

The Florida Flow

Volume 5, Issue 2 April 2008

Florida Water Quality Association

UPCOMING EVENTS

GE Sales Forum- How to Succeed in a Down Market
May 8, 2008
Orlando, FL
Contact Jill at 800-279-9404

FWQA Annual Convention
MAKE MAGIC HAPPEN!!!
June 5, 6, and 7, 2008
Caribe Royale Resort
Orlando, Florida

FWQA Board Meeting Schedule

Thursday June 5, 2008 5:00 p.m.
Caribe Royale Resort
Orlando, Florida

Minutes of any board meeting are available upon request
All FWQA members are welcome at Board Meetings.

President's Message – Cindy Gresham

Convention time is just around the corner! We have an exciting agenda this year, so if you haven't registered yet make sure to do so as soon as possible. Almost all of our exhibit space is sold and we expect an increase in dealer participation over last year. Last year's dealer attendance was lower than normal because the WQA Aquatech USA convention was in Orlando several weeks prior to our convention. There was no competing convention this year, so don't miss this opportunity to participate with us.

The FWQA convention will start off with our annual golf outing at Champions Gate so make sure to join us bright and early on Thursday for a great round of golf. We then have some very informative educational sessions scheduled for both Friday and Saturday that you don't want to miss. They include:

- WQA's Technical Director and author Joe Harrison. Mr. Harrison's class will take place on Friday, so please don't miss this opportunity for a refresher course on the fundamentals of water treatment and/or preparation for your WQA certification exam later in the week.
- FWQA is also endorsing an insurance program (that includes health insurance) for our dealers this year. The Group Insurance Program session that will cover all of your business insurance needs and will be presented on both Friday and Saturday.

And lastly our Friday night "Magic Show" will surpass what we've done in the past. Our convention organizers have some very nice door prizes that you must be present to win, so don't miss out on this opportunity for a fun night of magic and if your lucky a great prize.

I look forward to seeing you June 5-7.

Sincerely,
Cindy Gresham
President, FWQA

Remember, if all seems quiet in our industry statewide, we are doing our job.

Focus on the Dealer....



If you are traveling Florida, in the Ocala area of the state, you may just see the presence of Affordable Conditioners Inc. from your car. While one may think we would be talking about the many outdoor water treatment installations that firm has sold, we aren't. Ray Gregory and his team from Affordable Conditioners, Belleview, Florida, are strong believers in marketing, and one of their tools is putting their message on billboards around Marion County. Their current promotion uses an eye catching picture of a goldfish swimming in a bowl with a clothespin over its nose with the caption, "Got smelly, stinky water?" Always thinking about growing their market presence, Ray and wife Gail have been big believers in using different types of advertising mediums to grow sales. In addition to the billboards and yellow pages, they also advertise with private labeled bottled water and running news print ads in some local papers to grow leads. In the past they have used radio spots and even produced a half hour infomercial for television. To keep their message fresh, Ray changes the promotions from drinking water systems to water conditioners, and moves his ads around targeted areas from The Villages and Clermont up to Gainesville. As many in this business, Ray has been servicing water treatment customers for over 30 years. And being born and raised in his market area, many of his customers have had a life long relationship with him. While concentrating on residential sales most of his career, he has also developed a reputation as a reliable source for commercial sales and service. And while he tries to keep his service area to a 60 mile zone, he has devoted commercial customers who demand his service in Jacksonville, Orlando, and Gainesville. Ray and Gail know to grow a successful business; you have to have a good team to drive service and sales. With Charlie Cifelli and daughter Becky Johnson to run leads and close business, and Chris Lofft to manage service, they are poised to continue their steady growth. So the next time you're driving through Marion, Lee, or Sumter Counties, and you see a billboard with a goldfish and clothespin, know that Ray and his team are probably working nearby.

Should You Be Paying Sales Tax?

Denny Mahle, Water Treatment Warehouse

As I write this, our business is being audited by the state sales tax department. A first for me, I wasn't sure what to expect. We had several pre-visit calls with our auditor for us to get what records they needed ready, and to set expectations. The calls were no nonsense and I was expecting a similar experience to a visit to the proctologist. So far, it has gone fairly well, although I was told the process will likely take 12 months. We have a good record keeping and filing system, and pulling records from years back has been tedious, but manageable. We are learning though. I have learned that all asset purchases, whether made from another state or over the internet are subject to Florida use tax, and needed to be self reported if sales tax was not collected. Oops! This guy is thorough and that one is going to cost me. I am optimistic we have the rest of our taxes correctly collected and paid. Fingers crossed.

We have also learned how the State of Florida determines who is liable for sales tax. In Florida, real estate and its value is taxed, but not improvements to the property. A person does not pay sales tax when purchasing a new home, nor should he pay sales tax for a newly installed roof, or newly installed windows, or a newly installed water conditioning system. All are attached improvements to the property. The State considers the builder or installer liable for paying the tax. If you are a water treatment dealer and are installing a system for a builder or a consumer, **you should be paying sales tax on the purchase.** However, if you are servicing a water treatment system with new parts, or are selling supplies, filters, or even new systems from your store direct to do it yourselfers, then the consumer is liable for the sales tax. Our auditor noticed many of our customers have filed their "tax exempt certificates" with us and pay no sales tax on any purchases. This is a huge red flag for them. So maybe it is time to review how you want to use your exemptions. I am not a Florida Sales Tax expert, but hopefully this information will help you determine how to classify your future purchases. If you have questions, or are not sure how you should be classifying your purchases and sales, call Mr. Bob Norring, at 941 361-6001. He is tax advisor and legal counsel for the State of Florida tax department, and he will be happy to help you.

FWQA Unveils New Advertising Spots

Have you ever thought about trying to advertise using radio or television spots? Thought that only the national franchise members could afford to do it? Well think again. Earlier this month, the FWQA shot a 30 second television commercial promoting the ethics and professionalism of FWQA members. The spot will be available for a one year right to use. It was produced to allow the dealer to add his company and contact information to run across the bottom of the screen during the commercial (an additional edit charge will apply). The price to run your ad might surprise you. A recent quote to run a 30 second spot commercial in Marion County from 6 AM to 12 AM on 16 of the most popular cable channels (Fox News, CNN, ESPN, Lifetime, TBS, History Channel, HGTV, TNT, FX, Food Network, Weather Channel, TV Land, Discovery, USA, and A&E) was \$2.00. This particular market holds 20,000 cable subscribers. With the FWQA RTU fee included, a 160 spot contract has an estimated cost of \$570.00 to reach 20,000 households. Price will vary from market to market, but maybe you should take another look at using the radio and television medias to promote your business. It may be less expensive than you think.

New Insurance Program for FWQA Members Only

In response to interest from our membership, the FWQA has now endorsed the Jefferson-Allsopp Group to provide insurance programs exclusively for our members. From a recent survey, you have indicated that affordable health insurance is an area in which many of you would like access. Jefferson-Allsopp is an independent agency offering a comprehensive family of products including individual and group life and health insurance, extended employee benefit programs, workers' compensation, commercial insurance, and personal insurance.

Jefferson-Allsopp will have a booth at our upcoming 2008 FWQA Convention, and will also give an educational seminar on Friday and Saturday pertaining to "Insurance Considerations for Small Businesses". There will also be an opportunity for you to set up a time to meet with them individually at the convention. For more information or to schedule an advance appointment, contact Patty Parker at 863-688-7691 or email pparker@jefferson-allsopp.com.

FWQA

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*****We are in the process of updating and correcting our mailing list.
If you have an error in the address of this mailing, please fax or e-mail us the
correction.*****

***Make Magic Happen for
your business***

June 5, 6, & 7, 2008

***Look Inside for
Convention Information***