

The Link



The Newsletter of the Hardwood Manufacturers Association

June 2014

It's 'members only' at June Regional meet

HMA members will soon be convening in Wisconsin for the Lakes States Regional. On tap - eye-opening tours, great friends and lots of opportunity to mix and mingle! Will you be joining them for this 36 hour 'members only' signature HMA event? Perhaps this look at what's planned might seal the deal.

A step into wood academia

Regional meeting participants are in for a treat. Added to the Wednesday, June 11 itinerary is a lunch break at the state-of-the-art **Wood Technology Center of Excellence**, Northcentral Technical

College (NTC) in Antigo, Wisconsin. Wood Technology Instructor, Travis Allen, will be on hand to

fill us in on the scope of the department's work. (You may remember meeting Travis at HMA's recent National Conference and Expo in Savannah.) So be prepared for much more than a hearty Wisconsin style lunch.

Until then, muddle over these **did-you-know facts**:

- Wisconsin is the top state in the nation for wood-related jobs - employing over 61,000 workers.

- The Langlade County region, where the Wood Technology Center of Excellence is located, is one of the worldwide leaders in forest products manufacturing.

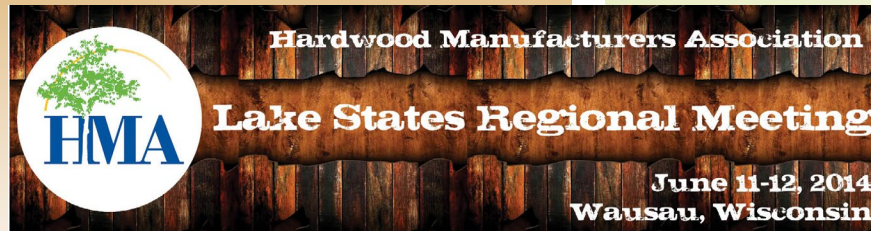
- The programs available, to students and incumbent workers, at the NTC Antigo location - wood manufacturing technology, innovation and commerce - are unique to the Wisconsin Technical College System and not offered anywhere else in the state.

- HMA member, **Troy Brown** of Kretz Lumber Company, Inc., is an NTC Adjunct Instructor of Wood Industry Management.

Register to attend today.

Wednesday, June 11

6:30 a.m.	Complimentary Breakfast Buffet available at hotel
7:30 a.m.	Depart Stoney Creek Inn for Tigerton, Wisconsin
8:15 a.m.	Tour Tigerton Lumber Company
10:15 a.m.	Tour Menominee Tribal Enterprises , Neopit, Wisconsin
12:30 p.m.	Lunch- Wood Technology Center of Excellence Northcentral Technical College, Antigo, Wisconsin
1:45 p.m.	Tour Kretz Lumber Company, Inc. , Antigo, Wisconsin
3:30 p.m.	Depart Kretz Lumber
4:15 p.m.	Arrive Stoney Creek Inn
6 p.m.	Reception - Dinner - Speaker



Thursday, June 12

6:30 a.m.	Complimentary Breakfast Buffet available at hotel
7:30 a.m.	Depart Stoney Creek Inn for Eau Claire, Wisconsin
9 a.m.	Tour McDonough Manufacturing Co. , Eau Claire, Wisconsin
10:30 a.m.	Depart McDonough Manufacturing
12:15 p.m.	Arrive Central Wisconsin Airport
12:30 p.m.	Return to Stoney Creek Inn, if necessary

So pack your bags and let's get this show on the road! Visit www.HMAmembers.org to register online or call the HMA office (412.244.0440) and we'll handle the registration for you.

US Forest Service rep to speak at Regional

Wednesday evening's reception and dinner will be topped off by a few words from Robert J. Ross, Ph.D., Supervisory Research Gen. Engineer at the US Forest Service, Forest Products Laboratory, Madison, Wisconsin. HMA has asked Bob to brief us on his work in cross-laminated timber. He's promised that and a little more.

Don't miss it.

Another opportunity 'exclusive to members' 2014 Facility & Wage Cost Survey

It's survey time, and the call to participate, along with the survey questionnaire, has been **emailed** to all HMA member companies. (If you're scratching your head and saying, "I haven't received anything," please check with your staff members to be sure this important information wasn't mistaken for 'junk mail'.)

Comprehensive and **confidential**, **The Facility & Wage Cost Survey** compiles information regarding compensation for hourly and salaried employees, other employee benefit information, facility information like maintenance and supplies expenses, utilities, taxes, equipment expenses and even transportation costs. The end result - valuable infor-



mation important to the daily management of your businesses!

Industry consultant and retired North Carolina State University Department of Forest Biomaterials professor, Dr. Joe Denig, is again conducting the survey. No stranger to HMA members, Joe has been providing industry assistance for decades.

Participate in this valuable **Member Service** and benefit from the significant industry information it will provide. There is **NO** fee; only participating member companies will receive the survey findings; the next survey won't be until

2016. Survey deadline is **June 9**.

Act now.

Covering all the bases & we're not talking baseball

If your business plan doesn't include **Social Media Marketing** - "the process of gaining attention or website traffic through social media sites" like Facebook, Twitter, Pinterest, Instagram - get started today. It's a powerful, ultra-cost-effective way to promote American Hardwood products. **And** it's the way today's young professionals make buying decisions.

Here are three examples of the power and extraordinary reach of **Twitter** - all in just 140 characters and without spending \$1!

■ In mid-April, online news aggregator and Pulitzer Prize winner, *The Huffington Post*, ran an article in their Home section regarding hardwood "dos and don'ts." The Post's tweet about the article was seen by their 40.5 million followers and was retweeted by 19 others. Each of them has followers... (<https://twitter.com/HuffingtonPost>)

■ Also in April, *dwell on twitter* revisited a previously posted article in *Dwell* (monthly

print and online circulation of 875,000) about using walnut in interior design projects. Their followers total 494,000 and 24 of them retweeted... (<https://twitter.com/dwell>)

■ At the end of March, as college basketball enthusiasts were gearing up for the 2014 NCAA Final Four playoffs, *The Kansas City Star* ran an article about the **maple** flooring used for the basketball court - from sawmill to tip off and beyond. It was great information and HMA's **American Hardwood Information Center** tweeted about it. Our tweet was retweeted - by *The Kansas City Star* - reaching their 55,700 followers and so many more. (<https://twitter.com/KCStar>)

Bottom line: Social Media Marketing is an excellent **tool** to differentiate your product; inform your audience; increase demand and make American Hardwoods the topic of conversation. The buy-in is **huge**, and it's the way young professionals do business.

More than just talk

by Linda Jovanovich

HMA Executive Vice President

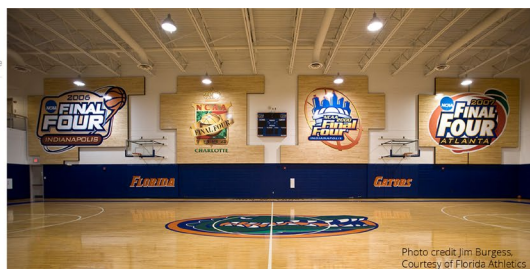
As we finalize plans for the upcoming **members only** Lakes States Regional Meeting - I look forward to seeing many of you, soon - here's a brief reminder about several other **strategic tools**, designed to maximize profitability, being offered to HMA member companies. Don't be left out!

Representatives from Schooley Mitchell and BB&T Insurance National Forest Products Practice are contacting members regarding resource purchasing programs that can reduce telecommunication and credit card processing costs and human resource administrative costs. I urge you to take a few moments and listen to what these representatives have to say. For those companies that qualify, the realized savings can offset monthly HMA dues.

Also being offered is the **Facility & Wage Cost Survey**. Once again the survey is being conducted by Dr. Joe Denig, former North Carolina State University Department of Forest Biomaterials Professor. This valuable tool provides key analytics to compare your operating and benefits costs to like competitors, both regionally and industry-wide. This detailed cost information enables you to reduce excessive spending and increase profitability, at every facility.

As in previous surveys, all responses are confidential and anonymous. When completing the survey, simply include the **facility code**. Information received will be associated with that code, not a name. And remember; **only** HMA members who complete and return the survey will receive the survey results.

And lastly, plans are well underway for the fall Regional Meeting. We will be announcing tour sites in the next few weeks, but until then, mark your calendars!



Keeping employees & the government happy

The life blood of every successful business walks, talks, makes mistakes and sometimes gets sick. How best to manage all of that? At HMA's National Conference and Expo, a panel of experts from the Society of Human Resource Management-Savannah Chapter- shared these best practices regarding "Managing Your Most Valuable Resource."

Employee Engagement

Presenter Cheri Sale, SPHR, urged attendees to cultivate **Employee Engagement** - the mutual commitment between Employer and Employee - and develop a culture that fosters freedom, innovation and trust because:

- Engaged employees take ownership; are there to **GIVE**; go **above and beyond** and simply **perform** for their success and the suc-

cess of the company. Unengaged employees, there only to **GET**, typically leave, and frequent employee turnover hits the bottom line hard.

- Employers who demonstrate competence, train and care about employees, recognize and reward performers, communicate, and work to establish and maintain integrity and trust will **engage** their workforce and reap the benefits of a successful business.

Emergency Preparedness

Are you prepared for a workplace disaster? How will you communicate with your employees in an emergency situation? Presenter Edwin Myrick, Director of Emergency Management, told Conference participants that "seventy percent of all businesses that lose communications during and after a disaster go out of business within eighteen months."

So in preparation for the worst, Myrick advised owners to consider the unique needs of their businesses; then consult the experts for help with devising, implementing and exercising **Emergency Management** Plans that address Business Continuity, Emergency Operations, Alternate Facilities, Transportation and above all, Communications planning.

Workers Compensation +

When circumstances interfere with an employee's ability to work, employers are often overwhelmed with what needs to happen next. Attorney Wade Herring discussed Workers Compensation as it interplays with ADA (Americans with Disabilities Act) and FMLA (The Family and Medical Leave Act), and advised employers to proac-

tively manage Workers Compensation claims by:

- Securing a **Panel of Physicians** willing to invest the time necessary to accurately and fairly assess each situation.
- Appointing an employee to serve as **liaison** with the Workers Compensation carrier to ensure each claim is being managed with the employer's interests in mind.
- Managing their workforce **before** a claim gets filed. Hiring slow and firing fast (after due diligence counseling) often eliminates 'other' issues.

Panel presenters later participated in a round table session, answering member questions and providing great insight. For the entire presentation, visit the Members Login section of www.HMAmembers.org.



More from the HR panel

Attorney Rebecca Sczepanski and financial advisor Gini Nichols delivered an awesome wrap-up to the "**Managing Your Most Valuable Resource**" learning session by providing key information regarding the Affordable Care Act, Employees Benefit Plans, ERISA and Fiduciary Liability. Take note.

Affordable Care Act

The final employer mandate Pay or Play rules have been issued and contain certain surprises. Full-time employee determinations have changed. The maximum 90 day waiting period for health coverage may not work the way you think. You might be penalized for your stand-alone cafeteria plan or HRA reimbursement account. YOU may be responsible for reporting, filing and paying fees related to certain plans. Be on audit alert. Certain government agencies are increasing the frequency and scope of benefit plan audits. **Be sure to coordinate with your carriers.**

Employee Benefit Plans

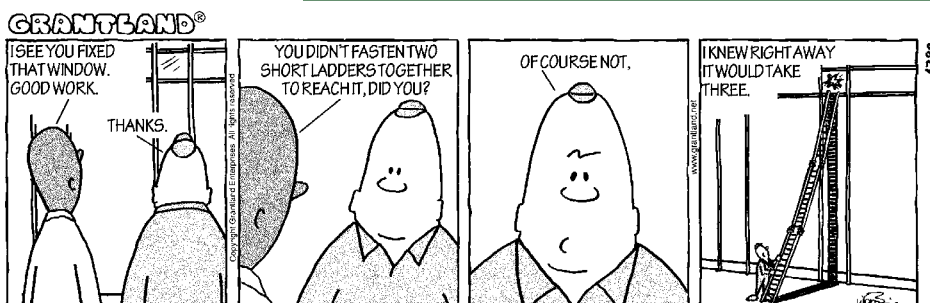
"Unfunded" status of Executive Deferred Compensation Plans no longer prevents taxation. Are you aware of the special issues associated with boomerang employees (rehires), interns and co-op employees with regard to health plan eligibility and 401 (k) plan participation? Did you know that the courts may be able to rewrite your benefit plans if they aren't done properly? Even if you have a retirement plan where participants choose their investments from a menu of available options, **you** may ultimately be responsible for the selection of the investments made available. Rule of thumb: **consult a qualified attorney** earlier than later. It costs a lot more to fix 'problems' than it does to prevent them.

ERISA and Fiduciary Exposure

You may not know it, but you, or one or more of your top officers, are very likely an ERISA (The Employee Retirement Income Security Act) fiduciary. Unless you've purchased **special insurance policies** specifically covering your administration of fiduciary duties for ERISA plans, your regular liability and errors insurance very likely doesn't protect you. Hire a qualified attorney to review contracts, ensure documentation is correct and complete, and that the necessary disclosures are made.

Bottom line: Don't bury your head in the sand. Be informed and proactive, instead!

JUST FOR LAUGHS



Tree education part of National Conference

Representatives of the Hardwood Forest Foundation graciously took part in HMA's recent National Conference and soon after the event, issued the following press release.

MEMPHIS, TENN. – Fifty school children from the Savannah, Georgia, area were treated to a day of learning about the benefits of harvesting trees at the recent Hardwood Manufacturers Association (HMA) National Conference & Expo. The event, which featured the Foundation's flagship program, *Truth About Trees*, was funded entirely by HMA.

Designed to teach children about harvesting as a means of keeping forests healthy and obtaining all of the necessary items we use in our everyday lives, *Truth About Trees* is distributed across North America to educators and industry members, free of charge. With the program set in standard lesson plan format, it serves the educator as a 'spoon-fed,' ready-made teaching tool.

"*Truth About Trees* is a valuable tool that provides important information to a significant audience- our youth. It delivers facts in a fun and entertaining way, so much so they are eager to share the information with family members and friends," said Linda Jovanovich, Executive Vice President of HMA.



"Our entire industry will benefit from programs that educate young and old, professional and non-professional regarding nature's 'greenest' resource – trees. It's the responsibility of all industry stakeholders to communicate our message. Including our bright, inquisitive children will have long term

benefits for us all," Jovanovich added.

HMA former First Lady, Katie Shannon, also presented the school Principal with a donation of tree-related books for her campus library and each child was given a gift bag of items with tree products in their makeup, including school supplies and snacks. Shannon and Jovanovich even served the children a lunch of chicken nuggets and macaroni.

In addition to the work with the children, Foundation Spokesperson and Emmy-Nominated television woodworker Tommy MacDonald also addressed industry attendees at a luncheon where he discussed the Foundation's educational efforts and introduced a clip of the Foundation's video version of *Truth About Trees*.

"The educational kit reaches hundreds of classrooms annually, but requires a live presenter, by putting the program in DVD format; teachers can just pop the video in and let me take it from there. The message is important as the Foundation is working hard to eliminate misperceptions about harvesting in North America and we are doing our best to educate young people in every format possible," MacDonald said.

Learn more by contacting Crystal Oldham, C.OLDHAM@HARDWOODFOREST.ORG.

Hardwood Federation on tax reform

by Dana Lee Cole
Hardwood Federation Executive Director

The last time Congress enacted comprehensive reforms to the federal tax code Ronald Reagan was President. Since that time, tax preparation in the U.S. has become a \$75 billion industry, as tax payers wrestle with tax laws and requirements that are tweaked annually and are increasingly complex. So, comprehensive tax reform is long overdue and recent developments have set the table for serious discussion, after the election and into 2015.

The Camp Plan

In February, House Ways & Means Committee Chairman Dave Camp (R-MI) unveiled a plan that he and his staff had been working on for well over a year. At the press conference announcing his plan, Chairman Camp stood alone - no House leadership by his side - which gives a hint as to its current political viability. But make no mistake. A lot of time and effort went into this draft and it is being taken very seriously on and off Capitol Hill.

The Good

What's in it? Let's start with the positive. The guiding principle for Chairman Camp's tax reform plan was **lowering** the corporate tax rate for U.S. businesses—currently among the highest, compared to our trading partners.

Camp's Plan reduces the corporate tax rate from 35 percent to 25 percent over a 5 year transition period. Reduction of the top rate has been a long standing priority of not only the forest products industry, but U.S. manufacturers in general.

The other positive is that the plan greatly simplifies the tax code. According to the Chairman and his staff, the approach was to start with a blank slate and include only those components that made sense from a fiscal and policy perspective.

Now, it is important to remember that this proposal is a starting point for discussion. Most, if not all, of the tax provisions in existing law that were jettisoned by Camp have strong constituencies that will be working to retain the tax benefits they enjoy, currently.

The Not So Good ...

[Continue reading please...](#)

HMA LINK is published each month exclusively for members of the Hardwood Manufacturers Association. Views expressed are not necessarily those of the HMA; *HMA Link* welcomes comments and questions.

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