John Smith has big plans for the EIFS Council of Canada. Recently handed the title of president of the EIFS Council of Canada, Smith takes over where Kevin Day left off—moving to get the council’s stalled national quality assurance program up and running. The national sales manager of Dryvit Systems Canada Ltd., Smith has his work cut out for him. Historically, the EIFS Council has relied on the volunteer efforts of board members to get things done, but the general consensus of the board is that an executive director should be hired to deal with the heavy workload. “We need somebody working full-time, coast to coast, lobbying on behalf of our industry to see that the quality assurance program takes flight the way we know it can,” Smith says.

Finding the right person for the job is one thing, securing the money to pay that person is another. The council’s directors are looking at two fund-raising options: an incremental levy on EIFS products and an increase in membership dues. The plus to a levy is it could be applied to products, such as pails of material, sold throughout the industry. “What you’d have is every contractor in the industry, not just contractor members, paying toward the industry’s growth,” he explains.

Smith points out that other industry associations have successfully applied levies as a fund-raising form. One of the downsides is that it creates an administrative burden on manufacturers. Another is that it would take quite some time to raise enough cash through a levy to hire an executive director.

A substantial hike in membership dues, on the other hand, could provide the association with enough money to hire an executive director soon. Member contractors aren’t keen on a hike in membership dues because it puts a large financial burden on them, while nonmember contractors, which represent the majority in the industry, would be off the financial hook. Currently membership dues are based on a multi-tier system based on company revenues. A dues hike would likely have to be substantial to cover the cost of a salaried post.

Smith says it is likely that the fund-raising solution is a combination of the two. “A dues increase might work on an interim basis while perhaps we phase in a levy that would be a long-term revenue-generating mechanism,” he says.

The EIFS Council hasn’t got its eye on any candidate for the post of executive director yet, but the board will possibly look for someone with association or government experience. Smith thinks that the ideal candidate need not come from the EIFS industry, but he or she should have a sound background in construction with a knowledge of design, building codes and government bureaucracy.

Currently, the QAP is owned by the EIFS Council in a 50/50 partnership with Building Professionals Consortium. The board of directors, however, would like to buy out BPC in part because the partnership creates some confusion over liability responsibilities. As it stands, the QAP only has two members: manufacturer Dryvit Systems Canada and contractor Lido Wall Systems. Negotiations are under way with three other manufacturers.

Signing up contractors for the quality assurance program is no easy feat because they are obligated to either post a $150,000 performance bond to the program or a $75,000 irrevocable line of credit. Not a lot of contractors in the Canadian industry have that capacity.

Smith joined Dryvit in 1997 after spending 12 years with W.R. Grace. Before that he was with Tremco for eight years. “I tell people I was below grade for 20 years doing things like waterproofing ... . Now, at Dryvit, everything I do is above grade-wall construction. It’s all about esthetics, about how things look, he says.

It looks like an interesting year ahead for Smith and the EIFS Council.

About the Author
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