WELCOME

FAMA 2015 SPRING MEETING

MEETING SESSION 1

CALL TO ORDER

INVOCATION

THANK YOU

INTRODUCTIONS

ROLL CALL

PROOF OF NOTICE

REVIEW & ENTER MINUTES

ANTI-TRUST & NON-DISCRMINATION

CHIEF JAMES COSTEIRA

St. Augustine Fire Dept.

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WATEROUS

2015 | FAMA SPRING MEETING

SELF-INTRODUCTION OF MEMBERS

TREASURERÕS REPORT

Scott Edens

Fire Apparatus Manufacturers' Association

Balance Sheet Prev Year Comparison

As of December 31, 2014

	Dec 31, '14	Dec 31, '13	$ Change	% Change
ASSETS				
Checking/Savings:				
Metro CU MM-Reserves-30 *	158,162	154,391	3,772	2%
Metro CU MM-Surplus-31	156,676	133,623	23,053	17%
A03 — FAMA Money Market	43,401	12,421	30,980	249%
A04 — FAMA Checking	5,241	(2,746)	7,987	-291%
TOTAL ASSETS	363,480	297,688	65,792	22%
LIABILITIES				
Current Liabilities:				
FAMA Prepaid Meeting Fees	2,350	-	2,350	100%
FAMA Prepaid Membership Dues	1,500	-	1,500	100%
TOTAL LIABILITIES	3,850	-	3,850	100%
*2014 Required Reserves: $157,747.32				

SUMMARY OF 2014 INCOME STATEMENT

2014 Surplus: $61,942

Increased Revenue - New Products:

$30,138 Technical Safety Guide Revenue

$15,738 Royalties
$14,400 Mailer Sponsorships

Cost Reduction vs. Budget:

Newsletter	Partnership with FEMSA and PennWell.
BOD Meetings	Frugal Team.
Statistics Project	Postponed: New strategy to improve analytical review in-process.
Strategic Structural Review	A portion of original 2014 budget will be incurred during 2015 (Management Fees).
Technical Safety Guide	DSI program does not require FAMA to purchase Safety Guide Inventory ï Royalty.
(5) Categories	$61,364 in savings vs 2014 Budget

SUMMARY OF 2015 BUDGET

BALANCED BUDGET = $13,540 Contingency Fund

Increased Revenue: $408,140 (3.66%)

Cost 2015 vs. 2014:

Management Fee & Other Transition Cost: One-Time cost to ensure proper transition of Business Manager Position.

9.4% budgeted expense increase without inclusion of one-time management fee.

3.9% increase vs 2014 budgeted expenses.

YEAR-TO-DATE SUMMARY

As of February 28, 2015

Balance Sheet:

2015 Reserve Requirement: $165,893.74

Transfer of $7,616.34 to Reserve Money Market Account has been executed.

Income Statement:

Revenue

Lower Spring Meeting Fees (Disney Event); expect lower meeting fees.

Slow Member Collections ($6,540 as of February 28); expect to maintain current member level.

Expense

All expenses categories within budgeted guidelines.

BOARD OF DIRECTORSô REPORT

Since Fall 2014 Meeting:

Å Board Planning Mtg., Nov. 2014, Nashville

Å Dec. Conference Call

Å Special Membership Meeting, Dec. 2014

Å Met with Chairs, Jan. 2015, FDSOA

Å Feb. Conference Call

Å March Conference Call

<u>2015 Board Initiatives:</u>

Å Optimize Organizational Structure Of Board And Administrative Staff

Å Explore Revenue Opportunities In Order To Provide Increased Services To Member Companies

Å Effective Communication To Membership Through Effective Committees

2015 To Date:

Å Transitioning Sonya Kelly into the Business Manager role.

Å Study and Proposal to Board Structure

Å Treasurer Duties Transition

Å Final Arrangements for Fall 2016 Meeting

Å New Leadership for NFPA and Committees

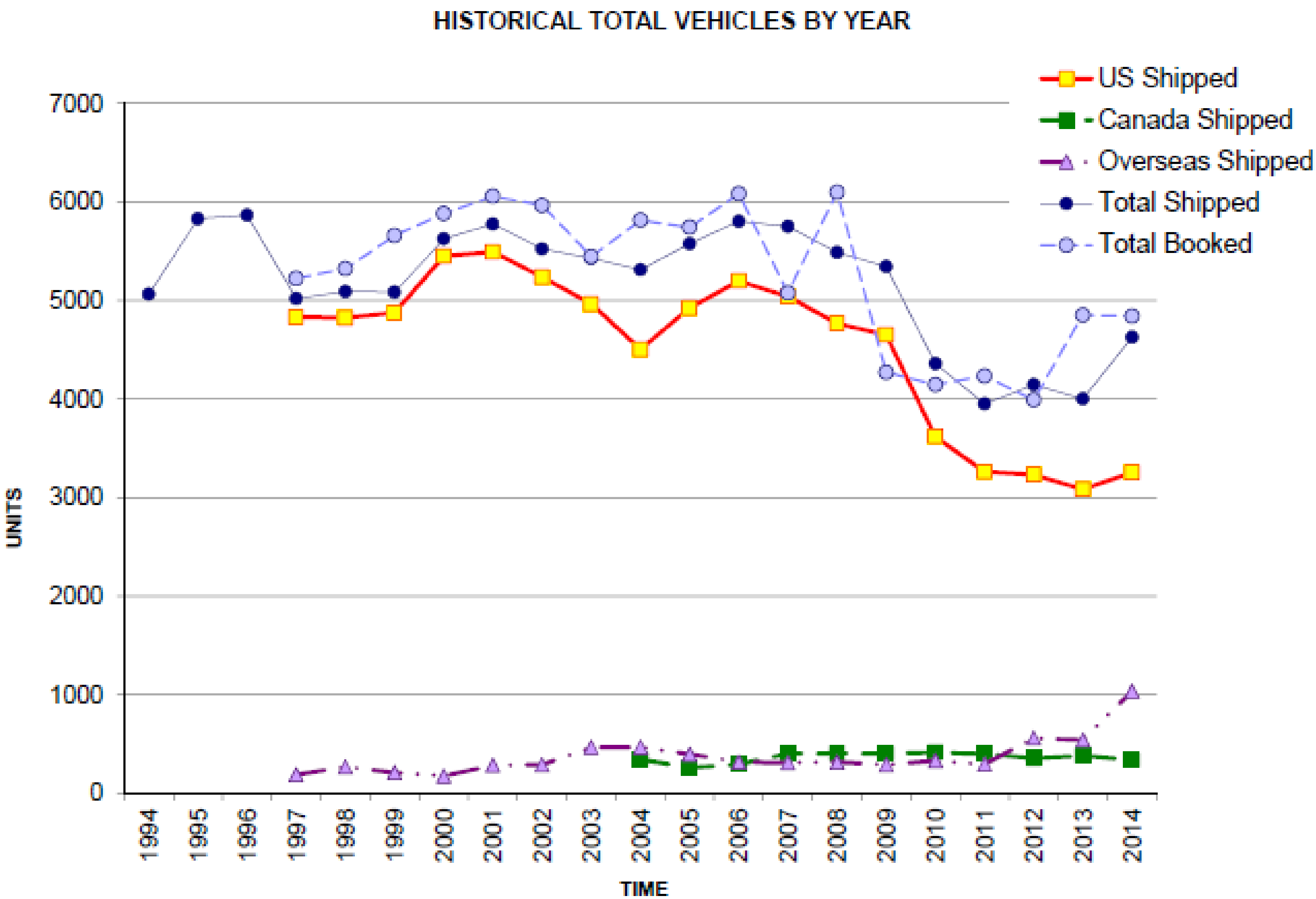
Å Hill Day, Washington D.C.

Å Version 2 and Reorder of Safety Guides

COMMITTEE REPORTS

STATISTICS COMMITTEE

Mike Schoenberger

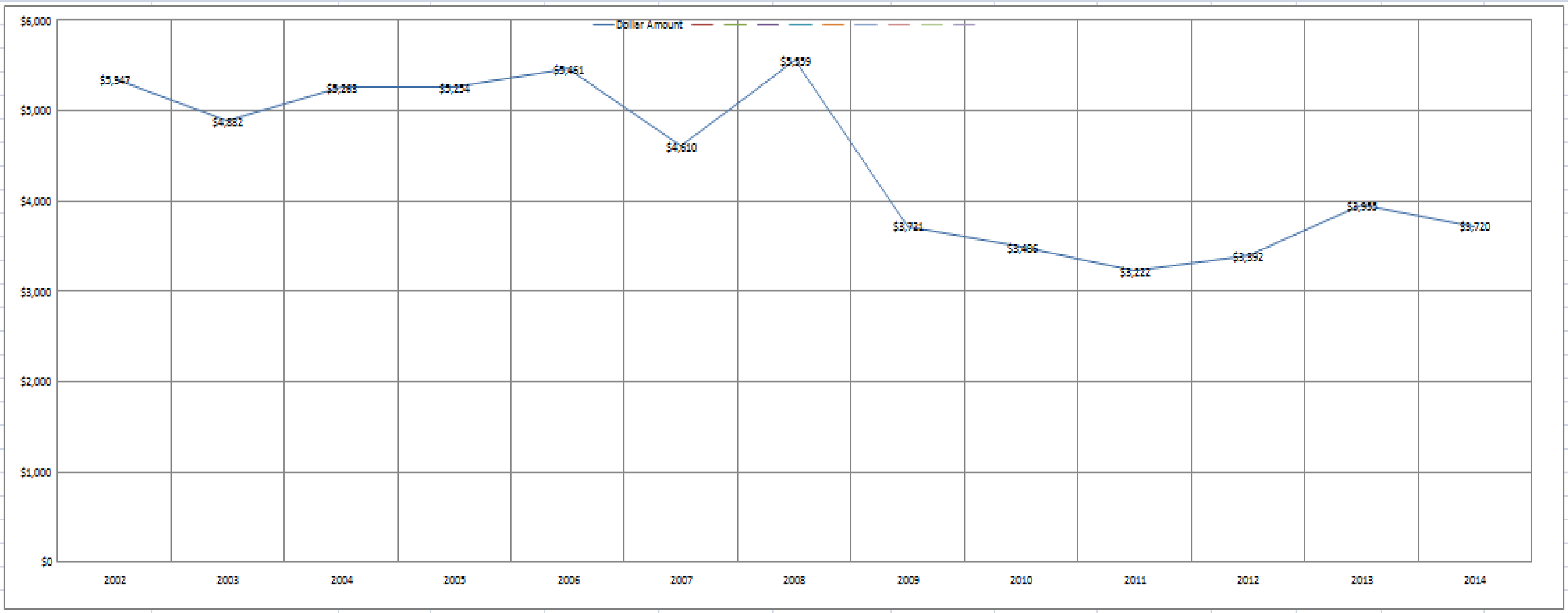

HISTORICAL TOTAL VEHICLES BY YEAR
US Shipped
Canada Shipped
Overseas Shipped
Total Shipped
Total Booked
UNITS
0
1000
2000
3000
4000
5000
6000
7000
1994
1995
1996
1997
1998
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014
TIME

Historic Vehicle Sales/Booked
US & Canada

Fire Truck Sales (Booked)

US & Canada

Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Dollar Amount	$5,347	$4,882	$5,263	$5,254	$5,461	$4,610	$5,559	$3,721	$3,486	$3,222	$3,392	$3,955	$3,720



Does Not include ARFF & Refurbs

Historic Total Vehicle Sales
US and Canada

Years	Average Yearly Vehicle Sales
2002 - 2008	5,197
2009 - 2014	3,583

Does Not Include ARFF or Refurbs

Total Vehicle Sales
US and Canada
5-Year Comparison

	2010	2011	2012	2013	2014
United States	3214	3011	3054	3702	3428
Canada	403	319	407	323	363
ARFF	93	78	60	180	121
Export	444	832	469	647	932
Total	4154	4240	3990	4852	4844

Vehicle Sales by Product
US and Canada
5-Year Comparison

	2010	2011	2012	2013	2014
Pumpers	1801	1740	1953	2423	2228
Aerials	446	422	457	467	498
Tankers	590	439	454	405	438
Rescues	363	413	310	380	326
Brush/Mini	291	214	218	280	230
Total	3491	3228	3392	3955	3720

Custom vs. Commercial Chassis 2014 Year End

Product	Commercial	Custom	Total	Percent
Pumpers	485	2094	2579	19/81%
Aerials	3	526	529	1/99%
Tankers	429	50	479	90/10%
Rescues	459	160	619	74/26%
Total	1376	2830	4206	33/67%

Custom vs. Commercial Chassis Historic Comparison All Vehicles

Year	Commercial	Custom
2002	47%	53%
2006	44%	56%
2010	42%	58%
2014	33%	67%

Custom Chassis
Medium Duty vs. Heavy Duty
2014 Year End

Product	3000 EVS	4000 EVS	Total	Percent
Pumpers	1389	705	2094	66/34%
Aerials	81	445	526	15/85%
Tankers	27	23	50	54/46%
Rescues	93	67	160	58/42%
Total	1590	1240	2830	56/44%

2014
Annual Shipments Report of Fire Pump Manufacturers US and CANADA ONLY

Pumping Rate	Single Stage	Multi-Stage	Total
750 GPM	95	31	126
1000 GPM	283	10	293
1250 GPM	803	54	857
1500 GPM	1704	83	1787
1750 GPM	77	19	96
2000 GPM	279	81	360
2250 GPM	15	1	16
2500 GPM	98	0	98
Total	3354	279	3633

Report started in 2003

Total Vehicles
Sold With a Foam System

Year	Yes	No
2002	35%	65%
2006	46%	54%
2010	47%	53%
2014	64%	36%

Statistics Reports Have Extensive & Valuable Data

Å Sales by product models (12 aerial models)
Å Chassis type
Å Fire pump ratings and applications
Å Axles, single or tandem
Å Foam system types (6)
Å Vehicle average price by model

We Are Requesting Your Help

Please Submit Your Quarterly Reports Within 30 Days of Closing

EDUCATION COMMITTEE

Jeff Hupke & Jason Nawrocki

Education Committee Survey Reports

- **Successful survey completion rates for 2014-2015 surveys!**
    - Industry Survey 1,416 completed the surveys
    - Member Outlook Survey - 87 responded

- Special thanks to the industry publications and organizations help this year!
    - IAFC
    - NVFC
    - PennWell
    - Firehouse Magazine (Cygnus)
    - Fire News
    - Fire Fighting in Canada

FAMA / FEMSA
Annual Industry Survey
Report for 2014

(Completed February 2015)

Geographic Location of Respondents

The majority of respondents are from the United States (97%); 3% are from Canada. Fifty states and all of the Canadian provinces are represented.

Pacific Westï 7%
Westï 5%
Centralï 9%
Mid Westï 22%
Mid Southï 11%
Southeastï 11%
Mid Atlanticï 21%
North Eastï 14%

Position of Respondents

Twenty-five percent of respondents are fire chiefs/commissioners; 19% are company officers.

Fire chief/commissioner	**25%**
Company officer	19%
Firefighter/driver/operator	19%
Assistant chief/deputy chief	14%
Training office/training chief/instructor	7%
Battalion chief/district	4%
EMT/paramedic	2%
Fire marshal inspector	2%
Chief/shift commander	1%
First responder	1%
Other	6%

1. Trends Affecting Industry

(What are the biggest trends currently affecting your industry?)

Å For 38% of the respondents, the ñeconomy/budget cuts/gov. funding/grantsòare most affecting them

Å 18% indicated ñtechnology/digital options/electronic control.ò

Economy/budget cuts/gov funding/grants	38%
Technology/digital options/electronic control	18%
Gov regulations /OSHA/SCBA/NFPA	10%
Cost/price/cash flow	10%
Less municipal requests/cuts in municipal spending	10%
International/exchange rates/imports	7%
Competition/manufacturer mergers	5%
Slow sales/up and down sales/military sales	5%
Smaller	4%
Consolidation/commodity pricing/group purchasing	4%
Internet/online	4%
Other	7%

Financial Overview

ÅThirty-two percent of respondents believe equipment budgets will increase and 29% believe apparatus budgets will increase over the next two years. This continues a positive trend.

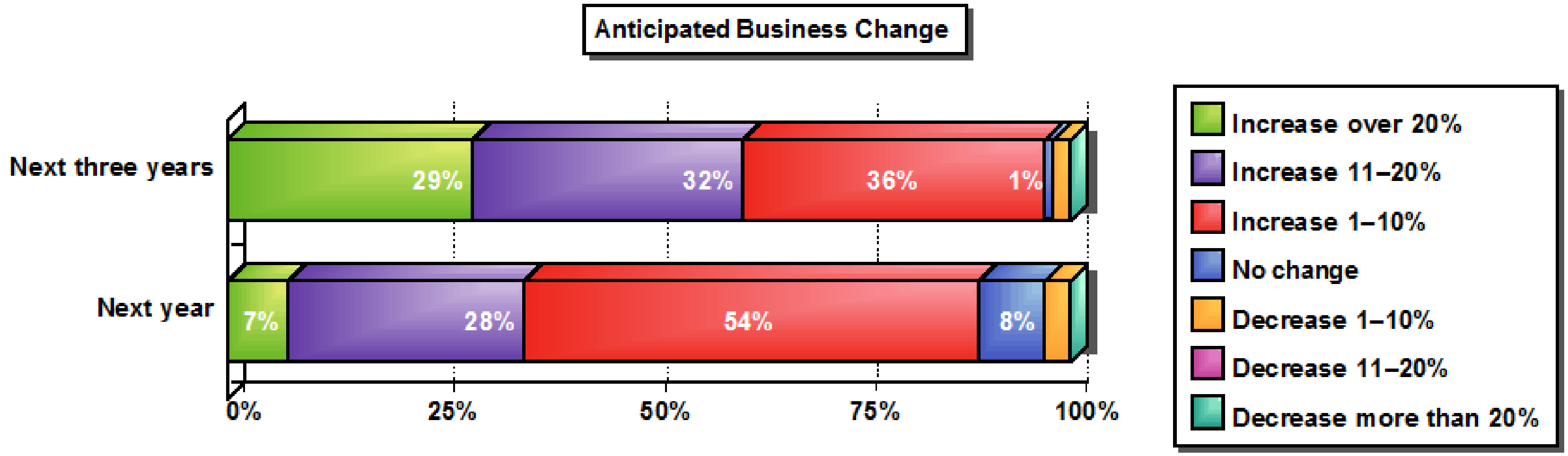
ÅFifty-three percent of the respondents to the FAMA survey indicated that raising the overall awareness of funding sources would assist fire chiefsï this is similar to what was indicated in 2013, 2012 and 2011.

Postpone planned purchases	**35%**
No anticipated actions due to economic conditions	32%
Standard operating procedures will change	30%
Reduce number of planned purchases	27%
Refurbish existing apparatus	27%
Fees for service levied	13%
Reduce staff	12%
Cancel planned purchases	6%
Forced to acquire non-NFPA compliant apparatus	6%
Other	3%

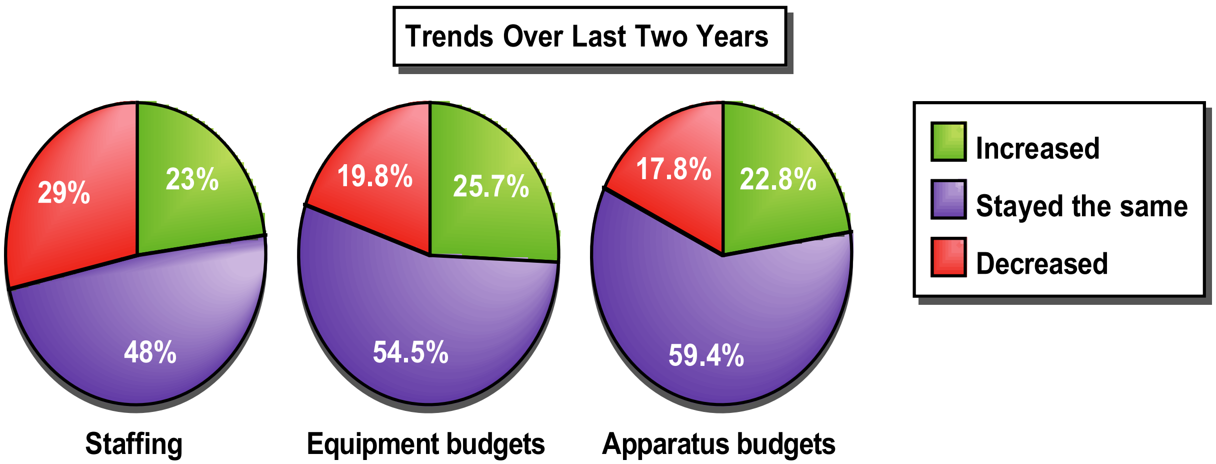
2. Anticipated Business Change

(How do you expect your business to change over next year/next three years?)

Å Eighty-nine percent of respondents expect their business to increase next year
Å Almost all (97%) expect their business to increase during the next three years.
Å Twenty-nine percent of respondents anticipate their business growing over 20% during the next three years and 32% believe it will grow 11-20%.



Staffing levels and apparatus budgets are similar to last year. Equipment budgets increased slightly.



Anticipated Trends Over Next Two Years

(Over the next two years (2015 and 2016), - how do you expect your (equipment budget, apparatus budget) to change? (n=1,355)

	Equipment Budget				Apparatus Budget				Staffing Budget	
	2014 (n=1.355)	2013 (n=1,322)	2012 (n=2,005)	2011 (n=225)	2014 (n=1,355	2013 (n=1,480)	2012 (n=2,005)	2011 (n=225)	2014 (n=1,355)	2013 (n=1,480)
Increase	32%	27%	24%	27%	29%	26%	22%	27%	31%	28%
Stay the same	55%	55%	58%	53%	57%	57%	61%	51%	57%	60%
Decrease	14%	18%	19%	20%	15%	17%	18%	22%	12%	13%

AFG or SAFER Grant Application

(Has your department applied for a grant during the last two years?)

Almost three-fourths of respondents have applied for a grant for equipment and 34% for apparatus. (Note: n=1,192.)

There is an increase in the percentage of respondents applying for equipment grants.

	2014 (n=1,192)	2013 (n=1,280)
Yes, for equipment	72%	66%
Yes, for apparatus	34%	32%
Yes, for other	16%	17%
Yes, for staffing	15%	17%
No	14%	17%
Not sure	5%	8%

AFG or SAFER Grant Recipient

(Have you received an AFG or SAFER grant during the last two years?)

- Twenty-four percent of respondents received a grant for equipment during the last two years and 6% received a grant for staffing. (Note: n=1,192.)

- There is a slight increase in the percentage of respondents who have received a grant for equipment.

	2014 (n=1,192)	2013 (n=1,280)
Yes, for equipment	24%	19%
Yes, for staffing	6%	8%
Yes, for other	4%	4%
Yes, for apparatus	5%	3%
No	61%	62%
Not sure	10%	11%

Trends Over Last Two Years

(Over the last two years has your (staffing level, equipment budget, apparatus budget) increased, stayed the same or decreased?)

- Staffing levels and apparatus budgets are similar to last year's amounts. Equipment budgets increased slightly from 2013 to 2014. (Note: n=1,355.)

Staffing Levels	2014 (n=1,355)	2013 (n=1,480)	2012 (n=1,935)	2011 (n=225)	2010 (n=81)	2009 (n=1,072)
Increased	23%	23%	22%	21%	19%	27%
Stayed the same	48%	50%	53%	51%	54%	51%
Decreased	29%	27%	25%	27%	27%	23%

Equipment Budgets	2014 (n=1,355)	2013 (n=1,322)	2012 (n=1,935)	2011 (n=225)	2010 (n=81)	2009 (n=1,072)
Increased	26%	22%	20%	21%	16%	19%
Stayed the same	55%	53%	54%	48%	37%	44%
Decreased	20%	25%	26%	31%	47%	37%

Apparatus Budgets	2014 (n=1,355)	2013 (n=1,480)	2012 (n=1,935)	2011 (n=225)	2010 (n=81)	2009 (n=1,072)
Increased	23%	22%	20%	22%	19%	19%
Stayed the same	60%	58%	58%	54%	42%	45%
Decreased	18%	19%	23%	24%	40%	36%

Impact of Budget Restrictions

(Have you changed your apparatus specifications/selection due to cost or budget restrictions?)

	2014 (n=1,416)	2013 (n=1,537)
Yes, chose a different, new apparatus	27%	26%
Yes, replace with a used vehicle	13%	13%
Yes, other options	16%	17%
No	43%	44%

Current Apparatus Owned

(Which of the following apparatus does your department currently own?)

Almost all fire departments currently own a pumper. Apparatus ownership has remained steady since the 2011 survey. (Note: n=1,416.)

	2014 (n=1,416)	2013 (n=1,537)	2012 (n=2,005)	2011 (n=225)
Pumper	97%	96%	97%	98%
Utility truck	59%	59%	59%	58%
Tanker	59%	58%	32%	53%
Rescue	57%	57%	60%	61%
Aerial	56%	58%	58%	56%
Wildland	54%	54%	51%	60%
Ambulance transport	33%	33%	35%	33%
Heavy rescue	30%	29%	32%	31%
Command center	21%	22%	24%	25%
ARFF (Airport Rescue Firefighting)	6%	7%	6%	6%

Anticipate Major Purchase

(Do you anticipate making a major purchase during the next fiscal year?)

Å Slightly more than four out of ten fire departments anticipate making a major purchase during the next fiscal year; 34% indicated they would not be making a major purchase. (Note: n=1,537).)

	2014 (n=1,416)	2013 (n=1,537)	2012 (n=2,005)	2011 (n=225)	2010 (n=81)
Yes	43%	40%	40%	56%	37%
No	34%	36%	33%	30%	32%
Not sure	27%	24%	28%	14%	31%

Anticipate Apparatus Purchases in Next Two Years

(Which of the following apparatus does your department anticipate purchasing in the next two years?)

Å Just less than two-thirds of the departments anticipate purchasing a pumper during the next two years and 25% anticipate purchasing an aerial. In many of the apparatus categories, there is an increase from 2013 to 2104. (Note: n=565.)

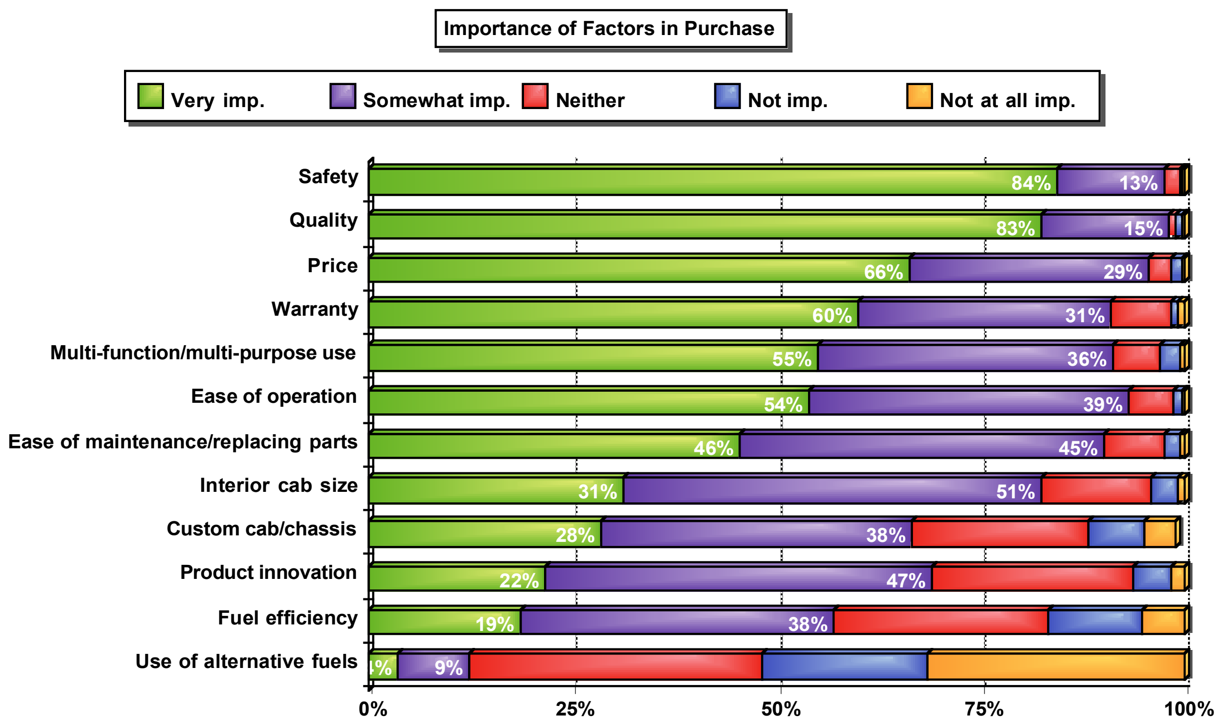
	2014 (n=565)	2013 (n=441)	2012 (n=614)	2011 (n=225)
Pumper	61%	57%	56%	56%
Aerial	25%	23%	23%	5%
Ambulance transport	21%	18%	18%	20%
Rescue	14%	12%	14%	14%
Wildland	14%	8%	10%	13%
Utility truck	12%	8%	7%	13%
Heavy rescue	8%	6%	7%	7%
Command center	5%	2%	2%	4%
ARFF (Airport Rescue Firefighting)	1%	2%	2%	3%
Tanker	---	---	---	10%
Other	13%	17%	15%	28%

Importance of Various Factors in Apparatus/Equipment Purchases

(Please rate the importance of the factors below in purchasing apparatus and equipment.)

Å **Safety** and **quality** are the **two most important factors** in choosing an apparatus and equipment.

Å **Fuel efficiency** and use of **alternative fuels** are the **least** important factors in an apparatus/equipment purchase. Results mirror those of the 2013 and 2012 study. (Note: n=1,416.)

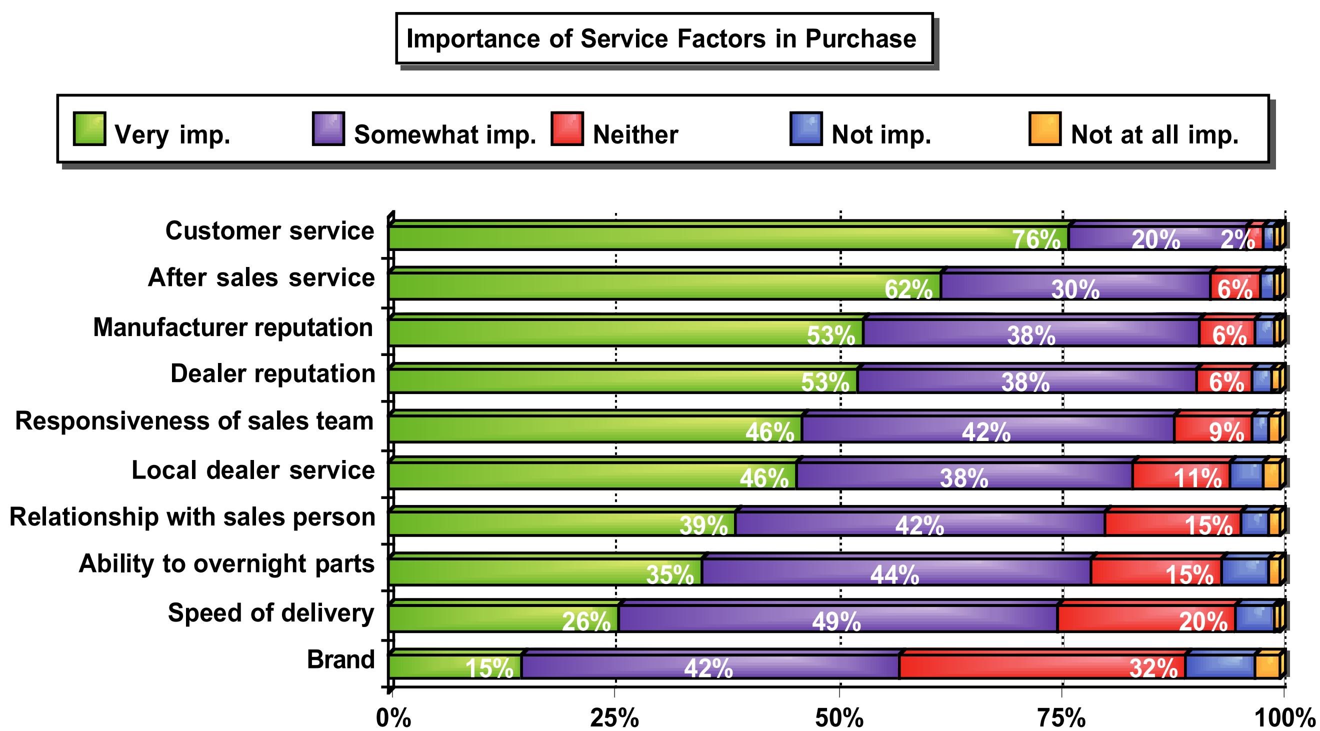


Importance of Service Factors in Purchase

(How important are the following service/manufacturer attributes in the purchase of a new apparatus?)

Customer service is the most important service factor in the purchase of a new apparatus followed by after sales service.

Å Brand is the least important factor. (Note: n=1,535.)



Importance of Service Factors in Purchase

(How important are the following service/manufacturer attributes in the purchase of a new apparatus?)

Mean average, 5=very important and 1=not at all important	2014 (n=1,416	2013 (n=1,535)	2012 (n=2,002)
Customer service	4.7	4.7	4.7
After sales service	4.5	4.5	4.5
Dealer reputation	4.4	4.4	4.4
Manufacturer reputation	4.4	4.4	4.4
Responsiveness of sales team	4.3	4.3	4.3
Local dealer service	4.2	4.2	4.3
Ability to overnight parts	4.1	4.1	4.1
Relationship with sales person	4.1	4.1	4.2
Speed of delivery	4.0	3.9	4.0
Brand	3.6	3.6	3.6

Future Trends

(For each of the following, please indicate which way you believe each will change over the next five years.)

- Over the next five years, the majority of fire departments anticipate that there will not be a change to the tank size or pump capacity. Just over one-third of respondents expect all of those to increase in size. Results mirror those from 2013. (Note: n=1,416)

	2014 (n=1,416)			2013		
	Tank size	Pump capacity	Cab size	Tank size	Pump capacity	Cab size
Larger	33%	35%	36%	36%	38%	38%
No change	58%	60%	48%	56%	58%	46%
Smaller	8%	5%	15%	9%	4%	16%

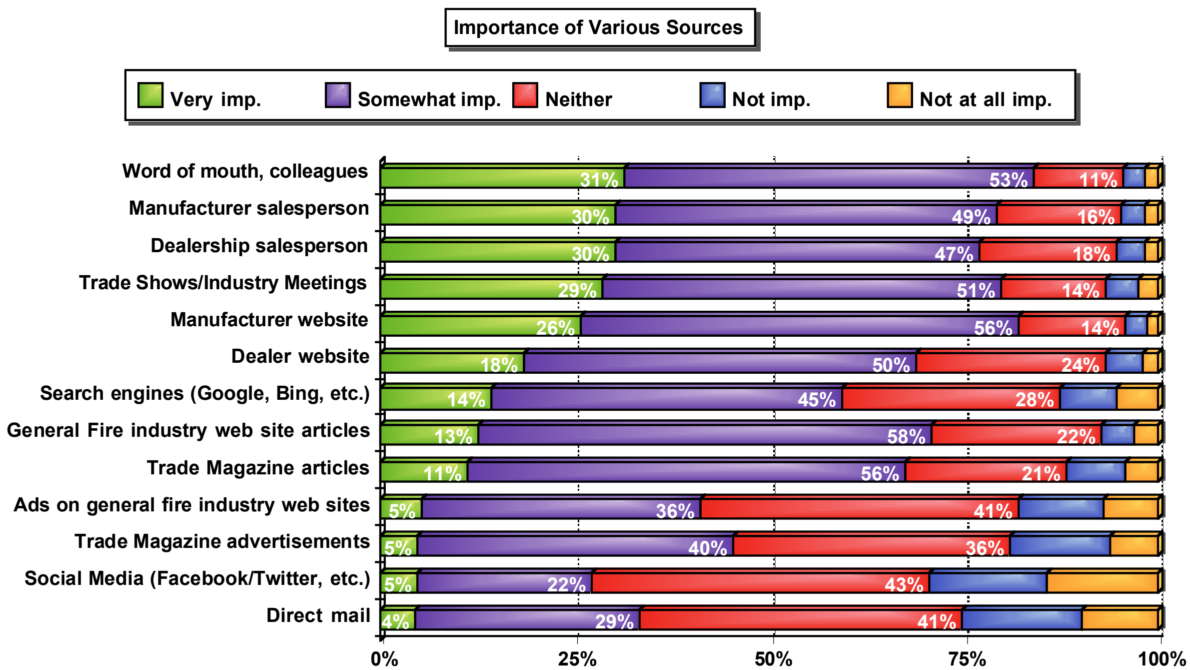
Patient Transport Capability	**Yes–21%**	**No–7%**	**No change–72%**
Compartments	More–63%	Less–8%	No change–30%
Chassis	Custom–49%	Commercial–28%	No change–23%

Importance of Various Sources

(Please rate the importance of each of the following when seeking information on apparatus and equipment.)

Å Word-of-mouth/colleagues, manufacturer salesperson, and dealership salesperson are the most important sources of information.

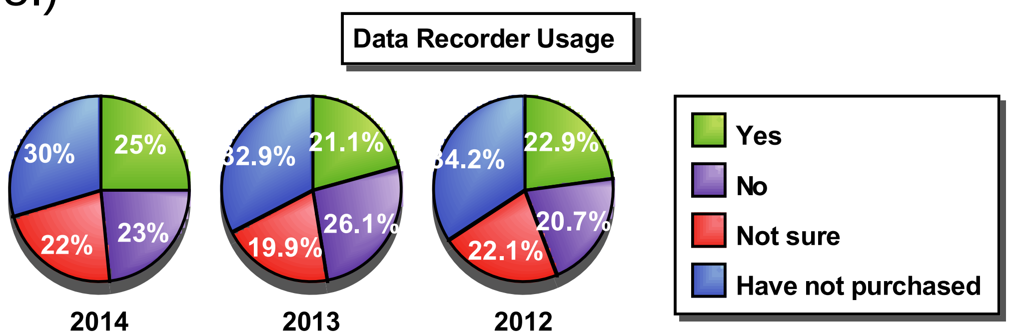
Å Social media and direct mail are the least important sources of information. (Note: n=1,191.)

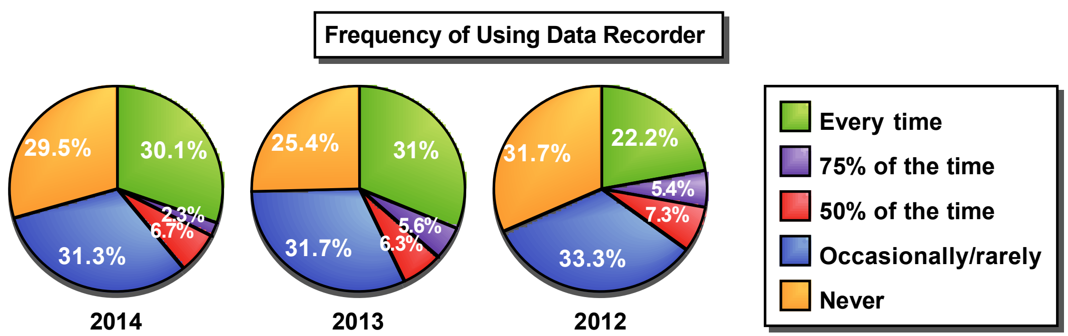


Usage of Data Recorder for Training

(If you have purchased a new fire apparatus since 2009, have you used the NFPA required vehicle data recorder & how often?)

- Twenty-five percent of all respondents are using the data recorder and 23% are not. Thirty percent have not purchased a new fire apparatus since 2009.
- There is a slight increase in data record usage from the 2013 study. (Note: n=1,355.)

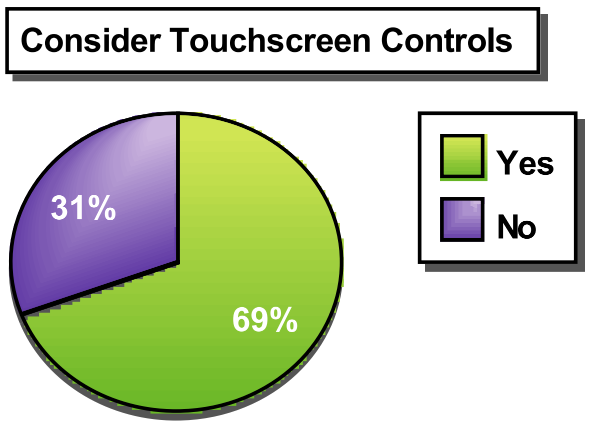




Consider Touchscreen Controls:

(Would your department consider purchasing any equipment that utilizes touchscreen controls to operate various pieces of equipment on the apparatus?)

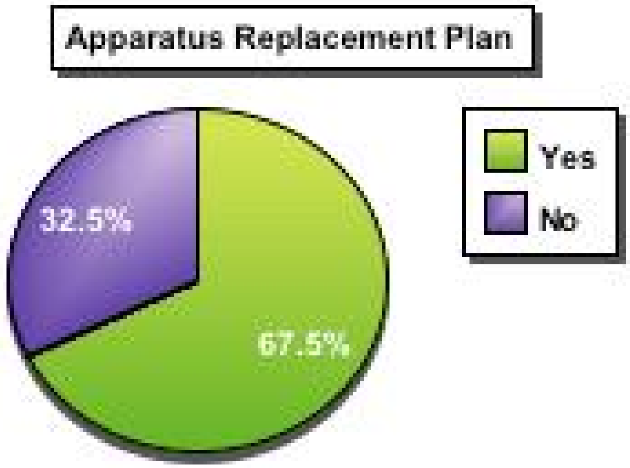
Å Just over two-thirds of respondents (69%) would consider purchasing equipment that utilized touchscreen controls. (Note: n=1,355.)



Apparatus Replacement Plan:

(Does your fire department have an Apparatus Replacement plan or process?)

- Just over two-thirds of respondents have an apparatus replacement plan. (Note: n=1,351.)



Measurement to Determine Apparatus is Ready for Replacement

(How does your department determine an apparatus is ready for replacement? Also indicate the measurement your department uses.)

- Because respondents were allowed to write in a variety of comments rather than a number, comments varied greatly. In order to provide useable data, only the numbers were averaged. Many of the respondents indicated that they use cost of maintenance as part of their decision. See Appendix B for verbatim responses

Apparatus mileage (n=44)	98,522 average miles (low of 100 to high of 300,000)
Engine hours (n=31)	7,844 average hours (low of 3 to a high of 50,000)
Years in service (n=566)	16 average years (low of 1 to a high of 30 years)

Suggestions to Better Meet Needs:

Å Respondents were asked to provide suggestions for what an apparatus manufacturer can do to better meet their needs. These comments were then grouped into categories for easier analysis.

None/don't know/NA/no/doing fine	48%
Lower cost/funding/grants/price/financing/ lease/free	22%
Quality control/maintenance	4%
After sale service/work with us/listen/personable/customer service	4%
Standardize//basic/simple/stock/mechanical	4%
Newer/better trucks/multi-functional/dependable/reliable	3%
Needs assessment/options/consider our plans	3%
Clear communication/flexible/open/ responsive/interaction	2%
Knowledgeable/meet/inspect/demos	2%
Better design/cab size/basic/reach/storage/height	2%
Faster delivery/faster repairs/warranty/stand behind	2%
Detailed/specifics on specs/manuals/info	2%
Innovative/customized/technology	2%
Other	4%

Industry Trade Shows Attended

(What industry trade shows do you attend at least once every three years?)

- About one out of four respondents attend FDIC at least once every three years; 24% attend Firehouse Expo. See Appendix B for complete list of other responses. (Note: n=1,192.)
- The percent of respondents attending the FDIC show has decreased slightly and those attending the Firehouse Expo have increased slightly from the previous two years.

	2014 (n=1,192)	2013 (n=1,280)	2012 (n=1,604)
FDIC	38%	44%	44%
Firehouse Expo	24%	20%	20%
International Association of Fire Chiefs	17%	19%	18%
PA Fire Expo	15%	12%	13%
Ontario Fire Chiefs Show	1%	2%	3%
Other	40%	42%	41%

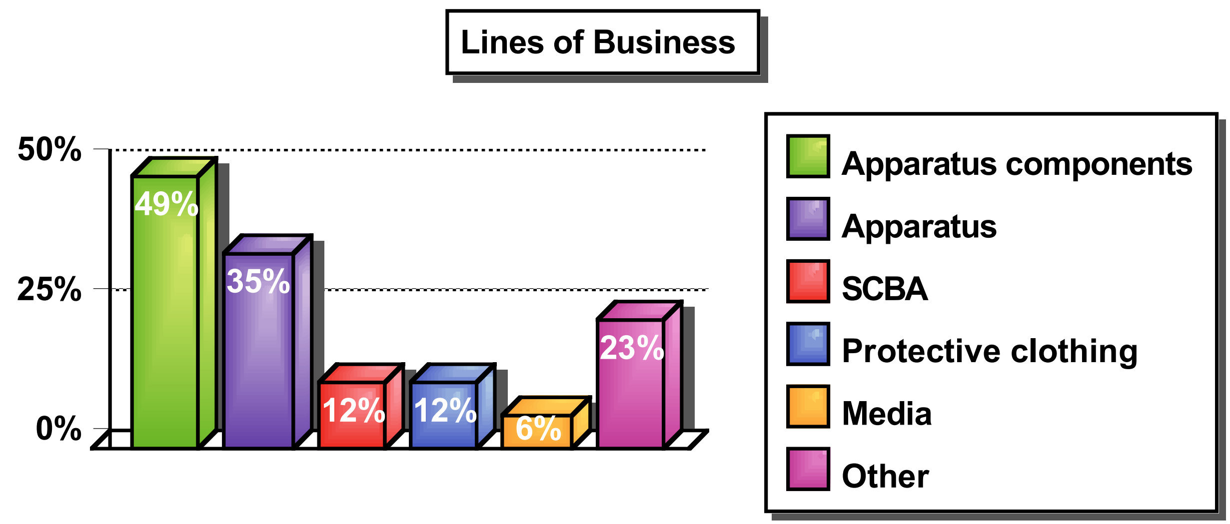
FAMA / FEMSA
Annual Member Survey
Report for 2014

(Completed February 2015)

Lines of Business

(What line(s) of business are you in?)

Å Forty-nine percent of respondents sell apparatus components and 35% sell/manufacture apparatus. Twenty-three percent of respondents indicated õtherò as their type of business.



Trends Affecting Industry

(What are the biggest trends currently affecting your industry?)

Å For 38% of the respondents, the ñeconomy/budget cuts/gov. funding/grantsòare most affecting them; 18% indicated ñtechnology/digital options/electronic control.ò

Economy/budget cuts/gov funding/grants	38%
Technology/digital options/electronic control	18%
Gov regulations /OSHA/SCBA/NFPA	10%
Cost/price/cash flow	10%
Less municipal requests/cuts in municipal spending	10%
International/exchange rates/imports	7%
Competition/manufacturer mergers	5%
Slow sales/up and down sales/military sales	5%
Smaller	4%
Consolidation/commodity pricing/group purchasing	4%
Internet/online	4%
Other	7%

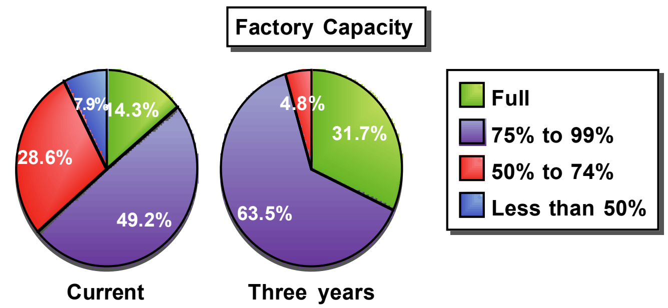
Anticipated Business Change

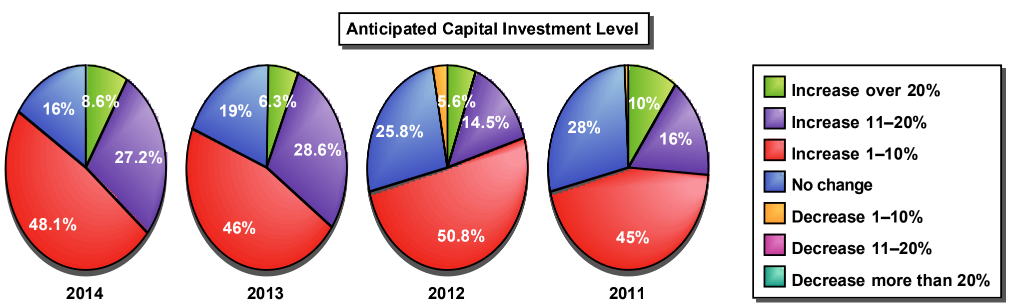
(How do you expect your business to change over next year/next three years?)

Results from the 2014 study are more positive than the 2013 and 2012 studies and show a positive trend overall.

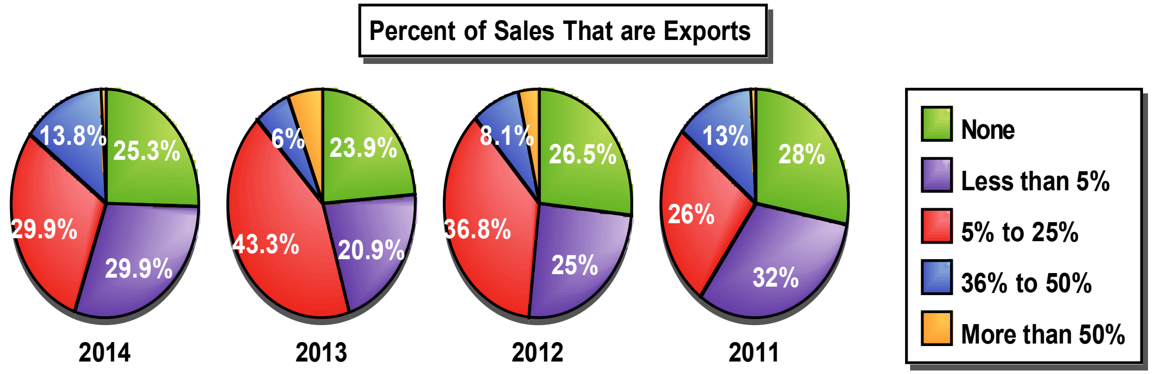
	Anticipated change for 2015				Anticipated change for next three years			
	2014 (n=87)	2013 (n=70)	2012 (n=136)	2011 (n=92)	2014 (n=87)	2013 (n=70)	2012 (n=136)	2011 (n=92)
Increase over 20%	7%	7%	6%	9%	29%	20%	18%	17%
Increase 11–20%	28%	14%	11%	13%	32%	43%	31%	37%
Increase 1–10%	54%	53%	47%	42%	36%	29%	41%	39%
No change	8%	21%	29%	24%	1%	7%	6%	4%
Decrease 1–10%	3%	3%	5%	12%	2%	0%	3%	2%
Decrease 11–20%	0%	1%	2%	0%	0%	1%	<1%	0%
Decrease more than 20%	0%	0%	0%	0%	0%	0%	0%	0%

Anticipated Product Lead Times, Capital Investment & Capacity Over Next Three Years





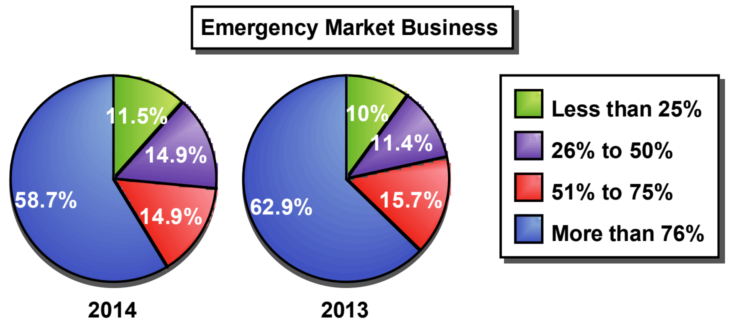
Export Sales – Current state and three year expectations:



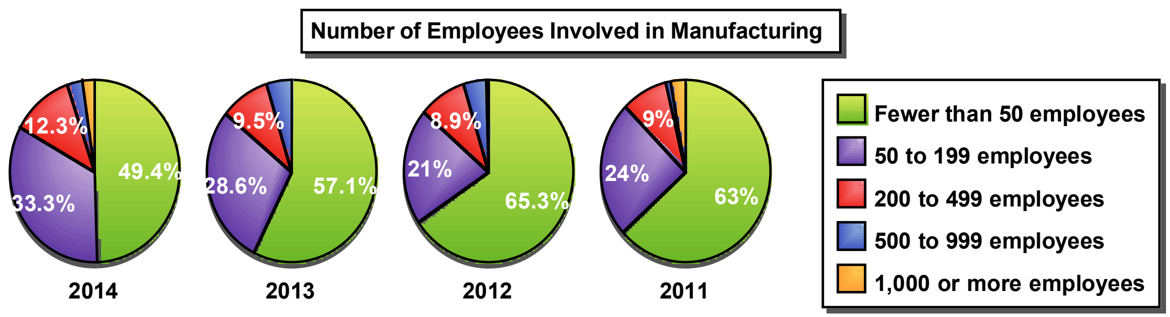
Anticipated Export Growth	2014	2013	2012	2011
Increase over 20%	13%	11%	9%	10%
Increase 11–20%	22%	18%	26%	20%
Increase 1–10%	47%	30%	46%	34%
No change	17%	41%	17%	37%
Decrease 1–10%	0%	0%	1%	0%
Decrease 11–20%	2%	0%	0%	0%
Decrease more than 20%	0%	0%	0%	0%

Employment:

What percentage of your business is emergency market related?

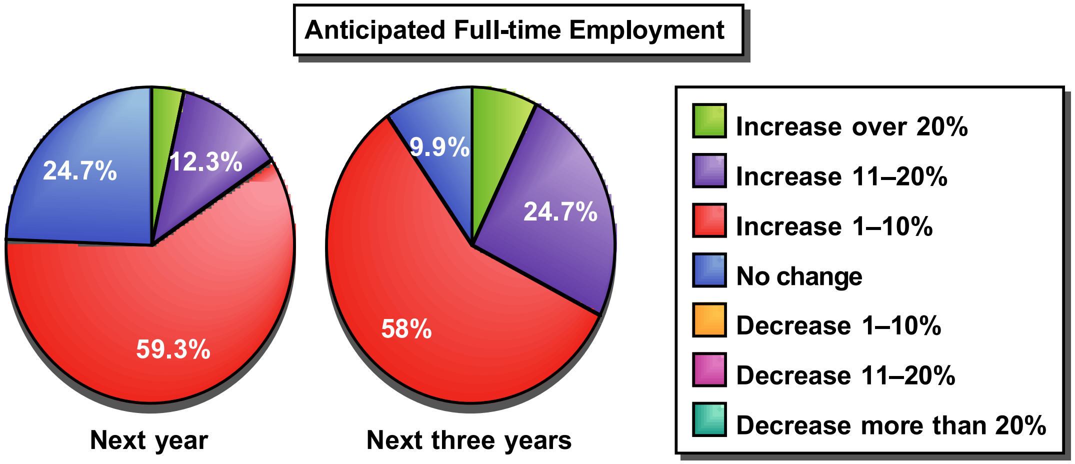


How many of total employees at your company are involved in fire apparatus or equipment manufacturing?



Employment:

What is your planned full-time employment for next year / next three years:



Concern about Various Issues

(How concerned are you about each of the following issues? Please rate on a scale of 1 to 5, where 1 = does not impact my business and 5 = keeps me up at night.)

	Keeps me up at night (5)	(4)	(3)	(2)	Does not impact business (1)
Health care costs	37%	28%	19%	9%	6%
Insurance costs	32%	28%	26%	9%	5%
Overall economic conditions/general sales declines	23%	36%	30%	9%	3%
Funding/budgets	19%	47%	18%	13%	3%
Federal regulation	15%	32%	30%	14%	9%
Competition	14%	31%	33%	19%	3%
Federal taxes	10%	29%	28%	23%	9%
Industry conditions	10%	41%	37%	9%	3%
Product liability & litigation	8%	28%	32%	28%	4%
State/local taxes	6%	31%	27%	27%	9%
Energy costs	5%	31%	32%	27%	6%
Cost of raw materials	5%	40%	40%	9%	6%
Availability of credit	3%	14%	23%	37%	23%
Housing market	1%	18%	32%	23%	26%

	2014 (n=78	2013 (n=62)	2012 (n=117)
Health care costs	3.8	3.9	4.0
Insurance costs	3.7	3.8	3.8
Funding/budgets	3.7	3.8	3.9
Overall economic conditions/general sales declines	3.7	3.8	4.1
Industry conditions	3.5	3.6	3.5
Industry conditions	3.5	3.5	3.7
Federal regulation	3.3	3.5	3.6
Cost of raw materials	3.3	3.3	3.2
Competition	3.3	3.3	3.2
Federal taxes	3.1	3.2	3.6
Liability	3.1	3.2	3.1
State/local taxes	3.0	3.1	3.3
Energy costs	3.0	3.0	3.2
Housing market	2.5	2.8	2.6
Availability of credit	2.4	2.4	2.5

Overall, concerns have remained steady for the last three years.

Strategies Being Used During Economic Times

(Which of the following strategies are you using to get through these tough economic times?)

	2014 (n=78)	2013 (n=63)	2012 (n=120)	2011 (n=92)
Becoming more diversified by entering new markets	60%	62%	67%	66%
Becoming more specialized by focusing on niche markets	50%	38%	41%	41%
Focusing on higher margins	41%	40%	43%	42%
Focusing more on exports	38%	40%	44%	46%
Becoming more diversified by entering new markets or focusing on several markets	36%	30%	41%	40%
Developing partnerships/outsourcing	26%	22%	23%	24%
Becoming a low cost provider	26%	19%	22%	18%
Utilizing green technologies	4%	3%	4%	8%
Other	9%	10%	9%	13%

…and which have been the Most successful?

	2014 (n=78)	2013 (n=63)	2012 (n=120)
Becoming more specialized by focusing on niche markets	24%	19%	14%
Becoming more diversified by entering new markets	22%	21%	33%
Becoming more diversified by entering new markets or focusing on several markets	14%	13%	13%
Focusing on higher margins	12%	15%	8%
Developing partnerships/outsourcing	9%	11%	7%
Focusing more on exports	9%	8%	16%
Becoming a low cost provider	4%	7%	7%
Utilizing green technologies	1%	2%	0%
Other	5%	5%	3%

Effectiveness of Communication Strategies

(Please rate the effectiveness of each of the following methods used to market your products, where 1 = not at all effective and 5 = extremely effective.)

Mean Avg. 1=not at all effective, 5=extremely effective	2014 (n=74)	2013 (n=58)	2012 (n=119)	2011 (n=92)
Website	4.4	4.1	4.1	3.8
Trade Shows	4.2	3.9	3.8	Not asked
Facebook	3.5	3.4	3.4	2.2
Magazine ads	3.4	3.4	3.3	Not asked
Twitter	2.6	2.4	2.6	2.3

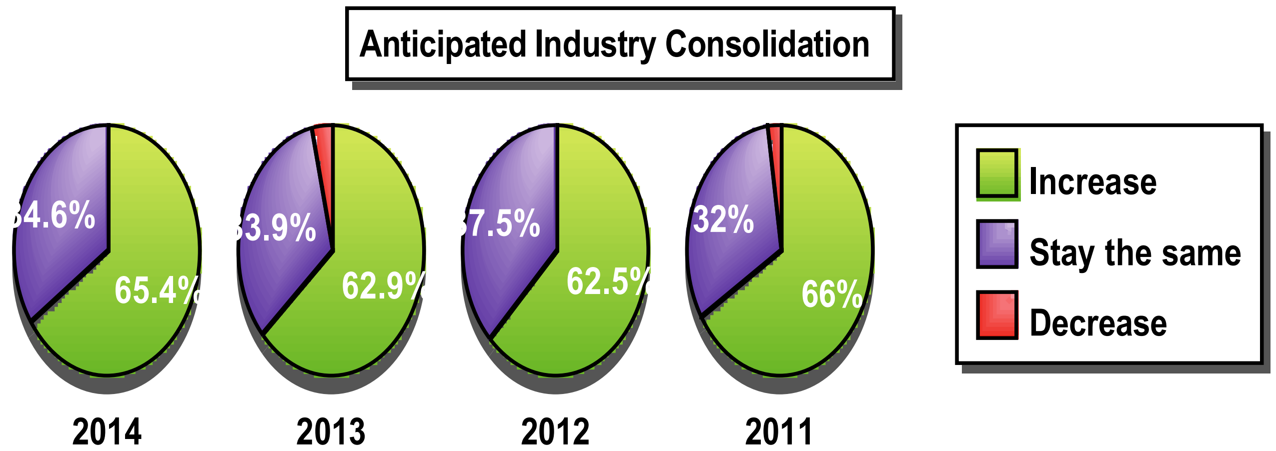
Investment Made in Core Areas

(Rate the percentage of marketing investment you make in the following three core areas.)

Event marketing	49%
Digital media	30%
Print Media	22%

Anticipated Industry Consolidation

(What is your opinion on industry consolidation?)



In Conclusion:

Å The complete versions of these surveys will be provided on the website.

Å Comments are appreciated, even after the fact. These surveys are improving and evolving.

Å Please share the results with your business teams.

Å Thank you for your time!

GOVERNMENTAL AFFAIRS COMMITTEE

Lee Morris

GAC Members

- Lee Morris, Coï Chair
- Joe Mirabile, Vice-Chair
- Corey Carlson
- John W. McNulty,III
- Mike Natchipolsky
- Craig Sharman
- Cindy Morgan
- David Russell
- John Granby, Coï Chair
- Steve Stein
- Ken Creese
- Tim Dean
- Rod Carringer (FEMSA Liaison)
- Steve Toren (FAMA Liaison)

GAC Support

Å Dave Gatton ï Washington Consultant
Å Richard Boyes - CGC Liaison

2014 Activity

Hill Day ï Over 95 meetings, 35 attendees representing 26 companies participated (one company and one individual less than 2013, but more meetings)

Å Two key meetings with House leadership
Å Two meetings with House and Eight with Senate Full Appropriations Committee members or Staff
Å Seven meetings with both House and Senate Homeland Security Appropriations Subcommittee members or their staff
Å Eight meetings with both House and Senate Homeland Security Committee members or their staff
Å Other House and Senate members

2014 Activity
(continued)

- We were successful in maintaining level funding for both AFG and SAFER grant programs ($340 million respectively)
- Home Days ï New Jersey & Indiana home days on 6/21 & 6/28, Illinois home day on 6/8. Task Force Tips held July event. Lionôs participation in an Ohio press conference with Senator Sherrod Brown on 7/16.

2015 Goals

Continue to promote our core initiatives

- Full Funding for AFG and SAFER grant programs (Funding currently held up over Presidentôs immigration initiatives)
- Full funding for the U.S. Fire Administration
- Continued funding for the USAR program
- State/Federal fire truck weight laws (FAMA)

Greater membership participation

- Hill Day/CFSI Week
- Home Days

2015 Goals (continued)

Reauthorization for Fire Grant programs ï the present reauthorization bill has a sunset clause. If it is not reauthorized for the 2018 fiscal year, it will cease to exist

Å The program will end the end of calendar year 2017 and the authorization will end the end of fiscal year 2017 (Sept 30, 2017)

GAC Activities for the Members

It hasn't changed, it's a Relationship Business!!

- Call your Congressional Offices and promote AFG, SAFER, USFA and USAR funding initiatives
- Invite your congressional office to visit your facility (Home Days)
- Mark your calendar (April 15-16, 2015) for the GAC Hill Day and CFSI dinner
- Report back to the GAC about your activity

MEMBERSHIP COMMITTEE

Tim VanFleet

Committee Members

Å Bev Lowery ï H.O. Bostrom ï Co-Chair

Å Greg Geske ï Waterous

Å Mike Bowman ï Spartan Chassis

Å Rick Suche ï Fort Garry

Å Jerry Merges ï VisionMark Nameplate Co.

Å Karen Miller-Mellette

Å Steve Toren ï Waterous (Board Liaison)

Committee Objectives

Grow Membership 5%

<u>Develop Membership Retention Plan</u>

Engage Member Company Participation

Prospective Member Companies

Å **CSI Emergency Apparatus**
Å ***Innovative Controls**
Å ***Precision Fire Apparatus**
Å ***Warner Truck Bodies and Accessories***
Å ***Extend-O-Bed***
Å ***Odyssey Specialty Vehicles***
Å ***Fire Tec - Sam Massa***
Å ***M. Tech - Wade Meith***

* **Been Contacted by Chair**

……….Help with others!!

New Member Company

ÅWeis Fire and Safety Equipment, Inc.

Non-Participation Survey Response

Å Schedule Conflict

Å Value of Meeting Content ï Time / Resources

Å Not Into Networking and Social part of Spring / Fall Meetings

** All Companies contacted will continue membership, participate in Tech. Com. Mtg.

MARKETING COMMITTEE

Andrew Lingel

Marketing Members

- Andrew Lingel - Chair
- Callan Jarabek - Co-Chair
- Neil Chaney - Co-Chair
- Curt Ignacio - Board Liaison
  - 2 Open positions
    - Graphics skills or access to graphics/marketing department preferred.

Marketing Activities

Å Safety Guide Sign for FRI
Å Safety Guide Mailer
Å Update FAMA Literature
Å FDSOA / FAMA PowerPoint slides
Å FDIC Sponsorship Banner and Ad
Å FDIC International/FAMA Showcase
Å Spring Meeting Graphics
Å Update FAMA Website

Marketing Activities
Safety Guide Sign at FRI

Marketing Activities
New Top 10 Reasons to Join FAMA

WHY JOIN FAMA?

1 INDUSTRY STATISTICS

FAMA is the ONLY source for accurate fire service statistics provided quarterly and summarized at year end. Only FAMA members are privy to these reports since they are not released to the public. Members find this research invaluable for their internal business purposes regarding apparatus purchases by state, product category, pump type and more!

2 TECHNICAL COMMITTEE

Through subcommittees, members work with numerous industry experts in recommending safe, practical solutions that assist the NFPA in the formation of standards. In addition, members receive the latest information about new products, technologies and standards.

3 GOVERNMENTAL AFFAIRS COMMITTEE

The GAC helps both FAMA and FEMSA establish and maintain their reputations as leaders and strategic partners with governmental entities as it relates to Emergency Services, Fire Apparatus and Homeland Security. Through the GAC, member companies receive regular communications about important legislation that relates to them.

4 NETWORKING

FAMA's spring and fall meetings provide a great opportunity to network with industry professionals. The meetings also keep members up-to-date with new information, allow for group formulation of organizational goals and provide a forum to share information.

5 INDUSTRY RELATIONSHIPS

As well as serving U.S. and Canadian fire service communities through involvement in NFPA, FAMA members also integrate with and support the Congressional Fire Services Institute (CFSI), the International Association of Fire Chiefs (IAFC), the Fire Department Safety Officers Association (FDSOA), the Fire and Emergency Manufacturers and Services Association (FEMSA), and other fire service-related organizations.

6 WHITE PAPER REPORT

As a member of FAMA, you will get a chance to contribute to our White Paper Report. The White Paper Report is intended to serve as a resource for fire service administrators who are considering replacement of outdated or obsolete fire protection equipment, or who are in the process of purchasing new equipment.

7 COMMUNITY SERVICE

FAMA gives back to individuals in the fire industry in the form of scholarships and grants advocacy. FAMA advocates for grant funding to support underfunded fire departments to ensure proper protection to their communities. In addition, FAMA is proud to help cultivate the next generation of fire service professionals. Each year one scholarship is awarded to a deserving individual enrolled in a four-year or graduate-level fire science or EMS program.

8 COMPREHENSIVE WEBSITE

The FAMA website has become a central hub for members, providing a full member listing with contact information, a resource library, the FAMA calendar, and a members-only section.

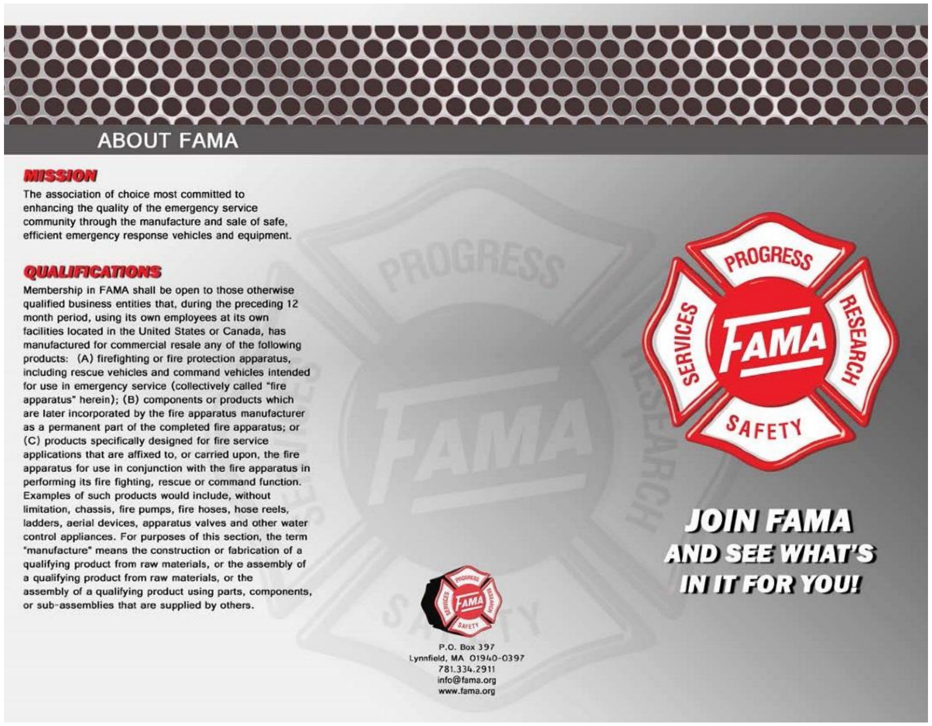
9 STRENGTH IN NUMBERS

FAMA member companies total over 120 strong. On issues that are important to the fire service and its suppliers, the organization is able to provide a strong voice within the industry that a single supplier might not be able to accomplish independently.

10 COMMUNICATIONS

FAMA communicates with its members on a regular basis via emails, its website and an extensive FAMA newsletter.

For more information on how you can become a member of FAMA, visit www.FAMA.org today!



ABOUT FAMA

MISSION

The association of choice most committed to enhancing the quality of the emergency service community through the manufacture and sale of safe, efficient emergency response vehicles and equipment.

QUALIFICATIONS

Membership in FAMA shall be open to those otherwise qualified business entities that, during the preceding 12 month period, using its own employees at its own facilities located in the United States or Canada, has manufactured for commercial resale any of the following products: (A) firefighting or fire protection apparatus, including rescue vehicles and command vehicles intended for use in emergency service (collectively called "fire apparatus" herein); (B) components or products which are later incorporated by the fire apparatus manufacturer as a permanent part of the completed fire apparatus; or (C) products specifically designed for fire service applications that are affixed to, or carried upon, the fire apparatus for use in conjunction with the fire apparatus in performing its fire fighting, rescue or command function. Examples of such products would include, without limitation, chassis, fire pumps, fire hoses, hose reels, ladders, aerial devices, apparatus valves and other water control appliances. For purposes of this section, the term "manufacture" means the construction or fabrication of a qualifying product from raw materials, or the assembly of a qualifying product from raw materials, or the assembly of a qualifying product using parts, components, or sub-assemblies that are supplied by others.

JOIN FAMA AND SEE WHAT'S IN IT FOR YOU!

P.O. Box 397
Lynnfield, MA 01940-0397
781.334.2911
info@fama.org
www.fama.org

Marketing Activities
New FAMA Brochure

Marketing Activities
FDIC Banner

Marketing Activities
Spring Meeting Graphics

Marketing Activities
Update FAMA Website

- Scope of Work was developed
- Pricing to redesign current website received
- Received quotes from 4 companies on building a new website from the ground up
- Reviewing with the Board for next actions

FDIC International / FAMA Showcase

FDIC INTERNATIONAL

FDIC Event - Thursday, April 23rd at 10:30 a.m.

- Featured Speaker - Chief Ricky Riley
- Review of New Products - Chris McLoone

FDIC International / FAMA Showcase

FDIC INTERNATIONAL

TO: All FAMA Members

- Back by Popular Demand -

The 2nd annual do-not-miss event--FDIC International / FAMA Showcase

Date: Thursday, April 23rd
Time: 10:30 a.m.
(right after the FAMA Technical Committee Meeting just before the exhibits open)
Location: Indiana Convention Center 500 Ballroom

FDIC International and FAMA are proud to present:

New Product Submissions due ï

Mon., March 30th

HONORARY MEMBERSHIP

JIM CARROLL

What World Class Innovators Do That Others Don't Do