

Don't Sub Out High Margin Work

KEN ALLISON IDI



America's Insulation Source Since 1979

SPFA Antitrust Policy

"Our policy is to comply with all federal, state and local laws, including the antitrust laws. It is expected that all company member representatives involved in SPFA activities and SPFA staff will be sensitive to the unique legal issues involving trade associations and, accordingly, will take all measures necessary to comply with U.S. antitrust laws and similar foreign competition laws."

It is a per se violation of the federal antitrust laws for competitors to agree on prices, limitation of supplies, allocation of customers or territory, or boycotts. "Per se" means that no legal defense can be used to mitigate this automatic violation.

Even an agreement by competitors that is for the good of society and our industry may be a violation of the antitrust laws if it could affect competition.

If a topic of antitrust concern is raised at any time during a meeting, note your objection for the record. If the topic continues to be discussed, you should leave the room immediately and contact SPFA's general counsel and your company's attorney for further guidance.

Ensure that every SPFA meeting, where members are present, has an agenda, the agenda is followed, and minutes are kept by SPFA staff of the proceedings.

Understanding and acting on the requirements of U.S. and foreign antitrust and competition laws sometimes can be difficult. If you have a question about the propriety of activities or discussions in SPFA, you are encouraged immediately to contact your company's legal counsel and SPFA management.

Spanish Translation Disclaimer

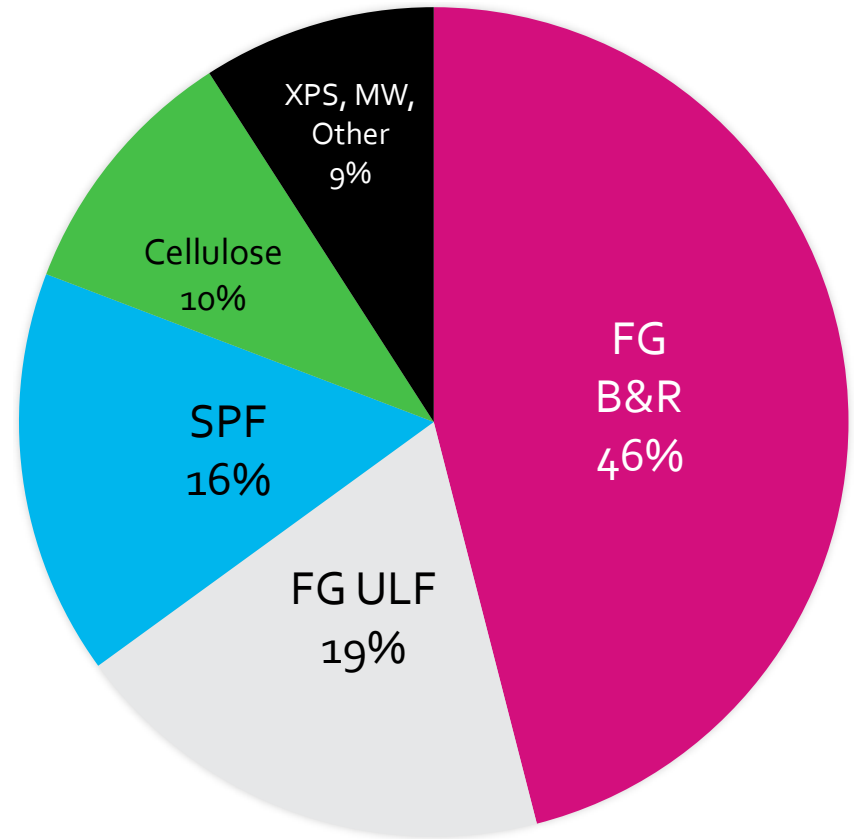
This presentation will include subtitles generated automatically based on the speaker's voice using automated translation software.

SPFA has undertaken reasonable efforts to provide an accurate translation, however, no automated translation is perfect nor is it intended to replace human translators. The translated subtitles are provided as a service and "as is." SPFA makes no warranty or representation of any kind as to the accuracy, reliability, or correctness of any of the translated subtitles. Any discrepancies or differences created in the translation from English to Spanish are not binding and have no legal effect for compliance, enforcement or other purposes.

The Real Opportunity in insulation



Residential Insulation Market Landscape



FIBERGLASS DOMINATES OUR INDUSTRY

- ❖ 90% of homes today
- ❖ 80+ years of history
- ❖ Safe: Among the most tested of all building materials
- ❖ Higher margin job
- ❖ Add on opportunity for SPF jobs
- ❖ Most cost-effective way to meet code



Why Fiberglass

-
- ❖ Volume of business
 - ❖ Multiple Revenue Streams
 - ❖ Flash and Batt
 - ❖ Foamed roof, fiberglass walls
 - ❖ Lower cost/VE
 - ❖ Builders already using it
 - ❖ Cost of entry
 - ❖ Very little clean up/no overspray
 - ❖ Less prep
 - ❖ Equipment rarely breaks down
 - ❖ Less maintenance
 - ❖ Easier to install

Why fiberglass

Work while other trades are on the job site

Installed at any temperature

No mixing, dry times or coating

Net and Blow

- Up-sale
 - Better Margin
 - Custom
- Mid-Floor use of L-77
 - Replaces / reduces need for sprinklers
 - Lowers cost of building maintenance
 - High STC



L-77 Loose-fill

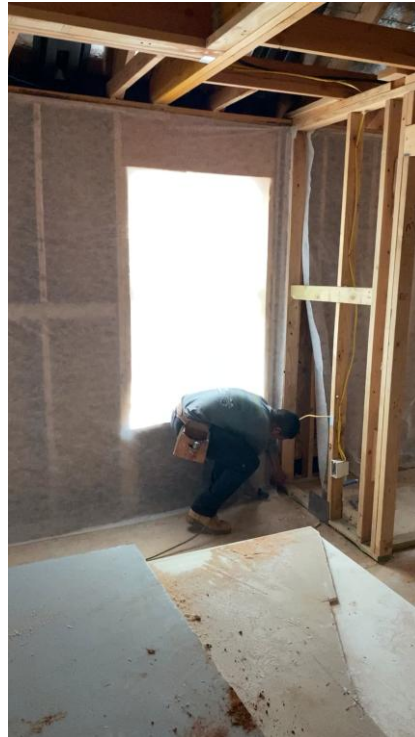
- Good R-Values
 - 4.3 R's per inch blown
- L-77 Lowest density & best coverage
- Custom Manufactured
 - 40% of Framing odd spaced
 - Very High customer satisfaction
- Passes Grade 1 - 1st time every time
- Eliminates voids and gaps in the insulation
- Conforms to any cavity & fills around obstructions



Hanging Netting



Hanging Netting



Blown In Install

- Stab through netting
 - Push to bottom of cavity
 - Sweep side to side as filling
 - Flip to blow the top
- 8' walls
- 2x4 = 25-30 seconds
 - 2x6 = 35-40 seconds







Job Costing



New Quote



Calendar



Reports



Export Files



Support



Job: 343 Maple Lane

Job Cost

Area	Sub Area	Item	Bid Labor	Actual Labor	Bid Sqr Ftg	Actual Sqr Ftg	Bid Item Usage	Actual Usage	Item Cost	Bid Material	Actual Material	Cost Delta	Bid Total	Actual Total
343 Maple Lane														View
Ceilings		Lift					1	1	\$200.00	\$200.00	\$200.00			
Ceilings		OC ATTIC MATE, FOAM RAFTER VENT, 22"X48"(75/BUNDLE, 1,200/PLT) BLACK					2	4	\$0.89	\$1.78	\$3.56	-\$1.78		
Ceilings		16"X23"CORRUGATED CARDBOARD BAFFLE (600/BUNDLE,1200/PALLET)					2	4	\$0.89	\$1.78	\$3.56	-\$1.78		
Ceilings		SEALTITE PRO CLOSED CELLA SIDE	\$300.00		2000	2000	0.89	1.1	\$3,700.00	\$3,293.00	\$4,070.00	-\$777.00		
Floors		DURA-SKRIM REINFORCED POLY, 6 MIL 12'X100' CLEAR					1	1	\$65.00	\$65.00	\$65.00			
Floors		OC PROPINK BLOWING WOOL 33 LB 36/STACK	\$200.00		1000	1150	17	24	\$44.00	\$748.00	\$1,056.00	-\$308.00		
343 Maple Lane Totals			\$500.00	\$518.00						\$4,309.56	\$5,398.12	-\$1,106.56	\$4,809.56	\$5,916.12
Totals			\$500.00	\$518.00						\$4,309.56	\$5,398.12	-\$1,106.56	\$4,809.56	\$5,916.12









Baffles



Machine Settings

Improper settings waste material

- Attic slide gate – 75%, blower set to 10' arc of material



Technique Matters

Level blowing hose

- Don't point hose down
- Don't cup hand over hose

Aim for 10' arc

Hills and valleys in insulation is wasted material

- Use attic rulers



Static

25% Fabric Softener

Estimating Existing Insulation

Visual inspection of average depth of existing insulation

Attic Card may be attached near attic access cover

Depth x 3 "R's" per inch of depth regardless of material will get you good average



Equipment



Job Costing

Retro company with 5
blow trucks

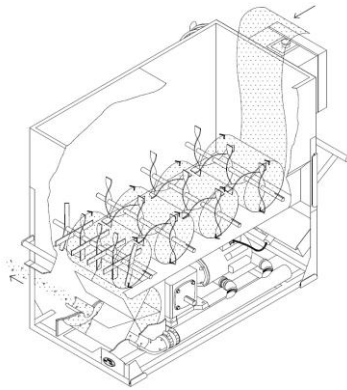
- 1,400 sq. ft. attic @ R-60
 - $1,400/36 = 39$ bags
 - 46 bags used on the job
 - $\$40 \times 7 = \280×5 jobs/day = **\$1,400**





Agitation & Material Conditioning





Airlock

- Airlock seals hold air pressure in airlock and hose.
- Foreign objects can damage rubber seals.
- Airlock seals will wear out over time.
 - Common symptoms are:
 - reduced blowing pressure
 - low material feed rate
 - “blow back” in the hopper.



Hoses

Hoses will wear over time

- Flip after 6 months, replace after 9-12

Use connectors at each connection

150' minimum

- Use same size as output tube on machine for attics
- Area of hose is (πR^2)
 - 4" = 12.56"²
 - 3" = 7.065"²

Do not kink hoses, reduce bends as much as possible



Equipment-Portable Machines

250 - 700lbs of Fiberglass (6-22) Bags / hour

800 - 2100 lbs of Cellulose 20-60 Bags (If capable)

Use ONLY the cord provided

Most Electric require two dedicated 120v outlets

- Garage Opener, Laundry Room, or Kitchen
- They will trip breakers

Production Level R-49 of L77 = 44 sf/bag (265-970 sf/hour)

3000 sf 3 – 11 hours



Equipment-Mid Level Machines

900 lbs to 2100lbs of Fiberglass 25-50 Bags
3000lbs to 3600 lbs of Cellulose 70-110 Bags
Gas/Electric

Shredder (some)

Trailer or Truck Mounted

Larger Hoses (4")

R-49 Production Rate = 1100-2420 sf/hour

- 3000 sf 1.25-2.75 hours



Equipment-High Volume Machines

1800 - 2450lbs of Fiberglass 55-65 Bags/HR

5000lbs to 6000 lbs of Cellulose 120-180 Bags/HR

Gas/Diesel or PTO

Truck Mounted

Usually 26' Box Trucks

Larger Hoses

Come Equipped for wall Spray

Much Larger or Extended Hoppers

R49 Production rate 2420-3100 sf/hr

- 3000 sf 1-1.25 hours



Fiberglass Blowing Machine Production Matrix

Machine Type	Sf blown/hr	Time for install	Attics/day	Attics/month	Attics/year	Potential profit @ \$200/attic
Small Electric-DIY	215	7 hours	1	20	240	\$48,000
Mid Level Electric	810	1.75 hours	2-3	45	540	\$108,000
Mid Level Gas	2025	.75 hours	5-6	110	1320	\$264,000
High Volume	2700	.5 hours	6-7	130	1560	\$312,000

Fiberglass Blowing Machine Production Matrix

Machine Type	Sf blown/hr	Attics/day, 1,500 @R49	Total sf/day	Labor/day	Labor Cost/sf	Total labor cost/attic
Labor Cost = Labor / sf $\$320 / 1,500 = \$0.21 / \text{sqft.}$						
Small Electric-DIY	215	1	1,500	\$320	\$.21	\$320
Mid Level Electric	810	2-3	3,750	\$320	\$.09	\$135
Mid Level Gas	2025	5-6	8,250	\$320	\$.04	\$60
High Volume	2700	6-7	9,750	\$320	\$.03	\$45

Insulation Removal = BIG \$\$\$

Water damage

Fire damage

Smoke damage

Rodent infestation

High margin jobs

Low costs

- Cost of bags/dumpster
- Fuel
- Labor



Equipment-Vacuums

Accessories

Aluminum Wands

Defender Box

4 " or 6" ports

Rates Vary

- 3500 to 7000 lbs
- Last two jobs 250 sf / hour

Be AWARE of you work area



America's Insulation Source™



Equipment-Vacuums

- Gas or electric
 - Voltage? 120V, 240v, 480v
- Size of engine
 - 11HP-23HP
- 4" or 6" Input/output
 - Common to reduce to 4"
- DEFENDER, Vac Shield, Vac Saver



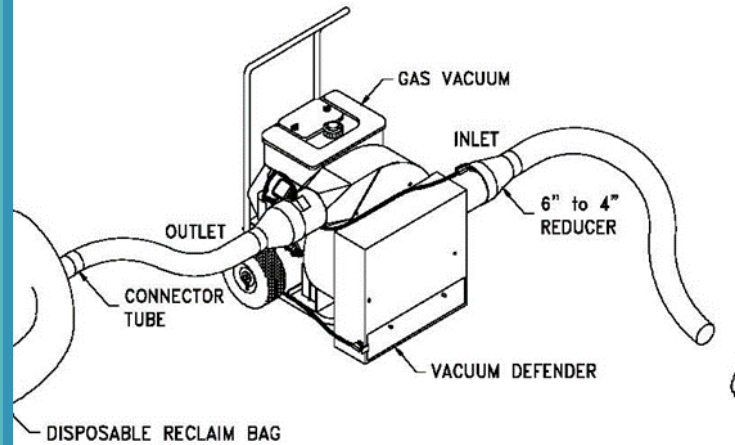
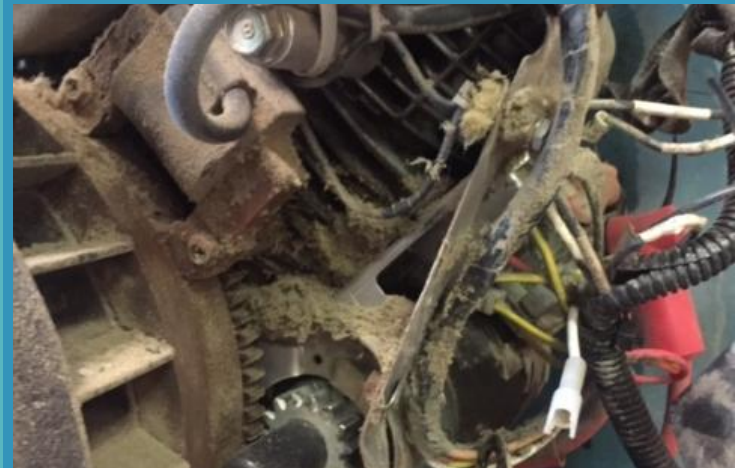


Common Issues

Engine Overheating

Damage to fan blade

- Vacuum removes insulation and debris



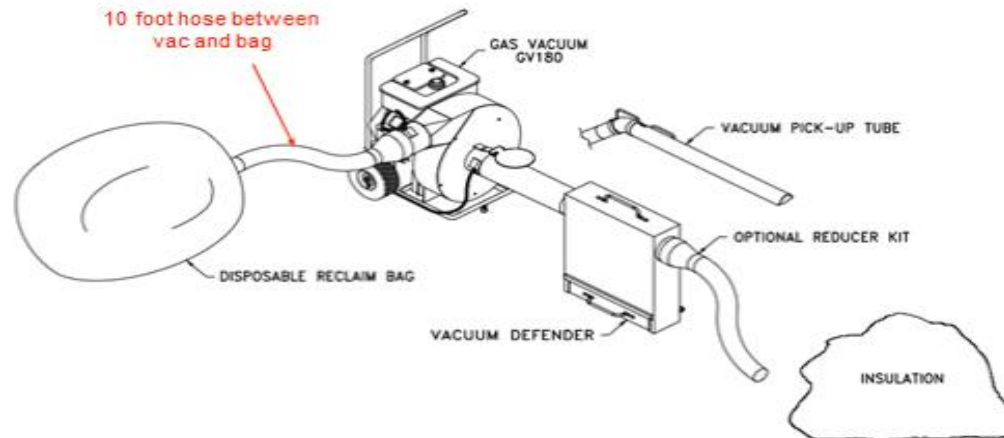


Why you need a defender



Add on Defender

Blowing Equipment



DV18 Vacuum

Built in Defender

- No extra hookup

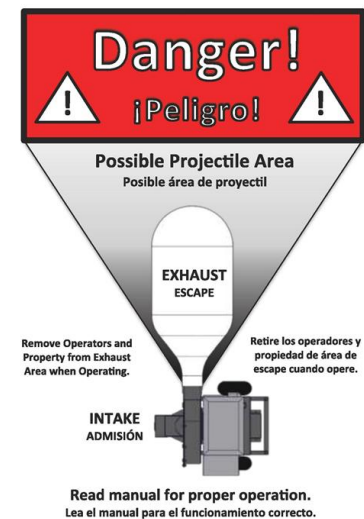
Protects fan (\$500)

Protects chamber (\$650)

Protects Engine (\$1,500)

Reduces tears in bags and hose

Empty box every time you change bags



DV18 Vacuum

- ▶ Defender must be emptied to work
 - ▶ Full defender has nowhere to drop debris
- ▶ Empty at least every time the bag is changed



Production Rates



Production Averages	Low Sq. Ft per Hour	High Sq. Ft per Hour	Productivity Average
Batts in Walls 9 foot or less	400	525	462.5
Batts in Wall 10 foot or more or difficult installations	250	375	312.5
Sound Walls standard height 8' or 9'	275	375	325
Batts in Ceilings	200	350	275
Blown in Ceilings R-30 to R-38 (2 installers production)	950	1,100	1,025

Does it cost the same to insulate an 8' walls as it does to insulate a 10' wall?

What is the productivity difference?

Average Selling Price per Foot

August 2024

Product	Between \$	Between \$\$\$
R-13 unfaced fiberglass	.87	1.2
R-15 unfaced fiberglass	1.06	1.40
R-21 unfaced fiberglass	1.63	2.17
R-30 unfaced fiberglass	1.72	2.02
R-38 unfaced fiberglass	1.79	2.32
R-38 Attic Blow	1.16	1.65
R-15 (2x4) Blown fiberglass wall	1.38	1.95
R-23 (2x6) Blown fiberglass wall	1.83	2.40
Open Cell per Board Ft	.28	.60
Closed Cell per Board Ft	1.29	2.05

*** Must consider all YOUR costs, recent price increases, market conditions, desired profit ***

Questions?

