

tmta talk

A publication of the Tooling, Manufacturing & Technologies Association

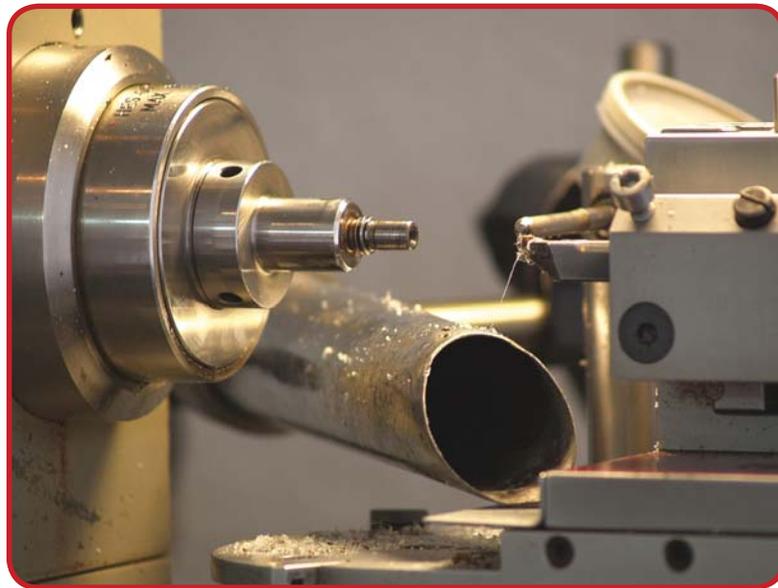


FROM ROB'S ROOST
By ROB DUMONT
PRESIDENT & CEO

Snowed in But Not Shut Out

My most recent trip to DC got knocked out by flight cancellations due to weather in the Washington area. The meetings I was to attend went on without me. The TMTA was well represented by Charles Blum of International Advisory Services Group with whom I have worked extensively in the past.

A meeting was held with Patricia Buckley, Office of the Secretary of Commerce: the discussion centered on the need for an effective and comprehensive economic strategy for the U.S. to improve the trade imbalance and generate sustainable growth of GDP and employment.



She informed those present that Commerce would soon be announcing a one-year program to identify trade barriers and policy gaps and to make

a few fundamentally important policy recommendations. Further, she volunteered the view that "competitive corporate tax reform" is a key issue.

Productive meetings were also had with Austin Smythe, Staff Director, House Budget Committee. A key staffer of Rep. Paul Ryan (R-WI), Smythe gave a detailed summary of Ryan's "Road Map". A long discussion ensued of Ryan's proposal to scrap the corporate income tax and replace it with an 8.5% Business Consumption Tax (BCP).

You will recall that currency legislation easily passed the House last November but, unfortunately it never got to a vote in the Senate. A bipartisan group of lawmakers is "having another go at it" in this Congress. Sen. Sherrod Brown

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tmta Calendar of Events

February 2011

16	TMTA Board of Directors meets
19	Presidents' Day Federal Holiday TMTA Offices Open

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



New VSP Vision Care Monthly Statements

As of January 1, 2011, members with Blue Vision plans administered by VSP Vision Care will receive Vision Benefit Statements through the mail each month.

The statements will provide information about services rendered, applicable co-payments and member out-of-pocket costs, why a service was or was not paid, and appeals.

BCN Expands in Western Michigan

The west Michigan counties of Mason, Mecosta and Osceola are now added to the Blue Care Network's service area. The new counties will allow BCN to continue to grow in a part of the state where it's competitively priced.

BCN's network of physicians available to service these rural counties is competitive and compares well to marketplace competition. BCN is aware of the need to maintain a competitive network and will continue to pursue that goal.

BCN is the state's largest managed care network. Members can select from more than 4,700 primary care physicians, more than 14,200 specialists and every acute care hospital in Michigan plus most of the state's other leading hospitals

If your company would like more information on BCN plans available to you, including first of the year new 'association/chamber only' plans, contact TMTA's insurance agent, Dennis Campbell, at 313-550-3200.

BCN Weight Watchers Clarification

Due to some confusion, BCN is setting the record straight as to when they will pay for Weight Watchers.

BCN pays only when all three of these conditions are met:

- The member is in Healthy Blue LivingSM or Healthy Blue Living RewardsSM;
- BCN has the member's Qualification Form showing a body mass index (BMI) of 30 or more; and

- The member selected Weight Watchers as his/her weight management option. (Note: Traditional Weight Watchers and Weight Watchers At Work are covered while Weight Watchers Online is not a Healthy Blue Living option.)

BCN administrators are fielding calls from ineligible members as well as hearing from eligible members who were incorrectly told that BCN will retroactively pay for Weight Watchers. BCN payment starts for eligible members ONLY after all criteria are met. Payment can continue through the plan year, even when the member's BMI falls below 30.

All Blues members, including those who don't qualify under BCN, can receive a discount on Weight Watchers at HealthyBlueXtras.com (part of Member Secured Services on the BCBSM.com website).



Win by Losing Starts This Month

The Blues is encouraging members to start the year right by participating in the Win by Losing member weight loss challenge beginning the end of this month. This free, nine-week program kicks off on February 28, 2011 and provides an opportunity to compete in a friendly, spirited manner with other businesses and organizations interested in contributing to a healthier Michigan.

Between February 14th to 27th, sign up your team on the official Win by Losing website at www.bcbsm.com/yourhealth. A team representative must enter the company name, number of participating employees, and the group's starting-weight total.

- February 28th starts the official kick-off of the contest. Participants can find diet and exercise tips on the Win by Losing website as well as wellness videos from Blues health coaches, healthy recipes and meal plans, weekly leader board updates so you can compare your results with other companies in the competition, and more.
- On March 4th the first weight loss results are due.
- On April 29th the final weight loss results are due.

(Health News continues on Page 5)

The Direct and Indirect Costs of Workplace Accidents

by: Harleysville Insurance

Safety experts often use the analogy of an iceberg to illustrate the many costs that can arise as a result of a workplace accident.

In a nutshell, here's how it goes:

Direct Costs

Workers compensation insurance covers most medical expenses and payments to the injured worker, which make up the visible part of the iceberg—known as the direct costs of the accident.

Indirect Costs Caused by Injured Employee's Inability to Work

Lurking in the submerged part of the iceberg are several indirect or "hidden" costs borne by your company and due to an employee's time lost from work and training time for new/replacement workers.

Additional Indirect Costs

The submerged part contains a number of other hidden costs that can add up as well, such as: damage to tools and equipment and loss of production for the remainder of the day the accident occurs.

While it's often easy to forget about indirect costs because they're hard to measure, the Federal Occupational Safety and Health Administration (OSHA) estimates they run between 1 and 4.5 times direct costs!

See OSHA's convenient way to estimate the direct and indirect costs of various types of job-related injuries, and the impact those costs can have on your company's bottom line by visiting OSHA's "Safety Pays" online estimator program at www.osha.gov/dcsp/smallbusiness/safetypays/estimator.html.

Harleysville Insurance is available through the Ralph C. Wilson Agency, TMTA's endorsed workers' compensation and property & casualty insurance provider.

Contact Jay Poplawski at 1-800-638-1174 for more information on how Harleysville Insurance & the Harleysville CustomPak, designed exclusive for TMTA Members, can work to save your company money.

Direct costs are just the tip of the iceberg

Direct Costs

- Medical payments
- Compensation

Indirect or Hidden Costs: Uninsured and Paid Out-of-pocket

- Lost time by injured worker
- Lost time by fellow employees
- Supervisor's time to investigate
- Training a substitute worker
- Poor efficiency due to break-up of crew
- Hiring costs
- Overtime to make up production
- Failure to meet deadline/fill orders
- Damage to tools and equipment
- Damage from accident: fire, water, chemicals, explosives, etc.
- Loss of good will
- Loss of production
- Overhead costs while work disrupted
- Downtime

Insurance pays most of these

You pay all of these



401(k) Regulations Are Changing—Are You Prepared?

Much is changing in the retirement industry that will have significant impact on every employer sponsored plan in the nation. Five major regulatory changes have been introduced in 2010 that will go into effect in 2011. This brief will outline these regulations, their impacts and potential solutions from a plan sponsor's perspective.

<p>Target Date Funds: Because of substantial losses during the 2008 market downturn, the SEC and DOL collaborated to develop disclosure regulations.</p>	
<p>Issues / Impact:</p> <ul style="list-style-type: none"> • Funds lack transparency. • Proprietary or 'family of funds' result in conflicted investment advice. • Participants don't utilize funds correctly. • Funds fail to meet Investment Policy Statement. 	<p>Solutions:</p> <ul style="list-style-type: none"> • Distribute disclosures based on DOL / SEC guidance. • Introduce conflict-free investment process. • Participant education. • Risk-based allocation models. • Align with Investment Policy Statement.
<p>Fiduciary Definition: The Department of Labor is changing to 'simplify' from a five point to a single point test.</p>	
<p>Issues / Impacts:</p> <ul style="list-style-type: none"> • Plan Sponsor needs to understand each provider's fiduciary duty. • Relationships of many service providers today are conflicted and not in the participant's best interest. 	<p>Solutions:</p> <ul style="list-style-type: none"> • A contractual relationship with an ERISA-defined plan fiduciary. • Adjust relationships to be in participant's best interest.
<p>Participant Investment Advice: Regulations provide safe harbor to Plan Sponsors to offer investment advice to their plan participants.</p>	
<p>Issues / Impacts:</p> <ul style="list-style-type: none"> • Sponsors are responsible for all information shared with their participants. • Sponsors are required to know the difference between education and advice. 	<p>Solutions:</p> <ul style="list-style-type: none"> • Plan Sponsor must audit process to confirm that the investment advice is provided under an "eligible investment advice arrangement." • Develop a contractual relationship with an ERISA-defined investment fiduciary that acknowledges role as an investment fiduciary advising participants.
<p>Participant Fee Disclosure: New disclosure rules are effective January 1, 2012. As a result, all participant statements must change to meet new regulations.</p>	
<p>Issues / Impacts:</p> <ul style="list-style-type: none"> • Requires fee information to be shared with participants. • How will participants react to seeing "fees" associated with their 401(k) account, in many cases for the first time? 	<p>Solutions:</p> <ul style="list-style-type: none"> • Take a proactive role in sharing fee information. • Develop a communication plan that outlines the information that will be shared.

Plan Sponsor Fee Disclosure: The Department of Labor introduced these regulations to give plan sponsors the information needed to meet their fiduciary obligation to test “reasonableness of fees”. Effective July 16, 2011 all service provider contracts must change to meet these new regulations.

Issues / Impacts:

- Current contractual arrangements lack fee transparency and have potential conflicts of interest.
- Plan sponsors must understand the services provided as well as the level of fiduciary responsibility each provider assumes.
- Testing for fee reasonableness is not being completed independently.

Solutions:

- Request an independent investment professional, experienced with retirement plans to benchmark your plan on a regular basis.

Freedom One Financial Group is one of the nation’s largest full-service 401(k) plan consultants and has been successfully offering retirement plan solutions for over 20 years. They are the TMTA’s exclusively endorsed 401(k) solution for members.

Freedom One will be holding a seminar Wednesday, March 2nd, 2011, from 9:00 a.m. to noon at the Management Education Center in Troy, Michigan to review these issues in greater detail and provide further insight. Please contact John Young at 248-620-8036 or via e-mail at jyoung@fofg.us for more information or to reserve your seat.

(Rob’s Roost continued from Page 1)

(D-OH), Rep. Sander Levin (D-MI), the ranking member of the House Ways and Means Committee, and other lawmakers held a news conference on Thursday February 10th and said they were confident they would be able to get the measure through Congress and to President Obama’s desk.

“Now, we want China to be a good friend and a good trading partner,” said Rep. Tim Murphy (R-PA), who co-sponsored the measure last year with Rep. Tim Ryan (D-OH). “But friendship must be based upon trust, not exploitation. Where friendship has failed, where contracts have failed, trade enforcement must prevail.”

While Rep. Levin said that the measure has 101 co-sponsors in the House it must be observed that the measure does have hurdles ahead of it. For example: Rep. Dave Camp (R-MI), the chairman of the House Ways and Means Committee, has indicated that the bill is not one of his priorities notwithstanding he is a Rep. from Michigan, a manufacturing centric State.

“He like many Members, remains frustrated about China’s currency policy but does not believe it should be a defining issue in the U.S.-China Relations,” a spokesman for Republicans on the Ways and means panel said.

In a semi-annual report delivered to Congress the week of January 31st to February 4th, the Treasury Department decided not to label China as a currency manipulator.

But Senator Brown, who plans to introduce the Senate version of the currency legislation together with Senator Olympia Snowe (R-ME) said he had received an encouraging response from Treasury on the measure.

“We’re confident we have well over 60 votes to pass this,” Brown said “And we’re confident the House can do again what it did.”

I will be back in Washington the week of February 21st to work on the cause in both the House and the Senate.

(Health News continued from Page 2)

Participating is easy. Simply grab a scale, hold weekly, private weigh-ins and e-mail your company’s collective weekly weight loss to winbylosing@bcbsm.com.

More than 70 customers have participated in the Win by Losing member challenge since it started in fall 2009, losing a total of more than 11,000 pounds or 5-1/2 tons!

Win by Losing is more than just a competition; it’s an opportunity to get your employees active and excited about working toward a goal of losing weight and living healthier lifestyles. BCBSM senior vice president of Group Sales and Corporate Marketing, Ken Dallafior, said “When your employees adopt a healthier lifestyle, they win and you win. They become healthier and you experience increased productivity, decreased absenteeism and reduced health care costs over time.”

FYI FOR YOUR INFORMATION

Ledbetter Act Does Not Apply to Pension Payments

The Equal Employment Opportunity Commission (EEOC) recently ruled that the Lilly Ledbetter Fair Pay Act of 2009 does not apply to pension payments.

The Ledbetter Act significantly expanded the time to file pay discrimination claims under most federal anti-discrimination laws. It provides that the period for filing a charge under Title VII begins anew each time an employee receives a wage payment based in part on the challenged compensation decision, regardless of when it was made.

A former employee of the Environmental Protection Agency (EPA) claimed she was discriminated against under Title VII and the Equal Pay Act. She alleged she was paid less than her male counterparts during her last three years with the EPA, which impacted her retirement pay. Thus, she claimed, each pension check she received and will continue to receive is less than she was entitled to receive. The EPA dismissed her complaint and she appealed to the EEOC. The EEOC found that “while a series of payments of discriminatory wages may constitute a continuing violation, a series of payments of discriminatory pension benefits usually does not.”

The EEOC clarified that discrimination claims involving employee paychecks should be treated differently than claims involving pension checks with respect to timeliness issues. Unlike paychecks, each pension check does not represent a new act of discrimination that resets the clock for filing a charge of discrimination. Since pension payments are based on a formula that is applied only once at retirement time, the time limit to file a discrimination claim would run from the retiree’s receipt of his/her initial pension check.

Information on State of Michigan Tax Forms

State of Michigan taxpayers, who will file state income tax returns this year, will have easy access to the forms, instructions and other information they need by visiting www.michigan.gov/incometax. Like the IRS, the Michigan Department of Treasury is limiting the number of booklets it is mailing out this year.

While all forms and instructions can be viewed and/or downloaded from the state website, commonly used forms will also be available at Treasury offices, most public libraries, Northern Michigan post offices, Michigan Secretary of State branch offices, and Department of Human Services county offices.

INFLATION TALK

CPI-W Urban Wage Earners and Clerical Workers

Month	82-84	1967	57-59
Dec 2010	215.262	641.200	745.71*
Nov	214.750	639.673	743.94*
Oct	214.623	639.296	743.50*
Sept	214.306	638.353	742.40*
Aug	214.205	638.052	742.05*
July	213.898	637.138	740.98*
June	213.839	636.962	740.78*
May	214.124	637.809	741.77*

CPI-U All Urban Consumers

Month	82-84	1967	57-59
Dec 2010	219.179	656.563	763.57*
Nov	218.803	655.438	762.26*
Oct	218.711	655.162	761.94*
Sept	218.439	654.346	760.99*
Aug	218.312	653.966	760.55*
July	218.011	653.066	759.50*
June	217.965	652.926	759.34*
May	218.178	653.564	760.08*

Note: December 2010 CPI-W represents a 1.7% increase from one year ago; CPI-U a 1.5% 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

Women-Owned Small Business Federal Contract Program

Effective February 4, 2011, the U.S. Small Business Administration (SBA) began a program aimed at expanding federal contracting opportunities for women-owned small businesses. The goal of the program is to increase the amount of federal contracting dollars awarded to women-owned small businesses to five percent by allowing contracting officers to set aside specific federal contracts for certified women-owned small businesses (WOSBs) or economically disadvantaged women-owned small businesses (ED-WOSBs). The first contracts will be awarded in the fourth quarter of fiscal 2011.

To qualify as a WOSB, a business must be certified as a small business that is at least fifty-one percent unconditionally and directly owned and controlled by one or more women who are United States citizens. A woman must manage the day-to-day operations, make long-term decisions for the business, hold the highest officer position in the business and work at the business full-time during normal working hours.

To qualify as an EDWOSB, in addition to the above, the women who own the business must be "economically disadvantaged." A woman is presumed economically disadvantaged if she has a personal net worth of less than \$750,000 (with some exclusions), her adjusted gross yearly income averaged over the three years preceding the certification less than \$350,000, and the fair market value of all her assets is less than \$6 million.

There are eighty-three 4-digit North American Industry Classification Systems (NAICS) codes that are eligible for federal contracting under the WOSB Program. The anticipated award price of the contract cannot exceed \$5 million in the case of manufacturing contracts and \$3 million in the case of all other contracts.

To participate in the program, WOSBs will need to update their status in the Central Contractor Registration (CCR) and the Online Representations and Certifications Application (ORCA) to signal they are eligible to participate in the program. Updates to these systems are underway and should be complete in April.

For more information on this program, visit the SBA website at www.sba.gov/wosb.

TMTA ENDORSED SERVICE PROVIDERS

Blue Cross Blue Shield/BCN

(Health insurance program)

TMTA contacts:

Dennis Campbell 248-488-0300

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

Encompass Energy Group

(Energy conservation program)

Provider contact:

Shel Rader 248-515-3217

Rick Wald 248-755-6523

Freedom One Financial Group

(401(k) Retirement program)

Provider contact:

John Young 248-620-8100

GlobalTranz — CarrierRate.com

(Freight discount program)

Provider contact:

Chad Hill 866-275-1407, ext. 130

John M. Packer & Associates

(Unemployment cost control program)

Provider contact:

Nathan Wiest 800-482-2971

Ralph C. Wilson Agency, Inc.

(Insurance management)

Provider contact for Benefits coverages:

Robert Farris 248-355-1414, ext. 109

Provider contact for P&C and WC coverages:

Jay Poplawski, 248-355-1414, ext. 158

Reliance Standard/Ameritas

(Life/Dental insurance programs)

TMTA contacts:

Dennis Campbell 248-488-0300

Stella Krupansky 248-488-0300, ext. 1310

SVS Vision

(Safety & Vision programs)

Provider contact:

Monica Dyja 800-611-3683 or www.svsvision.com

Schena Roofing & Sheet Metal Co., Inc.

(Commercial/industrial roofing contractor)

Provider contact:

586-949-4777

Staffworks Group

(Staffing needs)

Provider contact:

Bill Brann 877-304-9690

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

Can you identify any of the persons in this photo?



As the staff changes through the years, we end up losing track of information that is of value to the Association's history. Found in the deep recesses of the TMTA archives during a recent housekeeping endeavour, the above shown picture is titled: "Joint Apprenticeship Committee, April 1975."

We would like to put some names to these faces. If you have information as to the identity of these men, please e-mail your response to elaine@thetmta.com and we will include the answer in next month's edition of TMTA Talk.

Benchmarking Report Opportunity for TMTA Members

TMTA members once again have an opportunity to receive a free benchmarking report from the Performance Benchmarking Service (PBS) group. PBS is a small, but highly respected, organization that has produced 11,800 confidential benchmarking reports for nearly 5,000 companies across the U.S. and Canada since 1992.

This free offer is being made to only 8 national industry associations and TMTA is pleased to be one of those associations. By completing and returning a questionnaire downloaded from the TMTA website by March 18th, members will receive their free, confidential, customized report in May 2011. For more information, see the flyer enclosed with this edition of TMTA Talk or visit our website at www.thetmta.com.

tmta talk

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