

4. Website development and hosting service
5. Mobil Service Manager built on a RazorSync platform which ties seamlessly into QuickBooks
6. Combined retail residential and commercial HVAC service business operating system & forms PLUS website development and hosting service
7. Combined retail residential and commercial HVAC service business operating system & forms PLUS Mobil Service Manager
8. Combined retail residential and commercial HVAC service business operating system & forms PLUS website development and hosting service PLUS Mobil Service Manager

HOW DO YOU USE THE *HOME COMFORT CERTIFIED SYSTEM PRICE BOOK*?

We recommend using a proven, best-practice, step-by-step, 'Professional One-Call Sales Call Handling Process' that the Comfort Advisor or selling technician would use on an installation sales call. The steps below that are **in bold** indicate where and how our *Home Comfort Certified System* price book is used during the sales call. You can find more detailed information on the non-bolded steps below in the "Ready-Built HVAC Residential Installation Department" training track located at www.GrowMyHVAC.com. Steps 1–14, 23 and 24 below are directed toward your Comfort Advisor or selling technician. Other company departments will be involved in the remaining steps.

1. **Prepare for the call** – This involves making the right impression by taking pride in your personal appearance, having the "do the right thing" attitude, having a set of "Install-Right Survey" open ended sales advancement questions, and identifying the customer's buying preferences from evidence around them.
2. **Arrive at the call** – This involves parking the company's vehicle properly and double-checking personal appearance, using breath mints, and properly approaching the customer's home.
3. **Greet the customer** – This includes knocking on door properly, offering a proper handshake, verifying the purpose of the visit, and presenting a business card.
4. **Introduce your company** – Open the Home Comfort presentation price book to the introduction section and explain to the customer:
 - a. The process you will be using to find the best solution for them.
 - b. Why your company has to set the standards of performance in your area.
 - c. What the customer can expect before, during, and after the installation.
5. **Set the customer's expectation** – Explain why you need to fill out the *Home Use and Livability Survey* and perform a 'Manual J' heat gain/loss measurement instead of simply relying on the capacity of their existing system. Then explain how you will analyze the gathered data to ensure proper equipment sizing and the inclusion of any accessories and what system modifications may be warranted, if any, to meet the customer's requirements. Then explain how you will be sitting down with them after the survey and calculations to explore their purchase options. Finally, invite the customer to join you.
6. **Conduct the *Home Use and Livability Survey*** – Conduct the survey by first obtaining a blank *Home Use and Livability Survey* form and then interviewing the customer. Fill in all information including the customer's unique requirements regarding home use, comfort, health, safety, property, and finances. Complete the survey by taking measurements, identifying existing system layout,

discussing with the customer the existing installation and issues you may have uncovered, and qualifying who in the family is really the decision maker. Use company approved guidelines to complete the survey.

7. **Review the survey with the customer** – Review with the customer the completed *Home Use and Livability Survey*, and also the present situation versus their needs/wants per page 2 of the *Installed Right Solutions Survey* form. Get the customer’s agreement on the survey’s findings and solutions. Then ask permission to proceed with a system load analysis.
8. **Perform “Manual J” load calculation** – While performing the load calculation, you hand your ductless mini-split price guide opened to section “Why we have to set the standards of performance which can include you company’s Installation Photo Book to the customer to review the company’s past installations.
9. **Select a system from your presentation price book** – While selecting the equipment and accessories, explain the scope of work and your company’s guarantees and assurances, verifying final option(s) choice of equipment and accessories with customer
10. **Fill out the Investment Option Worksheet** – Using a blank copy of the *Investment Option Worksheet*, which is provided with your price book, enter the following:
 - a. The customer’s selected equipment and associated prices.
 - b. The customer’s selected accessories and associated prices.
 - c. Any required system modifications and associated prices.
 - d. Add up these prices up and enter the customer’s total investment.
 - e. Write the customer’s estimated monthly payment using the *Finance Tables*.
11. **Review the recommended investment with the customer** – Review each investment line-item and associated benefits, as well as any added changes necessitated per “Manual J”. Then obtain permission (your first trial close) to proceed with preparing a proposal.
12. **Present the replacement proposal** – To help the customer get what they want, you prepare an *Installed-Right Proposal Agreement* with the customer present. You will then:
 - a. Explain the entire proposal including terms and conditions.
 - b. Explain the installation implementation process the company will use.
 - c. Handle any objections the customer may have.
13. **Close the Sale** – The customer makes the minimum deposit at time of signing to secure the installation.
14. **Job turnover to operations** – Turn the job over to the Installation Manager for execution.
15. **Equipment Ordered and Installation Scheduled** – The Installation Manager orders equipment, materials and supplies and schedules installation.
16. **Installation coordinated with the customer** – The Installation Coordinator calls the customer to set up a time.
17. **Job staging and mobilization** – The Installation Manager stages all equipment and materials and makes them ready to the Installation Crew prior to arrival at the customer’s home, minimizing any comfort or use disruptions.
18. **Field Communication Documentation created** – The Installation Manager creates the field communication and installation instructions.

19. Installation Crew arrival – The customer is notified by the Installation Coordinator of the expected arrival time of the installation crew and the expected completion time of the job.
20. Payment – If final payment will be by cash, then the Installation Manager, Installation Coordinator, Comfort Advisor or selling technician requests that the check be made ready and given to the Crew Chief upon job completion.
21. Installation completion – We can provide a “Start-up, Test and Verification” form for the Installation Crew to present to the customer for customer sign-off and final invoicing.
22. Final payment – The final payment is due upon the signing of the final invoice and prior to the departure of the Installation Crew. If the customer cannot be present upon completion, they must sign the final invoice and provide payment before departing.
23. Post-installation completion – The Comfort Advisor or selling technician verifies that there are no further questions or concerns that need to be discussed. If not, then he/she proceeds to close out the job. The company will be able to obtain additional high-margin business through referrals simply by following through on the promises made to the customer during the approach portion of the sales process.
24. Happy Follow-up Call with the customer – The Comfort Advisor’s or selling technician’s post-installation follow-up tasking should include a scheduled visit with the customer to:
 - a. Review equipment and accessory operation
 - b. Answer any customer questions
 - c. Present warranty management process
 - d. Present service agreement
 - e. Present ‘Friends & Family Program’
 - f. Ask for referrals
 - g. Update customer direct mail list

WHAT IS THE LAYOUT OF THE *HOME COMFORT CERTIFIED SYSTEM* PRICE BOOK?

The sections include in the price book we prepare are shown **in bold** below. We highly recommended that you also add the information described in the non-bold sections. These are included in our “Ready-Built HVAC Residential Installation Department” training track located on our website at www.GrowMyHVAC.com.

1. Cover Page – Presents your company’s name and address and will display the logo of the equipment brand used in your price book.
2. License Agreement – A necessary document of legal terms and conditions explaining your right to use the *Home Comfort Certified System* price book. NOTE: THIS PAGE SHOULD **NOT** BE PUT IN THE PRESENTATION PRICE BOOKS USED IN THE FIELD.
3. Mission Statement – A message from the company president that demonstrates your company’s commitment to be the best-in-class in residential HVAC equipment replacement services.
4. Your Company’s Experience and Expertise – An outline of who you are and what makes your company different.

5. Home Comfort Certified System 7-Step Approach - Explains your company's industry best-practice DOE endorsed 7-step installation approach that you will use to guarantee the customer reaches their unique objectives regarding home comfort, health, safety, property and financial goals.
6. Why You Set the Standards of Performance – A brief description of the evidence of the 90% of poor installations in the industry and how your customer will be in the top 10% from the installation process you will be using.
7. Quality Installations by Design – Explains how your company's work methods ensure that the customer will receive timely communication from your company to provide them the ability to control key installation decisions. It also shows that you understand and deliver best-in-class performance standards.
8. Installed-Right Guarantees, Warranties, and Assurances – Demonstrates that your company can be trusted by backing up its work with the industries best guarantees, warranties, and assurances. We can help you estimate low-cost differentiators with a high-perceived value, such as our:
 - Lifetime Ductwork Warranty
 - Lifetime Cabinetry and Piping Warranty
 - Lifetime Air Balance Guarantee
 - 24-Hour Livability Guarantee
 - 10-Year Equipment Replacement Warranty
 - Quiet Guarantee
9. Company Licenses, Awards, and Professional Affiliations – Provides your customer a degree of assurance that your company is qualified and legally able to do their type of work. Upon completion and implementation of our residential installation department training track we will provide you with a “Best-Practice Installation Certificate” award to include in this section.
10. Professional Training and Education Certifications – Outlines your company's personnel training and education programs and certifies and gives evidence of your company's capability to do all proposed work or services.
11. Customer Testimonials - Demonstrates what others say about the delivery of your services. This could include a brief set of quotes or actual copies of letters received from happy customers.
12. Price Book – Presented here are the flat rate prices of your company's complete line of ductless products and services. The offerings are customer-benefits-based and include the following presentation sections:
 - Any of the system configuration types that you have selected to offer.
 - System Enhancements & IAQ Accessories.
 - Investment Option Worksheet. This worksheet enables you to present the recommended options that best meet the customer's requirements and contains two sections:
 - 1) Line-item add-on tasks that may be needed for a specific customer.
 - 2) A place to provide an analysis of various finance options.
13. Financing Tables – These Monthly Finance Rate Calculator[®] tables help you to determine the maximum monthly payments the customer can expect. The figures are used with the *Investment Option Worksheet* to illustrate how affordable your system installation will be for the customer by breaking down their total investment into easy monthly payments.

14. Energy Savings Tables – These tables help you to demonstrate how much potential savings the customer can expect on their energy bills when they replace old inefficient equipment with a new and more efficient system. The figures are used with the *Investment Option Worksheet*.
15. Company Set-up information – The last page of your price guide is the financial set-up data that we receive will be shown on the final page as a way to verify that your company specific data has been used throughout your price book. **NOTE: THIS PAGE CONTAINS YOUR COMPANY'S CONFIDENTIAL INFORMATION AND SHOULD BE REMOVED FROM THE FIELD COPIES OF YOUR PRICE BOOKS.**

FILLING OUT THE “HOME COMFORT SET-UP AND ORDER ENTRY FORM”

Below are instructions for filling out each line on the order form. The only items which we absolutely need from you to obtain your price book are the five items below **in bold**: 1, 2, 4, 28 & 29. You can of course customize any or all of the remaining data entry points, but if you don't then we will default to the industry standard shown, or determine the value based on your region of the country. The financing rates and utility costs are optional and do not affect pricing. However, they are great selling enhancement tools.

Installation Labor

1. **Crew Chief Labor Rate**: Write the hourly dollar rate of your highest paid installation department Crew Chief without benefits for non-union workers. Benefits for non-union workers should be included in department overhead on Line 25.
NOTE: If you are a union company, then write the paid hourly rate including benefits.
2. **Helper Labor Rate**: Write the hourly dollar rate of your highest paid installation department Helper without benefits for non-union workers. Benefits for non-union workers should be included in department overhead on Line 25.
NOTE: If you are a union company, then write the paid hourly rate including benefits.
3. **Billable Labor Efficiency (Default – 60%)**: Write the percentage of effective work time of your installation team. We use industry standards and it is not necessary that you provide us this value to obtain your book. However, if known, use the total hours billed by the installers divided by the total hours paid to them.
Example: If installer is paid 40 hours per week but bills an average of only 20 hours per week to a job then that is 50% efficiency. (If your company policy is to only pay your installation team for the time that they bill to a job then this value would be 100%.)

Vehicle/Miscellaneous

4. **Material Sales Tax %**: This is the sales tax rate paid by your company for the purchase of equipment and materials, and is the sum of State tax, County tax, and City or community tax as applicable to your business. Your wholesale HVAC distributor partner provides your unique equipment pricing without the sales tax added. We will add this tax percentage to the costs of all equipment, materials and supplies.

5. Average miles round trip (Default = 15): This is the round trip in miles from your shop to the customer's location, on average. This value is used together with Line 6 below to calculate the travel cost for each installation.
6. Travel Cost per Mile \$ (Default – \$0.50): This rate should combine the cost of truck depreciation per mile (as obtained from leasing companies, on average \$0.22) with the cost per mile for fuel. To calculate this: Take the dollars per gallon for fuel and divide it by your fleet's average fuel economy (typically 12 mpg). We recommended you obtain this value from your comptroller.
7. Hourly Truck Charge \$ (Default – \$6.00): This is your cost per working hour for the vehicle lease or mortgage plus maintenance costs. To calculate this: Add the annual cost of payments and maintenance, then divide this by the number of billable weeks in a year (typically 48 because of vacations and holidays), then divide this by the number of billable hours in a week (typically 24 for a 60% work efficiency factor). We recommended you obtain this value from your comptroller.
8. Risk & Proficiency & Warranty % (Default – 5.00%): Not all jobs run smoothly due to equipment or material purchase errors or failures, and not all jobs are installed proficiently depending on the competencies and work efficiencies of the Installation Crew. The average risk loss due to errors is about 2% of job costs. The average labor proficiency loss is also 2%. The equipment warranty is 1%. This adds up to a "stuff happens" total adjustment of 5% which we include in the installation price. This covers the cost of labor should there be call backs or warranty service calls within the first year. If you know your risk and proficiency adjustment percentage, please tell us.
9. *{Lines 9 to 15 not used in this book.}*

Power Electrical Subcontractor

16. Elect Subcontract: Enter the subcontractor fee to have a licensed electrician install electrical upgrades and power connects. Be sure to add the cost of electrical permits if your subcontractor does not include them in his price to you. If you do this work in-house, then please tell us what your labor and material costs will be to the electrical work.
NOTE: If local codes require that a licensed electrician also handle all electrical connections to each indoor unit of a multi-zone system, then we will put on Line 16b the price that your subcontractor will charge per additional indoor unit.

Customer Utility Rates

17. Electric Rate per KWH: Enter the local utility rate for electricity in dollars per KWH.
18. *{Lines 18 to 20 not used in this book.}*

Heating & Cooling Load Hours

21. Annual Heating Load Hours: Enter your local heating load hours (different from heating degree days). If unknown, we will use the AHRI table to look up your local load hours.
22. Annual Cooling Load Hours: Enter your local cooling load hours (different from cooling degree days). If unknown, we will use the AHRI table to look up your local load hours.

Customer Financing Interest Rates Set-up

23. Home Equity Loan Rate: Enter the average home equity loan interest rate. This can be obtained from your local bank or via an online search.
24. Local Bank Loan Rate: Enter the average standard bank loan interest rate. This can be obtained from your local bank or via an online search.

Gross Profit Margin Set-up

25. Installation Dept. Overhead % (Default – 25%): Enter the overhead percentage for benefits, insurance and direct & indirect departmental costs. To calculate this, divide hourly labor rate by overhead cost per hour. Example \$24/hr. divided by \$6 overhead equals 25%. The typical range is 20 to 30%. (Please note: If you use an installation sub-contractor then this value will be much lower, typically from 10 to 20%.)
26. Sales Commission % of Sales (Default – 8%): Enter the percent of the total gross revenue for each system sold that you will pay as commission. Enter 0% if not paying commission. If you pay your technicians a spiff for providing a lead that results in a sale, we recommended you enter 2% commission. If you compensate a selling tech who also properly books jobs per company standards, we recommend you enter 4% commission. If you have a comfort advisor, it is typical to enter from 8 to 10% commission. Keep in mind this value is part of the Gross Profit Margin. A value of 8% will raise the retail price by more than 8% to make sure you are making a decent profit even when the salesperson lowers the sales price.
27. Target Net Profit % before taxes (Default – 12%): Enter the percentage of profit you desire to achieve prior to paying company revenue taxes. The typical range is 10 to 15%.
28. Total Gross Profit Margin % (Default 45%): This will be the total of Lines 25 to 27 above. However instead of filling out those individual values, you may simply tell us the total gross profit margin you desire to achieve to recover overhead, pay commissions and obtain net profits before taxes. The typical range, when not using an installation sub-contractor, is 40% to 50%.

Company Information

29. Price Book Front Cover Information: Fill in the complete name, address, and phone number of your company, as you want it to appear on the cover page of your Home Comfort Certified System presentation price book. Also enter the email address where you wish to receive your completed price book; it will not be displayed anywhere in your price book.

DOWNLOADING THE HOME COMFORT CERTIFIED SYSTEM GUIDE:

Building Services Institute produces the Home Comfort Certified System Installation Presentation Price Book in a PDF file format. We will send the completed price book to the email address you provide through a third-party document management service. You simply click the link provided within the body of the email you receive and when a new window opens in your internet browser then download the PDF file and save it to your computer.

If you have problems opening your price book file, make sure you have a PDF document reader installed on your computer. There are many free software applications that open PDF documents. To find one, use the search engine of your choice to search for “PDF reader”. Choose the software you want to use and install it on your computer or tablet. This is your decision and done at your own risk. But to use the book we produce you must have something on your computer or tablet that can open PDF files.

Price Delivery Process

1. We deliver the price guide to your email in a PDF file format to download.
2. We then schedule a private GoToMeeting to review pricing and guide use.
3. You are provided unlimited access to online live and recorded staff user training.
4. You are provided access to printed documents for system replacement proposal agreements.
5. Once you approve you then print hard copies locally for each user plus 1 for the office.
6. We then send your matching import file for your QuickBooks or field management software.
7. We then schedule a private GoToMeeting for online staff user training.
8. You are provided unlimited price guide updates at your request and online user support.

Price Guide Updating Process

1. Forward to us upon receipt from your vendor any changes in your equipment pricing.
2. For changes on the default set-up page (the last page in your book), simply print out and mark it up, then scan and email it back to us.

APPENDICES

Appendix A – Default installation costing

The presentation price for each configuration is calculated using COGS (cost of goods sold) based on four components as shown below. We use industry standard installation hours, but if you wish you can adjust these hours for your price book. To do so simply print out the appropriate page(s) from the sections below and write the actual crew-hours you want us to use next to the tasks you need to have changed. Then scan and email to us these marked up pages.

1. Your costs for the following:
 - a. Outdoor HP or AC unit
 - b. Indoor unit (one for single-zone, or more for multi-zone system)
 - c. Branch distribution unit (in the case of a multi-zone system)
 - d. Thermostat or Remote Control (as required by the system)
 - e. Other system specific components as required
 - f. Optional extended labor warranty coverage as provided by your distributor
 - g. Installation sub-contractor’s fee, if applicable
2. Industry standard costs for the following (as needed based on the type of system):
 - a. \$300.00 Duct materials for one (1) Ceiling Ducted unit sized at 1-Ton (12kBTU) or less

- b. \$150.00 Extra duct materials per additional ton for one (1) Ceiling Ducted unit
- c. \$80.00 Extra materials to install a Ceiling Inset unit
- d. \$40.00 Materials for a condensate drain line per indoor unit
- e. \$70.00 Equipment mounting pad - small to medium outdoor unit
- f. \$110.00 Equipment mounting pad - large outdoor unit
- g. \$30.00 Heat Pump risers per outdoor unit
- h. \$95.00 Each 15 feet of Insulated Line-set 1/4x3/8
- i. \$110.00 Each 15 feet of Insulated Line-set 1/4x1/2
- j. \$126.00 Each 15 feet of Insulated Line-set 1/4x5/8
- k. \$140.00 Each 15 feet of Insulated Line-set 3/8x5/8
- l. \$180.00 Materials for duct transition to connect new AHU to existing ductwork. *(If new ductwork is needed, it must be priced separately.)*
- m. \$100.00 Line-hide materials up to 8 feet per indoor unit, OR per Branch Box unit. *(Multi-zone systems with Branch Boxes only include the cost of line-hide for the line-sets up to the Branch Boxes.)*

NOTE: These prices may vary slightly based on the pricing you send us. After you receive your completed book, you can ask us to send your specific miscellaneous costs.

3. Industry standard Labor Crew-Hours as follows:
 - a. 3.0 hours Install one (1) Outdoor unit
 - b. 5.0 hours Install one (1) Indoor unit (or the first unit for a multi-zone system)
 - c. 4.0 hours Install each additional Indoor unit on a multi-zone system
 - d. 2.0 hours Install one (1) Cased Coil on existing furnace, or install one (1) Branch distribution unit on a multi-zone system
 - e. 1.5 hours Extra labor to install one (1) Ceiling Inset unit, or one (1) Fan Coil unit
 - f. 3.0 hours Extra labor for installing one (1) Ceiling Ducted unit sized at 1-Ton (12kBTU) or less, including the time to install the needed duct materials
 - g. 1.5 hours Extra labor *per additional ton* to install duct materials on one (1) Ceiling Ducted unit sized greater than 1-Ton (12kBTU)
4. The values for Material sales tax, Vehicle costs, and Risk / Proficiency / Warranty as entered by you on Lines 4 to 8 of the *Home Comfort Order Entry and Set-up Form*

Appendix B – Data table for upload to field management and/or accounting software

In addition to the PDF version of your book, you can also receive a spreadsheet containing essential data from your book that can be uploaded into most field management and accounting software. For further details on how to obtain this feature that we offer please contact us at CustomerCare@growmyhvac.com. Here is an explanation of some of the data we can send in this optional spreadsheet:

1. **Category:** The brand of equipment used in your book and “HVAC Installation”.
Example: Mitsubishi HVAC Installation
2. **Sub-category:** The configuration type of the system which is also the page heading.
Example: Multi-Zone Heat Pump - 2 Zones Up To 2 Ton
3. **Code:** A 14-digit code that will be unique for each installation in your price book.
Example: DHPM-0310-0975 (Note: The last four digits represent the crew-labor hours. The first

two digits are hours and the last two digits are fractions of hours, so “0975” means 9 hours and 45 minutes (1 hr x 0.75 = 45 mins).

4. **Description:** The system equipment description, including the Clg/Htg BTUs. If it is a multi-zone system, then the indoor match-ups are shown.
Single-zone Example: M-Series WR High Wall Heat Pump 22.5k/26k CLG/HTG BTU MSZ-WR24NA/MUZ-WR24NA
Multi-zone Example: M-Series MXZ-3C30NA2 Heat Pump 28.4k/28.6k CLG/HTG BTU (Indoor: 6·9·15)
5. **Retail_ \$:** The presentation price (or “sell price”) in dollars for the system installation as shown to your customers in the PDF version of the book.
Example: 4782
6. **Eqp/Mtl/Sub_ \$:** The cost in dollars for equipment, miscellaneous materials, and subcontractors.
Example: 1583.80
7. **Sales_Tax_ \$:** The total in dollars for sales tax on equipment and materials, based on what you put on Line 4 of the *Home Comfort Set-up and Order Entry Form*.
Example: 102.70
8. **Labor_Hrs:** The number of crew-hours for the installation, as calculated by what you put on Line 3 of the *Home Comfort Set-up and Order Entry Form*, and the crew-hours shown in “Appendix A – Default installation costing” part 3.
Example: 14.17
9. **Labor_Cost_ \$:** The cost in dollars for labor for the installation, based on the labor hours and what you put on Lines 1 and 2 of the *Home Comfort Set-up and Order Entry Form*.
Example: 821.86
10. **Risk_Prof_ \$:** The portion of the installation price in dollars assigned to Risk & Proficiency & Warranty, based on what you put on Line 8 of the *Home Comfort Set-up and Order Entry Form*.
Example: 149.97
11. **Gross_Profit_ \$:** The portion of the retail price in dollars that is gross profit, based on what you put on Lines 25 to 28 of the *Home Comfort Set-up and Order Entry Form*.
Example: 3190.31

Appendix C – Determining your Job Costs from the Presentation Price

Find the *Total System Installation Costs, or Cost of Goods Sold (COGS)*.

To calculate: Multiply the presentation price by 1 minus your Total Gross Profit Margin percentage.

$$\text{COGS} = \text{PRICE} \times (1 - \text{TGPM})$$

Example:

- Replacement Price = \$10,000
- TGPM = 45%
- COGS = \$10,000 x (1 - 0.45) = \$5,500