



TREND REPORT

Build a brand, fulfill the promise

A brand is often the most under-appreciated part of a company's portfolio. It can be one of its most valuable assets for driving sales, building loyalty, and making people care. Think of Apple, Harley Davidson, and The Ritz Carlton. Or it can be a company's biggest threat, if the brand doesn't mean anything in the marketplace. For the past year, Henkel has undertaken a rigorous and introspective development of our power brands, Loctite® and OSI™. Here are our key takeaways:

A brand is a process of self-discovery

It's not just a new logo or slogan that is created out of thin air. Brand development begins from within - tapping the heart of a company's reason for being. It's about who you are and what you stand for. Establishing a meaningful brand requires discipline and is driven by all members of an organization, starting with the top. While marketing tactics are important, they must be built upon something authentic for the brand's promise to be believed and embraced.

A brand is a promise that must be fulfilled

A successful brand is a unique claim of distinction that must be delivered upon day after day, with every transaction and every touch point with customers. A company must not just claim it has or is a brand, it must live and breathe the promise of the brand, and establish it as an organizational initiative both internally and externally.

At Henkel, a brand is a 360-degree effort

We have extended branding beyond sales and marketing to encompass everyone from product developers to the people who answer the phones. Each day, everyone at Henkel strives to match and exceed our customers' and end-users' high expectations with high performing products and solutions, supported by professional, highly trained and caring people.

Trusted Performance. Proven Results.™ New Loctite® branding in national spotlight



For over 50 years, everyone from aerospace engineers to simple fixers have relied upon Loctite® to provide advanced adhesive and sealing solutions.

This summer, Loctite is sharing that brand message of "real technology for real life" with millions of Americans via an aggressive national advertising campaign. The ads show that the world's most challenging jobs rely upon the proven performance of Loctite adhesives, and the same specially-formulated products can be trusted both at your jobsite and home as well.

"At the end of the day, it's about pride in a job well done," said Tim Ferguson, Director of Loctite Products for Henkel Corporation. "We talked with thousands of end-users. They told us that if Loctite works on the space shuttle or is used by pit crews, then it must be the best choice for them, too."

The result is a new branding effort that builds upon the solid foundation of trust in Loctite, yet modernizes it to better communicate to end-user's needs. The national campaign includes TV spots on cable and network channels, print advertising in end-user publications, digital banner ads online, outdoor billboard advertising, new color-coded packaging, in-store promotions and training, and an all-new website at loctiteproducts.com.

Loctite representatives are available at the Henkel Contractor Help Line (800-624-7767), ready to answer questions from the field about applications and performance.

The Loctite® Brand

- Full range of premium-grade adhesives, trusted for quality and exceptional customer support.
- Breakthrough specialty product formulations and frustration-free dispensing systems.
- Backed by solid numbers:
Over 5,000 patents, 230 R&D specialists, 100 chemists and engineers.



New displays for Loctite® Power Grab® All-Purpose Construction Adhesive & Loctite® Super Glue ULTRA Gel Control™



Loctite's brand promise is "Trusted Performance. Proven Results.™" To help promote this powerful brand message, these all-new merchandising displays are available today from your local Henkel representative or by calling 800-624-7767.

Loctite® Power Grab® All-Purpose Construction Adhesive is a premium-quality, gap-filling adhesive with nine times the initial tack compared to other latex construction adhesives on the market today. The I-rack display holds twelve 10-ounce cartridges and can be hung or placed on the floor. The mini-pallet display holds 12-18 cases (144-216 cartridges) and can be cross-merchandised with building materials.



Loctite® Super Glue ULTRA Gel Control™ is a specially-formulated rubber-toughened instant adhesive that resists impact, shock, vibration and temperature extremes - outdoor-safe and ideal for bonds subject to daily use or harsh conditions. The countertop display holds twelve 4-gram carded bottles.

STAY IN TOUCH



▶ ONLINE

Loctiteproducts.com (now including PL)
osipro.com
polyseamseal.com

▶ HENKEL CONTRACTOR HELP LINE

1-800-624-7767 (9am-4pm EST)

▶ NEW ADDRESS

Henkel Corporation
26235 First Street
Westlake, Ohio 44145

▶ EVENTS

The Remodeler's Show

September 15-17
Baltimore Convention Center
Booth #5004



OSI™ Dealer Summit (Midwest Region)

October 27
Chicago, Illinois

ASK BILLY

Which epoxies and silicones are appropriate for my remodeling projects?

Dear Billy,

We read your newsletter and learn from each issue. I have two questions, not on behalf of our clients but in reference to remodeling my own home.

We will be lining the walls of a bathtub and shower stall with 3/8" thick cast resin cultured marble. I expect the joints between the panels and the tub/shower base will be sealed with clear, mildew-resistant silicone. How should we go about creating the most durable and mildew-resistant seal? Which is better for this application, high or low modulus silicone?

Also, I plan on having my home's aluminum siding and storm windows re-caulked. Should I buy high modulus silicone for the bulk of the job and low modulus in the few places where sealing to existing masonry? Or should I use low modulus throughout?

Thanks to you and Henkel for your great support.

*Cordially,
Burt Siegel
Budd Engineering*

Dear Burt,

Many thanks to you for being an avid reader and for your great questions.

For your bathroom application, I suggest using a colored

epoxy to fill the joints. Epoxy is a more permanent solution, whereas silicone would need to be replaced over time. You will need to ask the manufacturer of the cultured marble panels if they require expansion joints to allow for movement. If so, you may not have an option other than silicone.

When using silicone, your minimum gap size should be 1/8", otherwise it may be very difficult to fill the joint. It is important to fill the full depth of the joint with the sealant. Your question about which type of silicone to use is an excellent one, because most people think all silicones are alike. Low modulus silicone (oxime cure) is the correct sealant to use for this job - it will adhere to most surfaces, including cultured marble and porous substrates.

For your exterior application of sealing aluminum siding to brick, I recommend using OSI® QUAD® Advanced Formula Sealant. QUAD® sealant has many performance features that you cannot get from silicone. It comes in over 350 colors, it doesn't have dirt or dust pick-up like silicone, it is self tooling, and it can be applied in all weather conditions. I think the most important feature to you would be that it's more aesthetically appealing -- over time, silicones tend to attract dirt and turn black from all the airborne dust particles. QUAD® sealant won't.

I hope this information is helpful, Burt, and best of luck with your remodeling projects.

Billy



Bill Longo

is Henkel's go-to guy for

caulks, sealants and

adhesives. Email him at

Bill.Longo@us.henkel.com

with your questions - they

just may become the next

"Ask Billy!"

OSI QUAD®

ADVANCED FORMULA SEALANT

Over 350 colors: The Industry's Largest Offering

OSI® QUAD® Window, Door and Siding Sealant is now available in over 350 colors -- and counting -- the industry's widest range of color matches. Unlike other sealants, OSI® QUAD® resists dirt and dust collection, yellowing and water wash-out. It can be applied to wet or dry surfaces, even at freezing temperatures.

For more information and to try the OSI® QUAD® color cross-reference tool, visit osipro.com. Or log on to mobile.osipro.com from your phone to download a mobile-friendly version. (It's also available as an iPhone app.)

Style Crest Siding

QUAD® Color

Adobe Clay	535
Canyon Brown	219
Countryside Green	715
Dove Gray	521
English Walnut	315
Hampton Blue	804
Sunny Maize	445
Timber Wolfe	505
Vintage Sage	796
Warm Sandalwood	405

McElroy Metal Siding

QUAD® Color

Ash Gray	516
Autumn Red	941
Bone White	004
Charcoal	501
Clay	301
Colonial Red	962
Dark Bronze	209
Evergreen	766

American Window & Glass

QUAD® Color

Architectural Bronze	201
Cameo	451
Desert Sand	408
Harbor Gray	512
Sandstone	409
Silver Gray	521
Victorian Gray	541
Wicker	455

For more information, call your Henkel rep or contact
Henkel Contractor Help Line at 800-624-7767.

for Michael Cassidy



Michael Cassidy is the CEO of TW Perry, a leading building materials supplier in the mid-Atlantic region, serving the Virginia and Maryland area with six locations. He came to the industry in 2005 as Vice President of Corporate Development at Strober, and helped to create what is now known as ProBuild. He has worked for UTC, Booz-Allen and Kimberly Clark. Michael commanded special operations teams as a Captain in the Marine Corps and he holds an MBA from Harvard. In his spare time, he enjoys designing and building furniture, building tree houses and coaching his children's sports teams.

1. What do you think your varied resume brings to the industry and to your role as a CEO?

Each opportunity was a chance to learn. Every steep learning curve in life is best approached with an open admission of ignorance. You can't hope to learn what you believe you already know. I learned in the Marines to lead from the front ... I don't ask anyone to do anything I won't do myself. I still don't eat before my people (literally). I am forklift-certified and have a DOT card for small trucks. Occasionally attempting to do what my team does so easily helps me appreciate how good they are. I think the show "Undercover Boss" is laughable - you're the CEO and you haven't worked in the field already? Stand by your people in the open and in their environment routinely.

2. TW Perry has a terrific website. How do you incorporate technology into your business?

Our philosophy is to be ahead of where our customer is ready to be. On our website, customers can research product, arrange technical training, establish material lists, and check their own records. Different customer populations are at different levels of comfort with technology. The emerging generation - those people in their early 20s - may never have used a fax machine ... it's all email and internet. More seasoned customers grew up only using paper. We use technology to create a hybrid way of servicing all customers.

3. How is TW Perry organized?

We run an upside-down organizational chart. Customers are at the top, then anyone who interacts with customers - like truck drivers, yardmen, salesmen and counter people for example - are next. The CEO is at the very bottom. Our focus during this recession is to remain staffed competently enough to help customers get through this downturn ... we try to have as many customer-facing employees as possible, because they are more essential than ever to our customers. If a contractor with 10 employees lays off two people, that's 20% of their workforce and perhaps 100% of their accounting team. We have to have our team intact to help them.

4. What do you foresee for the economic recovery?

The housing recovery will be very localized. We feel very good about our position, but all markets are sensitive to over-capacity. Many regions of the country including ours still have too much supply capacity. This depresses margins and creates scenarios where distressed companies flail around in decline. Last year was modestly decent yet three major players in our market went under. Housing starts percentages may look good, until you realize those are increases based on drastically lower numbers of starts than just a few years ago. It will be a long, slow climb out. I'm not skeptical but practical. We are lean and ready.

5. What's your typical day like?

I meet with customers several times a week. I spend some time each day on the phone and email with the intent of maintaining momentum - to provide answers in a rapid time frame within and outside the organization. On average, our management team is only 46 years old, has 16 years with TW Perry and 22 years within the industry ... with four MBAs and two CPAs on our team, we've got ample horsepower and experience, but we have to maintain momentum to make us truly unstoppable.



26235 First Street
Westlake, Ohio 44145

INSIDE THIS ISSUE OF



- **Loctite®:** New branding, national campaign
 - **Ask Billy:** Selecting silicones & epoxies
 - **The Color Leader:** Over 350 colors of QUAD®
- Next Issue (Fall): OSI™ on center stage –

FISHING WITH FRANK

Make a fresh start on a favorite lake



People who fish the same lake all the time tend to go the same places to find the fish. But the places you caught bass in the spring are not where you'll catch them this summer. Re-think your favorite fishing hole to increase your success rate - improving both the quantity and quality of your bass catch.

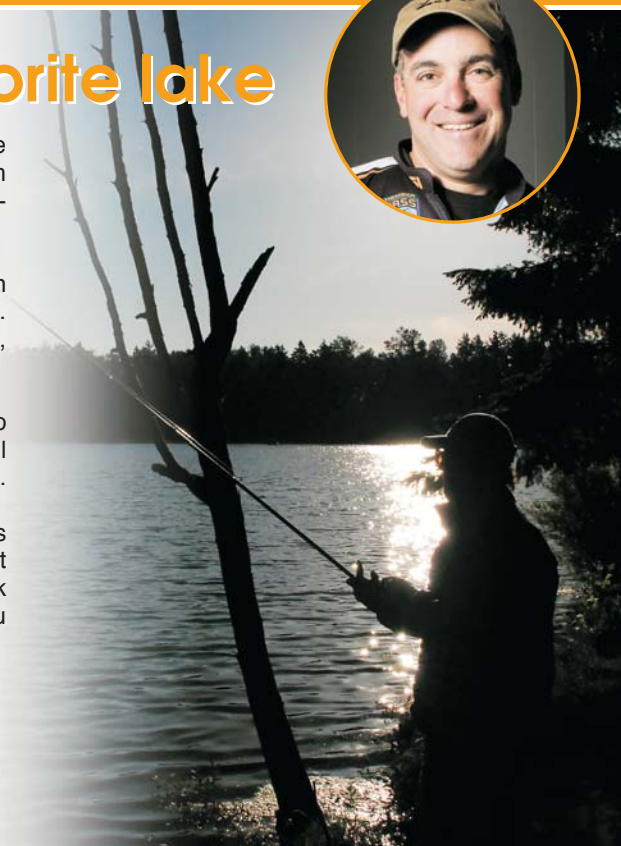
Follow the bluegill. When a bass spawn ends, a bluegill spawn begins, much to the delight of the big female bass that are big enough to eat a spawning bluegill. Find the bluegill and you'll find those big females. Look for bluegill beds in shallow, sandy areas. Also: Near logs or clumps of grass.

Make long casts with top-water baits. Surface lure presentation is critical to fool the bass. Top-water plugs or small prop baits duplicate the sound of bluegill commotion at the surface. Use regular monofilament line (fluorocarbon will sink).

Catch both bluegills and bass. Fish the same spot with two different presentations and you'll catch both. That can make for a great day of fishing with the kids. Let the children use wax worms or maggots to catch bluegills. They will get quick bites and have fun. Meanwhile, the adults can fish for the bass. Next thing you know, you have a full cooler for a fish fry!

Good Fishing! *Frank*

A man with more than a few favorite fishing holes, Frank Scalish competed in the 2010 Bassmaster Classic last February and is now on the 2010 Bassmaster Central Open tour. He's been sponsored by OSI® since 2003.



For more information and to read Frank's blog, visit www.osipro.com/spotlight.shtml