



Independent Contract Sweeping

Your Guide to Financial Success

This information is designed to give you basic information about Parking Lot Sweeping. If you are thinking of starting your own business, study the examples closely and use as a guide in your own hometown.

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Your Guide to Financial Success

You want the freedom of “Running the Show”, “Being your own Boss”, or most importantly, earning more money!

The Contract Sweeping business can satisfy these dreams; however, there are some very important steps you must first consider:

Step #1 – Who are your prospects?

Shopping Centers
Restaurants
Parking Garages
Hospitals
School Districts

Apartment Complexes
Condominiums
Golf Courses
Airport Off-Parking Lots
Grocery Store Lots

Universities/Colleges
Plants & Factories
Banks
Hospitals
Regional Malls

Actually, anywhere people gather and leave unsightly litter is a prospect for a Contract Sweeper.

Step #2 – Whom do you call to offer your service?

In most cases, you will need to see the manager or the person in charge of grounds keeping.

At this point YOU have to make a decision – Do you have enough prospects close by who might want someone to solve their cleaning problems? Most parking lots are swept at night – does this present a problem for you? How many hours do you want to work? How much money do you want to earn? You have made up your mind that the independent Contract Sweeping business is for you. NOW –

Step #3 – How much do you charge for your service?

Before you can answer this question, you need to make a decision on how to price your services. Most Contract Sweepers price their service by the hour; therefore you need to determine how long it will take to sweep the prospective area.

There are many factors that need to be considered before you arrive at a price. Here are some important questions that must be answered:

1. Establish with the customer the exact area to be swept.
2. What kind of debris is on the lot? Is it typical everyday?
3. Establish with the prospect exactly what is expected. Write it down.
 - a. Will you be required to service trash cans?
 - b. Who is responsible for the Trash Can Liners?
 - c. Frequency of sweeping?
 - d. Sidewalk cleaning?
 - e. Cleaning around plant boxes?
4. How is the parking area laid out? Example: Are there a lot of islands, “V” shaped parking spots, speed breakers, corners or other hard to get areas?
5. Will you be picking up litter from flower beds, picking up limbs and leaves?
6. Does litter blow over from adjoining businesses?

It is very important to have answers to these questions before you establish a price. Make sure you and your prospects agree on what is expected – write it down! If your customer thinks your price is more than he/she wants to pay, you can agree to leave off certain services or cut back on the frequency of sweeping.

Here is an example of price and billing:

A parking lot with 1,000 spaces should be swept in approximately one hour. You have established your price at \$75.00 per hour and you have agreed to sweep this lot each day, 7 days per week.

Parking Space – 10' x 20' = 200 sq. ft.

1,000 spaces x 200 = 200,000 sq. ft. per hour

(1) One hour per day @ \$75.00/hour x 7 days = \$525.00 per week

52 weeks/year - 12 months = 2,275.00 per mo. for this example

In this example, our monthly billing would be \$2,275.00 for sweeping this lot everyday and spending an hour each day on clean-up.

Fast food restaurants can usually be swept in 30 minutes and are usually only swept once a week. Contract sweepers charge \$150.00-\$200.00 per month for this service; however, remember to establish exactly what service you will perform and keep it on file. Remember to be consistent in your prices and always do the job you agreed to do. The best advertising is a satisfied customer and the worst is a dissatisfied customer.

Step #4 – Sales Tips

First, establish a name for your business. You want your customers to remember who you are so pick a name that is easily remembered. You will need business cards, estimate forms, contract forms and invoice forms. You should visit a local printer (and the internet), tell them what you need and keep your cost to a minimum. You may even be able to design your own forms on a pc. Here are some examples for you to consider:

Business Card

YOUR COMPANY NAME	
<hr/>	
YOUR NAME	
PHONE	FAX #
ADDRESS	E-MAIL

Be sure that you and your prospect have a copy of all information and establish “key contacts” for all customers for answering specific questions that may arise. Remember – a job is not complete until payment has been received for services rendered. Establish a date that you can expect payment and a contact person to discuss your account and answer any questions with.

YOUR LOGO/GRAPHIC

Estimate Form

Your Company Name

Your Company Address
City, State and Zip Code
Phone _____ Fax: _____

DATE
Quotation #
Customer ID

Contact Information:

Name: _____
Company Name: _____
Street Address: _____
City, ST ZIP Code: _____
Phone: _____ Fax _____
E-Mail: _____

Quotation valid until:
Prepared by:

Comments or special instructions:

Description / Service Information	AMOUNT
TOTAL	\$ -

If you have any questions concerning this quotation, contact Name, Phone Number, E-mail

SIGNATURE: _____

THANK YOU FOR YOUR BUSINESS!

Your Company Name

Contract Form

Your Company Slogan

DATE: _____

Street Address
City, ST ZIP Code
Phone: _____ Fax: _____

Customer ID: _____

Bill To:

Name
Company Name
Street Address
City, ST ZIP Code
Phone

Date Service Will Begin: _____
Authorized and Prepared by: _____
Title: _____

Comments or special instructions:

Complete Description of Service to Be Performed	AMOUNT	Monthly Billing
TOTAL	\$ -	\$ -

If you have any questions concerning this quotation, contact Name, Phone Number, E-mail

THANK YOU FOR YOUR BUSINESS!

[Your Company Name]

[Your Company Slogan]

Website: _____

[Street Address]

[City, ST ZIP Code]

Phone _____ Fax _____

INVOICE

INVOICE # _____

DATE: _____

TO:

[Name]

[Company Name]

[Street Address]

[City, ST ZIP Code]

[Phone]

SHIP TO:

[Name]

[Company Name]

[Street Address]

[City, ST ZIP Code]

[Phone]

COMMENTS OR SPECIAL INSTRUCTIONS:

SALESPERSON	P.O. NUMBER	REQUISITIONER	SHIPPED VIA	F.O.B. POINT	TERMS
					Due on receipt

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL

SUBTOTAL	
SALES TAX	
SHIPPING & HANDLING	
TOTAL DUE	

Make all checks payable to [Your Company Name]

If you have any questions concerning this invoice, contact [Name, phone, e-mail]

Thank you for your business!

Step #5 – Record Keeping

As a business person you need to set up your books so you can monitor your growth and profits. You need to establish the monthly cost of operation for your company so you can plan for the future and for tax information. Here are some basic costs to consider:

1. Equipment payment
2. Insurance – for Equipment & Liability
3. Fuel Oil
4. Maintenance

Some of your costs are “fixed costs” i.e. equipment payment and insurance while other costs will depend on how much sweeping you do (fuel & maintenance).

Example:

Your sweeper and insurance costs are established before you do any work. Your sweeper payment could be \$1,300.00/month and your insurance \$250.00/month. You can use an estimate of 15% of your billing amount for fuel and oil cost and 5% for maintenance. If you establish contracts for \$8,000.00 in monthly billings, you can figure your cost basis:

Sweeper Payment	\$1,300.00/month – Fixed Cost
Insurance	\$ 250.00/month – Fixed Cost
Fuel/Oil	\$ 1,200.00/month @ 15% of billing
Maintenance	\$ 400.00/month @ 5% of billing
TOTAL ESTIMATED COST	\$3,150.00/month

You divide your estimated cost of \$3,150.00 by the number of hours to do \$8,000.00 in billings, approximately 107 hours; your cost would be approximately \$29.00 per hour for operating your sweeper. To figure your actual hourly rate, divide \$8,000.00 (billings) by 107 hours (sweep time) which equals \$75.00/hr.

As your monthly billings grow and your fixed cost remains the same, your profit increases. You may want to consider hiring a driver after you get established. Here is an example to help you determine your hourly cost:

Hourly operation cost	\$29.00/hour
Wages	\$10.00/hour
Insurance/Benefits	\$4.00 hour
Total Hourly Cost	\$43.00/hour

If you charged \$75.00/hour and your costs were \$43.00/hour, your gross profit would be \$32.00/hour using the above example.

About TYMCO, Inc.

We manufacture the patented REGENERATIVE AIR STREET SWEEPERS for Contractors and Municipalities. We are proud of our reputation as manufacturers of top quality sweepers for the past 50 years and have been the #1 choice of Contract Sweeper companies over the years. TYMCO was the “first” company to build a truck mounted sweeper for the contractor market and continues to be deeply committed to working with independent business people. Enclosed is literature on our different model sweepers and we stand ready to assist you in any way we can. Please call us with any questions you may have at 800-258-9626.