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Withstand the Next Storm! Find out how roofing contractors are helping homeowners work through the complexity of insurance

MODERATOR:

- Heidi Ellsworth, RoofersCoffeeShop®, Partner

PANELISTS:

- Aaron Adams, DaVinci Roofscapes , Central Region and International Sales Director
- Trent Lovewell, Weatherguard Incorporated, Roofing Contractor & Consultant

Heidi:

Hello and thank you for attending today's Roofers Coffee Shop Webinar. This is Heidi Ellsworth, partner with Roofers Coffee Shop. And today we are proud to bring you this Webinar as part of our RLW, read listen watch series. And we are

so happy to welcome the team from DaVinci Roofscapes. They are here to discuss withstanding the next storm. And we have a lot of storms across the country, so we know this is very relevant to many of us. But first a few housekeeping items. All attendees are muted so feel free to ask questions or comments in the comment area of your webinar panel, which was on the right side of your screen. At the end of the Webinar we will have a Q&A segment where we will gather your questions and share them with our guests. So please be sure to write them in there.

Heidi: This webinar is being recorded and will be available online. And with our new RLW on demand program, you're going to be able to view it as a webinar. You'll be able to listen to it as a podcast, and you'll be able to read it through our blogs and our eBooks. So we are very excited that you will have access to this for a long time, and be able to share it with your other roofing professionals. So let's get started.

Heidi: Today we are looking at withstanding the next storm. And we're going to be talking about how roofing contractors are helping homeowners work through the complexity of insurance claims, to get the roofs they want. And we know this is a hard topic. And that you really need the experts in the industry to help us through this. I am very pleased to present our panelists today, who are going to be helping us with this.

Heidi: First of all, I want to introduce Aaron Adams Central Region and International Sales Director For DaVinci Roofscapes. What's really cool about Aaron is, he has been in roofing for quite a while, but started out as a carpenter. He really understands how to build the roofing systems. And after that, he spent a considerable amount of time out in the field doing investigative work after natural weather events. So he understands how the weather affects it, what's happening, and he's going to share that today. Aaron is out of the Chicago area and we are very pleased to have you on this webinar today Aaron. Thank you for being here.

Aaron Adams: Thanks for having me. Looking forward to it.

Heidi: Great. And then I'd like to introduce a roofing contractor who will be speaking with us and helping us understand this topic today, and that is Trent Lovewell with Weatherguard Incorporated out of Omaha, Nebraska. Trent has been with Weatherguard for 19 years and is well known not only as a roofing contractor but also a roofing consultant, really helping homeowners and building owners to understand why it is so important to have performance roofing systems that really can withstand the weather of Omaha. And he works with them every day to create win-win scenarios with insurance companies and adjusters. So a real expert in the field, and we're very happy to have you with us today Trent.

Trent Lovewell: Thanks for having me Heidi.

Heidi: So let's get started. This is a great topic. We were very excited about it and I have to tell you, I'm surrounded right now by four feet of snow. I know you have snow in Omaha. We are seeing national disasters across the country. So Aaron, can you talk to us a little bit about what is the state of natural disasters and what's happening with all the insurance claims? It's across the board. Get us caught up on that.

Aaron Adams: Yes for sure. There definitely have been an increase in insurance claims over last ... If you take a 50 year snapshot of the building products industry and natural disasters, hail, hurricanes, wildfire, wind. There's been a steady increase. And if you just look over the last 10 years, since 2008, AAR which is risk assessment consulting firm that works with insurance companies, they've seen that for the first time ever, that insurance claims have had in excess of \$10 billion that have been related to extreme events such as severe weather, fire, et cetera. They've seen for the last 10 years, there's been at least \$10 billion in claims, which is kind of astounding from insurance standpoint.

Aaron Adams: And then even if you're just looking at just taking a quick snapshot of the last two years, according to NOAA and the Insurance Information Institute, in 2017 in the United States, there were 6,045 hail incidences alone that caused damage. A 2018 there has been a little bit of a reduction down to 4,610, that had been recorded by NOAA. But when you couple that with what would be considered an extreme weather event, 14,000 in '17, 13,000 in '18, the insurance industry has absolutely been responding to it. And one starting to reward homeowners or business owners that go with the more high performance building on the roof on the side. We're seeing it become more prevalent as a result of extreme weather events and natural disasters that are occurring more prevalently.

Heidi: Wow. And I know when we talked about this before, it's not just the outside that is causing insurance claims and damage to the house, but it's also something as mildew and mold. I found that really interesting.

Aaron Adams: Yeah, me too. We have seen, obviously, we're in a high performance building product industry with a product like Davinci that has high wind capability, the highest class four impact rating. It's all class A fire rated. Those are the kind of the physical properties it brings to the table from her stand point. But another thing that has been interesting to me is this a side from the natural disasters that you see out there that I can think of with building products. There have been a number of instances, at least in our case where we have a non porous nonreactive product. It's designed to be that way. And as a result of that, it's mold, mildew and algae resistance. And from a medical standpoint, there are a lot of people that are either sensitive to some of other building products that are out there, that are more crude based or sensitive to allergies, with mold, mildew. And it can be a serious problem for people.

Aaron Adams: And so that's been a little bit of an education for me that, something that I wouldn't have considered from a high I performance building product

standpoint, resistance to mold, mildew and algae is a big thing for a lot of people when you're talking about the envelope that they live in on a daily basis. And so we're seeing an increase and projects that are specifically seek us out for that reason as well.

Heidi:

Yeah, I think that's really interesting. I think the whole idea of really having a performance products that can withstand all of that, whether it's on the outside or the inside, any natural causes is so important today. And really one of the places that this all started the where we have seen so many insurance claims is in the hail belts. And so Trent, maybe you can share with us a little bit, just what's happening in the mid west? It seems like there's a lot more storms. And how our homeowners and insurance companies dealing with that?

Trent Lovewell:

Well I would say in the last 10 to 12 years, here just in Omaha, we have seen an increase in hail. And just as a kid, I don't remember seeing a hailstone as large as a baseball. I would only see one as a dime or a quarter growing up in Missouri. And so, we are seeing these more and more. And probably about eight years ago, we started keeping track and there's been more scientific analysis where they're tracking all the hail storms that happen across the country. And about eight years ago, there was a website that was sending out information and there was 47 baseball hailstorms that year, in about a 12 state area. And then the following year there was over 150. And these aren't just in little pockets or small towns. These were in pretty good size cities. Whether it was Des Moines, Sioux falls, Kansas City, Chicago, Omaha, Grand Island and Wichita. And so there's definitely been an increase in hail and there's been an increase in the size of hail.

Trent Lovewell:

And so what's happened in the industry, from roofing contractors, all the way to insurance companies and insurance adjusters, they are having to ramp up, and have more and more people available when there's a storm, so that they can serve their customers, especially on the side from the adjusters. And we see a lot of the same adjusters. And these guys are working long hours and days and weeks at a time and away from their families. And not a lot of people want to do that type of work. And so there's not a lot of them and we're definitely on demand. And so in the spring and the summer when these storms start ramping up, and there are 40 to 50 in just a two month period, they can't get to everybody. And so the homeowners really have to have some patience and understand when those guys come to their homes, how long the days that they are having and be able to be patient with those adjusters.

Heidi:

Wow. That is so true. And really kind of working together they could create that winning scenario. And I know a lot of it is coming around. It's circling back around to really the insurance companies are encouraging homeowners to use performance products. So Aaron, can you talk to us a little bit about that? What is a performance product? And what's the testing around that, that kind of proves that it can withstand the storms?

Aaron Adams: Yes, for sure. Absolutely. I'm just looking at my screen here and it doesn't look like it's an advance, but it might just be on my end. So the performance products are definitely tested. The expectation is that they're going to perform and obviously no other product like Davinci with a company that I work for, we can make all kinds of claims in the world. But we want to have them independently tested by third party scientific bodies. So we use either UL, Underwriters Laboratories, or QAI, which is another independent testing facility out there in California. Ultimately, those scientific third party testing bodies are submitting a report, published a report that would be in line with like, the ICC reports that you see. But they're all available through them as independent third party testers.

Aaron Adams: So when you're talking about high performance products, you want products that are going to stand up to high winds, 110 miles an hour and above. Class four impact ratings. So when you're doing a class four impact rated test, I would actually like to see in our industry, a class five impact rating test. If QAI or UL would put one out, I think it would be great for the truly high performance products out there because they do withstand more severe impacts than what the class four impact test requires. And then you also have to consider the long term effects on the products themselves. Do they remain able to deal with the dynamic impact load of a class four impact rated strike? And over the life of the product. Or is it only going to last like that for a year, five years, or 10 years? How long does that last?

Aaron Adams: So it's, I think important, for one to ask those questions. Find out from a business owner, a homeowner, what they're looking for when it comes to the durability of a high performance product or just the standard building product out there. What exactly their insurance history is. Have they been canceled in the past? Are they self insured? There's a lot of products out there now that are not even insurable anymore in a lot of areas. Like if you think about Wood Shake, Colorado area, [Wood Shake 00:13:24] is not insurable in a lot of places. Omaha, there's a lot of places where it's not insurable and then West it's getting more and more prevalent that way.

Aaron Adams: And then that goes into the fire testing. So when you're talking about wildfires or wind driven fires, the class fire rating, it's very important out in California and Colorado, any place that's going to get wind driven fires. And again, the third party independent testing that's done to determine a class A system, and a class A product, it's important to have that done by a third party. And then the water absorption with regards to the mold and mildew, the dip test, how absorbent is the product itself? Will it absorb water, will it not? Does it have a substrate that allows for organic material to thrive and live? Is there a food source available? Those are the things that make a high performance product what it is. And so when it comes to a product like ours, it doesn't absorb water, so there isn't an expansion contraction issue with regards to freeze thaw.

Aaron Adams: And then when you get to even building codes out there, so when you're in [inaudible 00:14:28] west, and now it's moving more and more to the central

US. There's the building code out there that incorporates the wild land urban interface. So we've seen more and more people moving out into areas that they'd love to be in like the woods or backed up against the Prairie or the mountains and it's actually beautiful. And we know why people are moving there and building whole communities or their homes. Businesses, as for infrastructure and everything, and they're finding obviously, that there's a lot more potential for loss, dollar and life loss, being in these areas that don't have necessarily all the city services, for water and infrastructure like a police and fire department, things like that. And the building code now is adapting to it to incorporate the wild land urban interface. So when you touch these places, how fire resistance are your products? And how do they handle wind driven fire an ember and things like that.

Aaron Adams:

So products like ours, they certainly are acceptable for the wild land urban interface building codes, and will continue to be. But it's interesting to see the building code are starting to adapt to it as well as the insurance companies.

Heidi:

Wow. Thank you. We got that fixed here. So the performance as the DaVinci tiles, and the polymers that you're using really is what makes this a performance product. And so talk just a little bit about that. Tell us exactly how that, the polymers and the predictability of your formulas are making such a difference with those performance in that testing.

Aaron Adams:

Sure. In the high performance building product category, there's a lot of good products out there that are considered to be high performance. There's a lot of good metals out there that bring plenty of good things to the table when you're talking about high wind, hail resistance and some mold, mildew, remediation, all that good stuff. Specifically when it comes to a product like DaVinci, we use a polymer that is a compound that we formulate ourselves. We want that polymer to be predictable. So one of the things that separates us from everybody else is that we create a compound in-house, that we make ourselves, buying virgin raw material, raw polymers that are a polyethylene based product. Polyethylene you find and food containers, a derivative of something like a Kevlar bullet proof vest. We want the physical properties that at that particular polymer brings to the table.

Aaron Adams:

And I'm one of the hurdles or humps that we always need to get over in the high performance category is everybody does have a pretty good understanding of metals. If you're thinking about, or just the general lay person out in the public, whether you're a science dork or a scientist, [inaudible 00:17:29] they have a general understanding of metals. And if you say to somebody, "Would gold be a metal and lead be a metal?" Most people are going to say yes, they understand that. And they're also going to understand some of the differences in their physical properties. Like gold is a better conductor of electricity than lead. Everybody might not, but generally they understand there's differences in metals, and the physical properties they bring to the table are different. That's the same when it comes to polymers. That are as diverse as metals are.

Aaron Adams: Some polymers leach chemicals, some polymers are brittle, some polymers expand and contract at greater rates. And some polymers like polyethylene, are highly sought after in the medical, the military, and the food industry because they're completely inert. They don't leach chemical, they withstand bases and acids. If you're going to store an acid, or a base, just store it in a polyethylene container. They're very impact resistant. They have thermodynamics stability. So if you think of a Kevlar bulletproof vest, you can freeze it, shoot it with a bullet. It's going to stop a bullet. You'd stick it in the trunk and heat it up to over 200 degrees shoot it, it's going to stop a bullet. That's astounding as far as thermodynamics, stability, and having the ability to deal with dynamic impact load.

Aaron Adams: And again, the predictability factor's during important. So when we talk about virgin resins, we want to reproduce the same compound every single time. So we produce a consistent, from scratch, compound that is sourced from virgin resins, that is a class A rated product, continuously. So that we know that in every environment, when we test it, that we can recreate the performance of those tests. And that's very important for us. And that's why we don't use recycled content in our compound because we want the performance could be very predictable. And then ultimately again, because it is a closed cell product, it's it resists the mold, mildew, and algae that you'd typically find with other products as well.

Heidi: That's excellent. That's so interesting. And really what it comes down to then, is educating the homeowners. And really, roofing contractors need to help homeowner is bridge that gap on why and how to use performance products. And I know Trent, you have been doing this for a long time. You are amazing at it. So maybe you can share with other contractors how they can help homeowners bridge the gap.

Trent Lovewell: Number one, what we do when we first go see a homeowner, whether they have a roof claim or not a roof claim, we want to know how much they're going to be investing in their home over the next few years. So we ask them, do they plan to stay in the next five to 10 years? Or do they plan to sell and leave within the next year? And here in Omaha, there's a lot of big corporate business and there's a lot of military. So we really want to find out what their plan is. And that's the first thing we ask. So in investing in your home with your insurance company, with the Davinci product, our big selling point is, your insurance rates are going to go down because it's a class four impact resistant roof. So we try to get a feel for what they want to do. And I deal with many homeowners that have had three, four claims over the last 10, 11, 12 years. So that is a factor as well.

Trent Lovewell: And so we really want to know their plan moving forward, and if they plan to stay, we certainly think it's an investment, because your homeowner's insurance could possibly go from four or 5,000 a year, to 15 to 1,800 a year. So they can see the investment on the back and on their homeowner's insurance. And then if they're planning on selling right away, we have many neighborhoods in

Omaha that were either Wood Shake, and now we've gotten DaVinci approved. So they're either Wood Shake or DaVinci. And since most insurance companies are pushing out Wood Shake, DaVinci is the best option, and not only for a long lasting, but again to save with the homeowner's insurance.

Trent Lovewell:

And so with those two together, we find out that right away, if someone's going for curb appeal and they're going to sell their home, and you've got a 2025 year old Wood Shake roof on there, and you got some trees hover and over and it has algae and it's ugly, one, it's not very appealing. And two, a new homeowner that buys that house will not be able to get insurance on that. 99% of the insurance companies are not giving full insurance or not writing any new policies at all, on a new sale of a home, and writing a new policy with a Wood Shake roof. So we tell them to invest in the roof and put a DaVinci Wood Shake, a Davinci slate or Davinci shake roof on, so they can sell right away.

Trent Lovewell:

And I can't tell you how many times we've had people sit for five, six, seven, eight months, sometimes even up to a year and not bite the bullet. And then they finally decide, because the realtor and myself are like, "You need to invest in your roof. You've got to change it." And within a week, not only do they have it sold, they're having a bidding war with three or four people that want to buy the home because one, it changed the curb appeal, and two, those new buyers are not going to have any issues getting insurance and it's going to be a valuable savings for the new homeowner on moving forward with their insurance company and the discounts that are going to get.

Heidi:

Wow. And I mean, just the fact that they can invest that into their home and also take away some of those pain factors because let's be honest, re roofing every year, or every three years because of natural events, whether it's hurricanes or hail is it is a pain. And not easy for your property either. So I know you've been helping to really kind of talk to homeowners about that, to make this an easy process for them to take away that pain. Can you talk about that Trent? And really, how can contractors really help be that homeowners advocate?

Trent Lovewell:

Yeah. That's one thing. When spring finally does arrive here, we don't know if it's going to yet. Homeowners do their best to keep their yards up and landscape. And when you have a storm every other year like we do here in the Omaha area, and it's not an every neighborhood, but in the majority, it seems to be every other year, or at least every three years. And again, we have homeowners that we put four roofs on in 10, 11, 12 over the last 10, 11 years. It is just a pain to have to schedule it and go through the whole process. And so that, that's our other selling point to put on a DaVinci is not have to worry about that.

Trent Lovewell:

And I gotta be honest. I deal with a lot of women that run their households. And whether they're working women or they're part-time working or they're stay at home moms. I deal with them and they're stuck with having to deal with the claim and deal with the scheduling, and dealing with ... And all of us contractors

want to do a really good job of covering bushes and plants and going through the process. But it's really a headache for the homeowner to have to put on a new roof every other year.

Trent Lovewell:

And so I have many people that now have decided to upgrade because they're sick of the process. They're sick of having to deal with this and having to wait to do their landscaping if it happens in early March, or after they've gotten their landscaping done, and then the storm hits maybe in mid April or early May, when the tornado season really starts to ramp up around here in the hail belt. And they then they're like, "Oh, we gotta do this all over." Because not only with hail, but you have wind. And so there's many things that go into, if a hail storm has wind with it, you got windows and siding. And so as a homeowner, you're being a general contractor. And none of us want to have our home in our daily lives interrupted. And there's so many people now that work from home. And even a lot of the men in the households work from home. And so it's really annoying to have to deal with that, if you're trying to just live out of your home and work.

Heidi:

And talk to us a little bit about how you explain it to homeowners. I know that insurance can be really confusing, especially some of the software they use. But you have some tricks on that. Can you share that?

Trent Lovewell:

Sure. So we have made the decision as a company, to not do Xactimate. And that was our decision years ago when we had it offered to us. And homeowners get, sometimes, a 20, 30, 40, even 50 pages of insurance paperwork. And so when you use Xactimate as a contractor, you're confusing them again. And they're getting the same thing that they got from their insurance company. Now they have a whole other packet to go through and they don't understand it. And especially if it's a first time hailstorm victim, they're really confused. And so what we decided years ago, is we use QuickBooks. And there are many versions of software like QuickBooks. And so we line item all the items that are put on the roof in order that they go.

Trent Lovewell:

And so my boss, when I came into the business, taught me this years ago, and we've kept this concept of line item and a price for every line item. So the homeowner can look at it on one or two pages, maybe three at the most, if they have to do siding and gutters. And it could really spell out what costs, every item is, and much easier to understand. And then they can look at that bottom line and go, "Oh, this is what I need to know here." And then you have to walk them through the Xactimate process and explain to them what the actual cash value is, and deductibles. And so we just felt like, "Why confused the homeowner even more with another 20, 30, 40, 50 pages of paperwork, when we could do it in two to three pages?"

Heidi:

I think that's excellent. And really there is just so much to understand about insurance. I know it just makes my head twirl around to try to understand it. But Aaron, I know you work throughout the Midwest, actually throughout the nation, a lot of time, working with insurance companies. Can you talk to us, talk

to the audience about how the policies differ from insurance company to company, from state to state and really, which of the contractors on this Webinar know about how to kind of figure that all out?

Aaron Adams:

Yeah, for sure. I just want to add to something that you and Trent both said, that regards to being an advocate for your homeowners. As I do work with contractors all over the country, the most successful contractors from an insurance standpoint, and a close sales standpoint are both contractors that come at it from understanding that they are experts in the roofing industry. The homeowner is not going to call you unless they've already stipulated to you being an expert. And so when you come into their home or their business, maybe they've gotten your name from word of mouth, they've done research via the Internet, they'd come up with your contact from some place. And they'd called you out of everybody else that they'd gotten referrals from because they're stipulating that you're an expert and that you know what you potentially are doing.

Aaron Adams:

So when you walk into a business or a homeowner's place, and you come at it from that standpoint, remember that you're the expert and that you understand roofing. And then you need to definitely delve into being their advocate and understanding what it is they're looking for, because they may not exactly know themselves. Is it aesthetic? Is it performance? Is it just plain durability? Had they been canceled by their insurance? All those questions are very relevant when it comes to being the appropriate advocate for the customer that you're dealing with. And that, again, understanding that you're actually the expert.

Aaron Adams:

And that also applies to what Trent said, in that, these insurance adjusters, many of them have never been a roofer. They've been educated on the Internet, they've been educated in a classroom. They are only going off of what this Xactimate software says, and they are sticking to the mill or thousands of report guidelines that they're writing. So have you worked with them as an advocate for your homeowner or business owner as well and say, "This is what I'm seeing." If there's disagreements, up on first inspection and you're there on a second inspection for example, it makes a huge difference to getting over a lot of the insurance hurdles that are put in front of you. Staying calm and professional and educated and understanding what your role is as a roofer and getting your customer squared away, I think is extremely important. And you guys briefly touched on it. But from my standpoint and what I see out there, the roofers that come across as calm, intelligent, and knowledgeable are going to win jobs and get the insurance claims taken care of nice and smoothly. Not always, but a lot of the time. So to jump into the indifferent ... I'm sorry, go ahead.

Heidi:

No, go ahead. I want, because I think that's exactly, and you as a manufacturer can help them with that research.

Aaron Adams:

For sure. Yeah. And now jumping into the specifics with different insurance companies, every insurance company is a little bit different with regards to how they handle insurance claims and what they offer as far as discounts go. So from a manufacturing standpoint, somebody like myself and my counterparts and we do travel large slots of the country. And we work with contractors that may have difficulty with insurance company in say, Minnesota, but not so much in Texas. And some places may offer an insurance discount for a class four impact rated roof. Almost all of them offer an insurance discount for a new roof replacement, which most of the audience probably is already aware of that. But the class four is an important thing to know for your homeowner, or you're a business owner. Do they offer up a class four impact rated discount? And if they do, are you putting out of class for, and can they qualify for it?

Aaron Adams:

Same goes for class A fire rating. There's a lot of areas in the country that will offer up a discount for a class A fire rated roof. And it's important to know who those insurance companies are and what policies affect homeowners in different areas because, insurance companies go through basically an amateurize value or risk assessment based on geography and history. And if you're in an area that gets pounded by hail constantly or is prone to high velocity wind, you're going to have higher insurance rates. And when you put on high performance building products, you know you're going to be rewarded. If you're in an area that doesn't see a lot of hail or high velocity wind or fire risk, the discounts that are available to you are dramatically less. And so manufacturers can absolutely help you with that and feel free to reach out to your manufacturers to help you with that kind of research. And if we don't know the answer, we'll help you find it. Or we'll get your resources that'll help you get squared away, with regards to having your homeowners understand the discounts that are available to them.

Heidi:

Yeah, and I think really having your contractor be able to help you walk through that insurance process, I've been in a situation where I've had to have an insurance claim and it's hard for homeowners. So I know one of the big parts of that, is as a homeowner or a building owner going through that process, they're working with insurance adjusters. and Trent, I know you are passionate on this topic of how to do it the right way. So please share. What is the win-win, when you're working with insurance adjusters?

Trent Lovewell:

The number one thing, and I say this at the beginning is, knowing how few of these adjusters there are across the country and backlog they get during the spring, summer, and fall with all these events. So when you have an adjuster that makes an appointment, it's your home. One, be on time and be there when the adjuster is there. Don't leave it just to your contractor to meet with the adjuster. 95% of the time, if it's the first inspection, most insurance companies do not want a contractor there on the first inspection. This gets a little bit out of sorts, if he is there and they're not requested to be there. Because then the adjuster feels like somebody is there looking over his shoulder, trying to force him to give them a roof, give them damage on the siding, give them damage to

the windows and total out everything. When he just first shows up, and he sees a roofing truck and he goes, "Oh gosh. Not a storm chaser."

Trent Lovewell:

They want to do their job, they'll do it thoroughly. And you should be there as the homeowner. And not to look over the contractor shoulder, but just to be around as the homeowner. This is your home. And there might be things that he will ask you. "Did your grill get hit?" Open the cover up, show him your grill. You know, there's, there's many things that they may ask about what got damaged, and you need to assist them. But you got to know, especially during the height of these storms, these guys are working long, long days. And when there's rain days, there in there, whether it's a trailer park, cause a lot of these guys do camp now, or they're in a hotel room, they're doing paperwork and writing claims during rain days. So just cause it rains doesn't mean they're not working. So it's exhausting what they do, and how many they get to a day.

Trent Lovewell:

And so a homeowner needs to understand they're not just going to be at the house for 15, 20 minutes. Many times these adjusters are at the home for a minimum two hours, three hours, even longer depending on if they have to measure windows, or measure skylights and do an insight analysis if there was water damage. So it takes time. So you really got to have patience. And you need to ask the adjuster when they do call for the appointment, "Do you want a contractor there?" If they say, "No, we do not need one there." Then abide by what they say.

Trent Lovewell:

And if it's a second inspection, in most states by law, you are allowed a second inspection. So if you're not happy with the first inspection, for instance, if it's a Wood Shake roof, and all these insurance companies do have different rules that they go by and guidelines on how to total out a Wood Shake roof, it's completely different than an asphalt roof. So if you're not happy with what they gave you, say they gave you hip and ridge only and you're not happy with that, and you tell your contractor, "Well they only gave me \$4,500 and this is going to cost me 40,000 to replace this out of pocket because it is a little older roof and it does need to replace." That's when the contractor needs to say, "Hey, by law, we can do a second inspection."

Trent Lovewell:

And so the homeowner's the one that has to request that second inspection, not the contractor. And you don't call the insurance agent, you call the claim center to file for a second inspection. This is usually free of charge by all insurance companies. The insurance company at that point will say, "We would like a contractor there for the second inspection." This is where the contractor and the adjuster agree to agree, or agree to disagree. And contractors, I would be lying if I didn't tell you, be workable. Know that you're working for the homeowner, but you also have to abide by that insurance company's guidelines. And if there's not damage, there's not damage. And move on. And if there is, most adjusters on second inspections, are very thorough. And they want to feel like they've treated the homeowner fairly. And so they want you there to go through everything and to show them a few things. And that's what you gotta do and that's what they ask of you.

Trent Lovewell:

You're not there to beat up the adjuster to say, "Well this person has had insurance for 35 years. They've never had a claim. They deserve a roof." It's not that way anymore. It might've been three years ago. It's not that way. These adjusters have to show photos, upload them to their report. These guys in the field have supervisors that they have to show the pictures to. So it's not just the adjusters that's there making the final decision. So have patience with them. If it's a first inspection, make sure that they want to work by themselves with the home owner. Don't force your way in contractors. Let the homeowner ask if they can be there. And for a second inspection, they're going to ask you to be there for the second inspection to get hashed out.

Trent Lovewell:

And if it doesn't get hashed out on the second inspection, then they typically bring in an engineer. Whether it's concrete tile or a Wood Shake roof, to help out the situation. And I think all of us as contractors don't like it when it goes to an engineer, because they think, "Oh, we have no chance to get this work or to help the homeowner." You'd be surprised. The chances do go down, in my experience. It does go down when an engineer gets involved, but it can happen for the homeowner to get a totaled roof. We want the best for our homeowners, and us contractors, we all want business. But we've gotten business from adjusters when the adjuster said, "You worked with me on such and such house two months ago." "Oh yeah, I remember that." "And you were very honest with us. And they didn't get a roof and you guys were good about it, and they didn't deserve a roof." When you develop a rapport with adjusters of being an honest contractor, down the road, it had benefits you more than trying to twist their arms to get that one job sold.

Heidi:

Wow. That's excellent. That's excellent. Aaron, I know you gave us a little bit more on that homer advocate and with the adjusters. Any last thoughts on, on that?

Aaron Adams:

I couldn't agree more with Trent. From what I see out there, the roofers that again come to the table with a with knowledge base, not just to be contrarian and put up a fight just for the sake of putting up a fight type thing. When they work with the adjusters and the insurance company, and obviously their clients, the homeowner or the business owner, it goes a lot further without a doubt. Roofers can cover large geographic areas. Roofers have a network, that are from professional roofing organizations to smaller community organizations. You all work in a network of people and you communicate. I know the insurance companies that are a pain for roofers to deal with that on a regular basis, because I get to listen in into the roofers network and who they're having trouble with. I also know the insurance companies that pay out almost no questions asked. And the roofers know those companies as well. Just like the roofers have education internally and internal intelligence amongst who they prefer to work with. The insurance companies have the same thing and they, from their experiences, absolutely take notes and absolutely talk to each other when it comes to what companies are reputable and what people are reputable in the business and how easy and, and thoughtful and knowledgeable contractors are.

Aaron Adams: So just like Trent was saying, that ends up going along way. You're not in this business to do one roof and then hang up your hammer and move on. You're in this business to do multiple roofs over the course of many years, and build your business wealth. That's the purpose of it. And you get that from working with people properly.

Heidi: And one area that, one last thought that I'd like to hit on, is really what you're talking about with working with insurance companies, working with the adjusters. And then there's that opportunity, when a homeowner has a claim to help them make that jump to a performance product like Davinci. And Trent, you have a great story that you tell about, I think it has to do with a Ferrari. But really helping the contractors, how they can really make sense to the homeowners, if this may be the time to upgrade to that next product, to that performance product.

Trent Lovewell: Yes. So the analogy that I use most of the time with homeowners is, we get a lot of the questions. "Well this is gonna cost me an extra four or \$5,000. And my deductible is \$5,000." And I tell them every time, if somebody brought you a Ferrari or a Porsche and put it in your driveway and said it ... And it's a \$250,000 Ferrari. And we're going to sell it to you for \$5,000. We would all say, "Where's the keys? We'll take it." So it's no different than your roof. So when we explained that to homeowners that a, by law in Nebraska, we cannot cover the deductible. So for you to pay out of pocket 1,500 or \$2,000 to get a roof, really not that big of a deal. You have to have some skin in the game.

Trent Lovewell: It's no different than health insurance having to pay for copay, or deductibles with health insurance. We all as homeowners have to have skin in the game. So you're paying for something. So that's why insurance companies have deductibles. They're trying to get a little bit more out of you. And so to pay that small amount to get a new roof, that's just the way we explain it to them. And so for them to upgrade, if we have a customer that wants to upgrade and have to pay five to six, \$7,000 for a DaVinci roof, the one way we get them to do that is, instead of repairing this roof with what the money the insurance gave you, if you pay a little bit more out of pocket and go ahead and do the whole thing over the next five years you're going to save three, \$4,000 a year on your homeowner's insurance. Well there's 1618 \$20,000 over a four or five year period. You bridge the gap and you're getting your money back on the backend. And then like we talked about earlier, when you decide to sell that home, you got no issues on selling that home. Because you got the perfect roof for that new homeowner. So that's really how we try to explain to the homeowners how to make it work.

Trent Lovewell: And when you put it in a sense of another item like a car, it kind of kicks in and they're like, they never thought of it that way. And so we have had claims over the years that people were getting a roof, windows, siding, gutters, and they were upwards of 180 to \$200,000. And so to get that homeowner to complain about paying the deductible, which just comes out of the cheque, rarely do you write a cheque for the deductible to have to come up with four or \$5,000 to get

a \$175,000. I think we would all make that trade if we were playing a card game or somebody parked a Porsche in our driveway for \$5,000 if it's a \$175,000 car. They seem to, they seem to get it when you explain it in that manner.

Heidi:

I think that's excellent. And really what it's about is selling value, common sense and being that homeowner's advocate as they go through. So I want to thank both of you. I appreciate your time and your tips and your information so much. And I would like to open up to questions. We do have a few here. So hang on gentlemen, and I will pull them. So the first question we have here is about price point. And you touched on that a little bit at the end Trent. But maybe Aaron, you can talk a little bit about, what are the price points for performance products and where do they fall in the overall offerings for roofing systems?

Aaron Adams:

Yeah, that's a great question. It's changed. The short answer is it's changed dramatically over the last 20 years. Our company's been in business, this is the 20th year that we've been on the market. And where the high performance building products fell 20 years ago, 15, 10 years ago, is very different from where they fall now. And there's a lot of reasons for that. If you're comparing like our least expensive product, we have a product called Bella Forte Shake that's out there. It's our least expensive offering. But it still has all the same performance and warranty as everything else, that now is going to market at about the same price as an untreated Medium Cedar Shake, where up until just three, four years ago, it was going to market and maybe 20% 25% more. But you're getting more regardless. That's still a fair price. You're getting class A fire rating, mold, mildew, algae resistance. The high wind and hail and all that good stuff.

Aaron Adams:

But now it's becoming much more of a no brainer across the board to homeowners, because the high performance sidings that are out there are becoming more price point conscious with everything else that's the more traditional materials that are out in the marketplace. High performance products are typically more expensive than the traditional asphalt from a roofing standpoint. But again, you're selling value. And if you're going to upgrade or upsell somebody, you do have to spend the time and talk to them. Are they getting things like an energy savings? There's products out there that incorporate very well with solar. There's longterm value from a resale standpoint.

Aaron Adams:

There's a lot of people who can relate to the story of buying or selling our home, specifically buying a home, where he'd go in and you know the roof has to be replaced. And you end up using it as a negotiation points to get the price down, which is fair because it is costly. And then not even from a maintenance standpoint, that's where in the sales process, when you're upgrading somebody to something else, talking about the maintenance and ongoing costs of any product and what's the life expectancy of it, even from a warranty standpoint is important. So, still at the upper end of the building products as far as price goes, but it's justifiable and reasonable to explain it when you're not selling on price, you're selling on performance and aesthetics.

Heidi: Excellent. Excellent. We had another question and this one towards Trent, but they're interested in Weatherguard and what kind of service and maintenance do you do with these homeowners? And making sure that everything stays as it should year to year so those roofs continued to perform. Do you do any special maintenance or service or gutters or anything like that?

Trent Lovewell: We do. We do plenty of gutters, and we have our own gutter trailer. Any roofing contractor that's in the industry typically does gutters in our area. And the one thing I would say to contractors to also inform homeowners, is make sure the gutters are clean. And we deal with this a lot, especially in areas that are well developed with a lot of trees. And so owning a home is maintenance. It's not like living in an apartment. There are things you have to do and many things that you have to do that we don't even think about. But just because you don't see things in the gutters, doesn't mean there's not mud and leaves and sticks and junk or a whiffle ball or tennis ball, that's not stuck in the downspout, because the gutters are sloped obviously to drain. And so we see that quite a bit, where this causes backup.

Trent Lovewell: And so what happens if we get any new contractors on, the way you can help with this and explain if the gutters are plugged and the downspouts are plugged, and we get a lot of rain, this is how water gets in someone's basement. And so you say, "Well, hold it. How do the gutters have to do anything with the basement?" So it's pretty simple. The water's got to drain out of the downspout to go away from your house. When that gutter is plugged, then water then seeps in, at the foundation because it has nowhere to go. And it's not going out of the downspout and so it backs up. And this is very common. And so homeowners typically should do this at least a couple times a year.

Trent Lovewell: And if you live in an area in the fall, when you have a lot of trees, you might have to do it four or five, six times, during the fall. So keeping your gutters clean is number one on the list. Number two would be ... And right now we're dealing with this in Omaha, is a lot of ice backups. And there's some really good illustrations and I'm not promoting Google or Safari or the internet or anything, but if you Google images of ice backups and typing in ice backup roofs, it really does a good job of explaining those things. And so we're getting a lot of ice backup calls. And we have homes that are five, \$10 million homes that can have an ice backup. So that is an act of God, and Mother Nature. But one thing that does help prevent ice backups, there's three things. Number one, if you have a crazy little area that has a valley and then a lower pitched roof, and then maybe a dormer and it's just a little pocket where snow and ice sits. That might be an area where you put heat tape, which is a cord. It's not actual tape. And it stays at about 65 degrees and it can melt that.

Trent Lovewell: So I would get with a qualified electrician on heat tape, and not just buy stuff from a local hardware store and really get educated. If you have a tough spot an electrician will do a good job of helping you with that. Number two, making sure you have the correct amount of insulation in your attic. If you haven't looked in your attic and 18 years, I highly suggest you taken a peek in there because,

insulation is the number one thing you can do for your home that's the least expensive, but it's the best thing for your home longterm. So it's pennies costs. So, you have to have soffit vents, and rough vents, because if air can't go in, it can't go out. And if you don't have the correct amount of insulation in there, it really affects the air flow. And if there's insulation that's covering soffits, or a painter has painted over soffit vent, we could do a whole nother seminar on ice backups, and I don't want to take the rest of these other questions. But those are a few things with home maintenance that we do inform our homeowners about. And we do do inspections on attics and then we refer them to our local supplier to do attic inspections as well.

Heidi: That's great. Thank you Trent. And we have one last question and I feel it can be pretty easy answer, but they, the person who sent this in, loves the tips, loves how you're working with adjusters, all these things you're doing and they're wondering if you have any of these written down anywhere. So Trent, and Aaron, we're going to be reaching out to you to ask if we can get all of this written down. It will be part of this, our read lists and watch program, but also some of these tips written down that we can share with our Coffee Shop audience, would be tremendous.

Aaron Adams: Sure. We'd be glad to help out and do that for you.

Trent Lovewell: Yep.

Heidi: Perfect. Perfect. Well thank you again to our panelists and to DaVinci Roofscapes for this highly informative Webinar. Again, this Webinar is part of our reads lists and watch, RLW initiative on the Coffee Shop. We are committed to offering educational information, tips, advice for contractors to get when they want and how they want. So you will see this as a webinar. It will be posted on our site within the next day or so. You will also see it come out as a podcast, that you can send to friends to listen to while they're driving to work.

Heidi: And finally, just like our audience member asked, we will have all of this written down, transcribed into eBooks, to tips to advice. So watch for that on the website also. Please visit RoofersCoffeeShop.com and learn more about DaVinci Roofscapes through their blogs and directory and be sure to view all of our recorded webinars, podcasts, and eBooks. And the next webinar will be in the next couple of weeks. Please watch for it and it will be on the RISE Scholarship from Tremco. And this is a great one on how to get a scholarship, being able to work and go to school at the same time to get your construction management degree. Please continue to join us for our RLW read, listen, watch on demand programs where you can learn how and when you want to. Be sure to visit our webinar page and share this with all of your other roofing professionals. Thank you so much for attending today and we'll see you soon.