

Floor Installation Association of North America



Volume 2, No. 3
4th Quarter, 2001



Objective: "Professionalism
Through Education."

Thanks to you, we did it!

On September 27, in St. Paul, Minnesota, our members showed everyone what the American spirit and resolve is all about. We opened our Seventh Annual Convention and Trade Show with more than 350 registered attendees. We did have a few cancellations and no-shows as a result of the events on September 11, but quite a few people who had not pre-registered showed up at the convention and registered on site. As a result, our actual attendance was greater than the number of pre-registered attendees prior to September 11. And that shows you the spirit of our members. As President George W. Bush asked, we got on with business and with life.

On the first day, the mood was a little



apprehensive. Our hearts and prayers were with the survivors and families of the victims of the September 11 attack. But after an opening session featuring LaDonna Gatlin, all spirits began to rise. We were – all of us – at the right place, doing what we could to get back to business as usual. We knew we must go on, and LaDonna’s presentation got us on the road to recovery.

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FIANA members contribute to September 11 Survivors Relief Fund

During our convention, our board of directors wanted to do something to acknowledge the September 11 tragedy and help the survivors of that disaster. They voted to offer a matching contribution of \$10,000 for donations made to the Sept. 11 Survivors Relief Fund. The response was amazing.

The companies and individuals listed on page 3 stepped up to the plate, giving generously. Thanks to each of them for

making our campaign a success. They contributed \$10,200.00 collectively. This was added to the \$10,000.00 pledge made by FIANA for a total contribution of \$20,200.00.

A check in this amount will be sent to The American Red Cross Disaster Relief Fund as soon as all pledges have been honored. We expect this to have happened by the time you get this newsletter.

(Contributors listed on page 3)

Floor Installation Association of North America

Floor Installation Association of North America (FIANA) is a non-profit organization whose members are currently from throughout Canada and the United States.

Members must be manufacturers or distributors of floor installation products and/or flooring accessories.

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Red Skelton's conversation with children about the Pledge of Allegiance

The Pledge of Allegiance is a treasure chest of information if we take the time to examine the words that capture an ideal of who we are. Some years ago, a man by the name of Red Skelton, famous as a comedian and Shrine clown, who made millions laugh on national TV, presented a short yet serious dissertation on the Pledge of Allegiance when asked by young school children what it really meant. His explanation was so profound that it was later read into the United States Congressional Record. As it is the best explanation ever recorded, we present it here for your contemplation as it was spoken in that schoolhouse so many years ago.

I wonder if Red Skelton would have explained the pledge any differently had September 11 happened when he was writing this. I personally believe that he would not have. What he wrote here is more true today than when he wrote it. That is the interesting thing about truths and God-centered principles. They have always been, still are, and always will be the guidelines by which we should live!

I: me; an individual; a committee of one.

Pledge: dedicate all of my worldly goods to give without self-pity.

Allegiance: my love and my devotion.

To the Flag: our standard; Old Glory; a symbol of courage; and wherever she waves there is respect, because your loyalty has given her a dignity that shouts, "Freedom is everybody's job"

Of the United: that means that we have all come together

States: individual communities that have united into fifty great states. Fifty individual communities with pride and dignity and purpose. All divided by imaginary boundaries, yet united to a common cause, and that is love of country . . . of America.

And to the Republic: a sovereign state in which power is invested in representatives chosen by the people to govern.

And government is the people; and it's from the people to the leaders, not from the leaders to the people.

One Nation: meaning so blessed by God.

Indivisible: incapable of being divided.

With liberty: which is freedom, the right of power for one to live his own life, without fears, threats or any sort of retaliation.

And justice: the principle, and qualities, of dealing fairly with others.

For all: that means, boys and girls, it's as much your country as it is mine.

Since I was a small boy, two states (Alaska and Hawaii) have been added to our country, and two words have been added to the Pledge of Allegiance: *Under God*. Wouldn't it be a pity if someone said that makes it a prayer, and should be eliminated from schools, too?

Convention Notes . . . (Continued from page 1)

our convention went by, the mood became much more upbeat. Our members actively participated in our seminars and enjoyed our exceptional speakers, which many said were, by far, the best group of speakers we've ever had. They used humor to motivate and educate, and the end result was a feeling of togetherness.

Your association decided to raise some money for the September 11 Survivors Relief Fund with a dollar for dollar match of any pledge made by a FIANA member, up to a total commitment by FIANA of \$10,000. We are happy to report we received pledges of \$10,200. That makes the total FIANA contribution \$20,200. Thanks so much to those individuals and companies listed below for their generosity and compassion.

To say I am proud of the members of this association is not enough – but I don't know how

to say it any other way. FIANA has and will continue to grow and evolve into the kind of organization the founders envisioned when it was established because of the dedication and cohesiveness of its members.

At the closing dinner session we heard a speech by one of the best speakers I believe I have ever heard, Keith Campbell, Chairman of the Board of Mannington Mills, Inc. Keith spoke from the heart and with great passion about this country and the events of September 11. He spoke about his company with equal passion. He closed our convention with class. It was the perfect finish to a great convention.

If you were unable to be there this year, please plan now to join us for our Eighth Annual Convention and Trade Show in San Antonio, Texas on September 18-23, 2002.

– Jim Lee

September 11 Fund Contributors - We made a difference!



All Purpose Adhesive Co. (APAC)
 B & W Flooring Supply, Inc.
 Bengard / Loxreen Company
 Big D Carpet Supply - Phoenix
 Big D Carpet Supply - Tucson
 Bestflor Distributors, Inc.
 Brolain Distributors, Ltd.
 C & C Wholesale Distributors, Inc.
 Keith Campbell
 Cargo Gods, Inc.
 Carpet Cushion Council
 Cook's Inc.
 Crain Cutter Company
 Desoto Sales, Inc.

Mike Drinkard
 Dura Undercushions Ltd.
 Exclusive Floor Supply, Inc.
 Tom Fear (In Memory of Betty Fear)
 F.I.S.C.
 Floor Covering Installer Magazine
 Futura Industries, Inc.
 David C. Greenbaum Co.
 Hank's Specialties, Inc.
 Hudson Flooring Sales, Inc.
 Victor Kemp Company, Inc.
 Keystone Supplies, Inc.
 Michiana Carpet Supplies
 Mission Carpet Distributors
 National Floor Trends Magazine
 Orcon Corporation
 Pacific Rim Floorings Ltd.
 Parachem Southern Inc.
 Professional Flooring Supply of Texas
 Sheila Rawe
 Steve Safren
 Shamrock Flooring Accessories, Ltd.
 Bill & Sue Simek
 Sinclair Equipment Company
 Jack Stanton
 Tordoff Enterprises, Inc.
 Kathy Vercellino

The amount of these donations exceeded our goal of raising \$10,000.00 from members attending our 7th Annual Convention & Trade Show. Thanks again for your contributions. A special thanks to Tordoff Enterprises, Inc. for their generous contribution.

*Member Opinion***Who benefits when prices are dropped?**

By Jim Reynolds
President of
Exclusive Flooring
Supply, Doraville,
Georgia

So, business is less than wonderful and you think that maybe a little promotion on an adhesive product could spark an interest in your customer base?

Let's keep it simple: Adhesive A is a product that costs you \$12 per pail and you sell it for \$16. That's a smooth 25% gross profit margin and \$4 per pail in profit dollars. Let's also say that, in the chosen time frame for your promotion, you would ordinarily sell 600 pails of Adhesive A.

Now comes the promotion. You decide to drop the selling price to \$15 per pail. Sure, you're dropping the price by only \$1 per pail, but you'll make it up with the additional volume. (*Or will you?*)

Although the price was dropped by only \$1, the margin decreased from 25% to 20% and the profit dollars decreased from \$4 per pail to \$3 per pail. What is that you're saying? "It's only a dollar, and that's no big deal."

At the sales volume of 500 pails, with a \$4 per pail profit, you generate \$2,400 gross profit. When the \$4 in profit becomes \$3, you generate \$1,800 in gross profit. The economists call that \$600 of lower profit "opportunity cost." You had the opportunity to make the profit, but didn't.

To make up the profit dollars lost, the volume of Adhesive A would have to increase to 800 pails from 600 during that promotional period. That's a 1/3 increase in sales volume

just to stay even in terms of your gross profit dollars. Will the \$1 drop in price result in a volume boost of 1/3? Only you can answer.

This is where the "Volume Trap" rears its ugly head. Our overhead is constant. As we strive for more volume by reducing prices, we require more and more volume to feed "Mr. Overhead." Also, you run a risk that some customers may only buy from you when you run "specials." Furthermore, in many customers' minds, Adhesive A is now a \$15 product and they expect to be able to buy it at that price on a continuing basis. It could even be difficult to re-establish Adhesive A as the quality product it actually is after it has been sold at the lower price.

When a price-driven promotion is deemed appropriate, most suppliers will pitch in for a given time period. If, for instance, the manufacturer of Adhesive A would agree to make a \$1 per pail concession, your margin at the \$15 price would actually increase from 25% to almost 27% while the \$4 per pail would remain constant. This is certainly a more pleasant scenario. Maybe your manufacturer would even split the difference with you. That's certainly better than taking the entire hit yourself.

Just watch out for that "Volume Trap." There are a lot of ways to create value other than dropping prices.

You decide what's best for you.

New Manufacturer Members

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WHAT

new products are out there, is happening with our members

CHAPCO's new 18-page Adhesives & Installation Supply Products catalog provides complete information about a wide range of floor covering adhesives, seaming tapes and floor preparation products. The latest in spray adhesive technology is included. It also includes an Adhesive Specification Chart for choosing the right adhesive for the job as well as a recommended Trowel Selection Chart. To order a free copy, visit www.chapco-adhesive.com or call 800-621-0220.

A small but powerful electric-powered professional stripper called the Bronco has been introduced by Taylor Tools.

The Bronco features a unique articulating Power Wedge™ design, which provides as much stripping power as much heavier, more expensive strippers.

Powered by a quiet 7-1/2 HP, 220-volt, single phase electric motor, the Bronco has no emissions, thereby eliminating the need for ventilation and air monitoring. The low-pressure hydraulic system eliminates leak problems and the absence of hydraulic valves reduces heat build-up.

The Bronco's small size makes it easy to transport in a standard garden trailer and its wedge-shaped frame allows it to easily reach into tight corners. Highly maneuverable, the Bronco provides a zero turn radius and easy-to-operate controls ensure fast, precise stripping. Its exclusive, adjustable Power Glide™ suspension system (patent pending), keeps the blade engaged to the floor at all times.

A video of the Bronco in action can be viewed on Taylor's website at www.taylortools.com.

WHO

is moving around, is being promoted, is being honored, is doing what

Edward F. O'Connor has been appointed President of Compass Flooring Solutions, Inc., a subsidiary of the Altro Group plc and a distributor of Altro safety flooring. Other flooring products distributed by Compass include Forbo, Toli, Endura and LG Chem.

O'Connor will guide Compass in its continuing growth as a leading distributor of specialty commercial floor covering in New England and upstate New York. He will be responsible for strategy formulation, strengthening partnerships and alliances, and managing Compass' veteran sales force.

A proven leader, O'Connor is respected and admired throughout the flooring industry. He joins Compass with a strong background in both the commercial and residential markets.

With almost thirty years in the industry, O'Connor's experience includes top management positions at Eastco Distributors, Wellco and Western Carpet. He is a graduate of the University of Southern New Hampshire and currently resides in Beverly, MA with this wife and two daughters.

Andrew Smith, formerly an Installation Specialist in the Technical Services Department at Shaw Industries, has joined Taylor Tools as its Technical Services Manager Southeast.

In his new position, Mr. Smith will be responsible for providing sales and marketing services to distributors of Taylor Tools in the South and Southeastern regions of the U.S. He will also assist in product development activities.

"We are indeed fortunate to have an individual of Andrew's considerable floor covering installation skills join our organization," said Keith Papulski, General Manager of Taylor Tools. "We know that he will be a major contributor to our sales and marketing efforts."



The Bronco professional stripper by Taylor Tools



New CHAPCO catalog



Andrew Smith, Technical Services Manager Southeast, Taylor Tools

Trade Show nearly set record, despite events



This year, unlike trade shows of the past 6 years, we had the terrible events of September 11th to contend with. That alone was enough to raise fears among our attendees of poor exhibitor and distributor turnout.

Despite the adverse circumstances, our exhibitors showed up in force and we had 106 booths, occupied by 74 exhibitors. This response made this year's show the second best-attended in our 7 year trade show history. I have no doubt it would have set new records in exhibitor and distributor attendance if things had been normal.

Unfortunately, the hotel's facilities

forced us to use two ballrooms for the trade show and this caused some traffic flow problems. Still, we did the best we could to channel traffic to both ballrooms. Next year we may have a similar situation in San Antonio, but, we will make every effort to be sure every exhibitor gets an opportunity to be seen by every distributor. It has always been our intention to provide a real buying opportunity for those distributors who attend, with specials offered only at the FIANA Trade Show and not available to those who do not attend. This would help build attendance and interest in attending.

All FIANA Distributor Members should make every effort to do business with FIANA Manufacturing Members.

Following is a list of the 2001 FIANA exhibitors:

7th Annual Trade Show Exhibitors



Advanced Adhesives Technology	Fortifiber Bldg. Products	Silpro
All American Wood Registers	Franmar Chemical	Sinclair Equipment
All Purpose Adhesives	Futura Industries	Sponge Cushion
Allway Tools	J. Gallager Co.	Surface Shields
Alta Industries	Genotek	Taylor Tools/Roofing Equip.
Amco Tool	G E Sealants	W. F. Taylor Co.
American Bultrite	Beno J. Gundlach Co.	Texas Cement
American Safety Razor	Halex	Titan Labs
Ardex	Heritage Cutlery	Tramex
Bengard Mfg.	I.B.F. Tools	USG
Bostik-Findley	Installers Best Adhesives	X-L Corp.
Burke Mercer	Johnsonite	
Capitol USA	Laser Products	
Cargo Gods Inc.	Madewell Products	
Carpet Cushion Council	Mapei	
C-Cure	M-D Building Products	
Certified Floor Installers (CFI)	Mercer Abrasives	
Chapco	National Carpet Equip.	
ChemBond	N. C. Carpet Binding	
Chem Rex	New Binders Group	
Crain Cutter Co.	No-Muv Corp.	
CST Berger	Orcon Corp.	
Dependable Chemical	Para-Chem	
Dri-Tac Adhesives	Pathways International	
Dura Undercushions	Polysat, Inc.	
Eclipse	Poly-Tak	
Filmtech	Power Cart, Inc.	
Flexco	R.J. Leathercraft	
Flextherm	Roberts	
Fluid Forms	Roppe Corp.	
	Seam Masters	
	Sentinel Products	
	Shur-Fast	



Better informed sales staff translates to higher sales

"I am honored to be a new board member of FIANA. I am equally happy to be submitting my first article to the FIANA NEWS."

Terry Chamberlain

My partner, Bruce Radke, and I are currently celebrating the 20th anniversary of our company. We are fortunate to have a very professional staff working for our organization. And that brings me to the subject of this article: Quality.

We all face the issue of meeting the competitive needs of customers through matching prices where we can. While price-sensitivity is often an issue, sometimes the competitive edge is best met by educating our customers on better product lines to ensure a quality job for their customers. However, our customers are usually not as familiar with the products as we are. If you will inquire into the product to be used and the specs involved, sometimes suggesting a product upgrade (even though it may be a higher price than the original product requested) can help ensure the complete success of the project.

One of the best ways of ensuring this quality sale is to take your time with each

customer and explain the differences between products. Don't be in a hurry to get to the next customer, as the person waiting also benefits from your sales pitch. Customers will always appreciate you taking the time and being interested enough to share your knowledge to help them ensure success with their business

When sales people take the time to inform customers about higher quality products on the market, it results in a better-informed clientele. Your customers can then make a better-informed decision on product purchases, which could result in less job failure and more profit for everyone in the industry. You never lose when you buy or sell quality products!

I have been involved in most aspects of the flooring business, as a factory representative, contract sales and installations, and now I am co-owner of a distribution company. The one thing that stands out most is that both you and your customer experience the fewest problems when you sell better quality materials. There is no greater satisfaction than to have a customer come to you and say, "Thanks for your help, the job went perfectly and my customer is happy."

Terry Chamberlain is Secretary-Treasurer of Brolain Distributors Ltd, Canada and Floor Accessory Supply Co. Ltd, Canada. He is also a new FIANA board member.

Ardex Engineered Cements, Inc.
and
The W.W. Henry Company
are pleased to invite the sales staff of
FIANA Distributor Members
to attend a one-day training seminar
to review
the ARDEX and HENRY product lines.

October 20, 2001 - Los Angeles, CA
October 27, 2001 - Dallas, TX
Atlanta, GA
Pittsburgh, PA

November 17, 2001 - Chicago, IL

Although they play a vital role, inside sales and counter personnel most often are not selected to attend training seminars. Sending these staff members to attend outside training can cause staffing complications, and no business can afford to just close its doors while employees are being trained.

To avoid staffing complications, our seminars will be held on Saturdays. To minimize distributor expense, Ardex will provide lodging for out-of-town attendees on Friday, as well as breakfast and lunch on Saturday for all attendees.

Created exclusively for the inside sales staff of FIANA members, the seminar topics and material covered have been tailored to meet the needs of your staff and offer the maximum benefit to your company.

This seminar will involve hands-on product training, new product introductions, classroom instruction on product features and benefits and selling techniques.

Call 724-203-5000 for more information and reservations.



FIANA NEWS

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Jim Lee receives award from FIANA

By Susan Adkins

In a surprise presentation, FIANA's board of directors gathered on stage during the convention in Minneapolis/St. Paul to honor Jim Lee with the Lifetime Achievement award.

Under Lee's leadership, FIANA has grown from a fledgling association to a strong organization, respected in the flooring industry.

"FIANA is fortunate to have a leader of stature and quality to carry the torch," said Jim Reynolds, president of Exclusive Floor Supply in Doraville, GA.

Lee, who was overwhelmed by the honor, said, "Twenty years from now, when I look back, may we be stronger and better than ever."

New FIANA board members elected

Four FIANA members were elected to three-year terms on the Board of Directors at the convention in September.

- **Dan Blakely** – Blakely Products, Inc. – Warren, MI
- **Charlie Brown** – Victor Kemp Co. – San Diego, CA
- **Sue Johnson** – Futura Industries, Inc. – Clearfield, UT
- **Doug Ray** – The Cronin Company – Portland, OR

The following members of the board completed their terms after devoting their time and talents to help develop the programs and plans for FIANA's future. We owe them many thanks for their contributions to the continuing growth of this association.

- **Dave Bolton** – Tom Duffy Company – Suisun, CA
- **Steve Chase** – APAC Adhesives – Dalton, GA
- **Kevin Haughey** – Carpet Products – Mansfield, MA
- **Jim Reynolds** – Exclusive Floor Supply – Doraville, GA