Ken Rothmel, director of strategic accounts at Sunbelt Rentals, knows that equipment is an important part of operations for building service contractors today. Business owners can often be faced with the question of whether they should rent or buy. In this edition of Executive Insights, Rothmel outlines some of the advantages to renting equipment, and he also discusses Sunbelt Rentals’ approach to customer service.

**How did you become involved in the building service contracting industry?**

Sunbelt Rentals felt that the BSC industry was underserved by the equipment rental industry. We felt that BSC businesses typically buy equipment and should be introduced to the opportunities to rent, instead of tying up capital for long periods of time. We then discovered the leading membership organization that services this industry — BSCAI.

**What would you say are the advantages of renting equipment?**

A lot of times, contractors will purchase equipment so they can have unlimited access to it, which can be considered a benefit. However, they often overlook the cost of ownership, figuring only the purchase price of the equipment and not including the cost of servicing it, training people to use it, etc. Rental charges, conversely, can be applied as an expense on the current tax year and can be a direct cost to the job you’re currently doing.

When you rent, you have the ability to explore different types of equipment for different types of jobs, which allows you to learn how to use it and see how it completes the job — if at all you decide to go ahead and make a purchase. There’s also the factor that trained professionals with experience using the equipment can service the machines and show you how to use them.
Sunbelt Rentals is an Affinity Partner within BSCAI. How is the partnership between Sunbelt and BSCAI beneficial for members?

It allows members to rent equipment at a more aggressive rate structure with better terms. The members have the buying power of a million-dollar company, and they can come to us for general tools and equipment, emergency power generation and distribution, aerial work platforms and scaffolding, facility maintenance, HVAC equipment and much more.

From your travel and interaction with BSC executives, what are some of the most impressive and desirable traits that you've witnessed?

Working with BSCAI has quickly introduced me to some of the best businessmen in this industry and allowed us to make strong lasting relationships.

On the contrary, what do you wish BSCs would do differently?

Years ago, many large construction companies would buy a lot of their equipment and rent a small amount. In these economic times, we are now seeing that most equipment on long-term and short-term projects is rented. Contractors do not tie up their cash on buying equipment. I hope that the BSCs in this organization would look deeper into the advantages of renting and not taking ownership. The opportunity to rent equipment in this industry is huge. By not taking ownership, a BSCAI member does not have to inventory unnecessary parts and maintain a mechanic to service the equipment.

How would you describe your management style?

I’d describe my management style, simply, in three words: honest, sincere and direct!

What are some of your employee retention techniques?

Sunbelt has many employee retention techniques that have cut down on turnover. We supply great health benefits, 401K plans, etc. We also offer different start and finish times that may better fit an individual’s schedule. We do a great deal of promotions from within so there is a path to success. In fact, our CEO started with Sunbelt about 15 years ago, straight out of college as an outside salesman.

My personal favorite [employee retention technique] is to call each of my direct employees every month and thank them for the job they are doing. I’m also very understanding.

What is your personal approach to customer service?

I have always made myself available 24/7 to my customers. They all have my cellphone number and can always reach me with any problem or concern. I put myself in my customer’s shoes and ask myself, “How would I like to be treated if
this happened to me?” I don’t just say it, but I believe to my inner core that it is more expensive to get a new customer than to maintain the one you have. With that attitude, there is almost nothing you wouldn’t do to save the customer. [Even if a customer] is only spending $5,000, I think of them as a $20-million customer. Start looking at your customers like that, and you realize how precious each of them is to your business.

Also, [whenever a customer is not pleased], I always focus on a win-win solution. I always ask, “What would make you happy?” If it is fair and reasonable I give the customer what they want. I learned that most people are reasonable about their requests.

Are there any technologies you use in your job day-to-day?

I’m so not “techy.” Sunbelt has a huge IT department that is full of the smartest and youngest tech people. We use iPhones and iPads, and we even have our own app that was created by our IT department, which won an award from Apple. I use my iPhone that they have given everyone. (But I have broken three of them.) They also gave us iPads, which I have charged four times this year but have not turned it on. I’m an old timer who believes that face-to-face communication is the best. Let me take someone out to lunch or dinner or share a bottle of wine. Let me show that I am honestly concerned about helping them grow their business and then find out how Sunbelt can help them do more business profitably. I hope and pray every day that that part of the business continues, because if it does, I will always have a job.

What is the best piece of advice you’ve received in your career?

If you don’t take care of the customer, someone else will! Always treat customers how you would want to be treated.