Fast Facts About Oceanside Service, Inc.:
New Jersey HVAC leader, focused on efficiency and next-generation heat pumps.

Founded: 1989
Founder: Scott Nelson
Headquarters: Allenhurst, NJ
Service/Sales Territory Locations: Ocean and Monmouth Counties, NJ
Employees: 29. Titles include: Installation Manager; Assistant Installation Manager; Service Manager; Assistant Service Manager; Service Technician; Maintenance Technician; Lead Installer; Apprentice Installer; Air Duct Cleaning Technician; General Manager; Customer Service Representative

Annual Sales Totals: Approximately $8 million
Top-Selling Products: Daikin “FIT” inverter driven air conditioning system and inverter heat pump
Active Service Customers: 17,000, 75% residential and 25% commercial (all in New Jersey)

Oceanside Service, Inc.: An HVAC leader starts its next chapter

In 1989, Scott Nelson started Oceanside Service, Inc.—an HVAC contracting firm based in Allenhurst, NJ—with a single truck. Thirty-three years later, Scott’s business boasts twenty-nine employees and twenty-four trucks, all painted blue in tribute to Allenhurst’s Jersey Shore location.

Scott credits his company’s excellent service and community involvement for their three decades of impressive growth. Oceanside is often described not just as a successful business but as a New Jersey HVAC leader, too—a reputation they earned through their focus on efficiency and their work with next-generation heat pumps.

Comfort, Efficiency, and Service Keeps Customers
Scott started his HVAC career at a company that sold premium efficiency equipment. So when he started his own business, Scott made efficiency and comfort his top concerns. “Our clients are coming to us as their comfort consultants,” Scott says—and addressing comfort usually involves also addressing efficiency.

Even though Oceanside offers equipment rated at different levels of performance and efficiency, Scott explains, “Most of our clients buy premium efficiency equipment because it provides the best comfort.” He’s found that
most customers don’t understand the different equipment efficiency ratings, so Oceanside’s technicians are all trained to clearly explain ratings and educate customers.

Throughout the business’s history, Scott has expanded and updated Oceanside’s offerings to better serve local customers. In the early 1990s, for example, Oceanside added an air duct cleaning business called Air Doctors, and they now also install and service whole-house generators.

Providing up-to-date, quality equipment is also important. Most of Oceanside’s residential products are manufactured by Daikin—largely in the U.S.A.—and distributed by ABCO HVACR in New Jersey. “[Daikin is] the leader in inverter products,” Scott says. Oceanside’s commercial line for larger-scale installations is made by Luxaire and distributed by Piscataway-based General Plumbing Supply, and they also offer York products.

**HVAC Businesses Embracing Today’s Heat Pumps**

Over the past few years, Oceanside installers have embraced next-generation electric heat pumps, creating new opportunities to provide efficiency and comfort for customers.

These aren’t the same heat pumps that were on the market when Scott started his career in the HVAC industry in the early 1980s. At the time, many towns in New Jersey didn’t have natural gas utility service lines, so customers had to choose either fuel oil or electric heat. Many building owners went with electric heat pumps.

Unfortunately, those early models were inefficient and expensive to run. Scott explains: “Heat pumps of yesteryear used reciprocating compressors. They took heat energy from outside and transformed that to Btus. They lost significant efficiencies as you got into the thirties and colder. By the time you got to thirty-two degrees, you would rely on supplemental electric resistance heat, which was very inefficient.” After rural communities were hooked up to gas in the mid-1980s, Oceanside and other HVAC contractors often converted heat pump customers to gas heating.

It’s a common misconception that heat pumps on the market now are energy-intensive and expensive to run like they were in the eighties—but that’s not the case. In recent years, improvements in technology have made inverter-driven cold climate heat pumps an efficient, attractive solution for New Jersey. “Today’s inverter technology is much more efficient,” Scott says. “A true cold-climate heat pump utilizes inverter compressor technology that will give you 100% of that system’s rated heating capacity down to around zero degrees. That eliminates the need for supplemental, backup electric resistance heat.”

The result of these technological advances? These days, Oceanside is putting heat pumps back in.

**Training Technicians for Success**

Oceanside sells both super-efficient natural gas furnaces and electric inverter heat pumps. The right choice of gas, electric, or hybrid depends on the home, and Oceanside’s expert installers help customers understand their options. Fully electric heat pumps work best when a home is well-insulated and air-sealed.

Scott emphasizes that because of the dual heating and cooling functions, sizing heat pumps is both a vital part of the process and a complex skill. Even a top-of-the-line heat pump can be installed incorrectly and cause customers to lose out on both efficiency and comfort. Significant training is needed to ensure successful installation. That training can be hard to find for potential new entrants into the industry, and many experienced contractors are aging out of the workforce.
To deal with this challenge, Oceanside has taken a proactive approach to training up its newer staff. While some employees came out of Monmouth and Ocean County Vocational Schools, most came from other industries, including military service, clothing design, and retail management. Oceanside’s Air Doctors duct-cleaning business serves as an education forum for new employees who have changed careers.

The Oceanside staffing strategy seems to work. “Customers trust our workforce,” Scott explains. “They are highly experienced. Many employees have over ten years with us, and several have more than twenty.” Scott’s son, Scotty Nelson, has been with Oceanside almost thirteen years and is now Vice President and second-generation co-owner.

**Successful Installations—Twenty Years Ago, And Today**

When asked about a memorable installation he was proud of, Scott pointed to a historic church in Asbury Park—a project that also shows off Oceanside’s ability to evolve with the times.

“About twenty years ago we converted the Holy Trinity Church from a very antiquated boiler system,” Scott explains. “We put in the leading heating technology at the time, and high-velocity AC in the offices.” Grant funding recently created a new opportunity to upgrade this over 100-year-old community institution, which offers a gymnasium, classrooms, a food pantry, and community programs in addition to religious services. “We installed twenty-one indoor ductless mini-split heads with outdoor inverter heat pump machines,” Scott tells us. “That’s heating and cooling the gym and individually heating and cooling the classrooms. It also includes UV technology to reduce germs in the classrooms.”

Thanks to improvements in heat pump technology, this beloved Jersey Shore landmark can continue serving its community in a cost-effective, comfortable, and healthy environment.
Looking to the Future

With a forward-thinking mindset and 30+ years of industry experience, Scott is well-positioned to comment on the future of HVAC in New Jersey. What does he see coming next? If the Garden State can get it right, a lot more heat pumps.

“We’re doing a lot more straight heat pump heating and a lot more hybrid heating,” Scott says. “Hybrid helps in greenhouse gas impacts, and a lot more people are aware of straight heat pumps, which I think is exciting.” Heightened consumer interest is driving heat pump adoption, he says, but so are policies like the 2022 Inflation Reduction Act. “I said a couple years ago that the whole industry would be inverter-driven and dominated by heat pumps in ten years,” Scott remembers. “Lo and behold, the IRA came out!” Done right, policies can help more consumers get efficient heat pumps and make Scott’s prediction a reality.

This transition will create new challenges to overcome. “With the push for electrification, we need to make sure the utilities are on board so that we have enough power available to make this transition to electrification for HVAC,” Scott says. With higher electricity demand, New Jersey residents will need a reliable and efficient electric grid. “Once there is that,” Scott says, “as people want to electrify, the next hurdle is making sure there’s enough training for technicians.”

No matter the opportunities or the challenges heat pump adoption may bring, Scott is certain that Oceanside will continue rising to meet them. “We keep training ourselves and our staff,” he says. “We’ve always been a leader in everything that’s new in the industry.” Right now, an additional challenge for the HVAC industry is the transition away from high global warming potential refrigerants. Oceanside became one of the first New Jersey companies approved to install a newer, more environmentally friendly refrigerant. “Once again we’re one of the leaders,” Scott observes.

With decades of experience under their belts and even more opportunities coming to provide efficiency, savings, and comfort to their customers, Oceanside isn’t set to slow down anytime soon. Looking to the future, Scott said it best: “I think it’s pretty exciting.”