

# FIRESIDE

## UPDATE

A member benefit of MidStates HPBA OCTOBER, 2002 • VOL. 3, NO. 4

### Lowering Insurance Costs...How Association Health Plans Can Help You



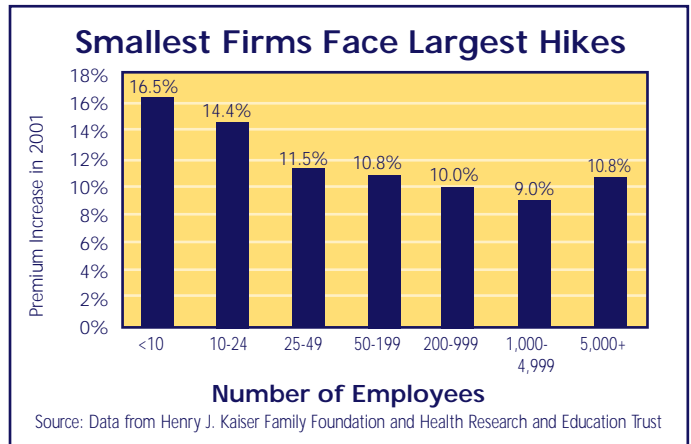
Elizabeth McRoberts, HPBA Government Affairs Specialist

Small businesses have been some of the hardest hit when it comes to rising health care costs. Last year, premiums for the smallest businesses increased an average of 16.5 percent, vs. an 11 percent increase for businesses as a whole. It's no surprise that only 36 percent of businesses with less than 10 employees offer health benefits. Even larger businesses with more than 100 employees still have 7 percent uninsured.

How to provide health care cheaply is one of the biggest concerns facing small and medium-sized businesses today. In order to retain qualified staff, employers must provide benefits that are at least comparable to those of larger businesses. Since 1994, a coalition of small business groups and trade associations has been pushing association health plans (AHPs) as a remedy to the inability of smaller businesses to independently provide health care to their employees.

AHPs currently exist in the United States, but they are independently administered by each state, which in turn has 50 different sets of guidelines.

AHP legislation currently in Congress would exempt AHPs from the states and give the U.S. Department of Labor oversight. This would allow small businesses to purchase health insurance as a group by virtue of their membership in professional and trade associations. Thus, as a larger buying entity, smaller businesses could get better, and



often cheaper, plans as an association than they could get on their own.

Opponents argue that AHPs would only end up helping a small number of uninsured workers find coverage and that self-employed workers could be "victimized by mismanaged or fraudulent health plans" [Quote taken from Wall Street Journal article 8/26/02, page A4]. Others argue that a previous attempt in 1974 to give the federal government control of insurance through the Employee Retirement Income Security Act (ERISA) led to extensive insurance fraud, so Congress reversed its decision in 1982 and returned insurance powers to the states.

(continued on page 6)



### Five Major Liability Issues From Hiring To Firing

Timothy A. Dimoff, CEO/President SACS, Consulting and Investigative Services, Inc

Corporations across the United States are experiencing a significant increase in liability issues and lawsuits. There are several factors at the root of these increases with many of them surfacing as a direct result of

what I term the "the lack of a clear road map" that is the responsibility of management and ownership. Both employees and management need clear direction in

today's complicated and twisted corporate culture. My company's extensive research has revealed five significant areas that need to be addressed to survive in the complex corporate world:

1. The first area is the hiring process. Would you build a home without a foundation or basement? The answer is a simple and resounding "NO." Then why do most companies fail to use smart hiring techniques, such as extensive background reviews, verification of

(continued on page 7)



Pete Anderson, MS Distributors

There has been much talk at meetings and in trade media about the competition independent retailers are up against. Internet sites and big box stores seem to be on hearth retailers' most hated list lately. Several manufacturers are making efforts to reign in Internet sellers in response to complaints from brick and mortar shops.

Although Internet sites now only claim a very small percentage of total hearth sales, many dealers are feeling the margin pinch as consumers "pre-shop" online before coming to the store.

The big box stores seem to have had the most effect on the barbecue side of the business. Manufacturers are attracted to the huge opening orders and prompt payments. The stores like the simple roll-it-out-the-door sale of an LP grill. One major grill manufacturer has said recently that they need that business to meet market share expectations, but they do not want to be held hostage by "the big orange monster."

In a recent column, *Detroit Free Press* technology writer Mike Wendland commented on how furniture salespeople were looking forward to the early fall selling season for big screen televisions. This is one of the hot times of the year for major television sales, and a consumer spending \$1,000 on a new unit will also spend two to three times that on a piece of furniture to house their system. Wendland also wrote that this is becoming the "new electronic hearth."

Home owners who are willing to spend \$3,000 to \$4,000 on furniture and entertainment equipment sound like just the folks we need to get our message to. Have we been worrying too much about the wrong competitor? How do these retail segments command so many of the consumers' high dollar discretionary purchases? They seem to use two tools very well – high quality showrooms with products set up in lifestyle settings and simple consumer financing packages that make a large ticket purchase attainable. How does your shop stack up against them?

The MSHPBA is working on the development of a consumer awareness program that will contain press releases, fact sheets and media guides supplied by the national HPBA. Use these tools in your community to get out the message that hearth retailers have great products to add value to consumers' homes and lives.

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*(Term expiration year in parentheses)*

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*This newsletter is published by MSHPBA. Erica Della Croce, Editor*

*Cherie Clark-Radovic, Communications Chair.*

# LOCAL PR...Yes, it's for you too!

Rick Dungey, MidStates HPBA Executive Director

In the September 23, 2002 issue of *USA Today*, Money Section, Diane Sharper had an article titled: "The Best Advertising of all: Creative Use of Public Relations." This article was a review of a book by Al Ries and Laura Ries titled: "The Fall of Advertising & the Rise of PR."

The main point of the book and the review article was that successful marketers recognize the importance of public relations as a marketing tool in conjunction with, but not replacing, advertising.

In my opinion, this becomes amplified at the local level. Specialty retailers can benefit the most from successful public relations in conjunction with an advertising campaign in their communities.

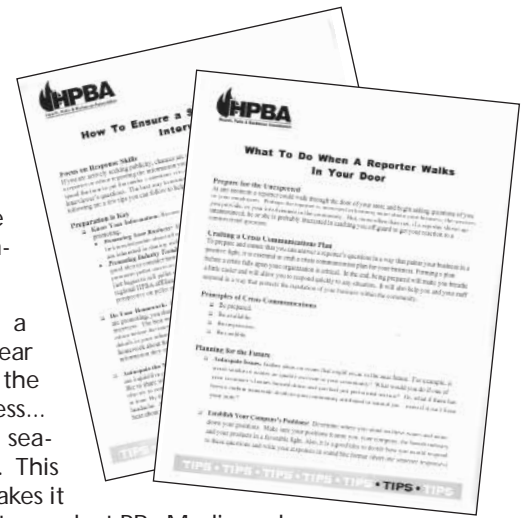
What's that?...you say you don't know how to do local PR? Well, that's where MidStates HPBA comes in. We have committed to provide current members with the tools, tips and knowledge needed to conduct PR in your community. At the same time, we will be conducting a radio interview and PSA program within our region to help support your efforts at the local level.

If you haven't already, you will soon be receiving a package in the mail called "Local Action Media Kit"...this contains ready-to-use copies of the HPBA developed releases, tip sheets, product fact sheets, and marketing tools. Please place this

package at the top of the "inbox" file.

I know it is a busy time of year for people in the hearth business... after all, sales season is peaking. This is also what makes it the BEST time to conduct PR. Media and consumers are interested in writing, reading and hearing about fireplace advances, accessories trends, creative designs and applications of hearth products, safety checklists for hearth products, etc. RIGHT NOW! The average person doesn't want to read about fireplaces in July when sales are slow and you have more time...I'm sorry, that's just the nature of the beast.

Please schedule some time the next few weeks to read the tips, send the releases and distribute the product fact sheets. I'm sure the investment in time will pay off in sales. And remember, additional resources are only a phone call away. I have been working with local retailers in various industries for years, helping them figure out ways to get their businesses interviewed by media and conducting local PR. Please call me at (314) 576-5333 if you have questions or want to discuss your specific PR strategies. 🔥



## Thank You MidStates HPBA Sponsors

Pete Anderson, MSHPBA President, MS Distributors

To all 2002 MSHPBA Annual Meeting sponsors – thank you so very much for making this meeting possible. Because of your generous support we were able to provide quality speakers and plentiful networking opportunities for all who attended. Our first ever MSHPBA barbecue event was great fun despite threatening weather.

On behalf of the entire association, thanks again.



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# Push for NFI Certification in Ohio Sub-Licensing

Greg Hill, MSHPBA Codes and Regulations Committee Chair, reports that initial response of the Ohio Construction Industry Examining Board (OCIEB) to accepting NFI certification as the requirement for qualifying for the fireplace installation sub-license has been favorable. This past summer, Greg wrote that the OCIEB concurred with hearth industry urging that a sub-license of HVAC was required since the HVAC requirements didn't have much to do with fireplace installations. Here is a copy of the letter Greg has sent to the OCIEB on behalf of MSHPBA and you folks in the fireplace business. Please call Greg at (330) 284-0760 or Rick at (314) 576-5333 if you have questions, concerns or a local inspector currently requiring an HVAC license for installation of a hearth product.

*Congratulations to MidStates members who have already become NFI certified specialists in 2002.*

## Gas Specialists

**Atlas Veneers & Fireplaces Inc.**  
Troy, MI  
Tony Welsing

**B & G Fireplace & Patio**  
Canton, OH  
Gene Dawson

**The Backyard**  
Owensboro, KY  
Rick Harrell

**Behr Necessities Hearth Shoppe, Ltd.**  
Lexington, OH  
Michael Behr

**Busy Bear Fireplace & Patio Shop**  
South Euclid, OH  
Cynthia Seebauer  
Peter Seebauer

**Creative Fires**  
Springfield, OH  
Robert Fowler

**Custom Fireplace Shop**  
North Canton, OH  
Jeff Zarembo

**DeHaven Home & Garden Showplace**  
Lima, OH  
Jamie Hall  
Mike Recker

**DESA International**  
Bowling Green, KY  
Charles Krosp

**Fireplace Shoppe of Northfield Inc.**  
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**Grate Balls Afire, LLC**  
Louisville, KY  
Doug Ball

**Hearth Products Controls Co.**  
Dayton, OH  
Kevin Yowler

**Hearthland Sales Inc.**  
Uniontown, OH  
Eric Feller

**Holly Showcase**  
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David Harrison

**Kerns Fireplace and Spa**  
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David Foudray

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Keith Ranger

**Millstone Home Appliance Center**  
Mount Vernon, OH  
Eric Haldeman

**Millstone Home Appliance Center**  
Mount Vernon, OH  
John Auker

**Monessen Hearth Systems**  
Paris, KY  
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Thomas Coward

**Overhead Door of Toledo**  
Toledo, OH  
Michael Huss  
Patio Enclosures  
Macedonia, OH  
Michael O'Bryant

**Today's Fireplace**  
Livonia, MI  
John Botsford  
Gabriel Damian  
Steve Dyer  
Pete Loudon  
Gary Martin  
Scott Oakes  
Dave Smith  
Jeri Sutherland

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Jess Wadhams

**Williams Hearth and Home**  
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Kevin Baker  
Brian Collins  
Mark Collins  
Jeff Goodall  
Jamie Jarrard  
James Kregger  
Bill Libby  
Kevin Moss  
Peter Pfeffer  
Tom Ronnebaum  
Matt Schultz  
Redford, MI  
Lee Yelinek

## Woodburning Specialists

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**Creative Fires**  
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**All-Chimney Cleaning & Maintenance**  
Charlotte, MI  
Thomas Rhines

**Konieczka Heating and Cooling, Inc.**  
Davison, MI  
Keith Ranger

August 19, 2002

Mr. Frank Alexander  
Ohio Construction Industry Examining Board  
6606 Tussing Road  
Reynoldsburg, OH 43068

Dear Mr. Alexander,

As Codes Committee Chairman of the MidStates Hearth, Patio and Barbecue Association (MSHPBA), I represent approximately 75 Ohio companies that install fireplaces. We are very concerned about what is taking place with the licensing of fireplace installers, as a result of Section 4 of the Substitute House Bill 434. All our members who applied for licensure under this bill but who do not perform HVAC work have been denied the credentials we need to operate within the regulation, despite many years of experience in the installation of fireplace equipment.

Most of the Ohio MSHPBA members I have talked to believe it is a good idea for us to be licensed by the state and want to work within OCIEB regulations to ensure public safety. Many of us have achieved or are working to achieve certification from the National Fireplace Institute (NFI). There are two tests administered by the NFI – one for gas and one for wood burning appliances. When a person completes the course review and passes the examination, he or she has a good understanding of the safe and professional way to install fireplace products. In addition, we have found that a few of the counties in which we work will issue permits for fireplace installation once we present proof that we have passed the NFI tests.

In Michigan (which is part of our MSHPBA regional organization), a sublicense for fireplace installation has existed for a number of years. They break the HVAC test into several parts that pertain to fireplace installation. The system has worked well for them, but it is our feeling that if Ohio would set the criteria of having a NFI certification card before taking the test for the HVAC sublicense, Ohio would have even better trained, safer, and more professional fireplace installers. We also believe that HVAC installers who are actively involved in the fireplace business should be required to be NFI certified before they can pull permits for fireplace installation.

I have enclosed a brochure highlighting the benefits of NFI certification and would be happy to send you and your committee copies of the complete NFI study books and a recent example of the test. Please let me know if you think these would be helpful to you.

I also would appreciate the opportunity to meet with you to explain more about the test and how it might fit into the Ohio HVAC sublicense for fireplace installation. I will be attending an appeals hearing at 11 a.m. November 13 for one of our members, the Dapper Company, who was denied licensure and is in the appeal process. Please let me know if it would be possible for me to meet with you on this subject on November 13, either before or after the appeals hearing.

I look forward to discussing this with you further and working with you to promote the licensing of Ohio fireplace installers.

Very truly yours,  
Greg Hill, President  
Hearthland Sales, Inc.  
Custom Fireplace Shop, Inc.

## There's an NFI Certification Exam Site Near You

Work, family, vacation or procrastination has left you facing a busy fall season without being able to promote yourself as an NFI Certified professional. It's not too late! Order a Gas Specialist or Wood burning Specialist manual right now. And, when you've studied the material, you can take the 2-hour exam close to your home or business at a time convenient to you, thereby not missing important business.

The NFI computerized exam administrator, LaserGrade Computer Testing, has over 700 test locations in North America, many of them at local airports. To take the exam at LaserGrade, just contact the NFI for a manual or exam application at (703) 524-8030 or email your order to [info@nficertified.org](mailto:info@nficertified.org). After sending in your application to NFI with payment, you may call LaserGrade to set the appointment.

Want to know where your  
closest testing site is?  
Log on to  
[www.LaserGrade.com](http://www.LaserGrade.com).



## Get Involved in Industry Education and Certification

If you are interested in working on the development of education projects and programs, sharing your marketing expertise and getting involved with dedicated industry people to raise the level of professionalism and profitability in the hearth, patio and barbecue industries, contact the HEARTH Education Foundation. HEARTH values your participation on a committee, such as Program, Marketing and Long Range Planning. HEARTH also has three openings on its Board of Governors each March. With the successful introduction of our new National Fireplace Institute Certification Program, we could sure use your help. Contact HEARTH at (703) 524-8030 for more information.

## Scenes From The Annual Meeting...



### Hearth, Patio & Barbecue EXPO 2003

- HPBA is requiring all attendees to make any reservation cancellations (whether one night or the entire reservation) before Tuesday, February 4, 2003. Otherwise they will be charged one night's room and tax, plus a \$25 cancellation fee for canceling outright.
- The show room floor will open one hour earlier on Thursday, Friday and Saturday at 9:00 am.
- "Hands-on" demonstrations will take place in Exhibit Hall A arranged by the HEARTH Education Foundation. To learn more visit [www.hpba.org](http://www.hpba.org).
- The first 500 room reservations will receive an additional discount. Call the Nashville Housing Bureau at (800) 657-6910 to make your reservation today.

## Lowering Insurance Costs (continued from page 1)

However, there is no denying the fact that small businesses are left out in the cold when it comes to health care. The AHP coalition has been successful at educating congressional members about the benefits of AHPs for small businesses. Last year, the U.S. House passed AHP legislation as part of its version of the Patients' Bill of Rights, but the Senate did not follow suit. Since then, the coalition has been working diligently to convince senators of the importance of AHPs to small business employers across the country. Currently, Sens. Bond (MO), Hutchinson (AR) and Smith (NH) are co-sponsors of the Senate version of the legislation (S.858) – The Small Business Health Fairness Act. Sen. Bond has held numerous rallies and press events in St. Louis on behalf of AHPs.

President Bush is also a solid supporter of AHPs. In a speech he gave earlier this year, the president said, "It makes no sense, no sense in America, to isolate small businesses as little health-care islands unto themselves." The Department of Labor has also expressed its support.

HPBA has been actively working with the AHP coalition since May 2002. The AHP coalition has more than 85 members, including the National Association of Home Builders (NAHB) and the U.S. Chamber of Commerce. Last month, MWHPBA mobilized an effort to get members to write letters to Sen. Fitzgerald (IL) on behalf of AHPs, and these letters were hand delivered to the senator's key legislative assistant, T.C. Roberge, at a meeting with other coalition members on Aug. 1 in Washington, D.C. MidStates HPBA, Oregon HPBA, Rocky Mountain HPBA and Northeast HPBA have also helped campaign for co-sponsorship from the senators in their various states.

HPBA will continue to work with the AHP coalition, which is hoping to attach this legislation to another bill so that it will pass before the end of this legislative year in November. AHP legislation still needs senators to co-sponsor S.858, and it's great to report that HPBA and its affiliates are working to make this happen. 🔥

## Five Major Liability Issues (continued from page 1)



DIMOFF SPEAKS AT 2002 MSHPBA ANNUAL MEETING IN TOLEDO

applicant information, interviews, modern personality and integrity testing. One thing is a must – criminal background reviews should always be conducted. Contrary to belief, these types of background checks are very affordable and not time consuming.

2. All companies, regardless of size, should have a very clear employee manual. The depth and detail will be proportional to size of your company, type of company and number of employees. In Ohio, we are "employment at will." This is an important detail and should be explicitly stated in the manual. Certain federal and state regulations apply to certain types of industry, sizes of companies and employee numbers.

In addition to an employee manual, I firmly believe that every company should have a proactive drug/alcohol testing policy based on salvaging the workforce while at the same time not allowing this growing concern to continue uncontrolled.

3. Management training programs are very important. You cannot assume that a person who is promoted or brought in to manage your employees automatically has the knowledge to manage them. Many times the management team is well schooled in the processes of the company but significantly lacking in managing "people issues" day to day. This lack of training only exacerbates your internal problems and litigation.

4. The fourth area of concern is the physical structure of your business locations. Both the physical and procedural attitude of your company's physical security make-up can have a significant impact on the current safety level for your company employees, vendors and clients. It is estimated that 18,000 employees become victims of nonfatal workplace assaults each year for a grand total of 1 million workers per year.

5. The last area of concern is training. Are all of your managers on the same page when it comes to training? It is imperative that all of your managers receive the same level of initial and update training and are all refer-

encing the same employee manual, drug testing policy and other written procedures. This becomes even more of a factor when a company has different shifts, buildings and locations.

I have testified across the United States on reference litigation issues. In the majority of these cases and thousands of other cases my company has tracked, we've found the reasons for corporations to be on the losing end are fairly consistent. Simply, Corporate America has not developed a company "road map" that defines a clear picture to both employees and management. The courts repeatedly ask, "employers to show that the employee knew or should have known that specific company procedure." In addition, companies are asked to demonstrate that the management team makes decisions based on experience and objective training.

Seek the guidance of consultants and corporate attorneys and don't leave this most important aspect of your business growth, success and reduction of litigation on the shelf. Recent statistics have shown that corporations across the United States are losing more employee litigation cases than they are winning. The majority of the time it is a result of one or more of the five reasons listed above. You can no longer afford to stand by and take your chances! 🔥

# Win Your Choice of Grill!

Members don't miss your opportunity to win one of five high-end grills supplied by our generous sponsors Grill-N-Chill, Napoleon, Broilmaster, The Holland Grill and Fiesta Gas Grills. If you are one of the top three members with the most new member referrals you will win your choice of these five grills. This program is for all current members. Retailers, ask your manufacturer representatives to join. Distributors, talk to retailers you know who could benefit by joining MSHPBA.

Call (314) 576-5333 for your chance to win one of five grills!

#### CONTEST RULES

1. New Members consists of anyone who has not been a member of MSHPBA since December 2000.
2. All referrals must indicate on the slot provided on the application or by phone who referred them as a member.
3. All membership applications and payments must be received or postmarked no later than December 31, 2002.
4. Winners will be announced at the EXPO affiliate event in Nashville, Tennessee.
5. Must be present to win.
6. In the event of a tie a drawing will be held.



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HPBA's  
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