

2012 Annual Conference Receives High Marks

Two hundred and thirty attendees gathered in Monterey, CA making the recently concluded 2012 FISA Annual Conference one of the most well attended conferences ever. The attendees represented 82 different companies and 71% brought spouses/guests.

FISA gathers feedback from conference attendees through on-site surveys at the conclusion of each of the educational sessions and through an electronic survey sent to attendees a week after the Conference. By compiling responses, the FISA Board of Directors notes trends and responds to suggestions in making plans for the next conference. 64 people, or approximately 47% of the attendees, participated in the post-conference electronic survey. Here are a few of the highlights:

- 92% said they reviewed company profiles of attendees prior to the conference
- 73% said they contacted an attendee prior to the conference to schedule a meeting while in Monterey.
- 89% said they talked to a new contact during the conference and would be following up with them about possibly doing business in the future.
- 91% said they were planning to attend the 2013 Conference in Savannah, GA.

When asked what they considered the greatest “take home” value they learned at the conference, attendees overwhelmingly mentioned the outstanding line-up of speakers.

- “The economic and global outlooks – fascinating. Will definitely help me to plan for the future – both fiscally and personally.
- “The greatest take home value I learned at the conference besides new contacts was the information shared by the speakers regarding the economy and sta-



(L to R) Jim Zaiser of Hydro-Thermal talks with speaker, Herb Meyer, following Herb's presentation of "What In the World Is Going On?"

bility of the USA market. This was very interesting and useful in my planning.”

- “The evolution that China is going through and that it may not be so advantageous for companies to continue to manufacture there.”
- I’m a first-timer, so really getting perspective from our distributors on our industry and our performance was most profound. Very much found the speakers to be relevant and interesting.

Also, many people mentioned networking as what meant the most to them:

- “It is the networking opportunities that give the greatest value.”
- “New contacts.”
- “Meeting in person people I have spoken to on the phone for years and the new people I met while there.”
- “There’s a lot to be learned from each other.”
- “Meeting potential partnerships.”

And in summary, “Speakers were very high caliber! Great networking opportunities. Loved the location.” **Mark your calendar now for the 2013 Annual Conference in Savannah, GA and find out for yourself the value of participating in FISA.**

Special thanks to the sponsors of the 2012 FISA Annual Conference:

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Distributors Serving Sanitary Processing

FISA is an association composed of distributors and manufacturer members who share a commitment to value-added distribution in serving high purity processing industries. FISA's mission is to help its members improve performance and customer value.

2012 – 2013 FISA Board of Directors

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Pump Solutions Group

FISA Address:

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Greensboro, NC 27408
Phone 336-274-6311
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www.fisanet.org**

Stella L. Jones
Executive Director

Email: stella@fisanet.org

From the President



Dear FISA Members,

It was great being with so many of you in Monterey, for the annual FISA Conference. The speakers were excellent, the activities fun and the overwhelming participation by the membership truly made the meeting! It is an honor to learn from some of the greatest minds and leaders in our industry. Thanks to all for your enthusiasm and input, which made the conference so successful.

Regarding the program, each speaker communicated unique and valuable insights, including the following:

- Economist, Dr. Brian Beaulieu gave specific insight about the near term economic situation, and a prophetic, fifteen year prediction.
- Herb Meyer's extremely interesting presentation regarding global intelligence was fascinating. Information, shared by Mr. Meyer, looked retrospectively at the world past, framed the present and pointed to the future, from an entirely different perspective than I have ever considered.
- Professor/Consultant, Dr. Bill McCleave's well-researched and well-presented talks provided useful tools for running our businesses.



Stella Jones, our Executive Director, the Board of Directors and the conference committee deserve thanks for their efforts planning and executing our Annual Conference. Additionally, I would like to individually thank James and Liz Murphy, our conference chairs, who did a wonderful job. Wallace Wittkoff, earned our appreciation for the entertaining slide show presentation each morning at breakfast. Many thanks to volunteer yoga instructor, Sally Hennessey, for an outstanding job. Thanks, also, to Dave Murray for taking pictures at this conference, so the memories can be shared in the future. Thanks to long-time FISA member, Jim Banks, and his partnering Sponsors, for their generous gifts which helped us afford the great program, including the top-notch speakers, cocktail parties and the memorable Closing dinner at the aquarium.

Karl Girton, a past president and now retired FISA member, sent a special gift to our organization. Karl's gift is a notebook containing a history of FISA, meeting minutes, financial statements, newsletters and correspondence from prior years. Thank you Karl for the time, effort and commitment you invested in living the FISA history and compiling this record of it.

Board members rotating off this year are Dave Murray of SPX, James Murphy of Standard Pump, Inc. and Dennis Wright of Wright Process Systems. Their contributions over the past three years made the organization stronger. Welcome to our new board members Joe Allman of Flowtrend, Inc., Andrew Hider of Anderson Instrument Co. and Jason Ryan of PureServe Systems.

At the board meeting following the conference, plans were already being formulated for next year's Annual Conference, which we hope to make even better than Monterey. We encourage members who were not able to attend this meeting, to please make plans to join us in Savannah next year, as it will be a Conference worth attending.

Thank you again for your participation and good luck applying knowledge gained at the meeting to your businesses.

All the best,

David Brink

2012 Annual Meeting Highlights

At the FISA Annual Meeting on September 18th, President, David Brink, presented plaques to Dennis Wright, Dave Murray, and James Murphy and recognized them for their contributions to FISA as they completed their three-year terms on the Board of Directors. David also recognized Conference Chairman, James Murphy, and his wife, Liz, for their leadership in planning the Conference.

- Stella Jones reported that FISA had gained 13 new members this year. Membership now includes 56 distributors, 76 manufacturers, and three associate members for a total of 135 members.
- David Brink announced that the Board had voted to once again offer two scholarships to UID and encouraged members to apply by November 1st for the scholarships.
- Stella Jones announced that former FISA President, Karl Girton, had compiled a detailed chronological history of FISA including copies of newsletters from 1969 to 1999. Karl was president of FISA in the mid 1970s and was an integral part of the organization for many years before selling his distribution company. The entire FISA organization thanks him for his outstanding contribution to FISA by compiling this history.
- Rodney Dobbins, Chairman of the Nominating Committee announced a slate of three new directors. A motion was made, seconded and carried and the following three directors were elected to each serve a three-year term on the FISA Board of Directors.



Joe Allman is a Co-Owner of Flowtrend Inc. based in Houston, Texas. Joe says "It is both an honor and a privilege to serve on the Board of Directors of such a dynamic

organization. FISA provides many benefits for Distributors and Manufacturers alike. One benefit is the opportunity to learn from the various educational and current event speakers that provide analysis of Economic and Political trends that affect our industry.

Another is an unimpeded opportunity to interact with those people responsible for the management of Distribution and Manufacturing organizations within our Industry. FISA also provides a great platform to build lasting personal relationships that extend beyond the day-to-day business relationship. I look forward to contributing to the continued success of FISA." An avid golfer, Joe and his wife, Angela, live in Rockwall, Texas and have two sons.



Andrew Hider is the Vice President and General Manager of Anderson Instrument Company and Negele Messtechnik. Andrew states, "The FISA organization is

powerful in that it has the capacity to bring distributors and manufactures together in order to focus on the current and future needs of our customers. This organization has been a key part of our business; providing networking opportunities, educational programming, business development, and information on current industry trends. Our business remains confident in FISA's ability to remain relevant to today's changing environment. I personally look forward to helping in this changing global demand and creating lasting relationships". Andrew, his wife Alison, and son AJ enjoy most outdoor activities and spending the weekends exploring Saratoga Springs and the surrounding Adirondack Mountains.



Jason Ryan is Division Manager at PureServe Systems, a division of Corrosion Fluid Products Corp. Jason says, "FISA provides a very unique platform for various equipment

supply chains to network and collaborate on industry topics that are pertinent to the decision makers in a company. The educational forum provides new ideas to better the service the customer base across the country, each session has value for the distributor and manufacturer. " Jason and his wife, Lisa, have two children, and Jason enjoys skiing, camping and hiking.

UID Scholarship



FISA is offering two scholarships to UID. Each scholarship covers the \$995 tuition cost for the March, 2013 UID program. Any FISA employee of a member company is eligible to apply as long as he/she has been employed in the industry for two years. Applicants provide a letter of recommendation from a company principal or manager and write a short essay about why he/she wants to attend. Deadline for submission is November 1st.

Go to www.fisanet.org, click on Member Benefits and in the drop down menu click on Targeted Education. The guidelines for applying and the registration form can be downloaded. If you have questions, call the FISA office at 336-274-6311.

Welcome New Members

Design & Processing Resources Inc.

Contact: John Paul

12009 Spaulding School Rd.
Plainfield, IL 60585
Phone: (815)609-8950
john@designprocessinc.com

Separators Inc.

Contact: John Campbell

5707 W. Minnesota St.
Indianapolis, IN 46241
Phone: (317)484-3755
jcampbell@sepinc.com
www.separatorsinc.com

Smith-Cooper International

Contact: Arne Fine

2867 Vail Avenue
Commerce, CA 90040
Phone (323) 890-4455
afine@smithcooper.com

Make Your Move

By Brian Beaulieu



Brian Beaulieu, the CEO of ITR[®] presented a clear look at the economic outlook for our industry and for the global economy. Attendees learned:

- How long the good news will last.
- The dangers from coming inflationary pressures.
- What to expect from interest rate movement.
- The impact of the Super Committee.

And most importantly, attendees learned what strategies and tactics should be undertaken now to maximize their profit potential in the years to come.

Below are ITR's recommendations for what to do in each economic phase.

1

Phase Management Objectives™

2012-2013 – Recovery

1. Positive leadership modeling (culture turns to behavior)
2. Establish goals: tactical goals which lead to strategic achievement
3. Develop a system for measurement and accountability re:#2
4. Align compensation plans with #2 and #3
5. Be keenly aware of the BE (Break Even) point and check it regularly
6. Judiciously expand credit
7. Check distributions systems for readiness to accommodate increased activity
8. Review and uncover competitive advantages
9. Invest in customer market research (know what they value)
10. Improve efficiencies with investment in technology and software

The graph shows a blue curve rising from a low point, crossing a horizontal line, and continuing to rise. Point A is marked on the curve below the horizontal line, and Point B is marked on the curve above the horizontal line. Arrows indicate the direction of the curve.

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2

Phase Management Objectives™

Phase Late B Early C – Prosperity

1. Stay in stock on A items, be careful with C items
2. Consider selling the business in a climate of maximum "goodwill"
3. Penetrate new selected accounts
4. Develop plan for lower activity in traditional, mature markets
5. Freeze all expansion plans (unless related to "what is next")
6. Spin off undesirable operations
7. Consider taking on subcontract work if the backside of the cycle looks recessionary
8. Stay realistic – beware of linear budgets
9. Begin missionary efforts into new markets
10. Communicate competitive advantages to maintain margins

The graph shows a blue curve rising to a peak, then falling. Point B is at the peak, Point C is on the downward slope, and Point D is at the bottom of the curve. Arrows indicate the direction of the curve.

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3

Phase Management Objectives™

Phase Late C - Warning

1. Begin work force reductions
2. Set budget reduction goals by department
3. Avoid long-term purchase commitments late in the price cycle
4. Concentrate on cash and balance sheet
5. Reduce advertising & inventories
6. De-emphasize commodity/services in anticipation of diminishing margins
7. Weed out inferior products (lose the losers)
8. Encourage distributors to decrease inventory

The graph shows a blue curve falling from a peak, crossing a horizontal line, and continuing to fall. Point C is marked on the curve above the horizontal line, and Point D is marked on the curve below the horizontal line. Arrows indicate the direction of the curve.

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4

Phase Management Objectives™

Phase Late C - Warning

9. Identify and overcome any competitive disadvantages
10. Make sure you and the management team are not in denial
11. Cross train key people
12. Watch Accounts Receivable aging
13. Increase the requirements for justification of capital expenditures
14. Evaluate vendors for strength (don't get caught honoring their warranties with no one to accept returned goods)
15. Manage the backlog through pricing and delivery, try to fill the funnel

The graph shows a blue curve falling from a peak, crossing a horizontal line, and continuing to fall. Point C is marked on the curve above the horizontal line, and Point D is marked on the curve below the horizontal line. Arrows indicate the direction of the curve.

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7 Must Watch Items

- ❖ ITR Leading Indicator
- ❖ Corporate Bonds Rate-of-Change
- ❖ US Leading Indicator
- ❖ Purchasing Managers Index
- ❖ Retail Sales
- ❖ Employment
- ❖ Nondefense Capital Goods New Orders

Available from ITR via *ITR Trends Report*, the *ITR Advisor*, or on the web

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Where Managers Blunder

By Dr. Bill McCleave



Dr. Bill McCleave of W. R. McCleave & Associates presented two sessions at the recent Monterey Annual Conference. The first presentation was entitled *Differentiation and Metrics That Matter Most*. The second presentation, entitled *Where Managers Blunder*, was based on results of surveying FISA members and comparing those results to responses from hundreds of others in various trade associations. Conference attendees commented they liked having a presentation based on specific data from within the FISA membership. The following seven points summarize the presentation on *Where Managers Blunder*.

7 Key Takeaways

- 1** Communication is Critical – You do it every day so you can be an expert.
- 2** Truth is Essential – If you lie, you better be really good at it because teammates are good at spotting it and don't like it.
- 3** Making teammates feel appreciated is a short trip to higher morale.
- 4** Empower, mentor and teach if you want better results.
- 5** Skip the Power trips. Managers on power trips belong in weight lifting companies – not in your company.
- 6** Leave your personality defects at the gate – and motivate others to do the same.
- 7** Learn from what is already out there! This is not rocket science but don't take your eye off the ball yourself and managers who report to you.

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Transportation Benefits



Lower costs and increase margins when you ship with YRC Freight, the original LTL (less-than-truckload) experts. FISA has negotiated special rates for members on qualifying LTL shipments. YRC Freight delivers flexibility and reliability to your supply chain through a comprehensive North American network and a broad portfolio of standard, guaranteed, expedited, specialized, and Canada and Mexico cross-border LTL services. YRC Freight invented LTL, bringing you more than 85 years of innovation – that's Confidence Delivered.

Be sure to activate your savings today online at enrollhere.net.

Contact your dedicated association specialist at [800.647.3061](tel:800.647.3061) or associations@yrcfreight.com.



FISA has negotiated special rates with Reddaway, Holland, and New Penn for your regional LTL (less-than-truckload) freight shipments. Each carrier leads their geographic regions in next-day delivery, quality handling, and on-time performance.



Member News & Views

The who, what,
where, when and
whys of the FISA
membership.

How to Submit News

The Distributor News is published quarterly and the deadline for the next issue is February 22, 2013. Due to space limitations, we cannot print specific product information, but personnel changes, changes of address, expansions or other industry news is always of interest.

If you have a question, please call 336-274-6311.

Fax information to FISA at 336-691-1839 or mail to FISA at 1207 Sunset Drive, Greensboro, NC 27408.

Email: stella@fisamet.org

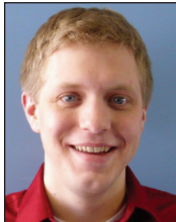
Sanitube

Sanitube is pleased to announce the hiring of **Jim Cramer** to the position of National Accounts Manager. Initiating his career in 1987 at Jensen Fittings, Jim comes to Sanitube with over 25 years of experience in the sanitary stainless steel fittings and tubing industry. Located in Lakeland, Florida, Sanitube is a producer of stainless steel tube, valves, and fittings for food, beverage, and dairy production.

W.M. Sprinkman Corporation



Mike Kloster



Brandon Stiles

W.M. Sprinkman Corporation is pleased to announce the hiring of **Mark Kloster** and **Brandon Stiles**. Mark has over 25 years of plant management experience and will be working for W.M. Sprinkman as a regional sales manager handling Iowa, Nebraska, Minnesota, Kansas and Missouri. They are excited about the addition of Mark and look forward to adding his expertise to their team. Brandon comes to W.M. Sprinkman via Eisenmann Corporation and holds a BS in Chemical engineering from Purdue. Brandon is working with their engineering team on projects and adding to their 3D drawing capabilities.

Hydro-Thermal Corp.

Hydro-Thermal Corp. announces **Heather Mroz**, Regional Manager Northeast, was invited to speak at the Food Science Forum 2012 in Pittsfield, MA on September 11, 2012. Ms. Mroz presented a seminar on Direct Steam Injection – Energy Savings and Precise Temperature Control. The annual seminar attracts members of the food industry – nutrition, culinary arts, product and recipe development, human and pet foods, food quality and analysis, fresh food production, application of food ingredients in health products and food economics. **Mary G. Cohodes**, Marketing Manager– Hydro-Thermal Corp., was recently reappointed to serve on the Samuel Cate Prescott Award Jury for a term expiring in 2014. The institute of Food Technologists sponsors the award to honor an IFT member who has “shown outstanding ability in research in some area of food science and technology.” The jury votes on the most worthy recipient for this award based on submissions and the award criteria. The winner is announced at the IFT Annual Meeting and Food Expo each year and is given a monetary award and a plaque.

M. G. Newell Corporation



M. G. Newell Corporation is pleased to announce that **J. Michael Sherrill** has been named Executive Vice President and Chief Operating Officer of the company. In this capacity, Michael will be responsible for the three operating divisions of the company, as well as the operations department. Michael is a graduate of Hampden-Sydney College and most recently was Vice President and General Manager of the Greensboro Division. **Gray E. Sherrill** has been named Vice President and General Manager of the Greensboro Division, succeeding Michael in that capacity. He is a graduate of UNC-Greensboro and has been Director of Marketing and Business Development for the company. M. G. Newell is a distributor of stainless steel process equipment and systems integrator for the sanitary processing industries. It is headquartered in Greensboro, NC.

Chicago Stainless Equipment

Chicago Stainless Equipment is celebrating its 75th Anniversary. The company's roots can be traced back to 1937 when they began manufacturing milk storage tanks in Chicago, Illinois during the final years of the Great Depression. Over the years, the company grew to be a respected, innovative industry leader in the design and manufacture of not only tanks, but eventually of filling, packaging and pasteurization equipment as well. Necessity being the mother of invention led that creative engineering spirit to design the industry's first sanitary pressure gauge which, because of its unique design, received a U.S. patent. Today, Chicago Stainless manufactures a full line of instrumentation used in all types of hygienic and industrial process applications worldwide. This year marks the 75th anniversary of Chicago Stainless Equipment and their historical contribution to the dairy and food processing industry. Chicago Stainless Equipment says, “We are grateful for organizations like FISA who have helped develop and maintain treasured relationships with our customers throughout the years. With ever expanding and improving products and service, CSE plans to press on ahead for the next 75 years and beyond!”

Continued on page 8...

FISA 2012 Annual Conference • Monterey, California



Scott & Amanda Sasse and Mary Ann Lippert of Nelson-Jameson, Paul Sedivy, RathGibson



Jeff Lindsey, QSM Inc., Betsy Newman of Newman Sanitary Gasket Co., Paul Lindsay, QSM Inc.



Dave & Dianne Murray, SPX Flow Technology



Kendra Sherrill, M.G. Newell Corp, Barb Fearn, Walker Engineered Products, Char Kelly, BNP Media, Tara Sherrill, M.G. Newell Corp and Pam Mahoney, ITT Corp.



Keith & Kathy Santi, Trans-Market Process Systems



Linda Meade, Jack Luechtefeld, & Gary Rinck of DSI Process Systems and James Murphy, Standard Pump Inc.



Shawn, Holly, Davy, Dennis & Kristi Wright and Robert McLane of Wright Process Systems



Chuck Leonard, DCI Inc, Dan Orr, Food Equipment & Engineering Company, David Strouse, Walker Engineered Products



Aaron Renick, Seepex, Linda Lappas, Alfa Laval Inc. and Bud Watts, Dynamic Manufacturing Solutions LLC

Winter Technologies LLC

Winter Technologies LLC has moved into their new expanded facility. The new facility in Pacific, MO, doubles their office space and triples their plant square footage. They have added more cleaning and cleanroom facilities to better process the special cleaning services such as CFOS, (cleaned for oxygen service) for their products and customer supplied products. They can now clean and passivate at both facilities in the St. Louis, MO area and Elkhorn, WI, where they service customer's tubing, fittings and valves.

Tetra Pak Inc.

Tetra Pak Inc. is pleased to announce **Darin Dye** has accepted the role of Application Engineer, Tetra Alex homogenizers and high pressure pumps, based in Vernon Hills, Illinois. Darin is a recent graduate of the University of Wisconsin, where he earned his Bachelor's of Science Degree in Mechanical Engineering. His main role will be to provide technical support to our customers and distributors for our homogenizer product line. For further information on Tetra Pak, visit our website at www.tetrapakprocessing.com.

Dixon Sanitary



John Medeiros



Mike Komassa



Jim Rowley

Dixon Sanitary, located in Pewaukee, WI, is pleased to announce the creation of a dedicated sanitary outside sales force. **John Medeiros** covers the West Region, **Mike Komassa** the Central Region and **Jim Rowley** in the East Region. Each one of these salesman are sanitary specialists.

Dixon is a manufacturer and supplier of hose fittings and accessories spanning a wide range of industrial uses. Dixon's range includes products for fire protection, food, dairy processing, beverage and brewery, mobile tankers, mining, construction, chemical processing, petroleum, oilfields, refining, agriculture and manufacturing.

Mark Your Calendar

November 1, 2012

UID Scholarship Applications Due

December 1, 2012

Scholarship Winners Announced

March 10-14, 2013

UID in Indianapolis

September 14-17, 2013

FISA Annual Conference
The Westin Savannah Harbor
Golf Resort & Spa

NOTE:

Remember to update your company information. Go to www.fisanet.org and look under the Membership Listing. Email changes to stella@fisanet.org.



Distributor News

1207 Sunset Drive
Greensboro, NC 27408