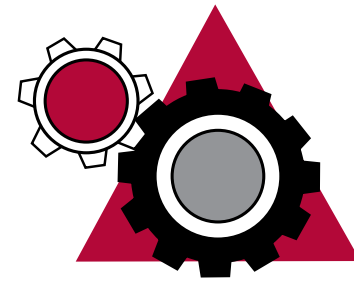


The Network News



Tri-State Manufacturers' Association
Newsletter

January/February 2011



Company of the Month

Mereen-Johnson Machine Company

This issue's Company of the Month has more than a century of experience building machines and equipment for the wood-working industry. Since 1905, Mereen-Johnson Machine Company has been producing machines used in the manufacturing of wood, ceiling tile, doors, aluminum, plastics and composites. Their machinery has been shipped all over the world.

The Mereen-Johnson Machine Company of today is a 45-employee company with facilities in Minneapolis and Webster, SD. The product list includes a variety of high tech machines, saws, accessories, and material handling equipment.

Within the woodworking industry, the company is certainly known for the most extensive selection of gang rip saws. For those not in the industry, a selectable gang rip saw contains a set of one to four blades that are moved in response to a proprietary lumber optimization software system. Mereen-Johnson builds machines with the capacity for spacing that ranges from 12 inches to over 8 feet. These precision high production machines cut wood at a rate of 200 feet/minute with tolerances between +/- three thousandths and are equipped with extensive safety features.

The machine list also includes panel sizing systems, tenoners, dovetailers, box presses, moulders, and equalizers. Custom designed material handling equipment helps maximize production, increase safety and improve lumber yields. The accessory list in-

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cludes diode laser lights, infeed conveyors, and power tables. The customer list, as suggested earlier, includes a range of industries that build products out of wood: windows, cabinets, furniture, doors, ceiling tiles, laminate beams, tress joists, stair treads, and more.

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TSMA is affiliated with Midwest Manufacturers' Association.

Mereen-Johnson Machine Company

Cont. from page 1

The 50,000 square foot plant in Webster, South Dakota is a self sufficient production shop equipped with the capacity to fabricate, weld, machine, paint and assemble. Equipment includes a plasma table, saws, press brake and shear, vertical mills, grinders, manual lathes and complete finishing, assembly, inspection, and shipping departments. The plant houses one of only two Planer Mill Machining Centers in all of South Dakota boasting a 10' x 20' bed. Their box clamp and dove tail machine is also quite unique.

The level of automation and variety of production equipment is significant, but even more impressive is the level of in-house knowledge related to the products they produce. For example, in-house technicians build the electric motors used to power the machines manufactured by Mereen-Johnson at a time when the competition purchases motors off-the-shelf. This approach allows Mereen-Johnson to provide direct-drive (vs. belt driven) motors that are more precise and reliable. Their millwrights, many with an average tenure of some 20 years, are skilled at integrating Mereen-Johnson products with existing equipment during the installation process. Their on-staff engineers have the mechanical and electrical expertise needed to develop a complete system using the latest CAD technology.

The list goes on and if anything, the need for advanced knowledge and skills continues to increase as customers demand higher and higher levels of sophistication in the machines they want to buy. In general, OEM manufacturers are continuously looking to increase automation and efficiency to favorably impact accuracy and repeatability. Scrap is a big issue in the wood industry because the raw material is so irregular; even a 1% increase in production is significant.

In addition to increased efficiency, customers are looking for machines to be more flexible than they were in the past. They want machines that can do more than one thing to help with response time, square foot maximization, and inventory levels. A saw with a moveable blade, for example, provides

the customer with an advantage over a fixed blade. Not only are the blades moveable on a Mereen-Johnson saw; the saw is equipped with software that can "look at" the raw material using laser lights and determine how to cut the board for maximum optimization. A Mereen-Johnson door sizer may be equipped to automatically set the width and length using only a symbol on the door separator. Mereen-Johnson Machine Company relies on a network of 50 dealers located domestically and throughout the world to sell their products. International locations include South America, Africa, Australia, China, and many more.

They have manufactured an estimated 10,000 machines throughout the company's history, with some 5,000 machines currently in operation. Perhaps in contrast to the metal working industry, in the wood industry, U.S. built machines are perceived as more durable, more accurate, easier to operate and easier to service. Mereen-Johnson has an excellent reputation for durability and support. Of late, the company is buying pre-owned saws. These Mereen-Johnson machines are re-manufactured and equipped with up-to-date safety controls and sold (with a warranty) at a lower price than a new machine would command.

With more than 100 years under their belt, it's no surprise that the company has a few "claims to fame." For starters, Mereen-Johnson is the only company, ever, to manufacture the machines to make wooden boxes used by Coca Cola to store and transport glass bottles – these boxes are now a collector's item. Mereen-Johnson designed and developed the world's first gang rip saw. The same is true of the tenoner, a machine used to create a moulded edge. At one point, Mereen-Johnson was the manufacturer of choice to source the equipment used to manufacture ceiling tiles in either the United States or Europe. The company holds a number of patents, many related to quick change over of tooling and circular saws and band saws.



Originally founded in Minneapolis, Mereen-Johnson has operated dual locations for nearly 40 years. All production was consolidated to the Webster facility in 2008. The Minneapolis office houses the accounting, sales, customer service and engineering departments. The company continues to invest in up-to-date technology to enable seamless communication between the Minneapolis and Webster facilities. Web conferences are used to discuss drawings that can be accessed by either end of the corporate network. Parts and raw mate-

Cont. on page 3

Mereen-Johnson Machine Company

Cont. from page 2

rial inventory is available at either plant in real time. Web meetings are also used to update the dealer network. Dakota Foundry, located right next door to the Webster plant, was once owned by Mereen-Johnson. The foundry became an independent, employee-owned company in 2006, and now operates as a turn-key partner and valued supplier of castings. Mereen-Johnson is in the midst of a process known in the industry as the "lean journey." The adoption of a formal quality management system is on the horizon, potentially ISO. A formalized system would be of value in current markets and would also position the company for new ventures like the wind industry. The lean process started in the production shop and has now moved into the office to make improvements in sales, marketing, etc.

Cross training has been an important part of company policy for some time, but with the new lean initiative this effort has been expanded to ensure that key positions have two or even three backups to ensure continued productivity and flexibility. The design phase has been adjusted so that in-house designers are talking to the customer earlier in the process to eliminate time wasted on misunderstood needs. Throughout both facilities, employees are encouraged to recognize habits that could be wasteful of resources, time, etc. Each department hosts a monthly Lean Board Meeting wherein objectives are established and progress is evaluated.

As time moves on, Mereen-Johnson Machine Company moves further into its second century as a respected supplier of machines and equipment for the woodworking industry. Tri-State Manufacturers' Association solutes you!

Learn more about the company's products at www.mereen-johnson.com or call 888-4MD-SAWS.



Would you like your company featured as

Company of the Month

in the *Network News*?

Contact the TSMA office at

800-654-5773 or

midwest@runestone.net

2010 Membership Statistics

| | |
|------------------------------|------------------|
| Membership - year end..... | 210 |
| New members added | 18 |
| Renewal rate | 91% |
| Avg. meeting attendance..... | 25 co./36 people |

T SMA General Meeting

Tuesday March 1

Osakis, MN
Walleye Lodge Pub & Grill
1721 East Lake Street

QCI Network:

“Understanding How Worker Safety Impacts the Quality Process”

Presenter: **Scott Huberty**, Meadowbrook Ins.

Tri-State Quality Council has a NEW name: QCI Network. What's behind the new name? QCI = Quality & Continuous Improvement. “Network” reflects the inclusive intentions of the group. ALL current and prospective members are welcome to attend QCI Network Meetings!

Any manufacturer involved with a quality program, be it Lean, ISO, etc., should understand that worker safety plays a key role in the success of that program. Typically, a company that succeeds in the area of worker safety is likely to succeed in the area of quality; the two are inter-related. A worker who feels he is in a safe environment will likely be more effective on the job.

Scott's presentation will talk about some of the specific ways that safety measurements are integrated into the quality process, as well as the impact of worker safety from a regulatory standpoint.



Tour: Lind-Rite Precision, Inc.

Prior to the dinner meeting, join us for a guided tour of Lind-Rite Precision, a contract manufacturer specializing in CNC milling, CNC turning, Swiss turning, and screw machining.

Founded in 1987, Lind-Rite Precision constructed a brand new 22,500 square foot facility Osakis in 2006. The ISO certified company manufactures precision machined parts for a variety of industries. Secondary operations and assembly services are also available inhouse.

Schedule of Events

2:00 - 4:00 PM QCI Network Meeting
4:00 - 5:00 PM Tour: Lind-Rite Precision
5:00 - 5:45 PM Registration & Networking
5:45 - 6:15 PM Dinner Buffet
6:15 - 7:30 PM T SMA Meeting & Guest Speaker

Cost: \$15/person

Guest Speaker:

“Hazard Recognition”

Presenter: **Scott Huberty**, Meadowbrook Ins.



What is it that causes people to have accidents? Essentially, accidents are a result of not learning how to pro-actively recognize hazards and failure to have a thoughtful process for controlling them.

Following the dinner buffet, Scott's presentation will discuss the nature of hazards and the importance of understanding the hazard recognition process, and offer a strategy for analyzing hazards as a means of reducing risk.

Scott Huberty is the Loss Control Supervisor for Meadowbrook Insurance Group. T SMA members have appreciated Scott's relaxed yet informative training style at past workshops. Meadowbrook Insurance Group provides a variety of traditional and alternative risk management and insurance services. In Minnesota, Meadowbrook serves as a TPA (Third Party Administrator) for self-insurance groups, including the Trifac Workers Compensation Fund, which is available to members of AMFA, CMMA, and T SMA.



RSVP by Friday, February 25

800-654-5773 or

leeannr@runestone.net



Elroy Says...

Elroy Vesta, TSMa President
EJ Enterprises, Fergus Falls

Love



We are almost to the end of the shortest month in our calendar. Now I put one word as the title and you are wondering – WHAT does LOVE have to do with manufacturing?

Hear me out – It may not seem directly involved however, love is critical to what we do to put people, machines and tasks together and make them function efficiently and effectively.

Think about some of the phrases you remember –

Love is a many splendored thing.

Love makes the world go 'round.

"....A simple I love you means more than money...."

--Frank Sinatra

Oh – you don't remember those but thought of others. Good – Say them to yourself or a favorite friend. I believe that when love thrives all of life is better.

I doubt that I have convinced you yet of the value of using loving thoughts and actions as motivation to make the workplace better. I do still have a few things to ask you to consider. Here is how I have often thought of love – It is meeting the basic needs of another without any expectation of return.

In each of our work situations we encounter people with pressures that few people know or understand. We find lonely, left out people. We will discover financial burdens that seem to have no solution. We find others who do not know where to turn for answers. For these co-

workers the preoccupation with pressure minimizes efficiency and may make that colleague totally ineffective in performing the task. NOW – that is where Love comes into the picture because it is our moment to meet a basic need.

Recognize the value of a listening ear. Have confidence in the information you have to direct such a one to a place of help and hope. Take time to notice when someone is 'down' and then figure out a way to provide a lift. We call these actions many names but at the core it is our willingness to do the loving act. It becomes our time to help their world 'go around'. We are doing the loving thing.

I know that giving to basics is not fully nor immediately rewarding but I am discovering that such action adds to the ease of life. In fact, at times it makes a difference in the bottom line. For when that friend is 'fully alive' because they have been loved, then they will give all they have to make what they are doing successful.

You can begin with boss to employee, employee to boss, employee to employee and many other ways that point out that this 'love' is a person to person relationship that helps us do what we are supposed to do. Then all win.

SOOO --- show some Love and **Live simply, Love generously, Care deeply, Speak kindly.....**

Upcoming Events

| Date | Location | Event/Speaker/Topic |
|---------|--------------|----------------------|
| March 1 | Osakis | TSMa General Meeting |
| April 5 | Fergus Falls | TSMa General Meeting |
| May 3 | Alex. Area | TSMa General Meeting |



FREE GreenPower Training

February 28

8:00 a.m. – 4:30 p.m.

ATCC Room 211

Alexandria Technical & Community College
1601 Jefferson Street, Alexandria

To Register:

cdombek@swmpic.org or
call Carol at 320-269-5561

GreenPOWER

Today, many businesses are “going green” to one degree or another. Training your employees on green concepts could help your company succeed in Minnesota’s expanding green economy. Manufacturers can receive FREE GreenPOWER Training from the BlueGreen Alliance Foundation, in partnership with the SW MN Private Industry Council ... and the training is available right now!

Green Generalist Training:

- is a fun, fast-paced workshop (one-day, eight hours)
- applies environmentally friendly practices in the workplace
- focuses awareness of sustainability methods
- benefits employees at every level of an organization
- combines classroom-style learning with interactive “live” simulations
- was designed by Purdue’s Technical Assistance Program for manufacturers
- is FREE for Minnesota Manufacturers!

GreenPOWER also offers Green Specialist Workshops free of charge – companies can pick and choose from six curriculums. Learn more about these options at the Generalist training, or give Carol Dombek a call.



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AMFA Spring Social

Date: March 9, 2011

Time: 4:30pm-6:30pm

Location: Fitger's - Midi Restaurant
Harbor View Room
600 East Superior St.
Duluth, MN 55802

Cost: **Free**

Members and Guests Invited!

AMFA and the Consulate General of Canada in Minneapolis invite you *and a guest* to join them at Fitger's Midi Restaurant.

AMFA extends a special invitation to potential members interested in learning more about the organization.

RSVP by Friday, March 4

LeeAnn Rostberg • leeanr@runestone.net • 877-330-2632

This event is sponsored by the Canadian Consulate



Last Call for 2011 Membership Directory Updates

Last call for updates or advertising in the 2011 MMA Membership Directory! The new directory is scheduled to go to press in April. If you'd like to update your email address, contact person, product/service description, etc. --- call or email the TSMA office by March 7.

The 2011 edition will list over 400 companies, all of whom are members of AMFA, CMMA, and TSMA. Seven hundred copies of the directory will be printed and distributed throughout the region.

All current members of AMFA, CMMA and TSMA will receive a complimentary

copy of the 2011 MMA Membership Directory via regular bulk mail. The bulk mailing is anticipated for early May. If your company can make use of additional free copies, call or email the office with your request. The directory will also be made available electronically as a pdf file.

To those who have supported the directory with the purchase of advertising space - thank you! There's still time to purchase display advertising space; call the office by Monday, March 7.

| | <u>Members</u> | <u>Nonmembers</u> |
|-----------|----------------|-------------------|
| Full Page | \$200 | \$500 |
| Half Page | \$115 | \$240 |
| Qtr Page | \$60 | \$175 |

Check out www.tsma.org
for updates and company information.

Project Management Essentials

Designed for anyone who wants to learn the basic ins-and-outs of project management. This course will cover the following topics:

- Introduction to Project Management
- Project Management Processes that include:
 - ◆ Project Initiation
 - ◆ Project Planning & Scheduling
 - ◆ Project Execution
 - ◆ Project Monitoring & Control
 - ◆ Project Closure
- Project Time Management
- Project Risk Management
- Project Communications Management

When: March 25 & 25, 2011
Time: 8:00 a.m. - 4: 30 p.m.
Where: SCSU Welcome Center
 355 5th Ave S, St. Cloud
Cost:
\$499 for the first 12 registrants
 \$599 for those who register by 3/10/11
 \$699 for those who register by 3/16/11

For more information on these and other programs please visit our website:

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2011 TSMA Scholarship Winners Announced at Annual Meeting

Elroy Vesta, TSMA President (left), pictured with two scholarship award winners. Adam Rupp (center) and Vanessa Westra (right).

At the TSMA annual meeting in Alexandria on January 4th, TSMA President Elroy Vesta announced the names of seven individuals selected to receive educational scholarships from Tri-State Manufacturers' Association. Awards totaling \$5,000 were distributed for spring semester 2011.

Two \$1,000 scholarships were awarded to students pursuing an education in a manufacturing-related field while two \$750 and three \$500 scholarships were awarded to students entering a field of study related/unrelated to manufacturing.

The first recipient of a \$1,000 award was Jake Heck, a current student at Itasca Community College studying Engineering. His mother, Nancy Heck, is employed by TSMA member Otter Tail Power Company, Fergus Falls.

Jami Johnson is a student at Bethel University and was awarded a \$1,000 schol-

arship to aid her study in Physics and Mathematics. Her father, Rick Johnson, is employed by TSMA member Otter Tail Power Company, Fergus Falls.

A \$750 award was received by Adam Rupp, a current employee at Alexandria Extrusion, a TSMA member located in Alexandria. Troy is a student at St. Cloud State University pursuing a Masters degree in Business Administration.

Another \$750 award was presented to Vanessa Westra, a current employee at the TSMA member company West Tool & Design, Fergus Falls. Vanessa is attending Minnesota State Community & Technical College for a business degree.

A \$500 award was received by Cody Hanneman, a current student of North Dakota State College of Science studying Electrical Technology. His mother, Cheri Hanneman, is an employee of TSMA member company Ottertail Power Company, Fergus Falls.

Mackenzie Zimmerman received a \$500 award and is a student at The University of Minnesota, Twin Cities. She is studying International Business and is a current employee of TSMA member company Woodville Pork, Waseca.

The final recipient of the \$500 award was Kimberly Gienger, who is a student at The University of North Dakota planning to obtain her Physical Therapy degree. Kimberly's mother, Julie Gienger, is employed by TSMA member Ottertail Power Company, Fergus Falls.

Tri-State Manufacturers' Association began funding a Scholarship Program in 2004. People employed by a TSMA-member company, as well as the children of said employees, are eligible to apply. The selection committee scored applicants on four criteria: scholastic achievement, essay, application effort, and recommendation letter. The next scholarship application deadline will be in November 2011.



January Did You Know?

“Did You Know?” - provides the opportunity to share timely, manufacturing-relevant information about government programs, human resource issues, tax laws, etc. “Did You Know?” information from the TSMA January and February Meetings are featured in this issue

February Did You Know?

Information about Nanotechnology

Nanoscience is the study of mechanical, electrical, magnetic and other properties at a small scale that differ from properties of the same material in larger quantities. A nano-meter is one billionth of a meter. Generally nanotechnology deals with structures sized between 1 to 100 nanometers in at least one dimension, and involves developing materials or devices within that size

There is much debate on the future implications of nanotechnology. Nanotechnology may be able to create many new materials and devices with a vast range of applications, such as in medicine, electronics, biomaterials and energy production. On the other hand, nanotechnology raises many of the same issues as any new technology, including concerns about the toxicity and environmental impact of nanomaterials, and their potential effects on global economics, as well as speculation about various doomsday scenarios. These concerns have led to a debate among advocacy groups and governments on whether special regulation of nanotechnology is warranted.

MN Nano is a statewide non-profit organization working to establish Minnesota's standing as a region of excellence in nanoscience. The future health of our economic region is dependent upon significant utilization and expansion of technology. In order for Minnesota to be competitive vs. other states (and countries), it is imperative we leverage nanotechnology as a key enabler in innovating solutions for urgent problems. (www.mnnamo.org)

Do you have information to share with others involved in manufacturing?

i.e. legislation ~ HR updates ~ government programs ~ tax issues
Contact the TSMA office so we can share the information with other companies.

GreenPOWER Training is FREE!

Incorporating green practices in operations can go a long way, but training your employees in green principles infuses those practices into your corporate culture. In 2011, Minnesota companies can access FREE GreenPOWER training to incorporate green principles and save your company money.

Six Green Specialist Workshops are offered; your company can pick and choose. All are FREE.

Energy Management: Manage energy usage and invest in energy efficiency.

Pollution Solutions: Use innovative methods to improve and reduce air pollution.

Green Chemistry: Apply Green Chemistry principles and techniques in all facets of business.

Waste Management: Emphasize the importance of the entire product life cycle and its impact on your bottom line.

H2O Conservation: Demonstrate principles and practices used in the operation and design of water systems. Sustainability into Practice: Translate a vision into a continuous and sustainable program.

Call the TSMA office at 800-654-5773 for more information.

Do you have information to share with others involved in manufacturing?

i.e. legislation ~ HR updates ~ government programs ~ tax issues
Contact the TSMA office so we can share the information with other companies.



Upcoming Member Events

What's New and What's Next in Employment Law for 2011

When: February 23
Time: 11:00 am – 12: 00 pm
Where: Webinar

Registration: <http://us.manpower.com/us/en/mail/mark-toth.jsp?mtcCampaign=13132&mtcEmail=60710514>

Primary Goals of Training:

It's a new year and plenty of things are happening in the world of employment law. Mark will update you on all of the latest developments and then give you a glimpse of what may be coming next. Along the way, he'll provide plenty of tips and tools to help you stay out of legal hot water.

Diversity and Inclusion for Business Leaders

When: March 1 & 2
Time: 8:00 am – 5: 00 pm
Where: ATCC Room 211
1601 Jefferson Stree
Alexandria, MN 56308

Fee: \$25 per person (includes materials and lunch)

Registration: Complete a form online at www.alextech.edu/CustomizedTraining or contact Jolene at 320-762-4490, jolened@alextech.edu

Primary Goals of Training:

- Increase employee engagement and team morale using positive Micro-Messages
- Create and develop a Diversity P.V.G. Philosophy and Plan for their organization
- Create a Diversity SWOT Analysis Process to increase internal and external cross cultural communications
- Define and explain the difference between Leadership and Diversity Leadership
- And much more.

Gaging and Metrology for Efficient CNC Operation

When: March 15 & 17
Time: 1:00 – 5:00 pm
Where: ATCC Room 208
1601 Jefferson Stree
Alexandria, MN 56308

Fee: \$199

Registration: Complete a form online at www.alextech.edu/CustomizedTraining

Primary Goals of Training: This session is focused on preparing the CNC operator for effectively handling, cleaning, caring for, and using a variety of common gages utilized in the production of CNC machined components. This course will provide the participants with the opportunity to learn how to effectively "0" out the gages, keep the gages clean, verify to masters, and overall how to apply a variety of gages to the best suited application for qualification of components to print specifications.



Contributed By:
Brad Stevens, Relationship
Manager

Bankable Companies

Brad Stevens is a Relationship Manager with Alerus Financial, a full service commercial bank serving in your best interest. With over twenty years experience, Brad works closely with business owners to provide advice and financial solutions amongst the ever-changing market cycles. Contact Brad at 651.746.6153 to discuss fresh, innovative financial strategies for your business.

It may appear that the greatest secret today is what the definition of a bankable company actually is? We all know that over the past three years, the definition of what was acceptable to a bank then is not now. This has left business owners confused as to why I was good enough then but not now? What exactly are banks looking at and expecting now?

The old adage, that banks are only willing to lend to you when you do not need the money, is often repeated, but really not fair. There are a number of factors as to what bankers look at when assessing any financing request. Business owners should be able to understand the parameters as to what a bankable company is, while bankers need to be articulate enough to fully define for the borrower exactly what is expected. The column this month will be devoted to what a bankable balance sheet looks like. Next month a lay out of the income statement will be detailed to share what bankers look at on that side. Lastly some other key ratios will be presented that will pull both the balance sheet and income statement together.

Leverage is by far the most important figure that bankers look at. Leverage is the total senior debt of the company divided by the tangible net worth. This ratio should not be higher than 3.5 to 1.0 for a bankable firm. The best, strongest firms will have a leverage position less than 1 to 1. Senior debt will be the total liabilities of the firm less any debt that is subordinated to the bank. Tangible net worth is the owners equity in the firm, including retained earnings and

subordinated debt but has any intangible assets removed. Equity can be increased by paid in capital and retaining earnings over time. Likewise, large distributions for things other than taxes can push the leverage position out of the realm of being bankable. A high equity position, low leverage, does not preclude a need to borrow. It will however, allow you to meet the expansion needs of your firm when the time is right or survive a down turn. I never really understood the Mother Goose story about the goose that laid the golden eggs until I saw a number of business owners drain all the equity out of their firm and then not understand why when times got hard they could not keep the company afloat.

The second ratio to consider is the current ratio, current assets divided by current liabilities. To be liquid, this ratio must be above 1 to 1 with a preference of being over 1.2 to 1.0. The quality of the current assets is crucial. If the current ratio is 3 to 1 but over half the receivables or inventory are stale or need to be written off, in reality, you may not be in as good a shape as the ratio indicates on its face. This ratio also gets to the point of how much of the cash to cash cycle is your bank or vender's financing?

The days of the last decade when Banks made huge mistakes by being over competitive and ignored risk are over. Banks are in the business to accept calculated risk. The expectation is that the owner must shoulder the majority of the risk of the business is the new and continuing reality. Recognize that banks are only a supplier, not an owner. Their return is fixed as is their appetite for risk.

Dream !t. Do !t.

www.dreamit-doit.com/mn



Advertising Rates

| | one <u>month</u> | six <u>months</u> | twelve <u>months</u> |
|-----------|---------------------|----------------------|-------------------------|
| 1/8 page | \$20 | \$100 | \$180 |
| 1/4 page | \$35 | \$175 | \$315 |
| 1/2 page | \$60 | \$300 | \$540 |
| Full page | \$100 | \$500 | \$900 |

TSMA Member Rates

Contact LeeAnn Rostberg at the TSMA office for more information:
Phone: 800-654-5773
Email: leeannr@runestone.net

Alexandria Technical & Community College Named the First-Ever “TSMA Member of the Year”

Tri-State Manufacturers' Association is pleased to announce Alexandria Technical & Community College as the “TSMA 2010 Member of the Year.” TSMA president Elroy Vesta presented the award to Jeremy Schwartz at the TSMA annual meeting in January.

The “TSMA Member of the Year” award is a new effort to acknowledge companies and organizations that have made a significant impact on the success of Tri-State Manufacturers' Association. The board announced this new award in 2010 and members were encouraged to make nominations.

All members in good standing are eligible for the “Member of the Year” award. The TSMA Board of Directors serves as the panel of judges. Three criteria, listed below, were used to unanimously select the 2010 winner.

1. Regular attendance at TSMA meetings/ events. One or more representatives from Alexandria Technical & Community are typically in attendance at an average of six meetings a year.

2. Extra effort to assist TSMA with its goals. The following are but a few of Alexandria Tech's contributions to TSMA throughout its 20-year membership:

- Provide vision and leadership in founding the Tri-State Quality Council in 2006; Jeremy Schwartz continues as co-chair of this group
- Provide vision and leadership to conceive ICeBerG, a forum that will focus on business and environmental efficiency and stewardship.
- Annual sponsorship and attendance at the Tri-State Golf Social, which raises funds in support of industry scholarships.
- Key partner in the West Central Minnesota Dream It. Do It. campaign, including representation on the Steering Committee and leadership of the recent Tour of Manufacturing event.
- Initiate discussions that led to M-State, Alex Tech and TSMA collaboration to provide grant-funded training for members in rural Minnesota.
- Alexandria Technical & Community College serves as an exemplary example of education-industry partnerships; they are continually recognized at events throughout Minnesota for “best practices” that others aspire to achieve.

3. Promote TSMA to others. Staff at Alexandria Technical & Community College regularly provide the office with names of manufacturers in the region; they speak to these companies about the benefits of networking with their peers in industry.

Thank you, Alexandria Technical & Community College, for your longstanding commitment to the manufacturing industry!



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800.500.8938

A member of the Minnesota State Colleges and Universities System

Storm Cancellation Policy

The membership will help determine cancellation. Members (or other registered guests) are asked to call the TSMA office by Noon on the day of the meeting to cancel their registration. If 40% of the registered guests call and cancel, the entire meeting will be cancelled. Otherwise, the meeting will be held as scheduled.

With this policy in effect during winter months, it's important for you to pre-register for the meetings. Please phone, fax or e-mail your registration. The board established a cancellation policy rather than a reschedule policy. Attempts will be made to reschedule certain guest speakers or workshops for a later meeting date, but typically, new meeting dates will not be added to the calendar.

TSMA Budget 2011

| | |
|----------------------|---------------|
| REVENUE | |
| Advertising Income | 1,200 |
| Golf Social | 8,000 |
| Interest | 1,200 |
| Member Dues | 46,500 |
| Meeting Revenue | 4,500 |
| Seminar Revenue | 5,000 |
| Miscellaneous Income | 600 |
| Total Revenue | 67,000 |

| | |
|--------------------------|---------------|
| EXPENSES | |
| Board Meeting Expenses | 300 |
| Dream It! Do It! | 1,000 |
| Golf Social Expense | 5,000 |
| High School Program | 6,000 |
| Insurance | 1,200 |
| Labor from MMA | 31,200 |
| Marketing Expense | 1,000 |
| Meeting Expense | 4,950 |
| Miscellaneous Expense | 1,200 |
| MMA Dues | 5,250 |
| Office Expense | 1,800 |
| Scholarship Expense | 5,050 |
| Seminar Expense | 4,000 |
| Sponsorships | 2,400 |
| Travel - Staff | 2,400 |
| Total Expense | 72,750 |
| Excess Revenue (Expense) | <u>-5,750</u> |

Annual TSMA Board Retreat Yields New Goals for 2011

The annual TSMA Board Retreat was held at the Bob Grove residence in Elbow Lake on the morning of January 21, 2011. Elroy Vesta, TSMA board president, facilitated the discussion.

The meeting opened with board members answering the question, "Why do I serve on the TSMA board?" Responses suggested that current board members: are interested in influencing change and contributing to TSMA's success, benefit from relationships developed within TSMA, gain visibility, and gain knowledge about the association and the industry.

The mission statement received a minor but important adjustment with the addition of the word, "advocacy." The mission statement now reads: Tri-State Manufacturers' Association assists manufacturing related companies by providing advocacy, education, networking, and programs to enhance the success of members and their communities.

Information from 2010 was reviewed, including updates on finances, membership, meeting attendance, and goals.

An operating budget for 2011 was approved, showing revenue of \$67,000 and expenses of \$72,750 (The complete budget is printed on the left hand side of this page). The board continued discussion about spending down some of the organization's reserve funds.

New Goal Statements were developed for 2011, as printed below. Other action included the decision to, develop a promotional strategy aimed at prospective members, offer free membership and meeting attendance to high schools in the region, in an effort to assist in creating relationships between industry and education. Former TSMA members will be included in a membership recruitment campaign. TSMA members will regularly be asked to answer the question, "How can TSMA be of more value to your company?"

GOAL 1. VALUE OF MEMBERSHIP

Enhance the value of membership through program development, educational opportunities, and legislative advocacy.

Obj. 1.1 Increase our knowledge about what members "want" from TSMA by surveying the membership on a regular basis.

Obj. 1.2 Engage local legislators by facilitating written communication and face-to-face interaction with the membership.

GOAL 2. PROMOTION OF TSMA

Promote TSMA to current and potential members.

Obj. 2.1 Encourage high schools in the region to increase interaction with manufacturers, join TSMA, and/or be represented at TSMA meetings.

Obj. 2.2 Use our manufacturing database to send information to prospective members located in the TSMA service region.

Obj. 2.3 The board of directors will review the list of past members in March and September and establish a plan-of-action for contacting said companies



Meeting Update: \$100 Cash Drawing, and Thank You

Remember to turn in your business card at each Tri-State meeting for a chance to win \$100 at a future meeting! One business card will be drawn from "the hat" each month; the person named on the card must be present to win.

At the February meeting the name of **Greg Dropik**, Lars Metal Finishing, was drawn. Greg was not present and \$100 was donated to the TSMA Scholarship Fund.

Thank You

Thank you to **Bruce Miles**, Owner, Ed.D. & Big River Group, LLC for his presentation at the January meeting.

We also want to thank **Peter Kuzj**, Principal Safety Consultant, OSHA, for his presentation at the February meeting.

ICeBerG Forms Steering Committee

ICeBerG is an acronym for "It Could Be Greener," the name adopted for TSMA's new focus on green principles in manufacturing. ICeBerG hosted a meeting in January, attended by two dozen area manufacturers and service providers, that explained opportunities for free GreenPower training in Minnesota. (See Page XXX for information about an upcoming GreenPower session in Alexandria.)

What's next for ICeBerG? We need your help in answering this question! Two to four volunteers are needed to serve on the ICeBerG Steering Committee in 2011. Should ICeBerG... Provide networking

opportunities, hosting meetings on a quarterly basis? Serve as a resource for "best practices" in green manufacturing? Establish a peer auditing group for green practices? Coordinate joint training opportunities?

Get more from your membership in TSMA by getting involved. Call or email the office today to ask questions or express interest in impacting the success of ICeBerG!



Experience the Difference.

Your success is our number one priority. We work with you and your business team to help transform your challenges into possibilities—and goals into reality.

Call today to learn more.



CPAs & BUSINESS ADVISORS

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For Manufacturers

Have you checked into the benefits of

Trifac Workers Compensation Self-Insurance?

Call the office today for details!
877-330-2632

TSMA Survey Feedback January 2011

Evaluation of Newsletter and General Meetings

Thank you to the 46 people who responded to the online TSMA survey in January. The TSMA board intends to conduct brief surveys on a monthly or bi-monthly schedule in an effort to continually gather input from members on whether TSMA is meeting the needs of its members.

The January survey gathered information about the TSMA newsletter and general membership meetings. Take-away information from the survey included:

- 85% of respondents read the newsletter on a regular basis, with another 13% reading it occasionally.
- The primary reason given for NOT reading the newsletter was "lack of time."
- Regarding the distribution method for the newsletter, 62% prefer a PDF attachment versus an online link (38%).

- Scheduling conflicts at work/home (40%) and Distance to travel (37%) are common reasons for NOT attending TSMA general meetings.
- Plant tours are of interest but not mandatory with regard to meeting attendance.
- Alexandria (81%) and Fergus Falls (62%) scored considerably higher than any of the other suggested locations for holding TSMA general meetings.

Please take the time to share your thoughts when the February/March survey arrives in your inbox. (If you do not receive an invitation to complete the survey, please contact the office so we can check our distribution list.) Help us add value to your membership in Tri-State Manufacturers' Association!

TSMA Financial Reports

Tri-State Manufacturers' Association Balance Sheet January 31, 2011

| | |
|---------------------------------|---------------|
| ASSETS | |
| Petty Cash | 100 |
| Cash | 89,396 |
| Investment/CVI | 1,000 |
| Grants Receivable | <u>-35</u> |
| Total Assets | <u>90,461</u> |
| LIABILITIES | |
| Liabilities | 360 |
| FUND BALANCE | |
| Fund Balance | 90,216 |
| Revenue Over (Under) Exp. | <u>-115</u> |
| Total Fund Balance | <u>90,101</u> |
| Total Liabilities and Fund Bal. | <u>90,461</u> |

Tri-State Manufacturers' Association Statement of Activity For The One Month Ending 1/31/2011

| | |
|---------------------------|--------------|
| REVENUE | |
| Advertising Income | 350 |
| Golf Income | 0 |
| Membership Dues | 7,725 |
| Meeting Income | 546 |
| Misc. Income | <u>66</u> |
| Total Revenue | <u>8,687</u> |
| EXPENSES | |
| Golf Expense | 0 |
| Insurance | 0 |
| Meeting Expense | 599 |
| Misc. Expense | 791 |
| MMA Dues | 0 |
| Staff Time | 2,040 |
| Office Supplies/Postage | 181 |
| Travel & Training -Staff | 192 |
| Workforce Dev/Scholarship | <u>5,000</u> |
| Total Expense | <u>8,803</u> |
| Revenue Over (Under) Exp | <u>-115</u> |

T SMA Board of Directors

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T SMA Core Values

1. Tri-State Manufacturers' Association is committed to developing people and companies by providing opportunities for members to acquire industry relevant knowledge or skills.
2. Integrity and trust are guiding principals for Tri-State Manufacturers' Association.
3. Tri-State Manufacturers' Association believes that open, accurate and timely communication is important to accomplishing its mission.

T SMA Standing Committees

Tri-State members are invited to join a committee at any point throughout the year. Contact the T SMA office or the committee chair directly.

Membership Committee, chair:

Linda Besse, Northern Contours

Program Committee, co-chairs:

Kevin Schutz, OECS, Inc.
Elroy Vesta, EJ Enterprises

Special Events Committee, chair:

Don Leapaldt, State Bank & Trust

Youth Involvement Committee, co-chairs:

Bob Grove, Cosmos Enterprises
Todd Peterson, TS&L Properties / 3M

Government Relations Committee, co-chairs:

Don Leapaldt, State Bank & Trust
Mike Westergard, StoneL Corporation

T SMA Membership Dues

The T SMA Membership Dues Structure is identical for manufacturing and associate members. Dues are based on number of employees.

| No. of Employees | Annual Dues |
|--------------------|-------------|
| 1 person shop..... | \$ 75 |
| 2 to 5..... | \$ 125 |
| 6 to 15..... | \$ 175 |
| 16 to 30..... | \$ 200 |
| 31 to 50..... | \$ 250 |
| 51 to 99..... | \$ 275 |
| 100 to 199..... | \$ 325 |
| 200 or more..... | \$ 350 |

T SMA Mission Statement

Tri-State Manufacturers' Association assists manufacturing related companies by providing advocacy, education, networking, and programs to enhance the success of members and their communities.



Membership Plaques are presented to current members at T SMA networking events. Several T SMA members collaborated with the Machine Technology students at North Dakota State College of Science to produce the plaques.