

# What's A Good Set-Up Worth?

By George Porter

According to the industry journals, in 2001 this industry sold just a little in excess of 4.75 billion dollars worth of homes. Each factory I speak to tells me that they generally try to allocate 2% of their gross to service work; however, most of them say, particularly in the case of multi-section homes, it's running 4% or more.

Using four as a figure, that means this industry spent 190 million dollars on service work last year, and that's only from the factory, not including what the dealer himself may pay out. It also does not include legal fees for either one of them.

Those factory service representatives say that of all the service complaints they get, 75% of them are set-up related. The homes aren't blocked right, or they aren't blocked enough, or they aren't blocked level, or they are sitting in a low spot with water under the foundation, or there is no foundation, or there aren't bolts in the roof in the right place, or bolts in the floors in the right place, if at all . . . and the list goes on.

So using that 75% as criteria, which means 142.5 million dollars, was spent by the manufactured housing industry as a whole last year to try and correct the problems of an improper installation. Now certainly, this figure will never, ever go to zero. Suppose it could be cut in half. That means this industry could have 71 million dollars to do something else with, besides reblock, relevel and realign already existing homes. All that's necessary is to have the installers understand what the engineers at the factories already know about the design and support of the structure, and have the engineers at the factory understand what the installers know about the practical side of getting it done.

All that's necessary here is communication and the reward would be at least 71 million dollars a year. Now what could we do with this kind of money?