

tmta talk

A publication of the Tooling, Manufacturing & Technologies Association



FROM ROB'S ROOST
BY ROB DUMONT
PRESIDENT & CEO

The Not So Lazy Days

Together with several other similarly interested and motivated organizations, TMTA recently met with staffers from the offices of 32 U.S. Senators. It was certainly the most productive effort this year in the quest to 'educate' our law and policy makers on the status of manufacturing

in America. The theme of the meeting was "The Need for a National Trade Strategy".

Interestingly several of the staffers engaged in the dialogue and posed questions that signaled an appreciation of the gravity of the American economic situation and later, in private conversations, engaged in discussion on approaches that might be made to assist manufacturers.



In some cases staffers were clearly surprised by the data that was presented and supported such as the loss of 3.4 million plus manufacturing jobs in this country since the beginning of March 2001. Some staffers were unaware that there is a multiplier for each manufacturing job lost. It is information of this type that taken back to the 'boss' has an impact. If the staffer doesn't know it is usually because the topic is not discussed or considered worthwhile. I came away with the sense that progress was made. In addition I am also confident that in many senatorial offices in DC, trade policy is fast becoming of interest; particularly in those offices where Senators are seeking re-election in November.

Presentations were made on currency manipulation, illegal export and investment subsidies, food and product safety and country of origin labeling. In addition we talked about the fact that current U.S. tax policies discourage domestic investment and encourage off shoring.

I also had discussions with staffers on the House side relative to proposed
(Rob's Roost continues on Back Page)

Inside This Issue

- Page 2 Members in the News
TMTA Marketplace
Personnel Available
Health News
Association Sponsored
Health Care Plans
- Page 3 Health News
The Right Walking Shoes
Legislative Update
- Page 4 MTMIC: From the Desk of
Gary Wood
- Page 5 CPI-W/U—Inflation Talk
- Page 6 In Memoriam
Litigation Proofing Your
Retirement Plan
- Page 7 TMTA Endorsed Providers
- Page 8 OSHA Quick Card
Heat Stress
Rob's Roost
(continued from page 1)

tmta Calendar of Events August 2008

20	TMTA Board of Directors meets at TMTA offices
21	MTMIC Board of Directors meets at TMTA offices

Visit www.thetmta.com for detailed, up-to-date information.

TMTA MEMBERS IN THE NEWS

Steel Tool & Engineering Co., the manufacturer and engineering provider of precision component parts for military and commercial aircraft jet engines, plans to invest \$3.5 million to consolidate operations in Taylor and Wyandotte into a facility in Gibraltar, MI.

The project is expected to create 112 new jobs, including 50 directly by the company. An economic analysis conducted by the Michigan Economic Development Corporation (MEDC) estimates that the project will generate an additional 62 indirect jobs. Based on the MEDC's recommendation, the Michigan Economic Growth Authority board approved a state tax credit valued at \$535,000 over 7 years to win the project over a competing site in Indiana. The city of Gibraltar has proposed a 12 year abatement to support the project.

Our congratulations and best wishes to the above member. Let us know what is happening at your company. We would like to share it with all of our readers.

TMTA MARKETPLACE

Personnel Available:

Program Administrator seeks position utilizing experience and strengths. A team player and proven leader with skills in problem solving, supplier management, and excellent communication skills.

Ask for Resume #08-08.



Benefits of Association-Sponsored Health Care Plans Membership has its benefits...

A membership with TMTA means you have the resources, advocacy and community support needed to build and grow your business. But you may not know that it also gives you the opportunity to provide your employees with the peace of mind that comes with small group health care protection from Blue Cross Blue Shield of Michigan.

The benefits you offer give you a competitive edge in attracting and keeping employees. Through the TMTA Insurance Agency, even the smallest business owner can offer the best-in-class health care protection through Blues sponsored plans.

With a TMTA-sponsored health plan, your employees can benefit from:

- More provider choices
- Worldwide acceptance
- A dedication to wellness
- Easy online resources
- Member discounts
- Blues commitment

No one knows your industry better than TMTA. And no one knows health care better than the Blues. That's why we've partnered together to offer our members the most comprehensive coverage at competitive prices.

Please remember, if your company is signed up to be a part of the TMTA Association-Sponsored Health Care Plan through BCBS, **you should be sending all of your enrollment changes directly to TMTA**, attention: Elaine.

Two of the most important advantages to your company's signing up for the free TMTA Association-Sponsored Group affiliation through BCBS is the recordkeeping service and the one-on-one customer support.

By sending all of your changes to TMTA we can process them much quicker than sending them to BCBS. Because of our online capabilities, changes are normally completed within 24-hours. You can be confident that your changes have been processed correctly and in a timely manner.

We also are able to access your group records so we can assist in answering all of your BCBS questions. We want to support you in the best way possible. Please do not hesitate to call us—that's why we are here!

Benefit from the advantages of an association membership. Call Elaine at 248-488-0300, ext. 1309 today to see how a TMTA/Blues Association-Sponsored Health Care Plan can benefit your business.

How to find the right walking shoe

When Jodi Davis decided to begin an exercise program, she chose walking. It worked so well, in fact, that Davis, lost 162 pounds in 16 months.

Walking is the ideal exercise and reduces your risk for heart disease, high blood pressure, diabetes, some cancers and stroke. "It's also easy to do and requires very little cost beyond a good pair of walking shoes," says podiatrist Arnold Ravick, M.D.

The right shoe is the most important part of foot care for walkers. Your footwear can make the difference between pleasure and pain on your stroll. "The ideal walking shoe should be stable from side to side, well-cushioned and enable you to walk smoothly," says Dr. Ravick.

Walking shoes should be lightweight but with good cushioning in both the heel and ball of the foot. The sole should be slightly rounded so you can easily shift your weight from heel to toes.

Arch support is important, too. The higher your arch, the less susceptible you are to pronation—the foot's natural, inward rolling motion. For flat feet, you want a rigid shoe to help control pronation. For a high arch, you need more cushioning to avoid jarring joints and ligaments.

When buying new shoes, go to the shoe store late in the afternoon when your feet are slightly swollen, and wear the same socks to the store that you'll wear while walking, Dr Ravick says.

Have your feet measured, while standing, each time you buy shoes. Try on at least four pairs. Put on and lace both shoes of each pair (one foot is often larger than the other), and walk around for a minute or two.

When the shoes are on your feet, the heel should be snug and you should be able to wiggle your toes. There should be a half to a full thumb's width between the end of the longest toe on your longer foot and the end of the shoe.

If you have bunions, hammertoes or other foot problems, ask a podiatrist about the best shoe and walking routine for you.

LEGISLATIVE UPDATE

By JUDY AUGENSTEIN,
LEGISLATIVE CONSULTANT, LANSING

For the first time in a decade, Michigan Democrats enter an election cycle defending a majority in the Michigan state House. Democrats will try to maintain and expand their current 58-52 edge and Republicans will attempt to attain the majority. Forty four representatives are term limited, meaning they cannot run for the House this year. Republicans have 28 term limited members, while Democrats have 16. Forty two Democratic incumbents are running for re-election, compared with 23 Republicans.

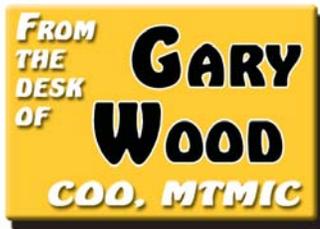


Unfortunately, some polls indicate lower voter approval ratings for the Legislature than seen in recent years. I suspect this is most likely due to term limits because legislators do not have enough time to build credibility and trust with each other. The House is controlled by Democrats and the Senate is controlled by Republicans. Senate seats are not up for re-election until 2010.

While the Legislature had less tax revenue to spend than expected because of a worsening economy, they did not have to deal with the huge shortfalls of recent years. That made the recent budget debate and compromise easier. Legislators, especially House members up for re-election in November, also were motivated to make progress to avoid a repeat of the highly partisan squabbles of last year.

The Legislature will return following the primary elections to assess legislative wins and losses. The lame duck session will prove to be busy and controversial. Legislative issues thought to be dead can be resurrected and move quickly through the process. Slam dunk issues can get side stepped and stopped in their tracks. Anything and everything can happen during lame duck. It is always very important to stay alert during the final months of the legislative session.

We continue efforts to move SB 680 through the legislative process. Representative Andy Meisner, D-Ferndale, is the Chair of the House Tax Policy Committee where the bill resides. It is important to contact Rep. Meisner to express your support for the bill and how it could impact your company. The bill amends the Tool and Die Renaissance/Recovery Zone Act to allow companies with more the 75 employees to be able to apply for tax abatements under certain conditions.



Board Member Opportunity!

The nominating committee of the MTMIC Board is seeking qualified candidates to run for the office of Director on the Board of

the Manufacturing Technology Mutual Insurance Company. Directors serve three year terms. The Board meets on the morning of the third Thursday of each month to oversee, discuss and direct the operations of the MTMIC. The meetings are held in the offices of the TMTA at 28237 Orchard Lake Road, Farmington Hills, MI 48334.

This year one of the current Board members has decided to not seek re-election, so there will be an open seat. All of the current officers are owners or officers of policyholders in the MTMIC. There is a background check required by the state of Michigan for the successful candidates and the state enforces this with fingerprinting.

The deadline for nominations is August 15; please contact Gary Wood if you are interested in the opportunity at gary.wood@mtmic.com or 248-488-1172, ext 1316.

Annual Meeting

The Annual Meeting of the MTMIC is being held on October 16, 2008 at the Red Run Golf Club in Royal Oak.

Guests will be received starting at 11:30 a.m. and a lunch will be served at noon. Please mark your calendars for the occasion. If you need further information please contact either Gary Wood (gary.wood@mtmic.com or 248-488-1172, ext 1316) or Megan Brown, Director of Sales and Marketing (megan.brown@mtmic.com or 248-488-1172, ext. 1006).

How To Become a Policyholder and Support Your Association

If you are a member of the TMTA and you are not taking advantage of the endorsed programs sponsored by your Association (MTMIC being one of those) maybe it is time to reevaluate that situation.

The MTMIC has been affiliated with the TMTA since before either entity had their current names. It has been a mutually beneficial relationship since 1976. The tool & die world has changed a lot since 1976 and both entities have gone through several evaluations and recasting of the purpose of the organizations as the methods of doing business have changed.

The MTMIC supports the TMTA in several ways.

MTMIC rents office space from TMTA (currently renting nearly 25 % of the available space at their office). We also support the Association in other monetary ways which contribute to the reduction of the overall cost to the members of TMTA and in part resulting in the ability of the TMTA to maintain their dues structure unchanged for many years. So, it is an advantage to the Association and the members to consider the endorsed providers products when making a decision on an insurance product.

But, what if your brother-in-law is your agent—how do you keep everyone happy? If you have an affiliation with your agent that you are extremely comfortable with, there is still a way! Let us know who your agent is and we will quote through their agency to get your business. We pay a competitive commission rate and we want to earn your business! Either contact us yourself or have your agent contact Megan Brown, Director of Sales and Marketing at megan.brown@mtmic.com or 248-444-9513.

Renewal Questionnaire

Soon you will be receiving our annual renewal questionnaire. Please note that we use your responses to develop your renewal quote and to obtain the most favorable results from the reinsurance provider. Yes, we really do need your information.

The questions you will be asked are not that difficult and you should have the information at your fingertips. Questions include:

- Company Name.
- Company Locations (list all locations).
- Employees per location/per shift.
- Do you have an airplane or a boat you use in your business?
- Have there been significant changes in your operations?
- Have you modified or moved your facility locations?
- Did you have a significant increase/decrease in employment?
- Do you have written safety programs?
- Do you require pre-employment physicals including drug screening?
- Do you perform random drug testing?
- Do you have an employee training program?
- Do you license all fork lift and crane operators?
- Estimate premium for the renewal (all payroll is subject to audit).

Depending on your responses, additional information may be requested to update our database. In today's insurance world it is extremely important to have the

best information to get the best terms and conditions on your renewal policy.

Has The Plan Worked?

Almost two years ago the MTA Workers' Compensation Fund became the Manufacturing Technology Mutual Insurance Company. Before we started as a mutual insurance company we could not discount policies for extenuating circumstances nor could we provide premium (volume) discounts to policyholders. After we had the appropriate pricing platforms in place, we were allowed to both discount policies based on the individual's risk characteristics and apply premium discount to all qualifying policyholders.

In today's insurance industry, the ability to price according to account attributes is extremely important if you are interested in growing the book of business. With our pricing structure and the addition of a seasoned marketing professional, we have grown the premium nearly 10% in less than a year and increased the total policy count. While some of the old businesses have unfortunately failed to gain momentum in the economy, we have added new accounts in slightly different fields of manufacturing and increased—just as the Directors planned to do!

We are excited about the future of the MTMIC and hope that any of you that are not currently involved will take the step to becoming a policyholder.

East Coast Viewpoint

Several weeks ago I traveled to New Jersey on business. If it would not have been for all of the foreign cars I would have thought I was somewhere in the United States.

While everyone is entitled to their own opinion, when did it become so fashionable to be so out of touch with an industry that basically dragged the United States into and through the twentieth century? The domestic automakers are certainly not without fault, but it was amazing to witness the virtual total rejection of any domestic product by people that are in a position to make an impact on the "buy" decision.

While riding in a very uncomfortable highline Japanese import (which had just been into the dealer for service between oil changes), I was appalled to hear the driver comment that all American vehicles were unacceptable means of transportation. There is a lot of blame to go around in the downward spiral of the domestics but surely there must be redeeming features we can offer the American driver.

The domestics have a long way to go to win back the non-employee to their products. The quality perception problem is certainly fantasy; after a ten hour drive in a rented Chevrolet I was still amazed at the capacity of the American car to complete the American way of life at a price you can afford, gas mileage you can accept and comfort beyond the foreign competition's luxury sport sedan.



~~Always wear your seat belt. It's a lot more comfortable than a body cast.~~

Inflation Talk

CPI-W Urban Wage Earners and Clerical Workers

Month	82-84	1967	57-59
June 2008	215.223	641.082	745.57*
May	212.788	633.830	737.14*
Apr	210.698	627.606	729.90*
Mar	209.147	622.985	724.53*
Feb	207.254	617.345	717.97*
Jan	206.744	615.828	716.20*
Dec 2007	205.777	612.948	712.85*
Nov	205.891	613.287	713.25*

CPI-U All Urban Consumers

Month	82-84	1967	57-59
June 2008	218.815	655.474	762.30*
May	216.632	648.933	754.70*
Apr	214.823	643.515	748.40*
Mar	213.528	639.636	743.88*
Feb	211.693	634.139	737.49*
Jan	211.080	632.301	735.36*
Dec 2007	210.036	629.174	731.72*
Nov	210.177	629.598	732.21*

Note: June 2008 CPI-W represents a 5.6% increase from one year ago; CPI-U a 5.0% 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

In Memoriam

It is with deep sadness and regret that we note the passing of **Billy Joe Justus**, president of **Michigan Products Company**, on July 12, 2008 at the age of 58. He is survived by his son, Jeffrey; two brothers and three sisters. His wife predeceased him in death.

Mr. Justus served his country by becoming a Sergeant in the U.S. Army, but his proudest accomplishment was his son, Jeffrey. He enjoyed the tranquility of Lake Fenton with his many family and friends along with other outdoor activities.

Our sincere condolences to his family and friends.

In Memoriam

It is with deep sadness and regret that we note the passing of **Patrick H. Purdom**, founder of **Ideal Fabricators**, July 15, 2008 at the age of 74. Patrick founded Ideal Fabricators in 1984 and was president until his retirement in 1992. He is survived by his cherished wife of over 50 years, Ilene; son, Scott; daughters, Cindy and Patricia; son-in-laws, Steve and John; and grandchildren, Steven, Lea, Patrick and Jessica.

Mr. Purdom received his education from Eastern Michigan University in 1960. He was a proud veteran of the U.S. Army. After his retirement his passion for golf earned him two holes-in-one in one year. His dear friends, neighbors and golf buddies will all miss his companionship, humor, smile and genuine interest in all that he met.

Our sincere condolences to his family and friends.

Litigation Proofing Your Retirement Plan—Freedom One's Protection

*By: Alice Cerulia, Client Relationship Manager,
Freedom One Financial Group*

The landscape for legal exposure on 401(k) plans has changed dramatically. There has been a barrage of lawsuits against 401(k) Plan Sponsors and Administration firms, subject to ERISA, for failing to perform fiduciary duties. These breaches include failing to act in the exclusive benefit of plan participants and their beneficiaries, the lack of monitoring of plan investments, failure to review plan fees to ensure that they are reasonable, along with failing to act prudently and with expertise in the matter of investments and procedural execution.

To date there are three types of suits being brought forth:

- 1) **Excessive Plan Fees**—Class action litigation surrounding excessive plan fees including the failure to disclose revenue sharing agreements between providers and plan sponsors, as well as conflicts of interest.
- 2) **Administration**—Litigation over individual participant market losses due to the failure to execute participant requests in a timely fashion.
- 3) **Imprudent Investment Options**—ERISA stock-drop cases, which involve a drop in the value of stock held by employee benefit plans. There are two angles with such cases: offering an imprudent investment and the failure to monitor the suitability of the investment within the retirement plan portfolio. In some cases, charges also involve securities fraud.

Because 401(k) plans are now the primary retirement vehicle for Americans, an influx of lawsuits is expected to spill over into other types of plan investments, given today's volatile market conditions, in attempts by participants to recover market losses.

Freedom One's Protection:

- 1) **Use ERISA's Safe Harbors**—During the plan design process, each plan undergoes an extensive review by our ERISA attorney to encourage that plan provisions are consistent with ERISA safe harbor definitions. The adherence to these statutory provisions (definition of compensation, eligibility, vesting, bonding requirements, etc.) decreases the likelihood of administrative error and non-discrimination testing failures.
- 2) **Meet ERISA's 404(c) Regulations**—To meet ERISA's 404(c) regulations, participants must be permitted to exercise control over the assets in their accounts. The plan must also offer a "broad range of investments," which requires, at minimum, the availability of three diversified asset classes, or "core" investments, which include stocks, bonds, and cash. Freedom One offers multiple diversified investment options in each asset class, from a variety of fund families, and Managed Account Portfolios (MAP).
- 3) **Assign Safe Harbor Default Investments**—Participants with balances who have not made investment elections are

automatically invested in the Qualified Default Investment Alternatives, as defined by the Pension Protection Act of 2006.

- 4) Monitor Plan Fees—Freedom One performs ongoing monitoring of plan fees and expenses on behalf of Plan Sponsors.
- 5) Document Procedures—Your Investment Policy Statement, created by Freedom One, details the fiduciary roles and responsibilities of all parties related to the plan and specifies the investment monitoring procedures and standards.
- 6) Hire a Co-Fiduciary—Freedom One Investment Advisors contractually accepts the role of Co-Fiduciary on your Plan. We perform the selection and monitoring processes of the underlying investments, making replacement decisions when necessary or advantageous.
- 7) Monitor Your Service Provider—To ensure the fulfillment of the plan sponsor's responsibility to monitor, we conduct fiduciary compliance investment reviews on a regular basis, documented by Trustee minutes.
- 8) Be Consistent—Consistency is maintained between the Plan Document and Summary Plan Description, by extracting data directly from the Plan Document for the creation of the Summary Plan Description.
- 9) Educate and Communicate—Frequent participant communication through website, newsletters, statement messages, and enrollment services help participants understand their 401(k) plan, investment options and market conditions.
- 10) Limit Employer Stock—Offering employer stock as a possible retirement plan investment option is discouraged.
- 11) Include "Firestone" Language in the Plan Doc—Your updated Plan Document contains language that grants the "Plan Administrator sole authority to interpret any ambiguous plan provisions." This plan language provides some forbearance from challenges in the court system and offers further legislative protection.

Freedom One's business model was designed around helping Plan Sponsors fulfill their fiduciary duties and responsibilities as dictated by the Department of Labor. Freedom One continues to remain on the cutting edge of legislative developments and is committed to the successful administration of retirement plans.

Freedom One is the endorsed provider of retirement benefits for the TMTA. Learn more online at www.FreedomOneFinancial.com or contact Lesley Goodwin at 248-620-8100.



TMTA Endorsed Service Providers

Manufacturing Technology Mutual Insurance Company (MTMIC)

(workers' compensation program)

Provider contact:

Gary Wood 248-488-1172 ext. 1316

Reliance Standard/Ameritas

(life/dental insurance programs)

TMTA contacts:

Dennis Campbell 248-488-0300 ext. 1313

Stella Krupansky 248-488-0300 ext. 1310

Blue Cross Blue Shield/BCN

(health insurance program)

TMTA contacts:

Dennis Campbell 248-488-0300 ext. 1313

Elaine Burger-Laskosky 248-488-0300 ext. 1309

Federated Insurance

(property & casualty insurance program)

Provider contact:

John Medo 800-428-4143

Freedom One Financial Group

(401(k) retirement program)

Provider contact:

Lesley Goodwin 248-620-8100

John M. Packer & Associates

(unemployment cost control program)

Provider contact:

Nathan Wiest 800-482-2971

Custom Telecom

(phone/communications programs)

Provider contact:

Kathy Schaumburger 866-332-1200

TMTA receives a benefit from its Endorsed Providers when you, as a member, patronize them. This is one way we are able to maintain the level of dues.

Cut out the handy OSHA Quick Card below and post it on your employee information board.

OSHA QUICK CARD™

Protect Yourself Heat Stress



When the body is unable to cool itself by sweating, several heat-induced illnesses such as heat stress or heat exhaustion and the more severe heat stroke can occur and can result in death.

Factors Leading to Heat Stress

High temperature and humidity; direct sun or heat; limited air movement; physical exertion; poor physical condition; some medicines; and inadequate tolerance for hot workplaces.

Symptoms of Heat Exhaustion

- Headaches, dizziness, lightheadedness or fainting.
- Weakness and moist skin.
- Mood changes such as irritability or confusion.
- Upset stomach or vomiting.

Symptoms of Heat Stroke

- Dry, hot skin with no sweating.
- Mental confusion or losing consciousness.
- Seizures or convulsions.

Preventing Heat Stress

- Know signs/symptoms of heat-related illnesses; monitor yourself and coworkers.
- Block out direct sun or other heat sources.
- Use cooling fans/air conditioning; rest regularly
- Drink lots of water; about 1 cup every 15 minutes.
- Wear lightweight, light colored, loose-fitting clothes.
- Avoid alcohol, caffeinated drinks, or heavy meals.

What to Do for Heat-Related Illness

- Call 911 (or local emergency number) at once.

While waiting for help to arrive:

- Move the worker to a cool, shaded area.
- Loosen or remove heavy clothing.
- Provide cool drinking water
- Fan and mist the person with water

For more complete information:

OSHA Occupational
Safety and Health
Administration
U.S. Department of Labor
www.osha.gov 800) 321-OSHA

OSHA 3154-07R-06

**For more information about
the TMTA, our advocacy,
events and benefits, visit us at
www.thetmta.com**

(Rob's Roost continued from Page 1)

legislation addressing domestic product promotion not unlike the "MADE IN AMERICA" portion of the TMTA website. There is currently an effort being spearheaded by Congresswoman Betty Sutton (OH-13).

There are legislative initiatives in the Senate as well as addressing trade policy and manufacturing issues, all of which I monitor. I spent a fair bit of time with the Legislative Assistant to Senator John D. Rockefeller of West Virginia who is actively working on one such piece of legislation as well as with staffers of Senator Stabenow of Michigan. More to come as things develop!

We are looking into presenting updates on our successful Lien & Bankruptcy Law seminars early in the fall. These were well attended and some developments in those areas of law warrant doing additional seminars. Once arranged we will get the word out on when and where.

Please do your part to support your association by recruiting new members and by supporting our advocacy efforts by patronizing the TMTA Insurance Agency and our Endorsed Service Providers. Contact information is available on the TMTA website: www.thetmta.com.

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