

COVER
STORY

A camera and crawler owned by Flow-Rite Pipe & Sewer Services, manufactured by RS Technical Services Inc., is shown in a manhole about to enter an 8-inch sewer line. (Photography by Erik Daily.)

LOCKING IN A NICHE

A Wisconsin contractor creates a business foundation by delivering high-quality cleaning and inspection for smaller municipalities

By Marian Bond

Mike Happel, owner of Flow-Rite Pipe & Sewer Services, feels comfortable with his two-year-old business. He's in a position to serve both small municipalities in his area and to take care of dairy and hog farming operations — jobs that can mean calls at any time, day or night.

"I'm working primarily with municipalities with as few as 1,000 people, up to 50,000 in population," says Mike, whose business is based in Galesville, Wis., near the Minnesota border in southwestern Wisconsin. "Most of these

cities choose not to buy new and expensive equipment and hire more people, as long as they can get a good, competitive quality of work from the private sector."

Mike launched his pipe inspection and cleaning business by calling on various nearby cities, determining the type of and volume of work available, and then buying new equipment accordingly. There are many municipalities within the 150-mile radius he serves, including La Crosse (population 51,000) and Eau Claire (60,000).

Getting started

"Municipal wastewater treatment people told me that this was the thing to get into — that they had nobody local to call on for smaller jobs," says Mike. "Everyone bids for the very big jobs, but there wasn't anyone to do the small jobs." Mike charges by the hour and includes travel time.

Mike calculated that he would need \$75,000 worth of equipment, and he had estimates from three municipalities

for \$50,000 worth of business within the first year. "I needed to buy the latest in technology," he says. "I bought mostly new equipment."

He researched equipment sources through trade publications and contacted the manufacturers, several of which provided onsite demonstrations. The City of La Crosse provided a street where Mike held working demonstrations in a sewer pipe.

Mike chose a mainline pan-and-tilt camera and push camera for laterals, both from RS Technical Services. He bought a SRECO-FLEXIBLE 1,500-gallon capacity water jetter and installed it on his 1993 Ford 8000. The truck has a Myers pump that delivers 65 gpm at 2,000 psi.

Mike also has a 2005 Chevrolet 3500 Silverado Crew Cab one-ton pickup for transporting a 1990 trailer jetter from Sewer Equipment Co. of America, with a 750-gallon tank and Myers pump delivering 45 gpm/2,500 psi.

Diverse inventory

The inventory includes a selection of nozzles from Sewer Equipment Co. of America. "They have special nozzles for

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Mike Happel

things like ice or sand," Mike says. "They are expensive, but you have to have them." He credits the equipment for his success in cleaning problem lines. The new equipment also helps him keep up with the industry and make his service attractive. "Smaller municipalities just can't keep up with the changes, so they will hire the work out," he says.

"My focus is on the smaller communities, and doing a good, quality job," says Mike. "I can do these smaller jobs with good equipment for less than the bigger contractors with lots of equipment who have to charge much more to make the dollars turn around. A



Flow-Rite owner Mike Happel prepares to launch a SRECO-FLEXIBLE root saw.

P R O F I L E	
FLOW-RITE PIPE & SEWER SERVICES GALESVILLE, WIS.	
OWNER:	Mike Happel
YEARS IN BUSINESS:	2
SERVICE AREA:	150-mile radius
SERVICES:	Sewer line cleaning, video inspection
CUSTOMER BASE:	Municipal, residential, agricultural
EMPLOYEES:	1 (plus some part-time help)



lot of times they just won't come in to a smaller community."

Many problems Mike encounters involve root intrusion and broken pipes in older cities with aging infrastructures. "In the past, these problems have not been investigated," he says. "If a line plugged up, they would just unplug it, but never follow up. Now that I offer camera service, they are starting to do more inspection."

Flow-Rite shares 6,000 square feet of space at the shop of his brother David's business, Holmen Pumping Service in nearby Holmen, Wis. Mike runs Flow-Rite from his home in Galesville. He has one full-time employee, nephew Ryan Happel. His son Jared, 15, works in the summer and at other times when he is not busy with school. Mike's father, Robert Happel, who is retired, also helps when needed.

Mike sometimes borrows a vacuum truck from Holmen Pumping. He also subcontracts work to local plumbers and septic pumpers. In return, those businesses hire Flow-Rite as a subcontractor and refer Mike to customers.

Flow-Rite's challenges include being prepared for emergency calls. As a rule, while out on a job, he leaves the trailer-mounted jetter at the shop, where it is readily available on short notice. If Mike and Ryan are both tied up when an emergency call comes in, Robert steps in. Mike communicates closely with customers, ensuring that those needing routine service will tolerate delays when Flow-Rite must deal with emergencies. About 50 percent of their calls are for routine maintenance.

Agricultural niche

While the municipal side of the business prospers, Mike has developed another market niche in providing around-the-clock service to the area's huge dairy and hog farming complexes.

During the winter, when many pumping and cleaning operations slow down, Flow-Rite gets calls to clean plugged or frozen farm sewer lines. "Hogs are very destructive," says Mike. "They tear up buildings, and all that wood and iron and wire goes down into the pipes. Sometimes the pipes have not been buried deep enough and they freeze, or they are run in the rafters and they freeze. If you get solids in the lines, and they also freeze, they will not drain."

At the dairies, the important thing is "cow comfort." The operators use sand as a bedding material. "The cows drag the sand into the milking area, and it gets washed into the pipes and plugs them up," Mike says. "The farmers don't care, because they want the milk production from happy cows."

"Sand is clean and is highly sought after for 'cow comfort.' But it's not very good for the pipes. It's good for me. It



Mike Happel (right) and Jared Happel remove a camera from a manhole after an inspection.

pipe to clear away the sand and start the job.

As he worked, the jetter hose pulled rocks and sand into the lagoon. Whenever the water tank emptied, that meant a five-mile drive to town to get more water from a fire hydrant. The job took 14 hours.

A little diversity

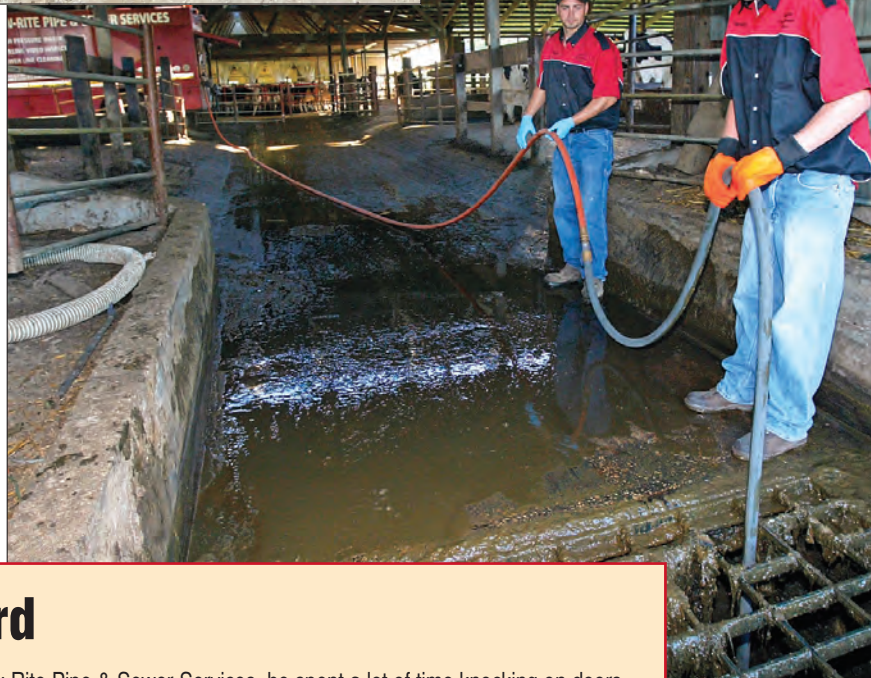
To keep things interesting, Mike has customers beyond the municipalities (75 percent of the business) and the farm work. One recent job involved an eight-year-old, 40-unit apartment building where residents had experienced many small backups in sinks and bathrooms. The plumber who provided regular service recommended calling Flow-Rite.

"All the plumbing pipes went down to the parking garage underneath the building," says Mike. "Grease would stay in those lines, and it would get hard. We jetted out every pipe in the entire building. The problem they have is that every pipe is four inches or smaller. Now they are on a two-year contract with us to clean the pipes."

keeps us busy year-round. This was something of a surprise. I was expecting a rest in winter, but I really prefer it this way."

On farm work, Mike relies on the Sewer Equipment nozzles and the SRECO jetter, which recirculates the water in the tank to keep it from freezing until he gets to the job, often a 60-mile ride.

On one memorable job, Mike took a portable jetter on a flat-bottom boat into a manure lagoon about 380 feet from the barn. The 30-inch pipe to the lagoon was about two-thirds filled with sand. He had to use a backhoe at the end of the



Ryan Happel (left) and Jared Happel use a SRECO-FLEXIBLE truck-mounted jetter to clear sand from a waste line on a large dairy farm.

Spreading the Word

When Mike Happel began promoting Flow-Rite Pipe & Sewer Services, he spent a lot of time knocking on doors, getting the word out about his equipment and services.

The word has spread, especially among smaller municipalities. Now, many ask to go on regular service contracts. For Mike, contracts are a good way to go. "If you want to upgrade your equipment, this is a definite advantage," he says. "You know where your funds will be coming from. A contract makes your business worth much more."

On a day-to-day basis, Mike keeps in contact with his municipal customers. "I'll call ahead of time — never pop in unexpectedly," he says. "I just spend a little time reminding them of what we have to offer."

As for his dairy and hog farm business, Mike says the farmers are pleased to have found a company able to keep things running smoothly on a daily basis.



Jared Happel (left) conducts an inspection, while Mike Happel looks on. Mike and his team purchased inspection gear from RS Technical Services Inc., and installed it in their own trailer.

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Mike Happel

More work is coming to Flow-Rite from new construction. Contractors call Mike to inspect right after an installation to get final approval from inspectors. “Surprisingly, there are small problems on almost every job,” Mike says. “It might be a bad joint, or a lateral pushed in too far. After my inspection, they can fix it right away before they go on with the project.

“In one case, the gas company had put a gas pipe through a 10-inch sewer line. This was in a new development.

We found that with the camera. Everybody was so excited and happy that we found it.”

Mike says the word about Flow-Rite continues to spread as customers see the quality of his work and the value of his services. “I started out wanting to clean any type of line,” he says: “residences, commercial buildings, farms, municipalities, all those things.” He is pleased with how the business is progressing. ■