

Hot Water Products

more than a rep firm

by Richard Westlund

Hot Water Products is helping to lead the Wisconsin plumbing and heating trades into the 21st century. A wholesale distributor for the Bradford White Corporation and manufacturer's representative for Heat Transfer Products, the fast-growing Milwaukee-based company is also:

- A national leader in introducing high-efficiency modulating boilers.
- The developer of its own "Boiler Buddy" system.
- A training center for solar heating applications.
- An expert in tax credits for energy incentive programs.
- A sales partner for distributors and contractors.
- An installation, maintenance, and warranty provider offering 24/7 service in emergencies.

"Clearly, we're not your typical rep firm," says Howard Endres, founder and president. "But our unique position allows us direct contact with the manufacturers, providing the best possible service to our plumbing and heating customers."

Gregory "Jack" Daniels, vice president, who joined three years ago as partner says the company's entire focus is on equipment that deals with hot water—from boilers and hydronics heating systems to water heaters and solar panels.

"One of the many things we bring to the table," says Daniels, "is a strong background in working with state and local utilities' energy-incentive programs and an in-depth understanding of federal tax credits, which provides advantages for wholesalers, contractors, and their customers."

To take just one example, Hot Water Products worked with its customers in the trades on a high-rise apartment complex in Milwaukee. Through the statewide Focus on Energy program, the property owner was able to replace an old boiler system, receive nearly a \$5,000 rebate, and enjoy significantly lower monthly heating bills thanks to the new technology.

INTRODUCING HIGH-EFFICIENCY BOILERS

Hot Water Products was founded in 1998 as a wholesale business supplying commercial water heaters to the plumbing trade in the Milwaukee area. Hot Water Products also started a commercial leasing program for water heaters and boilers.



Howard Endres, president.



Gregory "Jack" Daniels, vice president.

Munchkin is one of the lines

Hot Water Products represents.



Through their contractors they lease heaters in nursing homes, hospitals, schools, and restaurants all over the state. The original principles also pioneered boiler room delivery and removal of the old equipment. But just one year later, the manufacturer—Heat Transfer Products in East Freetown, Mass., developed a high-efficiency boiler called the Munchkin.

"At that point, we saw an opportunity, and we became a manufacturer's rep for the Munchkin product line," says Endres.

"Our company was the first in the nation to introduce this high-efficiency, fully modulating boiler when everyone else was still stuck in cast-iron boiler technology."

Because many contractors and most consumers were not aware of high-efficiency boilers, the firm went back to its existing customer base and began educating distributors and contractors in the benefits of the Munchkin. Before long, major wholesalers, including Auer Steel, Gustave A. Larson Company, and Temperature Systems Inc., were carrying the new high-tech boilers.

Meanwhile, Hot Water Products began expanding its rep services throughout Wisconsin and beyond, eventually serving *(continued on page 10)*



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more than 100 wholesale houses in Illinois, Iowa, Minnesota, Nebraska, and Michigan's Upper Peninsula. When Heat Transfer Products introduced its Voyager water heater line, the Wisconsin firm picked up its education and sales programs, selling the new line directly to contractors only. "The Voyager was the first high-efficiency, condensing water heater in the market," says Daniels, "and it allowed us to specialize in these high-efficiency systems."

MOVING INTO SOLAR PANELS

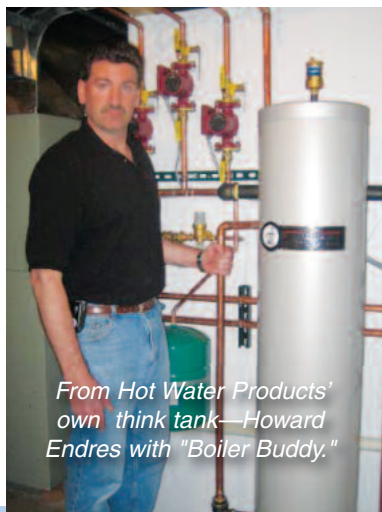
Last year, Hot Water Products moved into the thermal solar side of the business, offering high-efficiency solar panels for residential and commercial facilities.

"This was a natural expansion for us, because it ties into our high-efficiency domestic water systems and in-floor heating," says Daniels. "Because of increased federal tax credits, this whole market sector—including schools, commercial facilities, and residences—is really taking off."

For instance, Hot Water Products installed a complete thermal solar domestic hot water system for the American Heritage Care Center in Hammond—the first nursing home solar installation in Wisconsin, according to Daniels. The job involved adding 24 solar panels that preheated the water to an average 105°. That meant less work for the facility's new high-efficiency Munchkin boilers and a lower total energy bill.

To market its thermal solar division, Hot Water Products invested \$25,000 in a mobile display: a replica house with an actual operating solar system and panels on the roof, with in-house heating from a Munchkin boiler. "We take this display to our customer's trade shows at no charge," says Daniels. "We usually drop it off on a Friday and pick up on a Monday after the show—and it's already reserved for most weekends."

Hot Water Products also uses the display



for its in-house solar certification training programs—necessary for contractors to offer their customers the federal and state energy credit programs. The firm's instructor can actually energize the replica system and produce hot water, demonstrating the process clearly for attendees.

The Milwaukee firm also provides training programs for wholesalers and contractors on servicing, selling, and installing the Munchkin boilers. "As with any high-efficiency equipment, you don't get the savings if the system is not installed properly," Daniels adds.

Last year, Hot Water Products trained nearly 2,800 contractors in the five-state area. The firm also offers an approved service and installation course on commercial water heating, and trains about 300 plumbing contractors annually.

THE BOILER BUDDY

After introducing Munchkin boilers, Hot Water Products began looking closely at how the systems were operating, plugging the equipment into a laptop computer, and downloading operating information. "We found that many boilers were short-cycling, especially in multi-zoned residential applications," says Daniels. "Basically, the boiler would fire up and shut down frequently. That decreases both the operating efficiency and long-term life of the equipment."

But it wasn't long before Hot Water Products developed an effective solution—one that works with any type of high-efficiency boiler, not just the Munchkin. Called the "Boiler Buddy," this new product line consists of buffer tanks that add mass to the water system and increase the run times for high-

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efficiency boilers. The tanks also incorporate a high-capacity air eliminator at the top of the tank. Also included is a full-port boiler drain that will help eliminate dirt and sludge from the system."

Just introduced to the Wisconsin market this year, the Boiler Buddy will help Hot Water Products continue its leading-edge service, adds Daniel. "This is truly your boiler's best friend. It lets any high-efficiency boiler run longer for smoother, more efficient operations."

A VERSATILE COMPANY

Today, Hot Water Products has grown to a staff of 15 people, including four full-time outside sales personnel—one of whom calls on engineering firms to assist in preparing the specifications for new systems.

To assist contractors and wholesalers, Hot Water Products designs residential and commercial system designs using its in-house CAD capabilities. "We will go into the boiler room, look at what they have, draw a schematic, and prepare the drawing," Daniels says.

The firm also goes out of its way to find new jobs for wholesalers and contractors. "When someone asks us who can install your system, we give them a list of contractors to call—and we're very active in drumming up business for them at the trade shows," he adds.

Everyone at Hot Water Products takes the firm's motto—"Service Beyond the Sale"—very seriously, says Endres. "Our business philosophy is simple: We treat every customer as our next \$100,000 sale. It might be a 50-cent part or a \$50,000 boiler system, but we give each contractor or distributor our undivided attention."

As part of that commitment, Hot Water Products will haul out old non-working water heaters from a building's basement or carry a 150-pound solar panel up to the roof (as long as it's three stories or less).

With two full-time service technicians and two delivery drivers on call 24/7, Hot Water Products offers round-the-clock service on its products and does any necessary warranty work in-house as well. As Daniels says, "One recent New Year's Eve we got a call from a restaurant five hours away. The boiler was giving them a problem because of a bad installation. My partner hopped in a truck and drove there to service that customer."

And that high level of service is typical, say the firm's customers. "I have worked with Hot Water Products from the



beginning and am completely satisfied with how I am treated," says Chris Hughes of Area Mechanical, Fond du Lac. "I have always been able to count on the company for last-minute fixes and hard-to-find parts. They have extensive knowledge in many fields and have always been able to answer the questions that I cannot."

And Kevin Jaqua, Mared Mechanical Contractors, Milwaukee, adds, "We share a proud business partnership with Hot Water Products. It has been cost effective, and their services have been timely. They are always professional. It is my privilege to do business with them and will continue to do so in the future.

THE NEXT GENERATION

With Hot Water Products' leading position in high-efficiency equipment, the firm was a natural choice to perform field tests on Heat Transfer Products' new Phoenix water heater, which was just introduced in March.

"This is the next rendition of the Voyager, and it will revolutionize the industry," says Daniels. "The Phoenix is designed so the heating units move up or down slowly so you don't overshoot the tank temperature and getting the best possible seasonal efficiency."

With the Phoenix, as with any high-efficiency equipment, Daniels says it's essential for contractors to be trained on proper installation, application, and maintenance. Otherwise, the system won't provide the desired energy savings.

In keeping with that philosophy, Hot Water Products refuses to sell its high-efficiency heaters and boilers over the Internet. "These are high-tech pieces of equipment that need to be installed by a licensed professional contractor," Daniels adds. "We as an industry need to ensure that these systems are sold only by a certified contractor."

As for Hot Water Products, Endres and Daniels agree that the firm will continue to offer the latest and most fuel-efficient heating and plumbing products on the market. "This is where we bring true value to the industry," says Endres. "The entire world is moving toward energy-saving, efficient products, and we are already there." □□□