

President's Message

Over the past year, headline after headline and broadcast after broadcast have spread the word on the worsening economy. As we look back on 2008, there is no question that it was a very difficult year. Looking ahead to 2009, we anticipate the downward trend will stop and by year's end, a return to economic prosperity.

And, let's not forget that in 2008 nearly 17 million grills were shipped and, while it may seem counterintuitive to the current economic climate, now is the time to invest in your future. As grill and outdoor product retailers, the best way to do that is by staying on top of new product development, trends and opportunities. And, by attending HPBExpo, you will find all that you need in products – both large and small – and an education program to support your business growth and development.

As I write this in late December, over 70 grill and outdoor product manufacturers have signed up to exhibit at HPBExpo, making this year's event a grand opportunity to find that unique item, including a fire-breathing dragon that doubles as a grill, for your store and put you a step (or two) ahead of the competition.

So, don't delay. Register to attend the great indoor-outdoor event in Reno in March 19 – 21.

See you there.

Jack Goldman
President, HPBA



HPBA



GRILLING REMAINS HOT! HOT! HOT!

A slob, a picky eater or a moocher are not the kind of folks grill chefs want showing up at their backyard barbecue. Instead, our consumer "grill chef" opinion poll showed that grill and barbecue lovers resoundingly prefer a visit from a celebrity chef with one-third saying they'd ask the chef which spices taste best on certain foods, while others would ask for an all-time favorite grilling recipe.

Those eager to dine on great grilled food gather around the chef who accommodates a variety of food tastes including meats and vegetables and two-thirds of grillers would enthusiastically prefer to stay home and grill than dine out. With that kind of appeal, it's not surprising that grill shipments remain strong in a softening economic environment.

According to Don Johnson, HPBA director of market research, 16.8 million grills were shipped in 2008. "We produce estimates of barbecue grill and charcoal shipments to promote the industry," he said, adding, "These numbers are important to justify the industry, answer consumer questions, and create story lines. And, manufacturers use the data to determine market share and industry trends."

What's trending now is a consumer move to a pricier grill, according to Rob Schwing, Char-Broil vice president marketing and product development. "What we're watching happen in the market right now is a move up the price continuum by consumers," said Schwing, "and, HPBA's statistics support that as a strategy, or, a reality, of the marketplace."

Consumers, he says are buying more grills in the \$200 or \$300-plus range and are more interested in performance price points. "With fewer discretionary dollars to spend, consumers are interested in value – where price meets quality," explains Schwing. "They won't splurge on luxury items either. They'll purchase a reputable brand that will deliver on the promises the manufacturer makes. So, I think, for a manufacturer that has consistently taken care of their customers, there is an opportunity for sales."

And, even though consumer spending is down overall, the grill industry continues to be viable.

"The good news is that the grill industry, while down somewhat, is not down overwhelmingly," says Chris Hartley, VP of marketing for Blue Rhino, adding, "That shows the strength of the industry."

Additionally, as a grill fuel distributor, Blue Rhino is able to monitor gas grill use through its sales. "We continue to see very strong sales, which indicates that consumers are still grilling out even if they're not eating out," said Hartley. "I imagine that charcoal manufacturers are seeing something similar. Consumers are still looking for a pleasant way to have a meal at home. They may not be eating steak as much as they usually would, but they continue to buy and grill less expensive cuts of meat."

At Weber-Stephen Products Company, the mood is optimistic for the coming year. "We expect that the slow economy will keep everybody at home cooking outdoors more, therefore purchasing grills or possibly repairing the grills that they currently own," said Tom Wenke, vice president of sales. This year the grill manufacturer is coming out with some new colors, grills and accessories.

So, make your HPBExpo plans now – because Expo is the only place to see the latest products for a hot market.