



# NEWS

Volume 6, Issue 6

The Newsletter for PMI Members — by PMI Members

November/December 2003

## PMI is Reaching Beyond Its “Traditional” Borders

by: **Ralph Herrbach, PMI President**

Thank you once again to each of you who attended the fall meeting in Washington, D.C. It takes participation at a high level and good preparation by those in leadership positions to make these meetings successful. It appears all those present during our meeting agree that the Plumbing Manufacturers Institute is a sound organization with an excellent staff and dedicated manufacturer members. We can all share in the pride of how PMI has evolved since its rebirth in 1997 and 1998.

The theme of this year’s meeting “SHAPING THE FUTURE” was particularly relevant from my vantage point, and in a number of ways. Certainly PMI’s historical strength and leadership in the arena of codes and standards is a continual way in which this organization plays an important role in molding the codes and standards to which industry manufacturers (both members and non-members) build their products...and in a real sense, the products that consumers use every day in their homes and other buildings.

In another arena...as an organization PMI has demonstrated its ability, on numerous occasions, to head off legislation and/or regulatory actions that were not in the best interest of our industry...or our downstream customers. Through swift

actions in the form of public relations, and lobbying efforts, we have impacted the horizon of industry manufacturers to avoid costly obstacles.

More recently, in our effort to broaden the reach, impact and image of PMI, we have embarked upon an initiative to push the activity of the association more actively into a role of advancing industry education and training. After all we are the “Plumbing Manufacturers *Institute.*” Through these efforts, it certainly can be said that we are shaping the industry and its future as well. We are doing so by broadening the awareness and knowledge base within the ranks of member companies...as well as manufacturers in the “not yet members” category. With additional focus and some creativity on the part of our board of directors and staff, we can expand PMI’s sphere of influence out to other members of the industry’s distribution chain.

Two other areas are being studied by the board, along these lines of broadening our reach. We are looking into the continued expansion of the training/education initiative to target groups *outside* the ranks of manufacturers. First, we are looking into the possibility of linking certain of our educational forums to certification programs and “continuing educational

credits” for those in allied fields and associations. We will offer certification of our own as well.

Secondly, we are exploring what opportunities might exist by offering “associate type” memberships to other classes of related industry partners. The result will be to expand the “reach” and “influence” of PMI and at the same time enrich opportunities for dialogue, further education and networking to ultimately achieve our goal of PMI being recognized as the acknowledged “center of expertise” when it comes to the plumbing industry. In so doing we will be enriching a “brand identity” for PMI.

Another example of how PMI is now reaching out beyond its traditional borders is our initiative to use the grant we have received through NAM (National Association of Manufacturers) to promote to young people, careers within the plumbing manufacturing industry.

And, while these are interesting efforts, you have the PMI Board’s assurance that pursuit of these



**Ralph Herrbach**

*Continued on page 8*

### In This Issue. . .

Turning Our Vision of PMI Into Reality . . . . .	2
A New Push for Water Efficiency By U.S. EPA . . . .	3
PMI Continues to Shape the Future . . . . .	4-7
PMI Signs Memorandum of Understanding . . . . .	8

Two High Notes and a Farewell . . . . .	9
Meet Chicago Faucet’s Suzanne Shaw . . . . .	10
2004 PMI Dues Investment Information . . . . .	11
Welcome Amerikam . . . . .	11
A Fond Farewell to Lori Smelser . . . . .	12

# Shaping The Future. . .Turning Our Vision of PMI Into Reality!

by: Barbara C. Higgins, PMI Executive Director



Barb Higgins

Upon returning from the PMI 2003 Fall Meeting, I re-read the following editorial by Clint Medlock, President, Stafford Cutting Dies, Indian Trails, N.C.

which appeared in *The Cutting Edge*, a newsletter serving the die cutting and die making industry. (Hey! Gimme a break! As much as I live for them, I know there is more to life than reading plumbing industry magazines!)

Being a fan of the space race, Albert Einstein and the power of imagination, this article really hit home. It is particularly relevant in view of our fall meeting theme of "Shaping the Future," the spectacular presentation by NASA spokesperson, **Jack Bacon**, and our visions for PMI and the industry. I wish I had written this article. I didn't. (But I'll be "back to you" at the end of it.) Here it goes:

*"On a warm Sunday evening in July 1969, like millions of others, I watched Neil Armstrong make his famous small step for man. Until recently, I never realized the magnitude of information needed to complete this mission. Rocket into space at approximately 18,000 miles per hour, take a 60 hour flight, then orbit the moon 13 times, launch the Eagle, descend from 50,000 feet into the Sea of Tranquility, take a short walk, blast off again, be hurled toward Earth at 24,000 miles an hour and splash in the ocean at a predetermined location. Sound like a walk in the park? I don't think so.*

*What amazes me most about their mission was that the computers used to calculate this mass of information had less capacity than my current home computer. This leads me to the conclusion that computer capabilities are limited by the intelligence and imagination of the programmers.*

*Unless you live in a remote part of the world or have no electricity, computers do affect your life. Computers assist the monitoring and controlling of most planes, automobiles, and traffic lights. Computers facilitate magazines, newspapers, radios and televisions in almost every aspect. Even telephone calls would be impossible without computers. The article you are currently reading was written, checked and corrected with a computer.*

*Computers give us the ability to use another person's intelligence at moment's notice. Before computers, I never would have attempted to write an article for a magazine. Only with the aid of this computer's spell checking, grammar checking and other tools can I write acceptably. I now have the confidence needed to express my thoughts knowing the content of the article is the key to its response.*

*Albert Einstein was quoted as saying, "Imagination is more important than knowledge." As in the Apollo space mission, it's not the power of the computer that sent us to the moon, it was man's imagination. It's not so much about the computer having become a part of our life, as much as it is human imagination about the computer's capabilities that affect us. As our needs change, our imagination must heighten. As computers become more sophisticated and our imagination becomes more vivid, change will accelerate.*

*So often we take our current capabilities, imagine enhancements and then use these ideas to improve our products. I doubt Alexander Graham Bell had the foresight to envision cellular pocket phones. Though Orville and Wilbur may never have thought about flying to the moon, a small piece of fabric along with a piece of the propeller from their plane was placed on the moon to signify their contribution.*

*As we inherit our parent's dreams, we accept their capabilities, yet seek*

*ways to make improvements for ourselves as well as our children. As our parents could not imagine our dreams, neither can we foresee the dreams of our children. As we educate them, we must inspire them to use their creativity and imagination for this is truly where our future lies."\**

PMI is realizing many of its dreams, as we pursue new ways to shape the future. We have added six new members since the 2003 Spring Meeting. We enjoyed record attendance at the fall meeting. We welcomed four prospective members to the meeting as guests with the hope that they will join our ranks. We have a list of 12 more prospects who have expressed an interest in attending the spring meeting in April. We have added a variety of forums and seminars to our ever-expanding list of member benefits. Together with financial assistance from the National Association of Manufacturers (NAM), we will begin planting the seeds to encourage a new generation to consider careers in our industry. We have a new, official relationship with the U.S. Department of Commerce to promote fair trade throughout the world. We have a solid base of dedicated, supportive members. We are financially sound and in the unique (and enviable) position of offering a dues adjustment *downward* to members not already participating in the dues abatement program.

As we move forward, we will maintain the focus on our existing priorities as well as continue to look for ways to expand PMI's areas of influence, building on our strong foundation, making improvements as needed to ensure PMI's role as the definitive "Voice of the Industry."

Life is good.

Thank you, PMI members and friends, for your ongoing dedication to PMI. Happy holidays to you and yours!

*\*Reprinted by permission*

# A New Push For Water Efficiency By U.S. EPA

by: David Viola, PMI Technical Director



David Viola

In response to increasing pressure from environmental groups and water utilities, the U.S. Environmental Protection Agency (EPA) has initiated a series of stakeholder meetings to explore the development and implementation of a national program seeking to increase water efficiency. If a national program is created, it would attempt to increase water efficiency by;

- motivating manufacturers to produce more water efficient products,
- educating consumers of water saving benefits,
- and encouraging distributors, retailers, and water utilities to promote these products.

At the first stakeholder meeting held on October 9, 2003, in Washington, D.C., water conservation advocates suggested that a national water efficiency program be modeled after the ENERGY STAR® Program. In fact, many advocates were promoting “Water Star” as the suggested name for the program. If a program were modeled after ENERGY STAR®, it would likely result in the delineation of water efficiency performance levels for products and a product marking scheme that provide consumers with a means of identifying the various performance levels.

With nearly 36 states covering over 90 percent of population expecting to experience water shortages over the next 10 years, there is little doubt that the importance of making efficient and beneficial use of scarce water resources will remain a top priority for water utilities, environmental groups and regulators. In fact, many state and local utilities are in the process or have already established product performance provisions through consumer incentive and rebate programs. Additionally, several state and local regulatory bodies are considering or have already established mandatory provisions for plumbing products not specifically covered under

the Energy Policy Act of 1992.

Is a national program the answer? The creation of a voluntary program that establishes uniform national water efficiency standards has potential drawbacks and benefits.

The potential drawbacks include: creating a program that doesn’t result in significant water savings; compromises performance; adversely effects plumbing system performance; or reduces public health and safety. At the October 9 meeting, Kathleen Hogan, director of Climate Protection Partnerships Division, who handles the ENERGY STAR® Program at EPA expressed some words of caution to those interested in pursuing a similar program for water efficient products. She reminded attendees that the ENERGY STAR® is a brand name, and that consumers having a bad experience with a brand are not likely to consider it in future purchases. She also indicated that a national water efficiency scheme like the ENERGY STAR® Program is not likely to produce the desired results for products which:

- require proper installation to obtain energy benefit,
- are installed in commercial applications because end users are not directly involved in the purchase decision, and
- are already covered by fairly aggressive national standards.

To avoid some of the initial pitfalls, EPA staff has indicated that they will not include residential plumbing products covered by the Energy Policy Act in the initial phases of program.

EPA has scheduled three additional stakeholder meetings. The dates, locations and meeting focuses are shown in the table below.

The upshot is many or all of the potential pitfalls can be avoided with appropriate stakeholder involvement. If done properly, a single national program could serve to consolidate and harmonize the increasing number of conflicting state and local water conservation regulations and initiatives. This could also include Canada as well, since the Canadian Water and Wastewater Association has indicated their desire to coordinate with a similar program being pursued north of the border.

Another potential benefit is that the voluntary standards generated from this process could be used to update federal regulations and preserve the Energy Policy Act. Much like what has happened with other product categories covered by the Energy Policy Act, we can expect increasing pressure to establish new regulations or further enhancements for plumbing products. Creating new water efficiency standards through a transparent process with manufacturers’ involvement and sufficient lead time prevents many of the problems that were created when the Energy Policy Act was initially implemented.

Without furthering the debate about

*Continued on page 8*

## Stakeholder Meetings Scheduled By EPA

Location	Date	Focus
Austin, TX	Jan. 15, 2003	State, regional and local utility and government roles
Phoenix, AZ	Mid-Feb., 2003	Urban landscape irrigation products
Seattle, WA	Mid-Mar., 2003	Commercial, institutional and residential products

# PMI Continues to Shape the Future At Its 2003 Fall Meeting

by: Kelly Anderson, PMI Technical Services Manager

With the buzz of politics in the air, the nation's capitol and the Capital Hilton in the backdrop, PMI returned to Washington, D.C., to hold its 2003 Fall Meeting October 26-29 with three days full of activities, issues and presentations.

Led by PMI President **Ralph Herrbach**, who is also president of Cifial USA, 89 members, spouses/companions, guests, speakers, press and staff made this year's meeting one of the largest in PMI's history. The theme, "Shaping the Future," symbolized how PMI is continuing to shape the plumbing industry. Once again, PMI had a very successful meeting; see the listing of action items arising from the specific committee and general meetings.

## Sunday, October 26

The PMI Board of Directors met in the afternoon to discuss, among other things, PMI's 2004 annual operating budget. Following the board meeting was the welcome reception and dinner, where PMI President Herrbach introduced new members, first-time meeting attendees and guests, and previewed the days to come.

## Monday, October 27

Following breakfast, the day began with the Universal Conformity Assessment Issue Committee, and the morning continued with product groups meetings: Flushing Devices/Fixture and Showerhead/Hand Shower, Faucet and Shower/Tub-Shower Fittings.

After lunch, the Member Services Standing Committee meeting featured a presentation by **Carl Cullotta** and **Scott Sims** of Frank Lynn and Associates entitled, "Maximizing Your Sales Force

Effectiveness." Messrs. Cullotta and Sims stated that although the sales force is often the sole revenue-generating department within a company, its functions and processes have remained relatively unaltered by the process engineering techniques that have improved other company operations over the past decade. They outlined the steps a company's sales force can use to spur profitable growth by optimizing the value delivered from key customer segments. They also identified ways to enhance the efficiency and effectiveness of the entire sales operation, including whether technology tools make sense.

Monday afternoon's Fair Trade Issue Committee meeting featured presentations from two governmental organizations. **Laura Koss**, senior attorney, from the Federal Trade Commission discussed "Made in the USA" labeling issues, and **Monika Brenner**, the Director of the International Agreements Staff and Chief of the Special Classification and Marking Branch in the Office of Regulations and Rulings, U.S. Customs and Border Protection, relayed "Country of Origin" labeling issues.

Following a hosted reception and "dinner on your own," PMI members and guests had the option to reconvene at the hotel for a late-night reception and the opportunity to meet **Heather Couri**, chief of staff for Joe Barton (R-TX) and **Jerry Couri**, staff director for the House Subcommittee of Environment and Hazardous Materials.

## Tuesday, October 28

Presentations continued Tuesday

*Continued on page 5*

From an action-packed meeting came many action items for PMI to tackle and explore. Below are just a few of those items.

**Universal Conformity Assessment Issue Committee** will process and distribute the responses from the NSF 61 certifiers answering the questions that a PMI task group developed. The membership is reminded to provide feedback to the draft survey that manufacturers can use to evaluate and compare critical performance areas of NSF 61 certification agencies in order to compile and distribute the data at the PMI 2004 Spring Meeting.

**Flushing Devices/Fixture Joint Product Group** will continue to submit code changes to the model codes changing the reference of ASME A112.19.6 to ASME A112.19.2 for hydraulic performance, and a task group was created to develop language for the *International Plumbing Code* regarding bathtub access panels.

**Showerhead/Hand Shower, Faucet and Shower/Tub-Shower Fittings Joint Product Group** will revise the name of the product group and scopes as well as continue to monitor the revision process of NSF 177, *Shower Filtration Systems*.

PMI will distribute to the membership when the information on the European Union's attempt to develop regulations that would limit the amount of nickel that a plated faucet could contribute to drinking water is available.

**Member Services Standing Committee** will investigate through F.W. Dodge the development of a statistical report on market share for plumbing products.

The membership is encouraged to notify PMI and the certification ad hoc members of any further suggestions on how to tie PMI's training into other organizations' certification process and through the states.



**Heather and Jerry Couri were available at the late night reception to meet PMI members.**

# PMI Continues to Shape the Future At Its 2003 Fall Meeting

*Continued from page 4*

morning with industry expert **Ken Schoonover** of KMS Associates, Inc. who provided insight on accessibility issues. PMI attendees were then treated to a very different kind of presentation in keeping with the theme of "Shaping the Future." **Dr. Jack Bacon**, systems integration engineer with NASA, discussed the inside technology of the International Space Station. Dr. Bacon works at Johnson Space Center in Houston as the lead systems integrator of numerous Russian and American spacecraft, including the Zarya — the first element and bridge module of the new International Space Station, launched November 20, 1998. He said his job requires that "we take EVERYTHING that mankind has learned about engineering, science, politics, language and finances, and make it all work in a man-made world 200 miles above our heads. It's like needing to use everything in an encyclopedia." His enthusiasm was infectious.

Tuesday afternoon's Government Affairs meeting included an update from **Charlie Schnabel**, PMI's lobbyist in Texas, along with a presentation by **Greg Kats** from Capital E on the LEED program. The Trade Show Consolidation Committee heard an informative presentation by National Kitchen and Bath Association (NKBA) 2003 President **Les Petrie** and NKBA Chief Executive Officer **Larry Spangler** on future plans for K/BIS®.

The Technical Committee, again, had a full plate of issues relating to codes, standards and the EPA water efficient labeling program. The meetings concluded with the General Membership Meeting where members voted on the nominations for the 2004 board of directors and the 2004 annual operating budget. PMI President **Ralph Herrbach** and PMI Executive Director **Barbara Higgins** both gave remarks regarding the state of the Institute and the PMI "wins".

After an information packed day,

attendees enjoyed a reception and dinner along with a special keynote speaker, comedian **Jim Morris**. Mr. Morris is a political impressionist/satirist that has become famous as a living political cartoon. Mr. Morris effectively captured all of the attitude, and befuddled essence of our nation's leaders.

## Wednesday, October 29

After breakfast, the meeting ended with an historic event for PMI...the signing of a Memorandum of Understanding (MOU) between PMI and the Department of Commerce (DOC). **Linda Conlin** from DOC and PMI Executive Director **Barbara Higgins** together signed the MOU to continue the close working relationship on issues that impact the plumbing industry (see pictures on page 8).

**Be sure to mark your calendar for PMI's 2004 Spring Meeting being held April 25-28 at the Doubletree Sonoma Wine Country in California.**

**Plans are also underway for PMI's 2004 Fall Meeting on September 19-22 at the Capital Hilton in Washington, D.C.**

**Fair Trade Issue Committee** will continue to monitor the Foreign Sales Corporations (FSC)/Extraterritorial Income (ETI) Rules and World Trade Organization issues.

**Government Affairs Standing Committee** will continue to monitor the activity in Texas with regard to legislation for water conservation measures, hexavalent chromium and water intrusion and mold issues.

**Trade Show Consolidation Ad Hoc Committee** will work with NKBA to poll PMI members about the three proposals presented by NKBA and continue to promote trade show consolidation.

**Technical Standing Committee** will solicit participation to develop a task group to identify potential strategies and next steps and make a recommendation to the membership regarding EPA's water efficient product labeling program.

The **General Membership** approved the proposed 2004 operating budget for PMI and elected a new slate of officers.

## Announcing the New 2004 PMI Executive Committee and Board of Directors

Congratulations to the following individuals for being elected to the 2004 PMI Executive Committee and Board of Directors!

### Executive Committee:

*President:* **Jim Westdorp**; Kohler Co.

*First Vice President:* **John Lauer**; Sloan Valve Company

*Second Vice President:* **Al Walcutt**; MPC Plastics, Inc.

*Treasurer:* **Claude Theisen**; T&S Brass & Bronze Works

*Immediate Past President:* **Ralph Herrbach**; Cifial USA

### New Directors:

**Pete DeMarco**; American Standard, Inc.

**Tom White**; Haws Corporation

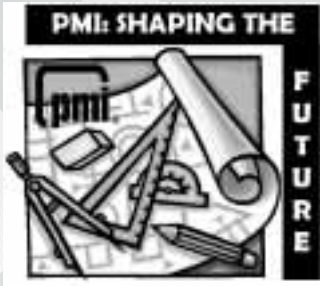
### Returning Directors:

**Ray Fisher Jr.**; Fisher Manufacturing Company

**Ken Martin**; Delta Faucet Company

**Lee Mercer**; Moen Incorporated

**Tim Mullally**; KWC Faucets Inc.



# 2003 Fall Meeting October 26-29 Washington, D.C.



PMI staffer Kelly Anderson takes a moment to mingle with board member Tim Mullally of KWC Faucets Inc.



(left) Mark Alan of The Chicago Faucet Company joins the Sloan Valve Company crew: Pete Jahrling, Jim Allen and John Watson.



Comedian Jim Morris entertains the group with his political impressions after Tuesday's dinner.



With many years in PMI, Bob Dildine from Electro Chemical Finishing tells member prospect Klaus Fromme from Bradley Corporation the PMI benefits.



(left) First time attendee Lars Christensen from Hansgrohe, Inc. and David Lingafelter of Moen Incorporated unwind after a full day of meetings.



Ken Martin and Sally Remedios both of Delta Faucet Company compare notes at the end of the day.



(left) Bruce Martin of Intertech Corp. and John Lauer of Sloan Valve Company share a laugh at Sunday's reception.



Ron Grabski of Gerber Plumbing Fixtures (left) between magic tricks, chats with Keith Kramer and Richard O'Reagan (right) of The Chicago Faucet Company. (Bruce Martin is in the background.)



Fred and Jeanne Luedke socialize with the other members before dinner.



(left) Vice President Bill Axline from Fluidmaster, Inc.; learns the benefits of PMI membership from Gary Israelson and Larry Himmelblau from Elkay Manufacturing Co.

NASA's Dr. Jack Bacon gave an enthusiastic presentation on the international Space Station.



PMI President Ralph Herrbach gives his "state of the association" address.



PMI Technical Director Dave Viola and Texas Lobbyist Charlie Schnabel discuss the latest issues in Texas.



(left) Michael Martinez, Price Pfister joins PMI Executive Director Barb Higgins and Lee Mercer, Moen Incorporated in conversation during the meeting.



Marie-Helene Pernin of NEOPERL, Inc; Jay Troger, Falcon Waterfree Technologies and David Miscimarra of JMI USA (right) also join the ranks of first time meeting attendees.

(left) Incoming 2004 PMI president Jim Westdorp of Kohler Company gains insight from current PMI president Ralph Herrbach of Cifial USA.



Ed and Maria Pilatowicz, Price Pfister, enjoy Tuesday's reception.



First time attendee Michael Trenham of Speakman Company (left) learns about PMI meetings from Casey Hayes of Haws Corporation.



Todd Teter, Moen Incorporated (left) and Fred Fraisee, NEOPERL, Inc. who are both first time attendees share their thoughts about the day.

Speakman Company's President Rod Ward (left) speaks with Ron Hilger of JMI USA. (Symmons' Bill Tracey is in the background.)



Tim and Arlene Mullally, KWC Facuets Inc. relax during the reception after a long day of meetings.



Newly elected Treasurer Claude Theisen from T&S Brass & Bronze Works presented the proposed 2004 operating budget.



Ken Schoonover presented the latest developments in accessibility.



John Kabbes spoke to the group at lunch on demand forecasting.



Laura Koss from the Federal Trade Commission addresses the group on Made in the USA labeling issues.



Monika Brenner from the Customs Department presents to the attendees Country of Origin labeling issues.

# PMI is Reaching Beyond Its “Traditional” Borders

*Continued from page 1*

objectives will not, in any way, detract from compliance-related work and the current list of focus issues, which are the heart and soul of our organization! Also, I ask you all to keep in mind that through such expansion of reach and activity initiatives, there are two levels of benefits for member companies...both in the category of “added value.” First, member companies benefit through participation, and secondly...if our efforts do, in fact, pay off in terms of

new members and well-attended educational forums, we will generate additional revenue that will allow us, over time, to restructure and reduce dues levels for all members. The result is that we would all “get more for less.”

As I complete my term as PMI president and pass the torch to Kohler Company’s **Jim Westdorp**, our president in 2004, I must say how pleased I am with the progress PMI has made in recent years. The

organization is indeed making a difference and more effectively living up to its role as “the voice of the industry.” PMI will be in good hands under Jim’s leadership. Of course, I am not going too far! I will continue on the Board of Directors as Immediate Past President and will remain a very active PMI member.

Thank you all for your continued support. See you in Sonoma for the 2004 Spring Meeting!

## PMI Signs Memorandum of Understanding with DOC



PMI President Ralph Herrbach (far left) observes the signing of the Memorandum of Understanding which formalizes the working relationship between PMI and the Department of Commerce. PMI Executive Director Barbara Higgens (middle) and Linda Conlin, Assistant Secretary of Commerce for Trade Development signed the agreement at the PMI meeting October 29, 2003.



PMI staff poses with Ms. Conlin after the signing. (l-r) Kelly Anderson, Maria Bazan, Linda Conlin, Dave Viola, Barbara Higgens and Lori Smelser.




The PMI Board of Directors, PMI members and DOC staff witnessed this historic event. (l-r) DOC staff Gary Stanley; Ralph Herrbach, Cifial USA; Jim Galvin, Symmons Industries, Inc.; Linda Conlin; Claude Theisen, T&S Brass & Bronze Works; Barbara Higgens; Lee Mercer, Moen Incorporated; Pete DeMarco, American Standard, Inc.; John Lauer, Sloan Valve Company and DOC staff Patrick MacAuley.

## A New Push For Water Efficiency By EPA


*Continued from page 3*

pros and cons, the focus of the proposed program will undoubtedly have an impact on plumbing products and the companies that manufacture them. As such, it will be critical for the plumbing industry to remain engaged with EPA and water conservation advocates to ensure that

plumbing manufacturers’ views are shared. As always, PMI will remain in constant communication with PMI members on program developments and present positions to EPA that are in the best interest of the industry and the consumer.



**The PMI office will be closed **Thursday, November 27** and **Friday, November 28** to observe the Thanksgiving holiday, and will be closed **Wednesday, December 24** through **Thursday, January 1** to observe the **Christmas/New Year** holiday. We wish a great holiday season to you and yours!**





## A View from the Hill — Two High Notes and A Farewell Note

by: Fred Eames, Balch and Bingham, LLP

After two and a half years, my time as PMI's federal lobbyist is coming to an end. I am happy to have had the opportunity to get to know you, and I am honored to have represented you in Washington. This is my last *PMI News* column, and I am happy to have good news to report.

On November 3, PMI won a significant victory before the National Motor Freight Traffic Association (NMFTA), convincing the association to reject a proposal that could have resulted in shipping rate increases for faucets of up to 15 percent.

The NMFTA proposed to completely overhaul the way rates are set for plumbing products, including fixtures, fittings and faucets. The existing rate standards, which had been in place for nearly 70 years, called for rates to be set based on whether the item was a fixture, fitting or faucet, and what it was made of. The NMFTA proposal was to shift to a system where the rate would be determined based on the number of pounds per cubic foot a shipment weighed. Also, the NMFTA proposal eliminated the rate classification under which many plumbing goods were being shipped. Under the NMFTA proposal, those goods would mostly be charged a more expensive rate.



Based on good data our members provided, we were able to persuade the NMFTA to reject this proposal for faucets, leaving the current system in place. Unfortunately, we did not have data sufficient to convince them to reject the proposal for fixtures and accessories, so the new rate standards will apply to those products. It is important to note that the NMFTA sets model rates. Actual shipping rates are set in negotiations between truckers and shippers. The model rates can heavily influence the negotiations.

Companies generally keep their shipping rates private. We do not know what you are charged now or what rate bargain you might strike in the future, so it is not possible for us to estimate the amount

companies will save. However, we did hear from one faucet manufacturer that had the proposal gone through, it could have cost the company up to 15 percent in increased shipping costs.

**The second high note is about to be struck.** The long-debated federal energy bill is at this writing about to be passed. Only a few House-Senate disagreements remain to be resolved. The fat lady isn't singing, but she is inhaling and her lips are parted.

The bill contains provisions proposed by PMI to allow energy

efficiency dollars for federal housing facilities to be used for showerheads and faucets that meet the EPACT federal water flow restrictions.

Because those fittings use less water, less energy is needed to pump the water and to produce hot water. This will create an opportunity for PMI to work with the Department of Housing and Urban Development to identify facilities that can save water and energy by buying and installing new fittings.

In Washington, fat ladies have a way of getting things stuck in their throats, but I expect the energy bill to be approved before the end of the year, if not before Thanksgiving.

Thank you for the privilege to work for PMI these past two years and for your friendship. The association is fortunate to have a dedicated, knowledgeable staff and capable member leadership. I believe the organization is growing stronger and providing better value to its members. I also believe federal affairs is an arena in which, over the long term, it will benefit PMI members to become even more active.



Fred Eames

### PMI Members Extend Their Thanks to PMI and Fred Eames For Defeating the NMFTA Proposal (received via e-mail)

*"Great job! Thanks"* **Todd Talbot**, president, Brass Craft Manufacturing Company

*"Barb, congratulations to you and the team. The savings to members should be significant — part of the value of PMI."*

**Jim Westdorp**, sector president – global faucets, Kohler Co.

*"Congratulations Barbara! This is great news!!"* **Ila Lewis**, chairman, Gerber Plumbing Fixtures LLC

*"Congratulations!"* **David A. Slobuszewski**, manager, customer service/sales, NEOPERL, Inc.

*"The decision of the NMFTA to keep plumbing items at their current classification is a significant victory for Symmons. Had the decision been to go to a density item, Symmons freight costs would have been impacted. Congratulations! Not many industries win when up against NMFTA!! I would assume that the PMI group is a large association and it appears well worth any membership fees!!"* **Marcia V. Aubin**, Traffic Logistics, Inc. (freight consultant for Symmons Industries)

# Meet Chicago Faucet's Suzanne Shaw — PMI's New Committee Chair

by: Kelly Anderson, PMI Technical Services Manager

Born in Indianapolis and raised in Boonville, Ind., which has a population of 9,000, **Suzanne Shaw** is currently the director of marketing for **The Chicago Faucet Company** in Des Plaines, Ill. She has been in her position for three years and made her debut as co-chair of the Member Services Standing Committee at the recent 2003 Fall Meeting.

Before coming to The Chicago Faucet Company, Suzanne worked for Verizon Telecommunications for 14 years specializing in marketing and new product development. As Suzanne becomes more knowledgeable in the plumbing industry she says she has "come to appreciate what PMI brings to the table: industry knowledge, up-to-date information on critical issues, industry support and guidance regarding positions on important industry issues. The Chicago Faucet Company is a strong competitor in the plumbing industry and PMI provides us with up-to-date critical information on industry issues. It also provides a wonderful neutral forum to interact with our counterparts in the industry." She says her "secrets" to success include "hard work, a flexible attitude and a sense of humor!" Along the same lines, Suzanne's management philosophy is to "hire good people and provide them with the strategy and goals of the company and then let them do their job."

Suzanne is a graduate of DePauw University with a Bachelor of Arts Degree, from Purdue University she has a Bachelor of Science Degree in Industrial Engineering, and a Masters

in Business Administration from the Amos Tuck School of Business at Dartmouth College. Suzanne says her noisy, bossy cat keeps her company at home when she is not enjoying sailing, hiking, skiing, or learning to play classical guitar.

In addition to her parents, Suzanne professes Ruth Bader Ginsburg as her hero. The Honorable Ruth Bader Ginsburg was nominated by President Clinton as Associate Justice of the Supreme Court of the United States in June 1993 and took the oath of office on August 10, 1993. Suzanne says her parents are the most influential people in her life. They taught her "to work hard, to be kind and respectful to others, to love and enjoy music and nature, and to read the comic section every day so I don't forget to laugh." One can see how her parents have influenced her life; Suzanne's outlook on life is "if you can't find something to laugh about, you're taking life way too seriously!"

What Suzanne does take seriously is recycling. She says she is an avid conservationist who recycles everything (including TVs, clothing, etc.) "I don't consistently use public transportation for my commute, but my next car will be an electric hybrid." Speaking of cars, Suzanne's personal pet peeve is SUVs that try to pretend to be a "compact car" in a parking lot.



**Suzanne Shaw with Member Services Committee co-chair Bill Tracey of Symmons Industries.**

When Suzanne is not driving around, her favorite way to unwind is by sitting on the roof of her home after work, reading the paper and drinking a glass of wine. Of course she realizes that Chicagoland weather dictates the feasibility of this. If it's "November through May the rooftop is a little too cool to be an option. I guess I am tense seven months of the year." Not to fret, Suzanne has inside interests too, such as reading and listening to music to help her ease her tension for those cold winter months. Her favorite book is "To Kill a Mockingbird" by Harper Lee, while Miles Davis, Lucinda Williams and Robert Cray are topping her charts of current music preferences. However, if all these ways to unwind is not enough, Suzanne can enjoy herself in Hanover, N.H. or Santa Fe, N.M. — her favorite vacation spots!

We look forward to Suzanne's participation in PMI and on the Member Services Committee.

Welcome, Suzanne!

## **BACK BY POPULAR DEMAND!**

### **PMI CODES AND STANDARDS WORKSHOP**

**January 27-28, 2004 Schaumburg, Illinois**

Free to PMI members; nonmembers may attend for a fee.

Call PMI at (847) 884-9764 for more information.

**THE WORKSHOP IS LIMITED TO 50 REGISTRANTS — SIGN UP EARLY!!**

# Good News: Equity Market Shows Signs of Improvement

by: Wayne E. Silverman, Manning Silverman & Co.

The equity markets have just completed their second consecutive positive quarter. Six months ago on March 31, 2003, The Dow Jones Industrial Average was below 800 and has closed above 9000 July through September. For the last six months the rewards for being in equities have outpaced other investment alternatives. The long-term trend of the market continues to teach us that over the long run, the risk of being out of the equity markets is greater than being in the equity markets.

The economy continues to show signs of positive growth. Gross Domestic Product is up as is productivity. Inflation continues to

stay under control and interest rates remain at historically low levels. It is strongly recommended that outstanding term debt (including mortgages) that has not been refinanced within the past year, be given consideration to taking advantage of these low interest rates.

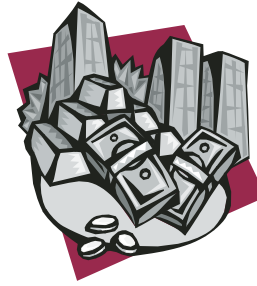
While the equity markets have taken some downturns, the basic life cycle needs of retirement and education have not been altered. It is as important as ever that each individual take a serious look at where they are on the path of savings towards

retirement and their education needs.

The key to proper retirement and education planning and savings is to begin the planning with an adequate number of years available before the need. This will allow for funding to take place over many years and allow for maximum effect of the

benefits of compounding.

*Wayne Silverman, CPA  
Manning Silverman & Co.  
175 Olde Half Day Road Suite 290  
Lincolnshire, IL 60069  
Phone: 847-459-8850  
Fax: 847-537-8954*



## Look For 2004 PMI Dues Investment Information Coming Your Way Soon!

by: Maria Bazan, PMI Association Manager

As the end of 2003 approaches, watch your mailbox for information on PMI dues investments for calendar year 2004. The detailed packet of information will be mailed to you in early January 2004. Please note the new mailing address listed in the materials.

**We are pleased to announce that the dues levels will remain**

**unchanged again for 2004!** The Board has held the dues at no increase for the sixth consecutive year. We continue to stretch the value of your dues dollar by increasing the levels of services we provide and adding programs for the PMI membership, along with staff continuing to monitor administrative costs and pursuing cost-cutting measures whenever possible at PMI headquarters.

As a reminder, sales of all plumbing products you manufacture which are covered within PMI's scope must be

included when computing your annual dues level. You may not pay only on a particular product line. Please complete the "Verification of Products

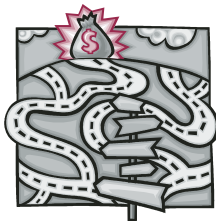
Included in PMI Dues Investment" form to indicate the products manufactured by your company and that encompass the range of products covered. In addition to verifying your dues level, this information

is important to staff in keeping you informed of activities affecting your product lines.

Dues declaration forms and payments (full, half, or first month) are due **February 2, 2004**. Late dues payers will be assessed penalties.

If you have any questions regarding PMI's dues collection procedures, please contact Executive Director Barbara Higgins at PMI headquarters, (847) 884-9764.

Thank you for your continued participation and support!



## Welcome Amerikam!

We are pleased to announce a new member company! At the PMI 2003 Fall Meeting, the board of directors approved Amerikam's application for membership.

Established in 1934 and located in Grand Rapids, Mich., Amerikam designs, develops and manufactures valves, industrial fittings, precision machined components and assembled products.

A more in depth profile of Amerikam will be featured in the January/February 2004 issue of *PMI News*.

Please extend a warm PMI welcome to **President Stephanie Leonardos, Chief Engineer Michael Regelbrugge, Manager of Administration Services Carol Shepard** and the entire Amerikam crew! We look forward to seeing our newest members at the 2004 Spring Meeting in Sonoma.

## A Fond Farewell to PMI Member Services Manager Lori Smelser



**Lori Smelser**

Here's wishing a fond farewell to **Lori Smelser**, member services manager, who has left PMI after five years of outstanding service. Lori joined the "new" PMI in 1999 (after having served the organization as part of the CM Services staff) and returned to PMI on a part time basis last year after welcoming her son, Jason, into the world on October 13, 2002.

She is expecting another bundle of joy this spring and has resigned her position to prepare for the new arrival! Congratulations and best wishes to Lori and her husband Jay as they continue to build their family. Lori and her exemplary attitude and work ethic will be greatly missed at PMI. We suspect, however, that she will be equally successful and no doubt highly rewarded in her new role! Good luck Lori!

## Speakman Company Dedicates New Facility

Having outgrown the Wilmington, Del., facility after being there for 96 years, **Speakman Company** held a dedication ceremony Monday, November 3 at their brand new facility situated in historic New Castle, Del. PMI Executive Director **Barbara Higgins** attended the ceremony which included presentations by area dignitaries, a group photograph of all employees and a plant tour. In his opening remarks, **Bill Speakman** cited Ms. Higgins as having traveled the furthest to attend the ceremony and expressed his appreciation.

Following the welcoming ceremonies, 75-year Speakman employee **Tom Stoddard** cut the

ribbon on the new Speakman facility. In addition to celebrating his 92nd birthday on the very day of the dedication, Mr. Stoddard was recently recognized in the "Guinness Book of World Records" for having worked longer with the same company — 75 years — than anyone else, ever, anywhere! Mr. Stoddard is currently on Speakman's Board of Directors, and the company has named one of its conference rooms in his honor.

Speakman Company joined PMI in 1978 and rejoined this year after a one year hiatus.

We wish them the very best in their new home!



Shown at the ribbon cutting....left to right: **Thom Harvey, Developer-Twin Spans Business Park; David Bailey, Treasurer-Speakman Company; Will Denham, retired Vice President and currently on Board of Directors; Rod Ward, President; Tom Stoddard; Bill Speakman, CEO; Congressman Michael Castle; Lt. Governor John Carney; John Klingmeyer, Mayor of New Castle; Jim Denham, retired Vice President of our former Wholesale Division, currently on Board of Directors; Harry G. Haskell, former Delaware Congressman and Speakman Company's first Personnel Director.**

## Kelly Anderson Earns Promotion

Congratulations to **Kelly Anderson** who has been promoted to technical services manager. Kelly joined PMI in 2000 having previously worked with **Dave Viola** at BOCA.

Her dedicated, efficient and cheerful service to PMI are obvious to anyone who has seen her in action. Kelly's promotion is well-deserved!



**Kelly Anderson**

### 2003 PMI LEADERSHIP

#### Executive Committee

**Ralph Herrbach**, Cifial USA  
President

**Jim Westdorp**, Kohler Company  
First Vice President

**John Lauer**, Sloan Valve Company  
Second Vice President

**Al Walcutt**, MPC Plastics, Inc.  
Treasurer

**Todd Talbot**, Brass Craft Manufacturing Co.  
Immediate Past President

#### Directors at Large:

**Ray Fisher, Jr.**, Fisher Manufacturing Co.

**Jim Galvin**, Symmons Industries, Inc.

**Ken Martin**, Delta Faucet Company

**Lee Mercer**, Moen Incorporated

**Tim Mullally**, KWC Faucets Inc.

**Claude Theisen**, T&S Brass & Bronze Works

### PMI STAFF:

#### Administrative

**Barbara C. Higgins**  
Executive Director

**Maria Bazan**  
Association Manager

#### Technical

**David W. Viola**  
Technical Director

**Kelly D. Anderson**  
Technical Services  
Manager

#### Consultants

**Mike Sennett**  
Legal Counsel  
Bell Boyd & Lloyd  
(312) 807-4243  
msennett@bellboyd.com

**Fred Eames**  
Lobbyist  
Balch and Bingham  
(202) 347-6000  
feames@balch.com

### Plumbing Manufacturers Institute Headquarters:

1340 Remington Road, Suite A,  
Schaumburg, IL 60173

Phone: 847-884-9PMI (9764)

Fax: 847-884-9775

www.pmihome.org