

PRESENTATION MADE BY THOMAS SOMMERS
OF SOMMERS AND ASSOCIATES IN HOUSTON, TEXAS
AT THE VINYL INSTITUTE 6TH ANNUAL MEETING

MAY 9, 1989

AT CALLAWAY GARDENS, PINE MOUNTAIN, GEORGIA

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Good News

- Electrical materials market remains steady; most respondents expect to use more in 1989
- Low cost -- PVC's primary advantage -- is not being challenged in users' minds
- PVC's other performance attributes are understood and well-regarded

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Bad News

- "Toxicity" issue may have calmed down, but it has become widely accepted in building/fire community
- Unless toxicity issue is neutralized, there is potential for broad scale switching to alternative materials
- In telecommunications market, corrosiveness is emerging as a significant issue following the Hinsdale fire

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Good News

- Existing data and on-going research can convincingly answer both toxicity/fire hazard and corrosion issues
- The opinion leaders who will influence future building codes are interested in and open to the pro-PVC case

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Objectives

- Purchase & use decisions
- Major issues
- Info/perceptions affecting usage
- Markets accepting/excluding PVC
- Sales increase expectations
- Target audiences/messages
- Information sources
- General recommendations

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Audiences

- Appliance manufacturers
- Architects
- Building code bodies
- Building contractors
- Building materials specifiers
- Local fire/safety officials
- Local zoning officials
- National safety officials/opinion leaders
- Product designers/engineers
- Teleelectronics manufacturers
- Trade/professional media
- Wire distributors
- Wire makers

Methodology

- 125 survey respondents, 28 states & Canada
- Approved questionnaire
- 30 - 40 minute telephone interviews, open-ended
- February to April, 1989
- Association membership lists & networking
- Quantitative and qualitative

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Findings

- Codes (NEC) basis for purchase & use decisions
- Specifying engineers key "recommenders" -- they rely on codes
- Specifiers accept "toxicity" label without question
- Code process reactive to initiatives/action from sources like fire services or VI

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Findings

- "Toxicity" issue latent, but almost unanimously regarded as bona fide
- PVC has lost the propaganda war
- Cost remains primary decision factor vs toxicity
- "Toxicity" issue makes competitors' investments in substitute materials strategically feasible

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Findings

- Key national opinion leaders on safety questions understand the fallacies of "toxicity" issue & are interested in new data
- Current research offers powerful, credible data comparing PVC with other materials. VI can use this information to turn-around opinion leaders
- Other target audiences will follow opinion leaders' technical lead

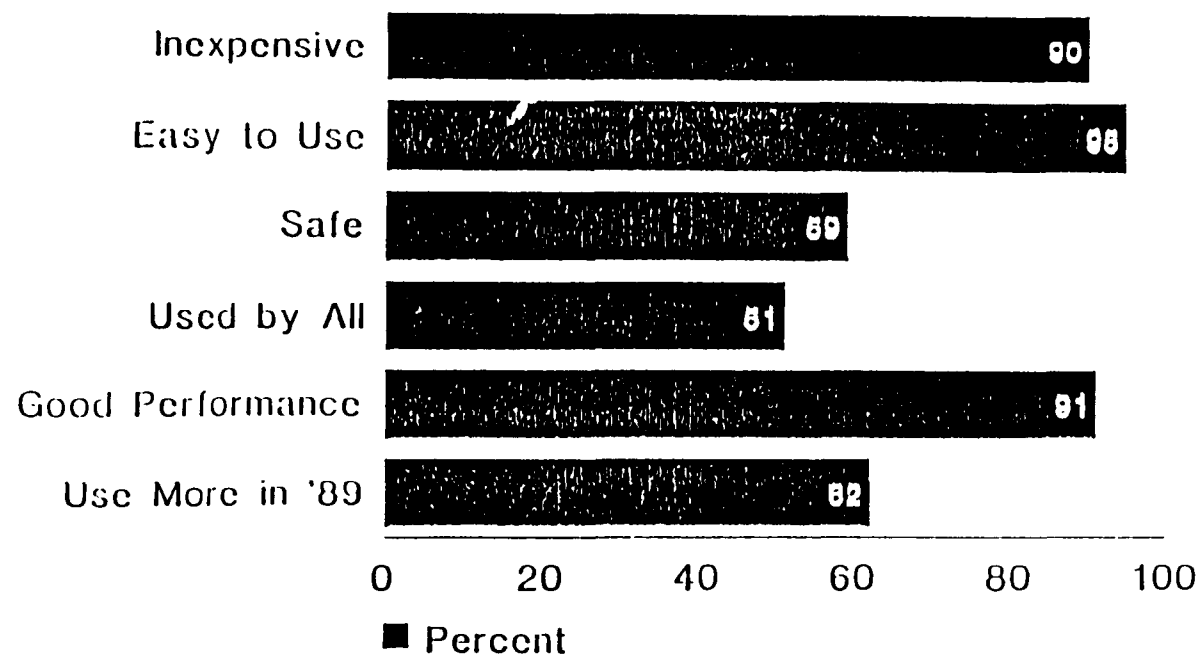
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Findings

- Most target audiences expect increased PVC usage in the near term
- Significant skepticism is raised by telecommunications manufacturers about appropriateness of PVC use, primarily a result of Hinsdale fire perceptions

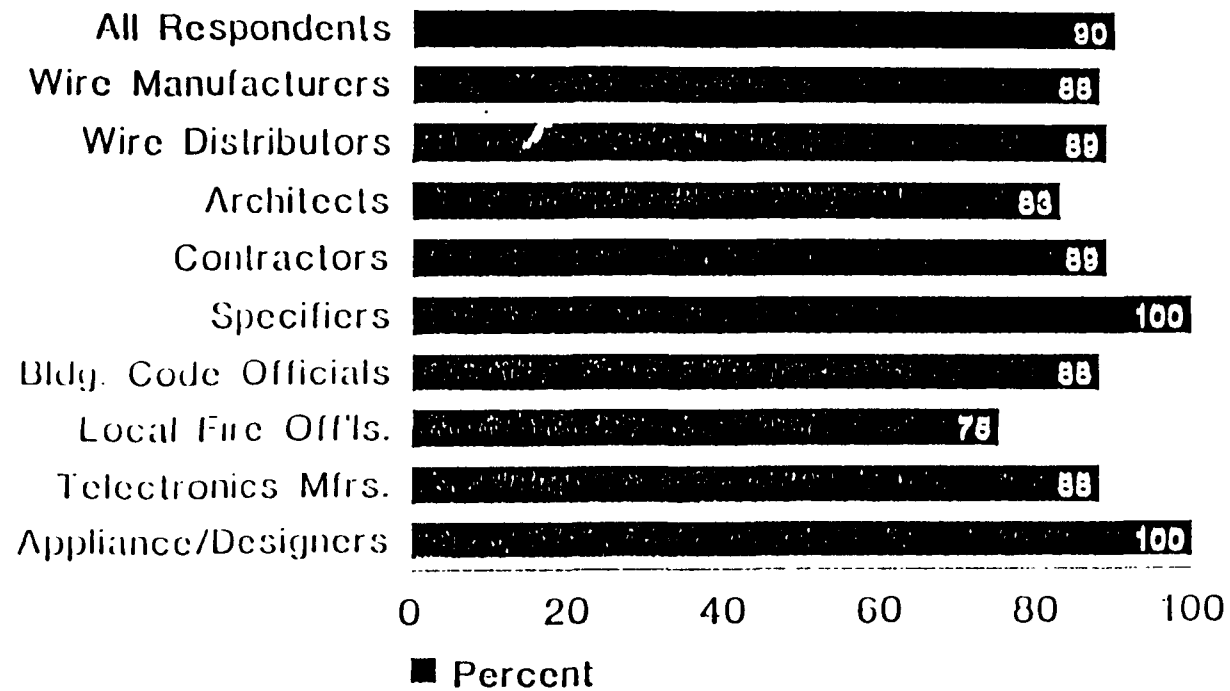
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PVC Attributes



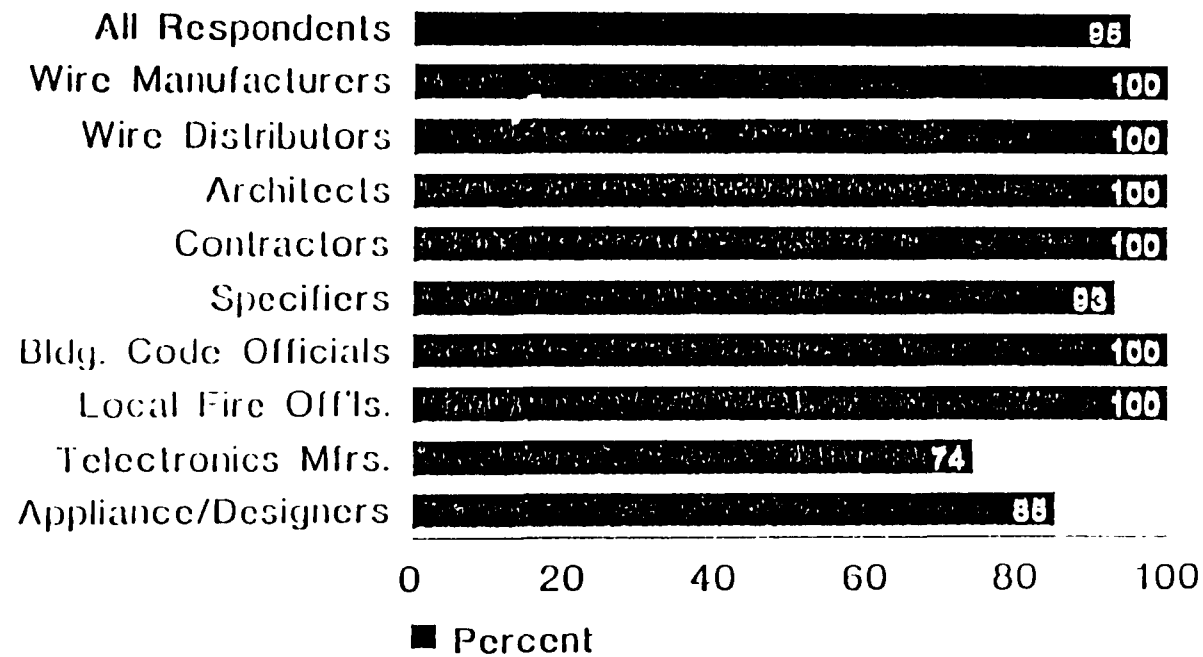
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Inexpensive



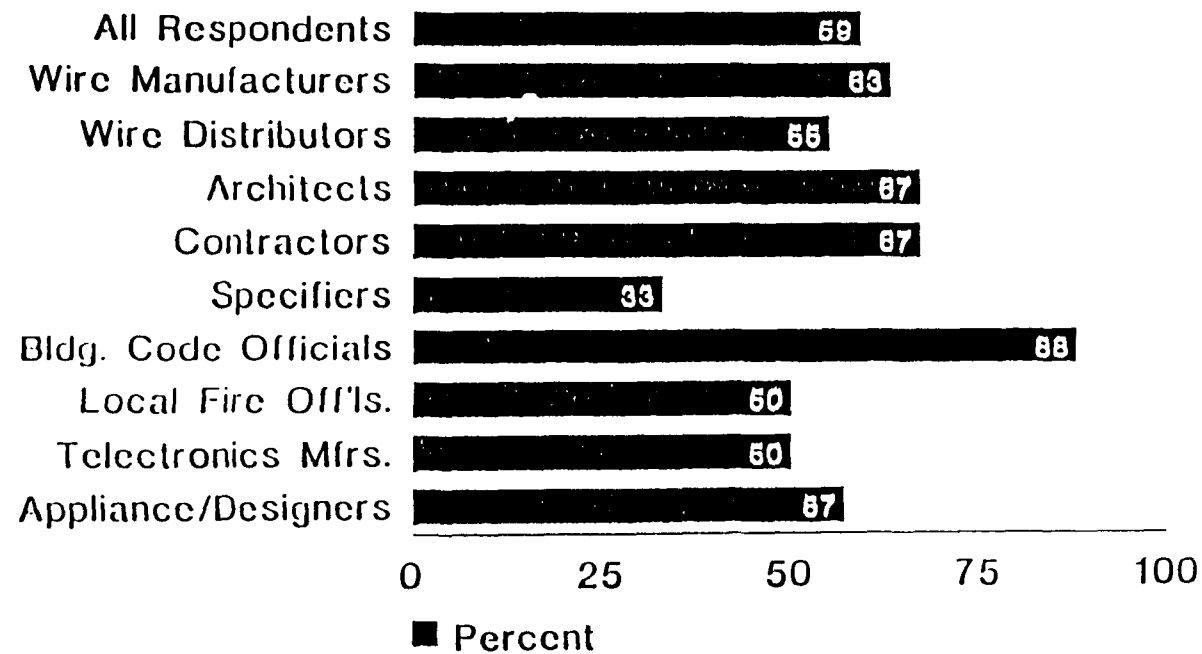
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Easy to Use



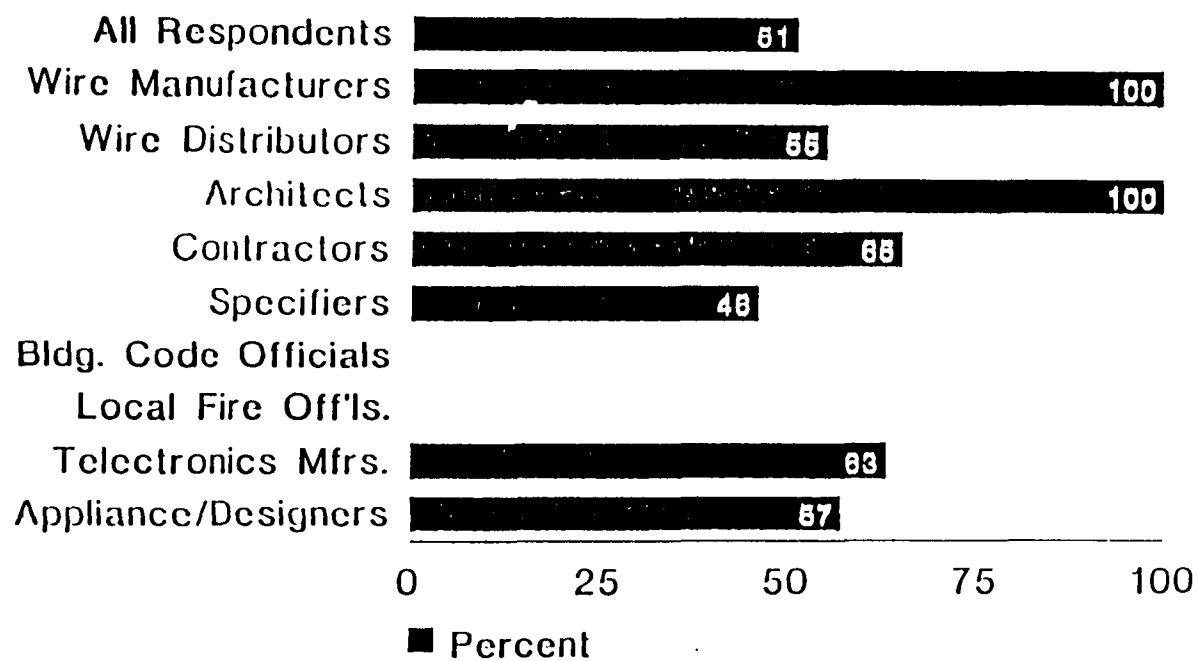
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Safe

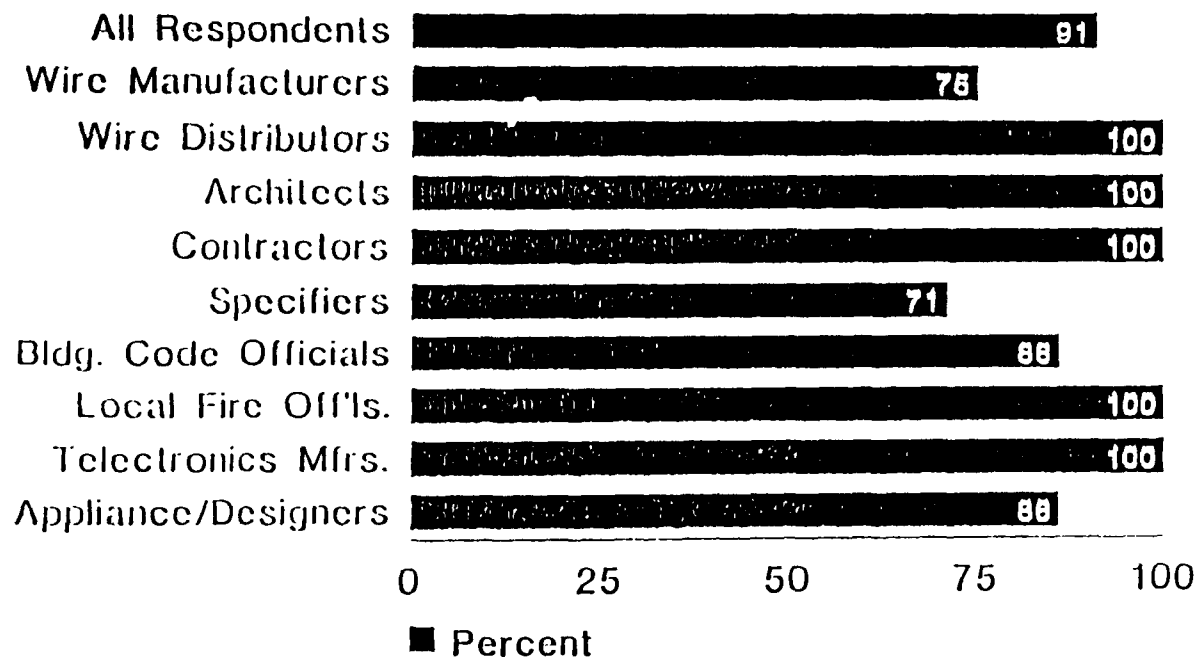


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Customer Acceptance

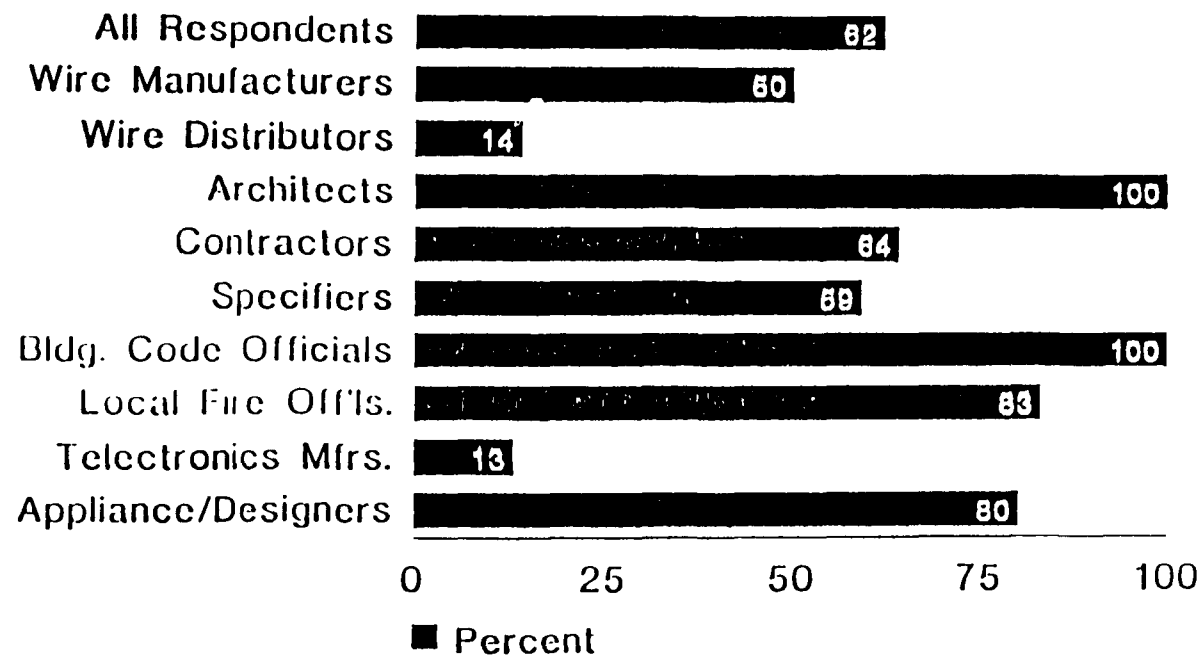


Good Performance



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Increased 1989 Use



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Usage Criteria

	" 1	" 2	" 3
Wire Manufacturers	Specs	Cost	Flammability
Wire Distributors	Customer	Cost	UL approval
Architects	Sweets Catalog	Codes	Specifiers
Contractors	Specs	Codes	Cost
Specifiers	Codes	Cost	Performance
Bldg. Code Officials	Codes	UL approval	Specs
Local Fire Off'ls.	Codes		
Teletronics Mfrs.	Codes	Elec. properties	Customer
Appliance/Designers	Cost		

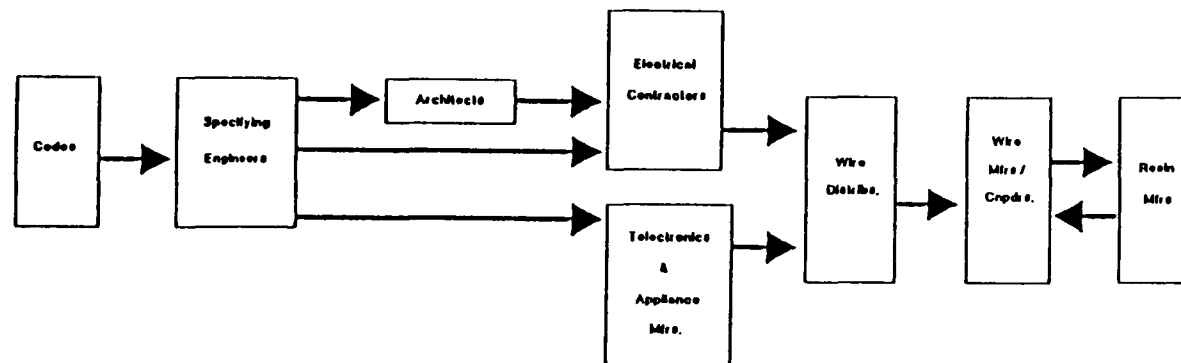
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Recommenders

	" 1	" 2	" 3
Wire Manufacturers	Engineers		
Wire Distributors	Customer specs.		
Architects	Specifying engineer		
Contractors	Specifying engineer		
Specifiers	Specifying engineer		
Bldg. Code Officials			
Local Fire Off'ls.			
Telectronics Mfrs.	Engineers		
Appliance/Designers	Engineers	UL approval	

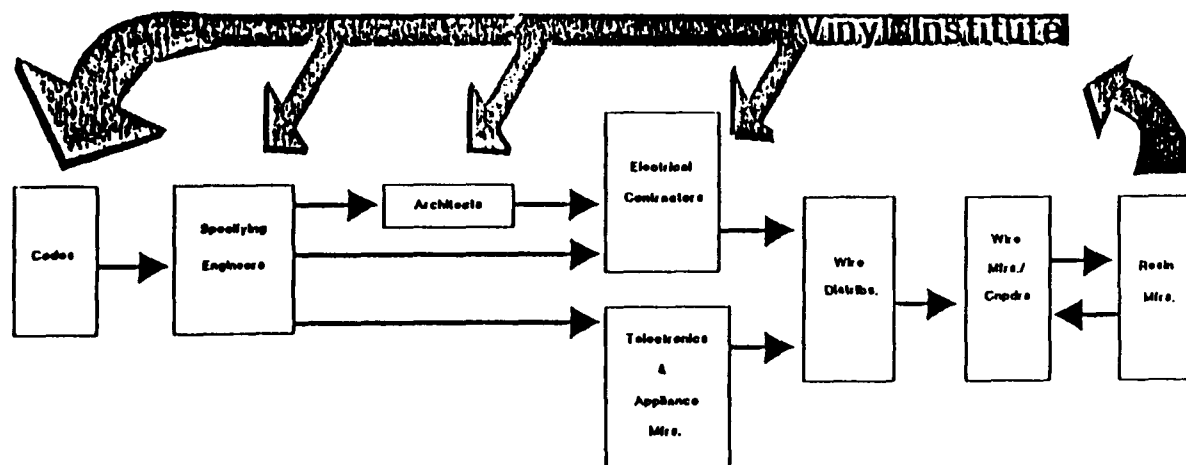
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Electrical Materials Marketplace Decision/Influence Flow



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Electrical Materials Marketplace Decision/Influence Flow



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Recommendations

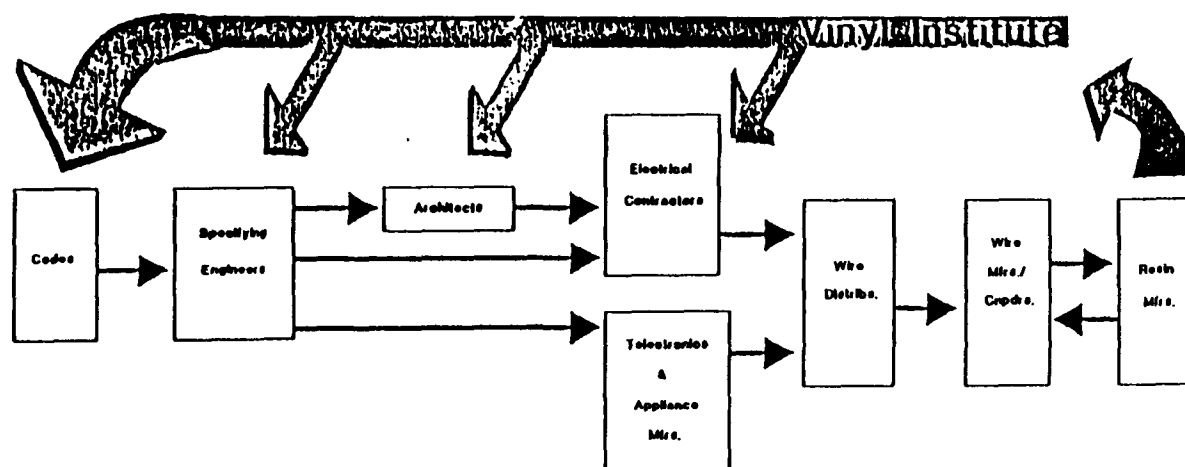
- Technical Information Campaign to distribute new information and research on PVC, fire safety & toxicity.
- Identify & begin working with allies on product research code and legislative issues.
- Consider "repositioning" PVC to match attributes & capabilities more clearly with target audiences' perceived needs.
- Prepare for counterattack from opponents.

Objectives

Purchase & use decisions	-- Building codes
Major issues	-- Toxicity/fire hazard
Info/perceptions affecting usage	-- Cost & toxicity
Markets accepting/excluding PVC	-- Building codes
Sales increase expectations	-- 62%
Target audiences/messages	-- Technical/emotional
Information sources	-- Specifying engineer/codes
General recommendations	-- Code bodies/technical data

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Electrical Materials Marketplace Decision/Influence Flow



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