

Join us at the Spring Meeting! Details on pages 6-7



NEWS

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The Newsletter for PMI Members — by PMI Members

March/April 2004



Jim Westdorp
Kohler Company

PMI: Charting The Course And The Coursework

Jim Westdorp, PMI President and Kohler Co.'s President of Global Faucets

About this time of year in most parts of the country, and after repeated driveway clearings, weeks of sub-zero wind chill readings and months of barren, leafless landscapes, thoughts turn to spring. This year, the thought of the Plumbing Manufacturers Institute's meeting being held in Sonoma Wine Country is especially appealing.

But as you have learned in recent years, the beauty of PMI's semi-annual meetings is more than skin deep! Once again, we have negotiated excellent room rates in an accessible, well-situated hotel. The meeting, though, compressed into only 2 1/2 days to minimize your time out of the office, is chock-full of important information and guest presenters. Designed to address hot industry issues and incorporating suggestions lifted from the fall meeting member satisfaction surveys, the spring meeting topics cover a broad spectrum.

The meeting theme: "**Charting The Course**" refers to PMI's ongoing initiative to lead the plumbing industry forward, as well as to the significant success we have had with the PMI-

hosted forums and workshops. With "Institute" as our last name, it has long been felt that our association could and should play a key role in education. At our strategic board sessions, we determined that we would begin by presenting workshops in areas where PMI has unique expertise and insight — that is, focusing on our core competencies. Our intent is not to try to compete with other training organizations, but rather to focus on maximizing the value of PMI's unique niche.

Another aspect of the goal was to offer the courses free or at nominal cost to members as an added member benefit. Further, nonmember prospects would be invited to participate for a fee as a member recruitment tool and as an added revenue stream for PMI.

The results have been outstanding! Attendance has increased with each subsequent workshop. To date, PMI has hosted two codes and standards workshops, three I.T. Forums with a fourth in the works for this May, and most recently a workshop on demand forecasting. Also in the planning stages is a forum aimed to address issues of interest to CEOs, the specific content of which will be based upon input from our PMI member company officials. I hope you will maximize the value of your PMI dues investment by participating in these timely and important forums. The PMI-hosted

forums are free...but priceless!

In the meantime, I look forward to seeing each and everyone of you in Sonoma for the spring meeting. You won't want to miss it!

Highlights of the 2004 Spring Meeting follow:

Sunday, April 26

The PMI Spring Meeting begins with a golf scramble tournament at 8:00 a.m. on The North Course of Foxtail Golf Club located on Doubletree property.

The golf tournament fee is \$115 and that cost is NOT included in the price of registration. The fee includes a box lunch that will be provided to each player during the tournament. Please be sure to include your handicap on the PMI registration form.

Monday, April 27

- Back by popular demand! **Carl Cullotta** from Frank Lynn and Associates will explore another timely topic, "The State and Structure of the Residential Remodeling Market."

Market dynamics are forcing the manufacturer to change its thinking on the remodel market which will exceed that of new construction in the future. This presentation will outline the structure of the remodel market and proactive strategies. Is there an

Continued on page 7

In This Issue. . .

The Agony of Da Feet 2
 The Push For Greater Water Efficiency 3
 PMI Welcomes Fluidmaster, Inc. 4
 Meet PMI's Newest Board Member — Rod Ward . 5

"Charting the Course" at the Spring Meeting . . 6-7
 PMI Holds Codes and Standards Workshop 8
 Election Year Debate Underway 9
 PMI Provides Industry News You Can Use 10
 PMI Hosts Demand Forecasting Seminar 11

The Agony of Da Feet — And A Lesson Learned (Sort Of)

by: Barbara C. Higgins, PMI Executive Director

“Three to six weeks recuperation time. Off your feet and NO driving!” The surgeon’s edict sounded like a prison sentence. How (not to mention WHEN) would I be able to slow down long enough to have re-constructive surgery on BOTH feet? And, if indeed I was to undergo surgery for the first time in my life (let alone take my first “sick time” in 30 years of employment), why couldn’t the surgery be for something more glamorous than...bunions? Even the word is ugly!

The condition certainly was nothing new to me. Heck, my college roommate used to tease me back in the dorm days about my nasty big toes set at “right angles” to my feet. My feet had always looked funny and had always been a source of pain. But this was it. Three surgeons and a variety of revealing X-rays confirmed that the condition must be corrected and soon, while I was still “young” and in good health.

The question for me was —
WHEN?!?!?!?

Two of the doctors consulted planned to do each foot separately — with six weeks recovery time expected per foot! Out of the question. Dr. Swan considered only a double operation (He KNEW I’d never come back for the second foot!) and ASAP. Given my schedule, October, November and December were not options. I needed to attend the National Association of Home Builder’s show in January and there were TWO PMI Forums scheduled in February with a National Association of Manufacturers (NAM) Association Council Board of Directors meeting in March, not to mention the big PMI Spring Meeting in April! June brings the CEIR and the Canadian Institute of Plumbing and Heating (CIPH) meetings. Late spring and summer are high season for regional competitions and parades for the Chicago Highlanders bagpipe band of which I

am a part (remember — plumbing and drumming are my life!) Then it’s fall with all of those seasonal business commitments including the PMI Fall Meeting, and our daughter Missy’s wedding.

Weighing all of these obligations and at the insistence of the surgeon and with the assurance of our wonderful PMI staff that they could handle the codes and standard workshop (which they DID,



Barb Higgins

beautifully! See the related article in this issue), February 3 and 4 were set as the dates for my surgery and hospital stay. Trying to take the philosophical high ground (and to suppress

my complete terror at the prospect of the whole ordeal) I figured that the time off would force me to slow down, catch up on reading and needlework and in general be “good” for me.

Uh-huh...right. Words of encouragement came in from a variety of sources and ranged from: “You’ll be fine — It will be a piece of cake” to “Yeah, well, good luck. A friend of mine had the same surgery and died on the table of a blood clot.” I promptly updated my will. (Daughter Missy commented that she found it a bit sad that it would take such a traumatic event for me to “slow down.” H’mmm. Out of the mouths of babes.)

Most of my trepidation stemmed

from the fact that I had no similar past experience to draw upon. My technique for handling new, unfamiliar situations is to visualize myself in the situation and “just do it.” I couldn’t do that in this case. An afternoon of bone sawing and metatarsal shaping is not my idea of a good time. Not being allowed nail polish or make up on surgery day only served to heighten the trauma of it all. My pulse rate going into surgery was 156 over 98.

In the weeks and months leading up to the surgery, I began working double time to put PMI business in order and pushed Dave, Kelly, Maria, Christian and the auditors to do the same. Within weeks, the various guest speakers for the spring meeting had been secured, the schedule finalized, the annual audit was well underway, and the details of the February forums fleshed out. Thanks, everyone!

Long story short — I survived my first hospital stay and first surgery, with lots of tales to tell! It was however, like something out of a Monty Python sketch ... “You’ve NEVER been in the hospital?! SHE’s never been in the hospital” was the mantra of everyone I met during the process. And, my feet still look funny, (think Frankenstein with external pins and scars) but my toes are straight!

Now for the relaxing recuperation part. Not much choice Tuesday and Wednesday during the three-hour surgery and overnight hospital stay. The meeting with the Physical Therapist was not fun — being forced to walk up stairs using crutches and with feet bandaged like a Revolutionary War Veteran of Valley Forge. (But, I know, it was for my own good.) Thursday was a rather mellow day — that Vicoden is powerful stuff — though, my husband did drive me to PMI to pick up work. On Monday, I participated by phone in our weekly staff meeting, spending several hours on the phone that day

Continued on page 4

The Push For Greater Water Efficiency Continues

by: David Viola, PMI Technical Director



David Viola

The U.S. Environmental Protection Agency (EPA) continues moving toward development and implementation of a national program seeking to increase water efficiency. As reported in the November/December 2003 edition of *PMI News*, EPA is currently conducting a series of stakeholder meetings to identify potential environmental, economic, and energy benefits of a market enhancement program for water efficient products. Three meetings have been held to date, with the final meeting scheduled for **April 13-14, 2004, in Seattle, Wash.**

After the kick-off meeting on October 9, 2003, others were held on January 15, 2004, in Austin, Texas, and February 17, 2004, in Phoenix, Ariz. The Austin meeting provided a forum for water utilities, state, local and regional governments and other conservation-minded organizations to discuss their roles in developing, implementing and leveraging EPA programs geared towards developing more water efficient technologies. A significant amount of the discussion involved plumbing products. Water utility representatives voiced strong support for the creation of a water efficiency specification for pre-rinse spray valves based on the success of California Urban Water Conservation Council's statewide Pre-Rinse Spray Valve Replacement Program. Toilets and showers were also identified as initial candidates for the EPA program due to the availability of a variety of technologies offering water savings and the rising number of incentive program specifications being

developed.

The Phoenix meeting focused on identifying opportunities to enhance water efficiency in urban landscape irrigation. This area appears to offer the greatest opportunity to conserve water but presents some difficulties because the user and system design play a sizeable role in saving water.

The final meeting on residential, commercial and industrial indoor water use is shaping up to be the most important for PMI members since a good portion will be dedicated to plumbing products. Based on discussions with EPA staff and the feedback gathered from previous meetings, we should expect the focus of April's meeting to be on:

- identifying categories of plumbing products that offer water efficiency opportunities,
- assessing the feasibility of establishing voluntary efficiency specifications for identified product categories,
- moving closer to establishing a development process for product test methods and specifications, and
- potential product and packaging labeling schemes.

After receiving stakeholder input, John Flowers, water efficiency program manager of EPA indicates that they will conduct an internal review and assessment of information provided by stakeholders. Upon completion, they will make a determination on whether to move forward with a water efficiency program, identify the product

categories that should be covered under the program, and begin the process of developing performance specifications.

During this critical information gathering stage, PMI continues to actively work from a number of angles to ensure that PMI members' views are considered during this process. If EPA decides to move forward with a program, PMI will also work to ensure that the program is constructed to:

- remain voluntary, transparent and open to all stakeholders in the plumbing industry,
- only pursue products where substantial water savings are realized without adversely impacting industry, compromising performance or reducing the level of public health and safety,
- use test methods that are scientifically sound, repeatable and verified by rigorous lab and field research,
- provide sufficient implementation lead time,
- harmonize state and regional initiatives, and
- avoid designating proprietary products.

Regardless of whether EPA decides to move forward with a national program, we can be assured that municipalities and water agencies will continue to press forward with water efficiency initiatives involving plumbing products. It will be critical for the plumbing industry to work cooperatively with water conservation advocates to ensure that any provisions impacting plumbing products are fair and uniformly applied. PMI will pass along more details about the April 13-14 meeting agenda when they become available.

<p>Next EPA Stakeholder Meeting: Residential/Commercial/ Institutional Water-Efficient Products (Indoor Uses) April 13-14, 2004 Renaissance Hotel Seattle, Washington</p>	<p>See the Spring Meeting schedule on page 7 regarding Ed Osann's presentation on the EPA water efficiency product labeling program.</p>
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PMI Welcomes Its Newest Member — Fluidmaster, Inc.

by: Kelly Anderson, PMI Technical Services Manager

Fluidmaster, Inc. started in 1957 when founder/inventor **Adolf Schoepe** decided to bring a better idea to life and a better product to the marketplace.

Long convinced that the existing toilet technology was inefficient and unreliable, Schoepe devised a more effective fill valve that could readily replace other, less capable mechanisms. It was designed with fewer moving parts and constructed from premium materials that would outlast corrosion-prone metals. Most important, it was designed to work with, rather than fight against, water pressure.

Now, 43 years after surprising the industry with its trailblazing product, according to Fluidmaster, they sell more toilet tank replacement valves than any other manufacturer in the world.

In July of 1998, Fluidmaster completed the construction of its

custom-built world headquarters in San Juan

Capistrano, Calif. The manufacturing plant is a considerable source of pride to the Fluidmaster team. Fluidmaster's ingenious, highly automated assembly system is now more proficient than ever thanks to added space and productivity. The new facility is more than twice the size of the previous plant, allowing high volume orders to be filled with impressive speed.

Although Fluidmaster offers 300 products, the majority are in the FILL, FLUSH and CONNECT categories for toilet repair. In recent years, Fluidmaster has broadened its reach into other plumbing related lines such as toilet bowl cleaning, septic tank care, access panels and water supply connectors for toilets, faucets and appliances.

Fluidmaster products are sold in 87



countries worldwide, and they are aligned with major OEM partners — over 50 toilet brands add value to their products with the 'Fluidmaster Flush.'

As you may recall, Fluidmaster's Executive Vice President/Chief Operating Officer **Bill Axline** attended PMI's 2003 Fall Meeting in Washington, D.C., and as a result submitted an application for membership at the beginning of February. Bill was recently appointed to his position at Fluidmaster in July 2003 after he served as president and CEO for Distribution America. Bill will be PMI's primary contact at Fluidmaster.

We look forward to seeing Bill and the rest of the Fluidmaster team at the 2004 Spring Meeting! Welcome to the Plumbing Manufacturers Institute!

The Agony of Da Feet — And A Lesson Learned (Sort Of)

Continued from page 2

returning calls and chasing down action items. By then, less than one week after surgery, and not wanting to follow in the footsteps of Rush, Brett or Elvis, I had weaned myself off of the prescription pain killers, relying instead on aspirin and keeping my feet elevated. I learned to read the signals my body was sending me and when my toes turned purple (a rather startling sight) I knew that it was time to push away from the computer and put my feet up.

Thanks to e-mail and the telephone, I have been able to stay linked to the real world between naps and episodes of "Judge Judy." As of today, three

weeks after surgery, I am doing great! I attended the Demand Forecasting Seminar at the end of February (still on crutches and unable to drive).

Though I tried to low-key this whole thing prior to the surgery, and informed folks of the impending procedure on a "need to know basis" — primarily the PMI Board of Directors and staff, I have been overwhelmed by the support I have received from family, friends, PMI Board of Directors, members, co-workers, peers,

and suppliers. Thank you all for the encouraging e-mails, cards, phone calls, flowers, books, gifts, the loans of required appliances and accouterments (boosters, grabbers, walking/balancing aids), and even home-cooked meals!



Thanks especially to my husband who has been my daily caregiver, taking care of my most basic daily ablutions, fashion coordination and housekeeping duties. (I have not been allowed to shower since February 3. Suffice it to say, that I don't get many visitors, and those who stop by, don't stay long!)

So — did I stop and smell the roses? Sort of. Slow down to relax and recuperate? A little. Did I learn something during this interruption of my usual harried pace? You bet! In addition to learning the importance of setting the wheelchair break, I learned that I am surrounded by wonderful, caring, thoughtful people. I am blessed ...and REALLY glad to be back at work!

See you in Sonoma! We have a great line up for you!

Meet PMI's Newest Board Member — Rod Ward of Speakman Co.



SPEAKMAN

Rod Ward joined Speakman Company in 2002 as its president. Prior to Speakman, Rod was in Pfungstadt, Germany, as vice president of equipment for Snap-on Tools, Inc. "Working overseas for four years was great experience which I hope to leverage as we develop Speakman's international business." Rod, a direct descendent of Speakman's founder, is the fifth generation to lead the company. When **Will Denham**, a Plumbing Brass Institute (PMI was known as PBI prior to 1975) past president, decided to retire after 40 years of service, **Bill Speakman**, the chairman, contacted Rod about returning to Delaware to join Speakman. "While my previous experience at FMC Corporation and Snap-on Tools, Inc. has provided some transferable manufacturing experience, I realize I still have a lot to learn about the plumbing industry so organizations like PMI are a great resource," says Rod.

Speakman is in the midst of a renewal process including adoption of a new business model, The Roadmap to Business Excellence. According to Rod, "We feel strongly that the path to industry leadership requires the modern business organization to develop the discipline of working together on the right things in the right way within a context of continuous improvement." The Roadmap defines such a path through a structured process of Goal Setting, Goal Deployment and Monitoring at all levels of the organization, integrating all functions, programs and initiatives into one comprehensive approach leading to Goal Realization.

Speakman has also made operational decisions to support its renewal initiative. "After 96 years, we moved our headquarters and primary manufacturing operation to a new modern facility in New Castle, Del., which has improved production efficiency and customer support. We also made changes to our production process to incorporate 'demand flow' principles which have improved order fulfillment," Rod says. Product innovation and development remains a core corporate priority at the company and a number of new products in each of their business units are being introduced, Showering Products, Plumbing Products and Emergency and Safety Products. In December, Speakman and its associates received the Delaware Quality Award for Commitment. According to Rod, "This award, based on the Malcolm Baldrige Award criteria, confirms that we are moving in the right direction."

Rod and his wife, Gina, live in Greenville, Del., and have three children. They are ages seven, five and three so they have their hands full at the moment. Gina is from South

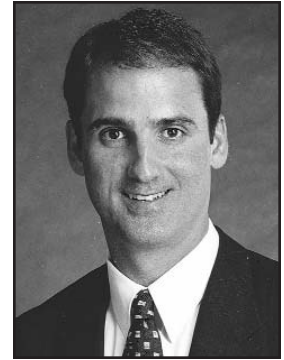
Bend, Ind., and a Notre Dame graduate. They met in Chicago where she worked as a consultant for Baxter Healthcare. "At this time in our lives, we try to stick to family oriented activities like skiing, hiking and sleeping. We are also lucky to spend a few weeks each year on the coast of Maine. The water is a bit chilly and there is not much sand, but it is just beautiful," Rod says.

Speakman Company officially rejoined PMI in 2003 after a year-long hiatus. According to Rod, "After I attended my first meeting in 2002, I knew that Speakman had to become more active in PMI. Speakman has a long history with PMI including two past presidents (Will Denham 1970 and Pete Warshaw 1981). As I have come to learn, Barbara Higgins, David

Viola, the PMI team and its members have done a commendable job making it a worthwhile organization and a force in our industry." Speakman has already taken advantage of a number of PMI activities including the most recent codes and standards workshop. Rod adds, "We look forward to becoming even more involved with PMI."

In early 2004, Rod was appointed by the board to complete the term of Tim Mullally, who has left KWC Faucets Inc. and thus his board role. Rod will serve through 2005.

We look forward to Rod's leadership on the board and Speakman's continued involvement in PMI activities!



Rod Ward



(l-r) Rod Ward, Tom Stoddard (Speakman Board Member) and Bill Speakman (Chairman) at the November 2003 ceremony to dedicate Speakman's new headquarters in New Castle, Del. It was also a celebration for Tom Stoddard who was recognized in 2003 by the Guinness World Book of Records as the employee with the most consecutive years of service with one company, 75 years from 1928-to 2003. PMI Executive Director Barb Higgins attended the dedication ceremony (see story in the November/December 2003 PMI News).

PMI Is Charting the Course —

Find Out More At the PMI 2004 Spring Meeting

Join PMI for our 2004 Spring Meeting, **April 25-28** at the Doubletree Sonoma in Rohnert Park, Calif., to network and learn alongside other industry leaders. As PMI continues to “Chart the Course” leading the plumbing industry into the future, we’ve also been charting the coursework through workshops and forums. Recently PMI-hosted forums have presented such topics as codes and standards, information technology and sales forecasting. And the learning continues at the Spring



Meeting...PMI has planned a full schedule of issue- and product-related meetings, informative presentations, educational and interactive workshops, to challenge and educate you during your stay. This is an opportunity for you to be a part of the

action in developing and addressing plumbing issues that directly affect your company and the industry. We’ve packed a lot of action, presentations and information into two full days of meetings, surrounded by social opportunities through the annual golf

scramble and final dinner with keynote presentation.

If you’re looking to be an active part of developments and initiatives in the plumbing industry, you’ve come to the right place with PMI!

Deadlines

Call the Doubletree Hotel at (707) 584-5466 to make your room reservations by **Friday, April 2, 2004.**

Return your meeting registration form(s) and payment to PMI by **Friday, April 2, 2004.**

From Ricky & Lucy to Beavis & Butthead: Managing the New Work Force

Robert Wendover is the Managing Director of the Center for Generational Studies and is emerging as one of the nation’s foremost speakers on labor force issues and intergenerational relations. The author of five books and hundreds of articles, he has been writing and speaking on management topics for more than 15 years.



Bob Wendover

His books include *Smart Hiring*, *Two Minute Motivation*, *Handpicked: Finding and Hiring the Best Employees*. In addition he has produced audio and video packages entitled, *From Ricky & Lucy to Beavis & Butthead: Managing the New Work Force*. He has written or contributed to more than 200 articles for national and local publications. He is a regular guest on radio and TV across the U.S. His credits include *Progressive Grocer*, *Frozen Food Age*, *Food People*,

CNN, CNBC, *The Wall Street Journal’s National Business Employment Weekly*, *Supervisory Management*, *Human Resources Professional*, and the *American Management Association’s Presidents’ Letter*. His monthly column for retailers, *In-Store Insights*, is celebrating its sixth year and is published by state associations throughout the U.S.

Mr. Wendover is a Baby Boomer. He was born in 1955, across the street from that icon of the 70’s, John Travolta. Being a Boomer, Mr. Wendover was around for the defining moments of the era...the assassination of JFK, Woodstock, and the wedding of Tiny Tim to Miss Vicky.

He has witnessed the growth of the computer age, the landing of men on the moon and the marketing triumph of...the Thighmaster!

Mr. Wendover’s education includes degrees in psychology, education and industrial arts. His clients include IBM, Sears, Taco Bell, International Dairy Queen, Kaiser Permanente, Kinko’s, State Farm Insurance, AllTel, Hampton Inns, AT&T, US West, Searle Pharmaceuticals, Super 8 Motels, the Professional Golfers Association and a host of other household names, government agencies and educational institutions.



2004 Dues Adjustment Well-Received By PMI Members

Given PMI’s healthy reserves and the continued efficient operation of the association, the board of directors voted to adjust downward the 2004 dues of PMI members in good standing and not on the dues abatement program. The response from members has been positive!

When you put the right people in the right places, the right things tend to follow.

Bill O’Keeffe, Symmons Industries, Inc.

Thank you for the good news. It is an outstanding job by PMI staff. My congratulations to you and your team.

Ed Pilatowicz, Price Pfister

Thanks for the good news!

Keith Kramer, The Chicago Faucet Company

PMI works for you!

PMI: Charting The Course And The Coursework

Continued from page 1

opportunity to establish an advantage in this market? And at what impact on your strategy for the new construction market? What are the implications for the manufacturer's overall go-to-market strategy?

- **Ed Osann**, president of Potomac Resources, Inc., will lead a discussion on EPA's water efficiency product labeling program.

- **Sharon Oxley**, executive director of the National Center for Housing and the Environment, will present results of a study on water intrusion and mold.

Tuesday, April 27

- The Government Affairs Committee Meeting will feature **Jerry Desmond, Jr.** a lawyer and lobbyist from California, who will provide insight on the newly elected "gover-nator." Also on hand will be PMI's new lobbyist **Christian Richter** from The Policy Group.

- **Larry Spangler**, chief executive officer, and **Beverly Dalton**, president, of the National Kitchen and Bath Association (NKBA) will present an update of their proposal from the 2003 Fall Meeting during the Trade Show Consolidation Committee Meeting on Tuesday. President of Messe Frankfurt, Inc., **Roland Bleinroth**, will discuss the recent events regarding the ISH trade show.

- **Kevin Price**, director, from the American Supply Association (ASA) will detail ASA's initiative to produce an Industry Database (IDB).

- Following dinner Tuesday night, will be a keynote address by **Robert Wendover** of the Center for Generational Studies entitled "From Ricky & Lucy to Beavis & Butthead: Managing the New Work Force." See Mr. Wendover's biography on page 6.

PMI 2004 Spring Meeting Schedule

Times are approximate and are subject to change. Meetings will run consecutively and it is the responsibility of the attendee to monitor up-to-date schedules each day.

Sunday, April 25, 2004

8:00 a.m. – 1:00 p.m.	PMI Annual Golf Scramble Tournament
2:00 p.m. – 6:30 p.m.	Registration
2:30 p.m. – 5:30 p.m.	Board of Directors Meeting (restricted attendance)
6:30 p.m. – 7:30 p.m.	Welcome Reception
7:30 p.m. – 9:30 p.m.	Dinner

Monday, April 26, 2004

7:00 a.m. – 8:30 a.m.	Breakfast Buffet
8:00 a.m. – 9:15 a.m.	Issue Committee: Universal Conformity Assessment
9:30 a.m. – 10:45 a.m.	Flushing Devices/Fixture Joint Product Group
11:00 a.m. – 12:15 p.m.	Showerhead/Hand Shower, Faucet & Shower, Tub, Tub-Shower Fittings Joint Product Group
12:30 p.m. – 1:30 p.m.	Lunch
1:45 p.m. – 3:15 p.m.	Member Services Standing Committee (Residential Remodeling: Carl Cullotta, Senior Partner; Frank Lynn and Associates, Inc.)
3:30 p.m. – 4:30 p.m.	Issue Committee: Water Conservation — Presentation on Water Efficiency Product Labeling (Ed Osann, President; Potomac Resources, Inc.)
4:45 p.m. – 5:45 p.m.	Presentation on Water Intrusion and Mold survey results (Sharon Oxley, Executive Director; National Center for Housing and the Environment)
6:00 p.m. – 7:00 p.m.	PMI Outdoor Reception
<i>Dinner on your own</i>	
9:00 p.m. – 10:30 p.m.	PMI Late-Night Wine Tasting Party

Tuesday, April 27, 2004

7:00 a.m. – 8:30 a.m.	Breakfast Buffet
8:00 a.m. – 10:00 a.m.	Technical Standing Committee
10:15 a.m. – 11:45 a.m.	Government Affairs Standing Committee (Sacramento Lobbyist Jerry Desmond, Jr.)
12:00 p.m. – 1:00 p.m.	Lunch
1:15 p.m. – 3:00 p.m.	Issue Committee: Trade Show Consolidation (Larry Spangler, Chief Executive Officer; NKBA, Beverly Dalton, President; NKBA and Roland Bleinroth, President; Messe Frankfurt, Inc.)
3:15 p.m. – 4:15 p.m.	E-Business Issues and Opportunities Standing Committee (IDB: Kevin Price, Director; ASA)
4:30 p.m. – 5:15 p.m.	General Membership Meeting
6:00 p.m. – 7:00 p.m.	Reception
7:00 p.m. – 9:30 p.m.	Dinner/Keynote by Bob Wendover; The Center for Generational Studies "From Ricky & Lucy to Beavis & Butthead: Managing the New Work Force."

Wednesday, April 28, 2004

7:00 a.m. – 9:00 a.m.	Farewell Continental Breakfast
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PMI Holds Another Successful Codes and Standards Workshop

Nearly 60 PMI members and nonmembers from 25 plumbing manufacturers converged on Schaumburg, Ill., February 3-4 for PMI's second Codes and Standards Workshop. The



Dave Viola informs the group about the country's code adoptions.

workshop was again offered at no charge to PMI members as a benefit of membership.

According to PMI Executive Director **Barbara C. Higgins**, "The response we received from those who attended our first codes and standards workshop provided a crystal clear indication that this type of programming was, and is, needed for those within our industry — whether or not the attendees are directly involved in codes and standards as a part of their job function. When registrations for the July workshop exceeded room capacity, a second workshop was planned. The second one was also a sell-out." She noted that, according to the evaluations received from attendees, "95 percent indicated that they learned something they can use on the job, 93 percent felt the workshop met or exceeded their expectations, 84 percent plan to attend future PMI workshops of a higher technical level, and more than 91 percent plan to recommend others in their company attend the workshop."

PMI Technical Director **David Viola** led the program. He included

detailed information on: PMI's role in the technical arena; plumbing codes and regulations in the United States and Canada; the International Code Council (ICC); the International Association of

Plumbing & Mechanical Officials (IAPMO) and the C3 Coalition; the National Association of Plumbing-Heating-Cooling Contractors (PHCC-NA); a comparison of the code development processes; plumbing code objectives; manufactured housing; accessibility provisions; state and federal regulatory agencies; major state and local jurisdictions; standards developers; standards accreditation; the standards development process; third party certifier accreditation and certifying agency services; methods of indicating conformity with standards, and conformity assessment requirements in plumbing codes.

Dave Viola commented, "It's encouraging to see the high level of involvement from manufacturers to ensure they keep pace with the various technical activities that impact our industry." Those who attended both days of the workshop received certificates of completion.

The introductory codes and standards workshop will be held annually, with additional phases in the works.

Testimonials from the February Workshop

There was a lot of good information from the codes and standards workshop, so thank you for having this type of program. Sherry Foster came back very excited.

Joan Bostic, KWC Faucets Inc.

Wonderful seminar — I understood a lot more information than the first time I went — Dave is a wealth of info and knowledge and a great asset to the industry. I enjoyed the seminar a lot! I hope you have more detailed seminars on the codes/standards themselves. I think they would be very informative.

Jeri Sunisloe, Brass Craft Manufacturing Company

I thought the overall experience was very beneficial. The workshop provided a better understanding of the how, what and why for codes and standards. There was an overwhelming amount of information and having the workshop over a two day period allowed for better retention of the subject matter and gave the chance for redirection of questions the next day. Great job to everyone on the PMI staff.

Chris Miedzius,
Speakman Company

Nobody knows this stuff like Dave. Excellent wealth of knowledge and presentation.

Donn Daggett, Haws Corporation

I look forward to the more in-depth codes and standards workshop!

Ronnie Hall, Dornbracht
(nonmember)

Nice job Kelly Anderson organizing!! Dave Viola did a good job presenting the material!

Rick Cota, Leonard Valve Company (nonmember)



Another sell out! Participants take notes on the material presented.

Economics and Regulation: Election Year Debate Underway

by: Christian Richter, The Policy Group, LLC

PMI recently participated in a small gathering convened by senior White House and Treasury Department officials to discuss the President's tax, budget and economic priorities for 2004. The session coincided with the annual release of the usually rather mundane and arcane "Economic Report of the President" (see the summary and full report at www.gpoaccess.gov/eop/index.html).

Treasury Secretary John Snow kicked off the meeting with what have become some controversial themes surrounding the report:

- **Tax Cuts and Growth** — the nation's economic growth rate is higher due to the Bush tax cuts;
- **Inheriting the Recession** — the Administration inherited a recession that was not entirely visible early on;
- **Recent Challenges** — the economy and federal budget are challenged by the impacts from September 11, corporate scandals, the stock market "meltdown" and necessary homeland security and defense priorities;
- **Higher Productivity** — U.S. productivity is soaring yet may be having a negative impact on the job creation front; and
- **Deficits and the Future** — the deficit, while not a product of the Bush tax cuts, must be firmly addressed over the next few years, but homeland security and defense will remain priorities.

The discussion following the Treasury Secretary's observations was an informed exchange on budget realities and the complex choices ahead for the Administration. The political reality, however, is that the Administration's public message on topics like the deficit, trade policy and sluggish job growth is not entirely resonating with opinion makers and voters across the political spectrum.

Conservatives are grouching loudly

and calling the President's judgment and philosophical commitments into question as the federal deficit rises to record nominal levels. Stinging criticism by Democrats has been leveled on two fronts — first, the report's overly optimistic job growth predictions for the year (3.8 million) and, second, the seemingly dismissive remarks by top White House top economist Greg Mankiew that global

outsourcing of manufacturing jobs is simply part of international trade and would benefit the nation. Whatever one's views on the outsourcing question, the White House has stumbled in dealing with it, and Washington pundits are already beginning to handicap the

outcome of the November elections differently.

Manufacturing Strategy & Regulatory Burdens

If the election will turn partly on the issue of jobs and manufacturing and the President's detractors are aiming for solutions to sustain economic growth, then other recent reports seek to offer a roadmap of what policy changes may be in order. The Commerce Department released in January its recommendations for addressing the future of U.S. manufacturing (the report, "Manufacturing in America" can be found at http://www.commerce.gov/DOC_MFG_Report_Complete.pdf). Based on last year's "town hall" meetings with large and small manufacturing firms, workers and state and local officials, the report outlines critical business priorities, including, among others:

- **Taxes** — simplify the tax code and make the recent tax cuts permanent;
- **Regulatory Reform** — review existing regulations and prioritize reforms;
- **Health Care Costs** — enact medical

liability reform;

- **Energy Legislation**

— enact an energy bill to boost supply, reliability and

affordability

of natural gas and electricity, and fund research in new energy technology;

- **Tort Reform** — reduce unnecessary costs on companies from unnecessary and expensive liability suits;

- **Patents** — enhance intellectual property protection.

It's no secret that the key elements of the Administration's manufacturing strategy would require a significant legislative push and a lot of political will in order to have an impact.

Business leaders and trade associations, particularly through the efforts of the National Association of Manufacturers (NAM), are touting them as all the more critical in light of the fact that another recent study — this one by the White House Office of Management & Budget — concluded that manufacturing bears the "highest total regulatory burden" on a per company basis than any other sector of the economy (available at www.whitehouse.gov/omb/inforeg/regpol_reports_congress.html).

Among the major rules reviewed by the OMB study were the US Department of Transportation rules on truck driver hours of service, which appear to impose the highest comparative costs (\$1.3 billion) for manufacturing but produce relatively lower benefits (\$690 million). One of the more notable yet unsurprising findings of the OMB report is that environmental regulations are believed to impose the highest costs on manufacturers, at an annual cost of about \$206,000 per firm and \$3,700



Christian Richter



Continued on page 12

Do-Not-Call Registry Upheld By The U.S. Court of Appeals

by: Mike Sennett, Bell, Boyd and Lloyd; PMI Legal Counsel

The challenges to the constitutionality of the do-not-call registry have been rejected in the U.S. Court of Appeals. The primary issue is whether the First Amendment prevents the government from establishing an opt-in telemarketing regulation that provided a mechanism for consumers to restrict commercial sales calls but does not provide a similar mechanism to limit charitable or political calls. The U.S. Court of Appeals said the do-

not-call registry is a valid commercial speech regulation because it directly advances the government's important interests in safeguarding personal privacy and reducing the danger of telemarketing abuse without burdening an excessive amount of speech.

The national do-not-call registry offers consumers a tool with which they can protect their homes against intrusions that Congress has determined to be particularly invasive.

Just as a consumer can avoid door-to-door peddlers by placing a "No Solicitation" sign in his or her front yard, the do-not-call registry lets consumer avoid unwanted sales pitches that invade the home via telephone, if they choose to do so. The U.S. Court of Appeals is convinced that the First Amendment does not prevent the government from giving consumers this option.

PMI Provides Industry News You Can Use

by: Kelly Anderson, PMI Technical Services Manager

News from the National Association of Manufacturers (NAM)

The National Association of Manufacturers (NAM) has recently released a key report titled, "How Structural Costs Imposed on U.S. Manufacturers Harm Workers and Threaten Competitiveness," by economist Jeremy A. Leonard of the Manufacturers Alliance/MAPI. The full report can be accessed at www.nam.org/costs.

This report documents U.S. manufacturers' external, non-production costs — corporate tax rates, employee benefits, tort litigation, regulatory compliance and energy — and estimates them at approximately 22 percent of the price of production for U.S. firms relative to the United States' nine most important trade competitors. These external costs are twice the size of the average direct labor costs of U.S. manufacturers, and are a major factor in our loss of trade and jobs. Among other things, the study found that our tax system is among the most business unfriendly in the world and that we spend more on environmental compliance than any of our trading partners, including the vaunted so-called "green" economies



of Europe.

The findings of this report should help the Coalition in its push for pro-manufacturing policies in 2004 and beyond. Understanding the magnitude

of these underlying costs makes it all the more important that federal and state officials address them with tax, regulatory, health and legal reforms. *As part of the NAM coalition, PMI wrote a letter to the Illinois governor, senators and representatives and enclosed a copy of the summary of the study urging them to help begin to lift this burden on American manufacturing, to begin to create a climate here once again that allows manufacturing to survive and prosper.*

NAM — Coalition for the Future of Manufacturing

NAM expresses their thanks to those 250 members and allies who "marched on Capitol Hill" this week for the manufacturing cause. The February 10 forum gave an opportunity for attendees to familiarize themselves with the "manufacturing message" and to share ideas. The PowerPoint presentations and photos taken at the forum can be found at www.nam.org/coalition under the "Forum and Fly-in" link.

Access Eastern Mediterranean (AEM) Program

Discover a unique marketing initiative by the U.S. Commercial Service at the American Embassies covering Egypt, Turkey, Israel, Jordan, West Bank/Gaza and Lebanon. Explore these six markets simultaneously, via one unified Department of Commerce service and a single registration. The \$1,300 participation fee covers five aspects: 1. Six Commercial Specialists conduct proactive partner/customer searches, tailored to your objectives, to literally hundreds of local contacts in their respective markets; 2. Your products/services are featured on the password-accessed AEM website; 3. Your company/product literature is featured at the Embassy booths at the following regional trade shows:

- Building 2004, April 19-22, 2004 in Tel Aviv
 - Yapi/Building Fair, May 5-9, 2004 in Istanbul
 - Interbuild 2004, June 17-21, 2004 in Cairo
4. Identify potential agents and distributors in each market; 5. You receive six results reports.

For more information or to register online, visit: www.buyusa.gov/easternmed/building/html.

PMI Hosts First Demand Forecasting Seminar

by: Maria Bazan, PMI Association Manager

Nearly 40 PMI members and nonmembers from 13 plumbing manufacturers met in Schaumburg, Ill., February 24-25 for PMI's first Demand Forecasting Seminar. The seminar was offered at no charge to PMI members as a benefit of membership.

John Kabbes of Kabbes and Associates was the speaker for the seminar. Kabbes has worked the past several years assisting clients to implement projects that achieve specific measurable results. His deepest skill set involves business processes that improve customer services while reducing cost and inventory. Kabbes was featured during a lunch presentation at the 2003 PMI Fall Meeting and brought back as requested by PMI members.

According to Kabbes, too much time is wasted preparing, adjusting and making excuses for poor forecasts while also creating cross functional conflict and dysfunctional behavior. World class forecasting requires two things: a managed forecasting process that produces accurate forecasts that consistently meets other processes' requirements and secondly, other processes do not require unreasonable levels of accuracy. The seminar

presented a model forecasting process in sufficient detail to allow participants to gauge their own company's approach, and understand forecasting fundamentals and performance metrics. Immediately applicable forecasting approaches and paradigms are discussed, analytically demonstrated and available to participants in a small spreadsheet model.

High inventory, poor customer service and reactionary expediting costs are often blamed on poor forecasts. Blame is misplaced when these results are caused by processes that require predictive accuracy beyond the capability of any forecast. Forecasting is a cross functional process that must balance a variety of factors.



Demand Forecasting Seminar participants engage themselves with the content presented.

Downstream processes can and must be capable of functioning within the demonstrated range of forecast accuracy and efficiently deal with customer demand variability.

Bill Tracey of Symmons Industries, Inc. said, "My compliments to all the PMI staff for an excellent Forecasting Forum."

Those who attended both days of the workshop received certificates of completion.



John Kabbes



(l-r) Kim Biermann, Patrick Kozdron and Wade Henderson of Brass Craft Mfg. Co. discuss the day's activities.



Coming Soon . . . PMI's *Fourth* I.T. Forum!

**May 18-19, 2004
Schaumburg, IL**



**FREE to PMI Members;
Nonmembers pay a \$250 fee.**

Watch the mail for more details!

Economics and Regulation: Election Year Debate Underway

Continued from page 9

per employee in annual cost, followed by economic regulations, tax compliance, and workplace rules.

The last category, according to the study, includes items such as employee benefits, occupational safety and health, and labor standards.

As part of the study, OMB also assessed regulatory burdens in other countries. It compared 130 countries and, surprisingly for many in industry, concluded that the U.S. is among the 10 “least-regulated” economies. The others are Hong Kong, Singapore, New Zealand, the United Kingdom, Canada, Switzerland, Ireland, Australia, and the Netherlands.

OMB is now seeking input on specific reforms to regulations, guidance documents, or paperwork requirements that would improve manufacturing regulation by “reducing unnecessary costs, increasing effectiveness, enhancing competitiveness, reducing uncertainty, and increasing flexibility.” PMI plans to meet with senior economics officials in the Administration again shortly. **If PMI members have specific input on minimizing regulatory burdens or examples of requirements that warrant change, please reach us and we will provide industry feedback to OMB,**

Treasury and White House officials in future discussions.

Christian can be contacted at 202-457-0630 or by e-mail at crichter@thepolicygroup.com.

Hello/Goodbye — Staff Changes At PMI

by: Barbara C. Higgins, PMI Executive Director

A fond farewell to **Kelly Anderson**, technical services manager, who has resigned from PMI effective March 4, 2004. Kelly completed her MBA in 2002 with the goal of someday pursuing a career in Human Resources. Happily for Kelly — that day has come! She will be working for Corn Products International of Westchester, Ill., in the human resources department, assisting with employee recruitment activities.

Since joining PMI in 2000, Kelly has blossomed into a true professional, able to handle multiple projects in an efficient and organized way. She has been a terrific asset in terms of both technical support and meeting planning. While Kelly will indeed be missed by PMI staff and members alike, we are delighted that she is on the threshold of realizing her dream career path!

Welcome to **Colleen Madeya** who joined PMI as Member Services Manager on March 15, 2004. Colleen will be in charge of coordinating PMI’s meetings and forums, will help produce *PMI News*, and *Washington Wire*, write press releases, will maintain the PMI membership

directory and assist in tracking legislative activity.

Colleen joins PMI after six years with Prairie Rock Brewing Company, most recently as director of marketing and advertising. Her experience in event planning, marketing promotion, customer service, and graphic design will serve PMI well.

The role of Association Manager **Maria Bazan** has been expanded to include technical services. Maria has been an important member of the PMI team since joining the organization in 2002, handling many of the association’s day-to-day operations in addition to assisting with meeting planning. She has gotten “hooked” on PMI’s technical side of our business. With her meeting planning now responsibilities transferred to Colleen, Maria will be able to devote her time to supporting Technical Director **Dave Viola** and the technical needs of PMI membership. Maria will continue to handle PMI’s information technology projects as well.

Please join us in wishing Kelly, Colleen, and Maria the very best in their new roles.

2004 PMI LEADERSHIP

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