



Air Conditioning & Heating



"They have a wide range of products, which we like. About 60% to 65% of our business is HVAC. We have a great relationship with the owner at our distributor. Working collaboratively, he and I changed our businesses so they manage inventory on our trucks and ship equipment directly to the job site. That's how we began purchasing Daikin. We love their private label program – it's worked really well for us. We don't talk equipment brand, we talk the Bonfe brand. Then typically customers end up finding out what brand of equipment it is and they're fine with it. They have no issues with that. The private label allows me to focus on running our business and on the relationship between us and the customer without having other people involved. We can create a situation where it's just us and them, and there is no third or fourth party involved in the transaction."

~ Peter Bonfe, Owner of Bonfe



Bonfe still utilizes the manufacturer's warranties then adds an additional warranty as long as the equipment is maintained, Bonfe explains. "We'll continue to honor the warranty past the 10-year parts and labor. As long as they're maintaining it on an annual basis, we'll never take the warranty away. We just continue to service it, which is a huge benefit to the customer."



# CREATE THE PERFECT CLIMATE FOR YOUR CUSTOMERS

## Daikin helps Minnesota HVAC contractor unlock success through private labeling

There's no doubt the HVAC contracting industry is highly competitive. Contractors are constantly seeking innovative ways to stand out and thrive in the market. One powerful strategy is private labeling HVAC equipment. By placing their own brand on heating and cooling products, contractors can reap the benefits that enhance their business's growth, reputation, and bottom line.

St. Paul, Minnesota-based Bonfe, a provider of HVAC, Plumbing, and Electrical services, has been partnering with Daikin Comfort Technologies since 1997, when the company started its HVAC division. Bonfe gradually started doing more and more work with the HVAC manufacturer over the years until around 2009, when it ended up supplying almost all of the firm's HVAC equipment, according to Peter Bonfe, Owner of Bonfe.



## Product fit for every application

One of the things Bonfe enjoys most in his partnership with Daikin is the variety of product. "They have everything from standard regular efficiency equipment all the way up to inverter-driven side discharge units."

Offering a range of options is important as it allows the customer to choose their price point. According to Ben Middleton, National Sales Training Manager for Daikin Comfort Technologies, the biggest trends in the HVAC market are the move toward electrification, ductless systems, and IoT technology. With electrification and decarbonization top-of-mind, heat pump technology is becoming more popular, thanks in part to rebates and tax credits driven by the Inflation Reduction Act.

"Contractors that are embracing technology are growing faster and differentiating themselves from their competition," Middleton says. "We are also seeing government regulation and incentives driving many of these trends that are shifting behavior in our industry and with the consumers we serve. With the increase in minimum efficiency, the industry always sees an anchoring to the new minimum efficiency that has been established."

CATEGORY: HVAC

SUBCATEGORY:

- HVAC MANUFACTURER
- UNITARY EQUIPMENT
- DUCTLESS

SERVICES/PRODUCTS PROVIDED:

- RESIDENTIAL AIR CONDITIONING & HEATING EQUIPMENT
- INVERTER HEAD PUMPS
- NEXT GENERATION REFRIGERANTS

YEARS AT NEXSTAR: 10





"According to national equipment shipping data supplied by all manufacturers, the minimum efficiency equipment shifted from around 75% base efficiency to around 83% after the 2023 regional efficiency standards went into effect," Middleton explained. "In addition, Daikin has seen our side discharge products, the Daikin Fit and the Amana S-Series, as our fastest-growing product segment as it aligns with many of the drivers in our industry today."

Middleton also points out that heat pumps offer homeowners more choices when it comes to heating and cooling, especially with dual fuel systems.

"Heat pumps also offer more efficiency while reducing carbon footprint as our grid shifts from fossil fuels to renewable energy for power generation," he says.

According to Bonfe, in his market, there are still a lot of 14 and 16 SEER standard single-stage equipment for

air conditioning. "However, on the heating side, we're using a lot of the variable speed modulating product," he explained.

"Sometimes customers are looking for energy savings, sometimes they're looking to be environmentally conscious," Bonfe adds. "We're in Minnesota, so I would call us a relatively green state – people seem to be very concerned about the environment here. So that's a positive. Then, it just comes down to getting them to the point where they feel comfortable with the price point. We do sell a lot of standard efficiency equipment, but especially on the heating side, more of it is high efficiency. A lot of that has to do with energy savings. That's a pretty easy sell for us in Minnesota."

## Dealer support



Daikin – and its Goodman and Amana brands – prides itself on being an industry leader in heat pump, refrigerant management, and inverter technology, according to Middleton.

"We believe the trends happening in the industry position us as a great partner for Nexstar members," he says. "Daikin is the global leader when it comes to HVAC, and prides itself in being corporately focused on HVAC versus being a division of a global conglomerate. Daikin truly embraces a dealer-first mentality and is focused on the success of our dealers with our core philosophies of absolute credibility, enterprising management, and harmonious relationships."

"Daikin has led the market in inverter technology with over 40 million inverter installations globally over the last 30 years," Middleton adds. "Amana continues to be the most widely

recognized brand with consumers in North America, building trust between the consumer and contractors and offering industry-leading warranties. Goodman continues to lead the industry in making systems available and affordable with our east to install, easy to service, easy to sell products."

Daikin participates in Nexstar's rebate program to help dealers offset their cost for training and business development.

"Daikin has also created the HVAC Learning Campus as the single source of truth for all Daikin, Amana, and Goodman training including business, sales, marketing, and technical training," Middleton explains. "This can be accessed through live in-person training, through our podcast on the Accelerated HVAC Success program, via prerecorded content, and in virtual reality. We also have created financing buydown rebates, dealer spiffs, extended service agreement rebates, and consumer rebates to help drive more sales with consumers. In addition to all of this, our private label program helps Nexstar members build more brand equity in their business by promoting their own unique brand."

Daikin also offers a variety of support, such as business solutions through its vendor program, eCommerce solutions through Daikin Connect, branding/marketing solutions, appointment conversions, problem diagnostics, solution presentation tools, financing solutions, software solutions, as well as one-on-one business consultation with its 'Ask a Coach' feature.

Bonfe takes advantage of Daikin's significant rebate programs quarterly, which helps reduce its overall expenditures on materials.

**"It's very beneficial, and we get great support. My local reps here help us out – they are phenomenal and do a great job on the Daikin brand. They also go to battle with us when we need a particular piece of equipment. Though they work for Daikin, they still look out for our best interests. I love the support we get."**

*~ Peter Bonfe, Owner of Bonfe*

Bonfe says he would recommend partnering with Daikin to other Nexstar members. "It's different for every contractor – my Brainerd Lakes location does not use the Amana product, but that's only because we acquired them last year and they have a longstanding relationship with their vendor. But I would say anybody who is looking for a change or looking for a competitive advantage would be foolish not to talk to a manufacturer who is willing to consider putting the dealer at the center of the relationship with the consumer. Daikin does a great job with that – they enhance our ability to work one-on-one with the customer and still support us behind the scenes. I feel like most manufacturers want their product front and center in the name and presentation, and that makes for a more complicated process. Daikin Amana is a great fit for a progressive contractor who wants to focus on brand selling."

### Why Daikin/Goodman



Industry-leading products defined by performance, reliability, and efficiency



Continually working to reduce our environmental impact

Almost  
100 years  
of Global Innovation



Outstanding Limited  
Warranty Coverage  
on Goodman products



**"I love the support we get."**

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