Retail Observer

April, 2011

AN EYE ON THE INDUSTRY SINCE 1970

Vol. 22, Issue 4

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NUMBERS

The experts at a leading consumer magazine



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Take the Next Step at KBIS 2011

hecking out the KBIS show conference guide just now, I found this quote from Dave Alderman; "As 2011 President of the National Kitchen & Bath Association, I encourage you to join us in Las Vegas, and attend the NKBA's 2011 Kitchen & Bath Industry Show. The NKBA is working hard to ensure the maximum benefits and best results for all attendees and exhibitors at the largest trade show in the industry. I also urge each of you to "take the next step" in strengthening your business. I've introduced this as my national theme for 2011, and I hope you'll seize every opportunity that KBIS affords you - to take the next step in collaborating with other professionals, innovating new designs and business practices, and gaining inspiration from the latest products. With all the excitement of the show floor, as well as conference sessions, educational courses, and networking opportunities, I hope you'll take advantage of all that KBIS has to offer".

That said, KBIS is a great place for networking, renewing relationships, observing trends and discovering new products. The educational opportunities are numerous. While you're at KBIS, you can benefit from newly developed educational presentations, earning your NKBA CEUs by attending a 30-minute presentation at an exhibitors' booth right on the show floor. How easy is that?

The conference opening keynote will be delivered by Pat Croce, author, speaker and former president of the Philadelphia '76ers, now a renowned motivational speaker, he'll share his "Pat Croce Pointers" on everything from the art of listening to the power of a positive attitude in "Achieve the Impossible."

The Business & Leadership Conference Sessions will include John Morgan, owner, Morgan Pinnacle LLC, presenting a timely follow-up to "Moving Your Business to Digital." This is a must-attend event focused on real kitchen and bath professionals doing business in the digital world.

Dennis Snow is back! President of Snow and Associates, Inc., offering an allsegments presentation based on the leadership principles learned, lived, and taught during his 20 years with Walt Disney World.

The State of the Industry Address will be presented by Karen Strauss, president of Masco Cabinetry Group along with NKBA CEO Don Sciolaro. Don will begin this session with a "State of the Association" report, including how the economy is influencing business decisions.

As far as Vegas goes, I wish I had more room to write about what this town has to offer other than casinos. Come early or stay late to make sure you take time for some spectacular dining, shows, shopping, as well as my own personal favorite, strolling the lobbies of some of the finest hotels such as the Wynn and of course the Belagio, to enjoy the spring décor and amazing Easter decorations.



See you in Vegas,

Eliana Barriga letters@retailobserver.com

RetailObserver

APRIL 2011

VOLUME 22, NUMBER 4 CELEBRATING OUR 22ND YEAR

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Business Networking 101: The Art of Personal Branding

was researching articles on networking for this month's Musings and came across this piece by Angela Hill, president & creative director of Incitrio, a sustainablyminded branding agency located in San Diego, CA. Angela put together the great tips below that summed the topic up easily.

"Successful networking is basically the same thing as personal branding, and at the end of the day...it's all about developing a good strategy. Think of your networking strategy in terms of a two-pronged approach: 1) Events where your target audience or circle of influencers are most likely to be and 2) Events that match your personal interests.

Business Networking— For the business networking events, make sure to pick a time of day when you're at your peak. For example, if you're a morning person, only go to breakfast events. If you're a night owl, go to evening socials and dinners. By choosing a time of day when you're at your best, you're guaranteed to reduce the nervousness factor and make it easier for yourself to meet new contacts.

Networking is like Dating— People buy from people they like, know and trust. Great sales, and therefore networking, is all about building long-term relationships. So, if you think about networking like dating, the rules are fairly straightforward: be a good listener, make eye contact, don't act desperate, don't have a triple espresso before you show up, shower, dress nice and smile.

Control the Conversation— Another tip is to strategically control the conversation. People love to talk about themselves and the more they talk, the more they feel good about you. So, start the conversation by asking them questions about themselves and be genuinely interested. Find ways to connect what they're saying to what you do or how you can help them. Eventually, they'll get tired of talking about themselves and ask what you do. That's your golden opportunity to modify your elevator pitch and integrate key points that came up earlier into what you say so that it shows you're actively listening and you can customize/integrate what you do into a problem they're trying to solve or a value-added benefit to their client list.

Convert Prospects Faster— Finally, be sure to follow up! Send an email or a personal note after an event, ideally the next day. Connect with them via LinkedIn while you're still top of mind. If it's a really good potential contact, suggest a coffee or lunch meeting in 2-3 weeks so that it's non-threatening but keeps the momentum going. The more you do, the closer you get to the close of the sale." (www.incitrio.com)



Happy Retailing and Networking,

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RetailObserver

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CELEBRATING OUR 22ND YEAR

We proudly support the following trade associations and buying groups throughout North America whose news and information greatly contribute to the quality of The Retail Observer and the education of our readers.













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Attending KBIS 2011? Visit Dacor in booth 4529 to check out our latest innovations and products, including the complete Distinctive Series!



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Visit dacor.com/love for promotion details or call 1-800-793-0093.









Responsible ppliance Disposal (RAD) Program

GE FIRST APPLIANCE MANUFACTURER to partner with epa

Appliances & Lighting became the first appliance manufacturer to partner with the U.S. Environmental Protection Agency (EPA) in their Responsible Appliance Disposal (RAD) Program to help protect the ozone layer and reduce greenhouse gas emissions (GHG). The EPA's voluntary program focuses on refrigeration appliance recycling best practices, including the recovery of foam in used refrigerators, and is consistent with GE's ecomagination initiative to deploy solutions for today's energy and environmental challenges.

Approximately nine million refrigerators are disposed of annually in the U.S., and only a fraction has the insulating foam in their walls and doors recycled. While 90 percent of used

refrigerators in the U.S. are shredded for their metal, the remaining foam and other materials typically go to a landfill1. During the shredding process, a substantial amount of GHG and ozonedepleting substance (ODS) emissions are released into the atmosphere.

GE, ARCA PARTNER TO LEAD REFRIGERATION **RECYCLING MOVEMENT**

Integral to GE's partnership on the EPA RAD Program, is an agreement with Appliance Recycling Centers of America, Inc. to supply used-appliance volume from a six-state region to ARCA Advanced Processing's regional recycling center in Pennsylvania. ARCA is investing in proven appliance recycling | continued on page 10 |



technology from UNTHA Recycling Technology (URT) that recovers approximately 95 percent of the insulating foam in refrigerators, reducing landfill waste and GHG and ODS emissions as compared to what typically happens in the industry today.

"GE's commitment to develop and deploy solutions to today's environmental challenges is a top priority," said GE appliances & lighting president and CEO James Campbell. "We have made major investments in home energy management and supported aggressive energy-efficiency standards for appliances. Working with the EPA and ARCA on responsible appliance disposal is another great step forward in the spirit of GE's ecomagination initiative."

"GE and ARCA's management of refrigerators, particularly the foam insulation, during the recycling process is innovative and raises the bar in the U.S. appliance industry," said Drusilla Hufford, Stratospheric Protection division director of the EPA. "As the first appliance manufacturer to join EPA's RAD Program, GE is demonstrating leadership by responsibly recycling appliances and reducing harmful emissions to help protect our planet."

Today, the U.S. appliance recycling industry is very fragmented with wide variation in processes and little investment in foam recycling technology. GE and ARCA have plans to vastly improve appliance recycling and refrigerator foam recovery in the U.S. These joint efforts will significantly reduce landfill waste and GHG and ODS emissions.

Not only do GE and the EPA believe recycling refrigerantcontaining appliances is a critical step in protecting our environment, but a recent survey2 conducted on behalf of GE suggests 70 percent of consumers want all or part of their used appliance to be recycled.

NEW INVESTMENT IN TECHNOLOGY IS A GAME CHANGER

"ARCA prides itself on innovation," said Jack Cameron, ARCA president and CEO. "The technology we're investing in—a precise, sealed and fully-automated refrigerator recycling system—will be the first URT system in North America. With GE's logistics expertise and customer relationships and ARCA's investment in this leading-edge technology, this partnership is a game-changer for U.S. appliance recycling."

The URT system includes the capability to automatically capture the blowing agents, such as chlorofluorocarbons chlorofluorocarbons (CFCs), hydro (HCFCs), hydrofluorocarbons (HFCs), and cyclopentane from the insulating foam in refrigerators and freezers. GE and ARCA's initial recycling efforts will begin at ARCA Advanced Processing's regional recycling center in Pennsylvania. The center is on schedule to be fully operational in the first quarter of 2011.

"The potential of this technology is tremendous," said Brian Conners, president and COO of ARCA Advanced Processing. "If the foam from the 9 million refrigerators disposed of annually in the U.S. were processed through this recycling technology, the greenhouse gas emissions avoided would be equivalent to the annual CO2-e emissions of more than 2.4 million cars on U.S. roads."

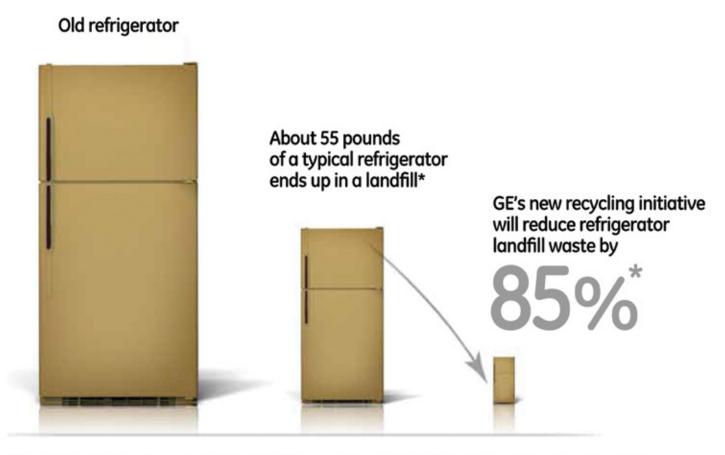
GE'S ECOMAGINATION

GE is driving a global energy transformation with a focus on innovation and R&D investment to accelerate the development and deployment of clean energy technology. Since its inception in 2005, more than 90 ecomaginationapproved products have been brought to market with revenues reaching \$18 billion in 2009. With \$5 billion invested in R&D its first five years, GE committed to doubling its ecomagination investment and collaborate with partners to accelerate a new era of energy innovation. The company will invest \$10 billion in R&D over five years and double operational energy efficiency while reducing greenhouse gas emissions and water consumption. As part of the initiative, GE launched "GE ecomagination Challenge: Powering the Grid", a \$200 million financial commitment challenging innovators to join in developing clean energy technologies. It is extending this Challenge with the "GE ecomagination Challenge: Powering Your Home," to develop technologies that help households manage their energy usage. For more information, visit the ecomagination website at ecomagination.com.

APPLIANCE RECYCLING CENTERS OF AMERICA

ARCA (www.ARCAInc.com), one of the nation's largest recyclers of major household appliances for the energy conservation programs of electric utilities, currently provides services for 150 utility programs in the U.S. and Canada. Toxic chemicals and environmentally harmful materials such as ozone-depleting refrigerants, PCBs, mercury and oil are carefully recovered in the decommissioning process for destruction or disposal, preventing them from contaminating soil, air and water resources. The company is also the exclusive North American distributor for UNTHA Recycling Technology (URT), a materials recovery system for household refrigeration appliances.

GE's initiative uses new recycling technology to reduce refrigerator waste in landfills



The technology is a sealed and fully automated refrigerator recycling system that will significantly reduce landfill waste and greenhouse gas emissions.

GE is the first appliance manufacturer to partner with the EPA on the Responsible Appliance Disposal Program.



*ARCA Advanced Processing 2010 Landfill Data, based on the component listing found in the American Plastics Council 1994 Composition, Properties and Economic Study of Recycled Refrigerators Report.

**The first installation of UNTHA Recycling Technology, serving a six-state area in the Northeast region of the U.S., will enable GE and Appliance Recycling Centers of America to reduce landfill waste of a refrigerator by an estimated 85 percent by weight, compared to typical industry practices.



Elica Inc - 222 Merchandise Mart Plaza, Suite 947, Chicago, Illinois 60654 - (866) 570.6401 - www.elica.com

COMPANY

Elica, founded 1970 in Fabriano, Italy, has grown to be the #1 manufacturer of kitchen ventilation systems in the World. Actually, you've been selling Elica produced products for decades. Many leading appliance manufacturers have chosen Elica range hoods to compliment their cooking products. We hope to gain your trust too.





VENTILATE

From professional style cooking to light occasional usage, Elica has you covered. Our products are designed to handle the heat and look great too. From high efficiency breakthroughs like Perimeter Ventilation to the deep silence of EDS3 or the super compact design of Evolution, Elica has lead the industry for decades.

DECORATE

Why simply ventilate, when you can Decorate? Elica's design team utilizes outside designers from around the globe for added inspiration. The results speak for themselves. Whether you want a unique center piece or a subtle touch of style, look no further than Elica.





ILLUMINATE

Lighting is a key design element and can greatly influence the overall beauty of your kitchen. The correct lighting can create a warm glow, a cheerful shine or a sophisticated ambiance. Elica products are far more than simple range hoods... they will elegantly illuminate your space.



B Book Review

People Buy You

THE REAL SECRET TO WHAT MATTERS MOST IN BUSINESS

ow do I build better rapport? A question often asked by salespeople... Rapport is a popular and ubiquitous concept in sales. A module on rapport is included in virtually every sales and leadership training course. You'll find chapters on rapport in almost every sales book. Many thousands of books and seminars are dedicated exclusively to the concept of rapport. A search on Google for how to build rapport yields a million or so returns. Despite all of this, rapport is among the most misunderstood and misapplied concepts in business. Ask 10 salespeople to explain rapport and you'll get 10 different answers. Few people really understand the concept of rapport.

Rapport is essentially being in sync with another person to the extent that you are able to influence their behavior. The rapport building process is designed to develop common ground with another person through mirroring and matching body language, voice tone and speed, word patterns, eye movement, and even breathing. In time, according to the experts, when you truly have rapport with another, you have the ability to lead them and change their behavior patterns.

The problem with rapport is that it is just too hard and complex to get into sync with someone enough to influence their behaviors. Few sales professionals have the time or inclination to become experts in deciphering word patterns, eye movements, and facial expressions. Learning to effectively and discretely mirror and match people based on their communication style-audio, visual or kinesthetic—sounds really cool in a seminar, but it rarely succeeds consistently in real world business situations with real people. This results in rapport building being awkward, cheesy, and manipulative. Making matters worse are the legions of salespeople who mistake small talk at the beginning of a sales call as rapport building. Taking their cue from misinformed sales trainers, they'll make dumb comments about some random object in their prospect's office as if that is enough to initiate a relationship. Far too many sales

people just go through the motions to check Build Rapport off their sales-process list so they can get down to selling.

Buyers are not fooled. They find these lame attempts at rapport building gratuitous and insincere. Over time, they become numb to rapport-building efforts. If you want people to buy you, forget about rapport. Remove the word from your vocabulary. Instead, focus on connecting.

Rapport is designed, not to develop trusting relationships, but rather to influence behavior. Rapport in its purest form is manipulative. People who feel manipulated will be distrustful of your motivations, no matter how pure, and will never feel connected to you. Connecting, on the other hand, is designed to win others over through a focus on their needs. The most effective strategy for winning others over (convincing them that you are their friend) is to start and end by helping them get what they want.

STOP TRYING TO BUILD RAPPORT AND LEARN HOW TO LISTEN

The most insatiable human desire, our deepest craving is the desire to feel valued, appreciated, and important. The key to connecting and winning others over is, therefore, extremely simple: make them feel important. The real secret to making others feel important is something you have at your disposal right now. It's listening. Listening is powerful. The more you listen, the more connected others will feel to you. When you listen, you make people feel important, respected, and heard.

Unfortunately, most salespeople would rather talk than listen. Why? We would rather think about and talk about ourselves, our products and services, our accomplishments, and our problems. The vast majority of people, especially salespeople, never make the effort to sincerely listen to others. Much of the time when they are not talking they are thinking about what they are going to say next.

There is real power in listening and using it to your

advantage to build connections. The desire to feel important, valued, and appreciated is more insatiable than any other human craving. Just like you, when people talk about themselves and someone listens, it makes them feel important and subsequently draws them to you. Although truly listening to another person requires self-discipline, selflessness, practice, and patience, it is not complicated or complex. That is the beauty of connecting. Unlike the complexity of rapport, connecting requires only that you listen to your prospect, customer, client, boss, or peer.





Author: 7eb Blount, CEO of SalesGravy.com. A respected thought leader on sales and sales leadership, he is author of three books, People Buy You: The Real Secret to what Matters Most in Business, Sales Guy's 7 Rules for Out-selling the Recession, and Power Principles. He is the author of more than 100 articles on sales and sales leadership and the host of the top rated Sales

Guy Podcast. For more information, please visit www.PeopleBuyYou.com. Publisher: Wiley



CALL TO ACTION

SEND US YOUR SHOTS

LOOKING FOR RETAILERS, DISTRIBUTORS AND MANUFACTURERS engaged in their element while at trade shows, special events, showroom openings or just plain group get-togethers. The Retail Observer is interested in featuring you in our new snap-shot page, "Retailers Observed", where you can see what your industry buddies are up to. Please e-mail us your hi-res photos in .jpg format. Include the captions with the photos you send for consideration and be sure to put "Retailers Observed" in the subject line. Send to: production@retailobserver.com

FEATURED THIS MONTH: **BRANDSOURCE**





[Industry [News]

CAPITAL'S NEW CULINARIAN SERIES RE-INTRODUCES OPEN BURNER SYSTEM TO THE RESIDENTIAL CHEF





Always leading the way in cooking technology, Capital's new Culinarian Series is designed for those who are excited, not intimidated by intense commercial capabili-

ties, in other words, those who really love to cook. The latest product series from Capital President & CEO Surjit Kalsi, who developed the first commercial range for residential use in 1985/86, offers consumers the power and performance of a restaurant kitchen with the fit and finish that makes it a beautiful showpiece in the home. The Series is available in 30", 36", 48" freestanding ranges in both self and manual clean, 60" self clean, and 30", 36", 48" and 60" range-tops for built-in applications.

One look at the power burners and you'll see the difference. The flame rises from each part of the burner ports, not just around a burner cap to provide the most even heat distribution and best cooking results. Each burner is packed with an impressive 23,000 BTUs of power, but it's the way the temperature interacts with the cookware and food that makes the difference. Imagine a delicate sauce receiving uniform heat distribution with 94 evenly spaced small flames at 145° F instead of one or two circles of flame with large separations. And on the power end of the spectrum, consider how quickly the boil will occur when the entire pot of water is receiving the same amount of heat instead of from just an outside ring and middle heat source alone.

"I developed the Culinarian in direct response to feedback for more power and better burners in the kitchen. True home chefs don't just want professional-style looks, they want restaurant-style functionality," states Surjit Kalsi, also the 2011 NKBA Hall of Fame inductee. "I designed open burner systems earlier in my career, but the market seemed to want the tidy looks of a sealed burner. Now, our customers are getting more sophisticated and advancing their cooking styles."

The Culinarian is not just about the burner system; it offers inspiring cooking features for perfect results and ease of use. Cooks will appreciate the design ingenuity of features such as:

- ALL burners have the same 23,000 BTUs of power and low temperature capability (many gas cooktop burners have different sizes and you have to move pots around depending on desired function)
- Reduced distance between top rack position and broiler in the oven – competitive products first rack position is 6" away from broiler whereas the first position in the Culinarian oven is only 3" away making for a better, more efficient broil
- Open burner system is perfect for wok cooking with even heat distribution that targets the "sweet spot" (or center) of
- Special attention is paid to welds and corners all joints and edges are smooth, seamless and hand polished
- Superior insulation and a unique fan behind the control panel keep knobs and doors cool to the touch, important for cooks and children
- 10 color finishes available (not available in range-tops)





Here are some other highlights of the Culinarian Series Depending on the size of the unit, features may vary.

COOKING SURFACE (RANGE-TOPS AND FREESTANDING RANGES)

burner

- EZ Glide[™] full extension drip trays to catch grease and debris from the open burners, grill, wok and griddle
- easy cleaning · Commercial quality cast iron grates dedicated to each

functions. Trays are smoothly finished and removable for

- Single thermostatically controlled 12" griddle option (18,000 BTUs) or double 24" griddle option (30,000 BTUs)
- Choice of configurations in 36" 60" units with either

maximum amount of burners, 12" or 24" griddle surfaces, or 12" or 24" BBQ grill surfaces (stainless steel griddle plate and grill covers, exclusive to Capital, come standard)

- · Auto ignition and re-ignition on all burners with dedicated spark modules
- · Die cast, chrome plated metal knobs with black trim (cabernet red color optional)
- FlexRoll[™] oven racks for smooth operation
- · Island trim included
- Cast iron wok grates offered as an option

OVEN

- · Heavy duty hinges, alloyed steel, die cast, chrome plated handle and end caps, stainless steel handle bar
- · Bake, broil, convection bake, broil, and open-door broil mode
- Primary ovens have 18,000 BTU broiler behind glass and 30,000 BTU oven for uniform baking
- Secondary ovens in the 48" and 60" units have 15,000 and 22,000 BTUs input
- Titanium speck porcelain oven interiors
- · Bright oven lights and extra large viewing windows with embossed design
- 30" large 4.1 cu ft. capacity
- 36" large 4.6 cu ft. capacity, fits 26" x 18" commercial pans
- 48" primary oven large 4.6 cu ft. capacity, fits 26" x 18" commercial pans; secondary oven 2.1 cu ft. capacity
- 48" Motorized rotisserie system in primary oven with heavy duty cast stainless steel prongs and spit rod (patent pending, self clean only)
- 60" primary oven large 4.6 cu ft. capacity, fits 26" x 18" commercial pans; secondary oven 3.1 cu ft. capacity
- 60" Motorized rotisserie system in primary oven with heavy duty cast stainless steel prongs and spit rod (patent pending, self clean only)

The Culinarian Series is now being distributed throughout the United States and Canada. Established in 2001, Capital Cooking Equipment is under the leadership of Surjit Kalsi after a long and decorated career designing high performance cooking products for companies such as Viking and DCS. Product lines include the Precision Series of ranges, rangetops, outdoor cooking and accessories, Maestro Series of cooktops and built-in ovens and the Culinarian Series of ranges and range-tops. Visit www.capital-cooking.com.

ARISTON'S NEW ALL-IN-ONE WASHER/DRYER PREMIUM PERFORMANCE, MAXIMUM FLEXIBILITY



ARISTON

Ariston's new ARWDF 129 & 129 S Combination Washer/Dryer provides a space saving, energy efficient and practical solution for a wide variety of lifestyles and housing situations. At 94" wide, this compact unit can fulfill all the laundry needs of apartment dwellers, condo owners, empty

nesters, recreational properties, households with one or two occupants or as an extra laundry option in a master bedroom, in-law or nanny suite.

"We want people to understand that our all-inone laundry product offers excellent performance for a variety of lifestyles" states Marco D'Arsie, Ariston's North American sales manager. "Multi-residential builders and developers can minimize space and installation requirements with a single, ventless unit. And, at the end of the day, the resident has a high performance washer and drver," adds D'Arsie.

Utilizing condensation technology and a 110 volt requirement allows the product to plug and play in small spaces like closets and bathrooms without venting. And, because the unit is self-contained like a dishwasher, it can easily be placed undercounter in the kitchen. Builders save in materials and labor by not incorporating laundry venting in housing design.

In addition to appealing to the bottom line for builders in the installation process, condensation technology also saves money and energy long term. Vented dryers' blast air out of the unit and into the home environment, and if installed in multi-residential housing, can create massive heat loss out of multiple vents. Ariston's condensation technology contains and efficiently reuses the hot air created by the drying process, Excess moisture leaves through a drain hose. Using only 115 kWh hours per year, it is one of the most energy efficient laundry units on the market and with less waste, the product is a wise choice for projects seeking LEED certification. | continued on page 18 |

Efficiency also translates to premium performance in the frontloading ARDWF 129 (White) & 129 S (Silver). The units have thirteen wash cycles and 3 dry cycles; more program options than most individual washers and dryers. A new larger capacity, improved drum allows more than 2 lbs of extra laundry. Program highlights include:

- Quick Wash, Quick Wash & Dry, Mixed Load 30min, & Lightly Soiled 15min - to wash and dry loads from start to finish in time period less than 60 minutes
- Active Wear designed for common sporting wear fabrics
- Silk a program so delicate to accommodate the finest fabrics
- Infant Wear tackles the toughest food and soil stains that ordinary cotton cycles may not handle
- Jeans a cycle developed to maintain color, fit and structure of every type of denim
- Bright White works specifically to optimize bleach
- Sanitizing boosts the water temperature to 170° F for optimal cleanliness and whitening.

Ariston is not only a "Woolmark" approved brand, but has achieved the Woolmark Platinum Care certification for highest standards of washing quality.

Ariston appliances are distributed throughout the United States and Canada. Visit www.aristonappliances.us.

CAKE BOSS: LOOKS GOOD ENOUGH TO EAT



Cake Boss Buddy Valastro (center) with General Plumbing Supply's Ian Ebner (left) and Justin Freedman



General Plumbing Supply celebrated recently its 100th anniversary, and the New Jersey-based company marked the occasion with an appearance on the February 7th episode of "Cake Boss" which aired on the TLC network.

On the "Cake Boss" episode, master baker Buddy Valastro managed a team that created a cake the shape and size of a '50s-style toilet. Weighing in at about

150 pounds, the cake which had a pump that circulated water also featured a range of realistic sound effects.

Established in 1910, General Plumbing supply is now a fourth-generation company that has grown into one of the East Coast's leading suppliers for plumbing, heating, HVAC, and industrial equipment. There currently are 11 General Plumbing Supply sites in New Jersey, with a kitchen-and-bath showroom at six of these locations. In addition, a 12th site will open in May 2011, in Lakewood, New Jersy.

COOL 2011 INNOVATIONS BY FISHER & PAYKEL

ONCE AGAIN FISHER & PAYKEL'S SMART ENGINEERING LEADS THE INDUSTRY WITH ITS ACTIVE SMART™ REFRIGERATORS

Thanks to enhanced engineering processes, Fisher & Paykel Appliances unveils new features for the French Door and Bottom Mount lines, both newly available.

The 2011 Counter Depth French Door Refrigerator will offer a number of improvements over the current design including:

- Energy Star® qualification
- Internal water filter
- Deeper door bins for larger items
- · Cantilevered shelving to enable easier cleaning

Fisher & Paykel's French Door Refrigerators have led the market in innovation without sacrificing functionality. At 19.5 cu ft, the interior space is superior to

innovative living

that of similar sized alternatives and also features Active Smart[™] technology, automatic ice making, chilled and filtered water on demand and strong extendable storage drawers.

The 2011 Counter Depth Bottom Mount Refrigerators will offer the following design features:

• Energy Star qualification

| continued on page 20 |



Visit www.KOBERangeHoods.com or call (626) 775-8880 (1-800 BUY-KOBE) for more information.

- Ice & water products will have an Internal water filter
- Gallon door bins for larger items
- Cantilevered shelving to enable easier cleaning
- Full extension Freezer drawer system

Fisher & Paykel's range of bottom mount refrigerators all feature the Active Smart[™] system, adjustable glass shelves and humidity controlled produce bins and are available in white, stainless and ice and water options.

"Fisher & Paykel's Active Smart™ refrigerators continue to be among the most innovative in the market today," says Fisher & Paykel's marketing manager, Scott Davies. "The 'smart' technology in the refrigerator detects and monitors usage patterns and adjusts its operation accordingly. Our experience of combining superior performance with forward thinking energy saving technology consistently sets apart Fisher & Paykel's products from our competitors," Davies concludes.

Complete information regarding Fisher & Paykel's current refrigeration offerings is available at: www.fisherpaykel.com/product/refrigeration/refrigerators/

More information about the company is available on their website: www.fisherpaykel.com or call toll free at 888 936-7872.



CEDIA ELECTRONIC LIFESTYLES® AWARDS COMPETITION NOW OPEN

The Custom Electronic Design & Installation Association's (CEDIA's) annual Electronic Lifestyles® Awards competition is now underway, with the online entry system officially open. CEDIA members interested in entering their projects may view guidelines and begin the entry process now at www.cedia.org/awards.

The Electronic Lifestyles® Awards competition offers electronic systems contractors a chance to showcase their best work through the Designer Awards competition, which features seven project categories, including Home Theater and Hidden Installation as well as the new Sustainable Lifestyle Installation category. This year, companies are no longer limited to two project entries per category, and may submit as many projects as they like.

CEDIA also gives manufacturers the opportunity to highlight their best products and technologies through the Manufacturers' Excellence Awards competition. Categories include Best New Product, and Product Hall of Fame. Manufacturers can also compete for a Sustainable Lifestyle Product Innovation award, which recognizes a product that facilitates reduced energy consumption, as well as an Attendees' Choice award, which will be voted on by CEDIA EXPO attendees.

CEDIA once again will partner with HGTVPro.com to offer a People's Pick award competition. Visitors to HGTVPro.com - whose 800,000 monthly viewers include homeowners as well as building, remodeling, and design professionals – will have the opportunity to | continued on page 22 |



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Fitting In vs. Standing Out



It doesn't have to be either-or. Not only do we innovate our premium refrigerators to fit seamlessly into your lifestyle, we design them to become the stars of any kitchen.

Each unit is so technologically advanced it leaves other high-end refrigerators in the cold. Take our new 2060 series of 36" Single Door Refrigerators with features like LED Lighting, Large Capacity Flexible Storage, a Touch Button Control Panel and DuoCooling to keep food fresher longer.

Savvy consumers choose a Liebherr over other refrigerators because they get everything they expect from a high-end refrigerator for less. It's time to trade up—to Liebherr. Snap a picture of the QR code below to see our complete line of green refrigeration.



LEBHERR

In Line With Your Life

vote on their favorite projects in the Home Theater, Media Room, Integrated Home and Sustainable Lifestyle Installation categories.

"CEDIA members work on a variety of projects that require specialized talent and expertise. The Electronic Lifestyles® Awards competition is a unique platform for our members to showcase their work," said Jamie Riley, senior director of public relations and marketing for CEDIA. "Last year's partnership with HGTVPro.com resulted in member projects being viewed over 750,000 times, and this exposure will likely increase this year. In addition, winners and entrants from past awards competitions have benefited from exposure in national and regional publications."

CEDIA is also accepting nominations for the Lifetime Achievement Award, which recognizes an individual who has demonstrated outstanding, creative, innovative, and visionary leadership in the residential electronic systems industry.

Winners in all categories will be announced at the CEDIA Electronic Lifestyles® Awards Banquet during CEDIA EXPO 2011 in Indianapolis Sept. 10. Winners will also receive promotion in CEDIA publications and will be highlighted in select industry publications.

The online entry system will remain open until Friday, May 6 at 5:00 p.m. (Pacific) for entries in the Designer Awards competition; Friday, May 27 at 5:00 p.m. (Pacific) for Lifetime Achievement Award nominations; Friday, June 10 at 5:00 p.m. (Pacific) for Manufacturers' Excellence Awards entries; and Friday, July 29 for Attendee's Choice Award entries. Guidelines and entry forms are available at www.cedia.org/awards.

For more information on CEDIA's global regions, visit www.cedia.org

CEA RELEASES SUSTAINABILITY REPORT



HIGHLIGHTS TREMENDOUS PROGRESS INDUSTRY HAS MADE IN GREEN INITIATIVES

The Consumer Electronics Association (CEA) recently released the CEA 2010 Sustainability Report to highlight the tremendous progress the industry has made in its green initiatives, from designing more energy efficient products to cutting greenhouse gas emissions (GHG) at facilities, to developing a national electronics recycling infrastructure. The report, an update to CEA's first-ever sustainability report in 2008, tracks the industry's green efforts throughout a consumer electronics (CE) product's entire lifecycle. The CEA 2010 Sustainability Report contains 21 separate case studies from a variety of CE companies illustrating progress in their environmental efforts. The report further provides transparency on green practices across the industry.

"The consumer electronics industry is committed to greening its products and practices for the benefit of consumers, communities and the overall environment," said Gary Shapiro, president and CEO of CEA. "In the past three years, we've made great strides in our environmental efforts, by creating more green products, improving energy efficiency and | continued on page 24 |



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STUDIO SERIES

SEAMLESS STYLE FOR THE ULTIMATE BUILT-IN KITCHEN

INTRODUCING THE STUDIO SERIES FROM LG

For the ultimate in luxury, look no further than the LG Studio Series. With premium features and impressive new styling, the LG Studio Series provides sophisticated design for a beautiful statement in any home. With seamless counter depth refrigerators, sleek built-in cooktops, ventilation hoods and warming drawers, the Studio Series offers the very finest appliances from LG.





CONTACT YOUR LOCAL DISTRIBUTOR FOR MORE INFORMATION ON THE LG STUDIO SERIES



deepening our commitment to electronics recycling. We know there is work remaining, and we will press forward with these initiatives in 2011 and beyond."

FOLLOWING ARE SOME HIGHLIGHTS OF ENVIRONMENTAL PROGRESS EVIDENCED IN THE REPORT:

Greener Designs: Industry-wide unit sales of U.S. products registered with EPEAT (Electronic Product Environmental Assessment Tool) grew by 10 percent in 2009, to a total of 48.5 million products. Individual companies also made noteworthy milestones in green design. One manufacturer, for instance, conducted a comprehensive life cycle analysis for every product it ships to determine where greenhouse gases are created. After discovering 97 percent of the emission derived from manufacturing and product use, the company focused on designing new products that use less material, smaller packaging, and are as energy efficient and recyclable as possible.

Green Packaging: Many consumer electronics companies are switching to renewable materials, including bio-based plastics, or recyclable materials instead of clamshell packaging and are looking to reduce the amount of packaging they use. For instance, one video service provider consolidated its shipments and decreased its use of cartons by more than one million in 2009 — a 75 percent reduction from the previous year. In 2011, all of the providers' products will be packed with 100 percent recyclable materials.

More Efficient Facilities: Many manufacturers have set ambitious goals for reducing GHG at their facilities. Meanwhile, other companies have launched efforts to cut power consumption at their data centers.

More Energy Efficient Products: According to the EPA, 27,000 CE product models currently meet ENERGY STAR specifications. The average energy savings of ENERGY STAR electronics devices range from 20 to 55 percent. An example of this progress is one semiconductor design company created a chip that can reduce its GHG by up to 40 percent by combining the processing and graphics processing units and the Northbridge chipset onto a single chip.

eCycling: The consumer electronics industry recycled 200 million pounds in 2009, and industry supports more than 5,000 permanent collection sites nationwide. Some examples of these efforts include one CE retailer collecting 100 million pounds at its 1,200 U.S. locations and one computer manufacturer operating an eCycling program at more than 2,200 U.S. Goodwill sites.

"The CE industry's commitment to sustainability is unmistakable," said Walter Alcorn, CEA's vice president of environmental affairs and industry sustainability. "More and more, our member companies are finding what makes good environmental sense also makes good business sense in the form of reduced costs and invigorated employees. Our sustainability efforts will continue in earnest this year, and CEA will continue to provide the resources to member companies to help bolster these initiatives."

The full report is available at www.CE.org/green.

NEW SAVINA COLLECTION THE **FROM** JADO EXQUISITELY COMBINES 19TH-CENTURY OPULENCE WITH 21ST-CENTURY TECHNOLOGY

NEW TAPS, FAUCETS AND TUB FILLERS MATCH ELEGANCE WITH WATER EFFICIENCY









With the introduction of the Savina®Collection, JADO offers excellent ergonomics, superior performance, and environmentally aware water efficiency, further broadening its already extensive array of aesthetically and technologically sophisticated luxury bathroom products. | continued on page 26 |

INSPIRED by professionals.

BUILT by experts.

DESIGNED for you.



The True Professional Series is crafted with the same dedication to producing only the highest quality products that has guided True's commercial success for more than 65 years.

Discover the entire line of high-performance wine cabinets, beverage centers, and undercounter refrigerators at true-residential.com.



The Savina Collection, based on 19th-century designs, is opulent with intricate detailing and rich ornamentation. Models include pillar taps and widespread faucets, with two-handle, cross-handle, and lever-handle options available. Handles are capped with porcelain.

Complementing large-scale, traditional-style bathrooms, the Savina offering is also suitable for historically informed restoration projects. There is even a true freestanding tub filler for a grand Old World look.

Available in durable signature finishes—polished chrome, brushed nickel, platinum nickel, old bronze and antique Savina line coordinates nickel—the JADO®Luxury Bath Collection offerings. All models are water efficient with a maximum flow rate of 1.5 gallons per minute (gpm), and incorporate the new, exclusive JADO Luxury SpeedConnect®drain, an innovative technology that radically simplifies installation. In addition, the Speed-Connect drain plunger features a large European-style cap that covers the flange of the drain.

For more information on the Savina Collection or other JADO luxury bath and kitchen products, visit www.jadousa.com or call (800) 227-2734.



INDUSTRY'S FIRST 20-INCH WIDE THE REFRIGERATION SERIES FOR TIGHT SPACES



Summit Appliance is the first appliance manufacturer to bring quality design to a thin line space with their new 20-inch wide undercounter refrigeration collection.

Popular for their series of 24-inch wide compact refrigerators, Summit has unveiled this widely requested smaller size with the same customization options for matching built-in refrigerators and freezers as well as refrigerator-freezers, making it easier for big city residents to renovate with small appliances.

All of Summit's new undercounter refrigerators and

freezers accept a wide array of customizations, including frames and integrated frames for custom panels, stainless steel or diamond plate doors, black or white cabinets, glass doors, and various professional handle choices.

Located in New York City, Summit Appliance is familiar with the urban market. "Customers do not want to sacrifice design just because they have a smaller living space," says Paul Storch, president of Summit. "This new 20-inch wide series introduces large possibilities for designing in limited space."

Also available are medical-grade refrigerators and freezers in this size, and commercially rated units are soon to come. Learn more at www.summitappliance.com.



NEW ICE BOX LATCHES BASED ON HISTORIC DESIGNS ANNOUNCED BY WILMETTE HARDWARE





Recently Wilmette Hardware introduced a new line of ice box hardware to add to the growing line of traditionally inspired architectural hardware manufactured and finished in Wilmette, Illinois. The brand new 'mini' ice box hinges and latches are sure to be a hit with designers and architects alike.

All of the components of the latch body, handle and strike plate as well as the body and base of the hinge are all machined using CNC machines to provide perfect fit and finish prior to the plating and finishing process. All of the hand work and finishing is completed in their facility in Wilmette, Illinois. They will have samples on display of this hardware at KBIS 2011.

Since 1937, Wilmette Hardware and Al Bar Wilmette Platers has provided fine architectural hardware, polishing and finishing that is second to none. For more information on Wilmette Hardware: www.wilmettehardware.com or www.iceboxhinges.com. | continued on page 28 |

I wouldn't trust my drink to any other ice.

Bob Griese, Hall of Fame Quarterback and Ice Purist



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Scotsman° Ice for the purist°

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Distibutor of Distinctive Consumer Products

WORLD'S FIRST SHALLOW-DEPTH LINE OF REFRIGERATORS



As a leader in innovative undercounter refrigeration, Perlick Corporation introduces the World's First Shallow-Depth line of Refrigerators, Beverage Centers and Wine

Reserves. This ground-breaking product offering is the perfect fit for a variety of hospitality and residential applications where the standard 24-inch depth isn't. Designers, architects and homeowners alike now have the ability to place a refrigerator in unique applications such as kitchen islands, credenzas and even stacked on top of a counter.

"The inspiration for this new line was based on feedback from our distributors, dealers and designers", says Jeff Wimberly, vice president of sales and marketing for Perlick's Residential and Hospitality Products. "They wanted a shallower unit, which was still ADA-Compliant for the residential and hospitality markets."

The new line is comprised of a Refrigerator, Beverage Center and Wine Reserve (each with the option of either a solid or glass door) and measures 32"H x 18"D x 24"W. Powered by a whisper-quiet 700 Btu compressor, Perlick's RAPIDcool refrigeration technology allows for the fastest temperature pull-down in the industry - allowing for ice cold beverages in less than 30 minutes. Perlick is also the only company that offers commercial-grade stainless steel interiors as a standard feature, which helps conduct temperature better than plastic, is odor-free and prevents the growth of bacteria. A tamperproof locking system is also available. For more information about the Perlick product line, contact Perlick at (800) 558-5592 or visit www.perlick.com.





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Designing Excellence



Manufacturer (NOTES)

Fulgor Milano Turns up the Heat with Brand-New "Largo" Cooktop

GAS COOKTOPS COMBINE EURO STYLING WITH HIGH PERFORMANCE COOKING AND ABILITY



ith its flagship model a full 42 inches wide and offering up to 18,000 British thermal unit (BTU) of cooking power, the new Fulgor Milano Largo 400 Series gas cooktops redefine both performance and style, with their elegant European looks and genuine Italian craftsmanship.

The Largo 400 Series gas cooktops come in four different sizes, including a four-burner 24-inch model; a five-burner 30-inch model; and two different 36-inch models (one with five burners, the other with six).

However, it's the stunning 42-inch model that steals the show with its unique size. Equipped with a stainless steel deck, black cast iron grates, and clean, geometric layout, it's a masterpiece of Italian design.

Its superior cooking power supplies 18,000 BTU to the main burner, which is 3,000 additional BTU than most other models in the industry. Equally as impressive, its smaller burners can go as low as just 450 BTU—perfect for simmering gourmet chocolates without scorching.

The Largo 400 Series cooktops are packed with sophisticated technology and features, including electric ignition, flame-out sensing, and re-ignition. "Not only are these cooktops backed by the industry's best warranty, they're also environmentally friendly, with components crafted of 90-percent recyclable material," notes Enrico Sasso, director of sales & marketing for Fulgor Milano.

Cooktop accessories offered in this new series include simmer plates, small pot inserts, wok rings, and more. The Largo 400 Series cooktops will be available in late Summer 2011.

Fulgor Milano brings genuine sleek Italian style and innovation to distinctive American kitchens, and is backed by the quality and staying power of parent company Meneghetti S.p.A., with a half-century of experience as the private-label manufacturer for more than 400 of the world's top kitchenappliance brands.

For more information about Fulgor Milano, its products, and the company that makes it strong, call (800) 926-2032, or e-mail info@fulgor-milano.us.



FULGOR MILANO



WWW.FULGOR-MILANO.COM



CEA Study Finds Dramatic Increase in TV Energy Efficiency

LCD AND PLASMA TVS SHOW CONSISTENT EFFICIENCY GAINS OVER SEVEN YEARS

new study commissioned by the Consumer Electronics Association (CEA)® shows manufacturers have made huge strides in creating more energy efficient televisions. In furtherance of the technology industry's leadership on energy efficient products, the CEA study, released today, provides a review and analysis of power consumption trends in digital television technology.

The CEA study, "Power Consumption Trends in Digital TVs Produced Since 2003," reviewed power consumption data on bestselling digital TV models from 2003 to 2010 - in both active and standby modes – on high-definition liquid crystal (LCD) and plasma display models with screen sizes ranging from 13- to 65-inches. Some highlights:

- LCD active power use fell 63 % from 2003 to 2010
- LCD standby power use dropped 87 % from 2004 to 2010
- Plasma TV active power use dropped 41 % from 2008 to 2010
- Plasma TV standby use fell 85 %from 2008 to 2010

"This study proves that it does not take government mandates to produce incredibly efficient TV sets. Intense competition, the voluntary Energy Star labeling program, and physics favoring less heat and thus less power drove these efficiency gains," said Gary Shapiro, president and CEO of CEA. "In just a few years, digital TVs have achieved energy savings which took their power-hungry analog predecessors several decades to achieve. In both design and usage, consumer electronics are increasingly contributing to national energy savings."

To put the gains in context, the power consumption of the

average TV sold in 2010 consumes less energy than a 100 watt incandescent light bulb and less power than what is needed to light a typical living room.

"Many consumers don't realize they can replace an old analog TV with a new flat-panel digital TV that uses less energy," said Douglas Johnson, vice president of technology policy, CEA. "Power consumption in TVs has fallen dramatically in the relatively short history of digital television thanks to the success of the Energy Star program combined with technological innovation, industry competition and consumer demand."

As the study explains, standard fluorescent backlighting for LCD TVs is rapidly being replaced with light emitting diodes, or LEDs, which will make TVs even more efficient along with enhancing the brightness and contrast of the display.

In terms of market share, CEA expects LCD TVs to account for 82 percent of TV display sales in 2011 with 27.1 million units shipped. CEA expects 4.6 million plasma TVs to ship this year. As noted in the study, significant improvements in energy efficiency of plasma displays have been made in the optimization of the xenon/neon gas mixture, which produces UV light. Along with these technology improvements, the study also attributed energy efficiency gains to manufacturers seeking to meet the latest Energy Star specifications.

TIAX LLC, a leading research and technology consulting firm, conducted the study for CEA. The study focused on LCD TVs from 13- to 65-inches in size and plasma TVs from 42- to 65-inches. To download the report, please go to: www.CE.org\green. Find CEA online at www.CE.org.

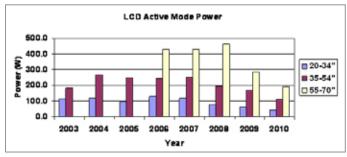


Figure 1: Comparison of LCD Active Mode Power Draw for three predominant screen size ranges

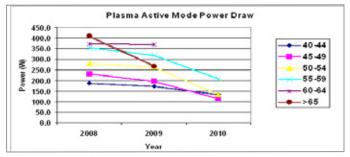


Figure 2: Comparison of Plasma Active Mode Power Draw by screen size

INGENIOUS

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Refrigeration

Ranges

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Introducing The Authorized Miele



Míele

Direct Seller Program A RELEVANT NEW BUSINESS MODEL

lame it on the housing crisis, struggling economy or resurgence of the Big Boxes; it's no secret the independent retail industry has experienced monumental shifts over the past few years. Underpinned by increases in internet sales, these shifts have certainly affected the appliance category as well. Companies like Miele, a leading German appliance manufacturer, have taken a microscopic look at the current model of the retail appliance business, questioning its sustainability.

"Many producers and their independent retail partners are working off of their grandparents' business plans, but the consumer purchasing landscape has changed dramatically especially over the last decade," said Nick Ord, president and CEO of Miele's United States subsidiary and 25 year veteran of the appliance industry. "Those business models are no longer sustainable. If manufacturers want independent retailers to not only survive, but thrive, both need to adapt and become active participants in the customer's experience," he explained.

To address these obstacles, Miele has developed a truly unique plan to offer its authorized dealers a total business solution for a constantly evolving landscape. The Authorized Miele Direct Seller (AMDS) program is a 21st century strategy distribution revolutionize the relationship between manufacturer and retailer and, perhaps most importantly, their shared customer. The program is set to launch April 2011 in California, Arizona and Nevada, however, the company plans to extend the program nationwide in the coming years. Miele's AMDS program celebrates the company's founding mantra of Immer Besser, a German phrase meaning Forever Better, and is a powerful example of how the privately held appliance giant leverages its independence to patiently craft long term solutions where the payback is often well outside the typical 13-week Wall Street window.

"Since our inception in 1899, we have always challenged the conventional. It's not in our nature to rest on our laurels. If we can identify ways to improve our trade partners' business, we will act upon them, and that's what we're going to do with AMDS," said Ord.

With AMDS comes a bevy of benefits for the direct seller. The main goals of the program are to simplify the transaction process, compete with internet sales, increase profitability and efficiency and allow the direct seller to focus on what they do best: selling. The only Miele products a direct seller will be required to purchase will be for pre-designed display, ensuring a consistent in-store brand experience. Miele direct sellers will further enhance their cash flow and profit picture because the program eliminates their need to carry inventory.

HOW IT WORKS

Unlike the outdated transaction process of today, The Authorized Miele Direct Seller (AMDS) program allows the direct seller to act as a "bookend". The direct seller will continue to show and sell the | continued on page 36 |

Confirm

Support

DIRECT SELLER

Deliver

Access

Install

Purchase

Display

Direct Seller Program | continued from page 35 |

product, but the product will be warehoused, delivered and installed by Miele. "From the onset, our direct sellers will realize a substantial improvement to their net profitability as AMDS removes the valueless costs that are built into the traditional appliance distribution model," Ord confidently states. The multiple product moves (from manufacturer distribution center, to the appliance retailer, to the customer) and the many risks associated with handling an expensive appliance box is what Ord is referring to. Under Miele's new program the cost of moving a lot of 12 or 24 dishwashers, for instance, are removed from the equation and together with the additional savings achieved via a reduction in

necessary warehouse space, staff and having delivery trucks on the road are all returned to the direct seller in terms of additional net profit.

Orders will be entered on behalf of customers by the direct seller. A proprietary enterprise resource planning (ERP) system, developed by Miele to support Demonstrate this shift, allows the direct seller access to a unique account where orders are placed using the customer's check or credit card. The direct seller will no longer have to worry about credit card fees, placing purchase orders or calling in orders to the warehouse. Within 24 hours of placing the order, Miele Concierge Services will schedule delivery and installation directly with the customer.

According to Ord, "Miele is the first to address the appliance specialist's true concern and that is their bottom line net profit. For decades, discussions centered on GP (gross profit), but until now nothing demonstrative was undertaken to effectively reduce their financial burdens. As a family owned and operated company we understand these issues better than most and will rise to the occasion and demonstrate our commitment to the appliance specialist by offering a more comprehensive and profitable way to do business," asserts Ord.

Delivery and installation will occur in one visit by factory trained Miele installers, Monday through Saturday. Since everything is tracked online, direct sellers have access to transaction information in order to follow up with customers post-installation and also view sales goals and commissions. According to Ord, "The AMDS solution will avail more time for our direct sellers to work with Miele's Concierge Services to follow-up with customers to encourage loyalty and repeat purchases. We know that 62% of customers polled sought the brand out prior to visiting the store and that these constituents provide the most powerful word of mouth endorsement to their network... so let's work with these ambassadors!"

INTERNET SOLUTION

According to J.D. Power and Associates, ten percent of some appliance category sales are a result of the internet. "Most independent dealers are not well poised to take advantage of this change in the consumer purchasing land-scape and a successful B2C website is quite expensive and time-consuming," states Ord. "AMDS allows direct sellers to take advantage of Miele's highly visible website and addresses the transparency of price, allowing them to leverage their sales skills to earn the clients business."

REWARDS

The AMDS program fully encourages "the more you sell, the more you make" mentality, allowing the direct seller to be in control. In addition to bonus commission opportunities, when a direct seller reaches a quarterly sales goal, they are invited to join the Immer Besser Club for the opportunity to win prizes, products and trips.

"AMDS not only guarantees the direct seller a set commission, it also encourages efficiency and provides opportunities for additional profitability," said Ord. "Our primary focus is to equip our direct sellers with a smart, relevant business model to compete in this ever-evolving landscape. It's a win-win for everyone involved."





AUTHORIZED DIRECT SELLER











Manufacturer (NOTES)

New Verona Pro Brand Complements Original Verona Line of Cooking Appliances

ounded in 2000, EuroChef USA continues a tradition of offering quality crafted Italian professional cooking products. The exciting new Verona Pro brand now complements the original Verona line of cooking appliances.

The distinctive Verona Pro line introduced in 2010

includes the 30" all gas range and 30" wall oven with digital clock and timer, stainless steel knobs, handles and bezels. The 30" gas range offers powerful German brass burners and unique styling in high grade 304 stainless steel, hi-gloss black and hi-gloss red. The Verona Pro 30" gas wall oven is available in stainless steel and hi-gloss black.

The Verona Pro line will continue to

expand with new products being offered and becoming available in June 2011. The addition of the 36" ranges in dual fuel and all gas models along with the 36" professional gas cooktop will complement the Verona Pro selections.

The Verona line of professional ranges include a variety of sizes and styles all built with high grade 304 stainless steel and now upgraded to include chrome knobs and handles. The Verona 36" all gas and dual fuel ranges are available in single and double oven

models, each with 5 sealed burners and full width storage drawer or compartment. The all gas and dual fuel models are available in matte black and will also extend to color options later in 2011. The Verona 36" range offerings will continue to expand with a new dual fuel, self clean model

that will be available later in 2011.

The 30" Verona all-gas model comes with 4 sealed burners and is immediately available. The new 30" dual fuel, self clean range will be arriving in May 2011, featuring hi-output gas burners and thermostatically controlled warming drawer; MAP pricing at \$3499.

> The 24" model Verona ranges are available now in all gas and electric models. The electric model includes a ceran top and thermostatically controlled warming drawer along with a touch control digital clock and timer. The all gas range is supplied with 4 sealed burners and a full width storage drawer.

> The Verona line also includes a griddle model 48" dual fuel self-cleaning range. The 48"

> > model includes 2 thermostatically controlled warming drawers along with 2 touch-control digital clocks and timers.

> > Verona also offers 24" gas and electric wall ovens, both in stainless steel. The gas oven is also available in matte black; the electric oven is a self clean model.

> > The Verona line also includes a variety of cooktops in stainless steel and color. These are available in a variety of sizes and configurations; and offered in the standard and deluxe models to suit your cooking needs.

EuroChef USA is working hard to offer your customers the beautiful and versatile kitchen that reflects their personality and lifestyle. That passion for excellence, quality and style is within reach. Contact EuroChef USA directly at (866) 844-6566 or at www.eurochefusa.com.







EuroChef USA

Elly Valas

Lessons from the Links

'll never forget a conversation I had several years ago with Barry Gunn, owner of Y Franks and Edmonds, the Appliance Stores in Burnaby, BC. He said "I run my business the same way I play golf." Knowing that Barry was a great golfer, I still didn't immediately get the connection.

Barry went on to explain that although most retailers are reactionary—running their business in response to whatever their competitors do-he managed his business in the same singular way that golfers play their rounds.

Golfers don't change their swings based on who they're paired with. Tiger Woods doesn't putt differently when he's trailing Phil Mickelson than when he's playing against Vijay Singh. Golfers may adjust their play to course conditions-selecting a longer club when hitting into the wind, for instance—but for the most part they play to their strengths while working to overcome their own weaknesses. Pros and duffers alike spend time on the practice range trying to improve their play without regard to what their opponents may be doing.

When writing my columns, I frequently refer to the latest business book I've read. In this column, though, I'm going to write about the latest business book I've written—Lessons from theLinkspublished just this week.

In Lessons, I write about two business associates talking about their companies while playing a round of golf. They draw parallels to their business practices from what they see on the course. I used Barry's important lesson about running his business his way instead of the way his competitors run theirs to frame management principles that work for all retailers.

Here are a few ideas from the book:

I don't get to play golf too often so I don't play very well. But before I start each round, I pencil in a score for both the front and the back nine. In doing that, I've set a goal—a vision if you will—of how I hope to play. As I play each hole, I see how close or how far I am to reaching that score.

In business, developing a solid business plan is similar to penciling in your score before you've hit your first drive. Setting sales, extended warranty penetration and profit goals gives you direction and helps stretch the possibilities. Without a plan—a target—you may limit your ability to grow your business. You may settle for whatever you achieve as being good enough.

Golf is a difficult and unpredictable game. If you were to think about it, the idea of trying to hit a ball into a small hole 400-yards away is ludicrous. To be successful on the course, golfers have to believe in themselves. I have to have confidence that I won't hit my ball into the water or the sand trap; and of course I'll sink this putt.

That same optimism goes a long way to ensuring business success. It takes confidence to roll the dice on a big promotional event and hope that the mailers arrive on time, you don't get a foot of snow and that your offers are compelling enough to bring buyers in. It takes some moxie to advertise a really low price leader hoping to drive in customers who will buy more full featured, profitable merchandise.

When I first started playing golf, I didn't worry much about my score. I just

concentrated on getting my ball in the air, hitting it straight and getting a hundred vards down the fairway. I didn't improve, though, until I started first just counting my putts and shortly after that, counting every stroke. Seeing those numbers on my scorecard either gave me reason to celebrate or showed me how much I still had to learn about the game. More important, I started playing better once I started tracking my score. I had a visual of how well or how poorly I was playing.

Business success depends on your ability to understand and manage the critical numbers and ratios that affect your dealership. Improved margins, inventory turns and GMROI leads to better cash flow and bottom line profits. Increased sale of extended warranties and accessories add much needed profit. Controlling expenses, managing assets and making prudent investments in your store are all keys to growth and success.

The lesson in Lessons from the Links is to improve your own business practices. Look at the things you do well and the things you could do better. Develop your strengths and work hard to overcome your weaknesses.

Sure, you don't do business in a vacuum. The competition today is probably tougher than ever. Play your game, and do it better than ever, and eventually, you may be the competition.

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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Customer Service Myths

IF YOU BELIEVE THEM, YOU'RE IN TROUBLE

f I were to ask 100 CEOs to define customer service, I would guess that 97 of them would say this: Customer service is providing the customer with service that is fast, accurate, and courteous. While those are indeed elements of customer service, there is more to itso much more.

Customer service is a moving target; it is whatever the customer thinks it is. That includes quality products, convenience, competitive prices, timely responses, reliability, a personal touch and knowledgeable employees. Customer service means doing what you say you will do and doing it when, if not before, you say you will do it. It is operating on the belief that no transaction is complete unless the service customers receive is sufficient enough to motivate them to return.

Most CEOs and other executives don't fully understand customer service and its huge impact on sales and profits for their organizations. They don't understand what they should (and shouldn't) do in order to provide the best possible service to their customers. In fact, many of them have false beliefs when it comes to customer service.

Here are three myths that hamper organizations throughout the world in their efforts to provide exceptional customer service and, in the process, to attract and retain customers:

• Adding employees improves customer service.

You can add all the people you want, but it won't improve your organization's customer service. More doesn't necessarily equal better. Too many organizations have too many underperforming employees; you need to weed them out. In developing countries, the typical company has at least 25 percent more employees than it needs.

If you have 50 employees and add 50 more, all you've done is double your workforce. But, if you have 50 employees who are focused on customer service, who are knowledgeable, enthusiastic, and have positive attitudes, you will have a winning team. If you train those employees in the art of customer service and support that training by giving them the tools they need to take good care of your customers, you will see your sales and profits skyrocket.

• The more you pay employees, the more committed they will be to customer service.

Increasing employees' pay will do nothing more than eat into your organization's profits. I've addressed this myth for more than three decades to clients throughout the world, stressing to them that money is not a motivator. It will not change an employee's behavior. If you doubled every employee's salary tomorrow, it would not improve customer service, and in 30 days you'd be out of business.

What will motivate my employees to provide better customer service? Recognition. There is no stronger motivator than positive reinforcement and public praise. If you recognize the efforts of your employees who go above and beyond to take care of your

customers, they will seek continued recognition by improving the service they provide. Recognition is the most powerful motivational tool you have—

• Your employees are empowered.

This is more than a myth; it's a delusion for most managers and executives. Empowerment means that your employees have the authority to do whatever it takes to immediately solve a customer's problem—to the satisfaction of the customer, not the organization.

In order to empower your employees, you must train them and give them the skills they need to take such good care of your customers that they wouldn't think of doing business with anyone but you. Don't handcuff your employees cumbersome policies procedures. Give them the authority to bend and break the rules in order to serve your customers. Let them know that it's OK to make a mistake in the process of providing exceptional customer service. Without empowered employees, you will never be a service leader.

Don't underestimate the power of Exceptional service. service builds loyalty, which in turn builds profits.

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





WE'VE CIVILIZED OUR COMMERCIAL RANGES





Chris Thiede

Generosity Campaigns:

A NEW APPROACH TO ADVERTISING

omplamoose: chances you've seen them. They are an indie music duo who was featured in Hyundai's 2010 Christmas advertising campaign. Over the years, they've sold hundreds of thousands of songs through their website and iTunes and have nearly a quarter-million subscribers to their YouTube Channel. They've also started their own live online TV show that is on every Tuesday night.

No big-time record contracts or nationwide tours. You won't see them at halftime of the Super Bowl or at the Grammys (yet). They're just an independent duo with a fresh take on how to make a living as musicians in the Internet age.

Their success holds a lesson for entrepreneurs in nearly all walks of life. They gave stuff away for free. They used their music to promote causes they cared about, giving away free MP3s of their songs and albums to people who donated books to a local school, or farm animals to people in Africa. Through their Generosity Campaign, they expanded their audience with their "advertising"—it was their generosity.

Advertising has many traditional forms such as the magazine you are currently reading. In addition to print media, there is broadcast, outdoor, and online/interactive advertising. Depending on your product or service, your objectives and your budget, conventional advertising can be an important part of your marketing mix, as it keeps your awareness up and allows you to defend your territory.

But for the entrepreneurs and small businesses on shoestring budgets, this could be a good starter point for a minimum cost. Generosity Campaigns allow you to get noticed by small groups of people who are already predisposed to purchasing your product or service, whether you are a small business just getting started or a well established large corporation.

For the record, I'm not talking about just giving away your products or services willy-nilly. I'm talking about offering help in the form of products, ideas or advice—related to your area of expertise—to people who are likely to benefit from it, in ways that are likely to increase your influence among your target audience.

How you go about it depends on your specific situation. Like Pomplamoose, you can engage your audience to support a worthy cause. You can donate your products or services to help a nonprofit organization that works in your industry. You can even offer free advice to potential customers.

A Generosity Campaign is typically inexpensive, and if done skillfully, can be quite effective. There is less cash outlay because it usually involves just your time and expertise. It allows you to showcase your capabilities and build goodwill and trust among your target audiences.

All you need to do is make sure the campaign harnesses your passion and

talents, otherwise it will seem insincere. The campaign should raise your profile among people who are potential customers allowing you to become more successful. Being generous is great, encouraging more generosity in the future.

ROCK YOUR BUSINESS

This column is a version of an article I wrote for Rock Your Business: 33 Mind-Blowing Ideas from Today's Top Marketers.

Rock Your Business is an e-book developed by marketing blogger Brett Duncan (www.marketinginprogress.com). In developing Rock Your Business, Brett's idea was to inform "and inspire entrepreneurs and small businesses to make bold moves and make their marketing great. He's collected articles from 33 smart marketers, all with different perspectives and diverse backgrounds.

And the best part is, it's free! Just visit my blog (www.buildcommunications.com) and you'll see a link for the free download. Get it, read it, share it. There is even a Web site where you can go to meet some of the authors, read additional posts, and engage in discussions.

Enjoy!

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





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Rick Segel

Is it a Feature or is it a Benefit?

ARE YOU SERVICING OR SELLING YOUR CUSTOMERS?

hen we service our customers, we are truly selling our customers. Service and selling go hand in hand. However, one of the most confusing things for salespeople to master is the concept of features and benefits. People buy benefits. Customers only care about themselves; they don't care about you, they don't care about the store, they only care about what will benefit them. It's the old story of "what's in it for me?" The fact that a dog's leash that the pet store sells is made out of the highest quality Scandinavian twine made by the great Grand Poobah doesn't hold any water or very little at best to the customer. The benefit is the leash is easy to hold, easy to use, will last, looks good and is not going to cost them a fortune unless they want to spend a fortune.

The key in what I just wrote was the line "they only care what will benefit them." Duh - that's why they call it a benefit. As the line goes "features tell but benefits sell." When we tell customers about features, they feel as if they are being manipulated and sold. If you analyze what a "pushy salesperson" does along with being in the customer's face, is they keep on harping on the features and forget that it's about the customer.

The feature is many times described as the mechanical aspects of the product. The benefit is how those features will enhance the life of the customer. So far this seems pretty basic and doesn't seem that there should be any issues or problems about salespeople, managers, or store owners grasping and mastering the techniques of speaking in terms of benefits. Unfortunately that is not the case. It's almost frightening sometimes to call for volunteers to role play selling situations and force the participants in presenting in terms of benefits to the customer. Why is this so difficult to understand and master?

I GOT IT!

Did you ever have that magical moment when everything becomes clear? That is exactly what happened to me and I hope you share my enthusiasm for this small revelation that could have the potential of increasing sales for anyone who has been confused about features and benefits. The reason why we get confused about what is a feature and a benefit to the customer is because a feature is a benefit to the salesperson.

OK, you're not sharing in my enthusiasm. But when we think about it, it makes perfect sense. Think like a salesperson. We want to have as many advantages, talking points, differentiators, or reasons to buy. Why? Because it makes our job easier, it gives us confidence about what we're selling and we are proud when we sell the best. So, getting back to the example from above about the leash designed by the Grand Pooba with the finest Scandinavian twine—these are regarded by the salesperson as real benefits, and they are. But, they're not benefits to the person whom we are trying to sell. What's happening is that we are only concerned about ourselves and the benefits to us. That's why the truly great salespeople are completely customer focused. They care about their customer and filling their wants, needs, and work to become a solution to their problems. That's why they walk through your front door and look at your merchandise.

The woman who spends \$150 to have her hair done is going there because she wants to feel special, appropriate, professional and thinner, younger, and even sexier. If the hairdresser just focuses on how the various dyes are prepared or who prepared them, then that business is not going to be forever. The customer wants the focus to be on them.

It is a simple thought but just remember a feature is a benefit to the salesperson. So the next time you think about saying something that you think will sell the customer, ask yourself the question – is what I am describing a benefit to me or a benefit to the customer?

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

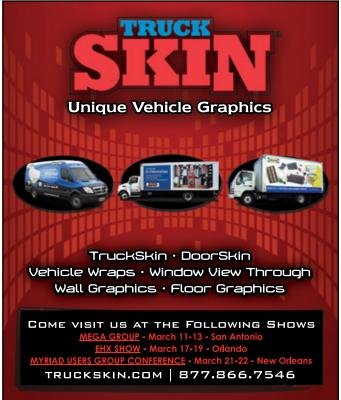


Retail Resources









Kevin M. Henry

Economic Recovery... The Signs Are Everywhere

s it me, or has this been the longest and coldest winter that I can remember in my life and when you add the effects of a collapsed economy, out of control unemployment and rising oil prices, and natural catastrophes, I am not sure why any one would want to get out of bed in the morning to face a new day of doom.

This morning as the alarm went off...my first thought was ... "damn... I'm still alive", then I heard it... a bird chirping outside. I pulled back the blanket, just far enough for one eye to peer out and there was the perpetrator of that delightful noise, hopping around in the morning sun on the small table outside my window. What did she know to be so happy and full of life...hadn't she been watching the news and listening to the experts that all was lost and that the worst has yet to come? As I stood looking out at a most wonderus morning, I realized that she wasn't listening to anyone, she was watching and looking for the signs of winters end and the dawning of a new spring and time for birth, rebirth and growth.

As a kitchen designer, my business has suffered greatly over the past couple of years. With the near collapse of the global economy, we in the residential design community were hit the hardest, especially architects, interior designers, contractors, as well kitchen designers and appliance suppliers. We quickly

learned that "few people remodel during the apocalypse". The dark and endless night created by economic fallout just seemed to go on and on. Was there no hope, was there no rescue, as the talking heads on TV just seemed to heap more doom upon doom. At that point, I decided to take a page from my little bird friend and stop listening and start watching for signs of change, for signs of recovery and for signs of hope.

To my surprise, there were signs all around and yet I could not see them, for I was so tightly wrapped in my self shroud of doom. As I walked my son to school, for the first time in months without heavy coat, gloves and muffler, I noticed that there were fewer homes for sale in the neighborhood and that it seemed that every other car dropping kids off were brand new and the parents standing in small groups were talking about their travel plans for springbreak or the remodel or add-on to the house that they had put off for so long. The signs were everywhere.

Like a man possessed, the signs came at me from all directions. Porsche had just sold out its entire production run of a \$235,000 model, while at the same time announcing the launch of a \$600,000 Spyder 918. An electric Swiss bike was flying out the door for \$80,000 a pop and Steinway launched a new John Lennon Collection stating at a mere \$90,000. It was clear to me that the

wealthy and the affluent, who have lived a quiet and reserved life behind gated driveways in a state of economic hibernation was about to wake from a self imposed slumber.

But the clock has run out and the time for waiting for the other shoe to drop has passed. The wealthy want and need to spend and it's burning a hole in their collective pocket and believe it or not, I think this is a good thing. This simple act of selfindulgence is what's needed to kick start our lifeless economy and get the everyday "Joe" back in the game.

Consumer spending is the backbone of the American economy and if the rich are spending, it is the first step to economic recovery and everyone benefits—Everyone! During the Reagan administration it was called trickle-down economics. When luxury cars, private jets and high-end homes are all in demand - that means people are getting back to work and when you have a steady income and a secure job, then the middle-class begins to spend. The economy hasn't completely "righted" itself, but it's coming and as I learned from my little bird friend-"watch for the signs".

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





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Robert Spector

The Wisdom of Mom & Pop

ROMANCING THE GOODS

ou walk into your store every morning and think about how to best present your merchandise, from how it's displayed to the color of the walls and floors. How do vou attract customers and how do you make sure that they don't leave without making a purchase?

I've been thinking about those things ever since I began working in my parents' butcher shop half-a-century ago.

How do you romance your goods? That's a question that merchants have been asking themselves ever since the first permanent retail shops were created around 650 B.C. by the Lydians, who lived in what is now the western Anatolia region of Turkey.

By the 17th Century, as retail became more sophisticated, and the competition grew more intense, shopkeepers and apprentices developed new skills to attract customers.

Displays were used to try to get passersby to at least slow down for a little window-shopping. As a Frenchman visiting London wrote in 1663, "There is no city in the world that has so many and such fine shops. For they are large and their decorations are as valuable as those of the stage. The scene is new everywhere which exceedingly pleases and attracts the eye as we go along."

How merchants treat their customers is, of course, an essential element of staying in business.

Daniel Defoe, best known as the author of Robinson Crusoe (and the son of a butcher), wrote about how shopkeepers should comport themselves in

1727 book The Compleat Tradesman: "The Retail Tradesman must furnish himself with a competent stock of patience which is needful to bear with all sorts of impertinence. A tradesman behind his counter must have no flesh and blood about him; no passions; no resentment. He must never be angry, no not so much as seem to be so, if a customer tumbles him 500 pounds worth of goods and scarce bids for anything."

A master of a high-end shop was advised by The London Tradesman in 1747, "to speak fluently, though not elegantly, to entertain the ladies; and to be master of a handsome bow and cringe; should be able to hand a lady to and from her coach politely, without being seized with a palpitation of the heart at the touch of a delicate hand, the sight of a well-turned and much exposed limb, or a handsome face."

A typical early eighteenth-century London retail establishment Fribourg and Treyer's snuff shop in the fashionable Haymarket district. The following are a few of the management regulations for its staff:

- Let every order be dispatched as soon as possible if by coach or by wagon the first after receipt of your order.
- · Clean the counter of everything before you put up an order, for fear other articles be packed with it, and sent wrong; always restore all goods to their proper situations after serving a customer.
- Never omit any business till tomorrow if it can as well be done today, for no

one knows, what tomorrow may bring forth.

We followed those rules at Spector's Meat Market. Although there was nothing fancy about our operation, my mother, Florence, did her part to provide a pleasant shopping experience in her little space, where she sold baked goods.

We offered large, four-pound loaves of rye bread and pumpernickel. If some customers didn't want to buy the whole loaf, we were happy to sell them a half or quarter loaf. My mother would take out her big bread knife and neatly cut the bread to the preferred size. She would do the same thing with the cakes we sold. After cutting the cake in half, she would use another knife to cut into two pieces the top half of the cardboard box that the cake came in. Finally, she'd take some string and tie together the two pieces of cardboard to make one neat little improvised box, leaving enough string for a handle so that the customer could easily take the package home. And she would top it all off with a smile and a thank you.

That was one way to romance the goods-and to make the customer feel good about doing business with us. Some things in retail never change.

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





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The NKBA Announces Newest Kitchen & Bath Industry Hall of Fame Member

SURJIT KALSI RECOGNIZED FOR OUTSTANDING SERVICE TO THE KITCHEN AND BATH INDUSTRY



National he Kitchen & Bath Association (NKBA) is proud to announce the 2011 inductee into the Kitchen & Bath Indus-

try Hall of Fame, which honors individuals who have made extraordinary contributions to the industry. This year, the NKBA is pleased to welcome Surjit Kalsi into the Hall of Fame.

Surjit Kalsi is chairman of Capital Cooking Equipment. Beginning his professional career in 1957, he has applied his creativity and expertise as a design engineer, and is credited with changing the face of the appliance industry. Kalsi introduced the concept of commercial quality ranges for residential use and developed the world's first all-stainless steel outdoor barbecue line. His vast contributions include the invention of the world's first pyolytic selfcleaning oven, the low input natural gas pilot, the universal gas burner, retention flame burner and the first dual flow gas burner. He is considered one of the foremost experts in cooking range design and manufacturing, and the NKBA is proud to include Mr. Kalsi among the respected members of the Hall of Fame.

President 2011 NKBA David Alderman, CMKBD expressed his endorsement of the selection of Kalsi as the newest member of the Kitchen & Bath Industry Hall of Fame. "Surjit Kalsi's advancements in appliance technology and design have paved the way for today's popular application of commercial grade ranges in residential kitchens. His products have elevated home cooking to a new level."

Surjit Kalsi conveyed his appreciation of the industry honor and acknowledgement. "I am humbled and deeply honored to receive the news that I am to be inducted into the 2011 Kitchen & Bath Industry Hall of Fame. It is a rare and uplifting feeling that what I did for survival is being recognized by the NKBA selection committee as 'changing the face of the appliance industry.' I am indebted to the committee."

TIMELINE

1985 / 1986

Surjit Kalsi successfully engineers the first ever high-end professional style range series for residential use under contract by Fred Carl of U.S Range (who then founded Viking Ranges using design and technology)

1988

Surjit Kalsi & Roberto Bernal co-found DCS (Dynamic Cooking Systems)

2000

- DCS introduces exclusive burner systems, stainless steel gas ranges, prostyle dual fuel ranges, wall ovens and the first ever high-end stainless steel BBO in addition to being a preferred OEM supplier for companies such Thermador, GE and JennAir
- · After twelve years of success, DCS reaches sales of over \$100 million
- Surjit and Roberto sell DCS

2001

Rich Kalsi, son of DCS founder, starts Capital Cooking Equipment Inc.

2005

Surjit and Roberto join Capital Cooking in leadership roles

2007

Introduction of Precision Series gas self-cleaning ranges with Power FloTM burners, gas under glass radiant broiler and the first professional range with a rotisseri

2011

Introduction of Culinarian Series reintroducing the restaurant style open burner system to the residential range 🧪







Manufacturers Announce Use of **DOE Measurement for Clothes Washer Capacity Claims**

anufacturers of clothes washers have independently determined that, beginning on or before April 30, 2011, they will voluntarily communicate capacity to consumers using only the U.S. Department of Energy (DOE) clothes washer test procedure for drum volume calculations, including the most recent guidance on measuring drum volume, released by DOE during the summer of 2010. These manufacturers, listed at the bottom of this release, who are choosing to communicate drum volume for non-energy purposes solely based on the DOE procedure, will not reference an "IEC equivalent" volume. This change will be applicable to all clothes washers sold as of that date regardless of when manufactured.

Specifically, on or before April 30, 2011, each of the undersigned manufacturers have decided to revise their on-line website information to reflect only washer capacity determined in accord with the DOE test procedure. Additionally, all print material, including product catalogues, published by these manufacturers after April 30, 2011 will include only washer capacities based on the DOE procedure.

Finally, these manufacturers will communicate these capacities to retailers of washers and will encourage retailers to communicate washer capacities calculated in accord with the DOE test procedure following the April 30, 2011 date.

The DOE procedure is currently used by all manufacturers to report energy and water consumption to DOE, and will be used in AHAM's new energy verification program for clothes washers. The DOE procedure provides an accurate, uniform and repeatable measurement of drum volume for the purpose of calculating energy and water consumption for all clothes washer types. Because advances in clothes washer design, technology and efficiency, AHAM is also continuing development of a test

procedure that may enhance the communication of useable capacity information, beyond volume, to the consumer when making a purchase decision among a wide variety of product choices. The enhanced test procedure would provide more information to consumers regarding the quantity of clothes that can be effectively washed and rinsed in a single load. When completed, the test procedure would be voluntary; however, AHAM present the test procedure to the Department of Energy (DOE) for proposed incorporation into the DOE's test procedure for clothes washers.

AHAM's effort of developing an enhanced, uniform washer capacity test procedure will harmonize with international washer capacity procedures where appropriate. This is a complex area and will require significant investigation into consumer-relevant washing and rinsing performance characteristics.

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MAY

10-14

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17-19

LIGHTFAIR

Pennsylvania Convention Center PHILADELPHIA PA www.lightfair.com

18-20

HOSPITALITY DESIGN EXPOSITION & CONFERENCE

Sands Expo & Convention Center LAS VEGAS, NV www.hdexpo.com

21-24

NATIONAL RESTAURANT ASSOCIATION SHOW

McCormick Place CHICAGO, IL show.restaurant.org

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14 - 16

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AUGUST

1-5

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21-24

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The Certified Service Center

QUALITY AND VALUE

eeping your company lean and profitable is something every business strives for and especially during these economic hard times we are currently facing. No matter how small or how large the company, the management has a responsibility to its shareholders, it employees and its customers to insure that the company turns a profit and remains in business. In some organizations being lean is a culture while in others being lean is a reactive measure stemming from rising costs and unrealized sales goals. Too often reactive companies begin to sacrifice the quality and customer satisfaction that took many years to build in order to meet profit projections. But before we continue lets take a look at the terms Quality and Value and make sure we are using them correctly.

The American society for Quality, www.asq.org, defines quality as a "subjective term for which each person has his or her own definition. In technical usage, quality can have two meanings: (1) the characteristics of a product or service that bear on its ability to satisfy stated or implied needs, and (2) a product or service free from deficiencies." Of course, there are more definitions out there, but for the purposes of this article we are using the ASQ definition.

'Value' also has many definitions and Webster notes it as "(1) an amount, as of goods, services, or money, considered to be a fair and suitable equivalent for something else; a fair price or return, (2) monetary or material worth, and (3) worth in usefulness or importance to the possessor."

When an organization goes lean, their focus should remain on increasing the customers' perception of value for the product service received but unfortunately as we have seen in these past 2 vears that the customer has become the victim and not the focus. I believe that the 3rd part of the definition of the word value (worth in usefulness or importance to the possessor) is what our customers would use to define their perception of value. If a customer perceives that they are getting value for their money they will be happy and loyal, when they feel cheated in anyway they will start to look hard somewhere else for the best value for their time and money.

There is no question that lean companies build value by improving the quality of their service network. The cost of quality isn't the amount spent to offer quality service, it's the cost of NOT creating a quality service network that will damage the bottom line and loose the loyalty of the customer. Each time work is redone, the cost of quality increases. Obvious examples include: misdiagnosis, unnecessary parts changing instead of trouble shooting, added administrative time, escalations, unnecessary exchanges and lost customer loyalty. In short, any cost that would not have been expended if quality were perfect contributes to the cost of quality.

So how does a consumer know that you are a quality company? Well in the past it has been because you told them that you are a professional, customer satisfaction driven business. The problem is, and I know it's hard to believe, all companies tell their customers that they are a quality company. Many of the companies that boast of quality in fact use the first definition of the word quality as their maxim. Subjective and loosely defined terms such as the 1st definition of quality have no place in our industry. The standard for our industry should be the 2nd definition of quality which

is "a product or service free from defects." That is what a Certified Service Center shop strives to deliver, service free from defects at a value price and backed by a strong warranty.

One thing that you can do for your business in 2011 is to prove your company's real value to your customers by taking the steps necessary to have your company certified by an independent non-profit organization that takes a look at many aspects of your business including the technician's and service manager's skill levels, your warranties, your facility and several other key factors that will help your customers receive the quality sales and service they are looking for.

By becoming a Certified Service Center your company will receive the recognition that you can promote to your current and future customers by displaying the CSC Symbol telling everyone that your company has met or exceeded a set of quality standards established by an independent industry wide organization that emphasized both quality and customer care. This type of independent certification and recognition will grow your business by helping your quality-oriented customers make the right choice when it comes to sales and service and all at a value price.

For more information on becoming a Certified Service Center please go to their web site at www.c-csc.org.

Ralph E. Wolff MCAP, CSM Industry Relations, PSA

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



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PrimeTime! Las Vegas

DEALERS GET CONNECTED TO NEW OPPORTUNITIES IN CONSUMER ELECTRONICS

ationwide Marketing Group, parent company of RentDirect Nationwide, welcomed electronics vendor partners Walt Disney WOW calibration software and Disney WOW movie products, Sansui HDTV, Azpen Tablets, Universal Remote Control Co., and Senior Circuits health care products to their PrimeTime! buying show and conference in Las Vegas. Including strategic vendor partners Samsung, LG, Toshiba, Mitsubishi, Sharp, JVC, Viewsonic, Haier and Funai. A record breaking 4,000 people from across the country attended the event.

Sharp unveiled their brand new AQUOS Quattron 3D LED LCD 70inch for the first time at PrimeTime! and received rave reviews from members. According to Mike Decker, senior vice president of Electronics for Nationwide Marketing Group, the new 70inch television will begin shipping direct through the DSI fulfillment center to members in early April.

Samsung's new, virtually bezel-free frame HDTV's were showcased in the 9000, 8000 and 7000 series. The new OWERTY remote which can be used on the SMART TV and to text on popular social media sites was an expected draw to their booth. Plus, Samsung launched their new line of SMART TV accessorie s. LG also enjoyed a steady stream of visitors who got a sneak peak at their latest and greatest line of "connected and 3D HDTV's", new plasma HDTV's, new super thin LED HDTV's and their complete offering of video and audio products.

"This show was extremely successful in showcasing our ever growing mix of electronics. From top brand name televisions to Disney products, to tablets and senior health care products. The most exciting,

popular and innovative consumer electronics were showcased at the show," said Decker.

Television manufacturers Sansui, Hair



Jae Hyun of LG Electronics points to their new line of video and audio products on display at PrimeTime! Las Vegas.



Alex Nicolau of Samsung talks to dealers about SMART TV's and their new QWERTY remote.



Richard Casey of R&B Films, Ltd. presents new Disney WOW products exclusive to Nationwide dealers.

and Funai also exhibited at PrimeTime! "We now believe that with these three strategic vendors our members will be in a position to compete at retail with the Nationals like never before," said Decker.

"Our new partnership with Sansui strengthens the opportunities for our member retailers in the highly competitive promotional goods arena." said Doug Schatz, vice president of Electronics Merchandising at Nationwide Marketing Group. "Sansui is a quality product at a great price which means our members can better compete in the marketplace while improving their margins."

Nationwide dealers took advantage of Sansui's aggressive CashBack Now offers only available at PrimeTime! on their 19-46 inch televisions many of which were LED technology.

"We are very excited about our new partnership with Nationwide dealers, and we look forward to a great 2011," said Makoto Katsuki, president of Orion Electric America, Inc., producer of Sansui TVs.

Azpen Innovations, Inc., showcased their line of Android and Windows tablets. According to Larry Hartman, director of sales for Azpen, tablets are one of the fastest growing categories in electronics with sales expected to double this year.

"Every vendor partner brought their high level senior executive management team to PrimeTime!, which shows their commitment and loyalty to their preferred relationship with the Nationwide Marketing Group," said Decker.

To learn more about the many benefits of membership with Nationwide Marketing Group including an invitation to the next PrimeTime! by Nationwide on August 21-24, 2011 at the GaylordTexan in Dallas, Texas visit www.nationwidemarketinggroup.org.

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CELEBRITY SPEAKERS AND CUTTING-EDGE





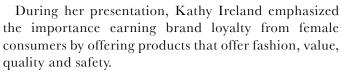
randSource and its ProSource A/V specialty division recently hosted the organization's annual Spring Summit in Orlando and offered members a robust series of educational sessions designed to keep Independents relevant and competitive. Celebrity presenters included Kathy Ireland, fashion CEO, mom and chief designer of kathy ireland Worldwide; Ireland was officially introduced to members as the new BrandSource Ambassador and will assist the organization with its marketing and promotional efforts targeting female customers. Famed pro race car driver John Force was on hand, along with his daughter, Courtney Force, who is going pro this year in her own Brandsource. com funny car.

Summit attendees were energized and enlightened as experts presented new insights on online reputation management, Google Tools for Small Business, refining in-store sales pitches, making the sale after the customer has been turned down for poor credit, practical sales insights for connected products, and more. BrandSource also rolled out an innovative national mobile marketing campaign to help members use proven strategies that utilize the latest technologies to drive in-store traffic.

"We were very excited to offer our members a remarkable line-up of presenters, educational seminars, sessions and unparalleled buying opportunities," said Bob Lawrence, CEO of BrandSource. "It goes without saying that the recession has impacted retailers nationwide; this Summit was designed to keep our members on top of the latest trends and innovations as they continue to cement their reputations as compelling and relevant alternatives to big box stores."

e Revs Up at Summit

SEMINARS KEEP INDEPENDENTS RELEVANT



"Having the opportunity to partner with the BrandSource team is energizing and inspiring," said Kathy Ireland, CEO and chief designer of kathy ireland Worldwide®. "Independent retailers are able to gain strength and success with BrandSource and it's commitment to their members. Our brand foundation is the independent channel. Bringing our partners together at BrandSource allows our design philosophy and solutions for families to resonate with customers in a powerful way. BrandSource is an extraordinary organization, with great leadership."

BrandSource's home furnishings division re-introduced the organization's popular MajesticSleep private label mattress collection and it's HGTV Green Home Collection of eco-friendly bedding.

"The Majestic mattress line consistently hits a home run for our members because it brings style, quality and value to their customers," said E. Michael Allen, VP of Home Furnishings for BrandSource. "Its new and improved look and upgraded specifications rivals other beds that sell for hundreds of dollars more."

For those looking for environmentally friendly mattress options, the new HGTV Green Home Mattress Collection boasts some of today's most advanced comfort and support features combined with environmentally friendly technology. | continued on page 62 |







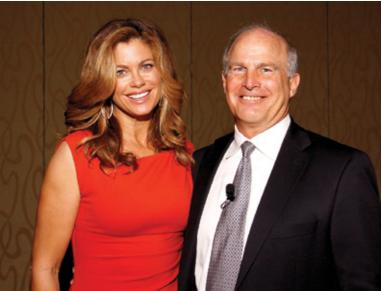


Its individually wrapped innerspring systems are made from 95% recycled steel designed to conform to the body and provide proper support; soy-infused foams provide gentle cushioning to the body and are made with natural soybean oil to reduce CO2 emissions. KoolComfortTM Memory Foam with Eco-SenseTM is the first memory foam to incorporate minimally processed plant-based ingredients for superior pressure point relief. Soft, breathable and naturally allergen-free fabric covers are made from organic cotton and natural linen, and the mattress sits on top of a durable foundation made from recycled steel and wood sourced using sustainable lumber practices. The HGTV Green Home by Serta collection is available to consumers exclusively at BrandSource® stores across the U.S.











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BRANDSOURCE SPRING SUMMIT

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The new BrandSource Ambassador Kathy Ireland meets with members and vendors at the Marriott Orlando World Center during the recent Brandsource Spring Summit.





NKBA Unc Kitchen Tre



ore than 100 designers who are members of the National Kitchen & Bath Association (NKBA), and have designed kitchens or bathrooms during the last three months of 2010, participated in an NKBA survey to reveal design trends in the marketplace for 2011. The results of this survey suggest there will be some changes in the direction that kitchen styles will take this year. Below are 7 kitchen trends that are poised to take hold in 2011.

1) Shake It Up — The Shaker style began a rise in popularity in 2009 and gained momentum in 2010. By the end of the year, Shaker has supplanted contemporary as the second most popular style used by NKBA member designers.

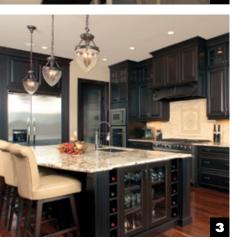
While Traditional remains the most popular style, having been used by 76% of designers surveyed over that last three months of 2010, that's a slight drop from the previous year. Meanwhile, the percent of respondents who designed contemporary kitchens fell to 48%, while Shaker rose to 55%. Cottage was the only other style to garner at least 20% of the market, as it registered at 21%.

2) Dark Finishes—Dark natural finishes overtook medium natural, glazed, and white painted finishes to become the most specified type of finish toward the end of 2010.

While medium natural fell from being used by 53% to 48% of designers, glazed from 53% to 42%, and white painted from 49% to 47%, dark natural finishes rose from 42 to 51%. Light natural and colored painted finishes remained fairly common, as each rose slightly from the previous year: 24% to 25% for light natural and 24% to 29% for colored paints. Distressed finishes dropped significantly from a year ago, when they were used by 16% of designers, to just 5%.

- 3) A Place For Wine—While the incorporation of wine refrigerators seems to be on the decline (see Bonjour Réfrigérateur below), unchilled wine storage is growing in popularity. While only 39% of surveyed designers incorporated wine storage areas into their kitchens at the end of 2009, just over half-51%-did so as 2010 came to a close. While other types of cabinetry options remain more common, most are on the decline, including tall pantries (89%) to 84%), lazy Susans (90% to 78%), and pull-out racks (81% to 71%). Appliance garages also seem to be falling out of favor, as their use declined from 36% at the end of 2009 to 29% a year later.
- 4) Bonjour Réfrigérateur—The French door refrigerator has strength-ened its position as the type specified most often by NKBA member designers.

While freezer-top refrigerators were only specified by 8% of designers as 2010 drew to a close—down from 10% a year earlier,





overs Seven nds for 2011

freezer-bottom models fell very slightly from 60% to 59% and side-by-side units actually rose slightly from 46% to 49%. Meanwhile, French door refrigerators jumped from 67% to 78%. Among smaller units, refrigerator or freezer drawers remained flat at 31%, while undercounter wine refrigerators fell sharply from 50% to 36%, an interesting change given the increasing use of unchilled wine storage.

5) Inducting a New Cooktop—Induction cooktops haven't overtaken gas and electric models, but they're closing the gap. As we entered 2010, gas cooktops had been recently specified by 76% of NKBA designers, compared to 38% for electric and 26% for induction.

However, while the incorporation of gas cooktops has fallen to 70%, electric cooktops has risen slightly to 41%, while induction cooktops are up to 34%. Meanwhile, single wall ovens are down from 46% to 42%, although double wall ovens are up from 68% to 74%. In addition, warming drawers are down from 49% to 42%, and ranges are down sharply from 81% to 68%.

6) LED Lighting—Incandescent lighting continues its journey to obsolescence. While 50% of NKBA member designers incorporated incan-descent bulbs into their designs at the end of 2009, only 35% have done so a year later. Instead, designers

are clearly opting for more energy-efficient lighting options.

While the use of halogen lighting is down from 46% to 40% over the past year, LED (light-emitting diode) lighting has increased from 47% to 54%. Designers aren't turning to CFLs (compact fluorescent lights) as a solution, though, most likely due to the poor quality of light they produce; their use by designers remained flat at 35%.

7) **Trashy Designs**—A greater emphasis is being made to address trash considerations in the kitchen.

Some 89% of kitchens designed by NKBA members in the final quarter of 2010 include a trash or recycling pull-outs. In addition, garbage disposals were incorporated by 86% of designers, up from 75% the previous year. Trash compactors have also become more common. Entering 2010, they were recently used in designs by 11% of designers, but a year later, that figure had climbed to 18%. These changes may be due to an increase in sustainability awareness, but they certainly indicate an increase in concern toward trash generated in the kitchen.

1. Shake It Up: O'Neil Cabinetry 2. Dark Finishes: Wellborn Cabinets, Inc. 3. A Place for Wine: Huntwood Cabinets 4. Bonjour Réfrigérateur: Liebherr 5. Inducting a New Cooktop: Thermador 6. LED Lighting: Kichler Lighting 7. Trashy Design: Rev a Shelf











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