



NEWS

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The Newsletter for PMI Members — by PMI Members

July/August 2003

PMI Training and Education: A Bigger Part of Our Future

by: **Ralph Herrbach, PMI President**



Ralph Herrbach

Last month, the Plumbing Manufacturers Institute (PMI) hosted two unique and very well-attended workshops, free of charge for participants from member companies. Fifty-three people attended the codes and standards workshop and 35 attended the Information Technology (I.T.) Forum (see related articles in this issue of *PMI News*). The PMI staff put together two outstanding programs, more of which are planned for the future.

I attended the codes and standards workshop and found it highly informative. The comments of those in attendance were very positive. What is even more notable is that the vast majority of attendees were not those who normally attend our fall and spring PMI meetings. Thus we have reached to a deeper level within member companies and have begun to gain exposure and build awareness amongst an expanded group of member company employees. In addition to this, we attracted attendees from nonmember companies and gained valuable exposure within the staff of some key prospects for membership.

The PMI Board of Directors is

committed to seeking new ways to add value to your PMI membership. During our strategic planning sessions last summer, we identified a number of potential topic areas and welcome your input as well. Our objective in perpetuating the training initiative is threefold. First, to provide value for members as derived from relevant training. Another intended outcome is to enhance the perception of PMI and attract more members in support of membership growth goals and our hopes of lowering dues with increased dues from new members. Finally, such activity, if managed well, can bring significant visibility and credibility to PMI as an organization. If the first two formal training events held in July are examples, we are off to a good start at meeting our objectives.

While we have clearly made headway in the area of codes and standards, our horizons have expanded beyond this area of core competency. With the collective brainpower represented within PMI and the important relationships we have with a myriad of industry experts, our reach extends into a virtually limitless number of subject areas.

To optimize our efforts in this area,

we need honest and creative feedback on other potential areas for seminars. Help us help you by providing ideas for future training forums. Most importantly, I urge you to support these efforts by personally attending or encouraging attendance by company staff at any of our upcoming forums that are of interest and potential value.

While nearly all of our member companies took advantage of the two July seminars, not every company did. We all know that you get out of an organization like PMI what you put into it. We hope to see all PMI member companies represented at hosted events. As a PMI member, you pay no registration fee! Your dues dollars pay for the attendance of as many employees you wish to send. To take advantage and derive full benefit, you must participate.



In This Issue. . .

In Life's Big Picture — Character Matters	2	Ray T. Fisher Jr.: Can't Hide His Success	8
A Setback for Codes/Standards Bodies	3	What Is New With Water Intrusion and Mold?	9
PMI's Codes and Standards Workshop Debut	4	Placing Odds For an Economic Recovery	10
The Great Indoors Accepts Crystal Vision Award . .	5	PMI Is Updating the Membership Database	11
T&S Brass and Bronze Works Models Leadership .	6	PMI Members Make Headlines in the Press	11

In Life's Big Picture — Character Matters

by: Barbara C. Higgins, PMI Executive Director



Barb Higgins

A former boss of mine always talked about hiring what he termed “good all-around athletes.” His feeling was that if you looked for people with a good basic set of skills, those

skills could be adapted to any situation. (Could that explain how this marketing person from the electronics industry is running a plumbing manufacturers trade association?)

The older I get, the more I appreciate the fundamental stuff of which good people are made. No amount of training can make up for deficits in an individual's character. Most recently, scandals such as the one involving Enron demonstrate that you can be one heck of an accountant, and one sleaze ball of a person. In my mind, no specialized skill can replace honesty as an essential ingredient in an employee. You can *teach* accounting skills, but is it possible to teach ethics to a fully-grown adult? Managers can and certainly should lead by example, hire in their own image, set expectations and outline boundaries, but can a manager really change someone's set of values and improve their work ethic? And what about "common" sense? Is that teach-able? As an eternal optimist, I remain hopeful but I am not so sure. I had this discussion at a National Association of Manufacturers (NAM) function recently with Howard Putnam, former CEO of Southwest Airlines. Mr. Putnam does not share my optimism on this matter. His advice is to focus on the *hiring process* and recruit better candidates.

Among the other essential skills that I would put in the “have to have” column, is a basic respect for other people. Unless your job has you ensconced on an isolated, human-free

mountaintop, where you crank out computer instruction manuals, you need good people skills to get along. Good business is built upon good relationships. While the concept can be taught (as in “7 Habits of Highly Successful People”, for example), the skill is one that must be developed from an early stage.

It is a basic principle of management that praise should be delivered publicly and criticism applied privately. The aforementioned former boss of mine had this precept somewhat reversed. Worse yet, not only were the beatings “public,” he would actually bet employees that they had made a wrong decision, messed up a project or made a bad judgment. In his mind, the odds that a mistake had been made were on his side. (Sadly, he used this technique in raising his kids too. “Thanks for the confidence, pop! See you on the Jerry Springer Show!”) This lack of respect for employees and co-workers at the very least manifests itself in a reciprocal lack of respect, and at the most, in turnover; not to mention that it speaks volumes about the leader himself. It seems to me that quite a bit of time and effort can be wasted trying to find out who is to blame rather than working toward a solution to the problem. Mature adults generally know when they have goofed. My attitude: Let's stop beating people up and work together to resolve the issue...and, more importantly, to prevent the situation from happening again the future.

I am also sensitive to managers, instructors, coaches and seminar leaders who insist on being condescending to their audiences. Training adults is a far different challenge than teaching kids. It is critical to acknowledge and respect an individual's life experience and reference points. Training sessions are

designed to hone in on a particular area of interest and those attending do so for that reason. Simply because someone asks for tips on management, codes and standards, or playing the piano does not mean they are complete numbskulls in other areas. Adult “students” are respectable, full-fledged human beings with strengths in other areas and do not deserve to be discounted or talked down to. Join us at a PMI-hosted training forum to see how it's done!

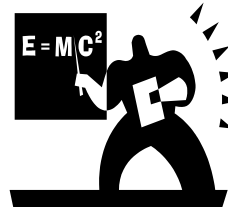
There is no such thing as a “one size fits all” management (or for that matter, parenting) technique. Each of us responds differently to praise, criticism and our responsibilities. It is nice to know that, for the time being at least, the artificial intelligence gurus continue to struggle with infusing computers with the tools to make certain value judgments that need a human touch!

A voluntary activity is much different to manage than a “required one.” Those who volunteer are doing so because they “want” to not because they “have” to. This is a critical factor to remember before applying any sort of “guilt,” pressure or deadlines! It is a critical

factor to remember in the trade association world where the member leadership is comprised of volunteers.

We are very fortunate to have so many wonderful volunteer leaders within PMI. Your time and efforts are appreciated. In addition, the association is supported by a staff which is unique, talented and cohesive. The two recent forums hosted by PMI here in Schaumburg are testament to that fact! It was a real team effort that came together beautifully. If you did not attend either of these sessions, I hope you will consider doing so in the future.

Stay tuned as bigger and better things are headed your way from PMI!



Decision Means Setback for Private Sector Codes/Standards Bodies

by: David Viola, PMI Technical Director

On June 27, 2003, the United States Supreme Court denied the Southern Building Code Congress International (SBCCI) appeal request regarding the 5th Circuit Court decision on the lawsuit filed by Peter Veeck. This holds the 5th Circuit Court ruling that when a copyrighted standard or code is referenced into law (particularly if it becomes “the law”), the developer cannot enforce its copyright against free distribution of the standard.

This decision has huge implications for model code developers such as the International Code Council (ICC), developers of the International Plumbing Code (IPC), and the International Association of Plumbing and Mechanical Officials (IAPMO), developers of the Uniform Plumbing Code (UPC). These non-profit organizations publish model construction regulations for the purpose of having them adopted by jurisdictions to regulate and govern building construction. These organizations rely on copyright protection and proceeds from the sale of these documents to

generate the revenue necessary to sustain the continued development and maintenance of these documents.

Without copyright protection, the ability to recoup the enormous resources that are needed to develop and maintain them is significantly diminished, because other entities would be allowed to sell or give away these codes. This threatens the very existence of model code organizations and the documents they generate.

Without model codes developed in the private-sector, state and local jurisdictions as well as federal government agencies, would be forced to revert back to developing their own codes. Many of these jurisdictions lack the expertise and the resources to do this work. The result would likely be a complicated patchwork of nonuniform regulations throughout the United States. This would be a major setback in the movement towards a safe, uniform and up-to-date system of U.S.



plumbing regulations. This would be disastrous for the entire construction

industry, let alone plumbing.

Also at risk are organizations like the American Society of Mechanical Engineers (ASME) and the American Society of Sanitary Engineering (ASSE). These documents are also commonly referenced in model codes adopted into law, protected by copyright and sale proceeds relied upon for their development and maintenance.

Unless additional litigation comes along to establish case law that changes the opinion of the courts, the model code and standard development organizations will have to reinvent themselves and find new ways to subsidize the development of private-sector codes and standards or face going out of business. PMI will be tracking the repercussions from the 5th Circuit Court decision with great interest and keep members apprised.



David Viola

Speakman Company Rejoins PMI After Brief Hiatus

PMI is pleased to welcome back **Speakman Company** to the ranks of PMI membership. Speakman’s application was approved by the PMI Board of Directors in July. Founded in 1869 as a plumbing pipe fitting company, the Wilmington, Del.-based privately held company has forged a reputation for innovation and product quality and expanded its product base by offering specification quality fittings, sensor activated electronic faucets, emergency equipment, and showerheads. Speakman pioneered

safety showers more than 50 years ago and introduced the forerunner of its universally-recognized ANYSTREAM® showerhead more than 75 years ago — back in the 1920s, when daily bathing was the rallying cry of the plumbing industry — clearly carving its niche in the plumbing products market.

Rod Ward, president of Speakman Company, will serve as PMI’s principal representative. **William**



SPEAKMAN

Walbrandt and **Michael Trenham** of the company’s plumbing solutions unit will also represent Speakman. **Michael Trenham**, **Gary Dutton** and **Imants Stiebris** attended PMI’s Codes and Standards Workshop July 15-16 (see page 4 for more information on the workshop).

Welcome back!

PMI's Codes/Standards Workshop Debut Gets Rave Reviews!

by: Lori Smelser, PMI Member Services Manager

What do CCBFC, FHA, NMHCSS and NTTA all have in common? These acronyms were among those defined at the recent PMI Codes and Standards Workshop.

Fift-three PMI members and nonmembers from 26 plumbing manufacturers converged on Schaumburg, Ill., July 15-16 for PMI's first Codes and Standards Workshop. The venue was changed twice to accommodate the growing number of participants for the workshop, and PMI finally had to turn people away as maximum capacity was reached.

The workshop was offered free to PMI members and to non-PMI members for a fee.

Following lunch on Tuesday, July 15, PMI Executive Director **Barbara Higgins** welcomed the assembled group and provided an overview of PMI and its activities (of the attendees, 80 percent were members new to attending a PMI function, or nonmembers). PMI President **Ralph Herrbach** followed with an hour overview titled "Plumbing Industry Basics" in which he

briefly reviewed the history and make-up of the plumbing industry.

The rest of the afternoon was left to PMI Technical Director **Dave Viola** to provide the detailed workshop elements. Dave focused on PMI's role in the technical arena and plumbing codes and regulations in the United States and Canada. He discussed the International Code Council (ICC), the International Association of Plumbing and Mechanical Officials (IAPMO) and the C³ Coalition, the Plumbing-Heating-Cooling Contractors-National Association (PHCCNA), a comparison of the code development processes, plumbing code objectives,



Codes and Standards Workshop materials notebook



PMI President Ralph Herrbach is explaining the plumbing industry basics to the group.



Workshop attendees focused on the material presented by Dave Viola.

Workshop Testimonials

It takes a person 15 years to get 25% of what Dave taught us in one half-day.

Manfred Wolpert, The Chicago Faucet Company

An excellent job by the PMI team again. Also, we are extremely fortunate to have a person of Dave's skills, experience and enthusiasm as a member of the PMI staff. Great job keeping the session on track from a timing standpoint.

John Petrovic, Alsons Corporation

I'm not half as confused as I was when I walked in here.

Mark Trenham, Speakman Company

This was a very good seminar, especially for a new person like me. I'm currently struggling through my first product listing, and this workshop has been most helpful to me. The staff was helpful, informative and knowledgeable. Food and lodgings were great — you did a wonderful job setting this up for us. I hope you have more seminars like this.

Jeri Sunisloe, Brass Craft Mfg. Co.

There's more information on the integral workings of the codes and standards process than you can get in years working in the field. This workshop is the place to come to get the full and complete picture. Being able to call upon PMI and work together on issues is an extremely underrated value of membership.

Mike Martinez, Price Pfister

This was a great workshop for a beginner like myself. I deal with codes and standards regularly, but rarely get the time to understand the big picture...

Lance Cisneros, Fisher Manufacturing Co.

Dave Viola did a great job, and the pace of the presentation was good.

Imants Stiebris, Speakman Company

It is interesting to learn how complicated the mixture of governing bodies, codes and standards are. This has been very helpful to me.

Diana Overfield, Alsons Corporation

Continued on page 7

The Great Indoors Accepts Crystal Vision Award at K/BIS®

The third annual Crystal Vision Award was presented to The Great Indoors at a special breakfast held at this year's Kitchen and Bath Industry Show (K/BIS®) in Orlando, Fla. The award, presented by The Storehouse of World Vision, recognizes exemplary leadership, energetic community spirit, and supportive efforts to improve low-income housing and promote The Storehouse within the industry.

"It is an honor to accept this award on behalf of The Great Indoors," Marie McGrath-Brown, Vice President Merchandising – The Great Indoors, told the 150 industry leaders who gathered at the award breakfast on April 12. The Great Indoors, and their parent company Sears, has been a

partner with The Storehouse since 1995, donating hardware, paint and other miscellaneous items, and championing The Storehouse among their industry peers.

The Crystal Vision Award is presented each year to an individual or company in recognition of exceptional corporate leadership and ongoing support of The Storehouse. Previous award recipients are the Kohler Co. in 2001 and Masco Corporation in 2002.

The Storehouse serves community-based organizations, churches and low-income individuals by providing donated building materials and supplies for use in improving low-income housing and revitalizing neighborhoods. Products and materials



Kevin Hunter from World Vision presents Marie McGrath-Brown of The Great Indoors with the Crystal Vision Award.

are available at The Storehouse's 40,000 square foot facility, located on Chicago's west side, and at the new 27,000 square foot facility recently opened in Philippi, W. Va. A third site will open late this year in Los Angeles, Calif. Available products at The Storehouse include paint, drywall, fixtures, lumber, cabinetry, plumbing supplies, electrical supplies, carpet, tile, lighting fixtures, tools, windows, doors and hardware.

PMI's Executive Director **Barbara Higgens** serves on The Storehouse's Procurement Taskforce, which is designed to assist in connecting national, regional and local potential product donors to The Storehouse. Members consist of individuals representing key Chicago area business and professional leaders. The 10 individuals will work with The Storehouse staff to secure product donations for its work with low-income communities locally and nationally.

If your company is interested in making a tax deductible product donation, contact Barbara Higgens at (847) 884-9764.



The Storehouse 2003 Advisory Board (standing): Jeff Cannata, Designer's Showcase Kitchens and Baths Inc. and 2003 Vice President NKBA; Kevin Hunter, Vice President of U.S. Programs of World Vision; John Heilstedt, Executive Vice President, Sales and Marketing for Elkay Manufacturing; Tom Bromley, President of Your "Other" Warehouse; Ivan Gonzalez, General Manager of The Storehouse; Connie Mead; Dick Posey, President and CEO of Moen Incorporated; Bob Atkins, President of Grohe Faucets; Larry Crawford, President of Crawford Sales; Russ Diamond, President of Snyder Diamond (sitting): Barbara Higgens, Executive Director of PMI; Michelle Finn, Publisher of *Kitchen and Bath Business Magazine*; Chuck Dowd, Group President of Masco Corporation; Marie McGrath-Brown, Vice President Merchandising of The Great Indoors; Frank Windsor, Director Retail Sales of Kohler Co.; Sharon Jackson-Pincham, Corporate Relations Director of The Storehouse.



Mark Your Calendars For
PMI's 2003 Fall Meeting
October 26 – 29
at the Capital Hilton in
Washington, D.C.

Watch
the mail for
more details!

T&S Brass and Bronze Works: A Model of Leadership in the Plumbing Industry, Community and PMI

by: Lori Smelser, PMI Member Services Manager

For more than half a century, **T&S Brass and Bronze Works, Inc.** (T&S) has set plumbing industry standards. Founded in 1947 by George Theisen and Carl Spatt (the “T” is for “Theisen” and the “S” is for “Spatt” — they are brothers-in-law) on Long Island, N.Y., T&S originally developed food service plumbing equipment (including the market’s first pre-rinse unit, which became the industry standard). In the company’s family arrangement, George sold the products while Carl ran the factory. In 1950, the company introduced its full line of food service plumbing products and established T&S as the premiere manufacturer in the industry. By 1953, T&S introduced the foot pedal valve, yet another product that became the industry standard.

Over the next four decades, the company entered new markets within the plumbing industry. In 1956, T&S made its debut in the laboratory market with its Lab-Flo line of laboratory service fittings. Four years later, the company expanded into non-residential markets with industrial-grade faucets for institutional applications, and penetration of the commercial plumbing market began. In the mid 1980s, T&S teamed up with Dynafluid Ltd., to develop steam and water mixing valves. In order to distinguish the Dynafluid products and marketplace from the core T&S product line, Dynafluid 2000, A Division of T&S Brass and Bronze

Works, Inc., was created.

After 31 successful years together, George purchased Carl’s interests in the company in 1975 and moved the company to its current headquarters location in Travelers Rest, S.C., just north of Greenville. Here the company manufactures products and services customers. A second U.S. distribution facility is located in Simi Valley, Calif.

T&S’s expansion throughout the years has not been limited to the borders of the United States. During the last 20 years, the company has significantly increased its overseas exports. Today, representatives sell T&S products in Europe, Australia, the Middle East, Canada, Japan, Asia and South America. Overseas offices and distribution centers are located in Europe and Australia.

Today, T&S manufactures and sells faucets, fittings and specialty products and accessories for food service, industrial, commercial plumbing and laboratory markets. Its products have become the standard for many U.S. hospitals, schools, restaurants, prisons and public facilities. The company is now run by **Claude Theisen** since March 1992 when he assumed the role of president and CEO from his father, George. Claude was no stranger to the business. “I spent my summers in college working in the factory, and I

spent about 12-14 months in various factory jobs there.” He graduated from the University of Rochester in 1970, and attended New York University’s Graduate School of Business until 1973. “I started on February 15, 1972, as a T&S salesman and finished my MBA at night.” He was involved in a variety of sales and administrative functions until assuming leadership of the company in 1992. And he’s continued the directives of his father to run an environmentally and economically sound business. “We are committed to product innovation, to quality manufacturing and craftsmanship, to sales and customer service, and to sound environmental practices.”

In addition to leadership in the commercial plumbing industry, T&S is a leader at home as well. The company is very active in community service in the Travelers Rest/Greenville area, and it has a great commitment to environmental awareness. In the Greenville community, T&S supports local public schools, Furman University and Greenville Technical College. The company contributes financially to many worthwhile causes and donates necessities such as shower equipment, faucets and other plumbing supplies to charities and children’s shelters on a regular basis. “It’s our way of giving back to the community that supports our business operation,” says Claude. T&S is an avid recycler of everything from soda cans and paper to boxes, shipping materials, and metal scraps and shavings. These efforts have not gone unnoticed. In 1991, T&S received the Governor’s Pollution



T&S employees pose for a group picture outside of their Travelers Rest, S.C., facility.

Continued on page 12

PMI's Codes and Standards Workshop Debut Gets Rave Reviews!

Continued from page 4

manufactured housing, accessibility provisions, state and federal regulatory agencies, and major state and local jurisdictions. Following the afternoon workshop, attendees were treated to a reception and dinner at Wildfire Grill in Schaumburg.

On Wednesday morning, Dave rounded out the workshop with a discussion of product standards and conformity assessment. Topics included standards developers, standards accreditation, the standards development process, a review of all of the standards developers in the industry, third party certifier accreditation and certifying agency services, methods of indicating conformity with standards, and conformity assessment requirements in plumbing codes. Industry examples were used throughout the session.

Those who attended both portions of the workshop received certificates



Certificates were issued to those attendees that participated in both days of the workshop.



PMI Technical Director
Dave Viola

of completion. The PMI member companies that attended the workshop were as follows:

Alsons Corporation
Brass Craft Mfg. Co.
The Chicago Faucet Co.
Cifial USA
Elkay Manufacturing Co.
Falcon Waterfree Technologies
Fisher Mfg. Co.

Gerber Plumbing Fixtures
Haws Corporation
Kohler Co.
KWC Faucets
Moen Incorporated
NEOPERL, Inc.
Price Pfister
Sanitary For All Ltd.
Sloan Valve Co.
Speakman Company
Symmons Industries, Inc.
T&S Brass & Bronze Works
Tempress, Ltd.

Nonmember companies that attended the workshop were as follows:

Dornbracht USA
Grohe America, Inc.
Oatey Company
Jay R. Smith Mfg. Co.
TOTO USA Inc.

Note: Plans are underway to hold a second codes and standards workshop in January 2004. Stay tuned for more details — this is a popular, much-needed program for all plumbing manufacturers, PMI members and nonmembers alike. Space will go quickly!

The workshop was a great refresher course for me.

Shabbir Rawalpindiwala, Kohler Co.

Dave Viola made a terrific presentation. It takes a very special person to be able to interpret and translate clearly all of the complex details related to codes and standards. His vast library of knowledge regarding codes and standards knowledge is amazing. It is clear to see and hear that he has his finger on the pulse of the plumbing industry and keeps a watchful eye and ear to the ground in an effort to best serve the members of PMI. He certainly is the right man for the job.

Kathy Bruessel, The Chicago Faucet Company

I'm always interested to continue my personal learning curve in the codes & standards arena, and PMI provides one of the best opportunities through Dave Viola. Thanks for providing this opportunity to our industry.

Billy Smith, Jay R. Smith Mfg. Co. (nonmember)

Everything was great and very informative. Good overview of the big picture. I wish the course would have been available when I started six months ago. Thank you!

Ross Kingman, Oatey Co. (nonmember)

Overall, this was very good. One thing that I think you should keep is the two day approach the way it is broken up is perfect. Having been involved in these discussions and meetings myself over time I can tell you that breaking things up is important to the understanding of the material.

John Watson, Sloan Valve Company

Is your department or company in need of more codes and standards training/education?

Contact PMI at (847) 884-9764 for more information about how the PMI workshop can come to you! PMI's Technical Director Dave Viola is available to work with your company one-on-one in this area.

Ray T. Fisher Jr.: A Sharp Wit Can't Hide His Success

by: Lori Smelser, PMI Member Services Manager

It doesn't take long when you're in the presence of **Ray T. Fisher Jr.** for a smile to creep upon your face. Yes, he's very witty, but he also always seems to carry a sunny disposition and an encouraging word to share as well. His impact on those around him is indeed measurable.

Ray is president of **Fisher Manufacturing Company**; he has been with the company since June 1, 1989. He graduated from California State University in Chico in 1985 with a bachelor's degree in Marketing. He was formerly a salesman with CFS Continental, a broadline food service distributor in Sacramento (the company was purchased by SYSCO in 1989).

Ray is the fourth generation to work at Fisher Manufacturing. "My nephew is now working here during the summer so that makes it five generations who have worked for the company", says Ray. The secret to his success, he says, is "not having any brothers, and having two sisters who are *not* involved in the company." When you're finished laughing, keep reading: his real secret is that he really enjoys what he does. "I love my job and the people who work for me. If you are doing something you don't like, no amount of money, power or fame will make you happy or fulfilled."

Ray remembers a quote he saw on a plaque at the Empire Mine in Grass Valley, Calif. — "You've got to mine a ton of ore to get an ounce of gold" — and he's adapted that quote into his management style. "I'm very hands off," he says. "I allow people to make mistakes. We give \$20 for each idea an employee comes up with that improves the company, and when the idea is implemented, 40 percent of the first year's estimated cost savings goes to the team that implemented the idea." That simple gesture has been wildly effective for the company. "We've been doing this for five years and have received more than 4,000 ideas. We have implemented approximately 30

major ideas, with a net savings to the company of over \$500,000 per year, every year."

A Pasadena, Calif. native — "my high school played its football games in the Rose Bowl in front of 100,000 empty seats" — Ray and his wife Cheryl (they've been married 15 years) like to vacation at Napili Bay on Maui every other year. "We stay at a place called the 'Mauiian'. It reminds me of Gilligan's Island — no phones, no TV, very remote. Every time we go, we just sit on the beach and read, listen to the wind blowing through the palms and barbeque at night. Not much action but very relaxing." Ray

also relaxes by hunting and fishing on his time away from the office, and he's also a member of a firing range in Los Angeles where he'll go shooting when he's there on business. Ray has a life-long love of baseball — he played in the Senior Babe Ruth World Series in Newark, Ohio, when he was 17, and he counts Bill James' "Historical Baseball Abstract" as the "best baseball book ever written — every time I pick it up, I read something new, interesting or funny." He counts Billy Mitchell among his heroes. "He saw the advantages of airpower in the 1920s. The military thought he was nuts..."

Ray's been involved with PMI almost as long as he's been with Fisher — 13 years. He served with **Jim Galvin** (Symmons Industries, Inc.) on PMI's Commercial, Institutional & Industrial Committee for three years in the mid-90s. He currently serves on PMI's Board of Directors.

Fisher Manufacturing joined PMI in

1978; in fact, the company was honored during PMI's 2003 Spring Meeting by being inducted into PMI's "Quarter Century Club" (an honor for PMI companies who achieve 25 years of membership in PMI). The time in PMI, says Ray, has been well spent. "Two of the greatest benefits of our membership are the contacts made and the codes and standards work. As a fairly small plumbing company, we



Ray and his wife Cheryl riding camels in the Sahara Desert in the most northern part of Africa called Tunisia.

would never have the opportunity to network with other plumbing manufacturers or have an understanding of all of the regulatory demands placed upon us and how they should be addressed. Being a member of PMI allows us to achieve those crucial business goals." On a personal level, PMI allows him to keep in contact with friends he's made during his career in the plumbing industry. "The Central Valley of California is not the hot bed for plumbing manufacturing," he adds.

Ray says the key to PMI's continued success rests in the hands of the membership. "In order for PMI to become more successful, the members need to become involved. There's a number of ways to do that — serve as a committee chair, serve on the board or just voice your concerns. The staff at PMI continues to do a very good job of listening to members' different

Continued on page 12

A View from the Hill —

What Is New With Water Intrusion and Mold?

by: Fred Eames, Balch and Bingham, LLP

PMI's 2002 Fall Meeting featured a presentation entitled "Water Intrusion and Mold Issues". Well, I'm here to report that both the mold and the problem are still growing.

On July 16, 2003, the U.S. Chamber of Commerce hosted a forum on the increasing threats to business from mold litigation. PMI participated in this conference along with dozens of other trade associations and companies. Clearly, the number of mold cases clogging courtrooms is increasing, with industries grappling to come up with a solution.

The statistics are alarming. The American Risk Management Network has reported that there were over 300,000 mold-related claims made last year. This is approaching the number of fire-related claims. Costs to the insurance industry for mold last year were \$15 billion. Claims in Texas alone are over \$1.2 billion, with an average claim of \$22,000. Mold legislation has been passed or introduced in 22 states. And mold is everywhere — it makes up an estimated 25 percent of the Earth's biomass.

Hollywood celebrities have joined the cause, with TV celebrity Ed

McMahon winning a \$7 million settlement, "whistle-blower" Erin Brockovich filing a \$6 million claim, and actress Jennifer Aniston lamenting mold problems in her house in a recent magazine article.

What information does industry have at its disposal to stem the tide? The link between mold exposure and nearly any claimed ailment beyond allergies is unclear. The dose that might cause more significant health effects is unclear. Whether there is any basis to a claim that mold can be toxic is unproven.

But wait: shouldn't those facts favor industry? Shouldn't the burden be on plaintiffs? Unfortunately,

this is America — land of the contingency fee and home of the tort claim. Mold litigation is following the path of the asbestos litigation morass, which has deepened as plaintiffs are being awarded damages for mere fear that they will become sick from exposure to asbestos. And exposure to mold is universal.

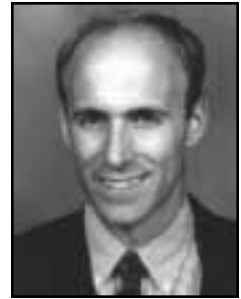
The Center for Disease Control (CDC) evidence that spawned the toxic mold litigation craze is now thoroughly discredited — by the CDC itself. Mice given a high nasal spray

dose of stachybotrys had no toxic response to the mold, and the levels they were given are not even feasible for indoor air. One might say of the science, as

Professor Wolfgang Pauly once said of a student's exam, "This paper isn't even good enough to be wrong."

Despite, or perhaps because of, the tenuous scientific links between mold and serious health risks, the country critically needs a common agreement as to what needs to be done to address the problem. There is none today, though various potential defendants — insurers, manufacturers, contractors — are beginning sensible cooperation.

Litigation preceding science and consensus makes near-term congressional action unlikely. However, Rep. Gary Miller of California, who founded his own construction company before entering Congress, chairs the Mold Working Group, which is looking at whether there needs to be some legislative bleach to kill the mold litigation growth. PMI will provide encouragement in that direction.



Fred Eames



Here's Who's Who On the U.S. DOC ISAC/9 Committee



U.S. Department of Commerce ISAC/9 committee members are: (l-r): Chairman **Steve Farrar**, Guardian Industries Corp.; Vice Chairman **Kent Sorensen**, American Homes International; **Charles Santomeno**, Isolatek International; **Robert Bell**, USG Corporation; **Barbara Higgins**, Plumbing Manufacturers Institute (PMI); **K. Gordon Lawless**, Almerica Overseas, Inc.; **Robert Randall**, TRACO; and **John Bruce**, Howry & Simon. Not pictured are **Marus Lyons** of American Cast Iron Pipe Company and **Anthony Mudford** of Detex Corporation.

Placing Odds For an Economic Recovery

by: Scott Franklin, Principal, First Generation Consulting

The beleaguered and bedeviled U.S. economy just can't seem to get a break. A litany of misfortunes, including the tech wreck, the stock market swoon, September 11, corporate scandals, and war in Iraq, keep dashing hope that recovery is "just around the corner." And the recent outbreak of SARS hobbled international commerce.

To be sure, during the boom period of the mid- to late 1990s there were also international crises and destabilizing events domestically. But the economy had so much momentum at the time, these incidents proved to be more a distraction than a show stopper. As conflict in Iraq became inevitable, the conventional wisdom was that a quick and successful conclusion to the war would vaporize the uncertainty hanging over the economy. The war ended quickly, yet the economy still looks "soggy" to use Treasury Secretary John Snow's description.

The factors to consider when evaluating the odds for a robust recovery range from global considerations to spending decisions made at city hall.

Long-Term Impact of the War in Iraq

Although immediate attention is being focused on the cost of U.S. aid to rebuild Iraq, the longer term implications are potentially more onerous. The ongoing war on terror and bolstering homeland security will continue to require massive funding from Washington at a time when deficits are reaching record levels. The global economy, which requires the free flow of capital, products, ideas, and labor between nations could be stifled by security concerns and antiwar sentiment among our trading partners. The fall of the dollar against most

foreign currencies has made U.S. products more competitive both overseas and domestically, but backlash against the U.S. may diminish the rising export growth that is so essential to a sustained recovery.

The Administration's Stimulus Package

The economy needs a quick fiscal stimulus because on the monetary side Chairman Alan Greenspan doesn't have too many more rabbits to extract from his hat. The speed at which Congress passes a compromise measure will be determined by the size of the package and to whom the tax benefits are directed.

The deficit issue, long a staple of tax policy discussions on Capitol Hill, has parties switching roles. Democrats have become defenders of balanced budgets while Republicans now resort to discussing deficits as a percent of gross domestic product (GDP), rather than debating actual size. This sluggish economy justifies deficit spending, but the growing national debt cannot be dismissed. Reluctance on the part of global investors to finance this deficit could trigger higher interest rates necessary to attract capital. Slower growth in the domestic economy could be a consequence.

State and Local Fiscal Crisis

Any stimulus created by federal tax reductions will be partially blunted by actions to eliminate red ink at the state and local level. These tax increases, spending reductions, and layoffs by states and municipalities will dilute the impact of federal fiscal policy.

Regardless of the stimulus package's final version, opponents and supporters will attribute this legislation's

effectiveness to specific provisions, while conveniently ignoring the economic impact of spending and tax decisions made by other levels of government.

Housing Market and Consumers

The housing market remains robust, although it is doubtful the torrid sales pace of the last several years can be continued. Mortgage rates are unlikely to move much lower, and the transfer

of assets from the stock market to housing, if not largely complete, will probably subside as Wall Street begins to recover. In some hot real estate markets throughout the country, rates of

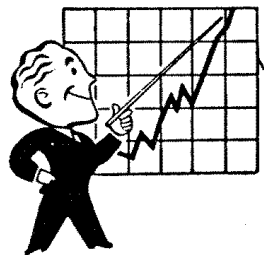
appreciation have begun to subside and a few areas have actually seen declines.

Lacking pent-up demand and further injection of stock assets into housing, falling mortgage rates are the only other factor that could perpetuate the housing boom. Growth will remain healthy as long as the 30 year fixed mortgage rate hovers close to six percent. As a contributing sector to the economy, housing has been the shining star the last several years. Its importance in preventing a long and deep recession cannot be underestimated. Refinancing by existing homeowners provided cash for spending, and new housing supported construction-related sectors. Sales of existing homes provided a strong market for remodeling and appliance expenditures. Housing will continue to be a driver in economic growth, but in a supporting, not a starring role.

Unemployment

The manufacturing sector, which once anchored the economy, recorded its 33rd straight monthly decline in employment this past April. Despite

Continued on page 11



PMI Is Updating the Membership Database: We Need Your Help!

by: Maria Bazan, PMI Association Manager



Maria Bazan

work in progress. As we finish the

PMI is updating its current database from Microsoft Access to a program called ACT. As you probably know, keeping a database is a

conversion of our files, we need your help filling in few a blanks.

Communication is the lifeblood of your PMI membership. It is critical that we capture your contact information for all of the possible ways of we can flow information from this office to yours. **Please keep us advised of any changes in your direct dial phone number or extension, fax number, complete mailing address including any mail-stops, your correct title, and most**

importantly, your e-mail address.

As we work through this conversion of data, some of you have already heard from us and we thank you for your cooperation. Please don't feel that you need to wait for a call from us to update your records, especially if your information has changed within the last four months.

Contact Maria Bazan at (847) 884-9764 or mbazan@pmihome.org.

PMI Members Make Headlines in the Trade Press

Brass Craft Mfg. Co. received a 2002 Platinum ADEX Award (Award for Design Excellence) from Design Journal magazine. The award is in recognition of the product design of Brass Craft's Safety+PLUS Advantage automatic gas shut-off system. The annual ADEX Awards is the largest awards program for home, office, hospitality furnishings and building materials marketed to the design trade.

California Faucets has enhanced its website www.calfaucets.com to include the company's latest catalog, as well as updated spec and installation sheets and a dealer locator section. Its

"Design Your Own" section allows users to select faucet styles and see how they look with different handle or finish options. A section called "Confessions of a Showroom Manager" adds a touch of fun and humor to the site by reporting a day in the life of a kitchen and bath showroom manager.

Haws Corporation is involved in a nostalgic restoration and update of some of its earliest products. The effort is part of the renovation of the Oats Park School in Fallon, Nev.



Built in 1915, the school is being renovated and transformed into a community arts center. The school is listed on the state and national historic site register. **Casey Hayes**, Haws' engineering manager, said "the cast iron sinks, each containing three bubblers, are great examples of our early products and their condition after all of these years speaks volumes about Haws' durability."

Placing Odds For an Economic Recovery

Continued from page 10

rising factory orders, excess capacity still exists. Increased productivity has allowed more output to be produced with the same or fewer workers. Even with an expanding economy, these two factors inhibit employment growth in this sector.

The unemployment rate of six percent may be understated due to the number of laid off white collar workers who have become independent consultants. Many work out of their

homes, earning income far less than their prior job, and marking time until they can return to corporate employment. Even employed workers have become more cautious in their spending habits as the sluggish economy shows few signs of igniting.

Government spending this year on defense and security-related programs may keep the economy from experiencing a double dip recession. But a vibrant recovery could still be

several quarters away.

Scott Franklin is a principal at First Generation Consulting and holds a master's degree from the London School of Economics. He develops seminars, speaks, and writes about economic issues facing the business community. Scott can be reached by e-mail at fristgen@compuserve.com or by phone at 913-642-6951.

T&S Brass and Bronze Works: A Model of Leadership

Continued from page 6



George Theisen in 1992

Prevention Award for its achievements in hazardous waste minimization. T&S was also recognized by the Western Carolina Regional

Sewer Authority with its Best Pollution Prevention Program Award in 1994 and its Compliance Excellence Award in 1995. Rounding out T&S's deserving recognitions was the 1992 Manufacturer of the Year award from the Greenville Chamber of Commerce.

T&S's success and longevity in the plumbing industry is matched only by its involvement in PMI. T&S joined PMI 37 year ago — in April 1966 — when PMI was known as the Plumbing Brass Institute (PBI). They are one of

the top five of active PMI members with the longest tenure of membership. George was very active in PMI and served as its president in 1977, two years after PBI became known as PMI. Claude, too, has been active in PMI in many capacities and is currently serving on the PMI Board of Directors. Engineering Manager **Mark Weaver** currently serves as co-chair of PMI's Technical Committee.

According to Claude, membership in PMI was yet another smart business decision for T&S. "Being able to have a voice in the industry, getting to know other owners and managers, being directly involved in the codes and standards process — the benefits of our membership in PMI has been numerous over the many years we've been a member." He adds that PMI's strengths include "the technical knowledge as well as the ability to bring the industry together when

collectively challenged on an issue."

With a firm grasp on the plumbing industry, its surrounding community and PMI, T&S Brass and Bronze Works is strategically positioned to continue its many successes in years to come.

Ray T. Fisher Jr. : Can't Hide His Success

Continued from page 8

concerns and ideas. PMI in the past focused on what it did best — in this case, codes and standards — at the expense of others within member companies, like sales and marketing professionals. Since the "re-evolution" of PMI, there has been more emphasis on meeting the needs of more and more people at member companies —

we now have active programming for sales, marketing and I.T. — this would never have happened without the feedback of the members."

We couldn't agree more Ray. Members' concerns, members' comments, members' ideas are all very important to us — keep 'em coming!!!

*Dear Barbara and PMI staff,
Thank you for the beautiful card you sent at the time of my brother Alan's death.
Your words of comfort and concern have meant so much to me during this difficult time. Thank you for reaching out to me.*

*Fondly,
Ila Lewis
(Gerber Plumbing Fixtures)*

2003 PMI LEADERSHIP

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