

## Report to the Canadian Renovators' Council

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February 24, 2011

### Alberta Renovation Environment

Renovators in Alberta are generally optimistic about the coming year with renovators in the south of the province reporting a strong January. Sales are reasonably level but the size of jobs are smaller. Start-up companies and new home builders doing renovation instigate price competition.

### Effect of Government Incentives and Policies

**Renovation Rebate Program:** Renovators across the province reported that the temporary Home Renovation Tax Credit had a very positive effect on sales. It was also an effective edge to help curb cash operators who are generally more involved in "smaller" renovation. However, when the rebate program ended, it seemed like the brakes were applied to renovation spending on smaller projects and produced a rebate "hangover". During the rebate period people rushed to take advantage of renovation rebates. After the end of the program, there was a lull in business as people waited to see if the rebates would continue. Renovators reported that small projects became a bit larger by clients increasing their renovation by the amount of the rebate. Renovators felt that a GST rebate applicable to all renovations and the rebate up to \$10,000 would push cash operators aside and increase tax revenues. If the rebate could be increased to \$15,000, it may generate 50% more attention. Renovators would support permanent tools or programs to combat the underground economy.

Renovators would like to see stricter standards for operating as a renovator to be implemented at the civic level.

**Distracted Driving Legislation:** Bill 16 is expected to take effect in the middle of 2011. While operating a motor vehicle it will be illegal to hold, view or manipulate a device that transmits or receives conversations, data, email, text messages or pictures. It will also be illegal to read, write, sketch or undertake personal grooming or hygiene.

Exceptions to the rules: Police or firemen or communicating with 911 operator or others in cases of emergency; CB radios if used for commercial purpose; GPS and MP3 players allowed if system gives audio directions rather than requiring driver to look at the screen. It is an offence to program the above mentioned devices while driving.

What is not prohibited: Eating and drinking while driving. However, it is presumed if you wipe the sauce off your chin, that would fall under the category of personal grooming.

### Marketing Tools and Initiatives

Smaller centres still rely on referrals, yard signs, follow up calls and even Yellow Pages. Web sites vary in their use across the province, but have proved to be powerful tools in the larger centres. Trade Shows tend to be more successful in the larger centres. One renovator noted that showcasing an "over the top" booth was a strategy they had used to attract a more serious consumer.

In Calgary, a local renovator has been getting a very positive response from a series of "How to Hire a Renovator" seminars that showcase the Renomark Program. These sessions were organized by the CHBA local in the past.

Renovators are being more stringent about qualifying customers. One renovator notes that he will send homeowners away to do some homework as a way to judge their level of commitment.

### **Renomark in Alberta**

The use and success of Renomark varies across the province. In Calgary, the Renovator Council actively promotes the Renomark Program and it has been the focus of a shared booth at their trade shows. Time slots need to be assigned to prevent overcrowding of the booth. Calgary's Renomark Open House Tour proves to be a very powerful marketing tool. All agreed that quality customers see the benefit if the program is shown to them.

CHBA – Central Alberta is attempting to revitalize Renomark in their area and is seeking information from the locals across the country as to what they are doing in their local markets. Most locals suggest CHBA compile a summary of ideas to share with provincial representatives. In some areas the locals encourage membership in the Renomark program to demonstrate professionalism. Some members would like a more clear explanation of how the program is used to "police" member renovators.

Some renovators have begun to use confidentiality agreements to stop their client bases and business strategies from being co-opted by employees that leave the company to start their own companies.

### **CHBA Support for Renovators**

Alberta associations vary in the strength of their renovator members which is related to the strength of the local Renovator Council. Members who volunteer within the renovation councils find the exchange of ideas and information of great value. Small centres are still largely unaware of CHBA resources available to them.

Builders find the Guide to Renovation Contracts very useful when promoting Renomark Renovators.

CHBA – Alberta plans a bi-annual conference call for its renovator members. This will allow renovators to share experiences and ideas across the province.