



BHFTI

Bureau of Home Furnishings
& Thermal Insulation

**BHFTI Advisory Council
Meeting Minutes**

Thursday, November 20, 2008

ATTENDANCE:

Advisory Council Members:

James C. Albers, *Public Member*
Sharron Bradley, Western Home Furnishings Association
Burt Grimes, Pacific West Furniture Manufacturing, Inc.
John McCormack, *Public Member*
Kathleen Newman, Firetect
Neil S. Puro, Pacific Coast Feather Cushion Company
Gene Valcke, Hanes Fabrics Company

BHFTI Staff Members:

Rick Fong, Bureau Chief
Rick Diamond, Field Operations Manager
Sean Faro, Staff Services Analyst
Said Nurbakhsh, Test Engineer
Shalom Rojas, Assistant to the Chief
Karen Skelton, Licensing Manager

Other DCA Staff:

Susan Lancara, Manager, DCA Legislative & Policy Review Division
James Maynard, Attorney, DCA Legal Affairs

Public/Other Meeting Attendees:

None

Agenda Items:

- I. Opening Remarks and Introductions
 - Chief Rick Fong opened meeting at 2:00 P.M., requesting that all public comment be held until the end of the meeting
 - Chief commented on success of PACT Summit and vision of the DCA Director, Carrie Lopez, to convene a collaboration of individuals representing numerous DCA Boards and Bureaus
 - Chief introduced himself and spoke about his background with BSIS, BAR, and experience as a private business owner
 - Chief noted that the Advisory Council still has room for additional public members

- Advisory Council members and DCA staff introduced themselves, following comments from the Chief

II. Bureau Overview

- Chief provided a brief overview of BHFTI laws and regulations, noting the wealth of experience and knowledge of the members of the advisory council
- Chief commented on the state of the economy and how the Bureau is working on becoming more efficient with less

III. Advisory Council Function and Purpose

- Chief discussed the Bureau's Advisory Council Bylaws, outlining the Council's function and purpose as a voluntary Council dedicated to assisting the Bureau by providing perspective information and insight into the home furnishing and thermal insulation markets in California
- Chief also introduced Susan Lancara, and discussed her role in the DCA Legislative & Policy Review Division

IV. Selection of Vice-Chair

- Chief discussed the need to select a Vice-Chair for the Advisory Council, and detailed the duties of this position, as detailed in the Bureau's bylaws
- Council Member Burt Grimes nominated Sharron Bradley, which was seconded by Council Member James Albers; a unanimous vote of all in favor resulted in the selection of Sharron Bradley as the new Vice-Chair of the BHFTI Advisory Council

V. DCA's 2008-2010 Strategic Plan

- Chief discussed DCA's Strategic Plan for 2008-2010, which outlines the over 40 Boards and Bureaus and what their missions are

VI. Bureau Updates

- Licensing Update:
 - The Licensing Manager, Karen Skelton, commented on the Bureau's quick turnaround on processing licensing applications, increases in staff workload due to mergers of licensees, coordination between Licensing and Enforcement in ensuring licensure of those doing business in the industry, automation of Thermal Insulation licensing into CAS, near completion of Excel-based Thermal Insulation Directory, and iLicensing efforts to have paperless renewals in place by 2011
 - The Chief, Karen Skelton, and Council Members Burt Grimes and Sharron Bradley discussed chain store renewals, lack of statistics for online sellers, the "BHFTI – Production to Retail Chain" handout which shows the sources of products used by manufacturers, and the need to expand number of licensees in the industry
 - Chief expressed thanks for the work Karen Skelton and her staff have done in Licensing
- Enforcement Update:
 - Field Operations Manager, Rick Diamond, spoke about the Bureau's accomplishments in the field, improvement in the quality of inspections and the inspection process, and statistical data kept by the Bureau, noting that Southern California reflects a higher number of violations due to volume of businesses in that region
 - The Chief, Rick Diamond, Said Nurbakhsh, and Council Members Kathleen Newman and Gene Valcke discussed importer control issues of security and shipment through California to other states, inspection of imports kept in warehouse storage within the state, potential for CPSC to collaborate with U.S. Customs Service, and manufacturer requirements to provide retailers with certificates of compliance as of November 12, 2008

- Rick Diamond and the Chief discussed recent sting operation conducted at the Paramount, California Swap Meet, on November 14, 2008, noting that field staff inspected 11 businesses, of which 7 were unlicensed, though no unlicensed product was found
- Rick Diamond and the Chief commented on improved escalation of enforcement legal cases, as well as work being done with District Attorneys across the state to move cases along
- Rick Diamond, the Chief, and Council Members Gene Valcke, Kathleen Newman, and John McCormack discussed 50% failure rate of products tested, types of testing relation to product failure rate, potential impact of possible new CPSC standard, and likelihood of the re-proposal of AB 706

VII. Outreach/Public Education

- Chief stated that DCA's Office of Publications will be working to develop new publications for consumers and licensees, talked about the new BHFTI logo, and efforts to continually improve in the areas of outreach and education
- The Chief and Council Members Gene Valcke, Sharron Bradley, and Neil Puro discussed usage of hang tags and point of purchase displays, perception of value of the BHFTI license and how to increase its value for retailers, potential for Bureau presence at industry events, possible development of an electronic newsletter for licensees, and need for collaboration between the Bureau, the industry, and associations toward improving value of BHFTI license

VIII. Going Out of Business (GOB) Sales/Advertising

- Chief noted the Bureau is making efforts to work on outreach for GOB sales
- The Chief, Rick Diamond, James Maynard, and Council Members Sharron Bradley and Burt Grimes discussed concerns over GOB sales for industry, impact of liquidators' ability to conduct unlicensed sales, potential limitation of timeframe for GOB sales, bankruptcy protection used by liquidators, false advertising both at storefront and online, comparative pricing issues, and possibility for development of a GOB "How To" flyer for businesses to use

IX. Roundtable Discussion

- Advisory Council Members discussed need for more regular meetings and improvements to the BHFTI website, timeframe for TB 604 finalization, concerns over mattress toppers, commercial building furniture compliance, concepts for increasing Bureau revenue, and complimented the Bureau's enforcement efforts
- Additional discussion focused on concerns over legislation driven from state agencies aside from DCA that impacts the industry, improving communication with other state agencies regarding potential legislative impact to industry, and statements made by supporters of AB 706
- Further commentary centered on promoting use of e-mail blasts, expanding meeting agenda topics, concept of "branding" for BHFTI, and anticipation of improved compliance of licensees due to progressive enforcement efforts

X. Public Comment

- No Public Comment

*Closing Remarks:

- Chief Rick Fong thanked Council Members for attending meeting and for providing valuable insight and information, noting that more information would be forthcoming at a later time, regarding the volunteer sheet
- Meeting adjourned at 4:45 P.M.