

tmta talk

A publication of the Tooling, Manufacturing & Technologies Association



FROM ROB'S ROOST
By ROB DUMONT
PRESIDENT & CEO

The Expected Occurred

Last month I indicated that there was an expectation that bipartisan legislation addressing currency misalignment was to be introduced in both the U.S. House and Senate. It was in the form of HR 2378 and S 1027 respectively. The originators in the House were Representatives Tim Ryan (D-17th OH) and Tim Murphy (R-18th PA) while Senators Debbie Stabenow (D MI) and Jim Bunning (R KY) led the effort in the Senate. I attended the official press announcement on the Terrace at the Cannon House Office Building and I overheard a long time Hill watcher suggest that "they must be serious because you just don't see two U.S. Senators coming over to the House side of the Hill for anything". Both Senators Stabenow and Bunning spoke at the event.

I won't catalogue the progress of the effort to gain co-sponsors for the two pieces of legislation but at present there are seven in the Senate (two Republicans and five Democrats) and in the House there are now fifty-eight (thirty-two Democrats and twenty-six Republicans). If you would like to monitor the addition of co-sponsors as the effort proceeds you can do so by visiting www.faircurrency.org where updates are made as new members sign on.

In the Senate Michigan is batting a 1000 as both Senators Stabenow and Levin are co-sponsors while one Senator from each of Kentucky, Maine, Ohio, Pennsylvania and Wisconsin are on as well.

The effort in the House finds PA (9), MI (6) and NY (6) in the lead in terms of co-sponsors.

I will be back on the Hill again this month. Meetings do matter and results do follow; I met face to face with Gary Peters (D-9th MI) and Peter Hoekstra (R-2nd MI) and each signed on. In addition I met with John Conyers (D-14th



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tmta Calendar of Events

June 2009

17	TMTA Board of Directors meets at TMTA offices
18	MTMIC Board of Directors meets at TMTA offices
21	First Day of Summer

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

TMTA MARKETPLACE

Personnel Available:

Engineering Technician seeks challenging position in the automotive industry utilizing education and past experience as HVAC test technician, electronics launch engineer, fleet technician, and certified automotive mechanic.

Ask for Resume #90601.

Administrative Professional seeks position utilizing diverse knowledge and experience in the automotive industry gained through progressively responsible positions. A team player with strong customer focus and emphasis on communication, multi-tasking and organizational skills.

Ask for Resume #90602.

Accounting/Business Professional seeks position utilizing more than 15 years diverse accounting and business experience. Detail-oriented with strong analytical skills; a team player with the ability to be flexible in duties.

Ask for Resume #90603.

Management Professional seeks position utilizing extensive experience working on executive teams in high technology, engineering oriented organizations to maximize productivity, profitability, innovation and creativity. Able to create and manage business relationships with global and leading companies; provide guidance for the development of strategic plans, annual operational budgets, and goals for global, multidivisional companies; and demonstrate success in managing banking relationships, audit, insurance, financial reporting and taxation functions.

Ask for Resume #90604.



BCBSM Study Finds Radiation for Heart CT Can Be Cut More Than Half

During a quality improvement initiative funded by BCBSM, doctors and hospitals statewide have helped protect patients from the potential risk of radiation exposure during heart testing.

Heart CT angiography, or coronary computed tomography angiography, has a 90% success rate in diagnosing heart disease. It is especially useful in identifying whether low-risk patients with symptoms do, in fact, have heart disease. It uses contrast in the arteries and high-resolution CT to obtain detailed images of blood vessels and the heart to identify possible blockages or structural problems. The exposure of patients to ionizing radiation during the test is a barrier to its widespread use.

Project participants were able to reduce the radiation dose by an average of 53.3%, to about the equivalent of three years' "background radiation". This refers to the radiation one would get from such sources as sunlight and radioactivity from the earth. They were able to reduce the heart CT radiation dose through the use of 7 risk-reduction protocols such as limiting the area scanned and by adjusting the power of the scanner depending on the patient's weight.

Details of the project are published in the June 10 issue of the Journal of the American Medical Association. There is also the potential to apply the same dose-reduction strategies when scanning other parts of the body in the future.



TMTA will, from time-to-time, feature a member company so that the membership gets to know a little more about each other. This month we are featuring:

The Classic Story

Classic Products, Inc. of Piqua, Ohio was founded in 1980 with the acquisition of several established building product lines from Kaiser Aluminum. Founded by Donald E. Miller, primary leadership of the company is now in the hands of his son, Todd. Over the years, despite ups and downs in the economy, we have grown consistently by keeping our focus on building a loyal team and close relationships with our

customers. We have always known that our success and continued growth depend upon not only producing the highest quality metal roofing products, but also priding exceptional customer service and support. We care deeply about each project for which our materials are selected, and we are unwavering in our commitment to products and support that exceed customer expectations.

Literally dotting our nation's highways and byways, our products have been used by such well-known franchises as Pizza Hut, Dairy Queen, Seven-Eleven, Dunkin' Donuts, and Toys R Us. One of our flagship products, Rustic Shingle, was developed in 1959 and represents the most proven technology available in residential metal roofing today. Over the years, we have expanded our product offerings through the acquisitions from Reynolds Metals, Alcoa Building Products and PreCoat / Sequa. We have also developed new products, often with a focus on cutting-edge coating technology. We have led the industry in the adoption of Kynar 500 / Hylar 5000 finishes as well as finishes utilizing reflective pigments and environmentally-friendly powder coating technology.

Our metal roof systems protect and beautify tens of thousands of buildings worldwide. Although a portion of our business is still commercial, a vast majority of our customers are homeowners who achieve a lifetime solution to their roofing worries through the use of our products. During the entire length of our interaction with each and every homeowner, we will always offer the highest level of support, service, and, above all, friendliness. We call this personal interaction with our customers "The Classic Touch" and we have been told again and again that it sets us apart from the competition.

Classic Products is universally recognized as a leader in the metal roofing industry. As a member of the Metal Construction Association, the Metal Roofing Alliance, the Cool Metal Roofing Coalition and the Metal Initiative, we are committed to the education of consumers, builders and architects in the benefits of metal roofing. We constantly strive to break the mold, redefine the metal roofing industry and remain sharply on the cutting edge of technology.

Every action we take is based on the premise that exceptional service and unsurpassed products will ensure our continued success, creating not only satisfied customers, but also friends. The special attention we pay to every customer, "The Classic Touch," always has been and always will be the backbone of our company. It's not easy to change the way the world roofs its buildings but, at Classic Products, that is exactly what we're doing—one customer at a time.

LEGISLATIVE UPDATE

By JUDY AUGENSTEIN,
LEGISLATIVE CONSULTANT, LANSING



Municipalities will see a \$41 million revenue sharing cut, state workers have been asked to take furlough days and around 80 state troopers will be laid off as part of the Governor's budget cutting Executive Order. The E.O. includes up to \$300 million in budget cuts. Faced with a \$1.3 billion hole in this year's budget, many state departments are being asked to take 4% cuts going into their last five months of the fiscal year. Hospitals will see 4 percent less for the Medicaid patients they take in, state employee layoffs are possible and the community mental health boards and coordinating agencies are bracing for a \$12.5 million cut.

One of the biggest cuts being made is the slice to revenue sharing. The strings attached to the federal stimulus money steers the budget cutting knife away from education and universities, so the axe has to fall somewhere. Also on the chopping block are 81 state troopers who just graduated from the trooper school. Many legislators are actively working to keep state troopers from being cut. The budget debate continues to be at the top of the legislative agenda. The Michigan Strategic Fund Board has established a new Michigan Supplier Diversification Fund and allocated \$12 million to help auto suppliers hammered by the auto company's financial problems to diversify their businesses. The money is coming from two sources: \$3 million from the Jobs for Michigan Investment Fund and \$9 million from the 21st Century Jobs Fund. The Supplier Diversification Fund is divided into three programs: Loan Participation, Collateral Support, and Gap or Mezzanine Financing. State Treasurer, Bob Kleine, and Greg Main, MEDC CEO, admit the money is not enough and that additional resources are needed, but that will take legislative action.

Representative Kim Meltzer, R-Clinton, and Rep. Mark Meadows, D-East Lansing, remain committed to move the package of bills to amend the Lien Act. Four bills await action by the House Judiciary Committee, chaired by Meadows and two bills await debate by the Senate Commerce and Tourism Committee, chaired by Senator Jason Allen, R- Traverse City. Ford, GM and Chrysler are actively lobbying against the bill in the Senate which is holding up debate on the Senate bills. My recommendation to Meltzer and Meadows is to move the House bills and get them assigned to a friendly Senate committee.



What a ride!

The king of auto manufacturers has abdicated the rule in favor of government intervention and foreign pretenders to the throne.

The current advertising is nauseating: "We are sorry that we built the vehicles you wanted when you would not buy the ones the government wanted us to make."

Now let's throw a TARP over the fact that the banks and Wall Street caused this mess in the first place and call it all good.

I don't really care where you buy your car or who makes it, what I care about is the general well being of the American economy. I am concerned and not sure our current method of operation is going to get us anywhere when everybody is so egocentric that they actually don't care what happens as long as "they got theirs."



To quote a book a few of you may have read:

"This know also, that in the last days perilous times shall come. For men shall be lovers of their own selves... Traitors, heady, highminded, lovers of pleasures... Ever learning, and (yet) never able to come to the knowledge of the truth..."

Did poor management decisions build this country; how many bankruptcies have gone before? If it wasn't for bad management would we even need the federal bankruptcy rules?

The often overlooked (and never acknowledged) fact is that all of the car companies in the world are in trouble and most of their home governments are doing something to bail them out. It isn't the American auto industry that failed; it is a breakdown of the entire financial system virtually world-wide that cut the bottom out of the market. When there is a solid business model that consumes over

15,000,000 vehicles a year and suddenly that number is around 9,000,000, you can bet your last dollar (oh, wait a minute, most of us did) that there will be fall-out. If the banks had not completely backed out of lending last year, we probably would not have the same situation we have today.

When someone, somewhere, decided we needed to bring the rest of the world on par with our standard of living, they forgot to consider the consequences.

Makes you wonder what was wrong with global manufacturing superiority?

MTMIC Status Report

Medical Fee Schedule Payments

In the first quarter of 2009, the MTMIC processed medical claim payments totaling \$1,749,500. The payments are scrutinized by a third party processor and are reduced by a fee schedule to coincide with prearranged payment amounts (similar to Medicare). After all discounts, the medical providers were paid \$708,496, a 59.5% average savings. (NOTE: If your company is paying medical claims direct, you are likely to be paying these bills at their full amount).

Policyholders

At the end of the first quarter, the total policies in force were 491, up from 429 in the prior year.

Website

The MTMIC has revisited our website to provide details on many of the advantages of participating as a policyholder. Current policyholders can use the website as a reference source for forms and information on MTMIC operations.

Claims

At March 31, 2009, there were a total of 672 open claims from 2006 through 2009 with 170 indemnity case and 502 medical only claims. There were 237 total claims in the first three months of 2009.

The average loss ratio for the entire MTMIC book of business was 56.4%. The average loss ratio for the

claims of the workers' compensation fund average 57.8%. The claims from the fund are still being managed by the staff of the MTMIC, but MTMIC is not responsible for funding the payments. There are only 75 open claims from all fund years.

Loss Control

The Loss Control staff has conducted 269 policyholder visits through the end of March (up from 201 last year). As the MTMIC expands the types of businesses we insure, there have been many more pre-inspections of prospects so we know what type of accounts we are writing from a safety perspective. By the end of March almost every new account written in 2009 has received inspections and evaluations.

Financial

The MTMIC is required to report to the State Office of Financial Regulation and has done so in timely compliance with the regulations affecting insurance companies. The MTMIC also contracts with an independent outside audit source to complete a fiscal year audit of the records and transactions of the company. The auditing firm of Andrews, Hooper & Pavlik reported no significant findings in the 2008 year audit.

Investments

The MTMIC investments are managed by an outside vendor under the direction of the Board. The conservative mandates of the Board have mitigated the possible losses of extreme market influences.

There was virtually no affiliated risk to the portfolio as a result of sub-prime home lending issues, however, the market influences have result in decreased values of investments in equities.

Overview

The results of the first quarter 2009 have not been as volatile as could have been. The addition of the Plastic Processors group to the policyholder base has provided a significant boost to total policy count and the Sales and Marketing staff added 55 new accounts in addition to the plastics.

Policyholder service is at an all time high. Employee morale is good. New business prospects for the rest of the year seem to be available even though the premiums are significantly smaller due to the general business

conditions and downsizing of employment at many of the policyholders.

MTMIC Annual Meeting

The MTMIC Board has determined that the Annual Meeting of the insurance company will be held on October 15, 2009. Please mark your calendars for the luncheon; we will update this information as to the location as soon as plans are finalized.

***~Work smart, be safe,
buy something made in America ~***

Inflation Talk

CPI-W Urban Wage Earners and Clerical Workers

Month	82-84	1967	57-59
Apr	207.925	619.344	720.29*
Mar	207.218	617.239	717.84*
Feb	206.708	615.719	716.08*
Jan 2009	205.700	612.719	712.58*
Dec	204.813	610.075	709.51*
Nov	207.296	617.472	718.11*
Oct	212.182	632.025	735.04*
Sept	214.935	640.226	744.58*

CPI-U All Urban Consumers

Month	82-84	1967	57-59
Apr	213.240	638.771	742.88*
Mar	212.709	637.182	741.03*
Feb	212.193	635.637	739.23*
Jan 2009	211.143	632.491	735.58*
Dec	210.228	629.751	732.39*
Nov	212.425	636.332	740.04*
Oct	216.573	648.758	754.49*
Sept	218.783	655.376	762.19*

Note: April 2009 CPI-W represents a -1.3% increase from one year ago; CPI-U a -0.7% 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

2009 Third/Fourth Qtr Business Trends Outlook Survey

Thanks to the 107 member companies that took the time to respond to the latest Business Trends Outlook Survey. The figures in the brackets are the responses from the survey completed six months ago.

“It seems nobody in our state or federal governments care about manufacturing cars or any other products here.”

1. Describe your company's operation:

Dies, Molds	11%
Jigs, Fixtures, Gages	7%
Engineering, Technology	0%
Stamping, Forging, Casting	4%
Manufacturing	19%
Machining	19%
Tools	10%
Special Machines	7%
Assemblies	0%
Fabrications	6%
Prototypes	3%
Other	14%

2. How is your business now?

Excellent	00%	(04%)
Very good	03%	(11%)
Good	09%	(18%)
Fair	30%	(42%)
Bad	36%	(19%)
Very bad	22%	(06%)

3. Over the next 6 mos. your co.'s business will:

Increase substantially	00%	(00%)
Increase moderately	32%	(21%)
Remain the same	35%	(46%)
Decrease moderately	23%	(25%)
Decrease substantially	10%	(08%)

4. Current average work week:

Hours per week	38.3	(43.9)
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5. Current employment:

Hourly:	18.2	(27.3)
Salaried:	5.6	(6.1)

6. Compare to 1yr ago, current level of business is:

	Up	Same	Down-
Quoting activity	15% (29%)	17% (30%)	68% (41%)
Shipments	04% (21%)	07% (27%)	89% (52%)
Order backlog	02% (11%)	07% (29%)	91% (60%)
Profits	03% (15%)	07% (26%)	90% (59%)
Employment	01% (15%)	13% (55%)	86% (30%)

“What is there to say.” Socialism is on the way. (tools)

After 52 years in business, the government has finally succeeded in closing us up. It won't be long. (machining)

Awful! (hi speed steel service center)

Each day we think it can't get worse but the next day we find out it can. (stamping, forging, casting)

Greed of the management and the arrogance of the unions have destroyed this state in particular, and also, the whole nation. (tools)

The worst in 40 years. (machining)

Worst business climate in 45 year history. (jigs, fixtures, gages)

Last year we had 48 employees, now we have 20. (tools)

Our basic business principle is no debt or long-term contracts. It is easy to adjust to different economies. (powder, paint & coat)

So many people getting into the defense work that our quoting is skyrocketing...but not resulting in any more sales. (metal finishing)

We are hoping and praying for a turnaround soon! (manufacturing)

Automotive business sucks! (jigs, fixtures, gages)

Been in business since 1923 and this is the worst business environment I have experienced for this long—no sign it will improve before 2010. (machining)

Worst in my 37 years. (special machines)

The uncertainty throughout the chain of supply is making planning difficult. (manufacturing)

I have never seen our business this bad. Not only has our automotive work fallen off, but also the solar energy and oil industry. I don't know how long we can last if it does not turn around soon. (fabrications)

2008=Great; 2009=Survive; 2010=Help. (manufacturing)

After 27 years in this business, it's the worst I've ever experienced. (machining)

We are stable and have been able to maintain our business. (roll forming)

(Rob's Roost continued from Page 1)

MI) who is an original co-sponsor in the House. The other Michigan members in the House who are on HR 2378 are Thaddeus McCotter (R-11th), Michael Rogers (R-8th) and Dale Kildee (D-5th).

There is a Petition (nationwide) on line that you, your staff, family and friends can sign if you want to assist in the effort. It is located at www.prosperousamerica.org where if you view the right side bar you will see "**SIGN THE PETITION**". Currently there are 492 signatures and counting. Please add yours, it's free and it will help tremendously as we send the results to members of Congress to impress upon them that we, the people, are very much aware of the issue and want some action on it. We deliver from time to time a list of petitioners to the various Congressional delegations relative to their particular areas and believe me when I tell you, **IT MAKES A DIFFERENCE**. Again, as a petitioner no one will contact you looking for money or bothering you in any way. To those of you who have already signed the petition: thank you, I appreciate the support!

I hope to see many of you at the coming TMTA Golf Outing!

Finally, there is good news and bad news! First the bad: actually the "sad" news is that our Controller, Jerry Morrow, is leaving the TMTA. Jerry has been with us for some 6½ years and has made some very worthwhile contributions during that time. The good news is that he has accepted a position with the IRS (no one's favorite agency). The position is a substantial step up for Jerry and all of us at TMTA wish him the very best!



We would like to take this opportunity to welcome the following new members to the Tooling, Manufacturing & Technologies Association:

- ❖ **Classic Products, Inc.** located in Piqua, OH; they specialize in the manufacturing of metal roofing; visit their website at www.classicroof.com; and
- ❖ **Melco Building Systems, Inc.** located in Marco Island, FL; they specialize in buildings and building products and machines.

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

Schena Roofing & Sheet Metal Co., Inc.

(commercial/industrial roofing contractor)

Provider contact:

586-949-4777

GlobalTranz - CarrierRate.com

(freight discount program)

Provider contact:

Chad Hill 866-275-1407 ext. 130

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.



TMTA's 74th Annual Golf Outing & Dinner

Attend the TMTA's 74th Annual Golf Outing at the Fox Hills Golf Club on June 25, 2009 and you could have the chance to win a brand new vehicle (model to be announced) or \$1,000,000 in our hole-in-one shoot-out contest.

The outing features a shot-gun start; lunch on the turn; open bar in the clubhouse and beer & sodas on the course; dinner including hors d'oeuvres, a delicious buffet and premium open bar; and then prizes galore.

Tickets are \$165 per person for golfers and \$85 per person for dinner only. Visit our website at www.thetmta.com for a reservation form, a map, a sponsorship application and further information.

Fax your form to TMTA ASAP since tee and table assignments are made on a first-come, first-served basis.

We Look Forward To Seeing You There!

Be A TMTA Golf Sponsor

By becoming a TMTA Golf Sponsor, you will have your company's name displayed on a placard at one of the golf holes along with a discount on ticket prices to the event and company recognition in a special upcoming issue of TMTA Talk.

Contact Ron at 248-488-0300 ext. 1306 or e-mail to ron@thetmta.com.

2009 Fourth Of July Holiday Survey Results

Our thanks to the 104 companies that took the time to complete our 4th of July survey. May we all remember the freedoms we enjoy as we celebrate this day.

	Open	½ Open ½ Paid	Closed Paid	Closed Unpaid
Tues 6/30	96	0	0	5
Wed 7/1	95	0	0	6
Thurs 7/2	89	1	2	9
Fri 7/3	12	2	70	20
Sat 7/4	0	0	16	87
Mon 7/6	78	0	9	12
Week 6/29-7/3	22	1	0	5

*ONE FLAG, ONE LAND, ONE HEART,
ONE HAND, ONE NATION EVERMORE!*

—Oliver Wendell Holmes

**HAVE A SAFE & HAPPY 4TH OF JULY
FROM THE STAFF AT TMTA**

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Send/Fax to TMTA, Attention: TMTA Talk Editor.