Bulletin

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NAWLA MEMBERS STAND FOR......PROFESSIONALISM ✦ INTEGRITY ✦ HONESTY ✦ INNOVATION

2008 NAWLA Traders Market®
November 6-8
Hyatt Regency Chicago On The Riverwalk
Chicago, Illinois

Bulletin 6-08
June 2008

Update: NAWLA Traders Market® Committee

It's hot off the presses! The official brochure for the 2008 NAWLA Traders Market® should be in your mailboxes this week. Register NOW! At $399 / Members and $699 / Non Members, you will not find a better deal. Your NAWLA Traders Market® Committee has worked diligently to provide you with top-notch events and a few new items in 2008. You won't want to miss networking with fellow wholesalers in addition to the below "Schedule Highlights":

- CME Group Tours – additional sign-up required
- General Session with Chicago's own Mike Ditka – Thursday at 9:00 a.m.
- Thursday afternoon Education: Green Building Movement & You
- Friday Education: Global Economic Perspective
- Grand Opening Luncheon Friday - Comedian, James P. Connolly – www.jamespconnolly.tv
- Bloody Mary Breakfast – Saturday at 8:00 a.m.
- NAWLA Traders Market®– New Hours –
  Friday 1:30 p.m.- 5:30 p.m.
  Saturday 9:00 a.m. – 1:00 p.m.

Reserve guestrooms at the Hyatt Regency Chicago On The Riverwalk by calling (312) 565-1234 or (888) 421-1442. Online reservations are available at www.nawlatradersmarket.com

Mark your calendar for future NAWLA Traders Markets® in Chicago, IL:

November 6-8, 2008
November 5-7, 2009
November 4-6, 2010

NAWLA Bylaws Addition

The NAWLA Board of Directors has approved a Bylaws change pertaining to the addition of Manufacturer Reps to our Service Affiliate category. The Bylaws change went before the Wholesaler general membership and has been approved.

Addition to NAWLA Bylaws
Article III, Section 4b, Service Affiliates

Section 4B under Article III:

Manufacturers Representative. Any individual or firm who does not meet the criteria of Section 2 or 3 and whose principle business function is to facilitate orders between Manufacturers and Wholesalers, does not take title to the product and who receives compensation for their services directly from the Manufacturer or OEM, shall be eligible for membership in the Association as Service Affiliate members.

(The entire NAWLA Bylaws can be viewed on the NAWLA website at **www.nawla.org**)

Don't forget to book your hotel room for the 2008 NAWLA Traders Market®

www.NAWLATradersMarket.com

Included in This Bulletin

Three Tours in 2008! NAWLA Wood Basics Course September 8-11, 2008 • Corvallis, Oregon

NAWLA is returning to the Pacific Northwest this fall with the 37th NAWLA Wood Basics Course. This course is ideal for individuals who are new to the lumber and wood-related products industries. Modules on Forest Ecology and Silviculture, Dimension Lumber, Engineered Wood Products, Structural Panels, Lumber Manufacturing, Grading, Wood Alternatives, Marketing, Sales and Transportation & Logistics will be taught by 11 different instructors. And, there's more …

The signature, off-site tours have been expanded to include a third excursion in the Willamette River Valley! Students will begin the week with a tour of nearby Starker Forest Lands & Education Center in Philomath. The tour includes a peek at a harvesting operation (off-trail), ¼- mile hike (on-trail), and species identification. For further information on Starker Forest Lands, please visit **www.starkerforests.com**

On Wednesday, students will journey to Eugene to see Zip-o-Log Mills – a "specialty timbers" sawmill that produces 100 percent Douglas Fir products, including 52-footers. For further information on Zip-o-Log Mills, please visit **www.zipolog.com**

A final tour of Rosboro in Springfield will afford students a first-hand look at three operations – sawmill, plywood plant and engineered wood plant – all at one location. For further information on Rosboro, please visit www.rosboro.com

For further information, please contact NAWLA at (847) 870-7470 or at (800) 527-8258. To register for the NAWLA Woods Basics Course, visit **www.nawla.org**.

ASTM Publishes Standards for Polyolefin-Based Plastic Lumber Boards and More ...

… More being "Evaluating" Mechanical and Physical Properties of Wood-Plastic Component Products.

These standards did not write themselves and we're not certain of who did write them but there they are copywrited on ASTM.ORG. As a point of information, ASTM does not write standards. The designations for these 2 documents are D 7031-04 and D 6662-0.

What does this mean? Right now, not a lot. We know of no certifications or inspection body like the American Lumber Standard Committee to test, monitor or enforce these standards. It is safe to assume, however, that the authors have a vision for an accredited inspection agency even if it is years down the road.

We're not saying these ASTM standards are good or bad but **NAWLA members need to know they exist.** We suspect it won't be long, if it has not already happened, that structural values for these products will find their way into building codes.

If you produce or trade in plastic composites or polyolefin – based plastics, lumber or boards, prudence would suggest you seek written assurances the products you carry are in compliance with the standard. In the U.S., at least, non-compliance would be perfect fodder for lawyers should products fail for a host of reasons including not being in compliance with a published standard, even if it has not been circulated. We'll keep you posted as we learn more.

Builder Confidence Continues Downward Trend

As market conditions continue to erode, home builders remain considerably downbeat according to the National Association of Home Builders/Wells Fargo Housing Market Index (HMI). The HMI fell, yet again to 18, returning to the record low that was posted in December of 2007.

"Clearly, conditions in the housing market remain weak, and our builder members are not seeing any signs of improvement," noted NAHB Chief Economist David Seiders. Indeed the continuing erosion of employment and consumer confidence/sentiment, coupled with surging energy costs, falling house prices and rising home mortgage foreclosures, pose considerable downside risks to the economy and our housing forecast." Any index number lower than 50 indicates that more builders view sales conditions as "poor" than "good."

Source: Random Lengths

Coast to Coast: NAWLA Member Visits by Leadership & Staff

Massachusetts, New Hampshire, Arizona & Rhode Island

From east to west, NAWLA Staff “hit the road” this May to see what you and your companies are up to this Spring. Buck Hutchison, NAWLA First Vice Chairman, Mark Palmer, NAWLA Executive Director, Sheila Smith, NAWLA Office Manager and Stacey Woldt, Manager of Meetings and Education toured several areas of the country. Company visits allow leadership and staff to learn about member companies, get a first hand look at conditions in regional areas, keep abreast of industry trends and keep open the two-way communication with NAWLA.

Mark and Sheila visited the northeast and 11 member and prospective member companies in the Boston metropolitan area. Buck and Stacey conducted 7 visits in the Phoenix, Arizona area. All visits were conducted in conjunction with NAWLA Regional Meetings (May 20 – Boston, MA and May 22 – Scottsdale, AZ).

A few early morning lattes, GPS navigation, and the generosity of NAWLA’s Members made 18 visits and 500 miles possible. Thanks to the following companies and contacts for the opportunity to visit their locations:

Northeast Visits:

Coastal Forest Products, Bedford, NH – Brad Morrow, Vice President & General Manager
Eastern Forest Products, Lyndeborough, NH – Dan Holt, President
Dennison-Cannon, North Bellerica, MA – Peter Hyatt
The Fence Specialists, E. Providance, RI – Jeff Meek, President & Jim Goulart
Flagship Forest Products, Stoughton, MA – Mike McLaughlin, President
Langevin Forest Products, Sterling, MA – Roger Langevin, Owner
L.R. McCoy, Worcester, MA – Jed Dawson, President & CEO
PrimeTECH (ZEVO), Auburn, MA – Dennis Connelly, COO
Seaboard International, Nashua, NH – Lorin Rydstrom, President & Jim Dermody
Timber Trading, Worcester, MA – Timothy Seale, President
Warren Trask Company, Stoughton, MA – Vincent Micale, CEO

Coast to Coast: NAWLA Member Visits Cont.

Southwest Visits:

Bear Forest Products, Inc., Phoenix, AZ – Greg Norman, General Manager
Boise Building Materials Distribution, Phoenix, AZ – Hal Webster, Branch Manager
Capital Lumber Company, Phoenix, AZ – Sam Sanregret, President
Cooley Forest Products, Phoneix, AZ – Dean Winters, General Manager
Matrix Forest Products, Inc., Scottsdale, AZ – Ron Dunham, President
Snavely Forest Products, Chandler, AZ – Buck Buchanan, General Manager and Clark Norwood, Assistant General Manager
Trio Forest Products, Mesa, AZ – Tina South, President, and Jerry Lilly, Vice President and Phil Hawkins, Sales Manager

NAWLA will continue its policy of member visits throughout the country. As an Association, NAWLA feels it is imperative to continue visiting companies face-to-face at their place of business.

Save the Date ... NAWLA Signature Webinar Series

NAWLA continues its excellent schedule of educational and informational webinars with the third and final offering from Jason Bader, managing partner, The Distribution Team, Inc.

Wednesday, June 25, 11:00 CST
“Analyzing Customer Profitability”
Are all customers created equal?
Participants will learn how to rank their customers based on contribution to net profit.

Registration materials for the Webinar are included with this Bulletin, or you can check out the NAWLA Website at www.nawla.org for additional information.

Industry News

Congratulations to **McShan Lumber Company** having obtained fiber sourcing certification to the Sustainable Forestry Initiative (SFI) standard.

Dixie Plywood & Lumber Company is pleased to announce that it has received Forest Stewardship Council (FSC) chain of custody certification at all 12 sites.

Please Welcome NAWLA's Newest Members!

Fu So Enterprises, Ltd. (M)
14529 66th Avenue
Surrey, BC V3S 5M2
Contact: Harry Chang
Phone: (604) 599-6237
Fax: (604) 599-6238
Verified by: *Ted Smith,* **Gilbert Smith Forest Products;** *Ron Enyeart,* **Enyeart Cedar Products**
Fu So is a provider of lumber products to wholesalers specializing in clear quarter sawn lumber in WRC, DF and Spruce. They produce siding and panel products as well.

Imperial Shake Company, Ltd. (M)
23370 Fisherman Road
Maple Ridge, BC V2W 1B9
Contact: Mike Gill
Phone: (604) 466-1030
Fax: (604) 466-2060
Website: www.imperialshake.com
Verified by: *Bill Barnett,* **Marathon Forest Products;** *Peter Giroday,* **Pacific Lumber** and *Rob Sohi,* **Mackenzie Sawmill.**
Imperial Shake Company is a manufacturer of Western Red Cedar shake and shingle products.

Pearson Lumber (M)
P.O. Box 1548
Tuscaloosa, AL 35403
Contact: Walt Dendy
Phone: (205) 345-5516
Fax: (205) 345-5518
Website: www.pearsonlumber.com
Verified by: *Jim McGinnis,* **The McGinnis Lumber Co.;** *Mark Junkins,* **McShan Lumber** and *Pat Ogletree,* **Steel City Lumber**
Peason Lumber is a manufacturer of SYP.

Rukert Terminals Corp. (SA)
2021 South Clinton Street
Baltimore, MD 21224
Contact: Frank Olszewski
Phone: (410) 276-1013
Fax: (410) 327-2351
Website: www.rukert.com
Verified by: *Scott DeFazio,* **The Terminal Corp.** and *Joe Galvin, Jr.,* **Horstmeier Lumber Company**
Rukert Terminals is a private, non-union marine terminal offering stevedore and warehouse services at the Port of Baltimore.

Unity Forest Products (M)
P.O. Box 1849
Yuba City, CA 95992
Contact: Enita Elphick
Phone: (530) 671-7152
Fax: (530) 671-7261
Website: www.unityforest.com
Verified by: *Danny Osborne,* **Shasta Green** and *Steve Power,* **Power Wood**
Unity Forest is a sawmill with lumber remanufacturing capabilities specializing in western softwood species.

NAWLA Young Distribution Professionals Conference (YDPC)
August 3 — 6, 2008
Itasca, Illinois

NAWLA has partnered with the Association Education Alliance (AEA) to offer members a three-day program designed for career-oriented professionals with less than 10 years of experience who want to grow and expand their distribution career skills.

What's in it for You?

- Take a big picture look at several important aspects of distribution: Human Resources, Sales, Marketing, Operations and most importantly, Profitability.

- Access to leadership training and career development tools for future advancement.

- Explore a unique networking opportunity with industry peers and professionals from other distribution industries.

- Jump start your career with management tools and insights you can apply immediately.

Who should attend?

- Sales Manager
- Operation Managers
- Marketing Managers
- Other Distribution Professionals
- Supplier/Manufacturer Executives

Register Today and tell them you are a NAWLA Member. Don't Wait - YDPC is limited to 150 people!! Visit www.nawla.org – Educational Programs

Save The Dates For These Upcoming Industry Events

June 22-24, 2008
Forest Products Society
Hyatt Regency St. Louis at Union Station St. Louis, MO
(608) 231-1361 www.forestprod.org
International Convention

June 24-27, 2008
Temperate Forest Foundation Portland, OR
(503) 579-6762 www.forestinfo.org
Teachers Forestry Tour

July 16-19, 2008
Temperate Forest Foundation Escanaba, MI
(503) 579-6762 www.forestinfo.org
Teachers Forestry Tour

July 16-19, 2008
Wood Moulding & Millwork Producers Association
Hyatt Regency Newport Newport, RI
(530) 661-9591 www.wmmpa.com
Summer Business Meeting

July 17-19, 2008
WRCLA Cedar Summit Conference
Delta Victoria Ocean Pointe Resort & Spa Victoria, BC
(866) 778-9096 www.wrcla.org
Annual Conference

July 17-20, 2008
Mississippi Lumber Manufacturers Association
Beau Rivage Biloxi, MS
(601) 982-1731 www.mslumbermfg.org
Mid-Year Convention and Trader Show

July 25-26, 2008
Missouri Forest Products Association Lake Ozark, MO
(573) 634-3252 www.moforest.org
Summer Meeting

July 31-August 2, 2008
Southeastern Lumber Manufacturers Association
Red Rock Resort Las Vegas, NV
(404) 361-1445 www.slma.org
Annual Conference

July 31-August 2, 2008
NOFMA —The Wood Flooring Manufacturers Association
Portland Regency Portland, ME
(901) 526-5016 www.nofma.org
Mid-Year Meeting

August 5-8, 2008
Temperate Forest Foundation Catskills, NY
(503) 579-6762 www.forestinfo.org
Northeastern Teachers Forestry Tour

August 21-24, 2008
Florida Building Materials Association
Walt Disney World Swan & Dolphin Hotel Orlando, FL
(352) 383-0366 www.fbma.org
Summer Conference

September 13-16, 2008
Hoo-Hoo International
The Hotel Murano Tacoma, WA
(870) 353-4997 www.hoo-hoo.org
International Convention

September 8-11, 2008
North American Wholesale Lumber Association
Salbasgeon Suites & Conference Center Corvallis, OR
(800) 527-8258 www.nawla.org
NAWLA Wood Basics Course

September 20-23, 2008
APA - The Engineered Wood Association
Ritz Carlton Lake Las Vegas Henderson, NV
(253) 565-6600 www.apawood.org
Annual Meeting

September 27-30, 2008
Southern Forest Products Association
Omni La Mansion del Rio San Antonio, TX
(504) 443-6612 www.sfpa.org
Annual Meeting

Quote of the Month

"Character is like a tree and reputation like its shadow. The shadow is what we think of it; the tree is the real thing."
Abraham Lincoln

Keep The News Coming!

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Editorial ideas, quotes and news stories go to lrowe@nawla.org

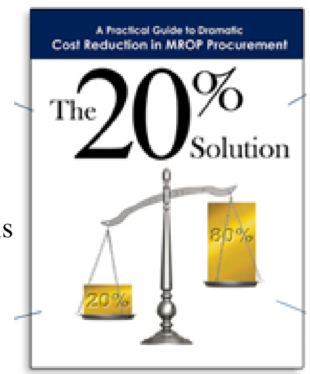
NAWLAmazing Summer Reads

Competitive Advantage in MROP

Reprinted with permission from: Modern Distribution Management
Volume 38 - Number 10 | May 25, 2008

Author and industry veteran Joel Roth says in his book, The 20% Solution, that distributors can serve as consultants to help customers evaluate MROP procurement activities and recommend improvements for cost savings.

The procurement of maintenance, repair, operating and production supplies (MROP) accounts for 20 percent of total spending in an organization, but consumes about 80 percent of the time, effort and expense in purchasing, according to The 20% Solution: A Practical Guide to Dramatic Cost Reduction in MROP Procurement, a new book by industry veteran Joel Roth. This article contains excerpts and case studies from Roth's book.



Roth says that very few organizations have analyzed and identified improvement potential in MROP procurement beyond price quotes. However, cost savings of more than 35 percent of MROP spending are possible with little investment or risk.

Many companies are faced with increased operating costs and fewer sustainable competitive advantages. Those who find new approaches to MROP procurement will achieve a sustainable competitive advantage and with that, higher profitability. MROP procurement can offer substantial untapped opportunity for improvement in cash flow, cost reduction and other key elements of operations without investment, risk or substantial work.

In his book, Roth says that distributors can serve as top-notch consultants to help customers evaluate MRO procurement activities and recommend improvements. This can strengthen relationships with customers and lead to more business. In any sizeable organization, there are hundreds of opportunities every day to identify and implement cost savings.

Overview

Almost every organization buys materials in one or more of these categories: raw materials, purchased components, capital goods, packaging materials (large volume) and supplies for MROP.

In most entities, the first four classes above represent at least 75 percent to 85 percent of total dollars spent on physical goods. MROP typically represents no more than 15 percent to 25 percent of total spend.

So why differentiate MROP procurement from other categories of purchases? Why devote an entire book to a relatively small category of spending? (Note: The U.S. market for 136 MRO industrial product groups is estimated at $450 billion to $500 billion a year, according to Industrial Market Information Inc.)

The reason is that the characteristics of MRO buying are so different from other types of goods that entirely different methods of analysis, sourcing, negotiating, stocking and tracking are required – with an entirely different cost structure.

To illustrate, imagine an appliance manufacturer that buys $50 million annually in a few grades and sizes of hot-rolled carbon steel sheet. The buyer can readily check market prices and trends in market reports. He can deal directly with the available mills, foreign and domestic. He can easily identify the handful of vendors who can supply his requirements on quality, price, availability and freight equalization.

He can negotiate a competitive price because he is able to offer an attractive volume of business. And he can easily verify the deal by contacting a few colleagues. In other words, this company can complete an effective buy on $50 million of raw material with minimal time, money or effort (probably one experienced buyer).

Now imagine the same appliance manufacturer addressing its MRO purchase requirements. It may be purchasing 15,000 different SKUs across nine different plants. One of these SKUs is a six-inch Philips screwdriver. Each plant buys a different brand, from a different vendor, with a different specification, at a different price and calls it by a different name, description or identifier. And this pattern will apply to most of the 15,000 SKUs.

Moreover, while one central buyer is probably handling the steel procurement, the MRO buying is being done by a multitude of people in the various plants, including storeroom attendants, maintenance mechanics, plant engineers, production foremen, safety engineers, quality control technicians, office managers, buyers and, yes, even janitors. And the janitor and maintenance mechanic may be emotionally attached to their brands and suppliers of mops and drill bits, respectively.

Competitive Advantage in MROP continued on next page

Competitive Advantage in MROP cont.

While MRO supplies account for only 15 percent to 25 percent of total material spend, they represent, in most organizations, a highly disproportionate ratio of total procurement efforts and expenses.

MRO usually involves 75 percent to 85 percent of line items bought; man-hours expended in purchasing, receiving, storeskeeping and intra-company materials movement; purchase orders issued; invoices processed; accounts payable checks; cost and material accounting; data entry; database maintenance; bidding, sourcing and negotiating; inventory obsolescence and overstock; expediting and tracing of open orders; missed or late deliveries; errors and quality deviations.

Usually, freight and handling charges on MRO supplies are also disproportionately high.

It is a rare purchaser who has a good comprehension of the true potential improvements obtainable in the MRO arena. Moreover, even that rare individual who has evaluated his MRO expenditures has generally concentrated on invoice prices, which are less than 40 percent of the savings opportunities.

Establish Best Practices

Here is an example of how a supplier can help his customers identify and implement cost savings. (Other excerpted case studies here.):

At a national commercial baker, the supplier and chief maintenance engineer were touring the plant, and chaos broke loose. The production line stopped, the paging system came alive and the engineer raced to the site of the problem. As the engineer later explained to the supplier, each line had automatic hones, driven by a special fractional hp motor, to keep the slicing blades sharpened.

Gluten from the baked goods builds up on the blades like glue and eventually creates enough torque on the hones to freeze the system and burn out the motor. On this occasion, there were no replacement motors on hand or locally available and the engineer was desperate. The supplier was able to find the motor at the manufacturer who provided to the OEM and had it air-expressed the same day.

The vendor learned that the problem occurred repeatedly in bakeries across the company. He contacted the president and the chief design engineer at the original equipment manufacturer for their recommendations.

He was informed the problem had been solved at another bakery by installing, at no charge, a simple overload relay circuit to sense excessive resistance on the hone drive, shut down the system, activate an alarm and permit the operators to clean off the blades and resume production.

Most enterprises have no mechanism to communicate and implement best practices throughout the organization, so they keep reinventing the wheel.

However, alert and motivated suppliers can fill a crucial role in filling this gap, particularly in an indirect function such as MRO procurement and practices.

The 20/80 Solution

Why is this book titled The 20% Solution? In 1906 an Italian economist named Vilfredo Pareto observed that 20 percent of the population in Italy owned 80 percent of the country's property. This become known as Pareto's Principle of Maldistribution or, more famously, the 20/80 Rule. This concept is extremely useful as an analytical tool because it enables one to concentrate efforts on a small number of items, yet achieve valid results for the entire universe being studied. You will find that the 20/80 Rule is ideally suited to analyzing and resolving the MRO problem (the 20 percent or so of total spend).

The 20% Solution, is available to MDM readers for free download at www.the20percentsolution.com. Roth has owned and operated a number of privately held companies, including 10 industrial supply distributors in the Southeast U.S. Roth now serves as a consultant, speaker, trainer and seminar-workshop leader.

E-mail him at jroth@the20percentsolution.com.

Green Building a Plus for Builders in Tough Market

Reprinted with permission from: Nation's Building News and the National Association of Home Builders

Home builders attending the May 11-13 NAHB National Green Building Show in New Orleans were told by market analysts that they have a long way to go to sell the benefits of sustainable construction technologies to their prospective customers.

But at a time when housing demand remains largely sluggish around the country, advances in green building are providing a notable shot in the arm for builders, and as the housing industry moves out of its cyclical downturn green business appears headed for a galloping rate of growth.

Builders polled in the latest survey by McGraw Hill Construction on the evolving trends and opportunities in the green residential marketplace cited demand from this quarter of the industry for keeping their businesses alive during hard times.

"We have hit the tipping point for builders going green," said Harvey M. Bernstein, McGraw Hill's vice president of industry analytics, alliance and strategic initiatives.

"This year, the number of builders who are moderately green — those with 30% green projects — has surpassed those with a low share of green — those who are green in less than 15% of their projects," Bernstein said.

"Next year," he predicted, "we will see even greater growth, with highly green builders — those with 60% green projects — surpassing those with a low share of green. This year has seen an 8% jump over last year, and we expect another 10% increase next year."

"It's official. Green has gone mainstream," said Ray Tonjes, chair of the NAHB Green Building Subcommittee. "And now, the NAHB National Green Building Program is making it easier for home builders to provide sustainable, environmentally friendly homes for their customers. We're ready for the market transformation that McGraw-Hill Construction estimates."

"Green is driving a lot of what really is happening in this marketplace," said Bernstein.

Green home building is poised to generate between $12 billion and $20 billion in sales this year, accounting for a 6% to 10% share of the housing market, according to the McGraw Hill report, up from $7 billion in home sales and a 2% share in 2005.

This year's green building is projected to double over the next five years, reaching a 12% to 20% share of the U.S. housing market with $40 billion to $70 billion in sales in 2012.

Green homes are defined by McGraw Hill as those containing energy-efficient, indoor air quality, water-efficient, resource-efficient and site management features.
Forty percent of those surveyed by McGraw Hill said that the down market has made it easier to market green homes, and 16% said that the housing slump has made it much easier.

The higher quality associated with green building appears to be the key factor driving demand going forward at a time when homes need to stand out in a market with a glut of inventory, Bernstein said. Acknowledging that current adverse economic conditions are imposing an obstacle, he said that rising energy costs are influencing customers and increasing their willingness to pay a premium for green housing.

Experiencing the strongest growth in green building this year are the Pacific, South Atlantic and Mountain regions, in that order, the survey showed. From consumer surveying, the states with the highest percent of green home purchases from 2004 to 2006 were Washington, Nevada, Colorado, Texas and Florida. Texas was the one state where builders seemed to be less bullish on prospects for green building than their customers, he said.

Among other survey findings:

- Eighty-five percent of those polled said that homes have become more energy-efficient over the past two years. Other features making homes more environmentally friendly include: tighter insulation (55%), more recycled content (41%), better indoor air quality (39%) and more water conservation (28%).

- To learn more about green building, builders are most often using print sources (90%), followed by home building Web sites (71%); home building product manufacturers (64%); and NAHB trade shows, conferences and workshops (58%).

Green Building a Plus for Builders continued on next page

Green Building a Plus for Builders cont.

• Seventy-six percent reported no difference in the time it takes to gain project approval for green homes versus those that are non-green.

• Ninety-five percent said that creating a better quality product that would retain its value longer was a very or somewhat important motive for building green. Next down on the list of motives was "it's the right thing to do" (91%), which was the top motivating factor in a similar 2006 survey. That was followed by "expanding business with customers interested in green building" (90%), lowering recycling costs (90%) and staying ahead of the competition (80%).

• Triggers impacting expansion of green building include: energy costs and utility rebates (84%), emphasis on efficiency (77%), superior performance (76%) and gaining a competitive advantage (74%).

• Among obstacles with the greatest impact on future green home building: consumer willingness to pay (82%); higher first cost (82%); overall economic conditions (81%); lack of education about green building (72%); lack of awareness about green products (72%); and codes, ordinances and regulations (67%).

• Builders who are heavily involved in green building said there was an average 7.5% higher incremental cost to build green over an average project; moderately involved builders reported an average 10% cost premium; and builders who are only minimally involved perceived a 10.8% higher cost on average.

• Only 24% agreed that environmental regulations hinder green building.

• The most highly used green building features were: air sealing/tight construction; increased insulation; water-reducing plumbing fixtures; Energy Star windows, appliances, HVAC, exterior doors and lighting; and instant tankless water heaters.

• The most requested green building features were: increased insulation, instant tankless water heaters, Energy Star appliances, air sealing/tight construction and insulation foundation walls and floors.

• The top five most important energy efficiency options were: high-efficiency HVAC equipment (94%), Low E glass windows (92%), reduced air infiltration (90%), more energy-efficient appliances (90%) and above-code energy programs such as Energy Star certification (84%).

• The most important water conservation options were: water-efficient fixtures and faucets (81%), water-efficient appliances (80%), storm water mitigation (65%), water filtering systems (42%) and gray water recycling (33%).

• The most important green material options: hi-performance, engineered wood products (78%); allergen-free, chemical-free building materials (66%); recycled building materials, such as those used in decks and sheds (63%); alternatives to wood products (61%); and certified sustainably harvested lumber (53%).

• The most highly rated green materials: OSB (78%), alternatives to dimensional lumber (72%), construction waste reduction (55%), easily available products and materials (54%) and recycled/recyclable products (52%).

• The most important indoor air quality options were: HVAC (90%), formaldehyde-free finishes (73%), low VOC paint (66%) and minimum off-gassing (65%).

• Seventy percent of those surveyed recognized green brands in house wrap, doors and windows, insulation, water conservation and HVAC. No product category had less than 25% recognition, Bernstein said, and anything over 5% is considered significant.

• Without prompting, green product brands cited by builders included: GE (34%) and Whirlpool (13%) appliances; Tyvek house wrap (63%); Andersen (17%), Pella (12%) and Marvin (8%) windows; Trane (17%), Carrier (14%) and Lennox (13%) HVAC; Trex exterior framing (27%); Owens Corning insulation (26%); Kohler (21%) and Delta (14%) water conservation; Sherwin Williams (32%) and Benjamin Moore (8%) paint and wall finishes; TJI wood framing (8%); and James Hardie cladding (19%).

More information on green building from McGraw Hill construction can be found at: analyticsstore.construction.com and greensource.construction.com.

For information on green building resources from NAHB, click here; or e-mail Calli Schmidt, or call her at 800-368-5242 x8132.

NAWLA Webinar

Analyzing Customer Profitability

Wednesday, June 25, 11:00 AM CT

Cost: $79 per site

Presenter: Jason Bader, managing partner • The Distribution Team, Inc.

Are all customers created equal?

Isn't that what we teach our customer service people? If we asked our people to list the top 10 customers, how would they rank them? If we asked them to list the top 10 most profitable customers, would we receive the same list? In many organizations, the people that work with us and for us equate our largest customers with our most profitable. During this session, participants will learn how to rank their customers based on contribution to net profit. By understanding which customers contribute to our overall profitability, we can allocate our value added resources to those folks who help us grow. Conversely, we can begin to reduce services to those customers who make us jump through hoops, drive down prices and continually pay slow. Distributors have a finite amount of money to invest in service. Let's make sure that we are investing in the right customers.

Don't miss this incredible offering to participate in a signature NAWLA Webinar presented by Jason Bader, managing partner of The Distribution Team, Inc.

A few days prior to the program, you will receive an e-mail that contains a phone number to call, a pin number and instructions to log on to the Website to view the information as the seminar unfolds. When it is time to gather around the computer/speakerphone, dial the phone number, log on to the Website and enjoy this interactive Webinar. The Webinar will last approximately 45 minutes with 15 minutes at the end for questions.

Here's How to Register

Fax your completed registration form to NAWLA at (847) 870-0201. **The cost is only $79 per site,** and you can have as many people at your site as you would like. No limit!

Complete the form below and return to NAWLA for the **"Analyzing Customer Profitability"** Webinar, Wednesday, June 25, at 11:00 AM Central Time.

Name ______________________ Company ______________________

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