

Superior products + proper application = the warranty you can believe in

By Rick Ulrich

In the past, residential customers who met the criteria and completed an application form were issued a printed warranty. We reviewed applications, addressed shortcomings, and established long-term files for reference. Most customers were not aware of the potential for a certified warranty, and the forms and rules caused confusion throughout our dealer network.

With our new pail labels we have simplified the warranty process. The residential warranty statement is now stated clearly on the pail. It is straight-forward and simple. In summary, the homeowner or contractor selects the service life they hope to achieve, chooses the proper coating, and applies the required number of coats at a minimum 100 sq. ft. per gallon each to qualify for our warranty. The roof must meet the terms of the warranty; coatings must be applied according to written instructions and the customer must save purchase documentation.

A similar program is available for commercial roofs but several conditions apply:

1. Contractor must first contact us
2. Job information is recorded on a form
3. A warranty file is created

We will review each contractor job in advance as requested or if the roof is large. Certificates of warranty are issued for qualifying jobs. Simple.

Why have warranties?

Many customers want them. Residential customers often choose not to do the paperwork to qualify, but they will buy a coating because they assume the warranty indicates a quality coating. Other reasons for warranties include:

- Helps customers understand the life expectancy of coatings
- Encourages customers to apply enough coating
- Provides a system for resolving coating problems
- Meets competitive claims and often helps contractors sell a job

The problem with warranties

1. Many customers do not read the requirements before coating, but still expect a warranty when they don't qualify.
2. Customers may not use the proper coating for their roof (i.e., selecting a light-duty coating for heavy duty problems).
3. Some apply too little coating, apply the coating unevenly, or dilute the product. ("How much do you thin this stuff down?" NONE!)

4. Customers may not allow for minor maintenance. Roofs are dynamic surfaces that need to be checked and repaired occasionally to avoid bigger problems.

5. Customers may neglect to keep records of the coatings applied.

We hope our new pail label instructions will reduce these headaches.

Types of warranty — a sampling of the industry

Defects in manufacture. This warranty relies on the charity of the manufacturer for any help.

No leak warranty. It doesn't matter if coating wears out or peels off, there is no claim unless a leak occurs. This is misleading, since reflective roof coatings are not the primary source of waterproofing. *E-las-tek does not offer this type of warranty.*

Service-life warranty. This claims that the coating will provide the roof surface with solar protection for a given period of time. We chose this one because it warrants the real function of the coating and is easily verified — if you can see the substrate through the coating and enough coating was applied, then it's worn out.

Goodwill warranty. This is not a published warranty, but we will often help a customer even though we are not at fault. We want happy customers.

Residential vs. commercial; DIY vs. contractor-applied

As a general rule, coating coverage for a warranty is the same for every roof, although some commercial roofs may require more coating or shorter warranty periods. Residential roofs are lower risk for us because they are typically smaller, have a smooth surface, less roof equipment, and less roof traffic.

Proper cleaning, prep, and repair of the roof are important prior to coating; applying enough coating and applying it evenly is critical. Given the annual erosion rate of our roof coatings, they will not fail during the warranty period if the required amount is applied.

Most do-it-yourselfers (DIYers) do a good job coating because they will follow all the rules and invest personal time and effort without considering the economics. To qualify for warranty under our new program, the DIY customers must keep a record of the number of square feet coated, and save all proof-of-purchase receipts through the life of the coating guarantee period.

To qualify a residential roof coating job for warranty, a contractor must apply two or three coats of the selected coating following the schedule on the pail. It is critical that the

contractor supply the customer with an itemized invoice indicating the date work was done, number of square feet coated, product used, and number of pails provided. This becomes the customer's "proof of purchase."

While certificates of warranty will normally not be issued for residential roofs, we will provide one on contractor's request. Copies of the warranty statement found on our pails can be printed from our website.

Because of the risk and complexities, we require an advanced knowledge of commercial jobs when a service-life warranty will be requested. A pre-coating roof inspection is often necessary on jobs exceeding 5,000 sq. ft. as well as a follow-up check after the work is complete. Please notify your E-las-tek rep or call our office for more information.

Warranty Resolution

If proof of purchase and roof size documentation is available and the coatings were properly applied to our specifications, E-las-tek will provide sufficient material to restore protection to worn out areas. Generally, this will be a repair and not a complete recoat. Application assistance for contractors is not guaranteed, but negotiable. The warranty period is not extended due to warranty repairs.

E-las-tek/Ace Hardware Spring Super Sale — Success!

By John Richard

This year marked the third annual Spring Super Sale for E-las-tek and Ace Hardware, and the event seems to be catching on with do-it-yourselfers. Television, radio, newspaper, and Ace's circular were used to get out the word of \$10 savings on each pail of Solar Tek Extreme. Dollar sales of E-las-tek coatings to participating Arizona Ace Hardware stores were up 9.4% over the same sale period for 2005. This is a significant improvement over last year's event, which showed only a modest dollar increase of 3.9% over the inaugural Super Sale in 2004.

The success of the event was not limited to just a handful of the largest stores. Of the 26 stores participating, 18 bought more E-las-tek this year.

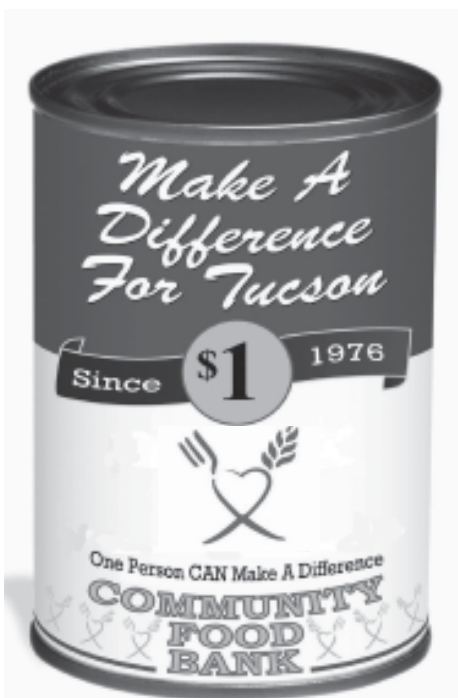
The fact that the *number of pails* sold increased by only 7.15% over 2005's event is significant because it shows that sales continue to be increasingly weighted toward the high end of the price scale. Despite media attention given to our launch of The Shield™, our budget-priced coating, consumers are willing to pay more to coat their homes with the best — Solar Tek Extreme.

Summer Virtual Food Drive

ASBA
ARIZONA SMALL BUSINESS ASSOCIATION



\$1 Donated = \$10 Worth of Food!



Why Donate in the Summer?

Typically, the long hot summer is when the Community Food Bank's stocks are low and demand is high. Low-income workers in the hospitality industry and other seasonal industries are laid off so their resources are stretched further than usual. Paying the rent has a higher priority than a nutritional meal. School is out too, so low-income families cannot rely on healthy school meals for their children.

Launch Date: Tuesday, June 6th—*Hunger Awareness Day*

Ending Date: Thursday, September 7th—You have all summer to HELP!

How to Help: Go online to the Community Food Bank's site to participate in the "Virtual Food Drive." Donate \$1 at E-las-tek and the Food Bank will purchase \$10 of food with your donation! Or, bring canned or dried foods to E-las-tek's lobby throughout the summer and we'll take it to the Food Bank for you!

Donations are Tax Deductible!

To participate, visit the Food Bank's website for details:
www.communityfoodbank.com



Community Food Bank (520) 622-0525