

GREAT GRIZZLY TIMES



NCI

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A MESSAGE FROM THE PRESIDENT

FIREWORKS TRADE NEWS FOR 2020

With the 2020 Fireworks season rapidly approaching it seems that many things remain the same and many things are changing within the fireworks industry.

There are several states with possible changes to their fireworks laws on the horizon. Prohibition simply doesn't work but it still remains difficult to change a state from nothing to full consumer fireworks as allowed under Federal Law. Still, it is likely that some changes will take place before the 2020 sales season.

The most recent decision from CPSC rulemaking on prohibiting metal powders came back surprising in favor of doing nothing. The rulemaking had left a lot of uncertainty as to how it would affect current product performance. The NFA (National Fireworks Association) had vehemently opposed the change but APA (American Pyrotechnic Association) and AFSL (American Fireworks Standards Lab) had endorsed the rulemaking. After a couple of years of testimony, CPSC's final decision was to pull the rulemaking entirely. The impact of this decision for the long haul is yet to be decided. Like most people I was really surprised at this result.

Lastly and maybe most important, is the current state of fireworks manufacturing in China. Production this fall has been severely hampered by the October 1st celebration of the communist revolution in China. If a China trade deal is not completed by December 15th all fireworks items imported from China will carry a 15% additional duty. This will significantly increase the cost of wholesale fireworks and subsequently, the retail cost will need to increase as well.

Maybe the best news coming for the Fireworks Industry is the fact the holiday this year will happen on a Saturday. This always lends retailers to feel they have an opportunity to increase sales that is not available when the holiday falls on a weekday. Therefore, the majority of the fireworks resellers have a very optimistic outlook on the 2020 holiday season. I think everyone in the industry agrees on the premise that all of the best holiday seasons have occurred when the holiday falls on the weekend. Time will tell.

Richard B. Shields
President/Owner

NFA RECAP



NCI CREW - 2019 NFA - ANGELA, STEVEN, AJ, JEFF, & KURT

This past September your NCI team attended the annual NFA (National Fireworks Association) EXPO in Branson, Missouri. We had one of the larger trade show booths and enjoyed meeting with our various industry counterparts and Chinese suppliers. The best part for us was meeting with existing customers and cultivating new relationships in preparations for the coming 2020 season.

This year's EXPO was held at the Hilton Branson Convention Center at Branson Landing. I particularly enjoyed the convenience of this location and abundance of nearby amenities, and I am looking forward to the NFA returning here in the future.

A big Congrats to Carter Harrell of Kentucky who won our free pallet of new Fire Factory and Colored Carton line of consumer fireworks! Enjoy all those great fireworks, Carter!

For those of you who may not know, the NFA was formed, officially, in 1993 to address industry concerns and improve government regulation of our products, both Consumer and Display. The organization has members from across the industry such as Importers, Wholesalers, Retailers, Shooters, Hobbyists, Enthusiasts and China factories.

Each night we attended the product demonstrations conducted by various member companies. Those are always fun. During the weeklong event, various industry-related functions take place around the trade show such as board meetings, classes, and seminars, on subjects like U.S. DOT Compliance Training, Consumer Fireworks Testing, and Safe Fireworks Display Setup.

Some of the "hot" topics discussed during the Branson EXPO were the proposed tariffs on fireworks and the proposed "metals" ban sitting in front of the CPSC for a decision (Consumer Product Safety Commission). While the proposed tariffs are still yet to play out, the CPSC did vote down the proposed ban on metals in consumer fireworks on September 24th. However, as of the writing of this article, we are hearing that the APA (American Pyrotechnics Association) has submitted some proposed changes to their 87-1 which would limit metals within burst charges. This is one to keep a close eye on so "stay tuned".



DRAWING WINNER CARTER HARRELL OF KY

We are excited to announce that the NFA will hold its second annual "Spring Showcase" event again in Columbus, Georgia. The event is set to take place in early March of 2020. This event was well attended in 2018 and a big success. NCI's southern U.S. offices and distribution facilities are located a short distance northeast of Columbus in Forest Park, GA, and just minutes south of the Hartsfield-Jackson Atlanta International Airport. If you plan to attend the NFA's Spring Showcase, please be sure to pay us a visit to view our southern operations and remember to call NCI for all your domestic and drop shipment needs!

Best to all this holiday season,

Vice President of Sales

HOW WE PROCESS YOUR ORDER

OUR ACCURACY CHECK LIST



DEMO NIGHTS 2020

SATURDAY APRIL 18TH

GEORGIA

ATLANTA MOTOR SPEEDWAY

APA APPROVED SHOOTER TRAINING

CASH + CARRY SALE

DINNER

PAGE CAR RIDES

FIREWORKS



NCI

NORTH CENTRAL
INDUSTRIES, INC.



SATURDAY MAY 9TH

INDIANA

MUNCIE CORPORATE OFFICE

APA APPROVED SHOOTER TRAINING

CASH + CARRY SALE

DINNER

ENTERTAINMENT

FIREWORKS

NOW AVAILABLE

Order Dominator Pro Line Fireworks Through NCI

North Central Industries has partnered with Dominator to offer a pre-order program for Dominator's industry leading 1.4 Pro Line Fireworks. Now you can take your firework shows to the next level with professional grade fireworks without the hassles of 1.3G display fireworks.

ABOUT PRO LINE

Dominator's 1.4 Pro Line is an industry leading line-up of multi shot cakes, single shot mines & comets, fan slices, and many more professional grade items. Each item comes ported and ready to plug into the firing system of your choice.

HOW TO ORDER

We are now accepting preorders on Dominator 1.4 Pro Line items from qualifying customers. There are no minimum case quantities or dollar amount for existing or qualified first time NCI customers.

QUESTIONS? READY TO ORDER?

Give us a call (800-800-2264) or visit GreatGrizzly.com for more details!



MEET NCI'S NEW ADMINISTRATIVE COORDINATOR

Hello there, I'm Cheyenne, the new Administrative Coordinator here at NCI. I have been with the company since the beginning of August and have been learning the behind the scenes happenings around the office. I am new to the fireworks industry but I am excited to learn. I have a background in accounting which many people would say is boring. I personally love it, but I am definitely looking forward to learning the ins and outs of fireworks because as you all know, they are far from boring.

I was born and raised around Muncie and received my bachelor's degree from Ball State University, Go Cards! I am married with two dogs and one cat. I just moved into a 1920's farmhouse with my husband that we completely gutted and rebuilt keeping only the "shell." That was an adventure for sure and we still have work to go but it was very rewarding. In my spare time, I enjoy being outdoors floating on the river behind our house or hiking with my friends. My husband and I also enjoy car things such as visiting the local drag strip and attending the many car shows in our area with whatever vehicle he has built at the time.



As the administrative coordinator, my job description is ever-changing, but for now, I am covering a lot of the basic accounting tasks such as invoicing and accounts receivable. I will also be handling a lot of the behind the scenes functions of HR and basic office management. I am sure I will talk with many of you on the phone over the coming months. I am looking forward to the upcoming season and for the opportunity to learn how the fireworks industry works.

Cheyenne

APA RECAP



AJ BURNS

Several NCI staff members had the opportunity to attend the Bi-annual APA Convention this fall. The fall convention was held at the beautiful Ritz Carlton Resort in Naples Florida. During the fall convention, our staff members were fortunate to take part in several important regulatory meetings and informative seminars.

The week kicked off with our VP attending the APSEF board meeting. The first customer to correctly identify what APSEF is and email me at aj@greatgrizzly.com will receive a special gift with their first delivery in 2020. (Hint: I've written about APSEF in prior newsletters.) The board members are happy to report the curriculum is being circulated in record numbers. Additionally, the series of Professor Spark's safety videos have new material based around Sparkler safety and proper use. Anyone who has not visited the APSEF web page and shared these videos with your little loved ones, you are truly missing a fun learning opportunity with the future pyros of our industry.

Tuesday brought about the APSEF fundraising golf tournament and the beautiful Tiburon Golf Course played host for the event. Although my team did not defend our title and reclaim the Green Jacket, I spent the day networking with industry leaders. Nearly \$20,000 was raised during this event to help fund the future of the APSEF.

Wednesday began with a special guest speaker Inez Tenenbaum, former Chairwoman of the CPSC. Ms. Tenenbaum graciously spoke about the successes the APSEF has enjoyed over the past 5 years, as well as the challenges that the CPSC faces each year in regards to the importing of pyrotechnic devices. The current CPSC members recently faced a critical decision in regard to the metals ban that was proposed several months ago. The CPSC decided to vote down the metals ban as there were several opposing viewpoints from all corners of our industry. Hopefully, for the sake of industry, both organizations will come back to the table and work together to solidify the future of our fireworks.

We also heard from Commander Jason Garret of the United States Navy. He spoke about many issues, especially the critical South China Sea trade route. China lays legal claim to this route even though it is in international waters and utilized by countries from around the globe. The United States Navy regularly patrols this waterway in order to preserve peace in this region.

To round out Wednesday, the APA hosted a Cinco De Pyro event to celebrate the 5th Anniversary of the American Pyrotechnics Safety and Education Foundation. The event featured a Beer Burro, authentic Mexican cuisine, glow in the dark backyard games, and a 5-minute pyrotechnic salute shot to commemorate the 5 year anniversary.

The Thursday morning general sessions featured additional committee meetings and informative seminars. The speakers spoke directly about the ELD mandates and the proposed rule changes that would allow seasonal drivers to break up their daily routes. Essentially allowing a display company's driver's required three-hour rest to be taken mid-shift. This would allow them to return from a job site within their allotted 14 hours of drive time even after sitting dormant on-site during displays. Additionally, in the current proposed amendments, the ELD exempt distance would be expanded from 100 to 150 "air" miles. During this time we also heard about PHMSA's new online portal for EX Approvals and revisions to the APA Standard 87-1. The APA Standard 87-1 is a voluntary standard in which fireworks classifications are assigned based upon the weight and type of chemical composition contained for each specific type of device, including specific permissible and restricted chemicals.



RITZ CARLTON, NAPLES, FLORIDA

Without the APA Standard 87-1, it would be up to the DOT to classify our fireworks, such as it was prior to 1987. Tens of thousands of Explosive Approvals have been issued by the DOT since the inception of 87-1, including every item you purchase from NCI and Great Grizzly Fireworks.

Thursday afternoon NCI staff attended the AFSL general membership meeting. During this meeting, the AFSL board presented statistics about the increase in products tested by the AFSL. In 2018 alone, 8.5 million cases of fireworks were tested.

This is the second-highest number of cases ever tested by the AFSL in a calendar year. Compliance with American standards has increased from only 64% passing in 1994, to a sustained 90%+ over the last decade. Additionally this past season, the AFSL took note of many devices that passed their fuse testing procedures in China but would fail the CPSC fuse testing in the US. Additional measures were implemented including the use of body cameras to ensure all testing procedures were followed properly. The AFSL fuse test tolerances were shortened from 3-9 seconds burn time, to 4-8 seconds which ensures higher standards than even the CPSC requires. Lastly, the AFSL has decided to remove the 4" height limitation on canister shells that they would test and approve. The AFSL's decision to eliminate the 4" height restriction now falls in line with APA and CPSC's standards.

Friday concluded the APA Convention with the Salute! Breakfast. Friday's general session was a big one, and the one you've all been waiting for. China Tariffs! In a nutshell, we don't know anything more than when we started... Let me explain. There are four lists of Chinese imported products that were created to implement the tariffs.



HAVANA NIGHTS DINNER & FIREWORKS



VIEW FROM THE BACK PATIO OF THE RITZ CARLTON

Lists 1-4 cover approx. \$525 billion = 97% of all Chinese imports to the US. Now, list 4A already includes such items as blasting caps and some non-regulated novelty items such as sparklers, party poppers, and whipper snappers. List 4B will include ALL other pyrotechnic devices.

As the tariffs currently sit, only lists which have incurred 25% tariffs are eligible to file for exclusions. Presently, fireworks do not qualify for that opportunity. The US and Chinese trade representatives have met as recently as October 25th and are currently considering \$1 billion in exclusions on items from List 1. Reports from the USTR offices indicate that both nations are anxious to make a mini deal which could further delay the December 15th list 4B increases. China has agreed to a \$40-\$50 billion agricultural spend on American ag goods to show their support towards reaching a fair deal for both parties. The advice given to the APA Members? Call your State Representative's office and voice your concerns.

Friday evening's events concluded this year's APA Fall Convention with a Cuban inspired dinner, a night of Latin music, and an authentic torcedor, or, a Cuban cigar roller. Zambelli Fireworks set off an incredibly colorful and special effect-laden Grand Finale. The full video can be seen on North Central Industries' Facebook page. While APA is a fun opportunity to meet with fellow members of the industry, it is also critical to the future of our industry. NCI is a proud member of the APA and the hard work put forth to protect our industry.

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ROLL CALL!

YOUR NCI STAFF:

RICHARD B. SHIELDS
PRESIDENT/OWNER - 43RD SEASON

KURT COWGILL
VICE PRESIDENT - 13TH SEASON

STEVEN IRVIN
DIRECTOR OF OPERATIONS - 4TH SEASON

CHEYENNE REED
ADMIN COORDINATOR- 1ST SEASON

ANGELIC WOOD
ACCOUNTS PAYABLE- 5TH SEASON

JEFF BRANDENBURG
VICE PRESIDENT OF SALES, GA DIV. - 2ND SEASON

A.J. BURNS
AREA SALES MANAGER - 3RD SEASON

SEAN ALEXANDER
WAREHOUSE MANAGER - 21ST SEASON

JACK MILLER
PRODUCTION MANAGER - 31ST SEASON

BRENDA SAID
ASST. PRODUCTION MANAGER - 22ND SEASON

FREDDIE CHEN
CHINA AGENT - 16TH SEASON

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WWW.FRIENDOFFIREWORKS.COM

PYROTECHNICS GUILD INTERNATIONAL

2020 CONVENTION
AUG 8-14TH, 2020
FARGO, ND
FOR MORE INFORMATION ON PGI:
WWW.PGI.ORG

NATIONAL FIREWORKS ASSOCIATION

NFA SPRING EXPO, COLUMBUS, GA
MARCH 2-5TH, 2020
FOR INFORMATION ON NFA'S EXPO:
WWW.NATIONALFIREWORKS.ORG

AMERICAN PYROTECHNICS ASSOCIATION (APA)

2020 WINTER CONFERENCE
FEBRUARY 11-14TH, 2020
PARK MGM HOTEL, LAS VEGAS, NV
FOR MORE INFORMATION CALL (301) 907-8181 OR
WWW.AMERICANPYRO.COM

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North Central Industries, Inc. will be enforcing our credit card authorization policy in order to protect our customers as well as ourselves from fraudulent transactions. For in person transactions be prepared to show ID. Phone transactions will require a Credit Card Authorization Form as well as a copy of your ID. These can be faxed or emailed. If you have any questions prior to ordering please contact Cheyenne Reed, Administrative Coordinator, in order to prevent a delay in shipment.