



THE INSIDER

The Association of Fluid Sealing Professionals

2009 SEALING SUMMIT

Presents New Technologies, Opportunities and Leaders

This year's Sealing Summit and Supplier Showcase in San Antonio, Texas was again an excellent opportunity to network, share ideas, hear some outstanding speakers on both business and technical sealing topics – and even get in a little sight-seeing in a beautiful city. Although the format was more condensed than usual in recognition of tough economic times and the need to stay focused on the business, we managed to pack a lot of value into the time we had. As one attendee noted, the Summit was a "great opportunity to network with peers and learn about companies in our industry." Several opportunities to network were offered this year, including CEO Forum sessions, Emerging Leaders Initiative breakouts, and business roundtable discussions.

A key focus this year was on technical presentations on sealing technologies. Attendee response was enthusiastic, although we also heard your request to provide a wider variety of technical topics for future events. We will continue to work on making this an even more valuable portion of the Summit in future.

Also this year, the Sealing Summit provided the additional opportunity for the ISD CEO Forum groups to meet as well as those that are interested in being a part of this valuable program. One of the CEO Forum Groups completed a questionnaire covering 29 business topics prior to arriving at the Summit. The group was then able to use this questionnaire as talking points and a basic framework for their meeting and discussion.

Many of the topics surrounded the current economic climate. How do they see business for next year? Have they reduced head count within their companies? How are their banking relationships faring in this difficult economy? The discussion also included some positive topics as well such as, what are the three positive things that you see in your market today? And what are the three things that cause you the most concern? As you can see from this brief insight into a typical CEO Forum group discussion, it is easy to see why these have become such a valuable part of the members' membership with ISD.



As at each Summit, we highlighted the changes in ISD leadership, thanking our outgoing President, Larry Goode, along with our outgoing board members, Dena Strong with IGI, and Steve Daniele with Seal-Pac Professional Services. We welcome our new officers: Doug Sharpe, President; David Antoline, Vice President; Christy Otto, Treasurer, and Larry Goode,

Immediate Past President. We also have three new additions to the Board; please welcome Steve Luhrs with Mar-Kell Seal, Inc, John Kates with Gallagher Fluid Seals, Inc., and Greg Rogers, with Seals, Inc. We are excited to have such a talented group leading the organization.

Finally, next year's program plans are in the works and we are excited about the expanded value and opportunities this will provide for our members. Look for announcements at www.isd.org.

From the PRESIDENT

Dear Fellow ISD Members,

I trust everyone has enjoyed the changing seasons. The foliage was beautiful here in Southern Quebec. This has given way to the grey skies and our first snow fall of the season.

Just as the seasons change from year to year, our association has also made its annual transition and is looking forward to an exciting year for ISD. I am looking forward to my term as President and what the year will bring for the association. I would like to thank Larry Goode for his dedication to ISD and all his efforts over the years. I would also like to express my heartfelt thanks to all of our past ISD presidents who have brought us together and helped build the association that we have today.

It has been a challenging time for some of us and ISD has been faced with the same issues that we find in our daily business lives. After critical discussion and analysis, the ISD Board has been able to create a list of the important issues that need to be addressed. Out of our most recent board meeting, we identified six (6) key objectives for the 2009-2010 year.

- Clarifying the branding of the association
- Expansion and marketing of next year's ISD Sealing Summit to bring in new members and prospects for ISD
- Continuing to develop and expand the CEO forum program
- Continuing to develop the ISD Young Executives / Emerging Leaders Program and other networking opportunities for the up and coming generation of ISD members and future leaders
- Year round support of our member to member networking
- Working to balance membership growth and revenues

We need to get out of our comfort zone and network by utilizing our new ISD website and our newly created social networking groups on LinkedIn to develop and leverage ISD. We have also been invited to participate with the "GFA Expo - Spring 2010", which could also provide an excellent chance for ISD members to network with other business executives and get the word out about the ISD.

Our executive committee is energized and up for the challenge. We will engage our Emerging Leaders (ELI) to play a prominent role on our committees and we will call upon the ISD members for your support.

By working together towards our common goal, we can "enhance the success of ISD members through information, education and interaction". I look forward to being your President and working with each of you in the coming months ahead.

ISD President – Doug Sharpe



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When the *Going Gets Tough*, The Tough Still Produce A Profit

BY DR. AL BATES

For most firms, 2008 qualifies as a year to file and forget. The financial results for recession years, however, offer some extremely valuable insights into what distinguishes the outstanding firm from the more typical firm. An analysis of the results for 2008, therefore, can be very insightful.

The recently completed 2009 ISD financial benchmarking study provides detailed financial and operating benchmarks for the industry. It indicates that many firms struggled to some extent. Some firms, however, continued to prosper despite sales and margin pressures. The differences between the typical firm and the high-profit firm are significant.

Typical Versus High Profit

The typical firm in the survey is the firm with a financial result in the exact middle of the financial results for all participating firms. That is, half of the firms performed better than the typical firm and half performed worse.

The typical firm generates sales of \$8,146,411. On that sales base, it produces a pre-tax profit of \$399,174. This means the firm produces a profit margin of 4.9% of sales. Stated somewhat differently, every \$1.00 of sales results in 4.9 cents of profit.

Most firms tend to produce results that are relatively close to the typical firm's results. The challenge, especially in troubled economic times, is that being typical is not good enough. To see why, it is useful to compare typical and high-profit results.

The high-profit firm, operating with the exact same set of economic and competitive challenges, generates a profit margin of 7.5%. This means that even if the high-profit firm had the same sales as the typical firm, it would generate more profit for reinvestment in the firm allowing it to produce even more sales and profit. This is an on-going advantage which is magnified over time. It is an advantage which becomes magnified in tougher economic times.

The Route to High Profit

In good economic times, firms have the advantage of a strong sales tail wind. To a certain extent, this advantage



provides firms with a margin for error. They can rely on sales growth to overcome poorly managed financial aspects of the business to remain profitable. In tougher times, profits are much more problematic.

In tougher economic times, reaching high-profit performance is a matter of identifying what is most important to achieve profit and developing a plan to perform better in those areas. While other factors cannot be forgotten, they are given a strong dose of benign neglect.

In benchmarking terms, the important items are called the critical profit variables (CPVs).

The CPV results for this study for the typical firm and high-profit firm are summarized in exhibit 1.

THE CRITICAL PROFIT VARIABLES		
PERFORMANCE RESULTS	TYPICAL	HIGH PROFIT
NET SALES	\$8,146,411	\$6,769,664
Profit Margin (Pre-Tax)	4.9%	7.5%
THE CRITICAL PROFIT VARIABLES		
Sales Change	3.0%	6.7%
Gross Margin	39.3%	39.4%
Payroll Expense	23.2%	21.4%
Non-Payroll Expense	10.9%	10.5%

EXHIBIT 1

One caution is always in order when comparing typical and high-profit firms. No firm produces superior results for every single CPV in good times or bad. It is simply not possible. Successful firms combine CPV performance in ways that maximize overall profitability.

Planning

In planning CPV goals in a soft market, four factors have the greatest potential impact on profit. These must be the center of planning attention. These factors are sales growth, gross margin, payroll expenses and non-payroll expenses.

You will notice that these factors are all from the income statement rather than the balance sheet. This does

continued page 4

not mean that balance sheet factors such as accounts receivable, inventory and fixed assets should be ignored. It is just that the profit pressures associated with recession tend to make them secondary concerns.

Firms that successfully control these four critical factors have a major financial advantage in slow times which tends to carry over into good times.

Sales Growth

Clearly, sales growth is a precious commodity in a sluggish economy. But to a large degree, the need for rapid sales growth has been overstated. It is possible to increase profits with slow growth. The real challenge occurs when growth becomes negative making profit improvement impossible.

Managers need to stop thinking about sales growth in absolute terms. Rather than targeting 5% growth, for example, they should focus on relative sales growth in relationship to expense growth. Ideally, firms should target sales increases somewhere between one to two percent faster than operating expenses. If they do, profits will improve. This is a realistic objective for most firms even in slow-growth markets.

Gross Margin

The ability to generate adequate gross margin continues to be a major determinant of profitability. Financial success over the long term demands strong gross margin performance. In periods of slow growth, there are intense pressures on gross margin but most firms can still find opportunities for significant margin enhancement.

Payroll Expenses

Payroll is by far the most important expense factor, which means that controlling payroll is essential to controlling expenses. In recent years payroll has rivaled gross margin in importance as a driver of profitability. This is because payroll expenses, especially fringe benefit components, have increased relentlessly in both good times and bad.

Non-Payroll

Most non-payroll expenses usually require

only minor adjustment. Unfortunately, numerous expense categories must be examined and adjusted. Controlling non-payroll expenses will probably always involve examining every expense category with a goal of making modest improvements in a number of different areas.

Nobody ever claimed that managing in a sluggish economy was easy. The economy's impact on performance, however, can be minimized with proper for planning and control.

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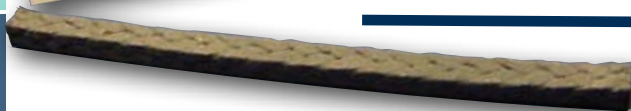
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2009 SEALING SUMMIT *Photos*





The 2009 ISD Sealing Summit Eco Awards Were *Another Great Success!*



A new 'Go for the Green' theme again provided the theme for the annual *Fluid Sealing Supplier Showcase* exhibits program, which displayed the latest fluid sealing solutions with a focus on eco-friendly products and procedures designed to reduce waste, promote recycling and minimize carbon footprints. The exhibiting firms were judged by a panel of ISD distributor members, with awards provided to three winners: Paul Smith of *American Biltrite*, Don Chittum of *American Braiding and Manufacturing*, and Lloyd Guzek with *Garlock Sealing Technologies*. Here are more details about the winners:

Garlock's 212-ULE™ Ultra Low Emission valve stem packing:

Garlock's 212-ULE™ Ultra Low Emission valve stem packing is an environmentally friendly product in two regards. The product itself is warranted to keep user's fugitive emissions below 100ppm helping them comply with EPA and corporate emission requirements and assisting in clearing the air. At the same time, this product is packaged in recyclable cardboard to reduce landfill footprints and just one ton of recycled cardboard can save 17 trees from being cut to be used for pulp, saves 7000 gallons of water, cuts pollution 95% and saves 462 gallons of oil....not bad for a valve stem packing!



American Braiding's new style 5000IJ Valve Stem Packing:

American Braiding's new style 5000IJ Valve Stem Packing has been developed to meet the new fugitive emission requirements for 2010. It has been designed for applications requiring extremely low emissions at or below 50PPM and is an excellent choice for Leak Detection and Repair (LDAR) programs. 5000IJ is an API fire and Fugitive Emission tested product and its use will dramatically reduce fugitive emissions into the atmosphere, reducing greenhouse gases and hopefully lessening the effects of global warming in the future.

5000IJ is a non-scoring and self lubricating product with a unique combination of corrosion inhibitors and is ideally suited for valve applications in the chemical and hydrocarbon processing industries.

The other factors that were recognized at the sealing summit were our in-house "Green" practices such as recycling 95% of all of our paper products including copy paper, packaging supplies, and packing spools. They also re-use all inbound shipping materials and recycle the balance and will not accept shipments with non biodegradable packing materials, we use only recycled oils in our manufacturing and lubricating processes and donate annually to renewable resources which offset our carbon footprint. American Braiding's motto is "Our products are gray and dirty, but our company strives to be green and clean".




American-BiltRite

The Eco Award was receiving by referencing American-BiltRite's process of using what was once considered scrap or waste rubber created when we compounded and cured different rubber polymers and reprocessing them into new mixes, as fillers. This change has eliminated buying fillers from other vendors in many cases, and has effectively done away with sending the previously unused materials to a dump or land fill. While the change isn't possible for all the items we make, what we use in commercial and low grade rubber polymers is significant.



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5 Ways to Reduce Cost without Cutting Price

BY FRANK HURTTE

Many a Salesperson has heard the news, "I am being told by our corporate people that I have to cut the cost of maintenance supplies by 5%." Without some quick thinking this can easily be translated to, "you need to cut your price by 5%." Or, "We are going to start shopping all of your prices." This is especially true if you haven't done a good job of establishing a value for the service you have been providing. You can immediately start back-pedaling. You can start talking about the long relationship you have built over the past years. If you have been doing something besides buying donuts for a bunch of the good old boys down at the maintenance office, you can start talking about your past (yet un-measured) service.

The competition probably already offers many of the same things as you. Here's a quick check list:

- **Knowledgeable Salespeople**
 - (Do you think any company really sends someone out who says Hi, I don't know anything?)
- **Delivery**
 - (With the exception of some of the e-Business type guys everybody has delivery.)
- **Credit**
 - (Who doesn't offer credit of some kind, or at least take Credit Cards?)
- **Inside Support**
 - (Another one that's hard to measure. Nobody says, "We pick up our inside people down at the wino bar.")

Now let's talk about some of the good stuff; stuff you can sink your teeth into. All of these are areas an MRO purchasing manager would be foolish to ignore. All produce measurable dollars. Most of these are things you normally do, or could do with little or no extra cost to you.

Maximize Warranties

Each year our customers buy thousands of dollars of products that are covered by warranty, or could be covered by warranties. How does this happen? Busy maintenance people throw questionable parts and products away. The customer hasn't studied the warranty policy. Or, the customer doesn't know how to determine the warranty.

Here are some examples:

- Hand Tools** -- Many of these have a lifetime warranty
- Proximity Switches** -- Lifetime warranties are the norm
- Electrical Products** -- 18 months (12 months in customer / 6 months grace period)
- Advanced Electronic Ballast** -- often covered under warranty

Each time a warranty is used a savings is generated. Compile a warranty list and use it to record the values of product replaced or repaired for under warranty. To begin the process, I suggest that you create a spreadsheet with companies and their respective warranty time for your personal reference.

Repair vs. Replace

Many items are routinely replaced that could just as easily be repaired. Electronic devices come to mind, but the list can include some other products where a skilled person could easily make an evaluation and determine the proper action.

Extension Cords -- are they repairable? (Also see above warranty info)

Electronic Boards of all kinds

Solenoid Valves -- moving parts can be replaced

Electrical Motor Starters -- contacts and coils are easily replaced

Lighting fixtures -- ballast bad? Is the whole unit being scrapped for that reason?

Position yourself to serve as the watchdog for repairable items. Log the value. How much can you eliminate from the "waste stream"? Each of these items represents not only a measurable savings in the repair vs. replace equation but often represent savings in land fill charges. Printed circuit boards and other electronic devices often require special handling in their handling and disposal.

Proper Inventory Levels

Is the plant keeping excess inventory in their crib? This is true in many instances. For example, does the plant have a stock of twenty 30 Amp Fuses? If so, in the case of

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an emergency how long would it take for an emergency delivery to be made? In many cases the plant is only minutes away from a large supply kept on your own self.

When evaluating inventory it is important to note multiple types of savings. I have listed some of these for you to discuss with your customer. Be sure to take credit for all of these savings.

Cost of inventory	this is the product
Cost of carrying the inventory	this is the interest charge
Cost of shrinkage, inventory control, etc	this is real stuff and can't be left out
Cost of insurance	what happens if there's a fire?
Cost of shelving/ material handling	these cost money
Cost of floor space in the plant	especially if the plant is running out of space

Again logging the total savings is the key to claiming this activity as a "real live and completely legit" savings.

Energy Related

The whole world has been struggling with the rapidly rising cost of energy. There are a number of things that you can do to make sure that the proper savings are realized. Here is a short list.

- Energy Efficient Lighting Walk-through
- Energy Efficient Motor Survey
- (We don't sell motors but we can still line up the experts.)
- Energy saving fans re-circulates the heat
- Automatic Door Closers

- With gas now pushing three dollars a gallon everyone is thinking energy. Provide recommendations, and more importantly, keep records of how much energy was saved, the cost of kilo-watt hour and the cost of any steam, diesel, or heavy oil saved.

Standardization

Is the customer using the right product? Or, are they using a "Cadillac Line" when a "Chevy" will do? Can we show the customer where there is little if any difference between two manufacturer's products? Another aspect of standardization is the trilateral negotiations we can guide the plant through to gain price or other concessions. Some ideas:

- NEMA vs. IEC designed electrical devices
- Fiberglass vs. Stainless Steel Enclosures
- Sensors

Most companies calculate annual savings. To do this, you need the annual number of parts used each year and the saving in per item. Log the difference.

What were you doing on January 23rd, 2005?

Log the savings you provide! You provide the greatest service in the universe. You have a team of savings specialists who comb the land looking for ways to save your customers money. You even understand the importance of measuring your service in most universal metric of human endeavor, money. But I ask again – what were you doing on January 23, 2005? If you don't keep a detailed journal, chances are you don't know. By the same token, if you don't keep a detailed log of savings provided, you won't remember. The log can be simple and easy. A MS Excel worksheet with a single spreadsheet for each customer will work. A full feature software package is available from several companies to assist in measuring and logging your value.

In Closing

Provide service. Measure the benefits of your service in dollars. Record these value-add events for later reference. And, next time you hear the statement "I am being told by our corporate people that I have to cut the cost of maintenance supplies by 5%." You'll be ready to Sell!

Frank Hurtte and River Heights Consulting are dedicated to help distributors achieve more for their efforts. Frank has developed a very unique approach to thinking about Value Measurement. He can be reached at 563-514-1104 or frankehurtte@riverheightsconsulting.com

North American Gaskets Market Report Available

This research service deals with North American gaskets market, market drivers, restraints, revenue forecasts of the overall market, geographic analysis, end-user analysis and market share analysis for industrial gaskets and gaskets in automotive and transportation.

This Frost & Sullivan research service titled North American Gaskets Market provides market drivers and industry challenges for the North American industrial

and automotive segments. It also offers a snapshot of geographic trends and end-user analysis. In this research, Frost & Sullivan's expert analysts thoroughly examine the following industrial and automotive end-user segments such as automotive, oil and gas, chemical processing, power generation, pharmaceutical, water and wastewater, pulp and paper, mining and steel making, and others.

Gaskets Market Buoyed by Revenues from the Aftermarket

The subprime lending crisis in the automotive industry has sent ripples across the North American gaskets market, as the automotive industry is one of the biggest buyers of gaskets. The sales of almost all major automobile companies have dipped drastically and the market is expected to slow down due to excess capacities and low demand. While waiting for the heavy automotive equipment segment to recoup and offer some respite, gasket companies have to rely on aftermarket revenues due to inadequate new equipment sales. The industrial end-user segment is also emerging as a significant source of retrofits, as plant owners have been investing in capacity expansions, new expansions, and refurbishing aging power generation plants to improve productivity. Industries had invested substantially in brown field projects and maintenance and capacity replacement in 2007, providing relief to gasket manufacturers.

Although the economic slump is likely to defer a few industrial projects that were to be taken up in 2009 and 2010, the already initiated ones will go a long way in shoring up the gaskets market. The postponement of oil and gas expansion projects will also curb the rapid growth of the market until 2010. "Decreasing oil prices are expected to reduce capacities until 2010, but with market stabilization, the refurbishment of existing plants becomes necessary," says the analyst of this research. "The aftermarket business will see the gaskets markets grow moderately during this period." Acknowledging the challenge of operating in these difficult economic environments, companies all over the world are striving to lower operational expenditure and improve returns on investment. With many companies also looking to considerably downsize maintenance personnel for equipment repair or breakdown, there is a large market

for products that offer better reliability and life cycle cost benefits.

Process industries are under pressure to enhance the performance of gaskets as well as life at extreme temperatures and pressures. So far, only graphite has managed to withstand such temperatures; however, it tends to oxidize and loosen flanged joints, causing fluids to escape. "Flexitallic's thermiculite is a naturally available material that is impervious to degradation to high temperatures in chemical plants," notes the analyst. "This material is resistant to chemicals and corrosive environment, making it an ideal replacement for graphite." However, in the current straitened circumstances, customers demand all these safety and reliability benefits at lower costs. The intense competition makes it critical for gasket manufacturers to price their products competitively without compromising performance. Moreover, as the increasing prices of raw materials and oil and gas raises operational expenditure, gasket manufacturers need to constantly improve their productivity. They can achieve this by reducing their non-value-added activities to decrease the overall cost of the product.

For more information please click on:

http://www.researchandmarkets.com/product/29db2e/north_american_gaskets_market

To Order online at http://www.researchandmarkets.com/product/29db2e/north_american_gaskets_market

ISD New Member Highlight

Frenzelit is a 125+ year old company with operations of Frenzelit North America, Inc., based in a 30,000+ S.F. manufacturing facility in Lexington, North Carolina.

Frenzelit is one of the world's largest manufacturers of Textiles and Flue Duct Expansion Joints and Seals.

Frenzelit is the largest manufacturer in the world of non-metallic and metallic Flue Duct Expansion Joints and Seals for low pressure, high temperature ducting and breaching applications. Design capabilities in both metallic and non-metallic Expansion Joints and Seals to 2200°F and above.

In addition, Frenzelit Expansion Joints supplies complete Expansion Joint labor turnkey services (union or non-union) to remove and install Expansion Joints and Seals. Purchase of Expansion Joints and/or Seals from Frenzelit coupled with installation often are backed with extended warranties.

Frenzelit is also the only American manufacturer of Convoluted Expansion Joints and Seals for extremely high travel applications.

Frenzelit services all industrial markets for its complete line of textiles for sealing and heat shielding applications. Frenzelit is also the leading manufacturer of non-woven needle mats and blankets for thermal insulation applications. Products also include a complete line of fabrics, tapes, cords, packings and related to 2200°F.

Frenzelit services the Utility, Gas Turbine, Steel, Automotive, Appliance, Pulp and Paper, Chemical, Incineration, Cement, Petrochemical, Marine as well as all other industrial markets.

Frenzelit has joined ISD in order to promote its goal of selling to the MRO marketplace via Distribution. Frenzelit seeks alliances with Distributors in North and Central America to solicit sales from the lucrative replacement market.

Contact Information:

Sales and Marketing: Tom Brown
1-770-993-6428 FrenzelitAtlanta@aol.com

Design Engineering: Joe McFadden
1-336-956-3956, extension 153
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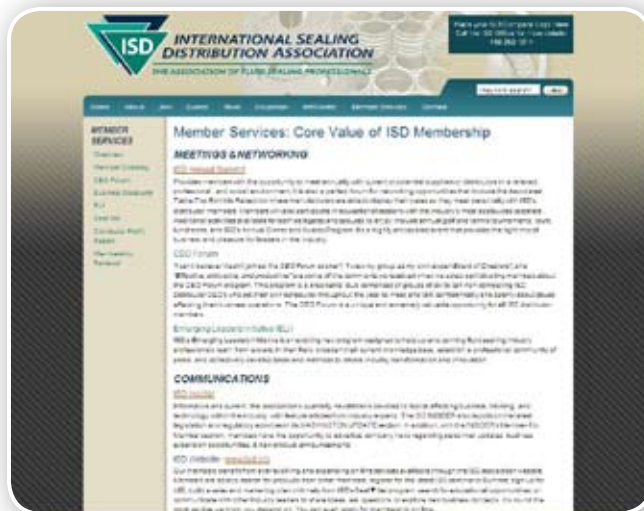
All New ISD Website is Now Available!

More Features, More Benefits, More Value for All Members.

ISD has officially announced our new website: www.ISD.org. A huge improvement over the old site, we hope you like the 'user-friendly' features of the new site and we're sure that the content and capabilities will be a valuable resource to you. Take a few minutes to cruise the site and see what's available. You can even update your company membership information any time! A few highlights:

- an easy to use calendar of events, including links to popular items such as the annual Summit
- access to current and back issues of the popular ISD Insider newsletter
- books, training resources, and the new KnowledgeBase: a collection of resources, articles, web links, etc. to which members may contribute as well - all designed to help you manage and grow your business
- easy access to ISD programs such as the popular CEO Forum, Emerging Leaders Initiative, the Distributor Profit Report, and of course the member directory
- links to a range of Business Partners providing excellent discounts for many standard services such as shipping, insurance, etc.
- association committees and how to get involved
- a *NEW opportunity to advertise your company with a banner ad on the front page of the ISD website*
- And much more...

If you experience any technical difficulties or have suggestions on ways that we can improve our website, please do not hesitate to contact us. We welcome the feedback.



ISD Offers Series of Social Networking Webinars with David Nour! How Can Facebook and Twitter Help Your Business?

We are delighted to offer a new educational opportunity for all ISD members! A new webinar series can help your business effectively utilize the new social networking tools.

Social networking is all the buzz these days. ISD, in association with the Association Education Alliance, has struck a deal with social networking expert David Nour of The Nour Group to deliver a Social Networking Best Practices webinar series featuring two very informative programs:

December 8, 2009

Leveraging Facebook for Business

January 12, 2010

Why You Need to Get Active on Twitter in 2010

You may sign up for one webinar or both. The cost is just \$97 per site, per webinar. You can assemble a team in your office to participate for this one low fee.

Each webinar will be conducted at 1:00 PM Eastern, 10:00 AM Pacific for 90 minutes.

The following link provides full details and registration information for these webinars:

<http://www.relationshipeconomics.net/AEA.html>

About David Nour:

David Nour is a social networking strategist and one of the foremost thought leaders on the quantifiable value of business relationships. In a global economy that is becoming increasingly disconnected, David and his team are solving global client challenges with intracompany, as well as externally focused Strategic Relationship Planning™ and Enterprise Social Networking best practices.

A native of Iran, David came to the U.S. with a suitcase, \$100, limited family ties, and no fluency in English! In the past 25 years, he has built an impressive career in entrepreneurial success, both within large corporations and early stage ventures.

David is the author of *Relationship Economics* (Wiley, 2008), *The Entrepreneur's Guide to Raising Capital* (Praeger, 2009) and the *Social Networking Technology Best Practices Series*. He is a contributor to *The Social Media Bible* (Wiley, 2009) and is currently researching and writing his next commercial book on Enterprise Social Networking. David and his team have researched over 400 global social networking applications in 22 distinct categories,

With so many businesses pursuing social networking to enhance marketing efforts, this is your chance to learn more about Facebook and Twitter. Can you be more productive and make money using social networking? Here's your chance to find out how it can help your business!



Pocket Hard Drives Let You Carry Your Library

I use a scanner to bring home literature without the weight.

I also converted my three 5 drawer filing cabinets into PDF files that were OCR'd so I can search and find documents when I need them using Microsoft Desktop Search.

I can also carry those 33,458 pages of scanned documents on a pocket sized hard disk.

If I were still a salesman, I'd carry all my literature, technical support documents, manuals, etc. on the same drive. Our salesmen used to have a trunk full of paper to have the information they might need with them while they were on the road.

I also use that pocket sized hard disk to make daily backups of my notebook computer when I'm traveling.

That's all possible with a hard drive that's just a little larger than a deck of cards and connects to your computer via a USB cable (which also supplies its power).

Right now I'm using a Western Digital Passport (<http://www.wdc.com/en/>), which is frequently on sale for less than \$100. My current one is the original black, but I've been tempted by either the red or blue ones.

In the past I've used other brands such as Fujitsu. One new pocket drive that looks really interesting is Seagate's Free Agent (<http://freeagent.seagate.com>), which includes a docking station for your desktop computer and can still connect via a USB cable to your notebook.

While USB flash drives are available at 16 GB, it's nice these pocket drives hold up to 500 GB.

You can even store a few movies on them to make waiting for that next delayed flight much more tolerable.

Gregg Marshall, CPMR, CSP, is a speaker, author and consultant. He can be reached by e-mail at gmarshall@repconnection.com, or visit his website at <http://www.repconnection.com>.



ISD Calendar of Events

November 19, 2009 1pm – 2:30 pm EST

MDM Webinar - Economic Outlook 2010 with Dr. Adam Fein
Join Dr. Adam J. Fein, renowned wholesale distribution industry expert, as he presents an exclusive first look at how economic trends are shaping up for wholesaler-distributors in 2010. The cost of the webinar is \$99.00. More details are available at www.isd.org.

December 8, 2009 1pm – 2:30 pm EST

AEA Webinar - Leveraging Facebook for Business with David Nour
Education from your own office

January 12, 2010 1pm – 2:30 pm EST

Why You Need To Get Active on Twitter in 2010 with David Nour
Education from your own office



March 7–11, 2010

University of Industrial Distribution Indiana University/Purdue University
The University of Industrial Distribution is a concentrated educational program focused on the unique needs of the industrial wholesale distribution industry. This program also allows students to earn credits toward a Professional Certificate in Industrial Distribution. Online Registration is open now. Please visit the UID website, www.univid.org, for more information.

More detailed information, including secure online registration is available on the ISD website. Please visit www.isd.org or call the ISD Office at 410-940-6344 if you have any additional questions. (Please note that this is a new number for the ISD Office and make a note of it so that we can better serve you.)

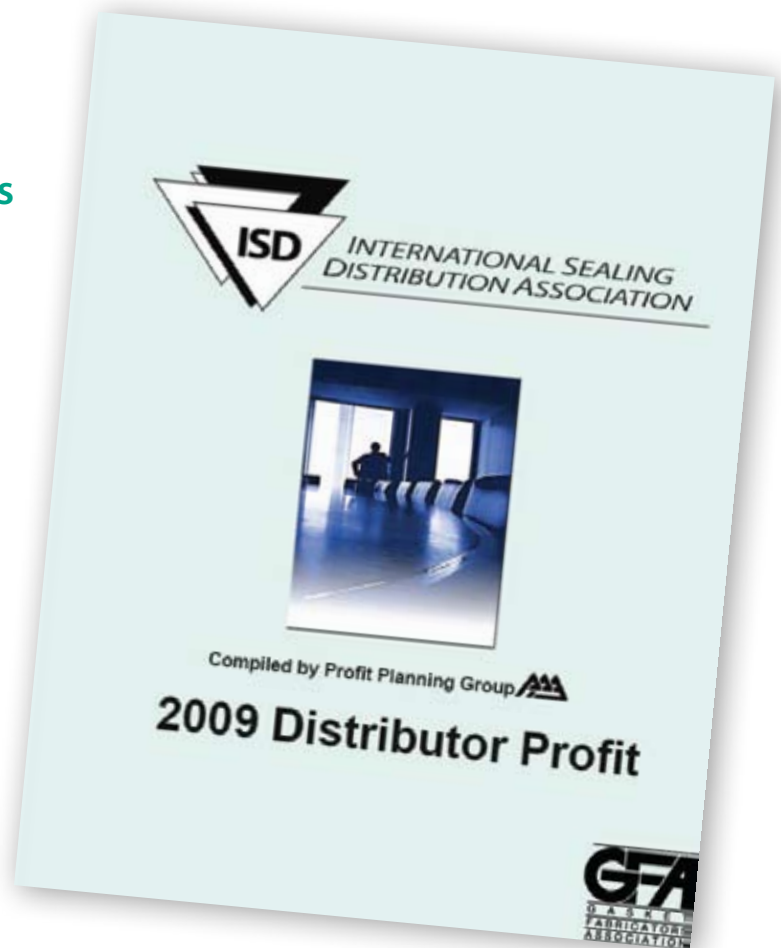
The 2009 ISD

Distributor Profit Report Available for Purchase

The ISD Distributor Profit Report shows our members how to make better business decisions in the year ahead.

This report provides your company with the key benchmarking data needed to compare key profit and operating expense ratios with other competitors and also includes, a breakdown by sales volume and geographic area. Another added bonus this year is that it is the inaugural year for Dr. Al Bates and Profit Planning Group to have compiled the Report for ISD and Dr. Bates will be including quarterly articles and exhibits in the Insider covering in more details the results of the Report and the key topic areas in the Report. The first of these Articles, entitled "When the Going Gets Tough, the Tough Still Produce a Profit" is included in this issue. To purchase a copy of this important business tool, visit the new ISD website.

2009 Distributor Profit Report:
Member: \$149.00 Non-Member: \$289.00



ISD Member News

SGL Technic, Inc. Polycarbon Division

28176 North Avenue Stanford
Valencia, CA 91355
(661) 257-0500
(800) 458-4153
Fax: (661) 284-7244

Mr. Stephen Boss



Hi-Tech Seals Inc. is proud to announce the launch of our new website, located at www.hitechseals.com. While

exploring the website you will find an expanded product listing, service listing, increased technical resources and newly added internal search capabilities. Visitors are encouraged to participate in our online trivia contest. Participants with a score of 60% or greater will be entered to win an iPod Shuffle. The contest is designed to show you the new website features and to help you learn a little about Hi-Tech Seals.

Come visit the new www.hitechseals.com.



Want more information on becoming certified?

Visit the ISD website for details. www.isd.org

LEWIS-GOETZ ANNOUNCES THE ACQUISITION OF INTERNATIONAL GASKET AND SUPPLY

PITTSBURGH, PA - Lewis-Goetz and Company, Inc. ("Lewis-Goetz" or the "Company") announced it has acquired substantially all of the assets of International Gasket and Supply ("IGS"), a Houston-based subsidiary of Leader Global Technologies. IGS specializes in the fabrication and supply of specialty gaskets, bolts and sealing products for the oil and gas exploration industry as well as the petroleum refining and specialty chemical industries of the Texas Gulf Coast. The acquisition was effective August 31, 2009.

Jeff Crane, President and CEO of Lewis-Goetz, reiterated the strategic growth plans of the Company and how IGS is an important part of that plan. "The Gulf Coast is the single largest end market for our fabricated products in North America. Previous acquisitions (Goodall Rubber in 2006 and Samson Industrial in 2007) provided our first

foothold in that region of the country. IGS is yet another opportunity for us to demonstrate our commitment to those markets and the important national customers that operate there. It also provides the opportunity to expand our product offering. But most importantly, we will benefit from the talented people of IGS and their industry expertise that will be so vital to our growth plans.

Lewis-Goetz is headquartered in Pittsburgh, Pennsylvania and is one of North America's largest industrial distributors. Lewis-Goetz recently ranked 28th on Industrial Distribution's 2008 list of The Big 50 Distributors. You can visit www.lewis-goetz.com for more detailed information.

For information, contact; Robin Byers – rbyers@lewis-goetz.com Phone: 724-213-1221

Communications in Congress

It has always been important for our members to communicate with Congress on issues that impact their ability to run their businesses as they choose, maintain profitability, meet payroll and workforce demands. The current legislative agenda in Washington – health care reform, cap and trade, tax increases, regulatory programs – make that contact more critical now than ever. But it's not just important for business to engage, it's important for us to engage effectively.

The advances in technology, especially email and the internet, have made it easier than ever to send a message to a Senator or Representative, but that ease of communication has resulted in a massive increase in the number of emails/faxes/communications a Member of Congress receives.

According to research, between 1995 and 2004 communications to Congress quadrupled – all from internet-based communications. The 535 members of Congress received more than 200 million messages in 2004 – that's more than 380,000 messages per Congressional office, and the number has undoubtedly increased in the five years since. During the same 1995-2004 time period, Congressional staff sizes did not increase, which means that the same number of staff are coping with four- or five-times as many letters and email messages to process, sort and answer.

With that increase in the sheer volume of messages, Congressional offices have had to take measures to sort and identify "real" mail, filtering out messages

that they determine are not authentic and relevant. For example, they screen out and disregard messages that come to their offices from out of district/out of state locations – in other orders, from non-constituents.

The following tips will help you effectively communicate with your members of Congress on issues of critical importance to your business.

N · A · W

COMMUNICATING EFFECTIVELY WITH CONGRESS

How to send your messages:

- **Washington, D.C.:** If you are writing to a Member of Congress in his/her D.C. office, use email or fax, not U.S. mail. Since the Anthrax attack on the Capitol, all postal mail is screened and takes two weeks or more to reach the Members' offices.
- **District or State Offices:** If you write to a Representative and/or Senator in a district or state office you can use fax, email or U.S. mail. And note that messages to local offices are often more effective than those sent to D.C.

How to ensure that your message is read:

- **Identify yourself as a constituent:** Always include the name and address of your business, and provide an email or postal address to which they can reply.
- **Personalize your letter:** For example, tell them how long you've been in business, how many employees you have in the district/state, mention any previous contact you've had with the Member and/or staff.
- **Be specific about the issue:** Identify specifically and early in your message the issue about which you are writing; include a bill number if you know it. For example, "don't raise my taxes" has little meaning; "do not repeal LIFO" is a clear message.
- **Write once, about one issue:** Unless you have new or additional information to convey, do not write multiple times on the same issue. And limit each letter to one issue or closely related issues; discussing multiple issues will dilute your message.
- **Explain how the issue affects you:** Would the legislation make it necessary for you to cut jobs? Cancel a capital investment? Reduce payroll expenses? Drop health care coverage? Let them know that proposed legislation would have consequences.
- **Write original letters:** Do not use postcards or a form letter. Staff members reading the mail tend to disregard them if they receive multiple identical post cards or letters.

What Members you should contact:

You should write to the Representatives and Senators who represent your employees in every state and district where you have operations – where you employ their constituents and are a part of their economy. If you don't know who the Representative is from all your locations, go to NAW's website, www.naw.org and click on TELL CONGRESS in the top right corner of your screen. Follow simple instructions to get the names and addresses of each Representative.

N · A · W

2010 ISD Advertising Rate Sheet



Reach the leaders in our industry through effective low-cost advertising in ISD's quarterly *Insider* newsletter and in the annual ISD Membership Directory! Newsletter circulation (members and industry leaders) is currently over 1,800. From time to time, the publication is also mailed at no cost to ISD prospect members (currently there are over 520 prospects for membership). Directory circulation includes all ISD member companies, universities, and industry trade press (complimentary) and is available for purchase to non-members throughout North America and the world. Information may be submitted by mail to:

ISD, Attention Editor
105 Easter Ave, Suite 104, Annapolis, MD 21403
Or by fax to: (410) 263-1659

Select your advertising options from the available listings. Act now to take advantage of the special rate for the full cycle of 2010 newsletters, and 2010-2011 Membership Directory package as well as the new Banner Ad option on the new ISD website. A complete publication schedule, including copy submission deadlines, is included with this flyer.

Company Name: _____
 Individual Contact: _____
 Signature: _____ Date: _____
 Phone: _____ Fax: _____
 Special Instructions: _____
 Check Enclosed for: \$ _____
 Charge a total of: \$ _____
 MasterCard Visa Discover AMEX
 Card number: _____
 Expiration Date: _____
 Verification Code: _____
Last 3 digits on back of card. AMEX card users: 4 digit number located on front of card.
 Name on Card: _____
 Signature: _____
 Or, please bill me.

Please return this form by mail to:
ISD, Attention Editor
105 Eastern Ave, Suite 104, Annapolis, MD 21403
Or by fax to: (410) 263-1659

Standard Black & White Rates

Please check box and fill in amount

- Newsletter - Single Issue, 1/6 page - \$400..... \$ _____
- Newsletter - Single Issue, 1/4 page - \$450.....\$ _____
- Newsletter - Single Issue, 1/2 page - \$550..... \$ _____
- Newsletter - All 2010 Issues, 1/6 page - \$995...\$ _____
- Newsletter - All 2010 Issues, 1/4 page - \$1,100..\$ _____
- Newsletter - All 2010 Issues, 1/2 page - \$1,250..\$ _____
- Directory Ad - 1/6 page - \$300.....\$ _____
- Directory Ad - 1/4 page - \$400.....\$ _____
- Directory Ad - 1/3 page - \$500.....\$ _____
- Directory Ad - 1/2 page - \$650.....\$ _____
- Directory Ad - 2/3 page - \$750.....\$ _____
- Directory Ad - Full page - \$850.....\$ _____
- Directory Ad - Logo Ad - \$150.....\$ _____
- Directory Ad - Business Card Ad - \$175.....\$ _____

NEW! BANNER ADS - Full Year Ad \$1500.....\$ _____
Half Year Ad (6 Months) \$850.....\$ _____

Full-Color and Special Placement Options

(for Directory only)

- Add Four Color to any size ad - \$500.....\$ _____
- Back Cover - \$500.....\$ _____
- Inside Front Cover - \$400.....\$ _____
- Inside Back Cover - \$250.....\$ _____

Discounts Combination Ads - If your company has placed ads in all four 2010 issues of the newsletter, you may reserve a Directory Ad using the following discount rates

- 1/6, 1/4, or 1/3 Page Directory Ad - **deduct \$100**
- 1/2 Page or 2/3 Page Directory Ad - **deduct \$150**
- Full Page Directory Ad - **deduct \$200**

Computation Section

Newsletter Ad selection from above.....\$ _____
 Directory Ad selection from above.....\$ _____
 Color and Special Placement Options.....\$ _____
 Discount for Special Placement in newsletter
 (See Discount Section).....\$ _____
Grand Total.....\$ _____

Deadline for Combination Discount and First Newsletter:
January 26, 2010

ISD Member *Services*



INTERNATIONAL SEALING
DISTRIBUTION ASSOCIATION

ISD is working hard to continuously increase the value of the organization to its members through improving existing programs and creating new ones. Here is a quick overview of just some of the many member benefits available...



The CFSP program is designed to recognize and promote those individuals engaged in the fluid sealing industry in any of the application, sales, service, installations, or manufacturing processes.



**Emerging
Leaders
Initiative**

ELI supports the development of industry leaders by providing them with a venue for discussion, debate, networking, and the opportunity to learn from established industry leaders.



Designed to bring together CEO's within our industry, the CEO Forum provides distributor principals, owners and CEO's with a powerful forum for discussing and sharing mutual operational experiences and opportunities.



Seal Net provides a comprehensive package of marketing tools to properly communicate your company's value and will help achieve critical recognition of fluid sealing devices as essential, specified components of limited supply arrangements.



Conducted annually, this report uses industry-wide distributor research to create a state-of-the-art practical guide designed to help you evaluate your company's financial and operating performance.



March 7-11, 2010! UID is in its 17th Year!

For more information, visit the ISD website.