



IAQ RADIO+

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Jeff Moore

**RIA President & and ATI President & Chief Acquisitions Officer
Restoration Industry Update**

Good day and welcome to IAQ Radio+ episode 758 blog. This week we welcomed back Jeff Moore, RIA President and ATI Chief Acquisitions Officer to discuss current events in the restoration industry and the Restoration Industry Association.

As President and Chief Acquisitions Officer for ATI, Jeff Moore drives the company's growth and spearheads key initiatives that focus on the future of the organization. His current role involves overseeing mergers and acquisitions and ensuring ATI's continued expansion. In his current role, Jeff leverages his industry expertise to identify growth opportunities, forge strategic partnerships, and expand ATI's footprint across the United States. By focusing on acquisitions and fostering a culture of innovation, Jeff propels ATI forward, consistently exceeding industry expectations. With his extensive experience and deep understanding of the industry, Jeff has successfully led ATI's steady growth through more than 15 acquisitions, positioning the company for continued success.

Nuggets mined from today's episode:

What are the short and long-term goals for your term as president? Better communication to both members and nonmembers, not everyone knows that RIA represents all restorers...not just owners...not just members. RIA hasn't been good at communicating our wins. RIA takes on industry challenges such as improving carrier relations. RIA created an insurance carrier taskforce. The insurance industry has been receiving bad press. Improving relations and reducing friction between carriers and restoration contractors. Carriers are trillion-dollar organizations.

What single RIA initiative is most important to you? According to Jeff, the #1 source of anger among restoration contractors is delayed payments. Delayed payments plague the industry. The combination of: outdated material pricing (30+ days old), slow payments (90 days+) and high interest rates (12%-36%) is an unwieldy burden for restoration contractors.

Canada has more insurance regulation than the US. In Canada, payments have been reduced from 90 days down to weeks. Payments over 30 days cause negative cash flows. Solving the delayed payment problem is more complicated in the US because we have more states and jurisdictions. Four states: California, Texas, Florida and New York account for 58% of claims. If we can move the needle, it will make a big difference.

There are 3 types of insurance claims: Healthcare, Auto and Property. In the healthcare field the patient can choose their pharmacy, shop prescription prices online, select generic drugs. In auto repair a Honda Civic is a Honda Civic, choice of new factory part, new aftermarket part, used part. In restoration there are 150 manufacturers of 3.25" base trim, different styles, finishes and prices. Others working in the property space such as consultants, industrial hygienists, also wait 90+ days for payment. And 90 days+ doesn't begin until after the bill is sent.

Do you feel working knowledge of association and industry history is important? Yes, history is important, you really need to know your wins and losses and learn from them. While we honor the past, this isn't the same RIA as it was when Jeff went on the board 15 years ago, or when Cliff was president 24 years ago.

Why should a restoration firm join RIA? As a business owner Jeff knows that business decisions are financially driven and must provide ROI. RIA is the only association that is for restorers by restorers. RIA is committed to making a positive difference in members businesses. RIA has negotiated member discounts with Sunbelt for equipment rentals, on Xactware estimating software, etc. Comradery, networking, long term friendships, etc. RIA wants to widen its positive impact on restoration firms from the bottom up.

Attracting young restorers. In conjunction with Michelle Blevins (and her C&R Magazine) RIA created an Emerging Leaders program to honor 40 people under the age of 40. While concerned that they wouldn't receive enough entries, after receiving over 100 they narrowed the field down to 6.

Are 3rd parties pulled in on many of your projects? While less common elsewhere, on California wildfires it's common to encounter 3rd parties such as industrial hygienists on projects. Jeff's preference is to see an industrial hygienist on these projects. Industrial hygienists are less prevalent on structure fires.

How is Ai being used in the restoration industry? Automation on estimating, automation of paperwork from the field upward, talk to text, job updates on a day-

to-day basis, special overview Matterport®, etc. By shortening delays, estimating, communicating and validation is faster. In the auto repair industry 80% of estimates are done using Ai photos and videos.

How does ATI use Ai? ATI is shifting away from people and to bots. The ATI website has a standard list of common questions which are answered by bots. ATI is using Ai to assist in estimating and automating field paperwork. Human interaction is needed to input old school tribal knowledge.

Staffing? A current trend among young people is entering the trades rather than attending college. Tradesmen can make a good living.

ATI uses a combination of in-house staffing and also relies upon subcontractors and 3rd party temporary services to provide skilled tradesmen and general labor for projects.

Fear of deportation is putting stress on the working class. Out of fear, even legally documented employees are afraid to do certain tasks and carry their passports with them as additional identification. ATI requires subcontractors and 3rd party labor providers to acknowledge their adherence to governmental employment rules and regulations.

The RIA/IICRC relationship? According to Jeff the RIA/IICRC relationship is solid and getting even better.

Government Affairs? RIA and IICRC are cooperating on advocacy and lobbying. IICRC's Director of Government Relations sits on RIA's taskforce. 2/3s of the IICRC board attended the RIA convention. With an experienced lobbyist who worked 20 years for FedEx, some AGA funds and a few volunteers they were able to kill 6-12 consumer protection bills which threatened restoration contractors. RIA partnered with SERVPRO® who provided guidance in selection of software to track bills, algorithms, and search words. For example, 3 Day Cancellation Notice bill whereby, a customer could cancel the contract without penalty for emergency services after the emergency services were completed. There are legal precedent cases supporting the 3 Day Cancellation Notice after emergency restoration work was performed. RIA seeks an exemption for emergency services. Another example is a Texas bill that was killed requiring that the State be notified of every claim and that the contractor does the job for the amount the insurance carrier agreed to pay.

Additionally, RIA has synergies with CoreLogic and Totality who also have lobbyists.

There are 2 types of firms who do disaster restoration work for insurance companies: those who work with insurance companies and those who don't. Those who work for insurance companies find it more stressful and contentious because younger claims adjusters lack industry related training and experience. Insurance carriers want to pay only what is fair and reasonable.

What is the biggest issue? The biggest issue for restoration contractors is communicating with insurance carriers and the biggest issue for insurance carriers is communicating with restoration contractors.

What about pricing? Pricing is always contentious. Pricing in software data bases needs to be updated much more frequently. Estimating programs are 30 days behind in pricing and this can be a huge problem due to unanticipated price increases. The US gets significant amounts of its lumber from Canada; imagine the effect of tariffs on pricing.

Regional events? RIA has scheduled fall seasonal regional events which are more economical for members in proximity to attend. These regional events will be hosted by members and will feature educational programming and the opportunity for facility tours.

RIA Chapters? RIA has in the past and is considering chapters. The issue is what do RIA members want RIA to do and invest money on?

Jeff Moore's Final Comments:

- Making RIA membership affordable, join for only \$299
- 2025 RIA convention surpassed all goals.
- Private equity investment into the disaster restoration market while still occurring isn't as brisk as in the past. Jeff predicts 2026 and 2027 will surpass 2025.

Z-Man signing off

Trivia: The predecessor of RIA was the National Institute of Rug Cleaning (NIRC); in 1946 when NIRC was founded, how many founding members were there?

Answer: 10 Sorry there was no correct answer.