



# TOOL TALK

A Publication of the Michigan Tooling Association

## From Rob's Roost

by: Rob Dumont,  
Managing Director



### DON'T GIVE UP!

I recently attended a dinner meeting co-hosted by MTA and the National Tooling and Machining Association at which Lou Longo of Plante Moran, PLLC presented "CHINA PART II: Case Studies of Success and Failure in a Global Economy". Part I was presented about 16 months ago.

MTA and NMTA have been co-hosting these dinner meetings now for about a year and I am pleased to say that the meetings are both well attended and well received by MTA members.

The message I took away from the meeting was that while China offers incredible opportunities in terms of sourcing as well as sales, it is not for everyone. The clear message was that entry into that market must be done only after careful study and preparation. The study needs to focus on and establish definitive goals and the preparation obviously sets out how to achieve the goals. Clearly, Mr. Longo was touting Plante Moran as the source of choice for assistance in determining whether or not a firm should attempt entry into that marketplace, but, his presentation was well balanced and he gave examples of failure as well as success.

Another part of the message I got from the presentation was verification of a view I have often presented in my efforts to assist our membership—know what your goals are and be able to recognize the results of your efforts. The adage "be careful what you wish for, you might just get it" is useful.

In difficult times, and these are those, consciously or sub-consciously, often the goal that is set is to survive. It follows then that the fact of survival is a mark of success, you have achieved what you set out to achieve. You have also proved by doing so that you are and can be successful. The issue is that the goal needs adjusting, why waste all that effort, skill, talent and your resources on survival? Why not aim for prosperity and put those same assets to work in that effort. You clearly did not set out, in the beginning, to "buy" yourself a job, you set out to prosper. If you are in the survival mode, ask yourself why, why aren't you still trying to prosper, to win? If, in your view, prosperity can not be attained is there any merit in sheer survival from a "business" point of view.

Change is seen as "difficult", it is cloaked in uncertainty and usually met with resistance or, in severe cases, a refusal to do so. As the leader of your business effort you do not have the luxury of taking that tack. You must be the spark plug, the ignition! If your current efforts are not yielding prosperity then you have an obligation to yourself to change. How to do so is, perhaps, not going to be obvious but that just means that you have to get the creative juices going. You have them you know otherwise you wouldn't be where you are. Don't forget who you are and what you have already proven you can do. If the need is there, get it in gear, do whatever needs to be done and get on with it, don't behave as if you are defeated. Goals must constantly be adjusted. Prosperity awaits, go get it!

In February I will be in Washington for the annual Congressional Fly-In. Organized by the National Association of Manufacturers, we have a two-day window of opportunity to visit with members of Congress and discuss concerns and suggest actions in response. My comments will be on the cost of health care (not the cost of health insurance), litigation (tort) reform and that great misnomer "Free Trade". More next month!

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## MTA Calendar of Events—February'05

*All seminars this month are being held at the MTA Training Center in Farmington Hills unless otherwise noted.*

- 17 MTA WCF Board of Trustees meets
- 23 MTA Board of Directors meets



# Mark's Remarks

by: Mark Tyler, General Manager  
MTA Insurance Agency



## Carryover Deductible Enhancement For BC/BS AND BCN Groups

All groups will automatically receive fourth-quarter deductible carryover, which means that any portion of the deductible met in the fourth quarter carries over to the deductible required for the next year. The provision will be added through an administrative rule change, rather than a rider. The change will not impact rates.

### Watch out for Diabetes

Type 2 diabetes symptoms can be tricky to catch, which helps explain why experts believe there are 5.2 million undiagnosed diabetics in this country. You may know the classic symptoms of fatigue, recurrent infections and frequent urination.

Signs that are not as widely known include:

- ❖ **BAD BREATH:** (a smell like nail polish remover)  
Excess sugar in saliva prompts bacteria growth, which helps create foul-smelling gases.
- ❖ **SWOLLEN GUMS:** Increased bacteria can lead to inflammation and bleeding.
- ❖ **BLURRED VISION:** Sugar in the lens of the eye makes it swell and refract light improperly.
- ❖ **FREQUENT THIRST:** In an effort to eliminate sugar, the body demands plenty of fluids.

If you have two or more of the symptoms listed above, and any other risk factors (being over age 40; overweight; of Native American or Hispanic descent; having a family history of diabetes; or having high blood pressure or cholesterol), see your doctor.

### Medicare Drug Benefit Will Be Available In 2006

Medicare has finally issued information on the drug benefit that will be available in 2006.

The final rules call for Medicare to reimburse employers 28 percent of retired workers annual drug costs. The incentive for employers to continue coverage of employees into retirement is a new twist. With the tax breaks, this incentive could be worth up to \$1,000 per retiree.

Medicare will spend approximately \$300 million over the next year for education and public awareness of this program. It is estimated that there are 41 million eligible beneficiaries.

Medicare eligible retirees who do not meet the low-income qualifications for assistance, will pay a \$35 monthly premium and a \$250 annual deductible per person. After the deductible is satisfied, Medicare will pay up to 75 percent of drug expenses to a maximum of \$2,250 per year.

The program then requires the eligible retiree to pay 100 percent of the cost of their prescription drugs between \$2,250 and \$3,600. After that, Medicare pays 95 percent of all cost that are in excess of \$3,600.

This is just a general over-view of the Medicare program and more details will be coming over the next year as we receive them.

### On A Lighter Note

A new arrival in Hell was brought before the devil.

The devil told his demon to put the man to work on a rock pile with a 20 pound sledgehammer in 95 degree heat with 95% humidity.

At the end of the day the devil went to see how the man was doing, only to find him smiling and singing as he pounded rocks. The man explained that the heat and hard labor were very similar to the normal work conditions in his beloved tooling plant back in Detroit.

The devil told his demon to turn up the heat to 120 degrees with 100% humidity.

At the end of the next day the devil again checked on the new man and found him still happy to be sweating and straining. The man explained that the conditions reminded him of the old days when he was working the assembly line in the middle of August in his beloved tooling plant back in Detroit.

At that, the devil told his demon to lower the temperature to -20 degrees with a 50 mph wind.

At the end of the next day, the devil was confident that he would find the man miserable. But, instead, the man was singing louder than ever, dancing and twirling the sledgehammer like a baton.

When the devil asked him why he was so happy, the man answered: "If it's a cold day in Hell, the Lions must have won the Super Bowl!!"



# Legislative Update

by: *Judy Augenstein*  
*Legislative Consultant, Lansing*



During the last two weeks of the lame duck session all of the 37 term limited state representatives said goodbye to their colleagues with prepared speeches, a few tears and, in one case, a song. All bid farewell after serving the maximum six years allowed under term limits. The chamber's three highest ranking Republicans, including House Speaker Rick Johnson, R-LeRoy, addressed their colleagues on the last day of the two year session. A number of departing lawmakers commented that three two year terms are too short. Several asked their returning colleagues to support a constitutional amendment to extend term limits. Senators, the governor, lieutenant governor, secretary of state and attorney general can each serve two four year terms.

A constitutional amendment to change term limits would require the support of two thirds of both legislative chambers to get on the ballot for voters to decide. Neither the House nor the Senate has been willing to vote on the issue.

Unfortunately, tax and fee increases and state spending cuts highlighted the year's legislative session. The GOP controlled House and Senate approved Granholm's proposals to increase the cigarette tax from \$1.25 to \$2 per pack and to gradually move up the collection of county property taxes to help resolve a shortfall for the 2004 fiscal year.

Rep. Chris Ward, R-Brighton, the new Republican Floor Leader, has agreed to introduce legislation to remove the 50 employee cap from the 2003 Renaissance/Recovery Zone Act. The bill has to be passed into law before the next MEDC application deadline for collaborative agreements in order to be useful. Last year the MEDC received 14 applications for collaborative agreements and it appears that the next application deadline will be sometime this summer.

The legislature convened the second Wednesday in January at which time 37 new legislators were sworn into office. House Committee assignments and chairmanships were awarded by Speaker Craig DeRoche, R- Novi.

Legislators returned on January 12 to hold their constitutionally required first session of the year. The Republicans hold a 58-52 advantage in the House and a 22-16 majority in the Senate. The legislature did not schedule formal legislative sessions for most of January. Many Republican legislators attended the Inaugural celebrations during the week of January 20. The last week of the month was dedicated to Republican and Democrat caucus retreats. The purpose of the retreats were to plan and set the 2005 legislative session agenda.

Getting a handle on the continuing state budget crises, the

Medicaid crisis, job creation, education and a possible gas tax hike are at the top of the list for both Republicans and Democrats.

Governor Granholm will soon issue an executive order dealing with a \$400 million shortfall in the current \$8.8 billion budget. The Governor and legislators will then begin working on the 2005-06 budget, with a potential shortfall of up to \$1 billion. Michigan's Medicaid program is expected to be a key issue as the legislature begins work on the 2005-06 budget. In December there were 1.42 million people receiving Medicaid benefits. The Medicaid caseload has grown more than 30% since 2000, in part because the sluggish economy has made more people eligible. About 73% of those eligible for Medicaid are pregnant women, children and families, about 27% are elderly or people with disabilities.

Governor Jennifer Granholm and a dozen other governors traveled to Washington in late January to begin dialog on a plan to reform Medicaid for Michigan and other states struggling with skyrocketing health care costs. The Governor wants more flexibility to operate the state-federal program that currently provides health care to one of out of seven people in Michigan. She continues to push to keep Medicaid cuts out of a plan to reduce the federal deficit. Granholm has said new flexibility is the only way to keep from kicking people out of the program while keeping down costs.

Sometime this month legislation is expected to be introduced to remove the 50 employee cap from the 2003 Renaissance/Recovery Zone Act. The law provides tax incentives for tool and die companies and was part of the 2003 Jobs package, but needs to be amended in order to be useful to many MTA members. Rep. Chris Ware, R-Brighton, has 14 Michigan Tooling Association member companies in his district and is excited to be the sponsor of this important legislation. On a daily basis, I monitor all new legislation as it is introduced to determine if it will impact MTA members.

## Members Named to MTA Board of Directors

At the January 26th Board of Directors meeting, the results of the election of Directors held in December 2004 were verified:

- ❖ Richard Heidrich of **Richard Tool & Die Corp.**;
- ❖ Leroy LaJunesse of **L & L Machine Tool, Inc.**;
- ❖ Michael Obloy of **Special Drill & Reamer Co.**; and
- ❖ Gary Theuerkorn of **Hillside Tool & Die Co.**

We would like to thank Keith Obey of **Proto-Techniques, Inc.**, Irvin Swider of **Future Products Tool Corp.**, and Steve Thiele of **Bradhart Products, Inc.** for their participation in the electoral process.

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## From the Desk of Gary Wood

MTA WCF Administrator



### Fund Starts 2005 At Record Numbers

It's been a snowy winter so far but, can you believe it is already half way over? That's like the old optimist versus pessimist discussion about a glass being half full or half empty. I think the winter being half over is just a good thing, I don't care how you look at it.

I'm writing this on January 24<sup>th</sup> and an old friend of mine just told me it was "Break Your New Year's Resolutions Day". According to statistics, this is the day that the most people throw up their hands and go back to their old ways. It's a good thing that you haven't been out much so not many people know you just gave up your good intentions!

During these long winter nights I read a lot and ruminate over the past (mostly the recent past because I cannot remember the old days that well anymore). As recently as the year 2000 we were all upset that a lot of the "business" had taken leave of its senses and moved their manufacturing to Mexico. The big move was alleged to have been at the behest of the customers that were demanding the 'Mexico' price and if you did not go along with it you did not get the order.

I was in Arizona a couple of weeks ago and *The Arizona Republic* newspaper had the bold prediction that the "China threat to factories ebbs". The article went on to explain that 2000 was the big year in Mexico for so-called 'maquiladors' (manufacture for export) and since then 900 of these operations had closed with a loss of 292,000 jobs.

How ironic is it that the state of Michigan has purportedly lost that many jobs as well to foreign manufacturing. There is reported to be \$4.5 billion being invested in restoring up to 2/3 of the lost Mexican jobs (note to investors on what it takes to salvage an ailing economy).

This change of fortune was attributed to strong U.S. consumer demand, a strong peso and the headache of dealing with China's infrastructure. The problem from the perspective of a Michigan based company is the cost of labor. The Mexican worker still works for \$6 a day and the Chinese worker is willing to work for less; how do you compete with that?

When the technology sector discovers graduate IT workers in India willing to work for \$20,000 in U.S. dollars a year, how fast do you think that part of our economy will slide across the border and keep going?

Don't get too worried about the mess; 'GM's chief economist predicts a healthier 2005' as proclaimed on the January 20 front page of the new *Oakland Business Review* publication.

But, wait a minute, the January 13 edition of the same publication announces 'Big Three can't get any traction with consumers.'

Just thinking about this conundrum gives me a headache! It's good; no, it's bad; no wait, it really is good! AHHHHH! I think it's time to forget about my New Year's Resolutions, just kick back and watch the Super Bowl!

No one knows what tomorrow will bring; just keep moving forward the best way you can.

### Fund News

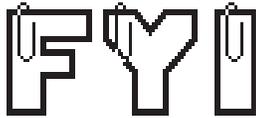
The Trustees have re-elected Richard Smith (**Wolverine Bronze**) as the Chairperson, Bobby Cox (**Acorn Stamping**) as the Vice-Chairperson and Kurt Heuser (**Bokum Tool**) as the Treasurer of the Fund for 2005.

The Fund started the year with good results; there were five new members and only three were lost for various reasons (the good news is that only one of the three retired from business). The total Fund participation is up to 490 members which, according to several of the long time Trustees, may be a record high number. The premium volume rose to just over \$13,500,000 which is the highest it has been since 1999 (yes we are still using the same rates as in 1999).

The Fund has also taken appropriate steps to streamline the bill review system by working with a new vendor (Review Works). The new vendor has provided their own DSL line to our location and is providing their own staffing on site at the MTA WCF offices. That should enhance the ability of the Fund staff to maintain better control of medical invoices; the paper never leaves our office, if there is a question on any document that was sent here, it should be here to answer the inquiry.

So, have a great February (after all, it is only 28 days). If you read this before Valentine's Day, remember: "When Mom's happy, everyone's happy!"





## IRS Limits

**401(k) Contribution Limits.** The maximum amount you can contribute each year to all 401(k) plans in which you participate is:

Maximum Limits	
2004 . . .	\$13,000
2005 . . .	\$14,000
2006 . . .	\$15,000

**401(k) Catch-Up Contribution Limits.** If you are age 50 or older, you may also be eligible to make additional “catch-up contributions” to your 401K plan **IF** your employer allows them. (Unfortunately, your employer is not required to do so.) 401k catch-up contributions are limited each year to an additional:

Maximum Limits	
2004 . . .	\$3,000
2005 . . .	\$4,000
2006 . . .	\$5,000

**Decreased Child Tax Credit.** Taxpayers who have a qualifying dependent child are eligible for the child tax credit. The credit decreases from \$1,000 in 2004 to \$700 in 2005.

**Increased Retirement Contribution Limits.** The changes for 2005 are as follows:

- ❖ The maximum IRA (traditional or Roth) contribution increases from \$3,000 to \$4,000 per person.
- ❖ The maximum 401(k) and 403(b) employee contribution increases to \$14,000.
- ❖ The maximum SIMPLE employee contribution increases to \$10,000.
- ❖ Taxpayers who are at least age 50 before the end of 2005 can increase their contribution limits (catch-up contributions) by an additional \$4,000 for 401(k), 403(b), salary reduction SEP plans, and 457 plans; and by an additional \$2,000 for SIMPLE plans.

**Higher Income Limits for Deductible IRAs.** If you are covered by a retirement plan at work, you can take an IRA deduction if your modified adjusted gross income is less than \$80,000 (married filing joint) or \$60,000 (single or head of household).

**Marriage Penalty.** Married couples are often faced with a larger tax bill than they would have paid if they had filed as single taxpayers. The tax legislation of 2001 and 2003 made

changes to reduce this inequity; however, these changes expire after 2004, so the marriage penalty gets worse in 2005 for some taxpayers:

- ❖ In 2003 and 2004, the standard deduction for married couples is 200% of that for singles. In 2005, the married standard deduction drops back down to 175% of the single filer’s deduction.
- ❖ In 2003 and 2004, the endpoint of the married 15% tax bracket is 200% of that for singles. In 2005, the 15% tax bracket drops back down to 180% of the single filer’s amount.

## This Tax Season

As the tax preparation time is upon us, this is a good time to review your company’s tax position. Do you qualify for the small business tax credit that can reduce your Michigan Single Business Tax? Have you checked your property’s assessed value? A building that has less occupancy may be eligible for a lower assessed property value. Does the Sarbanes-Oxley Act affect your business? Is fraud a possibility in your company? Is your business accounting software doing the best job? These are a series of questions you should take to your business accountant that is preparing your taxes. You need to get the maximum benefits from the tax deductions that are out there. Are you writing off your property as quickly as you can? The IRS has provisions in the laws that can help you write off your property quicker than the normal 39 years.

There maybe some things you need to put in place now for the 2005 tax year. When you meet with your business account this year, go armed with questions and be prepared to discuss a plan for the next tax year. Get the most from your money.

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Answers to Engineering Quiz on page 7:  
1-d; 2-a; 3-b; 4-b; 5-c; 6-c; 7-a; 8-b; 9-d

## NEWLY DESIGNED MTA WEBSITE AT [WWW.MTAONLINE.COM](http://WWW.MTAONLINE.COM)

If you haven't been on the MTA website for awhile, you need to check it out now! It has been redesigned and has many new features that can help your company from the membership benefits overview page (which lets your company know what benefits are available to you as a member) to the discussion forum (where you can chat with others in the tooling industry). And the site is updated *every day* so you can visit often.

Please take the time to search the site at [www.mtaonline.com](http://www.mtaonline.com) and give your opinion to us.

We look forward to hearing from you.

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## Law Talk

by: Marc S. Wise, Esq.  
Raymond & Prokop, P.C.



### Congress Changes the Rules for All Deferred Compensation Arrangements

A new Section 409A of the Internal Revenue Code was added by the American Jobs Creation Act of 2004. This new provision requires that all amounts deferred under a nonqualified deferred compensation plan and other arrangements that defer compensation (collectively "NQDC") must be currently included in gross income unless certain statutory requirements are satisfied. In addition to the immediate taxable income recognition, a 20% penalty will be applied along with statutory interest. Government budget estimates provide that Section 409A will raise in excess of one billion dollars (\$1,000,000,000) in additional revenue over the next ten years.

The broad definition of deferred compensation includes many incentive employment contracts, equity based compensation plans and other arrangements not normally thought of as traditional "deferred compensation". The most prominent arrangements impacted by this new law include NQDC plans, stand-alone severance arrangements and severance agreements contained in employment contracts. Section 409A generally is effective with respect to amounts deferred in taxable years beginning after December 31, 2004, but deferrals made prior to that year may be subject to the statute under certain circumstances. The Act also provides new withholding and reporting requirements. A brief summary of the provisions of the new law are as follows:

A NQDC is defined under the Act as any plan that provides for the deferral of compensation, other than:

- ❖ A qualified retirement plan such as a 401(k) plan or a profit sharing plan.
- ❖ Any bona fide vacation leave, sick leave, compensatory time, disability pay or death benefit plan.
- ❖ Certain stock option plans, incentive stock option plans and employee stock purchase plans.

Except as excluded above, the Act governs plans covering individual employees or groups of employees, as well as deferred compensation paid to directors, independent contractors and consultants.

#### Limitations on Distributions

A plan may not generally permit distributions earlier than:

- ❖ Separation from Service ( special rules apply to key employees of publicly-traded corporations);

- ❖ Disability (as defined in the Act);
- ❖ Death;
- ❖ A specified time or fixed schedule stated in the plan on the date the compensation is deferred;
- ❖ A change in ownership or effective control of a corporation; or
- ❖ The occurrence of an unforeseeable emergency.

#### Acceleration of Benefits

Generally, except as provided by future IRS regulations, the plan may not permit the acceleration of the time or schedule of the payments from the plan. Acceleration of the timing of distributions, even if part of the benefit is forfeited (a "hair-cut") is not permitted.

#### Deferral Elections

Generally, participant elections to defer compensation during a year must be made prior to the end of the preceding year. For the first year of eligibility, a participant may make a deferral election within 30 days of becoming eligible to participate in the plan. In the case of performance-based compensation, if the compensation is based on services to be performed over a period of at least 12 months, the election to defer all or a portion of this special compensation may be made no later than 6 months before the end of the period.

#### Changes in Time and Form of Distributions

The plan document must require that any change that delays the timing of a distribution or that changes the form of a distribution (ex. lump-sum to a period of years) may not take effect until at least 12 months after the date the election is made. For any election that delays the start of distributions for anything other than death, disability or unforeseeable emergency, the distributions may not commence for an least an additional 5 years.

#### Funding Rules

Assets set aside in a trust for purposes of paying deferred compensation will be taxable to the participants at the time the assets are transferred outside of the United States. This immediate taxation will not apply if substantially all the services relating to the deferred compensation are performed in the foreign country. Plans which provide that assets will be restricted to pay only the deferred compensation upon a change in the employer's financial condition will be treated as taxable income to the participants. The amounts will be taxable on the earlier of the date the plan first provides that the assets will be restricted or the date the assets are actually restricted.

#### Effective Date and Special Rules

The requirements of new Section 409A generally apply only

to amounts deferred and vested after December 31, 2004. Amounts deferred and vested before such date will also be subject to Section 409A if the plan was materially modified after October 3, 2004. For 2005, the IRS has provided for special rules if the plan is operated in good faith compliance with Section 409A and the plan is amended to comply with the new law by December 31, 2005.

*Marc S. Wise is a principal at Raymond & Prokop, P.C. where he represents employers and executives in ERISA and employee benefit matters. He can be reached at (248) 357-3010 or via email at mwise@raypro.com. The contents of this article are intended as general information and not legal advice. You are urged to consult with your lawyer concerning your individual situation.*

## Engineering Quiz

- Which of these tunnels is the longest?
  - Channel Tunnel, United Kingdom
  - Holland Tunnel, United States
  - St. Gotthard Tunnel, Switzerland
  - Seikan Tunnel, Japan
- Which dam is the largest, in terms of volume of water contained?
  - Syncrude Tailings Dam, Canada
  - Aswan High Dam, Egypt
  - Hoover Dam, United States
  - Tarbels, Pakistan
- Which is the longest suspension bridge in the United States?
  - Brooklyn Bridge
  - Verrazano-Narrows Bridge
  - Golden Gate Bridge
  - Cincinnati Bridge
- Which city's subway system covers the greatest distance?
  - Tokyo, Japan
  - London, England
  - New York City, United States
  - Moscow, Russia
- How many gigantic stone blocks make up the Khufu pyramid, the largest of Egypt's great pyramids?
  - 23,000
  - 230,000
  - 2,300,000
  - 23,000,000

- Why do the Chesapeake Bay Bridge-Tunnel combine bridges with tunnels?
  - The roadways pass through a large island in the middle of the Chesapeake Bay.
  - Portions of the Bay's floor are too soft to support a bridge.
  - The tunneled section allows a high volume of ship traffic to pass over.
  - Builders ran out of piers, but had a surplus of concrete pipe.
- What large-scale construction project is currently underway several hundred feet below New York City's streets?
  - A water tunnel.
  - A new hub for the Internet.
  - A system of pneumatic tubes linking different parts of the city.
  - A fiber-optic network.
- Approximately how many laborers worked on the construction of the Panama Canal?
  - 5,000
  - 50,000
  - 500,000
  - 5,000,000
- Engineering on an extremely small scale: which of the following is NOT an application of nanotechnology?
  - Medieval stained glass
  - A computer read-write drive
  - Colorless sunscreen
  - Ultrasound imaging

*Answers on page 5 under FYI.*

Q. What did the boy light bulb say to the girl light bulb on Valentine's Day?

A. I wuv you watts and watts!



Q. What did the boy bee say to the girl bee on Valentine's Day?

A. You are bee—utiful! Will you bee mine?

Q. What did the girl bee say to the boy bee on Valentine's Day?

A. I love beeing with you, Honey!

## Welcome New Members!

We would like to take this opportunity to welcome the following new members to the Michigan Tooling Association:



- ❖ **Baumann Tool & Die** of Zeeland, MI, specializing in mold making;
- ❖ **Production Engineering, Inc.** of Jackson, MI, specializing in precision machining of castings and forgings, primarily for drive train applications for heavy truck, construction equipment and lift truck markets;
- ❖ **Rock Tool & Machine Co. Inc.** of Plymouth, MI, specializing in special machine building for the auto industry; and
- ❖ **Dowding Industries, Inc.** of Eaton Rapids, MI, specializing in stamping, laser cutting, fabrications, assembly and machining.



### MTA List of Endorsed Service Providers

- ❖ **Assurant Benefits** (formerly Fortis) (life insurance)  
MTA contacts: Mark Tyler 248-489-8505  
Stella Krupansky 248-488-0300 ext. 1310
- ❖ **Blue Cross Blue Shield/BCN** (health insurance)  
MTA contacts: Mark Tyler 248-489-8505  
Elaine Burger-Laskosky 248-488-0300 ext. 1309
- ❖ **Federated Ins.** (property & casualty insurance)  
Provider contact: Todd Bishop 800-428-4143
- ❖ **Freedom One Financial Group** (401(k) programs)  
Provider contact: Leslie Goodwin 248-620-8100
- ❖ **Hertz** (car rentals)  
Provider contact: 800-654-2210
- ❖ **John M. Packer & Associates** (unemployment)  
Provider contact: Nathan Wiest 800-482-2971
- ❖ **LDMI/Custom Telecom** (phone/communications)  
Provider contact: Kathy Schaumburger 866-332-1200
- ❖ **Lower Electric, LLC** (energy supply)  
Provider contact: 866-569-3788
- ❖ **Office Depot** (office supplies)  
Provider contact: Ron Sorey 800-578-9675 ext. 5721
- ❖ **Total Energy Company** (energy auditor)  
Provider contact: Gary Haga 269-639-7402

## Inflation Talk

### CPI-W Urban Wage Earners and Clerical Workers

Month	82-84	1967	57-59
<b>Dec 2004</b>	<b>186.0</b>	<b>554.2</b>	<b>644.3*</b>
Nov	186.8	556.3	647.1*
Oct	186.5	555.7	646.1*
Sept	185.4	552.4	642.3*
Aug	185.0	551.0	640.9*
July	184.9	550.8	640.5*
June	185.3	551.9	641.9*
May	184.7	550.2	639.9*
April	183.5	546.5	635.7*

### CPI-U All Urban Consumers

Month	82-84	1967	57-59
<b>Dec 2004</b>	<b>190.3</b>	<b>570.1</b>	<b>663.0*</b>
Nov	191.0	572.2	665.4*
Oct	190.9	571.9	665.1*
Sept	189.9	568.7	661.6*
Aug	189.5	567.6	660.2*
July	189.4	567.5	659.8*
June	189.7	568.2	660.9*
May	189.1	566.4	658.8*

**Note:** December 2004 CPI-W represents a **3.4% increase from one year ago;** CPI-U **3.3% increase.**

\* Base Year 1957-59 is no longer released. BLS has issued the following conversion factors from the 82-84 year:

CPI-W—.2886674 CPI-U—.2870447

### TOOL TALK®

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