

The Retail Observer

September, 2012

AN EYE ON THE INDUSTRY SINCE 1970

Vol. 23, Issue 9



THINKING OUTSIDE
THE 'BOX'
THE BIG BOX SUPER
STORES, THAT IS!

PLESSERS APPLIANCES
AND ELECTRONICS
SHOWROOM SPOTLIGHT

HOSPITALITY
DESIGN EXPO 2012
SHOWCASING INNOVATION
IN DESIGN



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Whirlpool brand's newest Duet® washers and dryers are now available in the beautiful Diamond Steel finish and combine effortless features with the latest technology to make laundry day easier than ever. Active Spray technology eliminates the need to pretreat, while Precision Dispense Ultra automatically releases additives at the right time during the cycle to keep your favorite clothes looking newer longer.*

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Models shown: WFW96HEAU, WE/GD96HEAU, XHPC155YU and XW29000XL

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Out of the "Tank" Marketing

I hope that the cover of this issue caught your attention. It sure caught ours!

Plesser Appliances & Electronics teaming up with the Animal Planet to showcase the world's only refrigerator fish tank is what I call out of the "tank" marketing. The store's products were also reported to have been featured on the Price is Right game show, Unique Whips, a reality show on the world of celebrity car customizing as well as Dear Genevieve, a HGTV home design show.

SO HOW ARE YOU USING TODAY'S FADS AND TRENDS TO GET YOUR CUSTOMER'S ATTENTION?

The Warners' Stellan Kitchen and Home Appliance blog is still high on Google searches for their February post on kitchen colored appliances like Viking's Tangerine Tango, Dijon and Wasabi. These new brightly colored appliances can be used to create visually appealing advertisements, provide your customers options beyond stainless steel and liven up your show floor.

Even the names of new collections can draw in a different clientele. Whirlpool's Ice Collection offers sophisticated white appliances with metallic finishes and Big Chill's Retroplition and Beach Cruiser series offer a fun, retro vibe to any kitchen space.

Hooker Furniture created a back to school campaign using Pinterest and Facebook. Through the end of August, participants could "Pin or Post to Win" a swivel chest from their Abby youth collection.

LG is also using social media to keep their consumers engaged in their brand of washers and dryers. Their latest campaign, "Less Mess. More Life" includes humorous videos of a fictitious character named Sharon and her daily struggles in life.

Creativity and connection are the foundation of marketing today. Most great ideas come naturally and spontaneously. So if you are stuck in a rut, schedule time to hold a brainstorming session and invite everyone involved in your business from your employees to family members. Then use the ideas from these sessions to inspire your next out of the "tank" marketing campaign.



We can't wait to see it!

Eliana Barriga
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The
RetailObserver

SEPTEMBER 2012

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CELEBRATING OUR 23RD YEAR
AS *THE RETAIL OBSERVER*

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HOW EASY IT IS
TO CLEAN A
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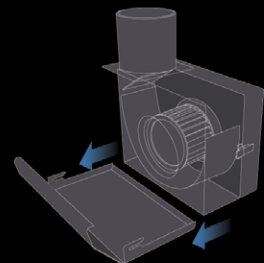


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Leverage Buying Groups and Associations to Get Ahead in Today's Competitive Environment

As you look to the right of this article you will see a list of buying groups and associations that make up the core of the Kitchen and Bath, Home Furnishings and Consumer Electronics industries. *The Retail Observer* proudly supports these group associations and actively participates in their tradeshows and industry events throughout the year.

The list of ways independents can get ahead in today's competitive environment through group associations are limitless! Think about it. We started with only 6,000 paper subscribers 5 years ago and now *The Retail Observer* is delivered to over 14,400 locations in North America, over 5,000 digital subscribers and is available to over 268,000 people in over 30 countries through social media sites. That's proof of how leveraging your membership with these associations can increase your exposure and help your business grow.

Using all of the member benefits available to you through your buying groups and associations will no doubt have an impact on your business. But the key is to go beyond just being a member. Here are a few ideas on how to supercharge your partnerships!

Local magazines and newspapers are always asking organizations for expert commentators or guest articles to fill space in their publications. Why not contact your association's media relations person and let them know that you or someone on your staff is interested in contributing to a monthly feature or providing quotes for their press releases? Does your group have an "Ask the Experts" panel discussion at their tradeshow or member meetings where you could publicly share your knowledge as a dealer? Maybe they have a special booth or speaker presentation that your business could sponsor. Even if they don't, it wouldn't hurt to lay your ideas on the table.

Co-branding with your buying groups and associations on the local level is another great opportunity. Minor league ball games and other community events that are well attended and fit your business model could attract customers for you and new members for them.

Buying group and association partnerships have allowed us to reach more readers with an informative monthly magazine. They have also been vital catalysts for the success of the independent dealer. We look forward to hearing about the new opportunities you've harnessed through your buying groups and associations.



Happy Retailing,

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The RetailObserver

September 2012

VOLUME 23, ISSUE 9

CELEBRATING OUR 23RD YEAR
AS *THE RETAIL OBSERVER*

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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SHOWROOM SPOTLIGHT: PLESSERS APPLIANCES & ELECTRONICS

THINKING OUTSIDE THE "BOX"

The Big Box Super Stores, That Is!

WHILE THE LITANY OF CHAIN
STORE BANKRUPTCIES AND
BIG BOX SUPER STORE
CLOSINGS CONTINUES TO
GROW, PLESSERS APPLIANCES
& ELECTRONICS, LIKE THE
LITTLE TRAIN THAT COULD,
KEEPS HUMMING ALONG
FOR NEARLY 100 YEARS!

Founded in 1919 by Sam Plessner, they are one of the county's oldest independent Appliance & Electronic stores. Always a family run business, current owners Marc & Al Howard, third generation appliance men, follow the same credo Sam Plessner established back in the beginning of the 20th century... "Let the customer do business with the boss, treat the customer with respect and offer the customer the best price and service available."

Plessers remains true to its roots when it comes to serving the people who patronize their Babylon, Long Island location. "We have a loyal and dedicated local consumer base that has been shopping in our retail store for generation after generation, and, we will always cherish this relationship," offers Marc Howard co-owner and Plessers president. "We still enjoy all the little things that a local retailer needs to do." "We are very community oriented," continues Howard. "We are involved with many local charities, the Chamber of Commerce, Babylon Town Rotary and Little League. We are also a corporate sponsor for the regional baseball team, The Long Island Ducks." Private sales, BBQ grilling contests, and weekly | *continued on page 10* |

cooking demonstrations and food tastings in their live working kitchen all add to Plessers consumer friendly atmosphere.

In celebration of their 90th year in business, Plessers 'Buy Smart...Get Smart' promotion raffled off a Smart car to a lucky Plessers customer. Plessers community outreach extends beyond their immediate store locale. Co-owner and Vice President Al Howard was featured on national news outlets, including CNN, for offering financial assistance to a person in Florida, whose just bought Christmas presents were stolen out of her car.

Marc Howard, however, knows that it takes more than customer goodwill to withstand the test of time and do battle against intense big box store competition. After witnessing the demise of other ill-prepared independents, Marc Howard, formulated a multi-faceted business plan to ensure the company's ongoing success. "Diversification is the key in today's market-

place", says Howard. "Diversification in product availability, and even more importantly, diversification in building the Plessers brand...locally, regionally and nationally."

As this expansion in business philosophy broadened so too has the logistics of running the company. A builder division was established, headed by Beth Howard-Price, Marc and Alan's sister. "Our proficiency, expertise and cost efficiency have helped us develop the builder and trade partner aspect of our business. From initial consultation and planning, through specification, pricing and delivery, more builders, contractors, designers, and others in the trade community engage in our services to meet their major appliance needs," according to Beth.

With the local and regional facets of the business plan in place, Marc and Alan put their efforts into the national branding phase by launching plessers.com, poised to become one of the country's fastest growing online appliance retailers. "Our goal in embarking in the online sales division was to bridge the gap, both for our customers and the manufacturers we represent, between brick and mortar sales and Internet sales. Internet sales are now becoming the fastest growing side of the business."

Both Marc and Alan, along with Rich Kabot, COO, lead online

sales professionals, customer support staff and marketing personnel in this integral part of the operation. Their state-of-the-art interactive technology system allows them to follow the online sale from order inception, to inventory, and right through to delivery. A database of thousands of local and online customers receives email order status updates as well as notice of current and future Plessers promotions. Social media outlets Facebook, Twitter, and blogs help feed the buzz about plessers.com as well as the store.

Former New York Mets All Star and current baseball broadcaster Ron Darling serves as Plessers Internet spokesperson. Plessers.com has been affiliated with such shows, as The Price is Right, Dear Genevieve, Speed Channel and HGTV. Marc and Al Howard and Plessers were recently featured on the reality show Tanked,

seen on The Animal Planet. This latest foray into national exposure involved the Tanked crew creating the world's only refrigerator/Fish Tank that stands proudly at the front entrance to the Plessers showroom.

Plessers is affiliated with both, the Inter-County Appliance Co-Op & NECO Nationwide Buying Group. With more than 500 member stores throughout

the country, and a combined 10 billion dollars in nationwide buying power, this

allows Plessers to price compete with

the so-called Super Stores, Chain Stores and

other e-tailors. Five fully stocked centrally located warehouses afford a myriad of delivery options for Plessers local customers and online buyers. This unique combination of unsurpassed nationwide buying power and neighborhood service is what sets Plessers apart from the competition.

Al Howard, vice president/co-owner remembers loading products onto the conveyor belt from the small basement stockroom to the equally small showroom above. "When I think back to those days, and now walk through our 60,000 sq foot corporate office, warehouse and distribution center, I realize the amount of hard work we put into the business has paid off." It seems, from Plessers extraordinary growth, that it has paid off for the appliance and electronics buying public as well. **RO**



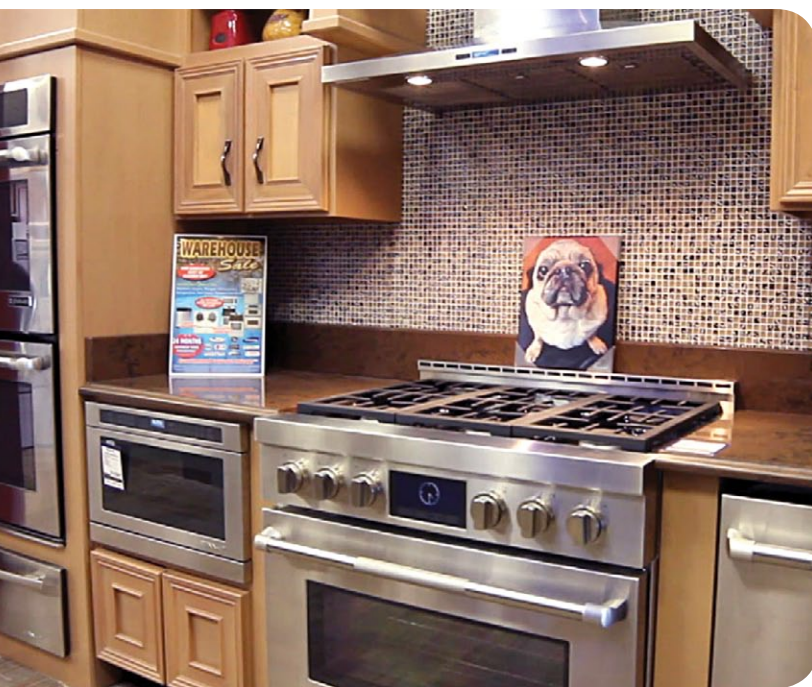
Plessers Since 1919
Appliances & Electronics

Gets
TANKED

AS SEEN ON THE HIT REALTY
SHOW ON ANIMAL PLANET



WORLD'S ONLY
REFRIGERATOR
FISH TANK



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 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

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Book Review

Conversation Transformation:

Recognize & Overcome the Six Most Destructive Communication Patterns

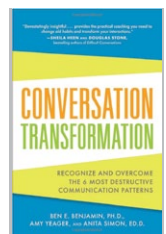
Conversation is what binds us; it is also what separates us. We've all have had some conversations in our life and work that leave us worse off than we'd be if we never opened our mouths. Instead of solving problems, they create new hassles. Instead of helping us reach decisions or understand one another, they breed confusion and anxiety. And instead of strengthening our relationships, they alienate us from the people we care about most. Worst of all, these failed conversations have a strong tendency to repeat themselves.

We may find ourselves in the same frustrating meeting or explosive personal argument over and over again. Until we understand what causes these breakdowns, we have little chance of getting better results in the future. How many of these six destructive conversation patterns do you recognize?

- "Yes-buts" offer token agreements, but are then followed by a completely different idea. It's merely a polite rejection.
"Yes, the new registers for the store would help us be more productive, but we're on a tight budget and can't swing it."
- Leading questions make it obvious what the right answer is supposed to be, and make it impossible to answer in a way that's different than what's expected.
"Don't you think that changing the layout of the catalog makes the clothes look better?"
- Negative Predictions are speculations about the future, stated as fact -- always negative, and usually pessimistic.
"Customers aren't going to like our new inventory."
- Mind-reads are assumptions of someone else's thoughts or feelings, uttered as truths.
"Never mind, I know you don't want to do it."
- Complaints are frustrated, whining, or resentful comments implying that people or circumstances are unfair.
"I'm so exhausted -- there's always too much to do."
- Attacks are strong, negative feelings vented in a hostile, blameful way. Even when misdirected, they are wrong and hurtful.
"You humiliated me at that meeting!"

The authors explain exactly why and how conversations fail, as well as what it takes to bring about positive change. Then they go one step further—providing practical tools and skills to convert even the most bitter, longstanding disputes into productive dialogues. **RO**

Authors: Ben Benjamin, Ph.D., Amy Yeager and Anita Simon want to know how good are you at identifying conversation breakdowns? They challenge you to take the test at: www.conversationtransformation.com/the-book/pretest/
Publisher: McGraw-Hill Professional



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Remodelers Forecast Pos

Nari Members Attribute Growth To Project Po

The National Association of the Remodeling Industry (NARI) is revealing the latest from the NARI Second Quarterly Business Review—and it is positive news.

The second-quarter research, which measures remodeler’s assessment of business conditions, shows NARI members believe the current business climate is slightly more positive than the same time last year.

“There are clear indications that some of our NARI members believe that they have weathered the storm, and expect consumer confidence to return in a more consistent pace going forward,” says Kevin Anundson, CR, CKBR, NARI national secretary and president of Owner Assisted Remodeling based in Elm Grove, WI.

In fact, data shows that NARI members forecast stronger sales growth in the next three months, based on three key factors: Postponement of projects (80%), growth due to low interest rates (50%) and 35% believe improving home prices are also a significant factor.

Remodelers say consumer confidence has a different tone this time around. “People are aware that that their home values may not be as high as they once were, yet that only affects those that are forced to sell,” Anundson says. “Many homeowners have made the decision to remain in their home and are choosing to make improvements and increase their comfort and long-term living accommodations. This thought process allows them to be much less concerned about returns on investment and resale values.”

This is supported by a homeowner poll conducted on NARI’s Website in May 2012, which showed that 28% of homeowners planned on staying in their home up to five



2012 National CotY Award winner in Residential Kitchen



2012 South Central Regional CotY Award winner in Residential Exterior

Optimistic Outlook on Business

Postponement, Interest Rates And Home Values



AFTER

Under \$40,000, DeRhodes Construction, Charlotte, N.C.



AFTER

Under \$100,000, Southwest Fence and Deck, Inc., Carrollton, Texas

years longer because of the economy. Homeowners personalize their home rather than move.

Still, NARI members keep a conservative outlook on business conditions and are working hard to maintain the tighter and more efficient systems implemented during the past several years.

“As with most business owners, remodelers are only increasing staff when it makes good financial sense,” Anundson says. “We are actively striving to keep overhead low, while continuing to invest in effective marketing strategies. Even as the remodeling market improves, we have gained a new insight into the fluid nature of our national economy.”

ADDITIONAL FINDINGS RELATED TO THE OVERALL BUSINESS CONDITIONS:

- Number of inquires has increased since last year
- Requests for bids has increased since last year
- Conversion of bids to jobs has increased since last year
- Sales value of jobs sold has increased since last year

If you would like to see the research in its entirety, please send your request to marketing@nari.org. NARI is the source for homeowners seeking to hire a professional remodeling contractor because members are full-time, dedicated remodelers who follow a strict code of ethics that observes high standards of honesty, integrity and responsibility.

Visit the NARI.org site to get tips on how to hire a remodeling professional and to search for NARI members in your area. **RO**



BERTAZZONI LAUNCHES AN INTERACTIVE DESIGN RESOURCES PROGRAM TO FOSTER THE WORK OF INDEPENDENT DESIGN PROFESSIONALS



Bertazzoni, the oldest family-owned manufacturer of cooking appliances, has announced the launch of the Bertazzoni "Design Resources" program, a host of new tools to support design professionals in their work with the Bertazzoni line. The

program includes a new interactive section of the Bertazzoni company website that serves as a hub for designers to showcase their work, a 20-20 Design e-Catalog, and a physical toolkit of catalogs and specification guides for architects, interior designers and kitchen designers who work with the Bertazzoni line of products.

"This new set of resources and tools gives a voice to the professional design community by encouraging them to share their Bertazzoni work and interact with potential customers," said Paolo Bertazzoni, president and fifth generation chief executive officer of Bertazzoni. "We see this as a destination where architects and designers can find everything they need to easily integrate Bertazzoni appliances into their projects."

DESIGN RESOURCES SECTION OF BERTAZZONI.COM

The new, interactive section of the Bertazzoni company website is a place where designers can find all the content and tools they need in order to create a Bertazzoni kitchen for their clients. The site is open to all, but richer content is made available to those who complete the free registration, including:

- **Showcase Gallery:** This section hosts dream Bertazzoni kitchens submitted by independent designers, marking the first time that a manufacturer has invited independent designers to share their work with a brand. Visitors can browse the gallery, view each project in detail, share projects on their social media accounts, and leave feedback for the designer. The live gallery will constantly be updated with new, cutting edge Bertazzoni kitchens.
- **Bertazzoni News:** Bertazzoni will share company announcements that are relevant for the design community, such as new product launches or local training events.
- **Designers Forums:** An area where design professional can ask questions or share experiences with peers.
- **Tools and Downloads:** Members can access all the files they need for design with Bertazzoni products. The catalog is divided into three sections to align with Bertazzoni product lines: Built-in, Freestanding and Ventilation. Clicking on any product produces a full package of relevant information. Viewers can also download 3D objects for AutoCad, high resolution product shots, technical specification or installation drawings.

"Rather than just showcasing projects from our own staged photo shoots, we want to highlight the real work of professionals using Bertazzoni products," said Valentina Bertazzoni, brand manager and sixth-generation family executive for Bertazzoni. "We're excited to see how the Showcase Gallery expands as we continue to identify designers incorporating Bertazzoni in innovative and forward thinking designs." For more information visit www.bertazzoni.com





GE'S INDUSTRY-LEADING DOUBLE OVENS SCORE BIG ON CAPACITY, DESIGN AND PERFORMANCE

GE'S EIGHT NEW DOUBLE OVEN MODELS:

- Industry's only electric slide-in double oven offers elegant fit and performance in common 30-inch space
- Industry's largest 6.7-Cubic-foot oven capacity available in three freestanding gas models
- Five electric models, including industry-exclusive slide-in, deliver performance and style

Double ovens are hot—so hot they are now the fastest-growing high-end cooking upgrade in the home. New double-oven product sales in the U.S. increased by one-third in 2011. GE now offers eight high-performance double-oven models, including the industry's largest capacity and the only electric slide-in double oven.

"More Americans cook on GE products today than any other brand," says Melanie Cook, general manager for GE cooking products. "We're proud of our heritage and will continue to launch new cooking innovations for years to come."

Double-oven consumers are drawn to the versatility and convenience that comes with cooking lots of food simultaneously. They can prepare an elegant five-course meal all at once, feed a large

party, cook a week's worth of meals in one day, or easily satisfy multiple tastes and diet requirements in one sitting. But what most consumers don't realize is that double ovens also effectively reduce energy use and save money by cooking with the oven best suited to the meal. The smaller top oven heats faster and uses less energy than the bottom oven, as well as most standard single ovens. This makes it more efficient and convenient for small, frequent meals. The bottom oven offers capacity for larger meals, and in most GE models, advanced convection cooking for even baking and roasting. For many consumers, cooking versatility combined with an opportunity to reduce energy cost is a twofold benefit that's difficult to pass up.

"GE double-oven owners who use the smaller top oven 50 percent of the time can reduce their energy use up to 25 percent compared to users of GE's 5.3-cubic-foot single oven," says Julie Muennich, GE senior merchandising manager. "That's a significant reduction by just tailoring your oven size to your meal. In our research, we see consumers using their top oven about 70 percent of the time. They reduce their energy costs for most meals and enjoy the convenience of two ovens or large-capacity convection cooking when they need it."

PERFORMANCE, VERSATILITY, FIT AND FINISH DRIVE DOUBLE-OVEN VALUE

When shopping for double-oven ranges, consumers should pay attention to the overall quality, performance and versatility of both ovens and the cooktop. The cooktop is the most frequently used component on any range, accounting for 80 percent of all cooking. Consumers should also make sure they have true double-oven capability that allows them to independently control both cavities so they can cook multiple foods at different settings. The ability to grill, broil and bake all at the same time without having to worry about flavors mixing in the same oven or some food getting cold while the rest of the meal finishes is a valuable convenience.

"Many of today's consumers are savvy | *continued on page 18* |

cooks," said Muennich. "They like to experiment with new techniques or recreate recipes from their favorite chefs. They expect a high level of performance and quality and tools that will help them be a better cook. That's the value we're striving to provide."

GAS OVENS - LARGEST CAPACITY, HIGH PERFORMANCE

GE's three new double-oven gas ranges boast an industry-leading 6.7 cubic feet of combined capacity and fit the existing 30-inch space commonly found in today's kitchens. GE's new gas models also have the largest top oven at 2.4 cubic feet and bottom oven at 4.3 cubic feet, which means cooks can easily prepare a main course, the side items and dessert all at the same time. GE's increased capacity is greater than the industry average 5.9 cubic feet for freestanding consumer gas double ovens.

ELECTRIC DOUBLE OVENS TO FIT ANY COOK'S ASPIRATIONS

GE's five new electric models include the industry's only slide-in double oven, for a sleek, custom-like installation in the standard 30-inch kitchen cutout. The slide-in electric double oven also includes GE's NextStep illuminated glass touch controls, which lead users through the setting process to help create delicious results every time. NextStep illuminated controls are on the front of the slide-in oven's cooking surface, making it Americans with Disabilities Act (ADA)-compliant and easy for all consumers to adjust settings without reaching over hot pots and pans.

GE electric models start at an estimated retail price of \$1,449. GE gas models start at an estimated retail price of \$1,799.* All models are available now. For more information on GE Appliances, visit www.ge.com/appliances.

LIEBHERR EARNS BEST OF KITCHEN AWARD AT 2012 KITCHEN & BATH INDUSTRY SHOW

NEWEST FULLY INTEGRATED REFRIGERATOR TAKES HOME SILVER AWARD

LIEBHERR Liebherr Refrigeration, the worldwide leader in environmentally responsible refrigeration, is pleased to announce it has received a Silver Best of Kitchen Award at the Kitchen & Bath Industry Show (KBIS) for its HC 1540, Liebherr's first 30" fully integrated refrigerator. According to KBIS, Liebherr's refrigeration model, part of the manufacturer's new 1500 Series line, was selected for its functionality, quality/durability, flexibility, aesthetics, style and innovation.

True to form, Liebherr's fully integrated HC 1540, offers the convenience of 30" sizing with Liebherr's signature sleek, European styling and state-of-the-art performance features. Perfect for condo

or apartment living, the HC 1540 model does not require a water connection for the IceMaker thanks to a well-appointed 1.5-liter internal water tank that is conveniently removable for replenishing water used to produce ice cubes.

"It is a privilege to have been presented the Silver Best of Kitchen award," said Thorsten Platt, VP of Liebherr Refrigeration North America. "We strive to provide consumers with the highest quality of innovative luxury refrigeration technology so it's truly an honor to be recognized by KBIS and the NKBA, leaders in our industry."

Liebherr's 1500 Series can be concealed behind cabinetry or stainless steel, giving designers flexibility and the homeowner ideal food storage conditions. These 30" single door refrigerator-freezer combination models also offer the possibility of custom design with flush 24" deep cabinet installation, a feature not available in competing units.



Another model within the 1500 Series, the HCB 1560 features Liebherr's patented BioFresh technology in separate compartments where temperatures are kept just above freezing—keeping fruits, vegetables, fish and meats at an optimum humidity level, allowing them to stay fresh up to three times longer than in traditional refrigerators.

The 1500 Series is ENERGY STAR rated and available at fine and specialty appliance retailers across the U.S. and Canada. Consumers and members of the design trade can find an authorized Liebherr retailer by visiting www.liebherr-appliances.com and clicking on the 'Inquire' tab. Visit www.liebherr-appliances.com to view Liebherr's full product line of freestanding, built-in and fully integrated refrigeration and wine and humidor cigar storage units.

| continued on page 20 |

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PRESIDENT AND CEO KEITH MCLOUGHLIN'S COMMENTS ON THE RESULTS FOR THE SECOND QUARTER OF 2012

STRONG SALES AND EARNINGS IMPROVEMENT

Electrolux



Electrolux generated a record-high organic sales growth during the second quarter and improved its earnings significantly compared to the same period of last year. Our operations in Latin America and Asia showed strong volume growth and earnings in North America were up significantly. An important factor for the positive development in North America was price increases. In Europe, Electrolux continued to gain market share, but results were negatively impacted by the weak market development.

In the second quarter, organic growth accounted for approximately 6%, which is a historic record for the Electrolux appliance business, with both volume and price contributing positively.

Sales volumes in our Latin American operations were up substantially, partly driven by government tax incentives in Brazil, and our operations in Chile and Argentina, originating from the CTI acquisition, continue to outperform the market.

The Electrolux appliance business in North America significantly improved its operating income compared with the same period in 2011. The most important factors for the strong result were price increases and operational efficiency. As we go forward, we expect the North American appliance market to show modest growth as the housing market gradually recovers.

Four out of our six business areas delivered an EBIT margin at or above our 6% target. Small Appliances showed a lower margin, but we anticipate that the seasonally stronger second half will restore earnings in line with our targets. The soft performance for Major Appliances Europe is primarily related to the weak consumer confidence that is spreading throughout Europe and impacting the appliance market negatively through weak demand. In spite of a difficult environment, Electrolux continues to capture share in strategically important areas within the premium segments, such as built-in kitchen appliances.

We continue to generate solid cash flow primarily due to the healthy trend in our working capital, which is attributable to our ongoing structural efforts in capital efficiency. This strong cash flow has further strengthened our balance sheet, enabling us to be prepared for both uncertainty and the profitable growth opportunities that we see ahead of us.

We still expect raw-material costs for 2012 to exceed the 2011 level by a maximum of SEK 500m. With today's market prices for our most important raw materials, we anticipate a more positive development for 2013.

Our revenues from emerging markets have increased from 15% to 35% only in a few years time. We anticipate that we will be able to maintain the strong organic growth in Latin America and Southeast Asia, recover sales growth in our Northern African and Middle Eastern businesses and get leverage from launching new products in the Chinese market. This diversification of our revenue base is an important part of our portfolio growth strategy. Financial information from Electrolux is also available at www.electrolux.com/ir.

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RANGECRAFT RANGE HOODS—QUALITY CRAFTSMANSHIP, SUPERIOR VENTILATION



For over three decades RangeCraft has been a leading industry manufacturer of metal range hoods specializing in high quality, 'made to order' designed hoods offered in over 25 classic

designs with options such as banding, rivets and pot rails.

What separates a RangeCraft range hood from all others? With all the choices of range hoods on the market, Why choose a Rangecraft Range Hood?

RangeCraft kitchen range hoods are not standard cookie cutter assembly line hoods. Each personalized designed RangeCraft hood is made, one at a time, with the superior craftsmanship and highest quality standards to complement your kitchen décor and provide the "wow" factor.

The 2012 Fine Homebuilding Kitchen & Bath Planning Guide reports that range hood "capture" (removal of moisture, smoke, odors and unhealthy gases generated by cooking) is often deficient in liners and built in hoods where the ventilation appliance is inserted in a plywood housing and does not extend over the full footprint of the cooktop. The article also states that capture is also compromised in many design driven hoods. In short, wood hoods are not as efficient as needed when they do not extend over the full footprint of the cooktop.

RangeCraft metal hoods eliminate that problem. "Capture is never an issue with our metal range hoods. Our powerful yet super quiet fans keep the kitchen clear of smoke, grease, steam and odors with a ventilation system that works effectively and quietly," states Ramona Panus, Vice President of RangeCraft, "RangeCraft 'Made To Order' Hoods are available in an wide variety of shapes and sizes in copper, brass, stainless steel as well as decorator colors so we can customize any combination of these metals to complement or create your own 'Work of Art' in the kitchen."

RANGECRAFT OFFERS:

- Products for Every Price Point
- Design Excellence and Superior Craftsmanship
- Wide Selection of Metal Finishes
- Decorative Color Matching Available
- Superior Patented Micro Baffle Filters Standard
- Super Quiet Powerful Fans
- Quality Crafted in the USA

Since 1972, RangeCraft has been an industry leader in the manufacturing of high quality, custom designed metal range hoods. RangeCraft also offers universal inserts for kitchen ventilation. RangeCraft can create and manufacture a custom range hood designed just for you! All RangeCraft Range Hoods are proudly designed and built in New Jersey. For more information, contact: RangeCraft Manufacturing Co., Inc. 1-877-RCHOODS, or visit: www.rangecraft.com.



LIGHTER SIDE OF WINDSOR™ BATH VANITY FROM XYLEM®

FINE, HAND-CARVED DETAILS COME TO LIGHT IN WHITE WINDSOR ANTIQUE BISQUE FINISH

XYLEM® offers a sophisticated choice in white-toned bathroom furniture—today's most popular bath cabinetry color selection—in the WINDSOR™ collection. The timeless, vintage-styled WINDSOR features handcrafted details in a classic off-white finish. Whites and off-whites, such as WINDSOR's Antique Bisque finish, effortlessly blend with casual or traditional settings, adding a feeling of bright spaciousness to even the most modestly sized bath.

Available in five sizes, WINDSOR replicates fine antique styling with attention to detail in artisan hand-carved pilasters and feet. The Antique Bisque finish replicates the timeworn patina of a stately vintage dresser. Coordinating well with all wood tones, the slightly aged finish is less likely to show every smudge, as it becomes more beautiful with wear.

As durable in quality as it is timeless in style, WINDSOR features solid birch construction beneath a cherry veneer. A concealed interior drawer provides storage for smaller items, and Antique Brass door pulls provide subtle detailing, enhancing the vanity's old-world charm. Coordinating mirrors echo the cabinetry's

| continued on page 22 |

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hand-carved patterns, and a handsome linen tower strikes a harmonic balance between adornment and practicality.

Also available in a wood-toned Antique Cherry, the WINDSOR vanity comes in widths of 24-, 30-, 36-, 48-, and 60-inches. Prices range from \$1,195 for the 24-inch size to \$3,225 for the 60-inch style. Coordinating mirrors are priced from \$445 to \$795, and are available in four sizes: 24-, 30-, 36-, and 46-inches. WINDSOR accommodates an under-counter sink, and was designed to coordinate with the Black Granite or Dark Emperador Marble countertop. For more information about Xylem Group, LLC products call 866-395-8112 or visit www.xylem.biz.

WESTOVER ANNOUNCES NEW QUARTO TUB FILLER SET ADDITION TO THE ARTOS® ITALIAN DESIGNER COLLECTION

ARTOS® Westover, Inc., announced the availability of its ARTOS Quarto 4 Hole Deck Mount Tub Filler. The Quarto product line is part of the additions to the ARTOS® Italian Designer Collection introduced by Westover Inc., earlier this year.

Westover continues to add products to its ARTOS Italian Designer Collection. The Quarto 4 Hole Deck Mount Tub Filler is another example of the quality products being offered. This system (Model #F202-2) consists of the deck mounted tub filler, control, diverter and handheld shower. The unique handle design of the Quarto contemporary line has great appeal. The unique waterfall pattern of the Quarto tub filler is extremely appealing and popular with its solid brass casting, which is grooved to give the filler its attractive and interesting effects. It is available in 9 different configurations, including cube handles, 2,3,4 & 5 piece sets, and up to 15gpm. It is

also available in a wall mount spout model and is offered in five different finishes including chrome, brushed nickel, white, black and polished nickel. The Quarto product line is designed and manufactured in Italy and comes with a lifetime warranty.

"The Quarto Waterfall Tub Filler brings enjoyment back to the bath. The sound of the waterfall effects as the water flows in to the bath heightens the senses to enjoy and relax uninterrupted "me" time. We are proud to offer the ARTOS Collection showcasing the finest bath fixtures in the industry. The Quarto collection, like the entire ARTOS line, is affordably priced and available to consumers nationwide," states Peter Hill, Founder and Vice President.

The ARTOS Quarto Collection includes a variety of lavatory faucet sizes, tub spouts/fillers and tub filler sets from 2 – 5 pieces. Also several hand held showers and shower kits including wall or ceiling mounted shower Rainheads, a 12" waterfall shower head and body jets, pressure balance mixers, diverters, volume controls and thermostatic valves. The Quarto Collection has something for everyone in a modern design that will work for most design styles.

Westover is centrally located in Nebraska in the heartland of America and serves the decorative plumbing industry with a wide and complete line of stunning products and outstanding service. Our mission is to distribute distinctive, decorative products and provide outstanding service at the same time. Westover's growing nationwide dealer network services a coast to coast customer base.

The extensive product line of Westover includes custom shower systems, faucets for the bath, spa, hotel suite or commercial bath, and 13 styles of towel warmers. ARTOS® Italian design is a brand of contemporary, minimalist and modern style with products offered in eye-catching designs, luxurious performance and coordinating accessories all at affordable prices. For more information on the complete Westover product line, contact: ARTOS (877) 9-ARTOS-9 www.artos.us.com.

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ZEPHYR® AWARDS PRIZES TO WINNING DESIGN PROFESSIONALS AND HOMEOWNER FROM ITS 'INSPIRE MY KITCHEN DESIGN CONTEST'

CONTEST WRAPS UP WITH PRIZES AWARDED TO DESIGNERS AND A DREAM DINNER PREPARED FOR THE HOMEOWNER AND 16 GUESTS

ZEPHYR Zephyr®, innovators of design-forward ventilation hoods and the revolutionary DCBL Suppression System™, concluded their 2011 'Inspire My Kitchen Design Contest' by personally delivering the prizes to the winners of the design contest. This was the second year of this successful contest, which brings together culinary aficionados and awards homeowners and professional designers with prizes for incorporating a Zephyr range hood into their kitchen.

In the designer category, the first prize winner, Jill Jarrett, received a \$10,000 check for her clever remodel of a historic home in Quakertown, PA. The 2nd prize winner, Mary Jo Fiorella received a check for \$3,000 and Emily Moss received \$2,000. Each designer submitted a kitchen project that incorporated a Zephyr range hood and each had designs and stories that were compelling enough to garner them the top three prizes. The judges noted that each of the winning designs was different from one another, style-wise, yet each incorporated a Zephyr hood in a unique and clever way.

In the homeowner category, Kathryn Kranen's kitchen renovation took the highest honors and she was awarded a 'Dream Dinner' for 16 guests, personally prepared for her by Chef Tom Hurley. Chef Hurley also gave an intimate one-on-one Master Class the night before the Dream Dinner, where Kathryn and six guests not only had a Chef-prepared gourmet meal, but they also learned some cooking techniques as well. The Dream Dinner is a very sought-after prize, and in fact, Kathryn Kranen, was a guest at last year's event and was so inspired that she remodeled her kitchen and used a Zephyr hood which ultimately achieved first prize.

Kathryn Kranen had this to say about the Master Class and the Dream Dinner: "The Dream Dinner was unique and memorable in the way that a wedding is; you know it's something that you will remember forever. The Chef and his team were so lovely to work with – the Master Class had such an intimate feel. When I saw Chef Hurley in my kitchen, using my cutting board with his rapid-fire cutting techniques, sautéing his elegant dishes in my pans – it was an out-of-body experience!"

"The goal of the 'Inspire My Kitchen Design Contest' is to reward amazing kitchen design. It's always a humbling experience to see our product prominently installed in these kitchens because it validates the passion and thought we put into designing our range hoods," said Arcadio Lainez, director of marketing for Zephyr. "It is exciting to see how homeowners and designers take a | continued on page 28 |

ZEPHYR

GENERATION NEXT

PIONEERING THE FUTURE
OF VENTILATION

Introducing the industry's first ever range hood powered by brushless DC motor technology. Next Generation Europa has been re-engineered with Zephyr's proprietary DCBL Suppression System™ to usher in a new era of kitchen ventilation.

With the state-of-the-art DCBL Suppression System™ built-in, Next Generation Europa range hoods deliver a powerful yet pleasantly quiet cooking experience while barely using 14-watts of energy. The breakthrough Bloom HD LED light bulbs evenly distribute halogen-level light on the cooktop below while requiring only 3-watts of energy per bulb.



3-WATT BLOOM LED LIGHT BULB
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The result is a range hood that uses only 26 watts and provides you nearly inaudible ventilation to match everyday cooking styles. That's less energy than just the halogen light bulbs on an AC range hood.

- 77% Less Noise
- 77% Less Energy Consumed
- 30% More Power
- 26-Watt Energy Consumption
- Exceeds Energy Star™ Requirements

With Next Generation Europa, Zephyr once again re-imagines what a range hood can be. And what else it can do. When it comes to kitchen ventilation, think Zephyr first.

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Zephyr product and incorporate it into their unique designs. We've seen some very out-of-the-box thinking and we couldn't be happier that designers and homeowners have welcomed Zephyr into their kitchen projects as a key part of the overall kitchen aesthetic."

Zephyr will be announcing their 2012 'Inspire My Kitchen Design Contest' with chances once again for inspired design to be rewarded for both designers and homeowners. To learn more, visit www.zephyronline.com.



DURAVIT PARTNERS WITH PHILIPPE STARCK TO LAUNCH SENSOWASH® STARCK

DESIGN-FORWARD "SHOWER TOILET" FOR NATURAL CLEANSING COMFORT



SensoWash® Starck is the latest ground-breaking

innovation from Duravit and Philippe Starck. For this collaboration, Starck fused his signature, forward-thinking aesthetic with Duravit's new SensoWash® high-tech functionality to create a timelessly modern shower-toilet seat, that is the perfect blend of design, comfort, technology and quality. This new product segment is extremely important to Duravit as an extension to its wide range of wellness products. Timing is

also critical as the world-wide demand for shower-toilets has been on a steady rise.

According to Duravit USA President Tim Schroeder, "We analyzed the market and discovered that the shower-toilet seats currently available were more technically oriented, while our customers put great emphasis on design. We set out to meet the challenge of providing these functions as part of a holistic quality and design concept. Technical developments were just one aspect of the work – the greatest time went into creating the right design. Philippe Starck is not only an experienced and talented partner, but is also someone who has brought design to the bathroom in a revolutionary way since 1994 with the launch of Starck 1."

In fact, SensoWash Starck puts great design front and center | continued on page 30 |



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with a flat, slim design that curves gently into the wall. A sleek silver panel finishes the look. With all of its good looks, it packs a long list of options under the hood. These features, which are discretely concealed between toilet and seat, include: a power-activated lid; a seat with rear, front and oscillating washes to provide three wash types that are differentiated for men and women; a nozzle with adjustable positioning and jet strength; as well as individual adjustment of water, air and seat surface temperature.

Another example of great design in action is Starck's intuitive wireless remote control. A metallic cube, no bigger than a hand, the remote control has clear graphics and a logical layout of function keys that, when selected, are briefly illuminated. It can be used to open and close the toilet lid and seat and operate all washing, drying and heating functions. Individual preferences can be saved in one of two profiles. When the remote control is no longer needed, it can be returned to its cradle with magnetic holder and automatic lock.

When developing the technology for SensoWash, Duravit was focused on the highest hygienic standards. SensoWash's stainless-steel spray arm and nozzles are cleaned automatically before and after each use. In addition, the spray arm and toilet seat have an antimicrobial coating and are easily removable for cleaning. Chairman of Duravit's Board of Directors, Franz Kook, points out, "People all over the world have a need for hygienic cleanliness. When combined with a sustainable and outstanding design, this becomes even more attractive, which is why I am convinced that SensoWash will find more and more enthusiastic supporters in all of our markets."

With user safety and ease in mind, SensoWash functions include a child safety feature to prevent unwanted splashing and a sensor integrated in the seat that only allows the functions to be used when it recognizes an adult user. Electronics feature a standby mode and a power-saving mode, as well as temperature sensors to protect against heat getting too high. Finally, SensoWash Starck includes a special LED night-light function to provide orientation and safety in low light. SensoWash Starck fits seamlessly onto the newly designed Starck 3 one-piece, two-piece and wall-hung toilet models. For more information on Duravit or to find a local distributor visit www.duravit.us or call 888-DURAVIT.

KEN ERDMANN NAMED 2012 CEDIA LIFETIME ACHIEVEMENT AWARD RECIPIENT

ERDMANN TO BE HONORED AT THE ELECTRONIC LIFESTYLES® AWARDS CELEBRATION DURING CEDIA EXPO

The Custom Electronic Design & Installation Association (CEDIA) has named Ken Erdmann the recipient of the 2012 CEDIA Lifetime Achievement Award. Erdmann, co-founder and president of Erdmann Electric, Inc. will be recognized at

the annual Electronic Lifestyles® Awards Celebration at CEDIA EXPO this month.

CEDIA's Lifetime Achievement Award recognizes an individual who has exhibited outstanding, creative, innovative, and visionary leadership in the growth and advancement of the residential electronic systems industry. Nominations are submitted by industry professionals and are evaluated on the basis of achievement and service within the industry.

"Ken is a dedicated volunteer and has been for many years. CEDIA's foundation is built upon the passion and commitment of volunteers like Ken," said Federico Bausone, CEDIA Chairman. "We are proud to recognize his contributions not only to CEDIA but to the industry."

Ken Erdmann has been an active member of CEDIA since 1993. Ken is a past chairman of the CEDIA Board of Directors and has served in many volunteer positions including; Education Council chair, and as a Subject Matter Expert for the Installer certification exam and the Designer certification exam and review. Ken was also instrumental in the oversight of the building of core curriculum for CEDIA University. In 2003, Ken was honored as the Designer/Installer Volunteer of the Year and was selected as a Top Ten Instructor three times. Ken holds the CEDIA Installer and Designer certifications. Ken currently serves as the CEDIA/CEDIA R10 Residential Systems Committee co-chair and is an active member of the CEDIA Technology Council.

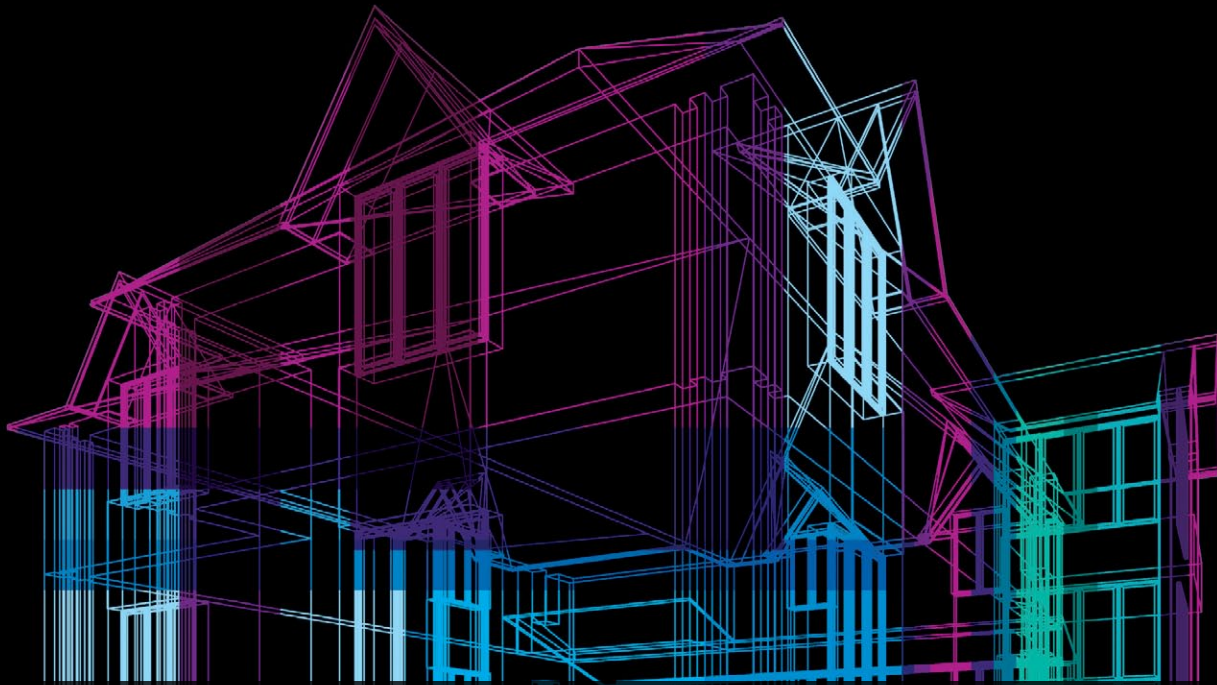
In addition to his involvement with CEDIA, Ken is an adjunct faculty member of Utah Valley State College instructing in Electrical Automation and Robotic Technologies. Ken has been a Utah State licensed electrician since 1978, and is a member of the electrical section of the National Fire Protection Agency, (NFPA).

Tickets for CEDIA's Electronic Lifestyles® Awards Celebration, which will also recognize the award-winning work of CEDIA member electronic systems integrators, manufacturers, and volunteers may be purchased through the registration process for CEDIA EXPO at www.cedia.net/expo or onsite. CEDIA EXPO will be held September 5-8 at the Indiana Convention Center in Indianapolis. For more information on CEDIA, visit the association's Website at www.cedia.org. Follow @CEDIA on Twitter or join the CEDIA group on LinkedIn.

CEDIA is an international trade association of companies that specialize in designing and installing electronic systems for the home. The association was founded in September 1989 and has more than 3,500 member companies worldwide. CEDIA members are established and insured businesses with bona fide qualifications and experience in this specialized field. **RO**



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Keynote Speaker: Dr. Michio Kaku

Wednesday, Sept. 5, 2012

5:30 p.m. - 6:30 p.m. (EST)

Location: Wabash Ballroom, Indiana Convention Center

The Intuitive Home of 2016 isn't smart. Instead it's smartly designed and integrated by a savvy electronic systems contractor.

Dr. Michio Kaku's keynote presentation will explore topics ranging from the technology to design knowledge necessary to be successful in providing your client's intuitive home.

DACOR CONGRATULATES MICHAEL JOSEPH, CHAIRMAN AND CEO, HONOREE FOR FATHER OF THE YEAR AWARD

The Father's Day Council Benefiting The American Diabetes Association Honors the 2012 Father of the Year Recipients

Dacor®, a market leader in the design, manufacture and distribution of luxury kitchen appliances, proudly joins the American Diabetes Association® by recognizing the achievements and contributions of Michael Joseph, Chairman/CEO of Dacor®, to fatherhood, family and reverence in the community.

This is the 10th year that the Father's Day Council in Orange County, California, has hosted the Father of the Year Awards Dinner, benefiting the American Diabetes Association®. This dinner honors fathers who have demonstrated the ability to balance their personal lives with their professional careers, to serve as role models for their children, and to help make a positive difference in their communities. Since their first event occurred in 2001, honoree fathers and council members have raised over \$1,500,000 to help support the advocacy, research and information initiatives of the American Diabetes Association®. These funds help the American Diabetes Association® fulfill its mission to prevent and cure diabetes and to improve the lives of all people affected by diabetes.

"Our father has always demonstrated spiritual leadership in all that he has done and has been an inspiration to us all," says Steve and Tim Joseph. "We are honored that our father is an honoree for the Father of the Year Award and are grateful for his profound role in our lives, his passion to make a difference in the lives of others and his support in the fight against diabetes."

"I am very grateful for having been selected for this Father of

the Year recognition," says Michael Joseph. "Being a father has been one of the greatest blessings in my life. I am also very happy to help the American Diabetes Association in their commitment to stopping the epidemic of diabetes spreading throughout the United States."



After graduating from Stanford University in 1965, Mike served 4-1/2 years in the United States Marine Corp, including a year of duty in Vietnam in 1968. In Vietnam, he flew combat missions in the F-4 Phantom Jet and served three months as a Forward Air Controller with the 2nd Battalion, 1st Marines. In 1971 Mike joined his parents, Stan and Florence Joseph, who had founded DACOR in 1965, and assumed his current position of Chairman/CEO in 1982. His current duties include overseeing the company's operational and strategic planning and encouraging growth through new product development and international expansion.

Mike was inducted into the Kitchen and Bath Hall of Fame in 2004. He is a member of Legatus, the Knights of St. Gregory, the Knights of Malta and the World Presidents' Organization.

Mike has been married to Lynn Joseph for 38 years and together they have raised four children, Stephen, Jennifer, Timothy and Holly, and they are the proud grandparents of Sophia, Isabella, Ava Grace and James Michael. **RO**



[Distinctive 30" Dual-Fuel Range]



[Distinctive 36" Gas Cooktop]



[Distinctive 30" Wall Oven]

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HD EXPO 2012

Breaks Records in Las Vegas

Exhibitor & Attendee Numbers up at Annual Conference Showcasing Innovation in Design

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HOSPITALITY DESIGN WORLD MET
IN LAS VEGAS IN MAY, 2012, AT
HD EXPO TO SHAPE THE FUTURE
OF THEIR INDUSTRY THROUGH
DISCUSSION, DEMONSTRATION,
AND COLLABORATION.

The HD Expo is the industry's premier trade show, providing attendees with the tools to succeed year-round in the ever-changing, ultra-competitive field of hospitality design. The 2012 show filled more than 250,000 square feet with the wares from more than 842 exhibitors and 7,500 attendees from across the globe.

"The energy found at this year's show was palpable—from the enthusiasm of our exhibitors both new and experienced, to the inspirational speakers and connections found at networking events—and proves that the show gets better and better each year," said Liz Sommerville, group show director for Nielsen Exposition's Hospitality Design Group. "With attendance up almost 10% this year from last year, we're excited to see what the future will bring in 2013 when we move to Mandalay Bay."

Conference attendees had the chance to participate in site visits and speaker sessions, receiving insight from industry experts on the most pertinent issues in the hospitality design field such as lighting, renovation, rebranding, and the future of design as it adapts to today's market. *| continued on page 36 |*

For new exhibitors, this year's HD Expo was an opportunity to share their newest innovations with a premier audience.

Robert Hahman, founder & chairman of board of Nordaq FRESH, said, "As a first time exhibitor at HD Expo, I can safely say that for Nordaq FRESH, this has been one of the best trade shows we've been involved with to date. There was an enormous amount of interest from attendees, and our booth was always busy with people. The expo definitely served as a great networking opportunity for us to showcase our new FRESH water models and systems, hold sensory tastings with expo attendees, and interact with members of the hospitality and food and beverage industries on a regional and national level."

At this year's HD Expo, returning exhibitors not only confirmed their dedication to the show but also to its ongoing powerful influence on making hospitality design industry connections. Jose Reynoso Franco, CEO of A y C International, said, "This is our second time participating in HD Expo and all I can say is that we will be returning for many years to come. The show is a great platform to be introduced to the industry and network with the most innovative individuals in the business."

PLATINUM CIRCLE AWARDS®

Hospitality Design magazine honored the career achievements of some of the industry's most talented and acclaimed leaders at the 24th annual Platinum Circle Awards® Gala at the Venetian. The 2012 Platinum Circle inductees were Stephen B. Jacobs, Stephen B. Jacobs Group; Andi Pepper, Andi Pepper Interior Design; Niki Leondakis, president and COO, Kimpton Hotels & Restaurants; and Richard Brayton and Stanford Hughes, BraytonHughes Design Studios. The International Interior Design Association (IIDA) was honored with the HD Visionary Award.

The winners of the 15th Annual IIDA/HD Product Design Awards were also announced during the celebration. Winners include: Allumé: A Study in Light by Milliken, Best of Competition winner; Boxwood Modular Collection by JANUS et Cie; Ocean Master MAX Cantilever by TUUCI; Beverly Boulevard by Kirk Nix for Robert Allen; and the Mink by Valley Forge Fabrics, Inc.

RADICAL INNOVATION IN HOSPITALITY

Co-founded by The John Hardy Group and *Hospitality Design* magazine, the Radical Innovation in Hospitality competition promotes innovation and global thought-leadership in hospitality. It showcases the best hospitality strategies in architecture and interior design that incorporate new concepts and enhance the guest experience.

The finalists for the sixth annual Radical Innovation in Hospitality competition include: Koi, Veronique, Marc, Alexandre, Nicolas, and Maximilien Mussche; MORPHotel, Gianluca Santosuosso; The Merlion Hotel, Tatzu Nishi; and REN Retreats, Miles McMullin.

Finalists presented their concepts to members of the esteemed jury and a room of HD Expo attendees—who submitted their votes in real-time to determine the \$10,000 grand-prize winner.

This year's winner, Koi, brought forth the idea of hotels and public hospitality spaces built as bridges, allowing guests to experience the greatest part of a city, the water, in a new light. The runner-up, MORPHotel went home with a \$5,000 prize and the student winner, REN Retreats, received \$1,500.



HOSPITALITY DESIGN EXPOSITION & CONFERENCE

Established in 1992, HD Expo is the premier trade show for the hospitality design industry bringing together over 900 exhibitors and over 7,000 attendees to Las Vegas each May. Presented by *Hospitality Design* magazine, the show is at the forefront of offering the newest and most innovative products and services, encouraging and sharing ideas, providing inspiration and connecting the industry. Hospitality Design Exposition & Conference is produced by the Hospitality Design Group, part of Nielsen Expositions, which also produces HD Asia in Hong Kong on June 18-20, 2012 and HD Boutique in Miami Beach on September 11-12, 2012. The event is in association with: American Society of Interior Designers (ASID), Boutique & Lifestyle Lodging Association (BLLA), International Interior Design Association (IIDA), International Society of Hospitality Purchasers (ISHP), National Council for Interior Design Qualification (NCIDQ), and NEWH, Inc.—The Hospitality Industry Network.

Hospitality DESIGN EXPO + Conference 2013 will be held May 15-17 at Mandalay Bay in Las Vegas. For more information on next year's event visit: www.hdexpo.com. **RO**



Remodeling Activity Poised for Strong Growth

With home sales picking up and contractors seeing more positive business conditions in the future, remodeling activity in the U.S. is in a position to see accelerated growth by the end of this year and into 2013, according to the Leading Indicator of Remodeling Activity (LIRA) released today by the Remodeling Futures Program at the Joint Center for Housing Studies of Harvard University. The LIRA suggests that annual homeowner improvement spending may reach double-digit growth by the first quarter of 2013.

“Warm weather in the first quarter temporarily bumped up remodeling activity in many areas,” says Eric S. Belsky, managing director of the Joint Center. “By the end of the year, however, positive market fundamentals are expected to kick in, moving the industry out of this ebb and flow period and into a new growth phase.”

“Home improvement activity has been bouncing around the bottom of this cycle for almost three years now, waiting for the industry to get some traction,” says Kermit Baker, director of the Remodeling Futures Program at the Joint Center. “Now, the combination of low financing costs, stronger consumer confidence, improving home sales, and the perception that home prices have stabilized in most markets across the country are encouraging owners to start working on the list of home improvement projects they have been putting off.”

The Leading Indicator of Remodeling Activity (LIRA) is designed to estimate national homeowner spending on improvements for the current quarter and subsequent three quarters. The indicator, measured as an annual rate-of-change of its components, provides a short-term outlook of homeowner remodeling activity and is intended

to help identify future turning points in the business cycle of the home improvement industry. The development of the LIRA is detailed in “Developing a Leading Indicator for the Remodeling Industry” (JCHS Research Note N07-1). In July 2008, the LIRA was re-benchmarked due to changes in the underlying reference series. These changes are explained in “Addendum to Research Note N07-1: Re-Benchmarking the Leading Indicator of Remodeling Activity” (JCHS Research Note N08-1). The LIRA is released by the Remodeling Futures Program at the Joint Center for Housing Studies of Harvard University in the third week after each quarter’s closing. The next LIRA release date is October 18, 2012.

The Remodeling Futures Program, initiated by the Joint Center for Housing Studies in 1995, is a comprehensive study of the factors influencing the growth and changing characteristics of housing renovation and repair activity in the United States. The Program seeks to produce a better understanding of the home improvement industry and its relationship to the broader residential construction industry.

The Harvard Joint Center for Housing Studies advances understanding of housing issues and informs policy.

Through its research, education, and public outreach programs, the center helps leaders in government, business, and the civic sectors make decisions that effectively address the needs of cities and communities. Through graduate and executive courses, as well as fellowships and internship opportunities, the Joint Center also trains and inspires the next generation of housing leaders. For more information, please visit www.jchs.harvard.edu. **RO**





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ALMO 2012 DEALER EXPO – ST. LOUIS, MO

Turnout Attributed to Dealer-Approved New Expo Format, Free In-Depth Training Programs and Enticing Giveaways

The record high attendance is a result of the company's ongoing mission to continually refine and better its dealer trainings in addition to an expo format change.

The decision to change the expo format to a two-day event made the experience more convenient and efficient for its dealers. Four regional trade shows in New Jersey, Missouri, Ohio and Minnesota were planned for May-August. The training expositions featured hands-on access to the latest products, free skill & technology trainings, door buster show specials, one-on-one meetings as well as peer networking events.

The format change was also based on dealer demand and features a day focused entirely on appliance trainings and a 2nd day focused entirely on CE and skill education. Each year, the company will adjust the format of the expos based on prior experience and market conditions to ensure dealer partners remain competitive and that their time is respected.

Travels & the Grand Bazaar

The world is my classroom and travel is my teacher. On my recent overseas vacation, I saw once again the universality of buying and selling. In every country, town and village there are malls and stalls, markets, vendors and kiosks.

In Istanbul I first watched travelers from around the world poke through the elegant, well-appointed stores downtown. Brands like Gucci, Hermes, Fendi, Prada and Dior lured them through the doors. A two-thousand dollar handbag? "Do you have it in brown?" A nine hundred dollar sweater? "Is this my size?"

None of these boutiques were screaming "sale," "clearance" or "reduced." None of their shoppers asked for a better price. Without discounting their products, the cash registers were still ringing. But a day later, at Istanbul's famed bazaar, these same tourists were like contestants on *The Price is Right*. Whether shopping for rugs, beads or gold, they became obsessed with getting a good deal.

Shoppers moved from stall to stall picking up the trinkets and trying to look disinterested while shop keepers promised them the "best" prices. Most kiosks sold similar products and there were few differences in the way they were displayed or the selling skills the merchants seemed to have. Some vendors were more aggressive and some less so.

If a shop keeper thought he had a serious buyer, he'd insist on having tea together. "Where are you from? How long will you be in Istanbul? See that boy over there? He's my grandson. Handsome boy, no? How many children do you have? I have best carpets." Let the games begin.

At the end of the day, my friends gathered to show off their purchases and extol their negotiating skills. Lo and behold everyone had bought nearly identical things—"real" pashmina wraps, "handmade" rugs, spice grinders, elaborate finjans to make Turkish coffee in. All guaranteed "first quality".

Although everyone bought from different places in the market, they all paid about the same price. They all got about a 15% - 20% "discount." But none were really convinced they really got the best possible price.

We sell our products—appliances, consumer electronics, bedding and furniture—to these same customers. Like the merchants in Istanbul, how we present ourselves may determine how customers will buy from us.

Do you want to be a specialty store with well-trained, customer-centric associates who can make the customer's dreams come true? Or do you want to be like the Grand Bazaar fighting with your customers for the best deal you can both hammer out? Dealers tell me they have to negotiate prices. Their customers all want discounts and would never buy if they didn't get a deal. Really?

Do your customers shop at Target, Macys or Nordstrom? Do they get to the register assuming they can barter for lower prices in those stores?

Pricing today is transparent. Using their mobile phones, anyone can surf the net to find what the best price really is. If you want to improve your image and your bottom line, stop treating your customers like they're tourists in a third-world souk. Approach them like they're knowledgeable consumers who want fair pricing, good value and great service.

Just like luxury boutiques, your store has an image in your community. You've invested in your building, your store display, your merchandise, your website and your advertising to tell your customers who you are. They all work together to create your brand.

Some dealers tag their products at an inflated price giving them room to make that "special" deal for those "special" customers—those smart enough to ask for a discount. But how many instead walk out when they see how high those prices are? How many others leave because they just don't know if the price they negotiated was a good one or not? How many others make a purchase but still wonder if they made a good decision?

Does that create customer loyalty? Is that how you want your brand perceived in your market? The products you sell aren't cheap local crafts and souvenirs. They're aspirational goods designed to improve the lives and homes of those buying them. Our job is to create an environment that adds value and inspires our customers to buy.

The world is full of merchants. Customers have lots of choices—both in-store and online. You can be perceived as a low-priced discounter or a high value, customer service specialist. But you can't be both. The choice is yours. **RO**

Elly Valas is the Marketing Services Director for Nationwide Marketing Group. She can be reached at elly@ellyvalas.com or at 303-316-7569. Visit her website at www.ellyvalas.com.



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Wanted: E-Commerce Leaders

Everything You Do Should Focus on the Customer

"A business that fails to satisfy its customers is worth nothing."

I made that statement in *"e-Service,"* a book I wrote in 2001 about how to build a successful e-commerce business, and it's as true today as it was then. If you don't give your customers what they want, when they want it, and how they want it, you won't be in business long.

If you want to survive—and thrive—especially during these tough economic times, it's critical that you focus on customer service. If you don't believe that, look at Jeff Bezos, founder and CEO of amazon.com, which had sales in 2011 of \$48 billion, a 41 percent increase over the previous year.

Amazon has 164 million customers, more than 20 million products—and a reputation of providing unprecedented customer service. There is no denying that Bezos is an e-commerce leader, and you would be wise to emulate his ideas and his drive. He has proven that blending customer service with technology can result in huge rewards.

You, too, can be an e-commerce leader. Start by taking these steps:

- **Understand your business.** No matter what products or services you are selling, your core business is customer service. Everything you do must be built around providing customers with the best experience possible. Not only does

that keep customers coming back to you, it results in priceless word-of-mouth advertising.

- **Be available.** You must be available to your customers 24 hours a day, seven days a week. If you have an IVR, throw it away or, better yet, give it to one of your competitors. Hire people to answer your phones. Nothing says service like the ability to talk to a real person. And don't—I repeat, don't—outsource your call centers to someplace like the Philippines. If you do, you're placing yourself on a suicide watch.

- **Make it easy for customers to do business with you.** Realize that there are many doors customers can come through, and make sure those doors are open wide. Some customers prefer to do everything on the Internet; they don't care to engage in conversation with another person. Others, like me, prefer to talk to someone. And, still others like a combination of technology and personal contact, often doing research about a product or service online and then wanting to talk to someone who can answer their questions before they make a purchasing decision.

- **Be competitive in your pricing.** Good prices and great service—what more could a customer want? Service leaders are very aggressive at reducing costs

and passing the savings on to their customers.

Forbes magazine, in an April 23, 2012, article on Bezos quoted him as saying, "There are two kinds of companies: those that try to charge more and those that work to charge less. We will be the second." He goes on to say that frugality is one of eight official company values at Amazon. It should be one of yours, too.

Look for ways to reduce costs. That includes eliminating policies and procedures that get in the way of serving the customer. Those policies and procedures cost a lot, including the salaries of the people you hire to develop and enforce them. Train and empower your people to serve your customers; don't hinder them with needless rules.

- **Hire smart.** Look for people who like people; you can train them to be knowledgeable about your products and services, but you can't train them to genuinely enjoy working with—and for—your customers. Hire people who are smart and personable, and you'll have a winning combination. **RO**

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



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Retailing is Selling

What Part Don't WE Get?

Retailing is so easy and we try to complicate it. Do you want to make more money? Then do this—sell MORE stuff to MORE people. Period, that's it. The answer to all of the problems in retailing is a store's ability to move/sell more merchandise. Duh! Isn't that what retailing is all about? In almost every speech I give, I talk about the 4 ways to increase sales and how every business needs to know which path to explore. Here they are:

- Sell more of what you already sell to your existing customer base.
- Sell new products to your existing customer base.
- Sell more of what you currently sell to a new customer base.
- Sell new products to a new customer base.

There are no right or wrong answers here. But the easiest way to increase your revenues is to just get better at the skill of selling. Let's face it -- the recession may be over but the recovery is going to be long with its ups and downs. Besides there is too much competition out there, there are fewer customers, the web is getting stronger, and then we have the morons who fight to give it all away.

We just need to focus on the 3 key measurements that most retailers don't pay enough attention to. Then we need the tools to improve those components.

- Conversion rate = This number is the amount of people who enter a store to the amount of transactions that occur. An example of this would be the following. 100 people enter a store and 40 transactions take place. This

would represent a 40% close rate which is very good. This is the most difficult to collect and is generally only tracked during certain test periods.

- Units per Transaction = This is the average amount of units sold for every sale that occurs. An example of this would be a salesperson makes 3 sales. One customer buys 2 items, the next buys 3 items and the third buys 4. The average units per transaction are 3.
- Average Transaction Size = This simply means the average dollars sold per transaction. An example would be 3 sales which would include one for \$40, one for \$50, and the last one for \$60. That means your average transaction size is \$50.

Now that we know how to measure the information, how do we improve sales? Just use my G.R.E.A.T. System for Retail Selling which is from my latest book, *The Retail Sales Bible*.

Let me give you an abbreviated excerpt from the book that explains the G.R.E.A.T. System for Retail Selling. G.R.E.A.T. is an acronym that stands for the different sections of the retail selling process.

- **G stands for The Greeting**—The greeting either makes or breaks the sale. The key element of the greeting is to determine the path for the rest of the sale. You always want to ask if the customer has been in the store before or if this is their first visit. You are building a bridge to the next stage of the selling process.

- **R stands for Researching the Customer**— That means we start to ask the customers as many questions as possible in order for us to make the proper recommendations.

- **E stands for Experimenting & Closing the Sale**—Experimenting simply means the suggestion process. This is where we use lines, such as "from what you have told me, let me suggest _____". It is important to note that closing the sale is included in this step because it should be a natural progression and NOT a separate step. (This area in the book covers 12 different ways to close a sale and they are there to match your style.)

- **A stands for Adding On or the Add-On**— My philosophy is one item and one clerk. We need, NO WE MUST make multiple sales to survive in this difficult market. Many times a simple, "Did you see this?" goes a long way.

- **T stands for Tethering the Customer to the Store**—That means collecting as much information as possible. The sale is NOT complete until we can capture the customer's information so that we can bring them into our community. **RO**

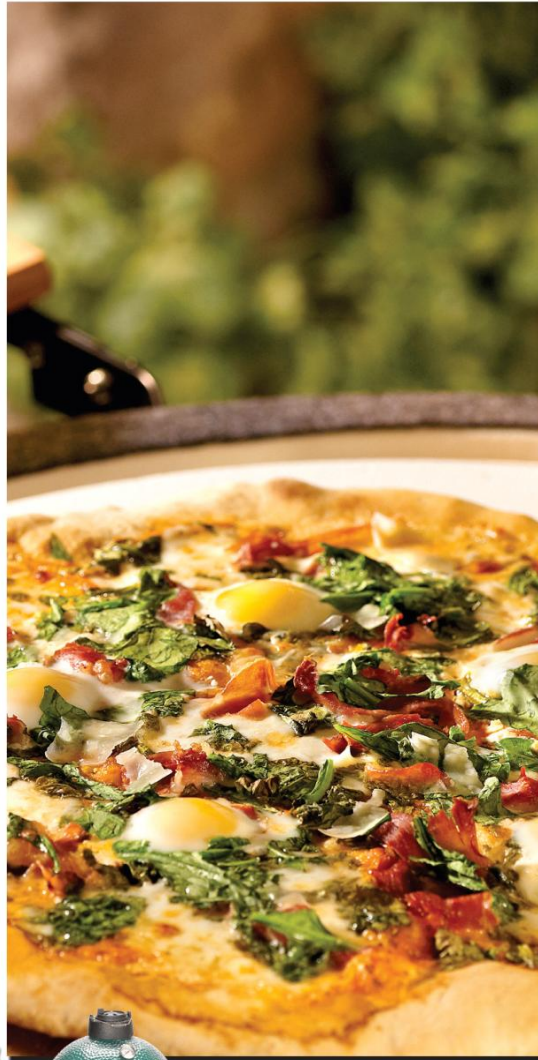
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Accidental or Intentional: Creating the Organizational Culture You Want

There's been a lot of buzz about company culture, and everyone wants a good one. In your retail environment, what do you want your employees, customers and collaborators to experience? How would you like people to describe your business?

What are the characteristics of your company culture? And perhaps more important, is the culture of your team or organization the one that you want, the one that you intend? Many organizations' cultures are not the ones they intend, but they are the ones they've got! How does this happen when just about everyone sets out to have great places to work that meet the goals and the mission, attract great people to work, and loyal customers to do business?

When we have an accidental culture, rather than an intentional culture, most likely it's because our organizational behaviors are not matching up with our intentions.

How to create more intention around your culture:

1. Revisit or clarify your organizational values. Most organizations or teams have clearly identified their values—the principles they agree to live by in their work and business. Sometimes these are corporate-wide, and other times they might be team-specific, like a Team Agreement. If you don't have these articulated, that's the first step. Clearly identify 5-7 key values that are important to you in your business to be the kind of place you want to be that does the kind of work you do. Then — and this is the really important part — you need to define them behaviorally. Most organizations have

things like “communicate honestly” or “respect each other,” but because they don't define them behaviorally, everyone does his or her best (or not) to fulfill this as they define it. There's no collective definition, so you get what you get!

2. Operationalize your values and practice them consciously and purposefully. As the leader, you've got to carry the flag. Articulating your values, and even defining them behaviorally, is no guarantee that you will begin to shape or re-shape your culture according to your intentions if no one is committed to carrying them out. Lead from the front. Your values should not only be visible, and some organizations are good at this — you see posters or plaques or wallet cards — but you have to actually use them. Many teams I work with begin their meetings with their Team Agreements or Guiding Principles almost like we used to say the Pledge of Allegiance in grade school. In other words, you check in on the promise you made to each other and see where your successes are and where you've got room to grow or pick up the slack. You've also got to weave the language of your values into your performance evaluations (formal) and in the language you use when you make decisions and collaborate (informal).

3. Reward and recognize one another for upholding your agreements or values. It is true that what gets done is what gets measured, so those things we want to happen with some regularity and consistency in our organizations need to be noted in some way. Generally, I advise clients to do this both

formally and informally, as suggested above. Additionally, I'd add that when appropriate, it's important to honor and recognize those who are demonstrating the values as you intend. Three important times for recognizing (i.e. in a public forum, using your own special recognition practices, formal letter of thanks and recognition, etc.) could include consistent performance, above-and-beyond performance and career milestones. For example, if one of our values is flexibility and resiliency, that in your organization we all roll up our sleeves and help one another on projects or proposals or initiatives that are priority, and someone regularly demonstrates her ability to assist others and perform her own job tasks, that's a good way to reinforce the values and culture you want. Notice it and recognize it with high specificity.

There's really no reason your culture can't be exactly the one that gives you the highest levels of productivity, trust, morale, profits, customer delight and employee retention. Just intend it, and take disciplined action toward it! At Libby Wagner & Associates, we're helping teams shape their cultures with our new Team Tune-Up programs. For more information, contact us at www.libbywagner.com **RO**

Libby Wagner, author of The Influencing Option: The Art of Building a Profit Culture in Business, works with clients to help them create and sustain Profit Cultures.
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BRANDDIRECT CHANGES NAME TO NATIONWIDE EAST

LONGTIME DIVISION OF NATIONWIDE MARKETING GROUP UPDATES ITS IDENTITY

With some 700 Member companies throughout 20 eastern and southeastern states, BrandDirect will now be known as Nationwide East. According to Group Director Murray Provine, "We've been a division of Nationwide Marketing Group since the late 90's and as the Nationwide brand has become dominant throughout North America it's become more important to make sure our vendors, members and prospects understand our close relationship. This change is in name only. All of the staff, vendors and membership will remain the same."

Group Co-director Dave Robison added, "Nationwide recently acquired Canada's leading buying group to form Cantrex Nationwide. The resulting \$14 billion in appliance, electronics, furniture, bedding, photo and flooring sales make the group larger than all competitors in North America combined. That influence has resulted in unmatched buying power and member services. We just want to make it clear that our members support that volume and that those advantages are also our members' advantages. Our tag line, 'We've got your back!' reflects our commitment to our members in these difficult times."

"We really like the idea. Each division controls its own branding, so we're honored that Murray, Dave and his team have chosen to identify more closely with the Nationwide Marketing Group identity," commented Nationwide CEO Robert Weisner.

Members of Nationwide East joined thousands of members and vendors last month in Washington DC, at Nationwide's PrimeTime! member conference and buying show for the formal announcement of the new identity. For more information contact Howard Khouri, hkhour@nationsbranddirect.com.



LEARN, EARN, SUCCEED

CONTINUING EDUCATION IS KEY TO GROWTH

Nationwide is off and running again for the next Business and Management Leadership Conference October 2-4 at the Marriott in New Orleans. It promises to be bigger and even better.

- Billing themselves as retail anthropologists because of their extensive research in stores, Rich Kizer and Georganne Bender will keynote the conference with a program on "Neutralizing Your Competition."
- Ann Dugan founder of the Institute for Entrepreneurial Excellence at the University of Pittsburgh, will help participants deal with complex issues of Succession in her "Next In Line: Creating a Winning Succession Plan" program.
- Financial guru Sandy Cloud will reprise her all-import-day- long financial management program. In this workshop participants will analyze their own financial statements, get excel files to use for on-going monthly analyses and understand the delicate balance between sheet numbers and cash flow.
- Steve Bryant will bring his MASTERS Relationship Selling, OpTEAMization management and RealtionShops programs to life as he presents his great digital training programs live and in person.
- Attendees will better understand the nuances of selling to women customers after going to Sam Allman's "Men are From Mars; Women are from Another Galaxy." He'll also show how to improve profits in "Planning for Gold: Your Company Credit Card is a Gold Mine."
- Nationwide's own digital guru Frank Sandtner will give participants an edge in their websites and Internet marketing with "Roadmap to the Internet" and "Maximizing Internet Exposure."

We have limited number of spaces available—please go to www.nmgleadershipconf.com and register today! The Nationwide Business Management and Leadership Conference is a must if you want your business to thrive and grow. We will see you in New Orleans on October 2nd – 4th. **RO**



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If It's Not Broken,

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ATTACK AND DISRUPT
OUR MARKET PLACE
OR ALLOW OUR
COMPETITORS TO
ATTACK AND DISRUPT
OUR BUSINESSES.
THIS REQUIRES US TO
CREATE A GAME
PLAN AND STICK
WITH IT.

Like billions of others, I am awestruck by the enormity of the Olympics. The spectacle of the opening ceremonies is followed only by the business at hand...winning. Winning is the only option for the thousands of athletes competing for a few slots of recognition and payouts. Every athlete believes they can compete with the best of the best. Most are wrong. Interesting to me, is the fact that most Olympians are blown away upon arrival at all the distractions and disruptions. Articles and interviews suggest these distractions are just as concerning to athletes as the competition itself. Many are breaking tradition and avoiding the disruptions to focus on their game plan.

Our industry is in a constant state of distraction, to say the least. Online predation is a major factor in today's marketplace. Many big boxes seem to have little regard for profits or brand equity, especially around holidays. There is much speculation about the future of certain big box operations and it would appear that those anticipations are creating a scramble by major vendors to create new alliances. Major vendors are reporting fantastic earnings, while most retail outlets are not. Distraction is probably an understatement!!

I recently wrote a column centered on a concept of "Disrupt or be Disrupted"! We have a simple choice. Either we attack and disrupt our market place or allow our competitors to attack and disrupt our businesses. This requires us to create a game plan and stick with it. Things are shaping up nicely for the independent. Consumers prefer to shop with us. Through online research, they are becoming more and more aware of their options to purchase best prices. This will help negate the perception that the independent is less competitive

than the big box. The point at which new market share becomes available for consumers who wish to be looked after, will provide an opportunity for the independent. Yes...it sets up nicely for those of us that are willing to work hard and break some traditionally good habits, and take the lead.

- **Be Proactive**—I recently visited one of our members and every sales associate had an iPad in their hand. They were able to do live product ratings, make comparisons and shop prices for their consumers. This represents an assertive approach that tells the consumer you are confident you have answers to questions and are the solution. It establishes credibility and can keep consumers on your floor, instead of shopping further. This is a great example of breaking a traditional habit of allowing big box ads or consumer's perceptions to control the relationship...from now on...you do!
- **Tell Your Story**—While advertising and sales events are major components of drawing in consumers, they cannot effectively tell your story. Stop expecting consumers to judge your business and it's value. Tell them who you are and why you are the solution, every chance you get. Break the mold and get to consumers through social media, on your floor, in ad, on the phones and throughout the sales experience. Every single contact with the consumer should be about "why"! Why you and not your competitors. Consumers are distracted everyday by ads and input from your competitors. Not only can you not afford to get lost in the shuffle, you must lead at every point of impact you have with the public. Break the tradition of assuming you will have a chance to tell your story on the floor

Break It!

and get out there with it, ahead of the curve. . .every day!

- **Keep It Simple**—I believe simple is better. At Nationwide, our merchandising strategy is a simple “Draw-Escape-Sell” story in every brand and category. This is certainly just one approach in many, but it removes the clutter and eliminates that (sea of white) that has been so traditional in our industry. Break the notion to the consumer that you have everything and show them you have put a tremendous amount of research and confidence as to why you offer the assortment you do. You will buy better, display your assortments better, eliminate confusion (both within your business and with consumers) and create a story to your customers that their best interest is your priority. Stop playing the “A-Z” game and get to the core of things. Stop telling your customers that the distracting big box way is the right way. Break tradition and remove distractions.
- **Consolidate Your Supply Chain**—Keep-ing your assortments simple requires breaking the tradition of serving all vendors. In today’s world, that is impossible and you cannot afford to allow your supplier relationships to thin out. You must make some hard choices, but those choices can become a central part of your story. The big box assort every brand because they are not nearly as concerned with customer satisfaction as they are about ringing the register. You can use this to prove you are the solution.
- **Own the Gold!**—You have invested every part of you into your business. You are training and working harder than you ever have before. You care a great deal about your customers and the community. You pour sweat and commitment into your stores, everyday. Don’t let those who do not train nor deserve the medal to win. Many times, breaking the bad habits are not only what is necessary. Break things that are not broken, make changes to be different, stand out and scream your message. Changing things up is your best opportunity to beat your competitors and own your marketplace. . . **RO**

Jeff Knock is the Senior Vice President of Appliance Marketing for Nationwide Marketing Group, a leading buying and marketing organization for independent retailers. To learn more about Nationwide, visit www.nationwidemarketinggroup.org or contact Jeff at jeff@nationwidegroup.org, or (336) 722-4681



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The Trojan

iPads and iPhones Bring New Opp



We all know the story of the Trojan Horse: The Greeks give the Trojans an enormous wooden horse—a trophy and symbol of the Trojans victory over the Greeks after a 10-year battle. While the city of Troy was sleeping that night, an elite force hidden inside the horse snuck out and opened the city gates to the entire Greek army, decisively ending the war.

The term 'Trojan Horse' has been adopted by the computing world to represent malware, but in the AV industry it represents the revolution of connected devices in the home. While many audio-video retailers were wary at first of the threat that connected devices, such as AppleTV, GoogleTV, iPads and iPhones posed to their businesses, most have started

looking at the product category differently. The iPad and iPhones are the soldiers inside the Trojan Horses that open the proverbial gates to new opportunities for retailers. In this way, they defy the negative connotation associated with the term 'Trojan Horse' and become true gifts instead of imposters.

For simplicity's sake, let's just talk about the ubiquitous iPhone. An audio-video retailer has a mixture of retail and installation in his store. He adds iPhone accessories into the mix. A customer comes in to get a cable that will allow him to listen to his iTunes via his car audio system. While he is in the store, the salesperson takes the opportunity to chat with the customer and learns that he has been thinking of upgrading his 42-inch LCD to a

55-inch plasma. The opportunities continue to unfold as the salesperson realizes that this iPhone user doesn't own an AppleTV. By the time the customer leaves the store, not only has he purchased the cable he came into the store for in the first place, he has also purchased a Panasonic plasma TV, an Apple TV, an HDMI cable, and a surge protector.

Eric Landis of All Sound Designs in Grand Junction, Colorado is one dealer who has fully embraced iPads and smartphones. "Once our client saw how GoogleTV worked, they wanted it so badly that they spent \$3,000 in other areas to get it and make sure it looked good. It made them realize that it was just time to upgrade to high-def," he says.

Meanwhile, the iPad and iPhone have

an Horse

ortunities For Audio-Video Retailers



quietly become the most stylish control interfaces in the home entertainment industry of late. Every major control manufacturer has hopped on the iPad-as-controller bandwagon. Others, like Savant and Clare Controls, have based their entire business model on Apple infrastructure. Savant uses the Apple iOS and Clare Controls is entirely cloud-based. Another added bonus is that by integrating a customer's smartphone or iPhone into their home automation systems, customers can actually control their homes from afar, remotely dialing down lights, unlocking the door for the housekeeper while on vacation, or checking the security camera. Since most of the systems that are using iPad replicate a vendors typical touch

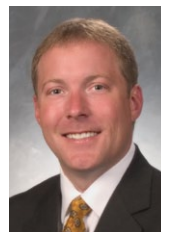
panels, the attraction to iPad control is largely about reducing the fear factor. Customers are familiar with the iPad already and are using it regularly, so instead of a new gadget they have to understand, control becomes one more App of the many they already use. By showing customers with the control capabilities of products they already have—the iPhone or the iPad—they are not only opening up a new world of possibilities to clients but building new and ongoing relationships. And because the concept is catching on, new clients are coming into the local AV store specifically to turn their iPhones and iPads into remote controls. They are asking for it.

In addition to the pure upselling oppor-

tunities presented by the insurgence of connected devices into the home entertainment world, all that new equipment must be installed and later serviced if need be, which enhance the audio-video retailers' bottom line in terms of installation services, warranties, and extended service plans.

For the audio-video retailer, the possibilities are endless. **RO**

Jim Ristow is the executive vice president of consumer electronics for Brand-Source, helping to establish it as one of the largest and most influential CE merchandising groups in the United States.



Encourage Questions to Improve Open Communication

Confident leaders are capable through their actions and attitudes, of creating a healthy work environment. Fostering lines of open communication encourages employees to freely ask questions and discuss any concerns which result in trust, deepening loyalty, creating a broader organizational cohesiveness. Leaders can encourage open communication by practicing the following techniques:

- **Encourage Questions**—Leaders work with employees who have various levels of self-confidence and self-esteem. They must encourage everyone to regularly ask questions. This kind of interaction makes employees more comfortable with the concept of speaking up, and it also gives them confidence to approach the leader without hesitation or procrastination when the need arises. Specifically, leaders should be open and receptive when approached with a question, no matter how trivial the subject.
- **Look for Opportunities to Ask Questions**—Leaders must not passively wait for their employees to come to them with questions. The nature of leadership demands being out among employees, asking questions and soliciting input. In this fashion, leaders can communicate their interests to each employee while keeping tabs on the activities and direction of the organization. Thus, they can anticipate and handle an issue before it explodes into a major problem.
- **Ask 'Personally'**—In the age of instant electronic communication, it is important for leaders to ask questions in person. Email doesn't communicate the tone and nonverbal

cues that people often require to fully understand a question. Additionally, face-to-face questions give leaders the opportunity to clearly explain their intentions and get a more comprehensive answer.

- **Respect the Questioner**—In the daily workplace routine, it is not uncommon for a leader to hear a range of questions, from trivial to extremely important. In an open communication environment, they know they must treat every question and questioner with respect, even if the topic is trivial or lacks urgency. Rather than embarrass or alienate the questioner, good leaders validate the specific question and thank him/her for bringing it to their attention.
- **Listen Actively**—When approached with a question, leaders know that it is important to give the employee their undivided attention. However, if their attention is necessitated elsewhere, they should ask the employee if the question could be discussed later, at a specific time convenient for both explaining that they would like to talk when they can provide the needed time and attention both the employee and the question deserves.
- **Be Cooperative**—In most workplace environments, leaders are dealing with daily problems and issues that produce varying degrees of stress. Under these circumstances, it is easy for any individual to appear defensive or adversarial when asked a question, especially an unexpected one.

Effective leaders will maintain a consistent attitude and posture that fosters a cooperative spirit. They keep a friendly and open demeanor with their employees by paying attention to

their own moods, habits, attitudes, body language and tone of voice.

- **Take Responsibility, But Don't Solve Every Problem**—When approached with questions, a leader should not respond by doing the employee's work for him or her, but there are times when the leader is responsible for developing a solution. The key is to understand the appropriate response for the particular question. Leaders need to set firm and fair limits on what they are willing and able to do so that employees don't place unreasonable demands on their time and energy. At the same time, it is unrealistic to expect their employees to solve every problem without guidance. Generally, the appropriate course of action is somewhere in the middle, where the employee and the leader brainstorm to arrive at an acceptable solution.
- **Follow Up**—Open communication demands that leaders follow up on their responses to questions by making sure the solution is understood, acceptable and implemented. Obviously, the degree of follow-up needs to be proportionate to the question's impact and importance. Follow-up keeps communication with employees open because it often triggers additional questions, input and feedback. In this way, the communication process becomes a continuous, effective loop. **RO**

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BrandSource Expands Alliance With LG Electronics USA to Include LG Home Appliances



BrandSource has expanded its alliance with LG Electronics USA to offer members a full assortment of LG home appliance products, including refrigerators, dishwashers, laundry and cooking products.

Members of BrandSource, one of the nation's largest buying group serving independent appliance and electronics dealers, will be able to leverage LG's broad appliance line-up and take advantage of eye-catching in-store displays. Distribution and logistics will be handled by the BrandSource Expert Warehouse distribution centers.

The LG appliance distribution agreement builds on a successful long-term relationship under which LG home entertainment products have been available to BrandSource members for six years. Adding LG appliances to the roster allows members to offer customers a full assortment of LG-branded products.

"Our goal is always to support our members and help them be more successful. And LG appliances, among the highest-rated and most desirable in the U.S. market, are a great fit for our group," said BrandSource CEO Bob Lawrence. "The strength of the LG brand and their terrific product line-up will help independent regional dealers draw more consumers into their stores."

John Riddle, vice president of home appliance regional sales, LG Electronics USA, said, "We're enthusiastic about expanding our relationship with BrandSource to bring LG's innovative and stylish line of premium appliances to the BrandSource members. Many members already carry LG home entertainment products, and adding major appliances is a natural connection to leverage the strength of LG in BrandSource retail stores."

Members who attended the BrandSource national convention in Las Vegas last month were able to experience the new line-up at the LG Appliances product showcase. To help generate customer awareness, LG Appliances will also be highlighted at BrandSource.com and on the BrandSource mobile app.

BrandSource retailers are known for offering local consumers an unparalleled customer service experience, along with a "neighborhood expert" source when they're in the market for appliances, consumer electronics, flooring and home furnishings. Please visit www.brandsource.com for more information. Expert Warehouse is a wholly owned logistics solution, providing consumer electronics and appliances to BrandSource members. Logistical services are provided in partnership with Ingram Micro, a global CE distributor. **RO**

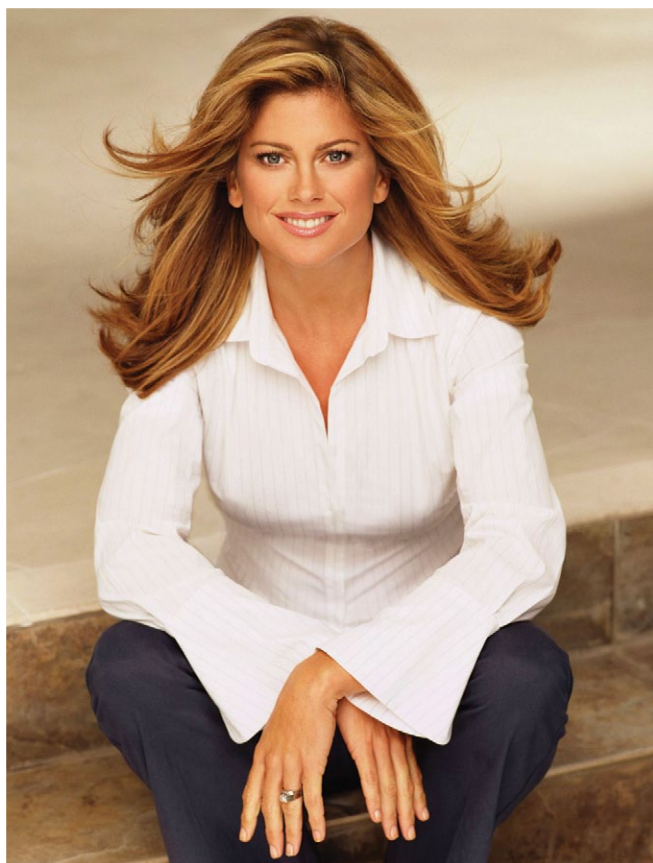
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Extreme Customer Service - an Olympic Sport

While there are many extreme sports that are showcased in the Olympics, Customer Service is not one of them. Customer service is the cornerstone of building a successful business. The easiest, fastest and most profitable way to grow your business is through “great” service. Extreme customer service is about exceeding expectations and wow-ing your customers, creating relationships that will create brand loyalty.

RULES OF EXTREME CUSTOMER SERVICE:

- **First Impressions Count**—All relationships start with a greeting that conveys a first impression, either in your shop or over the telephone. Chaos in your shop or a snarly greeting on the phone and you’ve started out on the wrong foot. The décor and cleanliness of your business and the initial greeting on the phone shapes the attitude and opinion about your company. Neat and clean with a friendly hello go a long way to setting the tone of the relationship you’re about to build.
- **Listen First**—Listening may sound simple but it’s a skill and practice makes perfect. It’s vital to listen carefully to the customer’s wants and needs, taking notes to avoid the annoying request to repeat oneself. Seasoned service reps can often jump the gun making incorrect assumptions of customer’s requests. Confirming key

facts will demonstrate your attention to detail and can avoid mistakes and disappointment.

- **Be Real**—Human nature dictates that customers need to feel like they matter. Whenever possible, customers should feel like they are the center of attention. Going out of your way to build a relationship with customers that makes a person feel special builds relationships that last. Little things like referring to people by name demonstrate that they matter to you. A customer needs to feel like a person is sincere during phone interactions as well. Take time to address a customer’s needs. Avoid placing them into an automated system as if they are just a number. Creating an environment that establishes a personal connection will lead to a great experience.
- **Say What You Do, Do What You Say**—Don’t assume the customer knows your company’s procedure and policies and take the time to clearly explain them and confirm they understand and approve. If you tell a customer you’re going to do something, you had better follow through. Nothing says “I don’t care about you” faster than not doing what you say. If customers can’t rely on your word, then the credibility of you and your company are in question and it’s hard to win that back.
- **Exceed Expectations**—It’s not good enough today to meet your customer’s expectations; you have to exceed them. Exceeding expectations is easy and doesn’t have to be costly. Whether it’s picking up the paper at the front door or showing

empathy on the phone, we need to go above and beyond what’s expected for a standard experience. Find a complimentary action that won’t be anticipated and emphasize it, it’s all part of the wow factor.

- **Mistakes Happen – Own Them And Fix Them**—Let’s be honest here, no one’s perfect and someone sometime is going to slip up and drop the ball. Don’t try to hide it or blame someone else, this is not the time to go “postal” on the customer even if you should; apologize and make it right as fast as possible. When a customer brings a complaint, don’t interrupt and explain company policy. Make a sincere apology and find a resolution to their issue. Thanks to the Internet and Social Media, not resolving their issue will not be isolated to one person. Word of mouth is still one of the most important components of building a lasting loyal relationship.
- **Always Say Please And Thank You**—Don’t take your customers for granted. Let them know you understand they had a choice and you’re grateful they chose you. Nothing exceeds expectations faster than receiving a thank you card in the mail after the job is finished. While you’re at it, toss in a discount or loyalty coupon for the next time they need your product or service. **RO**

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Association Brings Technical Opportunities to Servicers

Members of USA and local appliance repair companies will gather in 15 cities for the Fall Regional Servicers Meetings (RSM). USA is proud to announce the 2-day workshops where factory trainers from top manufacturers like Whirlpool, Frigidaire, Bosch, Dacor and Scotsman will be present to demonstrate new features and technology in home appliance repair to bring technical training to service technicians.

The RSM roundtables are a great opportunity to join the competition and learn how other players in the appliance repair industry approach problems and issues to come up with profitable solutions. Though most businesses are competitive, seeing the competition as only a threat can be counterproductive.

Networking and learning from like-minded individuals helps everyone in the home appliance repair industry grow and succeed. The United Servicers Association is dedicated to helping the industry as a whole achieve excellence. (www.appliancerepairassociation.com)

The two-day workshops are focused on bringing appliance repair technicians together to learn the latest techniques for repairing home appliances as well as improve their service businesses. The 7 pillars of a successful service company will be addressed

and include topics such as Image, Promotion, Customer Service, Finance, Negotiation and Recruitment.

The registration fee of \$119 includes 5 meals, training materials and a first year membership to the United Servicers Association. The workshops take place from Sept 20th through Nov. 9th. Appliance service technicians and service managers should register early for discounted hotel accommodations. Register online at www.unitedservicers.com.

The USA 2012 Fall RSM program is made possible by the national sponsorship of Mr. Appliance, Lowe's, NEW as well as a local Parts Distributor in each market and the generous support of the technical trainers from participating appliance manufacturers. Many thanks to all who contributed to the 2012 RSM program.

The United Servicers Association is a non-profit trade association for servicers by servicers. Their mission and purpose is to develop and provide services and programs intended to assist members in building strong businesses in North America's competitive environment. Services include educational programs, manufacturer relations, management, marketing and operational programs, Peer Group formation and facilitation. **RO**



The Time is Right for Remanufactured Appliance Parts

Today's appliance industry is undergoing rapid changes in technology, driven by unprecedented innovation and design. As manufacturers introduce appliances with upgraded features, repair parts quickly become obsolete. The downturn in the U.S. economy over the last few years has further influenced the industry, forcing manufacturers to drastically change their stocking policies. Most keep fewer parts in stock, and for only the newest models. Those who don't identify alternative parts sources risk being unable to provide service on their customer's appliances.

Meanwhile, customers have been moving less frequently because they can't or don't want to sell their homes in a depressed market. Increasingly, they are looking to repair versus replace their major appliances—either for lifestyle reasons (they want to live “greener”) or for financial reasons, such as in cases where they can't afford to replace their older appliance.

Given this challenging environment, there has never been a better time to consider remanufactured parts for major appliances. Here are some ways “reman” can benefit your organization:

- Repairing with remanufactured parts versus replacing the appliance improves customer satisfaction and builds brand loyalty. Since it costs five to ten times more to acquire a new customer than it does to retain one, the investment in reman is more than justified. By continuing the customer relationship beyond the initial sale, remanufactured parts can help win the war for customer allegiance one battle at a time, and across the product lifecycle.

- Using remanufactured parts avoids product replacements on service contracts. Using remanufactured parts on a service contract call makes good sense; it fulfills the customers' requirement to keep the product operating while keeping the parts cost low.
- Remanufactured appliance parts offer a great value – to you and your customers. You can keep your inventories low, confident that you can get the parts that your customers need quickly and easily. Your customers, in turn, save up to 60% by repairing versus replacing their major appliances.
- Using remanufactured parts ensures a continuous supply of parts for the life of an appliance. Or as we like to say, “No Longer Available (NLA) is No Longer Acceptable.”
- Remanufactured parts reduce your inventory requirements over the life of the product. Some remanufacturers such as CoreCentric Solutions can provide a part in as little as 24 hours (48 hours in cases of return for repair), even for certain older, legacy appliances.
- Reusing parts keeps the environment free from unnecessary waste, and it allows for recycling of old parts. Not only does this aspect appeal to consumers looking to live a greener lifestyle, it makes good business sense, too. On the servicer side, CoreCentric Solutions runs a national program that encourages service entities to sustainably dispose of unwanted controls, timers, icemakers and similar parts commonly used in major home appliances. The program provides a continuous inventory of parts and components for remanufacture, many of which might not be available if they weren't collected and rebuilt.

While the remanufactured parts of yesteryear may have justifiably gotten a bum rap, the good news is that the quality is definitely there today. CoreCentric Solutions, for one, puts all used parts through a detailed inspection process to ensure that all defective components are identified. Each reman part is tested to factory standards and, whenever possible, is enhanced with the latest technical upgrades so that it performs as well as a new one. We are among the few remanufacturers that are ISO 9001:2008 certified, which confirms that our remanufacturing processes are consistently monitored and continually improved. Many test procedures are automated to help ensure quality, eliminate human error, and guarantee repeatability. Remanufactured parts even come with guarantees, and have overall return rates comparable to those for new parts.

We're proud of the fact that the remanufactured appliance parts business has evolved to a higher level so that customers get the same superior quality and the same superior results every time they order, while saving money in the process. We urge you to take a look at reman: to improve customer service, build brand loyalty, reduce costs and operate your business more efficiently. **RO**

Author: Badal Wadia, President and CEO of CoreCentric Solutions. Contact info: 866-737-2244. bwadia@corecentricusa.com or 866-737-2244. www.CoreCentricSolutions.com



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AND APPOINTMENTS

MAJA CHOWDHURY APPOINTED MANAGING DIRECTOR OF ASKO APPLIANCES, INC. - USA



Asko Appliances, Inc. is pleased to announce the appointment of Ms. Maja Chowdhury as managing director of Asko Appliances Inc. – USA. In this position, Chowdhury will be responsible for sales of Asko Appliances to the markets of North America.

Chowdhury brings over 15 years of marketing, sales, and management experience in the field of domestic appliances to Asko. She holds an MBA in Management from the University of La Verne, California. Joining Gorenje Group in 1997, she has worked in various management positions; most recently, Chowdhury held the position of Managing Director of Gorenje Greece where she navigated the company through a difficult time and made it a success story. Gorenje Group, a European leader of household goods, purchased Asko in August of 2010 completing their global brand portfolio.

The Asko USA Team welcomes Maja and looks forward to implementing her innovative ideas and utilizing her experience to lead the North American branch towards future years of prosperity and growth.

IMPERIAL CAL PRODUCTS NAMES NEW NATIONAL SALES MANAGER



Imperial Cal Products announced in July that Dan Fitzgerald has been promoted to National Sales Manager.

Dan Fitzgerald will be responsible for overseeing sales of Imperial Range Hoods in the United States and Canada. Fitzgerald joined Imperial in 2011 and previously held the position of Western Sales manager. He has most recently worked to expand the Imperial brand throughout the Pacific Northwest and Canada. Imperial is a market leader in providing quality ventilation systems made in the U.S.A. for over 51 years. They are known for their product's performance, ease of installation and customer service. Their hoods carry a 7 year in home parts and labor warranty.

Fitzgerald is entering his 16th year in the appliance industry. After graduating from the University of Wyoming, he started his career with Whirlpool Corporation and went through their Industry Recognized training program "Real Whirled" as a Sales and Product Trainer. He was promoted to Sales in the State of Washington for five years. Fitzgerald later spent one year as a National Sales Manager with AGA Ranges and then moved to Dacor Appliances for 5 ½ years as a District Sales Manager for Colorado, Wyoming, Utah, and Montana.

Now running the National Sales department at Imperial Cal Products, Fitzgerald says, "There is such a great growth opportunity with this 51 year old company to take it to the next level, and with several new products in the works and a can do attitude I feel Imperial is ready to grow. I am blessed to be a part of such a great organization at this point in my career now and look forward to many years with Imperial."

"Dan's previous experience and track record of success with Imperial makes him an ideal candidate to lead Imperial's expansion across the nation and Canada." said Shari Bittel, president and CEO of Imperial Cal Products.

Fitzgerald lives in Denver, Colorado with his wife Lisa and his two sons Trent and Tyler.

JIM SHAD JOINS VIKING RANGE CORPORATION EXECUTIVE MANAGEMENT TEAM



Fred Carl, Jr., CEO of Viking Range Corporation, has announced that Jim Shad has joined the company as Executive Vice President and Chief Revenue Officer. In this capacity, Shad will have responsibility for all of the company's sales and go-to-market activities, both domestic and international.

"I enjoyed getting to know Jim when he was at LG and am happy that we can continue our relationship now that he will be with us here at Viking," said Carl. "He brings a tremendous amount of expertise in sales and marketing and has extensive experience with global markets, an area of focus for us. I know he's going to make a tremendous contribution to the company."

A native of Atlanta, Georgia, Shad received his bachelor's

degree from the University of Georgia and began his career with Procter & Gamble as a sales representative in the company's coffee division. He advanced to sales and marketing executive positions with P & G and ultimately became the company's Director of North American Market Strategy and Planning – Paper Products, the position he held when he retired from Procter & Gamble in 2003 after 25 years of service.

Shad then joined Novartis, the multinational health care products company, where he served as Chief Customer Officer for the consumer health division. In this capacity he had sales and marketing responsibility for six business units and over 40 brands distributed in 130 countries with a 6000 person global sales force.

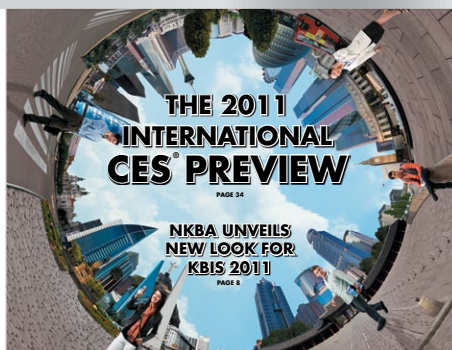
In 2008, Shad was recruited to become the Chief Go-To-

Market Officer at LG Electronics, having responsibility for global GTM functions spanning over 30 subsidiaries around the world. In 2010 Shad was made President of LG U.S., where he led the company's consumer electronics and major appliance business in the United States with responsibilities for sales, marketing, service, supply chain, product management, finance, and human resources and an 800 person organization.

In his new position with Viking, Shad will be over all sales, go-to-market and revenue generation functions for the company. In addition to North America, he will oversee the continued expansion of the company's international sales, which presently consists of some 40 distributors spanning over 80 markets around the globe. He will report to the CEO and will be a member of the company's Executive Committee. **RO**

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Even-Heat™ Technology — The Secret Ingredient for Better Results

Every cook has their own cooking or baking secrets. Whether they rotate pans, use their own thermometers, or work with baking stones, your customers are quick to tell you everything they do to get consistently even results.

But what if those steps were unnecessary? KitchenAid has conducted relentless research into the science of creating consistently reliable heating. The result is Even-Heat™ Technology – an innovative feature that helps deliver exceptional results without the need for those extra steps.

“KitchenAid owners tell us about their cooking experiences,” says Gail Bruce, senior brand manager. “Even-Heat™ Technology empowers them to create in their kitchen with the confidence of getting great results without all the extra steps.”

Exceptional Baking Performance—KitchenAid was one of the first brands to make the benefits of true convection easy to appreciate. For example, EasyConvect™ Conversion is a feature that takes the guesswork out of converting cooking times and temperatures.

“Our new line of built-in ovens and freestanding ranges are designed for our consumers,” says Bruce. “They are passionate about cooking, understand convection, and expect more from their appliances. Even-Heat™ Technology meets their high standards by delivering exceptionally even heat, every time.”

Even-Heat™ Technology combines innovative features to generate heat in multiple spots and spreads it evenly throughout the oven. The result is ovens that deliver the most even baking* and ranges that feature the most even baking across all racks.**

- **HELPS REMOVE COLD SPOTS**—Cold spots are the result of an oven that has not consistently distributed heat to the set temperature when baking/cooking starts. KitchenAid® built-in ovens and freestanding ranges feature Even-Heat™ Preheat. The entire oven, including the walls and racks, are heated to the correct temperature. This means that the entire oven reaches its set temperature quickly and maintains that temperature so you can get even results.
- **NO PEEKING INSIDE TO GET GREAT RESULTS**—The Even-Heat™ True Convection System helps ensure that properly preheated air circulates over, under, and around every rack. This creates perfectly baked centers and golden browning without the burnt edges. There’s



no need to open the oven door to check on progress, or rotate pans and cookie sheets to different racks. But for those consumers who absolutely have to look, we’ve made our oven windows among the industry’s largest so they can see from edge to edge without opening the door.

- **BETTER BOILING, SIMMERING, AND MELTING**—KitchenAid has brought Even-Heat™ Technology to a line of electric cooktops and freestanding ranges. Even-Heat™ Elements are designed to apply a continuous level of heat to cookware. This creates the proper conditions to quickly boil water, find the ideal simmer for a delicate sauce, and hold low temperatures for melting without scorching.
- **COVERS EVERY COOKING NEED**—Your customers can enjoy the innovative benefits of Even-Heat™ Technology in a configuration that fits their kitchen. Even-Heat Technology is available on 30- and 27-inch single, double, and combination wall ovens; 36- and 30-inch electric cooktops; and 30-inch freestanding electric, induction, and gas ranges. **RO**

*Among leading premium brand 30-inch wall ovens.

**KitchenAid models K*RS306B and higher versus highest MSRP models of leading brand 30" electric and gas single cavity freestanding ranges, based on browning performance.



Even-Heat™ Technology helps make every recipe even better.

KitchenAid®
FOR THE WAY IT'S MADE.®

We understand the steps cooks take to get even baking and roasting. That passion was the fuel for Even-Heat™ Technology. This combination of features gives you an opportunity to demonstrate the benefits of this innovative technology. Built-in ovens that provide better and more even baking. Electric cooktops that deliver precise boiling, simmering, and melting. And freestanding ranges that combine the best of this technology in the oven and on the cooktop. It makes you wonder what we'll think of next. Nobody knows the kitchen like KitchenAid.

REGIONAL CONTACTS

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Learn more at KitchenAid.com



**We've been designing the most innovative appliances for 80 years.
With the most amazing features, like these.**

Refrigerator with Perfect Temp® Drawer so you can serve anything at the ideal temperature.

Induction Cooktop that boils water in 90 seconds.¹

Dishwasher with Perfect Stemware™ Cycle that ensures spotlessly clean stemware.

Best Cleaning Front Load Washer² that cleans clothes better than ever before.

Experience the full line of kitchen and laundry appliances
at electroluxappliances.com.



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¹10" induction burner with Power Boost, 6 qt./10" diameter pot, 1 qt. tepid water.

²Based on AHAM washability test protocol for leading brand front-load washers with normal cycle times less than 60 minutes.