# Ripple Effect<sup>tm</sup> The Voice of Plumbing Manufacturers International

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## **Anti-trust Policy Compliance Is Serious Business**

By Barbara C. Higgens, PMI CEO/Executive Director



Barbara C. Higgens

If you have attended a PMI conference, committee meeting or conference call, you are well aware that PMI considers antitrust compliance serious business. As an industry association comprised of competitors, antitrust policy compliance is critical to our operations. Historic and recent infractions by companies here and overseas have made international

headlines causing a chill down the collective spines of our Board, staff and members.

For reference, here is a link to our antitrust policy which is no doubt very familiar to you: <u>http://goo.gl/Qrwck1</u>.

PMI includes the link with all of our meeting/conference call agendas and minutes as part of standard operating procedure. As you read the policy you may think, "Well of course those topics are not appropriate. How obvious!" In reality, infractions may occur innocently enough in the course of casual conversation. PMI staff and members must always be on the alert for conversations that stray from appropriate to inappropriate and put an end to them immediately.

Together with PMI's legal counsel, we held a session at PMI headquarters to review some pointers as an anti-trust refresher for staff. Here are the highlights:

- PMI staff is responsible for creating agendas for meetings and conference calls. Minutes or meeting notes must then be written to record outcomes and action items. Conference calls including Tech Talk and Advocacy/Government Affairs are report-outs and in this case meeting notes (rather than formal minutes) suffice.
- An important part of the minutes or notes is the roll call. While sometimes cumbersome, please bear with us as we document who is on the calls. At PMI conferences, this function is handled by a sign-in sheet.

Participants are required to indicate the sessions they attend by signing the double-sided attendance sheet which includes our antitrust compliant document. It is important for PMI to have a record of individuals who were, or were not part of specific conversations. During the opening remarks, it is routinely noted that the PMI antitrust policy is in effect.

- The PMI conference call lines may only be used when a PMI staff member is also on the call. A PMI staff member and/or legal counsel must be included on calls between PMI members.
- Precautions are strictly followed when PMI staff is asked to collect sensitive PMI member data to develop an industry metric. Company-specific information is kept confidential and the information is always published only in aggregate.
- Sensitive information including employee size, sales volume and PMI dues levels are kept confidential. All PMI staff have signed confidentiality statements.
- PMI is careful to avoid industry statements regarding potential impact on product pricing resulting from increased costs (imposed by materials changes and regulation). It is important that PMI members do not divulge company-specific information in group discussion of compliance with California's recent emergency executive order and regulation.
- PMI has a long history of participation by legal counsel at our annual conferences. Specific guidelines have been set for speakers and their presentations. Agendas, and in some cases presentations (depending on topic) are reviewed prior to the conference by legal counsel.
- PMI staff may not provide advice and/or interpretations (regulations, code language, product development, and marketing strategy). Such topics are off limits for one-on-one calls with PMI staff.
- PMI staff vigilantly guards against 'special treatment' for members. All information is shared equally with all members.

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## **Keeping an Eye on European Water Label Developments**

#### By Matt Sigler, PMI Technical Director

Over the

years, we've

had several

on the

European Water Label

during PMI

conferences

highlighting

how they

differ from

presentations



Matt Sigler

the US WaterSense label. Currently a voluntary program in Europe, it varies somewhat from the German Water Label also currently in use in Europe, yet both labels will face significant challenges if the European Commission decides to intervene regarding labeling in Europe.

While visiting the recent ISH Conference in Frankfurt, Germany, one of the many advertisements displayed throughout the show was for the European Water Label. Intrigued, I investigated to see how it applies to manufacturers and learned more about the labeling issues affecting Europe. We will address these new developments later this year at our own conference (see page 8).

### What is it?

The European Water Label is a voluntary program or scheme for identifying the water efficiency of bathroom and kitchen products such as faucets, showerheads, toilets, bathtubs, etc. The program is operated by the Water Label Company that is located in the United Kingdom (UK), similar to the EPA WaterSense Program that PMI supports in the United States. The label depicts the amount of water a product consumes, and each product group has its own measurement. For example, bathtubs are measured by the total volume to overflow, and toilets are measured by liters per effective flush, however no third-party certification is required. This voluntary program is supported by several manufacturers and leading

European organizations and trade associations such as the European Association for the Taps and Valves Industry (CEIR), European Federation of Ceramic Sanitaryware Manufacturers (FECS), and Bathroom Manufacturers Association (BMA) to name a few. At this time, the program encompasses around 8,000 registered products across 34 countries, which equates to over 57% of the European bathroom market.

### Why should manufacturers care?

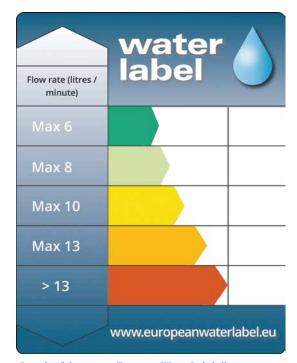
Water efficiency is seen as a key purchasing decision by consumers throughout Europe. In recent market reports in the UK, water efficient

brassware products accounted for over 35% of total sales. Additionally, water efficient water closets and showerheads accounted for over 20% and 25% of total sales, respectively. Such figures clearly show the benefits to a manufacturer who chooses to produce water efficient plumbing products throughout Europe, and the European Water Label enables the consumer to easily identify such products when making purchasing decisions.

## How does a manufacturer participate?

In order for a manufacturer to participate, there are a number of requirements for participation. Some of these requirements, or rules and regulations, are:

 A manufacturer selling within the European Union (EU) must demonstrate that their product(s) meets the criteria of industry experts, if necessary through third party certification (although this is voluntary).



Sample of the current European Water Label illustrating a product's water usage rating

- All applications must be received on the appropriate official paperwork downloadable from www.europeanwaterlabel.eu
- All applications must be accompanied by the appropriate registration and listing fee per product.

The remaining rules and regulations for participation can be found at: <u>http://</u> <u>www.europeanwaterlabel.eu/</u> <u>rulesandregulations.asp</u>

Learn more about this program when **Christian Hamlin-Taylor**, Technical Director, BMA (UK) presents on the European Water Label, how it differs from the German Water Label, and the challenges both labels face by the European Commission at the upcoming PMI Conference.

For more information on the voluntary program, please go to: www.europeanwaterlabel.eu

## **PMI Hosts Inaugural California Fly-In in Sacramento**

### By Jerry Desmond, PMI California Government Affairs Consultant

PMI hosted the first ever California Fly-In on May 6 in Sacramento, the state's capital. Designed to connect with state policymakers on important issues affecting plumbing products in the state the fly-in included meetings with the governor's office, the California Energy Commission (CEC) and visits to various state legislators.

In addition to PMI staff, leadership, company CEOs and members, the event was attended by representatives from **The Home Depot** and was held in the offices of several legislative representatives and various state officials including: Commissioner **Andrew McAllister** and executive staff with the CEC, **Wade Crowfoot**, Senior Advisor to California **Governor Jerry Brown**, Senators **Patricia Bates**, **Jean Fuller** and **Richard Roth**, Assembly Republican Leader **Kristin Olsen**, and Assembly Members **Bill Brough**, **Devon Mathis**, **Jose Medina**, and **Freddie Rodriguez**.

During the meetings, attendees discussed current plumbing issues in the state of California, including the regulations on residential and commercial faucets, as well as timeline projections and implementation goals for the new mandates.



The PMI contingent in front of the capitol building in Sacramento prior to hosting the Executive Fly-In. Shown from left to right are: Danny Gleiberman, Sloan Valve Company; Barbara C. Higgens, PMI; Paul Patton, Delta Faucet Co; Fernando Fernandez, TOTO USA; Joel Smith, Kohler Co; Jerry Desmond, PMI Government Affairs, CA; and Todd Talbot, Fluidmaster.

Representing PMI at the event were: **Barbara C. Higgens**, CEO/Executive Director, PMI; **Jerry Desmond**, PMI California Government Affairs Consultant; **Todd Talbot**, President, Fluidmaster and PMI Strategic Advisory Council member; **Fernando Fernandez**, PMI President and Director of Codes and Standards, TOTO USA; **Ray Fisher**, President, Fisher Manufacturing Company; **Paul Patton**, PMI Vice President, Senior R&D/Regulatory Manager, Delta Faucet Co; PMI's Water Efficiency and Sustainability Committee Co-Chair Danny Gleiberman, Manager-Product Compliance and Government Affairs, Sloan Valve Company; and PMI's Advocacy/Government Affairs Committee Co-Chair Joel Smith, Director of New Product Engineering, Kohler Co.

PMI will host an Executive Fly-In in September 15–16 in Washington, D.C.

## **Congress Approves, President Signs into Law Energy Efficiency Bill**

#### By Stephanie Salmon, PMI Federal Government Affairs Consultant

On May 1 2015, **President Obama** signed into law the Energy Efficiency Improvement Act of 2015 (S. 535). The bipartisan PMI-supported legislation, sponsored by Senators **Rob Portman** (R-OH) and **Jeanne Shaheen** (D-NH), will establish a voluntary "Tenant Star" program that will certify and recognize commercial building tenants for achieving high levels of energy efficiency, as well as require the General Services Administration (GSA) to develop model commercial leasing provisions to encourage commercial building owners and tenants to invest in cost-effective energy- and water-efficiency measures. PMI has contacted GSA to weigh-in and learn about the next steps the agency plans to take on the development of the model commercial leasing provisions concerning water-efficiency measures for buildings.

The law aims to reduce energy use from the built environment, which is the largest-consuming energy sector in our economy; encourage energy and water efficiency practices in leased spaces; and, spur the benchmarking of energy usage in commercial buildings. PMI and its members companies have long advocated about the importance of the interplay of water and energy in buildings. The new law can be found online at: <u>https://goo.gl/n3famG</u>.

Additional information will be shared with the PMI membership in upcoming weeks as details are released.

## **Drought/Water Shortages: Making Products that Can Help**

### By Dawn Robinson, PMI Communications Manager and Ray Valek, Public Relations, Valek & Co.





Dawn Robinson

Ray Valek

Water managers in 40 of 50 states expect water shortages within the next ten years. California is the best-known example of a state dealing with severe drought conditions and water shortages. To help save water, in response to current and projected shortages, PMI strongly encourages the purchase and installation of WaterSense toilets, showerheads and faucets.

#### **A Proactive Approach**

Long before the April 1 executive order by California Governor **Jerry Brown** sparked people across the country to take a hard look at water use in both residential and commercial settings, and low snow pack along the West Coast resulted in Washington **Governor Jay Inslee** declaring a state of emergency in a region commonly referred to as "rain country" (May 15), PMI was already taking proactive measures to address drought issues.

We have been proactively engaged with areas who have enacted voluntary programs and water conscious legislation across the US. In California we had already established a working relationship with the California Energy Commission (CEC) and other state officials and continue to do so.

For the past couple of years, we have been studying barriers to reducing flow rates, considering things like technological challenges, consumer behavior and expectation, safety concerns and more in plumbing fixtures to be proactive in confronting those challenges. For manufacturers producing products that use water to complete daily tasks is about more than making a product that uses less water—it's about making a product that uses less water and still does the job it is intended to do without a loss of user satisfaction. Even small drips can add up to huge savings and make a significant impact, yet just a few tenths of a difference in flow rate on a faucet can mean the difference being able to rinse the toothpaste off your toothbrush or not.

As a WaterSense partner, PMI has long been a supporter of the EPA's program because it has performance standards as well as water saving standards. Consumers can purchase WaterSense products today, be confident they will work, and start achieving significant and immediate water savings.

To learn more about the work PMI has done, and the savings WaterSense products can have in California please visit us online at: <u>http://goo.gl/Z72ZkS</u>.

### **U.S. Drought Monitor**

The U.S. Drought Monitor, established in 1999, is a weekly map of drought conditions that is produced jointly by the National Oceanic and Atmospheric Administration, the U.S. Department of Agriculture, and the National Drought Mitigation Center (NDMC) at the University of Nebraska-Lincoln.

PMI tracks drought conditions across the country and keeps close watch on states facing the most severe challenges working with policymakers to find safe, responsible solutions.

Links to this monitor can be found via the Safe Plumbing website at <u>http://goo.gl/e5x69Z</u>.

### What Can You Do?

You hold the key to saving water! Plumbing manufacturers have dedicated themselves to producing highly efficient products in a wide range of styles and prices. These products can be found in retail and wholesale showrooms across the country.

But product development is only a part of the solution. There are many components within the water delivery process responsible for ensuring that water is used in the most efficient way possible: consumer action (retrofitting inefficient products), consumer behavior (using products correctly) and supporting legislative/regulatory action including advocating for improvements to our nation's aging infrastructure.

Did you know that the USA would save 3 billion gallons of water per day if all products were retrofitted to today's efficiency levels?

Did you know that the USA loses 1.7 trillion gallons of treated water each year before it reaches pluming products through leaks in our nation's aging infrastructure?

### (Continued on page 5)



Visit http://goo.gl/4nJ3tn to learn why "WaterSense is Common Sense."

## **Tools, Resources and More via the Safe Plumbing Website**

### By Dawn Robinson, PMI Communications Manager

Dedicated to providing not just our members, but all those with an interest in safe plumbing with the latest, most up-to-date information affecting our industry, our website is constantly evolving and growing.

## Drought and Water Shortages

- In response to worsening drought situations and states of emergency in California and other states, PMI has added a dedicated page to our website focused on Drought and Water Shortages at: <u>http://www. safeplumbing.org/water-efficiency/ drought-and-water-shortages</u>.
- Also, our Join the Discussion articles now feature a section on the California Drought in addition to our previously existing topic of Water Efficiency. Details about how WaterSense products can help can also be found in our Water Efficiency section at: <u>http://www.</u> <u>safeplumbing.org/water-efficiency.</u>
- Members are invited to contact PMI's Communications Manager
  Dawn Robinson at drobinson@ safeplumbing.org or our Public Relations Consultant, Ray Valek at ray@valekco.com with any links, articles, or other materials you would like added to these pages.

## Additional Public Resources

- In addition to access to all the latest news and industry developments via the Join the Discussion, PMI News, and Member News sections of our site, visitors can also access a dedicated "tool box" full of resources. This "tool box" includes information on product markings, a glossary of industry terms, an index of industry acronyms, links to online publications, government resources, water efficiency, clean water, associations and so much more.
- Visitors can access sharable content and publications regarding water efficiency, clean water, myths vs. realities and plumbing history timelines at <u>http://www.safeplumbing.org/</u> water-efficiency/publications.

## Member-Only Resources

 One of the most valuable spots on our website for members-only is found in the Advocacy/Outreach section under "Resources." Here members can download sample letters to legislators on a variety of issues, access information about timelines for projects like the current CEC Regulations for faucets and more.



Based on input from the CEC meeting (see page 3 for details), PMI revised its homepage to highlight the drought and the value of WaterSense products which can be put to work immediately to mitigate the crisis.

Also be sure to visit the Reports section which includes meeting minutes and action items, legislative audio summaries, and reports on the issues being addressed by our various committees and task groups. Members can also receive these updates via email by signing up for the committee calls that interest them in the Member Profile section.

## **Drought/Water Shortages: Making Products that Can Help**

### (Continued from page 4)

Even in California, where laws have been in place to encourage use of WaterSense products in new construction since 2007, water saving fixtures account for an average of 6% of the products currently in use. Our highlyengineered, water efficient products can't save water until you act. For more examples of what you can do visit <u>http://goo.gl/QVSpJD</u>.

## Water Efficiency Can Pay Off!

Many WaterSense partners offer water-saving rebate programs for WaterSense labeled products—such as water–efficient toilets, showerheads, and faucets—as well as water conservation services.

Use the EPA WaterSense Rebate Finder to see what money-saving rebates are available in your area <u>http://goo.gl/</u> <u>bKsFb2</u>.

## **A Call to Action! PILC Meets in Nation's Capital**

The Plumbing Industry Leadership Coalition (PILC) hosted its fourth annual meeting on May 12 at the National Institute of Building Sciences in Washington, D.C. The meeting focused on "A Call to Action: The Future of Water—What We Need to Do Now!"

The meeting included an official welcome by Ryan Colker, Director, Consultative Council/Presidential Advisor, National Institute of Building Sciences (NIBS) and continued with guest speaker, Dr. Sokwoo Rhee, Presidential Innovation Fellow-Cyber Physical Systems on "The Internet of Things" and the development of "smart cities." Gardner Carrick, Vice President, National Association of Manufacturing Institute (NAM) also presented to the group on "Workforce Development." Additional topics were centered on current issues and the coalition's focus issues such as aging infrastructure, droughts and maximizing water efficiency, and furthering the group's united objective to provide true and accurate information to the public on the importance of clean, safe, and reliable water.

PILC was cofounded in 2012 by PMI, American Society of Plumbing Engineers (ASPE) and International Association of Plumbing and Mechanical Officials (IAPMO) and now includes 15 industry associations. PILC members include: PMI, Alliance for Water Efficiency (AWE), American Rainwater Catchment Systems Association (ARC-SA), ASPE, American Society of Safety Engineers (ASSE), American Supply Association (ASA), Cast Iron Soil Pipe Institute (CISPI), Copper Development Association Inc., IAPMO, International Code Council (ICC), Plastic Pipe and Fittings Association (PPFA), Plumbing Contractors of America (PCA), Plumbing-Heating-Cooling Contractors National Association (PHCC), United Association of Journeymen and Appren-



PILC meeting attendees gather in the nation's capital to address industry concerns

tices of the Plumbing and Pipe Fitting Industry of the United States, Canada, and Australia (UA), and Water Quality Association (WQA).

Attendees included: Barbara C. Higgens, CEO/Executive Director, PMI; Fernando Fernandez, PMI President and Director of Codes and Standards, TOTO USA; Stephanie Salmon, Federal Government Affairs Consultant, PMI; Mary Ann Dickenson, President and CEO, AWE; Billy Smith, Executive Director/CEO, ASPE; Dan Hilton, Director of Government Affairs, ASA; Russ Chaney, CEO, IAPMO; Dave Viola, COO, IAPMO; Dain Hansen, VP Government Relations, IAPMO; Pete DeMarco, Senior VP of Advocacv and Research, IAPMO: Gardner Carrick, Vice President, NAM; Ryan Colker, Director, Consultative Council/Presidential Advisor, NIBS; Richard Church, Executive Director, PPFA; Sean McGuire, Director, PCA; Cindy Sheridan, COO, PHCC; Thomas G. Bigley, Director of Plumbing Services, UA; and Pauli Undesser, Deputy Executive Director, WQA.

Members of the industry press are also invited as guests to cover the event. Present this year were **Robert Mader**, Editorial Director, Penton Mechanical Systems Group; **Ashlei Williams**, Editor, Plumbing Engineer Magazine; and **John Mesenbrink**, President and Owner, Mechanical Hub. **Bob Miodonski**, Plumbing Group Brand Leader and Publisher, BNP Media Group, was also invited but unable to attend.

## Facebook Post for California Fly-In

Assemblymember Freddie Rodriguez added 2 new photos.

It was a pleasure talking about the importance of water efficient faucets with Fernando of TOTO USA in Ontario and representatives from Plumbing Manufacturers International - PMI.



Special thanks to Assembly Member Freddie Rodriguez for meeting with PMI members during the Executive Fly-In and posting about the event on his Facebook page! Shown here with Mr. Rodriguez are PMI President Fernando Fernandez (left photo) and Ray Fisher, President, Fisher Manufacturing Company (right photo)

## **Plans and New Venue Announced for 2016 IETS**

The bi-annual **International Emerging Technology Symposium** (IETS) provides a unique opportunity to join leaders and visionaries in the plumbing and mechanical industries from across the globe. Convened by ten key industry associations (listed below), this two-day event scheduled for May 10–11, 2016 provides participants with an opportunity to view presentations and engage in timely discussions on critical topics. The symposium will be held at the Westin O'Hare on the Rosemont Campus near Chicago's O'Hare International Airport.

We will explore how emerging technologies have provided solutions to challenges throughout industry segments including plumbing, mechanical, HVAC, utilities, water efficiencyfocused organizations, manufacturing, and industry trade associations.

The IETS Conveners are seeking presentations from experts on the following topical issues:

• Alternate Water Sources - Show Off New Technologies and Share Your Expertise on Rainwater Catchment Systems and Gray Water Systems

• Water Efficiency in Buildings - Share New Studies and Emerging Technologies

• Water Quality Issues - Solutions to the Unintended Consequences of Water Efficiency, Health Implications, Disin-



fection and Anti-stagnation Strategies, Pharmaceuticals in Water

• Water-Energy Nexus - Pipe Sizing, Hot Water Design, Smart Metering Technologies

• Educational and Behavioral Issues -Waste Water / "Flushables," Showering and Bathing Safety Issues, Ramifications of Pricing

• 3-D Modeling for Plumbing and Mechanical Applications - Software Updates, BIM, 3D Designs for Sustainability

• Other Topics Addressing Improved Levels of Sustainability in Plumbing and Mechanical Applications

To submit a presentation abstract or call with questions: **Maria Bazan**, e-mail: <u>maria.bazan@iapmo.org</u>; toll free: 1-877-427-6601 (domestic), +1-708-995-3007 (international).

For more information about the International Emerging Technology Symposium or to view a series of videos from previous IETS symposiums, please visit <u>http://www.youtube.com/user/IAPMO-Group</u>.

Deadline to submit an abstract: August 1, 2015.







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## Save the Date For the 2015 PMI Conference!

Although somewhat hard to believe, we are nearly halfway through the year already and October will be here before you know it! Make sure to mark your calendars and save-thedate for the 2015 PMI Conference set for October 26–29 at the Hotel Contessa in San Antonio, TX. With an exciting line-up of speakers, presentations, and panelists set to focus on **The Future of Water: Wins, Woes and Worries**. This event is not to be missed!

Look for a full line up of speakers and complete details in the coming weeks. Registration opens in July and will be available online at www.safeplumbing.org – PMI members, prospective members, industry allies and members of the press welcome.



2015 PMI CONFERENCE October 26–29 Hotel Contessa, San Antonio, TX



## Anti-trust Policy Compliance Is Serious Business

### (Continued from page 1)

- PMI cannot engage in industry research which attempts to rank product performance by PMI member companies or which is intended to declare a particular technology or design as superior to another.
- PMI is prohibited from making claims to health effects of products.

The characteristics that make industry associations a powerful force, are the same characteristics that call for strict adherence to antitrust policy compliance.

While PMI effectively leverages the strength of our numbers, we are careful that the data gathered and information shared does not cross the line. We are all stewards of the PMI antitrust policy. Help us help you by being on the alert!

## **2015 PMI LEADERSHIP**

### **EXECUTIVE COMMITTEE**

Fernando Fernandez, TOTO USA President

Paul Patton, Delta Faucet Company Vice-President

Peter Jahrling, Sloan Valve Company Treasurer

Tim Kilbane, Symmons Industries Immediate Past President

#### **DIRECTORS AT LARGE**

C.J. Lagan, American Standard Brands (1/13–12/15)

> Scott McDonald, Fluidmaster (1/14–12/15)

Rick Reles, Kohler Company (1/15–12/16)

Nate Kogler, Bradley Corporation (1/15–12/16)

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