In This Issue

- Lighting Downtown
- Training
- Future Markets
- Toys for Tots
- 5th VDV/IBS conference

Toys for Tots

On December 19, 2003, the Mechanical Association of Greater Dayton, The National Electrical Contractors Association – Western Ohio Chapter, and the Sheet Metal and Roofing Contractors Association of the Miami Valley celebrated the season with a Holiday Social at the Dayton Racquet Club to contribute toys to Toys for Tots. Entertainment was provided by the Dayton Boys Choir.

The U.S. Marine Corps Reserve Toys for Tots program collects new, unwrapped toys during October, November and December each year and distributes these toys as Christmas gifts to needy children in the community. The primary goal of Toys for Tots is to deliver, through a shiny new toy, a message of hope to needy youngsters that will motivate them to grow into responsible, productive, patriotic citizens and community leaders. For more information visit www.mvtoystfortots.org.

On hand to accept toy donations at the Racquet Club were (from left): Staff Sergeant Ron King–USMC, Dick Prasse–(Member Marine Corp League and Miami Valley Toys for Tots) and Gunnery Sergeant Wendy Caldon–USMC.

The Western Ohio Chapter - National Electrical Contractors Association Directory:

<table>
<thead>
<tr>
<th>NECA Members</th>
<th>Contributing Contractors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dayton</td>
<td></td>
</tr>
<tr>
<td>Aztec Electric, Inc.</td>
<td>Justice Electric</td>
</tr>
<tr>
<td>Chapel Electric Company</td>
<td>Lake Erie Electric, Inc.</td>
</tr>
<tr>
<td>Complete Electrical Service</td>
<td>Luehrs Electric, Inc.</td>
</tr>
<tr>
<td>Freedom Electrical Contractor</td>
<td>O.R.E. Electric</td>
</tr>
<tr>
<td>High Voltage Maintenance</td>
<td>Power Services</td>
</tr>
<tr>
<td>Kastle Electric Company</td>
<td>Productive Electric, Inc.</td>
</tr>
<tr>
<td>Maxwell Lightning Protection</td>
<td>Q.O.B. Electric, Inc.</td>
</tr>
<tr>
<td>Mutual Electric Company</td>
<td>Spurling Electric Co., Inc.</td>
</tr>
<tr>
<td>Newco Electrical Contracting</td>
<td></td>
</tr>
<tr>
<td>Quantum Power Systems</td>
<td></td>
</tr>
<tr>
<td>Rieck Mech. &amp; Electrical Svcs.</td>
<td></td>
</tr>
<tr>
<td>Studebaker Electric</td>
<td></td>
</tr>
<tr>
<td>Wagner Smith Company</td>
<td></td>
</tr>
<tr>
<td>York Electric, Inc.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Division</th>
<th>Lima</th>
</tr>
</thead>
<tbody>
<tr>
<td>BAS Electric Inc.</td>
<td>Lippincott Electric</td>
</tr>
<tr>
<td>C &amp; J Electric</td>
<td>Power Pro</td>
</tr>
<tr>
<td>Gem Industrial</td>
<td></td>
</tr>
<tr>
<td>Hesseling Electric</td>
<td></td>
</tr>
<tr>
<td>Reynolds Electric Co., Inc.</td>
<td></td>
</tr>
<tr>
<td>Sidney Electric Company</td>
<td></td>
</tr>
</tbody>
</table>

Western Ohio Chapter - NECA
2210 Arbor Boulevard
Dayton, OH 45439
Making the Season merrier!

It was a cold and rainy Saturday morning. A gloomy, wintry Dayton day. The kind of day when you simply want to stay inside where it’s nice and warm.

But, 34 volunteers pulled on their boots and rain gear to head downtown to spread a little cheer for the holidays.

For the last decade, Downtown Dayton has been a little brighter over the holidays due to the efforts of the International Brotherhood of Electrical Workers (IBEW) Local 82 and the National Electrical Contractors Association (NECA) Western Ohio Chapter. This year there were also participants from Local 71. They have volunteered their time and equipment to string thousands of lights on buildings throughout the downtown area.

David Roark, of Chapel Electric, acts as liaison with the Dayton Holiday Festival and has coordinated the project in years past. Heath King, also from Chapel Electric, managed the process this year.

According to Heath, “We do it because we’re giving back to the community that gives to us. And it feels good when people walking down the street stop to say thank you.”

The vans, ladders, bucket trucks and other equipment are supplied by NECA contractors. This year the participants included Newco Electrical Contractors, Studebaker Electric, Chapel Electric and Wagner Smith Electrical Contractors. Lights were provided by the Dayton Holiday Festival group and distributed by Chapel Electric.

“It takes a lot of coordination to string that many lights,” says Heath. “First, you have to make sure that the lights are delivered, assure that the bucket trucks and people are in the right place, and make sure that everyone has enough equipment and extension cords to get the job done.”

“We are very appreciative of all the hard work and time spent by IBEW Local 82 and their partners on this project. Lights are a very important part of the ambiance of the Dayton Holiday Festival, as well as the entire holiday season,” says Sandra Gudorf, Executive Director of the Dayton Holiday Festival.

It took about five hours to string the lights on Main Street downtown.

Where do we go from here?

Manufacturing jobs are moving overseas. Construction is down. So where does this leave the electrical contractor and worker? What are the up and coming opportunities for their services?

These questions and more were discussed at the recent International Brotherhood of Electrical Workers (IBEW) and National Electrical Contractors Association (NECA) Labor Management Conference held in Oglebay Park, West Virginia. Noted speaker Joe Salimando, a freelance writer for Electrical Contractor magazine, tackled these issues.

Let’s start with residential. Construction spending for residential increased from 44% in 1995 to 52% in 2003. Electrical work is considered to be 3.5% to 4.5% of total home construction. And there is more home networking/automation in today’s homes, which provides a possible point of entry for union electrical work.

The strongest market sectors in nonresidential are retail, health care and education. The weakest is new construction of office buildings. One of the biggest problems is “offshoring.”

More and more companies are outsourcing their service sector work to call centers out of the country, primarily in India, and soon to China. And manufacturing has already made a big move to China. The result: manufacturing construction fell from $35.3 billion in 1995 to $16.6 billion in 2002 and it’s still dropping. Factories in the U.S. have been abandoned. The work has gone elsewhere and isn’t coming back.

One recent trend for electrical contractors is the move to design-build. Customers appreciate having fewer points of contact (e.g., one contractor who handles the entire scope of a project vs. several contractors, architects and engineers) and design-build can help to speed-up the construction of new businesses. The sooner a customer can open their doors, the sooner they start making money. Owners simply want contractors to handle more responsibility.

Another area of growth for electrical contractors and workers is in voice-data-video (VDV) and integrated building systems (IBS). This work...
Street from Monument to Sixth Street. The electricians also maintain the lights during the holiday season and take them down in January. An Appreciation Dinner will be held on January 28 for all those who participated in lighting up Dayton this year.

Where to we go cont’d
includes: Security (CCTV, access controls, etc.), Sound Systems, Audio/Video (boardrooms and more), Intercom (in hospitals, nurse call); Fire/Smoke/Life Safety; and Building Automation.

And then there is plain old electrical work, where many opportunities are overlooked. These include renovation, rehab, additions, modernization, upgrades, and retrofit. However, the tradition in the industry is to bid on a job, not to “upsell” the customer. So contractors must take it upon themselves to uncover and sell these business opportunities.

Challenges
One of the major challenges facing the electrical industry in the next decade is a shortage of skilled workers. This is not unique to the electrical arena. Right now there is already a shortage of nurses in hospitals (estimated average of 13%). What is the result of this shortage? More mistakes; approximately 24% of mistakes made in a hospital are staff related. Based upon several building trends and statistics, 293,900 electrical construction workers must be created by 2010. Of the 60,000 apprentices enrolled as of late 2002, 9,300 were laid off, others will leave and many will not graduate. The shortage in the apprenticeship program also means a shortage of experienced managerial people. It’s not easy to create a foreman, project manager, supervisor, or other top position. And consider that the average age of retirement is 62. The industry will have to adapt to new workforce entrants, namely females, Afro-Americans and Hispanics.

Opportunities
The most successful contractors will be the most productive. The question is: “How can a contractor get the work done with a crew of 25 if the job dictates a need for 30?” Tools and equipment that reduce installation time or worker wear and tear will increase in value. For example, instant communication will become more and more important (wireless communication); maximizing access to foremen and project managers will increase speed and efficiency; and a journeyman will have today’s “piece” of the work – the drawing – preloaded into his PDA. Safety products will become even more important if overtime soars. And pre-fab operations will become invaluable to decrease costs and increase efficiency in building time.

The bottom line is that contractors must become more technologically savvy, look for opportunities in plain old electrical upgrades, create design build capabilities and educate their workers to handle VDV and IBS.

Lighting cont’d

China makes:
• 27% of all cell phone handsets; it will make 46% of the 700 million to be sold on this planet in 2008
• 50% plus of cameras sold worldwide
• 30% of the air conditioners and TVs
• 25% of the washing machines
• Nearly 20% of all refrigerators
• A private Chinese company accounts for 40% of microwave ovens sold in Europe

Source The Wall Street Journal

Thanks to NECA and to the IBEW Locals 82 and 71, downtown Dayton was aglow throughout the holiday season—this year and in years past.

Local 82
Nick Ames
Doug Andrus
Yvonne Baker
Rodney Blair
Mark Blankenship
Jeff Carr
Chris Craft
Eric Edmondson
Scott Fry
Joan Fultz
Tony Granato
Clayton Hall
Chris Heinz
Heath King
Dan Knoblauch
Ed Krebs
Don Maples
Joe Meyers

Richard Penewit
David Roark
Buck Ross
Duane Sease
Derek Smith
Mark Snyder
Shawn Stamps
Rick Swabb
Josh Thomas
Jon Threnhauser
Joseph Wells
Rick Weiser
Nick Wilder

Local 71
Thomas Daly
Lisa Kelley
Loy Smith
Gary Thomas

Thanks to all of those who volunteered their time to bring the holiday spirit to Downtown Dayton!

Your comments, suggestions and questions are welcome! Contact the Western Ohio Chapter - NECA.
e-mail: wocneca@choiceone.net
website: www.wocneca.org
phone: 937-299-0384
fax: 937-299-7322

The value of Training

Does training provide measurable benefits? Can training improve productivity or efficiency? Can it increase the bottom line?

The answers to these questions are yes, yes and yes!

A recent study conducted by the American Society for Training and Development (ASTD) provides the first definitive evidence that training investments can yield favorable financial returns for firms and their investors.

The question at the heart of the researchers’ work was whether training investments in one year affected a firm’s total shareholder return, or TSR, during the year that followed. ASTD found that an increase of $680 in a firm’s training expenditures per employee generates, on average, a six-percentage point improvement in TSR in the following year, even after controlling for many other important factors.

ASTD found other correlations when looking at other key measures of financial performance. For example, the firms in the top quarter of the study group, as measured by average per-employee expenditures on training, enjoyed higher profit margins (by 24 percent), higher income per employee (by 218 percent) and higher price-to-book ratios (by 26 percent) on average than firms in the bottom quarter.

Aimed with this information, it only makes sense for contractors and employees to invest in their own futures through education. The Management Education Institute (MEI) was created as the principal resource for management development for the National Electrical Contractors Association (NECA), its members and their employees.

The MEI provides NECA members and chapters with education and training services focused on the business and project management knowledge and skills required for the success and continuous improvement of the electrical contracting industry in the 21st century. In today’s fast-changing business and technical environments, management decisions and strategic thinking must occur at all levels of the company. MEI helps to meet the management development needs of NECA’s electrical contracting community.

Most courses are scheduled by individual Chapters and participants can earn Continuing Education Units (CEUs).

MEI courses are classified into one of three categories: project management, technical management, and business management.

What are the benefits to your company of investing in management training?

- Improves retention of valuable human assets
- Assures continuous improvement in quality
- Brings new ideas to operations and admin
- Develops future leadership for the firm
- Enhances the productivity of labor

Management gurus are unanimous that the difference between success and failure is management capabilities.

The message is clear: training pays off for businesses and investors alike, and rewards will come to those who pay more attention to the newly proven connection between training and bottom-line performance.

Did You Know

- The Sun’s energy production each second is enough to supply the electrical need of the United States for 50 million years at the current rate of consumption.
- In Rome, the world’s first paved streets were laid out in 170 B.C. The new streets were popular as they were functional in all types of weather and were easier to keep clean, but they amplified the city’s noise level.
- Each day some 45 thousand thunderstorms occur worldwide, resulting in as many as 100 lightning strikes every second.
- An inch of snow falling evenly on one acre of ground is equivalent to about 2,715 gallons of water.
- Nerve impulses travel as fast as 170 miles per hour.