



# Council of Industry Newsletter

November 2011  
Volume 15  
Issue 10

## The State of Manufacturing in New York and the Mid-Hudson



Keynote speaker Robert Ward,  
The Rockefeller Institute.

The Council of Industry held its Annual Luncheon and Expo on Friday, November 4th at the Powelton Club in Newburgh, NY. The turn out this year was spectacular with over 170 industry leaders in attendance. The keynote speaker, Robert Ward, Deputy Director of The Rockefeller Institute, delivered a status report on Manufacturing in New York State. There were also six individuals that received the Certificate of Manufacturing Leadership for completing coursework through Dutchess Community College. Council of Industry Executive Vice President, Harold King, declared the day a great success in promoting manufacturing throughout the Hudson Valley.

The Council of Industry has been the manufacturing association of the Hudson Valley for over a century. CI provides training, discounts, advocacy, and networking opportunities for companies throughout the southeastern part of New York State and the Annual Luncheon & Expo offers members an excellent networking opportunity. The event kicks off with the Member/Associate Member Expo. Those companies participating in the Expo have the chance to display their products and services to the industry decision makers of the Hudson Valley. Companies participating in the Expo range from insurance and staffing to printing, construction and janitorial equipment and supplies just to name a few.

As the Luncheon portion began, King and Dutchess Community College Dean Virginia Stoeffel presented the Certificate of Manufacturing Leadership to the following individuals for their completion of a supervisory training program. Certificates were given to Tim Navitsky from Balchem Products, Jesse Croft of MPI and from Alcoa Fastening Systems: Ron

Chambers, Dave Blair, Nick Gougourtris, and Linda Hanley. State Senator William Larkin was in attendance and also presented the certificate recipients with commendations for their hard work and commitment.



Certificate in Manufacturing Leadership Recipients:(not in order pictured) Tim Navitsky from Balchem Products, Jesse Croft of MPI and from Alcoa Fastening Systems: Ron Chambers, Dave Blair, Nick Gougourtris, and Linda Hanley.

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# Training and Education

## Certificate in Manufacturing Leadership Training 2012!

Now is the time to register for the Council of Industry’s Supervisory Leadership Program. The Certificate in Manufacturing Leadership has been providing Hudson Valley companies with training options that would otherwise be difficult to come by at affordable prices. Companies that register and pay before December 31st will receive the Early Bird Discount—see table below for more info.



Experienced, well trained supervisors are essential to a successful manufacturing company. The Certificate in Manufacturing Leadership is a comprehensive group of courses that prepares supervisors for their challenging positions at manufacturing facilities.

The program is designed to offer particular skill sets through concentration of courses. Participants who complete the required courses are presented with the Certificate in Manufacturing Leadership by the Council of Industry and Dutchess Community College.

All courses are full-day classes (from 9am to 4:30pm) and are held at Dutchess Community College, Poughkeepsie, NY with breakfast and lunch included on site. Though participants are encouraged to complete the course series for the most comprehensive supervisory education, the Council welcomes individual course registration as well.

### Early Bird Training Discount

	Single Member	Two or More From Same Company
One Day Course	\$200.00 before discount <b>\$185.00 with Early Bird discount</b>	\$175.00 before discount <b>\$160.00 with Early Bird discount</b>
Fundamentals of Leadership	\$400.00 before discount <b>\$370.00 with Early Bird</b>	\$350.00 before discount <b>\$320.00 with Early Bird</b>
Entire Program	\$1,700.00 before <b>\$1,600.00 with Early Bird discount</b>	\$1,550.00 before discount <b>\$1,450.00 with Early Bird discount</b>

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Or call: (845) 565-1355

Or e-mail: [training@councilofindustry.org](mailto:training@councilofindustry.org)



## Council News

### Nov. 16 Deadline for 2011 Wage & Benefit Survey

With the help of Marist College's Bureau of Economic Research, Dr. Ken Sloan and our Human Resources Sub-Council we have developed a survey that will provide useful and meaningful data while also being easy to complete. Participation in the survey is critical to its usefulness. The more companies that participate, the more valuable and reliable the data will be. Please put aside some time to complete the survey to the best of your abilities. Results will be shared only with companies that return completed surveys.



Some more key information:

- Completed Surveys should be returned to Dr. Sloan no later than November 16th.
- Wage data must be reported as of August 31, 2011 or September 1, 2011 for comparability of analysis.
- Questions can be directed to Harold King - [hking@councilofindustry.org](mailto:hking@councilofindustry.org) (845) 565-1355 or Dr. Sloan [ken.sloan@marist.edu](mailto:ken.sloan@marist.edu), 845-575-3000, ext. 2893

Completed surveys should be sent to:

Dr. Ken Sloan  
Marist College School of Management  
Poughkeepsie, NY 12601

Depending on response time results should be available by December 5, 2011.

If you would like a copy of the survey, contact Harold King at [hking@councilofindustry.org](mailto:hking@councilofindustry.org), (845) 565-1355.

### Welcome New Member:

**C.T. Male**—Engineering and architectural design firm, serves clients in the municipal, state, federal, commercial and industrial markets, offering innovative solutions to today's design, technical and regulatory challenges. Ulster County.  
Contact: Rachel Bowen

### HR Sub-council November Meeting on Labor Board Initiatives

**Topics:** New Labor Board Initiatives to Promote Unionization: What Employers Need to Know to Protect Themselves

**When:** November 11, 8:30—11:00 am

**Where:** Rose & Kiernan, Fishkill, NY

**Cost:** None for Members



**Wage Theft Prevention Act** – Presented by *Michael D. Billok, Bond, Schoeneck & King, PLLC*. New dual language notice requirements; new content requirements for employee pay stubs; New record keeping requirements; New employer liability and enhanced penalties for certain violations; New powers granted to the NYS Dept. of Labor; Practical strategies for achieving compliance.

The National Labor Relations Board (NLRB) has launched a series of initiatives to make it easier for unions to successfully organize new members. These changes include the following:

- Effective November 14, 2011, all private sector employers must post an official government notice advising employees of their right to unionize and engage in strikes and other activities.
- Effective immediately, the Labor Board will permit unions to organize employees in small, 'easier-to-organize' bargaining units (e.g. limited to employees in a single job classification).
- The NLRB has ruled both union and non-union employees have the protected right under federal labor laws to disparage their employer and employment conditions on Facebook.
- Recent NLRB decisions expand the right of union organizers to gain access to the workplace for the purpose of signing up new members

The NLRB has proposed a "Quickie Election" that rule would call for union elections within two to three weeks of a union petition. This would limit the employer's opportunity to lawfully communicate to employees about the costs and disadvantages union membership and collective bargaining. See Article on page 5 for more info.

Our presenter is Tom McDonough, Jackson Lewis, LLP.

To register contact Alison Butler at [abutler@councilofindustry.org](mailto:abutler@councilofindustry.org) or call (845) 565-1355. Register online at our website [www.councilofindustry.org](http://www.councilofindustry.org).



## Personnel Matters

### Want Trouble? Ignore Sexual Harassment Policy

*Businesses, for a start, have to have zero-tolerance policy toward sexual harassment in all its forms. Sexual harassment could be psychological, verbal, and physical, etc. The policy should cover all its forms*

Surveys indicate that 50 percent women and 20 percent men feel that they have been sexually harassed in the workplace. Both federal laws and many state laws treat sexual harassment as a form of sexual discrimination. In such a workplace set-up, small businesses would do well to have a sexual harassment policy. Without such a policy, businesses get exposed to unfortunate consequences when sexual harassment happens at the workplace. Some of the consequences include litigation, soiled reputation, and even the business going bust.



#### Hot Issue

Sexual harassment has become, yet again, the hot issue with high-profile cases including the head of International Monetary Fund, Dominique Strauss-Kahn, and Presidential candidate Herman Cain being accused. Stuff happens whether you are high-brow, middle-brow, or low-brow. Or, even no-brow. Stuff tumbles out from swanky corridors of corporate power, congressional offices, and from coops of small businesses.

#### Frame a Policy

Businesses, for a start, have to have zero-tolerance policy toward sexual harassment in all its forms. Sexual harassment could be psychological, verbal, and physical, etc. The policy should cover all its forms. As Kathie Lee Gifford, TV host, singer, songwriter, and actress, said, "sexual harassment is complex, subtle, and highly subjective." Being upfront with employees about the firm's position on sexual harassment is a right step. In addition to that, a written, well-formulated sexual harassment policy protects your employees and your business. If you think your firm is so small that there is no chance of sexual harassment happening at your place, remember that libido doesn't act according to the size of your firm. The major sting from sexual harassment comes from ensuing litigation once it happens. This should give you enough reason to establish a sexual harassment policy.

#### Basic Features of Policy

Although each company tries to deal with sexual harassment according to its own set of rules, there are some basic features to every successful and effective policy.

#### Zero-Tolerance Attitude

The most fundamental of sexual harassment features is zero-tolerance attitude towards it. You have to make it clear to everyone concerned that there will be no lenience about any violation of the rule. You move in to send off the fallen employee, however valuable he or she may be to the firm. Zero-tolerance policy means exactly what it indicates. It also indicates that any violations will be met with a swift response. Writing in 'Sexual Harassment in the Workplace,' Ellen J. Wagner, says, "In an increasingly litigious society and in an era of ever-increasing employee rights and employer responsibilities, sexual harassment allegations are particularly hazardous."

**Continued on page 15**



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## More Personnel Matters

### Using the Power of Teams to Recruit Talent

By Gordon McAleer, President, McAleer & Associates

Using a team approach to recruiting new talent for the company is a powerful way to assure success. A multidisciplinary team will foster better buy-in on the selection of the person and will improve the odds for hiring the right employee who can do the job well and fit into the unique culture of the organization.

The successful grocer Whole Foods is an example of using a team approach. Whole Foods has small operating units of up to 15 employees, including the leader. The unit has the final say in selecting the new employee. At the end of the probationary period the employees vote to accept or reject the person as a tenured member of the unit. A two-thirds affirmative vote is needed to pass on the acceptance. The selection process creates well-functioning and highly productive teams. Any misfits who have attendance, attitude or performance issues are weeded out early in the game.

When selecting a new employee the company needs to gauge the person's potential for performing the duties of the job effectively and determine if the candidate will fit into the social and cultural norms of the company. Degrees, certifications, licenses, and proven experience lend a more objective perspective of the abilities of the candidate to perform the duties of the job. The more subjective test would be the chemistry fit of the person. Does the person have the right attitude, commitment and energy to become a valued member of the team? A team effort will provide a more effective assessment than a sole interviewer.

A good size for the team is five to seven members for optimal participation and building consensus. Diversity should be reflected in the composition of the team to enhance creativity in the selection process and to avoid the risk of sustaining the status quo.

The team is useful in setting the specifications for the job before the search is started. The end result should be a job description that goes into considerable detail on the deliverables for the job and standards for meeting expectations. The human resources department can then search the field and screen candidates with an edge of being closer to the target at the outset. Then the team

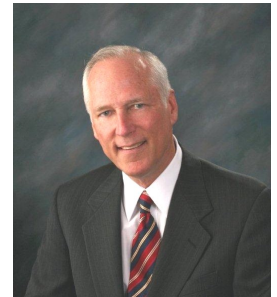
can focus on interviewing a field of screened candidates. A brief and direct scoring matrix should be developed, along with a set of consistent questions to be asked of candidates tailored to the specifications for the job. These tools will lend a higher degree of objectivity in evaluating candidates during the interview process.

A group interview is an effective way to measure the ability of the candidate to respond under pressure. An experienced candidate who is confident in his or her abilities and socially adept should have no problem with the group interview. Another approach is to run the candidate through a series of one-on-one interviews. This is when the set of consistent questions becomes very important. At end of the interview process the recruiting team can assess the consistency of the candidate's responses to similar questions and share insights into the candidate's "staying power" after a series of interviews. A useful hint is to use the receptionist to give a first impression of the candidate – was the candidate friendly, courteous, professional, and did the candidate show interest in reading the information about the company that may be posted in the waiting area?

There is no guarantee that a new employee will work out. The only proof is how the employee performs in the new job. Yet, a team effort adds more heads to the selection process and provides a better chance for a successful hiring decision. The investment of time is well worth it. The alternative of a hasty hiring decision that goes sour will be costly and time consuming. It is much, much easier to hire someone than to part ways and find a suitable replacement.

leadership can sustain a workforce environment that is union free.

*McAleer & Associates is a member of the Council of Industry and is a professional and executive recruiting firm that has been serving the needs of business for securing top talent for over eighteen years. The firm has the exclusive endorsement of CI. Council of Industry members that use McAleer & Associates are eligible for a 25% discount of recruitment fees. Professionalism, confidentiality, and timely results are assured.*



A. Gordon McAleer,  
President of McAleer  
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## Legislative Matters

### NLRB Delays Poster Requirement until January 31, 2012

From HR Hero Alerts

*In announcing the new deadline, the NLRB said it decided to postpone the requirement "to allow for enhanced education and outreach to employers, particularly those who operate small and medium sized businesses." The new effective date of the rule is January 31, 2012.*



The outcry against a new poster rule from the National Labor Relations Board (NLRB) has resulted in the postponement of the rule's implementation by more than two months.

The NLRB issued a final rule in August requiring employers to notify employees of their rights under the National Labor Relations Act (NLRA). The original deadline to display the poster was November 14. Under the rule, all employers under the Board's jurisdiction will be required to display the new poster.

The requirement drew harsh criticism from employer organizations, which called the rule an attempt by the NLRB to overreach its authority and place more burdens on employers.

In announcing the new deadline, the NLRB said it decided to postpone the requirement "to allow for enhanced education and outreach to employers, particularly those who operate small and medium sized businesses." The new effective date of the rule is January 31, 2012.

The NLRB said the decision followed queries indicating uncertainty about which businesses fall under the Board's jurisdiction. The Board said most private-sector employers will be required to post the 11-by-17-inch notice, which is now available through the NLRB website. Since the rule was finalized, some employer groups have filed lawsuits and initiated advertising campaigns to try to stop its implementation.

The new poster states that employees have the right to act together to improve wages and working conditions; to form, join, and assist a union; to bargain collectively with their employer; and to refrain from any of those activities. The notice also provides examples of unlawful employer and union conduct and instructs employees how to contact the NLRB with questions or complaints

### Save the Date for Manufacturing Day February 7th 2012!

The Manufacturers Alliance of New York invites all manufacturers to come to Albany for its 4th Annual Manufacturers Day, February 7th, 2012! Manufacturers Day will allow our economic sector the opportunity to rally together and relay to Albany our legislative agenda for the upcoming session. The day will consist of morning briefings, guest speakers, breakout lobbying visits, and a legislator reception.



Even if you have never visited your legislator before in Albany, it is important to be involved. The voice of manufacturers needs to be heard in Albany and our elected officials need to know that manufacturing is still the engine that drives New York's economy, and that they should want you be successful. There is no doubt that other groups such as private sector labor unions, public employees, environmental groups and other advocates will spend a lot of time and resources presenting their case in Albany this year. Don't miss your chance to present yours!



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## Healthcare Reform Update

### Health Law to Be Revised by Ending a Program

By Robert Pear, *The New York Times*

The Obama administration announced that it is scrapping a long-term care insurance program created by the new health care law because it was too costly and would not work.

Kathleen Sebelius, the secretary of health and human services, said she had concluded that premiums would be so high that few healthy people would sign up. The program, which was intended for people with chronic illnesses or severe disabilities, was known as Community Living Assistance Services and Supports, or Class.

“We have not identified a way to make Class work at this time,” Ms. Sebelius said. She said the program, which had been championed by Senator Edward M. Kennedy, Democrat of Massachusetts, was financially unsustainable.

Kathy J. Greenlee, the assistant secretary of health and human services in charge of the program, said: “We do not have a viable path forward. We will not be working further to implement the Class Act.”

The administration’s decision was another setback for the new law, which is under attack in court, in Congress and in many state legislatures. Ms. Sebelius said her decision “does not affect the rest of the health care law,” which is supposed to provide coverage to more than 30 million people who are uninsured.

But the Senate Republican leader, Mitch McConnell of Kentucky, said the long-term care program was “only one of the unwise, unsustainable components of an unwise, unsustainable law.” He and other Republicans in Congress want to repeal the entire law.

Advocates for older Americans and people with disabilities expressed disappointment at the decision, and Ms. Sebelius said Americans still had an “enormous need” for long-term care insurance. “At \$75,000 a year for a nursing home and \$18,000 a year for home health care, most families cannot afford to pay out of pocket,” she said.

The program was intended for people with severe disabilities who wanted to live in the community, though benefits could also have been used to help pay for nursing home care or assisted living. It would have been financed with premiums paid by workers, through voluntary payroll deductions, with no federal subsidy. Premiums were supposed to have ensured the solvency of the program over 75 years.

But Ms. Sebelius said she agreed with actuaries who feared that

“not enough young, healthy people” would enroll. “This could have led to a vicious cycle where premiums would have to be set higher and higher to cover the likely costs of benefits, leading fewer and fewer healthier people to sign up for the program,” Ms. Sebelius said.

Two early critics of the Class program — Senator John Thune of South Dakota and Representative Charles Boustany Jr. of Louisiana, both Republicans — said they had been vindicated.

“The Obama administration ignored repeated warnings about the financial solvency of this massive new entitlement and suppressed information on the viability of the program,” Mr. Thune said.

In an interview, Mr. Boustany said that “in their haste to get the bill passed,” President Obama and Congressional Democrats ignored warnings about the program’s financial risks.

When Congress was developing the program in late 2009, Senator Kent Conrad, Democrat of North Dakota and chairman of the Budget Committee, described it as “a Ponzi scheme of the first order” because it required an ever-increasing stream of premiums to cover the cost of benefits. Connie Garner, who helped devise the long-term care program as an aide to Mr. Kennedy, said she was “very, very disappointed” by the decision. “The program could have been made to work” if the administration had tried harder, Ms. Garner said.



#### Manufacturing Job Opportunities

*If you have job openings and positions to fill:*

- Post it on the Council of Industry Website [www.councilofindustry.org](http://www.councilofindustry.org)
- Look at resumes from our member recommended **For Hire page**

Contact Alison at  
[abutler@councilofindustry.org](mailto:abutler@councilofindustry.org)  
for more info.

## Compliance Matters

*Plant and factory owners need to be aware of the hazards specific to their facilities in order to prevent and mitigate fires and explosions caused from combustible dust.*

### NSC Panel Shares Combustible Dust Tips

By Laura Swift From OHSonline.com

Experts identified combustible dust safety hazards and offered tips on how to mitigate risks in "Combustible Dust, the NSC Focus Team Perspective." An OSHA expert said no timetable has been set for an OSHA rule.

"There's been a complete change of philosophy in the U.S. regarding combustible dust. Now we look for accidents before they happen," Geof Brazier, chairman of Tulsa, Okla.-based BS&B Pressure Safety Management, told an audience of safety professionals at the National Safety Council's Congress & Expo on Oct. 31. "Many other countries still have that 'chasing the ambulance' kind of mentality."



Brazier, along with Sanji Kanth, senior safety engineer for OSHA, and Kevin Jeffries, senior safety manager of frozen foods for Kellogg Company, identified combustible dust safety hazards and offered tips on how to mitigate risks in "Combustible Dust, the NSC Focus Team Perspective."

The panel said much has been learned about the hazards of combustible dust since the Feb. 7, 2008, explosion and fire at Imperial Sugar's Port Wentworth, Ga., facility that killed 14 people and injured 36. In fact, OSHA has issued 9,466 violations since launching a combustible dust National Emphasis Program in 2007, Kanth said. "As far as a combustible dust standard, comments have been compiled from the advanced notice of proposed rulemaking that was issued in October 2009. A timeframe for a rule has not been scheduled," Kanth said.

Frequent combustible dust safety hazards OSHA inspectors find in plants and factories include dust collections located inside a building without proper explosion protection systems, such as explosion venting and explosion suppression systems, and high dust accumulations due to poor housekeeping, Kanth explained.

"A big problem that I see is venting not being properly deployed," Brazier said. "About half of all vent installations I see are deployed with problems."

Brazier identified improper protection of bucket elevators, unprotected long ducts and pipes, improper protection of silos and bins, absence of building protection, and unprotected conveyors as hazards that can lead to combustible dust fires. Jeffries said plant and factory owners need to be aware of the hazards specific to their facilities in order to prevent and mitigate fires and explosions caused from combustible dust. "You have to control what contractors do at your worksite," said Jeffries, who helped rebuild the safety program at Imperial Sugar after the fatal combustible dust blast.

"Safety managers need to consider facility design, have dusts tested at a certified lab, and establish a detailed process hazard analysis, housekeeping protocols, and operator- and technical-level training," Jeffries said.

A large amount of dust explosions happen from November to March, when there are higher static concentrations, Jeffries added.

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## CI Calendar of Training and Events

<b>Nov. 11</b>	<b>Human Resources Sub-council Meeting: NLRB Update</b> — 8:30—11:00 am at Rose & Kiernan, Fishkill, NY. Presentation by Jackson Lewis LLP. No cost for members.
<b>Jan. 18 &amp; 25</b>	<b>Certificate in Manufacturing Leadership: Fundamentals of Leadership</b> — 9:00 am—4:30 pm at Bowne Hall, Dutchess Community college, Poughkeepsie, NY. Cost: \$400 single participant, \$350 for 2 or more from the same company. See page 2 for Early Bird Special!
<b>Feb. 7</b>	<b>Manufacturing Day in Albany</b> —Full day event at the state capital. For more information or to register contact Harold king at <a href="mailto:hking@councilofindustry.org">hking@councilofindustry.org</a> .
<b>Feb. 8</b>	<b>Certificate in Manufacturing Leadership: Best Practices &amp; Continuous Improvement</b> — 9:00 am—4:30 pm at Bowne Hall, Dutchess Community college, Poughkeepsie, NY. Cost: \$200 single participant, \$175 for 2 or more from the same company. See page 2 for Early Bird Special!
<b>Feb. 22</b>	<b>Certificate in Manufacturing Leadership: Human Resource Management Issues</b> — 9:00 am—4:30 pm at Bowne Hall, Dutchess Community college, Poughkeepsie, NY. Cost: \$200 single participant, \$175 for 2 or more from the same company. See page 2 for Early Bird Special!
<b>Mar. 7</b>	<b>Certificate in Manufacturing Leadership: Problem Solving &amp; Decision Making</b> 9:00 am—4:30 pm at Bowne Hall, Dutchess Community college, Poughkeepsie, NY. Cost: \$200 single participant, \$175 for 2 or more from the same company. See page 2 for Early Bird Special!
<b>Mar. 21</b>	<b>Certificate in Manufacturing Leadership: Positive Motivation &amp; Discipline</b> 9:00 am—4:30 pm at Bowne Hall, Dutchess Community college, Poughkeepsie, NY. Cost: \$200 single participant, \$175 for 2 or more from the same company. See page 2 for Early Bird Special!

*You can find more information on the courses and events listed in our calendar by going to our website— [www.councilofindustry.org](http://www.councilofindustry.org) or if you are reading our electronic version just press Ctrl and click the course title.*

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The Council of Industry's monthly newsletter has a mailing circulation of 250 manufacturers and an online circulation of hundreds more.

**Contact Alison Butler at**

[abutler@councilofindustry.org](mailto:abutler@councilofindustry.org)



## Energy Matters

### Applications Being Accepted for Low Cost "ReCharge New York" Power Through 11/30/11

ReCharge New York (RNY) is the new statewide economic development power program for qualified businesses and not-for-profit corporations. It was signed into law on April 14, 2011. The program is designed to retain and create jobs through allocations of low-cost power. Manufacturers are encouraged to apply. Visit <http://www.nypa.gov/rechargeny/> for the criteria that will be used to make the awards.



RNY is a block of 910 Megawatts (MW) of electric power

50% NYPA hydropower, 50% market power procured by NYPA

RNY applications are available online through the New York State Consolidated Funding Application (CFA). The CFA is a single application for accessing multiple funding sources from the state. Within the CFA, please select "Energy & Environmental Improvements" and/or "Direct Assistance to Business" as the project category and then select "Low-Cost Power" as the type of project.

The deadline for submitting a completed CFA application for Recharge New York power is November 30th.

#### RNY Application Confidentiality

As you complete the portion of Consolidated Funding Application that is specific to the Recharge New York Power Program, you will notice that some questions are designated as "Restricted Questions." The dissemination of information provided in response to Restricted Questions is intended to be limited to the Economic Development Power Allocation Board, NYPA's Board of Trustees, and NYPA staff.

If you need to disclose information you believe should be treated as confidential, please do so only in response to Restricted Questions. Also, please identify in the "Other Information" section of the CFA all responses to Restricted Questions that you believe contain confidential information. Once in NYPA's possession, this information will be accorded the protections to which it is entitled under New York law, including Public Officers Law Article 6 (Freedom of Information Law).

Follow this link to begin the application: <https://apps.cio.ny.gov/apps/cfa/>


*The deadline for submitting a completed CFA application for Recharge New York power is November 30th.*

#### Manufacturers Electricity Aggregation



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## Manufacturing Matters

### Manufacturers Launch a Plan for Economic Growth

From NAM.com

#### INTRODUCE FOUR GOALS FOR JOB CREATION AND A MANUFACTURING RENAISSANCE

The National Association of Manufacturers (NAM) today rolled out its blueprint for economic growth to enhance the competitiveness of manufacturers. A Manufacturing Renaissance: Four Goals for Economic Growth focuses on investment, trade, the workforce and innovation. Manufacturers released the plan at their annual Board of Directors meeting.

The United States is currently the world's largest manufacturing economy, but our competitors overseas are gaining ground with each passing day. The recent Public Perception survey by the Manufacturing Institute and Deloitte shows that Americans want manufacturing to remain strong but don't believe policymakers are setting the right policies for manufacturers to be successful. A Manufacturing Renaissance is a roadmap for policymakers.

"Right now, it is 20 percent more expensive to do business in the United States than in the countries that are our largest trading partners. At such a disadvantage, it is difficult for manufacturers to compete," said NAM President and CEO Jay Timmons. "The time is now for the U.S. to pursue an aggressive competitiveness agenda to get Americans back to work. Manufacturers want to lead our nation in creating jobs and driving economic growth, but we need pro-growth policies to bring about a manufacturing renaissance."

In September, manufacturing lost 13,000 jobs on top of the 4,000 shed in August. Pro-growth policies are needed now to allow manufacturers to grow and create jobs. A Manufacturing Renaissance sets four main goals to help our nation's manufacturing sector remain strong:

- The United States will be the best place in the world to manufacture and attract foreign direct investment.
- The United States will expand access to global markets to enable manufacturers to reach the 95 percent of consumers who live outside our borders. Manufacturers in the United States will have the workforce that the 21st-century economy requires.
- Manufacturers in the United States will be the world's leading innovators.

Manufacturers will be urging policymakers and all candidates for public office to support and enact the pro-manufacturing policies laid out in A Manufacturing Renaissance to increase investment in our economy, boost trade, strengthen the workforce and drive innovation.



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## Marketing Matters

### Manufacturing & Online Marketing Today

By Kerry Donovan, Donovan Media Strategies



and prospects.

#### It's A Conversation for Possibilities

Done properly, your social media platforms invite feedback and encourage collaboration. Clients love this even if they're too busy to respond. Give them the opportunity to be part of the conversation.

Regularly updated websites and social media platforms inform and engage. For example, let them know about the new video on your website and on YouTube. Today's online video technology enables everyone to present well and tell his or her story. YouTube is number two in online searches every day, offering product information, online training videos, and sales presentations. Your boardroom projector, trade show booth screen, YouTube, all can show the same content but online your video never sleeps.

Yes, your video may not be viewed as often as the video of a house cat fighting off an alligator, but it only takes a few *qualified* customers who like your video to call and make this strategy pay off.

#### You Are Right to be Cautious

Finally, while you may not be comfortable with social media your younger employees are. *Just don't expect the employee or intern with the most Facebook friends to understand how to represent your brand online.* You spent a lot of time developing your brand, products and your business. Protect that investment and seek support as needed as you move your business forward online.

8 of 10 B2B companies report they use social media to grow their business, but in manufacturing let's face it, there is skepticism. "We sell machines, our customers aren't on Facebook and YouTube." But your customers do have plenty of opinions about your business and products and your industry. And they are sharing those opinions and experiences online. Manufacturers who join them online make connections and position themselves for more new and current business.

Traditionally your sales and marketing channels delivered brochures, advertising, products and solutions. It started with you and ended with them. How did you know if this was what they wanted?

Today the online world gives customers a much larger role. They expect to be consulted and they expect to collaborate in real time because they are the experts.

#### How Social Media Changed B2B Marketing

Remember this sales strategy? Clip a magazine article, copy it and mail it to a prospect with a small personal note. If the letter reached your prospect you made a connection. Today with social media, tag a magazine article, photo or video and post your comment on your social media platform(s). Ten, twenty, one hundred might see the post, react to it, and share it with a few hundred more people. It's this viral nature that is the game changer, and makes online marketing such a critical platform for growing your brand visibility and connecting with clients




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## Member Benefits

### New Energy Discount Program for CI Member Families & Friends

When it comes to selecting your electricity and/or natural gas supplier there is a lot to consider. At times it may seem confusing trying to decide which supplier is right for you. Luckily, The Council of Industry and Direct Energy have joined forces to offer you an exceptional rate and a special discount to help make your decision much easier.

We are proud to offer you a fixed rate of \$0.0759 per KWh for Central Hudson customers and \$0.0739 per KWh for Orange & Rockland customers for 12 monthly billing cycles. Please note this rate is for supply service only, and does not include utility charges or applicable taxes.

Participating is easy! To be eligible to participate in our program, you must:

- Be an employee of a Council of Industry member company
- Be current with your electric and/or natural gas utility bill payments

#### How To Enroll

If you are eligible, here's how to enroll:

- Call Direct Energy's Customer Care Center at 1-866-803-4618.
- Go to [www.directenergy.com/councilofindustry](http://www.directenergy.com/councilofindustry) with code CI1910
- Have your utility bill available, as you will need information on the bill to enroll.
- Tell the Direct Energy representative that you would like to

enroll in the Direct Choice

Program for The Council of Industry, and they will guide you through the process from there.

#### How It Works

Once you enroll, it may take 1 to 2 billing cycles before you see this great rate on your bill, which will then be effective for 12 monthly billing cycles. At the end of 12 billing cycles, your service will automatically continue on a month-to-month basis at a variable rate, unless Direct Energy sends you written notice indicating otherwise. The variable rate may be higher or lower each month as determined by Direct Energy based on business and market conditions. You will always have the freedom to cancel your service at anytime without an early cancellation fee.

Your local utility will continue to send your monthly bill, so you will send just one payment to the utility for the utility's service charges and Direct Energy's generation service charge. Please remember that your local utility will also continue to provide service for any emergency and/or maintenance issues.

If you are currently with another supplier, you should verify with them whether your current contract has an early cancellation fee before you cancel with them and take advantage of this special offer.

To enroll or ask questions, please call Direct Energy's Customer Care Center at 1-866-803-4618. Hours of operation are Monday through Friday from 8:00 a.m. to 8:00 p.m., and Saturday from 8:00 a.m. to 5:00 p.m. EST (hours are subject to change without notice).

## Consumer Price Index for September 2011

				<u>Point</u>	<u>%</u>	<u>% Increase</u>
<b>Wage Earners &amp; Clerical</b>	<u>Sep '10</u>	<u>Sep'11</u>	<u>July '11</u>	<u>Increase</u>	<u>Month</u>	<u>Year</u>
1967=100	638.35	666.30	665.22	1.08	0.2	4.4
1982-84= 100	214.31	223.69	223.33	0.36	0.2	4.4
<b>All Urban Consumers</b>						
1967=100	654.35	679.66	678.63	1.03	0.2	3.9
1982-84=100	218.44	226.89	226.55	0.34	0.2	3.9
Hudson Valley unemployment rate for September 2011 = 7.0 %						

## Financial Matters

### United States Leads in Manufacturing Labor Productivity

By Chad Moutray, Chief Economist, National Association of Manufacturers



One of the paradoxes of international trade is the issue of low wages and where to manufacture a product. Opponents of free trade are quick to point out lower compensation rates in many of our trading partner countries, fearing a mass exodus of jobs from the United States to these nations. While it is true that in a global economy, multinational companies have production facilities around the world, where a business chooses to locate its manufacturing operations is more complex than a simple wage

rate. Looking at overall productivity, the United States continues to have the highest value-added per worker than any of the other top 10 economies in the world.

This is one reason behind the recent trend of manufacturers opting to locate in the United States despite wage advantages elsewhere. Productivity helps keep overall labor costs competitive with other nations.

In 2009, the most recent year with comparable international data, U.S. manufacturers produced \$1.7 trillion in value-added to the economy. The value-added per worker in the United States that year was \$118,418.70, or over \$25,000 more than our closest competitor, Japan (see the graph on this page). Most of the data for this analysis can be found on the Bureau of Labor Statistics website, with some data obtained from the International Labor Organization. Accurate data on manufacturing activity in China are less accessible. To derive China's value-added per worker, manufacturing employment was estimated to be 112 million, based on an estimate from a 2009 Monthly Labor Review article.<sup>1</sup>

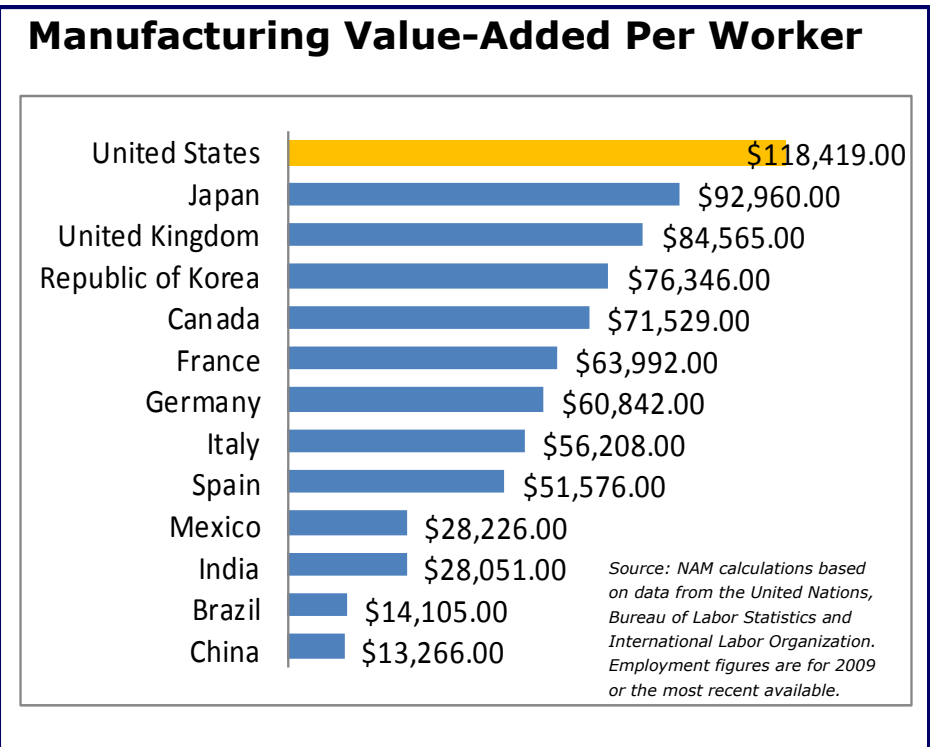
This comparison suggests that the United States still maintains a comparative advantage overall within manufacturing, and productivity improvements help keep us competitive with our global trading partners. U.S. manufacturing today is a high-income, high-skill endeavor. Technological know-how is an essential ingredient in production. Accessing a skilled workforce has become a major frustration for many manufacturers (even with high overall unemployment rates), and industry-recognized training and certification programs are increasingly necessary to meet this demand. Reflecting the skills required for many of these jobs, manu-

facturing employees averaged nearly \$70,000 in annual compensation in 2009, roughly \$25,000 more than the average for all non-farm workers.

Manufacturers are currently benefiting from investments made in innovation and technology in years past. Those investments help to propel productivity, keep manufacturing costs down, increase process efficiencies and allow U.S. companies to become more competitive globally. Between 2000 and 2007, manufacturing productivity in the U.S. averaged 4 percent each year, and in 2010, that figure was 5.8 percent. This is substantial growth, particularly when overall productivity in the United States grew just 2.7 percent over the decade of the 2000s.

To stay ahead of the productivity curve, we must stay focused on new innovations that keep us at the forefront of technology. This means continued investments in both human and physical capital and expanding research and development efforts. Many of our leading trading partners—particularly in Asia—are devoting tremendous resources to innovate, and our students' knowledge in science, technology, engineering and math (STEM) skills lags behind where it should be. We risk our long-term competitive advantage if we do not make a strong commitment to these areas, ceding ground to nations that are willing to make these investments.

<sup>1</sup> See [www.bls.gov/opub/mir/2009/04/art3full.pdf](http://www.bls.gov/opub/mir/2009/04/art3full.pdf)







## Continued from page 1- State of Manufacturing

As lunch was served Ward began his keynote on the status of manufacturing in New York State. Mr. Ward has a position of great insight having studied and written about New York State government for more than 25 years in a variety of positions such as newspaper reporter, assistant to the chairman of the Assembly Ways and Means Committee, and director of research for The Public Policy Institute of New York State. He has also served as an independent fiscal advisor to three New York state governors and is the author of *New York State Government*, the leading text in this field published in 2002 by the Institute.

Ward explained that despite the challenges of the current economic situation, manufacturing remains enormously important to the Upstate economy, and to the entire state of New York. One statistic that Ward presented was that Manufacturing payrolls generate 15 – 20 % of private wages in many communities. He also explained that the rate of employment decline has been better in New York State than across the country for the past several decades. He discussed how the high cost of doing business in New York has affected manufacturers. The cost of energy for example was 25% higher in New York than the country average a decade ago and in 2008 it was still 8% higher than the country average. The change was only because energy prices rose dramatically in other states while they remained more consistent here in New York. He concluded by saying that there are two ways to build and preserve an economic base, including manufacturing. First is to attract and stimulate new jobs and second is to preserve the jobs you already have.

The Council of Industry would like to thank the Annual Luncheon sponsors that made this event possible.

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## Continued from page 4- Personnel Matters

### Clear Action

You have to make it clear to everyone as to how to report an incident of sexual harassment, and what the response would be. Reporting rules should be conveyed to employees on a regular basis. The company's response to such incidents has to be conveyed, too. It is better to be prepared with a strong policy rather than muddle your way through litigation after any such incident happens.

### No Cover-Ups

The policy should make it clear that there will be no cover-ups under any circumstances. Cover-ups push the firm down the drain. Even when the one who indulged in sexual harassment is highly valuable to the company, the policy should make it clear that he or she will be referred to appropriate investigative agencies and action taken. Robert T. Gray and Donald H. Weiss, writing in *Nation's Business*, warn: "While that response can be prolonged and even difficult, the experts say that the depth of a company's commitment to preventing such conduct can be determined by one step at the moment of the filing of a complaint. That step: Take it seriously."

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