



# ITEMS

September 2010

## Talk is cheap, because supply exceeds demand

*However, this is not the case in the cast iron market*

In response to the worldwide increase in scrap iron prices, AB&I has announced a commensurate increase in list prices, effective on the first day of the new year.

It may seem ironic that prices are increasing during a downturn in the construction market. Common sense may

indicate that prices should remain stable during these times, not increasing. But a little closer look at the metals market tells a very different story.

To understand the upward pressure on cast iron prices, it's important to keep in mind that the market for metals, such as iron, is international.

Companies from around the world bid on scrap iron supplies, because it's cheaper to buy iron in the U.S. or South America and ship it to Japan and China than it is to mine it and refine it in the home country. Scrap iron, the raw material of AB&I DWV material, is an increasingly valuable commodity.

While the economies of the West are suffering from a sustained downturn, such is not the case in China and much of Asia. The demand for metals in these countries is tremendous, pushing the price for metals ever higher.

The announcement of the AB&I price increase is being made nearly four



**Price Increase  
January 1, 2011**

*Rising scrap iron prices force list price increase*

months in advance, to soften the impact the price hike will have on jobs in progress and projects being currently bid.

"AB&I has a long-standing policy of announcing changes like these as far in advance as possible," said AB&I vice president, Michael Lowe. "We want to make sure we give everybody time to cover commitments and do some advance planning on future projects."

The 7.5% price increase will apply to the complete AB&I line of cast iron no-hub and SV pipe and fittings.

New price lists will be distributed in the coming weeks, and will soon be posted online at [www.abifoundry.com](http://www.abifoundry.com).



**Such a soap opera!**

**Commentary**

by Michael Lowe

Just when you think you're settling into the new normal in this business, bang, something changes. Then something else. Before you know it, you're a bit player in *As the Plumbing Market Turns* (similar to *As the World Turns*, but with less cleavage.)

The first scene of last month's exciting episode opened with a major importer of cast iron pipe and fittings announcing that they had had enough, and were throwing in the towel, quitting the cast iron business. Star

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[www.abifoundry.com](http://www.abifoundry.com)

## Will Social Networking Change the Face of Customer Service?

Many old timers in business today remember when the "customer service department" was the receptionist who answered the phone or the field sales team when they had a minute or two back in the office. When some young Turk suggested developing a dedicated customer service team, all too often the response was, "why would we do that; we've gotten along fine without one all these years." Things have changed.

Those not quite as seasoned remember when email first came on the scene. It was a cute little novelty of this new-fangled Internet thing, used mainly by teenage girls to chatter back and forth about boys and make-up. Many managers said it was a fad; no way would it ever have a useful business function. Things have changed.

Then came websites. Glorified brochures, some said. Too complicated, others said. People won't go to websites for business information because it takes too long; it's faster to just pick up the phone, said still others. Things have changed.

Now the buzz is about social networking sites, like Facebook and Twitter. And we're hearing the same comments that started two decades ago with email. Just a fad. No utility for businesses. Just a teen thing. Managers are cautioned to have those thoughts at their peril. Social networking is here to stay. The best businesses will adopt them early and learn how to use them well. Today's teens will soon be our customers and team members. Things are changing again.

Time spent on social networking sites has already surpassed the hours spent emailing. According to Nielsen (the TV ratings people), over 21% of time spent on the Internet is spent with a



social networking site of one type or another, compared to just 8% for email. Kids today are already finding ways to use Facebook and Twitter, instead of email, to blast personal messages to the entire universe at once, keeping all their friends in the same loop with just a

few clicks on their keyboard or PDA pad. By keeping everybody informed about what's going on, a sense of community develops between users. That feeling of community leads to loyalty and friendship. And we all know what loyalty and friendship lead to in the business world.

But, managers should be careful about social networking, too. Some technologies are destined to fail, and some may develop a reputation as counterculture and unsavory. Some are difficult to back out of if a company's leaders decide to discontinue the service. And, above all, everybody should remember that anything posted to a social networking site is there for the taking, and will outlive the oak trees and dinosaurs. Once something is posted, it's there to stay.

So, how does somebody get started using social networking? A great place for a company to get its feet wet is on Facebook. Though pretty complicated in its detail, Facebook basics are very simple, and there are thousands of websites that will tutor the newbie on how to use the technology as a business tool. Just google "getting started with Facebook for business" and watch the world unfold and change before your very eyes.

Will social networking change your customer service department? Only time will tell. But one thing is for certain – it will change the way at least some your competitors communicate with their customers.

### The AB&I Customer Service Team



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Product Update

## AB&I Cast Iron Pipe and Fittings: The Certified System America Trusts



- ✓ 100% Made in America, NSF Certified
- ✓ Complete No-Hub and SV Pipe and Fitting Systems
- ✓ Approved for Use in All Jurisdictions
- ✓ Backed by the Best Service and Guarantee in the Business
- ✓ Pipe and Fittings Designed to Form a Total Certified System

### Attention Engineers: Verify Standards Compliance When Specifying DWV



Don't let counterfeit cast iron pipe, fittings, and couplings get past your watchful eye. Make sure the material you specify meets all standards by looking for the CISPI and NSF marks, the only marks that ensure

full standards compliance.

For a refresher on what standards compliance entails, just call the customer service department and ask for a laminated Standards Card. These handy cards list all the requirements of the CISPI 301 and ASTM A-888 standards, the standards that all certified cast iron pipe and fittings must meet.

For more information, or for your free Standards Card, contact your Engineering Support Team representative at 800-GOT-IRON.

#### Get Your *Items* Newsletter by Email!

To start receiving this newsletter by email, please contact AB&I's customer service department at 800-GOT-IRON, or send an email to [woodbury@volcano.net](mailto:woodbury@volcano.net).

### Only the NSF and CISPI Marks Ensure Complete Compliance with Cast Iron Standards

Compliance with standards matters. That's why it's important to make certain that any cast iron pipe or fittings product you buy carries these third-party marks, ensuring that the products truly are what they claim to be.

Counter the counterfeiters. Insist that the products you buy meet the standards and can prove it.



INSIST ON THESE MARKS

or

CAVEAT EMPTOR - BUYER BEWARE!

**Commentary** by Michael Lowe

**Soap Opera**

*Continued from front page*

Pipe Products is closing its cast iron operation and laying off its sales force, leaving its customers with the problem of finding a new supplier with very short notice. Not even Luke and Laura broke up this fast.

Soon after this little drama played itself out, we next learned that a major East Coast provider of cast iron pipe and fittings has been seen in broad daylight with a (gasp) West Coast customer. Since what's good for the goose is good for the gander, AB&I is opening a distribution center near Philadelphia to bring variety to the East Coast market. Sadness is sure to turn to joy as AB&I Silverspun pipe and fittings drain endless East Coast hospitals, condo developments and office buildings, keeping their laundry whiter and brighter while avoiding the embarrassment of waxy build-up. Roll credits.

In spite of the soap opera atmosphere that has befallen the cast iron business in recent weeks, AB&I remains committed to providing our customers with the very best products, supported by truly outstanding customer service. While others may create minor turmoil in the market, AB&I remains the no-drama provider, doing business the same way our founder did - person to person. Watch for news of our new sales manager for the East Coast territory.

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**The Monthly Chuckle...**

**Think You Know the A's?**

Here's a fun little quiz to test your knowledge of AB&I's hometown team, the Oakland A's. See how you do. You can also take the quiz online at [www.funtrivia.com/playquiz/quiz3276602582ba8.html](http://www.funtrivia.com/playquiz/quiz3276602582ba8.html).



- Who was the A's first manager in 1901?
  - Connie Mack
  - Leo Durocher
  - Earl Weaver
  - Miller Huggins
- Who was the first A to bat over .400?
  - Joe Jackson
  - Nap Lajoie
  - Gene Tenace
  - Reggie Jackson
- Which year did the franchise move from Philly to Kansas City?
  - 1928
  - 1942
  - 1955
  - 1969
- Who was the first A to win the MVP?
  - Juan Marichal
  - Phil Rizzuto
  - Eddie Collins
  - Al Rosen
- When was the A's first World Series appearance?
  - 1905
  - 1932
  - 1919
  - 1950
- How many World Series titles did the A's hold from 1971-1975?
  - 1
  - 0
  - 5
  - 3



Answers: 1. Connie Mack, 2. Nap Lajoie, 3. 1955, 4. Eddie Collins, 5. 1905, 6. 3

**Some Pretty Good One-Liners...**

A clean desk is a sign of a cluttered drawer.

Always forgive your enemies - they hate it.

Be nice to your kids - they'll choose your nursing home.

Common sense is the least common of all senses.

Clones are people, two.

Crusoe got everything done by Friday.



Diplomacy: Saying "nice doggie," until you find a rock.

Stamp out, eliminate, and abolish redundancy.

If Jesus was Jewish, why does he have a Mexican name?



A jury: 12 people chosen to decide who has the best lawyer.

There's no sense in being pessimistic; it probably wouldn't work, anyway.

Tact is knowing how far to go when going too far.

The seminar on Time Travel will be held two weeks ago.

Two can live as cheaply as one - for half as long.

Why is it that Xerox never comes up with anything original?

Talk is cheap because supply exceeds demand.

If you think you have no faults, that makes one.

