

Success Story

PENNY & JOHN TAYLOR
TAYLOR'S SEPTIC, CAMPBELL COUNTY, VIRGINIA

TAYLOR'S SEPTIC EDGES OUT THE COMPETITION WITH CUSTOMER SERVICE, PROACTIVE MARKETING

Who would think of leaving their full-time jobs to get into the septic business? John and Penny Taylor, that's who. Beginning in 1998, John and Penny managed Taylor's Septic, in Appomattox County, near Lynchburg, as a part-time enterprise, juggling their full-time day jobs to service and repair residential septic tanks on nights and weekends. Faced with increasing demand, and a desire to expand their company, the Taylors took the leap and launched the business into a full-time operation in 2000.

Taylor's Septic has been successful as a supplier for the Virginia Department of Transportation (VDOT), Department of Corrections (DOC), and several higher education institutions.

"The interesting thing is how we got into the septic business in the first place," explained Penny, who is co-owner. "Back in 1996 we had several issues with our own rental properties related to septic service and we were finding it hard to get reliable and affordable service for something that rural areas can't live without. We felt other service providers were taking advantage of us, so we decided to go into business ourselves," she explained. John had years of experience in plumbing, maintenance and repair work. So, in 1998, we bought our first truck and launched the business," Penny explained. Before long, a thriving side business, based on word of mouth referrals, was taking over the Taylor household.

Working nights and weekends, Penny handled estimating, equipment purchases, invoicing, and managed the firm's financial affairs, while John provided residential septic service and repair. Then they saw an opportunity for the company to expand by diversifying their services to include the rental of portable toilets.

"We saw potential markets like construction, special events and parks/recreation. Our first purchase was 53 portable toilets. Those were quickly placed into rental service and we needed more units." What happened next was a frustrating denial by the company's bank, with the Taylor's request for financing for their expansion.

"The bank said 'no' and we said 'yes'. The bank characterized our idea as "too risky," saying we might "grow too fast," Penny explained. "It was pretty easy to see that we'd have no trouble getting the additional rental units into circulation. We were determined to find a way. We had a supply and demand issue and we needed the units to accommodate our customers," she said.

The same challenge occurred when Penny sought financing for additional service and delivery trucks. "We couldn't get financing, even though we had a strong business case for a great return on our investment," she explained.

What happened next was a clever, but tedious game, using zero interest credit cards and dealership financing specials to acquire additional equipment. "I had a calendar, marked with our deadlines," Penny explained. "We'd pay for additional portable toilets on a zero interest credit card, then transfer the balance just before the interest began to accrue. I had a list of them,

and watched the terms and statements like a hawk."

To acquire two new trucks, John and Penny took advantage of dealer incentives that offered zero interest financing. By focusing attention on their incoming cash flow, and carefully applying payments on borrowed money, the Taylors were able to expand services and territory for their young company at little additional cost on the principal loans. "When we started out, our service area was limited to "Appomattox, Buckingham, Prince Edward and Campbell counties," Penny explained. "With the additional equipment, we've been able to expand our customer base throughout the Central Virginia region, with accounts in eleven counties."

Although having money to expand is important, running a successful business is not all about the financing.

"An excellent reputation is the way our business has grown. We put customer service first, consistently. Our business has tripled in three years almost entirely on referrals. "

"Another strength is employees who have confidence in your enterprise," Penny explained. "I established a mission statement, a code of ethics, an employee handbook, and a quality control manual. We do frequent follow-up inspections, to see that our jobs are handled according to a consistent standard. Our customers and our employees know that we're committed to maintaining a high level of quality in our work," Penny added.

"It's also important to keep your staff trained properly, especially where safety is concerned. We send our staff for continued professional training, and we don't make them take any class we don't take ourselves. John, Penny and their employees are certified in CPR, enclosed space entry, and other skill areas for maximum safety on the job.

Keeping up with industry trends and new products is also key to staying on the cutting edge with the competition. "We attend our industry's landmark trade show every year in Nashville," said Penny. "This exposes us to improvements in the trade and best practices around the country," she explained.

Taylor's Septic found early success selling to state agencies. Then, in 2002, one of their customers advised them to register with eVA, as the state was adopting this new e-commerce system for government procurement.

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Penny Taylor

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"To keep the business I was currently getting, I joined the system," she said.

"I knew very little about eVA when it came along," Penny Explained. "It was very intimidating, at first, but I knew it could give the company additional exposure, and I was determined to take advantage of it. If I can comfortable with it, anybody can!" she insisted.

"Then I started getting solicitations and inquiries from three counties away," Penny explained. "We would have never made the connection to these markets without a system like eVA, which puts you in front of literally thousands of buyers. Thank goodness we had the inventory to meet the new demand!" Penny exclaimed.

"Initially I signed up with the basic \$25 service level, and I was getting some light activity on the system, but wondered if I was hearing about all the possible opportunities. Then at one of the DBA supplier workshops in Lynchburg, I learned about the benefits of the \$200 package. That day, I upgraded to the Premium membership. Then it was like the flood gates opened up. I started getting more and larger solicitations—the longer term contracts, and some for local governments," Penny said of the increased activity.

With the Premium membership, suppliers can take advantage of "Push Technology." eVA will "push" current posted solicitations to the supplier's email box, to prompt them to respond to the opportunity.

"eVA has certainly opened up opportunities for us, which I would have never stumbled on myself, with inquiries from buyers I had never contacted before," she explained.

Penny has since developed a Taylor's Septic website and has cultivated a generous comfort level with electronic sales and marketing.

"I've taken advantage of technology to market our company to potential customers," Penny explained.

Penny's advice to other business owners?

"Don't be intimidated by eVA. And pay the \$200. It's worth the additional business".

"I've faxed and emailed our marketing literature to government buyers and private firms." This is coupled with a contact sales approach, whether by phone, or in some cases, walking right onto a construction site. "I tell them, 'just give us a try,'" she said.

To educate their customers about proper management of septic systems and related waste management regulations, Penny has also added links to informative websites on their home page, including the Virginia Department of Health (VDH). VDH regulates the establishment

and maintenance of septic systems. There is also a link to a helpful online publication, authored by the Water Quality Program Committee, at Virginia Tech, as part of the Virginia Cooperative Extension. "There are a lot of myths and misconceptions about septic systems, and the average rural homeowner is very uninformed about regulations or recommended maintenance," Penny explained. "I hope these resources will help my customers make informed decisions about their property."

Penny's advice to other business owners? "Don't be intimidated by eVA. And pay the \$200. It's worth the additional business," Penny said. "Don't wait to be contacted by the folks you want to do business with. Have a

proactive sales approach. Initiate contact and educate customers about your capabilities," she concluded.

"But most of all," Penny continued, "when it's a family-owned business like ours, you need an equal working relationship with your partner and a heart for your business. Also, be prepared to be married to your job, because it's a 24/7 proposition," Penny advised.

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DMBE Certified Small Business

DBA HELPS BUSINESSES ACCESS GOVERNMENT MARKETPLACE

DBA has a work room with internet access and overhead projector which many businesses have used to brush up on their sales and marketing approach with Virginia government prospects. A member of DBA's procurement assistance team will dedicate time to help eVA suppliers zero in on the greatest market potential for products and services.

Marketing support phone conferences are also available. For an in-person session or phone conference, call Loretta Vines, at 804-371-0357 or email Loretta.vines@dba.virginia.gov.

