SMACNA members represented in ENR Top 600

Engineering News-Record (ENR) magazine published its annual Top 600 Specialty Contractor “who’s who” industry rankings in October. In 2017, SMACNA members’ earnings comprised 62 percent of ENR magazine’s top 50 mechanical contractors’ $17.3 billion category. In 2016, SMACNA’s mechanical contractors’ share was 61 percent of $14.9 billion. In 2017, SMACNA sheet metal contractors captured 70 percent of the $723 million Sheet Metal Division category. The total revenue of the sheet metal category shrank from $1.2 billion in 2016 to $1 billion in 2017. Fourteen SMACNA members made it into the top 20 sheet metal ranks in 2017; the same number as in 2016. Twenty-four SMACNA members comprise the top 50 mechanical contractors, the same as in 2016. The Oct. 23, 2017 article also shared top specialty contractor executives’ opinions on industry conditions and trends.

Some industry trends include:

• The market appears to remain strong through 2018.
• Large specialty contractors are relying on acquisitions of other firms to boost market share.
• As building envelopes become more complex, specialty contractors are seeking earlier involvement resulting in an extended design-assist period.
• Contracts are becoming more onerous, requiring longer legal reviews and costs.
• Retaining qualified people is the key to success and it has become increasingly difficult.

January 2018 AHR Expo:

Got your free pass for the Expo and SMACNA’s tech sessions?

If you plan to attend the 2018 AHR Expo at McCormick Place in Chicago, Jan. 22-24, it’s best to get your tickets in advance. SMACNA’s technical library will be on display in Booth 6839 and SMACNA’s technical staff will be presenting three educational programs at McCormick Place as part of the Expo’s free education sessions.

Register on the www.ahrexpo.com website for your free pass before Jan. 17 or pay the $30 at-the-door ticket price. Having your badge in advance saves time waiting in line and money.

SMACNA’s technical presentations will include:
The HVAC Air Duct Leakage session will offer comprehensive coverage of the SMACNA/ANSI “HVAC Air Duct Leakage Test Manual” and how to properly apply it in the field to ensure correct results. It will dispel industry myths and ensure that
President’s Column

Time to invest in your partnership with labor

Jack Knox

During the Great Depression, my great-grandfather started our family business in Atlanta, when businesses were either failing or extremely unethical. One of his founding principles was “integrity.” A little integrity can go a long way in building a solid partnership and establishing mutual trust.

SMACNA and SMART’s upcoming Partners in Progress Conference, Feb. 13-14 in Orlando, Fla., will give us the opportunity to exhibit our integrity and work on improving our labor-management partnership skills. Experience has shown that contractors with successful labor partnerships can gain market share and improve working conditions even in very tough economic climates.

Meeting face-to-face with our labor partners outside of the typical workday pressures will enable us to look with fresh eyes and identify things we have in common. During this meeting we will devote constructive time to serving our common interests.

We’ll learn new ways to communicate with each other and discover new and possibly innovative ways to create work opportunities. Our newly acquired communication skills will teach us ways to handle our differences in a respectful manner.

In Atlanta, my fellow contractors and I are part of a Labor Management Pilot Project with Mike Gaffney, respected labor relations consultant. It has been a positive experience, but it is a slow process. It takes a lot of small steps to reach common ground. We are looking forward to attending the Partners Conference and building on the foundation we’ve established so far.

Oftentimes, I challenge my children and my employees to be difference-makers in this world. I ask them, what they are doing to make a positive change in the community? How are they giving back? If positive change is going to happen, it must start with them.

I challenge you to answer these questions in relation to this upcoming Partners Conference.

What are you doing to make a difference in the sheet metal and HVAC industry? What are you doing to give back? If positive change is going to happen, it must start with all of us and our labor partners attending the Partners in Progress Conference. Plan now to attend and bring home best practices that will make a difference for your partnership.

Sincerely,

Jack Knox
SMACNA President

Meet Smacna’s Director Nominating Committee

SMACNA President Jack Knox recently made appointments to the SMACNA Director Nominating Committee. These appointees join five other members who were elected during SMACNA’s business meeting at the annual convention in Maui this October.

The appointees are: Hank Artlip, Artlip and Sons Inc., Aurora, Ill.; Joe Isom, California Sheet Metal Works Inc., El Cajon, Calif.; Anthony Kocurek, Energy Balance and Integration LLC, Albuquerque, N.M.; Roy Ricci, McCusker-Gill Inc., Hingham, Mass.; John E. Sickle Jr., Duct Fabricators Inc., Cleveland, Ohio; and Randy Novak, Novak Heating and Air Conditioning Inc., Hiawatha, Iowa, who will chair the committee.

Continued on page 6
Partners Conference:

Suicide prevention starts with you

Workers in construction have the second-highest suicide rate of all occupational groups, according to a report by the Centers for Disease Control (CDC). SMACNA and SMART are working to help reverse that trend.

Too often, the construction industry’s “culture of safety” is limited to the physical aspects and neglects the psychological side. SMACNA knows we can change that with the help of our contractors.

SMACNA recently joined the Construction Industry Alliance for Suicide Prevention, which provides contractors with information on suicide prevention and mental health promotion. SMACNA is dedicating a session to this topic during the upcoming Partners in Progress Conference in Orlando, Fla., Feb. 13 to 14, 2018.

A clinical psychologist and impact entrepreneur, Dr. Sally Spencer-Thomas works with the Alliance. Her session, “Resilience and Suicide Prevention,” at the Partners conference will help you build a culture of care.

She will discuss the “perfect storm” of contributing risk factors for suicide and the impact suicide has on the industry. It not only significantly affects the monetary side, but it also takes a personal toll on your workforce.

She will share the leadership tools we need to identify struggling employees early, link them to appropriate care, and address mental health crises with compassion and empowerment.

Don’t miss this opportunity to learn how you can help prevent suicide and reverse the trend in the construction industry.

The Partners in Progress Conference takes place at the recently renovated Hilton Orlando Buena Vista Palace and will focus on communication, commitment, and deliverables.

At the conference, top industry leaders from management and labor will discuss how to communicate with your counterparts, commit to the future together, and deliver results—to “Communicate, Commit, and Deliver.”

Contractors, chapter executives, and future leaders will learn how to create successful labor/management teams, recruit quality applicants, study market recovery and expansion, the state of the industry, and develop critical communication skills for the 21st century. Don’t miss it.

The early bird registration discount ends Dec. 15, 2017. Sign up today.

To register, visit www.pinp.org/pinp18 #pinp18.

SMACNA endorses timely change order payments, nuclear transparency

“The Payment for Performance Act” will relieve contractor headaches

SMACNA enthusiastically supports the “Small Business Payment for Performance Act of 2017” (H.R. 2594), which would put reforms in place to pay federal contractors more quickly for change orders.

The bill will ensure federal contractors get paid sooner for completed change orders. The legislation allows contractors to submit a request for equitable adjustment (REA)—an increase in fee—to the agency. The contractor may then bill the agency for actual change order work completed while the REA is pending. Once the agency receives the REA, it must pay 50 percent of the billed change order work amount in a timely manner to offset extra costs.

Nuclear Energy Innovation Act promotes transparency

In addition, SMACNA endorses “The Nuclear Energy Innovation and Modernization Act of 2017” (S. 512), which recently passed out of the Senate’s Committee on Environment and Public Works with a 18-3 vote, demonstrating strong bipartisan support.

SMACNA supports the legislation’s improved approach to licensing fusion and fission systems, which would enable the processing of licenses for new advanced nuclear reactors in an industry that provides electricity to millions of people.

It also ensures that advanced reactor developers can qualify for federal financial support and encourages private investment in research and development of advanced technology.

The bill would also promote transparency within the Nuclear Regulatory Commission (NRC), step up the efficiency of uranium regulation, and improve the assessment of fuel rod technology.

You can take action on these and other important legislation by contacting your members of Congress through SMACNA’s Advocacy webpage.

Electronic reporting delayed until Dec. 15

This year, submitting OSHA records may take a new direction as a recent rule requires electronic submittal of injury and illness records. However, OSHA recently postponed the compliance date from Dec. 1 to Dec. 15, 2017, and indicates the rule may be revised.

As of Dec. 1, 2017, applicable employers can submit injury and illness data using OSHA’s electronic reporting system. The requirements for submittal differ based on your company size. For this year, all companies must submit information from their 2016 Form 300A by Dec. 15, 2017.

Capitol Hill Update

OSHA Update

Continued on page 6
**Labor Forum:**

**Creating solutions together**

During the recent Labor Forum at SMACNA’s 74th Annual Convention in Maui, SMART General President Joseph Sellers updated contractors on the pension fund, the SMART Heroes program, workforce development, millennials, the new SMART Capital program, and women in the trades.

In addition, he encouraged everyone to participate in the 2018 SMACNA/SMART Partners in Progress Conference in Orlando, Fla., Feb. 13-14.

Hours are moving up, Mr. Sellers said, and are continuing to move in the right direction, but we can’t control the market. "It is our responsibility to capture as many hours as we can. Growth for SMART is paramount," he added.

SMART is also continuing to focus on women in the trades, examining wage parity, hours, and overtime opportunities, along with how to recruit and retain women. To that end, approximately 130 SMART tradeswomen attended the Women Build Nations Conference in Chicago, Ill., this year.

The Partners in Progress Conference will emphasize the future, he said. "How do we evolve? How are we going to continue to have more sheet metal workers, so we create that growth pattern? We need to create an innovative solution."

**Best practices contribute to market expansion**

Labor Forum attendees also heard from SMACNA’s Best Practices Market Expansion Task Force Management Co-Chair Nathan Dills. He explained the task force’s goal is to identify, promote, and communicate local industry best practices that create a cooperative environment where local labor and management can collaborate to grow market share to increase work opportunities and memberships.

He noted that task force expertise resources are available for local chapters. They include professionally-designed advertisements that can be customized for local use, best practices “how-to” guides, a 2,000-image library of industry photos, and press releases promoting industry activities.

In addition, the task force supports local labor/management partnership pilot programs designed to assist local parties in jointly identifying problems and creating solutions to better serve customers, gain market share, and increase job security. A $25,000 budget is available for these initiatives and funding is available on a first-come, first-served basis.

For questions about these resources or how to apply for a grant, contact SMACNA Director of Labor Relations Jason Watson (jwatson@smacna.org / (703) 803-2981).

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**Destination: Success**

**Expand your knowledge with SMACNA’s 2018 educational programs**

Make this the year that advances your company to the next level. Mark your calendar for SMACNA’s lineup of 2018 educational programs.

Tailored exclusively for contractor members, these engaging, university-level courses are taught by industry experts and professors and offer the highest-level business, management, and financial practices in the industry. These popular courses often sell-out quickly so sign up early.

**Business Management University, Feb. 25-March 1, 2018**

Learn the real-world business practices of running a successful sheet metal/HVAC company. With case studies and idea-sharing, this in-depth program covers financial management, strategic planning, change order management, contractor survival skills, negotiation, time management, leadership, and productivity.

**Supervisor Training Academy, March 19-21, 2018**

Effective supervisors, foremen, superintendents, and managers are critical to a successful contractor firm. During this program—expanded for 2018—participants will learn the attributes and core values of effective supervisors as well as how to motivate workers. In addition to discovering the keys to effective leadership, communication, time management, and productivity, participants will learn how to drive project success and develop their workforce.

**Project Managers Institute, April 22-25, 2018**

Do you know the critical skills needed to be an effective project manager? Attend the Project Managers Institute and you’ll discover how to build powerful project teams, master financial control, maximize profits, and develop profitable customer relationships. Learn management and leadership skills, project planning, financial management, change order management, and standards and best practices.

**Financial Boot Camp, May 6-9, 2018**

Sharpen your financial skills even if you’re a "non-financial" person during this popular program full of real-world studies. Remember—what you don’t know CAN hurt you. Learn how to interpret financial statements, calculate financial ratios, work with credit, develop cash flow projections, understand equipment acquisition, use financial information for strategic planning, and more.

Commit to your company’s growth today. Register on SMACNA’s National Educational webpage. Sign up by the early bird deadline and receive a discount. Additional attendees from the same company also receive a reduced rate.

For more information, contact Bridgette Bienacker, SMACNA’s director of business management and membership, at bbienacker@smacna.org.

**Holidays observed**

The SMACNA National offices will be closed for Christmas Day, Monday, Dec. 25, and New Year’s Day, Monday, Jan. 1.
Spark your company’s future at Business Management University

One of SMACNA’s most highly-regarded programs, Business Management University teaches innovative ideas and best practices to run a successful sheet metal and HVAC company.

During SMACNA’s content-rich Business Management University, Feb. 25 to March 1, 2018, in Tempe, Ariz., you will discover the practical planning, management, and financial skills that will make a measurable difference for your company. Register today.

Using hands-on studies, attendees will take these cutting-edge concepts back to their firm, gain a better understanding of how to best run their company, and call on these lessons learned again and again. Program attendees say this is “the best thing they have ever done.”

Taught by respected construction industry all-stars, the program includes sessions on contractor survival skills, financial management, strategic planning, change orders, negotiation, time management, leadership, and productivity.

Enrollment is limited, guaranteeing individual participation with a close-knit group of talented, motivated peers.

Sign up by the early bird deadline, Jan. 12, and save money.

Register on SMACNA’s National Educational Programs webpage. Additional attendees from the same company will also receive a discount.

For more information, contact Bridgette Bienacker, SMACNA’s director of business management and membership at bbienacker@smacna.org.

College of Fellows

Call for outstanding candidates

Do you know an exceptional contractor who has made a positive contribution to the industry? The SMACNA College of Fellows is now accepting nominations for candidates for the distinguished College of Fellows.

Send in your nominations by Feb. 9, 2018.

The College of Fellows recognizes candidates who have gone the extra mile and rendered outstanding service, both nationally and locally, to the Association.

Nomination forms are on the SMACNA website’s College of Fellows webpage. Please note that there are two types of nomination forms—one for chapter executives and one for contractor members—so be sure to use the proper nomination form.

For more information, please contact Jason Watson at SMACNA National (jwatson@smacna.org / (703) 803-2981).

January 2018 AHR Expo:

Got your free pass for the Expo and SMACNA’s tech sessions?

Continued from page 1

designers are applying system applications that will result in proper air distribution systems. Specific examples of leakage related to ductwork versus system components will also be covered. Location: Room S101B, McCormick Place. Date: Tuesday, Jan. 23. Time: 8 a.m.–9 a.m.

The HVAC Duct Construction Standard presentation will cover duct fabrication, hanger requirements, transverse joint applications, tie-rod/external angle selections, and significant changes to SMACNA’s “HVAC Duct Construction Standards—Metal & Flexible” publication. The SMACNA/ANSI HVAC Duct Construction Standard is mandated by the model mechanical codes covering the basis of duct construction for commercial applications. Location: Room S101B, McCormick Place. Date: Tuesday, Jan. 23. Time: 9:30 a.m.–10:30 a.m.

SMACNA’s Technical App Services overview will offer a complete review of the SMACNA’s technical applications for contractors and professional designers. These tools assist with duct construction, HVAC system leakage testing, and downspout and gutter sizing, per SMACNA standards. Location: Theater A, McCormick Place. Date: Wednesday, Jan. 24. Time: 12:15 p.m.

The ASHRAE Winter Conference is held concurrently with the AHR Expo. As an endorsing association of the Expo, SMACNA continues to provide support for the event. The AHR Expo is the world’s largest trade show for the heating, ventilation, air conditioning, and refrigeration industry. It serves as the HVAC/R professional’s leading resource for thousands of new products, new ideas, and new services.

For more information about the 2018 AHR Expo, visit the AHR Expo FAQ webpage: ahrexpo.com/faq.

Ernest D. Menold Inc. celebrates 70-year milestone

Ernest D. Menold Inc., Lester, Pa., one of the largest sheet metal contractors in Philadelphia, is celebrating its 70th anniversary.

The SMACNA-member company, a third-generation family sheet metal contractor, got its start in a one-car garage with six employees by Ernest D. Menold. Some of the earliest customers served by the founder are still customers today, such as: PECO, Glaxo Smith Kline, Merck, and Kimberly Clark.


The industrial sheet metal firm is known throughout the Philadelphia area as problem solvers willing to tackle unique and difficult projects. “The milestone of 70 years in business could not have occurred without the dedication and skills of our employees,” Ernest J. Menold P.E. said. “Their commitment to serving our customers has been our greatest marketing resource.”
OSHA Update

Electronic reporting delayed until Dec. 15

Continued from page 3

Companies with 250 employees or more will be required to submit information from all 2017 forms (300A, 300, and 301) by July 1, 2018. Beginning in 2019 and every year thereafter, the information must be submitted by March 2.

Establishments with 20-249 employees must submit information from their 2017 Form 300A by July 1, 2018. Beginning in 2019 and thereafter, the information must be submitted by March 2.

Companies with fewer than 20 employees do not need to submit records.

OSHA State Plan states must adopt requirements, which are substantially identical to the requirements in this final rule, within six months after publication of this final rule.

Per OSHA, the final rule promotes an employee’s right to report work-related injuries and illnesses without fear of retaliation. An employer must have a reasonable procedure for reporting work-related injuries and not discourage employees from reporting, such as posting the already-required OSHA workplace poster.

Don’t over-report: Know what NOT to record

SMACNA also encourages all members to pay closer attention to the injuries and illnesses you enter in your records. With these new requirements, it is imperative that SMACNA members understand and properly record occupational injuries and illnesses. It is essential to know what NOT to record on your OSHA injury and illness logs.

SMACNA Safety Bulletins offer guidance

“Over-reporting” or recording injuries and illnesses unnecessarily, can lead to a falsely inflated OSHA incidence rate. SMACNA has prepared several Safety Bulletins that provide further details on these issues, including a list of injuries and illnesses that do not need to be recorded on OSHA logs (such as first aid cases).

For questions on OSHA recordkeeping or the safety survey, contact Mike McCullion, SMACNA director of market sectors and safety (mmccullion@smacna.org / (703) 995-4027).

Safety Champions Conference

Offers safety best practices, networking

Don’t miss the chance to be part of unique labor-management safety discussions at the Safety Champions Conference, Feb. 25 to 27, 2018, at the Talking Stick Resort in Scottsdale, Ariz.


Past conferences have traditionally included a diverse list of attendees including representatives from SMACNA’s labor partner SMART, SMACNA contractors, and JATC training centers. The conference is sponsored by SMACNA and the Sheet Metal Occupational Health Institute (SMOHIT).

The agenda and breakout sessions at the Safety Champions Conference will focus on current safety and health issues facing the sheet metal industry and how to best address them. The conference registration is free to all Industry Fund contributing contractor representatives—you only need to pay for travel and hotel accommodations.

The SMOHIT Safety Matters Awards will also be presented to individuals and companies who actively spread the word about safety and health. Directed to those who have a “voice in safety and health” regardless of job title, responsibilities, or company size, winners demonstrate safety through example and have a passion for keeping workers safe and healthy.

SMACNA contractors interested in attending or submitting candidates for Safety Matters Awards, contact SMACNA Director of Market Sectors and Safety Mike McCullion (mmccullion@smacna.org / (703) 995-4027).

Learn more about the conference and register on the SMOHIT website, www.smohit.org.

Become an Associate Member

Join early and reap the benefits all year

There’s no better way to reach an exclusive market of top industry leaders than through SMACNA’s Associate Member program.

What do SMACNA Associate Members gain? The opportunity to promote your products and services to a select group of respected sheet metal and HVAC contractors, along with advantages like member discounts, promotions in monthly newsletters, and networking.

Include SMACNA associate membership in your budget for 2018. Gold and Platinum Associate members will receive a discount for joining by Jan. 1.

Be part of this elite group that profits from connections with SMACNA contractors—and become a 2018 Associate Member today. Contact Scott Groves (sgroves@smacna.org / (770) 576-4971).

Meet SMACNA’s Director Nominating Committee

Continued from page 2

Thank You 2017 Associate Members!

Platinum

FEDERATED INSURANCE
VICON

Gold

DAIKIN
MESTEK MACHINERY
Milwaukee
DeWALT
Titus
GREENHECK
quotesoft
Johns Manville

Silver

AUTODESK
DURODYNE
Owens Corning
FastEst, Inc.
W
CARLISLE
Kingspan
K-FLEX USA
PlanGrid
K-lnstall Group

Bronze

Storm Products
Grippable
Jalnor
thermaDuct
Aluminum Industries
Lloyd Industries
Consilium
SMACNA reminders

January 2018
- Chapter Executive Institute – Jan. 28-30, San Diego

February 2018
- Partners in Progress Conference – Feb. 13-14, Orlando, Fla.
- Business Management University – Feb. 25-March 1, Tempe, Ariz.

March 2018
- Collective Bargaining Orientation – March 13, Dallas
- Association Leadership Conference – March 15-16, Irving, Texas
- Supervisor Training Academy – March 19-21, St. Louis

April 2018
- Project Managers Institute – April 22-25, Raleigh, N.C.

May 2018
- Financial Boot Camp – May 6-9, Tempe, Ariz.
- Safety Surveys Due – May 4

June 2018
- Council of Chapter Representatives – June 10-12, Boston
- NJAB – June 25-27, Philadelphia

Future SMACNA Conventions
- 76th Annual Convention – Oct. 20-23, 2019, JW Marriott, Austin, Texas