A DEALER'S VIEW OF THE HEAT PUMP MARKET
Interview with Advance Appliance, Inc.
Tampa, Florida
An Exclusive Interview With
SAM GRAZIANO
Advance Appliance, Inc., Tampa, Florida

Heat pump sales, during 1958, should rise sharply in Tampa.
— Cooperation with industry allies and expert service are “musts” for heat pump dealers.

Q. Mr. Graziano, we understand you helped pioneer the heat pump in Florida. Would you mind telling us a little about your company?

A. In 1949 we installed the first residential type heat pump in Mr. Frank Pate’s home in Winter Haven. Since that time there has been a steady growth in the number of Typhoon installations in this part of Florida. Our background is based on refrigeration and air conditioning service. For a while we also handled appliances, hence the name Advance Appliance, Inc. However, we withdrew from that field when so much time was required to specialize in the heat pump sales and service business. Since 1950 we have had Leo Toribio, mechanical engineer, who heads up our engineering department. Leo Toribio has recently been named vice president of Advance Appliance, Inc. Leo has designed and installed more heat pump systems than anyone in this area, especially in the custom built homes. Leo and I are members of American Society of Refrigerating Engineers. Less than six months ago another addition to our staff was Mark Mooney, another A.S.R.E. member, who brings a long and successful record of experience in the air conditioning field.

Q. Do you feel there is a great heat pump potential in the Tampa area for commercial and industrial applications?

A. Step up in missile program will swing commercial business here. Tampa Industrial Park has Budweiser, Schlitz Brewery, and Globo Battery.
—heat pumps were specified in the plans for the latter. W. T. Grant specs read, "Where climatic and utility rates are favorable an electric heat pump installation will be considered by the W. T. Grant Co." Grant has a substantial building program and the climate and electric rates in Tampa Bay are favorable to the heat pump. This kind of thinking, we believe, will increase heat pump sales in commercial and industrial application.

Q. What about the residential market?
A. Florida Builders plan more homes. New FHA ruling helps buyers. Last year the banks would not lend any money on houses without a huge down payment. Now lower down payments are available and banks are taking FHA loans. Homeowners with inadequate heating systems are being convinced by the three severe cold waves that good central heating is really needed for comfort and health. Heat pump sales should benefit from this "ill wind."

Q. What kind of a service set-up do you have?
A. By keeping a fleet of trucks equipped with commonly used materials and well-staffed with skilled servicemen we can render good service in several counties around Tampa. We are also building up a dealer organization at the same time, based on men who have refrigeration service background. Our reputation for good service has resulted in leads that develop into equipment sales.

Q. Do you find that people know what the heat pump is and how it operates, or are they confused?
A. In the Tampa Bay area the heat pump has been given so much publicity by the utility companies and various dealer advertising that the public is better informed than in other parts of the nation. However, it is a never ending task to keep the people aware of what a heat pump is and how it operates.

Q. How many installations have you made?
A. 1400 in Tampa Bay area.

Q. It has been said that air conditioning dealers are poor salesmen. Do you think this is true and, if so, what needs to be done?
A. Most are price conscious, afraid to sell quality, but the majority of the reasons why they are accused of being poor salesmen can be attributed to other factors.

Q. What about financing . . . will you extend your plans during 1958, or is this necessary?
A. The DuPont survey on residential air conditioning showed that 68% of all systems were paid for in cash. The time payment market, therefore, is wide open for people who are accustomed to buy cars, homes and furnishings out of income. Advance Appliance intends to continue aggressively after the buyer who wants to buy a heat pump in easy monthly payments.

Q. Do you expect 1958 heat pump sales to be better than 1957?
A. Definitely, there are enough heat pumps operating in the field to bring their superiority close to a good many people. Heat pump sales should rise sharply even in a declining general market.

Q. Do you have any unusual promotional methods . . . if so, what are they?
A. Our best promotional scheme comes into play after the job is sold. We try to make it superior in every way and make sure we get a thoroughly satisfied customer. This promotional idea, more than anything, made us grow. We air condition the entire Electrical Building at the Florida State Fair every year with heat pumps. Variable weather during the two weeks of the fair makes it possible for us to demonstrate the heating and cooling abilities of the heat pump, often on the same day, for thousands of visiting Floridans. We get more publicity out of this promotion than any other single effort.

Q. What other appliances do you handle?
A. None.

Q. How do your sales break down between commercial and residential?
A. 25% commercial—75% residential.

Q. How closely do you work with architects and builders?
A. On custom built homes and commercial buildings we cooperate with architects and builders. We invite them to our training meetings and keep them informed with latest developments in new models and engineering data.

75% OF INSTALLATIONS ARE IN HOMES
Residential application of heat pump growing

“PINARAMA BOWLING LANES,” TAMPA, FLORIDA
The heat pump applied commercially