

ORLANDO BUSINESS JOURNAL

DON'T REINVENT THE WHEEL:

How this man found success with a home inspection franchise

AILIN LE BELLOT
News intern

Thirteen years ago, Jeff Mackey, 56, started Pillar to Post Home Inspectors of Orlando, one of 450 franchises of a Tampa-based firm that provides home, termite, mold, insurance, wind mitigation and water inspections for Realtors, home buyers and home sellers.

A year later, he was tired of doing everything alone, so he hired his first employee. Today, he has a staff of seven and plans to grow even more.

Here, he answers a few questions about his company:

Who is your biggest local competitor? Certified Building Inspectors. Pillar To Post is the largest home inspection company in North America.

How many inspections did you do your first year of business? I would say 150. In 2003, I made \$118,000 and hired my first inspector. By 2004, a breakout year, I made \$209,000, almost doubling



the previous year. Things continued upward until the economy crashed in 2006.

Our growth is due to: Having capacity and the right staff to handle the business

How many did you hire last year? Two inspectors

How many will you hire this year? One

Best part of your job? Being able to help people make the largest purchase of their life.

Biggest concern in your industry? Licensing and finding credible people. Obviously, we want more houses to sell.

Business lessons learned? To follow the [franchise] program and not try to reinvent the wheel. Work hard, do the things you were told were going to work, be happy with yourself and don't be afraid to be aggressive.

What's the biggest concern today's business

leaders should have? You want to make sure your customers are happy. We send a survey to all our customers. Sometimes, the negative feedback is just as important as the positive feedback. [Business leaders] have to create the best customer experience as possible. You want to be the easiest people to do business with.

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How Jeff Mackey built one of the region's best home inspection companies

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Jeff Mackey, 56, was burned out on corporate America.

For 13 years, he worked for American Frozen Foods before becoming a commercial accounts executive with Terminex. Five years later, Mackey was frustrated, making less money than he wanted and not wanting to relocate to get promoted. So in 2001, he and his wife used \$35,000 in savings to make one of the largest investments of their lives, buying the Central Florida franchise of Pillar to Post Home Inspectors, a 21-year-old Tampa-based firm with 450 franchisees in the U.S. and Canada.

In his first year, Mackey did 40 inspections alone, generating \$20,000 in revenue. He hired his first employee in 2003. The next year, the firm did 65 to 70 home inspections per month. The risk paid off. Pillar to Post Home Inspectors of Orlando now has seven workers inspecting 700 homes annually, with a goal for 850 this year. Here, Mackey talks about how he grew it from a one-man show:

Growing pains you experienced? I couldn't do all the inspections by myself. I was answering the phones and scheduling for myself and the other inspector. Working 70 hours a week, seven days a week was not why I got into the business. I either was going to run the business or

it was going to run me. In 2005, I decided to try to build it as a multi-inspector firm with an office staff. That started the process to where I am today: a \$400,000 business and growing – we're doubling staff.

Challenges you faced? When you open your doors, no one knows who you are. You have to get the word out by visiting offices and campaigning to the Realtors to give you a shot. The first month, the phone doesn't ring that much. The second month, it rings a couple of times. You have to have faith and tenacity.

You had some bad publicity last fall after a homeowner complained, but a state investigation ultimately ruled there was no evidence to support the complaint. What did you learn from that publicity? To not be so naive when it comes to dealing with the local news media. It is unfortunate that the incident occurred, but when we were in the home, we saw no evidence of the problem. That was also the opinion of the state regulatory body, the Bureau of Entomology. We were never cited and Certified Pest Control was for their faulty report. We always do our best on the job, but problems can arise later that were not problems at the time we inspected.

Hardest part of your job? Hiring the right people. You don't want to settle for someone who's not going to be the right fit. It's a simple thing, but it's not easy.

Is there a licensure process for home inspectors? When we first started there wasn't. Now you have to pass a national exam, get fingerprinted, go through a course and get 120 credit hours, then apply for a license.

What industry opportunities are developing? If someone's buying a house, they hire us to help with their purchase, but I also can see the seller hiring us to see what's going on with the house and price it to make it more marketable. Maintenance inspectors also are on the horizon, where someone's living in their home but they're not up-to-speed on its condition.

Biggest concern about buying a home? You don't want to buy a house with defects, so the condition of the roof and air-conditioner is a big issue. Plumbing and electrical issues have become insurance nightmares, so those are concerns people should look at and address.

Worst thing to happen to your firm? The economy and the real estate industry crashing. Our gross sales bottomed out in 2008. I had to downsize, but we survived and have grown.

Your advice for entrepreneurs? Set your goals and map out your way to get there. Don't just throw something up and go through the motions and expect things to happen.