

Scott Stroud: Mike, thanks for joining us on Builder Radio. Welcome.

Matt Kurpel: Ah, Scott, it's my pleasure. Thank you for having me on board.

Scott Stroud: Well, thank you for being here. Again, you have been very involved with the National Association of Home Builders from the inside. You're not a builder. We'll get out of the way first.

You're an associate member there. First of all, before we get into the topic today, which will be advocacy and some of the benefits that NAHB offers members that they may not be taking advantage of, tell us what your day job is. What do you do?

Mike Kurpel: My day job. Well, my day job is I work for a company here in New Jersey called Universal Supply Company.

They're based in the South Jersey market, but they really cover the entire Delaware Valley, which includes Delaware, southeastern Pennsylvania, and northern New Jersey. So, what I do for Universal Supply is work with the company's outside sales representative to help strengthen their current business contacts and open up opportunities for them with builders around the area, such as Universal Services.

Scott Stroud: Okay. So you are, in that capacity, meeting and speaking with many builders. You've been involved in your local HPA there for a long time. Describe how you got into becoming active with NEHP in their advocacy programs.

Mike Kurpel: Well, when you speak about NEHB and their advocacy program to answer the first part of that question, I'm in contact with builders on a daily basis, as well as the associate members who service them.

And we're talking about associates. We're talking about suppliers, service providers, and trade contractors. We all work with the builders as a team to ensure they provide housing. For families, for people who want to own a home. So, that part of the job is the fun part. My part with working with NHB, really, takes you back to the local level, the grassroots level, where you learn about advocacy and the political engagement of the home building industry through your local efforts, through working with your local board of directors and visiting with other locals from across the state and visiting your state capitol.

That advocacy effort really translates well when you have gone through the experience and move on to the National Association of Home Builders when you visit the federal legislators on Capitol Hill. Advocacy, in my opinion—and again, this is strictly my opinion, but it's shared by quite a few people in our industry—is so important to the housing industry.

We mentioned associate members before. If it affects builders, it will affect associate members. That's why I preface again the point that associates really need to work side by side with the

builders to make sure the builders have the opportunities to build so associates have the opportunities to sell their products for service.

That's really what advocacy is all about in the home building industry.

Scott Stroud: And right now, with the market being as it has been, I know at one time, and you and I spoke about this previously, that NHB was one of the top five advocacy groups or lobbyist groups in Washington. And I know that's faded slightly because our market is off, but why is advocacy? Why is having this body represent the housing industry so important?

Mike Kurpel: Well, first, you know, how much, if any, NHB's effect on the Hill has faded, I can't say for certain. We have a group of members who speak with the federal legislators at home or in person in Washington, D. C. They're very passionate about what they do. So regardless of the numbers and the amount of contact, the legislators understand the passion of our industry, the home building industry.

So when I look at that, and I look at what we do across the board, the importance of it is really simple: legislation and regulation dictate what a builder can and cannot do, where they can build, where they can't build, and where they could have built but now can't build. And it's unfair representation by some people in the industry who really want to just provide shelter, a basic need for the American people.

And I got involved with Advocacy in the beginning stages because, well, to be honest with you, it was to be around the builder members. When I saw how passionate they were for the home building industry, that passion couldn't do anything but rub off on me. I grew up with a great group of mentors here in New Jersey, and now, as you go to the National Association of Homebuilders, at that level, people who really explained and opened my eyes to what advocacy truly is all about.

It goes back to what I said before STAC: If it affects builders, it will affect associates. We need to work together. So, from that perspective, probably the single most important thing that a member of the association should, and hopefully will, understand is that if they're there for business opportunities, there won't be many opportunities if the builders aren't protected through our advocacy efforts.

Nonmembers of our association who, for lack of a better phrase, are benefiting from the association's advocacy efforts We need them to join us and to make us a stronger voice whether it's in the state capitals or the nation's capital

Scott Stroud: So everybody is affected by the same issues, the same legislation, and the same incumbents that are being attempted to be placed on the industry.

How does the advocacy program work at NHB? How does the organization, the federation itself, step up to protect the interests of builders and home buyers alike?

Mike Kurpel: This is what I like to refer to as political synergy within our association. It is the proverbial three-legged stool. And, you know, if you remove one or two legs, the stool will collapse.

At our state associations and national associations, we have dedicated, extremely intelligent, highly motivated staff members who scour literally thousands of proposed bills and legislation to see exactly what type of impacts they're going to have on the housing industry.

You couple the government affairs staff at NEHB, using NEHB as the primary example. They look at, again, literally thousands of proposed legislation. They speak with the different legislators. They bring the home building industry's point of view to those legislators and hopefully gain some type of acknowledgment from legislators that this could be a problem.

We need to work together on this. That's phase one of political synergy. The second part of political synergy is the engaged member, whether it be the builder or the associate, but most definitely the combination of both. You need the passionate, engaged member to pick up the phone and call their legislators in their home districts.

Legislators need to hear that they're being affected by what this hypothetical legislation could bring to the businesses' bottom lines. People may say that a special interest group—well, yeah, we're a special interest group. It's called preserving our careers. Everybody with a job has a special interest, no matter what industry you're in.

So, having said that you have the second leg, which is the engaged membership—a passionate, fiery membership that will fight for their careers. The third leg is an interesting leg. It's about the Political Action Committee itself and the investment of political action dollars, which are utilized for a lot of things.

Most importantly, it's used to show what a PAC can do to help candidates for the housing industry. See, we at the National Association of Home Builders may have different points of view. We could be Republicans, Democrats, or Independents. But the one thing we do know, and we all agree upon when we get together, is that we support people who support the housing industry.

We support the houses, if you will. Protecting our industry helps our families and future families, so that's what our political action does. It's not used for anything other than political contributions to certain campaigns, which are done in every aspect of life. Okay, these are packed on television all the time.

So when you have political action dollars that are invested from our membership, You have engaged members who are speaking with the legislators, and you have an a, an engaged staff, meaning engaged with the legislators on the hill, or act again at state capitals who know the

issues, know the subject matter, and can have conversations with these legislators to bring forth the building industry's point of view.

You have the perfect political synergy. It has to all work together again. Any part of that school disappears. We're not as effective as an industry.

Scott Stroud: That's why we need more members and more members to be active. We need to support the issues that NHB supports to protect the industry.

Mike Kurpel: You know, you're 100 percent correct. A lot of times, you see, you see in different walks of life, you'll see people, woe is me, life is bad, and yet they just complain and do nothing to help themselves. I can't speak to why they do that. All I can tell you is that I've seen it in every aspect of life.

If a member of the association or a housing industry professional sits back and complains that housing isn't getting better and that I do not have the opportunity to sell products or build homes if they feel that negative towards what's going on and do nothing to help themselves, that's a problem.

We need everybody to understand that you have control over your future. You, the one person United with all the other voices, form this one strong, loud voice. That's why it's important for everybody to be a part of an association if you earn a living in the home building industry. And if you're a part of an association, get involved with the important aspects of that association.

And listen, advocacy is probably, in my opinion, the top of the food chain, if you will, in terms of importance in the association. Others will look at other ways, maybe education or networking. That's all great. That's what's good for them. But without advocacy, we're not going to have the opportunity to educate ourselves, and we're not going to have the opportunity to network.

That's why I believe in advocacy the way I do.

Scott Stroud: But you know, some of the things that I look at that kind of coordinate with, with what you're saying, or they go along with, with what you're saying here, some of the things that NHB has stepped up and become active or drawn a line in have to do with, Other legislations that have been coming up on the state level and on a national level if NHB hadn't been involved, chances are there would be laws right now that dictate that sprinklers have to be in every home that we build.

Mike Kurpel: Scott, you're 100% correct. Over the past five or six years, and maybe even a little bit longer than that, we have been experiencing a housing recession that has turned into a massive housing depression. Certainly, since the inception of NEHB, this has been the worst housing depression we have ever experienced.

Having said that, NEHB, while it may not seem on the surface to the average member, who's not actively engaged at the national level that things haven't been moving as fast as they would like, wasn't currently working on things that they had been working on. Any member can go to NEHB's website and see exactly what they've been doing.

We would be that much further away from a recovery. Without any HP, its staff, and its engaged members, our members across the country should be very happy and grateful that their membership dollars have been paying dividends. Even though they may not see it now, they will certainly see it in the very near future.

Scott Stroud: You know, you make a good point that we tend to look very short-sightedly at what is included in our association fees or dues, memberships, and other such fees.

But it's really. We're in it for those of us who were in it for the long haul. Oh, a great debt of gratitude to NHB and the individuals who have taken the lead in protecting the industry and making it such a vital industry. And the fact that it's lost a little bit of shine in the last few years, well, that's economics, and that's temporary because overall if you look in the long term, there's not an industry more vital to the nation's economy.

Then, the home building industry, which includes the builders, the associates, the suppliers, the vendors, and the producers, is the industry as a whole.

Mike Kurpel: I will tie one thing into what you said. It may hit some people a little bit hard. And I would like to say I would apologize beforehand, but it's kind of an accurate statement.

If you plan to leave the housing industry within the next year, you don't have to worry about any HB. You don't have to worry about investing your time in the political process. You won't have to worry about doing anything else because you'll be out of the association within a year, out of the industry, I should say.

However, if this is your career, if this is your future, and if you plan on being in this industry, you must look at ways to support efforts that protect your industry. You can't sit back idly and let others do for you when they could certainly use your help. I'm not chastising anybody by any stretch of the imagination.

I'm just trying to make a clearer statement that people need to hear. Get involved and help yourself by helping the association that is working very hard to help everybody.

Scott Stroud: That is a powerful statement, And I'm glad you said it that way, Mike. Help yourself by becoming involved, and advocacy is one way that we can help.

There are other ways to get involved and benefit ourselves. Over the next few weeks, we'll be talking with others who are very active with their local home builders associations and with the National Association of Home Builders at various levels, whether they're chairing committees or

our staff members themselves, to try to bring the full benefit of NAHB into the awareness of many of the members and those who might not be members, too.

As a piece of advice, Mike, for those that may be sitting here saying, you know, I am a member, and I really don't even attend meetings or haven't taken it seriously. What steps would you recommend that they take right now?

Mike Kurpel: Well, number one, we used that word before in investment, and people consider their membership dues an expense.

It really is an investment in your industry. If you look at it as an investment, people who invest in certain things are going to take an active interest in what they're investing in, to put it as simply as possible. So my recommendation is that if you wrote a check to your local Home Builders Association, you've invested in their initiatives. I would highly recommend that you, number one, start attending their meetings.

Getting to know different people. You may be an associate member. You'll have the opportunity to meet other associate members who are currently working with people you want to do business with. They're called builder members. You may be a builder who is looking to maybe have a joint venture project with someone, or maybe you're looking for good subs, or maybe it's just a simple business deal, whatever it may be.

Here's the opportunity for you to actually sit around and meet and network with your peers from your industry. So, number one, you're building that social capital that is so needed in today's world. Number two, I would recommend you speak to your local Or, if it's at the state level, your state president, as well as the local and state executive officers, the presidents of the association, the volunteers, the executive officers, and our staff.

These individuals know the heartbeat well of the local and state associations. Primarily at the local association, your executive officer is key to your success within the association. That person knows who the key people are within the Home Builders Association. They know where your skill sets can best match to volunteer for a committee.

That begins the journey into the Home Builders Association. If you could work on a committee and show people what you're all about in terms of discussion and action, they'll get to know you, they'll get to like you, and they'll get to see your style of professionalism. When they see that, they have no problems—and trust me when I say this—in bringing you into a discussion with a builder.

It goes from a cold call from you being on your own speaking to a builder to a warm introduction. You can't find that anyplace else, and those are some of the hidden things you see in the local associations that, if you're not involved, you can't experience. So that's my recommendation. Speak to your executive officer at your local and your state president and look for an avenue for you to start your involvement.

However, the personal involvement really begins with the general membership meeting, getting out there, and being seen. Lastly, you can use your skill set until you get started networking at the general membership meetings and getting involved on committees. Read the information that's being emailed to you as a member.

Look at the member alerts that come to you. Look at the bulletins that are sent by your EO. It could be your local, could be your state, or national. They're sending you information, the member, that is part of the home building industry where you earn your living. Take it upon yourself to make sure you don't delete it. If you don't have time to read it at that point, save it for later in the week, unless it's an action item that needs immediate attention, and read what your association is working on on your behalf.

Sometimes, the information is redundant, and that's okay because I don't consider it redundant; I consider it just once more, hearing it and having a greater sense of urgency about it.

Scott Stroud: Action is preceded by awareness, and that's what we're trying to do here: make people aware. Sometimes, it's a friendly reminder for those who might already know the value of membership in NHB and their local building association.

So, thank you for sharing that information on advocacy and giving us a bird's eye view of what really happened. Our membership does entail the real benefits behind the scenes that we get from membership in our local, state, and national Home Builders Association.

Mike Kurpel: Well, Scott, I appreciate speaking with you.

Again, this is all based on my opinion, but my opinion has been formed over many years. This is my 25th year in the association. It's formed based on watching successful members of our association navigate the waters of HBAs and the National Association. So my advice is really, it's been a learning experience for me.

And you know what? I'm learning every single day.

Scott Stroud: Great. Well, as are we all. We've been speaking with Mike Kurpel with Universal Supply Company, who is also involved in the advocacy committees with the NAHB. Mike, thanks so much for joining us today.

Mike Kurpel: Scott, thank you very much.