

## OHPBA Board Meeting

August 21, 2009

*By Teleconference*

### Minutes

#### Attending (\*indicated)

- \*John Frankel, President
- \*Ray Horowitz, Treasurer
- \*Linda Ommen, Vice President
- \*Tony DiDomenico, Past President
- \*Fred Kirkpatrick, Region 9 Director
- \*Dan Bonham, Eastern Oregon Area Director
- \*Chad Clark, Director, Manufacturer's Rep.
- \*Warren Hench, Western Oregon Area Director
- \*Mike Kohn, Southern Oregon Director
- \*Roger Sanders, Central Oregon Director

#### Staff:

- \*Harvey Gail, Executive Director

### 1. Call to Order

John Frankel, President called the meeting to order at 8:34 am.

### 2. Minutes of the last Meeting

John Frankel asked that the group review the meeting minutes of the June board meeting. The group reviewed the last board meeting minutes from June.

#### **PASSED**

*Motion to approve the minutes of the June 14 board meeting. MM R. Horowitz; MS L. Ommen. Motion Carried.*

### 3. Old Business

#### *A. Energy Trust of Oregon Incentives.*

Frankel said he has been reporting on ETO's incentive program. Their intent was for rebates of \$100 and \$150, but ETO sent notification that they are cancelling the program.

#### *B. Drive for 25 Membership Contest*

Frankel said Oregon won the Drive for 25 contest. He said it was basically a bet among the Presidents (\$100 per affiliate). Don Kaiser is going to coordinate getting the funds to us.

### 4. Financial Reports

Ray Horowitz, Treasurer said our total checking and CD balance is \$36,890. He pointed out that membership dues are below what we budgeted. Harvey Gail explained that we operate on a cash system for dues, so we expect to get about \$3,000 in December to add to the total reported now. But, it appears we are down about \$2800 from last year due to several retailers that did not renew. Gail emailed the list of lapsed members to Frankel and Horowitz. John read the list and he asked if anyone had a relationship with anyone. Sue said she will contact them.

Horowitz said the \$1,200 we will receive for winning the Drive for 25 Contest will help us. Harvey Gail said he will contact HPBA about the timing for receipt of the funds.

John asked that a committee of Horowitz, Gail and Bruce Richmond to look at 2010 budget.

Frankel said Tom Pugh made a pitch to all affiliates at the national meeting that they should raise dues. He said when you raise them you raise overall income even though you may lose members. NWHPBA's dues are \$545 and they are talking about raising them again. Fred Kirkpatrick suggested we raise our dues and it was suggested that we raise them to \$375 (from \$345), but we should keep them under \$400.

Horowitz said EXPO is on the east coast next year, so we should we should factor that in to our estimates for EXPO profits. Linda Ommen said if some manufactures don't go, that could affect the show's profit and we get a cut of that. We should project low membership and attendance.

Fred said we need to bombard our members with our accomplishments, especially the tax credits. Those credits are worth several thousand dollars in extra revenue and they need to.

## **5. New Business**

### *A. Portland Metro Area Air Toxics Task Force*

John received a note from Bruce Richmond. There is a citizen advisory board to advise DEQ on Portland Air Toxics Solutions Taskforce. Frankel said he will get involved to see what direction they are heading. They mention other pollutants like wood smoke. They may look at a remedy which could involve

### *B. Wood Smoke Cancer Risk Article*

Ray said he is trying to get in the local paper. Harvey said he saw the article in the Oregonian and he commented on the Oregon Live website and sent a letter to all the members. Frankel said we need to stick to two or three talking points: uncertified stoves. EPA certified woodstoves are clean brining, obey rules, and Oregon's air is not in any particular risk from wood stoves.

## **6. Committee Reports**

### *A. HPBA Report*

Finances: Fred Kirkpatrick referred to his report which was sent in advance to all the board members. He read through the highlights. He commented on some of the budget and finance issues at HPBA. He said HPBA budgeted a loss of \$812,000 for 2009, but that will probably end up less than expected. The budget task force has begun budgeting for 2010 and the 2010 budget will get approved at the November 2 board meeting in Arlington, VA. Roger Sanders asked if Kirkpatrick could determine an estimate for the affiliate portion of the EXPO profit. Sanders said it would be important for the affiliates to know the number.

EXPO: Kirkpatrick plans to express to the HPBA Executive Committee that he does not think the EXPO show should be on the East coast several years in a row. Kirkpatrick reviewed the EXPO sales for 2010. So far sales are 42% of the inventory for floor spaces sold. That compares to 65% for the same time prior to the RENO show. Atlanta we had sold 77% of the inventory. The group discussed the reasons for the down turn, which all agreed was primarily due to the state of the economy. HPBA is confident it will turn around, but we need to wait and see. He said usually by the end of October they can tell how the show will go.

Affiliate Excellence Program: Kirkpatrick said Steve Hall and Goldman have a new program called the Affiliate Excellence Program. Kirkpatrick said they have been meeting with affiliates. He also said Steve Hall wants to implement a community enrichment program where affiliates get involved with local charities. Frankel said he met with Don Kaiser, Steve Hall and Jack Goldman in Orlando. He said he told them that we have every intention of being independent and not getting “lumped in” with NWHPBA. They were surprised about our history and how we actually preceded HPBA. He said they think OHPBA is well managed and they consider us to be a premier affiliate. Frankel said he reviewed the Renewable Heating Symposium with the affiliate leaders and that was well received. Affiliates are considering similar programs though out the country.

Sanders asked if the idea that we become a new region, outside of Region 9 and perhaps include Idaho. We need to discuss that first among ourselves. Sanders said Idaho and Oregon have more in common than with Washington. Kirkpatrick said Montana works well with NWHPBA. We would gain a few members but we would need to take on the logistic expense of dealing with their legislative issues. Frankel said at the national level there was some discussion of combining affiliates (one absorbing another).

Government Affairs: There is an upcoming meeting on the NSPS. Kirkpatrick said the standard will be much lower, more in the 2 grams per hour range. He said the standard is based on the current upper 20% of the products. Kirkpatrick said there will be a three year program for implementation. EPA may also have standards for CO2 and other gasses. They will close the loopholes for exempted products.

### ***B. Breakfast Meetings, Marketing Committee***

Membership Breakfast Meetings: Tony DiDomenico said we will discuss the federal tax credits and what it means to dealers at the September meeting. The October and November meetings membership meetings will be an NFI course (to be held at Lucky Distributing) and the committee is looking at the Hearth 101 for Sales and Customer Service with topics like getting referrals and meeting customer’s needs. In December Harvey will do a presentation on the heat smart bill and the impact on dealers. DiDomenico asked people to let us know if they have any ideas for meeting topics. Frankel suggested we get someone to come in and take about inspections and codes. We could get someone from the codes department.

Website sponsorship: The other discussion is based on the website sponsorship. The committee is making calls to manufacturers.

Membership Recruitment: DiDomenico said the committee will embark on a call down day. We will take the most successful part of the program, which was making the calls as a group. We will do that again in October.

Promoting the Federal Biomass Tax Credit: It was suggested we produce a poster. Sue Chulos said one of our members did a TV commercial. Kirkpatrick said he can produce a paper that has Q and A about what it covers. We need to address the gray areas. Stores need to be careful that they cover themselves from a liability standpoint. DiDomenico said there is some confusion from consumers. He said people know about the tax credit, and they do, but they don’t know about the specifics. They are confused because

there are so many tax credits. Sue said people they asked had no idea about tax credit. Kirkpatrick said the tax credit will sunset at the end of 2010. In his experience, the impact of that tax credit is hit and miss. He said the impact is largely on upselling accessories. Daniel Bonham said the tax credit is an opportunity to close sales, which has been very helpful.

### **C. Government Affairs**

Gail described the Heat Smart Bill. He said it has passed and was signed by the governor. The next step is administrative rulemaking hearings, so we need to monitor that process.

## **7. Director Reports**

### *A. Central Oregon*

Roger Sanders said there gas stoves sales are very slow and the only thing selling are wood stoves.

### *B. Western Oregon*

Warren Hench said things have been slow down in his area (Eugene). However, now that he is back after being gone a while the service work is starting to pick up a little bit. But everything has been slow generally.

### *C. Eastern Oregon*

Daniel Bonham said sales have started to pick up, which is encouraging. The higher end spas are starting to move again. He said the tax credit is a good way to guide a sale close. He said we need to raise awareness on the tax credit. He does not think there have been any mention of the credit. A free media blitz would be a great idea. He said they are encouraged.

### *D. Southern Oregon*

Mike Kohn said the hot temperatures aren't helping sales, but he is getting a lot of phone calls. He said people have heard about tax credit.

### *E. Utility Report*

Frankel said the gas utility will make an announcement in early September about the annual price rate adjustment. He said commercial and industrial use of natural gas is low nationwide because of the economy. Lower demand has caused the commodity price of natural gas to fall. The result will be a likely rate decrease for consumers. He said consumers could see a discount of 15 to 20%.

## **8. New Business**

### *A. Joint Meeting with NWHPBA and BC Canada HPBA Chapter*

Kirkpatrick brought the annual meeting for Region 9. He said NWHPBA was approached by the BC Canada Chapter (of HPBA Canada) to have a joint meeting. He said we had a conversation about this several years ago, but at that time we had decided not to join forces. He said the BC Canada Chapter has expressed interest in holding a meeting in Washington State in Bellingham at a resort. The NWHPBA board tentatively approved going in on it. Sanders felt OHPBA's involvement would not have a great

impact on attendance, but others expressed that since EXPO is on the East Coast this could be viewed as a less expensive alternative. Frankel said we might need to run it through National because is it having two affiliates having a joint meeting and there are policies regarding trade show type events in the affiliate agreement that need to be followed. Frankel said he will form a committee to work with NWHPBA and BC Canada Chapter on the event. All agreed the event needs to be revenue positive. We need to do a burn area. Frankel will call the President of NWHPBA to let them know we are interested.

*B. Request from Interior Designer Magazine*

Linda Ommen said she got a request from a magazine to provide sales data on fireplaces. Frankel said he got the request also, and recommended to them that they look at the HPBA website. Frankel said he told them they weren't going to get regional sales data because HPBA has protective laws about distributing regional data. They will only get general information.

**9. Next Meeting**

The group agreed the next meeting should be a teleconference since they are less expensive than in person meetings. So, the group set the next meeting for November, 20 at 8 am, a half hour earlier to accommodate stores that open at 10 am.

**10. Adjournment**

With no further business, a motion was made to adjourn the meeting at 10:36 am.

**PASSED**

*Motion to adjourn the meeting. MM F. Kirkpatrick; MS R. Sanders. Motion carried.*

*Minutes taken by Harvey Gail, Executive Director.*