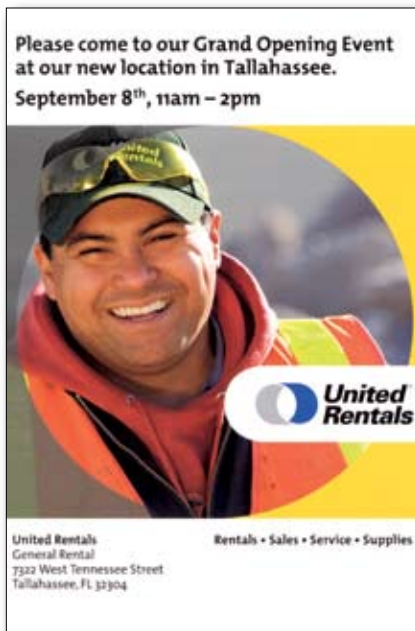


# Rental start-up

## How one United Rentals branch established itself in the Tallahassee, Florida, market

**J**ust what is involved in a rental branch start-up? One person to ask is Steven Nadelman, senior vice president of field operations, United Rentals, who oversaw the establishment of the company's 37 new branches in 2006, and will direct just as many this year.



An example of how the company approaches start-ups is its 11-month old facility in Tallahassee, Florida, population 264,000. "We felt the market would support our presence, which we validated with market data," Nadelman says. He says established customers from surrounding areas also asked the company to locate in Tallahassee, particularly since the nearest branch before the location opened was more than 100 miles away.

United Rentals also considered the surrounding areas that could be served with a Tallahassee store, including Thomasville, Georgia,

50 miles away. And of course, it examined established competition – three major players plus some independents. "We felt we were bringing to this market some things that weren't fully served before, including shoring and contractor supplies," Nadelman says.

With the decision made, the company then considered real estate, where the mantra is visibility, visibility, visibility. They decided on a former Mazda dealership on a prominent east-west road in the city. United Rentals bought the property in June, 2005. Converting it into a company branch involved several significant improvements, including putting all site utility wires underground and adding 3 feet to the height of the shop doors.

"It all starts with the property," Nadelman says. "If there's a build-out time or a certain date before we can get into an existing building then we calibrate everything around that. In order for us to meet our deadlines, the fleet has to be ordered long in advance."

### ESTABLISHING THE FLEET

"When we go into an area, it's usually with our standard fleet plan," Nadelman says. "We typically use strategic suppliers in our cold starts."

And so the Tallahassee rental location received a typical fleet, with one exception. "Our customers told us they need trench rollers to work in the clay of southern Georgia and northern Florida," comments Don Novin, Tallahassee branch manager. United Rentals also used a higher percentage of earthmoving and general equipment, since some

of the aerial market is covered by the company's specialty aerial division.

"We monitor closely how certain products do in a new area during the first year," Nadelman says, "and if we find something's not working, we'll move those items to other locations, and replace them with something that will. Sometimes we're surprised by what does and does not do well in an area."

Another important part of the mix is contractor supplies such as saw blades and hard hats. "We stick close to the market with our contractor supplies," Nadelman says. "We allow quite a bit of flexibility when it comes to our supply inventory."

### GETTING THE WORD OUT

Finally, the front doors open. But even though it's a national name in the rental business, United Rentals knew their work had just began.

"We'll do a sales blitz in the area," Nadelman says, "bringing in sales representatives from other areas throughout the district, and just introduce ourselves to the market, visiting various jobsites. We talk about what's on the job. It's probably one of the easiest cold calls you could ever make."

And when everything is running on all cylinders, the new branch takes the time to celebrate with an open house. "Our open houses include vendor tents," Nadelman explains. "At these events, our vendors are not just showcasing their wares, but also getting pulse of local industry preferences."

– Marcia Gruver