

ON THE ROAD AGAIN! BY FRANK EVANS, PMI PRESIDENT



Frank Evans

July! Where does the time go? I am now half way through my term as PMI president and while that doesn't seem possible, I am pleased to say that we have covered quite a bit of ground in the past six months. We're making good progress on our Focus Issues. We are strengthening ties with industry groups and allied associations.

Yes...we have indeed covered quite a bit of ground both strategically and geographically! In June, I joined Executive Director **Barb Higgins** in Venice, Italy at the annual CEIR meeting. Last year PMI attended CEIR for the first time and thanks to the support of our own **Wilfred Delker** from **American Standard, Inc.** and John Pennell, Immediate Past Secretary General and now retired from the British Bathroom Manufacturers Association, PMI was invited to attend *all* sessions of the meeting (unprecedented until then!). In fact, PMI's participation paved the way for the Washington D.C.-based Valve Manufacturers Association of America (VMA) to increase their involvement with the group — a goal they had been working on for 20 years! A real breakthrough!

Our meeting this year was equally historic. We presented a list of proposed areas of common interest developed that was presented to our membership at our spring meeting. CEIR members voted to pursue these topics as projects to bring the organizations and the industries closer together. Here's what we'll be working on...



Wilfred Delker, American Standard, and Frank Evans, Chicago Faucet, in Venice.

1. Market issues

- a. We will develop a 'Business Conditions' survey with common parameters and definitions.
- b. We will exchange general market data by broad product groups (CEIR currently has difficulty in collecting

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PULLING TOGETHER FOR CHANGE: 2001 FALL MEETING FOCUSES ON TEAMWORK

BY LORI SMELSER, ASSOCIATION MANAGER

From ergonomics, H.R. 1479, MP&M rule and state legislation challenges to updates on topics PMI continues to track for its members, it's evident that there exist many issues facing our industry today. And, much activity has already taken place since the spring meeting to tackle old and new issues alike. PMI's 2001 Fall Meeting will provide a venue for the membership to come together and continue to advance PMI's role in the industry.

WHERE WE'LL BE

The Willard Inter-Continental Hotel will again host this year's fall meeting. The Willard has undergone some exciting renovations (some of which we witnessed first-hand last fall!) to the property which will make your stay more enjoyable. PMI's special rate for the 2001 Fall Meeting is \$285 single/double (excluding applicable taxes). To make reservations at the Willard, call (202) 628-9100 or use the fax-

back hotel reservation form included with the promotional material mailed recently.

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Barb Higgins

As you know from Frank Evans' article on the previous page, PMI had a productive meeting with CEIR last month. We successfully put forth initiatives that will open up an exchange of information and bring the two groups closer together. This has particular value in the area of universal conformity assessment. While all parties recognize this is a long, difficult and politically charged issue,

every journey begins with a single step. We certainly also recognize the importance of an *equal* exchange of information.

A few days following the CEIR meeting, I attended the annual business conference of the Canadian Institute of Plumbing and Heating (CIPH). PMI's relationship with CIPH continues to blossom and grow, and is a glimpse of the future of what our relationship can be with CEIR. CIPH supports our position on universal conformity assessment and is actively working with us (and the certifiers) on our shared goal. CIPH supports our position on water conservation in their moral opposition to Rep. Knollenberg's persistent, misguided and, happily, to-date unsuccessful efforts to repeal EPA Act '92. CIPH clearly understands and supports our position on trade show consolidation, as demonstrated through their sponsorship of North American ISH which, while not the exact result we were working for, is a step in the right direction.

Ed Hardison and his CIPH staff chose "Building Bridges" as the theme for their meeting this year. I was again invited to participate in the session by giving an update on PMI and our initiatives. As the third of three speakers (following ASA and PHCC), I was interested to note how all of our objectives parallel each other. It was almost as if the three of us (make that four including CIPH, as outlined later in the meeting) had written our strategic plans together. The comments dovetailed perfectly, echoing the same (or at least similar) sets of goals and objectives for our industry.

The philosophy of PMI, or any trade association for that matter, is that there is strength in numbers. By combining our resources and working on issues collectively, we are more successful as a group in the long run. The same thinking holds true with our allied trade organizations. That's why our relationships with these groups are so important. Through these relationships, we find areas of agreement and common purpose. In turn, we find areas in which we can join forces to improve the industry. We also find areas of difference. With strong relationships and open communication, we can better

understand the source of the differences and even if unresolvable, there is value in understanding the opposing point of view.

The coalition we formed to fight Rep. Knollenberg is an example of disparate groups coming together with a common interest. On the surface it would appear that we would not have much in common. Metropolitan water districts and environmentalists have joined forces with manufacturers, plumbing contractors and wholesalers to stop Knollenberg. And so far...so good! It is our perceived differences that make the coalition so strong! If all of these groups oppose Knollenberg, who is *for* him and his proposal? An added (and perhaps unexpected) bonus is that in working so intensely together on this issue, we have all gained an appreciation and understanding of the other organizations. We now have healthy relationships with our partners and are exploring additional areas of common interest.

United we stand, divided we fall! By building allies and "pulling together" we enjoy greater success. We have chosen as our theme for the upcoming PMI 2001 Fall Meeting "Pulling Together For Change." PMI has made a great deal of progress over the past few years through the relationships it has fostered throughout the industry and beyond, as well as the contacts that we have brought with us from "previous" lives in other career roles. It has been said that it's sometimes not **WHAT** you know but **WHOM** you know, and this adage has proven true for PMI time and time again. We have developed a wonderful network of resources in a variety of disciplines — government, legislature, sister organizations, international counterparts, codes and standards influencers, technical and marketing resources, service providers, and information technology experts, to name a few. Today, our reach extends beyond the borders of our country and even our industry. Many miles and

many hours later, we're reaping the benefits of the contacts we have made. No matter what the issue... we know the answer to, "Who ya gonna call?" The benefit is added value to members by being able to efficiently accomplish the goals at hand.

And as we accomplish our set objectives, we are earning the visibility and praise that strengthens our position and even further increases our effectiveness.

I hope you will mark September 23-26 on your calendar and join us at the Fall Meeting. (Don't forget that there is an incentive to bring a prospective member with you!) You'll see PMI in prime form as we report on our progress on your behalf. And you'll see first hand just exactly how your dues dollars are working for you!

See you in Washington!



Barb Higgins, CEIR Plumbing Product Group President Maurizio Meloda, Frank Evans, and Immediate Past Secretary General of CEIR John Pennell.

In an ongoing effort against unjustified and potentially costly product certification requirements into NSF 61 Standard for Drinking Water System Components - Health Effects, PMI has appealed the recent decision of NSF Appeals Panel. The Appeals Panel ruling is the final step of NSF's standards development process and clears the way for PMI to file a complaint with the American National Standards Institute (ANSI), since NSF 61 is an ANSI standard.

As reported in the July 3, 2001 edition of *Tech Talk*, the NSF Appeals Panel ruled that PMI was given adequate due process regarding our submitted comments, and disagreed with PMI's assertions that it is inappropriate to include conformity assessment requirements within a product performance standard.

PMI is appealing NSF's decision to ANSI on the basis that NSF is not qualified to address conformity assessment measures and has no authority to develop conformity assessment standards under their current registered scope of activity as an ANSI-accredited standards developer.

What is Annex H?

Annex H is a mandatory appendix to NSF 61 that establishes requirements for organizations operating a certification program for drinking water system components. Annex H requires certifiers to conform to ISO Guide 65, General Requirements for Bodies Operating Product Certification Systems, in addition to codifying an automatic schedule for third party in-plant audits, sample collection and re-testing.

What is wrong with Annex H?

At first glance, Annex H seems harmless and consistent with PMI's conformity assessment goals. It establishes uniformity among certification programs and requires compliance with ISO Guide 65. However, it doesn't take long to realize that Annex H arbitrarily fixes the number of audits, sampling procedures and testing frequencies. Furthermore, the Annex is anti-competitive, fails to meet objectives, is misleading, and creates enforcement problems.

Arbitrary — The Annex arbitrarily fixes the number of audits, sampling procedures and testing frequencies. NSF provided no technical documentation that the predetermined auditing, sampling and testing intervals have a direct relationship to quality or credibility of a product certification program, or consistency of product manufacturing. Unnecessary testing and auditing increases costs to manufacturers and consumers and is contrary to PMI's conformity assessment goals.

Anti-competitive — Required third party certification criteria and unnecessary audits, sampling and testing could create barriers to market entry for manufacturers and third party certifiers.

Fails to meet objectives — Annex H fails to meet its objectives as a means of providing additional assurances of compliance, improving the quality or competency of product certifiers, or improving public health and safety.

Misleading — Annex H is misleading to consumers and standard users because it does not improve quality and competency of NSF 61 certification programs, and it fails to improve public health and safety. This false sense of security

promotes complacency and diverts focus from the real issues, which is the quality of the audits and test procedure.

Enforcement difficulties — Locating product certification requirements within the body of a product performance standard raise concerns about enforcement. Most jurisdictions adopting NSF 61 will not be made aware that NSF 61 certifiers must comply with ISO Guide 65 or conduct predetermined factory audits, product sampling and product re-testing. For those jurisdictions aware of Annex H, confusion will occur over their role in determining whether a certifier complies with Annex H. This could work against PMI's efforts for uniformity and elimination of unnecessary duplication in conformity assessment measures.

Basis for ANSI Complaint

PMI did not get fair and equitable consideration of our concerns because the NSF Joint Committee lacked representation from all categories of affected interests, and lacked the requisite expertise to address conformity assessment measures. Annex H establishes mandatory product certification requirements, but the NSF Joint Committee didn't have a single representative from a certification agency, accreditor of product certifiers, or related industry association. Furthermore, comments submitted by PMI, PMI members, other manufacturers and product certifiers with the requisite technical knowledge were ignored.

This violates the most important guiding principle in the development of ANSI standards—due process. Due process requires the make-up of a standards committee to adequately represent stakeholders, and where appropriate, the solicitation and full consideration of representative user views.

NSF has no authority to develop conformity assessment standards under their current registered scope of activity as an ANSI-accredited standards developer. NSF's scope of activity does not include the development of conformity assessment requirements. Before proceeding with Annex H development, NSF should have:

- made changes to their registered scope to include conformity assessment,
- made changes to their procedures to more clearly reflect the opportunity for conformity assessment specialists to apply for voting membership on the NSF 61 committee, and
- notified ANSI of their intent to do so.

It's no wonder PMI has had great difficulty getting NSF and the NSF Joint Committee to understand and accept our concerns over Annex H. The most disappointing aspect of this issue is the fact that NSF is an ANSI Audited Designator. ANSI grants this special status to organizations that have demonstrated a consistent record of successful standards development. As an Audited Designator, ANSI and PMI expects NSF to more than marginally meet the requirements set forth in ANSI procedures.



Dave Viola

WEB-LINKING: POTENTIAL FOR LEGAL ENTANGLEMENT

BY CHRISTOPHER A. BLOOM, BELL, BOYD AND LLOYD, LLC



Christopher A. Bloom

A user of the internet can “hyper-link” from one web page to another. It is this ability to hyper-link that creates the “web” of the WorldWide Web. Hyper-links can be within a website or from one website to another. Without such linking, the Web would be a much less powerful tool. By adding many links to a company’s site, assuming the links are to other sites which users of the company site find useful, the company will be helping its users and adding

value to its site. For companies, the concern is what, if any, liabilities a company incurs by linking its website to another website.

Linking and Framing

In general, a company can legally link to another website without the agreement of the target website. **After some early struggles with whether such linking was appropriate, it appears from recent judicial opinions that no permission is needed from the target to place a hyper-link on your company’s website.** In fact, many websites encourage such linking. As diverse a group as Amazon.com and the Financial Times of London both expressly permit linking. On their websites you will find explicit instructions on what linking they deem acceptable. Amazon.com will even pay a commission on sales from referred users.

Framing of another’s website within your website is more questionable. When framing, the target website pages appear inside a “frame” or box which can contain your name and site headings. A frame creates a combination between your website and the target’s website and to a user unaware of the frame, it can appear that the content of the target website is really one and part of your website. This can be seen to be copyright infringement by creating a new and unauthorized derivative work. In addition, the targeted/framed website might also charge misrepresentation and various other claims based on unfair competition due to the potential confusion which would be created in a user’s mind as to the source of the content.

How to properly link

When linking to a target there are several key cautions:

- Review the target website to determine if there are any prohibitions or restrictions on linking. Any such prohibitions would usually be found in the site’s terms of use policies, which will ordinarily be found under the “terms and conditions” hyper-link on the target’s home page. While these prohibitions and restrictions may not always be legally enforceable, it is advisable to comply when possible. If you cannot comply you should seek the advice of an attorney.

- The hyper-link should be displayed in a manner which does not suggest or imply endorsement of your company or website by the target. You cannot use someone else’s trademark without their permission. This means, in general, you should not use the logos of the target, but rather the simple plain text hyper-links. Nor may you use a hyper-link in a manner which would suggest the endorsement or approval of your goods or services by the target absent written agreement from the target.
- You should not hyper-link in a frame without legal advice.

Liability

Having decided to link to another website, are you liable for information or activities on that target site? This is an area of developing law. However, so long as it is clear that the user has left your site and is at another site, and that you have not endorsed or otherwise recommended or guaranteed the target site, there would seem to be no reason to impose liability for merely linking two sites.

To avoid liability in linking to another site:

- Many commentators suggest using disclaimers. Such a disclaimer should clearly state that the user is leaving your company’s site and going to another site and that your company is not responsible for that site or any activities that take place on that site, or products or services offered or sold at that site.
- Do not pass along additional information to the target site. If you provide user information to a third party you may be responsible for that information, how the third party uses the information, and how the third party treats the user.
- Again, avoid framing the target site. By framing, you create the appearance of endorsement or approval — or worse yet, apparent responsibility for the target’s activities.

Hyper-linking carries with it the promise of the WorldWide Web – true convenience and speed in getting information. By adhering to the rules set forth above, your company should be able to link to other websites without substantial legal exposure. Of course, if you are setting up a website you should be sure to have legal advice for all of the main issues including linking, web hosting agreements, privacy policies and other matters.

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Christopher A. Bloom is a member of Bell, Boyd & Lloyd LLC in the Intellectual Property Department. He concentrates his practice in technology and intellectual property with particular emphasis in trademark, copyright and trade dress infringement and technology exploitation matters.



HOW DO I ATTEND FOR FREE?

Good question! As has been reiterated many times, you — as a member of PMI — are the best endorsement we have for joining the Institute. And with our focus on membership development, we'd like to formally recognize your endorsement to a prospective member by offering you the chance to "sponsor" a representative from a company **eligible for membership** to attend the meeting. Here's how it works:

- Encourage a contact at the nonmember company to register and attend the Fall Meeting (they pay the \$1,650 fee).
- Sign yourself up to attend the meeting as well.
- If that nonmember contact registers for the meeting, your fee for attending is ZERO! It's FREE! It's our way of saying "thank you" for expanding the reach of PMI!

Please note that if the nonmember contact cancels or otherwise does not attend the meeting, you would be retroactively billed for the member price. Also, this is a person-to-person discount; all representatives from a company would not get free admission to the meeting unless the same number of persons from a nonmember company was attending.

Contact PMI for more information on how you and your company can take advantage of this special offer!

MEETING HIGHLIGHTS

With so many issues vying for PMI's attention, we have a full slate of meetings, complete with updates on committee and staff action as well as perspectives on some issues from experts in the field.

Monday, September 24 begins with a buffet breakfast followed by a joint meeting of the Marketing and Information Technology (I.T.) Committees. Monday morning, we'll also get caught up on H.R. 1479 activities and updates from PMI's new lobbyist, Fred Eames, on other Hill activities.

Before lunch, the Specialty Finishing Product Group will hear from Christian Richter (co-organizer of the MP&M coalition PMI has funded) on the status of the proposed metal products and machinery rule. Monday afternoon focuses on product-specific issues, with the newly-created Showerhead and Hand Shower, Faucet & Shower/Tub-Shower Fittings, and Flushing Devices/Fixture product groups meeting. At the Shower/Tub-Shower meeting, discussions will continue on the effects of daily shower cleaners on plumbing products.

The Monday evening dinner will feature a special keynote speaker, Haley Barbour (see related article, page 6).

Tuesday, September 25 begins another full day of meetings. The focus will be on employee training and retention at the Business Concerns Committee meeting, followed by Trade Show Consolidation and an update on industry consolidation activities. PMI has invited new Undersecretary of the International Trade Administration, Grant Aldonas, to join Gary Stanley, Director of the ISAC-9 Sector of which PMI is active,

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Fall Meeting Schedule

Saturday, September 22

4:00 p.m. - 6:00 p.m. Executive Committee Meeting

Sunday, September 23

2:00 p.m. - 6:30 p.m. Registration
 1:00 p.m. - 5:30 p.m. Lunch/First Board of Directors
 6:30 p.m. - 7:15 p.m. Welcome Reception
 7:15 p.m. - 9:30 p.m. Welcome Dinner

Monday, September 24

7:15 a.m. - 8:30 a.m. General Membership Breakfast/
Registration Continues
 8:00 a.m. - 9:45 a.m. **Issue Committee:** Marketing
Committee/Information Technology
Joint Meeting
 10:00 a.m. - 3:00 p.m. Family/Companion Program
 10:00 a.m. - 11:15 a.m. **Issue Committee:** Government
Affairs/Water Conservation Joint
Meeting
 11:30 a.m. - 12:30 p.m. **Product Group:** Specialty Finishing
 12:45 p.m. - 1:45 p.m. Lunch
 2:00 p.m. - 2:45 p.m. **Product Group:** Showerhead and
Hand Shower
 3:00 p.m. - 4:30 p.m. **Product Group:** Faucet &
Shower/Tub-Shower Fittings Joint
Meeting
 4:45 p.m. - 6:00 p.m. **Product Group:** Flushing
Devices/Fixture Joint Meeting
 6:30 p.m. - 7:15 p.m. Reception
 7:15 p.m. - 9:30 p.m. Dinner with Keynote Speaker
Haley Barbour

Tuesday, September 25

7:15 a.m. - 8:30 a.m. General Membership Breakfast
 8:00 a.m. - 9:45 a.m. **Issue Committee:** Business
Concerns
 10:00 a.m. - 11:15 a.m. **Issue Committee:** Trade Show
Consolidation
 11:30 a.m. - 12:15 p.m. **Issue Committee:** Fair Trade
 12:30 p.m. - 1:30 p.m. Lunch
 1:45 p.m. - 3:30 p.m. **Issue Committee:** UCA
 3:45 p.m. - 5:15 p.m. Technical Committee
 5:30 p.m. - 6:00 p.m. General Membership Meeting
 6:00 p.m. - 7:00 p.m. Final Board of Directors Meeting
 8:00 p.m. "Shear Madness" play

Dinner on your own

Wednesday, September 26

7:15 a.m. - 8:30 a.m. Breakfast/Briefing
 8:30 a.m. - 9:30 a.m. Government Program
 9:30 a.m. Congressional visits

information because members report using different criteria. However, the new CEIR president will improve this situation.)

- c. We will produce a 'common terminology' to ensure that CEIR and PMI are talking about the same things.
- d. We will share information on the way information technology (I.T.) impacts on our industry sector.

2. Removing barriers to trade

- a. We will develop and introduce mutual recognition of test methods and reports/conformity assessment.
- b. We will remove "political" barriers to trade by using GATT or by lobbying the European Community (EC) and the U.S. federal government.

3. Leachates

We will share information/action/standards/tests on leachates and get common regulatory requirements in Europe and the U.S. — and beyond.

4. Intellectual Property Rights

We will coordinate and take action on counterfeiting and protection of intellectual property rights.

We have our work cut out for us. This is a long list of worthwhile projects. You'll recognize many of our core issues embedded in this list — conformity assessment, fair trade, information technology, leachates...and are all overlaid with our goal of "globalization." PMI is working...for you!

MEETING ATTENDEES TO BE TREATED TO AN EVENING WITH HALEY BARBOUR



Haley Barbour, former Republican National Committee Chairman

2001 Fall Meeting attendees will again be treated to an inside look at politics — this time from top D.C. lobbyist Haley Barbour. He will provide the keynote presentation following dinner on Monday, September 24 at the Willard Inter-Continental Hotel in Washington, D.C.

Barbour, 52, the former chairman of the Republican National Committee (RNC) who spearheaded the GOP takeover of Congress in 1994,

is one of the most politically connected lobbyists in Washington. He headed the RNC from 1993 to January 1997, and during that time (November 1994), Republicans won the greatest midterm majority sweep of the 20th century, winning GOP control of both houses of Congress for the first time in 40 years. Republicans maintained their majorities in 1996, winning control of Congress in back-to-back elections for the first time in 68 years.

Barbour's connections in the heart of Capitol Hill politics run deep. Numerous key officials, including Senate Republican Leader Trent Lott, regularly turn to Barbour for advice. With such close relationships with Hill leaders, Barbour was a natural fit and strategic addition for President George W. Bush;

Barbour chaired the "Bush for President" Washington, D.C. Campaign Advisory Committee last year and was a member of Bush's National Presidential Exploratory Committee in 1999.

Barbour received his law degree from the University of Mississippi in 1973. He helped found the Barbour, Griffith and Rogers lobbying firm, and in 1985 he took a hiatus from his law practice to serve then-President Ronald Reagan for two years as Director of the White House Office of Political Affairs. Barbour joined Balch and Bingham, LLP as Of Counsel in 1999.

A seventh-generation Mississippian, Barbour was the Republican nominee for the U.S. Senate in 1982; he lost to the 35-year incumbent, Senator John Stennis. He served as Republican National Committeeman for Mississippi from 1984 until 1988. A longtime Southern GOP leader, Barbour worked in both of the successful Nixon for President campaigns. From 1973 to 1976, Barbour served as executive director of the Mississippi Republican Party and the Southern Association of the Republican State Chairmen.

Barbour co-owns the swank new restaurant, Caucus Room, in bipartisan fashion with Democratic lobbyist Tom Boggs. The restaurant, which has gotten great reviews and is the spot to name-drop, is located on 9th Street between the Capitol and the White House in "the hottest neighborhood in D.C." Barbour's newest role is as finance director for the National Republican Senatorial Committee, the campaign arm for the Senate Republicans, who are looking to gain seats in the upcoming 2002 elections.

WANNA HELP PMI GROW???

And save \$\$\$ at the Fall Meeting??? How?
Simply "sponsor" a qualified guest to attend a PMI meeting and receive your registration FREE!
It's that easy! And, you're helping PMI grow!!

See the Fall Meeting promo for more details or call PMI at (847) 884-9764.



THE CHICAGO FAUCET COMPANY: AN INDUSTRY PIONEER TURNS 100

By LORI SMELSER, ASSOCIATION MANAGER

July 12, 2001 marked an important day for the plumbing industry and the city of Chicago — 100 years ago, on July 12, 1901, Albert C. (A.C.) Brown took his life savings, and opened a small shop in Chicago (now commonly known as Chicago Faucets). There he produced a variety of plumbing fixtures as an OEM supplier, as well as lamp shade frames, gas regulator valves, and oil burner tips and nozzles. Ten years later, in 1911, demand for the company's products had grown to the point where it began marketing them under its own name and distributing its expanding line through wholesale plumbing supply houses.

A milestone in the company — and the industry — was reached in 1913 when Brown invented a cartridge that laid the cornerstone for the future of Chicago Faucets, the Quatern cartridge. This cartridge enabled water flow to be turned off from full flow with one-quarter turn of the handle and it uniquely closed *with* the water flow, rather than *against* water flow, thus reducing washer wear and eliminating dripping.

Secondly, and more importantly, all parts subject to wear were contained in the interchangeable cartridge. Fixing a faucet, for the first time, was now as easy as changing a light bulb (Edison's relatively new invention). Chicago Faucets placed a heavy emphasis on standardization and renewability in its product line, and the Quatern cartridge became the standard of reliability, durability and value. The cartridge has been updated over the years to accommodate new technology.

Those being crafted today are, remarkably, interchangeable with any Quatern manufactured since 1913!

In 1915, Chicago Faucets moved to a larger facility and created a niche as a supplier of faucets and valves to plumbing specifiers and commercial maintenance engineers in the Midwest. Customer service never wavered — products were often delivered direct to customer by horse and wagon. The 1920s featured a boom in construction for the city of Chicago, with commercial and residential construction reaching record rates. Chicago Faucets expanded their manufacturing capacity to meet that demand. Soon after, however, the Great Depression hit and Chicago Faucets, like most other firms, was hit hard. Rather than closing its doors, however, the company significantly reduced its workweek to two days per week and tried to find replacement business wherever possible.

The introduction of the Add-A-Shower tub spout, with exposed riser and "Brownie" showerhead, saved the company as homeowners and hotels converted tub-only bathrooms. The tide turned in 1933 when the World's Fair came to Chicago. Chicago Faucets was an exhibitor and received national recognition for its quality. Orders increased and the company grew along with the rest of the nation into the early 1940s.

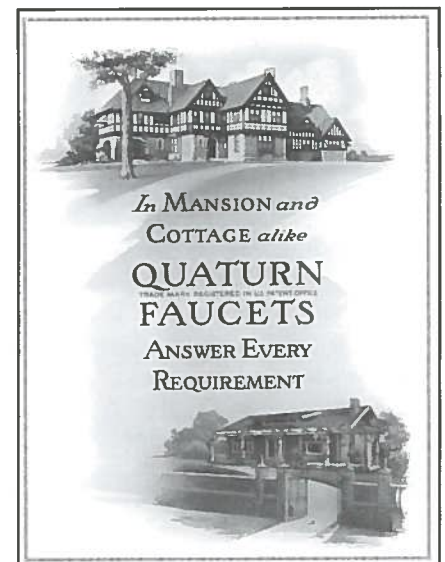
Wartime saw a change in the product line at Chicago Faucets. During World War II and the Korean conflict, the company produced war-related products (nuts, bolts, screws and parachute hooks). Many of the company's employees were enlisted or drafted during that time and it was 1953 before business returned to normal again. The postwar building boom

led to prosperity and, in 1961, the company moved west to Des Plaines, Ill., to a newer, much larger facility. The company has continued to grow there ever since, supplying fittings for the commercial, laboratory, food service, safety equipment and residential markets. Today, Chicago Faucets employs more than 500 people in operations located in Des Plaines, Milwaukee (Starline Manufacturing, a Milwaukee-based subsidiary of Chicago Faucets, is also a member of PMI), Cleveland and Huntsville (Ala.), and is one of only four U.S. producers of permanent mold, yellow-brass castings.

Chicago Faucets realized early the benefits of belonging to an industry trade association and in 1956 joined the Plumbing Brass Institute (PMI's former appellation). Never ones to sit on the sidelines, representatives of the company quickly became integrally involved in the Institute's activities. The company has also now boasted three PMI Presidents — Richard H. Swiers in 1988, Alan Lougee (Brown's great grandson and current president of Chicago Faucets) in 1996 and PMI's current president, Frank Evans. Lougee also currently serves as the co-chair of the Fair Trade Issue Committee, and company personnel are involved in virtually all areas of PMI today — from marketing and information technology to codes and standards and more.

Today, 100 years after its humble beginnings, Chicago Faucets is in many ways the same company founded by Brown. As with his forebearers, Lougee continues the company's "quality first" dedication. Says Lougee, "Our commitment to the future and to investment of leading edge technologies, combined with our 100 years of proven excellence and quality positions us as both an industry leader and pioneer."

Part of the company's centennial celebration is the issuing of commemorative copies of Catalog "A", Chicago Faucet's first catalog originally published. It featured a succinct mission statement that still holds true today — *Quality First*. The mission statement has featured prominently in every chapter of the company's history, in both word and deed. Lougee says that the company's proud past does not dampen the enthusiasm for what the future holds. "We are especially excited about our future. As our customers' demands



An ad from Chicago Faucet's Catalog A.

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GAO Releases Study Critical of EPA Toxin Review Process

The Government Accounting Office released a report on July 16 which found that scientists and experts who advise the Environmental Protection Agency on a broad range of regulations governing toxic chemicals and air and water quality frequently have ties to the affected industries or other conflicts of interest. According to the report, “serious deficiencies exist” both in preventing conflicts of interest and promoting a proper balance of views among members of EPA’s Science Advisory Panel. The Panel was established by Congress in 1978 to provide independent scientific and engineering advice to EPA administrators on the technical basis for EPA regulations.

Henry A. Waxman (D-Calif.), ranking Democrat on the House Government Reform Committee who requested the study be undertaken, said, “The American people expect decisions that affect environmental and public health regulations to be based on unbiased science, but this GAO study reveals industries are in a position to influence panel findings.” The director of the EPA’s Science Advisory Board staff “generally agreed with the report’s findings and recommendations” and pledged to improve operations and procedures, according to the report.

EPA Seeks Proposals for Drinking Water Research Projects

EPA’s National Center for Environmental Research (NCER) is seeking research proposals by Sept. 17 from U.S. academic and nonprofit institutions and state and local governments for \$6 million in grants earmarked for four areas of research on chemical and microbial drinking water contaminants. The requests for proposals seek researchers to study two chemical contaminants topics and two microbial contaminants topics, all of which aim to support regulatory decisions regarding the Contaminant Candidate List. For the microbial studies, NCER is looking specifically for innovative approaches for estimating microbial risk in drinking water. One study, which is earmarked for \$175,000/year for two to three years, aims to develop “indices or classification schemes, or actual risk characterizations based on data collection and analysis, that indicate relative degrees of potential risk from pathogens in source water, pathogen passage through treatment barriers, or vulnerability of a distribution system to pathogen intrusion or growth. Up to \$400,000/year for two to three years is set aside for the other microbial project, which would entail epidemiological studies that would “indicate attributable risk from drinking water and/or the relative contributions of risk from distribution systems versus treatment deficiencies” in groundwater or surface water systems. **Existing grants from the NCER on drinking water research projects can be found at <http://es.epa.gov/ncer/publications/topical/drinking.html>.**

Overvalued Dollar #1 Manufacturer Concern

According to the National Association of Manufacturers (NAM), manufacturers are voicing more concern about the overvalued U.S. dollar than any other trade issue currently on the table. The U.S. dollar has soared nearly 30 percent over the last few years, and is hurting many U.S. manufacturers not only in foreign markets, but stateside as well. NAM President Jerry

Jasinowski told Treasury Secretary O’Neill that the Treasury Department should stop signaling a willingness to permit an ever-stronger dollar irrespective of economic fundamentals and should permit the dollar to reflect economic reality.

According to NAM, the Administration has not yet changed its views on the dollar, and appears to believe that any capable American manufacturer should be able to compete despite the 30 percent price hike caused by the dollar’s rise. They have not yet heard from a large number of companies, and do not appear to believe the value of the dollar is actually a serious or widespread problem. NAM is encouraging manufacturers to write a letter to Secretary O’Neill telling him how the company is being impacted by the dollar. **Provide examples where possible in terms of sales or production losses, related layoffs, stiffer competition, etc. PMI has talking points and address information to compose your letter. It is important that PMI receive a copy of all letters submitted; we will provide those to NAM, who will be following up with the Secretary.**

New Trade Round To “Promote Growth and Development”

U.S. Trade Representative Robert B. Zoellick announced on July 17 that the United States and the European Union are cooperating to help launch a new round of global trade negotiations this November. “The United States and the European Union (EU) share a common strategic objective: launching a new trade round,” said Zoellick. “The clouds of the failure in Seattle left supporters of trade and development dispirited. We have a responsibility to see that a rules-based trading system as embodied in the World Trade Organization is strengthened, expanded, and deepened.”

Zoellick noted that the U.S. and the European Union have a “high degree of convergence” on issues such as market access negotiations for non-agricultural products and transparency in government procurement, and in areas such as services, trade facilitation, and strengthening the WTO system. The U.S. and EU are also working cooperatively with the World Bank on how it can further support trade capacity building efforts that will benefit developing nations.

Zoellick’s statement outlined a number of areas of importance related to the launch of a new trade round at the WTO ministerial being held in Doha, Qatar this November:

- demonstrating sensitivity to the concerns of developing nations, such as with implementation issues and capacity building efforts;
- promoting an agenda that will garner public support and accommodate the essential interests of WTO members;
- ensuring our trade agenda is consistent with our values; and
- framing a general mandate that provides opportunities for concerns to be raised during negotiations, while providing sufficient clarity to enable countries to understand where the negotiations are likely to lead.

For a copy of Zoellick’s statement, contact PMI or visit the members-only site at www.pmihome.org.

THE BATTLE AGAINST THE KNOLLENBERG BILL: UPDATE AND OUTLOOK

BY FRED EAMES, BALCH & BINGHAM, LLP

PMI continues to press the case in Washington in opposition to the Knollenberg bill, H.R. 1459, which would repeal the high-efficiency water flow requirements for plumbing fixtures and fittings that were adopted as part of the Energy Policy Act of 1992.

Let me say at the outset how grateful we at Balch & Bingham LLP are to be working with PMI to advance its federal affairs priorities. It is a daunting task to promote the causes of an entire industry, but in cooperation with PMI's very effective staff, we have turned our efforts to where they can provide the most value — to the Knollenberg bill, PMI's main priority. I appreciate Cece Kremer recommending us for the task and **Barb Higgins** for her guidance and attentiveness.

Even though Congress is focused more intently on other issues right now, we have actively worked to properly position ourselves should Congress decide to hold a hearing on the Knollenberg bill, or worse, decide as it did last year to mark up the bill (i.e., vote on it).

Given how difficult it is to pass legislation, Representative Knollenberg's prospects would be uncertain without any effort on our part. But the cost of his success would be high enough, and — should he gain momentum — the increase in our risk great enough, that our effort is worthwhile. The last place we want to find ourselves is making desperate pleas for help to uninformed representatives amid the din of publicity should Congress bring his bill to the House floor.

Our strategy is straightforward: strengthen and collaborate with our network of allies, both on Capitol Hill and off; turn down the level of opposition from our opponents; keep Knollenberg from gaining momentum; hone our arguments, keeping them up to date with fresh information; and keep our antennae up to gain early warning in case the issue does start to move.

In late June, Barb and I made a series of about a dozen meetings on Capitol Hill with House Subcommittee on Energy and Air Quality members and key staff. This is the subcommittee that would act on the Knollenberg bill. **The clear consensus is that, with the subcommittee focused on energy supply and infrastructure issues, which are very complicated and time consuming, the Knollenberg bill is unlikely to get a hearing in Congress before the end of this year.**

Another consensus opinion from our allies was to keep a low profile on the issue for the time being. With Congress focused elsewhere, heightening the issue could spur Knollenberg to stronger efforts, and he seems not to be pushing strongly at this time. We will continue to pursue our strategy effectively, but in a low-key fashion.

Issues the subcommittee is now considering are helpful to our cause. For example, electricity shortages in California and elsewhere in the West are in part due to drought conditions that have worsened over the past year, lessening the amount of precious hydroelectric power that can be generated. This

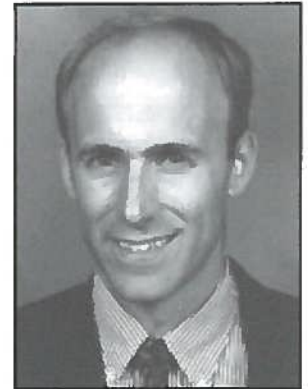
positive "issue atmosphere" is a key development in our favor during this Congress.

Heightened interest in saving water helped result in provisions in conservation legislation recently passed by the subcommittee that will expand water efficiency efforts in federal programs by whatever means possible, implicitly including installation of high-efficiency plumbing fixtures. The legislation has a long way to go before being enacted into law, but the same Members of Congress who would have to preliminarily approve Knollenberg have now approved legislation that will hopefully result in more high-efficiency plumbing fixtures being installed. The provisions did not originate with us, but PMI quickly lobbied to get them included in the legislation. We are also pursuing other legislation to support use of high-efficiency products, and we appreciate the quick response that PMI members gave us in helping craft these provisions.

We encourage PMI member companies to contact their congressional representatives and weigh in against the Knollenberg bill. In addition to letters and the continued congressional meetings we will be holding, other efforts we collectively can take include participating in fundraising events and inviting congressmen and their staff to tour our manufacturing facilities.

PMI and its allies in the supply and contracting industries, the environmental lobbying community and the water districts have formed into the National Alliance for Water Efficiency, which holds regular meetings and collaborates on congressional meetings.

The Knollenberg bill may not be ready for imminent action, but it takes work to limit the chance that its day will ever come. Please contact us at Balch & Bingham if we can help you arrange activities or if we can answer any questions.



Fred Eames

BUILD.COM LAUNCHES THE BUILDING AND HOME IMPROVEMENT SHOWCASE

Build.com launched its New Product Showcase website: www.build.com/nps. This site provides industry manufacturers with a platform to present and promote new products. It also provides manufacturers with access to a highly targeted audience of consumers and industry professionals. The showcase website displays images of products along with in-depth descriptions, company information, website links, and email links to contact the manufacturers.

LUXURY KITCHEN AND BATH COLLECTION NOT A THREAT TO CONSOLIDATION

Davis Peterson Collaborative has announced the launching of its Luxury Kitchen and Bath Collection show (also known as the Luxury Collection) on November 28-29, 2001, at the Boca Raton Resort and Beach Club in Boca Raton, Fla. The show is being promoted on its website (www.luxurykbcollection.com) as "the world's only trade event dedicated to an exclusive, intimate gathering of high-end kitchen and bath professionals and manufacturers."

PMI Executive Director **Barb Higgins** talked with show organizers and others affiliated with building products trade shows about the Luxury Collection and reported that this new show does not pose a threat to PMI's goal of trade show consolidation. "Because it is essentially an 'invitation-only' event, with an emphasis on education rather than exhibition, and will be a relatively small, intentionally focused and limited gathering of companies, it does not affect our goal of trade show consolidation." The Luxury Collection does not compete

or overlap with existing industry shows.

She noted that in talks with Todd Davis, co-partner of Davis Peterson Collaborative, the company was approached by high-end kitchen and bath manufacturers to create a limited show which would "capture a unique blend of the kitchen and bath industries' most astute designers, architects, homebuilders, high-end kitchen and bath dealers and distributors." According to Davis, the unique needs and characteristics of such clientele are not met at regular trade shows.

The Luxury Collection Advisory Board consists of Cheng Designs, Poliform USA, PS Craftmanship, Rohl Corporation, Serdaneli, Sub-Zero, Wolf Gourmet, and Watermark Designs.

TAX RELIEF COALITION PASSED

On May 26, 2001, both the House and Senate passed H.R. 1836, the tax relief reconciliation bill by comfortable margins. H.R. 1836 is the largest tax cut since 1981 and was signed by President Bush on June 7. PMI was apart of the coalition and below is a thank-you letter from the President.

THE CHICAGO FAUCET COMPANY: AN INDUSTRY PIONEER TURNS 100

Continued from page 7

continue to vary in an ever-changing marketplace, we are responding with a product offering designed for the 21st century." This year, Chicago Faucets is introducing an innovative new product that embraces the spirit of A.C. Brown's innovative patents from 1901. "While a lot has changed over the past 100 years," says Lougee, "one thing has remained constant...the quality of the faucets we manufacture. This quality has been, and will continue to be, the heart and soul of Chicago Faucets."

PMI PALM PILOT WINNER

John Petrovic of **Alsons Corporation** was the 2001 Spring Meeting palm pilot winner! Below is a picture of John and his new prize hooked up to his desk top computer for synchronization. Be sure to attend the 2001 Fall Meeting and turn in a completed meeting survey before leaving Washington to be eligible for the drawing to win your own Palm Pilot.



THE WHITE HOUSE
WASHINGTON

June 7, 2001

Ms. Barbara C. Higgins
Executive Director
Plumbing Manufacturers Institute
Suite A
1340 Remington Road
Schaumburg, IL 60173

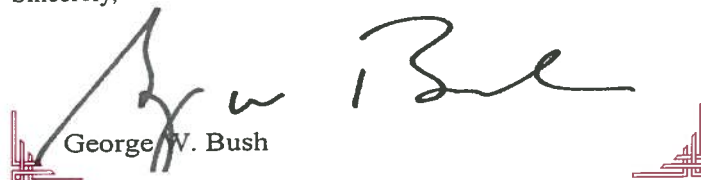
Dear Ms. Higgins:

Today, I had the distinct honor to sign into law a \$1.35 trillion tax relief package for American families.

Your support for this fair and responsible measure was crucial to its success. I appreciate your efforts to help pass meaningful tax relief that returns money to every American taxpayer.

This tax relief bill represents a victory for the American people. I look forward to working with you in the future. Thank you again, and best wishes.

Sincerely,


George W. Bush

PMI AND CIPH: BUILDING BRIDGES

More than 250 delegates and companions from Canada and the United States attended the 69th Annual Conference of the Canadian Institute of Plumbing and Heating (CIPH) on June 24-27 in Charlottetown, Prince Edward Island, Canada.

CIPH is a not-for-profit trade association founded in Montreal in 1933. It represents the interests of over 245 Canadian manufacturers, sales agents, wholesaler distributors and service providers of plumbing and hydronic heating products. This year's theme was "Building Bridges."

Barb Higgins attended the conference, provided a welcome address to the group and continued "building bridges" between PMI and CIPH. See related story on page 2.



Ralph Suppa of CIPH, Barb Higgins and Ed Hardison of CIPH (l-r) focus on building bridges for the plumbing industry. The trio is shown here at a nautical-themed opening reception.

PMI CALENDAR CHECK

August 2001

12-15	National Hardware Show	Chicago, IL
17	National Standard Plumbing Code Hearing	Falls Church, VA
19-21	Plumbing Industry Advisory Council (PIAC)/ Canadian Advisory Council on Plumbing (CACP)	White Horse, Yukon

September 2001

3	Labor Day — PMI Office Closed	
12-16	PHCC-NA Annual Meeting	Reno, NV
16-21	BOCA/ICBO Annual Business Meetings	Cincinnati, OH
16-20	IAPMO Annual Education & Business Conference	Portland, OR
18	Rosh Hashanah	
23-26	PMI Fall Meeting	Washington, DC
27	Yom Kippur	

October 2001

8	Columbus Day	
12-14	ASME A112/CSA B125 Harmonization Meeting	Orlando, FL
21-24	NCSBCS Annual Conference	Orlando, FL
23-26	ASA Annual Convention	Las Vegas, NV
28-Nov. 1	SBCCI Annual Conference	Greensboro, NC

PULLING TOGETHER FOR CHANGE: 2001 FALL MEETING FOCUSES ON TEAMWORK

Continued from page 5

for an update on fair trade issues including China and trade promotion authority. Tuesday afternoon wraps up with a meeting of the general membership, where the 2002 operating budget will be sent to a membership vote and two new directors-at-large (and a new treasurer) will be elected to PMI's Board of Directors.

On Wednesday morning, a continental breakfast will be offered followed by a congressional visits briefing from Fred Eames. You won't want to miss our special program which will take place right before the Hill visits begin; stay tuned for more information as we get closer to September!

THERE'S SOME FUN TOO!

For the "odd" person who may wish to take a break from the hectic meeting schedule, there is plenty to do and see around Washington, D.C. (your onsite registration packet will include some options). We've also weaved some fun into the schedule itself. For spouses, companions and family members, Monday morning and afternoon will be treated to a special walking tour of Georgetown, followed by lunch at elegant Tahoga restaurant and a tour of a special exhibit at the DAR Museum.



Whether you love plays or not, you won't want to miss Tuesday evening's performance of the popular play, "Shear Madness". The play, which caught Broadway by storm, is appearing at the Kennedy Center for the Performing Arts, and PMI reserved a block of tickets for meeting attendees to relax from the busy meeting schedule

and take in a fun play! There is an additional \$30 cost for this event. See your registration material or contact PMI headquarters for more information.

A GOODBYE NOTE FROM PAT KELLY

Dear Barbara, David, Lori and Kelly:

This Friday (6/29), is the day we close our Berkeley office and I go on to my "next life". I just wanted to say goodbye and a huge thanks for all the help you have been to Haws and to me over the years. All of you have been generous with your time and effort, and it has been a total pleasure working with each of you. I wish you and PMI continued success. You will be in my thoughts and prayers.

Pat

PMI MEMBERS IN THE NEWS

CHICAGO FAUCETS TURNS 100

This year marks the 100th anniversary for **The Chicago Faucet Company** (see related story on page 7). In addition, Chicago Faucets introduced the new Galileo electronic faucet that incorporates Synapse Infrared embedded intelligence. The technology works in conjunction with Synapse Commander, a software program preloaded on a Palm Pilot.

DELTA FAUCET'S NEW LOOK

Delta Faucet Company has adopted a whole company approach to business along with a new logo. The logo keeps the black and red colors, but now depicts a Greek symbol for change represented by water drops. The phrase "Beautifully Engineered" will also be incorporated into print and broadcast material.

ELKAY SELLS TO SUNROC

Sunroc Corporation purchased Cordley/Temprite bottled water cooler division from **Elkay Manufacturing Company**. Cordley/Temprite manufactures, distributes and sells bottled water coolers, point-of-use coolers and related accessories.

FISHER MANUFACTURING ACQUIRES HARDEN INDUSTRIES

Fisher Manufacturing Company acquired the Los Angeles-based Harden Industries which produces a premium brand of decorative solid-brass faucets and fixtures. Harden will operate as a separate division of Fisher. In addition, Don Gable was named president of Harden while keeping his current position as Fisher's Vice President of Business Development.

HAWS EMPLOYMENT CHANGES

Haws Corporation recently promoted Sallie Rena Haws Van Tassel to President and Ray Doane replaces the now-retired Pat Kelly as Vice President of Sales.

PRICE PFISTER'S BACH SOLO DEBUT

Just as Johann Sebastian Bach captivated his audience with his musical talent, so does **Price Pfister's** new Bach faucet line. Bach introduced its new collection at the Kitchen and Bath Show in April. The modern classics collection is comprised of Solo, Solo Premiere and Solo Minuet.

Designers and consumers now have the option to match their primary kitchen faucet with their secondary faucet. According to Mark Gold, General Manager, "The Bach Solo truly answers the call for style, without ever sacrificing function. It answers the demands by consumers and designers for a superior high-profile product that coordinates style between the secondary faucet and the primary faucet, which is unique to this caliber of kitchen faucets."

The Solo faucets feature a 360-degree rotation high arc spout for functional use of the sink with a right or left-sided handle positioning. It also offers a smooth pull-out spray-head. The Bach Collection will be distributed exclusively through select kitchen and bath showrooms nationwide.

PMI IN TRADE PRESS

"Low-flow Toilet Bill Reintroduced", *Supply House Times*, May 2001.

"Knollenberg Resurrects Bill To Amend Federal Low-Flow Law", *Plumbing and Mechanical*, May 2001.

"Knollenberg Resurrects Bill To Amend Federal Low-Flow Toilet Law", *PMEngineer*, May 2001.

"PMI Investigates Feasibility of Becoming Third Party Certifier", *PMEngineer*, May 2001.

"PMI Possible Third Party Certifier", *Plumbing and Mechanical*, May 2001.

"PMI Panel to Consider Certifying Products", *Contractor*, May 2001.

"PHCC, PMI Oppose 1.6-gpf Repeal", *Contractor*, June 2001.

"Flush Knollenberg", *Supply House Times*, June 2001.

"Manufacturers Say, 'Where's the Value?'"', *Supply House Times*, June 2001.

"Impatient PMI Eyes Role as 3rd-Party Product Certifier", *Wholesaler*, June 2001.

2001 PMI LEADERSHIP

Executive Committee:

Frank Evans, Chicago Faucet Company, President
Todd Talbot, Alsons Corporation, First Vice President
Ralph Herrbach, Cifial Brass Works, Second Vice President
Jim Westdorp, Kohler Company, Treasurer
Linda Mayer, Moen Incorporated, Immediate Past President

Directors at Large:

John Lauer, Sloan Valve Company (3/01-12/01)
Ken Martin, Delta Faucet Company (1/99-12/01)
Ed Pages, Garvin/Guarantee Specialities (1/01-12/03)
Claude Theisen, T&S Brass & Bronze Works (1/00-12/03)
Al Walcutt, MPC Plastics, Inc. (1/00-12/02)
Claus Zieger, Interbath Inc. (1/00-12/02)

PMI Staff:

ADMINISTRATIVE

Barbara C. Higgins, Executive Director
Lori Smelser, Association Manager

LEGISLATIVE & REGULATORY

Fred Eames, Balch and Bingham, LLP

TECHNICAL

David W. Viola, Technical Director
Kelly Enright, Technical Services Coordinator

LEGAL COUNSEL

Michael Sennett, Bell Boyd & Lloyd

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PMI Works...for you!!!