

D.A.C. Minutes

Friday, August 7, 2009

Omaha, NE

In attendance:

Tony J, Tim H, Tim L, Deloy S, Jeff O, Ken M, Roger F, Bill D, Jay D, Mike Z, Bill W, Bob K, Steve W, Dan W, Scott, Rich K, Mike H

Absent:

Paul T, Doug K, Perry R

Old Business:

Phil K introduces Mike H. Carrier Enterprises has creative marketing ideas we will bring forward at the Regional Dealer Meetings. Hand outs passed out. Check info on how your website works with Google.

Ken M – Update on warranty policy manual yet? No building new website – still in the works.

1. R22 EQUIPMENT PHASE OUT

Bob K – last order date for R22 units is Aug 14th.

CPD will stock minimum amount because of phase out. We will have R22 coils for warranty replacement. An uncased “N” coil will be available for retrofit.

In the works: a “N” coil that may not have a TXV.

2. EVOLUTION/INFINITY SUBSTITUTION PROGRAM

Bill W- demand for INF/EVO controls beyond expectation, supplier running short. Handed out letter. Dealers may install any base stat to get system running in safe mode. Change stat to INF/EVO controller when available. CPD pays \$100 for each changeout. To save time the dealer could program the controller before going out and making the change. Honeywell will make Totaline stats for Carrier.

3. TAX STIMULUS PROGRAM

CPD supports dealers with: Tax incentives, manufacturer rebates, utility rebate & a 10 year parts warranty

Handed out list of equipment CPD will stock to meet the tax incentive program. Will offer A coil to meet SEER rating required for tax stimulus incentive program.

Compressors & fin structure / sheet metal are changing. Issues with Aspen and ADP coils being “de-rated” – no longer an ARI rating for these coils. Homeowners are becoming more “Stimulus Program “savvy.

4. COOL CASH & BONUS BUCKS

CPD Bryant Bonus (# of claims) participation up 45%. NDC again this fall. FAD dealers rebate recipients receive a thank you letter.

ACTION ITEM - Bill W/MARY S - Tony J would like a rebate on the FX fan coil too.

Mike Z brought up we are stocking what the dealers need to compete since the TAX

STIMULUS PROGRAM in effect. After it's over we'll need to adjust the mix. CPD will stock two 2 speed HP's and AC's. We want to be competitive both on INF/EVO system and 2 speed systems.

Nationwide Cool Cash up 26% - consumers are demanding them.

Ken M – When we order a Carrier Geo units why do you send us a Climatemaster stat? (Doesn't qualify for rebate.) Steve W – Explained that the CM stat is covered by the unit's warranty and other stats are not, so this helps avoid confusion for the homeowner in case of a warranty claim. Also, the CM stat has some features on it that some other stats do not. If you want a Carrier/Bryant stat when you order a system, all you have to do is tell us and we will send whatever stat you want.

5. FALL STOCKING PROGRAMS AUG 15TH

Different mix of equipment. CDCC has no blackout period, but more strict w/ floor plans, sending people to audit some. Phil K is pressuring for self audit.

Roger F – stagger programs? Rebates for 3 months the financing for 3 months?

“12 Months Same as Cash” is valuable, maybe make it 18 months? Bryant currently has a 12 month program running. Jeff O – GE should raise the cap from \$5000, Ken M- suggested he should call GE and make that request. Watsco is working with Wells Fargo to get a better deal than our competitors.

Deloy S – would like education from TM's regarding new unit offerings.

Dan W- mentioned there are MANY combination that qualify for rebates.

Phil K – This is a discussion about new offerings. We are still selling products that are in stock now. We are sharing information early with DAC. Phil mentioned that we will not take back any R-22 product.

Jay D – would like CPD to share philosophy about how much inventory CPD can take back.

Phil k – communicate with dealers to keep a balance.

6. GEO WARRANTY UPDATE

GEO inventory is in great shape. New Equigard warranty. Now \$795 for 10 years parts & labor. Yearly maintenance is required. **ACTION ITEM** - Beckie scan claim form and include in minutes. Water to water unit are considered commercial and not eligible for this warranty.

6. FALL DEALER MEETINGS – SEPT 14 – 18

MON 14TH – Sioux Falls, 15 Omaha, 16 Des Moines, 17 Wichita, 18 Lenexa

Will Include Product Updates, Regional Awards, Advertising and Sales Training in afternoon. April Air rep. will speak: IAQ and sales in general. We will send itinerary out ahead of time.

OPEN DISCUSSION FORUM

The “Edge” stat looks are preferable to the Inf/Evo.

Mazatlan trip – brand new hotel – update notes on webpage.

Jay D – problems in getting live support in June, message not returned, then not in stock. Also problem with getting proper delivery company. Jay also feels we have a lack of OEM parts in Omaha.

CPD has now changed method of notification of delivery companies to counter. We had a weak cycle in April & May, so June quantities may not have been strong enough.

Ken M – called into super group in June, people did not respond back in time. Need to improve response time.

Mike Z – certain procedures exist, managers are now monitoring situations.

Phil K – concealed damage on CPD trucks - When unpacking unit and damage is revealed, take pictures of the unit and the undamaged packaging. Factory loader can cause fork damage to the furnace by pushing onto truck with forklift.

Jay D – sometimes homeowners will not accept a dented or scratched unit at a discount, they want a brand new unit.

Phil K – if you offer a discounted unit at the time of the sale, the customer can decide and you might be able to move that damaged unit.

Ken M – some projects bidding are taking bids from supply houses. That is not the business of supply houses. Installing contractors should be the only ones who can bid.

Mike Z - dealers should organize a front against those distributors who bid direct to projects.

Phil K – CPD could not participate.

Mike H – in some states you have to be a licensed contractor to purchase equipment.

Ken M. – if Anderson Bros are installing equipment purchased by someone else they still add the markup of the equipment, plus.

Mike H – Johnston used to have a separate catalog for apt complexes and other large projects: including appliance parts and HVAC

ACTION ITEM - Kari Do we sell Payne to anyone with a master license? How about if they have a tax ID #? (Should be a legitimate contractor.)

Ken M – very unfair for those supply houses that sell equipment to just anyone.

Phil K – more prevalent in hard time. Our counter people take their time to have new people set up accounts and it takes time away from them processing orders.

Parts Preseason will be available by Sep 1st.

Mike H – call me with suggestions for parts & supplies to offer.

Next Meeting – Dec 3rd