

October 2011

At the Zoo: PAMCANI Meeting “Behind the Scenes” Tour of Filtration Systems

Nearly 40 industry pros gathered at Brookfield Zoo for our association luncheon on October 6, 2011, followed by a guided tour of the water and filtration systems of the famous *Seven Seas* dolphin aquarium and the new *Great Bear Wilderness* exhibit. Both were conducted by Dave Derk (shown in photo above), Lead Supervisor of Life Support/Water Quality for Plant and Facilities of the Chicago Zoological Society.



Derk provided a detailed explanation of how the systems operate, and conveyed how critical the proper monitoring and maintenance are to the health and well being of the species who live in these carefully planned environments. Derk also took time to answer many questions and provided a variety of intriguing informational tidbits (including historical notes) about the systems. The weather for our walking tour was ideal (sunny, clear and in the low 80s), and the zoo staff made every effort to accommodate us throughout our visit.



PAMCANI board member Paul F. Buddy (at podium) conducts the nomination process for officers and directors of the PAMCANI Alliance, while Executive Director S.J. Peters looks on. The incumbent roster of candidates (in addition to new board director Brian Burns) was re-elected by acclamation at the October 6 membership meeting.

Meeting highlights that preceded the tour included the biennial nomination of association (PAMCANI Alliance) officers, led by Paul F. Buddy (of *Paul L. Buddy Plumbing & Heating* and *Cannonball Mechanical*), and a preview by UAC Chair Bob Melko (Bishop Plumbing and the PAMCANI board) of the PHCC NA’s UAC (Union Affiliated Contractors) “Unity” Conference scheduled from February 27 to 29 at the Monte Carlo in Las Vegas. See page 9 for an overview of “Unity 2012.”



“Bocaditos” at Brookfield Zoo provided an ideal setting for the PAMCANI lunch meeting.

With the approval of the board, the 2010-2011 roster of officers and directors was nominated for a new term without opposition, and therefore have been re-elected by acclamation. The sole exception is the newly elected director, Brian Burns of C.W. Burns Co., who was nominated and subsequently elected by acclamation to succeed veteran board director and past association President Robert Lempa (International Piping Systems), who plans to retire from the industry at the end of 2011.



Ready to serve (again) and back by popular demand (from left) PAMCANI Treasurer Lori L. Abbott; Director Todd DeFranco; 1st Vice President David Ariano; President Barry Thomas; Secretary Tom Swartz; Directors Dick Kuhn and Dieter Holz; with Industry Fund Chair David Kerrigan and Executive Director S.J. Peters.

Continued on inside cover

Beginning a new two-year term on January 1, 2012 will be the following officers: Barry Thomas (Mechanical Inc.) President; David Ariano (Ravinia Plumbing & Heating) 1st Vice President; Dick Browning (Arrow Plumbing & Heating) 2nd Vice President; Tom Swartz (Swartz Plumbing) Secretary; Lori L. Abbott (Abbott Industries) Treasurer; and Directors: Brian Burns (CW Burns Co.); Todd DeFranco (DeFranco Plumbing); Dieter Holz (Apex Plumbing); Dick Kuhn (RJ Kuhn Plumbing & Heating); Dan Mahoney (Mahoney Plumbing); and Michael Mendel (Mendel Plumbing, Heating & A/C).



Dave Derk led our group through the tours of the bear and dolphin habitats.



A couple of "residents" at home.

The zoo event received rave reviews from the attendees, and PAMCANI also appreciates the extra care and consideration demonstrated by the Brookfield Zoo staff. Finally, all of us at PAMCANI would like to congratulate and thank the leadership of our association and Industry Fund – especially the newly re-elected officers and directors – for all their voluntary leadership of our organization. We often say that these remarkable individuals do a great deal to move PAMCANI forward and to benefit our industry, and yet it's all (and always) on their own time and own dime. It's not taken for granted, and we are grateful for all they do.



Annual Funding Notice for Northern Illinois Pension Fund to Be Sent Soon: PAMCANI contractors signatory to *Plumbers & Pipe Fitters Local 501* can soon expect to receive the annual funding notice being sent to all contributing employers, participants and the PBGC (Pension Benefit Guarantee Corporation). The notice will be mailed by October 28, 2011. It will show how well the plan is funded for the plan year beginning July 1, 2010 and ending July 20, 2011. If you have questions, please call the fund office at 630-978-4600.

NRLB Notice Posting Rule Delayed: The National Labor Relations Board has postponed the implementation date for its new notice-posting rule by more than two months to allow for enhanced education and outreach to employers, particularly those who operate small and medium sized businesses. The new effective date of the rule is January 31, 2012. The decision to extend the rollout period followed queries from businesses and trade organizations indicating uncertainty about which businesses fall under the Board's jurisdiction, and was made in the interest of ensuring broad voluntary compliance. No other changes in the rule, or in the form or content of the notice, will be made. *Note that the revised date, with all other provisions is still in place:* Effective January 31, 2011 the NRLB has issued a final rule requiring employers to notify employees of their rights under the NLRA (National Labor Relations Act). Private-sector employers whose workplaces fall under the NLRA are required to post the employee rights notice in a conspicuous place, where other notifications of workplace rights, employer rules and policies are posted. The poster is available free at: www.nlrb.gov/poster

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What You Need to Know About New Accounting Requirements for Contractors

by Evan Williams

Vice President of External Affairs - MCA Chicago

The Financial Accounting Standards Board (FASB) is a private entity made up of accounting professionals whose purpose it is to establish accounting standards for the preparation of financial reports by nongovernmental entities. Fourteen months ago, FASB proposed sweeping new guidelines to generally accepted accounting principles (GAAP) which would require you to disclose the amount of your company's potential unfunded liability for every multiemployer pension plan you participate in - regardless of whether you ever plan to withdraw from the plan.

FASB's draconian proposal would have caused serious problems for contractors, not the least of which would have resulted in a significant erosion in your ability to gain access to credit and capital. Through the direct leadership of MCAA and John Mc Nerney, we were successful in gaining FASB codification of a drastically improved set of reporting requirements for contractors signatory to multiemployer pension plans.

FASB's new reporting requirements are briefly summarized below. Please work with your accountant to better understand your obligations.

FASB'S NEW REQUIREMENTS

Effective for public companies for fiscal years ending after December 15, 2011 and for private companies for fiscal years ending after December 15, 2012, you must disclose the following in your financial statement footnotes:

1. each pension plan's legal name, plan number, and Employer Identification Number;
2. if your contributions constitute more than 5% of total contributions to any one plan;
3. all contributions made to each "significant" plan and the total aggregate contributions to all plans;
4. if any plans you participate in are subject to funding improvement plans, whether you paid a surcharge to the plan, and a description of any minimum funding arrangements;
5. the expiration dates of all your collective bargaining agreements and the portion of employees covered by each agreement or the portion of your contributions required by each agreement;
6. the most recent certified "zone" status (green, yellow, red) of each plan or, if not available, whether each plan is less than 65% funded, between 65% and 80% funded, or greater than 80% funded, as well as any

extended amortization provision that affects calculation of zone status;

7. a description of the nature and effect of any changes affecting comparability from period to period for each period in which a statement of income is presented; and
8. a description of the nature of benefits and types of employees covered by any postretirement benefits other than pensions (*i.e.*, medical benefits).



OSHA NEWS

The slings standards will be updated and streamlined by requiring that employers use only slings marked with manufacturers' loading information. There will not be any new requirements set by this rule, so employers will be able to comply with it immediately.

Roof Line Fall Pro Interpretation

As explained in the Troxell interpretation letter dated August 1, 2000, where certain conditions are met, the use of a warning line 15 feet back from the edge will be considered a de minimis violation of the guardrail criteria in §1926.502(b). The conditions that must be met for the application of this policy are as follows:

- A warning line is used 15 feet or more from the edge;
- The warning line meets or exceeds the requirements in §1926.502(f)(2);
- No work or work-related activity is to take place in the area between the warning line and the edge; and
- The employer effectively implements a work rule prohibiting the employees from going past the warning line.

OSHA has posted a new educational video on preventing fatal falls in residential construction.

Source: OSHA; Provided by Yankus Safety Consultants

Plumbing Contractor Registration: Are you still waiting for your state-issued renewal certificate? One of our affiliated contractors was recently informed by the IDPH Plumbing Dept. that contractors can continue to do work under their current Registration until their renewal certificate is received by the state. The Department has indicated to several PAMCANI contractors that they are running about a month behind schedule in getting renewals mailed out.

School Bus Rules: Some drivers are still unsure of road rules for school zones and school buses. *Cell phone use when driving in posted school zones is always prohibited.* On a 2-lane roadway and in school parking lots, all traffic must stop when the school bus has its "STOP" arm extended. On a 4-lane roadway, only vehicles traveling the *same* direction as the school bus must stop. The speed limit in posted "school zones" is 20 mph.

Mark His Words: September Event Featuring Breslin Drew Capacity Crowd

Just over 350 attendees packed Piper's Banquets at the September 27, 2011 double-header presentation led by Mark Breslin. Nearly twenty distinct organizations comprised of labor unions and signatory trade associations served as sponsors of this unique event, enabling a diverse audience ranging from first year industry apprentices, to seasoned labor leaders, to next generation contractors and long established construction company founders to take part in the two separate and dynamic sessions.



The first session, "The Perfect Storm," began at 2:00 p.m., and was aimed primarily at union leaders and business owners in the construction trades. The focus of this session is to think and act strategically on winning and successfully completing projects in the "new reality" of our economy and in the face of lesser, cheaper and yet attractive (to customers) competition. From acquiring and accurately "reading" data, to knowing your market share, to keeping your crew informed, Breslin challenged the audience to rethink everything: from labor/management relationships, to creating a knowledge-based workforce, and to empowering and holding accountable the supervisors on the jobs.



Mark Breslin in action at the September 27 event at Piper's Banquets in Aurora



Working in Groups at the Breslin event (from left): Local 501 Business Agents Joe Blasing and Jim Mansfield; Assistant Business Manager Scott Roscoe; and PAMCANI President (Mechanical Inc.) Barry Thomas.

Planned by PAMCANI, CISCO, and FCAC (Finishing Contractors Association of Chicago), the sponsorships covered Mr. Breslin's fees and expenses, the hall (located in the Plumbers & Pipe Fitters Local 501 campus in Aurora, IL), all costs associated with planning, and the casual dinner and refreshments. All proceeds after financial obligations are met will be donated to the Northern Illinois Food Bank, and remaining food from the actual event was given to Hesed House (a local area shelter and non-profit community service center).

The second session, "Alpha Dogs," opened by disputing the notion that leaders are born, with Breslin insisting and demonstrating how education, mentoring and lifelong training and self-challenge develops leaders in all fields and particularly in construction. "Management, mentoring and motivation" were cited as the ingredients needed to form competent and visionary leaders. Journeymen and apprentices, as well as supervisors and company owners, were called upon to share and seek the knowledge and experience that are essential for the current generation to improve (constantly), and for the up and comers to strive for greatness and seek leadership in our industries.



The registration table was kept busy as nearly 350 attendees checked in for both sessions.



Coming together to look ahead: Steve Lamb (Executive Director - MCA Chicago); Scott Roscoe (Assistant Business Manager - UA Local 501); S.J. Peters (Executive Director - PAMCANI); John Boske (Business Manager - Sheet Metal Workers Local 265); and Barry Thomas (PAMCANI President and Mechanical Inc.)

The make up of the audience for the two separate sessions shifted somewhat, as planned. However, it was clear that many who came with the intent of attending only the first presentation were intrigued and impressed enough to stay on for session two. Breslin moved briskly on the riser, and often paced among the crowd, asking individuals for personal stories and ideas. In a sharp move, his first order of business at the start of each presentation was to shuffle the seating – union leaders, members, owners, association officials, and even guests were shaken out of their familiar comfort zones and expected to work together to find solutions to the “problems” or tasks that Breslin assigned.



Books by Mark Breslin were available for sale and scores of attendees lingered after the event concluded to ask specific questions, discuss their own dilemmas with the speaker, or ask for a photo to be taken with him. PAMCANI, CISCO & FCAC are considering planning a similar event (possibly with Breslin) in 2012).



PAMCANI was one of the organizations that hosted a table-top booth. Pictured from left, PAMCANI Executive Director S.J. Peters; Local 501 Business Agent Paul Hinterlong and Assistant Business Manager Scott Roscoe; PAMCANI board director Dick Kuhn (RJ Kuhn Plumbing & Heating); Kevin Kuhn (RJ Kuhn); Jeremy Bell (Local 501 JATC Instructor; MVP Mechanical); and Rick Kuhn (RJ Kuhn).



The planning committee of the Breslin event presents the speaker with an honorary plaque. From left, John Brining (CISCO); Rich Volkmer (FCAC); Mark Breslin (Breslin Strategies, Inc.); and S.J. Peters (PAMCANI).



Acknowledgements: In addition to the trade association Executive Directors who led the planning (John Brining of CISCO; Richard Volkmer of FCAC; and S.J. Peters of PAMCANI), the staffs of all three organizations were thanked and recognized during the program: CISCO - Johnetta Ryan, Julia Mulvey and Gary Karafiat; from FCAC - Kathy Sennese, Barb Krause, Jan Merelos, Clark Johnson, Al Deatherage and Bruce Kuhn; and from PAMCANI - Barb Bigelow and Debbie Schimanski. The photographs (taken by Nadine Saucedo) from the entire event can be viewed and downloaded at: <http://photobucket.com/breslin2011>.

About Mark Breslin: A fourth generation member of a construction family, his great grandfather, grandfather and step-father were all contractors. Mark started his career in the field. He has served as the CEO of the Engineering & Utility Contractors Association for over 25 years (a post he assumed at age 26). He is noted as the number one speaker in the nation on construction leadership, strategy and labor relations, and as a speaker and author has addressed more than 200,000 business, labor and construction-owner leaders.

CISCO “Last Swing” Golf Outing Yields Winner: Tom Bargiel



The September golf outing of the Construction Service Industry Corporation (CISCO) at the Bloomingdale Golf Club included a foursome and sponsorship by PAMCANI. Winning a 40” flat screen TV in the raffle was PAMCANI board member Tom Bargiel. Pictured from left are PAMCANI Executive Director S.J. Peters; CISCO Executive Director John Brining; PAMCANI Treasurer Lori L. Abbott (Abbott Industries, Inc.); Tom Bargiel; and Bob Abbott (Abbott Industries). Congratulations to Tom! The other “three” in Tom’s foursome were Bob Abbott; Chip Ashby (Harding Mechanical); and Barry Thomas (Mechanical Inc.).

Foreclosures Lead to Opportunities for HVAC Contractors

By Sarah Wilbanks

Although foreclosures are affordable, they are often in need of extensive repairs and renovation. As a result, the overabundance of these homes for sale has generated a new potential market for HVAC contractors. One in every 605 housing units received a foreclosure filing in May 2011, according to Realty Trac, a company that documents U.S. foreclosure cases. Realty Trac also reported that as of July 2011, the number of foreclosed homes nationwide exceeds 1.6 million.

Foreclosed homes seized by banks can be especially attractive to potential home buyers because of the low price tag. And, due to government initiatives such as the Federal Housing Administration's (FHA) Section 203(k) program, foreclosed homes are being made even more affordable. This FHA program permits homebuyers to finance up to an additional \$35,000 into their mortgage to improve or upgrade their home before move-in.

INSPECTING FORECLOSED HOMES

Because of the amount of people buying foreclosed homes, HVAC contractors are presented with a great opportunity to sell replacement equipment, replacement ductwork, and maintenance contracts. The power to foreclosed homes is typically turned off, leaving the homes susceptible to uncontrolled leaks, burst pipes, mold, and broken or stolen sump pumps, dehumidifiers, and condensers. Because home inspectors can usually only perform a visual inspection, real estate agents are turning to HVAC contractors for input. Buyers who are looking at foreclosed homes should thoroughly investigate the property before any purchasing decisions are made. At this stage of the decision process, HVAC contractors are a great resource because they can help real estate agents evaluate ventilation, air infiltration, and the general indoor air quality of the home.

BECOMING EDUCATED ABOUT MOLD

With a multitude of articles available about the dangers of mold, home buyers are becoming well-educated on the subject, and know that poor indoor air quality is a contributing factor to mold growth. CEO Jeff Dudan of AdvantaClean, a national mold remediation franchise corporation, warned potential home buyers: "There could be mold growing behind walls and underneath floors, but you can't always see, smell or touch it. Once mold takes hold, it's really tough to prevent it from spreading. The new buyer could spend thousands of dollars on mold remediation, an unexpected expense that can turn that bargain dream into a nightmare."

Trying to figure out what those expenses might be is a common concern for new homeowners. At MoldBlogger.com, an online blog that fields mold-related questions from homeowners, there is an article about "Mold Removal Cost – What You Can Expect to Pay." MoldBlogger's response to the homeowners' question of how much they can expect to pay for mold remediation is that the remediation cost of a crawlspace can really vary.

According to the site, "It could average as little as \$500 or as much as \$4,000. If the attic and wall ducts are involved, the cost for those generally ranges from \$2,000 to \$6,000. If your home has been flooded and the mold is all throughout it, there is much more that has to be done. This could drive your remediation cost up to \$10,000 to \$30,000 – and it could even go higher, depending on the size of your home." AdvantaClean's Dudan added that it is a good idea to bring in a mold specialist to perform an inspection before any decisions are made.

FORMING RELATIONSHIPS

Because the cost of mold remediation can be so high, homeowners want to make sure that they're doing business with someone that they can trust. Because of this, it's important for HVAC contractors to develop inter-industry relationships with real estate agents and other professionals connected to the homeowner. These relationships can become great sources for referrals and recommendations, so it's smart for HVAC contractors to align themselves with people that can help generate leads — mold specialists, air duct cleaners, water extraction experts, etc.

Indoor air quality and mold go hand-in-hand, so foreclosed homes provide an excellent opportunity for relationships to cultivate between HVAC contractors, mold specialists, and air duct cleaners. When a mold specialist or air duct cleaner is called into a residential home for an inspection or estimate, he or she might notice that the root of the problem is the home's air circulation. An HVAC contractor having a positive relationship with the professional at the jobsite increases the chances of that HVAC contractor being called in.

The bottom line for HVAC contractors is that right now there are excellent opportunities in the foreclosed home market. Contractors should take time to develop relationships with other professionals in the industry because referrals are everything.

Sarah Wilbanks of AdvantaClean Systems is a UNC-Charlotte graduate and writer for various publications including *Medical News*, *Belk College Connects*, and *Charlotte Style*.

Thanks to the NEWS for permission to reprint article, as seen in August 8, 2011 issue.

Senior Citizen Customer Service Etiquette

By Nancy Friedman, the Telephone Doctor



My main thought is why would there even need to be a difference in treatment between age groups? Why do we need to write about the difference in treating seniors? Is there really a difference? Well, yes and no. Most of us believe customer service is customer service. However, I've witnessed some strange behavior in how seniors are treated lately, so I wanted to bring it to your attention. And whether it's senior customer service or not, these helpful tips apply to all. Following are some guidelines to help ease the pain for both the senior and you. While the following tips are in no order of importance, they all, however, are important. And even if you are thinking to yourself, "This isn't our office, thank goodness," you might think again if you survey your customers. I hear complaints about it all the time. So, my friends, if you serve the senior group, try some of these tips.

1. **Patience** - This is the number one frustration of the senior set. They tend to feel as though others younger than them have little patience and sometimes no patience at all with them. Oh, it may not be that obvious to you, but a short answer to them shows lack of patience. A snippy answer without using their name shows lack of patience, and disrespect. Or an answer they didn't hear that you may need to repeat. And that repeated question has a tone of impatience and often a tone or sigh that says, "Gee whiz, why do I need to repeat everything for you all the time?" Have a little more patience with the seniors. Remember, they have family and that family may need your help one day. You don't want them not recommending you! And most of all, in whatever number of years, that will be you in all probability!
2. **Be Sure They Understand** - While you don't need to be a senior to be hard of hearing, undoubtedly many seniors are hard of hearing. And in many cases, especially if they don't have a hearing aid, they are embarrassed to let you know they didn't hear or understand you. Take the time to be sure they thoroughly understand what you're explaining to them. Be sure you are 150 percent the customer (senior or not) has absorbed everything you have said. And remember, just because they said yes they understand your question, that doesn't mean they did. You might ask them, nicely, to repeat what the instructions are or when the next appointment is or whatever the item is. Having a customer repeat back what they thought they heard is a great way to be sure they understand. And please be sure you ask in a very soft, pleasant tone of voice so it's not as though you're in a courtroom grilling them.

3. **Memory Problems** - We KNOW this is not confined to the senior set. (Frankly, none of these tips are confined to just the senior set.) All of us have, at one time or another, forgotten instructions, names, or other items. So while writing it down will help, making double, even triple sure they really understand what needs to be done is so important.
4. **Company Jargon** - Every industry, company, or organization has jargon they use internally. And that's fine. Using company jargon to each other will speed things along. However, using company jargon on a senior, or really anyone, can and will slow things down and confuse the issue. So if you're telling a senior to do something and use confusing jargon, best you break it down and take the time to use normal language we'll all understand.
5. **Speed is Not Success** - OK, let's face it, we're all busy, busy, busy. But being busy does not give us carte blanche to be rude. Slow down. Maybe not as slow as the senior you're working with at the time, but slow down. Remember, rushing threatens people. Acknowledge what they're saying. Look them in the eye. The faster you go, the more confusing it will get for them. Far better you do it right the first time than to have to repeat yourself. (Which, by the way, you may need to do anyway). Either way, remember, speed is not success. It's not a race to get rid of them. It's a chance to be nicer to someone.
6. **Smile** - This is something the senior set relishes. They may not have had a smile given to them for days or months. They may not have laughed in quite a while. They may be alone. They may be lonely. You may be the only contact they have to the outside. You may make such a difference to them. So when you talk with them, keep a big, big smile on your face and in your voice. They'll feel it. And appreciate it.

So, what is old? What makes a senior? A 30 year old thinks a 55 year old is old. A 55 year old thinks 70 is old. And 70 year olds think, well, you get the idea. At what age is old? At what age do we start losing patience with people? At what age do we start helping people understand? At what age do we start forgetting things and have a bad memory? At what age should we stop using company slang or jargon? And at what age should we realize that when we rush someone it threatens them? Good Lord willing, you too will be a senior one day; whatever age that may be. And you too will want to be treated with patience, understanding and, most of all, respect.

Nancy Friedman is President of Telephone Doctor, a customer service training company in St. Louis, Missouri.. She is a featured speaker at association, chamber and corporate meetings. For more information go to www.telephonedoctor.com or call 314-291-1012.





7 Steps to Lead Generation Riches

by Adams Hudson

I don't know who said "The main thing is to keep the main thing the main thing," but it has never been more true. Every week of this 'new' economy, contractors call or question, "How can I get more leads?"

Yet, in that decidedly ruthless way that shocks the inquisitor, we are *trained* to respond: "What are you doing with the ones you have now?" By that we mean 7 'main things' to extract full, cash-rich value from your current lead flow. It's right there under your nose...

1. Where'd they come from? Market source via media. Website, media, direct mail, YP, etc.
2. How big is this target source? (What we call "universe.") Neighborhood? Community? County? Retirement Community? Church? Name and number it.
3. How many bought what? Closing ratio per item. Most focus hard on this, but it's only *one* "power number."
4. What did they pay? Upsell offered? (Transaction size per sale.) Most *overlook* this one. Don't. It is key to extremely lucrative marketing results.
5. What are their COI's, circles of influence? You're looking for a referral follow up chain. Friends, neighbors, members.
6. What about the ones you didn't close? Here you want follow-up closing efforts. The *unclosed* are often the majority, and yet many contractors just toss 'em. Bad, bad idea.
7. What system will *keep* all these customers and prospects coming back to you? Answering this puts your profits on auto-pilot.

See, to us, **we can make the phone ring again.** You can pay me to do that and we'll do it. Great. But if you're not maximizing the lead value, then it's only marketing heroin. More is not always better.

Your Formula for More Leads, In Order

The questions above are in order too. The top one is the most important. A mediocre ad to the best target will outperform the best ad to a mediocre target. Yes, as an overpaid copywriter, I just said that. Truth is, we can usually kick your mediocre offer AND help you find the best list because that serves both of us.

I do this because I guarantee your results or I have to give you a refund. Not my goal or yours. Thus, this formula is our "inside" formula, but I'm handing it to our readers.

But guess what? If you're not tracking, there's no way you can answer this question with any degree of certainty – and that means your bottom line is suffering.

1. "Target" in to wherever your offer is aimed. In other words, are you blasting ads at every single person who can see, hear, or read, or are you segmenting and targeting your list for highest response? From your customer list to your web visibility, which includes SEO, AdWords, and even your radio demographic, Cable reach, and in house prospect list. These are 'segments' you can define and have a reachable quantity. That leads to #2...
2. Is this your current list, dated list, big ticket buyers, referrals, church bulletin, little league parents, chamber of commerce? I mean, you've got to know the size of the pool. To answer whether it's even *worth* fishing the pool, #3 comes into play...
3. Do they close well? Or are they a bunch of disloyal price shoppers? Maybe they're affluent, rabid for image and *Product 'Z'* supports that image. If you've got a service that's more popular than any of the others, that might be the one you want to push to the public. Likewise if an area of your business is underperforming, you either need to check out what you're doing, or how you're marketing it. Closing ratio *must* intersect with ticket and gross profit to be meaningful. Then to #4...
4. Are they high transaction sales that can make your month? Or low transaction that must sustain volume to be profitable? On either, is there a more profitable upsell you're not offering? If you went on an \$89 service call, what else did you offer them while you were there? Water filtration? Upgraded faucets? You'll never know what they want if you're not willing to ask – and offer it. Before you leave them...
5. This relates to finding a better 'target' than going back to the 'big pool' again. Everyone has friends – even me, which likely shocks you as it does my wife. And guess what? Birds of a feather flock, shop, eat, and buy together. Whatever your customers are buying, there's a good chance their associates either need it or want it too. It's part of keeping up with the Joneses. Plus, it costs zero marketing dollars to generate referrals. The neighborhood, church members, business people in same category are an easier target. So *seek commonalities* and aim your offers accordingly.

Continued on next page

Now for the ones most contractors miss severely...

6. What happened to those who didn't close? You think they were window shopping you for fun? Look, if someone doesn't buy from you so you just walk away never to contact them again, guess what? Yeah, their money went straight into someone else's coffers...most likely your competition. A "no" now is not a "no" forever...sometimes persistence pays. Find out *why* they didn't buy and that's the key to a fortune right there. Resolve that, go kick bootie with a far higher result from #3 - #6.
7. As my overly-eloquent teenagers would say, "Duh – it's retention." Thanks to the economy, this is more important than ever. The commonality among contractors doing well and those "not" doing so well is *powerful retention*. Those who didn't fill the pipeline and then build a high-sided inescapable pool into which it flowed are quite sorry. They *had* customers in there, but they escaped. Now they get to go back to #1, spending new marketing dollars to recreate what was lost. Not exactly ideal. Especially since...

A marketing investment of about \$3 per year per customer would have kept them nicely in your sales loop, increasing their lifetime value and *your* profits. Yes, all of that from an informative, well-designed newsletter program. And still, many plumbers fail to see the value of retention.

So..... That's how to multiply your efforts and results from your "existing" incoming leads. And you thought it was magic. All you really have to do is a) Create a better message to make the phone ring, b) Make sure to aim it at the best targets, c) Keep all the customers you get, plus their pals, at top transaction sizes. Sound like a plan? Go back to your list of incoming leads now. Ask yourself the 7 questions. If you need us to help you fish them deeply, regularly, and to extract full value, that's why we're here. Otherwise, you've got plenty of bait in this article to catch a boatload.

Adams Hudson is president of Hudson, Ink, a creative marketing firm for contractors. PAMCANI readers can get the free report "More Plumbing Leads in less Time" by emailing their polite request to FreeStuff@HudsonInk.com or faxing company information to 1-334-262-1115. See other marketing reports at www.hudsonink.com; or call 1-800-489-9099.

Probe: Home-Builder Pay Practices - Seven states and the IRS plan to join the DOL in a broad review of the hiring and pay practices of home builders and other companies the government says routinely misclassify workers as independent contractors, rather than as an employee. A DOL report in 2000 estimated that up to 30% of employers misclassify workers. Federal and state regulators say worker misclassification is particularly common in residential construction. (*Wall Street Journal*, 9-17-11)

Great Lakes Peer Group of the MCAA Met in Chicago



Organized by MCA Chicago, the "Great Lakes Peer Group" is an annual fall meeting of MCAA association staff (mainly Executive Directors) aimed at exchanging best practices, trading ideas, and sharing resources to benefit our contractor constituents and our union industry. This year's two day function was held in Chicago on September 29 and 30, and included attendance by PAMCANI Executive Director S.J. Peters (back row, far left), as well as staff from MCA Chicago and PICRA, the Rockford contractors association.

Preview: UAC's "Unity 2012"

The Union Affiliated Contractors of the Plumbing-Heating-Cooling Contractors Association – National (PHCC) will hold the next "UAC Unity Conference" from February 27 to 29 at the Monte Carlo in Las Vegas, Nevada. As described at the recent PAMCANI meeting by UAC Chair Bob Melko, shown at right, (Bishop Plumbing; PAMCANI board), "Unity is designed for signatory p-h-c contractors, labor union leaders, association executives and key industry suppliers. As the name implies, Unity is all about fostering strong working relationships among the industry's labor and business leaders."



The event will open with Trustee functions on Sunday (February 26) evening. The Plumbing Industry Council will meet on the morning of Monday, February 27, with the afternoon free for a variety of activities, followed by an opening evening reception. Highlights lined up for the Tuesday include sessions by noted attorneys James Estabrook and Elizabeth Manzo; the annual lunch meeting; tours; and a second reception. The closing day (Wednesday, February 29) will feature remarks by UA General President Bill Hite; a high energy session by Mark Breslin; a UA education update by Mike Arndt of the international union's training department; and a closing panel discussion moderated by Mr. Breslin.

For details about "Unity 2012" and to learn more about the Union Affiliated Contractors of the PHCC-NA, please contact UAC Executive Director Rodney Jones at toll-free at 888-997-0535 or by email to: jones@naphcc.org.

Social Security... The Straight Facts

Are you confused by the noise in Washington about Social Security? Is it truly broke? Do we need to cut benefits to save it? And most importantly, what would the end result of cutting those benefits be? Who would be hurt the most, and by how much? Is there a better way?

To help untangle the mass of political rhetoric we are bombarded with in the media everyday, take a look at some hard facts about Social Security. This article presents only a small fraction of the information that's available to help each of us look at the situation critically and conclude for ourselves what action, if any, our government should take to strengthen Social Security.

What is Social Security?

Social Security is family insurance protection against lost wages due to old age, disability, or death. It is paid for through dedicated taxes contributed by workers and their employers, making it a promise – or bond – between generations that belongs to the American workers and their families.

Who receives the earned protections of Social Security?

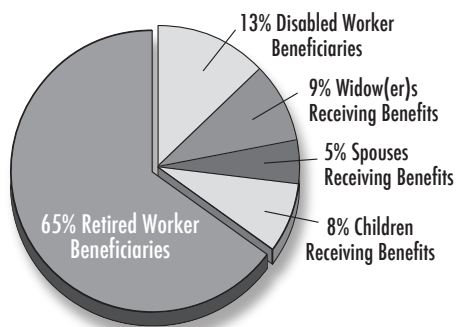
53 million beneficiaries – around one in four households – receive Social Security.

Almost two out of three seniors rely on Social Security for half or more of their income.

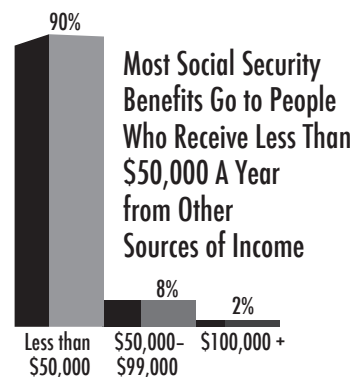
The average Social Security benefit is less than \$13,000 a year (\$14,000 for retirees.)

Social Security is the nation's largest disability program, without which more than half of disabled workers would have incomes below the poverty line.

Illinois' Social Security Beneficiaries 2008

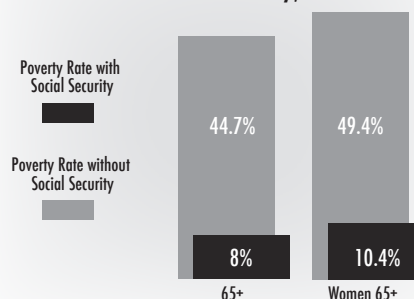


About 6.5 million children receive Social Security or live in households where all or part of the income of the household comes from Social Security.



Most Social Security Benefits Go to People Who Receive Less Than \$50,000 A Year from Other Sources of Income

Poverty Rate for Beneficiaries 65 and Older With and Without Social Security, 2006-2008



Why don't we just cut benefits?

The human cost of cutting benefits may be greater than we understand. In addition, Americans with lower incomes as a result of benefit cuts will spend less and put less money back into our struggling economy.

Young Person's Guide to Social Security

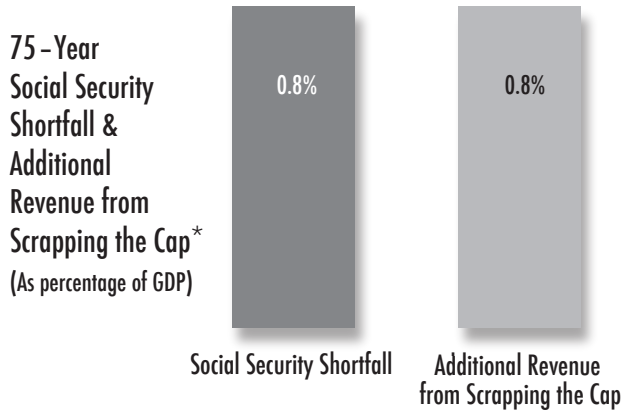
Many young people feel Social Security will not be there for them. EPI's new publication, "A Young Person's Guide to Social Security," by Kathryn Anne Edwards, Anna Turner and Alexander Hertal-Fernandez, gives young readers facts about the program's future. The guide is written by young authors for young people and explains why Social Security is not in grave danger and what must be done to ensure that Social Security, the nation's most successful anti-poverty program, remains sound. The Guide can be downloaded at: <http://www.epi.org/publications/entry/socialsecuritytextbook>

Re-printed from Union News

Date	Event
August 14, 1935	The Social Security Act became law with President Franklin D. Roosevelt's signature.
January 31, 1940	Ida M. Fuller became the first person to receive a monthly benefit check under the new Social Security law.
September 1950	Benefits began to be paid to the dependent widower, dependent husband, wife under 65 with a child in her care, and to a divorced wife.
February 2, 1953	President Eisenhower, in his State of the Union Message, recommended that the "old-age and survivors insurance law should promptly be extended to cover millions of citizens who have been left out of the Social Security.
November 1956	Social Security retirement benefits became payable to women at age 62.
November 1960	Benefits became payable to the disabled at any age.
June 30, 1961	The Social Security Amendments of 1961 were signed by President Kennedy.

Don't we have to do something? What are the alternatives to cutting benefits?

The fact is Social Security has a huge surplus that will allow full benefits to be paid for the next 25 years. After 2035 there is a modest shortfall that needs to be closed to guarantee everyone the benefits they have been promised. There are a



*Without counting additional earnings toward benefits

number of ideas and proposals in Washington and elsewhere for making adjustments to the system that would help strengthen Social Security for the future without making benefit cuts. One simple solution would be to eliminate the cap on Social Security payroll taxes. Currently these taxes are only paid on wages up to about \$107,000, with employees and employers contributing equally. Just 6 percent of Americans have wages above that cap. Closing this loophole so that millionaires and billionaires pay on all of their wages, just like everyone else, would close Social Security's long-range shortfall. This would essentially guarantee everyone all of the benefits they will earn for the next 75 years.

Raising the Retirement Age... What Could it Mean?

If we were to raise the Social Security retirement age to 69 or 70, as some have suggested, what might that mean? Consider the following:

Currently, more than 15 million Americans are unemployed*.

More and more companies are closing their doors and downsizing their workers every day.

Workers age 55+ are unemployed much longer than their younger counterparts who are out of work*.

Age discrimination complaints have risen by 33% since the start of the current recession*.

Would employers really want to keep 70-year-old workers on the job when they could hire younger, cheaper help?

Not everyone works at a desk. Can workers be expected to perform physical or manual labor for 50 years? Would less strenuous jobs be available for older workers?

So... the likelihood of workers being able to retain their jobs to age 70 is not high, and the likelihood of those workers finding new jobs is even lower. Would that leave us with a forgotten class of Americans too old to keep or find work and too young for Social Security?

And what about lower income workers? Workers earning higher incomes live, on average, five years longer*. Raising the retirement age could, in effect, pay back more over a lifetime to those who need it least.

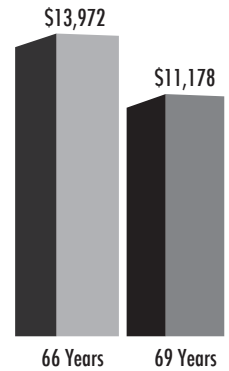
Despite what we may hear from Washington about raising the Social Security retirement age as an *alternative* to benefit cuts, make no mistake: Raising the retirement age IS a benefit cut!

*National Committee to Preserve Social Security and Medicare

Facts, figures and statistics in this article obtained from Strengthen Social Security, Social Security Works, and Socialsecurity.gov

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Cut in Average Yearly Social Security Retirement Benefits by Raising Retirement Age from 66 to 69



Timeline of Social Security Milestones:

- January 8, 1964:** In his State of the Union, President Johnson declared "unconditional war on poverty in America."
- May 5, 1965:** Lyndon B. Johnson presented a Social Security check to the 20-millionth beneficiary.
- July 1, 1972:** President Nixon signs a law authorizing automatic, annual cost-of-living allowance (COLA).
- December 20, 1977:** The Social Security Amendments of 1977 were signed by President Carter.
- August 14, 1985:** Social Security celebrates its 50th Anniversary.
- January 27, 1998:** In his State of the Union address President Clinton emphasized that any budget surplus should not be used in any way until we "Save Social Security First."
- February 12, 2008:** The first "baby boomer" applicant for Social Security retirement benefits received her first check.



PAMCANI AND INDUSTRY EVENTS

October 2011

- PCA of MCAA Board Meeting - October 17th & 18th - Las Vegas, NV
- International Foundation Employee Benefits - October 30th - Nov 2nd - New Orleans, LA

November 2011

- PAMCANI Board Meeting and “The Works” Conference - November 4th - Downers Grove, IL
- PCA OF MCAA: Water Audit Seminar - November 7th - MCA-Chicago/Burr Ridge, IL
- IL PHCC LRP/Bylaw Review - November 11th - East Peoria, IL
- IL PHCC Board Meeting - November 12th - East Peoria, IL
- MCAA Industry Improvement Funds - November 30th - December 2nd - Long Boat Key, FL

December 2011

- PAMCANI Budget & Board Meeting (PAMCANI board members only) – December 6th – Rolling Meadows, IL
- PAMCANI Contractor Forum – December 6th – Rolling Meadows, IL
- IMSCA Annual Meeting - December 9th - Burr Ridge, IL



MAKE IT YOUR BUSINESS TO ATTEND “THE WORKS” ON NOVEMBER 4, 2011 AS WE “BRING OUT THE BEST IN OUR INDUSTRY” PAMCANI has developed a winning program for our second annual presentation of the full-day in-town / in touch educational conference that is fittingly called “The Works.” From early in the morning, straight through the closing reception, this (free) event will be bursting with unique and beneficial opportunities for contractors and their key staff – plus associate members, industry leaders, and invited guests – to learn, network, speak up and exchange ideas. Don’t miss it! It all takes place on Friday, November 4, 2011 at the Doubletree Hotel in (north) Downers Grove, with fast and easy access from the major expressways. The complete brochure (including registration form) is enclosed with this month’s PAMCANI news packet. We’ve planned “The Works” for you – to encompass information, education and conversation. *Registration is required.*

Contractor Forums: Please note that the final session of “The Works” (just prior to the closing reception) is an Open Forum by and for Contractors (all are welcome) to discuss pertinent industry issues and potential (constructive) solutions. We plan to follow up with a second and similar contractor forum at the Holiday Inn in Rolling Meadows (for all to attend) on December 6, 2011. So mark your calendar, and join us for both!

For additional information, please visit the industry-wide calendar www.piccal.org
Be sure to visit the PAMCANI website at www.pamcani.org. We’re at your service.



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