CI NEWSLETTER

a century of service The Council of Industry of Southeastern New York

May 2010

The Manufacturers Association of the Hudson Valley

Volume 14 Issue 5

Celebrate a Century of Service to Hudson Valley Manufacturers

When the Mid Hudson Industrial Association, later renamed the Council of Industry, was founded by a small group of industrialists in 1910, would it have been possible for them to envision the manufacturing world of today? Can we today, as members of the Council of Industry imagine what the next century holds for today's Hudson Valley manufactures?

The manufacturers of 1910 joined forces because a chorus of voices is stronger than one alone, and many people working in concert can achieve more than the single individual. In the early twentieth century manufacturers were faced with a growing organized labor movement and sweeping legislative regulations that were part of the progressive movement. A century later, these are still issues that concern our members and they may very well be around for the next century. To-

day the Council of Industry is an association of manufacturers working together to improve conditions for themselves and other manufacturers throughout Southeastern New York. This is an opportunity to look at where we have come from and to set the foundation for where we want to be in the next one hundred years.

This centennial gala will feature recognition of Council of Industry member companies for their longevity. If your company has been in business for 50 or more years please contact Alison Butler (abutler@councilofindustry.org) and



Men hard at work in a Hudson Valley button factory circa 1900.

let her know when and where the company was founded, when it moved to the Hudson Valley, and who the founders were. Interesting stories about the founding of the company are welcome too. Many of our members have been around for a long time and have inspiring stories to share.

> We hope you will join us for this momentous occasion. We plan to celebrate with delicious food and dancing to live music by the band Bill's Toupee. Tickets are \$150 per person or \$1350 for a table of ten Contact Ana Maria Murabito

(anamaria@councilofindustry.org)

We expect over 300 manufacturers, their associates, local and state legislators and members of the press to be in attendance. This is an opportunity to

show the Hudson Valley the strength and depth of the manufacturing community. You can show your support of Hudson Valley Manufacturing and the Council of Industry by becoming a sponsor or placing an ad in the commemorative program. We have a variety of sponsorship levels and ad sizes to fit your budget. Contact Alison Butler (abutler@councilofindustry.org) for information.

We would like to thank the generous sponsors to date:

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Training and Education

Take Advantage of Our May Training Opportunities to Improve Your Workforce

The Council of Industry is offering several courses from their very successful Certificate in Manufacturing Leadership series that are designed to improve workplace training, evaluate workplace performance, improve protocol, and ways of dealing with human resource issues. The **Worksite Training Skills** class will teach participants effective ways to deliver training information to their subordinates which includes instructing before a group or one on one. **Best Practices & Continuous Improvement** will help you to evaluate your company's performance and focus on leverage points. You will also come up with a a "Continuous Improvement model" that is relevant to your company. **Human Resource Management Issues** is a combination of two courses, Legal Issues in the morning and Managing Diversity in the afternoon. The Legal Issues portion will address information current and future managers need to know about employment laws. The Managing Diversity session will cover issues that may occur in a culturally diverse workplace, such as concepts of time and communication styles. In addition to these courses, the **Project Management** series was rescheduled for May 20, 27, June 3, 10, and 17. This series will cover the various stages of project development from initiation through termination and how to ensure the projects success. For dates, times and locations please see the listings below, go to the training page of our website www.councilofindustry.org, contact Ana Maria Murabito at anamaria@councilofindustry.org or call (845) 565-1355.

Certificate in Manufacturing Leadership: Worksite Training Skills

Dates: May 12 **Time:** 9:00am - 4:30pm **Location:** Dutchess Community College

Cost: \$200 per person, \$175 each for two or more from the same company. Instructor: Rebecca Mazin.

The Council of Industry will offer this informative course that will provide participants with useful skills and materials for training delivery including: training assessment, planning and design, instructional strategies and evaluation, conducting group and individual instruction, monitoring follow up and reinforcement of training.

Certificate in Manufacturing Leadership: Best Practices & Continuous Improvement

Dates: May 19 **Time:** 9:00am - 4:30pm **Location:** Dutchess Community College

Cost: \$200 per person, \$175 each for two or more from the same company. Instructor: Bennett Neiman

In this workshop, you will learn ways of effectively evaluating your company's performance—internally and externally—and explore how to best learn from these findings and identify what needs to be improved and where the best leverage points are. After reviewing the key components of an effective continuing improvement protocol—selection; data organization and analysis; identification of obstacles, milestones, and goals; and improvement tracking and evaluation—you will participate in tailoring and building a "Continuous Improvement Model" that is most practical and most relevant for your organization.

Certificate in Manufacturing Leadership: Human Resource Management Issues

Dates: May 12 **Time:** 9:00am - 4:30pm **Location:** Dutchess Community College

Cost: \$200 per person, \$175 each for two or more from the same company. Instructor: Robert Heiferman

The first half of this program will cover Legal Management Issues. This class identifies and explains key legal issues that a manager may have to address in the workplace today. It helps current and future managers realize their responsibility to understand and enforce the employment laws that speak to these issues which can minimize their chances of ending up in court.

This course will cover: employers' rights and obligations, employment laws, regulations governing business, hiring, performance, discipline issues and Affirmative Action.

The second part this program will cover Management Diversity. This course is for managers who direct a culturally diverse staff or serve a diverse customer base. Training covers communicating effectively with diverse audiences and managing cross cultural issues such as concepts of time (deadlines, schedules, meetings), power (levels of formality, negotiations), and communication styles (direct v. indirect). Learn to probe and ask exploring questions to gauge comprehension. Develop the intercultural competencies needed to fruitfully manage diversity.

Project Management

Dates: Thursdays, May 20,27, June 3,10,17, 2010 Time: 9:00am - 4:30pm Location: Rockland Community College

Cost: \$600 Single participant - \$550 Two or more from one company

Instructor: Evadne Gianinni, HospitalityGreen

Council News

Electrical Safety Wrap Up

Some electrical safety is common sense, unfortunately despite its name, not everyone has common sense. The April 16th, Environment Health & Safety meeting on Electrical Safety provide a great deal of information on ways to keep employees safe form electrical hazards in your workplace no matter what their level of common sense is. The meeting was held at H.O. Penn Machinery and a tour of the heavy equipment followed the meeting.

Steve Enright's presentation covered the 2007 revisions to OSHA's Standards on electrical safety including the specifications of who is qualified and who is not qualified to work on electric circuit parts or equipment that has not been deenergized. He also offered three methods of control that when used together can increase safety when dealing with electricity. These controls are the combination of engineering the danger out, written administrative controls, such as rules and procedures, and of course, protective apparel. Protective apparel is the least protective method of control because it doesn't prevent exposure in the way the first two



The path of an electrical current through the human body.

methods do. Enright provide several examples of each control.

The effect of an electrical shock on the human body was covered and the importance of knowing CPR and having a defibrillator available was emphasized. It is important to remember that low voltage

does not mean low hazard. The presentation included ways to "break a victim free" without risking electrocution yourself and ways to provide treatment until medical professionals arrive.

Lock out Tag out is a protective measure

that when properly used and enforced can make a huge difference in the safety of your workforce. Enright also covered safety concerns when working "live". Of course all circuits should be treated as live until proven otherwise.

The presentation contained many other circumstances to consider when dealing with electricity and some simple to avoid or fix safety hazards. Everyone in attendance came away with a greater understanding and respect for electricity.

May HR Sub-council Meeting: Wage & Hour

Wage and hour compliance enforcement is a top priority for both federal and state government. If the Department of Labor comes knocking, are you ready?

When: Friday, May 14th, 9:00 –10:30 am Where: Orange County Business Accel-

erator, New Windsor, NY **Cost:** None for members

Joanmarie M. Dowling, Esq., SPHR, and Frank C. Mayer, Esq., CPA, of Bond, Schoeneck & King, PLLC, will discuss how employers can avoid common wage and hour mistakes that cost employers millions in underpayments, liquidated damages, taxes, interest, and penalties:

- Surveying the Land: How Enforcement Strategies Continue to Develop;
- Revisiting White Collar Exemptions:
- Addressing Independent Contractor Classification Issues;
- Complying with the Nuances of the New York Labor Law; and
- Triggers for IRS Worker Classification Audits

To register call (845) 565-1355 or e-mail abutler@councilofindustry.org.

Employers can avoid common wage and hour mistakes that cost employers millions in underpayments, liquidated damages, taxes, interest, and penalties.



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Personnel Matters

Implications of NLRB Filled with Obama's Recess-Appointees

From JacksonLewis.com

President Barack Obama has announced the recess appointments of Craig Becker and Mark Pearce to the National Labor Relations Board. The March 27 announcement came one day after Congress adjourned for the Easter recess. While the appointments effectively preclude Becker and Pearce from serving normal five-year terms on the NLRB, they would serve for about a year-and-a-half, enough time to have a profound impact on labor relations in this country.

Becker and Pearce

Craig Becker is currently Associate General Counsel of the SEIU, as well as Associate General Counsel to the AFL-CIO. He also was the putative architect of Illinois state law changes that resulted in the mass unionization of home care workers in that state. Becker has argued the right of the NLRB to implement Employee Free Choice Act-like changes without an act of Congress.

Mark Pearce represented unions in private practice after serving as an attorney for the NLRB. He is one of the founding partners of the Buffalo, New York, law firm of Creighton, Pearce, Johnsen & Giroux, where he practices union-side labor and employment law before state and federal courts and agencies.

NLRB Rulemaking Authority

Filling the Board's vacancies with recess appointments now would give the Board time to achieve significant labor law reform through rulemaking without the Employee Free Choice Act, which is unlikely to pass any time soon. Under current law, the NLRB, without Congress, may implement significant changes in the application of the law through administrative rulemaking. It did so when it issued rules on the appropriate bargaining unit for acute care hospitals, which significantly accelerated scheduling of union elections within that industry.

Rulemaking could be used to streamline elec-

tion procedures, expand voting "access" through electronic or absentee balloting and enhance special remedies and penalties for employer unfair labor practices in initial organizing and first contract situations. Along with traditional case-by-case decision-making and the development of internal agency policies, the Board could use rulemaking to realize some of the advantages unions sought, but have yet to achieve, through EFCA.

New Process Steel v. NLRB Pending in U.S. Supreme Court

The U.S. Supreme Court heard argument in *New Process Steel v. NLRB*, a case from the Seventh Circuit Court of Appeals on whether the two-member Board had a quorum when it issued hundreds of decisions over the past year-and-a-half. The District of Columbia Circuit Court of Appeals has ruled that the Board did not, though the majority of the other circuits have said otherwise

If the Supreme Court rules against the Board because it lacked at least three members, it will nullify all of those decisions. With the two recess appointments, bringing agency membership to four, a labor-oriented Board would have the chance to reconsider and rewrite those decisions, as well as pass upon cases that the two members have not yet addressed.

* * *

"The Administration had promised EFCA would be considered right after health care reform. With the appointments of Becker and Pearce, the President was true to his word. 'EFCA-lite' has just been enacted," Michael Lotito, a Jackson Lewis partner, observed.

"To fully understand the significance to these appointments, you have to fully understand the way the Board operates," explained Martin Payson, a Jackson Lewis partner.

of the NLRB to implement Employee Free Choice Act-like changes without an act of Congress.

Becker has

argued the right



COMMERCIAL LENDING John F. Rath

555 Hudson Valley Avenue, Suite 105 New Windsor, NY 12553

> Phone 845-220-2800 Fax 845-220-4000

John.Rath@TDBanknorth.com

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More Personnel Matters

The 2010 Employment Practices Survey Will Be Conducted in May by Marist College

Following the success of the Council of Industry's Wage and Benefit Survey with thirty two companies completing the questionnaire in the Fall of 2009, the Council is now conducting a Spring survey of employment practices. The two surveys were administered separately so that they would not be overwhelming to participants. Council members will be receiving a copy of the employment practices survey by May 7th.via e-mail.

The Employment Practices survey was developed by Dr. Ken Sloan at Marist College and will cover such topics as wage structure, the use of contract employees and a variety of Human Resource policies such as drug and alcohol testing policies and layoff practices. Dr. Sloan developed this questionnaire based on input from a council steering committee last spring. The results of the survey should be tabulated by June.

If you were not able to take part in the 2009 Wage and Benefit Survey but would like to see the results, copies of the survey are available to Council members for \$195 each, contact Harold King at hking@councilofindustry.org.

Turnover Trends and Recruitment Practices from the Council of Industry's 2009 Wage & Benefit Survey

- Survey respondents report turnover at 14.5% in 2008
- The 2008 National turnover average across all industries was 18.7%
- Manufacturing average turnover in 2008 was 16.5% (from HR Resource 2008 Turnover Statistics)

Consumer Price Index - Mar. 2010

				<u>Point</u>	<u>%</u>	% Increase
Wage Earners & Clerical	<u>Mar.'09</u>	Mar.	<u>Feb.</u>	Increase	<u>Month</u>	<u>Year</u>
1967=100	617.24	636.03	633.11	2.92	0.5	3.0
1982-84= 100	207.22	213.53	212.54	0.98	0.5	3.0
All Urban Consumers						
1967=100	637.18	651.93	649.26	2.67	0.4	2.3
1982-84=100	212.74	217.63	216.74	0.89	0.4	2.3
Hudson Valley Unemployment Rate for March 2010 = 7.5						

The
Employment
Practices
survey was
developed by
Dr. Ken Sloan
at Marist
College and
will cover
such topics as
wage
structure.

Place Your Company's Ad Here

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 or call (845) 565-1355 for more information.

Legislative Matters

NAM Manufacturing Summit

By Harold King, Executive Vice President, Council of Industry

On April 14th and 15th I joined with more than 300 members of the National Association of Manufacturers (NAM) from across the nation in Washington, DC to participate in the second annual *NAM Manufacturing Summit*. In more than 200 visits with law-makers over two days, manufacturers made a strong case for policies that will reinvigorate a struggling economy, reduce the cost of doing business in the United States, stimulate job growth and make American manufacturers more competitive.

NAM Executive Vice President Jay Timmons welcomed members to the *Summit* on April 14, saying "manufacturing is the

heart of our economy, and manufacturing jobs lead to a better quality of life for American families." He then roused *Summit* participants with a call to action, adding,

"Manufacturing is the engine that can lead our country on the road back to economic recovery, and our presence on Capitol Hill can make a difference."

NAM members focused their Capitol Hill visits on three critical issues: job creation, taxes and labor policy. I met with Congressman Scott Murphy, and staff representatives for Maurice Hinchey and John Hall.

As our nation's unemployment rate continues to hover near 10 percent and many industrial sectors of the economy struggle to recover, promoting policies that would lead to robust job growth is a top priority for NAM members. According to a report by the NAM and conducted by the independent Milken Institute, *Jobs for America: Investments and policies for economic growth and competitiveness*, more than 11 million jobs can be created in the United States in this decade alone by changing key tax and economic policies and making investments in infrastructure, includ-

ing energy, broadband and transportation projects.

Additionally, manufacturers reminded legislators of the importance of crafting tax policies that will create an environment more conducive to job creation and make their companies more competitive in the global economy. Ninety-five percent of the world's consumers are located outside the United States. Simple steps such as restoring and extending the R&D tax credit to promote innovation and lowering America's stifling statutory corporate tax rate – the second highest among developed nations – would generate hundreds of thousands of manufacturing jobs and pro-

vide a significant boost to the nation's economy.

NAM members also reemphasized opposition to jobs-killing labor policies supported by some in Congress and the Administration. The Employee Free Choice Act (EFCA) -- including alternatives that limit the amount of time employees have to decide whether or not to form a union and limit employers' ability to communicate with employees -is one of the most direct threats to manufacturers' ability to compete.

Two distinguished officials addressed the *Summit* April 15th. Senate Minority Whip Jon Kyl (R-AZ), who spoke at the

breakfast session, and Office of Management and Budget Director Dr. Peter Orszag, who spoke to NAM members over lunch. Both addressed pending policies that will have an impact on manufacturers, the economy, job growth and U.S. competitiveness.

During our time in Washington, manufacturers took advantage of the opportunity to recount their individual experiences, discuss the outlook for their businesses and hear directly from their peers and colleagues on the most pressing issues facing the manufacturing sector.

The rules for success in the global economy are constantly changing, and manufacturers in America are all too often put at a competitive disadvantage by outdated policies that harm their ability to compete and provide high-paying jobs to American workers.

With so much at stake, the NAM's 2010 Manufacturing Summit was a great success. Manufacturers are helping legislators understand the critical role of manufacturing in our nation's economic security, and their enthusiastic response throughout the Summit demonstrates their commitment to working with leaders in Washington to get our economy back on track.

In more than 200 visits with lawmakers over two days, manufacturers made a strong case for policies that will reinvigorate a struggling economy, reduce the cost of doing business in the United States, stimulate job growth and make American manufacturers more competitive.



More Legislative Matters

Manufacturing State Dems Lay Out Climate Bill Demands

From The Hill, By Ben Geman

Ten Senate Democrats on Thursday offered the architects of upcoming climate legislation a detailed list of measures they say are needed to protect and boost U.S. manufacturing.

The letter – spearheaded by Sen. Sherrod Brown (D-Ohio) – comes ahead of the planned April 26 unveiling of the long-awaited climate and energy bill authored by Sens. John Kerry (D-Mass.), Lindsey Graham (R-S.C.) and Joe Lieberman (I-Conn.).

The letter calls for several provisions that contain the costs of the bill for manufacturers, including a "firm price collar" on the cost of emissions allowances and some free allowances set aside for "energy-intensive, trade-exposed" industries.

Other goals on the long list include so-called border measures, also known as "carbon tariffs," to prevent companies operating in countries without strong emissions requirements from gaining a competitive advantage.

They also say that federal laws should trump state climate laws where inconsistencies exist, and that "New federal programs governing regulation of greenhouse gas emissions should avoid overlapping regulations and should supersede existing federal law."

The letter was signed by Brown, Carl Levin (D-Mich.), Arlen Specter (D-Pa.), Claire McCaskill (D-Mo.), Debbie Stabenow (D-Mich.), Robert Casey (D-Pa.), Mark Warner (D-Va.), Kay Hagan (D-N.C.), Evan Bayh (D-Ind.) and Robert Byrd (D-W.Va.).

"We are convinced that successful legislation must include a multi-pronged strategy to maintain and strengthen our industrial base and the millions of manufacturing jobs critical for our economic recovery," the letter states.

"This plan must promote manufacturing competiveness, create and maintain American jobs, and recognize that a strong manufacturing base is a prerequisite for both a domestic clean energy economy and long-term economic recovery and growth," it adds.

Immigration Issue Poses a Complex Test for 2 Parties

From The New York Times, By ADAM NAGOURNEY

This week, Senator Harry Reid of Nevada, the Democratic majority leader, abruptly announced that the Senate would take up an immigration bill to address both enhanced border security and citizenship, even in the face of daunting odds. Mr. Reid also faces a tough re-election battle, and his advisers believe that Hispanic voters in Nevada could prove key to his re-election.

The immigration flare-up that has engulfed Washington has emerged as a political challenge for Republicans and

Harry Reid, the Senate majority leader.

Democrats alike as they struggle to deal with the complexities and emotions of an issue that is scrambling party and geographic lines.

In the short term, Mr. Reid's vow to tackle immigration legislation this year could hurt some Democrats in the fall elections, causing problems with voters who view immigrants as competition for tough-to-find jobs and illegal immigration as a drain on social services, analysts from both parties said.

for several provisions that contain the costs of the bill for manufacturers, including a "firm price collar" on the cost of emissions allowances and some free allowances set aside for "energyintensive, trade -exposed" industries.

The letter calls

EHS Matters

The new Severe **Violator Enforcement** Program is intended to focus OSHA enforcement resources on recalcitrant employers who endanger workers by demonstrating indifference to their responsibilities

under the law.

US Department of Labor's OSHA Takes Action to Protect America's Workers with Severe Violator Program and Increased Penalties

Uncie Sam

From www.osha.gov

Every day, about 14 Americans fail to come home from work to their families. Tens of thousands die from workplace disease and more than 4.6 million workers are seriously injured on the job annually. The U.S. Department of Labor's Occupational Safety and Health Administration, in an effort to address urgent safety and health problems facing Americans in the workplace, is implementing a new Severe Violator Enforcement Program and increasing civil penalty amounts.

"For many employers, investing in job safety happens only when they have adequate incen-

tives to comply with OSHA's requirements," said Assistant Secretary of Labor for OSHA Dr. David Dr. Michaels. "Higher penalties and more aggressive, targeted enforcement will provide a greater deterrent and further encourage these employers to furnish safe and healthy workplaces for their employees."

The new Severe Violator Enforcement Program is intended to focus

OSHA enforcement resources on recalcitrant employers who endanger workers by demonstrating indifference to their responsibilities under the law. This supplemental enforcement tool includes increased OSHA inspections in these worksites, including mandatory OSHA follow-up inspections, and inspections of other

worksites of the same employer where similar hazards and deficiencies may be present. SVEP will become effective within the next 45 days. For more information, visit http://www.osha.gov/dep/svep-directive.pdf.

"SVEP will help OSHA concentrate its efforts on those repeatedly recalcitrant employers who fail to meet their obligations under the Occupational Safety and Health Act. It will include a more intense examination of an employer's practices for systemic problems that would trigger additional mandatory inspections," said Michaels.

Last year, OSHA assembled a work group to evaluate its penalty policies and found currently assessed penalties are too low to have an adequate deterrent effect. Based on the group's findings and recommendations, several administrative changes to the penalty calculation system, outlined in the agency's Field Opera-

tions Manual, are being made. These administrative enhancements will become effective in the next several months. The penalty changes will increase the overall dollar amount of all penalties while maintaining OSHA's policy of reducing penalties for small employers and those acting in good faith.

The current maximum penalty for a serious violation, one capable of causing death or serious physical

harm, is only \$7,000 and the maximum penalty for a willful violation is \$70,000. The average penalty for a serious violation will increase from about \$1,000 to an average \$3,000 to \$4,000. Monetary penalties for violations of the OSH Act have been increased only once in 40 years despite inflation. The Protecting America's Workers Act would raise these penalties, for the first time since 1990, to 12,000 and \$250,000, respectively. Future penalty increases would also be tied to inflation. In the meantime, OSHA will focus on outreach in preparation of implementing this new penalty policy. For more information on the penalty policy, visit http://www.osha.gov/dep/penaltychange-memo.pdf.

Continued on page 15



CI Calendar—What's Ahead

Certificate in Manufacturing Leadership: High Performance Work Teams—9:00 am—4:00 pm at Dutchess Community College, Bowne Hall, Poughkeepsie, NY. Cost: \$200 for a single participant, \$175 each for two or more from the same company.					
Certificate in Manufacturing Leadership: Worksite Training Skills—9:00 am—4:00 pm at Dutchess Community College, Bowne Hall, Poughkeepsie, NY. Cost: \$200 for a single participant, \$175 each for two or more from the same company.					
HR Sub-council Meeting: Wage & Hour — 9:00—10:30 am at the Orange County Business Accelerator, New Windsor, NY. No cost for members.					
Certificate in Manufacturing Leadership: Best Practices & Continuous Improvement— 9:00 am—4:00 pm at Dutchess Community College, Bowne Hall, Poughkeepsie, NY. Cost: \$200 for a single participant, \$175 each for two or more from the same company.					
<u>Project Management</u> — 9:00am — 4:30pm at Rockland Community College. Cost: \$600 for a single participant or \$550 two or more from the same company.					
Certificate in Manufacturing Leadership: Human Resources Management Issues in Manufacturing—9:00 am—4:00 pm at Dutchess Community College, Bowne Hall, Poughkeepsie, NY. Cost: \$200 for a single participant, \$175 each for two or more from the same company.					
The Council of Industry's 100th Anniversary Gala — 6:00 pm at the Grandview in Poughkeepsie, NY. Tickets: \$150 per person, \$1,350 for a table of ten.					
The Council of Industry's Annual Golf Outing—Registration and Lunch will begin at 11:30 followed by a shotgun start at 12:30 at the Powelton Club, Newburgh, NY. Cocktails and a light dinner will follow at approximately 5:00 pm. Cost: \$135 per person or \$540 for a foursome. Sponsorships opportunities are available.					



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For more information call 845-565-1355

You can find more information on the courses and events listed in our calendar by going to our websitewww.councilofi ndustry.org or if you are reading our electronic version just press Ctrl + click the course title.

Marketing Matters

Lean, Green Sales with the S.H.A.R.P. Sales Training[™]: Increase Profits while Reducing Wasted Time, Energy & Dollars

By Debra Pearlman, CEO of DP Sale Pro

Similar to a navigation system, you must understand where you are and be specific as to where you want to go otherwise, even the most expensive navigation system will prove ineffective.

Part II—Developing S.H.A.R.P. Sales Goals

Over the course of several months, this column will take an analytical look at each step within the sales process. Intertwined with the steps will be the philosophy and psychology often employed by successful sales professionals.

The acronym S.H.A.R.P. provides a comprehensive and definitive starting point for developing both organizational and personal goals. The philosophy is customer-centric with a goal to increase customer loyalty.

S = Strategize, Solve, Support, Serve

H = Honesty, Humor, Humility, Help

A = Assess, Alleviate, Accountable, Achieve

R = Relationships, Respect, Respond, Results

P = Prepare, Prioritize, Perform, Produce

Similar to a navigation system, you must understand where you are and be **specific** as to where you want to go – otherwise, even the most expensive navigation system will prove ineffective.

Be prepared to tie target dates, percentages and hard numbers to goals. Drill down determining specific steps to be taken in order to attain each goal. or profit management desires; <u>Quality Level</u> of <u>Products Shipped</u> - contemplate product and user based perceptions as well as manufacturing and value based approaches;



<u>Lean Philosophy</u> – specify processes that will utilize the least amount of effort, energy, time, space and capital while providing the customer precisely what they want.

Begin with 'S' – <u>strategize</u> and brainstorm both internally *and with customers* to determine and delineate the desired outcome(s). Conducting a customer survey asking specific questions and asking for feedback (with an option to be anonymous) is a good place to begin. Conduct team meetings encouraging participation from all level of employees, especially those on the frontline of customer communications.

Determine <u>solutions</u> and best practices to be implemented for managing both current and foreseeable challenges. Allow for flexibility in the plan as additional challenges arise (as they surely will.)

<u>Support</u> employees responsible for executing new stratagems. Communication from management has been ranked the #1 desire for maintaining motivation by employees; benefits and increased salaries second and third respectively. Provide appropriate training and coaching as needed.

<u>Serve</u> your customers. Your customers' requirements must be the main consideration for each delineated goal. By focusing on the goals and objectives of your customers, you will best achieve those of the organization as well as your own.

Debra Pearlman, CEO of DP Sales Pro, can be reached at <u>Debra@DPSalesPro.com</u> or call (845) 649-2727 or go to her website at <u>www.DPSalesPro.com</u>.

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well as short term (1, 3, and 5 year) goals.
Consider: Annual
Revenues Generated –
specify indicators of
overall business performance; Net Profits
– define the amount of

net operating income

Step 1: Define long

term (10 year) as

Manufacturing Matters

Changing The Mindset Of Manufacturing

By Amanda Earing, News Editor, Manufacturing.Net

When I was in college, I worked at the local printing plant every summer. It was hot, dirty, monotonous and arduous work feeding paper into binding machines, but I enjoyed it. The labor kept me in shape, but what I really enjoyed was seeing the fruits of my labor -- I was part of making something people used every day. But each summer I heard the same spiel from 'lifers' at the plant: stay in school, get your education and *don't come back*.

The premise for the lecture was always that there are better jobs available than those in manufacturing.

What happened to the era when manufacturing was considered a worthy career choice? Why is a career in manufacturing viewed as a less valuable option? I know I'm not the first to raise such questions, but it seems we're still looking for adequate answers.

A skilled workforce is pertinent to creating a competitive manufacturing base in a global economy. While an engineer might have great ideas for improving your operations, it still takes skilled laborers to make that vision a reality.

There have been contradicting reports on whether we'll see a shortage of skilled laborers in the future, but one thing is certain -- many students regard manufacturing in a negative light.

That needs to change.

Whether it's a higher education degree or an apprentice program, it's time that more students looked at manufacturing as a promising career choice. This starts with educating students about how a manufacturing career is worth pursuing. We need young, talented minds and fresh ideas. We need more innovation, ingenuity and workers with a sense of passion for what they do.

But this means doing more than just promoting manufacturing careers to high school students; we need to change the mindset of workers like those I spent time with each summer. This might be the group most capable of painting either a positive or negative picture about manufacturing and the career path it represents.

Like so many things in our marketplace, change needs to start on the plant floor. We need to change how manufacturing employees perceive their jobs. We need to instill a sense of pride in their work. If your workers don't see what they are doing as positive, perhaps it's time to look at how you interact with employees.

Each summer, I saw why my colleagues griped day in and day out. They griped because they saw no value in what they were doing and no way to move up. Management refused to listen to suggestions or cost-saving ideas. Employees were treated with little respect and little reward was given when production goals were met.

Promoting career choices and unique aspects of working in manufacturing won't be enough if workers don't see value or take pride in what they do. So take a look around. Start finding ways to change your workforce into a positive representation of manufacturing in the U.S. Only then can we as an industry recruit -- and retain -- the quality workforce necessary to build a stronger manufacturing base and help our country's economy heal and expand.

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The Fidelity Navigator will be coming to your desk monthly, courtesy of the Council of Industry's endorsed 401(k) company.

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Financial Matters

Creating Value in Privately Held Companies

By David Duboff, Lisiten Associates

"As shocking as it may sound, I believe that most owners of middle market private companies do not really know the value of their company and what it takes to create greater value in their company ... Oh sure, the owner tracks sales and earnings on a regular basis, but there is much more to creating company value than just sales and earnings" - Russ Robb, Editor, M&A Today

Creating value in the privately held company makes sense whether the owner is considering selling the business, plans on continuing to operate the business, or hopes to have the company remain in the family. (It is interesting to note that, of the businesses held within the family, only about 30 percent survive the second generation, 11 percent survive the third generation and only 3 percent survive the fourth generation and beyond).

Building value in a company should focus on the following six components:

- ■the industry
- ■the management
- products or services
- **■**customers
- **■**competitors

company.

■comparative benchmarks

The Industry – It is difficult, if not impossible, to build value if the business is in a stagnating industry. One advantage of privately held firms is their ability to shift gears and go into a different direction. One firm, for example, that made high-volume, low-end canoes shifted to low-

The Management – Building depth in management and creating a succession plan also builds value. Key employees should have employment contracts and sign non-compete agreements. In situations where there are partners, "buy-sell" agreements should be executed. These arrangements contribute to value.

volume, high-end lightweight canoes and kayaks to meet new market demands. This saved the

Products or Services – A single product or service does not build value. However, if additional or companion products or services can be created, especially if they are non-competitive in price with the primary product or service – then value can be created.

Customers – A broad customer base that is national or international is the key to increasing value. Localized distribution focused on one or two customers will subtract from value.

Competitors – Being a market leader adds significantly to value, as does a lack of competition.

Comparative Benchmarks – Benchmarks can be used to measure a company against its peers. The better the results, the greater the value of the company.

Three keys to adding value to a company are: building a top management team coupled with a loyal work force; strategies that are flexible and therefore can be changed in mid-stream; and surrounding the owner/CEO with top advisors and professionals.

For more information contact David Duboff at dduboff@msn.com or (914) 224 - 6807

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family.

Member Services

The Council of Industry's Worker's Compensation Program

The Council of Industry's Board of Directors have endorsed a workers' compensation & employer's liability program for our membership from **Applied Underwriters** and **The Reis Group.** The program is group based but individually underwritten. Underwriting criteria is very strict and only those members most committed to a safe workplace will be able to participate. Most of our members will meet these strict criteria and we therefore believe this program will result in significant savings to those who choose to participate.

Program's benefits include:

- Both small and larger risks can share in the underwriting profit by controlling their losses.
- This program IS NOT A TRUST there is no joint & several liability amongst members.
- There are no AUDITS as reporting follows your payroll cycle.
- There is low pricing for groups with minimal loss experience.
- Only the claims experience which occurs during your participation in the program is pooled for your profit sharing calculation. Prior or subsequent claims experience of the group does not impact your cost.
- The program allows for the efficient use of collateral; risk funding is paid real time based on your groups developed loss experience.
- Based on the group's claims experience, this program can provide immediate
 cash flow benefits and financial reward unlike other plans that require waiting
 for cumbersome retrospective or uncertain dividend calculations that can run
 for years beyond the policy expiration.
- Payroll services are offered to reduce inside administrative costs to members.

Applied Underwriters® is a pioneer in the field of financial services and workers' compen-

Applied Underwriters® is a prince of the companies of the

sation. A member of Berkshire Hathaway Inc. they offer integrated solutions that focus on fulfilling the real needs of employers. Applied Underwriters is not only the leader in the field of integrated workers' compensation solutions – they are the only ones in the field. With thousands of loyal customers, Applied Underwriters has consistently demonstrated that the best way to serve customers is to understand their business and their needs, and then to provide superior personalized customer support.

To learn more about the program, find out if you are eligible and receive a quote contact Harold King at (845) 565-1355 hking@councilofindustry.org or Paul Casciaro of the Reis Group (845-338-4656) or paul@reisinsurance.com or follow this link www.reisinsurance.com.

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Applied Underwriters website -www.applieduw.com

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Underwriting

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Member Profile

Member Profile: Hi Tech Packaging and EZ Store & Ship

Founded: 1984

Location: Garnerville, NY

HII-TECH Packaging Corp., Inc.

Product and service: Manufacturer of poly sleeve labels and storage, inven-

tory and shipping services.

Website: www.hi-techpackaging.com

Hi-Tech Packaging and EZ Store & Ship are two rather different companies under one roof and are an excellent example of using resources to the fullest. Hi-Tech Packaging was started in 1984 by three partners as a poly sleeve label manufacturer. EZ Store & Ship was conceived only about a year ago when one of the partners suggested that the company utilize their abundant warehouse space and daily shipments as an additional revenue source. EZ Store & Ship will stockpile and inventory goods for a customer company and arrange shipments of the merchandise as needed.

Hi – Tech Packaging produces polyethylene sleeve labels which can be applied to products manually or with automatic machinery. These sleeves are recyclable and fit snuggly on the product without the use of heat to shrink it or chemical glues to adhere it. Hi – Tech Packaging prides itself on superior customer service and has a design and engineering department that will work with companies to provide a label that meets their needs. The sleeves can fit a wide variety of products and can be printed in up to ten colors adding what Hi-Tech Packaging calls "Buy Me Power" to a company's

BLUE PIEU

[iquid-chlor

Just a small sampling of the various labels Hi– Tech Packaging produces.

product. These labels are able to stand up to liquids, shipping and adverse conditions far better than paper labels can and are compact, taking up less space than a decorated container does

Hi – Tech Packaging's warehouse in Garnerville, NY was once a textile plant and has more space then the company currently needs. Add to this abundance of space, the fact that Hi-Tech is shipping poly sleeves to customers across the country daily and viola, EZ Store & Ship.

Companies that are in need of warehouse space can contract EZ Store & Ship to house their products, keep track of inventory and pull and ship deliveries. EZ Store & Ship is flexible and can even meet some fulfillment needs. Companies that utilize this service are able to free up space in their own buildings as well as decrease or eliminate their inventory and shipping department.

Both EZ Store & Ship and Hi-Tech Packaging make every effort to provide their customer with great service. They are flexible and willing to go that extra mile.

Companies that are in need of warehouse space can contract EZ
Store & Ship to house their products, keep track of inventory and pull and ship deliveries.

Continued from page 4 Personnel Matters

"The term of office of the only Republican appointee on the Board, Peter Schaumber, will expire in August. This will result in a three-member Board, all of whom will be pro-labor Obama selections. There will be no imperative for the President to fill the other two vacancies, which will mean there will be no institutional balance in the Board's decisions.

Consequently, labor law reform will be accomplished through the reversal of numerous decisions, changes in election procedures, as well as aggressive rulemaking to enhance union chances for election success, and punitive new remedies for unfair labor practices designed to diminish management's lawful exercise of its statutory rights. Practicing union avoidance and prevention has now taken on a new urgency."

Phil Rosen, Jackson Lewis partner coordinating the Labor practice group, adds, "All employers — whether entirely unionized, partially unionized or union-free — will be affected directly by the new NLRB majority created by the recess appointments.

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www.joepietrykainc.com Phone: (845) 855-1201 Fax: (845) 855 5219 It is critical that employers consider the effect upcoming changes in NLRB interpretations will have on them today and ensure that their corporate labor relations strategic plan takes into account the new labor land-scape."



Continued from page 7 Legislative Matters

That could especially be a problem for first- and second -term Democrats representing blue-collar states particularly hard hit by the recession.

Both parties agree on the need for better border security. But each also has to balance how to deal with illegal immigrants already in the United States against the desires of powerful constituencies. These include Hispanics who would like to see many illegal immigrants given a chance to become legal, employers who rely on the cheap labor they provide and working-class voters who see undocumented workers as threats to their jobs and wage levels.

For all the recent talk about moving ahead on an immigration bill, it appears unlikely that Congress will act this year, especially since no Senate Republican now seems willing to work with the White House on the issue. Mr. Reid said he would bring up energy and climate change legislation first, leaving it unclear whether the Senate would have time to tackle immigration this year.

Continued from page 8 EHS Matters

"Although we are making significant adjustments in our penalty policy within the tight constraints of our law, this administrative effort is no substitute for the meaningful and substantial penalty changes included in PAWA," said Dr. Michaels. "OSHA enforcement and penalties are not just a reaction to workplace tragedies. They serve an important preventive function. OSHA inspections and penalties must be large enough to discourage employers from cutting corners or underfunding safety programs to save a few dollars."

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