

The Retail Observer

February, 2012

AN EYE ON THE INDUSTRY SINCE 1970

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**2012 INTERNATIONAL
CES** GROWS, EXCITES
AND CATALYZES

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WHAT'S HOT!
NEW PRODUCTS—2012

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CLEAN DISHES START BETTER PA



New Maytag brand dishwashers are engineered to handle tough jobs with powerful cleaning features and a 10-year limited parts warranty.* The motor is tested to twice the average dishwasher life** and the stainless steel chopper eliminates the need for pre-rinsing by pulverizing food to prevent specks on dishes.

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Simplifying Our Lives is Still on the Horizon

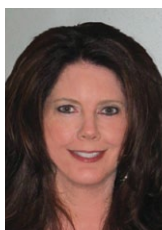
This is a fantastic time to be involved in the Consumer Electronics and Appliance industries. With the introduction of new technologies at the recent CES show, it is easy to see that we are one step closer to simplifying our lives and truly realizing a connected home.

As I wandered through the huge exhibit halls full of ultrabooks, smartphones, superslim TVs and 3D entertainment, I watched new connected technology demonstrated in front of captivated audiences. I also noticed that there were more health and fitness products on display this year, many of which are geared toward the aging Baby Boomer generation. One exhibitor, Sonamba, explains that many caretakers will be looking for technology to keep their aging parents independent longer while being able to easily communicate with them when needed.

The new connectivity era will not only improve the lives of Baby Boomers but for us all, by taking care of those mundane tasks that we often don't have time to stay on top of. Just imagine, coming home from a long vacation, turning on your television or iPad2 and being asked whether or not you would like to automatically download the photos from your cell phone or camera. Just like that, the connected system detects new photos, uploads and stores them, then shares your memories for you on Facebook. No more finding the time to look for that special cord that connects your camera to your laptop or dealing with lost photos due to a damaged SD card. Just instant, stress-free enjoyment of cherished moments on hand whenever you want and wherever you need them.

Of course the connected home will go beyond transforming our family rooms or entertainment centers. We were introduced to many smart appliances at CES too that can talk to connected systems and smartphones to tell us when we need more milk or when to get the appliance serviced. In the Industry News section of this issue, we can also see this convergence in technologies taking place in newly introduced smart appliances from Samsung, GE, Haier and LG.

In the interview with Moe, Allison commented, "This is all nice but when is my microwave going to talk to me?" We still have a little ways to go before this smart technology will be easily accessible, available and understood in simple enough terms for the average consumer. But, we are close! As more and more companies begin to collaborate and merge ideas in venues like CES, we will begin to see a whole new world unfold before us. One that will blossom from the idea of breaking down walls and "connecting"—across industries, in our homes, with each other and the world.



The sooner the better,

Eliana Barriga

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The
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CELEBRATING OUR 23RD YEAR
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Modern Day Superheroes?

Most children want to grow up and be just like their favorite superhero and use all of their cool gadgets. Those hero's futuristic devices aren't available today, but the newest technology recently displayed at CES has made some of those childhood dreams a possible reality.

Dick Tracy and his wrist watch video phone with computer upgrade, camera ring and Magnetic Space Coupe made him one of my favorites. Since Dick Tracy was created in the 30's, many of his gadgets were developed and on the market but are already obsolete. Even some of our more current crime fighters like Batman and Batgirl would be envious of the products available to the average consumer today or in the not so near future.

GPS, smart phones, tablets and even robotics have made the common person a "Superhero" of sorts. We can start a washing machine from a mile away with just the touch of a button on our phones, we can send a robotic vacuum cleaner into any room of our house and not only clean but get a live video feed of where it's going and we can even move inanimate objects, like a ball, with our minds. As bizarre as some of this may sound, today's technology has made all of this and more a reality, but are we really ready for it?

As I wandered through the biggest CES to date, I saw holographic 3D projected displays from Korea that looked so real I was almost fooled and new home connectivity products that will make our busy lives so much simpler. I reflected on the time when induction cooking was first patented in the early 1900's and first real units were being produced in the 70's and now today are manufactured by every major appliance company. But it took nearly 30 years for the public to embrace this new technology. The progress we have made and opportunities for more are seemingly endless and I hope that for the consumers, retailers and manufacturers sake that it doesn't take that long to incorporate into the mainstream.

The children today seem to be the real technology buyer of the future. According to Advertising Age, children are starting out extremely early, "the sweet spots for majority-usage looks like this: mobile phone, age 11; smart phones, age 16; laptop/PC, age 4; digital camera, age 5." They even stated in their report that 25% of all mothers have let their toddlers use a mobile phone by age 2. Amazing, right? As for adults, ease of use of new technology and more affordable pricing is making it easier to incorporate these new products into our lives. Sooner than we think, we may all be even cooler than our childhood superheroes.



Happy Retailing,

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The RetailObserver

FEBRUARY 2012

VOLUME 23, ISSUE 2

CELEBRATING OUR 23RD YEAR
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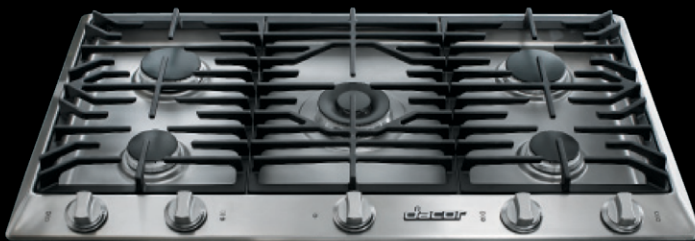
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2012 International CES Grows Excites & Catalyzes

MORE THAN 3,100 EXHIBITORS ACROSS
1.861 MILLION NET SQUARE FEET OF
EXHIBIT SPACE – DRAWING MORE THAN
153,000 ATTENDEES, INCLUDING MORE
THAN 34,000 INTERNATIONAL ATTENDEES

The 2012 International CES was the largest in the event's 44-year history, with a record number of more than 3,100 exhibitors across the largest show floor in CES history—1.861 million net square feet of exhibit space—and drawing a record of more than 153,000 attendees, including more than 34,000 international attendees. More than 20,000 new products were launched at the 2012 CES, which also featured top executives participating in keynote sessions, including those from Qualcomm, Mercedes, Wal-Mart, Intel, Ford, Verizon, Unilver, Ford, eBay, GE, Google and Facebook. Executive delegations from thousands of global companies, from Apple to Zeo, attended the 2012 CES to meet with current and future customers.

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2012 KEYNOTES SESSION

Keynote address by Ericsson's Hans Vestberg, the Innovation Power Panel with leaders from Ford, Verizon and Xerox, a Brand keynote from executives from AT&T, Walmart, Facebook and GE, an LIT keynote from eBay's John Donohue and a keynote from YouTube's Robert Kyncl were highlights of the 2012 International CES®.

The Innovation Power Panel featured Ford president and CEO Alan Mulally, Xerox chairman and CEO Ursula Burns and Verizon Enterprise Solutions President John Stratton. The panelists discussed how innovation must be a strategy for their respective companies and for the United States. The conversation centered on how to stimulate innovation through investment and employment.

In his 2012 CES keynote, Hans Vestberg, president and CEO of Ericsson, discussed "The Networked Society" connecting everyone and everything through mobility. "We have a responsibility to build networks that can carry innovation," said Vestberg. Ericsson predicts there will be 50 billion connected devices worldwide by 2020.

The CES Brand keynote panel featured the marketing minds of the world's top brands. The retail and branding effects of social media, healthcare-related technologies, connectivity and the explosion of wireless were all discussed during the session. The panelists agreed that people are becoming more connected to their devices, and because of this, to each other. "Our core belief is that the entire web is being rebuilt around people," said Facebook's Vice President of Global Marketing Solutions Carolyn Everson.

In an afternoon SuperSession with CEA president and CEO Gary Shapiro, FCC Chairman Julius Genachowski stressed the importance of broadband, particularly wireless, in the future of consumer electronics. "The demand for spectrum has grown because people love these products," said Genachowski, stressing the need for Congress to pass incentive spectrum auction legislation. "We need to get it done now."

After touring the show floor, Genachowski noted the "endless rows of innovative new products," addressing fitness, education and healthcare, among

other purposes. The session also covered net neutrality, antitrust issues and Genachowski's broadband-driven agenda at the FCC.

The SuperSession with Brian Dunn, CEO of Best Buy, and CEA's Shapiro talked about hot selling products this holiday season and the retailer's strategy. "We'll have more doors and less square footage," Dunn told Shapiro in a question and answer session. "Stores have an important place in the ecosystem." When it comes to product trends, Dunn expects tablets and smartphones to stay hot while he opined that it was the "best time in the history of man to buy a TV."

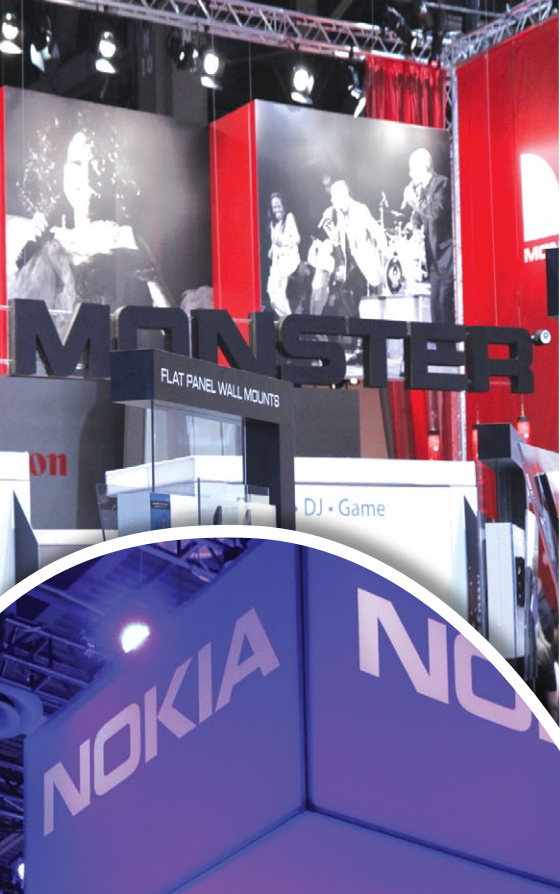
Bringing the digital lifestyle safely into the car was the main topic at SuperSession, "Connect2Car: Connecting Automotive and Consumer Electronics Lifestyles." Several main trends were discussed including, driving green, driving connected, driving safe and driving cool. The panel agreed that collaboration is the key, when integrating apps and other technology into the car.

The Verge's Joshua Topolsky moderated an "Argue the Future" SuperSession that featured Drew Bamford of HTC, Ryan Bidan of Samsung, Nilay Patel of The Verge and Aaron Woodman of Microsoft. The participants debated the challenges of differentiation versus commodization, the goal of launching less phones but more consumer choice, perhaps by offering hardware customization options, and the best ways to curate and deliver personal content to the cloud.

John Donahoe, president and CEO of eBay, delivered the keynote address at the Leaders in Technology (LIT) dinner. Donahoe discussed how the intersection of technology and retail is having a profound impact on consumers' shopping experience and predicted that the next three years of "shopping and paying" will see more profound change than what we've seen over the past 10-15 years.

A keynote from Robert Kyncl, vice president of Global Content Partnerships, YouTube. Kyncl described how content, distribution and marketing of video have come together to make it a transformative and accessible viewing option around the world. According to Kyncl, by 2020, 75 percent of all channels will be transmitted or

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Vent-A-Hood – The E-Z Clean Tray

Family owned and operated more than 78 years, Vent-A-Hood has maintained its specialization and focus on home cooking kitchen ventilation. Vent-A-Hood is the nation's oldest manufacturer of home cooking ventilation and range hoods, a pioneering fact that shines through with each product. With every hood made in the USA, Vent-A-Hood has maintained a commitment to excellence in the range hood industry.

Vent-A-Hood takes pride in doing what it does best. Throughout the decades, the company's range hoods have been a constant focus of form and function, delivering the finest in the ventilation industry. By concentrating solely on range hoods, Vent-A-Hood offers time-tested ventilation technology and low maintenance systems at fair market value. It is this commitment to quality range hoods that has brought about 78 years of satisfied customers and maintenance-free products.

Vent-A-Hood has developed an excellent reputation throughout the ventilation industry by offering a top quality "in stock" range hood, as well as handmade craftsmanship in their "custom" hood series. Each ventilation system manufactured by Vent-A-Hood is individually engineered for performance in addition to style. Company longevity and product quality have given the name Vent-A-Hood instant product recognition. Vent-A-Hood has experienced steady and consistent growth throughout its history and continues to have growth potential. Vent-A-Hood products are sold in all fifty states, as well as Canada.

Every range hood comes with the award-winning Magic Lung, the Vent-A-Hood patented centrifugal blower system, which traps all cooking contaminants, liquefies grease vapor and removes heat-polluted air. It is available in 300-1200 CFMs of air movement, is easy to clean and is fire safe. Vent-A-Hood also offers a performance guarantee to reassure its customers: if a Vent-A-Hood range hood, properly specified and installed, fails to perform to the satisfaction of the end user within 90 days of installation, Vent-A-Hood will refund the purchase price of the range hood.

Vent-A-Hood range hood designs bring a wide world of options to the customer, while maintaining quality and excellence through its performance guarantee and the first rate Vent-A-Hood Magic Lung blower as the heart of the system. The patented Magic Lung blower system sets Vent-A-Hood apart, and provides the quietest ventilation available. Vent-A-Hood halogen lights also feature SensaSource. With SensaSource, when full blower power is not needed the blower speed can be lowered for even quieter operation. Proven to be the quietest products in the industry by an independent test conducted alongside leading range hood brands, now Vent-A-Hood range hoods are also the easiest to clean with the E-Z Clean tray.

For those who enjoy cooking but hate the clean-up, the E-Z Clean tray from Vent-A-Hood is the answer. Now standard with all Magic Lung products, customers rave about the E-Z Clean tray's enhanced simplicity, low maintenance and sleek design. As easy as cleaning a dish, the E-Z Clean tray does the trick. The sliding tray is placed below the patented Magic Lung blower system to effortlessly eliminate stubborn cooking grease for peak performance. The popular E-Z Clean tray banishes tough cooking grease and keeps range hoods sparkling. The collection tray traps grease for easy cleaning. Just slide the tray out for a quick wipe, or let the dishwasher take care of it. No more scrubbing hardened grease, happy customers save time and energy with an investment in Vent-A-Hood.

The E-Z Clean tray's popularity makes the avid homeowner's wish come true. And the whisper-quiet technology makes conversation in the kitchen a pleasure with a range hood that is 40 percent quieter than other brands. The Vent-A-Hood difference is all you need. Make an informed choice for your kitchen ventilation and invest in a truly easy clean. Experience engineering excellence and ask a certified Vent-A-Hood distributor about the E-Z Clean tray today. Call 1-800-331-2492 or visit our website at www.ventahood.com/buildspecs/dealers/search/ to find your local Vent-A-Hood dealer. **RO**

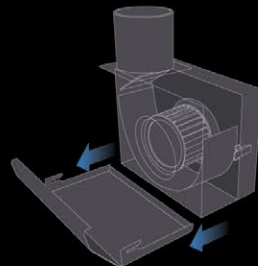
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FEATURED THIS MONTH: CES



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Book Review

Conversion: The Last Great Retail Metric

Same-store sales are looking a little flat and you need to find ways to deliver better results. There's still a scent of the financial melt-down lingering, but you survived that crisis and it's time to start getting the sales needle to move in a positive direction.

To a great extent retail sales has been a two-trick pony: drive more prospect traffic and increase average ticket. Driving more prospects into your stores usually requires an advertising or promotional investment of some kind, and increasing average ticket, well let's just say that most retailers have been and continue to focus on this one—but what about conversion rate? Driving conversion rate is the third trick every retailer needs to learn—it's another source of sales opportunity that most retailers today completely overlook.

First, you need to actually track prospect traffic. This is not the same as transaction counts. Lots of retailers are confused about this. Transaction counts represent the number of people who made a purchase; traffic counts represent the total number of people who came to the store including buyers and non-buyers. Conversion rate is simply calculated by dividing sales transactions by gross traffic counts. For example, if you logged 500 traffic counts in your store and there were 200 sales transactions for the day, your conversion rate would be 40% (i.e. 200/500).

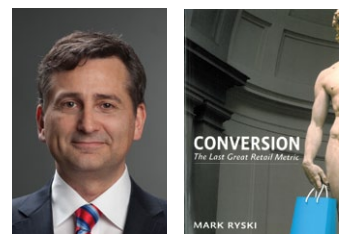
The fact is, if you don't track traffic in your stores, you can't calculate conversion rate. If you can't calculate conversion rate, well, you can't improve it. So for the roughly 35% of retailers who actually track traffic and conversion rates, here are five ways you can improve conversion rates in your stores.

Key topics in this book include:

- Understanding why people don't buy
- Aligning your staff to traffic not transactions
- Looking for conversion leaks and plug the holes
- Setting conversion targets by store
- Making conversion a team sport

Everyday prospects visit your stores with the intent to buy, but leave without making a purchase. Getting your store to capture even a few more of these lost sales can have a significant impact on overall sales results. The retailers who are focused on driving conversion rate have a significant advantage over those who do not. **RO**

Author: Mark Ryski is the founder and CEO of HeadCount, a leading analytics firm specializing in store traffic and conversion serving retailers across North America. He is also the author of Conversion: The Last Great Retail Metric and When Retail Customers Count. For more information, visit www.headcount.com. Publisher: Author House



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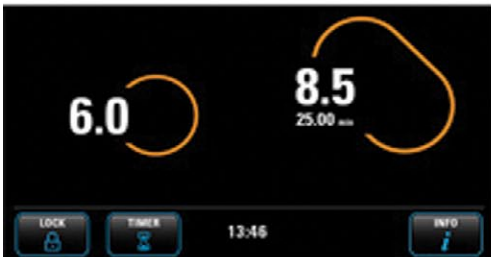
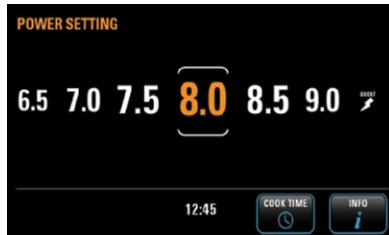
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Thermador®



THERMADOR FREEDOM® INDUCTION COOKTOP—A GLIMPSE OF THE FUTURE

Luxury kitchen appliance pioneer shows the next evolution in flexible home cooking with full-surface induction and natural-mapping user interface.

Thermador the luxury appliance brand that pioneered the world's first wall ovens and gas cooktops for the American kitchen, introduces its latest kitchen advancement that will again enable the culinary enthusiast to cook beyond convention — the Thermador Freedom® Induction Cooktop.

The new Freedom cooktop is the first full-surface induction appliance with the flexibility of a natural-mapping user interface that intelligently recognizes cookware size, shape and position to deliver heat without boundaries.

The Thermador Freedom Induction Cooktop was demonstrated for the first time at the CES Unveiled: The Official Press Event of the International CES held at The Venetian in Las Vegas.

“Induction is perhaps the most revolutionary cooking technology. Thermador takes induction cooking to the next level by answering two questions with the new Freedom Induction Cooktop: what if you could place cookware

anywhere on the cooktop? And, what if you can use cookware of any size and shape on the cooktop?” said Zach Elkin, Thermador director of brand marketing. “Thermador’s industrial designers and engineers imagined what was possible and they’ve delivered the world’s first induction appliance to eliminate conventional burners and instead offer one limitless cooking surface with an intuitive touchscreen interface.”

The Freedom Induction Cooktop offers all of the benefits of traditional induction technology: instantaneous and precise temperature control, making it as responsive as gas; safer cooking, as the surface stays cool to the touch; and easier cleaning with its smooth and flush surface. At the same time, Thermador’s new cooktop enables home cooks to place their cookware anywhere on the cooking surface, including specially shaped cookware such as griddles and oval-shaped pans.

The natural-mapping user interface of the Thermador cooktop empowers home cooks to move their cookware around during the cooking process, which is especially helpful as they add and remove different dishes during meal preparation — such as sauces, boiling water, and sautéing— so there are no limits on where to place the cookware.

With more than 30 international patents, the Thermador

Freedom Induction Cooktop is built with 48 individual 3-inch induction heating elements below the surface of the appliance. This translates to a 63-percent more effective cooking area on the surface by eliminating the conventional standard of predefined elements. Additional product highlights include:


- A 6.5-inch, full-color touchscreen display that recognizes pot shape, size, and controls power setting and cooking time
- Surface area to accommodate a 21-inch x 13-inch pan with the largest cooking surface in the industry
- A range of 4,600-watt maximum power output with Boost feature and 15-watt minimum power output

The Thermador Freedom Induction Cooktop surface is made from transparent ceramic glass, which allows for the integration of the color touchscreen. In addition to the touchscreen interface showing the position of all cookware on the cooking surface, the touchscreen also performs live updates as cookware is moved to a different position, giving the home cook an intuitive cooking experience.

For more information, visit www.thermador.com or follow us on Facebook and Twitter at www.facebook.com/thermador and @ThermadorHome.

SAMSUNG SHOWCASES ITS KITCHEN SMARTS AND INNOVATIONS AT 2012 INTERNATIONAL CONSUMER ELECTRONICS SHOW

NEW APP FOR INDUSTRY-LEADING REFRIGERATOR, ECO-EFFICIENT FEATURES ON OTR MICROWAVE, AND NEW VERSION OF FLEX DUO OVEN LEAD THE LIST OF INNOVATIONS

 Samsung Electronics Co., Ltd, a global leader in digital media and digital convergence technologies, announced today new innovations and extensions to its expanding line-up of smart kitchen appliances.

From new enhancements for its LCD Refrigerator with apps, to an energy-efficient Over the Range microwave oven that will perform quadruple duty for busy cooks, to a new version of the popular Flex Duo Oven, Samsung's smart kitchen offerings will deliver more organization, efficiency and convenience than ever.

“When it comes to appliances in the kitchen, Samsung is only getting smarter. We’re listening closely to consumers and

building on our recent new product successes with new improvements that busy moms want,” said Kevin Dexter, senior vice president of home appliance sales and marketing, Samsung Electronics America.

FOR LCD REFRIGERATOR WITH APPS, NEW WAYS TO CONNECT AND ORGANIZE

Samsung is expanding the offerings on its LCD Refrigerators with apps by introducing a new much-requested option – the Grocery Manager – to the four-door French Door RF4289 and side-by-side RSG309 models. This app will be featured on the refrigerators’ 8” Wi-Fi enabled LCD color touch screen and will allow consumers to track the expiration time of perishables. They can even set convenient reminders to use the food, minimizing spoilage. Upgrades will also take place to existing apps such as a new look for the memo app and direct access to the calendar to create new appointments from the homescreen.

| *continued on page 18* |



The refrigerators also feature food storage options to keep families organized, like the customizable counter-height FlexZone™ drawer that is easily accessible to children and includes four temperature setting options—Meat and Fish (29°F), Cold Drinks (33°F), Deli/Snacks (37°F) and Wine/Party Dishes (42°F). They also help keep produce fresher and longer with the Twin Cooling Plus® System which uses separate cooling systems in the refrigerator and freezer to regulate temperature and humidity.

ECO-EFFICIENT MICROWAVE COOKING

Samsung's new Over the Range (OTR) Microwave Oven (SMH2117S) is a premium OTR that features a unique stylish design with convenient bottom controls. A 2012 CES Innovations Award winner in the eco-design category, the large 2.1 cu. ft. capacity OTR features an LED cook top light that reduces the time, effort and cost of a replacement while still offering top-of-the-line illumination on the cooking surface below, as well as an Eco Mode feature that reduces phantom power. When not in use, the range helps consumers save time and money.

In addition, the OTR features a ceramic enamel interior that's easy to clean and keeps a level of sanitary cooking that consumers want and demand. Only Samsung uses this kind of high quality ceramic enamel, which is traditionally found in a standard oven or range.

FLEXIBLE COOKING TO PREPARE ANY DISH

In 2012, Samsung combines the flexibility and convenience of the popular Flex Duo Oven with an Induction cook top (NE599N1). With the Flex Duo Oven, families will benefit from being able to prepare meals more efficiently with the full large 5.9 inch cu. ft. oven that, with the aid of an easy-to-use Smart Divider, splits into two separate cavities – 2.6 cu. ft. and 3.1 cu. ft. This gives cooks the option of preparing either two dishes at two different temperatures with no noticeable mixing of aromas or tastes, or one larger dish. When the Smart Divider is removed and the Flex Duo Oven operates as one 5.9 cu. ft. oven, its size is significantly larger than that of the larger cavity of a typical standard double oven, which often measures 4.2 cu. ft.

With an induction cook top, families can heat food faster and more efficiently than gas or electric. Induction uses magnetism to heat cookware directly while the cook top stays cool. This cook top also features Samsung's Flex Cookzone™ which allows for multiple pan configurations or use of a large pot or griddle that would normally not fit on

a standard sized heating element. The new model will be available in Summer 2012.

Check out Samsung on Facebook at www.facebook.com/samsunghomeappliances.

THE HAIER COOKING LINE **Haier**



30" ELECTRIC DOUBLE WALL OVEN — HBED807SDSS

Two extra-large ovens provide the capacity and flexibility to handle the demands of even the biggest, multi-course meals. Upper and Lower ovens feature separate temperature controls and an innovative dual-fan convection system that distributes warm air throughout the cavity for superior cooking results in less time. Control Lock-out features that allow you to independently lock-out the controls or the oven doors ,

plus our innovative Cool-Touch doors that feature a fourth pane of glass, provide enhanced safety around small children. Intuitive glass touch controls with 10 cooking functions wipe clean easily and allow you to conveniently select the preset temperature or customize to fit your cooking needs.

FEATURES:

- Extra-large 8.6 cu ft capacity (4.3 cu ft for single) with hidden bake
- Dual fan True European Convection
- Intuitive, glass-touch electronic controls with blue VFD display
- Self-Clean with automatic door latch
- Electronic temperature regulation
- 10 available cooking functions
- Cool-Touch door
- Preset/Last used temperature memory
- Preheat bar (25%, 50%, 75%, 100%)
- Automatic Fast Preheat
- Keyboard Lock
- Child door lock
- Sabbath mode

| *continued on page 20* |



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BG-6000FFC FULL-FLOW CARTRIDGE

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- NSF 53: Cysts, Lead, Benzene, P-dibromobenzene, Toxaphene.
- Flow Rate = 2.5 GPM
- Rated Capacity = 6,000 Gallons

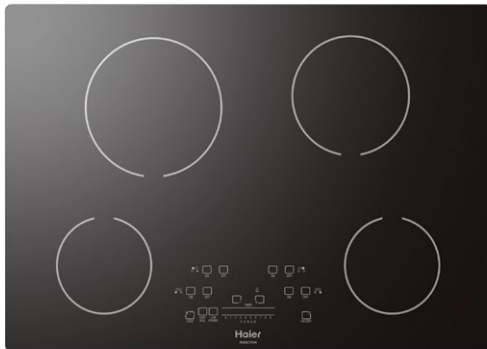
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**30" INDUCTION COOKTOP —
HCI930SDSS**

This innovative technology provides the superior performance and control of gas with the clean-ability of a radiant smooth-top. Induction transfers nearly all of the energy directly to the pan, which allows faster boiling times and ultimate control.

Amazingly, you can boil water and touch the cooking surface seconds later. All elements are controlled by electronic controls and pan sensing so elements will never heat up unintentionally. Once cooking is completed, clean-up is quick and easy.

Power boost allows you to increase output power 30-55% when speed is of the essence. Ultimate flexibility; every element is equipped with Power boost for power boiling yet can also handle the most delicate tasks such as melting chocolate. 4-function timer helps keep you on task in the kitchen.

FEATURES:

- Slide touch control for power setting
- Low temperature electronic control for delicate cooking
- Command Lock
- Booster/Fast boil function
- Hot Surface indicator and residual heat indicator
- Timer display with 4 timer functions and acoustic buzzer
- Front Left Zone - Size 6" Power 1200W / Boost 1600W
- Rear Left Zone - Size 8" Power 2200W / Boost 3000W
- Rear Right Zone - Size 7" Power 1800W / Boost 2800W
- Front Right Zone - Size 6" Power 1200W / Boost 1600W
- Special feature: Pan Detection System



**30" FREESTANDING GAS RANGE—
HGRP875SDSS**

Features an extremely spacious 5.6 cu. ft. oven cavity, one of the industry's largest. True European convection circulates warm air throughout the cavity for superior cooking results in less time. A powerful 18,000 burner for power boiling also has gentle simmer capability for delicate tasks such as melting chocolate. The center oval burner provides a fifth burner for added flexibility and accommodates larger cookware. Deep recessed cooktop and sealed burners contain spills and make cleanup easy.

| *continued on page 22* |

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Daewoo Top Mount
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FEATURES:

- 5.6 cu ft, Self-Clean Oven
- True European Convection
- 5-burner Deep Drawn Cooktop
- Cast-Iron, Continuous Grates
- 18,000 BTU Dual Stack Burner
- Available colors: White, Black, Stainless



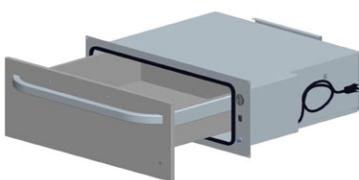
30" FREESTANDING ELECTRIC RANGE — HREP755SDSS

Features an extremely large 5.7 cu. ft. oven cavity. True European convection circulates warm air throughout the cavity for superior cooking results in less time. Two expandable burners (dual 6"/9" and triple 6"/9"/12") provide ultimate flexibility that allows the burner size to

be customized to the perfect size for every pot. The warming zone provides a fifth element for keeping your food just the right temperature once the cooking is finished.

FEATURES:

- 5.7 cu ft, Self-Clean Oven
- True European Convection
- Expandable 12"/9"/6" Burner
- Available colors: White, Black, Stainless



30" WARMING DRAWER — HDW530SDSS

For those that entertain or need to keep food warm throughout an evening's meal, then a

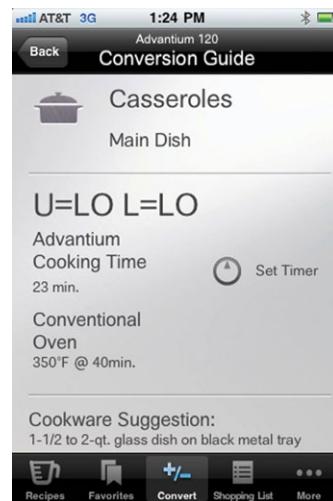
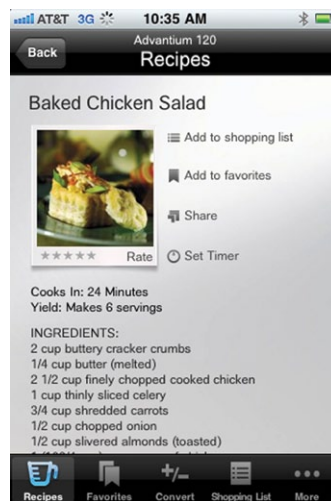
warming drawer is a must. Variable temperature settings allow you to maintain your food at serving temperature while humidity controls ensure crispy foods stay crisp and moist foods do not dry out.

"On" indicator light illuminates when your warming drawer is operating or can serve as a reminder to turn off the unit.

FEATURES:

- 3-Warming Levels
- Humidity Control for Crisp or Moist Warming

- "On" Indicator Light
 - Available colors: White, Black, Stainless
- For more information, visit www.haieramerica.com.



PLANNING MEALS IS A SNAP WITH GE'S ADVANTIUM® IPHONE® APP



The GE Advantium oven cooks foods up to eight times faster than a conventional oven. With the new Advantium app, the home cook now has a convenient, easy-to-use reference guide at his or her fingertips.

You might not think of an iPhone® as an indispensable item in the kitchen. Imagine, though, having recipes, shopping lists and instructions on using your GE Advantium® Speedcook oven on your mobile device, without having to consult a cookbook, computer or user's manual.

"At GE, we know that users want information at their fingertips, and in the kitchen that's best accomplished with a mobile device," said Irene Newsom, GE's program manager for the new application. "We've looked at all the valuable tools that members of our Advantium community have told us are important and put them in an easy-to-use interface so that our users can find out anything they need to know on their iPhone."

INTERACT INSTANTLY WITH YOUR IPHONE

Consumers who purchase a GE Advantium oven have their own online community, where they share and rate recipes and save their favorites in their recipe box. And the iPhone app from GE makes it simple to interact with others or just show off a beautiful casserole right out of the oven. | *continued on page 24* |

DISCOVER

REFRIGERATOR INNOVATION

SAMSUNG



Refrigerators



Dishwashers



Washers & Dryers



Microwaves



Samsung Model # RF426HARU

America's Top Selling Refrigerator Meets the Internet.

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Twin Cooling Plus® System Keeps Food Fresh Longer

- Innovative system separates airflow from the refrigerator and freezer to improve freshness

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Using the iPhone camera, consumers can take a photo and post it to the Advantium website. The app also makes sharing on social media sites, such as Facebook and Twitter, a snap. "People can take photos of their dishes and add them to the Advantium community recipe library," said Newsom. "It's really fun to share the results when you've done something great in the kitchen."

For more information about the Advantium community, check out the Advantium Facebook page.

**Requirements: Compatible with iPhone, iPod touch and iPad. Requires iOS 4.3 or later.*

TOP KNOBS UNITES KITCHEN DESIGN WITH NEW APPLIANCE PULL COLLECTION -

CREATING THE PERFECT OPENING EVERY TIME



Top Knobs, known for their exceptional kitchen and bath cabinet hardware, offers a stylish new collection of Appliance Pulls in 17 finishes, 24 styles and 8 lengths for limitless flexibility to integrate appliance cabinet

hardware with the rest of the kitchen.

"The trend to use integrated cabinetry doors for refrigerators, dishwashers and even laundry is still growing in kitchen design today," states David Tyler, VP of marketing for Top Knobs. "We've always offered a large collection of appliance pulls scattered throughout our lines, but now we've brought them together so that designers may more easily match appliance doors to the rest of the kitchen. With the extensive new Top Knobs Appliance Pull line, complete integration is now possible."

"Appliance pulls may also be placed on a large drawer versus two smaller handles. It's a cleaner look and functionally works better - especially for heavy pots and pans drawers. Designers have responded very positively to the new Appliance Collection," concludes Tyler.

All Top Knobs products come with a lifetime warranty.

Top Knobs proprietary sealed finish protects the handle finish even in wet areas near sinks and dishwashers. For more, www.TopKnobs.com.

VINOTEMP LAUNCHES TWO NEW, UNIQUE, AND PRACTICAL DUAL-ZONE WINE STORAGE OPTIONS

THE MODERN TWO DRAWER WINE AND BEVERAGE COOLER AND THE TRADITIONAL 18-BOTTLE CAVA WINE CELLAR OFFER WINE STORAGE OPTIONS TO SUIT DIFFERING STYLE AND STORAGE NEEDS



Vinotemp, a recognized leader in the wine storage and refrigeration industry for 25 years, has added two new, unique, and practical options to its extensive selection of wine coolers. Catering to varying customer style and storage

needs, Vinotemp's modern Two Drawer Wine and Beverage Cooler and the traditional 18-Bottle Cava Wine Cellar provide two easy-to-use, dual-zone, wine storage options.

"Vinotemp is committed to offering wine connoisseurs a wide variety of quality wine storage options," states India Hynes, president of Vinotemp International. "These two new coolers make great additions to our product offering because they are stylish, practical, and incredibly functional."

Featuring the ability to conveniently store wine as well as other beverages, in separate temperature zones (40-50° F and 50-66° F), Vinotemp's new Two



| continued on page 26 |

Wine is about an experience...

Vinotemp is looking for distributors who would like to offer a variety of products that attractively protect, store, and preserve that experience.



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Source Code RO 12-2011

Drawer Wine and Beverage Cooler is a practical solution to capacious refreshment storage needs. Stainless steel trim, door frames and handles coupled with mirrored drawer panels enhance this cooler's modern appeal. The pull-out drawers, along with metal shelving that extends in unique directions, make it simple to access and restock the cabinet.

The upper drawer can store 24, 12-ounce cans, while the lower drawer can preserve up to 12 bottles of wine. Interior blue LED light, independent temperature controls, and digital displays complete this cooler's sleek appearance. And, a front exhaust allows Vinotemp's Two Drawer Wine and Beverage Cooler (VT-DRAW2WBC) to be built-in or freestanding. The unit measures 23.2" W x 22.375" D x 33" H and is available for purchase through www.vinotemp.com.

For those that desire a more traditional approach to wine storage, Vinotemp's new 18-Bottle Cava Wine Cellar is the perfect solution. Complete with eco-friendly thermoelectric cooling technology, the Cava can stylishly store up to 18 bottles of wine in two temperature zones (48-53° F and 53-68° F). This sophisticated cellar's tasteful wood exterior and dark finish, along with its storage drawer and pull-out serving tray, make it a practical store-and-serve addition to any room of the home.

Available for freestanding installation, the Vinotemp Cava 18-Bottle Wine Cellar (VT-CAVA1) includes a thermal glass door, soft interior lighting, sliding metal shelves, and independent temperature control knobs. The unit measures 22" W x 21.625" D x 42.25" H and is available for purchase through www.vinotemp.com.



LG SMART APPLIANCES FOR 2012 DELIVER CONNECTIVITY, EFFICIENCY THROUGH SMART THINQ™ TECHNOLOGIES

DEVICE-TO-DEVICE CONNECTIVITY AND UNIQUE HOME ENERGY MANAGEMENT SYSTEM ENHANCE EFFICIENCY IN TIME, ENERGY AND COSTS



LG Electronics (LG) unveiled a new series of smart appliances at the 2012 International Consumer Electronics Show that reflect the company's vision for a more connected, eco-friendly lifestyle. Centered on LG's proprietary Smart ThinQ™ technology, LG's new smart appliances are equipped with innovative device-to-device connectivity features and the LG Home Energy Management System (HeMS), opening up a new | continued on page 28 |

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era in convenient and efficient home management.

“LG’s direction in smart appliance development has been in pursuing technological advancements that will make consumers’ lives more convenient and ultimately upgrade their quality of life,” said Moon-bum Shin, CEO of LG Electronics Home Appliance Company. “Device-to-device connectivity with smartphones and among LG appliances is a new and exciting way for us to realize this goal, helping consumers handle housework in a smarter manner by saving time, money and energy.”

LG has differentiated its smart appliances with its advanced and highly complementary technologies. These four core technologies – the Linear Compressor, the Inverter Direct Drive™, the Infrared Grill and the KOMPRESSOR® – enable superior performance. At the same time, Smart ThinQ™ technologies – Smart Manager, Smart Diagnosis™, Smart Access, Smart Adapt and Smart Grid – bring smart savings and enhanced convenience to consumers. Technology enthusiasts will notice that LG’s Smart ThinQ™ technologies have evolved considerably since their introduction at CES 2011. For example, LG’s smart refrigerators and smart washing machines are now connected to Smart TVs and smartphones, which enables convenient monitoring of the operational status of the two appliances.

DEVICE-TO-DEVICE CONNECTIVITY: BUILDING A SMARTER HOME

One of the most compelling features in this year’s LG smart appliances is enhanced device-to-device connectivity, which enables LG’s smart refrigerators and smart washing machines to be monitored from a Smart TV or smartphone. For instance, individuals can monitor the status of their laundry cycles from their TV screen without being physically present in the laundry room.

THE SMART REFRIGERATOR GETS SMARTER WITH THE ENHANCED SMART MANAGER

Built around the company’s signature Linear Compressor, which comes with a 10-year manufacturer’s limited warranty, LG’s flagship smart French-door refrigerator is equipped with a full range of Smart ThinQ™ technologies. Key among them is Smart Manager, which transforms the refrigerator into a complete food management system. Consumers can use the refrigerator’s LCD panel or their smartphones to check the food items stored inside, as well as their location and expiration date. Using the Smart Manager’s Freshness Tracker, users can also enter various food items, such as eggs, milk and vegetables, and check their suggested expiration dates. Additionally, the refrigerator recommends dishes that can be cooked using the ingredients available in the refrigerator.

There are multiple ways to record the food items stored in the refrigerator including selecting icons from the panel or using voice recognition technology. Additionally, grocery receipts can be scanned using smartphones, allowing the refrigerator to automatically download the food item list. Barcodes can also be scanned with smartphones to input food items.

Smart Shopping is another new aspect of the Smart Manager feature. It offers online grocery shopping directly from the refrigerator’s LCD panel or smartphone. A shopping list is created by selecting food items from the inventory, which will be loaded onto Smart Shopping by pressing the “Go Shopping” button. Consumers can purchase these food items from the refrigerator’s LCD

| continued on page 30 |

Ranked Highest in Customer Satisfaction.

Once again, J.D. Power and Associates has ranked Miele "Highest in Customer Satisfaction with Dishwashers".

Our new Futura dishwasher features a FlexiCare Basket System and intelligent sensor technology for a perfect clean and unmatched care.

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© 2011 Miele Inc. Miele received the highest numerical score for dishwashers in the proprietary J.D. Power and Associates 2011 Kitchen Appliance StudySM. Study based on 11,701 total responses measuring 18 brands and measures opinions of consumers who purchased refrigerators from a retail store or their new-home builder during the previous 24 months. Proprietary study results are based on experiences and perceptions of consumers surveyed in March-April 2011. Your experiences may vary. Visit jdpower.com

panel or smartphone, while items not on the list can be searched for and selected manually. These features eliminate the hassle of having to write down grocery shopping lists the old-fashioned way or the need to visit the grocery store, saving time and increasing convenience.

The Smart Manager also now includes LG's unique Health Manager feature, which recommends recipes and menus based on personal profiles that take into account factors such as an individual's age, gender, weight, height and Body Mass Index (BMI). The information is used to determine options that may be more suitable to the person's physical condition and might be particularly useful for consumers with medical conditions that require special diets, such as diabetes, high blood pressure or food allergies, and for those on a weight-loss program. The Health Manager even recommends daily or weekly meal plans based on personal profiles, while also providing recipes for each dish. Should consumers wish to cook a recommended dish, they can select the dish and press "Send to Oven," which sends the necessary information to a LG Smart Oven and automatically arranges the proper oven settings.

The Smart Access feature lets users check the status of their LG appliances via smartphones, regardless of their geographic location. For refrigerators, consumers can check food items that are running low in quantity while they are at a grocery store. That can help reduce accidental double purchases and save money on groceries.

Meanwhile, LG's Smart Diagnosis™ feature helps customer service representatives to quickly and efficiently troubleshoot mechanical issues. Once the consumer contacts the LG service center by phone, a technician will direct her to press the "Smart Diagnosis™" button, which then triggers a series of signals that the service center uses to determine the faults and errors and whether a service call is required. In addition, consumers can be directly alerted through their smartphones about minor issues, such as when the door is left open or the ice-maker is switched off.

The refrigerator is also Smart Grid-ready. As local utility companies begin offering Smart Grid-compatible, differentiated energy-rate time slots, the refrigerator will be able to automatically readjust its temperature and function settings to take advantage of optimum energy rates on a daily basis, offering a smart energy-saving solution. In addition to the Smart Grid-ready feature, LG's smart refrigerator also offers the "Night Saving Mode," which

reduces energy consumption for up to four hours at nighttime and a "Customize Saving Mode" that lowers energy use during periods pre-set by the user.

The smart refrigerator also offers useful and entertaining functions, such as access to digital photo albums, calendars, text memos and news reports. Additionally, a voice memo function is planned for the future.

A SMARTER OVEN FOR SMARTER COOKING

LG's Smart Oven comes equipped with a suite of Smart ThinQ features, including Smart Access, Smart Adapt and Smart Diagnosis™, which opens up a whole new array of smarter cooking

possibilities. Smart Access enables home chefs to monitor cooking settings, such as time and temperature, via their mobile devices. With Smart Adapt, users can send cooking time information by smartphone directly to the oven to make sumptuous dishes via the oven's auto-cooking function. Smart Diagnosis™ makes it easy to diagnose simple problems, using a smartphone application or through direct contact with the customer service center for quick and efficient diagnosis and troubleshooting.

The smart oven is also equipped with LG's unique Infrared Grill technology, a unique technology that helps cook food more efficiently and evenly. The Infrared Grill is another new way to enjoy convenient, gourmet cooking. The freestanding electric single oven is extremely large at 6.2 cubic feet, allowing consumers to cook large

dishes with ease, a welcome addition for holiday meal preparations and when entertaining for large groups.

A SMART WASHING MACHINE WITH WI-FI SMART DIAGNOSIS™

Another highlight at CES 2012 is LG's smart washing machine, which incorporates Smart Diagnosis™, Smart Access, Smart Adapt and Smart Grid-ready features. Smart Diagnosis™ has undergone an impressive upgrade for the smart washing machine, an effort which resulted this year in Wi-Fi Certification for a washing machine from the Wi-Fi Alliance. This addition enables LG's washer to self-diagnose its problems via Wi-Fi connection. Should a problem, such as a water input issue, occur with the washer, Wi-Fi Smart Diagnosis™ quickly and efficiently helps troubleshoot, limiting costly, inconvenient service calls and in-home visits. Also, a downloadable smartphone application | *continued on page 32* |



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alerts consumers about less significant problems, such as when the door is left open.

Like the refrigerator, the washing machine uses Smart Access to keep owners connected regardless of their location. Consumers no longer need to worry when leaving the house with the washer running as Smart Access makes it possible to monitor the overall operational status of the washer and dryer, such as the stage of operation and remaining time. Certain functions, such as changing the pre-programmed wash time or adding fabric softener, can be adjusted remotely controlled and pop-up messages on the smartphone signal when the wash cycle is finished. In addition, consumers can check the washing status from their living room through a Smart TV. Meanwhile, Smart Adapt makes it possible to download new washing cycle programs, such as Super Rinse and Baby Sanitize, through smartphones or the washing machine's LCD panel.

SMART HOM-BOT: A VACUUM AND SO MUCH MORE

The LG Smart HOM-BOT is a remotely controlled vacuum cleaner that uses the Smart Access feature to allow users to start their Smart HOM-BOT and monitor the vacuum's progress from remote locations. Techies will love its advanced control features, as the HOM-BOT can be steered via smartphones in a manner similar to a remote-control car. In turn, users can remotely roam their house while using the HOM-BOT's camera eye for navigation. Furthermore, while outside their homes, consumers can use a smartphone application to use their roving HOM-BOT to communicate with their family in any room.

In addition, the smart mapping navigation enabled by the robotic vacuum cleaner's triple eye camera helps LG's vacuum to clean smarter, faster and more efficiently. The Smart HOM-BOT is equipped with LG's innovative learning algorithm, which memorizes mapping information to calculate optimal paths for future cleaning sessions.

EXTENDING THE SMART CONCEPT FROM CONNECTIVITY TO TOTAL HOME MANAGEMENT

LG's new Home Energy Management System (HeMS) is an ultra-intelligent companion to the Smart Grid technology that helps manage smart appliances, lighting and HVAC in a more power-efficient manner. Through a smart meter, HeMS collects energy usage data throughout a home. Consumers can monitor the electricity usage of each smart appliance by the hour, day, month or year; the overall energy consumption in a home; and the resulting costs. The collected data can be viewed anytime, anywhere through PCs and smartphones. HeMS even suggests ways through which overall energy consumption can be reduced, enlightening

users with ways to save on their electricity bills, while doing their part in helping the environment.



CAPITAL COOKING BOOSTS DESIGN OPTIONS WITH COLOR

COLOR FINISHES NOW AVAILABLE FOR CULINARIAN, PRECISION AND MAESTRO PRODUCTS

Capital Cooking, known for power and performance in their cooking products, is enhancing design inspiration by expanding color finishes to new product lines. The Culinarian range has been available in a variety of color selections; but now color is available throughout other product lines. The standard palette includes 10 colors: black, cobalt blue, signal blue, flame red, wine red, ruby red, white, oyster white, pale green & yellow.

"Stainless steel is a timeless finish on any appliance, but we wanted to give our customers choice for their own unique environment. Color choices are proving popular on the Culinarian Series, and now our customers have the same options for Precision ranges and Maestro wall ovens," announced Surjit Kalsi, president and chairman of Capital Cooking. "The standard colors are a starting place, but by no means a limitation. Customers can choose any color outside of our standard palette to fulfill their vision. To prove that point, we recently shipped a lilac range!"

With the ability to personalize Capital ranges & wall ovens, the design opportunities increase. The range and/or oven can be used as a color anchor or an extension of a color theme. And customers are assured the same exacting for color matching as Capital insists on for performance features.

Stainless steel and color Culinarian, Precision & Maestro products are now being distributed throughout the United States and Canada and available to view and order at specialty retailers. **RO**





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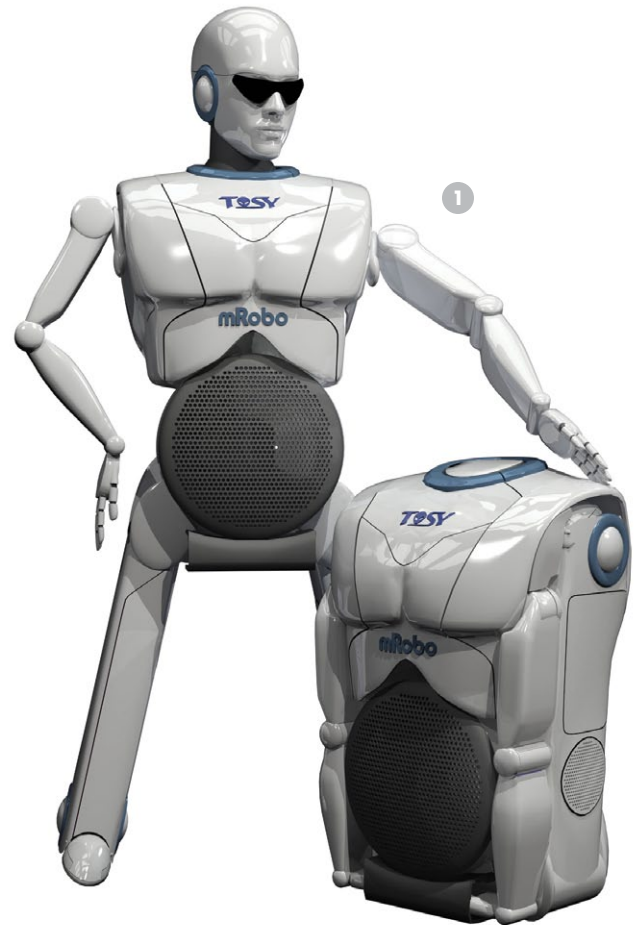
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CEA Donates \$75,000 to Local Las Vegas Sustainability Organizations

GREEN CHIPS AND REPURPOSE AMERICA WIN GRANTS
AS PART OF THE 2012 INTERNATIONAL CES

The Consumer Electronics Association (CEA)[®], owner and producer of the International CES, announced a total of \$75,000 in donations to Green Chips and Repurpose AMERICA, local Las Vegas nonprofit organizations advancing clean energy and minimizing waste.

“CES is committed to sustainability, and we are extremely proud that these donations will help the environment and the Las Vegas community through the efforts of Green Chips and Repurpose AMERICA,” said Gary Shapiro, president and CEO of CEA. “CES is a tremendously successful event thanks to the great people and facilities of Las Vegas, and we’re pleased to make this investment in sustainability to demonstrate our commitment to this great city.”

Green Chips, a local charity supporting sustainable initiatives including solar panel installations, plans to use its \$50,000 donation to help retrofit the Las Vegas Rescue Mission for solar panels. With more than 300 days of sunshine per year in Las Vegas, the Rescue Mission’s solar panels will significantly reduce its energy bills while using clean energy. Last year, with the assistance of a CEA donation, Green Chips helped with a solar panel installation at a local Salvation Army, leading to \$7,000 in projected annual energy savings.

“CEA’s generosity in making this award to Green Chips will make a lasting impact on the Las Vegas community for years to come,” said Green Chips Chair Cindy Ortega. “The promotion of social, economic and environmental sustainability efforts in Southern Nevada is the primary



GREEN CHIPS
ENVIRONMENTAL SUSTAINABILITY IN NEVADA



mission of Green Chips, and it aligns with CEA’s commitment to sustainability. We are honored to again be the recipient of this award, and to help ensure that its positive benefits on the community are maximized.”

In an unprecedented effort to minimize waste from the 2011 International CES, the world’s largest consumer technology show, CEA, Global Experience Specialists (GES) and Repurpose AMERICA collaborated to capture and reuse about 18,000 pounds of magnetic signs, nearly 15,000 square feet of banner signs and more than 150 foam boards.

This year at CES, CEA issued second life badge holders made from repurposed signs from last year’s CES, plus signs from other shows. The badge holders used nearly 24,000 square feet of repurposed vinyl signs.

CEA will be working again with Repurpose AMERICA and GES this year to maximize the reuse of show materials. As part of that effort, CEA has granted Repurpose AMERICA \$25,000 to take signs and other materials from CES to build shade structures at two local community centers.

“Repurposing signs from the biggest tradeshow in the Americas to help create much-needed shade structures at community institutions is an innovative sustainability solution that CEA and Repurpose AMERICA have pioneered,” said Zach Delbex, CEO of Repurpose AMERICA. “We are proud to continue working with CEA and are honored to accept this donation. It will make a difference in Las Vegas.”

For more information on the sustainability practices of the 2012 International CES please go to CESweb.org/green. **RO**



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The Future Looks...?

I wish I had a crystal ball. I'd shine it up and gaze into it to see what 2012 was going to look like in the industry.

I think Booz & Company summed up the outlook for next year very well "All retailers will have to be aggressive in seeking opportunities for top-line growth, while maintaining the strength of the bottom line by driving operational efficiencies." Translation: find more stuff to sell and keep costs down.

Let's look at some of the drivers shaping business.

The big story is the increase in online shopping—up as much as 15% from 2010. Low prices, no sales tax, free shipping and convenience were just too much for consumers to resist. I think the growth of cyber-shopping will continue, but there is good news on the horizon.

Amazon has negotiated a one-year stay on collecting sales tax in California. If no national policy is reached by July 1st, they will begin collecting it. Other states are bound to follow suit. In a significant turnaround, the Consumer Electronics Association has recently come out in favor of national legislation enforcing collection of local sales taxes on remote purchases. What amounts to an 8 – 10% price hike for remote retailers will send some buyers back into brick and mortar stores.

For whatever reason, Shoppers are comfortable making purchases from their home computers, but are more hesitant using their tablets and mobile phones to buy online. Mobile shoppers tend to buy digital products—like apps and music—on their phones and

tablets. "While the use of mobile devices is increasing, our survey results strongly indicate that mobile devices are currently much better for window shopping than for buying -- especially when it comes to consumer products," said Yung Trang, president, TechBargains. But still, IBM found that sales from mobile devices during Thanksgiving weekend reached an astonishing 9.8% of digital retail transactions, more than three times the 3.2% rate of the same time last year.

Progressive retailers are focused on social media to drive traffic to their stores and as a powerful new sales channel. Booz & Company predicts that although the current volume in social media is small, it will grow to \$30 billion by 2015. Although few retailers have stores on Twitter or Facebook—1-800 Flowers being one of the first—many are using it as a channel to connect with customers and improve customer intimacy.

But with all the hoopla, a majority of shoppers still make their purchases in stores. Sales of luxury goods are up substantially. Neiman Marcus, Burberry, Coach, Tiffany and Saks are all on fire according to Howard Davidowitz, chairman of Davidowitz & Associates, a retail consulting and investment banking firm in New York City. "The top 10 percent represent 35 percent of spending."

But according to Booz & Company's 2012 Retail Industry Perspective, "all of a retailer's efforts are ultimately directed to providing a shopping experience capable of attracting and retaining customers." A compelling

customer experience is what differentiates good retailers from their competitors. That experience includes a product selection that mirrors the needs of your target customer. Today's consumer appears to be buying from both ends of the spectrum—higher-priced, full featured products or commodity goods.

Store front, ambiance, cleanliness, lighting, store layout, merchandise presentation and employee appearance are like the first pages of a good novel—they engage the customer enough to get them into a conversation. Selling skills and product knowledge help prospects overcome price objections and keep them from going to competitors. Fair pricing, convenient delivery and finance options seal the deal.

So here's what I think will happen.

Consumers will focus on either price or full-featured products. Know your customers.

Online shopping will continue to grow. Update your website and include a shopping cart and product catalog.

Social Media will take off. Start connecting to customers and prospects on Twitter and FaceBook.

The customer experience rules. Give your customer a reason to come in and come back.

The future is...yours to create. **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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The screenshot shows the NKBA National Kitchen & Bath Association's Kitchen & Bath Industry Directory. The page features a search bar with a 'Designer' filter, a 'Search the Guide Basic Search' button, and options for 'Exact Phrase', 'All of the Words', and 'Company Name'. Below the search bar, there are filters for 'State/Province' (set to 07840) and '50 miles'. A sidebar on the left lists 'Featured Companies' including Stone Creek Builders, LLC, Mediterranean Tile & Marble, Mr. Steam, PMD Development, and Houzer, Inc. The main content area displays search results for 'Designers' with 35 companies listed, showing details like company names, addresses, phone numbers, and website links. A sidebar on the right lists product categories such as 'SHOWER PRODUCTS', 'FAUCETS & VALVES', 'SAFETY PRODUCTS', and 'HVAC COOLING SOLUTIONS'.

Designed by NKBA member Terri Schmidt

Irate Customers

LEARN HOW TO HANDLE THEM—AND LOOK LIKE A HERO

No matter how good you are at what you do, what business you are in, or where it is located, you will at some point find yourself facing an irate customer. Maybe a product was flawed, a delivery was late, or a charge was inaccurate. How you deal with that customer not only will determine how he or she feels about your organization, but how you feel about yourself.

Customers who have complaints are a blessing in disguise. They are letting you know where you and your organization have flaws—and providing you with the opportunity to correct them. When you do, you will realize increased customer loyalty, revenues, and profits. It's a win/win situation.

When you are able to turn an irate customer into a satisfied customer, you will gain confidence in your ability to diffuse a volatile situation and to evoke a positive outcome. You also will gain the respect of your coworkers, and you will get the attention of your supervisors. And, who knows, you might even get promoted.

When most people come in contact with an irate customer, their first instinct is to turn and run. Dealing with a customer who has a problem and is upset about it, can be more than a little daunting. With the proper perspective, however, you will see that the customer's complaint is actually an opportunity for you and your organization to put your best foot forward.

In a recent study of retail banks in the United Kingdom, conduct by J.D. Power and Associates, results found that while

incentives are important in attracting new customers, customer service is key to retaining those customers. Almost 40 percent of customers left their banks because of a poor service experience, and an additional 43 percent cited poor service as a top reasons for intending to leave their banks.

Customer service is key to success of any business. And dealing with irate customers and solving their problems is a critical element of that service. When dealing with an irate customer, take these steps:

1. **Listen carefully** and with interest to what the customer is telling you.
2. **Apologize without laying blame**, regardless of who is at fault.
3. **Put yourself in the customer's place**, and respond in a way that shows you care about his or her concerns. Use phrases such as, "I understand that must be upsetting," or "I don't blame you for being upset; I would feel the same way."
4. **Ask pertinent questions** in a caring, concerned manner, and actively listen to the answers.
5. **Suggest one or more alternatives** that would address the customer's concerns.
6. **Solve the problem quickly and efficiently**, or find someone who can.

Using these steps will quickly calm most unhappy or angry customers and allow you to address and solve their problems. Patience and tact are key.

It's important that, even if a customer is making outrageous statements and, in

essence, throwing a fit, that you remain calm. Do not take those statements personally. Apologize, take the blame, and empathize with the customer, then solve the problem.

Just as important as what you should do, there are four things you should not do:

1. **Don't directly challenge** someone who has a complaint and is angry. Even if that customer is wrong, don't attempt to prove it. Your goal is to solve the problem, not to enter into a debate on the merits of the complaint.
2. **Don't let the conversation wander** or get off the topic. Solve the crisis at hand without looking for, and finding, additional problems.
3. **Don't participate in fault finding.** Shifting blame doesn't help anyone.
4. **Don't let your personal feelings get in the way.** Stay cool and use courtesy and tact to diffuse the situation.

When you successfully handle irate customers and their complaints, you will be rewarded with a satisfied customer—and a customer who will be loyal to you and your organization. That loyalty will have a positive impact on your organization's bottom line—and make you look like a hero. **RO**

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





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**FOR THE
PLANET.**

Are You Working on Your Business or in Your Business?

There are two parts of running a business. The first part is the operational aspect of your business, what you do day-to-day. The second part is being the visionary of your business. Knowing where you're going and trying to out-strategize your competition and look for breakthrough opportunities.

The 2011 recipient of Restaurant of the Year Award from the Retailer's Association of Massachusetts owns a restaurant called Chianti's in Beverly, MA. His name is Richard Marino. He is a true visionary. Richard's overall vision of the business is that the business would empower their employees to make the right decisions once the guidelines were established for what great customer service meant to the business, the customers, the employees and the management. Every employee treats the business as if it were their own. My first visit to the restaurant was when Richard was not there, but you would never have known that the boss was away.

Now compare Chianti's to your local diner where the mother, the father and the kids are all working the business. The father is doing the cooking and making sure everyone is happy with the food, the wife/mother is at the cash register ringing in the sales and the kids are either serving the food or cleaning up the tables. This is a perfect example of somebody working in the business.

Many of us can relate to the owners of the diner. Who has time for dreams or visions? "We have a business to run."

Maybe that's what happened to Blockbuster's. Didn't they see the new technology on the horizon? Didn't they see the Red Box phenomenon? Didn't they see the effect that Netflix was going to have to an industry they helped to create? It looks like Blockbuster was simply working in and not on their business.

When you're working in your business, you're involved in generating the product or service your business provides. When you're working on your business, you're maintaining your pipeline: researching new products, researching new markets, networking with other businesses, preparing sales initiatives and strategies. You are insuring the future of the business.

We need both parts in order for a business to thrive and grow. A great idea is worthless unless it is executed properly. The other problem is that there are many people who are reading this article right now who would just like to work on their business and cannot stand the day-to-day minutia in running the business. That means people describe you or you describe yourself as an idea person, the dreamer, the person who is challenged when someone says it can't be done. They are the ones who make it work.

Too many times we get hung up putting out fires in our businesses because no one else can do it the way we can do it. When someone says that it means they won't have time to work on their business to insure the long-term success. They might survive by

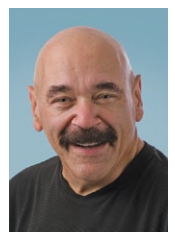
doing it that way, but chances are they won't thrive. This is the same scenario when businesses introduce a new technology and the employees say "I like it better the old way." When the owner succumbs to that type of pressure, they generally lose the opportunity to explore the potential the new technology can bring. Things are always difficult when we first learn them, but once we master them, they become easy.

So how does someone start to work "on their business?"

Attend trade shows and the seminars at your trade shows. You just need one good idea that can change your business.

- Network with businesses in your industry.
- Network with businesses outside of your industry.
- Form mastermind groups where you meet 4-6 times a year to exchange new ideas.
- Send one letter or e-mail a week to a potential new customer.
- Set short-term and long-term goals.
- Take a course.
- Review the top businesses of the year and find out what they are doing. **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



✓ **Delivery**
✓ **Assembly**
✓ **Installation**

You have customers who enjoy the challenge of a job well done. You know the ones: the guy who loves power tools, the gal who isn't happy unless she's got a paintbrush in one hand and a tape measure in the other. For the rest of us, thank goodness there's Last Mile Home.

Face it, DIY is a four letter word to a fairly large audience. These people don't own trucks and tie downs to get it home, or power tools, or have the aptitude to drill the holes, run the wires, mount the TV and hook it up to the sound system. The fact is, those people would rather pay YOU to have it done easily. Professionally. With the least possible interruption to their lives. That is what we do all over America every day. Home theatres, living rooms, kitchens, fitness rooms... you'll find our work in every room.



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Let's Not Waste a Perfectly Good Crisis!

THREE WAYS OF THINKING FOR MAKING THE MOST OF ADVERSE TIMES

Perhaps you are not in the midst of crisis. Perhaps you are not suffering from changes in the economy, changes in your industry or changes in the political climate of your country or the world. Perhaps you are not feeling the stressors of challenging relationships at work, fear and anxiety about the unknown future, or wondering how the heck you wound up where you currently are. Which means you either get to skip this article completely, or send it to someone who really needs it or better yet, save it for later.

Choose—I've long been a proponent of Viktor Frankl's *Man's Search for Meaning*. Frankl's "last human freedom," the freedom to choose how to respond to what happens in our lives, has been a constant mantra for me since I read the book. Every single day, no matter how small or how large, we are faced with events that offer us choice. I find this completely liberating, and completely daunting: you mean, after all, I get to choose? I never have to be a victim, never have to be powerless, never have to be hopeless in the face of things that seem insurmountable? What about really big stuff: losing a job or a business, losing a loved one? Yep, you get to choose there, as well.

One of the core principles and foundations of our work in culture change, leadership, and communication is the Three Empowered Choices. We know that when we feel some kind of discomfort

or distress we can choose to Influence, we can choose to Accept, or we can choose to Remove. The only other option is to choose to be miserable, unhappy and stuck, which isn't much of a choice at all.

Learn—When we examine how the brain learns via brain physiology, it's impossible to learn without some type of mistake-making or failure. In other words, we can't get to the "ah-ha!" or the "wow!" or even the that-makes-sense unless we mess up first.

Making the most of the opportunities of crisis or high-stress times involves your moving into unknown territory, doing the best you can, without a lot of certainties. You take one step: okay, that's good. You take another: oh, not so good; let's back up and try something different.

All along, each step of the way, you are learning, assessing, evaluating, reflecting. And this, above all else, helps you build resilience and competence. Or, you can go numb. You can blame, hide, distract or detour. You can actually choose to miss the opportunity for growth and something even better on the other side of this time of change and anxiety.

Reinvent—People who emerge from challenging times know all about reinvention, and they are stronger, better and different. If you make choices that are empowered, and if you learn from what happens to you, good or bad, you can reinvent. The book on the top of my reading list, *The Gifts of Imperfection: Let Go of Who You Think You're Supposed to Be and*

Embrace Who You Are, offers the top 5 characteristics of resilient people.

- They are resourceful and have good problem-solving skills.
- They are more likely to seek help.
- They hold the belief that they can do something that will help them to manage their feelings and to cope.
- They have social support available to them.
- They are connected with others, such as family or friends.

I confess that I've spent the last few years wishing, yearning and longing for a life that was pain-free, disappointment-free and ambiguity-free. And, even more than wishing for this, I kept on telling myself that it was entirely possible---that there are places of work, life, and relationship bliss that cannot be touched by anything dark. I'm not sad to find out this isn't true because I sort of knew it all along. I understand that **often the contrasts are what help us grow, make more of an impact, leave a greater legacy**, and these things are important to all leaders, all professionals, heck—all people—that I know. **RO**

Libby Wagner, author of The Influencing Option: The Art of Building a Profit Culture in Business, works with clients to help them create and sustain Profit Cultures. www.libbywagner.com



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Does a Lower Service Call Change a Customer's Perception?

For the past couple of years I have noticed an increase in customers requesting a price quote on a repair before setting up a service call. I have asked other service company owners if they have seen an increase in their customer's requesting quotes over the phone. Most have confirmed they have.

I have always classified customers into two different categories. The first category is a time sensitive consumer, and the other a price sensitive consumer. The time sensitive customer does not care that much about the price of the service call instead they want to know how quickly the technician can come and fix their appliance. The price sensitive customer is not as concerned when the technician can come out, but rather what is the price of the service call and how much the repair will cost.

For years, I have instructed my phone customer service representatives to immediately quote a price sensitive customer. I thought they were likely to shop and find a cheaper company without it. I really did not want a price sensitive consumer; because the majority of times we could not get them to repair the appliance and while we were servicing their needs, we might have missed out on a more lucrative time sensitive customer.

My most valuable customers were always the ones who were time sensitive. You all know these dream

customers. Their refrigerator is not cooling and they just purchased \$400.00 worth of groceries, or their four year old frontload washer just stopped and the laundry is piling up. Price to these customers was never a concern. Just repair it and repair it fast. We all love these customers, but with the current economy more time sensitive consumers have become price sensitive customers. Customers that have used us for years and never asked about pricing are now requesting repair prices before they set up a call.

This change in customers has led me to rethink my service call pricing. Should I lower my service call price in the hope of capturing more repair calls? At a lower service call I would lose more if the new customer did not repair their appliance. What is my customers' perception of a lower service call price?

In my market, prices for a service call range from a high of \$89 to a low of \$19.99. With the free market, why doesn't every consumer choose the company that offers a \$19.99 service call? It is due to the customer's perception of the quality of service they will receive. People who pay more for an item perceive better quality.

The reason I make this statement is based on an article I just read on the web site [www. Economist.com](http://www.Economist.com). Dr. Antonio Rangel of the California Institute of Technology found that if

people are told a wine is expensive while they are drinking it, they really do think it tastes better than a cheaper one.

Dr. Rangel had twenty volunteers sip wines as he scanned their brains. Dr. Rangel found blood flow in parts of the brain called the medial orbitofrontal cortex increased when the volunteer sipped expensive wine over cheaper wine. Dr. Rangel played a trick on his volunteers. He lied to the volunteers on the price of the wine. Dr. Rangel had volunteers taste the same wine but gave each volunteer different wine prices. The volunteers rated the higher priced wines better, and their blood flow increased in their medial orbitofrontal cortex. The volunteers perception of the wine changed based on the price they were given.

I have always heard that perception is reality. After reading this study, I now believe this statement more than ever. The economy is tough, but being the cheapest service provider in town will not make you more successful - a lower service can change a customer's perception.

<http://www.economist.com/node/10530119> **RO**

Lance Kimball

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Adding Mattresses to Your Floor

HIGH MARGINS AND INVENTORY TURNS MEAN SWEET DREAMS

As profit margins continue to shrink in white and brown goods, many appliance dealers have found mattresses to be a highly profitable category within their store. In fact, some of our most successful mattress dealers are primarily appliance vendors. With a long-established customer base, these dealers already have the trust of the consumer looking to replace a mattress.

And there is good reason to add mattresses to your showroom floor. According to the International Sleep Products Association (ISPA), bedding typically has profit margins between 42 and 47 percent, and can run more than 50 percent in the fastest growing segment, specialty mattresses. Low inventory requirements also make this product category attractive. Plus, ISPA reports that inventory turns on bedding can run over six times per year, making this product category nothing but sweet dreams for you—and your CPA.

Getting started in the mattress business is as easy as contacting one of the suppliers. It is best to meet with both the territory rep and plant sales manager to discuss your plans. Be honest in your expectations, while explaining your experience in retailing mattresses. These people are your partners and can offer advice on merchandising, advertising and training your sales staff.

As with any product category, consumers are looking for selection. To sell mattresses properly, you will need a minimum of eight to 10 different models to demonstrate the various

levels of support, comfort and price points. Displayed in a “gallery” format with adequate space to move between beds, you will need at least 500 to 750 square feet.

Now that you’ve determined whether or not you have the physical space to add mattresses to your lineup, it’s time to consider suppliers. While each manufacturer has its strengths, all offer products that present a nice mix of various price points and levels of support and comfort, as well as specialty products. If you opt for the minimum of 8-10 mattresses, I recommend using a single supplier, which will benefit you with ordering minimums and service. It will also be easier for your sales staff to focus on one line.

Once you’ve determined your supplier, it’s time to start training your sales staff. Most appliance sales people are very good at transitioning to bedding, although there are several differences in the mattress sales process. For example, while presenting appliances we focus on features and benefits. The mattress sales presentation is focused on one thing: Is it comfortable for the consumer to get a good night’s sleep? Outside of this simple question, your supplier’s reps are available to help your staff understand all the necessary components of selling bedding. Sales people never have to worry about the customer ‘cross-shopping’ because no two mattresses have the same serial number or model number. Manufacturers use different names and fabrics so each bed on your floor is exclusive to you.

If there is one area appliance dealers have trouble with transitioning to mattresses, it is understanding the amount of advertising necessary to do it right. The typical appliance store spends three to four percent of sales on advertising, while with mattresses it is necessary to spend 10 to 12 percent. That’s why most major bedding lines accrue co-op advertising funds. Your vendor’s sales reps can help you with a comprehensive selection of media plans and ads.

As an added bonus, you don’t have to carry a lot of inventory. You’ll quickly learn your most popular brands and sizes, and keep those in stock. Most suppliers offer weekly deliveries if a customer prefers a different model. Pillows, mattress pads and other accessories can be a nice profit-center, but I don’t recommend carrying bedroom furniture, as it is difficult to show a decent selection to compete with local furniture stores.

With overall retail being a challenge in this economy, it has never been a better time to add mattresses to your show floor. High margins, low inventory, and good stock turns make it a no brainer if you have the floor space to do so. **RO**

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





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It's all About the Customer

How often in our retail careers have we heard the expression, “It’s all about the customer”? Sure, we nod and agree that the customer is our lifeblood. Maybe for a short time the focus is on delivering a little more quality to the selling process. Or maybe, it becomes the theme of a new ad campaign. However, some retailers never quite get their arms around customer focus, or lose the precious grip they had. The streets are littered with the remains of those retailers. But retailers of excellence really embrace this mantra of customer centricity, and they are the ones you read about prospering in good times and bad.

We all know that the television business is not robust right now. So how can you grow in this challenging market by serving the customer? Let’s start with the basics. Focus your assortment on televisions with the features customers are most interested in. You probably have a representation of the key entry level feature and price models to promote with, but are you following the trends to maximize the more profitable areas. The biggest screen sizes are enjoying the highest growth. They also are at the higher price points and more profitable.

Also, the customer now understands what Internet Enabled TVs are, and their benefits. Have you increased your assortment there, and just as importantly, have you set up an internet feed so you can demonstrate it? The same is true for

being able to demonstrate not just 3D, but also the difference between active and passive 3D. That’s what the customer wants to see, touch, learn about, and buy.

Awareness and a timely response to changing customer trends is a great way to serve the customer. After all, how do we feel as a customer when we go to our favorite store and they don’t have the latest, newest, best, etc. If you are customer focused you know that over time categories will emerge, grow, stabilize, and yes, sometimes die, and you want to make sure you have the products customers want. The challenge becomes how to serve customers with the products they want and still be able to make a profit on the sale.

Let’s look at a more basic customer trend. Customers are increasingly shifting from buying wall mounts for their new TVs to buying new furniture to place them on. It’s a great customer trend because furniture has higher margins and higher ticket prices! To serve your customer, you will want to naturally expand your TV furniture assortment and evaluate and maybe trim your mount assortment.

Product Delivery and Set-Up is another area where you can really make a difference in how you serve your customer. Many customers simply want to toss the big screen in the back of the truck and set it up on their own. But there is an often overlooked customer, the DIFM,

who is very valuable and you want to serve. This is the “Do It For Me” customer. They could plug it in, hang it on the wall, and connect it to their other devices. We know it is not that hard with today’s equipment. They just don’t want to. They will pay for those services to be done for them. And services are the higher margin opportunities. So consider whether you are currently serving your customer by providing the services they want. You both win.

Serving the customer in these areas of new businesses, category shift, and services can combine to make a substantial difference to your business. Your focus on serving the customer better than the store down the street is what separates the winners from the rest.

To learn more about new ways to grow your CE business or the many benefits of joining Nationwide Marketing Group, go to: www.nationwidemarketinggroup.org or contact Doug Schatz at: dschatz@nationwidegroup.org, (336) 722-4681. **RO**

Doug Schatz is a new writer for The Retail Observer. He will be sharing his insights and expertise with you throughout the year on Consumer Electronics. Schatz is the Vice President of Electronics Merchandising for Nationwide Marketing Group, a leading buying and marketing organization for independent retailers.



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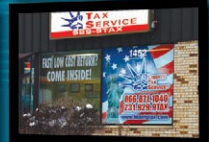
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Global Appliance Leader Committed to Evolution of the Smart Appliance

While consumers want to be green, they still want to retain control but will change their energy consumption choices if they are given real-time information about how much energy is being used. More importantly, users don't want to just monitor and manage energy but control functions on their appliances and all home management functions including security systems and water and temperature management. A recent survey conducted by Harris Interactive on behalf of Whirlpool Corporation found that:

- Seventy-eight percent are interested in monitoring their household's energy use.
- Most want to use their smartphone to make life easier. In fact, 90% of 18-34 year olds who have a smartphone would be happy to have their smartphone tell their appliances anything; 17% want to know when it's time to switch the laundry and 17% want to know when items are ready (food, etc.).
- When asked about smartphones communicating with appliances, respondents were split on what would be most useful: alert when the washer is done; notify me when items are ready (i.e. cooked/clean); Preheat my oven or turn it off; start appliances for self-clean; tell me what I need to stock the fridge; start or refresh the laundry; start the dishwasher.

WHIRLPOOL BRAND CONNECTED APPLIANCES ANSWER CONSUMER CALL FOR MONITORING

Whirlpool Corporation continues to be committed to providing consumers technology with purpose. Today, the convergence of technology with everyday household appliances is evolving to optimize energy consumption and allow appliances to work together. In 2012, the company's flagship brand, Whirlpool brand, will bring connected appliances to the marketplace — yet another step closer to making many of its appliances “smart” by the end of 2015. Over the next 18 months, four appliances will be introduced including a refrigerator, dishwasher, washer and dryer.

“Our electric grid is more than 100 years old and not designed to handle all of the appliances in today's home. Today appliances work independently from one another with little opportunity to

optimize,” said Warwick Stirling, global director of energy and sustainability for Whirlpool Corporation. “And while manufacturers continue to explore innovations that improve the energy efficiency of individual products, the incremental gains are getting smaller and becoming more expensive to achieve.”

The concept of Smart Grid-enabled appliances has evolved to a broader conversation around the connected home and overall home management. With these new smart appliances, consumers can easily shift their energy consumption to off-peak times — saving money and benefitting the environment. A home energy management device will read usages from appliances and signals from power companies to optimize energy use. Even more appealing for consumers is peace of mind driven by alerts and notifications and ‘remote control’ functionality.

WHAT'S NEXT?

Bringing all of this functionality together for the end user is the current focus for manufacturers, utilities and software companies. Ultimately, the smart grid won't consist of just one app but multiple ways of accessing it through a bundle of applications. This will also affect product design. For example, some of the controls on appliances may be eliminated and be controlled via mobile phone.

Appliances will be able to provide even more feedback to consumers whether it is the concept of preventative maintenance or use and care guides. For example, a clothes dryer needs to have the lint cleaned out of the venting pipe periodically and the appliance could automatically notify consumers when this needs doing. With many washers now offering bulk detergent dispensing, the washer could alert the owner that the reservoir needs to be refilled.

With 100 years of practice, Whirlpool Corporation knows a thing or two about household chores. This expertise led to the creation of the Whirlpool Institute of Fabric Science, an informational hub for everything laundry. Additionally, the institute offers daily tips, tricks and advice to consumers via Twitter and Facebook. For more information on Whirlpool brand, visit www.whirlpool.com or find them on Facebook at www.facebook.com/whirlpool. **RO**

2012 •

UPCOMING EVENTS

• 2012

FEBRUARY 14—VALENTINE'S DAY

FEBRUARY

8-11

NAHB INT'L BUILDERS SHOW

Orange County
Convention Center
ORLANDO, FL
www.buildersshow.com

15-18

APPLIANCE SERVICE TRAINING INSTITUTE (ASTI)

El Tropicano Riverwalk Hotel
SAN ANTONIO, TX
www.unitedservicers.com

26-29

PRIMETIME! BY NATIONWIDE

Gaylord Palms
ORLANDO, FL
www.nationwideprimetime.com

27-29

VDTA/SDTA CONVENTION & SHOW

Ernest Morial Convention Center
NEW ORLEANS, LA
www.vdta.com

28-29

BRANDSOURCE CONVENTION

Marriot World Congress
ORLANDO, FL
www.brandsourceconvention.com

MARCH

1-3

HEARTH, PATIO & BARBEQUE EXPO (HPBE)

Georgia World Congress Center
ATLANTA, GA
www.hpexpr.com

6-9

DIGITAL SIGNAGE EXPO

Las Vegas Convention Center
LAS VEGAS, NV
www.digitalsignageexpo.net

10-13

INTERNATIONAL HOME AND HOUSEWARES SHOW

McCormick Place
CHICAGO, IL
www.housewares.org

17-21

MEGA SPRING NATIONAL CONVENTION

Marriot Hotel
ORLANDO, FL
www.megagroupusa.com

28-31

NATIONAL APPLIANCE SERVICE CONVENTION 2012

Hilton Airport Hotel
FORT LAUDERDALE, FL
www.psaworld.com

29-APRIL 1

AMIBA 2012 CONFERENCE

Galt House Hotel
LOUISVILLE, KY
www.amiba.net/conference

APRIL

21-26

HIGHPOINT MARKET

HIGH POINT, NC
www.highpointmarket.org

24-26

KBIS – KITCHEN & BATH INDUSTRY SHOW

McCormick Place
CHICAGO, IL
www.kbis.com

MAY

National Home
Improvement Month

5-8

NATIONAL RESTAURANT ASSOCIATION SHOW

MCCORMICK PLACE
Chicago, IL
show.restaurant.org

6-8

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NOTE: Attention Buying Groups, Associations, Distributors & Manufacturers—Please submit your event schedules to production retailobserver.com at least two months prior to the date so that it may be included in our Upcoming Events Calendar. To receive *The Retail Observer* in print version, please go to www.retailobserver.com to subscribe.

Nationwide Brings in the New Year Stronger Than Ever

Nationwide began 40 years ago when a group of dealers decided to join together to strengthen the position of the independent in the marketplace. Today, the organization has over 3,000 appliance, electronics, furniture and RTO dealers which is quite a tribute to the sustaining commitment of Nationwide's employees and divisional leadership.

"Our drive has not only made us a leading buying and marketing organization in America but continues to push us to find the most innovative and cost effective ways to provide the services that build profitable businesses, programs that drive sales and the foundation necessary to withstand an unpredictable economy," said Robert Weisner, CEO. "The independents' position in the marketplace has always gone hand in hand with Nationwide's success and will remain the cornerstone that drives our organization for years to come."

According to Nationwide, the organization spent 2011 not only celebrating 40 years in service but working hard behind the scenes to continue strengthening their membership reach; including the introduction of a sixth regional group, Nationwide Florida, "This new addition has not only increased our buying power but improved our ability to better service our members across the country," said Weisner.

In 2011, they also reorganized and beefed up their merchandising department with the announcement of new appointments including Dave Bilas, as Executive Vice President and Jeff Knock to fill the role of Senior Vice President of Marketing for Appliances. Some notable promotions included Richard Weinberg to Senior Vice President of Merchandising for Appliances; Bill Bazemore to Vice President of Furniture; Ed Knodle to Vice President of Member Development; Frank Sandtner to Vice President of Member Services – Operations and; James MacAlpine to Vice President of Rental Division & Business Development.

"The entire Nationwide team brings years of professional retail experience with them working with the most reputable companies in the industry," said Weisner. "Under the direction of Dave Bilas, our merchandising team and our specialty divisions are better equipped, now more than ever before, to work more closely with our vendor partners to provide our members with aggressive programming in appliances, electronics and furniture that will drive

members' floor traffic and restore profitability."

To learn more about the many benefits of joining Nationwide Marketing Group call (336) 722-4681 or visit www.nationwidemarketinggroup.org

PRIMETIME! BUYING SHOW AND STRATEGIC MEMBER CONFERENCE , FEBRUARY 26 – 29, 2012

In 2012, watch out for even more exciting news from Nationwide Marketing Group including their upcoming buying show and strategic member conference at the Gaylord Palms in Orlando. The theme is **IMPACT Your Business, Your Marketplace, Your Life** and some new PrimeTime! Highlights recently promoted include:

GUEST SPEAKER JERRY EPPERSON

Jerry Epperson is a leading research analyst in consumer products who focuses on demographics, changing trends, lifestyles and related issues. Epperson will be teaching a PrimeTime! University course called, **The Biggest Picture - Marketing the Demographics**, that will breakdown today's consumers from Baby Boomers to the Millennials and teach dealers how to successfully target the uniqueness of each generation.

48 GREAT IDEAS BOOKLET

This booklet was a **VERY** hot item at the last show and has been updated with **48 MORE GREAT IDEAS** that members can take back to their stores and easily implement to draw more foot traffic, make the cash registers ring and increase gross margins.

NEW PRIMETIME! OPPORTUNITIES EXPO

Presentations on the most innovative products and services available to Nationwide members continuously running right on the show floor. Another great way to learn about additional opportunities to make money at PrimeTime!

For exhibitor and attendee registration and other information about PrimeTime! buying show and strategic member conference go to www.nationwideprimetime.com or call Sterling Events Guest Services at 1-800-777-8741. **RO**



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BRANDSOURCE RE-ELECTS MARK PARDINI AS NATIONAL OFFICER

Mark Pardini has been re-elected for a three-year term as national officer of the 4,000-member BrandSource organization. Pardini, who has been a BrandSource member for more than 25 years, owns and operates Pardini Appliance in Ukiah, Calif., servicing Mendocino, Lake and Sonoma Counties in Northern California.



retailer will help us continue to move the organization forward.”

Pardini graduated from Chico State University in Chico CA, with a B.S. in business administration. Pardini has served the BrandSource organization in various capacities over the past 25 years and is a member of the General Electric Customer Care Service council. He lives in Ukiah, Calif. with his

“Mark is an outstanding leader, has tremendous business acumen and understands and appreciates the power of the BrandSource organization,” said Bob Lawrence, CEO of BrandSource. “His input as a seasoned

wife, Adriane. Together, they own and operate Damiano Vineyards in Mendocino County, where they grow organic merlot for local wineries.

BRANDSOURCE REPORTS BEST-EVER BLACK FRIDAY SALES PROMOTION AND SUCCESSFUL LAUNCH OF EXPERT WAREHOUSE II

BrandSource reported its best Black Friday promotion as a result of new incentives and options offered through its Expert Warehouse II initiative, which adds more than 8,000 SKUs in multiple categories and offers members unprecedented efficiency in logistics, warehousing, shipping and billing.

The integration of Expert Warehouse II and its wider assortment of solutions and brands are designed to help members drive store traffic, boost sales and augment planned purchases with “rent to own” options. New categories include laptops, tablets, headphones, and iPod docks as well as IT-networking components from major brands.

“We’re firmly committed to finding new ways to offer members more choices and better prices,” said Jim Ristow, executive vice president of BrandSource/Home Entertainment Source (HES). “The Expert Warehouse II initiative levels the playing field for our members because it’s designed to help them go head-to-head with big box stores.”

Tom Priola of Primetime Audio/Video in Rockford, IL,

reported solid sales on Black Friday, which he attributed in large part to Expert Warehouse II.

“We had a tremendously successful Black Friday because we were able to pass great deals from Expert Warehouse II right on to our customers,” said Priola. “The incentives are helping us compete in a whole new way.”

The Grand Opening of Expert Warehouse II was celebrated with the launch of a major fall promotion to help introduce members to the new warehouse. Freight orders from \$5,000 - \$20,000 entered members into iPad drawings, with four given away each week. BrandSource treated 15 members to an all-expenses paid trip to Nashville for an NFL weekend hosted by Expert Warehouse II president Dean Sottile and members of his management team.

Expert Warehouse II now carries Anthem, Denon, Klipsch, Marantz, Monster and Paradigm products, enhancing the one-stop shop solution and rounding out the group’s audio offerings. **RO**





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Safeware Announces Partnership with Mega Group USA

Safeware, a leader in consumer product protection solutions, announced a strategic partnership with Mega Group USA under which Safeware will be the preferred provider for their Product Protection Plan Program.

“We are truly excited about our partnership with Mega Group USA and the ability to grow our Extended Service Plan portfolio with a solid partner who shares our culture and business philosophy. Our partnership fits our strategic direction at Safeware and we are truly excited about partnering with a premier leader as Mega Group USA and its more than 1,600 members,” said Safeware’s President & CEO, Walter R. Fawcett, III.

MEGA Group USA is a 1600 member (2500 store front) national home furnishings buying group of independent Appliance, Furniture, Mattress, Electronics, and Lawn & Garden retailers. They provide effective, practical, and cutting-edge resources dedicated to the success of each

member retailer. One such resource is the MEGA Product Protection Plan Program. This program, administered by Safeware, allows members the opportunity to provide quality product protection to their customers in a professional and informative manner.



the product protection business” said Mega Group’s CEO Rick Bellows.

For more information regarding Safeware’s service plan products, visit Safeware online, or contact Andre Kwasnik at 678-404-5560. Visit www.safeware.com **RO**

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Registration Live for 2012 Kitchen & Bath Industry Show

300 PLUS INITIAL EXHIBITORS ANNOUNCED AS SHOW
INNOVATIONS CONTINUE TO BUILD EXCITEMENT

The 2012 Kitchen & Bath Industry Show (KBIS), located at the McCormick Place in Chicago from April 24-26, announces the official opening of show registration. KBIS, the National Kitchen & Bath Association's (NKBA) yearly show, continues to gain momentum as an ever-increasing number of industry leaders across a wide variety of categories, including cabinetry, appliances and plumbing, sign-on to share their hottest new innovations. With more than 300 exhibitors to date, the KBIS 2012 show will include cutting edge uses of technology and new ways to more easily navigate the show while connecting a diverse audience of both familiar faces and newcomers.

PAVILIONS BOOST PRODUCTIVITY

This year, KBIS will group new resources from high-interest product categories into special pavilions to help exhibitors and attendees, ranging from dealers, designers, builders and remodelers to retailers and other industry professionals, to more efficiently navigate the show and meet with the companies and suppliers they want to target. *The Retail Observer*, a key industry publication for major kitchen and bath appliance retailers, will lead the charge through sponsorship of the Appliance Pavilion. Additional product pavilions will include categories such as decorative hardware, appliance, cabinetry, natural stone and tile, sourcing and international (Italy, Taiwan).

"*The Retail Observer's* sponsorship of the Appliance Pavilion fits seamlessly with our magazine's editorial focus and it allows us to help exhibitors share their latest innovations while fostering the growth of the industry in a dynamic, first-hand way," stated Moe Lastfogel,

director of sales and marketing at *The Retail Observer*. "With the show's renewed emphasis on innovation, and ease of access to the leaders and innovators of the kitchen and bath industry, we can work together with KBIS to stay informed on the latest trends in the industry and help keep our readers informed."

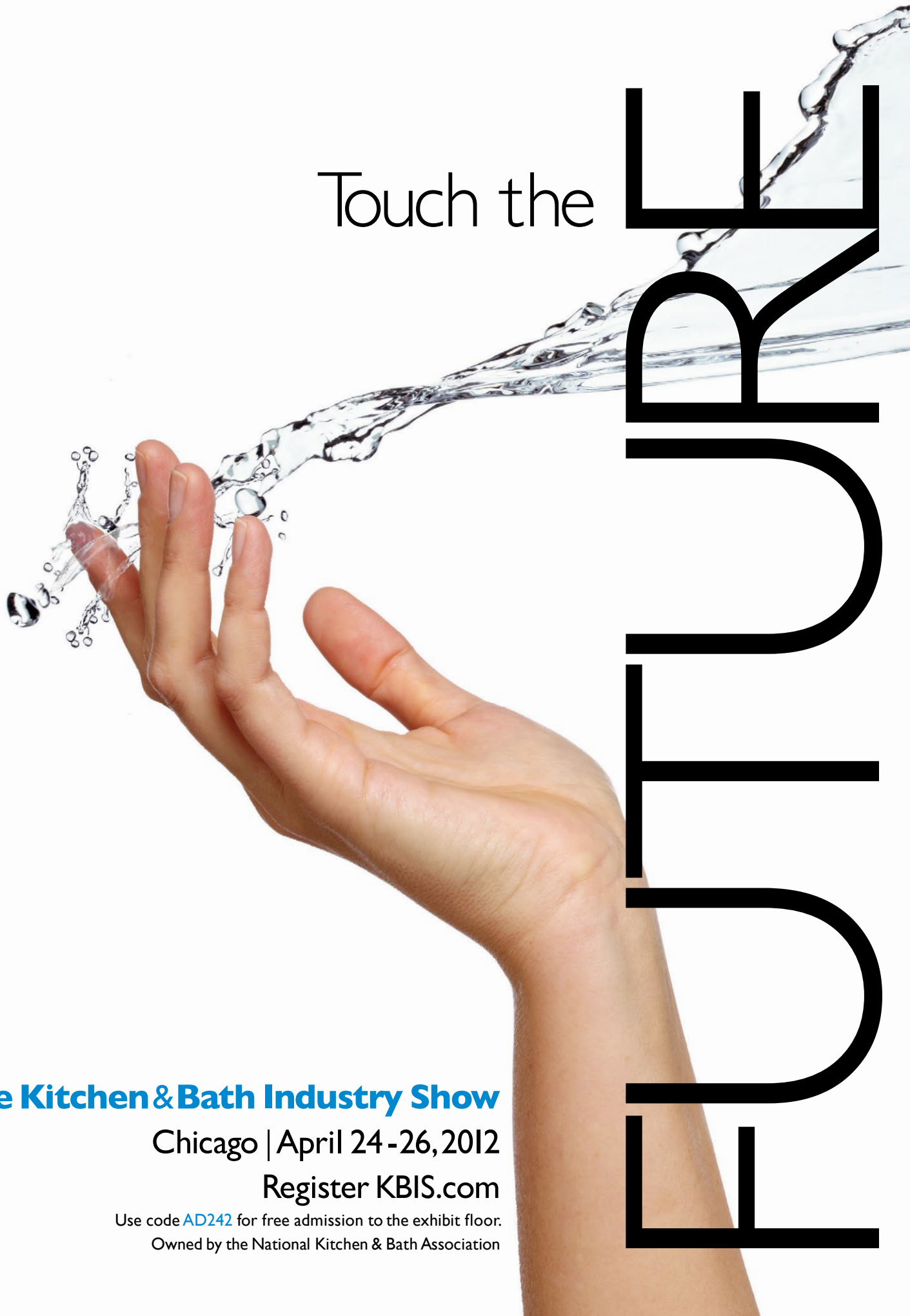
KBIS RANKS AS ONE OF TOP 100 U.S. TRADE SHOWS

KBIS is the largest kitchen and bath industry show in the world, attracting more than 20,000 buyers from 70 countries and 500 media outlets. KBIS was recently honored by Trade Show Executive magazine as a "Gold 100 Award" winner as it was ranked one of the top 100 largest U.S. shows in 2010. With more than 13,000 trade shows held each year, KBIS ranks in at number 52, joining an elite group that have managed to prosper in a difficult economic environment. Trade Show Executive magazine compiles rankings based on total net square feet, exhibiting companies and attendance.

KBIS plans to continue to grow the show by featuring special events, entertainment, dynamic networking opportunities and educational sessions tailored to specific groups of attendees and exhibitors, allowing them to connect with buyers and influencers in their field. According to Jim Scott, managing director of the show, "KBIS 2012 will provide its exhibitor partners with new, highly targeted avenues to leverage growth and increase return on investment, which is an invaluable opportunity in today's economic state."

Early registration ensures first choice of official host hotels and access to exclusive discounted rates. To register as an exhibitor or attendee, or to learn more about the innovations coming to this year's show, visit www.kbis.com. **RO**

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Chicago | April 24 - 26, 2012

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born on the Internet, due to closed systems that have not opened up.

In other 2012 International CES news, Lytro won the Last Gadget Standing SuperSession competition, beating nine other finalists, including the Playstation Vita, Autom Robot, Cotton Candy, WIMM, Origami, SviVL, Basis Body Band, Lenovo Yoga and Samsung Note.

More, the LG 55EM9800 55-inch OLED TV was named CNET's Best of CES winner, with Razer's Project Fiona winning the People's Choice online voting award.

2012 CES EXCITES

Technology innovations generated excitement across the 2012 CES show floor, including the launch of dozens of ultrabooks, OLED TVs, Android 4.0 tablets, next-generation smartphones and 3D printers.

"We are witnessing the promised road of convergence with CES as the ringleader. Devices are talking and many different industries are listening, beyond electronics: media and Internet, energy and utilities, telecommunications, automotive, health and wellbeing companies are migrating to this show. Truly a social media of connected devices is forming, with CES 'friending' industries." Scott Burnett, Managing Director, IBM.

The 2012 CES was a star-studded event with numerous Hollywood celebrities in attendance including Eliza Dushku, who served as the official ambassador for the CES Entertainment Matters program, as well as Justin Timberlake, Justin Bieber, Ludacris, 50 Cent, Wil.i.am, Wayne Brady, Jillian Michaels, LL Cool J, Ryan Seacrest, Will Smith and Kelly Clarkson.

The 2012 International CES featured government leaders from the U.S. and around the world, including FCC Chairman Julius Genachowski, Nevada Governor Brian Sandoval, Senator Ron Wyden (D-OR), Senator Dean Heller (R-NV), Representative Marsha Blackburn (R-TN), Representative Gerry Connolly (D-VA), Representative Darrell Issa (R-CA), Representative John Shimkus (R-IL), Representative Cliff Stearns (R-FL), Representative Lee Terry (R-NE) and FCC Commissioners Mignon Clyburn and Robert M. McDowell. Also, several ministerial-level officials and commissioners from Canada, Columbia, Egypt,

Iraq, Jordan, Korea, Lebanon and Oman also attended CES.

The week of CES alone, more than 2,000 news articles profiling the innovations at the 2012 CES appeared in the news media, an increase in media coverage of more than a third over 2011.

2012 CES CATALYZES

"The 2012 CES was the most phenomenal show in our history, generating more energy and excitement across every major industry touching technology than ever before," said Gary Shapiro, president and CEO of the Consumer Electronics Association, owner and producer of the International CES. "CES is the change agent, the catalyst that brings executives from a wide range of industries together and helps them create better ways of doing business together. The breadth and depth of the 2012 CES, which featured more innovative technology products than anywhere else on Earth, is a testament to the dynamic and innovative global consumer technology industry, which will reach \$1 trillion globally this year."

Industries with increased presence at the 2012 International CES include healthcare, automotive, entertainment, advertising and marketing.

"CES is unparalleled in its ability to bring together, in one place, all the folks we need to see to grow our business. I met with CE manufacturers and retailers, chip and handset makers, radio broadcasters, regulators, automakers, press and financial analysts, all in the space of a few days. It's supercharged productivity." Bob Struble, CEO, iBiquity Digital Corporation.

Each CES attendee had an average of 12 business meetings that enabled them to accomplish a significant amount of networking and business with professionals from a range of industries around the world.

"I was able to do a year's worth of meetings in two days because CES is the one place, one show, at which 'everyone' attends. There is no more efficient way to get high level meetings with a broad section of companies within the CE ecosystem." Dave Hagan, President and CEO, Boingo Wireless.

For more news on the 2012 International CES, visit CESweb.org. The International CES will return to Las Vegas January 8-11, 2013. **RO**



Maytag Brand Revolutionizes Oven Cleaning with First-of-its-Kind AquaLift™ Self-Cleaning Technology

Maytag brand is revolutionizing how ovens can be cleaned with the introduction of AquaLift™ self-clean technology. Maytag brand's latest line of freestanding ranges offer consumers an innovation to self-clean the oven interior with an exclusive enamel oven coating, low heat and water to release baked-on spills in less than one hour.

At a generous capacity of up to 6.2 cubic feet¹ Maytag® ranges have an industry-leading capacity² and are the first to offer AquaLift™ self-clean technology. Additional performance features combine the power of the bake and broil burners, convection fan and power vents to preheat in 8 minutes.³

The ranges have been engineered with an exclusive enamel oven coating that activates with water and low heat, allowing moisture to release tough baked-on messes. In less than an hour, the oven is ready for a final wipe-down to remove food and debris, with no odor or extreme heat like traditional high-temperature self-clean ovens.

“Whether it’s the lasagna that bubbled over or the pie filling that dripped, oven spills happen to all of us. But thanks to AquaLift™ self-clean technology, you can now get your oven clean without the long wait, high heat or odors associated with a traditional self-

clean,” said Kate Davidson, senior brand manager, Maytag brand.

The cooktop offers flexible element sizes and comes in three different power options: gas, electric and induction. The induction Power Center cooktop features an 11 inch 3,700-watt Speed Heat™ element that boils 40 percent faster⁴, a 9 inch 3,200-watt induction element and two 6 inch 1,800-watt elements, providing the flexibility and power you need to cook any dish.

A 10 year limited parts warranty is offered on gas, electric and induction models for long-lasting performance and years of dependable cooking. The limited parts warranty includes the oven elements and cooktop, including ceramic glass, on electric and induction models and the cast-iron grates, cooktop and oven burners on gas models.⁵ The ranges are designed, engineered and assembled with pride in Tulsa, Okla.

¹ Available in electric and induction models only: MER8670A, MER8775A, MER8880A and MIR8890A.

² Among leading brand single cavity electric 30” freestanding ranges.

³ Based on single rack baking in model MER8880A and MIR8890A.

⁴ Based on information at www.theinductionsite.com.

⁵ Visit www.maytag.com for full warranty details. **RO**





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*Among leading brand single cavity gas or electric 30" freestanding ranges. **Visit maytag.com for warranty details. ®Registered trademark/™Trademark of Maytag Properties, LLC or its related companies. ©2012. All rights reserved. MYA12849

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¹Based on AHAM washability test protocol for leading brand front-load washers with normal cycle times less than 60 minutes.

²Fastest time based on smallest load/Fast Wash and Fast Dry cycles selected for various load compositions. EWFLS70 models only.

³Based on manufacturer specifications. EWFLS70 models only.