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June 2008 www.pumper.com \$5.00 U.S.



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On a jobsite in Hyannis, Mass., technician Paul Martin (left) and Bluewater CEO Dan Potter review paperwork. One of the company's Juggler trucks is in the background. (Photos by Jennifer Longley)



GREEN & Growing

By Ken Wysocky

For New England contractor Bluewater Septic, environmentally friendly processes point the way to business expansion

Dan Potter has seen the future of the septic waste removal industry, and it's colored green — as in environmentally friendly.

In fact, Potter is so convinced of this eco-friendly trend that he's built environmental sensibilities into every aspect of his year-old business, starting with its name: Bluewater Septic, headquartered in Needham, Mass. Then there's the company's marketing slogan, "Smarter. Cleaner. Greener." And last but not least, consider its fleet of state-of-the-art Juggler water-recycling trucks, which perform onboard dewatering of septic and grease-trap waste.

"I'm very passionate about this," notes Potter, Bluewater's president and chief executive officer. "I've got four daughters, so I'm very concerned about the future of our environment. Being 'green' is good for the environment and it's the wave of the future for this industry."

"Our company is based on giving back to the environment," he continues. "A Juggler truck costs about twice as much as a conventional pumper truck, but they're green. And that's a whole lot more important."

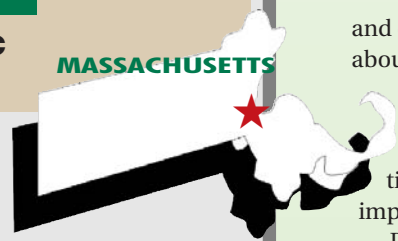
Potter's green streak stems from his years growing up in Minnesota, aptly nicknamed the "Land of 10,000 Lakes."

"I see water as the ultimate commodity," Potter explains. "It's a precious resource. That's why this water-recycling technology is so great — we're talking about saving millions of gallons of water a year."

Profile

Bluewater Septic
Needham, Massachusetts

MASSACHUSETTS



- Owners: Dan Potter and minority investors
- Years in business: 1.5
- Employees: 75
- Specialties: Commercial and residential septic tank cleaning and drain cleaning
- Service area: New England
- Web site: www.bwseptic.com

“YOU CAN CONTROL MORE SEPTIC TANKS, YOU CAN CONTROL MORE GREASE (TRAPS) AND YOU CAN OPTIMIZE ROUTES. YOU ALSO GET MORE NAME RECOGNITION — SIZE BUILDS ON SIZE — AS WELL AS BETTER DEALS ON HEALTHCARE BENEFITS AND OTHER PURCHASES. SURE, THERE ARE DISADVANTAGES TO BEING BIG, BUT WE HAVEN’T ENCOUNTERED THEM.”

Dan Potter

GROWTH SPURT

Bluewater owns almost two dozen Jugglers, made by Labrie Environmental Group, and will take delivery on a dozen more this summer. The trucks are the driving force behind the company’s aggressive plan to become the largest septic waste handler in New England. All the Jugglers currently owned are 2007 or 2008 models, most built out atop Freightliner 410s or 420s, Potter says.

The company also owns more than 30 2007 and 2008 Ford E-350 service vans, more than a dozen 2007 and 2008 Ford F-150, F-250 or F-350 pickup trucks, three 9,000-gallon Sterling tanker trucks and a half dozen backhoes.

“We’ve made about a dozen acquisitions in the past year and a half, and currently service customers in six New England states: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont,” Potter says. “In 2008, we plan to move into the Mid-Atlantic States — Virginia, North and South Carolina and the Washington, D.C., area — as well as Florida.

“We’re a full-service operation — everything from soup to nuts,” he adds. “Our primary focus is commercial and residential septic waste and drain cleaning, but we also do everything from confined-space and Vactor truck work to sewer jetting and cleaning grease traps.”

A former real estate development investor, Potter was introduced to the septic waste

industry when his attorney told him about a business opportunity on the East Coast. Potter liked what he saw.

“So I said, ‘Let’s raise some money and start buying up some companies and invest in equipment,’” he recalls. “We knew that we wanted to get bigger, and that we could do it quicker with an investment group.”

GAINING MOMENTUM

For acquisitions, Bluewater targets companies that make sense geographically — in other words, the East Coast — and that enjoy good cash flow.

“We’re not interested in companies that are just asset heavy — got a lot of trucks, but they aren’t moving,” he explains.

Is bigger better? Potter believes so.

“You can control more septic tanks, you can control more grease (traps) and you can optimize routes,” Potter notes. “You also get more name recognition — size builds on size — as well as better deals on healthcare benefits and other purchases. Sure, there are disadvantages to being big, but we haven’t encountered them.”

Size is allowing Bluewater to tap a growing trend in the industry: obtaining contracts with municipalities to perform regularly scheduled service for things such as septic tanks or grease



Account manager John Laliberte (right) and Dan Potter review a GPS map showing Cape Cod in the company’s Yarmouth, Mass., office. The technology constantly tracks service vehicle locations.

traps within its boundaries.

“This is a common and accepted practice in Canada, and it’s the way the industry is going to go here, too,” Potter asserts. “For municipalities, using a ‘one-stop shop’ means less administrative costs, plus regular cleaning of grease traps reduces the chances for clogged sewer lines.

“Also, through Global Positioning System data, we can provide an auditable trail to prove to the municipality that we did the work. Otherwise, companies say the tanks were serviced, but the municipality doesn’t know for sure.”

Bluewater’s bigger-is-better philosophy doesn’t mean Potter has no empathy for smaller mom-and-pop operations, he emphasizes.

GOING FOR THE JUGGLER

The Jugglers play a critical role in Bluewater’s growth plans. As the focal point of the company’s marketing efforts, the gleaming machines are featured prominently on the company’s Web site and all its direct-mail promotional materials, Potter notes.

During the pumping process, the Juggler filters out solid waste and returns water to the tank — water that includes bacteria that helps break down waste. The upshot is three-fold, according to Potter: the tank retains its ability to break down waste, the trucks don’t dispose as much water at treatment plants, and technicians can make more service calls per day.

In instances when water infiltration during pumping prohibits returning the filtered water, Bluewater disposes of the water at the plant like a traditional pumping job.

What do customers think of the Jugglers?

“The customer response has been tremendous,” he says. “They’re truly embracing this technology. The bottom line is if you can service septic tanks and do something for the environment at the same cost as before, then it’s a win-win proposition for customers.”



At the Yarmouth, Mass., regional office, Juggler trucks are lined up and ready to go. Potter says the trucks have an eco-friendly appeal when used to clean septic systems and restaurant grease traps.



Above, technician Paul Martin jets a septic system at a residence in Hyannis, Mass. At right, Martin hooks up a hose to the Juggler truck before pumping a septic system.



“IF WE CAN PROVIDE GOOD SERVICE TO CUSTOMERS AT A FAIR PRICE, AND AT THE SAME TIME HELP THE ENVIRONMENT BY USING LESS WATER AND LESS GASOLINE, AND MULTIPLY ALL THOSE BENEFITS AS OUR BUSINESS GROWS, THEN IT’S A WIN-WIN-WIN SITUATION.”

Dan Potter

TECH TALK

Bluewater also saves money by investing in high-tech equipment, like GPS units on all its trucks and a state-of-the-art dispatch center. The system allows the company to route trucks in the most efficient manner possible.

“It’s just like an air-traffic control center,” Potter says. “A 50-inch

Potter first saw the Juggler truck two years ago at the Pumper & Cleaner Environmental Expo International, and thought it would revolutionize the industry.

“The price scares a lot of people off, but I decided to jump on the opportunity,” he notes.

“Now, when we buy a new company, we ‘Jugglerize’ it — sell all the old trucks and buy new ones.”

The Jugglers require some special operational and maintenance training, Potter says.

“Specific maintenance differences (compared to a traditional vacuum service truck) revolve around the components that make the Juggler a Juggler, such as the self-cleaning filter system or routine greasing at the pivot points of the rear reel option,” he says.

SAVINGS AT THE DUMP

So how can Bluewater afford to make such large capital expenditures while still charging the same pre-acquisition prices?

“We don’t have to charge more. We make it up on volume,” Potter explains. “Plus, we save quite a bit on dumping fees by not disposing all the water a conventional truck would be carrying.

“Say, for example, that you’re paying 10 cents a gallon to empty your tank,” he continues. “If you service 20,000 gallons a day, but return 12,000 gallons back into the septic tanks, then you’re only paying to dump 8,000 gallons a day.”

Moreover, technicians can make eight or nine service calls a day as opposed to two or three, and make less frequent trips to the treatment plant, which saves gasoline and minimizes the time trucks spend on the road, which reduces emissions.

“A treatment plant can easily tie up a truck for an hour, and you’re burning fuel while waiting in line,” Potter says.

television screen shows us exactly where all the trucks are. So if we need a truck to respond quickly to a certain area, we can see that, say, truck No. 15 is nearby and will be off its job in 15 minutes. So we’ll send that truck to handle the emergency call. It’s just smart management.”

Every route driver also has a cell phone, and drivers are notified about route changes via text messages. Then the driver uses his GPS unit to determine the best way to get to the new destination.

Bluewater also runs a sophisticated marketing program emphasizing its eco-friendly approach to waste management. When Bluewater acquires a company, it sends out a direct-mail brochure to all existing customers. It also buys lists with the names of prospective customers in that ZIP code and contacts them via direct mail.

“We also have a sales staff that calls on large corporate accounts,” Potter adds. “They’re all embracing the ‘green’ technology. If you’re a restaurant, you want to be ‘green.’ If you’re Wal-Mart, you want to be ‘green.’ When they see that they can be green for the same cost, they’re all over it — they love it. It’s a no-brainer from a business standpoint.”

Potter says Bluewater’s goal is give customers no excuse not to use its services.

“If we can provide good service to customers at a fair price, and at the same time help the environment by using less water and less gasoline, and multiply all those benefits as our business grows, then

it’s a win-win-win situation,” he says. ■

MORE INFO:

Labrie Environmental Group/Juggler
800/463-6638
www.labriegrup.com

Benefits program attracts quality workers, boosts customer service

High-tech equipment isn’t much use if you can’t attract and retain quality employees to operate it. Bluewater Septic in Needham, Mass., solves that dilemma by offering its employees a top-tier benefit program, explains Dan Potter, president and chief executive officer.

“I like to give people a career opportunity, not just a job,” he emphasizes. “We offer the best benefit package in the industry, but the best thing our employees have is opportunity.”

As an example, Potter points to Bluewater’s recent acquisition of a company on Cape Cod. One of the employees of that company is now running that operation for Bluewater.

“Is everyone going to be able to do that? Probably not,” Potter admits. “But at least there’s an opportunity to do so.”

Potter believes Bluewater pays better than competitive wages for the region. The company also pays 80 percent of the cost of employee health insurance and offers a 401(k) retirement plan and paid vacation.

Providing great benefits for employees also leads to better customer service, Potter asserts.

“Our benefits allow us to pick from the cream of the crop of septic drivers,” he concludes. “It’s no different than a sports team that can pay more and attract better talent.”