

The following (in brown type) is referenced from page 5 of Ken Rishel's Chattel Finance newsletter for January 2013. His commentary is in brown, below **It is reprinted here for the purpose of analysis, which is permitted under recent court decisions about copyrighted materials.**

Read Mr. Rishel's writing in brown, and then see the *MHProNews*, analysis, commentary and questions in black below each of the various sections that follow.

Do We Need Another Association?

As many industry leaders know, there has been scuttlebutt and rumors for over a year now about a new association being formed. In the last 60 days the rumor mill has been heating up and within the last several days a discussion on LinkedIn has turned it white hot. For whatever reason or reasons this newsletter has been getting emails on the subject mostly with the mistaken impression that the publisher of this newsletter had the inside track to information. Nothing could have been further from the truth, but it was decided the newsletter would investigate and publish its findings. They are as follows.

- The "scuttlebutt and rumors" - isn't it true that much of that was started by George Allen and his allies?
- Rumor defined in Google: Noun: A currently circulating story or report **of uncertain or doubtful truth:** "they were investigating rumors of a massacre."
- Scuttlebutt defined in Google: Noun, Rumor; gossip. Synonyms; hearsay - rumour - rumor - gossip.
- So a bit of ironic humor in Rishel's choice of words!
- Are we to seriously believe that Rishel and Allen, who routinely work with each other and communicate often, never discussed this association idea before this 'investigation?' Are we to believe that Rishel doesn't read George's published missives, which have floated or advocated for this 'new association' for months on end?
- So if his opening paragraph sounds dubious, how are we to trust other assertions and claims made by Rishel et al?

There is a new non profit national association being formed with manufactured housing community owners as its core membership, but with a number of other interested entities as supporting members. The association is being incorporated as the Manufactured Home Community Owner's Association of North America and the founders are many of the same people who helped to create the National Communities Council which is now a subservient organization of the Manufactured Housing Institute. The new organization will have temporary headquarters somewhere in Indiana and is already in negotiation for a permanent home in Elkhart, Indiana. According to a community owner that is part of the "inner circle" the founding Board of Directors will be chosen during the Louisville Home Show scheduled for later this month in Louisville, Kentucky along with an adaptation of by laws with which to govern the organization.

- Will we be surprised if the temporary head quarters "somewhere in Indiana" is going to be near where George Allen lives?
- What are "other interested entities?" Consultants and service providers? Something/someone else?
- If you are going to do national advocacy for communities, why would you headquarter in Elkhart and not Washington DC?
- If you aren't doing advocacy for communities or "other interested entities," then what will this so-called 'association' offer?

The rumor mill fueled partly by a recent rant on LinkedIn aimed directly at discrediting George Allen by a single individual, raised some interesting questions about the new association that deserved some investigation, so a number of telephone calls were made to clear up some of the accusations in print. One of those calls was to George Allen.

- ⑤ Since when are questions and an opportunity to openly discuss the association a rant?
- ⑤ Google defines rant as: verb, speak or shout at length in a wild, impassioned way. Noun, a tirade. Synonyms, rave. For those readers who did not see the questions, they were not raving, they were asking probing questions...like a reporter ought to do, or anyone else who is seeking the facts.
- ⑤ Since when is providing an opportunity to let George Allen speak up, discuss and debate the merits - or lack of same - 'discrediting'?
- ⑤ To rephrase, **does revealing his planned organization, its goals and objectives, would it "discredit" George Allen?** Or by extension, others?
- ⑤ If Allen, Rishel, Spencer Roane and Michael Power can't justify their value proposition now, in its formation period, why in heavens name would someone fork over their hard earned money in support of such an effort?
- ⑤ If this was such a great idea, why do those who are in the National Communities Council - small and large alike - aside from Allen and Roane - overwhelmingly reject this idea as a good one for the industry? This as evidenced by the fact that almost all in attendance at the NCC meeting in San Antonio in October 2012 roundly applauded - three times - NCC Chairman David Lentz in his reasoned critique of Allen and Roane, the later two who seem to be fine with public complaints, but are unwilling to be evenly mildly critiqued?
- ⑤ Who in the NCC has announced they are leaving to join this new 'association'?
- ⑤ Even Allen and Roane said they won't leave the MHI and NCC, so what does that suggest to a thinking community owner or professional about their planned new association?

According to Mr. Allen, the purpose of the new association is not to compete with the NCC, but rather to offer additional services that MHI has indicated to Mr. Allen were not part of services they wish to offer to their membership. He stated, "MHCA is not being set up to compete with MHI or the NCC, and is intended to be a different type of organization altogether". While Mr. Allen did indicate there would be paid staff members, he categorically denied that he would be one of them. He did indicate that he would, for an unspecified period of time, assume some of the staff duties in the role of unpaid advisor.

- Let's juxtapose that statement by Rishel and Allen with George Allen's own words: "**Can't sell GFA/PMN, so maybe birth MHCA...**"
- Let's further point out that Allen's other writing suggest that those business units of his will be transferred to this new association. Will he **donate** those current interests? Or does he plan to **sell** them to the new Association?
- If he is selling his interests to his new association, isn't that a payment, even if it is made to look indirect in nature?
- Nor should his selling to an association, the one he wants to form, or another, to be construed as wrong per se. He is free to sell to whomever he wishes that will buy. Allen, Rishel, Roane and Power have the right to do what they want, within the boundaries of the law and common decency.
- But if the purpose of this organization is de facto in part to sell Allen's business interests so he can retire, then that ought to be clearly stated up front to potential members! Let them decide with open eyes and minds if it is in their own best interests to help George Allen retire.

Further research backed up Mr. Allen's claim that he would not benefit financially from the creation of this new association, and in the opinion of one of the prospective board members, would likely lose money with the contributions Mr. Allen has already promised the 22 community owners who are the actual organizers of the new association.

- Let's juxtapose that statement by Rishel with George Allen's own words: **"Can't sell GFA/PMN, so maybe birth MHCA..."**
- Same questions as above.

While it is apparent that many of the community owners contacted have concerns about the NCC and MHI, not one of the people spoken to indicated the purpose of the new association was to usurp or compete with either organization. While there may be some crossover, especially on services that NCC has previously expressed little interest in, the organizers tell us, it is not their intent to compete. If there is an area that might prove contentious, it may be that smaller and mid sized community operators may prefer membership in the new organization rather than the NCC, which apparently, many of the organizers view as controlled by the very large community organizations.

- The previous Chairman of the NCC was Chris Parish. Chris is well respected, reportedly has a thriving MHCommunity and word has it that Parish doesn't have the vacancy, turn over or image issues that perhaps two of the "organizers" of the so-called MHCA do. So Parish does reflect small communities in NCC.
- Beyond Chris Parish, there are other "smaller" MHC operators in the NCC - Rick Rand comes to mind - who seem very happy with and involved in the activities of the NCC. Rand also has high occupancy, low turn-over. One wonders why Parish or Rand aren't offering their services instead of Allen, Rishel, Roane or Power, but that is another topic.
- But why does Rishel and Allen, et al, try to pit smaller and larger communities against each other in the first place? Is this new association's advocates about the politics of division? Is this about divide and conquer?
- Isn't it in the interests of smaller communities to learn what larger ones do? Isn't it helpful for the larger communities operators to engage with smaller ones, with whom they may do business some day?
- So a reasoned approach suggests that small, medium or large communities are better off together, not separated.
- As you will repeatedly see, both Rishel and Allen arguably contradict each other in within their own writing on this new association vs. MHI and the NCC. If the goal is not to usurp or compete in the first sentence, yet **"smaller and mid sized community operators may prefer membership in the new organization rather than the NCC."** Hello? Isn't they competing for members? Who will be fooled with such contradictory word play?
- Let's emphasize that they have the right to do this. But then let's question the value or wisdom of supporting such a new association! You may have the right to drive your car into your own houses' wall, but why would you do it?

Sources among the organizers indicate they envision part of the focus to be on employee training, an activity that 3 members of the Executive Committee of the NCC publicly proclaimed "valueless" at the MHI/NCC Congress in Las Vegas early in 2012. Other areas of interest include a variety of research studies that the NCC has also declared no interest in conducting. It would appear that much of what the organizers plan as missions for the new organization are ones rejected by the NCC. If this is accurate, the charge of the new organization being a competing organization appears to be baseless and nothing more than a "bloody flag" being raised to sully Mr. Allen and the other organizers.

- If Ken Rishel himself admits in the last sentence of the prior paragraph that **"smaller and mid sized community operators may prefer membership in the new organization rather than the NCC."** there will be competition. So how can he state with a straight face that the claim is 'baseless' and only a "bloody flag" in the next paragraph? Do the words 'self-contradictory' apply here? Are these inflammatory terms used as red herrings to distract some who may be friendly towards Ken or George, but who may not consider the full implication, value – or lack thereof - of this new association concept?

- Note that what Rishel refers to as allegedly proclaiming 'employee training' as 'valueless' by the NCC is not put into any sort of concrete context. Who said that, name the names, please? When was it said? Where? Why? How?
- Then, note that **MHI has its relationship with the MHEI, the Manufactured Housing Educational Institute**. MHEI is all about education! The NCC portion of the annual Congress in Las Vegas is all about education and information! Those facts fly in the face of Rishel's vague and seemingly-self-serving assertions, don't they?
- It should also be noted that MHEI has allegedly looked at, and decided not to offer, George Allen's MHM 'training.' Is it perhaps because for years there has been no testing with that one day Allen class? Is it true that a person could in theory sleep through the class, and still get a certificate? Where is the value in that 'certificate' if attendance (and payment to Allen...) are the only barriers of entry?
- Let this observer hasten to add, that having worked with a firm that paid me for taking that MHM training attending, there was some good material in it. But if the person who takes no notes and opts to learn nothing gets the same MHM certificate and pin (what are the costs on that pin and piece of paper, \$5-7 bucks maybe?) as the professional who is focused and learns, then isn't something in the way of credentialing standards missing in the Allen MHM program?

Time and again, the stated purpose seemed to be on research and focus groups around member driven topics, as well as a continuation of many of Mr. Allen's valuable projects and missions in order to make sure they survive Mr. Allen's projected retirement. Revenue is projected to come from dues, and, perhaps, some generous endowments being considered by a number of entities and individuals.

- This quote - "*...Allen's valuable projects and missions in order to make sure they survive Mr. Allen's projected retirement.*" obliquely makes the same point noted above. **So the implication is that Allen plans to use this 'association' as a vehicle for continuing his work, using Allen's own words** in his 'blast email' of 12.2.2012: : "**Can't sell GFA/PMN, so maybe birth MHCA...**
- So isn't it fair to ask who those whose 'dues' will pay for the business interests Allen to be transferred to this 'association' if this is what they truly want?
- And if Allen sells to this new association, isn't that a profit or benefit to Allen?
- Noting again, they have the absolute right to do so, as Dick Jennison pointed out, that is NOT in question! But what is in question is what those who might pay will actually be getting? Who benefits? Is it those four? Then why not just call it business and hang their names on the shingle?
- So isn't it fair to ask if this "**might prove contentious**" - quoting Rishel's words - effort vs. the NCC and MHI a thinly veiled Allen retirement strategy? Doesn't Rishel's own comments herein underscore that very point? Don't Allen's own words suggest the same?
- If Mr. Allen wants to retire, that is certainly his business, right and choice. If Mr. Allen's friends want to pay him to retire, that is their free choice too. Heck, the 'potential members' can throw a retirement party for George Allen, each pay \$300, \$400, \$500 or more and let the man retire. No problem!
- But be it 4, or 22, or however many, shouldn't the real plan for this so-called association be put forth clearly for what it is? Why should there be all this bobbing and weaving around the topic?
- Why doesn't Allen just bluntly say, 'I want to retire, please buy my stuff and branding?'
- Is it because he has tried that for some 18 months and admits he can't sell those publishing, lists, meeting that other stuff? Why? Is it because a business professional could do those same things themselves, without paying Allen a premium for his branding or potentially aging lists?
- Who runs this gig once Allen retires? Is it Spencer Roane? Michael Power? Ken Rishel? Who?
- Don't each of these four routinely team up for mutual promotion? So doesn't that taint the objectivity of Rishel's commentary?
- Finally, for this section, the "valuable projects" of Mr. Allen's could easily be done by others, NCC or other consultants, associations, etc.

While this newsletter should not, and will not, make any recommendations one way or another, from the statements provided, it is a far cry from what a vocal and prolific few are portraying it as. Nothing we have been able to discover is truly divisive in nature, and there are indications it may actually be helpful to the state associations over time, in the view of several state association executives, which is contrary to vocal comments on LinkedIn by a non association executive. The production association MHARR's statement was, " We are not involved in post production, but we believe that if a group of post production people want to put their time and money in building another national association, they have that right, and the right to do so without criticism". From the view of this newsletter, we agree. Only time will tell the value of this new association but it should have a chance.

- While no name is quoted in this reference to MHARR, one might suspect Danny Ghorbani, if indeed the quote is accurate. If it is, let Danny Ghorbani go 'on the record' to support this publicly.
- We should note that Danny Ghorbani routinely calls for a new production, post production alignment in his published writings. So it is plausible.
- That 'post production' term is at times code-words used to mean MHI, without naming them. Please see the other [***Industry in Focus***](#) topic that is related to Danny Ghorbani.
- So it frankly be no surprise of Ghorbani would like to see this be birthed. But should the MHARR association name be tied up with this new George Allen Association? MHARR has decades of history to consider, while this new association is not yet off the ground.
- To what end would MHARR or Ghorbani want a new association? Does Ghorbani believe he might help 'kill off' of the far larger MHI by splintering it up - as Allen's proposed new association might have as an unstated goal - if it was to be a genuine advocacy association?
- Does Ghorbani – or any thinking person - believe that a new association, if it does advocacy, would be able to hit the ground running in Washington, DC? Isn't it far more likely to take time for this association to get its feet wet, to line up lobbyists, to establish its credentials and to advocate on the part of others.
- Finally, Danny Ghorbani's vision for production and post production are more of a pipe dream than anything else. There is absolutely nothing to keep MHI member manufacturers from leaving MHI and joining MHARR, save one thing. They don't choose to do so. Ghorbani has allegedly driven out one larger corporation, one of whose executives told this writer that they were happy to be back with MHI.

This analysis was done by L. A. 'Tony' Kovach for MHPProNews.com. ##