

THE CONTRACTOR

AUGUST 2009

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VOLUME ELEVEN NUMBER THREE

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- Rice Lake, WI**
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- Big Lake, MN**
14813 162nd Ave. SE
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- Hastings, MN**
755 31st Street E
651-437-8555
- Milltown, WI**
101 Industrial Ave.
715-825-3287
- River Falls, WI**
188 County Rd. U
715-425-7245
- Stillwater, MN**
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651-439-3518
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15914 US Hwy 63
715-634-8941
- Red Wing, MN**
170 Cannon Bottom Rd.
651-388-6741
- Spooner, WI**
102 Pine St.
715-635-2199
- Webster, WI**
7454 Elm St. W
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- Chippewa Falls, WI**
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Stimulus Package Promotes Energy Efficient Improvements

The \$787 billion American Recovery and Reinvestment Act of 2009 (the stimulus package) contains major spending provisions and tax cuts intended to improve the energy efficiency of existing homes.

Qualifying improvements for windows and doors, insulation, metal and asphalt roofs, HVAC equipment, non-solar water heaters, and biomass stoves are eligible for a 30 percent homeowner tax credit. The tax credits were originally introduced as part of the Energy Policy Act of 2005, which included a 10 percent cap, item by item. But the new rules eliminate individual caps and instead offer a more generous aggregate tax credit cap of up to \$1,500.

The credit applies to projects completed between February 1, 2009 and December 1, 2009. But note, qualifying standards have been raised. Not all Energy Star-rated windows are eligible. As an example, only

windows with a U-value and solar heat gain coefficient (SHGC) of 0.30 or less qualify for the credit. Visit www.energystar.gov for details.

If you haven't yet, now is the time to brush up on your energy efficient retrofitting and weatherization skills. The combination of tax credits, rebates, and historically low interest rates are pushing home buyers and homeowners toward energy efficient upgrades and improvements.

Stop in and talk to our experts about the products that qualify for the energy efficient tax credits. Then talk to your prospects and explain the details of the tax credits to them. Oftentimes, consumers aren't aware of all the tax credits and rebates available. Altogether, \$20 billion of the stimulus package is targeted for investments in energy efficiency. Don't let this opportunity slip by.



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Can Your Current Building Products Supplier Promise You All This?

Work with you on your time schedule and provide construction solutions?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Maintain agreed upon pricing for each item in your job - not just first time shipments?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Provide on-time estimates on the agreed date - or give you a \$100 credit ?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Give a \$100 credit to Priority Club* Members that don't receive same day delivery on confirmed orders?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Give you a \$100 credit if pick-ups of returns aren't made within 24 hours of request?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Offer you office space with phone, fax, copier and a friendly cup of coffee?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Offer Builders Club Points to qualifying contractors?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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Selling Energy Efficiency To Your Customers

This is a good time to be selling energy efficient products. That's because the \$787 billion American Recovery and Reinvestment Act of 2009 (the stimulus package) contains major spending provisions and tax cuts intended to improve the energy efficiency of existing homes. (See our front page article).



Arrow Building Center
President David Majeski

windows and doors.

Show Them The Money

– Ask them what their home energy is costing them, and then show them in dollar terms what a 30 to 50 percent reduction in home energy use means to their budgets.

Sell Comfort – Energy efficient homes not only save money, they also provide greater thermal comfort. Remind homeowners how much more comfortable they'll be after replacing drafty windows and doors.

Talk to your Arrow Building Center sales representative whenever you have questions. Our mission: providing our customers with construction solutions, quality building materials and superior service.

Building product manufacturers (from window and door manufacturers to roofing to insulation to HVAC manufacturers) have positioned themselves to take advantage of the opportunities.

At Arrow Building Center, we've been working to promote the benefits of installing energy efficient building products. Here are some tips you can use to sell energy efficient products to your customers.

Sell Value – Explain to them that money in home energy improvements isn't money out of their pockets, it's added value to their homes. When it comes time to sell, they'll get a higher resale value with energy efficient

The battle against algae by the asphalt shingle manufacturers has been going on for over forty years, with most solutions to the problem unable to pass muster over a long period of time. The good news is that current technology is beginning to show its effectiveness over the long haul.

Algae growth on asphalt shingles is a problem nationwide, with the exception of the southwest deserts, north through arid mountain regions. Here the problem is more moderate. But for the rest of the country, blue-green algae (from the family *Gloeocapsa*) causes ink-like streaks on rooftops from the Deep South through New England into the Midwest.

Have Roofing Manufacturers Turned The Tide Against Algae?

Current generation algae-resistant granules are top surfacing additives with controlled long-term release of algae-inhibiting copper ions. The current copper coating formulation is more potent than treatment used in first-generation algae-resistant granules. The technology first came into use in the early 1990s, which means many of the products installed today have a track record approaching two decades.

Of course, manufacturers admit the battle is ongoing, and new technologies are being developed that show even greater promise. When selecting an algae-resistant shingle, check the warranty; most manufacturers have a warranty length that extends from 5 to 20 years, with remedies ranging from cleaning to replacement. Talk to us when you have questions.



Energy Star Adopts Tougher Window Standards

Energy Star was originally intended to provide above-code guidance for choosing windows and doors. But today, more than 28 states have energy codes that meet or exceed its existing standards.

So, in an effort to keep its Energy Star label relevant, the Department of Energy (DOE) www.energy.gov is tightening Energy Star criteria for windows, doors and skylights. Beginning in January 2010, these products will need to meet more stringent standards for the rate of heat loss (U-factor) and solar heat gain coefficient (SHGC) in order to qualify for an Energy Star rating.

As an example, the maximum U-factor for qualifying windows in the northern climate zone has been lowered from 0.35 to 0.30; in southern zones the extensive current SHGC trade-off menu for windows with different U-factors has been simplified to a one-size-fits-all maximum value of 0.27.

According to the DOE, most manufacturers will be able to meet the new requirements by offering different glass packages with inert gas fills and low-E coatings. However, a more extensive overhaul of Energy Star standards is in the works, which the DOE expects to roll out within four years. Industry insiders say these standards will require extensive product re-engineering and predict wider use of triple glazing.

Talk to our experts to learn about the windows and doors that currently exceed Energy Star.



Builders Report: Three Tips For Jobsite Profits

Okay, so business isn't the same as it was three years ago – that is to say, there are fewer jobs available. But that doesn't mean you can't make money (or turn a profit) in this environment. According to other successful builders and experienced industry experts, success in this environment comes down to persistence, efficiency and sticking to principles when pricing out a job.

In a recent national survey, builders from across the country reported what they were doing to manage the downturn. A common thread in all responses was "persistence" when it came to sales. One Seattle builder reported his sale rate used to be one in three; now it's closer to one in 10. There are still sales to be made; they're just not as prevalent as three years ago. But the old adage still rings true: persistence pays off.

Of course, many construction companies have had to lay off employees; that means trying to do more with

less. In situations like this, efficiency becomes vital. Many builders have reported taking smaller jobs to "fill in" or they've ventured into new markets, such as commercial work. Regardless of the job (large or small, new construction or remodeling), implementing an efficient work schedule is the key to turning a profit. Remember, you can only cut so much overhead; at some point, you at least have to break even, or manage even a slight profit.

Which brings us to pricing. Richard Castell, a senior building analyst and estimator with HomeTech Information Systems, says remodelers should mark-up jobs 50 to 75 percent. Of course, every market is different, and it comes down to what the market will bear. The point is not to sacrifice profits. Because it's profits that remain the lifeblood of your business.