

THE MAN WHO USED TO TRUST SEARS

Sears Garage Door invoices raise concerns

By Tom Wadsworth, Editor, Door + Access Systems

85-year-old Marty Cepielik of Pasadena, Calif., loved Sears. Back in the 1960s, he worked at the Sears store on Santa Monica Boulevard in Los Angeles. He knew their customer relations policies and their guarantees. Over the years, he often purchased tires, auto service, clothing, shoes, gifts, appliances, and TVs from Sears.

"It was a company I could trust," he told us.

But all that changed on Dec. 7, 2017, when his old garage door opener wasn't working right. Trusting the Sears name, he went to his local Sears store and bought a new opener and paid an additional \$135 for installation. Sears Garage Solutions then sent a technician to install the new opener.

About Sears

In case you haven't heard of them, Sears Garage Solutions is a new national chain. Between 2009 and 2014, Sears advertised in our industry magazines, signing up new franchisees from coast to coast.

The company's consumer website is www.searsgaragedoors.com, and they operate under the umbrella of Sears Holdings, a multi-billion-dollar company headquartered in Chicago. They reportedly have 60 garage door franchises around the country, and their annual revenue is around \$45 million.



Marty Cepielik

The "Gold Package"

When the Sears technician arrived to install the opener, he announced that the door's spring and another part were broken. But good news: Sears was having a special. Marty could get the "Gold Package" hardware overhaul that included two springs, a torsion tube, two bearing brackets, a center bracket, 12 rollers, and two cables for only \$1,299.

Marty said that he couldn't afford that, but the installer offered a payment plan. So Marty accepted an invoice from Sears (at right) "because I didn't know of any garage door people, and I trusted Sears."

"Taken advantage of"

But that evening, when Marty's daughter and family found out what he had paid, they thought the charge was "outlandish" and that Marty had been "taken advantage of." So, the next day, Marty called Ed Ziolkowski, the owner of the company who had installed Marty's opener 23 years ago.

Ziolkowski, a 42-year garage door veteran, has owned three garage door companies in his career. He told Marty, "You should not have paid over \$550 for the complete job." Ziolkowski told us that a completely new door and opener, installed, should cost less than \$1,299. Instead, Marty got only hardware, much of which he didn't need, for \$1,299.

Sears invoice #1

Soon thereafter, Marty learned about Door + Access Systems magazine and our reports about "Bad Bobs" who take advantage of customers, and he learned about the GDS garage door technician in California who was convicted of four felony counts of elder financial abuse.

On Jan. 3, Marty called me, and I asked him to send me his invoice. Since I'd never heard of problems with Sears, I dismissed it as a fluke. Perhaps, I thought, it was one rogue technician who had learned the "Bad Bob" way of doing business.

sears HOME SERVICES Toll-Free (818) 312-3747 Fax: (818) 688-3167 www.searsgaragedoors.com

Service Type: [] Date: 12/7/2017

Checked and OK at the time [] Requires immediate attention []

Technician: James

Customer: Mr. Martin Cepielik Jr.

Address: [] Pasadena State: CA Zip: 91107

Phone: []

Model #: [] Qty: 1 Time: [] Labor: []

DESCRIPTION	DESCRIPTION
1 Gold package	1,299.00 \$1,299.00
2 spring	
1 torsion tube	
2 bearing brackets	
Center bracket	
12 rollers	
2 cables	
1 Take down of stack door	50.00
SUBTOTAL	\$1,299.00
COUPON	
Total	\$1,299.00

Hardware: [] Cables [] Springs [] Drums [] Rollers [] Pulleys [] Bearing Plates [] Safety Cables []

Operator: [] Remote Control [] Control Panel [] Keypad Entry [] Metal Gear [] Photo Eyes [] Safety Sensors [] Chain-Belt Tension []

I understand the recommended repairs made by my SEARS garage solutions technician, which may cause issues when riding my property.

Customer Signature: [] Date: []

Payment: [] Cash [] Charge [] Check # [] Di. P. [] VISA [] MC [] AMEX [] SEARS [] DISCOVER

CC Holder Name: Martin J. Cepielik Account: []

Expiration: [] OVI: [] Auth. Code: [] Financing: 12 Mo 0% Interest TOTAL: \$1,299.00

Parts: [] 90 Day [] 1 Year [] 2 Year [] Other: []

Labor: [] 30 Day [] 60 Day [] 1 Year [] Other: []

12/7/2017

Sears invoice #2

Then, on Feb. 6, a longtime industry veteran texted me a Sears Garage Solutions invoice from Waldorf, Md. He knew nothing about Marty or about my new interest in Sears.

On the invoice (at right), Sears had charged the customer \$500 for 20 rollers on two doors (that's \$25 per roller), \$300 for a tune-up on two doors, \$60 for two (cans of?) "spray lube," and \$1,200 for two 1/2-HP chain-drive openers. The total was \$2,184.

Chad Sulhoff of Calvert Doors, a nearby competitor in Lusby, Md., told us that he thought the invoice was "terrible." Calvert Doors charges \$4 to \$5 per roller for the high-end nylon rollers, and he said that the "spray lube" would have been included in his tune-ups. For all the same parts and service, Calvert Doors would have charged \$955, which is \$1,229 less than the Sears invoice.

So now I had two questionable invoices from Sears—one from the West Coast and one from the East Coast. I was beginning to wonder if this wasn't a fluke.

Sears invoice #3

Then, two weeks later, on Feb. 21, Matt Till of Mattador in Uxbridge, Mass., sent me a Sears invoice given to a local senior citizen on disability. Matt also knew nothing of my recent experiences with Sears.

The Uxbridge invoice (at bottom right) charged \$220 for 10 rollers, \$220 for two extension springs, \$60 for two safety cables, \$90 for two lift cables, \$190 for two pulleys, \$389 for a 3/4-HP belt-drive opener with Wi-Fi, and \$175 for labor. The total (with tax) came to \$1,423.44.

Mattador prepared a formal estimate for the same parts and services. His invoice came to \$721.11, which is about half of the Sears invoice.

That made three Sears invoices in only seven weeks—from three completely different markets. One came to me from a homeowner, one from a manufacturer, and one from a door dealer. And I rarely receive invoices to homeowners!

It was time to contact Sears. So, on Feb. 23, I emailed all three invoices to Yvonne Solomon, my customer service contact at Sears. I noted, "Assuming that Sears would like to protect the reputation of its name, I wanted to bring these to your attention."

Sears responds

Yvonne quickly replied, noting that they were at their national convention in Cancun. She was eager to set up a conference call after their convention, and she said that Larsen Sharp, the president and CEO of Sears Home & Business Franchises (Lewis Center, Ohio), wanted to be on the call.

On March 2, however, it appeared that the phone call had been cancelled. Instead, I received an official email from Larry Costello, the PR director for Sears Holdings at the corporate office in Chicago. He said, "At Sears, the satisfaction of our members is our top priority, and our company is proud to hold an 'A' rating from the Better Business Bureau."

SALES INVOICE

sears
GARAGE SOLUTIONS
searsgaragedoor.com
844-4MY-DOOR
844-455-5447

ORDER # [REDACTED]
REORDER # [REDACTED]
DATE [REDACTED]
TIME [REDACTED]
CONTRACTOR [REDACTED]
CONTRACTOR LICENSE # [REDACTED]

Name: [REDACTED] State: [REDACTED] Zip: [REDACTED]
Street: [REDACTED] City: [REDACTED] State: [REDACTED] Zip: [REDACTED]

Estimate Request: [REDACTED] Email: [REDACTED]

GARAGE DOOR MODEL
 TRAD PLUS MAX STEEL GARAGE TRIM GARAGE WOOD

DOOR SIZE
 W: [REDACTED] H: [REDACTED] QTY: [REDACTED]
 12: [REDACTED] 16: [REDACTED] 20: [REDACTED] 24: [REDACTED] 30: [REDACTED] 36: [REDACTED] OTHER: [REDACTED]

DOOR DESIGN
 WOOD METAL OTHER: [REDACTED]

TRACK & HARDWARE
 1" RADIUS 1 1/2" RADIUS 2" RADIUS
 1" RADIUS 1 1/2" RADIUS 2" RADIUS
 LOW HEADROOM FRONT REAR
 EXT SPRINGS OTHER: [REDACTED]

ENTRY DOOR SYSTEM
 ENTRY DOOR ENTRY DOOR ENTRY DOOR

GARAGE DOOR OPENER
 RECONNECT EXISTING OPENER EMERGENCY RELEASE

MODEL # [REDACTED]
 TYPE: [REDACTED]
 RAIL LENGTH: [REDACTED]

QTY	PART #	DESCRIPTION	PRICE EACH	TOTAL
20		NYLON ROLLERS ON 2 DOORS	25.00	500.00
2		GARAGE DOORS	150.00	300.00
2		TUNE UP	30.00	60.00
2		SPRAY LUBE	60.00	120.00
2		1/2 HP CHAIN	600.00	1200.00

Subtotal: 2184.00
 Tax: 184.00
 Total Project Cost: 2368.00
 Deposit: [REDACTED]
 Amount Due: 2184.00

Phone: [REDACTED] Date: 2/16/17

HOW ARE WE DOING?
 Please take a moment to respond to our brief customer survey by logging onto www.searsgaragedoor.com/survey

PAYMENT Amount \$ [REDACTED]
 Check ID: [REDACTED] Cash
 Sears Visa MC Amex Discover Sears Gift Card
 Account # [REDACTED]
 Exp. Date: [REDACTED] Authorization code: [REDACTED]

"This message applies to door-to-door sales only: You, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. See the attached notice of cancellation form for an explanation of the right."

sears
HOME SERVICES
Phone: 877-331-DOOR (3667)
boston.ma.garage@searservices.com
www.searsgaragedoor.com

Job Information
 Order #: 415284 Date: 2/21/2018
 Technician: Corey
 Name: [REDACTED]
 Address: [REDACTED]
 City: Uxbridge State: MA Zip: 01569
 Phone: [REDACTED] Alt. Phone: [REDACTED]
 Email: [REDACTED]

SAFETY CHECKLIST
 Checked and OK at this time In Sears area, date of job

DOORS
 Drive Balance Shuts Bottom Seal (Shutlug)
 Springs Hinge Panels

HARDWARE
 Cables Pulleys
 Springs/Chains Rollers
 Weather Strips Mounting Plates
 Safety Cables

OPERATION
 Boom Trolley Control Panels
 Keyless Entry Atmos-Bear
 Photo Eyes Safety Release
 Chain/Belt Tension

SERVICE REPORT
 DESCRIPTION: [REDACTED] ESTIMATOR: [REDACTED]
 Adjust Belts
 Replace Spring
 General maintenance & Lube
 Replace Rollers

TECH NOTES - RECOMMENDED BUYBACKS
 Replace pulleys

I endorse the recommended repairs made by my Sears garage solutions technician, which may ensure best value and safety.

Customer Signature: [REDACTED] Date: [REDACTED]

PAYMENT
 Cash Charge Check # [REDACTED] TX # [REDACTED]
 VISA MC SEARS DISCOVER
 Order #: [REDACTED]
 Exp. of: [REDACTED]
 Paying: [REDACTED] TOTAL \$1,423.44

WARRANTY
 Parts: 30 Days 1 Year 3 Year Other
 Labor: None 90 Days 1 Year Other

HOW ARE WE DOING?
 Please take a moment to respond to our brief customer survey by logging onto www.searsgaragedoor.com/survey

Category	Amount
Parts	\$1,175.00
Labor	\$175.00
Tax @ 6.25%	\$73.44
TOTAL	\$1,423.44

C. Amara 2/21/2018

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He explained, “Pricing is set locally by our franchisees and is competitive to market rates for comparable services.” He defended the technician who dealt with Marty, noting that Sears’ “Repair/Rebuild” kits include replacement of all movable hardware of the garage door system.

I sent him a quick reply, saying, “In my view, these statements fail to address several key issues at the heart of the matter.” I added, “I would welcome a frank discussion in a conference call that was previously discussed.”

Sears invoice #4

Ironically, only four hours later, I received another email. But it wasn’t a reply from Sears. It was from Dave Johnson of Colt Garage Door in Oxnard, Calif., and he attached—and I guessed it—and invoice from Sears (at right). Actually, this was an estimate, not an invoice, because the customer had refused the job.

Sears had given the estimate to a senior citizen whose garage door opener was having problems. The Sears technician quoted a new 3/4-HP chain-drive opener with battery backup for \$866. Since the Sears technician claimed that door had the wrong springs, and Dave Johnson had installed those springs last summer, the customer then called Colt Garage Door.

Dave, who has been balancing doors since 1966, confirmed that the springs were correct. He told us that Colt Garage Door would have installed the same opener for \$515, which is 41 percent less than the Sears estimate.

An off-the-record phone call

But let’s get back to the Sears conference call. On March 7, I contacted Yvonne at Sears again and asked about the conference call. No reply.

After some further correspondence from me, Larry Costello finally replied on March 16 and renewed the Feb. 25 offer of a conference call. However, the call would have three “parameters.” It would be a 30-minute recorded call, it would be an off-the-record discussion, and Sears would later provide an on-the-record response via email. I agreed.

The call took place on March 19. Sears had four executives on the call: Larsen Sharp (president & CEO of Sears Home & Business Franchises, Lewis Center, Ohio), Derek Wu (senior legal counsel at Sears Holdings, Chicago), Jeff Pepperney (vice president of operations for Sears Home & Business Franchises, Lewis Center, Ohio), and Larry Costello, PR director for Sears Holdings, Chicago. As agreed, the content of the conversation will not be reported.

Sears’ formal reply

On March 26, Larsen Sharp sent me his formal reply to our concerns about the Sears invoices. “At Sears Garage Solutions, we are committed to conducting business in an ethical, transparent, and customer-focused manner,” he wrote. He noted that the company has high customer satisfaction ratings on all their public reviews nationwide (Google, Yelp, Facebook, etc.).

REPAIR INVOICE

sears
GARAGE SOLUTIONS
searsgaragedoors.com
844-4MY-DOOR
844-469-3667

ORDER # _____
TERRITORY # _____
DATE: 2/27/18
TIME: _____
CONSULTANT: V. MOORE #12
CONTRACTOR LICENSE: 151VJ26

City: OXNARD State: CA Zip: 93035

Service Request: **DOOR REPAIR**
OPENER REPAIR/ REPLACEMENT

QTY	PART #	DESCRIPTION	PRICE EACH	TOTAL
1		3/4 HP CHAIN DRIVE BATTERY BACKUP (SEARS DOMILIAN) W/ T-RAIL, CHAIN DRIVE ESTIMATE		866.95
		SERVICE CHANGE		79.00

Notes: (805) 796-9210
Vic/K
7 PER LIFE MASTER SPECIFICATIONS

Customer Initial: _____

WARRANTY OPTIONS

WARRANTY	30	45	60	90	120	OTHER
LABOR						

The warranty period for coverage on parts and labor is included above. See course for details on the 180 warranty conditions and limitations.

PAYMENT: Amount \$ _____
 Check ID: _____ Cash
 Sears Visa ME Amex Discover Sears Gift Card

Account #: _____
Exp. Date: _____ Authorization code: _____

HOW ARE WE DOING?
Please take a moment to respond to our brief customer survey by logging onto www.searsgaragedoors.com/survey

DATE: 2/27/18

Customer Signature: _____ Date: _____

RS 184047 GD-P-901

He said that Sears ensures that its franchisees' standard practice is to do an inspection and provide options to each customer, followed by a written estimate for the option chosen. Prior to the start of the work, the customer authorizes the project and the price in writing.

Additional costs of franchisees

Concerning the prices in the invoices, he explained that invoices from a franchised business may be higher because they have additional expenses not incurred by small independent operators.

"For example, Sears, like most home service franchisors, requires franchisees to wrap vehicles, provide uniforms, pay for background checks, insure and bond their technicians, attend trainings and meetings, maintain minimum general liability coverages, contribute to a national marketing fund, and spend minimum amounts on local marketing," he said. "All of these requirements are intended to provide a better customer experience and ensure brand consistency."

He added, "While we are priced competitively with national and large regional garage door companies, we do not attempt to compete on price with 'a man and a van' single tech operators."

Rebuild Kit pricing

Concerning Marty's \$1,299 bill, Sharp said that a Rebuild Kit "ranges in price nationally from \$399 to \$1,299 on a bell curve, with a majority of our franchisees between \$499 and \$799." Sears franchisees, he said, set their own Rebuild Kit prices, depending on "quantity and quality of the parts" and "warranty and financing options."

He noted that Sears will continue to monitor the customer service experience and ensure that franchisees are "providing excellent quality products and services to our customers and doing business in an ethical manner."

Follow-up questions

We followed up with a few additional questions. For example, we asked if Sears made any concessions to those customers after reviewing the three invoices. Sharp replied that no amounts were adjusted.

We asked if Sears technicians are allowed to adjust pricing for individual customers. He replied, "We cannot contractually restrict a franchise owner's discretion in matters of pricing or employee span of control."

Our investigation of "Bad Bobs" has revealed that customer complaints about charges are more likely when technicians are paid by commission. So, we asked whether Sears' technicians are paid by commission.

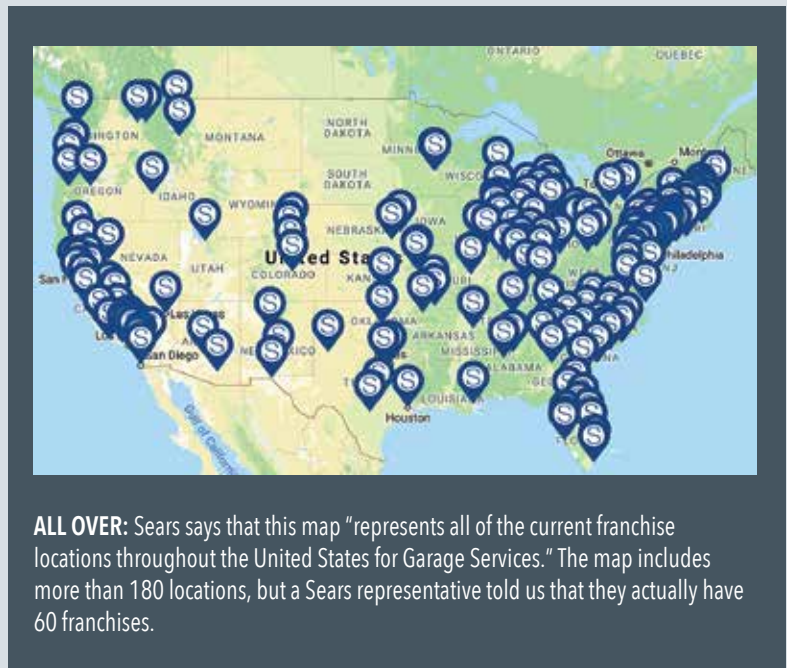
Sharp said, "Franchisees have sole discretion with regard to how they choose to compensate their employees. There are various compensation plans in use by our franchisees, and some of these plans include a commission component."

Marty's response

In the meantime, Marty Cepielik's daughter is pushing him to go to Small Claims Court to let a judge decide if he has been treated fairly by Sears. But the 85-year-old ex-Sears fan continues to hope that Sears will reduce its \$1,299 bill.

And every month, Marty continues to make installment payments on his bill. How does he make those payments?

With his Sears Credit Card. ■



What do you think of Sears' invoices and their corporate response? Send your thoughts to the editor at trw@tomwadsworth.com.