

# Great Grizzly Times

NORTH CENTRAL INDUSTRIES, INC. APRIL 2003 VOLUME 1, ISSUE 5



Corporate Office & Warehouse Facilities  
1500 East Washington Street  
PO Box 2623  
Muncie, Indiana 47302

Production Facility  
2627 South Walnut Street  
Muncie, Indiana 47307

Phone (765) 284-7222  
Fax (765) 284-5788  
(800) 866-8286(2264)

Richard B. Shields  
President/General Manager  
18th Season!

Kathy K. Shields  
Operations Manager  
17th Season!

Stacey R. Smith  
Office Manager  
10th Season!

Brandy K. Jones  
Editor/Import Assistant  
6th Season!

Clay Harry  
Freight Manager  
2nd Season!

Jack Miller  
Production Manager  
16th Season!

Charlie Phipps  
Warehouse Manager  
18th Season!

## A Message From The President, Richard B. Shields: CHINA'S CHANGING FIREWORKS MARKET

As you know China is the major supplier of fireworks to the USA and world markets. Hundreds and maybe thousands of factories exist in China. Some are for domestic production only and some are for export only. Some only make goods for the USA market. The USA market now demands high quality fireworks products produced at a reasonable cost. In China, the difference between a high quality producer and a producer who has no quality control is minute by our standards. Maybe 10-20% more for a really high quality product.

On average we visit China two or three times per year. Other members of our Great Grizzly logo buying group also visit China several times per year. In this manner, we are always seeing new products being developed and can carefully monitor the products that each area is manufacturing for us. We use only trusted and proven suppliers. These agents and factories understand the USA market. They produce quality items with attractive labels and good quality shipping cartons. In addition their products must pass AFSL testing prior to shipment to the USA.

In recent years production in China in Dongguan, Jiangxi and Jiangmen areas have been forced to close and move their factories to more favorable areas that still consider fireworks to be important to their local economies. Now Hunan and Guangxi provinces produce the great majority of fireworks coming to the U.S. market. New exporters soliciting business are a common occurrence as it is much easier now to get an export license than ever before. Most of these companies are new to the export business and candidly most are not capable of producing the quality requirements that we require. The good news in this scenario is the stiff competition keeps the really good producers on their toes. They are anxious to retain their relationships with importers in the United States. This type of producer is always looking for an edge with new products and packaging ideas to keep his company equal to or better than the competition.

WE ARE FORTUNATE TO HAVE THIS TYPE OF RELATIONSHIP WITH A FEW SELECT EXPORTERS AND THE FACTORIES THEY CONTROL. Therefore we are assured of getting quality items at good pricing with on time deliveries. As a U.S. importer you must be willing to travel to China to meet with these manufacturers. Otherwise you only see the really good items after someone has already brought them to the U.S. market. NCI searches carefully to find the really innovative new products. That is why we always have 60-75 new products each year. The China market has changed dramatically over the last 10 years and will continue to change for years to come.

## Dear Boomer,

(A Tale of Cartons with a Twist)



After I have shot off my 300 great ideas I have noticed that some of the tubes are empty. Is this a defect?

**FIND OUT IN KATHY'S ARTICLE ON PAGE 2!**

What in the world does Stacey do at work when she isn't selling fireworks?

**FIND OUT IN HER ARTICLE ON PAGE 2!**

I am in desperate need of insurance for my store! Can you help me please??

**FIND OUT IN MANDY'S ARTICLE ON PAGE 3!**

I have 2 vans, two trailers of the two departments, warehouse & production. Can you have anything about them?  
**LIZ WILL TELL YOU ABOUT THEM ON PAGE 3!**

I am so hungry, what's there to eat?  
**AWESOME RECIPES FOR YOUR 4TH HOLIDAY ON PAGE 4!**

## Upcoming Industry Events

### Indiana Fireworks Distributors Association (IFDA)

#### 2003 Membership Dues

Dues are now being accepted for 2003 Membership of current and new members. Dues are \$1,000 which covers membership, lobbyist fees, legal representation, and meetings. If you are interested in becoming a member, please contact Richard Shields, IFDA President for more information, (800) 800-2264. For information regarding the Indiana Fireworks User's Association (IFUA), please contact Carol Phillips at (800) 535-7477.

### American Pyrotechnics Association (APA)

#### 2003 Convention

The 50th Annual Convention is scheduled to be held in Milwaukee, Wisconsin September 9-14, 2003. For more information, contact the APA at (301) 907-8181 or [www.americapyro.com](http://www.americapyro.com).

### Pyrotechnics Guild International (PGI)

#### 2003 Convention

The Pyrotechnics Guild International will be having their 2003 convention August 9-15, 2003 in Gillette, Wyoming at the GAN-FLER Multi-Event Facilities. The theme will be "Wyoming Firefest 2003". If you would like more information about PGI, visit their web site at [www.pgintl.org](http://www.pgintl.org). The PG is "dedicated to the Advancement of Safety, Skill, and Artistry in Pyrotechnics."

### International Symposium on Fireworks Society

The 7th International Symposium on Fireworks is scheduled to be held October 8-10, 2003 in Valencia, Spain. For more information, please visit their web site at [www.fireworks.org](http://www.fireworks.org).



## Insured? Assured!

By Amanda K. Jones

Welcome back to another issue and a new "GG Times"! I hope this issue finds you well! You may notice that this newsletter is very different. Every year it is a daunting task for me to improve it and provide more informative news on our company and the fireworks industry. One of the perks to our jobs and one that many of you may not realize, is the freedom to take on projects beyond our titles. For instance, I am able to dabble in sales, imports, insurance, collections, graphic design and so much more! And the other girls in the office manage many different roles rather than just sales. It is just our privilege to be much more to our customers.

The main topic for my article is the fireworks insurance that we provide to our customers. As you may be ast, this past year the fireworks industry was affected by an insurance scandal. Teshler Corp. and owner John Tessoymon II were shut down due to the accusations of the company selling worthless general liability insurance policies to companies including those that conduct indoor & outdoor public fireworks displays and companies that operate retail fireworks outlets. Companies holding policies from Teshler were encouraged to immediately find an alternative insurer. Our insurer for years, Clayton Insurance Brokers, Inc. and John Stringer of Birmingham, Alabama, was one of the first to recognize that something was awry and was able to help with this crisis with advice and/or service. We realize the importance of insurance and the validity of our policies because we too are in the same circumstances as our customers. If you should be in immediate need of a policy more than not that policy can be emailed or faxed to you within minutes!! However, please be aware that insurance is not our primary business and at times it is impossible for me to provide a policy in such a short notice because of my foremost obligation to you, a fireworks buyer especially during the months of May and June. So please be patient with me and I will certainly do my best!

As always, we will be offering \$500,000 & \$1,000,000 premise policies which cover "trip & fall" instances and costs \$125 & \$150, respectively, per month of coverage. Also, we will continue to carry \$1M product policies covering instances in which a customer or other person misuses a product or the product malfunctions in any way. This policy costs 2% of your total retail sales for the year. There has been a change for 2003 which concerns the manner in which you will be billed for product insurance only. Once a product policy has been issued to you, you will be billed 2% of your fireworks-only sales on each invoice generated and this will be clearly stated at the end of the invoice where, for instance, sales tax would normally occur on a general invoice. If you have been issued a product policy after you have purchased any fireworks goods, you will be "back-billed" an invoice for 2% of those sales on a separate invoice and then all future invoices will be billed each instance. Your product insurance is not billed on promotional items, freight, other insurance, etc. - it is billed only on fireworks and we have set our systems up to do this automatically.



*"I pledge allegiance to the Flag of the United States of America and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all"*

## BEHIND THE SCENES By Elizabeth (Liz) B. Harty

Hello and welcome to a new issue of Great Grizzly Times. Another season is rapidly approaching and once again it is time to get busy. Which brings me to the topic of the importance of our warehouse and production staff. As the warehouse begins to fill with the container shipments and the orders start coming in, staffing must be increased. During the off season we normally have 3 warehouse workers and 2 at the production plant. By the time it's all said and done, we will have upped our staff by 15 to 20 employees at each building.

Charlie Phipps, the Warehouse Manager, oversees his workers to ensure that the containers are unloaded in less than two hours or there is a demurrage fee (a charge required as compensation for the delay of cargo beyond its scheduled time of departure). Next they have to transfer the products to their assigned bin locations. As the orders come in the crew must pull each order, load it on skids, wrap it, and finally load it all into the freight trucks. Keep in mind that we receive anywhere from 150 to 160 containers per season!

Then there are the members of the Production Warehouse that is headed by Production Manager, Jack Miller. Our drivers haul the fireworks needed to their location and that is where all the great assortments are brought together. The staff organizes, assembles, and wraps the assortments. They are then brought back to the first warehouse to fill the customers orders.

So whether you order 30 cases or 3,000 it is thanks to these dedicated employees that you, the customer, receive your orders promptly and efficiently.

## Make "Census" Of This!

(Source: U.S. Census Bureau)



The US imported \$121.6 million in fireworks from China in 2001. Total fireworks imports for that year were \$128 million! Thank you China!!



Of the \$51.7 million spent on imports of US flags in 2001, \$34.8 million worth were imported in October, one month after 9-11. If anything good could have come from that horrible day it would have been patriotism.



11 places nationwide have Independence in their name and 5 places have the name Freedom including Freedom, California.



30 places nationwide have Liberty in their name. Iowa has the most places with four: Libertyville, New Liberty, North Liberty, and West Liberty (What about East & South?!!)

5 places across the nation have America in their name (Wonder if their city song is God Bless America?!?)

And last but certainly not least, only one place is named Patriot, PATRIOT, INDIANA!!! With a population in 2000 of 202 (Wonder if that number has grown?!?)

## Fourth Food For Fun

(Now how fast can you say that?)



### Flag Cake

2 pints of strawberries  
1 recipe of your favorite white or yellow cake  
1 1/3 Cup of blueberries  
1 tub of whipped topping

Mix up and bake your favorite cake mix or recipe. Let cool.  
Slice 1 cup of strawberries, set aside. Halve remaining strawberries, set aside.  
Top cake (in pan) with 1 cup sliced strawberries, 1 cup blueberries and all of the whipped topping.  
Arrange remaining strawberry halves and blueberries on whipped topping to create a flag design.  
Refrigerate until ready to serve.  
Serves 22

### Patriotic Breakfast Parfaits

(from Kraftfoods.com)  
1 container (8 oz.) BREVYERS Blueberry Lowfat Yogurt  
1 banana, sliced  
1 cup strawberry slices  
1 cup POST SELECTS BANANA NUT CRUNCH Cereal



LAYER yogurt, bananas, strawberries and cereal alternately in 2 parfait glasses or small custard cups. Serve immediately

Great Substitute: Substitute POST SELECTS BLUEBERRY MORNING Cereal for POST SELECTS BANANA NUT CRUNCH Cereal.

### Stacey Con't.

the help you can give!

As many of our customers know, we have gone through several truck drivers over the past few years. Wayne Rudd is our new truck driver that we hired in February 2003 and we welcome him aboard! This brings me to my final topic I'd like to talk about. We have hired a guy named Tom Dunaway who specializes in Motor Carrier Safety and Hazardous Materials for the past 2 years. Tom lives in Georgia and once worked for the DOT so needless to say, he has helped me tremendously with getting my truck driver files organized. I did not realize how strict DOT is when it comes to hiring a driver to haul hazardous materials. Thanks to the training and information that I have received from Mr. Dunaway, we now have a great system in place and we are in compliance in all aspects! For each driver that we hire there is a checklist that accompanies their file. Here are a few things that must be in their DO (Driver Qualification) File: Original application, previous employer information, MVR (Motor Vehicle Report), medical examination certificate and a few other items. There are various deadlines as to when these items must be included, for example, we MUST have a copy of the driver's pre-employment drug screen back from the doctor before he can be out on the road. I recommend that any of you who hire truck drivers contact myself and I will get you in contact with Tom Dunaway because the information that he provides is extremely useful given the penalties that one could incur if the DOT ever visited your company.

I hope this gives you a better understanding as to what really goes on in the off-season at North Central Industries. Sometimes it is nice to let our customers "peek" in and see what we really do from January through December. Each employee contributes individually and without one of us our company would suffer so it is nice to see how we all "fit in". It's nice to get up and come to work for a company where you know that you are not only a valued employee, but you are part of a family as well! Well, that's it for now, I'm off to work on the website. I still want to travel some more, just have to find time to "fit it in my schedule". HA HA! Here's to another safe and successful fireworks season ahead and let's make 2003 the best it can be! God bless us all!

## Legal Eagles

Here's an update on fireworks issues everywhere



The State of Minnesota has changed its fireworks laws to allow wire or wood sparklers, fountains, cones, wheels, ground spinners, snakes, glowworms, tick noisemakers, party poppers, snappers, and other novelties. Congratulations Minnesota!

\*\*\*In February an embargo of all shipments of class 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6 was declared by railroads because they did not have a means of identifying employees who may be prohibited from transporting explosive materials, as per an interpretation by the ATF of the Homeland Security Act. Within a day of this news breaking the APA was able to clarify to the Association of American Railroads that 1.4 Consumer Fireworks are not subject to the federal explosives act and thus, the embargos on 1.4 were lifted and transportation preceded as usual. Had this embargo remained in place it would have tremendously increased prices for the season due to fireworks having to be transported by truck from the East & West Coasts and this also would have meant that the enormous amount of imported fireworks would have been on our nation's roadways, a much larger danger in our eyes. However, the embargos on 1.3 remain in effect and are expected to beyond this shipping season.

**BIG BAD ASS Product Line** We are proud to carry a Big Bad Ass artillery shell, aerial repeater, fan-shaped repeater, rocket (NEW!), fountain, and the infamous reloadable assortment, Bad Ass Fall! The NEW Great Prizzly Bad Ass 200 shot Saturn Missile will be available this year too! This whole line is sure to look GREAT in your stores!



## Up Close & Personal

An Interview With Charlie Phipps, Warehouse Manager

Question: What brought you to North Central Industries, Inc. 18 years ago?

Charlie: I was looking for a job, seen a sign in the window, "help wanted", got hired, and at the end of the season, received TAO guys!

Question: What is your favorite aspect of your job as Warehouse Manager?

Charlie: Checking out all the new items.

Question: What is your least favorite aspect?

Charlie: Wondering if all the workers will be good or not.



Question: How have you noticed that the warehouse has changed over the 18 seasons you have been here?

Charlie: (Wine) getting better at handling more stock.

Question: Describe for us your daily job duties.

Charlie: Making sure everything gets done for the day, loading or unloading trucks; pulling orders to ship or be picked up, just having everything ready!

Question: How have you noticed that consumer fireworks have changed over the years?

Charlie: When I first started there were some that were better than others. Then CPSC started to check them closer and making more limits on the "better" items.

Question: On a personal level, what hobbies do you enjoy in your time away from the office?

Charlie: I enjoy fishing, but what is even better is spending time with my granddads!

Question: And last but not least, what are your favorite fireworks that the customers can get from NCI?

Charlie: The 500 gram items, Rock n' Roll, Jungle Page, Just Looking, Pacific Blue, Teased Nights, Junivard Dog, & AHY and ALL reloadable shells! (Good choices Charlie!)