

HPBA PRESENTS:

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5 THINGS YOU NEED TO SURVIVE NSPS

INTRODUCTION

If you're like most companies in our industry, you've been hearing about the implications of the New Source Performance Standards (or NSPS) over the last five years. And, frankly, it's been easy to tune it out and think to yourself, "*it's not that big of a deal, they'll figure it out.*" Well, if we have learned anything in 2018 it's that NSPS is a big deal and it's about to drastically impact your day-to-day business.

NSPS is going to change the game, similar to the first Environmental Protection Agency (EPA) regulations our industry saw in the late 1980's.

If you aren't taking this seriously (*and preparing now*) it may cost your business hundreds of thousands of dollars in the next two years by:

- **Getting stuck with inventory that you can no longer sell**
- **Being fined by EPA for not complying with federal standards**
- **Losing a major part of your wood-burning business**
- **Trying to compete with online retailers blowing out inventory at ridiculous prices**

Now, things may seem bad, but your business can survive (*and thrive*) in the wake of NSPS. It's going to take some thought, preparation, and intentionality, but you can come out of this stronger than ever before—*all it takes is understanding five simple steps.*

#1

BELIEVE THE FACTS AND NOT THE HYPE

There's a lot of hearsay going around about NSPS that you need to be aware of. Some people say that the sky is falling, while others will tell you that nothing is changing so *"just go ahead and place your early buy like usual."* The truth is that both extremes are wrong and it's important that you listen to the truth and not the hype.

Make sure you are getting your information from directly from the HPBA or your local affiliate since they are actively involved with EPA in the regulation process.

The fact is that May 15th, 2020 is the deadline for NSPS unless something changes. Wood-burning heaters must be under 2.0 grams per hour by then (*and labeled that they are certified to comply with 2020 standards*) or they cannot be manufactured or sold. Any talk of product sell-through or a possible extension of the deadline is simply that—a possibility. It's more important than ever to keep updated with what HPBA is doing so that you are in the know.

Now is the time to prepare. Our industry has faced regulation before and survived. It's the companies who keep their heads in the sand that get swept away, not the ones who think for themselves and prepare for the future.

Don't get sucked into the hype of either extreme—*many of the people giving you information have incentive to make you behave one way or the other.*

Remember that the HPBA is your best resource to stay up to date on the chances of sell-through or an extension. Don't miss out on the [Government Affairs Review Meeting](#) at HPB Expo this year in Dallas on March 15th. You can hear firsthand and get the latest information from the representatives who have been fighting for your business—[RSVP today](#).

#2

PREPARE YOUR 2020 INVENTORY NOW

May 15th, 2020 will be here sooner than we know. If you start now, your business can take control and come out stronger than ever.

The first step is take an inventory of all of your current products to understand exactly where you sit (*make sure to take into account any orders you've placed that haven't been fulfilled yet*). From there, use your sales numbers from the last few years to determine how long that inventory should last. Use visual cues, like marking units that need to be sold with green dots and 2020 compliant products with blue dots, so your team understands exactly what products you have.

Take this month to plan sales incentives for the rest of the year to move through existing inventory that isn't compliant and look for partnerships with your trusted manufacturers. They can support you in this and are *wildly invested* in helping you move these products.

Your manufacturers are in the same boat as you and want to partner with dealers to move through any remaining inventory together.

This is bigger than any single business. If manufacturers don't sell through their inventory, the ripple effect will be significant. Prices will skyrocket, lead times will become astronomical, and products rushed to market that may not perform (just to name a few).

You can work with your manufacturers to build programs that:

- **Help you sell through your existing inventory quickly**
- **Take on additional products to help manufacturers move through their inventory as well**
- **Mitigate the risk of unsold products at the deadline**
- **Put both of you in a position to come out ahead in 2020**

Dealers and manufacturers need each other and now is the time to come together so everyone can win. No one can do it on their own and unless we partner together, everyone loses. You can come out ahead when everything is said and done if you start preparing now.

#3

BE PREPARED FOR THE DISCOUNTS THAT ARE COMING

As the 2020 deadline gets closer, be prepared for an all out discount war that is beyond anything you've ever seen before. The truth is that local dealers, big box stores and online retailers will all have inventory that needs to be moved quickly before it becomes worthless.

It's going to be a race to the bottom as May of 2020 approaches, and as Seth Godin says, "the scary thing about a race to the bottom is that you just might win."

Take advantage of preparation now so that you aren't stuck playing the price slashing game—because if you snooze, you will lose. Be aware of online competition heating up more than ever and for unprepared local dealers to join the fray.

Wood and pellet cannot be your only categories this year because everyone is going to be affected by this—make a commitment to invest in gas so that you are diversified and safe.

You can come out stronger than ever by preparing now and staying up to date with the latest information from HPBA. To get the latest information on the 2020 deadline (*and how your business can survive it*) go to the [Government Affairs Review Meeting](#) at HPB Expo this year in Dallas, Texas at 3pm on Friday, March 15th in Room A130. [RSVP today](#)—you'll get everything that you need there.

#4

BEWARE OF MANUFACTURERS WHO ARE TAKING SHORTCUTS

Don't believe the hype that every manufacturer will make the 2020 deadline unscathed. The truth is that just because a product is certified for emissions *doesn't mean it will perform well in the field.*

We want everything to be clean burning and have low emissions, but clean burning doesn't mean better performing—*with everyone in a rush to meet 2020 regulations make sure to test your manufacturer's 2020 products in the field before going all in on inventory.*

Don't let your business (and your customers) be the guinea pig for products that aren't field ready yet.

For some manufacturers, there will be unproven changes to wood-burning products coming to market in the next 18 months. It's going to be up to you to make sure they perform well because your customers are going to hold you (*not your manufacturers*) accountable. Don't buy the hype that radical changes to a product line in order to meet emissions standards won't affect the performance at all.

Make sure to partner with manufacturers who are doing the long, hard, and difficult work of designing their products for performance and not just emissions. Your customers are counting on it!

#5

GET THE LATEST SCOOP FROM HPBA

We haven't been hit with regulations like this in over 20 years, and we are still waiting for the final verdict. With so much uncertainty and hearsay in the air, it's more important than ever to have the latest updates on NSPS.

The HPBA knows exactly what is happening and wants to keep you in the loop.

To get the latest information on the implementation of NSPS in 2020 (*and the possibility of sell-through*), [don't miss the Government Affairs Review Meeting](#) in Dallas this year at the HPB Expo on Friday, March 15th at 3pm in Room A130.

This meeting will clarify:

- Exactly what is going on with the 2020 regulations
- The latest updates on the possibility of product sell-through
- How to understand the difference between the truth and hearsay
- What the HPBA is doing to fight for your business
- What you need to do to take control

This is the time to be informed! Don't put your head in the sand when the future of your business (*and all of your employees*) is at stake. [RSVP today](#) for the Government Affairs Review Meeting so that you can understand exactly what you need. In the meantime, listen to Rachel Feinstein from the HPBA talk about what is at stake for your business in [this episode of The Fire Time Podcast](#).

Imagine you had the information you needed to change course and come into 2020 prepared to win—*all because you took advantage of the next 18 months before the deadline!* Your family, employees, and customers will all be grateful for it. [So register now](#) and take the steps that you need to grow your business in the changing landscape.

CONCLUSION

If you want to stay ahead, the steps in this guide can help you. It's more important than ever to invest in your business—*otherwise the next 18 months are going to be very difficult*. Now is the time to think, plan ahead, and execute so that your company sails past this NSPS with ease.

Most businesses are stuck in the day-to-day and can't break free to plan for the future.

Don't miss out and let everyone else pass you because you didn't plan for the 2020 deadline. Rather, take advantage of the next 18 months, stay up to date with the latest information from HPBA, and grow your business like never before.

Register today to take control and get the information you need at the Government Affairs Review Meeting in Dallas on March 15th.

If you understand these five things (*and execute on them*), you'll be in a position to grow for years to come. Small businesses are the true American dream and yours is no exception. We believe that your business deserves to win and are fighting to help you get there.

- 1. READ THIS GUIDE**
- 2. RSVP FOR THE MEETING AT EXPO**
- 3. LEARN WHAT YOU NEED TO SURVIVE**

[CLICK HERE TO RSVP](#)

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