

The Retail Observer

August, 2013

AN EYE ON THE INDUSTRY SINCE 1970

Vol. 24, Issue 8

2013 NATIONAL HARDWARE SHOW®

A SUCCESS FOR EVERYONE
16+ PERCENT GROWTH IN ATTENDANCE

DWELL ON DESIGN:
RECORD ATTENDANCE & CONTINUED
GROWTH IN 2013



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Take a Break!

A recent survey, commissioned by Sam's Club, a division of Wal-Mart, showed that nearly 50% of small business owners take only major holidays off—or nothing at all.

This caught my attention because I am in dire need of a vacation but I also know that most independent retailers work major holidays so that means they probably fall into the “nothing at all” group. So, I am just going to come out and say it, “Take a BREAK!” Leave your business for a few minutes, hours or days, turn off your cell phone and relax.

Actually, it has been proven that people who take regular breaks are more happy, healthy and productive. Your brain needs down time to process new information and build up memory. This allows you to refocus on what has been done and what is still a priority so you aren't “mindlessly” running from one task to another.

Secondly, we aren't robots! Whether you like it or not. Your mind and body need rest and time to recharge. How many people do you know who have had a nervous breakdown or simply burned out? Often times than not, it's because they pushed, pushed, pushed and never took breaks.

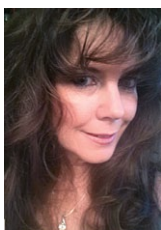
Breaks give you an opportunity to pull away and regain insight on the bigger picture. During down time, you're more apt to reach out to those around you who can give you advice on areas you may be stuck in, spark creativity or inspire you to try new ways of doing things.

The biggest concern for most small business owners is, “What if...” Well, if you have trained your team properly, given them ownership of their responsibilities and have an emergency plan in place then you wouldn't need to worry about “What ifs...” would you?

It has been reported that 80% of workers feel stress on the job, and 70% of healthcare provider visits are due to stress-related conditions. So, make sure that your team is also taking breaks and vacations regularly. This small gesture will save your business time and money in the long run.

Google “*The Small Business Owner's Guide to Taking a Vacation*” for a fun and informative infographic on taking a break.

Remember to share photos with *The Retail Observer* from your next BIG break!



Safe travels,

Eliana Barriga
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CELEBRATING OUR 24TH YEAR
AS *THE RETAIL OBSERVER*

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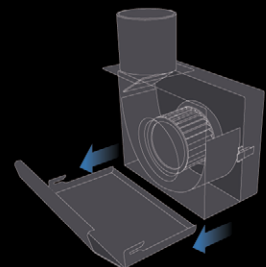
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Explore Every Possibility

We have been enjoying 100+ degree temperatures in Las Vegas. As I enjoy the more comfortable environment afforded to me inside, under central A/C, weather and seasonal products comes to mind. Hopefully your store offerings have changed to take advantage of these seasonal opportunities.

In this issue, we are covering the National Hardware Show and Dwell on Design. Both events proved to be a visits well worth the while.

The National Hardware Show lived up to its reputation. The exhibits covered everything from barbeques, patio furniture and power tools to plumbing, electrical and building materials that every servicer, installer or builder would need. My favorite displays were found in Homewares and the Outdoors, Tailgate & Recreation areas. The Alfa Pizza Ovens and Joe Namath Speed Grill were great new additions. Visit www.nationalhardwareshow.com to see a breakdown of the National Hardware Show and find exhibitors that can help add to your bottom line.

I also had the opportunity to attend the Dwell on Design show. There I experienced an amazing array of high end design ideas as well as many products from the Kitchen and Bath World. The list is way too long for me to spell out here, but many popular manufacturers and distributors of appliances and plumbing products were on hand showing off their wares. I also found many new product lines including Murphy bed technologies and Camouflaged wall plug receptacles to a gaming control that doubles as an entire coffee table. Go to www.dwellondesign.com to check out all of the new exhibitors that were at the Dwell on Design show.

As with everything, you only get out of these shows what you put into them. There were many opportunities for exhibitors and attendees to do business together, for everyone to network, and to get new ideas and education themselves through a scheduled line-up of events, classes, competitions and seminars.

Next time a show comes up, take a few days and plan ahead, don't rush and explore every possibility. Who knows what you may find?



Happy Retailing,

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2013 NATIONAL HARDWARE SHOW: A SUCCESS FOR EVERYONE

16+ PERCENT GROWTH IN ATTENDANCE



ATTENDANCE WAS UP MORE THAN
16 PERCENT FROM LAST YEAR,
SHOWING ONCE AGAIN THAT THE
HOME IMPROVEMENT INDUSTRY
CONTINUES TO GROW STRONGER

The 68th annual National Hardware Show recently came to a close at the Las Vegas Convention Center, and based on the feedback from exhibitors and attendees alike, the three-day event was a successful one.

Attendance was up more than 16 percent from last year's show, showing once again that the home improvement industry continues to grow stronger.

"The National Hardware Show was a great success this year," says Sonya Ruff Jarvis, vice president of attendee programs for the National Hardware Show. "It was bigger and better than ever. Strong attendance really shows the home improvement industry is coming back, and we've gotten some great feedback from both attendees and exhibitors who were very happy with the show." Exhibitors were thrilled to see the traffic coming through the show. "We had herds of buyers at our booth," says Rich Katzmann, vice president of business development for Danco/MJSI. "We weren't sure what to expect on our first show, but we've had a lot of traffic through our booth," says Betsi Schumacher of Sleep Innovations. "This is the perfect show for us to launch our product."

Attendees, too, were impressed. "SkyMall is always on the hunt for unique, innovative products for the 650 million passengers who see our catalogs every year," says Christine Aguilera, president of SkyMall. "We were very impressed with the breadth of new products we saw at the recent National Hardware Show. From the Grillbot, the grill-cleaning robot, to the reJuvenator microbubble shower head, we know the entrepreneurial spirit is alive and well! We will definitely be back next year!"

The National Hardware Show is shaping up to be even | *continued on page 10* |



bigger next year, with a renewal rate of 25,000-plus square feet more than last year.

SPECIALTY AREAS

The Building Products category was a new addition to this year's show, with the selection spread throughout the showfloor, while the Pet Products category continued to draw more traffic than ever.

"We came back to the show this year [after a few years away] because there's been more of a demand for these products," says Wendy Sacra, international sales manager with VIP Pet Products in Phoenix. "Our sales have actually gone up during the recession. When people are staying home to save money, they spend more time with their pets, so they may spend more money on them, too."

The Farm and Ranch section was located next to Pet Products, with the two sharing a dedicated 20,000 square feet of space on the show floor.

Outside, traffic stayed busy with exhibitors in the Outdoors, Tailgate and Recreation category showing off grills, coolers and more.

Made in USA and Energy Efficiency continue to be two big trends for consumers.

The hardware show's supporting partner Made in USA Brand represented the Made in USA Brand Certification Mark, the only certification mark registered with the United States Patent and Trademark Office for labeling and identifying products that are made or grown in the United States. Floor decals and pennants that say "Made in USA Products" also helped attendees identify exhibitors offering Made in USA products. "Made in USA is a big trend," says Rick Knutson, national sales manager with Imperial Blades in Madison, Wis. "It's one of our No. 1 selling points. It's a huge draw for our customers and probably has been for the past four or five years."

Energy Efficient products had their own special section, sponsored by Polaroid and Intelligent Green Products, on the show floor. "Energy efficiency is becoming more top of mind for consumers," says David Karpinski, vice president of sales at Polaroid. "The goal of manufacturers needs to be to lower the retail cost of energy-efficient items, like LED light bulbs, so consumers will start buying."

And, of course, many attendees and exhibitors alike are always eager to check out the newest, most innovative products to hit the market.

"Of the new products we're showcasing at the National Hardware Show this year, three of them are from products we discovered at the show last year. One of them was a winner of the Retailer's Choice award," says Corey Talbot, vice president of marketing and new product development at Hyde. "The National Hardware Show is the best place to find great talent—inventors that need someone to help them move their product along the | continued on page 12 |







distribution channel. Those inventors typically have a new product 80-percent of the way developed, but need someone to take it the rest of the way."

The Innovation Station in Room N109 was packed with exhibitors showing off their latest and greatest products. Gregg Feigelson, senior vice president of Innovative Garden Products, LLC, was there to show off the company's Garden Grab X, a lightweight leaf-grabber that makes it easy for users to pick up leaves without bending over. "It's simple and intuitive," Feigelson says of the Garden Grab X. "It's unique and brand-new. It's attracting a lot of interest."

SPEAKERS

This year's show offered plenty of speakers for attendees. One of the big names present on the first day of the show was Kathy Daly-Jennings, head of industry, retail practice, at Google; and actor, author and activist Ed Begley, Jr., who both spoke at the North American Retail Hardware Association (NRHA) Village Stage.

Seminars focused on the changing consumer and how the home improvement industry can adapt to their new habits.

Daly-Jennings told attendees about consumers' changing technology habits and shared what some retailers are already doing to reach consumers where they likely are: on their mobile devices.

According to industry research, more consumers will access the Internet from mobile devices rather than a desktop computer in 2014, she says.

"Consumers expect to get what they want when they want it from the best available screen nearby," she adds.

Begley, Jr. spoke about the important role environmental awareness can play with today's consumers and how everyone, regardless of their roles within the channel, can help foster this kind of earth-friendly awareness.

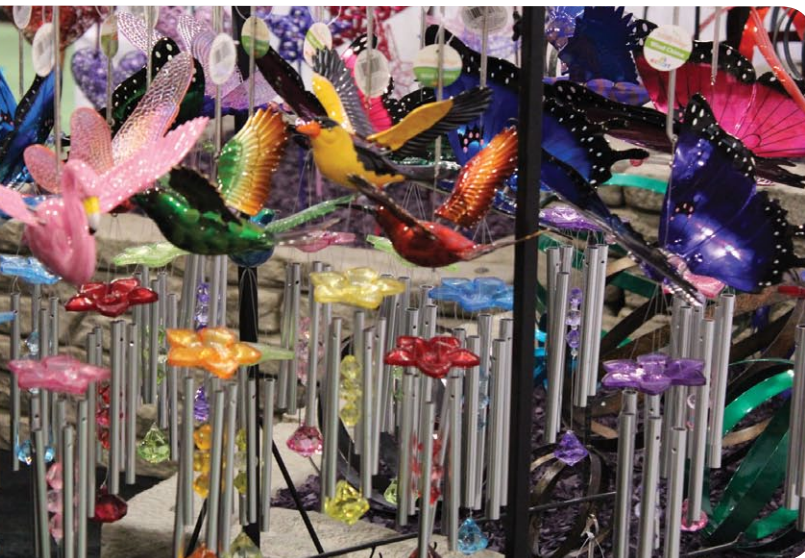
"You don't need to buy wind turbines to be energy efficient," he says. "Start by doing the cheap and easy stuff around the home: install energy-efficient light bulbs, thermostats and weather stripping."

"The most important customers are the ones you already have," says Timothy Dahl, founder of Charles & Hudson and Built by Kids, who spoke on the NRHA Village Stage. "If you're using social media and can connect with those customers, they'll be the most likely to share online and be ambassadors for your brand."

Brian Kilcourse, managing partner at RSR Research and senior partner of BEK Consulting, discussed mobile shopping and check-out methods, while Pat Murphy, CEO and co-founder of the Institute for Social, Search & Mobile Marketing talked about the role mobile devices play in today's marketing techniques.

The seminar and speaker lineup continued on the second day of the show on the NRHA Village Stage, starting with the "Meet Today's Empowered Consumer" panel discussion, moderated by Hardware





Retailing managing editor Jaime Koch.

The consumer panel, featured shoppers from different generations, talked about their preferences and experiences in shopping for home improvement items.

“Online responsiveness makes consumers feel special and will likely be more loyal to a brand, especially among Generation Xers who are interacting more with companies via social media,” Koch says. “Brands and retailers can tap into that by offering a personal one-on-one experience and creating a relationship with the consumer.”

In the “Virtual Last Mile” keynote presentation, Heath Hyneman, CMO of National Builder Supply; Eric V. Holtzclaw, CEO of Laddering Works; and Danny Davis, CEO of Proving Ground discussed what keeps consumers from taking the final steps to make a purchase online.

Hyneman says consumers are more likely to abandon their virtual shopping cart on mobile devices (91 percent) than they are shopping cart in a brick and mortar store (1 percent).

“Shopping cart’ as it pertains to mobile devices is a misnomer because some consumers don’t think of mobile shopping carts as a shopping cart—it’s more of a wish list,” Holtzclaw says. “People drop in and out of the shopping experience.”

Davis explained possible ways to decrease mobile shopper abandonment is to tap into consumers’ reasons for purchase: peer and expert recommendations.

“Brands have to have ways to communicate with people as they’re shopping on a mobile device,” Holtzclaw says. “The experience can’t be the same for every user. It needs to be customized.”

LANCASTER BUYING SHOW

For the second year, the Lancaster West Coast Buying Show was co-located with the National Hardware Show. It was held at the Las Vegas Hotel, adjacent to the Las Vegas Convention Center.

“This show gives us a presence in the western part of the country and with all the attendees at the National Hardware Show,” says CEO Mitch Jolley.

Mark your calendars for the 2014 National Hardware Show, which will be held May 6-8 at the Las Vegas Convention Center.

ABOUT THE NATIONAL HARDWARE SHOW®

The National Hardware Show® celebrates a rich history spanning 67 years of serving the home improvement marketplace. From its early beginnings in New York during the post-World War II housing boom and eventual move to Chicago in the 1970s, to today’s current location in Las Vegas, the National Hardware Show continually evolves through the industry’s involvement, commitment and passion to improving America’s quality of life through their homes. Today, the National Hardware Show is the place for global manufacturers, associations, organizations and the media to unveil their new products, ideas and insight to a broad spectrum of home improvement resellers. For more information on the National Hardware Show, visit www.nationalhardwareshow.com. **RO**

CALL TO ACTION



SEND US YOUR SHOTS

We are looking for retailers, distributors and manufacturers engaged in their element while at trade shows, special events, showroom openings or just plain group get-togethers.

The Retail Observer is interested in featuring you in our snap-shot page, "Retailers Observed", where you can see what your industry buddies are up to. Please e-mail us your hi-res photos in .jpg format. Include the captions with the photos you send for consideration and be sure to put "Retailers Observed" in the subject line.

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Book Review

Capture the Mindshare and the Market Share will Follow: The Art and Science of Building Brands

Business is built on capturing the market share, but the most successful individuals and organizations know that before they win market share, they must capture the mindshare – that is, the heads, hearts, trust and loyalty – of their customers. This book provides professionals who strive to influence, lead, attract, persuade or sell a valuable blueprint for building deep and lasting connections. For executives and entrepreneurs, emerging leaders and established stars, *Capture the Mindshare* guides readers to:

- Articulate their authentic value in a compelling brand promise
- Confirm credibility to position themselves as the go-to authorities in their fields
- Align their teams' personal brands with the organizational vision
- Discover innovative strategies for connection and collaboration from unexpected sources
- Master strategies for creating long-term customer loyalty

This book explores why we connect, with whom we connect, where we connect and, most of all, how we connect. For those running small businesses, heading Fortune 500 companies, or somewhere in between, *Capture the Mindshare* elevates the conversation about branding by addressing what should be the focus of any enterprise; to provide authentic value, create awareness, motivate others to act, and create long-term loyalty based on hope, trust, and respect.

Executive coach and brand strategy expert Libby Gill explores the scientific concepts of neuromarketing, the creative elements of building brand expressions across multiple platforms, and the practical tools of communication for entrepreneurs and executives. Using case studies, client success stories, and reader-friendly, easily replicable Mindshare Minutes, Gill shares Seven Core Mindshare Methods, designed to elaborate on the themes of Clarify, Commit, Collaborate, Connect, Compete, Communicate, and Contribute.

- *Capture the Mindshare and the Market Share Will Follow* is an insightful, 360-degree book on the next generation of branding, exploring all the key ingredients you'll need to craft a truly amazing 'mindshare' brand."

—Martin Lindstrom, *Branding Expert, Bestselling Author of Buyology and Brandwashed*

- "Gill skillfully sums up the intricate connection between innovative business practices that drive organizational success and the human characteristics that create an engaged and inspired workforce. A must-read for any professional."

—Andrew J. Kaplan, *President, Worldwide Networks, Sony Pictures Television*

Author: Libby Gill—an internationally respected executive coach, brand strategy expert, and bestselling author—works with major companies to help successfully position them in a competitive marketplace. As a media guest, she offers expert opinions on brand strategy and professional development.

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UNIQUE DESIGN FOCUSES ON SIMPLICITY, CREATING AN ENTIRELY NEW AESTHETIC AT AN AFFORDABLE PRICE FOR FIRST-TIME HOMEBUYERS & YOUNGER CONSUMERS



GE appliances has tripled investment in design over the last two years. With the introduction of the GE Artistry™ Series, GE's designers focus on the needs of today's generation of Millennials and their desire to uniquely express themselves. Created by a 27-year-old GE industrial designer with his own generation in mind, the Artistry Series provides first-time homebuyers with a distinctive and cool appearance at a price they can afford. This new line of stylishly sensible kitchen products includes five appliances: a gas range, electric range, bottom-freezer refrigerator, over-the-range microwave and top-control dishwasher.

Today's Millennials comprise a significant number of first-time homebuyers; in fact, according to real estate brokerage company, Redfin, homebuyers in the 25- to 34-year-old age group make up the largest proportion of homebuyers.

"These buyers are price conscious and design savvy, but also want appliances from a brand they trust," said Lou Lenzi, director of GE's Industrial Design Operation. "In today's marketplace, affordable appliances tend to look the same; GE Artistry Series fills that void for consumers by offering unique-looking products not currently sold by other manufacturers."

DESIGNED TO DELIGHT AND DISRUPT AT RETAIL

Most appliances in this segment of the market have similar features that consumers use every day; Artistry offers this, as well as a design aesthetic that will stand out in the home and on the retail floor.

"Investing in the design of these appliances was a top priority for our team," said Lenzi. "We've tripled our design resources over the past two years, and after much research, Tomas DeLuna, industrial designer for GE Appliances' Concept and Brand team, was tapped to lead the development of the Artistry Series. The look needed to be simple and approachable with very clean lines. DeLuna's design sensibilities made him an ideal fit to lead the project."

DeLuna took the opportunity to design for his own generation by focusing on touchpoints that mattered to him, in areas where consumers interact most with the product—handles, knobs and clocks. "Making the critical consumer touchpoints metallic, and set against either a pure, white gloss or black gloss finish, creates a look that is both familiar to our consumers, yet remains fresh and modern," said DeLuna. "That's

what makes the GE Artistry Series special; the design is authentic and contemporary with a nod to the past not currently offered in the marketplace.”

The GE logo, visible as a badge on the appliances, also reflects this philosophy. The GE monogram with the words “General” and “Electric” recalls the product badges of the past, yet the juxtaposition of chrome and high-gloss color evokes the core, contemporary Artistry design principles.

Both the new dishwasher and refrigerator are ENERGY STAR®-qualified appliances. The bottom-freezer refrigerator costs \$49 to operate annually.

The full GE Artistry Series will be available in September 2013. Estimated retail price of the full GE Artistry product suite is \$2,416*. For more information on GE Appliances, visit www.ge.com/appliances. *Retailers set their own prices. Estimated retail pricing per appliance is as follows: bottom-freezer refrigerator, \$1099; top-control dishwasher, \$499; over-the-range microwave, \$219; gas range and electric range, \$599.



FAGOR UNVEILS “BONITA GREY” INDUCTION COOKTOP- COMBINING TECHNOLOGY AND COLOR IN THE KITCHEN



Fagor America Inc. pioneers in built-in induction cooktops and state-of-the-art modern appliances is excited to announce

the launch of their new Bonita Grey 30” induction cooktop. The Bonita Grey induction was designed to give countertops seamless

integration while setting the overall tone for a fully unified kitchen. Beautifully designed, it blends into most counter spaces allowing for the continuation of a sleek and modern kitchen environment with an efficient focus.

Fagor’s Bonita Grey cooktop is designed with Schott Ceran glass, which allows the cooktop to stay scratch and stain resistant while maintaining a cool and easy-to-clean surface. Overflow safety stops; the cooktop stops if food is spilled over the touch controls and spills will not bake on the surface, allowing for quick and easy clean up. The Bonita Grey induction has a color match to Pantone 402C, which perfectly mixes into most integrated cabinetry work for a complete look.

Fagor’s Induction cooktops are considered one the most eco-friendly appliances for its efficiency, induction cooks 50% faster than gas or electric cooktops, boiling water more rapidly than any other cooktop. Induction cooktops use 90% of the energy produced compared to 50% with gas and electric methods. The energy produced by the cooktop is directly supplied to the cooking vessel by a magnetic field. Self-adjusting burners detect the size of the cookware base and automatically adjust so that very little energy is wasted. With induction cooking there is no flame, smoke, or gas emissions making this an extremely safe cooking solution.

The cooktop also features an exceptional 8-point safety system that includes the following: low voltage detection, overflow safety, anti-overheating system, improper connection protection, over voltage protection, cookware detection and small utensil safety. The entire collection of Fagor induction cooktops include a 12” cooktop (two burners), has a stainless steel trim, in addition to a 30” (four burners) and 36” (five burners) cooktop with a beveled glass edge (no trim).

With induction, heating and temperature adjustments are immediate. For precise cooking needs, you can select from 12 cooking settings. A setting of 1 allows you to simply keep your food warm or melt delicate chocolate without the use of a double boiler. Three quick launch commands allow you to select a low, medium or high temperature with a simple touch. The sleek illuminated touch controls make it easy to operate.

“The Bonita Grey induction cooktop was created because of the demand from designers and architects to have a more unified color alternative from the standard black designs on the market,” said Sara De La Hera, VP of sales and marketing for Fagor America. “Creating a functional and efficient kitchen, all while looking seamless and modern in design is Fagor’s mission.” For more information visit: www.fagoramerica.com

Suggested retail price for the Bonita Grey 30” induction cooktop is \$1999.00 USD.

| continued on page 18 |



NEW ZEALAND-BASED FISHER & PAYKEL APPLIANCES RE-INVENTS CLOTHES WASHING WITH LAUNCH OF NORTH AMERICAN DESIGNED PREMIUM LAUNDRY SOLUTION



Fisher & Paykel Appliances, Inc., has launched a premium laundry care solution that promises to re-invent

clothes care in North America. New aquasmart™ washer and aerocare dryer with highly efficient smartdrive™ technology provide premium laundry experience and exceptional clothes care designed specifically for the North American market. After nearly three years of North American research, testing and design, the new AquaSmart™ washer and AeroCare dryer feature SmartDrive™ technology uses less energy and water while sensing and responding to each load making clothing last longer.

“Fisher & Paykel entered the North American market in 1997 with the electronic, front loading washer and became known for innovation,” says Scott Davies, marketing manager for Fisher & Paykel. “True to our design heritage, we waited to launch this new laundry platform until it was meticulously researched, tested and designed specifically for this market and again set the mark for clothes-care innovation.”

According to Davies, the AquaSmart washer is one of Fisher & Paykel’s most intelligent washing machines and includes a host of features designed for the ultimate in clothes care. The AquaSmart washer is powered by SmartDrive technology to deliver the best clothes care, reduce energy/water consumption and provide greater reliability.

Designed to run with fewer moving parts, AquaSmart features one of Fisher & Paykel’s long standing innovations, the SmartDrive. Comprised of just three main components, a small computer, a low-profile agitator and a simple direct-drive motor, SmartDrive allows

the washing machine to use less water and sense each load, making valuable clothes last longer.

Additionally, a SmartTouch™ fingertip control dial enables the user to select from 12 pre-programmed cycles including Towels, Regular, Heavy, Delicate, Sheets, Easy Iron, Bulky, Allergy, Whites, Basket Clean, and Rinse & Spin.

A soft-close lid makes opening and closing gentle and easy, allowing ergonomic and hands-free operation. The soft-close glass lid is extremely strong toughened glass, set in an ABS-molded base. It won’t mark and is chemical resistant. The top-loading design reduces excessive bending or crouching.

“We believe this is the toughest lid on the market, delivering uncompromising quality and durability,” says Davies. “And, opening and closing is counterbalanced to deliver better ergonomics and hands-free operation.”

AquaSmart™ also saves power and water, qualifying for ENERGY STAR. It washes clothes by rolling them in and out of a concentrated solution of detergent. It can accelerate to a maximum spin speed of 1100 rpm and a 386 g-force, removing more water than other machines and reducing drying times.

“The AeroCare dryer is AquaSmart’s perfect match – functionally, ergonomically and visually. It’s designed to match the AquaSmart™ washer, offering a sense of design and organization to the laundry,” says Davies. “It’s not just attractive, though, it’s smart, too.”

According to Davies, the AeroCare dryer includes the same design innovation as its washer counterpart. With up to 12 pre-programmed cycles, AeroCare uses auto-sensing to make sure clothes are dried with care and precision based on the needs of the fabric.

Two steam cycles de-wrinkle and freshen garments without excessive power use. Reverse tumbling (clothes tumble clockwise, then counter clockwise) prevents items from tangling and roping. This ensures even drying, prevents hot and damp spots and results in less wrinkling. With a huge seven-cubic-foot capacity, the AeroCare dryer also has the room to dry huge loads without wrinkling.

Fisher & Paykel provides 24-hour service so customers can speak to a real person with any questions about their products. Customer care representatives offer appliance advice, provide extensive product knowledge and give detailed product-use instruction. Representatives can schedule qualified service technicians for installation or repair and provide information on the nearest Fisher & Paykel retailer.

“Our new and innovative laundry solution has a continuous look and feel across our entire premium product offering. An example is our SmartTouch precision dials like those on our high-end ovens,” says Davies. “We’ve delivered a high quality fit and finish so our laundry customers get the same premium experience as they do from our renowned kitchen appliances.” For more information, please visit: www.fisherpaykel.com.

| continued on page 20 |

INTRODUCING THE PERFECT PAIR

The AquaSmart™ washer and AeroCare dryer are a perfect match. The 22lb AquaSmart™ uses SmartDrive™ technology to wash your family's laundry efficiently and thoroughly, and the SmartTouch™ control dial makes it easy to select an expert wash every time.

—
The AeroCare dryer works with care and precision based on the needs of the fabric. Two refreshing steam cycles de-wrinkle and refresh garments.

—
The matching toughened glass or white steel soft-close lids provide both appliances with strength and chemical resistance. This perfect pair are made for each other.



888.936.7872

Fisher & Paykel

fisherpaykel.com



THE SOUNDTRUTH™

Dishwasher noise levels are rated in decibels, the lower the decibel, the quieter the dishwasher. A difference of just a few decibels may not seem significant, but a dishwasher that is just one decibel higher is actually, 30 percent louder. A dishwasher that is 3 decibels higher is twice as loud or equivalent to the noise made when running two dishwashers simultaneously.

The testing proved, not only does the Miele Futura Diamond dishwasher produce the lowest decibel of 37 dBA*, but Miele was also the only brand to maintain its levels for both 'clean' and 'soiled' loads.

"The combination of an advanced insulation system, turbidity sensors and a powerful pump ensures Miele consistently and efficiently manages sound, without sacrificing performance," said Dirk Sappok, product development group manager at Miele. "Simply stated, no dishwasher is quieter or cleans better than a Miele. We're so confident that if our customers are not

completely convinced their Miele is the quietest and best-cleaning dishwasher they have ever owned, Miele will fully refund their purchase within 90 days. We are the only industry manufacturer to offer such a quality assurance guarantee."

This standard of uncompromising performance maintains that a Miele dishwasher will not only outperform, but also significantly outlast others on the market.

To learn more, visit www.mieleusa.com.

*Extra Quiet Program needed.

IN AMERICA, NO DISHWASHER IS QUIETER THAN A MIELE

TESTS PROVE, NO OTHER DISHWASHER PERFORMS BETTER OR QUIETER THAN A MIELE

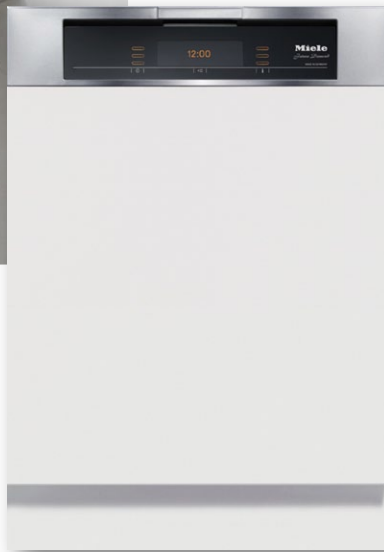


At Miele, the truth lies in the numbers. We call it SoundTruth™.

In America, no dishwasher is quieter than a Miele, a claim only Miele, the world's largest family owned appliance manufacturer can make with resounding confidence. Other leading dishwasher manufacturers tout similar claims, but what they fail to reveal is the SoundTruth™.

Miele commissioned Owens Corning Acoustics Research Center (OCARC) to conduct extensive independent comparative dishwasher testing. Tests were conducted on both 'clean' and 'soiled' loads, simulating a true, at-home application.

The tests showed that when soiling was introduced, a leading manufacturer, who aggressively promotes low sound levels, recorded an increase of 6 decibel levels as compared to its advertised sound levels, while Miele Dishwashers maintained the same decibel rating.



| continued on page 22 |

	Advertised	Dishes Tested	
		Clean	Dirty
Miele Diamond with Extra Quiet Program	37	37	37
Miele Diamond with Normal Program	41	41	41
Miele Dimension with Normal Program	44	44	44
Other Brand with Normal Program	39	40	45
Other Brand with Normal Program	42	44	48

The audible sound you hear doubles with every 3 additional decibels.

Based on independent lab testing conducted from 2012-2013. Units are tested installed in an enclosure, meeting the requirements described in Section 6.5.5 of IEC 60704-2-3 with the electrical/hose exit area sealed with Nashua 102 Duct Seal.

Dishwashhhhhhhhh

In America, no dishwasher is quieter than a Miele.



Our Quiet and Clean Guarantee means we're confident that not only will it be the quietest dishwasher you've ever owned, but it will also give you the best cleaning results. While some brands claim they're the quietest, their sound levels doubled when testing was done with dirty dishes. Only Miele's sound levels remained unchanged whether running a clean or dirty load of dishes. That's indisputable proof we call SoundTruth™.

To learn more about SoundTruth™ scan:



mieleusa.com
©800.843.7231

Miele

PERLICK LAUNCHES THE FIRST 24" DUAL-ZONE UNDERCOUNTER REFRIGERATOR AND FREEZER DRAWER UNIT UL RATED FOR OUTDOOR USE

Perlick Perlick has launched the Signature Series 24" Dual-Zone Refrigerator/Freezer Drawers; the first undercounter, dual-zone unit with a refrigerator and a freezer drawer that is UL rated for outdoor use.

The innovative unit is part of Perlick's new line of Signature Series 24" Dual-Zone undercounter refrigerators which consists of the industry's first indoor and outdoor 24" units to feature two independently controlled temperature zones. In addition to the Signature Series 24" Dual-Zone Refrigerator/Freezer Drawers, the new line also includes the Signature Series 24" Dual-Zone Refrigerator/Wine Reserve (the first unit with the ability to properly store food and as well as wine in two independently controlled temperature zones) and the Signature Series 24" Dual-Zone Wine Reserve (the industry's first undercounter, dual-zone wine reserve with interchangeable red and white wine storage compartments).



"The popularity of outdoor kitchens, and entertaining areas, is rapidly increasing," states Jeff Wimberly, vice president of sales for Perlick's Residential Products. "Perlick's new Signature Series 24" Dual-Zone line provides the perfect solution for this growing trend because it features an unmatched product offering. Perlick is proud to set a new industry standard with the 24" Dual-Zone Refrigerator/Freezer Drawers, while providing designers added flexibility with their outdoor kitchen layouts so they can meet every need of their clientele's food and beverage storage requirements."

Perlick's industry exclusive Signature Series 24" Dual-Zone Refrigerator/Freezer Drawers offers numerous customizable configurations for indoor and outdoor use. Other features include:

- The industry's first refrigerator and freezer drawer unit UL rated for outdoor use
- The first indoor and outdoor 24" Dual-Zone Refrigerator/Freezer Drawers to feature two independently controlled temperature zones resulting in the ability to properly chill and freeze
- Can be configured with stainless steel drawers or wood overlay drawers
- Refrigerator temperature: 30 – 42 F (factory set at 38 F)
- Freezer temperature: -10 – 10 F (factory set at 0 F)
- Freezer drawer is equipped with automatic hot gas defrost for maintenance-free defrosting
- Includes two (2) full-extension pull-out drawers
- Fully-integrated depth to allow a flush fit with surrounding cabinetry
- Commercial-grade stainless-steel interior (odor-free and prevents the growth of bacteria)
- Front-vented RAPIDcool™ forced-air refrigeration system (the fastest chilling system in the industry)
- Exclusive whisper-quiet variable speed compressor
- Industry Best Three-Year Warranty plus an additional three years on the sealed system

To learn more about Perlick's Signature Series 24" Dual-Zone Refrigerator/Freezer Drawers, and the new Signature Series 24" Dual-Zone line of undercounter refrigeration, visit perlick.com or call 800-558-5592.

| continued on page 24 |



Everything is ready for entertaining - Including your Dual-Zone.

Your sophisticated kitchen is designed to help you entertain your guests in style.

Make everything perfect with the sleek new Perlick Dual-Zone Refrigerator/Wine Reserve. Store wine at the optimal temperature while food chills separately below. And with unparalleled quality, meticulous craftsmanship, a stainless steel interior, full-extension shelving, state-of-the-art digital controls, and other innovative industry-leading features, the choice is easy.

Choose Perlick and relax.



Perlick.com



AXOR PRESENTS NEW “WATERDREAM” WITH FRONT AND NENDO

RE-THINKING THE SHOWER—THE SEARCH FOR A NEW ARCHETYPE

AXOR® For 20 years now, Axor, the designer brand of Hansgrohe SE (www.hansgrohe.com) has been developing alternative visions for the bathroom as a living space. “In this regard, the focus is not primarily on the products, but on providing additional scope for creative development, for breaking down established behavior patterns, and for conducting an open, interdisciplinary dialogue,” says Philippe Grohe, head of the Axor brand. Axor continuously engages in this dialogue with various internationally renowned design partners, which from now on also include the Swedish design trio Front, and the Japanese design studio Nendo. Following on the heels of Phoenix Design, Jean-Marie Massaud, Patricia Urquiola and the Bouroullec brothers, Front and Nendo now present their own personal Axor WaterDream. “Within our overall understanding of the use of space, the interaction with water, and the multifaceted individual needs of people, we focused specifically on the shower this time, interpreting it anew with Front and Nendo,” Philippe Grohe, the grandson of the company’s founder Hans Grohe, explains.

LIVING AND SHOWERING: BACK TO THE ORIGINS

The invitation to re-think the shower produced two installations that couldn’t be more different from each other: whereas Nendo draws inspiration from an emotional living space outside of the bathroom, Front explores the technical origins of the water installation. Despite operating within different cultural contexts, the visions developed by the two design studios have one thing in common. Both present new archetypes in a charming and captivating manner: light and water pathways are re-interpreted in surprising and unconventional ways, and long established functional and spatial separations between the living and bathroom spheres are challenged.

FRONT: A VISUAL APPRECIATION OF WATER PATHWAYS

The Axor WaterDream created by Sofia Lagerkvist, Charlotte von der Lancken and Anna Lindgren allows us to experience the path water takes in its most original form. “Front show how something that is normally hidden from view can become a visually appealing and valued spatial construct,” says Philippe Grohe. *[continued on page 26]*



The ice machine that has it all.
Except the noise.



The appliance market is filled with chatter, but one thing is clear. MARVEL's whisper-quiet ice machines are removing the racket from home ice making.

Engineered to minimize sound without sacrificing performance, MARVEL gourmet ice machines feature a purring motor and impeller that reduce operational noise and a sound buffering ice path that muffles cube impact noise.

MARVEL is delighting homeowners with the only high-efficiency ice machine that produces crystal-clear ice by the pound—without disturbing the peace.

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“We used our personal perception of the shower and showering to draw attention to the technology behind the wall, which is often concealed,” explains Charlotte von der Lancken. “It was important for us to foster an awareness of what is the most archetypal aspect of the bathroom—the installation itself. For this reason, we played around with the most elementary components that are used to bring water to us—pipes, valves, couplings, and funnels,” adds Sofia Lagerkvist. With a simplicity that is characteristic of Scandinavian design, Front present their Axor WaterDream as an homage to artisanry and to the aesthetics inherent in technology and installation.

NENDO: IS IT LAMP OR IS IT A SHOWER?

In his Axor WaterDream Oki Sato, the creative brain behind the Japanese design studio Nendo, playfully indulges in artful shifts and transformations of concepts and meanings. “My aim was to combine what is most archetypal about the living space, the lighting, with water, so as to give the shower an enhanced sensuous dimension in a way we have not yet seen before. The result is something that is not just a shower, nor just a lamp, but a hybrid—a magic trick with light and water that is available day after day,” says the 35-year-old Sato. “The natural coming together of light and water is freed from spatial constraints: what traditionally took place in separate rooms—reading under a lamp in the living room, taking a shower in the bathroom—can now be experienced free from spatial allocations or confinements,” Philippe Grohe concludes.

Find out more about Axor on www.axor-design.com.

ALMO EXPANDS PHILADELPHIA DISTRIBUTION OPERATIONS

ALMO Almo Corporation, a major national appliance and consumer and professional electronics distributor, is pleased to announce a recent expansion of its Philadelphia Distribution Operations. A second distribution facility has been added to the Almo corporate headquarters campus in Philadelphia which now encompasses the corporate office building and two distribution centers.

The new warehouse, which will house luxury appliance division products and the returns department, provides an additional 120,000 sq. ft. of high-bay space and 12 dock doors to the Philadelphia operation. Almo’s original Philadelphia distribution center was outfitted with an automated pick/pack/ship system for smaller products last year; the newly available space is being retrofitted for handling of large format products.



“One of our key service offerings is our 24-48 Hour Rapid Ship service. Due to our continued growth, expansion of our East Coast operation was necessary to meet our service commitments to our customers,” says Warren Chaiken, president and COO. “When planning for this new warehouse, we took into consideration the ever-expanding needs of our customer and vendor partners, creating a facility that is able to service the entire east coast with a broader and deeper complement of products.”

Overall Almo’s Philadelphia Distribution Operation encompasses 275,000 sq. ft. of warehousing space, 30 truck docks and a small form factor automated pick/pack/ship system. This regional operation center will service luxury appliance, major appliance, small appliance, consumer electronic, professional A/V and wire & cable customers on the East Coast.

Almo Corporation is the nation’s leading independent distributor of Major Appliances, Consumer Electronics and Professional A/V equipment. Known for its Rapid Ship services and exceptional customer service, Almo distributes over 85 of the industry’s top brand names. Dealers and Retailers have instant access to a wide variety of Major Appliances, Consumer Electronics, Mobile Electronics, Professional A/V Equipment and Professional Residential Kitchen and Outdoor Appliances.

Founded in 1946, Almo is headquartered in Philadelphia, Pennsylvania, and operates 8 regional distribution facilities with over 1.5 million square feet of warehousing throughout the United States.

More information on Almo is available by contacting the company directly 800-345-2566 or at Almo’s website located at www.almo.com.

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FABER



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Almo Brings You Best-in-Class *Luxury* APPLIANCE BRANDS

Almo brings you the true industry leaders in professional grade home appliances. **Capital Cooking, Liebherr Refrigeration,** and **Faber** ventilation: best-in-class manufacturers that provide *Extraordinary Performance at an Uncommon Value*. Each piece is beautifully crafted to satisfy the most astute customer that's seeking exceptional performance without the extraordinary price.

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ALMO® www.almospecialty.com
Specialty Products Division
Distribution on a *Personal Level*



KICHLER® OFFERS VERSATILE, HIGH-QUALITY TASKWORK LED TAPE LIGHTING

EASY TO INSTALL, ENERGY-EFFICIENT TAPE LIGHTING CREATES VERSATILITY IN KITCHENS AND BATHS



Kichler® takes tape lighting to a new level with TaskWork LED Tape in a wide range

of options for creating beautiful, energy-efficient lighting effects. The sleek, ultra-low profile indoor/dry and indoor/damp TaskWork LED Tape from Kichler is ideal for kitchens and bathrooms. Perfect for enhancing tray ceilings, highlighting cabinet toe-kicks or creating wall-wash effects, this highly flexible, 24-volt tape is fully dimmable and comes in a variety of color options and convenient lengths up to 20 feet for indoor/damp versions and 100 feet for indoor/dry versions.

“Our new TaskWork LED Tape offers high-quality, even light ideal for both decorative and practical applications,” says Jeff Dross, Kichler’s corporate

director of education and industry trends. “With its affordability, incredible versatility and ease of installation, designers and homeowners can be more creative and efficient with how they use and layer light.”

When tucked into bookshelves, under or above cabinets and inside coves, the sleek fixture disappears, leaving targeted areas awash in light to aid in task work or highlight architectural features. Kichler’s TaskWork LED Tape is available in both high and low lumen output options for a choice of light intensity. High output TaskWork LED Tape (200 lumens per foot) is ideal for wall washes, alcoves and task lighting placed under cabinets. Low output tape (100 lumens per foot) provides the perfect soft light needed for toe kicks, backlit glass cabinets or tray ceilings. Both intensity outputs are available in dry- and damp-rated versions for any kitchen and bath application.

MANY OPTIONS FOR EXTREME VERSATILITY

Designers and homeowners can select from a wide range of colors so lighting works in harmony with home décor colors. All available with a Color Rendering Index (CRI) of 80, color options include:

- Warm, white light (2,700 K) – Perfect for pairing with color palettes often associated with colorations of earth tones, wood tones, brushed bronze, antique brass and browns.
- Pure, white light (3,000 – 3,200 K) – Ideal for cooler color palettes and colorations such as stainless steel, chrome, black granite, white porcelain, slate, greys, white and blues.
- Cool, white light (3,600 – 4,000 K) – Generally used for retail stores or contemporary commercial settings, or if lighting crystal or sterling collectables.
- RGB color-changing light and single-color red, blue, green and yellow lights – Available for niche, commercial or creative residential applications along with a remote control to change colors.

EASY INSTALLATION AND LONG-LASTING ENERGY EFFICIENCY

A standout feature of Kichler’s TaskWork LED Tape is its simple-to-use, snap-style connectors for fast and easy installation. A complete range of accessories incorporates a variety of connector options, including straight track holders for clean, even runs and flexible two-inch connectors to create angled turns for consistently directing light exactly as desired.

While one side of the tape features tough 3M adhesive that sticks securely to even rough surfaces, the other side features enclosed LED chips on a choice of a black or white strip. For indoor/damp applications, a silicone coating provides additional protection. It is easy to clean and safe even when within the reach of children.

TaskWork LED Tape connects to a plug-in or direct-wire power supply. When power is in a remote location, an added wire section is available to reach from the power supply to the tape without voltage drop. Indoor/dry tape is available in roll lengths up to 100 feet and can be cut every four inches, while indoor/damp tape is available in 20-foot, five-foot, 12-inch and four inch sections. Like the indoor/dry | continued on page 30 |

dacor

The Life of the Kitchen.®

At Dacor, we believe that every kitchen is the heart of the home - a place for communion, rejuvenation and culinary creativity. That's why we have created the widest selection of innovative appliances...so you can stir up your own life experiences.



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Family Owned | Handcrafted | American Built Since 1965

version, indoor/damp tape can be cut every four inches, but should only be cut to end a run as cut pieces cannot be connected back together due to the silicone coating.

TaskWork LED Tape not only uses less power than xenon or halogen alternatives, it also offers low wattage compared to incandescent light and a 50,000-hour lifespan, or 20 years of life under normal use, with a five-year warranty.

Kichler also offers an outdoor/wet TaskWork LED Tape option in its complete line of versatile lighting. Learn more about all of Kichler's tape lighting options in their online interactive catalog at www.kichler.com or call 216.573.1000

INTEL CONTENT MANAGEMENT SYSTEM SIMPLIFIES DIGITAL ADVERTISING ACROSS MULTIPLE RETAIL DEVICES

INTEL® RETAIL CLIENT MANAGER ENABLES ATTENTION-GRABBING CAMPAIGNS

NEWS HIGHLIGHTS

- Intel® Retail Client Manager enables personalized, meaningful marketing campaigns to reach the right audience, at the right time, with the right product.
- New software is a simple content management system to create campaigns and promotions in minutes.
- IT managers can use software to manage user access, receive real-time error reports and respond to end-user interactions.



Digital signage is increasingly being integrated into every retail device consumers touch from ATMs and point-of-sale terminals to interactive kiosks and vending machines. In order to amplify the power of marketing programs with consistent messages across multiple retail devices, Intel Corporation announced today the availability of the Intel® Retail Client Manager (Intel® RCM). Intel RCM is a simple and cost-effective content management system (CMS) for digital signage solutions.

Industry experts estimate content management systems will reach 35 million units at a cumulative annual growth rate of 40 percent by 2017. However, creating, deploying and managing an effective digital marketing campaign is currently a time-consuming and resource-intensive proposition for marketers and businesses. The result is limited and localized marketing campaigns effectively minimizing the reach and impact on a large scale.

Intel RCM provides a simple interface for marketing professionals, enabling them to create new campaigns and promotions in minutes, customize content instantly and control each screen individually in a secure and manageable environment. Intel RCM also enables marketers to create multiple zones within each digital sign and supports most formats including HD video, Adobe Flash*, static image and web content, maximizing the

impact by creating a consistent, powerful impression across multiple points of a consumer's experience.

"Digital signage is rapidly changing the advertising landscape and becoming a preferred channel for marketing professionals looking to reach customers with relevant content near the point-of-sale," said Joe Jensen, general manager of Intel's Retail Solutions Division. "With the addition of Intel RCM to our portfolio of retail solutions, our customers are able to easily create and manage attention-grabbing campaigns while ensuring they are reaching the right customer, at the right time, with the right product."

When paired with Intel® Audience Impression Metrics Suite (Intel® AIM Suite), an anonymous viewer analytics technology, Intel RCM offers retailers a powerful tool for more personalized, meaningful and relevant advertising. This capability anonymously counts the number of viewers, gender and age group and dwell time for each digital sign, enabling brands to tailor advertising content based on audience demographics. Using Intel AIM suite, retailers can also gauge the effectiveness of content by measuring the length of time viewers spend looking at displays and which ads captured the attention of passersby.

Spafax Networks, a division of WPP's tenthavenue and a leader in the creation of branded content and advertising sales, believes solutions that address the need for simplified content management and relevant advertising are greatly needed in the industry in order to push digital signage forward as an advertising platform.

"As shoppers take more and more control over their shopping experience, retailers and brands have to provide anytime, anywhere marketing campaigns to make an impact on buying decisions," said Patrick Bonomo, chief operating officer of Spafax Networks. "Standardized and manageable digital place-based signage platforms are a key industry requirement that allows marketers to reach these tech-savvy shoppers. We are working closely with Intel to integrate the Intel Retail Client Manager into our buying platform to offer advertisers an efficient method of reaching on-the-go audiences and delivering experiences that are relevant, effective, managed and secure."

For those inside IT departments tasked with implementing and managing the tool, Intel RCM allows them to manage user access, receive real-time error reports and respond to end-user interactions. The platform is also optimized for Intel® Core™ vPro™ processors with Intel® Active Management Technology (Intel® AMT) enabling remote management and diagnosis of digital signage networks. This reduces costly onsite maintenance visits, allowing centralized IT teams to power-cycle machines, repair software issues, power-down systems and install software updates and security patches.

Digital signage solutions based on Intel RCM are available through Avnet Embedded and Seneca. Subscription base price for Intel RCM is \$16.95 per month, per player billed annually.

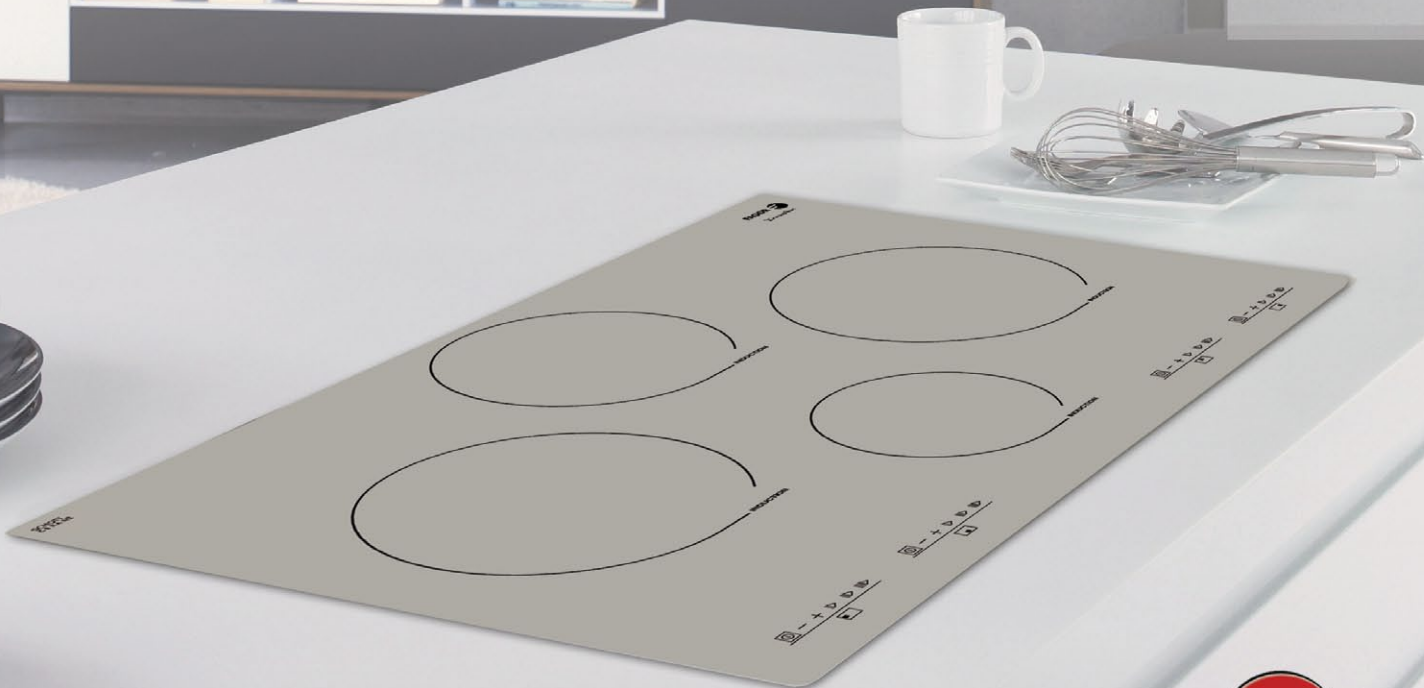
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| continued on page 32 |

ELEGANTLY & EFFICIENTLY DESIGNED

The **Fagor 30"** Bonita Grey Induction Cooktop gives the countertop a seamless integration that blends into most counter spaces allowing for the continuation of a sleek and modern kitchen environment.

The induction control panels are discreetly concealed into the overall unit while the scratch and stain resistant glass keeps the Grey induction cooktop looking consistently..."Bonita".



www.fagoramerica.com





ROBERN INTRODUCES DIGITAL WOOD FINISHES FOR THE V14 VANITY, DECORATIVE CABINET, DECORATIVE FRAMED CABINET AND DECORATIVE FRAMED MIRROR

IDEAL FOR WET ENVIRONMENTS, DIGITAL WOOD OFFERS A SUSTAINABLE, EASY-TO-MAINTAIN ALTERNATIVE THAT CAPTURES THE TEXTURE AND WARMTH OF SIX DIFFERENT WOOD SPECIES

robern.

In 2012, haute couture took a decidedly digital turn as fashion houses added digital imaging software to their toolboxes to craft sophisticated, complex fabrics. Now, last season's digital print explosion is booming as one of the top home design trends for 2013. Among the places this photorealistic trend has surfaced: Robern's Digital Wood™, a collection that utilizes the latest in printing technology to bring the warmth and texture of wood to the bathroom that is both sustainable and easy to maintain.

"Industry design trends are embracing warmth and traditionalism," says Robern marketing director Andrew Lippman. "The juxtaposition of Digital Wood's warmth paired with the sleek, modern form of the V14™ vanity introduces a new level of richness and texture to a clean, contemporary form."

Robern's industrial designers translated the beauty from 46 square feet of six different wood species into high-definition scans. "There's an undeniable warmth that wood brings to a space," Lippman says. "But in its natural form, wood can be hard to care for

and maintain in wet environments like the bathroom. Robern Digital Wood harnesses that warmth in an easy-to-care-for surface. Best of all, it is sustainable. Robern can now offer exotic wood species without cutting down a single tree."

The Digital Wood finishes are also available on the Robern decorative framed mirrored cabinets and decorative glass cabinets.

- Rosewood Santos is distinctively exotic; its flowing grain contains a mix of knots and grain shapes while its organic nature embodies a continuum of deep burnt reds, browns, and blacks for a modern aesthetic.
- Indian Rosewood is brought to life with the interplay between dark tones highlighted with red and brown, creating a rich, sophisticated surface.
- Smooth Leaved Elm evokes all that is earthy and organic; a moderate grain structure with swooping movements breathes life into its texture while nutty browns, light tan and hints of red add transitional appeal.
- European Ash, a classic light wood, has an even and moderate grain structure with a uniform balance of light brown and grey tints.
- Freijo captures the essence of aged wood with its coarse grain structure, while the contrast between the yellow and red against the brown tone creates a contemporary appeal.
- Oak Knot exudes a rustic design; the warmth of the red and brown tones in the uneven grain against the dark knots brings raw texture to the space.



For additional information on Robern products call 1 (800) 877-2376 or visit the Robern website at www.robern.com. **RO**





COOL IS BACK

Introducing the GE Artistry Series. This new class of strikingly bold appliances takes the off-ramp to epic style. Cool metallic handles and knobs. Sleek chrome trim. Clean and classic lines. Black or white. Its the essentials of a stylish life, totally within reach. geappliances.com



| Artistry™ Series

DWELL ON DES

REPORTS RECORD ATTENDANCE AND CONTINUED GR



SIGN GROWTH IN 2013

Modern design luminaries, professionals, and enthusiasts from around the world descended upon the Los Angeles Convention Center for Dwell on Design in June. During its three-day run, the nation's largest design event offered a full host of discussions, demonstrations, home tours, and a diverse array of exhibits covering every aspect of the modern lifestyle. Dwell on Design transformed over 200,000 square feet of exhibition floor into a state-of-the-art showcase for the modern world. Attendance topped out at 30,578, up 12% from last year. Combined with Dwell Design Week - a series of local events hosted in design showrooms throughout the city—almost 35,000 visitors experienced the Dwell brand across Los Angeles.

"Dwell on Design is truly a design incubator," said Dwell President Michela O'Connor Abrams. "The show is a live embodiment of the modern lifestyle and continues to flourish as a platform where designers and brands can share ideas and products that will ultimately shape the way in which we live."

DWELL ON DESIGN 2013 HIGHLIGHTS INCLUDED:

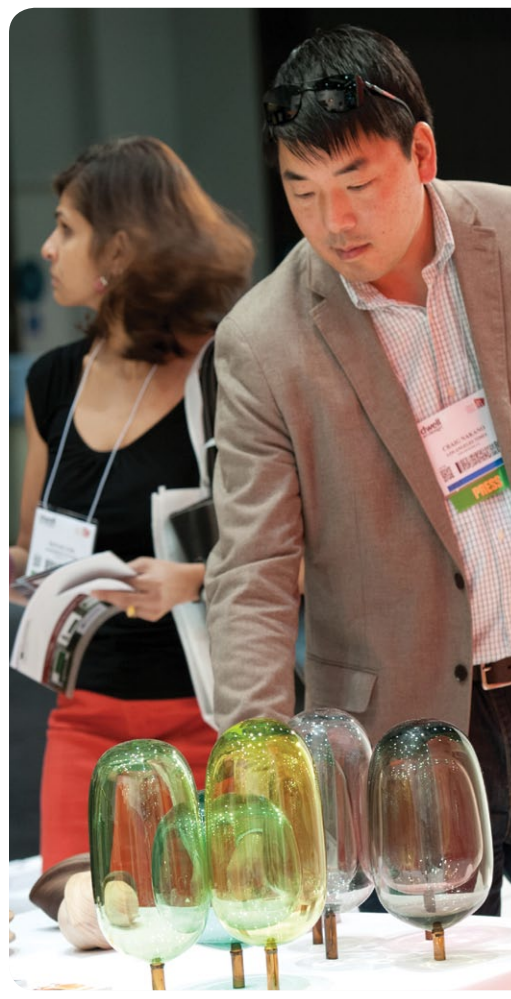
A stirring keynote by renowned architect and product designer, Michael Graves, who shared his insights on universal design and design's direct influence on the quality of life.

Other notable speakers included: actor Bryan Cranston, whose sustainable home is featured in the most recent issue of Dwell; AirBnB Co-Founder Joe Gebbia; and Life Edited founder Graham Hill. Google Glass also gave a demonstration of their new wearable device. Interior designer and reality TV star Jeff Lewis was on-hand promoting his new paint line and filming the next season of Bravo TV's Flipping Out.

Dwell Outdoor took center stage this year, transforming an entire "block" of the convention center floor into a veritable neighborhood. The exhibition showcased full-scale prefab structures from Sett Studio, pieceHomes, LivingHomes, iT House, and Sustain Design's miniHome, along with the Blu Homes Lounge Oasis and a prefab designed by Method Homes, outfitted with colorful products from jc penney's designer collections by Michael Graves, Sir Terence Conrad, and Jonathan Adler. State-of-the-art spas, shelters, space age planters, and other ingenious outdoor living products punctuated the space between.

First-ever Artist-in-Residence Tanya Aguiñiga ran interactive workshops and created 72 "Move-In Kits" consisting of handmade knitted blankets, art and furniture to be donated Los Angeles shelters, to help homeless transitioning into new homes.

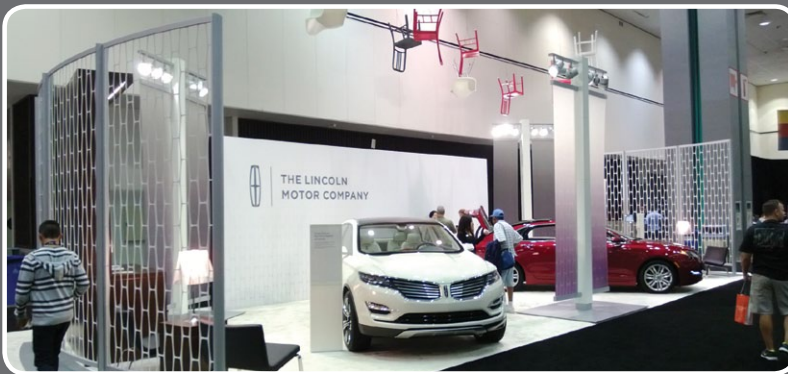
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The Dwell on Design Awards were announced, recognizing exhibitors in each category for outstanding showing. Winners included Franz Viegner (Kitchen and Bath), Nourishmat (Design Materials), Clei (Furniture), Playforms (New Product), Miele (Modern Lifestyle), La Cava (Sustainability), David Trubridge (Lighting), Shades of Green (Outdoor), Brizo (Best Booth), and Emeco (Best in Show). Special thanks to 2013 Jurors Zahid Sardar (Dwell contributing writer and author), Rachelle Schoessler Lynn (ASID National distributed by Resource Furniture, President-Elect.)

Kat Fern (ASID LA Chapter President), Donald Strum (principal, Michael Graves Design Group), and Erika Heet (Dwell contributing editor, Dwell on Design Editorial Director).

Dwell announced the Dwell Vision Award - a new editorial award presented in cooperation with the Big Ass Fan Company (www.bigassfans.com) that will honor design



visionaries who are moving modern design forward. The inaugural award will be announced at a special ceremony in New York City on November 7th. The jury features two supporting Dwell editors, Big Ass Fans General Design Manager Brian Smith, and one celebrity juror (to be announced). Submissions are being accepted until August 30th—www.dwell.com/visionawards.

The American Society of Interior Designers (ASID) held their annual Chapter Leadership Conference in conjunction with Dwell on Design, welcoming over 500 trade professionals, chapter leaders, and board members from across the nation for three days of lectures, CEU classes, and tours.

The ever-popular Dwell Home Tours hit record numbers, selling out all three tours that took visitors inside some of the most remarkable modern homes throughout the city.

AIA Los Angeles announced the winners of the 9th Annual Restaurant Design Awards.





Jury winners included Belcampo Meat Co. by BCV Architects, Nobu Malibu by Montalba Architects, Inc. and Studio PCH, Superba Snack Bar by Reed Architectural Group & Design and Design, Bitches, Beer Belly by MAKE Architecture, Northern Lights Bar by minarc, Chambers Eat+Drink by SPARC and Mr. Important Design, and SHOREbar by Built. Best new concept award went to Belcampo Meat Co. by BCV Architects. The People's Choice Awards went to Outliers Eatery by Remi Designs, Northern Lights Bar by minarc, and SHOREbar by Built.

The show drew over 250 members of the media and was featured by the Los Angeles Times, Los Angeles Daily News, National Public Radio, KNBC, several international broadcast affiliates, and countless design blogs.

Dwell programming continues this summer in Los Angeles with tours of the Dwell Home



Venice in July. City Modern, Dwell's successful program with *New York Magazine* returns in New York City this October. The next Dwell on Design is scheduled for June 22 – 24, 2014.

The Lincoln Motor Company was the Presenting Auto sponsor, Design Partner was jcpenny and Industry Partner was The American Society of Interior Designers (ASID). The event was produced by Dwell Media, the parent company of *Dwell* magazine, Dwell Digital + Mobile, Dwell on Design events, and the Dwell Homes Collection. Founded in 2000 by Lara Deam, Dwell has received countless industry awards and is widely regarded as a leading voice in the modern design movement. Championing a philosophy that is idea-driven and sensitive to social and physical surroundings, its enduring passion for design leads a passionate community of design-seekers to be "At Home in the Modern World." Learn more at www.dwell.com. **RO**

Photos courtesy of Mimi Teller. Center inset photos courtesy of Moe Lastfogel

Consumer Safety Concerns: Then and Now

Back in the “old days,” whether you were a major retailer or manufacturer, most in-home service calls were handled by in-house personnel. A few large companies owned most of the market. They had teams of service personnel responsible for home delivery, warranty work and service.

At the time, most workers stayed with the same company their entire careers. They were like family and represented little or no criminal risk to employers. People were a lot less mobile and mostly remained in the same city their entire lives.

Society was less litigious and terms like “Amber Alert,” “Security Level Colors,” and “Registered Sex Offenders,” had not been coined. Other than an employee’s skill set, reliability and personal appearance, employers didn’t worry.

The public trusted and were loyal to brand name products, equated them with efficiency and professional service and used them whenever they could. Customers expected and received personal service. It was not uncommon to schedule a service call with someone you already knew and tell the technician, “I will leave the back door unlocked, please pull it shut when you leave.” But today, the market is much more complex, news travels faster with the Internet; people are much more mobile, and many service functions are now outsourced to independent service companies and third party administrators.

The service landscape has changed. Large companies have attempted to reduce fixed costs while maintaining their branding and service standards. As jobs migrated from “company men” to independent service companies, outsourcing has become the dominant service model.

Both the company’s welfare and reputation have been turned over to a technician for whom little may be known. Although the market has

changed over the years, customers still have the same expectations of honesty, reliability and professionalism. National consumer research released in October 2011 by Mindspot Marketing Research & Solutions showed that 90 percent of customers surveyed who use in-home service technicians believe they have been background screened and carry worker’s compensation and liability insurance, yet in the same research 1 in 5 consumers did not feel safe or secure when these individuals were in their home.

That’s why several major retailers, manufacturers and third party administrators now require in-depth criminal background screens for all workers entering their facilities or being dispatched to customer homes. This new trend comes as a result of enhanced consumer awareness, increased litigation and concerns by corporate risk and security departments. Additionally, with the prevalence of designer drugs and the illegal use of prescription medication, many companies now mandate periodic drug screens to maintain compliance and reduce the probability of accidents and injuries on the job. Risk managers find it makes good sense from both liability and reputation management standpoints.

So, with background screening companies popping up everywhere and advertising low ball pricing on the Internet, how can you be sure you are getting the most thorough screenings at a reasonable price?

1. First, you want to make sure you know what you are getting and the final price you will be paying.
2. Next, check with your trade associations, manufacturers and retailers regarding their specific requirements and approved vendors.
3. Then, give the background screening company

these requirements and ask for a firm price before they run the checks. Many Internet-based vendors offer stripped down packages or a la carte screens to keep the price down—then after the fact include a lot of add-ons for those who have lived in multiple counties or states over the past seven years.

4. Insist on portability by using a vendor whose background screening is universally accepted by the companies you work for. This eliminates the need to repeat screenings every time you contract with a new company or manufacturer.

There is a movement underway to develop consistent industry standards for background and drug screening. Trade associations are working directly with retailers and manufacturers to establish specific standards. They realize the importance of setting industry standards which are beyond reproach, not only from a technical standpoint but also to demonstrate high character and unquestionable integrity. The goal is to ensure that customers stay safe and the reputations of the servicing company and manufacturer or retailer remain intact. This is something our company has strongly supported over the years. **RO**

Craig Reilly is the CEO of PlusOne Solutions, a provider of comprehensive service industry solutions including criminal background and drug screens, online training, dispatch and claims, and compliance management for companies utilizing independent companies offering in-home service on behalf of retailers, manufacturers and third party administrators. For more information, visit www.plusonesolutions.net.

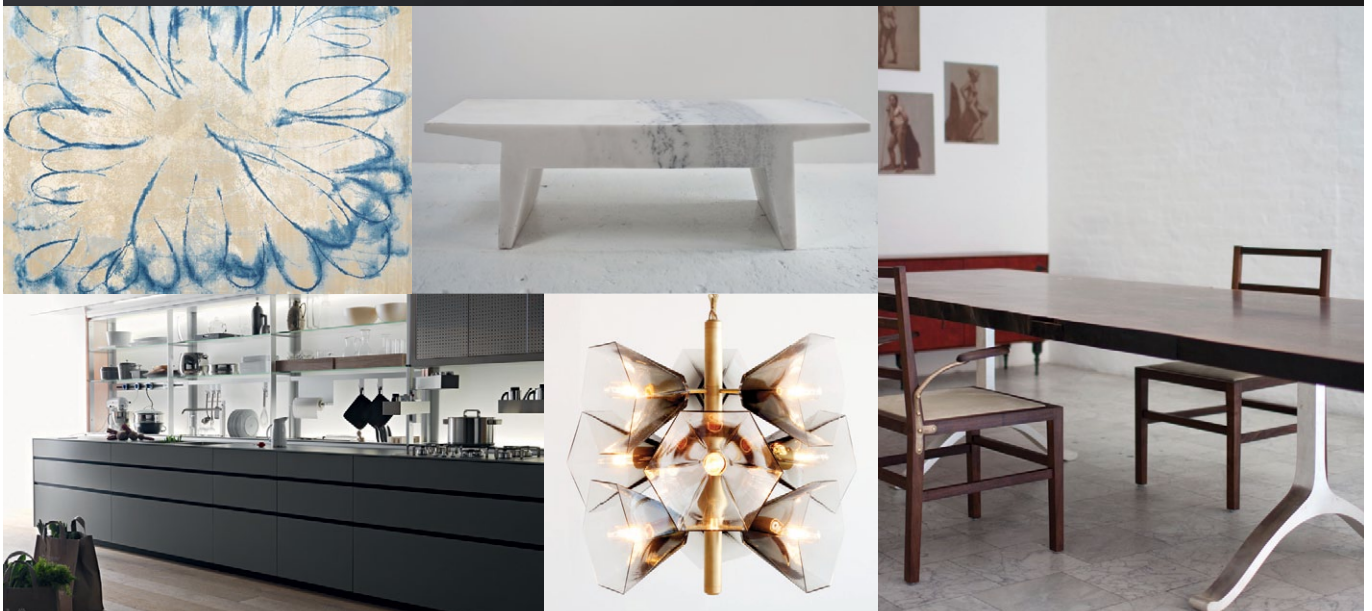


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The Cost Conundrum

A recent white paper written by Reliable Softworks reminded me of how complicated inventory costing in our industry has become. Using some ideas first developed for the supermarket industry in 2007 by the Boulder, CO-based Profit Planning Group, Reliable is working to help its users better account for their inventory.

How much do you pay for the goods you sell? Do you pay more or less for similar products from other vendors? Which models offer the best value for your customers or the best profit for your company? Does your retail pricing reflect the difference between your true acquisition costs among the different models in your assortment?

What factors go into the cost of goods sold when you compute inventory turns and GMROI?

There are a lot of things that go into what we commonly refer to as “price.” The obvious one is the invoice or acquisition cost from your supplier. You might have a price sheet or have online pricing from your vendor or your warehouse.

There have always been truckload allowances, trailing credits, special purchase allowances (SPAs), volume rebates and advertising allowances, but now we have a new array of discounts like end-of-month spas and the dreaded IR—instant rebate. These all affect inventory pricing in different ways and ultimately impact the profitability of your merchandise.

The real question is “which of these discounts do you actually use to reduce the cost of merchandise and your floor

prices?” Which ones are bottom-line income items?

Costing issues become more complicated because, for the most part, large national competitors buy their merchandise net-net. Their prices are directly reduced by an amount similar to whatever allowances you might get for VR and advertising. How do you compete when the price you pay for your inventory appears to be 5%–10% higher?

I think there are some bottom line credits that you should use to stay competitive by reducing your own inventory costs. But there are other credits that offset expenses you have in running your business.

Take your advertising credit, for instance. You get a credit for advertising, say 2%, and need to spend that money and probably another 3% of your own money to drive store traffic. Marketing is a cost of doing business and any money a vendor gives you should help you maximize your advertising and not, reduce the price of a product.

Instant rebates should definitely reduce the cost of the products to which they apply. You’re going to give that discount away, plus another amount since most IRs aren’t paid at 100% of what the customer gets. If there is a \$100 IR on a product and it’s paid at 75%, you reduce the cost of the piece by \$75 even though the customer gets the full discount. The additional discount reduces your gross margin. Instant rebates are difficult to account for since they generally only apply during a specific buy-in period but there is too much money in play not to track it carefully.

Trailing credits, truckload discounts and



end of month group discounts are actual reductions in inventory cost and you should be accounted for in the cost of goods. Again, the effort involved is worthwhile.

Volume rebate is not guaranteed; it’s based on annual sales or year over year growth. When received, that money should be put into other income. VR helps underwrite the cost of doing business.

All this being said, you still have to be competitive at retail. You need to display a wide enough assortment of merchandise to meet your competitors’ prices and offer profitable high-value alternatives to meet your margin goals.

Nothing in this industry is easy. If it was, we’d have even more competitors. **RO**

Elly Valas is the Marketing Services Director for Nationwide Marketing Group. She can be reached at elly@ellyvalas.com or at 303-316-7569. Visit her website at www.ellyvalas.com.



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Don't Loosen That Grip

Resist The Urge To Relax Financial Controls

The economy is improving, bringing with it a sense of optimism. That optimism, however, can be dangerous. All too often, it brings with it a tendency to breathe a sigh of relief and loosen your grip on the financial reins.

While it might be human nature to relax when things get better, it is not good business practice. The measures you put into place to control costs and reduce waste during the past few years helped you to survive; it would be foolish to discontinue them now.

While you certainly deserve to celebrate your survival of the recent economic downturn, if you want to continue that celebration into the future, it's imperative that you maintain control of your finances. Competition at every level—from price to product to service—continues to be stiff, bringing with it the necessity to keep a watchful eye on spending.

Customers are not willing to pay higher prices just to keep you in business. Cutting costs and controlling waste, combined with exceptional customer service, are the keys to your continued success. When you offer high-quality products at competitive prices, you can pass those savings on to your customers. When you do so, you will attract new customers and keep current customers. You will increase sales and profits. You will thrive.

Sure, there are a few companies in the world that can charge more without any major repercussions. Disney and Apple are two examples. Their products and services

are so superior that consumers are willing to pay whatever it takes to purchase them. That is not the case for most businesses, however.

In order to remain competitive—and viable—it's critical that you reduce costs and pass the savings on to your customers. You can do so by taking these steps:

- **Be aggressive.** Look for ways to eliminate waste in every department, keeping in mind that no waste is too small to ignore. Those small savings add up to major savings. Let me give you an example: If you have 1,000 employees working an average of 250 days a year, and those employees identify ways to save the company \$1 a day, that is an annual savings of \$250,000. Taking that a step further, if the company has annual sales of \$20 million, at a 5 percent profit margin, this is the equivalent of increasing sales by \$5 million.
- **Turn to the experts—your employees.** They know where the waste is and can identify ways to eliminate it. Making your employees your partners in this process does two things: It will result in impressive savings, and it will send a message that you value your employees and their suggestions. And, when employees feel valued, they are more productive and more committed to the company's success.
- **Look at people.** Leave no stone unturned. Are there people who can be eliminated? Terminate under-performing employees; they cost the company money and do

little or nothing to add to the bottom line. They also can cost you money by driving customers away with bad attitudes, lack of knowledge, and poor customer service skills. In many cases, those employees do not need to be replaced, which adds to the savings.

- **Look at technology.** Technology can save you money by speeding up processes and improving customer service. The only technology I suggest you eliminate completely are telephone systems that require callers to go through an endless list of options before they can talk with a real person. Use technology only when it benefits the customer.
- **Eliminate ridiculous policies and procedures.** Not only do they get in the way of providing good customer service, they cost you money because you need people to enforce them. When you eliminate those policies and procedures, you can eliminate the people you have hired to enforce them.

You can't count on the economy remaining strong. You must do everything in your power to control costs and ensure the success of your company now and into the future. **RO**

John Tschohl — described by Time and Entrepreneur magazines as a customer service guru, is also an International strategist and speaker. He can be contacted at John@servicequality.com



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Is it Time for a Company Renaissance?

Calling All Michelangelos, Galileos and Isabella D'Estes!

I don't know about you, but I'm sensing a bit of a rebirth. I'm seeing the long pink line of the horizon on the eastern sky, and I'm detecting a bit of hopefulness. I'm definitely seeing a sense of urgency to leave the Dark Ages of the past few years behind and an enthusiastic catapult into the Renaissance of the twenty-teens. It's time. Especially since, on average, the Gallup Organization reports 71% of American workers (and similar statistics in other countries) are either disengaged or actively disengaged. Sounds pretty dark to me.

Over the next few months at Libby Wagner & Associates and Influencing Options, we're creating our own rebirth, too, by revitalizing our new programs, reinventing our options and rejuvenating our clients in their own Renaissance efforts. We are welcoming new team members, several new programs and a significant emphasis on engaging people with our transformative conversations and services. Even as the president, I'm handing over many things to my team so that they can grow and I can continue to challenge myself.

WHY YOU NEED A RENAISSANCE

What about your company or team? Many organizations have suffered in the past few years. Some have lost good talent, or had to let people go, some have lost funding sources or revenue streams, some have been just holding on in the hopes their resilience would carry them through the worst of the challenging economy. Renaissance

companies, teams and organizations are differentiating themselves by choosing, here and now, to play the game a little differently in order to meet their missions, their customers and their goals.

A FEW IDEAS TO CONSIDER

In the coming articles, I'd like to share inspiring and pragmatic ways to help your organizations and stores experience a rebirth—perhaps this will happen on a team, or within an individual or with the whole group. See if these characteristics of the Renaissance might resonate with you:

• Culture

Is your culture supporting your goals? Your customers? Is the environment where people work conducive to creativity, innovation and high levels of respect? If not, you might still be in the Dark Ages.

• Intellect

Are you developing your people, cultivating their brilliance and genius, allowing them to add value to the work, the vision or the bottom line? Is your organization a learning organization, which understands, learns from and acts upon both successes and failures? If not, you might be hovering in the Dark Ages.

• Humanism

Are you caring for, nurturing and honoring the people who work with and for you? Do you see them as people, or bit players in your human drama? Are your actions congruent with your stated company or team values, i.e. respect, diversity,

loyalty and service? If not, you might unknowingly reside in the Dark Ages.

• Science

Are you utilizing technology to enhance the good work you do, or is technology running you? Are you investing in appropriate levels of research and development, embracing and honoring change in ways that balance Culture, Intellect and Humanism? If not, you might think you're in cyberspace, but you might be in the Dark Ages.

• Discourse

Are you having the courageous conversations you need to have with the future, the present and the past? Are you willing to cultivate being in the here-and-now, focused on the best you can offer to the world? If not, you might be experiencing the inner Dark Ages.

Ready to begin your own Renaissance? Contact us to find out more about our programs, offerings, and services. Check out free articles and resources. Find out about a Team Tune-Up for your group. Create the workplace you've always wanted.

Change your conversation. Change your culture. Change your world. **RO**

Libby Wagner, author of The Influencing Option: The Art of Building a Profit Culture in Business, works with clients to help them create and sustain Profit Cultures.
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Observation is Important in Team Settings

Task and maintenance roles allow individual teams to deal with issues and influences in a more structured and productive manner. Responses can sometimes result in disruptive conduct such as personal dominance, obstinacy, controlling, outright fighting and a host of other negative behaviors. So, it is important for managers to observe how their individual teams interact before and after structures are put into place.

The team observation and analyzing process includes the following factors and components:

- **Membership**—Leaders need to understand that individuals who comprise the makeup of an individual team have differences in personalities and back-grounds and that these—along with gender and age differences—all affect the group dynamics within the team structure. Differences in functional backgrounds and commitment to collective goals also contribute to a level of cohesion or overall conflict within the team environment.
- **Organizational Context**—Successful teams need organizational direction, information and resources. Problems can occur when organizational missions are unclear, tasks poorly defined, and teams not given sufficient autonomy. Problems also result when rewards are given to individual members and not collectively to recognize overall team results.
- **Influencers, Communication and Participation**—Influencers and alliances impact team communication patterns as certain individual input is sought and heard over and above other sources of dialogue, ideas,

comments and suggestions. Leaders must be aware of who has the most impact on the team's actions and decisions and take action to ensure those who have been ignored are heard.

- **Climate and Personal Behaviors**—Individual team members should be free to probe others with regard to their thoughts and feelings. Responses of anger, irritation, frustration, boredom, defensiveness and withdrawal are indicative of problems that must be addressed. Solutions cannot be reached unless there is healthy debate and open conflict that allows individual teams to reach their optimal performance levels.
- **Minority Opinions**—In most team environments there will be individual members who hold opinions and view-points that run counter to those of the majority. In a healthy team environment, these opinions are valued and sought out rather than suppressed and discouraged.
- **Leadership**—Leaders should monitor the power structure within their teams to determine whether leadership responsibilities are assumed by one person or shared by the entire membership. They should be watchful for power struggles and conflicts resulting from a lack of leadership within the team environment.
- **Task and Maintenance Functions**—Healthy teams have task flow and maintenance roles that are fulfilled by all members. Leaders should determine whether specific roles and responsibilities are being fulfilled competently and accurately, and whether the individuals assigned to these

roles and tasks take their responsibilities seriously.

- **Decision Making**—Key decisions are generally made during the first meeting, which often then tend to shape and determine progress. Leaders should be well acquainted with the decision making processes used within their individual teams since these key initial decisions are often hard to reverse.
- **Conflict**—Leaders should encourage useful, healthy and appropriate conflict over substantive issues, while taking time to improve personal relations among individual team members when negative emotional eruptions become apparent.
- **Emotional Issues**—All individual team members come to the team setting with personal needs and issues that get played out within the environment, including: personal identity within the team, goals and needs, power, control and intimacy.
- **Atmosphere**—Leaders should monitor the atmosphere created by their individual teams. Within some teams, members may prefer a business-only approach, while in others a more social atmosphere might be prevalent. The atmosphere is also shaped by whether a single individual controls the team or leadership is shared collectively. **RO**

Contact Timothy Bednarz at timothy.bednarz@majorium.com, or 715.342.1018

Excerpt from: A Team's Purpose, Function & Use: Pinpoint Leadership Skill Development Training Series





Wish

by Andrew Bannecker

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Selling Sleep

A Benefits-Oriented Approach To Mattress Sales

In the minds of most consumers, a mattress is a big white box that goes in the bedroom that needs to be replaced maybe once every eight to 12 years. Contrarily, if a consumer's refrigerator breaks, they are going to get it replaced the same day. If the TV breaks, they might wait a week before they buy a new one. But if the mattress they sleep on every single night is bad, they will wait up to two years before they decide to get in the market for a new one. And when they do, 70 percent will buy a mattress at the first place they shop.

That's why most consumers who come into a mattress store already have a problem with the mattress they have—unless they are buying a bed for a second bedroom. And how do they get into your store? Unfortunately, when it comes to mattress sales, it's a little bit like buying new tires. Consumers look at who is having a sale.

As a result, mattress stores pound away on price. They want an immediate return and a call to action, which is usually a sale and not focused on the benefits of a good night's sleep. Most retailers get those customers in the door, show them the mattresses on sale and then push accessories like memory foam, a higher ticket item with a higher commission. While there is nothing wrong with advertising a sale—you have to get people into the store, after all—the last thing you want to do when you get them there is to sell them a \$399 queen bed. If the industry as a whole began to sell a good night's sleep rather than pushing a great bargain, retailers would have increasingly happier customers,

as well as higher ticket sales.

The first question the sales associate needs to ask the customer is: "What is wrong with the mattress you have now?" Matching the sleeping issue to the right mattress is important. This is also a way to show the client in this sea of white boxes why a \$2,000 mattress is better than a \$599 mattress. Most of them don't know the difference, they don't know what they are missing.

Once you ascertain what the current sleep problem is, you need to ask who is sleeping next to the customer and the weight differential. If you have a 270-pound man and a 100-pound woman, without the right mattress they are ultimately going to disturb each other.

For example, a friend of mine was having trouble sleeping. He and his wife would wake each other up every night. I helped him find a high-quality mattress that would suit his particular situation. Now every time he sees me, he hugs me. He didn't realize how bad the bed he was sleeping on really was, and this new mattress drastically improved his lifestyle. Considering that recent studies have shown bad sleep can actually give you hypertension, make you gain weight, have an affect on your job, and affect your overall health, it's no wonder he was so happy.

Next, ask how the customer sleeps: Is he a side sleeper? Does she sleep on her stomach? Matching the right type of bed to how a person sleeps is important, and the right pillow is just as important.

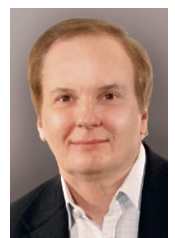
Also consider that baby boomers are becoming seniors (age 65) at the rate of



7,000 per day. Sales associates need to be cognizant of this market's specific needs. When you are 20, you can sleep in the back of your car and get a good night's sleep, but when you are 65, you may have joint pain or other health issues and generally sleep poorly. Showing these older customers the benefits of high-quality sleep is key.

By asking these questions and taking a benefits-oriented approach to mattress sales, retailers can raise their average ticket price, increase overall profit, have more satisfied customers, and avoid getting hit with returns. The great thing about the mattress industry is that there are 4.5 mattresses per household on average, and if you have a happy customer, they will come back for more. **RO**

E. Michael Allen, Brand-Source VP of home furnishings, has been with the organization for 15 years and overseen the growth of the category to one of the largest in the country.



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Energy Management: The CI's Best Friend!

Energy auditing is a growing area among homeowners and utility companies across the US. In the past decade, we have seen a dramatic shift in the residential contracting industry with respect to energy efficiency. Energy prices have increased sharply over the past 10 years, ushering in a culture of energy efficiency with this new "green revolution." Homeowners are informed and energy conscious! We have seen an explosion in access to information from the internet and other media outlets. This new spread of information has created a more knowledgeable and energy conscious homeowner. We are seeing these new trends of homeowners demanding solutions to solve the problem of energy-efficiency and the cost related to energy usage. The future for these homeowners to find and resolve their energy issues is through home energy audits.

As of now, uncertified contractors and utility workers are performing these audits without homeowners realizing their credentials. There has not been a clear path to bridge the gap to custom integrator and their skills in this field. CIs have the skill set and the product lines that blends well with this category of science. In the past a college degree was needed to become an expert in building science and energy, recently this has changed. There is an opportunity for these CIs to become the expert in energy even without a 4 year degree.

Nationwide Marketing Group is creating an opportunity for their SEN division to expand their business opportunities in the field of energy management. NMG is introducing a service that allows their membership to become energy experts. With the aid of expert trainers in building science and energy, they are offering

their membership an opportunity to become Energy Auditors. This field will create opportunities that have not been previous available to the CIs. This new certification will give their membership access to more homeowners, builders, contactors, real estate agents, and utility companies.

Nationwide's team will be able to train and certify their membership in the US standards in home energy efficiency and building science. SEN members will be able diagnosis, suggest ways to fix problem areas, and perform the needed changes to energy certify a customer's home.

This certification will increase the CI's footprint in their market place. These trained members will be aided with a national online database that homeowners, builders, contactors, real estate agents, and utility companies have access to locate these professionals. SEN trained members will form new relationships to service more customers. With NMG marketing tools and this new database, the SEN member will increase their presence to a level they have not seen before.

"By becoming a certified energy auditor our members have the opportunity to expose their core business to not only a whole new customer base through an existing database of utility companies, building contractors, and the energy aware consumers, but their existing customer base. Energy management, as a component of Home Automation, fits well to our members' core competencies in home automation," said Bill Bursley from Nationwide Marketing Group.

At the group's upcoming PrimeTime! show in August, Nationwide Marketing Group will be officially launching this new service to their

membership. Their training partners will be sharing exclusive details with members at the show with booth presence on the show floor. With their new training partners and ResNet, Nationwide will create a full marketing plan, a tool box of products, and a full guide of utilizing their new certification to ensure that they will be successful. NMG will offer their members a quality assurance team, guidance, marketing, and support.

The energy market is a growing a field and we must stay ahead of the industry. Nationwide members will be on the leading forefront of energy management, and will stand out from their competition with new certifications in energy auditing and building science. This is a necessary step towards being ahead of the industry today. Energy Audits are being performed by the thousands monthly with millions of pre-existing non-energy efficient homes across America that can use this service. Who better than a custom integrator with their specialized skill set to do such a service? This is doing their existing customer base a much needed service and the potential increase of warm leads is endless. The future of going "Green" is already here, we all need to change with the marketplace and follow the needs of our customers to still be profitable in the CE industry today! **RO**

Ryan Calacci is the Retail Development Manager for NMG. Previously with Member Services, he now has a redirected focus on the Electronics arm of the business.





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The Winds of Workplace Culture are Shifting

The winds of the workplace culture are shifting, but maybe not in the direction you think. Gone are the days when we could assume excellence, integrity, honesty and other values would be held firm. We consistently run into scenarios in which the boundaries of integrity, honesty, and seeing excellence, well, aren't excellent at all.

So what happened? Where have values gone? How is that affecting your business?

The major reason we sensed they have gone (values) is our very own "world culture". If we just use a little "common sense" (another lost art in this jumbled mess), you will clearly see that the influence of world culture is driving the beast of mediocrity. Have you watched the news lately? One story after another covering a breakdown in common sense, and we consume it like our last meal. Basic psychology says a steady diet of "garbage in produces you know garbage out!" Where have our values gone? To be honest, they haven't gone anywhere, but we have simply forgotten that they are just that valuable. Many businesses are remaining ahead of the curve, taking this wind of culture shift very seriously.

Businesses that take culture seriously and define a value set, that in time becomes habit, are winning at a rate of 30-40% of their bottom line. Researchers tell us that in 131 different studies, the results always showcase that great culture makes a huge difference. What is workplace culture? How do I take back the reigns of influence in my life and my business?

Culture is a set of unwritten or written values (guidelines) that determine the way the people act, react, communicate, problem solve, and treat each other. Culture includes the attitudes of organizational beliefs, values, standards, prejudices, approaches, and phobias – that which makes up the personality of the organization.

In the business world, faster and bigger is celebrated while the bottom line is the ultimate gauge of success. In this mindset, we find ourselves looking for the 'magic bullet' that produces results. After being involved in dozens of workplace environments, we continue to see several common reoccurring themes. The key to a company's success is not found in systems and gimmicks but, instead, is found in creating a healthy team culture.

With that in mind, we have examined several truths about culture that, when understood, will move your organization forward. Culture is the true expression of your values. We are convinced that leaders shape the organizations' culture whether they intend to or not. Without a doubt,

the longer we spend in an environment, the more awareness we lose of that culture.

It has become obvious that the culture of an organization impacts the long-term productivity of the people. There is no question that healthy cultures attract and keep healthy people. These organizations will also be productive and multiplicative, accommodating change as necessary. In contrast, an unhealthy culture will be hard to work in, have low productivity and be slow to adapt to change.

So now that we have an overview of culture and understand some of truths of how it works, what can your business do?

For as long as we can remember, we have stated that "our people are our most important asset". If that is true, why do we struggle to find stated values or culture initiatives at Independent Retailer bricksand mortar sites or on their web footprint? Yet we can look at our direct competitors and find a myriad of culture initiatives, plans and proclamations. Are they succeeding with all of this investment? I would say most are in agreement that workplace culture and environment are incredibly important to the success of the organization.

Culture is blind to industry so it doesn't matter if you are a white-collar worker or a blue-collar worker you will have similar desires in the workplace. In other words we all would agree that a better you means better business and a less than better you would affect negatively the bottom line.

Does that mean we should do it because our competitors are doing it? No!

We should be doing it because it is effective, the data doesn't lie and besides that it is common sense. We should be doing it because it works and it makes a significant difference. Nothing screams culture and values more than Independent Retailer.

This is a discipline and it requires work, but it is worth it. Don't wait, because your competitors aren't. **RO**

Where do you start? As member of Nationwide Marketing Group, we encourage you to contact Kris at kris@livingwithit.net or call 678-925-7173 so he can work with you to develop a culture model for your business. We will help you implement a proven 4-step blueprint using guidelines that work every time.



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BrandSource Launches Online Customer Review Program for Member Stores

Initiative Helps Members Boost Online Reputation and Drive Store Traffic

BrandSource has launched a new online review program designed to help members drive store traffic by encouraging shoppers to post online reviews about their experiences on popular search sites such as Yelp and Google.

"No matter what industry you're in, positive testimonials from your customers can dramatically improve online visibility," said Bob Donaldson, VP of digital marketing for BrandSource.

A recent study by the Pepperdine University School of Business indicates that 86 percent of consumers use online ratings and 72 percent trust online reviews as much as personal recommendations.

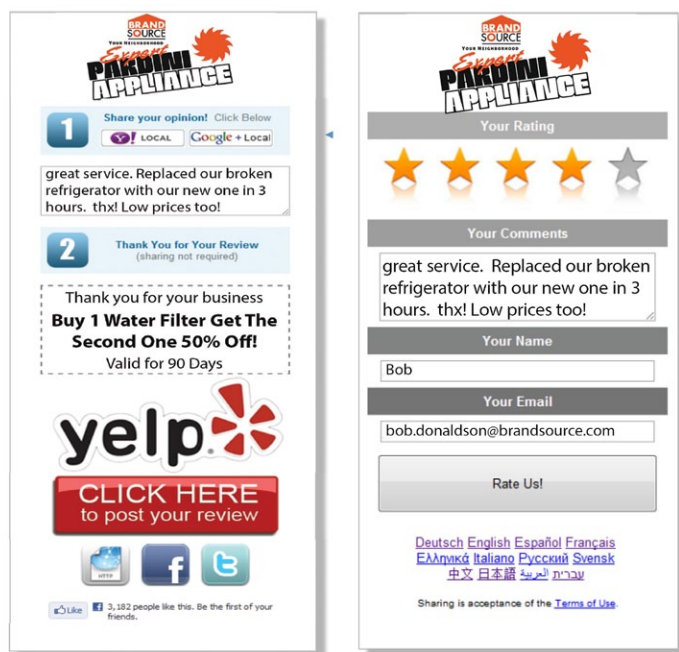
"There's been an explosion in the number of consumers doing online research before they shop, especially for appliances, consumer electronics and home furnishings," Donaldson said. "We want our members to be at the customer's fingertips as soon as they begin searching."

The Pepperdine study also revealed that three percent of new customers categorize themselves as "likely" to try a business with zero, one or two stars. Yet 80 percent said they would try a business with four stars and 84 percent indicated they would try a business with five out of five stars.

Donaldson said that when most retailers Google-search their business to see what, if any, customer reviews they have, many say that they find negative reviews. Why? Customers are predisposed to complain but not to praise, he said.

"The importance of positive reviews is extremely impactful to a dealer's bottom line and the new BrandSource program makes it very easy for customers to instantly provide feedback."

The new BrandSource online review program makes it easy for members to encourage satisfied customers to write a review about their store experience, beginning with an email request immediately after they exit the store. The customer can answer a short survey on their shopping, service and/or delivery experiences and post their review online at up to



three review destinations of their choice (i.e., Yelp, Google and others).

Donaldson said that for every gold star increase in rating reviews, retailers can see a revenue increase of five to nine percent. In addition, building positive reviews helps overcome any negative reviews.

The new online review program was introduced to several BrandSource members this spring. While soft selling the program, it was revealed that many retailers pay upwards of \$300 monthly for similar services. With BrandSource buying power, the program is less than \$100 a month, making it much more affordable than typical program costs.

The new BrandSource online review program will be introduced to all members at the group's upcoming National Convention and Buying Fair in Las Vegas August 25-28. **RO**



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What is *Outdoor SOURCE*?

Outdoor SOURCE is a member-owned, not for profit, co-operative.

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For more information contact: outdoor@brandsource.com



United Servicers Association Brings Technical Training & Networking Opportunities to Servicers

Servicers Enjoy USA Events Where They Can Network and Learn from Each Other Instead of Viewing Other Players as Simply the Competition



Members of USA and local appliance repair companies will gather in 20 cities this Fall for the 2013 Regional Servicers Meeting Program (RSM). USA is proud to announce the 2-day technician training workshops where factory trainers from top manufacturers like Whirlpool, Frigidaire and Bosch will be present to demonstrate new features and technology in home appliance repair and bring technical training to service technicians.

“Networking and learning from like-minded individuals helps everyone in the home appliance repair industry grow and succeed,” according to USA president Lance Kimball. The United Servicers Association (www.unitedservicers.com) a not for profit trade association is dedicated to helping the industry as a whole achieve excellence in service.

The two-day workshops are focused on bringing appliance repair technicians together to learn the latest techniques in repairing home appliances as well as improve their service businesses. The WHEEL OF SERVICE will be explored and includes business management topics around Service Presentation, Operations, Technology, Numbers and The Internet. USA peers will share proven strategies

on how to maximize profits of an appliance service business in today’s ever changing market.

An Early Bird registration discount is available if registered two weeks prior to an event. The registration fee of \$139* includes 5 meals, training materials and a first year membership to the United Servicers Association. The workshops take place from September 5th through December 5th and are scattered around the country. Appliance service technicians and service managers should register early for discounted event and hotel accommodations. Locations and registration are available online at www.unitedservicers.com.

The USA 2013 Fall RSM program is made possible by the national sponsorship, local Parts Distributor in each market and the generous support of the technical trainers from participating manufacturers. **RO**

Paul Mac Donald
Executive Director
United Servicers Association



For more information, call 1-800-683-2558 or visit www.unitedservicers.com

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Disaster Planning and t



It is now almost 9 months since Superstorm Sandy hit our community. In this article we will talk about how to become the expert in your community, why consumer credit is important and why maintaining quality service at an affordable price is important. But first let me tell you about the looting.

The local authorities decided to close the access bridge to the barrier island because it was too dangerous for anyone to be there. This action cut off all access to the homes on the island. The only vehicles that could get through were 4 wheel drive vehicles because of the two to three feet of sand that was left on all the roads when the sea waters withdrew. Other dangers included the sink holes, shaky foundations, fallen electric lines and gas leaks from ruptured natural gas mains. In one area a ruptured gas main caused a fire that destroyed over 50 homes.

With the closing of the all access to thousands of homes, the looters began to come out of their sinister holes. Since all the access roads were blocked by military, state and local police, these criminal entrepreneurs decided they would take boats across the Barnegat Bay and start looting the homes of the folks whose lives had just been destroyed. Looters are the lowest of the low; they are the true bilge rats of our community. While most of these crimi-

nals were caught, many reports were issued of missing jewelry and even copper pipes that were cut out of the flooded homes. One looter was shot to death by a homeowner as he attempted to steal his generator. After that, the state police began to patrol the water ways and homeowners took steps to protect their family and their property. Homes such as mine had loaded weapons, at the ready should someone attempt to do harm within.

Most assuredly the saddest and most disheartening visual was the bus loads of survivors being transported back to their homes and given only one hour to collect anything that would fit in the one suitcase they were allowed to bring.

Becoming the expert in your community is vital to your customers, your community and to your business. And here is why: Remember the feeling you get when you are truly able to help someone in a positive way? Doesn't it make you feel empowered to continue? Doesn't it make you forget, if just for a moment, the troubles of the day? If it affects you that way, how do you think it affects the other person? All these things are important after a disaster because there is so much anguish that it could cause you to become depressed and ineffective. Helping others can help relieve the stress of the situation



The New Normal—Part 3

and bond that customer to you and your business.

As a member of our local chamber, I joined a focus group to help the other businesses get back on their feet. We brought in local experts in the fields of engineering, house raising, insurance, land use law, financing, income tax, property assessment, and of course heating, air conditioning and appliances. (That was me.) We started to do seminars and invited businesses and the general public to attend as we answered questions and gave advice. We became the local experts. To date we have given eight seminars and have hosted over 300 people. Our seminars have been recognized by the county Freeholders and by the Governor's office.

CONSUMER CREDIT

When dealing with the federal government and insurance companies, you can wait until you are blue in the face before you see any monies from them. Some folks whose homes were totally destroyed were offered FEMA assistance on the spot but the majority would have to wait for their money. To make things worse, the insurance companies were demanding assessments, by professionals, of the cost of repair of the flooded appliances before they would settle the claim. That meant that the homeowner would have to front the cost of the assessment to

satisfy the insurance company. They did not require an assessment of the furnace, air conditioner or water heater because the HVAC industry leaders issued statements saying that any HVAC product that was breached by salt water should not be repaired but replaced.

After many requests to the Major Appliance Industry for such a statement, none has been released to date. As a service to our customers in need, knowing that we would not attempt to service a breached appliance, we did the assessments for no charge. We have done over 150 assessments so far and in gratitude for our generosity many of these good folks have come back to buy all their appliances from us. Because we have credit available, our customers do not have to wait for insurance checks. Good solid consumer financing will enhance your business, help your customers and balance your workload.

MAINTAINING AFFORDABLE QUALITY SERVICE

Knowing that there would be more work available than we could handle, we had to make some decisions; do we hire inexperienced workers to meet the demanding work load and suffer the scar of poor workmanship? Do we raise our prices and be branded gougers? Would we allow the temptation of cheap labor and an abundance of work to

change the culture of our company? We decided that we would maintain our culture of quality and affordability in lieu of the darker side.

As an example, a towing company was contracted by our local officials to clear the many cars and boats that were blocking the roadways. When the owners finally located their cars and wanted to have them released, this towing company demanded between \$1100 and \$2000 for the tow before they would release the vehicles. This case of gouging was extreme but there were many like it and those companies paid the price of law suits and local negative notoriety.

We decided not to follow the pack of greedy companies and follow the path of honest and ethical behavior. We decided to actually lower our labor price and as a result we have not had an open day since November. Our HVAC team is booked now until mid September.

We are now in a New Normal which is vastly different than the old. The epilogue to this series will be in the next issue. **RO**

*Ralph E. Wolff, MCAP, CSM
Industry Relations, PSA*



Service News features alternating writers discussing topics of the service industry.



IS YOUR BUSINESS PREPARED?

WHAT CAN YOU DO TO
PROTECT YOUR BUSINESS,
EMPLOYEES & CUSTOMERS?

WHERE SHOULD YOU BEGIN?

WWW.REDCROSS.ORG

PREPARING YOUR BUSINESS FOR THE UNTHINKABLE

**DISASTER RECOVERY
BEGINS BEFORE
A DISASTER**





**American
Red Cross**

Together, we can save a life

DISASTERS CAN HAPPEN ANYWHERE, OFTEN WITH LITTLE OR NO WARNING

WHY BOTHER? DISASTERS DON'T HAPPEN HERE.

Even if you think you are not in a disaster-prone area, something like a chemical tanker truck overturning can prevent you and your employees from getting to your facility.

Even if a flood doesn't put your business under water, customers and supplies may not be able to get to you. Power outages, brown-outs or surges can affect your daily business operations.

Many disasters, like wind storms, tornadoes and earthquakes, can strike quickly and with little or no warning.

WHAT CAN I DO?

- Find out which natural and technological hazards can happen in your area.
- Get information about how to prepare your employees and clients to respond to possible hazards and provide help. Disaster safety information and CPR/first aid training are available from your local Red Cross chapter. Get more information at www.redcross.org.
- Network with others who have or need to develop risk or contingency management plans.
- Attend seminars and get information from local risk management associations or chapters.

NO BUSINESS SHOULD RISK OPERATING WITHOUT A DISASTER PLAN.

While reports vary, as many as 40 percent of small businesses do not reopen after a major disaster like a flood, tornado or earthquake. These shuttered businesses were unprepared for a disaster; they had no plan or backup systems.

When you start to develop your disaster plan, consider three subjects: human resources, physical resources and business continuity. Think about how a disaster could affect your employees, customers and workplace. Think about how you could continue doing business if the area around your facility is closed or streets are impassable. Think about what you would need to serve your customers even if your facility is closed.

DEVELOP A PLAN

Start building your plan now.

Here are some suggestions you may want to consider:

- Keep phone lists of your key employees and customers with you, and provide copies to key staff members.
- If you have a voice mail system at your office, designate one remote number on which you can record messages for employees. Provide the number to all employees.





PREPARING YOUR BUSINESS FOR THE UNTHINKABLE



American Red Cross

Together, we can save a life

- Arrange for programmable call forwarding for your main business line(s). Then, if you can't get to the office, you can call in and reprogram the phones to ring elsewhere.
- If you may not be able to get to your business quickly after an emergency, leave keys and alarm code(s) with a trusted employee or friend who is closer.
- Install emergency lights that turn on when the power goes out. They are inexpensive and widely available at building supply retailers.
- Back up computer data frequently throughout the business day. Keep a backup tape off site.
- Use UL-listed surge protectors and battery backup systems. They will add protection for sensitive equipment and help prevent a computer crash if the power goes out.
- Purchase a NOAA Weather Radio with a tone alert feature. Keep it on and when the warning signal sounds, listen for information about possible severe weather and protective actions to take.
- Stock a minimum supply of the goods, materials and equipment you would need for business continuity.
- Consult with your insurance agent about special precautions to take for disasters that may directly impact your business. Remember, most policies do not cover earthquake and flood damage. Protect valuable property and equipment with special riders. Discuss business continuity insurance with your agent.
- Keep emergency supplies handy, including:

- Flashlights with extra batteries
 - First aid kit
 - Tools
 - Food and water for employees and customers to use during a period of unexpected confinement at your business, such as if a tanker truck over-turned nearby and authorities told everyone in the area to stay put for an extended period.
- (For more information on suggested disaster supplies, see www.redcross.org/services/disaster/beprepared/supplies.)*

REDUCE POTENTIAL DAMAGE

- Prevent or reduce disaster damage in your facility by taking precautions, such as—
 - Bolting tall bookcases or display cases to wall studs.
 - Protecting breakable objects by securing them to a stand or shelf using hook-and-loop fasteners.
 - Moving to lower shelves large objects that could fall and break or injure someone. Installing latches to keep drawers and cabinets from flying open and dumping their contents.
 - Using closed screw eyes and wire to securely attach framed pictures and mirrors to walls.
 - Using plumber's tape or strap iron to wrap around a hot water heater to secure it to wall studs. You should also consider having a professional install:
 - Flexible connectors to appliances and equipment fueled by natural gas.
 - Shutters that you can close to protect windows from damage caused by debris blown by a hurricane, tornado or severe storm.
- Automatic fire sprinklers.

PROTECT YOUR EMPLOYEES, CUSTOMERS AND BUSINESS

Designate one employee from each work shift to be the safety coordinator. This person will make all decisions relating to employee and customer safety and to the safety of the business itself. Safety coordinators should know how to contact the owner or operator at all times.

Everyone in your facility should know how to prepare for a disaster and what to do if a disaster occurs. Contact your local Red Cross chapter for specific information about how to stay safe in a tornado, earthquake, fire, flood, hurricane or other hazard. You may also want to get a copy of the *Emergency Management Guide for Business and Industry* from your Red Cross chapter, or www.redcross.org/services/disaster/beprepared.

Another source of useful information is *Open for Business*, a booklet developed by the Institute for Business and Home Safety and the Small Business Administration. It is available at www.ibhs.org. **RO**





When you provide a hot meal to a disaster victim, or give blood to someone you will never meet, train in first aid, or help a member of our military, you join the American Red Cross.

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WHAT'S INSIDE MATTERS™

A new lineup of laundry dependability

Maytag brand shows they understand that dependability means more to customers than just parts and pieces

A commitment to customers

More than sturdy steel and commercial-grade components. More than innovative engineering and reliability. More than American pride and home-based products. Maytag has known for over 100 years that what's inside their appliances is what matters most.

The Maytag® laundry collection has been at the center of this commitment, serving family needs across generations. Maytag® is America's #1 preferred laundry brand* and features a set of washers and dryers that embody the idea: What's Inside Matters.™

Bravos XL® laundry pairs carry on the tradition

Maytag brand washers are known for their dependability. The new Bravos XL® washers continue that legacy with long-lasting, commercial-grade components such as corrosion-resistant springs, synthetic oil and a durable IntelliClean™ impeller.

Maytag® Commercial Technology is what makes Maytag® laundry pairs Better Built to clean the toughest loads. Plus, Bravos XL® washers are backed by a 10-year limited parts warranty,** and they are designed, engineered and assembled in the U.S.A. That's why customers can buy Maytag® washers with both confidence and pride.

Expecting more from a laundry brand

Exceeding expectations has long been a part of the Maytag tradition, and the new Bravos XL® laundry pair delivers on that promise. This top-rated laundry pair delivers the best cleaning in the industry with the PowerWash® cycle† and has the capacity to wash and dry the largest loads. It offers a mix of innovative features that change the way that customers think about laundry.

More than Advanced Moisture Sensing, more than Maytag brand's largest capacities ever, and more than optimal dispensers for enhanced cleaning: the Bravos XL® laundry pair is built on the foundation that What's Inside Matters.™



Families have depended on the Maytag® laundry collection for generations. The new Bravos XL® laundry pair continues that legacy.



Visit maytag.com for warranty details.



Designed, Engineered & Assembled in the U.S.A.

WHAT'S INSIDE MATTERS™



*Based on independent consumer research of a national sample, 12-month average, 2013. **Visit maytag.com for warranty details. †Among leading top load brands, comparable cycles and default settings.



WHAT'S INSIDE MATTERS™

BRAVOS XL®

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All backed by the confidence of a 2-year limited warranty on parts and labor, and the efficient performance you'd expect from the 2013 Energy Star® Partner of the Year.

*Largest in total capacity based on manufacturers' published specifications as of May 2013. Model LSSB2791ST.

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