

FIRESIDE

UPDATE

A member benefit of MidStates HPBA

AUGUST, 2003 • VOL. 4, NO. 3

4th Annual Meeting: A Smokin' Success

Gina Burkert, MSHPBA Program Coordinator

What do the Covington, Kentucky Fire Department and the members of the MidStates Hearth, Patio and Barbecue Association have in common? They both enjoyed some great barbecue!

Our 4th Annual Meeting was kicked off with a surprise visit from the Covington Fire Department when our generous barbecue sponsors, Empire Comfort Systems and NRG Distributors, set off the smoke alarms inside the Radisson Cincinnati Riverfront Hotel in Covington, KY on Sunday night during the barbecue cookout.

Fortunately, all that smoke did not put a damper on the mood and most of the attendees seemed to think that the sirens, flashing lights and fire trucks were a welcome addition to the 2nd Annual Cookout.

The firemen were less enthusiastic about the folly, but were forgiving when MSHPBA Board members brought a "peace offering" of extra barbecue to the Covington firehouse later that night.

After a torrential hailstorm two years ago and a smoke out this year, you might wonder what's in store for the Annual Meeting in 2004? Well, you'll just have to come to next year's meeting to find out. The 2004 meeting is scheduled for June 12-14 in Columbus, OH – stay tuned for more details. 🔥



To view more 2003 Annual Meeting photos, visit the MidStates website at www.midstateshpa.org.



Association Health Plan Update

By Elizabeth McRoberts

HPBA members contacted their Representatives throughout May and early June and helped the House pass H.R. 660 – The Small Business Health Fairness Act, on June 19, 2003, to establish Association Health Plans (AHPs). The victory was undisputed and the bill passed by a margin of 262 to 162! This is our first in the ongoing battle to get Congress to pass legislation that will allow associations the option of offering more affordable health care to all members, everywhere across the U.S.

Thanks to the efforts of members who sent letters, faxes, emails, and made phone calls, HPBA is one step closer to being able to provide health insurance directly to its members under the guidelines of a federally-managed association health plan. This will have a tremendous impact on smaller businesses, who will not only see reductions in premiums, but also reductions in overhead costs of managing health care in-house.

It is important to recognize HPBA members' tremen-

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Dan Maddox, Hearth Products Controls Co.

Your affiliate, MSHPBA, has become a very mature and increasingly effective organization since its formation. Thanks for this go to the foresight and vision of our first two presidents and the hard work of the board and several committees.

Our membership during the past year has grown from 141 members to 213. This makes us one of the largest affiliates.

Our recent 4th Annual Meeting was our biggest and best yet. The Annual Meeting Committee for our 2004 meeting is already functioning and has plans for improving it even more.

Thanks to the attendees at this year's meeting and the evaluations they filled out at the end of the meeting. The committee has a much better idea of what our members want for and from the Annual Meeting. These "wants" will be, as much as possible, met in the 2004 event. The needs and wants expressed will also be guides for our year round program. One of the strongest wants expressed pleased me very much. It was asking for more information and presentations covering installations and servicing of the products we deal with on a daily basis.

My company does business with hundreds of retailers from all across the country. Our exposure to retailers began 28 years ago right here in the MidStates area. Right from the start, retailers that had the best trained installers and service people were almost always the most successful. Consumers want to buy where problems rarely occur and are promptly solved when they do.

To this end, our program for the next year will include more installation/servicing information and presentations. We also urge you to get at least one employee NFI Certified in gas, wood or pellet. Having the NFI Certification displayed on your entry door and in your store will increase the "comfort level" of potential customers as they enter your store. People want to buy from an expert.

Beyond that, you will gain many times the investment you make in sending employees to manufacturers training sessions, use their tech support and study their troubleshooting material too. Often, the Reps that call on you have the expertise to give your staff installation and servicing instruction.

Buy from Reps & Manufacturers that can and want to help you become better trained, then use them to help you become more professional in these areas.

MSHPBA is dedicated to giving its members as much help as possible in becoming more professional and, as a result, more successful. Watch for more on this subject in future newsletters and faxes.

If you have any questions or suggestions, please call one of the Board Members. They will be very pleased to hear from you.

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(Term expiration year in parentheses)

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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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HBPA Board Report

Submitted by: Pete Anderson
Region IV Director

The HPBA Board of Directors met on June 21, 2003 in Alexandria, Virginia.

The 2004 draft budget was reviewed. A decline in overall revenue is expected in part due to a reduction in interest and dividend income. There is a proposal before the board to reduce the contribution to reserves from 5% to 3% of revenues to free up an additional \$100,000 to use on industry promotion. The feeling from some of the manufacturing members is that we should be doing more to drive consumers to the stores. The final 2004 budget will be approved at the November board meeting.

A proposal was presented to allow individual employees of member companies to join the affiliates, creating a new membership category. The thinking is that this would allow persons to meet locally to network and exchange ideas. This proposal is still under further study by committee.

A newer NFI Certification advocacy policy was approved directing HEARTH and HPBA staff to aggressively promote NFI Certification as the preferred program for licensing of installers in all areas of the country if there are existing, proposed or no regulations at this time.

The Communications committees (Hearth & BBQ) have now merged into a single committee and have selected a single public relations firm to represent all portions of the industry. This should result in more efficiencies.

There was a request by a manufacturer of wax logs for the HPBA board to revise it's proposed legislative policy in California to allow exceptions for wax fire logs. The feeling of the committee is that such a broad based exception would be seen as an end run around meaningful reductions in open fireplace use and would result in HPBA's more lenient policy to be rejected out-of-hand in favor of a complete ban on wood burning appliances.

If any member has any questions on the policies or actions of the national HPBA board, please feel free to contact me with your questions or comments. 🔥

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Congratulations!

The following people recently became NFI Gas Certified professionals during the MidStates HPBA Annual Meeting.

Joe Albridge, Moulton Gas Service, Inc. — Wapakoneta, OH
Matthew Beam, Earth Friendly Stoves, Inc. — Laura, OH
Tom Dazey, The Dapper Co. — Loveland, OH
Chad Dunlap, Moulton Gas Service — Wapakoneta, OH
Brian, Harter, Moulton Gas Service, Inc. — Wapakoneta, OH
Thomas Lucas, Denger's Inc. — Lexington, KY
Chris Market, Moulton Gas Service — Wapakoneta, OH

For a complete listing of certified professionals in the MidStates area, please contact the affiliate office at 314-576-5333.

5 Tips for Automating your Customer Service

Nick Temple

This article excerpted from the June 18 edition of "Family Business Strategies" an e-mail newsletter supplied from ibiz.com.

We all know that superior customer service is the best way to retain customers and increase profits. Happy customers mean more business. But the question is, how do you provide great customer service on a limited budget? Here are a few tips to help out.

1) Provide a search engine for your web site

Often, the information the customer is looking for is already on your web site, especially if you have built a F.A.Q.'s on your site. Adding a simple search functionality to your web site allows your customers to self help themselves.

2) Create a list of Frequently Asked Questions for your site

Most people would rather find the answers themselves, rather than wait for a response. Information should be easily found, and organized. A simple F.A.Q page is a good place to start.

3) Create an "expert" help system

Even better is an automated system that allows you to create a series of questions and answers, which when laid out properly, allow your customers to find the exact solutions they need for tech support or product questions. This is exactly the same technique Ebay and other large sites use.

4) Have a web help desk system

A tracking and ticketing system for handling customer support issues is critical. It should support both email and web based questions. Any system you implement should understand the concept of "tickets" and should keep all correspondence related to a specific "ticket number" together, both incoming and outgoing, so you can track the status of each request.

5) Make sure you have the answers

Once your customer contacts you, you need to provide answers to their questions quickly and efficiently. Your customer database is your most powerful asset. If you can keep all your information in one searchable database, you will then be able quickly to find the information required. Has this customer had a similar problem before? Do they have additional issues that need to be resolved? What is their account status? All this information should be immediately available to your staff. There is nothing more frustrating to a customer than having their questions or concerns fall through the cracks. By building even one of the tips above, you can reduce support costs and increase customer satisfaction. Your customer then becomes your best service representative. 🔥



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Marketing to the Affluent: How to find and sell to them



Kerry L. Johnson, Ph.D.

This article excerpted from April 14 edition of "The Winning Edge" an e-mail newsletter supplied from Dr. Kerry Johnson. You can get this e-mail newsletter by visiting www.kerryjohnson.com

He probably wears a \$50 watch. You won't see him on a yacht. But you would find him in his office commonly until 7:00 p.m. (even on Saturdays). He is more interested in his local rotary club than the polo matches. She uses her bank more for making investments than for borrowing. She would have been Robin Leach's last choice for a spot on "Lifestyles of the Rich and Famous." She is more interested in her family and coupon clipping than in champagne and caviar dreams. Sound pretty average, right? How affluent would you expect these people to be? If you guessed current members of a lower middle class bowling league, you're dead wrong. These people are part of America's new elite rank of millionaires.

How Many Are There?

According to the IRS, there are 7 million households with a net worth of \$1,000,000 or more. According to Forbes magazine, there are now more than 300 Billionaires in America. But some have taken a beating in this volatile market. Even Bill Gates has lost half of his net worth since the beginning of 2000, decreasing from \$80 Billion to just over \$40 Billion today. He's worth Billions but still can't afford a good haircut.

The Affluent come from a middle class or blue collar background and likely graduated from a state university.

Mr. or Ms. millionaire's average age is 44. The average billionaire is only 46. And this doesn't even include stock option puppies. The Affluent come from a middle class or blue collar background and likely graduated from a state university. In fact, millionaires rarely lead pampered lives of luxury. Of course there are the flashy jet-setting elite who flaunt their well-heeled posh attire and assets with aplomb. But they account for only about five percent of millionaires nationwide.

But who are these people the working class looks to with

so much envy? Chances are you know one and didn't even recognize her. She probably lives in the south where the greatest numbers reside. But the highest concentration is in the Northeast, although more make their home in California than any other state.

The new breed of millionaire often are not hidden away in the lap of pampered luxury.

Where did they get their money? Certainly not from the lottery. According to Dr. Tom Stanley, professor of marketing at Georgia State University, only about 20 percent are born into money. Most millionaires come from seemingly humble beginnings. A few make it big by developing a revolutionary product or a breakthrough technique. But more are simply workaholics who start by owning a small business. They often possess an uncanny knack for hiring and retaining quality people. By the time they reach their late forties or early fifties, they put their name up on the office door.

Where Do We Find Them?

The new breed of millionaire often are not hidden away in the lap of pampered luxury. One percent of the households in America are in the high seven figure income category. Less than five percent have annual incomes of \$75,000 or more. If you have prospected for millionaires in the past, you probably searched for social class and the trappings of wealth. Yet only half of these families own and occupy homes of \$300,000 or more.

Many people are more interested in appearing to be wealthy than developing the discipline necessary to achieve millionaire status. In fact, many salespeople are trained to hunt big game in the medical facilities. But often the lifestyles of physicians are defined by the expectations of society. Since they are in a prestige working

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Entertaining to Win Clients

Deborah Cole Micek

This article excerpted from the April 15 edition supplied by the RPM Success Group website at www.rpmsuccess.com.

The Super Bowl can teach us a lot about business. Admit it, are you one of the millions of people who actually took their break while the game was on - and sat through the commercials? Or maybe you're not a football fan but you tuned in to the Super Bowl this year just to see the commercials?

The advertising industry has come a long way. I can still remember "the good 'ol days" before remotes when it was so painful to sit there and watch those poorly designed commercials that you'd rather physically get off your couch and "turn the dial" to another station while the "commercial break" was on.

If you're still thinking about marketing and advertising your business in the traditional way, you're losing more clients than you may realize.

The business owner who thinks "traditionally" will continually have to pay more and more for whatever advertising methods they use. And at the same time, year after year, these same business owners will see their market share decline because their message is not leveraged for maximum results. Don't let yourself fall into this category.

An Old Favorite With A New Twist

Let's take a look at some traditional marketing principles most business owners are familiar with and see where you can add a twist to the old approach and improve your results.

You may have learned to develop a unique selling proposi-

If you're still thinking about marketing and advertising your business in the traditional way, you're losing more clients than you may realize.

tion. Develop a message that sells your product or service in a way that helps customers understand how you are better than your competition. You may have learned that it is important to repeat your company name over and over again so people remember it, and come to you when they need your product or service.

But ultimately, no matter how cute and memorable your message may be, if it doesn't bring people clamoring to you with money in hand, your marketing dollars go right down the drain. This is money that most small business owners simply don't have, especially when cash flow is tight.

While these traditional strategies are not wrong, they are merely foundational and left on their own - they are the long and hard way of doing things. As you begin to work smarter, you learn how to leverage your message in such a powerful way that you'll be remembered in sixty-seconds. Your ideal "prospects in need" will call you immediately after they experience your message.

Notice I didn't say hear or see your message. This is intentional.

You need to think of your promotional advertising as an experience you want someone to enjoy. Whether your message is on your web site, in your store, or found in a publication - your goal is to leave people with a positive feeling about your product or service. 🔥

Marketing to the Affluent (continued from page 5)

position, they find themselves better credit customers than candidates for expensive real estate. They frequently live beyond their means.

In college, I worked in a hospital as a cardio-pulmonary technician. As a young med student, I was privy to a lot of the doctors' personal and private conversations. It seemed that most drove Mercedes and owned gorgeous homes. But truly, all complained of cash flow problems and seemed worried that the financial cards would one day tumble. Recently a business broker friend mentioned that among the medical practices she handled, few physicians made more than \$150,000. In fact, in the 1990's, insurance companies were squeezing physician claims to such an extent that only the most business savvy will make more than \$200,000 per year.

Often the lifestyle of the pseudo-affluent focuses on projecting a facade that consumes nearly all of their disposable income. Since many of the "would be" affluent live in

\$600,000 homes and drive expensive German cars, feigning the appearance of wealth becomes very costly. Credit card debt and capitalizing homeowner equity seem to be the only way of maintaining the image: albeit for a while.

If not doctors, then where does one snare the real goliaths of the well-heeled? Discovering where they work and live may surprise you. Ten of the most affluent are: commercial printing, dry cleaning (multiple store units), jewelry retailing, legal services (attorneys who own multiple specialty firms who focus not only on bankruptcy but also on corporate and real estate disciplines), specialty tool and die manufacturing boutique, real estate development, refuse services/collection and disposal, real estate brokerage and property management, industrial plastics manufacturing and commercial machines and equipment wholesaling. These don't seem to be glamorous high affluence categories, yet they may be your best bet for trapping prospects who won't say they can't afford it. 🔥

Advancing on Association Health Plans (continued from page 1)

dous success in urging the U.S. House to pass H.R. 660, but it's even more important not to give up the fight in the Senate. The HPBA encourages MidStates members to get involved. Here's how you can help:

Kentucky

Rep. Ernie Fletcher (R-KY) cosponsored the AHP bill in the House. He is running for Governor of Kentucky next year. As a doctor by profession, he is using the healthcare crisis as a platform for his campaign in the upcoming election. All members in Kentucky should contact Rep. Fletcher and thank him for his leadership on AHPs and let him know how your health insurance premiums are affecting your business and your ability to recruit and retain good employees (or if you can't afford to offer any insurance, that is also useful information).

Michigan, Ohio, West Virginia

HPBA is meeting with Senators Voinovich and DeWine from Ohio in late July to talk about AHPs, but we haven't had anyone from Michigan or West Virginia send any letters of support for AHPs yet. Residents in Michigan are especially encouraged to contact Senators Levin and Stabenow because they have not officially decided their position on AHPs and we have a chance to discuss the benefits of AHPs with them directly.

All of the Senators and Congressmen will be returning to their home districts in August for the Congressional Recess. Members should contact their legislators' district offices and arrange meetings to discuss issues that are affecting the hearth and barbecue industry – health care, taxes, manufacturing & retail problems. If you want to find out your legislator's home district office info, contact Elizabeth McRoberts at mcroberts@hpba.org. 🔥

Thank You!

Representatives from the MidStates region that voted for the House Bill (H.R. 660)

OH – Rep. Chabot, Rep. Portman, Rep. Turner, Rep. Oxley,
Rep. Gillmor, Rep. Hobson, Rep. Boehner, Rep. Tiberi,
Rep. LaTourette, Rep. Pryce, Rep. Regula, Rep. Ney

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WV – Rep. Capito

THANK YOU

MidStates HPBA Sponsors

Dan Maddox, MSHPBA President,
Hearth Products Controls Co.

To all 2003 MSHPBA Annual Meeting Sponsors, I want to extend my sincerest thank you 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. We are working to make next year's meeting better than ever.

*On behalf of the entire association,
thanks again!*

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