

January/February 2013

## PAMCANI Offers Affordable Care Act Seminar for Members

The Association presented two in depth seminars identical in content this past fall to help our affiliated contractors comply with the next phases of the national legislation known as the *Affordable Care Act*. The November 1 (Arlington Heights) and December 4 (Lombard) seminars welcomed PAMCANI contractors and invited industry professionals.



Our presenter was Adam Lindsten, Principal with Resource Insurance Advisors, who shared his abundant knowledge of this complicated, sweeping and (to many) confusing legislation. While union employees covered by the Health & Welfare Plans will not require contractors to institute any major changes, the focus of Lindsten's program is to inform employers (such as PAMCANI contractors) about the new requirements and rules concerning non-bargained employees. At the fall seminars, Lindsten provided a "compliance checklist" and covered topics such as grandfathered plan status, annual limits on essential health benefits, contribution limits for health FSAs, changes to W-2 reporting, Medicare tax increases, as well as providing a comprehensive explanation about the Affordable Care Act (ACA) itself and the "health care exchanges" that are featured under the legislation.

Lindsten will be among the speakers at the February 21, 2013 PAMCANI member luncheon meeting at the Grotto in Oak Brook, Illinois. Contractors who wish to participate in the Q&A session that will follow the meeting are welcome to do so. Meanwhile, if you have inquiries or would like information about the ACA, Adam Lindsten can be reached at: Resource Partners Chicago, Inc.; 111 East Busse Street; Suite 500; Mt. Prospect, IL 60056; phone: (847) 392-4198; fax: 847-637-1278; or e-mail: adam@resourcePartnersChicago.com.



## Consolidations Confirmed in Writing

The UA has issued an official letter from General President Hite notifying the affected Local Unions of the Jan. 1 consolidations of the plumbers from Locals 93 and 501 into Plumbers Local 130, and the pipefitters from Local 501 into Local 597. In terms of staffing at the respective locals, we have been told that at this time all will stay as "status quo." Please note: the collective bargaining agreements in place between PAMCANI and Local 501 (June 1, 2012 to May 31, 2014) and between PAMCANI and Local 93 (July 9, 2012 to May 31, 2014) also remain in full force and effect. Also, the union Trust Funds (Pension, Retirement, Health & Welfare, and Joint Apprenticeship Committee (JAC) will not change or become merged without the mutual authorization of both the management and labor trustees, who hold equal positions as fiduciaries. If you have any questions, please contact the PAMCANI office: 630-960-3970.

## Cypress Creek Update – HB 3636

HB 3636 was PASSED by the Illinois House of Representatives on January 7, 2013 thanks to the tremendous efforts of IMSCA, which is the *Illinois Mechanical Specialty Contractors Association*. Under the leadership of Executive Director Louie Giordano, Legislative Assistant Jessica Gray, and President Bev Potts, IMSCA (which is the legislative arm of signatory trade associations throughout Illinois) deserves to be commended for its hard work and commitment to make this a reality.

Our attention is now focused on ensuring Governor Quinn signs the legislation. The Governor will have 60 days from the date he receives the bill to sign the legislation making it a Public Act. Please contact the Governor and encourage him to sign this important bill. The bill will become effective once the Governor signs it. Contact the PAMCANI office if you'd like a sample letter (in word) e-mailed to you. A sample letter is also included in this issue on page 3. Letters can be sent to:

The Honorable Pat Quinn  
Governor  
207 State House  
Springfield, IL 62706

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## News Briefs

**PAMCANI and PCA News:** The trade associations that represent and serve signatory contractors to Locals 93, 501 and 130 are now under the staff leadership of a single Executive Director, S.J. Peters, who as of Jan. 1 is overseeing both organizations. Contact S.J. at 630-960-3970 or [sj@pamcani.org](mailto:sj@pamcani.org) (PAMCANI) or 312-563-9526 or [sj@pcaofchicago.com](mailto:sj@pcaofchicago.com) (PCA); or his cell number at 630-280-9307.

**PAMCANI 2012 “Company Commitment to a Safe Workplace” Award:** Applications and information about our 2012 contest have been sent to our PAMCANI Alliance members. The awards presentation will take place at our February 21 PAMCANI luncheon at the Grotto in Oak Brook. For details, contact our office at 630-960-3970 or send an email to: [barb@pamcani.org](mailto:barb@pamcani.org).

**Renew Your PAMCANI Membership:** The 2013 *PAMCANI Alliance* (Association) membership renewal notices and invoices were mailed in mid-January. If you already belong to the *PAMCANI Alliance*, we encourage to “re-up” to maintain your commitment to our organization and the industry. Thank you in advance for showing solidarity and support to your colleagues and peers in PAMCANI. In addition, we are sending invitations to join our association to all Industry Fund contributors (all other contractors covered by our collective bargaining agreements). We hope you’ll step up to join as members. *Note: Our new 2013 directory will be produced soon, so please update your company or organization information for us too if there are any changes to report, so it can be as accurate and current as possible. Thank you.*

**“Apprentice Call” Through Local 130, Covers Local 93 & Local 501 Contractors:** The Joint Apprenticeship Committee for Plumbers Local 130 UA has asked PAMCANI to distribute a letter and response to place a new apprentice class with a planned April start date. Our Association honored this request on January 15, 2013 through an email alert containing the attachments (letter from the JAC, reply form, and correspondence from our Association). To obtain a copy of the explanation letter and response form, please contact PAMCANI or call JAC Training Coordinator Rich O’Connor at 312-421-1028. Apprentices hired to work for contractors in the Local 93 or Local 501 jurisdictions will continue to be covered/subject to the terms and conditions of the existing PAMCANI collective bargaining agreements, that both remain in full force and effect until 5-31-2014 despite the recent consolidation(s) announcement by the UA.

## **EPA Lead Rule IS Being Enforced: A Must Read for PHCC Members!**

While PHCC continues to work with the EPA on the Lead: Renovation, Repair and Painting Rule (LRRP) for commercial and public buildings, the LRRP rule for residential homes, schools and day care centers is the law and is being enforced. It is critical that members understand the regulation and that EPA is ramping-up its enforcement mechanism. Please read the EPA’s recent email and postcard (attached/enclosed). For information, visit the EPA Lead website at [www.epa.gov/lead](http://www.epa.gov/lead); or the Construction Industry Compliance Center website at [www.leadfreekids.org](http://www.leadfreekids.org). *Source: PHCC National Association Weekly Report, 1-18-13.*

## **“Get the Lead Out” Website**

On January 16, 2013 the “Get the Lead Out Plumbing Consortium” website went live. View it at: [www.gettheleadoutplumbing.com](http://www.gettheleadoutplumbing.com) and read information about the “lead free” law that will become effective on January 4, 2014. There is useful information on the site for all those associated with the plumbing industry. (*PHCC National*)

## **PAMCANI Affiliates are Welcome at MCA Chicago Technology Day: Feb 7**

Join MCA Chicago for a full day of information, demonstrations and conversations with experts in the field of new cutting edge technologies in the construction industry, from 7:30 a.m. to 3:45 p.m. at the Burr Ridge Marriott. To register (free) visit: [www.mca.org/tech](http://www.mca.org/tech).

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*PAMCANI at Work* is the official publication of our association. Unless otherwise credited, all articles are written by PAMCANI Executive Director S.J. Peters. Production is overseen by Barbara Bigelow, Administrative Assistant and Event Planner. All photos by PAMCANI staff unless otherwise credited. To request permission to reproduce any content, please contact our office at 630-960-3970 or send an email to [barb@pamcani.org](mailto:barb@pamcani.org). Past issues are posted on our website at [www.pamcani.org](http://www.pamcani.org).



## Lenders are Not Waiting for HB 3636 to be Signed into Law

by Jason Loebach, Attorney  
Chitkowski Law Offices

With HB 3636 having been sent to Governor Quinn, lenders are not waiting for the bill be signed into law to try to maintain what they have enjoyed under *Cypress Creek*. The *Cypress Creek* decision gave lenders a super priority for improvements to a property paid for with mortgage proceeds. When enacted, HB 3636 will amend Section 16 of the Mechanics Lien Act to take away this super priority and go back to the priority structure that existed prior to *Cypress Creek*, which essentially is that when a property went into foreclosure, the lender will have priority on the value of the land prior to improvements and the lien claimants will have priority on the value of the improvements to the land.

Lenders have become accustomed to the super priority afforded them under *Cypress Creek* and do want to give it up. In anticipation of HB 3636 being signed into law, some lenders are taking steps to try to maintain their super priority by requiring property owners to include lien subordination clauses in their contracts with general contractors and their subcontractors. Under a lien subordination clause, a contractor can agree in its contract to give the mortgage on the property priority over the contractor's eventual mechanics lien claim.

While lien subordination clauses are allowed under the Mechanics Lien Act, the Act sets forth specific requirements for lien subordination clauses to be enforceable against subcontractors. Section 21(b) of the Mechanics Lien Act requires subcontractors be given actual notice of the subordination clause prior to entering into the subcontract. A simple incorporation clause making the terms of the general contract a part of the subcontract will not be enough. Section 21(b) also provides that subordination clauses shall not be binding on subcontractors unless the subordination clause from the general contract is set forth in its entirety in writing in the subcontract. The language of Section 21(b) gives subcontractors a basis to determine, before entering into a subcontract, whether they will be subject to a lien subordination clause.

In a foreclosure action, an enforceable lien subordination clause would put a lien claimant in a similar position to what they are now in under *Cypress Creek*, so it is important to be aware of these clauses. If a subcontract on

a project includes an enforceable lien subordination clause, funding is lost on that project and when the project goes into foreclosure, a subcontractor will be forced to wait for the lender to be paid in full before any money will be paid to the subcontractor on its mechanics lien claim. An enforceable lien subordination clause can be disastrous to a subcontractor and it is imperative for subcontractors to be aware of whether a project or a subcontract is subject to a lien subordination clause before bidding the project or signing the subcontract.

*For more information please contact Jason Martin Loebach at Chitkowski Law Offices at 630-824-4808 or at [jml@chitkowskilaw.com](mailto:jml@chitkowskilaw.com). Jason will be a guest speaker at the next PAMCANI lunch meeting scheduled on Thursday, February 21st at the Grotto restaurant in Oak Brook.*

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*continued from Cover - Cypress Creek Update - HB 3636*

A sample letter is included here. Please send your letter on company letterhead urging Mr. Quinn to sign HB 3636 on behalf of the Illinois construction industry.

Date

The Honorable Pat Quinn, Governor  
207 State House  
Springfield, IL 62706

Dear Governor Quinn:

I am writing to urge your approval of a measure recently approved by the Illinois General Assembly.

House Bill 3636 will reverse a disastrous 2011 Illinois Supreme Court decision known as "Cypress Creek." This legislation will restore the Illinois Mechanic's Lien Act to its historical status. HB 3636 restores the rights of contractors to collect for improvements they made on a construction project that results in a foreclosure.

It will allow the construction industry to continue providing labor and materials needed to initiate new developments in Illinois.

Again, as an Illinois contractor, I ask for your approval on HB 3636. Thank you for your consideration of this important legislation.

*(Sign and mail it!)*





## TRAINING COLUMN

by Mark Breslin

### Perseverance & Our Apprentice Candidates

#### *THE DOORBELL RINGER FROM HELL*

I kinda hated Mr. Conti. And I am sure he hated me. But that crusty stubborn-ass geezer taught me a lesson I would never forget. One that every leader (and apprentice) should have and hold. One that even me, as a 12 year old paper boy, was capable of learning. The lesson: you have to have disciplined perseverance to get what you want.

Mr. Conti and I were locked in a state of psychological warfare. It wasn't only that he drank. Though he did. It wasn't only because he smoked nasty stogies in a stained Lazy-Boy in his garage when I brought his paper. But he did. It wasn't that he snarled at me any time I came around. No, it was something far more evil. Far more deliberate. Far more troubling for any citizen of a fair society. Mr. Conti wouldn't pay me.

At age twelve most kids are riding bikes or playing soccer or having fun. For me, not so much. I was trying to find ways of making money. And, because of shortages in household resources, I was giving the cash to my mom. For food. Or the gas company. Or school uniforms. As a result, I took it personally that he was unwilling to pay me for the daily delivery. In those days the carrier had to go door to door and get the subscriber to pay them directly. And Mr. Conti was working the no-pay dodge on me month after month.

When I would go to collect, Mr. Conti would simply not answer his door. I would knock and wait and wait and leave. So after going by, like eight times, I would be stuck until the next month where the game would start again. When your total profit per month is around \$ 50 this is a big thing. And if I was lucky enough to catch him in his scroungy chair he would tell me to come back that night – and then not answer the door. What's a kid to do?

Mr. Conti taught me at a very young age that you better be super resilient and determined to get the results you want. Getting discouraged or mad or feeling sorry for yourself does not bring home the bacon. And finally, he also taught me that you have to execute with great discipline; over and over. Mr. Conti was my first life and business coach. He was hardnosed in his strategy and execution; so I had to do the same. It was time get busy and grow a set or go home.

My strategy? No compromise. No manners. After getting shined on too many times I finally would look through his mail slot to see if his truck was in the garage. Then I would go to the doorstep. And I would simply ring his door bell.

Now most people ring a doorbell maybe two three or maybe even four times if they are insistent. More than that is considered, well, unreasonable. But I would ring his doorbell ten times. Then thirty. Then fifty times in a row. Then a hundred times. Over and over and over. I remember one time I stood on his door step and probably racked up 300 rings. The strategy? Direct confrontation combined with perseverance. Dogged, ridiculous, single minded perseverance on a dark doorstep. And you know what? He was pissed. But - he paid. Of course he did.

Our industry needs young apprentices whose personalities are defined by this kind of perseverance. With apprentice program drop out rates running from 5 - 40% depending on the craft and location, it is clear that we are spending a lot of money on individuals who do not possess the capability to address personal challenge or adversity. This is very expensive and also a challenge to both instructors and training directors.

How do we start looking for key behavior characteristics that indicate a strong likelihood of successful program completion and craft proficiency?

Here are several ideas that need to be considered:

1. **Realistic Job Previews:** Do Gen Y or Millennium apprentice candidates understand what they are signing up for? How about a YouTube video detailing exactly what the challenges and expectations are to become a top union craftsman in today's world?
2. **Recruitment:** Business Managers, Training Directors and Instructors need to be given the absolute best talent to work with. That probably means that taking in people as apprentices (and 30 year union members) only based on their contacts, family ties, employer's kid status or similar needs a second look. Market recovery is based on talent, output, quality and commitment – and these should be the only real consideration in seeking our next crop of candidates.
3. **Mentors:** Most young people today still need some refinement and maturity to reach their potential. Their stick-with-it ability might need additional support. How about having apprentices in their last year have to “adopt” a first year apprentice as a new model of mentoring support and training? Or how about union retirees serving as mentors as well?

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4. **Selection:** After talking to dozens of training professionals, it is clear that the apprentice candidate selection process needs a modern upgrade. Over the past two years I have been working with doctorate level experts in the field of talent assessment trying to determine who succeeds in our industry; what we need to be looking for in candidates and how to provide assessments and interviews that will generate top talent. (For information on this research please contact my office.) We are currently adding talent on a semi-random basis – and giving them a \$60,000 education for free plus a top paying career. Let’s be sure that they have the fire, determination and talent to be worthy.

5. **Rituals:** Every great organization has some means or rituals to making people part of their family or tribe or identity. How do you use the beginning and end of apprenticeship as places to reinforce the determination and perseverance expected of a top member of the organization? I have recently had the privilege to do a number of apprentice graduation ceremony speeches. After you see a 35 year old tough guy with tears streaming down his face – you know that the power of that moment can really be special and motivational – their apprenticeship then never taken for granted.

Perseverance, grit and determination are the underlying character attributes that power this industry. In a time of accelerating change and extreme competition, this is an important part of our engine of opportunity. **This is also what we want to use to beat our competition and take back the market.** Like old man Conti found out, you can try to ignore the power of perseverance and disciplined execution, but sooner or later you are going to have to pay the price. Even if it is to a half goofy 12 year old who won’t back down.

Mark Breslin is a business strategist, author and speaker. He spent 25 years as a CEO and has worked exclusively with owners and principals of major industrial firms. His clients include construction, energy, labor, refining, manufacturing, and other industries challenged by the management of change. He has consulted for hundreds of organizations and has spoken to over 250,000 people. More on his work can be reviewed at [www.breslin.com](http://www.breslin.com).



**“The Five-Minute Foreman,”** the new book by Mark Breslin, has been added to the Association’s lending library and is now available for loan from PAMCANI. In development for the last 2 years, it focuses on getting foremen interested in and committed to improving their own performance. It is described as “a practical guide that lays out exactly what to do and say on the jobsite to get the best results with 5 minutes of practice a day” with 31 action lessons. To order a copy of this book, visit: [www.Breslin.biz](http://www.Breslin.biz).

## MCAA Collective Bargaining Seminar November 8 - 9, 2012



**Speaking of Bargaining** - Steve Lamb (Executive Vice President, MCA Chicago) opened the panel discussion at the MCAA Collective Bargaining Seminar with an assessment and historical perspectives on the construction industry negotiations process.

### Panelists at the MCAA’s Collective Bargaining Seminar



(November 8 & 9, 2012). From left, Timothy Brink (Executive Vice President, MCA of Eastern PA); James P. Gaffney (Vice President – Goshen Mechanical Contractors, Malvern PA); Michael Dougherty (Director – Matrix Service Industrial Contractors, Eddystone PA); Richard Barnes (C. Richard Barnes & Associates, Lawrenceville GA); Stephen L. Lamb (Executive Vice President, MCA Chicago); and Michael Boldt (attorney, Ice Miller, Indianapolis IN).

### MCAA Collective Bargaining Seminar Attendees



(From left): S.J. Peters (Executive Director, PAMCANI and now PCA of Chicagoland); Matthew Erickson (President - C.J. Erickson Plumbing Company; Treasurer & Board Member – PCA of Chicagoland); John Baethke (President - John Baethke & Son Plumbing; Director & Board Member - PCA of Chicagoland); Timothy Brink (Executive Vice President, MCA of Eastern Pennsylvania); Richard Barnes (C. Richard Barnes & Associates, Lawrenceville GA); Stephen L. Lamb (Executive Vice President, MCA Chicago); Michael Boldt (attorney, Ice Miller, Indianapolis IN); and Lori L. Abbott (President - Abbott Industries Inc.; President - PCA of Chicagoland; and Treasurer - PAMCANI Alliance).





## Understanding Immigration Law Compliance

by Jamie Hasty  
Vice President of SESCO

Employment is often the magnet that attracts persons to come to or stay in the United States illegally. To address this concern, Congress passed the Immigration Reform and Control Act of 1986 (IRCA). This law requires employers to hire only persons who may legally work in the U.S., citizens and nationals of the United States, and aliens authorized to work in the U.S. In addition, the law prohibits employers from discriminating against individuals on the basis of national origin or citizenship. To comply with the law, employers must verify the identity and employment eligibility of anyone they hire. This is accomplished through completion of the “Employment Eligibility Verification Form” commonly referred to as the Form I-9.

Employers should have completed a Form I-9 for every person hired after November 6, 1986. The law requires employers to:

- Ensure that employees fill out the Form I-9 within three days of their hire date.
- Review documents establishing each employee’s identity and eligibility to work. An employer cannot request that an employee present more or different documents than are required. Also, an employer cannot refuse to honor documents, which reasonably appear to be genuine and to relate to the person presenting them.
- Properly complete Section 2 of the Form I-9.
- Retain the Form I-9 for three years after the date the person begins work or one year after the person’s employment is terminated, whichever is later.
- Make Form I-9s available for inspection to an officer of the Department of Homeland Security (DHS), the Department of Labor (DOL), or the Office of Special Counsel for Immigration Related Unfair Employment Practices (OSC) upon request. Employers are given at least three days advance notice of an inspection.

Since verification of the employment authorization and identity of new hires became law in 1986, Form I-9 has been the foundation of the verification process. To improve the accuracy and integrity of the process, the Department of Homeland Security (DHS) operates an electronic employment verification system called E-Verify.

E-Verify is a web-based system that verifies the eligibility of individuals to work in the United States by comparing information electronically from Form I-9 against more than 425 million records in the Social Security Administration’s database and, for noncitizens, against more than 60 million records in the DHS immigration database. E-Verify is free to employers and is available in all 50 states.

### Federal contractors

The Federal Acquisition Regulation (FAR) requires contractors with a federal contract that contains a FAR E-Verify clause to use E-Verify for their new hires and all employees (existing and new) assigned to the contract. Federal contracts issued on or after September 9, 2009, as well as older contracts that have been modified may contain the FAR E-Verify clause. Federal contractors are responsible for their subcontractors’ verification obligations.

The rule exempts certain federal contracts, such as contracts that include only commercially available off-the-shelf items. Nearly all food and agricultural products fall within the definition of “commercially available off-the-shelf” (COTS) items. Also exempt are contracts for less than \$100,000; contracts less than 120 days; and contracts where all the work is performed outside the United States.

While participation in E-Verify is voluntary for most businesses in the private sector, some companies may be required by state law to use E-Verify. For example, the use of E-Verify for private sector employers is currently required in Alabama, Arizona, Georgia, Mississippi, North Carolina, South Carolina, Tennessee and Utah. In Virginia, all state agencies of the Commonwealth are required to use E-Verify, but the program is still optional for private sector employers that do not have federal contracts.

Concerned that E-Verify eventually might become mandatory for all employers, some employers are weighing the pros and cons of E-Verify to determine whether they should get used to the verification system before federal legislation mandating its use by employers is enacted.

### Pro and cons

The pros include the way E-Verify reduces the risk of hiring undocumented workers; provides a legal presumption of authorization and immunity from legal claims for employers that rely on it in good faith; provides credibility in immigration audits and might be a factor in reducing fines for I-9 errors; and indicates good corporate citizenship.



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On the flip side, there remain disadvantages to using E-Verify in that it adds time and complexity to the I-9 process, increasing HR or outsourced services costs and might increase turnover and recruiting costs because employers must keep employees with tentative nonconfirmations (TNCs) on the payroll during the TNC contest process.

Currently, more than 120,000 employers participate in the program. Enrollment in the E-Verify system can be completed on the website of the United States Citizenship and Immigration Services (USCIS) at [www.uscis.gov](http://www.uscis.gov).

*Jamie Hasty has been recently promoted to vice president and will be managing SESCO's Richmond, Virginia office. Jamie has developed into a successful consultant representing SESCO's clients throughout the southeast and in front of federal agencies. She specializes in management training and development for all levels of managers, federal and state employment law compliance, executive screening and hiring, compensation and performance management systems and a variety of human resources consulting services. For more information contact Jamie Hasty at [Jamie@sescmgt.com](mailto:Jamie@sescmgt.com) or (804) 931-6281.*

Permission to reprint. Article appeared in the October 2012 issue of the *Contractor Magazine* - [www.contractormag.com](http://www.contractormag.com).



## Consolidations

by Lori L. Abbott  
President - PCA of Chicagoland  
(and Treasurer - PAMCANI)

By now, I'm sure you are aware of the Consolidation of Locals 93, 130, 501 and 597. Many of you have questions and concerns about how this will affect the industry as a whole, and perhaps even more importantly, how it will affect you as a signatory contractor. The harsh economic times have hit the plumbing industry exceptionally hard through an economic downturn that has outlasted anyone's predictions, and the uncertainty of the future is particularly daunting.

These factors and your questions and concerns were my top priorities when I was asked by United Association General President, Bill Hite, to weigh in on the pros and cons of the consolidation. In doing so, I considered not only the current status of our industry, but the trends that are already shaping our future. Consequently, at the November 15, 2012 UA hearing on the Consolidation involving officials of the four affected locals, I read a letter of support of the on behalf of the PCA, and I want to share with you the key points that led me to stand behind the UA's bold initiative.

Included here are a number of the points I emphasized.

- *Consolidating the area UA Locals into a single plumbing local, combined with the elimination of territorial jurisdiction, would provide a groundbreaking opportunity for unionized contractors to more effectively compete against our rivals: the non-union contractors. As an added benefit, removing the jurisdictional "walls" that have historically restricted contractors and caused friction with the local unions, will allow us to collectively refocus our efforts and attention to where it best belongs — market share recovery and potential market expansion.*
- *I believe that clearing away unnecessary territory obstacles and related distractions will lead to greater competitive opportunities for all UA signatory contractors in Northern Illinois. This in turn will set the stage for us to provide increased employment opportunities for our members.*
- *We all have felt the impact of our changing industry. Considering the current climate, I understand the motivation behind UA's recommendation for consolidation and therefore support it. We are all anxious for our industry to rebound, and I am optimistic that it will do just that.*

The PCA and the Chicago Journeymen Plumbers Local 130 UA share a long history of working together to build our industry. The same is true of PAMCANI and Locals 93 and 501. Now, expanded territories, respectively, of Plumbers Local 130 and Pipefitters Local 597 with enhanced efficiencies, can benefit all involved. Our mantra should be: Let us continue.

(Reprinted by permission from "News You Can Use," the online monthly newsletter of the PCA of Chicago. Lori L. Abbott is also President of Abbott Industries, Inc. and Treasurer of the PAMCANI Alliance.)



### **Mark Your Calendar:**

**Friday, February 15th - 4 Hour C.E.  
Backflow Prevention Testing Course**

Derek Biba (Backflow Testing Services, Inc. (PAMCANI member) and Test Gauge & Backflow Supply will be presenting this 4-hour state approved backflow Prevention Course. To register, please fill out the registration form included with this newsletter (contractors). Forms are also available on the PAMCANI website at [www.pamcani.org](http://www.pamcani.org) or by calling Barb in the PAMCANI office at 630-960-3970 or by e-mail @ [barb@pamcani.org](mailto:barb@pamcani.org). Space is limited so call to confirm your spot. ***This is not a RPZ Certification class.***

## Bloomington/Normal PHCC & UAC Hold Seminar

by Bev Potts, IL PHCC Executive Director

The Bloomington/Normal PHCC Industry Fund and the Union Affiliated Contractors (UAC) of PHCC co-sponsored the *Management Negotiations Seminar & Forum* on November 2<sup>nd</sup> at the Marriott Hotel in Normal, Illinois.



The day long program began with a presentation by Ogletree Deakins attorney Richard Samson, (shown at left) who explained the nuts and bolts of contract negotiations. His presentation and handouts included suggestions on proper preparation, setting ground rules, case studies, bargaining rights, and legal do's and don'ts.

Scott Larkin, Director of Labor Relations for the Central Illinois Builders chapter of AGC, followed up with *Trends in the Construction Industry & Negotiations*. Mr. Larkin discussed what it means to bargain in good faith, why it is important to understand what the trends are nationwide and in other trades, and the issue of consolidation of union locals. He also provided everyone with a copy of the Construction Labor Research Council's 2012 Settlements Report which showed the latest trends in wages, fringes, and contract length.



The afternoon session began with PAMCANI Alliance President Barry Thomas and Executive Director S.J. Peters (above right) relating their recent experiences negotiating with their two locals, and what they experienced (and learned) during the Industrial Relations Council (IRC) process. The duo provided future management negotiators with tips to be better prepared for what they will be facing in upcoming bargaining sessions.

The program concluded with a best practices forum with all four speakers joining together to comprise a panel of experts. Written and oral questions submitted by the audience formed the basis of this two hour session. This exchange of information was very beneficial and offered a format for open discussion with contractors from around the country.



The B/N PHCC IF and UAC would like to thank all four speakers for the outstanding job they did, and the contractors from Illinois, Indiana, Missouri, and Florida who attended.

(from left) Samson; Larkin; Peters; and Thomas.

Permission to reprint - Original article appeared in the December 2012 issue of the *Master Plumber*.

**Illinois PHCC Expo & Educational Day** is Friday, March 22, 2013 at the Drury Lane Conference Center in Oakbrook Terrace, Illinois. It's a great opportunity to view new products, talk to manufacturers, learn new technologies, attend seminars, and network with other plumbers and contractors. 4 Hours of Continuing Education is available from 9:00 a.m. until 1:00 p.m. but you must pre-register in order to attend the class. The deadline to register is March 12th. Please send a registration form with \$30 to the Illinois PHCC. A registration form is included with this newsletter.



The highlight of the day will be the annual Illinois PHCC trade show from 12:00 - 5:00 p.m. There will be over 160 booths of the latest products, tools, trucks and technologies. Admittance to the Expo is free. For more information please refer to the IL PHCC Expo & Education Day flyer (also included with this mailing). Any questions? Contact either Shelly Lott or Bev Potts at (217) 522-7219 or visit [www.ilphcc.com](http://www.ilphcc.com).







## New Traffic Laws for 2013

by: Matthew J. Hunt, CRIS  
Hunt Insurance Group

Every year at the stroke of midnight on December 31<sup>st</sup> a bunch of new laws go into effect. Some of which make the news and others go into effect without any coverage. To be honest, I did not catch the news about the new laws this year (*if there even was any*), as pretty much every news cast was full of stories of the Fiscal Cliff and locally about the NIU Huskies in the Orange Bowl. After my Nebraska Cornhuskers lost to Georgia, I turned my attention to the Huskies and was rooting for them as if I attended that school. I take my hat off to that program and to the players who went through a bunch of coaching changes and still made a good showing against a perennial BCS team. Ok, enough of college football.

By no means is this a complete list of the new laws in Illinois that have taken effect, but rather I pulled some of what I thought were the most appropriate or the most beneficial to make mention of:

- ⇒ Speeding 25 mph over the posted limit is NOT eligible for court supervision
- ⇒ You must now use a wireless headset or the Bluetooth in your vehicle in a school or construction zone
- ⇒ No longer can your vehicle have a license plate cover
- ⇒ If you ride a motorcycle:
  - You must keep one hand on the handlebar (*you can really ride these with no hands?*)
  - NO more wheelies
- ⇒ No cell phone within 500 feet of an emergence scene (i.e. Emergency vehicle present with its lights on), a school zone or construction zone
- ⇒ A CDL Driver may NOT text while driving a commercial vehicle or use a cell phone other than to communicate with Emergency services personnel. This includes while at stop lights, stop signs, etc.

So, by now, most of you are trying to figure out just how this involves insurance and why an insurance guy is writing this article. The reason is really quite simple. Insurance carriers run MVRs and may utilize credits or debits on Auto policies according to driving records. Basically, the cleaner the driving record the easier it is for us to make a case to underwriters to apply credits and thus helping us to keep your rates as low as possible.

I hope you found this article informative, and that you will call us if you have any questions or comments, which

are always welcome. If you should have any questions or comments please feel free to drop me a line a [mhunt@thehuntgroup.com](mailto:mhunt@thehuntgroup.com).

**About the Author:** Matt is the Vice-President of Hunt Insurance Agency, Inc., an independent family owned insurance agency since 1957. The mission statement of the agency best summarizes their approach to every customer relationship: "*Raymond J. Hunt founded Hunt Insurance Agency, Inc. in 1957 based upon the principals of professionalism and integrity. Three generations later, the mission of Hunt Insurance continues to reflect those same time honored values.*" The agency currently employs 15 professionals, with main office located in Palos Heights on Harlem Avenue for over 30 years, and specializes in providing customized insurance solutions through a consultative approach.

Matt is a graduate of Creighton University with a B.S.B.A. in Economics. Having grown up in the insurance industry, Matt, cut his teeth in the financial services industry prior to joining the Agency 11 years ago, Matt was with UBS|PaineWebber and also Nuveen Investments. Matt has earned the insurance designation of Construction Risk Insurance Specialist (CRIS) from the International Risk Management Institute, and is currently working towards obtaining the Certified Insurance Counselor, and Certified Risk Manager designations.

### NEW POLICY CHANGES FOR JULIE, INC. (EFFECTIVE JULY 1, 2013)

The following policies were approved by the JULIE, Inc. Board of Directors at their November 14, 2012 meeting:

#### AMENDING THE JULIE, INC. EXTENT LIMITATION POLICY

**Current Policy:** The existing policy/guideline that permits multiple addresses on a single ticket with a maximum of ten addresses provided that they are all on the same street and all within the same one-hundred block. The policy assumes that the work types and extents for all addresses provided are the same. This policy is enacted when there is at least one address actually provided.

**New Policy:** Multiple addresses on a single ticket with a maximum distance of ¼ mile for CITY locate requests and 1 mile for TOWNSHIP locate requests provided that they are all on the same street.

#### SEPARATE LOCATE REQUESTS FOLLOWING JOINT MEETS

**New Policy:** JULIE, INC. shall no longer recognize a joint meet request as satisfactorily fulfilling the statutory requirements of the Illinois Underground Utility Facilities Damage Prevention Act and shall require excavators that request a joint meet to additionally call for or submit on line, after the Joint Meet, a valid locate request in order to receive field locates.

#### ELIMINATING PICK-UP MAP/LIST REQUEST IN CALL CENTER

**New Policy:** JULIE, Inc. shall no longer accept or process pick-up map/list locate requests.


To speak with a JULIE official, contact David Van Wy at 847-963-0387 or [vanwy@illinois1call.com](mailto:vanwy@illinois1call.com).

## Thanks to the Helping Hands for “Hunter’s House”

This is a partial list of the many contractors, craftsmen, and companies from our industry that pitched in to make a difference for this young man and his family. PAMCANI shared this story because we want to tell you about a special effort involving helping hands, including union trades in Northern Illinois, who volunteered their time, talents and resources to renovate Hunter’s home to accommodate his special needs as he was striving to recover. Unfortunately, Hunter passed away on January 13, 2013 at the age of 15. His passing, though sad and tragic, does not erase the good that came from the commitment, donations and work aimed solely at helping Hunter and his family, including those in our industry:

- Viega (ProPress) – *Dan Courtney*
- Cannonball Mechanical - *Paul M. Buddy*
- LU 501 JATC Instructor *Andy Nord*
- LU 501 Journeyman - *Erik Brozman*
- Member of LU 130 - *Dean Battaglia*
- Great Lakes Plumbing & Heating - *Fred LaVoie*
- Kohler Company - *Justin Sperry*
- Symmons - *Bob Chilpala*
- Ferguson - *Nancy MacKay*
- Zurn - *Mick Bradford*
- Capitol Mechanical Industries - *Chris LaVoie*
- Mendel Plumbing & Heating - *Mike Mendel*

We salute our industry friends and peers (above) for their generosity and willingness to help.

**About Hunter Himes:** As a boy once filled with charisma and laughter, 14 year old Hunter Himes always made lasting impressions on those he met. He loved life and all that it had to offer. He played football, volleyball, and loved his guitar. On February 26, 2012 Hunter was struck and pinned down by a truck while riding his bike home from a friend’s house in Downers Grove, and suffered critical injuries including a severe traumatic brain injury (TBI). Against all odds, he survived the accident, but then endured numerous surgeries and countless hours of therapy. Hunter’s life and that of his family and friends were forever altered, and he faced a long road to recovery. Hunter had many supporters, including family and friends throughout his community. His fight inspired faith and touched people all over the world. Every day his army of “prayer warriors” grew larger and stronger. Hunter served as a constant reminder to “never, never, never give up... no matter what.” Hunter was the son of a *Sheet Metal Workers LU 265* member. A family friend is the UA’s Bill Hite. Special thanks to Dean Battaglia and Don Stunkel for sharing information about this cause. To learn more and/or to find out how to make a donation to help Hunter’s family, visit this website: <http://hope-4-hunter.org/> 



### OSHA 30 Hour Safety Course

The *Concrete Contractors Association* will present the training over the course of four sessions: Tuesday and Thursday, February 19 and 21, 2013 (part 1 & 2) and Tuesday and Thursday, February 26 and 28 (part 3 & 4) at the CCA’s Training Room at 616 Enterprise Dr. in Oak Brook, IL. The cost for non-CCA members is \$495.00 per person. For a copy of the informational flyer and reply form, call 630-990-4222 or send an email to CCA Executive Director Bob Morreale at [morreale@ccagc.org](mailto:morreale@ccagc.org). To obtain the flyer from PAMCANI, contact our office at 630-960-3970 or by email to: [barb@pamcani.org](mailto:barb@pamcani.org).

### CISCO Scholarship Info

CISCO is accepting applications for its 2013 Scholarship Program: 2 four-year scholarships at \$2,000 per year to HS seniors; 2 two-year awards of \$1,000 per year for seniors planning to attend community college; and 2 two-year continuing ed. awards of \$1,000 per year to union members or contractor employees. Deadline: 2-15-13. Visit: [www.cisco.org](http://www.cisco.org).

### Is That a Word?

The term “Water Footprint” is now added to the Oxford Dictionary. From jargon to legit, this noun is defined as: “the amount of fresh water utilized in the production or supply of the goods and services used by a particular person or group.” (*Professional Safety*, Nov. 2012. [www.asse.org](http://www.asse.org).)

A comparison of the **Illinois Workers Compensation Rates between 2012 and 2013** is included with this newsletter packet (contractors only). This information is provided to PAMCANI by Hunt Insurance. Please contact Matt Hunt, CRIS at Hunt Insurance if you have any questions @ 708-361-5300.

### ERS Website: Check It Out

The E.A.P. (Employee Assistance Pro-gram) that accompanies our *Drug Free Alliance* of PAMCANI and Locals 501 and 93 offers many free practical services and information to you (contractors) and non-bargained staff through Employee Resource Systems.

Visit [www.ers-eap.com](http://www.ers-eap.com). The login name and the password are both: PAMCANI. ERS also is the provider of the M.A.P. (Membership Assistance Program) serving the members of Local 93 and Local 501 (respectively) via the Health & Welfare Trust Funds. Note: the mandatory/random drug testing program was agreed to (separately) in our union contract negotiations to cover members of both locals (93 and 501) and also the contractors and their non-bargained staff. With the exception of the MAP program covered under H&W, the *Drug Free Alliance* program is entirely financed through PAMCANI’s Industry Fund.

## UA Tripartite Event at Local 597 Drew 500 to Chicago Area

The Pipefitters Local 597 Training Center just southwest of Chicago was the site of the fifth annual UA Tripartite Conference from November 27 through 29, 2012. Nearly 500 attendees hailing from markets across the U.S. and Canada participated. As the name implies, the “tri” component of Tripartite brought together project owners, major contracting firms and UA Local Unions – plus association officials and staff.

The event kicked off with a welcome reception and registration on the evening of November 27, allowing for an early 7:00 a.m. start the next day. The opening keynote address came courtesy of UA General President Bill Hite, who stressed the quality work, efficiency and safety associated with UA journeymen, yet emphasized the partnership that the union recognizes and values with the signatory contractors. Next on the agenda were remarks by MCAA President Mac Lynch; AFL-CIO Building Trades Department President Sean McGarvey; and Peyton Hairston, Jr. of the Tennessee Valley Authority (TVA).



The first day’s program also included a panel discussion moderated by MCA Chicago Executive Vice President Steve Lamb on “The Benefits of Open Communication and Joint Planning” featuring Patrick Kellet (UA Director of Business Development); Mark Rogers (UA/MCAA Strategic Planning Committee); Kenneth Beckman (Ameren); and Mike Cables (Kinetics Systems, Inc). The lively discussion drew from the experience of panelists approaching our industry from the union’s, contractors’ and construction users’ perspective.

Other components of day one included an update on the UA’s Veterans in Piping (VIP) program featuring a video presentation showing success stories (so far) of military personnel transitioning directly into the UA trades upon discharge, thanks in part to the UA training offered while still in service.

Moderated sessions on November 28 focused on “Successful Tripartite Cooperation” by examining specific project examples (featuring UA and ITF officials and company representatives from the Keystone Pipeline Projects and H.T. Lyon – Global Foundries) referencing the UA’s “Standards for Excellence,” and on “Energy Markets” moderated by UA Director Energy Jim Moss and featuring panelists from the Nuclear Energy Institute, Ameren Missouri, and Recycled Energy Development. A later panel session looked at “Green Building Markets,” with representatives on hand from the Green Mechanical Council, the American Publishing Company, and Hurst Mechanical (moderated by UA Director of Training Chris Haslinger).

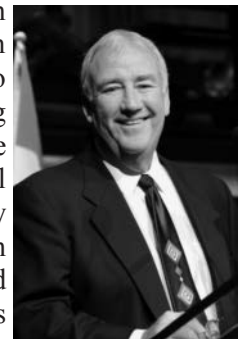
The schedule on the first afternoon shifted to accommodate special guest speaker Rahm Emanuel, Mayor of Chicago.




The Mayor pointed out that making time to travel the 35 miles from the city limits was based on his high regard for General President Hite and the UA, and also due

to his desire to inform the attendees of plans to address infrastructure including the water and sewer systems in the “Windy City.”

Day two on November 29 opened with a panel discussion on the “Canadian Perspective” of the UA. Two additional panels followed, covering “Commercial Construction” and the “Service Sector” markets. The final session of the conference was led by former FMCS Director (under both Presidents Clinton and Bush) Richard Barnes entitled “Building Partnerships for the Future.” The program concluded at approximately 1:00 p.m. with closing remarks, recognition of special guests and presenters, and a farewell from General President Hite.



Among the “Union Affiliated Contractors” of the PHCC-NA in attendance were UAC Chairman and PAMCANI Board Member Robert Melko (Bishop Plumbing); UAC Trustee, PCA of Chicagoland President, and PAMCANI Treasurer Lori L. Abbott (Abbott Industries); UAC Trustee Thomas Gent (France Mechanical); and S.J. Peters (UAC Trustee and Executive Director of PAMCANI and PCA of Chicagoland).

(Photographs courtesy of Dean Battaglia) 





## Are You Hiring for Your Operation ... or Recruiting?

by Jason Bader

Inventory Management Specialist  
*The Wholesaler*

One of the most commonly discussed topics at any gathering of small businesses is the hiring and retaining of good employees. We can all agree that strong, loyal employees can really push an organization over the top; conversely, lackluster employees can drag your business down like an anchor. No one seems to have a magic bullet for this perpetual challenge, but I have noticed that the manner in which certain companies conduct their employee interviews seems to have a bearing on employee longevity. It all boils down to this: Are you hiring for a position, or are you recruiting a team member?

Like many things we do in life, this question is all about perspective. To the untrained eye, the end result is the same: We have a new person on the payroll. This is where the similarities end. Hiring and recruiting are two very different actions. The difference comes in how we conduct ourselves in the interviewing and screening process.

### Hiring Fills a Need

When we hire for a slot, we tend to think in terms of how the new candidate will benefit the company. We have a need; they are here to fulfill that need. In return for fulfilling that need, we grant them some level of compensation.

Since we are hiring to fulfill a need, we also tend to look at the process as a negotiation. Companies stuck in the hiring mentality will look to get new employees at the lowest possible wage with respect to experience. Again, the prevailing mentality is: What can this person do for me? Companies that follow this philosophy are often dissatisfied with their entry level employees and have a difficult time moving them up the ranks in the company. You can't build a solid bench without a solid foundation.

During the interview process, I often see people asking the interviewee to discuss their past employment and what kind of skills they acquired along the way. The hiring mentality is placing all the emphasis on the candidate to sell themselves to the company. Interviewers tend to focus heavily on the resume or on a set of pre-scripted questions about historical information.

Again, the prevailing notion is that "it would be a privilege to come to work for our company." Look, I have

been to a lot of companies, and I know that entry level jobs are none too glamorous. Should we really be too surprised when we have to settle for the lower end of the employable pool?

### Change Your Mentality

To improve the caliber of the entry level candidate, you must first change your perspective on the new employee process. Recruiting is the antithesis of hiring. A recruiting mentality requires the organization to sell its benefits to a prospective candidate. We tend to do this when we are hiring for upper level positions, but we struggle with bringing this mentality down to the entry level.

When I was recruiting for my family business, I spent most of my time selling the opportunity. I talked about the culture of the company, the progression in the operation, the benefits we could offer and how this could be a career rather than a job. I asked about a few things that popped out on the resume, but it was clearly not the focus of the interview. My goal with every candidate was to have them leave the interview hoping to become part of our company. I am proud to say that many of the entry-level people I recruited during that time are still with the company and in key management positions.

### Sell Yourself to Recruit

The first step toward recruiting has to be a review of what you have to offer. I would suggest bringing a few people together to talk about why they like working for the company. Be sure to get a cross-section of job levels and responsibilities. Their contributions will help you solidify your value proposition to the candidate. This sounds a lot like what we do for prospective customers, doesn't it? Distributors can sell. It's what they do best. This is just a sales job to a different audience.

Although I had a good run of success by employing the recruiting mentality, I could have taken the process one step further. I have recently been looking at some employee testing and screening program. These can range from simple questions determining aptitude or the ability to learn or to more complex questionnaires helping to uncover personality traits. Used in conjunction with recruiting, these programs can help a company determine the best path for a new employee. I have lost really great inside people because we didn't foster opportunities beyond the outside sales position. I challenge you to look at these systems and see how they could augment your process.

Beyond the recruiting process, we need to develop a culture of continual employee development. We need to provide opportunities for our employees to improve both professionally and personally. I have often heard managers complain about investing so much time

(continued from page 12)

developing someone and then having them leave the company. Employees are not indentured servants; they can go elsewhere, even to the competition. I was taught early in my career that our job as managers was to have employees leave you better than when they came to you. We are responsible for the effort; the end result is up to someone else.

I know that this is not always an easy concept to adopt. Many of us are still stuck in the belief that entry level people are lucky to have a job with us. I want to challenge that notion and state that we are the lucky ones to have them supporting our success. Distribution companies are made up of hard-working people who rise to the challenge they are given. It is our responsibility to show them what we can offer.

*Jason Bader is the managing partner of The Distribution Team, a firm that specializes in helping distributors become more profitable through strategic planning and operating efficiencies. The first 20 years of his career were spent working as a distributor executive.*

*Today, he is a regular speaker at industry events and spends much of his time coaching individual distribution companies. He can be reached at (503) 282-2333, Jason@distributionteam.com or at www.thedistributionteam.com.*

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### **“Light Duty” Does Not Change Benefit Contributions**

Contractors covered by the Local 501 CBA and/or the Local 93 CBA are reminded that assigning union employees to perform “Light Duty” does not change or reduce your obligation to make benefit contributions owed for all hours worked. Before any employee is re-assigned at your shop to perform “Light Duty” for any period of time, instruct your payroll administrator to continue making all benefit contributions using the current amounts as you would pay on members not designated for “Light Duty.” If you have questions or would like clarification, contact the *Northern Illinois Benefits Fund* (Local 501) office at 630-978-4600 or the *Plumbers (Local 93) Benefit Fund* office at 815-759-5900 extension 4.

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### **Now More Than Ever, Let Us Know of Non-Union Bid Winners**

As we continue to strive to achieve a Schedule A to effectively compete and regain work in key sectors of our industry, remember to furnish your Association with details (in confidence) of projects lost to non-union shops due to cost and other relevant factors. Send the information to us by email ([sj@pamcani.org](mailto:sj@pamcani.org)), by mail: PAMCANI, 603 Rogers Street, Suite 2, Downers Grove IL 60515; or by fax (630-960-3970).

## **Important Reminders to Local 93 & Local 501 Contractors: Trust Fund Lockboxes**

### **Plumbers Local 93**

Fringe Funds lock box to receive monthly contribution report forms & checks. Fringes: Mail one copy of the remittance report and the fringe contribution check to:

Plumbers Local 93; Fringe Funds, P.O. Box 94428, Chicago IL 60690-4428.

Also, mail two copies of the remittance report and the dues check to: ***Plumbers Local 93 UA, 31855 N. US Highway 12, Volo, IL 60073***

For overnight or messenger deliveries, send fringes to: Amalgamated Bank of Chicago, Union Services, One West Monroe, Chicago, IL 60603

### **Plumbers & Pipefitters Local 501**

The fund office states: send all payments to this address (on invoice): Northern Illinois Benefits Fund; Disbursement Account; P.O. Box 94423; Chicago IL 60690

If you drop your payment off at the Fund office, it will be electronically deposited immediately. (Fund office: 630-692-7305). To overnight your remittance or make a personal drop off directly at the bank, the address is:

Amalgamated Bank of Chicago Union Services; One West Monroe, Chicago, IL, 60603-5301; *Ph: (312-822-3223)*

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### **Poser Notification Reminder**

Our ongoing efforts to expose and report so-called “contractors” who promote/call themselves and perform our work by unlawfully pretending to be legitimate plumbers welcomes your anonymous involvement. A “poser” is a name we use to describe a handyman-type of company that has no license or the proper registration, yet charges its unknowing or complicit customers to do plumbing work. If you spot an ad, flyer, sign or vehicle touting plumbing work in the absence of the required license number, call our office at 630-960-3970, send it to us by fax at 630-960-5487, or scan and email it to: [debbie@pamcani.org](mailto:debbie@pamcani.org). We’ll follow up with the “poser” and notify the Illinois State Plumbing Program. (*A cautionary reminder to all heating-cooling contractors that is worth mentioning: water heater installation or other plumbing work requires a valid plumbing license and current plumbing contractor registration.*)



## Say Goodbye to Traditional Marketing Channels

by Dick Wagner – Industry Consultant

Yellow Page advertising was once an absolute essential part of any marketing plan, especially for a small business.

For years, the Yellow Pages gobbled up company advertising budgets. But alas, the information age has ushered in a new era of consumer education. No longer do the majority of consumers open the phone book to find information. Yellow Pages used to represent the final stage of the buying process when people were ready to make a purchasing decision. But today the buying process is no longer a straight line ending with the phone book. Instead, it follows the winding curves and tools of emerging online technologies with no sign of slowing down.

I teach a one-day social media course for restorers and have proven over and over that social media for business works: customers want it, they use it, and they expect it! When owners tell me they are spending thousands of dollars (sometimes that much every month) on Yellow Page advertising because that's where their customers look, I can't help but laugh because they usually follow that comment with the fact they are not using social media. They don't even consider the fact others don't think the way they do.

Almost half of the 300 million people in the U.S. logon to Facebook every day! That means more than half of your potential customers are using Facebook every day (and I'm not even considering Twitter, LinkedIn, YouTube, Google+, Pinterest, FourSquare, Yelp and many more). We have Google, Bing, Yahoo, and others to search anything from anywhere and we are doing it from smartphones, laptops, etc.

Like it or not, use it or not, more than half of your potential customers are engaged on social media sites regularly, often using them to promote a product or service, or to recommend (or trash) a product or service. I even hear the excuse that most customers are older and are not using social media. What contractors fail to realize is the 50 and older age group is one of the fastest growing segments!

As more and more people are doing their search for local business on the Internet, traditional Yellow Page advertising is diminishing each year, even local information. Some figures suggest that this use of online searching can be as high as 80%. In fact, Verizon recently sold their directory business, which basically confirms this old method local advertising vehicle is soon to be history.

Even though many business owners won't admit it, seeing their ad in the Yellow Pages is often a huge ego boost. Their adrenaline really spikes when they see their ad is bigger and closer to the front than their competitor. That ego factor is what most Yellow Page sales people use to get you to buy!

The advertising model of Yellow Pages simply doesn't fit the mind of today's consumer, who searches online before they do anything else. Even Wall Street acknowledges that the days of printed directories like the Yellow Pages are numbered. The WSJ reported that advertising in U.S. print directories is expected to fall 39% over the next four years. These and many more verified statistics should be enough to convince the most stubborn contractor hold out.

Buying behavior is changing rapidly as people shift their research and shopping habits from traditional marketing channels to the Internet. Consumers can educate themselves more than ever about a product or a service before they make a purchasing decision.

They compare prices, check customer reviews, read case studies and receive instant responses to their queries. This new method of shopping has hit even the most unlikely industries, and it's just a matter of time for this change in buying behavior to hit the mechanical contracting industry.

Some interesting facts:

- San Francisco passed a law banning the delivery of Yellow Pages. As reported by the Los Angeles Times, San Francisco is the first city in the nation to restrict the distribution of the book.
- Since 2007, many states quit printing residential listings or have pending requests, such as Alabama, Delaware, Florida, Georgia, Indiana, Missouri, New Jersey, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Texas, Virginia and Wisconsin.
- Traditional landlines are being disconnected at a rate of nearly 10% each year.
- Consumers increasingly consider online services before Yellow Pages as they make purchase decisions.

Some business types may still be a little more likely to get customers from the Yellow Pages, but be aware that this new buying behavior is making its way to almost every type of business. You will have to make your own evaluation and decision about spending money advertising in the Yellow Pages, but it will almost certainly involve a significant embracing of social media for your business to keep up with your competitors.

*Dick Wagner has served as a consultant and trusted advisor to the disaster restoration and mechanicals industries for more than 30 years, providing sales and marketing guidance to clients. As an advisor to the mechanicals trades, he also brings extensive experience helping contractors understand the needs and wants of the customer, and how to convert that to increased sales and profit.*

Article appeared in the October 2012 issue of *The Contractor Magazine*. [www.contractormag.com](http://www.contractormag.com). Permission to reprint.







## Back to Basics Good Old Common Sense Tips

by Nancy Friedman, The Telephone Doctor

I'm not just a speaker on customer service. I've focused my entire career developing ways to help companies communicate better with their customers. Great customer service is sought by most everyone. Businesses go out of their way to give good customer service. Some make it; some don't. Customers go out of their way looking for companies that give great customer service. Some find it; some don't.

We have tried so very hard to explain to both sides - the customer and the business, it's not rocket science; it's not brain surgery. It's plain old common sense. But you and I know common sense is not out there.

I cannot count the number of articles out there on customer service. Some are good, some not; some have new ideas; some speak the old tried and true. And that's where Telephone Doctor customer service training comes into play; plain old customer service. We call it 'Back to Basics.' You can imagine I have hundreds, if not thousands of ideas, tips, skills and techniques to share.

Today we bring you 15; fifteen good customer service tips that are good old common sense thoughts.

Let's get the New Year started off with these. Here we go:

1. "Please" and "thank you" always have been, and always will be, powerful words. Seldom overused.
2. "You're welcome" is the best replacement for "no problem."
3. "Sorry 'bout that" is not an apology. It's a cliché. "My apologies" is much better.
4. A frown is a smile upside down. Stand on your head if you must; but SMILE, darn it!
5. You cannot do two things well at once. Pay attention to the call or the customer.
6. One word answers on email or in person are considered cold and rude. Three words make a sentence.
7. Learn what phrases frustrate your customers. They're probably the same ones that bother you.
8. When was the last time you sent flowers to someone just because?
9. Drop a personal handwritten note to a client and just say "thanks for being a good client."
10. "Hey how 'ya doing?" is not a great way to start up a conversation.

11. Out with friends or family? Put the cell phone away. Talk for 30 minutes. (If you remember how.)
12. Email manners? The same as phone and in person.
13. The old "don't tell 'em what you can't do; tell 'em what you can do" applies to most, if not all, customer interactions.
14. Get excited!
15. Oh, and smile. That needed to be said twice.

Have a great year and we'll be bringing you more articles, tips, skills and techniques for your reading pleasure and customer service improvement.

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## REQUIRED LABOR POSTERS

PAMCANI recently mailed updated Federal and State All-In-One Labor Posters to all affiliated contractors. Call the PAMCANI office if you would like additional (free) copies.

### The Federal 7-in-1 Poster Includes the following notices:

- Employee Rights Under the Fair Labor Standards Act – Federal Min Wage \$7.25
- NOTICE – Employee Polygraph Protection Act
- Your Rights Under USERRA – The Uniformed Services Employment and Re-employment Rights Act
- Employee Rights and Responsibilities Under the Family and Medical Leave Act
- Employee Rights Under the Davis-Bacon Act
- Equal Employment Opportunity is the Law
- OSHA – Job Safety and Health – It's the Law

### The Illinois 4-in-1 Poster Includes the following notices:

- Illinois Department of Employment Security - NOTICE to workers about Unemployment Insurance Benefits
- Department of Labor – Your Rights Under Illinois Employment Laws Illinois Minimum Wage \$8.25 per hour beginning July 1, 2010
- Department of Labor – Notice to Individuals Performing Services for Construction Contractors (Employee Classification Act)
- Workers' Compensation

Call the PAMCANI office if you would like additional copies. All of these individual notices can be downloaded from the respective websites: for Illinois notices the website is: [www.state.il.us/agency/idol](http://www.state.il.us/agency/idol) and for Federal notices go to: [www.dol.gov/compliance](http://www.dol.gov/compliance) and click on "posters".



## **PAMCANI AND INDUSTRY EVENTS**

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### **February 2013**

- **PAMCANI Board Meeting and Lunch Meeting** - February 21 - The Grotto - Oak Brook, IL

### **March 2013**

- **MCAA Convention** - March 16 - 21 - San Antonio, TX
- **IL PHCC EXPO** - March 22 - Oakbrook Terrace, IL
- **IL PHCC Board Meeting** - March 23 - Oakbrook Terrace, IL

### **April 2013**

- **PAMCANI Board Meeting and Lunch Meeting** - April 17 - Shaw's Schaumburg, IL
- **ASPE Product Show** - April 18 - Niles, IL

### **June 2013**

- **IL PHCC Convention** - June 13-15 - Marriott - Normal, IL
- **ASPE Golf Outing** - June 20 - Hoffman Estates, IL
- **PAMCANI Golf Outing** - June 21 - West Chicago, IL
- **UAC Unity Conference** - June 26-28 - Kohler, WI

### **July 2013**

- **MCAA AEC Conference** - July 30 - August 1st - San Diego, CA

### **August 2013**

- **All Industries Golf Outing** - August 2nd - Cog Hill - Lemont, IL
- **CCA Golf Outing** - August 13th - West Chicago, IL

For additional information, please visit the industry-wide calendar [www.piccal.org](http://www.piccal.org)

Be sure to visit the PAMCANI website: [www.pamcani.org](http://www.pamcani.org). We are at your service.

### **Worth Repeating:**

The best advice I ever got: "Don't mistake activity for results."

*(Associations Now, November 2012.)*



**PAMCANI**

**PLUMBING AND MECHANICAL CONTRACTORS  
AUTHORITY OF NORTHERN ILLINOIS**

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