

State Reps Report Duane Bickett NAHB Winter Board January 15-22, 2010



To summarize this year's International Builders Show and Convention in one word....Optimism. From the first meeting on Saturday morning through the close of the show on Friday afternoon; builders and associates were talking about making it through the worst of the downturn and strategies to stay in business until full recovery. As with all reports, the strength of the recovery depends greatly on the area of the country in which you live. If you are fortunate to live with all of us....on the frozen tundra, then you are in the Green Zone; economist speak for the area of the country that never dropped too far and therefore in for a faster return to normal. That would include the center of the country; roughly North Dakota to Texas. The forecast for the recovery is continually being refined, but the Chief Economist from NAHB; Dr. David Crowe advises that full recovery for the hardest hit areas of the country, CA, AZ, FL, and NV could take until the 2nd quarter 2013!! The cold and snow doesn't seem too bad now does it? Some highlights and insights from the show and meetings:

State Reps: The week started on Saturday morning with a round table discussion of economic conditions of all the states. Most reactions were similar, building is down, permits are down, starter homes are the strongest segment of the market, most builders and remodelers are doing most anything to keep the doors open. Our area is experiencing challenges related as much to weather as the economy. Most of the Northern Plains builders are finding a way to survive until spring...keyword...optimism.

Board Meetings: the theme of most discussions in meetings and in the halls was the economy and the impact on NAHB's budget and related services. During the board meeting it was announced that Webcasts will be held to open the budget process to the entire membership. All ideas and suggestions are welcome to help balance the budget and overcome the shortfalls that are predicted for the next 5 years, or until membership numbers rebound and the revenue from the International Builders Show regains it's past strength. Membership dues and IBS revenue account for the majority of NAHB's budget revenue. All is not hopeless however. The cash reserves and assets of the association are still strong and the National Housing center in Washington, DC is fully leased. The officers and directors of this Association are constantly vigilant in monitoring the state of the federation. Rick Judson of North Carolina was elected 3rd Vice Chairman, Bob Jones from Michigan was elected Chairman of the Board, and our own Dave Asbridge was awarded his Senior Life Director for 20 years of service on the NAHB board. Congratulations Dave !!

National Commercial Builders Council: The good news: NCBC is one of only 2 councils of NAHB that is maintaining or growing it's membership. The bad news: We are still not very well known among other members of NAHB. The council was formed to better inform our members that have expanded their business to include light commercial work that could include strip mall work, mini storage, store build-outs, or commercial remodeling. If you doo any work in the commercial area or are interested in that work, then a \$75.00 investment in this council may save you some time in researching the difference between residential and commercial codes, regulations, EPA, OSHA, etc. Please see me if you have any questions about this growing council.

Membership: The primary focus of this committee in the past year and currently is to stabilize and grow national membership. From a record high in May 2007 of 264,000+ members to our current membership of 180,492; this group is trying to find new and better ways to serve our membership on a very limited budget. From organized national membership drives to what is working in our 850 local associations, we are becoming a clearing house for the best ideas to help spikes and ambassadors grow and maintain their membership. One new service National is providing is materials needed to stay in contact

with new members from the start of membership instead of only when their renewal date comes around. Look for more from this area in the future. Finally; if you missed the Spike this year, you missed a great evening. From great food, refreshing beverages, and great show from the band Styx, it was a memorable evening of fun. Make plans to be there next year.

Conventions and Meetings: One of the busiest committees in NAHB, staff and members worked together to make the IBS a very successful event during extremely difficult times for our industry. Even though the show is smaller than in previous years, space sales were 500,000 sp. Ft. and filled two large halls of the convention center. We are still waiting for final attendance numbers, but we are predicting 55,000 attendees with exhibitor and supplier numbers to bring us close to 60,000; on pace with last year but down from previous years. All directors were assigned an exhibitor to visit and thank for participating in the show. The response from the exhibitors was very positive and most are looking for larger space at IBS 2011. many are seeing an increase in orders for spring which hopefully signals an upturn in everyone's business. As in all areas of NAHB, all new ideas are welcome and no areas are left unexplored. As in all reports about meetings that span several days, this report cannot cover all the aspects and information gathered during this time. One comment that sticks out among all others during the State Reps Meeting: 25% of the reason I attend HBA meetings is for the information and knowledge I gain; 75% is for the friendships I have made over the years and support we all gain during the tough times. Thank you South Dakota for your support and trust you place in me as your State Rep and for the friendships I have made along the way. See you at the next meeting !!

Duane C. Bickett