
THE FINNING

START-UP GUIDE

HOW TO START YOUR OWN SNOW REMOVAL COMPANY



EQUIPMENT & ATTACHMENTS EVERY SNOW REMOVAL COMPANY SHOULD OWN

FINNING 

INTRODUCTION

While the last couple of years have brought challenges like labour shortages and supply chain delays, business continues to grow for landscape entrepreneurs. Over the last five years, the market size of the landscaping industry in Canada has grown an average of 5% per year, increasing faster than the economy overall. And in 2022 alone, landscaping is expected to become nearly a \$14-billion industry. A big part of this growth can be attributed to the growing number of landscaping companies who are extending their seasons by offering snow and ice management services during the winter months.

Whether you've just launched your landscaping company or you're a landscape veteran, you know how busy things can get during peak season. Although you'll have a lot on your plate already, you may want to consider diversifying your business to take on snow and ice management services to remain profitable throughout the calendar year.

'The Finning Start-up Guide' is a series of discovery articles that dive into the industries that matter most to equipment operators and entrepreneurs. This guide will help you convert your common landscaping equipment into a full-service snow and ice management business. It will also help you decide which equipment and attachments to select for year-round productivity, cover some of the reasons why owning or renting equipment makes sense for your company, and offer tips on how to do both from a Finning branch near you.

THE PRIVATE
SNOW & ICE MANAGEMENT INDUSTRY
IN CANADA IS ESTIMATED TO BE WORTH
\$4.7-BILLION



ASSESSING THE OPPORTUNITY

In 2020, Statistics Canada determined that there were more than 23,000 landscaping service businesses from coast to coast and, of them, 99.6% were classified as small businesses with less than 100 employees (Government of Canada, 2019). This clustering helps to identify the patience and perseverance needed to scale within the industry. The majority will be capped as a 'small business', with only a select number encroaching upon enterprise status. However, that doesn't mean that there's enough pie (or profit) to serve everyone. Within the same Statistics Canada summary, 80.1% of these businesses are deemed profitable, proving that even a small business can be a fruitful venture. So, for those bold enough to brave the odds of entrepreneurship, what's next? Well, first and foremost, a business plan is best. This uncovers opportunity, documents potential, and guides the foundational years of growth. But, for the purpose of this start-up guide, we'll focus more on how to get up and running in the snow and ice management business.

IN 2020, THE
AVERAGE REVENUE
FOR LANDSCAPING COMPANIES WAS
\$441,800



DIVERSIFYING YOUR SERVICES

Just as we've already hinted, competition within the landscaping industry is heavily saturated, but especially so in urban areas. So, in order to remain competitive and profitable throughout the year, it will be important for you to consider offering snow and ice management to your growing list of services.

But there's a catch: winter is unpredictable, meaning there's no surefire way to know if the cold weather will deliver consistent snowfalls. Luckily, the Canadian Farmers' Almanack predicts that "2022-2023 will be remembered as a time to shake, shiver, and shovel—a winter season filled with plenty of snow, rain, and mush as well as some record-breaking cold temperatures!".

Still, this is a seasonal business, and a competitive one at that. You should strategize in advance to capitalize on the opportunity, minimize downtime, and be prepared for a cash flow crunch.



THE TOP 10 CONSIDERATIONS TO GET

YOUR SNOW & ICE COMPANY STARTED

Snow in Canada stays on the ground for an average of four months per year, slowing down traffic, causing slip and fall injuries—and typically generating four months of reliable, ongoing demand for snow and ice management services.

If you're thinking of starting a snow and ice management business or looking to expand your existing landscaping service offerings, here are 10 steps you'll need to plow away the competition.

1. Set a vision

What's your end goal? Will you launch a small sole proprietorship to create an additional income source for your family? Or will you incorporate and grow to dominate the snow and ice management industry as a large commercial enterprise? Understanding the big picture will help you prepare the right paperwork to start your business. Understanding scale will also help you make financial projections about the investment needed to get your business off the ground.

2. Target your market

Who do you want to serve? Do you see yourself as a residential, commercial, or even an industrial snow and ice management business? Will you take on small projects like individual driveways or exclusively go after larger government and commercial contracts? Knowing your target market will help you start your business with the right insurance, equipment, and marketing messages.

3. Prepare the legal side

As soon as you drop a plow on the ground, you've taken on liability for the people, vehicles, and infrastructure around you. Damaged property or even a slip and fall accident could put your business at risk. But the right insurance can protect you. Insurance can also help you score jobs—in fact, larger snow and ice management contracts will require that this paperwork is in place.

4. Get the right equipment

Different jobs may require different equipment. Can the snow stay on-site or do you need to remove the snow off-site? Choosing the wrong equipment can also be a liability; for example, is a Skid Steer or Compact Loader more efficient? Is a broom better than a bucket or a blade? Understanding the types of jobs you plan to take on will help you determine what equipment you need when you start your company.

5. Plan labour

As your snow and ice management business grows, you'll need to ensure you have operators in place to handle the jobs. But, before you rush to hire, think about your scaling options. Maybe you can scale up with one piece of equipment that can do the job of many. Think of a mall as an example: a mall has a large number of sidewalks and building entrance-ways that need to be cleared. While a Skid Steer is a great piece of equipment to have on hand, in this case the large size of the plow could risk damage to the property—so a crew and some shovels would need to get the job done instead. But, if you have a utility vehicle with a plow on the front and a salt spreader on the back, it's small enough to fit down the mall sidewalk and not cause any damage. In this case, the right equipment can save time, labour costs, and keep everyone dry!

6. Make contingency plans for breakdowns

Breakdowns can happen, especially in extreme weather conditions. Will you be prepared to deliver on your snow and ice management contracts and avoid penalties if a malfunction happens? Many equipment partners can help you put backup plans in place. For example, Finning has a 24-hour parts service that can provide you with a replacement part ASAP to help get your equipment up and running. Don't let a breakdown leave you out in the snow!

7. Scale

What if you have the opportunity to book a few extra jobs but lack the equipment? Or, your business is growing faster than the cash flow needed to invest in new machines? One efficient way to scale is by supplementing your fleet with rental equipment. A partner like Finning that sells and rents snow and ice management equipment can help you build up a repertoire of rentals you can turn to in a pinch.

8. Digitize

Everything is connected these days—and your equipment can be too. A connected fleet allows you to track the location of your equipment and efficiently plan when it needs to be serviced. For example, when you log in to cubiq.com you can see: where your equipment is on a map, and for some models, the fuel levels, hours, engine status, and more.

9. Build your brand

Think about how you want your business to be perceived by your customers and document it. Are you fast, reliable, friendly, family-run, industrial, low cost, or high end? This overall brand touches everything from the look of your logo and business materials to the consistent processes your operators follow, to the quality and brand of the equipment you bring to your job sites. For example, when customers see Cat® equipment's recognizable yellow logos on your job site, this can help signal quality by transferring some of the brand equity from this leading equipment brand to your startup.

10. Find the right partners

The right partners can help you get set up for success and troubleshoot challenges along the way. When you start a snow and ice management business, build up your support network of partners in these key areas: legal, accounting, insurance, financing, equipment, and even business software to help you keep track of jobs and invoices. A helpful way to grow your partnerships, network, and resources is by joining snow and ice management industry associations such as SIMA and your local landscape association.



SCOPING IS JUST AS IMPORTANT AS PLOWING

In this business, there are many moving pieces (both literally and figuratively). However, knowing how to operate equipment doesn't automatically qualify you as a business owner. Your ability to manage operations, control costs, and generate margin might be among the many skills that you need to sharpen if you are to succeed.

From day one, your profitability will hinge on your ability to estimate jobs accurately. In fact, the term 'estimate' is somewhat misleading because scoping requires a calculated approach. It starts with understanding your owning and operating costs and then site visits to do a physical inspection of the requested work and to have a detailed discussion with the client of expectations. Beyond understanding their needs, you'll need to anticipate unforeseen challenges of the job that might compromise the cost of equipment, materials, and labour.

PRICING MODELS FOR CONTRACTORS TO CONSIDER

FIXED PRICE

This is a single quote that covers all costs and it's easy to manage because it's one lump-sum payment. However, it's easy to underestimate what a project will cost, so when preparing a fixed price, it will be critical to consider unexpected scenarios.

COST PLUS

This is an agreement where the client covers the total cost plus profit. It requires the client to assume more risk and, in turn, protects the landscaping contractor from unforeseen circumstances.

TIME AND MATERIALS

This is a hybrid approach that bills the total cost of labour and materials as the project unfolds. Some expenses might be fixed ahead of time (i.e. materials), while other expenses might be variable (i.e. labour). Margin is typically included within the hourly rate.

THE TOP EQUIPMENT FOR SNOW & ICE

MANAGEMENT COMPANIES

To find and maintain success in the offseason, you should have high-quality and reliable equipment readily available for those difficult winter jobs. Access to the right equipment and when you need it allows you to execute your projects with efficiency and deliver services on time.

From Wheel and Backhoe Loaders to Skid Steers and Compact Track Loaders plus a wide variety of snow-specific machine attachments, Cat® has a vast selection of equipment designed to meet the needs of any ice or snow-moving job, regardless of size. And with dozens of specialized work tools to choose from, Cat can help you build a versatile machine capable of performing just about every task, no matter how bad the conditions are outside.



CAT® SKID STEER LOADERS

Small, fast and easy to manoeuvre, Cat Skid Steer Loaders are the ideal machines for removing snow in a hurry. They're easy to transport, allowing workers to move between projects quickly, without the need for a large trailer.

Cat Skid Steer Loaders are also compatible with a wide variety of work tool attachments, enabling them to handle a wide range of winter tasks.

Cat Skid Steer Loaders are built on a rigid frame, which makes any terrain easily traversable. Surprisingly powerful for compact equipment, they have up to 110 horsepower with a total load capacity of up to 3,700 pounds.

Available with wheels or tracks, as well as heated cabs to keep operators warm, Cat Skid Steer Loaders will allow you to work in any of the conditions you operate in.



CAT® WHEEL LOADERS

When you're dealing with large volumes of snow, a Wheel Loader can make a big difference. Due to their size and the high degree of visibility they offer, Wheel Loaders help you get the job done quickly and safely.

Like tractors, Wheel Loaders ride on large, rugged wheels and tires that provide optimum grip and stability and have an ergonomic cab for maximum visibility.

Cat Wheel Loaders offer reduced vibrations and a smooth ride, providing comfort for those long hours on difficult projects.

The compact version of the Cat Wheel Loader can accommodate companies that serve the residential and small commercial markets.

With a universal coupler, the Wheel Loader's front bucket can be swapped out for other specialized tools, including blades and snow blowers.



USING YOUR PICKUP TRUCK

One of the most common pieces of equipment every contractor already owns is a medium-duty pickup truck. You can modify your pickup truck to offer a range of snow and ice management services by mounting a snow plow package to the front frame to push and remove snow, or by mounting a tailgate salt and sand spreader to your cargo bed to prevent snow from sticking to the pavement.

Make sure you confirm with your truck's owner's manual, your suppliers, and your service technician that you meet the GVWR (gross vehicle weight rating), front axle, and rear axle towing and payload capacity to safely upfit your truck for snow and ice management.



THE TOP ATTACHMENTS FOR SNOW

& ICE MANAGEMENT COMPANIES

The right attachments can transform your equipment into multi-purpose machines that perform a wide range of tough tasks, from clearing vegetation and hauling landscape material to removing snow and ice.

Read on for a few essential attachments that every snow and ice management company should own.

THE DIFFERENCE BETWEEN STRAIGHT AND V-BLADE PLOWS

Cat® Straight Blades are the most common attachment for clearing small side streets and alleyways to roads and major highways. They can be angled hydraulically to divert snow as you push and straightened back when you're ready to pile.

Cat V-Blades are even more versatile than our Straight Blades. They can be angled into five different configurations, including a V-cut to break through deep snow banks and hard-pack snow, and a scoop blade to carry and pack the snow into corners

CAT® SNOW PLOWS & BLADES

With their ability to perform a wide range of snow clearing jobs in tight spaces and long passes, Cat Snow Plows and Blades are easily one of the most versatile snow and clearing attachments.

Cat Snow Plows and Blades move large quantities of snow with efficiency by using the windrowing action (stacking in rows) to clear snow from roads. Cat Snow Plows and Blade attachments have two edges that cut through snow and follow surface contours.

Ideal for clearing any paved surface, including highways, streets, driveways, and parking lots, Cat Snow Plows and Blades can be hydraulically angled to cast snow off to the side as you push and be straightened once you're ready to pile.



CAT SNOW PUSHERS

Cat Snow Pushers move large quantities of snow with efficiency. Designed to capture, contain, and displace the maximum amount of snow in a single pass, Cat Snow Pushers offer superior productivity.

Cat Snow Pushers are designed to roll and fold snow with their profiled moldboard, allowing you to push and collect more snow in a less time. And because Snow Pushers are boxed on both ends of the plow, the snow is contained within the attachment, as opposed to rolling the snow off to the side.



CAT BUCKETS

Cat Buckets are ideal for smaller jobs, like stacking snow into a pile, loading snow for off-site removal, and spreading salt or sand in spaces too tight for larger spreaders.

Cat Buckets should not be used for pushing or plowing snow along paved surfaces because the cutting edge can easily catch onto a crack or part of an uneven surface and tear up a chunk of the pavement, causing significant damage.



CAT® SNOW BLOWERS

Cat Snow Blowers clear snow from streets, parking lots, and large driveways, making them an essential tool for winter landscaping services.

Cat Snow Blowers have an adjustable, rotating chute so that you can blow snow off to either side or into a pile directly in front of you. They also include a two-stage design for fast and consistent snow removal: an auger to first break up the snow, and then a fan-style impeller which provides smooth, continuous flow through the chute



CAT BROOMS

For light snowfalls (less than six inches), Cat Brooms can make quick work of removing snow from parking lots, sidewalks, and large driveways.

Cat Brooms can be used year-round, ideal for clearing leaves, dirt, gravel, and other debris, making them an essential tool for municipal and light commercial landscaping jobs.



CAT LIGHTING PACKAGES

Cat Lighting Packages provide visibility when manoeuvring around in difficult conditions and make it easier for you to be seen by pedestrians and drivers.

Cat Lighting Packages include LED headlights, flood or spotlights, light bars, strobe kits, warning beacons, directional arrow sticks, and heating elements to prevent snow or ice buildup. You may also want to consider adding a siren to make sure people keep themselves at a safe distance away from your machine in low-visibility conditions.



SAND & SALT SPREADER

Sand and Salt Spreaders are one of the most common add-ons for pickup trucks. Most Spreaders can carry salt, sand, or a mixture of both, offering versatility to tackle all kinds of snow and ice removal jobs.

PRE-WET & SPRAYBAR

Pre-wet and Spraybars are other popular pickup truck attachments. Using a combination of water and salt to form a brine solution, Pre-wet and Spraybars prevent snow from sticking surfaces, while using a significantly less amount of salt compared to Spreaders alone.



WINTERIZING YOUR EQUIPMENT

Before the temperature drops below 9°C, you'll want to make sure your Skid Steers, Wheel Loaders, and other compact equipment are prepared to last and run efficiently throughout winter. Follow these simple steps to winterize your equipment:

- Drain your sump and refill with a cold temperature engine oil.
- Drain your hydraulic system and refill with a cold temperature hydraulic fluid.
- Inspect your hoses and fittings.
- Inspect your belts and pulleys.
- Do a visual inspection of your undercarriage, tracks, and tires.
- Check your battery's CCA rating.
- Check your CCV heater elements.
- Test your cab heater.
- Re-grease all grease points with a cold temperature grease.
- Check the freezing point of your coolant.
- Keep your fuel tank topped up with winter fuel.
- Keep an eye on your DEF.
- Make sure your machine has strong lighting for dark and snowy conditions.

You can always call your local [Finning Service Branch](#) to bring your equipment in for our winterizing service.



THE BENEFIT OF WORKING WITH A CREDIBLE DEALER

If you're thinking of starting a Snow and Ice Management company, chances are you already have a proactive mindset. You're likely the type of person who anticipates challenges before they occur and looks for opportunities to improve your efficiency.

With regard to the tools that can empower your success in this lucrative but seasonal industry, the decision to rent and to buy will always be a delicate balancing act. While your search for equipment doesn't need to be exhaustive, it does require a certain amount of due diligence to ensure that your money is well-spent.

Reach out to your local Finning experts if you're not sure which equipment is right for your operation. Our team is experienced with snow removal requirements and can help you decide which pieces will make the greatest positive impact for your new business. Or, visit Rental Point—our online portal for The Cat® Rental Store—to view snow removal equipment and attachments, and get an accurate quote.

The value of working with a credible dealer can go a long way. Not only can you leverage our extensive product knowledge to help narrow your decision, but with our rental division, you can also test Cat equipment and attachments without the all-in cost.

Finning partners with start-ups and small businesses across Western Canada to supply and support their ambitions of growth and success. Our dealer services can help you select the right size and type of equipment for any job you face.

With locations across Western Canada, there's a make and model always at arm's reach.

Finning is the world's largest Cat dealer, selling, renting, and providing parts and service for equipment and engines to customers across diverse industries, including mining, construction, petroleum, forestry, and a wide range of power systems applications. We operate in Western Canada, South America, and UK and Ireland.