

FIRESIDE

UPDATE

A member benefit of MidStates HPBA

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Improve Your Business Plan and Increase Your Profits

MSHPBA 5th Annual Meeting Gina Burkert, Program Coordinator



Join members from our affiliate as the MidStates HPBA celebrates its 5th Annual Meeting June 13-14. This year's event, set in Dublin, OH at the Columbus Marriott Northwest Hotel, is sure to be the best yet! Located in the northwest suburb of Central Ohio, this area is in close proximity to several attractions including The Columbus Zoo, Anheuser Busch Brewery and the Mall at Tuttle Crossing.

The Annual Meeting Committee has been busy putting together an agenda of dynamic speakers, educational sessions and networking opportunities that you can apply to build a more powerful business strategy. "Best of all, we have made this program affordable for everyone, and the registration fees have not increased from last year," said John Ashby, Annual Meeting Chair.

The educational program contains 5.75 hours of general sessions and is designed for owners, sales and marketing personnel and service/technical staff. Many of the sessions are eligible to receive continuing education credits (CEU's), which can be applied toward NFI re-certification. The pro-

gram features four brand new speakers and sessions on the following:

- Jerry Scott – "Selling High-end Grills/Interpretation of the HPBA Barbecue Survey"
- Rick Vlahos – "Weakest Link NFI Game Show" and "Selling Wood Stoves in Today's Market"
- Terry Resnick – "Family Estate Planning"
- John Solanik – "HEARTH Handbook for Building Officials"
- Nick Pulone – "Business Liability Insurance"

As always, this year's meeting will feature several fun activities, which include a four-person golf scramble with prizes for the first nine holes, exhibitor cocktail reception, "Weakest Link NFI" game show and a silent auction featuring high-quality products from our sponsors. And of course, we can't forget our legendary 4th Annual Barbecue Cookout with delicious food. Fire trucks are optional.

Thanks to our sponsors who make this event possible, we will have exhibitor booths featuring the latest products and information our sponsors have to offer, along with a total of 4.5 hours of exclusive sponsor time for attendees to network with them.

We think you'll agree that this year's meeting truly has something for every member of the hearth, patio and barbecue industry. For more information on the Annual Meeting, contact MSHPBA association headquarters at 314-576-5333 or visit the MSHPBA Web site at www.midstateshpba.org. 🔥

HPBA Lobbies to Remove Barriers on Steel Trade



Elizabeth McRoberts, HPBA Government Affairs Specialist

As many of you are already aware, a sharp increase in steel prices is hitting manufacturers and there is major volatility in the global steel market. Both the *Wall Street*

Journal and the *USA Today* newspapers reported recently that the primary culprit of the rapid increase in price is the extraordinary growth in demand for

steel in China. Global steel producers are having a difficult time keeping pace with Chinese demand. American manufacturers are also facing the additional impact of a weakened dollar that makes foreign imports of steel and other goods costly.

For smaller and mid-size manufacturers, like most in

(continued on page 7)



Dan Maddox, Hearth Products Controls Co.

MidStates/Midwest HPBA Executive Director, Rick Dungey, received recognition at EXPO 2004 for his commitment to helping local state code coordinators develop successful government affairs and lobbying campaigns and service as a resource for advocacy on legislation affecting his affiliate's members. HPBA would like

to congratulate Rick for his success in developing a solid government affairs program and for his commitment to helping recruit and support local state code coordinators.

Our 5th Annual Meeting is shaping up to be our best yet. Our members have designated the opportunity to network with peers as one of their most important reasons for attending the meeting. The next most important reason is to hear knowledgeable speakers talk about subjects that can help them improve their businesses. They also want to earn CEU's to help them earn NFI certification.

All these reasons were considered by the Annual Meeting Committee in developing an outstanding agenda, and they have combined it with some fun stuff like a cocktail reception, golf outing, barbecue cookout and silent auction.

Remember the dates June 13 -14 at the Marriott Columbus Northwest. You'll get an agenda and registration forms shortly. Please join us.

This will be my last president's letter to you. A new president will be elected just before the Annual Meeting.

Please accept my thanks for letting me serve you and this outstanding organization. It has been a genuine pleasure. I am so proud of all that the Board of Directors and the committees have accomplished in the first five years. And, I am honored to have been allowed to work so closely with so many fine people. These are the people who have brought about the elements that have created our success as an organization. Their guiding principles have always been to bring more value to you, the members.

HPBA EXPO & MSHPBA continue to grow:

- HPBA membership grew from 2,485 members in 2002 to 2,601 in 2003

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MSHPBA Board of Directors

(Term expiration year in parentheses)

Dan Maddox, President (2004)

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Fireside Update is published quarterly for members of the MSHPBA. Submission of articles is encouraged and welcome.

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HPBA Board Report



Pete Anderson, Region IV Director

The HPBA Board of directors met in Anaheim California on March 16.

The Government Affairs Committee recognized two state code coordinators as Coordinators of the Year, including our very own Greg Hill for his tireless efforts on behalf of our industry in Ohio. Rick Dungey,

MSHPBA Executive Director, was also honored as Affiliate Executive of the Year.

The U.S. EPA is working on a proposal for a "green stove" program that would certify some models as being especially environmentally friendly. HPBA will continue to watch this process of evolution.

The Communications Committee announced final 2003 public relations numbers that showed a total of 4.5 billion media impressions about hearth, patio and barbecue products.

The Membership Committee encourages all members to check out the special offers available from the affinity program providers. Many members have reported big savings on insurance, shipping and card processing services.

The Hearth Education Foundation presented a slightly revised logo to replace the current NFI logo that is being challenged by the National Fire Protection Association as being too similar to theirs.

Statistics Committee reports that unit shipment of cordwood, gas and pellet appliances totaled just over 1,500,000 units in 2003 and it was estimated by the Board that total industry shipments including gas logs and electric may be double that figure.

The EXPO continues to be very successful with a record number of exhibitors and the number of attendees second only to the 2003 EXPO in Nashville. The Board approved Dallas as the site for the 2010 and Orlando for 2011 EXPOs.

The 2004 Board of Directors met immediately following and approved the following officers: John Adams, Chair; Paul Birnstihl, Vice Chair; and Jerry Scott, Secretary.

Please contact me if you have any questions or issues concerning the National Board.

Read
all
about
it!



MSHPBA "Member News Corner"

Kudos to Greg Hill who was honored as a State Code Coordinator of the Year for 2003-2004. He was presented with an award from the HPBA Government Affairs Committee during EXPO 2004 in Anaheim, CA. Thanks to his efforts in the past two years, Greg has worked with legislators to create a bill in Ohio that would establish a prefabricated fireplace contractor sublicense, based on NFI certification. For more information on this, please visit the MSHPBA Web site at:

www.midstateshpba.org/media.htm

President's Letter (continued from page 2)

- EXPO grew from 427 to 434 exhibitors, 110 of them new to EXPO. 10,599 people attended EXPO 2004 in Anaheim. It was just a few less than 2003 in Nashville, but was the largest show held out west in HPBA history.
- Your affiliate had the largest growth rate of all the 14 affiliates in the U.S. & Canada from 2002 to 2003.
- MSHPBA membership grew 47% from 2002 to 2003. From 144 to 212 members. Current renewals lead us to expect more growth in 2004.
- MSHPBA is the largest of the 10 U.S. affiliates that started up in January of 2000. Two U.S. affiliates are 11 years old and cover areas with a much larger population. Over that many years, they have developed a large membership. If we continue to grow as we have, we will have a larger membership.
- MSHPBA has the best member retention rate of the 12 U.S. affiliates.
- MSHPBA has the largest number of retailers among the 10 "new" affiliates. All of this growth has come as

a result of a lot of people doing a lot of things right.

- Our recent Aloha party at EXPO was very well attended by members from MSHPBA land and a good time was had by all.
- National HPBA recognized two MSHPBA people. These folks are working hard for you, our members.

State Code Coordinators of the Year

At HPBA's EXPO, two volunteer State Code Coordinators received the State Code Coordinator of the Year award for 2003-2004 from HPBA's Government Affairs Committee. Joe Biber, NEHPBA member from CT and Greg Hill, MSHPBA member from OH, each faced major legislative challenges in their states. Joe and Greg worked diligently with fellow members, affiliate staff, HPBA staff and local lobbyists to win big victories. HPBA would like to thank each for their time and commitment to advancing the industry. Congratulations Joe and Greg!

Fireplace License Legislation Stalled



Greg Hill, Building Inspections & Codes Committee

Two months ago, we were confident that we were close to having fireplace licensing incorporated into Ohio Senate Bill 179. Today, we have hit a roadblock.

Bill 179 was created primarily to reorganize the Ohio Construction Industry Examining Board (OCIEB). Working with HPBA legislative experts and OCIEB officials, we created language to be added to Bill 179 that would eliminate the requirement that fireplace installers have HVAC licenses and that would also require NFI certification for a fireplace installer to be licensed. All but one member of the Senate Insurance, Commerce and Labor Committee agreed with our proposal.

Sen. Lynn Wachtmann (1st District, Napoleon, Ohio) prevented our language from being included in the bill. He opposes licensing because he sees it as another unnecessary layer of government and a way for fireplace installers to "line our pockets" by charging high prices for the jobs we do.

Those of us working on Ohio licensure met with Sen. Wachtmann, but we were unable to convince him of the need for a license to protect Ohio consumers and fireplace installation businesses. We were successful in getting him

to concede that when local building officials do not allow fireplace installers to work without an HVAC license in commercial projects, we are locked out of practicing our trade. The senator said he would be in favor of finding a way for us to do commercial work without HVAC licensing, but without creating a separate fireplace license.

Residential building inspectors generally allow whatever commercial code allows, so if this would take place, we would probably accomplish our goal of eliminating problems from inspectors who require fireplace permits to be pulled by someone with an HVAC license. The senator has not told us how he proposes to do this.

HPBA legislative experts are still working with us to put licensing and NFI certification back in Bill 179. We are also considering hiring a trade lobbyist organization to help with our efforts. We must determine if the chance of passing license legislation is great enough to invest funds in lobbying or whether we have to accept that licensure is dead for the moment.

Although I would be more gratified if we could get licensure passed, this entire Ohio Codes Chairman process has certainly been a good civics lesson for me. I have learned that the wheels of legislation grind SLOWLY. As I have said before, stay tuned...

IN CONJUNCTION WITH THE ANNUAL MEETING...

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June 13, 2004 • Columbus Marriott Northwest • Dublin, OH • 8:00 a.m. — 5:00 p.m.

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- Certification Could be Vital for Your Business – Certification is a positive effort of industry self-regulation and reduces the need for excessive government regulation.

For more information or a registration form, call the MSHPBA affiliate office at 314-576-5333 or visit our Web site at www.midstateshpba.org.



Don't miss this opportunity to become an NFI certified professional!

Scenes from the MSHPBA Affiliate Aloha Party at Expo 2004



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We are currently seeking additional 2004 Annual Sponsors and Cookout Sponsors for the Annual Meeting. This is a great opportunity to network with potential customers. Please call the affiliate office at 314-576-5333 if you are interested in finding out more about sponsorship opportunities, or if you know of a company who might be interested.

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NEW AND IMPROVED

Visit the MSHPBA Web site at
www.midstateshpba.org

Get information on the Annual Meeting, sponsorship updates, member benefits, legislative issues, affinity programs and much more. While you're there, be sure to join the MSHPBA Yahoo group message board. It's easy – simply click on the Yahoo Groups icon from the home page and enter your e-mail address.



MSHPBA Staff Update

Sarah Ammann, a graduate of Kansas University with a Bachelor's in Communications, will replace Gina Burkert as Program Coordinator. Sarah has worked for your association management firm, Drake and Company since August, 2003. Gina has been promoted by Drake & Company to Communications Specialist and will now work for the National Christmas Tree Association client team. Rick Dungey will continue to serve as Executive Director for MSHPBA. Gina will be a part of a two-month client transition with Sarah and will continue to provide support for the Annual Meeting to ensure its success.

HPBA Lobbies to Remove Barriers on Steel Trade

(continued from page 1)

our industry, steel service centers have recently been adding surcharges to existing contracts and justifying it as appropriate for keeping in line with current prices and markets. Many of the service centers are also refusing to commit to one-year contracts because of the rapid fluctuation in prices. According to the *Wall Street Journal*, the price of steel has risen 30% in the past two months and prices are expected to peak in May 2004, moderating slowly afterwards.

Many industry groups, including HPBA, successfully lobbied the President to repeal the Section 201 steel tariffs in 2003, in hopes of increasing the supply of steel and lowering prices in the U.S. Unfortunately, many trade barriers, such as anti-dumping and countervailing duties, still exist on foreign imports of raw materials. HPBA continues to work with the Consuming Industries Trade Action Coalition (CITAC) to help push for the removal of trade barriers and open markets for U.S. manufacturers to access necessary raw materials.

Unfortunately, there are few solutions to the current steel crisis. Even large companies, e.g., U.S. automakers, are having a difficult time trying to negotiate for steel on a global level. Many are just passing price increases of steel onto their customers in the finished product. Unfortunately, smaller manufacturers often do not have the luxury of cost-sharing with customers and they simply must absorb the costs, outsource overseas, or close down.

HPBA will continue to advocate for removal of trade barriers that restrict the flow of steel into the U.S. through participation in the CITAC coalition. By leveraging our efforts with other steel users, we have the best chance to help address our common concerns. In addition, HPBA will continue to monitor action by the National Association of Manufacturers (NAM) that leads a group that is watching the weakened U.S. dollar and assesses its impact relative to other global currencies, specifically the Chinese yuan, another contributor to costlier supplies in the U.S.

I will continue to update all of you on this issue as more information becomes available. In the mean time, please visit the link below to a recent Press Release from CITAC that gives a summary of the situation, http://www.citac.info/release/2004/4_03.htm.

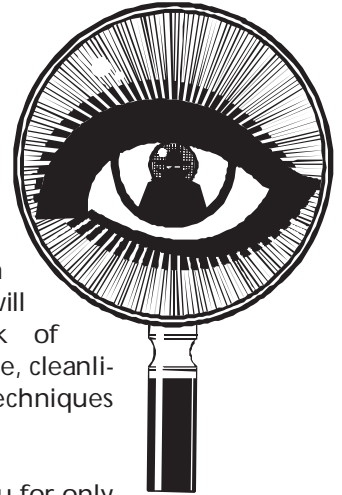
Back by Popular Demand...

Mystery Shopper 2004

Don't miss the opportunity to see through the eyes of your customer.

Over 500 stores were "mystery shopped" from the HPBA affiliates in 2003. Because our members have requested it, the Mystery Shopping Program will return in the fall of 2004. An independent shopping firm will shop stores the first week of November, to look at appearance, cleanliness, salesmanship, closing techniques and other aspects.

We will offer this program to you for only \$45 per shop visit – another membership benefit from MidStates HPBA. Be sure to sign up and make sure your stores and employees are ready when the busy fall season arrives. Information and registration forms will be mailed shortly.



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MSHPBA 2004 ANNUAL MEETING NOW FEATURING...

How to Help Your Business Survive the Next Generation

Estate Business Succession — Terry Resnick of Resnick Associates

Terry Resnick is a nationally recognized estate, business succession and life insurance planning expert and host of the popular radio program, *Legends of Success*, on Clear Channel (<http://legendsofsuccess.com/>). Resnick will be presenting "Estate Business Succession" at the MidStates HPBA Annual Meeting on June 14 in Dublin, OH. Here is a brief description of some of the important survival aspects that family owned or closely held businesses need to focus on. **If you are NFI certified, this session will earn you 1.5 CEU's.**

Closely held businesses, particularly those that are family owned, face an extremely difficult task in surviving to the second generation. In fact, less than one-third of all family businesses make it to the second generation and less than 15% of those make it to the third generation!

Some of the reasons for this startling statistic are the following:

1. No estate and business succession plan was ever developed.
2. Not enough liquidity to pay Federal Estate Taxes. Estate taxes can easily confiscate over 50% of a business owner's estate. These taxes must be paid in cash within nine months of the date of death. If cash is not available, assets are often sold to raise the money. Unfortunately, many times, this includes the sale of the business!
3. An already existing estate/succession plan may not be efficient or been updated to conform to changes in the tax code and/or family situations.

Don't miss this session. It's critical to the long-term survival of your business!



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