



Future Directions

Plumbing Products Industry Group needs to become much more than a collective industry body. It appears in the modern era that Governments especially are looking for a clearly identifiable stakeholder to be involved in formulating government policy and regulations. The flip side of this being when controversy erupts after the event, the industry body will become part of the defence mechanism. This puts a significant demand on both the professionalism and time involved in the initial canvassing of members' views and the subsequent analysis, consulting and provision of advice to regulators or Government agencies. It becomes doubtful whether the old idea of part-time/spare-time involvement is viable.

The current environment also brings with it opportunities. The volume market is going to continue to become increasingly the domain of low-cost importers. While this remains a significant part of PPI Group's representation, the message seems to be that many established companies are finding themselves diversifying into many more complex and lower volume products to meet regulations especially in the area of water and energy efficiency.

There are also significant amounts of Government funding available to investigate new technologies. This is being consumed by many lobby groups and is an area of potential for PPI Group.

Opportunities

Standards Representation - This is a traditional role and it has been tidied up significantly recently with firmer direction and the involvement of a new Secretariat supporting the Technical Director role. Only minor improvements could be made immediately, i.e. by taking over chairmanship of some of the more dysfunctional committees.

Lobbying - this is an area in which PPI Group can develop a significant presence. It is an area where it can also demonstrate increased value for money to member companies. For example, taking a leading role in research and lobbying into hot water usage patterns and energy saving strategies will provide value to companies like Rheem who are questioning their involvement at present. A recent discussion with Regulators indicates the National Plumbing Regulators Forum have been directed by government to become the conduit between regulators and industry. This conduit needs to be developed and managed.

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Research - in conjunction with members, there are exciting opportunities to seek funding to set up and conduct industry wide research into future solutions to water and energy efficiency. Vital support to lobbying function noted above.

Links to Other Industry Bodies - The solutions being regulated to energy and water conservation are increasingly complex and cut across many domains, e.g. fire. It is time to forge and improve relevant links and possibly look at merging or incorporating the activities of other bodies or at the least participating in collaborative initiatives.

Certifying Product - there are several levels of involvement, aimed at providing service and generating revenue:

- Providing paid service to members to run a certification through an existing certifying body.
- Taking on a role in providing paid service in developing interim specifications either in conjunction with or in place of WS31.
- Becoming a certifying body itself for the watermark scheme.

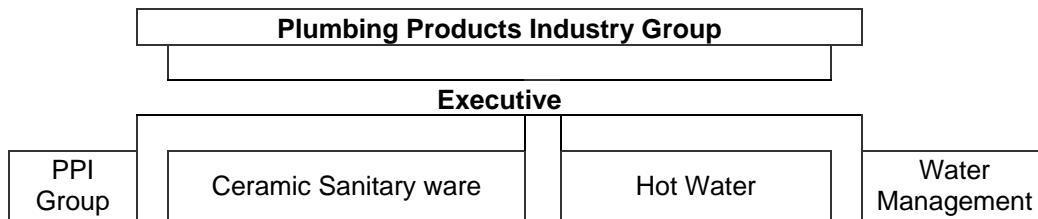
Barriers

- International certifying bodies have the ability to do all the things listed above under certifying product. One apparent driver for their entry into the Australian market appears to be the NPRF and their increasing frustration with Australian certifying bodies. This may mean an international mark could supplant or replace the Watermark. The ramifications of this are likely to be a flood of 'certified' product from anywhere.
- Perceptions of PPI Group - create a more dynamic image and approach the power brokers
- The entrenched consultant's network that are currently accessing government funding.

Suggested Actions

- Set up fairly immediate round of visits to put PPI Group in front of the following groups:
 - NPRF
 - Australian Water Fund, Naomi Dumbrell, Shane Holt etc.
 - NSW BASIX administrators
 - Qld EPA
 - PIC, Shane La Combre, new GM Operations
 - Relevant Ministers for the above
 - Malcolm Turnbull
 - Stuart Henry'
- Meet with other sectors of the plumbing products industry about joining forces (i.e. Ceramics, Hot Water, Water Management)

It is believed the above will determine the lay of the land and a way forward for the benefit of both the membership of PPI Group and the plumbing products industry. In some instances the way forward may well be a case of “can't beat them then work with them”. A framework for the “revamped Plumbing Products Industry Group” could be:



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