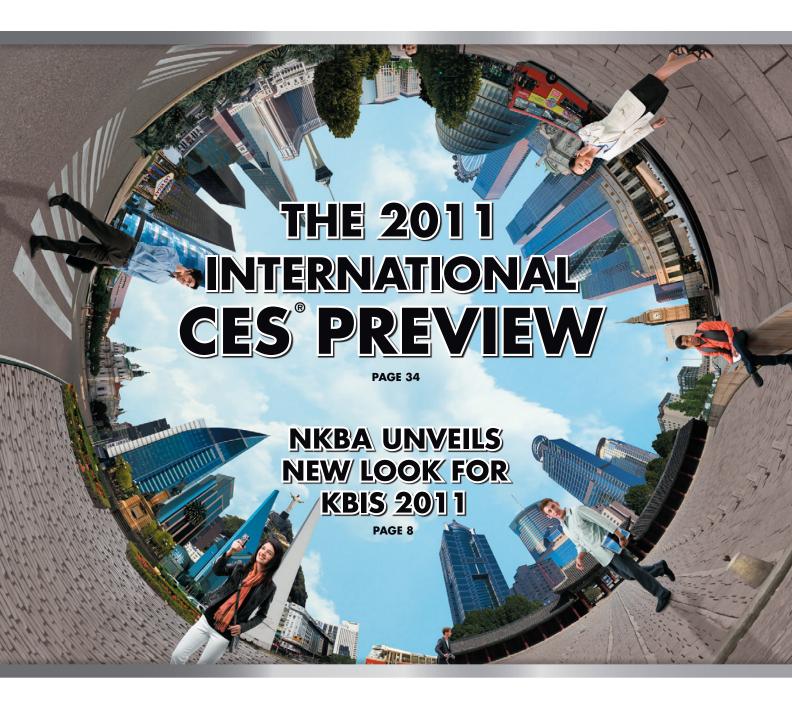
RetailObserver

January, 2011

AN EYE ON THE INDUSTRY SINCE 1970

Vol. 22, Issue 1





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CELEBRATING 100 YEARS

OF HELPING PEOPLE CARE FOR THEIR FAMILIES



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GREAT LAKES SHERRY CLEM (269) 923-1880 WHIRLPOOL CORPORATION EMPLOYS 20,000 U.S. WORKERS

TO DESIGN, ENGINEER AND ASSEMB

MOST PRODUCTS IN THE U.S.A.

As the world's leading manufacturer and marketer of major home appliances, Whirlpool Corporation has influenced home and family life considerably during the past century. From helping bake the cookies that mend a broken heart to battling the grass stains on football uniforms, Whirlpool Corporation's brands have helped make family life a little bit easier.

The company is driven by the belief that everyone needs a comfortable place to call home and has sought innovative ways to improve cooking, cleaning, refrigerating and storing by focusing on one person, one family, one community at a time.

"Whirlpool Corporation's history has been guided by principles of integrity and perseverance ever since Lou Upton, Emory Upton and Lowell Bassford launched the first electric wringer washing machine in 1911," said Jeff M. Fettig, Whirlpool Corporation chairman and chief executive officer. "Through the Great Depression, two World Wars and the rapid economic changes and challenges of more recent years, those ideals have guided our growth from a small washing machine company to a diversified, multi-billion-dollar global operation, and they will continue to guide us into our second century."

When Whirlpool Corporation looks to the future, it sees families seeking better, richer and more enjoyable lives. Today and tomorrow, Whirlpool Corporation is working to create innovative products for families around the world.

To learn more about Whirlpool Corporation's year-long celebration of















Toasting in the New Year

CHAMPAGNE FLUTES CLINK & KISSES ARE EXCHANGED

he celebration of the New Year is one of the oldest holiday traditions. The celebrating travels across the globe like a wave, with Sydney leading the world in the New Year celebration each year. Millions of people vow to kick bad habits and improve themselves in an effort to make this next year better than the last.

First observed in ancient Babylon about 4000 years ago, the Babylonian New Year began with the first New Moon (actually the first visible crescent) after the Vernal Equinox (first day of spring). Back then, people marked the beginning of a New Year by paying off debts and returning borrowed goods. The practice carried over into Roman times with worshippers offering resolutions of good conduct to a double-faced deity named Janus, the god of beginnings and endings. When the Roman calendar was reformed, the first month of the year was renamed January in honor of Janus, establishing January 1 as the day of new beginnings. January 1st has been celebrated as New Years Day by Western nations for only about the past 400 years.

How did New Year's Resolutions all begin? The custom of making New Year's Resolutions came into vogue in the 20th century. They are now often made with good intentions and broken with a sense of humor and renewed annually. Our ancestors thought that one could affect the luck they would have throughout the coming year by what they did or ate on the first day of the year. It has become common to celebrate the first few minutes of a brand new year with friends and family, performing traditions from our respective countries. I have compiled a list of some New Years customs on page 54 for your amusement.

The singing of "Auld Lang Syne" on New Years Eve (written in 1788 by Robert Burns), goes back to the British Isles in the 18th century. "Old Long Since" or "The Good Old Days" as the traditional lyrics state, "Should old acquaintance be forgot and never brought to mind..." reminds us that the entire song's message merely means to just forget about the past and look ahead to the new vear with hope.

So no matter how you plan to spend your celebration this year, warding off evil spirits with noise, eating traditional foods, or performing crazy customs with friends - be safe, have fun and welcome the opportunity to look to the future as a fresh start.

Here's to Celebrating New Beginnings,

Eliana Barriga

letters@retailobserver.com

RetailObserver

JANUARY 2011

VOLUME 22, NUMBER 1 CELEBRATING OUR 22ND YEAR

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Deadline for MARCH 2011 issue: FEBRUARY 1, 2011

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Happy New (Fill in the Blank)

2011 is here and this is a very exciting New....? I know it's the New Year, but it's also New Beginnings, New Opportunities, New Partnerships and New Possibilities. We have the ability to have New Whatever. As the Retail Observer moves into this Era of New, we find our readers with New Challenges, New Goals and New Ways of doing Business. We are here for you and are working on a New Website, New Writers, New Features and other New Stuff.

The New Website should be here by March and will have New Features, a New Look and New Content. We are going to be offering many resources for your business in 2011 and will be growing the site to assist you along the way. I can't say much more because it will ruin the surprise.

New Writers will be joining us, along with the writers you look forward to reading every month. The New Smart Grid is one of the main issues we will be bringing to light along with New Business Opportunities and New Product writers to help give you that extra New Help in running your business.

New Features will also be coming to both the Retail Observer paper copy as well as some New enhancements to the online issue as well. Again you'll have to wait and see, but we know you'll enjoy what we are doing.

New Stuff is our biggest New Thing yet. We are working with New Associations (and Old Ones too), New Distributors, New Manufactures, and New Product Categories that we feel add to your Product mix and help your bottom-line. We are also working on some special New Programs that will be exclusive to our readers (Sssshhh!!!), these will all be updated as the year progresses.

With all that is New above, we still want to know what you, our reader wants to see, whether it's New or Old, just let us know. The Retail Observer is your Industry Magazine and we want to make sure the content we offer is what you need. Please feel free to send comments or requests to letters@retailobserver.com.



Happy New Retailing

Moe Lastfogel moe@retailobserver.com

RetailObserver **IANUARY 2011**

VOLUME 22, NUMBER 1 CELEBRATING OUR 22ND YEAR

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Register today at KBIS.com using registration code AD133 for free show floor admission.

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The National Kitchen & Bath Association and Nielsen Unveil:

New Look, New Exhibitors, New Tools

ttendees at the 2011 Kitchen & Bath Industry Show (KBIS), in Las Vegas from April 26-28, will find a broader array of offerings, the latest in trends and technology, and more opportunities to collaborate with peers and exhibitors. The NKBA and partner Nielsen Exhibitions have enhanced KBIS with the introduction of mobile applications, interactive and hands-on displays, and an expanded array of conferences and events.

"In response to the challenges of today's economy, our members and exhibitors have changed the way they do business to be more productive," said Dave Alderman, 2011 president-elect of the National Kitchen & Bath Association.

"Our goal at KBIS is to make sure we provide the most up-to-date tools and trends to help them stay successful."

Beginning in 2010, an extensive research project was initiated to help re-define the strategic direction of the show for the future. Focus groups were conducted with hundreds of past and present exhibitors, attendees and NKBA members, which resulted not only in new exhibits, speakers and education, but in a re-branded strategic position as well. The new logo and tagline, "Collaborate. Innovate. Inspire." developed by show organizer Freeman, debuted with the attendee outreach campaign in November. The branding campaign will be seen in advertising and collateral materials, as well as on the re-launched KBIS.com. | continued on page 10 |





"Attendees and exhibitors provided invaluable insights into what they wanted from KBIS, and they will see those changes reflected on the trade show floor, in the conferences and speakers, and even in the way they can navigate the show and collaborate with each other," stated Brian Pagel, vice president of the Kitchen and Bath Group for Nielsen Expositions. "We felt it was important to rebrand KBIS to mirror the significant changes in the show."

The new changes will be apparent to attendees long before they arrive at the show. KBIS Connect, an online scheduling and mapping tool, will allow attendees and exhibitors to plan and update meetings and classes, as well as research and review exhibits and products. And for the first time, a KBIS smartphone app will be available, beginning in January. Attendees will also be able to download a KBIS QR (quick response) code to access show guides and materials throughout the venue.

According to Alderman, "Recent attendees have told us that one of the principal advantages of attending KBIS is the opportunity to collaborate with peers, manufacturers, designers and opinion leaders. While KBIS Connect leverages the latest technology to deliver that interactivity, the face-toAs such, we'll be using these themes as the framework to build KBIS through 2014."

To address major consumer factors affecting kitchen and bath design—like decreasing residential home sizes, accommodating aging or ill family members and increasing awareness in sustainable living—KBIS is joining forces with the NextGen Home Experience to showcase trends in hybrid living with a complete Care Cottage and Eco-Home right on the show floor. The 450-square-foot Care Cottage melds universally accessible design with the latest special equipment, ideal for adding senior living quarters or a comfortable space for an injured veteran to an existing residential property. The two-bedroom Eco-Home will be designed around progressive green and energy-efficient kitchen and bath products in fewer than 900 square feet.

One of the best ways to get the most out of attending KBIS and beyond is to visit the NKBA Booth to learn about the four pillars of association membership benefits: education, networking, leadership and tools. In the NKBA Booth on the Center Stage, attendees can check out informational accredited sessions presented by popular subject matter

face component is still crucial, which is why we are adding a number of new events."

Also new this year will be the Industry Segment Connection, a networking and educational event targeted to professionals in all segments of the kitchen and bath industry. The conference and education slate has been greatly expanded, with a number of conferences available to view online, another first for KBIS 2011.

SHOW HIGHLIGHTS

The theme for this year's show - "Collaborate. Innovate. Inspire." expresses why attendees come to KBIS. "Using Freeman's Brand Sensory Exploration research, we evaluated what the KBIS brand means to our attendees and exhibitors alike," said Brian Pagel, vice president of the Kitchen and Bath Group at Nielsen Expositions. "We found that people come to KBIS to discover the motivation to push themselves to the next level in their careers. KBIS helps design professionals reignite their passion with progressive programming, trendsetting products and resources, inspirational industry change-makers, as well as invaluable peer-to-peer engagement. experts, which is easy and complimentary education.

KEYNOTE SPEAKER

The keynote speaker for KBIS 2011 will be Pat Croce, nationally renowned motivational speaker, sports trainer and former president of the Philadelphia 76ers. In 1996, Croce purchased the 76ers, the NBA's last place team, and guided them to the NBA Finals just five years later. To kick off the opening keynote, which is complimentary with trade show registration, Croce will address attendees from 8:30 to 9:45 a.m. on Tuesday, April 26, 2011.

In keeping with the KBIS themes of collaborate, innovate and inspire, Croce will enlighten attendees with his personal pointers on topics from the art of listening to the power of a positive attitude. With equal doses of enthusiasm, energy and humor, Croce will share his story and his belief in the power of forging relationships. "Croce's speech is aimed to energize kitchen and bath design professionals to strive for new heights," said Bill Darcy, director of marketing for the NKBA. "His focus on innovation through self-motivation goes along with the message of the 2011 show."

THE CONFERENCE PROGRAM

For the 2011 conference program, the NKBA has incorporated targeted panels, presentations, events and sessions into four newly created KBIS Knowledge Paths. Attendees can find their way through the comprehensive educational and networking opportunities by following the path that best suits their career needs and goals. Each path-Business & Leadership, Trends & Insight, Design & Inspiration and Sales & Marketingalso provides options for earning CEUs.

Among the tailored educational programs, some key presenters and topics include: consultant and technology specialist John Morgan, owner of Morgan Pinnacle, LLC.,

who will discuss the latest techniques for engaging prospective customers online in the Business & Leadership Session; motivational speaker Scott Deming, president of multimilliondollar marketing and advertising company RCI LLC, who will offer a high-energy presentation on creating a powerful, emotional and sustainable brand in the Sales &

Marketing Session; and awardwinning designer, educator and industry leader Sarah Reep, CKD, director of design relations and education for Kraftmaid Cabinetry, and consultant for HGTV and ABC's Extreme Makeover: Home Edition, who will provide a comprehensive look at meeting the needs of the design-wise consumer market in the Trends & Insight Session.

NETWORKING OPPORTUNITIES

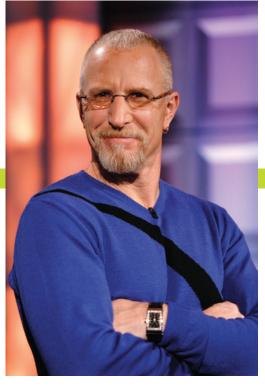
KBIS is the best place to forge new relationships and strengthen existing ones through collaborative networking events. Structured opportunities include an International Connection for attendees and exhibitors from across the globe to network and learn about industry-relevant issues. Speaker James Wall, JD, LLM, principal and director of international tax services group for J.H. Cohn, will offer expert guidance on tax implications, export incentives, transfer pricing, along with duties and the U.S. tax structure.

New this year is the Industry Segment Connection, an industry-wide networking event on incorporating service excellence into the culture of any business. The Industry Segment Connection address will be presented by returnspeaker Dennis Snow, president of Snow and Associates, Inc., based on leadership principles he gleaned from his 20 years with Walt Disney World. In this all-segments event, learn how customer-service success results from effective communication, hiring, training and exacting standards for accountability from the author of Unleashing Excellence: The Complete Guide to Ultimate Customer Service. "Snow is the highest-rated speaker we've ever had at KBIS, so we knew we had to have him back this year to address a larger audience in the Industry

Segment Connection," Alderman said.

ABOUT NATIONAL KITCHEN & BATH ASSOCIATION (NKBA)

The National Kitchen & Bath Association (NKBA) is a nonprofit trade association and owner of KBIS. With nearly 40,000 members, the NKBA has educated and led the kitchen and bath industry for more than 46 years. The



mission of the NKBA is to enhance member success and excellence, promote professionalism and ethical business practices, and provide leadership and direction for the kitchen and bath industry worldwide. NKBA members span 11 kitchen and bath industry segments, including builder/remodeler, cabinet shop, dealer, distributor, decorative plumbing and hardware, designer, fabricator. multi-branch

manufacturer and installer, manufacturer's representative, many of whom attend or exhibit at KBIS each year. For more information, visit the NKBA Press Room at NKBA.org/Press or call 1-800-THE-NKBA (843-6522).

KBIS 2011 will be held at the Las Vegas Convention Center, and the Encore at the Wynn will be the NKBA headquarters hotel. Other NKBA-preferred hotels will include the Las Vegas Hilton, The Venetian Resort Hotel Casino and Paris Las Vegas. For more information about KBIS 2011 or the NKBA, please visit KBIS.com or NKBA.org.

Book Review

It's Not Just Who You Know

TRANSFORM YOUR LIFE (AND YOUR ORGANIZATION) BY TURNING COLLEAGUES AND CONTACTS INTO GENUINE, LASTING RELATIONSHIPS

ommy Spaulding's powerful combination of business savvy, compelling stories, and practical insights has produced a groundbreaking book—It's Not Fust Who You Know—that for the first time in decades truly advances new and innovate ideas about the value of building powerful relationships.

Tommy doesn't just point out the obvious—that relationships are important in business and in life. He goes even further by drawing from a deep well of heartwarming illustrations that literally show us why relationships matter, how they work, and, most important, how they can change the hearts and minds of people and organizations.

As a teenager with a learning disability growing up in Suffern, N.Y., Tommy's father gave him the classic book How to Win Friends & Influence People by Dale Carnegie. Tommy soon realized relationships were his lifeline—the one thing at which he excelled and the one thing that would help him compete against the more academically gifted kids. Now he's written a book that builds on the framework of Carnegie's perennial bestseller.

With hard work and a focus on people, Tommy became a leader in his high school and in his community. And even though there were those who told him he'd never make it in college, he earned an undergraduate degree at East Carolina University, two master's degrees, and an honorary doctorate.

Tommy backpacked around Europe, South America, and Asia. He taught English in Japan and received his MBA in Australia. He worked on a presidential campaign. And after a brief sales career at IBM Lotus, Tommy eventually became the youngest president and CEO of Up with People, the international global leadership organization whose casts of young people have performed around the world for decades. He's the founder of several national nonprofits, and now is a speaker, consultant, and president of the Spaulding Companies.

In It's Not Just Who You Know, Tommy shares how relationships shaped the course of his career, not just by helping him advance along the way but also by helping him understand the value of building relationships of true significance. By studying the relationships in his own life and the power of the relationships he saw all around him, Tommy refined his understanding of why relationships really matter and how to make the most of them. As a result, the book is filled with new concepts and groundbreaking ideas.

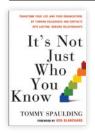
It's Not Just Who You Know provides insights into things like ...

- The economic value of ROR—Return on Relationships
- Understanding the "Five Floors" of relationships
- · How to build lasting, loyal relationships with customers and clients
- · How to improve employee morale and reduce turnover
- How to empower yourself, your employees, and your co-worker to think and act with a purpose larger than self
- How to move NSW (News, Sports, Weather) relation-ships toward a Fifth Floor, or Penthouse, level
- · How to move beyond networking to the more powerful concept of "netgiving"

Tommy uses his inspirational stories to illustrate how to advance relationships, but this book isn't just about helping you win friends and influence people for your own sake. It's about helping you win friends and influence them toward something that matters: A life of significance. An organization with purpose. A better world.

Ken Blanchard, author of the international bestseller, The One Minute Manager, shares the deeper power behind Tommy's message. "Practicing these principles not only improves the financial health of individuals, organizations, and communities—it brings joy and fulfillment as well," Blanchard writes in the book's foreword. "Life is about more than winning friends and influencing people—it's about serving others. When you make a difference in other people's lives, guess what? It makes a difference in your life, too."

In It's Not Just Who You Know, Tommy provides practical, insightful tools for building relationships, but not just relationships that help you "network" your way to the top. The relationships that really matter—Fifth Floor relationships, as he calls them—create better organizations. They lead to more profitable businesses. They have a positive impact on communities. As Tommy likes to say, they make the world spin better. RO





Author: Tommy Spaulding-President of theSpaulding Companies LLC, a national leadership development, consulting, coaching, and speaking organization. Visit www.tommyspaulding.com. Publisher: Crown Publishing







SEND US YOUR SHOTS

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 new 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. Send to: production@retailobserver.com

FEATURED THIS MONTH: Mr. Appliance's Student Volunteer Outing

Manufacturer (NOTES)

Wine Cabinet With a Wow Factor

LIEBHERR ADDS SLICK NEW EYE-LEVEL UNIT TO WINE STORAGE PRODUCT LINE

ine meets design with Liebherr's new HWS 1800, the fully integrated wine storage cabinet that takes fine wine from under the counter and places bottles at eye-level in full view. Holding 18 bottles of wine in optimal storage conditions, the new wine storage concept is sleek, original and makes designers fall in love. The compact size and recessed handle means the unit sits flush with cabinetry giving designers flexibility and the homeowner the perfect, accessible conditions for fine wine.

The conditions in which vintage wines are stored are extremely important. Liebherr wine storage cabinets provide the ideal conditions for both short and long-term wine storage. Liebherr's impressive selection of wine cabinets with precise temperature control also guard against other factors, like light, odor and vibration, allowing you to enjoy the wine as much as the unique design.

Liebherr uses an insulated glass door with UV protection and an activated charcoal filter to protect the wine from busy kitchen influences, such as light and odor. An innovative MagicEye touch control system makes temperature continuously adjustable from 41° F to 68° F (5° C to 20° C) depending on owner preferences and the contents of the unit. And, the energy efficient LED ceiling light not only emits virtually no heat, but it is dimmable to cast a cool glow across the room.

OTHER PRODUCT FEATURES INCLUDE:

- Two attractive solid beech wood shelves on telescopic rails for easy wine access
- Alarm system to alert the homeowner if the door has been left open or the temperature has been compromised
- Modular sizing (24" wide by 18" high) and a sleek, stainless steel frame with the option of a right or left hand recessed handle depending on the installation.

Liebherr has been the industry leader in wine storage since the early 1990s, initially creating products for high-end restaurants, wineries and hotels worldwide. Eventually individual wine collectors expressed a demand for proper wine storage at home, and Liebherr responded with a line of wine storage cabinets that address the precise needs of fine wines to ensure maximum enjoyment.

With Liebherr's optimal storage conditions, your wine will be ideal whether enjoying this season or years from now.

To view the full line of Liebherr wine storage cabinets, including the new HWS 1800, Best of Show winner at K/BIS 2010 and the Plus X Award in Europe in both the "High Quality" and "Ease of Use/Functionality" categories, visit www.liebherr-appliances.com.



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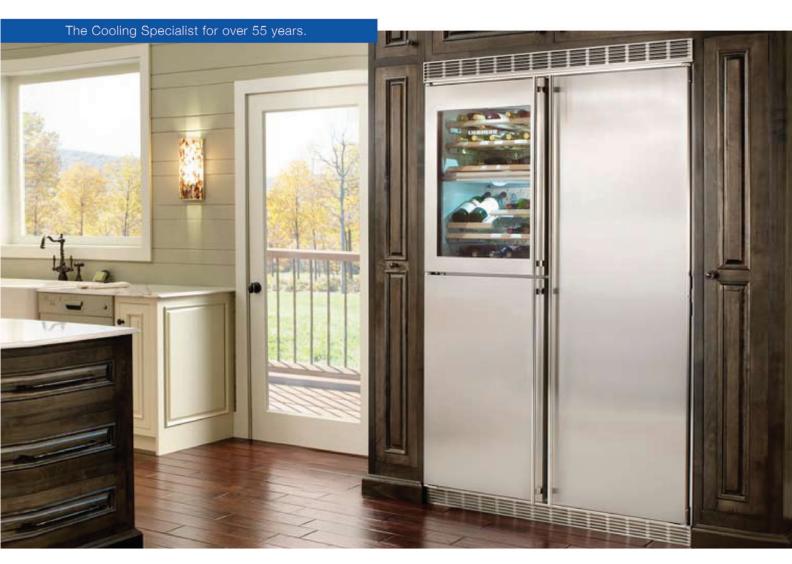
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Five Ways to Fresh

Liebherr's new side-by-side SBS 246 refrigerator has five different climate zones to best preserve what you eat AND drink. The gorgeous stainless steel and glass exterior with cabinet-depth dimensions houses perfect storage options for groceries and Gewürztraminer. Open the doors and discover patented BioFresh technology, creating ideal conditions for fruit, vegetables, meat and fish to last up to three times longer. Vitamins are preserved and you don't need to shop as often.

Convenient compartments in the freezer, energy efficient LED lighting, unique soft-close door system and advanced airflow patterns highlight Liebherr's design ingenuity. And because you don't store your fine wine the same as your lettuce, enjoy two separate temperature zones in the wine cabinet for your reds and whites.









Industry [News]



BERTAZZONI EXPANDS ITS SUITE OF QUALITY COOKING PRODUCTS WITH INTRODUCTION OF THE MASTER SERIES



Bertazzoni's new collection of residential ranges offers the perfect blend

power and precision for the serious cook. Bertazzoni, the distinguished fifth-generation family-owned Italian manufacturer of high-quality ranges, cooktops, ventilation hoods and accessories, announced the launch of its new Master Series line of gas ranges. Built in the Emilia-Romagna—the heartland of Italian cuisine and engineering—the Bertazzoni Master Series gas ranges blend traditional commercial style with authentically Italian finesse and engineering precision to serve the tastes and

sensibilities of homeowners who enjoy cooking.

The Bertazzoni Master Series gas ranges are offered in three different models—XS, XE and XT. Each range features a stainless steel finish and is available in a 48 inch width with a six-burner plus griddle cooktop, a 30 inch width with a fourburner cooktop and in a 36 inch width with a five-burner cooktop. The ranges have a signature one-piece high-efficiency worktop, a large capacity gas convection oven and a full-width infrared gas broiler as well as "cool to the touch" insulated triple-glass doors. While all three sizes come with a fully loaded set of standard features in the XE models, the XS and XT models include an optional full scale temperature gauge and a convenient bottom storage drawer.

"In today's economy, homeowners are demanding stylish, functional kitchen appliances at an exceptional value," said Paolo Bertazzoni, president and fifth-generation owner of Bertazzoni. "The release of our Master Series is a perfect example of how we're addressing this market need. Like all products in the Bertazzoni line, the Master Series has been precision-engineered to the highest specifications providing exceptional reliability and durability.

Standard equipment on the Master Series XS and XE models includes:

- A commercial style oven door handle
- Large, easy-to-use and robust rubber coated control knobs
- One-touch ignition
- A professional-grade cast iron grates across a continuous surface that can easily handle large and heavy cookware

The Bertazzoni Master Series high-end XS models also feature a classic-style temperature gauge dial that monitors the oven temperature—from "preheat" through "medium" to "high." Bertazzoni has also introduced a collection of matching accessories to compliment the line of ranges a backsplash and hood, as well as toekick panel, side trims in addition to commercial grade griddle plate and griddle cover.

The Master Series ranges burners are designed in various dimensions and proportions to complete any kitchen décorfrom the traditional to the contemporary. With their large bezel framed knobs and the restaurant kitchen inspired handle these ranges instantly infuse a kitchen with panache and elegance. The ranges are perfect for the cook who likes to entertain for family and friends—whether it's hosting a large gathering or a formal dinner party.

The Bertazzoni Master Series gas ranges are available immediately for manufacturer suggested retail prices starting at \$ 2,299. For more information, please visit www.bertazzzoni-italia.com.



GE UNVEILS NUCLEUS™ ENERGY MANAGER— THE FUTURE OF HOME ENERGY MANAGEMENT

INNOVATIVE TECHNOLOGY PUTS ENERGY CHOICES IN HANDS OF CONSUMERS





GE unveiled Nucleus Energy Manager, an affordable, innovative communication and data storage device that provides consumers with secure information about their household

electricity use and costs so they can make more informed choices about how and when to use power.

Nucleus Energy Manager empowers consumers to make decisions about how and when they use energy by bringing the power of the smart grid into the home to help monitor water, gas and renewable energy sources.

GE's Nucleus brings the promise of the smart grid into consumers' homes. As utilities deploy smart meters, the Nucleus will collect and store a consumer's household electricity use and cost data for up to three years, and present it to consumers in real-time using simple, intuitive PC and smart phone applications, helping consumers monitor and control their energy use.

Nucleus is the first product in GE's Brillion™ suite of smart home energy management solutions that will help consumers control their energy use and costs. In addition to Nucleus, GE's Brillion suite will include a programmable thermostat, in-home display, a smart phone application, and smart appliances for the entire home.

"Currently consumers have little more than a monthly utility bill to determine what they're using and spending," said Dave McCalpin, GM, Home Energy Management.

"GE's Nucleus with Brillion technology was developed to provide real-time information for more control over household energy costs and consumption. It serves as the command center for energy and cost conscious homeowners to make smarter, more informed decisions."

By 2012, US utilities are expected to install more than 40 million smart meters1. These digital meters enable utilities to charge "time-of-use" rates for electricity throughout the day. When demand is low, electricity will cost less, and when demand is at its "peak," utilities will charge more to encourage off-peak consumption.

With these new pricing plans, however, comes the need for innovative technologies to help consumers manage their usage. Along with monitoring their whole-home energy consumption, consumers will have the option to automatically adjust thermostats or alter the consumption of GE Profile™ appliances with Brillion Technology in response to utility price signals.

Future Brillion options will also include alerts to assist consumers with daily tasks, such as when to change the refrigerator's water filter or when the dryer cycle ends. Software upgrades will further enable Nucleus to monitor water, natural gas, and renewable energy sources, as well as plug-in electric vehicle charging.

To view a video about GE's Nucleus Energy manager, visit www.geappliances.com/videos-media and to view the website visit www.GEBrillion.com.

Nucleus is expected to be available for consumer purchase in early 2011 at an estimated retail price of \$149-\$199.

GE's suite of Brillion home solutions will include the Nucleus, as well as a programmable thermostat, in-home display, a smart phone application, and smart appliances.

Follow us on Facebook and Twitter or check out our website for more information. Friend GE Appliances on Facebook to view how-to videos, learn about new GE appliances and join in the discussion with other GE appliance owners. Join today and follow @GE_Appliances on Twitter or just locate detailed information about our products at www.geappliances.com.

¹Parks Associates Study referenced on SmartGridNews. com. "Bringing the Smart Grid to the Smart Home: It's not all about the Meter." www.smartgridnews.com/artman/ publish/Technologies_Metering_News/Bringing-the-Smart-Grid-to-the-Smart-Home-It-s-Not-Only-About-the-Meter-1711.html. For more information, consumers may visit www.ge.com. | continued on page 18 |

MIELE EXPANDS AWARD-Míele WINNING COMBISET™ SERIES

MIELE BRINGS THE GREAT OUTDOORS HOME WITH NEW INDOOR BARBECUE GRILLS



Miele, the world's largest familyowned and operated appliance company, announces the debut of two new electric indoor barbecue grills expanding the culinary diversity of their awardwinning CombiSet[™] series. The indoor CombiSet™ grills will be available in 12" or 15" widths and offer dual heating zones/ controls so searing, cooking or warming can be done simultaneously. For example, searing on the front zone while slow cooking or warming on the rear. Cast iron grates and lava



rocks evenly distribute heat to offer an exceptional outdoor grilling experience – with the convenience of cooking inside.

"Grilling is the ultimate for preparing flavorful steaks, chops, fish... and, of course, vegetables taste fantastic from the barbecue as well," states Paul McCormack, Spokesperson for Miele. "Depending on where you are in the country, it's not always convenient or even possible to grill outside, especially when the weather is cold or wet. And items requiring extra attention may just be easier to cook indoors where the rest of the meal is being prepared and where you can enjoy more time with your family and guests. For the at-home chef that loves to grill, Miele's compact indoor CombiSet[™] barbecue is a perfect accompaniment for an island or an expanded cooking station," states McCormack.

The new indoor grills' sleek stainless frame allows mixing and matching with Miele's 12 existing CombiSet[™] elements in perfect design harmony. Other CombiSet™ units offered by Miele include: Wok Burner; Tepan Yaki; Induction, Gas and Electric Burners; Electric Boiler and Fryer; Scale; Pot Rest and Griddle. CombiSets[™] units are extremely versatile and can stand solo or combine to fully customize any cooking surface - even create multiple cooking stations. Integrating gas with electric or induction offers opportunities that just aren't available with standard cooktops. "CombiSets[™] are a one stop shop for homeowners who want to customize a cooktop array that truly speaks to their individual culinary needs," states McCormack. Earlier this year, Miele CombiSets[™] were awarded the Good Design Award from the Chicago Athenaeum, Museum of Architecture and Design.

The Electric Barbecue CombiSet[™] will retail for \$1,299 (model CS 1312 BG - 12" width) and \$1,499 (model CS 1322 BG - 15" width). Both are available after December 1, 2010.

For a list of popular Miele recipes, visit www.mieleusa.com.

ABOUT MIELE

There are only a few brands in the world that have sustained their vision, traditions and high-quality standard for more than a century. Fewer still that can claim consistent family ownership and international brand name integrity. And only one that is recognized for creating the world's most innovative appliances. Founded in Germany in 1899 with a single promise of Immer Besser, a phrase meaning Forever Better, Miele has dynamically grown to become the world's largest family-owned and operated appliance company with over 16,600 employees, 12 production facilities, representation in nearly 100 countries and annual turnover of €2.83bn, approximately USD\$3.62bn (2009/10).

As a premium appliance brand represented on all continents, Miele is steadfastly committed to the highest quality, performance and environmental standards. The company's innovative heritage, state-of-the-art design and engineering aesthetic have inspired comparison to other powerhouse German brands synonymous with innovation: Mercedes-Benz and BMW.

Miele's range of exceptional consumer appliances includes: vacuum cleaners; laundry systems; rotary irons; dishwashers; built-in convection, speed and steam ovens; cooktops; ventilation hoods; refrigeration; wine | continued on page 20 |



storage and coffee systems. Additionally, Miele Professional (the commercial product division) offers dishwashers, washing machines, tumble dryers and rotary irons for commercial use as well as washer-disinfectors for medical, dental and laboratory applications.



LIFETRAC HELPS SENIORS IN EMERGENCY SITUATIONS, **ANYWHERF**

NEW PHONE GPS LOCATOR CAN BE USED TO ALERT FAMILIES, CAREGIVERS OF FALLS OR WANDERING



More than one out of every three adults age 65 and older falls each year, and according to the Center for Disease Control, falls are the leading cause of fatal injury in this age group. They are also the most common cause of nonfatal injuries and hospital admissions for trauma. The growing ranks of Americans 65 and older — a figure expected to more than double to 89 million by 2050 — have inspired a new technology solution that allows the elderly to remain independent longer, living more affordably and safely in

their own homes. The new solution, called LifeTrac, is now available with a tiny and portable 2.5-ounce device called the MobileProtector and is designed specifically for the senior market by SecuraTrac.

"When it comes to personal safety devices for seniors, most people think of the button you wear on a lanyard or your wrist and push when you fall. The problem with this technology is that it only works when you are near the main phone in your home," said Chris Holbert CEO of SecuraTrac. "LifeTrac is the only solution available on the market today that seniors can carry with them in the house and around town and know they can contact family, friends or physicians with the push of one button in an emergency. They can even reach 911 quickly if needed. Almost as important as the increased safety for seniors, LifeTrac gives families the peace of mind of knowing the device can help them locate an elderly family member if he or she ever gets

lost due to dementia or Alzheimer's disease. The family and caregivers have access to a secure website that allows them to locate their loved ones from any computer or mobile phones such as the iPhone and the Android."

The MobileProtector is a small, light, and durable phone that is a fully capable GPS locator. Paired with LifeTrac, the MobileProtector is capable of motion detection and inactivity alerts, features a pre-programmed 911 button and 3 other programmable speed dial buttons for effortless, quick connections to family, friends, and physicians. MobileProtector even offers unlimited family and friend contacts allowing them to receive email, text and web alerts in seconds. Compared with existing technology that often requires many devices and even installation that requires time and money, LifeTrac offers all of this and more in a single, small device that comes ready-to-use. represents a major advancement in personal safety technology for seniors.

The MobileProtector is simple for seniors to use. The device features an SOS button that can be pressed in emergency situations in addition to the easy to press speed dial buttons. The power of LifeTrac enables the MobileProtector to provide GPS location and monitoring such as Speed Alerts, Motion Sensing and Inactivity Alerts. In addition, caregivers or family members can set up an unlimited number of virtual borders or SecuraFences by logging into their secure account online. SecuraFences trigger web, email and text alerts anytime the person carrying the MobileProtector enters or exits a SecuraFence. All of this comes in a device that is easily carried or worn so seniors can be safer than ever in their own homes and around town or while traveling across the US or to over 120 countries. LifeTrac provides trusted safety anytime, anywhere. For more information please visit www.lifetrac.com.

VENT-A-HOOD RECEIVES LOYALTY AWARD FROM RICHARDSON CHAMBER OF COMMERCE

Vent-A-Hood, the company that created the modern residential range hood, was recently honored with the Loyalty Award from the Richardson Chamber of Commerce at the annual Business and Industry Awards luncheon.

One of the most prestigious honors for a business headquartered in the city, the Loyalty Award is bestowed on a company for its long-standing position | continued on page 22 |

THE "BEST VALUE" PROFESSIONAL RANGES



30" PROFESSIONAL RANGES RETAIL PRICED FROM \$1,999.00

High Margins and Retail Incentives



Four 15,000 BTU burners found on the DRGB3001 are products of the world-renowned burner manufacturer Isphording, located in Attendorm, Germany.



The 4.2 cubic foot oven is spacious enough to hold multiple dishes at the same time, while the convection feature ensures even cooking temperatures throughout the oven cavity.

22,000 Oven BTU Burner.



For searing and broiling recipes, our range boasts a powerful 16,500 BTU Infrared broiler.



Constructed using all 304 stainless steel, the DRGB3001 meets the highest standards of both quality and durability, in an industry that demands perfection.



(From left to right) Gary Slagel of the Richardson Chamber of Commerce, Skip Woodall, Vent-A-Hood CEO and Jeanne Hooker, Chairman of the Board for the Richardson Chamber of Commerce.)

in the community, for providing jobs, and for growing a successful enterprise that supports the region and provides a strong foundation for the future.

"We are proof that the Made-In-America dream can come true, and it's happening in the City of Richardson," said Skip Woodall, CEO of Vent-A-Hood. As a family-owned business since 1933, the company moved from

Dallas to Richardson 49 years ago where land was plentiful and opportunity was endless.

"It was like a prairie when our family decided to build a large manufacturing business out here," Woodall said. turned out to be one of the smartest decisions my father ever made. Today, we're in the heart of a thriving area. We've had room to expand our facilities, and we've embraced a city that has grown just as Vent-A-Hood has grown over the decades."

As the years passed, the Vent-A-Hood facilities underwent radical reinvention. Automation and modern technology has continually evolved the way Vent-A-Hood range hoods are manufactured. And with each new evolution, the product line has grown and made its way into homes across all 50 states and throughout Canada.

The company, which offers a full line of wall mount, under cabinet and island range hoods and liners, welcomed consumer demand by adding 50,000 square feet to its headquarters in 2005 to maximize production. The expansion included the addition of a modern showroom and training center, where the iconic brand welcomes appliance dealers and kitchen designers from across North America for weekly training sessions on its products and tours of its facilities.

"We've enjoyed almost half a century in Richardson, but we're nothing like the company that started out here," said Woodall. "Every day we challenge ourselves to approach research and design with the best that technology has to offer. The volume that our factory does far out shadows our humble beginnings. Yet, we still have an appreciation for true custom work, and we employ the best skilled artisans who can still create a custom hood with their hands into a piece of fine art." With an appreciation for history and an appetite for invention, the company that has been around for so long is well-positioned for the future. For more information, please visit www.ventahood. com. You can also follow Vent-A-Hood on Facebook.

SHOP-IN-A-BOX—THE EXCITING NEW CONCEPT FROM WALLS+FORMS, INC.

PROVIDES AN INEXPENSIVE AND MODULAR RETAIL EXPERIENCE FOR THESE CHALLENGING TIMES



Walls+Forms has created a reusable, temporary store environment that can be adapted to any vacant retail space.

The simple construction utilizes our CornerForms Panel Fastening System ensuring stable flexibility. CornerForms is the patented two part fastening system that is used to construct the Shop-In-A-Box retail environments. Other construction applications include perimeter walls, fitting rooms, floor fixtures, part time counters, tradeshow exhibits and any display you can imagine. CornerForms and its associated edge cap components naturally reinforces the panel.

- Simple to Specify
- Easy to Set Up & Take Down
- Economical
- Great Design & Color Options
- Wide Variety of Size & Designs of Wall & Floor Displays
- · Short Lead Time
- Easy Replacement or Add On Opportunity

All .25", .5", and .75" profiles are stocked in white, grey, almond, black, red, yellow, blue sand granite, green grey granite, and land Serengeti. For more information go to www.wallsforms.com | continued on page 24 |



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Delivering Electronic Lifestyles®

THERMADOR NAMED AS CES INNOVATIONS 2011 DESIGN AND ENGINEERING AWARD **HONOREE**

LUXURY-APPLIANCE BRAND RECEIVES MAJOR APPLIANCE CATEGORY RECOGNITION FOR ITS NEW STEAM & CONVECTION OVEN



Thermador has been named an Thermador® **International Consumer Electronics**

Association (CES) Innovations 2011 Design and Engineering Awards Honoree for its new Steam & Convection Oven, which launched in early-October. Products entered in this prestigious program are judged by a preeminent panel of independent industrial designers, engineers and members of the media to honor outstanding design and engineering in cutting-edge consumer electronics and home-appliance products across 35 product categories.

The Steam & Convection Oven is the luxury-appliance industry's first pre-programmed appliance to combine three distinct cooking options — steam, true convection and a combination of the two. It also includes 40 automatic food programs, nine advanced cooking modes and a series of advanced features that are geared toward the true cooking enthusiast.

Ideal for the Thanksgiving holiday, the oven's 1.4-cubic-foot capacity is large enough for a 14-pound turkey, which takes only 90 minutes to cook in Combination mode and results in a succulent, moist inside and a perfect crust outside. Steam cooking can also eliminate the need for cooking with butter or fat, while preserving many of the vitamins, minerals, nutrients

and micronutrients typically lost through traditional cooking methods — resulting in a tastier and healthier holiday meal.

Thermador is honored to be recognized as a major appliance-category innovator by such a prominent industry group as the Consumer Electronics Association, said Zach Elkin, director of Thermador brand.

The new Steam & Convection Oven embodies more than 75 years of kitchen innovations by Thermador and the brand's commitment to provide culinary enthusiasts with the tools they need to achieve gourmet cooking results at home. For more information visit: www.thermador.com.

WHIRLPOOL CORPORATION NAMED ONE OF THE TOP 500 U.S. COMPANIES IN NEWSWEEK'S 2010 GREEN RANKINGS



Whirlpool Corporation has once again been recognized as one of the top 500 U.S. companies in Newsweek's second annual Green Rankings, which lists the greenest

large companies in the U.S. and globally. Whirlpool ranked 116th on the list.

"It is a privilege to be named to Newsweek's Green Rankings list for the second straight year," said Jeff M. Fettig, chairman and CEO, Whirlpool Corporation. "Our innovation and long-term commitment to the environment make this distinction possible."

The rankings are divided among industries, with Whirlpool being recognized in the Consumer Products category. Out of a possible 100, Whirlpool Corporation's overall green score for 2010 is 77.41, ranking it 11th in this category.

Nearly 40 years ago, Whirlpool Corporation established a corporate office for environmental control and, in 2003, the company became the world's first appliance manufacturer to announce a global greenhouse gas reduction target. Whirlpool Corporation has made a goal that, with common standards and appropriate incentives in place, by 2015 it will make all the electronically controlled appliances it produceseverywhere in the world—capable of receiving and responding to signals from smart grids.

The Newsweek Green Rankings 2010 measures the environmental performance of the 500 largest U.S. and 100 largest global companies, in terms of revenue, market cap and number of employees. The list was launched in 2009 as the first objective 'green' analysis of the largest U.S. companies. The 2010 list was published in | continued on page 26 |



Class. Style. Efficiency.

... Perfection



"So Quiet... You Won't Believe It's On!"

Newsweek's October 2010 issue and on the web, and is the first to include a global companies category.

The rankings are completed with the help of ASAP Media, Newsweek's editorial partner. Its research partners on the rankings RiskMetrics are Group, TruCost CorporateRegister.com. Each research partner provides specific scoring data to be weighted for the overall score of each company. For more information about the 2010 Newsweek Green Rankings, visit www.newsweek.com/green.

For more information on Whirlpool Corporation and its offerings for building professionals, please visit www. insideadvantage.com or call 1-800-952-2537.

NEW GE MONOGRAM® 30" REFRIGERATOR **PROVIDES** WINE RESERVE INNOVATION FOR METROPOLITAN LIVING



RECENT TRENDS SHOW BOOMERS, EMPTY NESTERS AND YOUNG PROFESSIONALS MOVING INTO CITIES AND SMALLER DWELLINGS

GE Monogram® 30-inch, fully integrated refrigerators with "convertible" drawer add flexibility to smaller kitchens.

New Monogram refrigerators are first in the U.S. to use the R600A refrigerant, which has a lower global warming impact than commonly used refrigerants today.

As more Americans repatriate cities and opt for smaller dwellings, GE Monogram is offering luxury appliances in more versatile options. GE Monogram's 30-inch fully-integrated refrigerator and wine reserve will add a third storage compartment—a "convertible" drawer, which can be set for fresh foods, frozen foods or wine storage to add flexibility to smaller kitchens. The new household refrigerators, available in



the first quarter of 2011, will also be the first in the U.S. to use the R600A refrigerant for a lower global warming impact.

"Transitioning to city living or smaller spaces does not mean sacrificing on luxury, style or innovation in the kitchen," said Merrell Grant, general manager, GE Brand & Advertising. "Early next year, GE Monogram is launching a new 30-inch fully integrated refrigerator, which can be installed true-flush with surrounding cabinetry, to complement a full suite of appliances that are 30 inches in width or smaller. These new refrigerators will also have a reduced environmental impact, which has become increasingly important to American consumers."

COOLING IT ON THE EMISSIONS

The new Monogram refrigerators and wine reserve will be the first in the U.S. to use the R600A refrigerant, which has a lower global warming impact than common refrigerants in the U.S. today.1 Additionally, these refrigerators will use cyclopentane as the insulation foam-blowing agent to replace commonly used, higher-emitting HFC foam-blowing agents.

FLEXIBILITY FOR CUSTOM SPACES

The GE Monogram 30-inch refrigerator and wine reserve offer ultimate cooling, installation and style flexibility.

- Storage and cooling flexibility: The new refrigerators include three compartments: a fresh food compartment, a freezer drawer with an ice maker, and a "convertible drawer" that can be set from negative-6 degrees Fahrenheit to 55 degrees Fahrenheit. "Not everyone has room for an extra freezer or wine reserve in their home, and this convertible drawer adds great flexibility to meet individual needs," Grant said. The wine reserve includes an upper and lower refrigerated cabinet that when combined, can store up to 106 bottles of wine. The upper refrigerated cabinet of the wine reserve comes complete with dual zones to allow for storing and serving both white and red wine simultaneously at their optimal temperatures. The compartment also offers six full extension wooden wine racks, along with a display shelf.
- Fully integrated installation: Available in 80-inch, which are reversible, and 84-inch heights, the refrigerator doors are equipped with an articulating hinge for a fully integrated installation, enabling them to be completely out of sight behind surrounding cabinetry.
- Style GE's first glass door option: The new refrigerators will be available with a solid door and also with GE's first glass door option, and the wine reserve will be available with a glass door. The refrigeration panels from | continued on page 30 |



style and class to any setting. To learn more or locate a retailer near you, visit us at www.danby.com

Silhouette SELECT The profile of good taste.

Powerful Selling Strategies

Uncork Your Inner Wine Connoisseur

ACHIEVING WINE-STORAGE PERFECTION

glass of fine wine. It thrills the senses and is the perfect complement to a delicious meal. Today's wine enthusiasts and collectors have a great appreciation the delicate balance that winemakers strive for with each vintage. But you don't have to be an expert to sell them an exceptional wine storage unit that will protect and preserve their investment. A quick read of this article is all you need to offer informative advice.

Wine doesn't necessarily get better with age. Proper storage is vital in ensuring the full flavor and intensity of the wine is preserved, securing a valuable investment.

IDEAL CLIMATE

Different types of wine and Champagne require specific storage temperatures and abrupt or subtle changes can greatly affect quality and taste. The humidity level is another important element in storing wine; low humidity will dry out the corks and distress the seal. These two factors are essential in preserving wine for the long term.

OUT OF THE CELLAR

Miele, a worldwide leader in premium quality appliances for more than a century, has created the ideal wine-storage solution. Their sleek and sophisticated MasterCool[™] wine storage products offer three unique cooling zones,





each with independent controls. This allows wine lovers to store white wine and Champagne in a cooler zone and wine ready for consumption in a tempering zone. In addition, an even circulation of air and constant humidity keeps corks moist and bottles sealed tightly.

And Miele's revolutionary RemoteVision™ uses wireless technology to monitor the Master-Cool appliance 24/7, immediately identifying any issue that may arise, even something as simple as the door being left ajar. This advanced technology offers peace of mind and assurance that a prized wine collection will remain intact.

BEAUTIFULLY FUNCTIONAL

Miele's MasterCool wine storage unit is designed to enhance any room. The unique LED system dramatically illuminates bottles without affecting the temperature in the cabinet, creating an exquisite display of the wine collection. And when the door is opened, the ClearView[™] halogen-based lighting system activates for effortless viewing of each bottle. The FullView[™] extendable shelves also make it easy to access and choose the perfect wine or Champagne for any occasion.

For more information: mieleusa.com

Preserve your good taste.

You labor over the perfect wine. You carefully select each food item... choosing only the freshest and healthiest assortment. Now where do you store them? Trust Miele's patented MasterCool™ temperature controls to easily and precisely maintain their ideal environment. And for the ultimate protection, Miele's RemoteVision™ WiFitechnology monitors your culinary investments 24/7 — alerting you if there's ever a problem. Preservation appliances by Miele. ♣mieleusa.com







REMOTEVISION



Industry [News] continued from page 26

GE Monogram come in various style options – including European styling with tubular handles; Professional styling with robust handles; or they can be installed with custom panels from the homeowner's cabinetry.

CULINARY BENCHMARK FOR FOOD PRESERVATION

These new refrigerators also serve as a culinary benchmark for food preservation, equipped with two separate sealed refrigeration systems to help the fresh food section maintain humidity, while preventing odor transfer between compartments.

LUXURY IN SMALLER PACKAGES

The launch of GE Monogram's 30-inch refrigerators corresponds to the repopulation of urban areas,2 as well as a desire for smaller homes. A recent Environmental Protection Agency (EPA) study showed significant growth in the number of residential building permits in "urban core communities" in roughly half of the 50 examined areas.3 According to the EPA, this demonstrates a "fundamental shift in the real estate market."

Additionally, a recent study by real-estate search engine Trulia, found that only 9 percent of homeowners desire a home more than 3,200 square feet in size, while more than one-third claim their ideal home size is less than 2,000 square feet.4 While homes may be getting a bit smaller, the desire for luxury kitchens is still a growing trend. The introduction of GE Monogram's 30-inch fully integrated refrigerators and wine reserve will round out Monogram's metropolitan appliance offerings, which include 30-inch (or smaller) cooktops, wall ovens, professional gas ranges, professional hoods, under-counter refrigeration, and new European-style dishwashers.

Available soon in a city near you: New 30-inch GE Monogram refrigerators will be available in the first quarter of 2011 where Monogram appliances are sold. Estimated retail: \$6,249-\$6,749.

- (1)GE had originally filed a petition under the Significant New Alternatives Policy (SNAP) program, which evaluates alternatives to substances being phased out under the Clean Air Act for protection of the stratospheric ozone layer. In response, EPA has issued a draft rule approving isobutane for use in household refrigerators, subject to certain use conditions. Conversion of household refrigerators to hydrocarbon refrigerants will be dependent on EPA approval and favorable public policy supporting the transition.
- (2) CNNMoney.com. "Cities are hot again." www.money.cnn.com/2006/06/15/real_estate/ return_to_cities/index.htm. 15 June 2006.
- (3) Environmental Protection Agencies. "Residential Construction Trends in America's Metropolitan Regions." www.epa.gov/smartgrowth/construction_trends.htm. January 2009 (4)CNBC. "Death of the McMansion: Era of Huge Homes is Over." www.cnbc.com/ id/38757287. 19 August 2010.

Follow us on Facebook and Twitter or check out our website for more information Friend GE Appliances on Facebook to view how-to videos, learn about new GE appliances and join in the discussion with other GE appliance owners. Join today and follow @GE_Appliances on Twitter or just locate detailed information about our products at www.geappliances.com. For more information, consumers may visit www.ge.com. RO



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Daewoo Electronics' New and Exciting Products for 2011



Daewoo French Door Refrigerator



Daewoo Multi Oven with Voice Command



Daewoo Steam Laundry



Daewoo Top Mount Refrigerator

Designing Excellence



Manufacturer {NOTES}

A Broan® EVOLUTION Range Hood Can Change Your Kitchen's Environment in One Simple Step

REPLACING A RANGE HOOD IS EASIER THAN YOU THINK!

uring the winter months, windows are being shut, the grill is being put away and families are gathering in the kitchen to be together - especially for the holidays. There is no better time than now to make a kitchen upgrade. If a whole kitchen remodel is not in your budget, a simple Saturday afternoon range hood replacement may be just what you need to not only make the kitchen more inviting, but to enhance your cooking experience.

The range hood is the primary source of kitchen ventilation and is a much easier replacement than you may think. For as little as \$200 and a few hours of your time, you can dramatically change the overall environment of the kitchen with a new range hood and get a whole lot for a small investment. If you are frustrated with an outdated under-cabinet hood or an over-the-range microwave ventilation system that doesn't effectively exhaust the odors and smoke from the kitchen or has poor lighting, Broan® has a solution that will truly make a difference in your overall cooking experience.

"With the new Broan EVOLUTIONTM Series, we wanted to exceed expectations with regards to how a range hood can change the way one cooks and, at the same time, make the kitchen a more inviting place to be for the cook and for family and friends," says Brian Wellnitz, marketing manager, kitchen ventilation, Broan-NuTone®. "As the leader in residential ventilation, we have taken our industry knowledge and research and developed a range hood that truly responds to what consumers have told us they want and need."

According to Wellnitz, the range hood does more than just provide ventilation. Broan has done extensive research to learn that consumers want more from their range hood than just superior ventilation – superior lighting is also a sought after feature. The new Broan EVOLUTION Series of under-cabinet range hoods has enhanced lighting

output with four halogen lights specially designed to direct light to the cooking surface doubling the effective illumination and allowing homeowners to enjoy a superior view of their culinary efforts. Additionally, it has an automatic light sensor for nighttime safety - eliminating potential bumps and bruises when satisfying a midnight snack craving.

Also the quietest hoods in their class, this series has the quietest operation at normal operating speed, making them virtually silent. If you are operating your old range hood on high all of the time to get the exhaust you desire, this may be an indication that the wrong hood was installed and you should seriously consider replacing it – and find out what you were missing!

The Broan EVOLUTION Series offers consumers three models to choose from - the QP1, QP2 and QP3. This tiered approach provides the flexibility for various budgets without sacrificing key improvements. Each model features enhanced lighting output and an improved capture effectiveness credited to an active filtration area that is up to 40 percent larger than those of other range hoods in the same class. In addition, a sloped bottom design funnels smoke, odor and moisture into the filters. Smooth surfaces and a fully-enclosed bottom reduce grease buildup and easy-to-release, dishwasher-safe filters allow for easy, less frequent cleaning. And, with a 40 percent sound reduction, the EVOLUTION Series is clearly the next step in range hood development.

Broan is committed to providing high-quality, energyefficient products to its customers. On average, the Broan EVOLUTION Series of range hoods operate for less than \$10 a year in energy costs. To learn more about Broan EVOLUTION Series range hoods and other Broan products, visit www.Broan.com. RO





Exhibit Dates

Thursday, January 6 - Sunday, January 9, 2011

Exhibit Hours:

Thursday, January 6 10 a.m. – 6 p.m. Friday, January 7 9 a.m. - 6 p.m. 9 a.m. - 6 p.m. Saturday, January 8 Sunday, January 9 9 a.m. - 4 p.m.

Location

Las Vegas, Nevada, USA

- Las Vegas Convention Center and Las Vegas Hilton
- The Venetian

Reach

The International CES[®] is the world's largest tradeshow for consumer technology and North America's largest annual tradeshow of any kind.

Exhibitor Profile

Manufacturers, developers & suppliers of consumer technology hardware, content, technology delivery systems and related products and services.

Attendee Profile

Verified registrants from more than 130 countries include manufacturers, retailers, content providers and creators, broadband developers, wireless carriers, cable and satellite TV providers, installers, engineers, corporate buyers, government leaders, financial analysts and the media.

Product Categories

- Audio
- Automotive Electronics

- Connected Home
- Content Distribution
- Digital Health and Fitness
- Digital Imaging
- Electronic Gaming

- Emerging Technology
- Entertainment/Content
- Computer Hardware & Softwae Internet-Based Multimedia Services
 - Lifestyle Electronics

 - Telecommunications Infrastructure
 - Video
 - Wireless & Wireless Devices

History

The first CES took place in New York City in June of 1967 with 250 exhibitors and 17,500 attendees. Since then, the International CES has grown more than six-fold.



E FOR INNOVATION



Product Debuts at CES

1970) Videocassette Recorder (VCR)

1974) Laserdisc Player

1981) Camcorder

1981) Compact Disc Player

1990) Digital Audio Technology

1991 Compact Disc - Interactive

1994 Digital Satellite System (DSS)

1996) Digital Versatile Disc (DVD)

1998) High Definition

Television (HDTV)

1999 Hard-disc VCR (PVR)

2000) Satellite Radio

2001) Microsoft Xbox

2001) Plasma TV

2002 **Home Media Server**

2003) Blu-ray DVD

2003) HDTV DVR

2004) HD Radio

2005) **IPTV**

2007 New convergence of content and technology

2008 OLED TV

2009) 3D HDTV

2010) Tablets, Netbooks and Android Devices

2011 CES Fun Facts

- **1.** The International CES is the **world's largest** consumer technology tradeshow.
- 2. Exhibit space at CES covers more than 1.5 million net square feet of space equivalent to more than 31 football fields
- 3. The International CES draws more than 120,000 attendees 2.5 times the number of slot machines on the Las Vegas Strip.
- **4.** More than 22,000 international attendees travel to CES -1.5 times the number of daily visitors to the Louvre in Paris.
- 5. By attending CES, attendees avoid over 700 million miles of business travel enough to travel from the earth to the sun seven times.
- 6. The International CES recycles 122 tons of waste, more than the weight of copper used in the Statue of Liberty.
- 7. There are 14,681 cups of coffee sold at CES enough coffee for one person to drink for 13 years!
- **8.** GES puts in over 130,000 hours of work to put on CES it would take over 16,000 people to produce it in one day.
- **9.** A person walking the carpeted length of the full CES show floor would walk half a marathon, more than 13 miles!
- 10. The average U.S. household has 25 consumer electronics products and U.S. consumer electronics industry sales will exceed \$174 billion in 2010.

| continued on page 36 |



Navigating CES

	Las Vegas Convention Center (LVCC)						Hilton	The Venetian
Product Categories	North Hall	Central Hall	South 1	South 2	South 3	South 4		
Audio	•	*	•	•			•	*
Automotive Electronics	*	^						^
Computer Hardware & Software		•		•	*	*	•	•
Connected Home	•	•	*	*	•	•	•	•
Content Distribution		*						•
Digital Health and Fitness	*	•						
Digital Imaging		•			*	*		
Electronic Gaming	*	•			•	•	•	•
Emerging Technology		•		•	*	*	•	•
Entertainment/Content		*						•
Internet-Based Multimedia Services	•	•		•	*	*	•	•
Lifestyle Electronics	*			•	•	•	•	•
Telecommunications Infrastructure					*	*	•	•
Video		*	•	•			•	•
Wireless and Wireless Devices	•	•		•	*	*	•	•

★ Primary Location Additional Location



Located throughout the CES show floor, these destinations surround you with emerging products, ground-breaking ideas and the companies that were innovative enough to bring these mind-blowing technologies to consumers around the world.

3D@Home

LVCC. South Hall 2

Access On The Go

LVCC, South Hall 4

Broadband Communications

LVCC, South Hall 4

Connected Home Appliances

LVCC, South Hall 2

Digital Health Summit

LVCC, North Hall

EHX@CES

LVCC, South Hall 1

Electric Vehicle

LVCC, North Hall

Experience CEA

LVCC, Grand Lobby

LVCC, South Hall 1

Gaming Showcase

LVCC, North Hall

HDMI

LVCC, South Hall 1

HigherEd Tech

LVCC, North Hall

HomePlug

LVCC, South Hall 1

iLounge Pavilion

LVCC, North Hall

Innovations Design and Engineering Showcase

LVCC, Grand Lobby

International Gateway

Las Vegas Hilton LVCC, North Hall

i-stage

LVCC, North Hall

Kids@Play

LVCC, North Hall

Location-Based Services

LVCC, North Hall

Mobile DTV

LVCC, Central Hall

Mommy Tech

LVCC, North Hall

Robotics

LVCC, South Hall 2

Safe Driver

LVCC. North Hall

Silvers Summit

LVCC, North Hall

Sports and Fitness Tech

LVCC, North Hall

Sustainable Planet

LVCC, South Hall 2

LVCC, South Hall 4

Wireless Mobility brought to you by Qualcomm

LVCC, South Hall 3

ZiaBee

LVCC, South Hall 1

CESweb.org/ShowFloor/TechZones.

As of 12/01/10. Subject to change.



Show Services

- 2012 Exhibit Space Selection Room LVCC, South Hall Connector, Room S223
- **Allied Associations Lounge** LVCC, South Hall Connector, Room S220
- **Blogger Lounges** LVCC, South Hall Connector, Room S228 Venetian, Titian 2202
- **CEA Member Lounges** LVCC, North Hall Upper Level Outside Room N250 LVCC, South Hall Connector, Room S220 Venetian Tower, Suite #30-140
- International Commerce Center (ICC) LVCC, South Hall Connector, Room S224

Keynotes & Conference Sessions

Hilton Theater and Hilton Center (Keynotes) LVCC, North Hall Upper Level Meeting Space LVCC, South Hall 4 Meeting Space

- Press Conference Rooms LVCC, South Hall Connector, Rooms S221 & S227
- Venetian Meeting Space, Level 1, 2, 3 Press Rooms
- LVCC, South Hall Connector, Room S229 Venetian, Titian 2202
- Registration

Attendee & International Registration: LVCC, Central Plaza; Hilton Ballroom; Venetian Meeting Space, Level 2 Exhibitor Registration: LVCC, Central Plaza; LVCC, South Hall 2 Lobby; Venetian Meeting Space Level 2; Venetian Tower #29-209

Conference Session Registration: LVCC, North Hall 4, Upper Lobby; South Hall 4 Lobby

Press/Blogger Registration: LVCC, South Hall Connector, S229; Venetian Meeting Space, Level 1 (Tues-Fri)

Show Offices

LVCC, South Hall Connector, Room S219 LVCC, North Hall 4 Hilton Center Foyer Venetian, Level 3, San Polo Foyer Venetian Tower, Suite #29-207



CEA Establishes Retailer Council to Serve Diverse and **Growing Membership**

he Consumer Electronics Association (CEA)® announced the creation of a Retailer Council to provide a forum for CEA's retailer members to address business practices and challenges that cross product categories and vertical business structures. CEA's Executive Board approved the creation of the Council at its December meeting. Jay Buchanan, electronics division director, Nebraska Furniture Mart, will serve as chair, and Joe Hartsig, vice president, consumer electronics, Sam's Club, will serve as vice chair of the new Retailer Council.

"CEA's newly formed Retailer Council gives our diverse group of retailer members a forum to exchange information and share common issues, retailer to retailer and retailer to vendor." said Kerry Moyer, senior director, retail membership, CEA. "We encourage any business focused on selling technology products or services directly to the consumer to join CEA and participate in this new council." Retailers interested in becoming a CEA member can contact Kerry Moyer at kmoyer@CE.org or 703-907-7694.

CEA is the association for retailers that sell consumer electronics, and retailer members represent a growing 26 percent of CEA's overall membership. The diverse mix of retailer members in CEA includes audio and video, automotive electronics, digital imaging, and wireless companies; online, catalog order and traditional brickand-mortar stores; and national and regional chains as well as singlestore operations. The CEA Retailer Council not only creates opportunities for retailers but also helps retailer members navigate the Association to maximize their participation opportunities.

"The Retailer Council will become the place for retailers to access the wealth of information CEA provides its members. This new CEA council will not only provide resources and programming specifically for retailers, but will also be the place for retailer members to plug in an participate in the Association," said Buchanan.

In October 2009, CEA's Division Executive Board chartered a Retail Working Group to make recommendations on how better to engage CEA's retailer members in the Association. The working group's efforts were led by Buchanan and Robert Fields, vice president, sales and marketing, Aridian Technology Company, Inc. Members of the working group included retailers, retail service providers, distributors and manufacturers.

ABOUT CFA:

The Consumer Electronics Association (CEA) is the preeminent trade association promoting growth in the \$170 billion U.S. consumer electronics industry. More than 2,000 companies enjoy the benefits of CEA membership, including legislative advocacy, market research, technical training and education, industry promotion, standards development and the fostering of business and strategic relationships. CEA also sponsors and manages the International CES – The Global Stage for Innovation. All profits from CES are reinvested into CEA's industry services. Find CEA online at www.CE.org. **RO**

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Elly Valas



The New Year and the New Normal

s we ring in the New Year, it is time to look ahead and try to see how to take advantage of the opportunities out there. We've been hearing that 2011, much like last year, won't see a return to business as usual. In fact, the glory days we saw prior to 2008, may never come back. Shoppers were out early this past holiday season but they were sticking to budgets, spending little more than last year and looking for bargains.

Here are some trends that smart dealers might want to respond to this year:

• Competition will remain tough. Two major suppliers are in a war for market share while Best Buy, Wal-Mart and Amazon are all trying to get electronics shoppers to buy from them. Prices and margins in appliances have sunk to all-time lows. Independents, caught in the middle, can compete by offering more and better services—the home theater experience instead of just a flat screen TV or a complete kitchen design—and by merchandising up from the leader and derivative models box stores use to drive traffic.

- Event promotion will continue to drive traffic. Follow the lead set in the market place and be ready for big sales over holiday weekends like President's Day, Memorial Day, Fourth of July and Labor Day. Shoppers will be out hunting for bargains and traffic will be strong during these periods. Pent up demand will create opportunities for step-up and additional sales.
- · Customers will go the internet in increasing numbers for information and pricing. Don't rue them, embrace them. If they've shopped the web and decided to come to your store, you've done something right. Ensure that the experience they get in-store matches the promise you make on the Web.
- Online marketing will become more important. Shift some of your advertising funds to email

marketing and to driving traffic to your website. Claim your listings on Yahoo Local, Google Places and other directories and keep them current. Get every customer and prospect's email address so that you can reach out to them. Make sure your website is dynamic, has a broad product catalogue and compelling messaging. Include special online clearance or sale items.

- Mobile phones willreplace Consumer Reports. Customers will use smart phones to check Yelp, Google, Facebook and other sites to see what others say about the products and services you offer. They'll look to see how what experiences other shoppers have had purchasing from you. Testimonials are powerful influencers. Be aware of what your cyber reputation is.
- · Social networks will continue to grow. Get on Facebook and Twitter to spread your message to younger buyers. Millennials in particular will frequent

stores who appreciate their reliance on social media. Create special Facebook events for your fans. Offer them special opportunities to preview new products or get early access to sales.

- Online sales will not replace a great in-store experience. If anything, customers are shopping on the Internet and buying in-store. Now may be the time to remodel your showroom. New lighting, carpet and fixtures can be good investments. Be sure your staff is professional and knowledgeable and that more than anything, they relate well to your customers.
- · Independents will have to work hard to get suppliers' attention. You are a small but mighty gang. Don't just settle for talking to local reps. Go to CES, CEDIA, KBIS and your buying group meetings to meet with company executives. Send them

copies of your unique promotional events and press coverage you receive in your community. Give suppliers who support you special opportunities to be represented in store displays and in your advertising. Be a willing partner and make good on your promises. Command attention and demand respect.

• Lending to small business is easing. It's still difficult for small businesses to gain access to working capital, but it is improving. If you want to approach your banker to increase your credit or flooring line, get your financial house in order. Show that your inventory is in line with your sales and that you are maximizing your turns and your return on your investment. Make sure you are paying your bills promptly and that your cash reserves are adequate to meet your future obligations. It goes without saying that a healthy bottom line is critical when seeking financing.

Things are improving and customers are back in the market for major appliances, furniture and consumer electronics. They will be fussy and demanding, but they'll be out in greater numbers spending more money than in the past few years.

Solid relationships with customers, suppliers and lenders—combined with good merchandising, consistent promotion and a good Internet strategy-will bode well for the coming year.

Happy New Year! 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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If You Don't Believe Me, Believe Them

EMPOWERMENT ROLE MODELS

t's a way of life—or, at least, it should be. I'm talking about empowerment. If you want to grow your business and ensure its continued success, it's absolutely essential that you empower your employees to take care of your customers. Doing so will eliminate the need to micromanage your staff, provide you more time to focus on the big picture, and dramatically increase your customers' loyalty to your business, which will result in increased revenues and profits.

Your competitors can offer the same products and services at the same price, so what do you have that will move customers to bypass them and patronize your business? Empowered employees who have the authority to bend and break the rules to provide those customers with unequalled service.

Nothing speaks to the power of empowerment like successful companies that have put it in place and, as a result, have realized great success. You don't have to take my word for it however, look at these empowerment role models:

Star Choice Credit Union

Although it has only 15 employees, this organization, located in Bloomington, Minnesota, clearly recognizes importance of empowerment and its impact on attracting and keeping customers. Let me give you an example. Not realizing that the credit union didn't open until 8 a.m., I arrived at 7:15 a.m. An employee arrived, walked across the parking lot, greeted me by name, and said she would open up early to take care of me. Star Choice Credit Union shows that your organization doesn't have to be huge in order to be a role model for empowerment.

Metro Bank

Co-founded by Vernon Hill, this bank opened July 29, 2010, in London. Hill projects that, within 10 years, the bank will have 200 locations, \$31 billion in deposits, and 10 percent of the market. I don't doubt his projections, particularly in view of his past successes.

Hill founded Commerce Bank in 1973 and grew it to 460 branches and \$48 billion in assets before selling it in 2007 for \$8.5 billion. He built that bank around empowerment. The number one rule at Commerce Bank-and now at Metro Bank, he says, is that every employee is empowered to say "yes" to customers, but two are required to say "no." When employees want to or have to say no to a customer, they have to go to someone with greater authority to get approval to do so. At most organizations, the opposite is true.

Wilderness Safari

This organization has, by far, the best customer service and empowerment I have ever had the pleasure to experience. It's in the middle of nowhere, and its employees are, for the most part, uneducated, but they have been trained well and empowered. Headquartered in Johannesburg, South Africa and Maun, Botswana, Wilderness Safari allows-in fact, encourages-its employees to do anything the customer wants—no rules, no policies, just an empowered staff focused on providing a great customer experience. An example: When I wanted

to take photos and video of Victoria Falls, the Wilderness Safari pilot flew over them three times so I could do so.

Tanzania Revenue Authority

Even a government agency can be a role model for empowerment. The Tanzania Revenue Authority's main function is to assess and collect taxes, but Commissioner General Kitillya has made customer service and empowerment a focus for his employees. The result is an increase in average monthly revenues from \$48.6 million in U.S. dollars in 1998/99 to \$243 million in U.S. dollars in 2009/10.

"We believe that having an empowered workforce, with employees prepared to bend the rules in favor of customers, is so much better than having stagnant and conservative individuals who put brakes on progress," he says. Kitillya instituted yearly customer service-focused training for his employees and eliminated unnecessary bureaucracy. He even empowered his employees to waive penalties for mistakes.

You, too, can be a role model for empowerment—and realize similar to that of the organizations I've mentioned here. Remember this: Your organization is only as strong as your least empowered employee. RO

John Tshcohl - 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





THE KBIS 2011 EXHIBITOR CEU PROGRAM





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- Opportunity to extend your exposure throughout the year via the NKBA CEU Provider Program
- Align your brand with the National Kitchen & Bath Association
- Complimentary for NKBA member exhibitors

Exhibitor Requirements

- Provide KBIS booth number, high-resolution company logo, presenter's name (if available), seminar title, and a 25- to 50-word description to the NKBA by January 31, 2011
- Display official KBIS CEU Exhibitor Program signage in booth
- Each educational program must be 30 minutes in length
- Six available timeslots: 11:00 am & 1:30 pm on Tue., Wed., & Thu.
- There will be no pre-registration for this event
- Exhibitor is responsible to record attendance
- Free to the attendee
- Each seminar must contain at least one kitchen or bath learning objective
- Provide one educational takeaway to each seminar attendee (e.g. product or service data sheet, seminar key points, or copy of presentation)

Presented by



APRIL 26-28, 2011

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Questions? Contact Patricia Swayne at 1-800-THE-NKBA (843-6522), x3789 or pswayne@nkba.org.

Your Brand Promise in 3 Steps

You made me promises, promises Knowing I'd believe Promises, promises You knew you'd never keep — "Promises Promises" by Naked Eyes

orry to impose a bad '80s song on you, but I think these lyrics hold some lessons for your branding strategy. A brand, if nothing else, is a promise to your customers about what they will get when they buy your products or services. If and how you keep that promise goes a long way toward determining the success of your brand.

Some years ago, during my agency years, I sat in a meeting with a prospective client, as the marketing manager proceeded to tell us how they wanted to be perceived as a leader in their industry. It was our job to determine how we could help make that happen, but the problem was that the client wasn't doing anything to actually be a leader. In other words, they wanted to make a promise they couldn't keep.

In business, you want to make promises you can keep, or even better, that you already have a reputation for keeping, otherwise your customers will be very disappointed. So here are three steps to ensure you are making brand promises you can keep:

1. Decide what your promise is

In the example above, the client wanted to be known as an industry leader. That's something they should have been telling themselves, not

their agency. What do you want your brand to be known for? What do you do well? What do you do better than your competition? Where does your competition falter a bit? These are a few of the questions you should ask yourself as you decide what your brand promise is.

What you're looking for is a compelling reason for customers to notice you. Maybe it's something you're already doing. If you already provide excellent service, have the best product selection in town, or exhibit excellence in another area, you may need to look no further.

Often, when looking compelling brand promise, it involves changing how you do things. It might mean fixing some problems in how you do business, or even in finding a new ways of talking about yourself. In any case, you want to concentrate on what makes you different, especially if all of your competitors are mired are all doing the same thing.

2. Establish a track record

Continuing with the example of the client, once they decided they wanted to be known as a leader in their industry, their next step should be to start doing things that a leader would do. In other words, be the leader.

No amount of marketing can make you look like something you're not not in the long run, anyway. So once you've decided what you want to be, you need to establish a track record of excellence in that area. In other words, you need to walk the walk.

It's important that this comes before you start promoting your brand promise (talking the talk). If you make the promise before you can back it up, you will likely lose customers and never get them back. Also, once you establish a track record, you'll develop a reputation and a lot of your marketing will be through word of mouth. And there's not better marketing than that.

Again, it could be that you already have a track record of excellence that sets you apart from your competition. If so, you're ready for Step 3. Just be sure it's a promise you can continue to keep.

3. Make your pledge

Once you've decided what your promise is and established a track record of keeping it, only then should you start talking publicly about it. Put it in your ads, on your trucks, on your Website and anywhere else.

This is really the easiest part. The hard parts were the first two steps, but with those done, your brand promise will work because you have shown you can keep it and customers will believe you. RO

Christopher Thiede owns BUILD Communications, a branding and PR firm. Read Chris' blog at www. buildcommunications.com.





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Kelly Rigdon

Time to Wise up About Smart Appliances

Anything that won't sell, I don't want to invent. Its sale is proof of utility, and utility is success.

- Thomas A. Edison

the upcoming n honor of 2011 CES, I thought a piece on "Smart Appliances" would be a perfect way to kick-off the New Year. After all, the show will feature appliances for the first time in 2011, and we are hearing more and more about the smart grid, and all of the great new consumer products that will be spawned from this massive investment in our nation's infrastructure. The only problem...I found that I really don't know whole lot about the smart grid or smart appliances. It startled me, and I thought maybe I was just out of touch. Being a research type I began asking friends and colleagues, and found that I wasn't the only one out of touch. Most people understand that smart grid is a term used to describe the upgrade to our electrical distribution network, but quickly become less authoritative when asked about what that upgrade represents, and more specifically how they will benefit as a business or a consumer. So, I wasn't alone—a momentary sigh of relief...proving once again that ignorance is bliss!

A Little Research Might Help!

That feeling of bliss was short-lived, as I quickly returned to the reality of writing an article on a complex topic where I offer little expertise beyond my appliance industry experience...and my own vast experience as a consumer. Not exactly the demonstration of confidence in the subject matter you're looking for if you're the publisher of the Retail Observer! Armed with the realization that I had a lot to learn (and learn quickly), I found there is a wealth of information available. Everything from publications devoted specifically to smart grid and internet blogs, to DOE documents designed for consumer education, free research and survey data...and the list goes on, and on...

Quick History Lesson...

So what the heck is the Grid? Obviously, the Grid (as it is called) is our nation's electrical distribution network. The current grid system was designed in early 20th century and has evolved into what many experts describe as the greatest achievement of the last century... and yes, it tops the list that includes both the interstate highway system and the internet! It has proven so reliable, that most of us take it for granted. It is a centralized network, however, that is increasingly vulnerable consumption needs have outpaced investment in the aging infrastructure that has fueled our nation's economic dominance. It's time for a better solution.

The Smart Grid and The Internet?

Enter Smart Grid. Smart Grid is a long term solution that is similar in game changing scope as the internet has been in the way we work and live today. Great, so we're talking about stuff that won't impact the average consumer for decades? Au contraire, Mon frère! We are already seeing the results of the "Smarter Grid". The smarter grid utilizes existing infrastructure with current and newly developed technologies that are deployed to improve consistency and efficiency, with less environmental impact.

Smart Grid...Smarter Grid...Smart Appliances...Oh My!

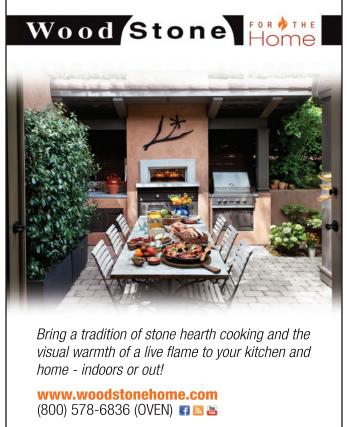
I know what you are thinking...Kelly, how does this impact me in the appliance business? The answer: "Smart Appliances" for the "Smarter Grid". In talking to several dealer principals, the term "Smart Appliance" conjured up memories of early concepts of simple internet connected appliances...which never resonated with the consumer. New "Smart Appliances" designed for the "Smarter Grid" are much more than simple internet connected appliances. According to AHAM, the term Smart Appliance refers to a ... "modernization of the electricity usage system of a home appliance so that it monitors, protects and automatically adjusts its operation to the needs of its owner." The potential is huge, but the consumer must lead the revolution. Only when the consumer understands the benefit and realizes value in the investment will they buy into "Smart Appliances"-thus demonstrating the timeless wisdom in the opening quote from Thomas Edison...Hmm, pretty Smart Guy. RO

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Kelly M. Rigdon with R2: Rigdon Resources, developing business processes to grow the bottom line. www.r2-online.com









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Rick Segel

Why Should I Come Into Your Store?

had an interesting conversation with a retailer where I asked a basic question about how business was. She said, "Business has been spectacular during the last three months." She said that she has been up 30%. The thing that really impressed me was she had previously admitted that her business was floundering or was just "so so" prior to this. What was the silver bullet? What transformed the store? Her explanation was simple and a lesson for all of us to learn.

She said that every day she gave a customer a reason to shop the store. Every day she would have some type of activity, promotion, class, or anything that you can think of, which a customer might say "that's interesting". She went through the list in my book from The 5,000 Best Sale and Promotional Terms Ever Compiled, checked off all of the different varieties of sale and non-sale ideas, and started to plug them into her store calendar. She then brainstormed various types of classes she could have and picked the best ones and sorted them into a calendar.

But it is more than events. It is more than just having sale or price promotions. It is also about wellplanned, friendly reminders. It is about the ways to plan on delivering those friendly reminders. Let me explain.

A simple, friendly reminder just

means that you are reminding the customer about the store, or perhaps, getting more specific and reminding or informing them of something they have previously expressed an interest in. It also means to plan in advance to contact your customers who have an interest in a specific category. The way this would work is that we would fill out a form asking customers about their preferences, which might be a particular manufacturer. Then we would filter all of the people who liked this particular vendor and send them some type of message. It could be as easy as a phone call, an email, or a text message. If you had enough in a category, you could have one of the popular email services send a personalized email to the people who fit into this category from your list. The key is to send the message which they will get and understand.

What this is really saying and what we have to do is to be proactive about attracting people to our store. When you look at a master calendar which will incorporate sale events, non-sale or fun events, classes and you merge that with the one-to-one friendly reminder, you have the formula for doing business.

I received a phone call from another retailer asking if I could help them get an article published in one of the magazines for which I write. I asked her how business was and she proceeded to tell me how terrible it was. But she thought that by having one article in this particular publication would help to turn her business around.

I then asked her a series of questions, such as "Do you have a blog? Are you on Facebook? Do you do an electronic newsletter? Do you have any system that highlights your customers' preferences that would allow you to be able to contact them about those preferences?" Needless to say, the answer to all of my questions was "No". She did say that she sent out a beautiful newsletter but it cost a fortune to send it. I was starting to get the picture as I am sure all of you are as well.

Bottom line: Promote in as many different ways as you can (not just by lowering the price or having sales) and give your customers multiple reasons to come into your store. The more reasons, the more people that you will appeal to and the more business that you will do. Charles Dickens said, "These are the best of times and the worst of times." Where does your store fit? **RO**

Rick Segel, author of The Retail Kit for Dummies, helps retailers and vendors partner so everyone sells more! Visit Rick's website at www.ricksegel.com





WE'VE CIVILIZED
OUR COMMERCIAL
RANGES





Kevin M. Henry

The Smart Grid... The Future of Energy Intelligence

n the eve of the greatest infrastructure overhaul bringing electricity to Tennessee Valley, less than 20% of the US population has heard of the Smart Grid, let alone of how it will affect their lives in the years to come.

So...what is the Smart Grid? A smart grid is an electricity network that utilizes two-way digital technology. The smart grid delivers electricity from suppliers to using consumers two-way digital communications to control consumption by appliances at residential homes, condos and apartments; this will save energy, reduce cost and increase reliability and transparency. The Smart Grid will overlay the existing and outdated electrical grid with an information and net metering system that will include residential smart meters.

At the heart of the Smart grid is the ability to apply two-way communication between sensing, measurement and control devices with electricity production, transmission, distribution and consumption components of the power grid that will communicate information about grid condition to system users, operators and automated devices, making it possible to dynamically respond to changes in grid condition.

A smart grid includes an intelligent monitoring system that keeps track of all electricity flowing in the system as well as the capability of integrating renewable electricity such as solar and wind. When power is least expensive the user can allow the smart grid to turn on selected

home appliances such as washing machines or factory processes that can run at arbitrary hours. At peak times it could turn off selected appliances to reduce demand.

Today, energy flows and disburses with very little control or regulation, much like water flowing from a garden hose without a nozzle. With the Smart Grid, energy use and distribution will look and feel more like a train routing board at the stationhouse. Energy will be able to be used, rerouted and terminated or regulated as required. Solar or wind usage can be easily integrated into the system as demand requires or terminated and supplement due to changes in the weather.

Power failures and grid collapse will be a thing of ancient history as the system will be able to anticipate and reroute electricity due to grid disruption.

Home appliances, like TVs, microwaves, ovens and refrigerators consume over half the power in a typical US home. With the introduction of smart meters and smart appliances, the ability to shut down or hibernate devices when not in use or when they are not receiving data could be a major factor in cutting energy use,

The brain of the Smart Home will be the Smart Meter that connects the home to the grid and can provide the homeowner with a basic outline of their electricity use, which can help identify activities that draw the most power. More advanced versions involve having individual appliances to participate in a local network, allowing for a detailed analysis of power use.

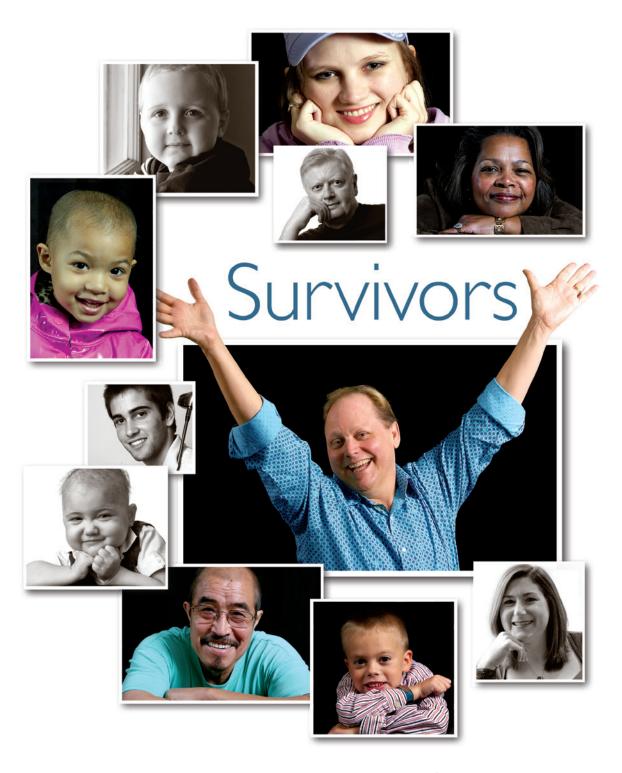
Smart Appliances will enable two-way communications in order to provide demand response management. Power utilities can provide a signal when electricity supplies are getting tight; and homeowners can set their appliances to respond accordingly, like temporarily shutting off the hot water heater or raising the thermostat slightly on a summer day. The homeowner will get lower electric rates for their participation, while the utility avoids power outage due to over use.

To get all of that to work, we need the right machines in place; a 10 year old refrigerator, oven or microwave cannot contribute nor take advantage of the smart grid and will prove an unneeded burden to the system. Many appliance manufacturers are already producing Smart Grid compliant appliances and through new construction, remodeling and aging appliance replacement many consumers are already installing the first wave of Smart Appliances in their homes without fully understanding their contribution to the future of energy conservation.

In the near future, the kitchen will become one huge, connected appliance that reads your lifestyle patterns, anticipates your energy needs and all without an explicit human command. RO

Kevin M. Henry is an international speaker on market trends and sustainable kitchen design in the kitchen industry for more than 30 years. Contact: Kmhenry@group42.net





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Robert Spector -

The Wisdom of Mom & Pop-The Soul of a Community

ndependent retailers are not just about selling stuff; they are the essential building blocks creating and maintaining community.

This idea hit home for me when I was in Memphis, Tennessee, to interview Willie Earl Bates, the owner of the legendary soul food restaurant, the Four Way Grill which, since 1946, has been the center of the Sugar Hill neighborhood.

The Four Way has been where you can eat good food, meet good friends, and participate in community fellowship with preachers, politicians, judges, teachers, students, and just plain folks. Located near Stax Records, in the 1960s and 1970s it attracted legendary musicians such as Otis Redding, Isaac Hayes, and Tina Turner.

"When visitors from out of town would come into Memphis, they would stop by the Four Way. People left messages for each other here," said Bates. "This is where Dr. Martin Luther King ate one of his last meals before the great 'Mountain Top' speech down at Mason Temple. He came to the Four Way in the midst of his struggle, when he needed a place to steal away, a place to think, a place to regroup, a place to assure him, and give him the energy and determination for a new day."

Bates never expected to own a mom & pop business, but in 2002, in his early sixties, after a successful 37-year career selling insurance, he and a business partner rescued The Four Way when it was in receivership because "this place meant so much to this neighborhood, where I grew up. I wanted somebody else to keep this great institution alive, but no one else did."

Bates had no experience running a restaurant.

"When we first started, the chef told my wife that if I didn't stay out of the kitchen, he was going to quit." The chef eventually did leave. "I had to learn fast. I had to organize, plan, direct, and find someone who could cook the type of soul food that the restaurant was accustomed to."

Willie Earl may not know much about cooking, but he knows how to work the room. As I enjoyed my lunch of fried catfish, fresh turnip greens and candied yams, I watched him glide across the Four Way with a coffee pot in hand, happily refilling cups and, in his words, "spreading the good vibes."

Asked to explain the power of soul food to his community, he said: "The woman goes in the kitchen, and takes whatever she has, puts her best effort into it, puts the flavor into it, and makes a delightful meal that is motivated by love and a desire to give to her family something that's enjoyable, that comes from the soul and the spirit. It's not about gobbling down. At the Four Way, it's about taking in all the nourishment—the food, the environment, the spirit."

Adjacent to the front door of the Four Way is a five-foot high Landis No. 12 shoe-stitching machine that dates back to the 1930s. On either side are large control wheels that look like miniature automobile steering wheels. Although it's caked with rust, it stands on the property with a venerable industrial dignity. When Willie Earl was growing up in the 1940s, his mother would leave the house on Saturday mornings, on her way to a full day of cooking in her employer's home, and sometimes she would drop off a bag full of her three children's shoes to be fixed by the local shoemaker on that Landis No. 12.

"When we bought the Four Way and began the renovation, that machine was still in the shoe shop, but no longer in operation," Bates told me. "The needle still had thread hanging from it. The machine reminded me of when I was growing up and how well the community was stitched together in love, and how people helped one another. That machine symbolizes an appreciation for those individuals who helped us along the way. It's a reminder for persons to never forget the community that you grew up in. Give back to the community." RO

Robert Spector is the author of The Nordstrom Way to Customer Service Excellence and The Mom & Pop Store. Robert can be contacted at robert@robertspector.com.





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NEW YEAR TRADITIONS

Global Good Luck Traditions

ooking at some of the good luck rituals from around the world, it is believed by many to bring good fortune and prosperity in the coming year. With the New Year now upon us, let's take a look at some of the traditional customs practiced by some of our worldly neighbors:

AUSTRIA - The suckling pig is the symbol for good luck for the New Year. It's served on a table decorated with tiny edible pigs. Dessert often consists of green peppermint ice cream in the shape of a four-leaf clover.

ENGLAND - The British place their fortunes for the coming year in the hands of their first guest. They believe the first visitor of each year should be male and bearing gifts. Traditional gifts are coal for the fire, a loaf for the table and a drink for the master. For good luck, the guest should enter through the front door and leave through the back. Guests who are empty-handed or unwanted are not allowed to enter first.

WALES - At the first toll of midnight, the back door is opened and then shut to release the old year and lock out all of its bad luck. Then at the twelfth stroke of the clock, the front door is opened and the New Year is welcomed with all of its luck.

HAITI - In Haiti, New Year's Day is a sign of the year to come. Haitians wear new clothing and exchange gifts in the hope that it will bode well for the New Year.

SICILY - An old Sicilian tradition says good luck will come to those who eat lasagna on New Year's Day, but woe if you dine on macaroni, for any other noodle will bring bad luck.

SPAIN - In Spain, when the clock strikes midnight, the Spanish eat 12 grapes, one with every toll, to bring good luck for the 12 months ahead.

PERU - The Peruvian New Year's custom is a spin on the Spanish tradition of eating 12 grapes at the turn of the year. But in Peru, a 13th grape must be eaten to assure good luck. It is believed that if one carries a suitcase around Plaza de Armas or their home on New Year's Eve, then that person will travel throughout the New Year.

GREECE - A special New Year's bread is baked with a coin buried in the dough. The first slice is for the Christ child, the second for the father of the household and the third slice is for the house. If the third slice holds the coin, spring will come early that year.

JAPAN - The Japanese decorate their homes in tribute to lucky gods. One tradition, Kadomatsu, consists of a pine branch symbolizing longevity, a bamboo stalk symbolizing prosperity, and a plum blossom showing nobility.

CHINA - For the Chinese New Year, every front door is adorned with a fresh coat of red paint, red being a symbol of good luck and happiness. Although the whole family prepares a feast for the New Year, all knives are put away for 24 hours to keep anyone from cutting themselves, which is thought to cut the family's good luck for the next year.

UNITED STATES - The kiss shared at the stroke of midnight in the United States is derived from masked balls that have been common throughout history. As tradition has it, the masks symbolize evil spirits from the old year and the kiss is the purification into the New Year.

NORWAY - Norwegians make rice pudding at New Year's and hide one whole almond within. Guaranteed wealth goes to the person whose serving holds the lucky almond.

Author Unknown



EVENTS

JANUARY

6-9

INTERNATIONAL CES CONSUMER ELECTRONICS SHOW

LAS VEGAS, NV www.cesweb.org

12-15

NAHB NTERNATIONAL BUILDERS' SHOW

ORLANDO, FL www.buildersshow.com

18-23

LIVING KITCHEN 2011

Koelnmesse Fairground COLOGNE, GERMANY www.livingkitchen-cologne.com

24-28

LAS VEGAS MARKET – GIFT+ HOME – VEGAS KIDS

World Market Center LAS VEGAS, NV www.lasvegasmarket.com

FEBRUARY

20-23

NATIONWIDE PRIMETIME! CONVENTION

Venetian LAS VEGAS, NV www.nationwideprimetime.com 20-23

BRANDSOURCE SUMMIT

World Marriott Center ORLANDO, FL www.brandsourceconvention.com

MARCH

9-13

MEGA 2011 SPRING NATIONAL CONVENTION

Grand Hyatt SAN ANTONIO, TX www.megagroupusa.com

APRIL

25-28

NKBA KITCHEN & BATH INDUSTRY SHOW (KBIS)

Las Vegas Convention Center LAS VEGAS, NV www.KBIS.com

MAY

12-14

AIA 2011 NATIONAL CONVENTION AND DESIGN EXPOSITION

Ernest N. Morial Convention Center NEW ORLEANS, LA www.aiaconvention.com 17-19

LIGHTFAIR

Pennsylvania Convention Center PHILADELPHIA, PA www.lightfair.com

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3-15

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If Appliances Who Would They Talk to, a

ased on what we know now, it is beyond the range of this article to fully explain the Smart Grid or how the information transmitted by the Smart Appliances will be utilized by the Utilities or the appliance manufacturers, however, there are many scenarios that we can explore.

The Smart Grid and Smart Appliances are a reality now and will be more so in the very near future. Whirlpool has announced plans to build over one million Smart clothes dryers by the end of 2011.

Opposition to the Smart Grid is also a reality. Invasion of Privacy claims by activist groups and concerned citizens are real and direct. Thus the need for laws and standards that protect consumers from the ever watchful eye of the marketers and those in government who would take advantage of the collective information derived from this initiative. But what effect will these new Appliances have on the Smart independent servicer?

IBM, in their white paper titled "The IBM vision of a smarter home enabled by cloud technology" it states that "For device manufacturers, the incremental cost to connect devices that already have

substantial intelligence in them is easily offset by a number of benefits. Fewer trucks roll to consumers' homes, reducing the repair and warranty cost, and increase the consumer satisfaction for both the manufacturer and the retailer. potential here for product registration increases exponentially. Consumers are willing to pay a little extra for assurance that their appliance will not fail at a time when it is most inconvenient. Other benefits such as access to more information, advice and the ability to control devices remotely are additional incentives."

While much has been written about the advantages to the consumers, the manufacturers and the environment, I have been hard pressed to find anything written on how this new benefit to our way of life will affect the independent appliance service industry? Here are some things we do know.

EDUCATION

• Smart Appliances will require the service technician to have a much stronger background in electronics than he has had in the past. We can already see this need as more and more products are being controlled by electronics.

· Technical and trade schools will be required to upgrade their curriculums to provide the needed electronic backgrounds to our future technicians and to remain accredited by PSA.

INVESTMENTS

- Service shops will be required to invest in equipment that will help identify involving communication between the appliance, the grid and the appliance maker.
- Service shops will have to invest in the education of their current technicians to enable them to understand and repair this new protocol.

CUSTOMER SERVICE

· New and higher standards of customer service, soft skills and communication infrastructure are now needed by service organizations. These are necessary in order to compete more diligently for the consumer's loyalty. This will also help to make the independent servicer an option when faults have occurred and not just the manufacturer.

In order for this program to be successful there are still issues that need to be resolved:

Could Talk. and What Would They Say?

- Protocol: Which protocol for communications will be used? Will it be Wi-Fi, Zigbee or any of 6 other power line communication protocols? (As stated by James Holdl, (a highly respected freelance industry writer) in a series of articles written for Marcone World.
- Security: The Association of Home Appliance Manufacturers (AHAM) released a white paper emphasizing that "consumer choice, control and security must be a priority in the development of a Smart Grid."
- Consumer Incentives: Strong incentives to the consumer supported by "Dynamic Utility Pricing" must be in place to encourage the consumer to opt-in. (as stated by AHAM)
- Liability: Who will be responsible for the transmission of misinformation? The manufacturers, the utility companies or the independent servicer?
- Laws Passed: To prevent trade restrictions in the independent service arena must be in place to give the consumer a choice of the service company they wish to hire. (As stated by Ron Sawyer, Executive Director of PSA)

Miele has introduced a new line of "Remote Vision" appliances. Refrigerators, wine coolers and select washer and dishwasher models that are proactively monitored 24 hours a day, seven days a week and report any faults or potential problems to a service center. The customer is also notified, via a secure dedicated link, of any faults or potential problems.

While this new technology has the potential to be effective at saving the consumer a substantial amount of money on their utility bills, it also has the potential of locking out the independent servicer. For instance, when the product fails or shows signs of an impending failure, will the consumer be notified to contact a servicer of their choice or will the manufacturer capture the information and distribute the service to a select group of servicers? What will be the business model for service with these new smart appliances?

The Professional Service Association sees the future of the Smart Grid and Smart Appliances as an opportunity for the independent servicers to expand and profit from the potential equipment failures of this new technology. Smart Appliances will result in a more satisfied customer, more first time completes, lower warranty administration cost for the manufacturer and higher profits for independent service shop. However, as this new technology continues to grow and flood our markets, PSA will be vigilant in overseeing potential restrictions of trade by the makers of these Smart Appliances.

The new Smart Appliances and Smart Grid is simply another challenge to the independent servicer to be conquered and another reason why it is important to keep your technical skills up to date. PSA will be holding their annual National All Service Convention March 23-26, 2011 in Nashville, Tennessee with over 96 sessions of technical and service management training along with the only ISO accredited certification available today. Join us in Nashville or send us an email at psaworld@aol.com and tell us what you think? RO

Ralph E. Wolff MCAP, CSM Industry Relations, PSA

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





Independents Get Connected to the New Marketplace in Vegas

ONLINE REGISTRATION OPENS FOR PRIMETIME! BUYING SHOW AND CONFERENCE

egistration is now open for PrimeTime! by Nationwide Marketing Group (NMG) being held on February 20-23, 2011 in Las Vegas, Nevada at The Venetian.

PrimeTime! is North America's largest buying show and conference for appliance, electronics and furniture independent dealers. According to NMG, hundreds of guests have already visited the registration website at www.nationwideprimetime.com. The theme for the upcoming show is, Get Connected: Save, Network & Educate.

"Our independent dealers are succeeding in the new marketplace because they have learned

how to adapt to the ever-changing industry. At PrimeTime!, we support their goals by providing the resources they need to stay aligned with what's going on in business today," said Robert Weisner, executive vice president of Nationwide Marketing Group.

According to NMG, at PrimeTime! in Vegas, dealers will be able to get connected to industry leaders, the most innovative products and educational opportunities available. The show offers big savings on merchandise purchased at the show through a unique CashBack Now program. Attendees can also take advantage of deep discounts on limited quantities of inventory in fast paced auctions hosted by NMG's furniture division, Furniture Smart, and their rental division, RentDirect.

Those who register by January 24, 2011 will be entered into a drawing for a free 3 night hotel stay, dinner for two and tickets to see the Blue Man Group, Phantom of the Opera or Jersey Boys at The Venetian in Las Vegas.

The show is also a valuable educational resource for many dealers. PrimeTime! University businesses courses are specifically tailored for the independent. Topics being offered at the next show include a smart grid panel discussion, profitable recycling opportunities, website development, email marketing, succession planning and financial management.





"For decades, PrimeTime! has been known for being the premier marketplace for independent dealers across the country. That's because NMG has proven the services and programs we provide our members at the show cannot be found anywhere else," said Weisner.

PRIMETIME! OFFERS COURSES FOR THE NEW MARKETPLACE IN FEBRUARY 2011!

Thousands of dealers and manufacturers attend the show every year to Save, Network and Get Connected with the "Best of the Best" in the industry. PrimeTime! University is no exception, these courses are specifically tailored to the

independent dealer and cover the latest concepts and strategies that are working in business today.

Take a "sneak peak" at some of the courses being offered at the upcoming show!

Get Connected To A Greener World

- Integrating Smart Grid Appliances
- Home Automation and Control 101
- Drive Traffic, Sales and Profits with Recycling

Get Connected To Customers Online

- Engage Your Customer Base with Email Marketing
- Using Web Tools to Grow Your Website Traffic

Get Connected To Your Business

- Survive and Prosper Among the Giants
- Ensure Business Continuity after Your Retirement
- Financial Management for Tough Times

Go to www.nationwideprimetime.com for a complete PrimeTime! University course listing and to register for the show. For information about the many benefits of membership and partnership with Nationwide Marketing Group, visit www. nationwidemarketinggroup. RO

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Brandsource and Top Suppliers Join Together to Keep Independents Relevant, Competitive



Executives from Sharp pose with HES/PRO Group members during a recent visit to Asia for meetings with key suppliers. Pictured are representatives from HES/PRO Group, 6th Avenue, Electronics Expo, Expert Warehouse and Vann's. The group also paid visits to Denon, Integra, Marantz, Panasonic, Samsung, TEAC and Yamaha.

hether it's appliances, home furnishings or consumer electronics, BrandSource "has the backs" of its 3,000+ members with ongoing initiatives to help keep them relevant and competitive in the eyes of the industry and, most importantly, the consumer.

Last month, more than two dozen key executives from BrandSource's HES and PRO Group traveled to Asia for key meetings with executives at top video suppliers including Denon, Integra, Marantz, Panasonic, Samsung, Sharp, TEAC and Yamaha. The summit is part of an ongoing commitment to keep Independents relevant in the eyes of the world's leading suppliers.

Top-level meetings allowed key HES/PRO member representatives to gain a mutual understanding of long-term initiatives, exchange feedback with suppliers, discuss trends and explore ways in which independents can continue to successfully implement premium goods within the channel.

BrandSource AVB recently implemented a partnership with Serta and HGTV, America's leader in home and lifestyle programming, to create and market an innovative new mattress collection available only through BrandSource members. The HGTV Green Home by Serta collection

boasts some of today's most advanced comfort and support features, while also using technologies that are more environmentally friendly, including an innerspring system made from 95% recycled steel, soy-infused foams made using natural soybean oil to reduce CO2 emissions and KoolComfort[™] Memory Foam with Eco-Sense[™], the first memory foam to incorporate minimally processed plantbased ingredients, for superior pressure point relief. The HGTV Green Home by Serta collection is available to consumers exclusively at BrandSource® stores across the U.S. This new collection is "Affordably Green", so you can sleep better without breaking the bank.

"Providing BrandSource members with access to the latest products, technologies and innovative marketing strategies helps keep them competitive and able to offer unique and compelling alternatives to national chain and discount stores," said Bob Lawrence, CEO of BrandSource. "Our suppliers appreciate that, as Independents, we have the ability to move quickly and decisively and present new technologies to our discerning customers, who often set the pace for new trends in the marketplace." RO



Research shows children heal better and faster with their family nearby. So, while Ronald McDonald House Charities® (RMHC®) can't make medicine taste better or take away painful treatments, we can help ensure children have the most important weapon close by during their fight—their family. Without steadfast supporters, like BrandSource® who donate thousands of home appliances to our U.S. Ronald McDonald House® programs every year, and people like you, RMHC and our network of local Chapters couldn't serve over four million families and children a year.

This holiday season consider giving the gift of RMHC. Go to rmhc.org to donate.





Never Have More m You Ca

TO BUILD A PROFITABLE

BUSINESS, THE KEY IS TO

MAKE SMART DECISIONS AT

THE START TO SET YOURSELF

UP FOR SUCCESS. THAT

DOESN'T JUST INCLUDE

WHO YOU HIRE TO HELP

RUN YOUR BUSINESS, BUT

JUST AS IMPORTANT HOW

MANY PARTNERS YOU

DECIDE TO BRING ON

ever have more partners than you can fit in an elevator. It's a comment that seems like a joke but is deadly serious when you're starting a business. Too many partners will create conflicts you don't need. Even the most bonded of partnerships will fray under the pressure of competing interests. While it is important to have partners who each bring skills to the table, these choices must be made carefully and with an eye toward keeping the group a manageable size. Every partner you add increases the possibility of an interest that will stray from the good of the company. What's more, a big group of partners is simply difficult to manage.

Good communication is key to a successful partnership, and when the partner group is too large, that communication becomes more complicated. There is always the risk that one partner will hear important news last and be aggrieved as a result or that some other critical piece of information will get to some partners but not all. A big group is added complexity. Keep the partners group compact and manageable. If you've run into problems, there are rules to follow to improve a partnership:

RULE 1: Schedule Regular and Open Communication. A formal meeting once a month, either in person or at least by phone, is a must. Review the past month's performance and talk to each other as owners, not as managers. Discuss matters in your common role as owners.

RULE 2: Clarify Ownership versus Executive. Owners own the company. Owners don't run the company. When I go into the corner office of a company and I ask that individual what he or she does, nine times out of ten, I hear, "I'm the owner." That's the wrong answer. The owner might be who you are, but it's not what you do. What you do is your job title: you are the CEO, the CFO, the VP of sales. That's the phrase that tells people what you do all day. You can't be an owner all day. If you take "owner" as your title, then all day you will be operating in your mental state as an owner, and that might mean worrying about your investments, wondering whether you will make enough money to send your kids to college—all kinds of things that have no business being in the mind of a manager. A manager must work at all times for the good of the company. Owners must recognize that if they are going to be involved in the day-to-day experience of the company, they can't operate as owners. They must operate as their job titles | continued on page 63 |

isiness Partners n an Elevator

dictate. Otherwise, they might steer the company away from its best path forward.

Not only are owners hobbled by their own conflicted interests but also employees are undermined. When they have a question, instead of respecting the clear management hierarchy, employees might shop around from owner to owner while looking for the answer they like. Owners need to know their management roles and respect them. If an employee comes to the owner/CEO with a payroll question, the CEO should respond, "That's not for me. Take that to the CFO, and whatever the CFO says is your answer."

RULE 3: Define Roles and Responsibilities. An offshoot of defining owners versus executives is defining roles and responsibilities. The most efficient way to run a company is to have employees assigned to specific tasks without overlap. This is true for partners and owners as well. The greater the definition of their roles, the less likely you are to have conflict. This is a key principle because when roles are allowed to overlap, it's often a disaster.

Take this example from the U.S. military. It's called the Buzz Saw. The military has a method of covering as much ground during an assault as possible, and it is called the Buzz Saw. Here's how it works. If you have three professional snipers and their mission is to protect a certain area while under attack, how do they cover as much ground as possible? The answer is strict division of territory. Each is given an area to cover that does not overlap with the other two snipers'. That way they can cover as much ground as possible without waste.

Let's take a look at what happens when their division of territories overlaps. Because each sniper does not have a personal area of responsibility, the method of sharing risk will fail. Yes, certain areas are better covered, but each person is now stretched.

Terms and phrases such as "bandwidth," "stretched too thin," and "scope of responsibility" all mean the same thing: you are stretching your resources.

Now let's look at this in the context of three business owners. When owners do not have defined roles and they share duties, risks appear because now there is overlap. That can create conflict. Who is in charge of the areas where there is overlap? That confusion can lead to paralysis or two individuals working at crosspurposes, neither of which is good for a business. What's more, not only do you have overlap but also you have gaps. You have the CEO and CFO worried about finance and the CFO and COO worried about accounting. So who is focusing on sales and delivery? When individuals are stretched over multiple areas of responsibility, key elements fall through the cracks. On the battlefield, that can mean defeat. It's the "shoot everything that moves" method of attack. It wastes time and resources. It is far less likely to succeed than the "shoot only in a defined area" method. This concept is just as applicable in the business world.

Too often, we are conditioned to see sharing as a good thing, a frame of mind in which we should all strive to be. That might be true in our personal lives, but it can have negative consequences in other settings. The battlefield is one. The business world is another. RO

John Minahan has fifteen years of experience with both public and private companies. He is cofounder and owner of a successful and multimillion-dollar media company, which was named one of the fastest growing private companies by Inc. Magazine. Minahan is a trusted advisor to CEOs and executives, a certified public accountant, and author of The Business Mechanic: 9 Simple Ways To Improve Your Business. For more information, please visit www. Business Mechanic Book. com.

In Memorium

John B. Craig—1935-2010



uneral services for John B. Craig, 75, of Marshall, Texas were held December 13, 2010, at the chapel of Downs Funeral Home, with the Rev. J.C. Chambers and the Rev. Curtis Collins officiating. Interment will follow in New Grover Cemetery. Mr. Craig passed away Friday, December 10, 2010, in Marshall.

John B. Craig was born July 9, 1935, in Harrison County, Texas, to William Earl Craig Sr. and Sallie Anderson Craig. On July 1, 1960, he married Dorthie Dehart in Marshall. Mr. Craig was a member of New Hope Baptist Church.

John served his country country with pride in the U.S. Navy from 1956-60, being stationed in Japan.

John began Federal Finance in 1970. In 1972, he started Craig Furniture & Appliances and he then expanded in 1984 by purchasing Manly's Furniture & Appliances of Longview & Marshall Texas, along with many other business ventures throughout his life.

John was a charter member and past president of the Texas Finance Association and a charter board member of Jefferson National Bank. He was also a longtime member of Mar-Tex Evening Lions Club, where he was president and officer on many occasions. He was an active cattle rancher and a member of Harrison County Cattleman's Association.

Surviving John are his wife of 50 years, Dorthie Dehart Craig of Marshall; one daughter, Phyllis Duplissey and husband, Marty, of Longview; one son, Larry "Cheese" Craig of Marshall; five brothers, J.O. Craig and wife, Shirley, Frank Craig and wife, Becky, George Malin Craig and wife, Eva Ruth, Robert "Pete" Craig and Jim Craig and wife, Shirley, all of Marshall; one sister, Reba Peace and husband, Bill, of Carthage; and a number of nieces and nephews.

He was preceded in death by his parents, and one brother, W.E. "Bill" Craig Jr.

Served as pallbearers were his nephews, Ben Craig, Mike Craig, John Craig, George Craig, Matt Craig, Kelly Craig, Tracy Peace and Jay Johnson.

Served as Honorary pallbearers were Eddie Waugh, Pete Whaley, Johnny Barrett, Butch Hussey, Jerry Evans and members of the Mar-Tex Lions Club.

The family would like to express their sincere appreciation to his caregivers Gary, Judy, Mandy and Richard and special family friends Doris and Cyndee.

We send our condolences to the family from all of us here at The Retail Observer. If desired, memorials may be made to the Texas Lions Camp, P.O. Box 290247, Kerrville, TX 78029-0247. Online condolences may be made to the family at www.downsfuneral.home.

WALL OF FAME

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TRADE SHOWS, SHOWROOM OPENINGS AND SPECIAL EVENTS



MR. APPLIANCE STUDENT VOLUNTEER OUTING

Matt Sarkela, a former marine and owner of Mr. Appliance of Wilmington in Leland, North Carolina partnered with the local JROTC program to participate in the Veterans Day Step Up for Soldiers event. Sarkela gathered local high school students to help clean the NCNG Fallen Soldiers Memorial on November 11, 2010.

The JRTOC students from North Brunswick High School planted shrubs, raked leaves, shovele dirt and laid brick at the 120th 30th Battalion North Carolina National Guard Fallen Soldiers Memorial.

Sarkela and the students worked alongside the future soldiers of the USS Gravely, the Navy's newest destroyer to the US fleet. As a thank you for the services provided by Sarkela and the students, a brick at the memorial was dedicated to the JROTC.

It was great for the kids to be able to meet the sailors of the USS Gravely," Sarkela said. " It will be nice to watch the shrubs grow and know we had a little piece of the memorial and some time with the crew of the USS Gravely.

In addition, Thanksgiving till Christmas, Sarkela's Mr. Appliance and nine other local businesses donated \$5 from every job to Step Up for Soldiers.

Manufacturer (NOTES)

Maytag®Unveils the Industry's Most Energy Efficent Four-Door Refrigerator – Ice2O®Easy Access

NEW FOUR-DOOR MODEL HAS AN EXTERNAL PANTRY DRAWER FOR FRESH FOOD AND HEAITHY FAVORITES

aytag® brand's latest French door refrigerator, the Ice2O® Easy Access, includes an external refrigerator drawer that holds up to five bags of groceries. Four LED lights in the external pantry drawer provide a clear view of the contents for easy access, plus the convenient counter height drawer is easily accessible to the whole family. When using the full extension drawer, 80 percent of the refrigerator remains closed, which equals less energy consumption that may add

up, considering the refrigerator is the most touched appliance in the house.

"Maytag Ice2O Easy Access is redefining refrigeration space and provides fresh food on a whole new level," said Gail Bruce, Maytag kitchen marketing manager. "We are delivering on consumers' needs for more usable space while creating a better built appliance that can help them use less energy every day."

This innovative configuration also creates a surprising amount of refrigerator storage, while not infringing on freezer space. The freezer and refrigerator drawers maximize usable space with slide out bin organization systems. In the main compartment

of the refrigerator, five door bins are designed to accommodate beverages such as milk and juice, while also providing a designated space to chill a bottle of wine.

There is room for large party trays and small fresh food items like deli meats and cheeses in the designated deli drawer. Various other items will easily fit on one of the three split Spill-Catcher[™] full glass shelves or on the mini shelf. A nice feature is the glass floor in the main compartment, which allows a clear view into the Easy Access

drawer below for a quick glimpse of the inside contents so you can keep track of fresh food items - even when the door is closed.

NUTRITION TIPS AND FILTERED WATER AT YOUR FINGERTIPS

The Ice2O® Easy Access refrigerator has an external ice and water dispenser and an interactive color LCD touch screen offering up nutritional information and quick tips bringing technology to the

forefront of the kitchen. Consumers can also control the

temperature on the LCD screen and select

Measured Fill to accurately fill a reusable water bottle with PUR® filtered water in ounces, cups or liters. The ice maker can produce up to eight pounds of ice in 24 hours, and the ice cubes are "right sized" to slide perfectly into refillable water bottles.

BETTER BUILT FOR DEPENDABLE **PERFORMANCE**

Built strong to last long in Amana, Iowa, refrigerator is engineered with durable components including a high-efficiency compressor combined with Rapid React sensors and a patented door seal minimize temperature fluctuations to help keep food fresh and ice frozen. The unit also boasts a durable power

outage indicator, easy-to-use temperature controls and door alarm ensure more consistent temperatures.

The capacity of the newest Ice2O Easy Access refrigerator is a generous 25 cu. ft. It is ENERGY STAR® qualified and is the most efficient four-door refrigerator in the industry. MSRP starts at \$2,999 with a 10-year limited parts warranty on the compressor. For more information on Maytag refrigeration, visit www.maytag.com. RO



FRESH FOOD

on a whole new level

The new Maytag brand Easy Access Ice₂O* refrigerator features removable and adjustable dividers, creating flexible storage sections within the full-extension drawer for up to five bags of groceries. An ergonomic design aligns the drawer with a typical counter height. Plus, this is the industry's most energy efficient 4-door refrigerator. For additional information, visit maytag.com.

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