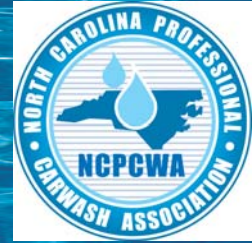


# NC Professional Carwash Association



Volume 2010, Issue 1  
November 2010

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Raleigh, NC 27612

## From Complaint to Compliment.....

Search any carwash-themed bulletin board and you're bound to notice one of its most common themes: Customer complaints and damage claims. From the comical to the serious, these grievances run the gamut and test not only the operator's patience, but also his wallet. One might argue that focusing on your customer service policy is the best offense to these situations, but we know that no offense is complete without a great defense. That's why we polled several leading operators to develop this four-step master plan to nipping complaints and damage claims in the bud, before they blossom into lawsuits.

### **1. Take them aside and listen.**

As your significant other has doubtlessly reminded you, there is a difference between 'hearing' and 'listening.' When you take the customer aside, away from your staff and other customers, make sure you are hearing every word. That's because in the second step you will need to demonstrate that you have understood the customer's concerns, and you can't do this unless you are actively paying attention and processing the customer's grievances.

Don't focus on how you can turn their argument against them; instead work on empathizing with their point of view. Imagine yourself as the customer, not as the defensive business owner. Be conscious of your body language, as well. Standing with arms crossed or with too much distance between yourself and the customer will send a signal that you're not interested in what he has to say.

If there is an employee actively involved in the complaint, carefully consider this person's temperament before bringing him/her into the conversation. You can always learn their "side" of the story later, but you won't be able to stop a shouting match that erupts as tempers flare.

### **2. Show them that you understand.**

Before trying to solve the problem, you'll need to prove to the customer that you understand their point of view and description of the incident. This means that instead of launching directly into your argument, you'll first need to empathetically and kindly summarize the extent of their complaint.

Do not simply repeat what the customer has said back to you. Instead, indicate that you understand their frustration and apologize for the situation. The operators we talked with stressed that you should not admit fault, but instead express your regret that they are having this issue and your intention for them to leave happy and satisfied.

Just as body language was very important in the first step, now tone is crucial in the second. Don't raise your voice, even if the customer tries to talk over you, and be very careful to avoid sarcasm. This can be difficult with an outrageous claim or with a repeat offender. Remind yourself that unhappy customers (no matter how much you don't want them at your wash) will spread their version of the story to customers you just might want to keep.

### **3. Determine the possible solutions.**

Through careful questioning, you should determine how the customer best wants this conflict resolved. They might be satisfied with a free re-wash, or they might want you to replace his windshield. Discover their ideal solution, being careful not to commit to any particular idea or admit fault. Instead, gauge how much they are willing to compromise.

It's a good idea at this point to have the customer complete a standardized complaint or damage claim form. This can aid you in questioning, and if you happen to be off-site, it will help ensure your employees follow the same steps you would go through.

Some important items to note on the form:

- Date of the incident;
- Make, model and year of the vehicle;
- Length of customer's ownership of vehicle;
- Type of wash purchased;
- If any other cars were noted damaged that day;
- A complete description of the complaint/damage, as well as any applicable pictures (before or after) and surveillance footage; and
- Person completing the form, as well as the customer's name and contact information.

**4. Take action.**

This final step doesn't mean you have to react right away, but instead you need to show the customer that you will take action in the very near future. This might mean that you promise to take 24 hours to review surveillance footage, question your employees and then call the customer. Don't take any longer than 24 hours, and always follow through with what you promise.

If you don't feel that you've caused the damage or that the complaint is warranted, offer some free services or upgrades. Show the customer that you're committed to keeping them as a customer, but be careful not to oversell your innocence. Instead, focus on the loyalty they have given you by being a customer in the past, and you're hope that they will continue to be a client. Apologize for the unfortunate circumstances, and move on.

**Keep Your Personnel Clean with E-Verify.....**

Remember when the fax machine came out? How about e-mail? How about the in-bay automatic carwash? At first, people were reluctant to accept this technology. There were cries that it would ruin businesses, destroy cars, and just flat-out wouldn't work. However, there were also a few pioneers that embraced these new tools. These intrepid adventurers looked beyond the hype and saw the value that could be delivered by becoming "early adopters."

Change is hard. It's even harder if you're running a business. You don't have the time, resources, and money to jump on every train coming through touting a new and improved way of doing things. Running a business – time is precious. But there is one piece of technology that is wholeheartedly supported and you should start using. It's called E-Verify, and it's a free government service designed to validate your employees' legal status.

***In the news***

Earlier this year, Car Care, Inc., a subsidiary of Mace Securities, Inc., was ordered to pay a fine of \$100,000 and to forfeit \$500,000 to the U.S. Immigration and Customs Enforcement (ICE) following a 2006 investigation. (At one time, Mace, a manufacturer of security and personal defense products, was one of the largest carwash chains in the nation.) Car Care, Inc., based in the Northeast, had employees on the payroll that were using false identification cards to show legal status to work. \$600,000. On top of that, five managers are awaiting criminal actions against them, personally.

As an employer, are you also supposed to be a fake ID detection expert? The U.S. government seems to think so. However, if you make a good faith attempt with an employee and their documentation, and run them through the E-Verify system and get a confirmation letter; you have passed the onus from you to the U.S. government.

***A convert's point of view***

Most of us are dubious of many government programs. Ten years ago when E-Verify first appeared (it was called Basic Pilot back then), most were skeptical. Most employers didn't really see the point of this process when the tried-and-true method of filling out I-9s was working just fine. Then comes increased immigration enforcement, ICE, the Department of Homeland Security, and suddenly employers are finding themselves in court and paying heavy fines for having an employee on staff that wasn't legally authorized to work there. Some employers are even facing criminal charges ... and this is just the beginning. In today's political climate, punishment against employers who hire an unauthorized worker will only get worse.

***So how can you protect yourself?***

***Answer: E-Verify.***

E-Verify is an easy-to-use system in which you enter in the information that you gather from an I-9 into an online database. In 5 seconds you get an answer that verifies if the employee is legally authorized to work in the United States. Best of all, this service is absolutely free to use. You only need to process your new employees through E-Verify. Existing employees are exempt.

***Who is using E-Verify?***

For most companies, E-Verify is optional to use. Currently, there are close to 70,000 employers using the service today, with over 2.5 million verification queries submitted annually. If you are a Federal contractor or sub-contractor, you are required by law to process all new hires through E-Verify. In addition, some states like Arizona, Oklahoma, and Mississippi have passed laws making E-Verify mandatory.

***How does E-Verify protect me?***

You don't need to look very hard to find a news headline about an ICE raid at a company. ICE routinely patrols and audits companies to ensure compliance with hiring laws. If you have run your new hires through the E-Verify system, you have created a very strong defense for yourself should ICE come knocking at your door. The Federal Government states that, "An employer who verifies work authorization under E-Verify has established a rebuttable presumption that it has not knowingly hired an unauthorized alien." For an extra 10 seconds of your time with a new hire, you have dramatically increased your level of compliance and security in regards to employment laws. If you aren't using E-Verify, and insist on collecting the information given to you with the I-9, your fate rests in whether your examination of the documents represented was reasonably sufficient. It's a big risk — and it's your word alone against the ICE.



***You're only as good as the company you keep***

Let's face it — there are certain industries that ICE seems to like to target for raids: The carwash industry is high on their list of "low hanging fruits," or easy targets. The leaders in these suspect industries that are using E-Verify are enjoying great success in staying off of the radar. ICE knows which companies are using the system and which are not — and they target those who are not using E-Verify. Why? Because it's easier for them, plain and simple. If you're not using E-Verify, you will have a much tougher time proving that you acted, in good faith, to not hire an unauthorized worker. As a matter of fact, 100 percent of the major ICE raids involved a company that was not on the E-Verify system. At the end of the day, when the wheat is being separated from the chaff, where do you want to stand?

***It's good PR to use E-Verify***

The American public is growing increasingly concerned with the state of unauthorized workers and foreign nationals in the U.S. There are arguments of jobs being taken away, benefits squandered, and taxes rising. People are looking at how companies hire employees. You can send a clear message that you are being socially responsible by using E-Verify to validate your workforce.

***How do I get started?***

It's simple. Go to the U.S. Citizenship and Immigration Services website and search for E-Verify. Their website is: [www.uscis.gov](http://www.uscis.gov). Alternatively, you can also run a Google search on E-Verify and go from there. The registration process is fast and easy with each step carefully explained. Once you're in the system, you will enter in information for new hires only that is found on the I-9 form; information like the Social Security number, date of birth, etc. Once entered, the information is checked by the system and you get a response in seconds. ninety-five percent of entries are verified immediately.

A small percent come back as a "tentative non-confirmation." This means something didn't match up quite right. Very often these are a result of a typo or a misspelling, and the employee has the chance to get the issue resolved.

Another small percentage comes back as denied outright. These are the unauthorized workers, which if you continue to keep on your payroll, can cause you a lot of grief if you get audited by the ICE.

***Change CAN be good***

Remember the fax machine and email mentioned at the beginning of this article? Eventually all businesses embrace the technology ... and you know what? Everyone turned out to be a winner. Time was saved, money was earned, people were happy.

E-Verify is no different. It's the kind of service that, after you have implemented it, you'll ask yourself, "Why wasn't I doing this before?" Well, that time is now. The benefits are plain and they are strong. The rest ... is up to you.

**Insurance Assurance.....**

When it comes to insurance for your carwash business, it's better to have it and not need it, than to need it and not have it, according to Sam Furno, the vice president of sales for the Western Carwash Insurance Agency and the former owner/operator of a full-service carwash, detail and smog center. "To date I have yet to find a crystal ball that reliably warns me of an impending insurance claim," Furno said. "That's why I buy insurance — for the peace of mind. It allows me to go smoothly about my daily business and not toss and turn at night worrying about those 'what ifs'."

***Don't make these common mistakes***

Insurance is a necessary evil of operating a successful business, but many operators make the mistake of rushing to buy coverage without considering their options. Furno said many prospective buyers often forget to do a thorough "apple to apple" comparison of benefits, limitations and pricing between competitive policies. According to Furno, shopping for insurance coverage predicated only by the premium may be a costly lesson when an insurance claim eventually arises. "Be wise by making sure that the savings gained from a lower premium is just that and not a significant decrease in coverage. Have your agent or broker explain the differences as it's in their best interests, too," he said.

Lastly, he suggested, work with agents or brokers who know the carwash industry. And one key tip is to ask your area carwash association for a recommendation. "After all," he said, "it's just a phone call." Scott Brothers, president and CEO of the Joplin, MO-based The Insurance center, said not getting proper coverage is the biggest mistake a business owner can make. Many operators do not understand the right liability limits or the types of coverage needed for their carwash. For instance, coverage for the theft of money is an especially important policy for a self-serve carwash owner. He also said that normal policies don't cover natural disasters, such as floods or earthquakes, and if your area is prone to them, then you need to make an effort to buy that special kind of coverage.

***To have and to hold on to***

It's a shame, but carwash operators out there do accept insurance policies without fully understanding the benefits and savings being offered. Furno said business owners tend to take their insurance policy purchases too lightly. "It's imperative that we as business owners have a good understanding of what our insurance benefits and exclusions are if a claim is filed against us or our business," he explained. "Take the time to review your insurance program with your agent or broker as it will be time well spent." Be educated and make sure your agent understands your operation, said Brothers, and buy a policy that covers their exposure properly.



**Scams and shams**

Unfortunately, false claims are common in the insurance industry and with the economy now in turmoil, they are becoming even more prevalent. Carwash operators can avoid being taken for a ride by following advice from Furno and Brothers. Furno told PC&D that workers’ compensation, property damage and personal injury claims tend to increase as money gets tight and jobs are being lost. “Don’t just roll over and surrender if you think that you are being scammed,” he suggested. “Work closely with your insurance carrier to get to the truth of the matter. Besides the principle, you’re just working too hard for your money to give it away on a fraudulent claim.”

Brothers said carwashes are especially vulnerable to false claims by customers or employees who fake an injury or accident in order to make a few bucks. “Those scams are alleged slip and fall claims,” he said. “We see plenty of abuses of workers’ comp claims that could be fraudulent and potentially fraudulent liability claims.” The best way to keep those scams from seeing the light of a courtroom is to install surveillance cameras.

**Eggs in one basket versus many**

One thing that Furno often hears from carwash owners that they don’t like or understand is whether they should buy insurance coverage that will cover every claim in total. That would be nice, said Furno, but carwash owners and their insurance needs are unique from wash to wash. “There are the general coverages which are virtually the same for all carwashes, but then there are the many endorsements (additional coverage and/or modifications) that the carwash owner may want to purchase,” Furno explained. For example, Furno said that Employment Practice Liability Insurance is obviously not needed if you have a self-serve carwash with zero employees. On the other hand, if you are a full-service carwash, then it could be one of your most important coverages.

**Common myths debunked**

There are several common myths regarding insurance, and they usually have to do with claims and deductibles. One such myth is that turning in a claim if it’s more than the insurance policy’s deductible is always your best option. This isn’t always the case, Furno said. For instance, a \$10,000 claim with a \$1,500 deductible clearly should be filed, but if it’s perhaps a \$600 claim with a \$500 deductible, then you may want to think that over. True, the carwash owner saves \$100, but if you file similar claims during the same year it could potentially lead to a “high frequency history.” Operators with a high frequency history risk the chance of their insurance carrier significantly raising a premium or even cancellation. “You need to be aware and understand the risks versus the rewards when utilizing your insurance coverage,” Furno said. “Please keep in mind that it’s an insurance policy and not a maintenance agreement.”

Brothers said some owners will fiercely proclaim that after a slip and fall that it isn’t their fault and they shouldn’t have to pay for it, but it is important to understand that anybody that comes onto a carwash owner’s premises is considered a business invitee and they’re owed a higher degree of care because of that.

To reduce your risk, Brothers suggested the following:

- Place signage around your premises indicating there are wet and slippery surfaces;
- Make sure your property is well lit;
- Install heated floors;
- Place mats throughout the bay for better footing;
- Sand and de-ice the floor; and
- Ensure the grates are always closed.

In other words, try and prevent an incident from occurring in the first place.



**Seeing Green.....**

Next time you’re walking the aisles in the grocery store, take stock of all the new logos on food packaging. Sometimes known as “nutrition profiling systems,” these symbols help shoppers identify healthy choices at the market. The carwash industry could learn from these manufacturers, from Kellogg’s’ Nutrition at a Glance™ to the National Dairy Council’s 3-A-Day logo, these markings show how operators could market the environmental benefits of professional carwashing.

**Leaves and trees**

Even though carwashes might have eco-friendly business practices in place, many seem reluctant to promote their green chemical lines and equipment, according to Brent McCurdy, co-owner of the Bristol, PA-based Blendco Systems, LLC, a provider of car cleaning solutions, including green chemicals, to the carwash industry. “Perhaps there aren’t enough winning stories out there yet about washes that have done this,” McCurdy considered. But it doesn’t have to be difficult. Green marketing can be as simple as a drawing of a green leaf. “One major advantage to the green movement is that green marketing is pretty easily understood by the consumer,” McCurdy said. He cited his company’s own ad campaigns for its Cleaner and Greener chemical lines. “Ask anyone you see and they will know it’s a green message without reading any words,” McCurdy explained.



Perry Powell, an independent sign consultant specializing in coaching business owners in the application and acquisition of site specific signage, advised operators to consider the copyright issues before moving forward with a new signage program, though. "Logos and symbols should be legal and correct," Powell maintained. "There are a variety of environmental symbols which are not public domain. Many of the symbols out there are given out by various not for profit organizations which test, confirm, and monitor the use of these symbols." Powell said an operator could face consequences if he/she used a symbol without being qualified. He suggested contacting your chemical or equipment supplier to research potential symbols they may have rights to or be able to provide.

**Where to place signs**

Powell reminded operators that being green is not the main message — it is an added value of the carwash service. Therefore, discrete signs which do not compete with the ones that produce revenue are preferable, Powell said. "These can be used in menus and other signs, as long as the design is complimentary of the over-all theme of the sign," he added. For instance, placing green signs near the menu, if not incorporated into the menu, and in areas where customers may wait for services will achieve the desired result. Powell also suggested operators consider creating a brochure explaining the wash's green cleaning methods and how it complies with various eco-friendly washing methods.

**Design and educate**

Operators need to carefully consider the design of any new signage so that it may flow and augment the wash's current signage. "Great design incorporates 'first read' methodology," according to Powell. He recommended operators create the graphics and copy to have a specific flow which controls the eyes of the consumer. "This type of design method will ensure that our message is read as intended," he concluded.

In addition to the design of a new sign or logo, McCurdy suggested operators train all greeters to further communicate the environmental benefits of professional carwashing and understand the meaning behind the signage. "The biggest mistake a wash could make to an environmentally-committed consumer is to come off as a sham or fraud in the area of environmentally-friendly products," McCurdy explained. He said greeters should be able to list all of the commitments that the wash has made in terms of chemical choices, chemical packaging recycling, water re-use, solar or wind power generation, etc. The more knowledgeable your staff is, the more comfortable your customers will be.

**Certified.....?**

Is your carwash certified? There is a voluntary carwash water conservation certification program to encourage and promote the use of year round water conservation and water use efficiency measures. It provides that a public water service or large community water system shall recognize and credit commercial carwashes that have met the standards of the certification program. Carwashes certified under the program shall not be required to reduce consumption more than any other class of commercial or industrial water users during a water shortage emergency. It provides a vehicle for carwash operators to conserve water and receive credit for using water efficiently while also protecting their business interest.

If your carwash was certified more than a year ago, now is the time consider recertification to continue your eligibility for the program.

Contact us for more information.



**Questions? Comments?  
Concerns? Article  
Contributions?**

This is your newsletter. Any help with local news, area happenings, industry concerns, etc. would be very appreciated. Together we can improve our image and



*May your Thanksgiving be  
bountiful and the coming  
year full of many  
blessings.*

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