the Partnership Connection

SMACNA Columbia Chapter | SMWIA Local 16

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Dennis Boyd Appointed as Training Director

With the retirement of Jerry Galarneau from the HVAC & Metals Institute at the end of last year, the JATC selected Dennis Boyd to become our new Executive Director. The JATC viewed the appointment of this position as one of the most important decisions they have made in many years and that their decision would impact the nature of our industry for years to come. A longtime leader in Local 16, Dennis brings to the position a passion for our industry.

The following is an interview with Dennis that will allow everyone to get to know him a little better and find out what his thoughts are for the future of education for our industry.

✦ Dennis, why did you want to become our Training Director?

This is the question I've been asked most by many people close to me these past couple of months. Why would you leave a place where you worked for such a close friend and a mentor? Why would you leave the job security you had? Why would you leave all those friends you've made? I decided to leave because of my career-long desire to help improve our industry. I felt that this was a unique opportunity where I could significantly impact the direction where our industry is headed and shape tomorrow's workforce.

✦ What sort of work experiences have you had within the industry?

I've done many things and held many job positions since I joined the industry: fabrication, installation, computer layout, safety officer, project manager, shop foreman and production manager.

I've also been involved with the union in many leadership areas: apprentice rep to the JATC, union trustee, budget committee chairman, president, recording secretary, partnering committee, contract negotiation committee, and health care trustee.

✦ What has been the reason for your involvement in the union through the years?

I've been involved in the union because I care about the industry and want to see it grow. I want to see our contractors be successful and our members prosper. What enticed me most about this position was the potential to help foster that success and prosperity for our contractors and members alike.

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Partnering for Excellence

Len Phillips, Business Manager
SMWIA Local #16

Tom Goodhue, Executive Director
SMACNA Columbia Chapter

The Sheet Metal Workers Trust Funds created this quarterly newsletter as a resource for our participants, members, and contractors. Our goal is to help you better understand and utilize your Health & Welfare and Retirement plans as well as your Training Programs. We will also keep you updated on key partnership activities of SMACNA Columbia Chapter and SMWIA Local #16.

(New Training Director...continued from page 1)

✦ What challenges do you feel the industry faces from a training perspective?

To me the deal is pretty simple, our members want to be paid a good wage and benefit package, and in exchange our contractors need the best trained and most skilled labor force possible in order to stay competitive. We are all challenged because the needs of our industry and customers are changing and we all will need to keep up. Continuing education has become an ongoing necessity for work. And the marketplace is forcing us to become more diversified as an industry. Our members need to keep up with technology in machinery, tools, software, etc. Another new area for training is project management – equipping our members with skills in this area could be as important as their trade skills. Our training programs will therefore need to adapt to change and offer more and different types of training and provide it to our members in more convenient ways.

A key starting point for all of this is to get everyone caught up on their required 8 hours of annual continuing education. Some new regulations will soon require our contractors to prove that their construction workforce is involved in continuing education. Having our entire workforce current could be a big marketing advantage over our competitors. And we need to get everyone current on their First-Aid cards too. We have fallen behind on that and it is important that every one of us is able to help out a fellow worker in need.

I believe it will take our combined efforts to address these challenges. Challenges are not a bad thing - they are simply opportunities for us to improve the marketability and competitiveness of our industry.

✦ What should we expect out of training under your leadership?

I believe very strongly in customer service. It will be the guiding light behind everything that we do. We serve many customers (apprentices, journey persons, production trainees, production mechanics, signatory contractors, Local 16 and SMACNA). We will develop programs and processes to better serve these various customers. Like many businesses - we'd like to grow our customer base and will try longer term to bring in more production members, and hopefully offer training to some of our non bargaining employees of our signatory contractors. We will also look to expand the amount of training we offer over time.

✦ What are some of your short term goals?

It's a very high priority of mine to get out and talk to the contractors, management and the members and discuss their training needs and desires. We are currently developing a Training Agent class that we will be offering starting in September. All companies will be required to attend the class to be a registered Training Agent with the Apprenticeship. The contractor has a vital role to play in the development of an apprentice. This class will help define that role more clearly and hopefully leave the contractor feeling like a more relevant part of the process. We are also developing a mentoring class for journey-persons. The goal of this class is to educate the journey-person of their valuable part in the process of training apprentices. It is my goal that after a certain deadline you will not be able to have an apprentice work for you without taking this class. We will also be coming out with a class schedule for a full term of continuing education classes that will be offered starting in September.

✦ What are some of your long term goals?

- Better communication between our training staff, contractors and membership.
- Specialized, customized training to better fit the needs of the entire industry.
- Training staff more involved with our local industry, contractors and members.
- Training facilities that feel more open and inviting to our membership. Where you can come hang out, brush up on your skills or learn some new skills. (Sometimes in structured classes, sometimes in less structured open shops or classrooms)
- Changing the mindset in the industry to view education as a career long process, not simply an apprenticeship.
- Offer mobile training, to better serve our members and contractors.
- Every apprentice that turns out will make a top notch journey-person.
- Every apprentice receives a journeyman card and an associate's degree at the completion of their apprenticeship.
- Non bargaining employees from contractors sitting in on some classes.
- Upgrade our recruitment programs and seek diversity in the workforce.
- Marketing outreach to our members, contractors, industry and recruits.

SUMMER BLAST 2007 SAVE THE DATE: AUGUST 4TH!

Mark your calendars now and plan to join us Saturday, August 4th at Willamette Falls Park in West Linn for our 4th Annual Summer Blast & Cruise-In!

SMACNA/SMWIA Vehicle Stickers Arrive!

With the arrival of Spring its time to wash the winter grime off our company and personal vehicles – *so we can place the new SMACNA/ SMWIA marketing stickers on them!*

As the next step of our joint promotional campaign, SMACNA has purchased a large (8” x 8”) version of our hard hat stickers for contractors to place on their service vehicles and equipment.

Local 16 has also created new bumper stickers with the joint logo for union members to place on their personal vehicles. The bumper sticker promotes Union Craftsmanship and is shown below.

Partnering: It Takes More Than A Slogan, It’s An Attitude

In looking at the future the leadership of Local 16 and SMACNA see a great deal of opportunity for our industry to grow and thrive. We recognize that to do so will require all of us to work together in new ways, including promotion of our skills, knowledge and efficiency. We need to improve our image in the marketplace. We have started on this path, but just creating a joint logo and marketing slogan will not accomplish our goals of increased positive awareness for our industry and getting more work. We all need to recognize that every one of us is our first-line of marketing. It will take a proactive attitude and effort from everyone in our industry – from the office to the shops to the field.

The new bumper sticker for the members of Local 16 implies an attitude of personal commitment to professionalism on the jobsite and pride in our work. Placement on your personal vehicle can be a highly visible way to communicate your commitment. However, before placing it on your vehicle, please take a moment to look at what other messages you may have on your vehicle and carefully consider whether they really go together. Placing the SMWIA/SMACNA sticker next to an unprofessional message may not help us achieve our goals – and might even work against us.

While we encourage you to put the new bumper sticker on your vehicles, please do so responsibly. What you communicate – GOOD OR BAD - reflects back on all of us IN OUR INDUSTRY!

By placing these stickers on our vehicles we will be making a statement on the job site and around town that we are all part of a bigger team – a team that provides quality and value in construction.

The bumper stickers will be available through the union hall and the service vehicle/equipment stickers will be available to contractors through the SMACNA office. **Don’t be shy about asking for them, we have plenty!** And if you still don’t have the joint sticker on your hardhat – get one from your employer!

Len Phillips of Local #16 places one of our new bumper stickers on his car.

Pension Plan Management

Recent Changes in Strategies Aim to Enhance Investment Performance While Reducing Overall Performance Risk
By: Fred L. Streimer, Chairman - OSMWMRT

Each calendar quarter, the Trustees of your Oregon Sheet Metal Workers Master Retirement Trust (the "Trust") review the performance of our investments. Over the years, the Trust's investment performance has consistently ranked in the very top performing funds amongst union pension trusts. Looking back 20 years ago, the Trust had only one pension program in place, with assets totaling about $35 million. As time has passed our Trust has evolved. Today, our Trust has three pension programs with combined assets* exceeding 10 times that amount – and at the same time the Trust is supporting nearly 1,000 retirees!

Our Trust's investment strategies have been sound and the Trust is in good shape! But could it be better? Is the Trust prepared for the future?

These are two key questions your Trustees are constantly asking themselves. The first part of this decade was rough for all investors and the Trust's investment performance slipped a bit, just as almost everyone else's did, but we believe the investments are now back on track.

The pension plan investment world is changing, becoming more complex with new types of investments and regulations constantly coming into play. As the Trust grows and matures, its investments have become much more challenging to manage effectively.

With these thoughts in mind, the Trust's Board of Trustees spent nearly two years going through a long and thorough review of the strategies and management of your Trust's pension funds. **The goal was to develop a long-term strategy that enhances the performance of our Trust's investments – while at the same time minimizing the Trust's overall performance risk.** This process has resulted in some new strategies and changes to our Trust's investment management team to fit these changing times.

The following is information about some of the key recent changes made to the Trust's investment strategy and investments.

1. The Trustees hired a new Investment Consultant – the Marco Consulting Group – during the last half of 2005. Although the Trustees felt the previous consultant had done a good job, the Trustees believed the time was right to bring in someone with a fresh perspective.

2. Marco Consulting Group undertook a thorough assessment of the Trust's investment strategy. As a direct result of this assessment, the Trustees reached the following conclusions:

   - The current pension plan investment and funding environment requires new investment strategies to meet the Trust's future funding goals.
   - These new investment strategies include moving away from a "traditional" balanced approach of investing and toward a more actively managed, diversified portfolio.
   - The Trust's new investment strategies will require the Trust's Investment Consultant to take a much more active role than in the past.
   - The Trust's asset allocation will be determined using modern investment portfolio analysis, which favors the addition of new investment asset classes which offer increased returns with a reduction in overall investment risk through greater diversification.
   - The Trust's equities (stocks) and fixed income (bonds) components will be diversified across a group of 12 different investment managers so that we can get the expertise of many advisors, some of whom are specialists in particular market segments. This broad mix of investment managers will provide the Trust with a fully diversified array of strategies, research and insight that we believe will result in overall lower investment volatility.

✦ No significant changes are necessary with respect to the Trust's three existing real estate investment managers. These managers will continue to play an active role in investing for competitive returns while at the same time supporting local work opportunities for our signatory workers.

3. The Trustees interviewed many prospective investment managers in a search for managers that match the Trust's new investment strategy. As a result, the Trust has eleven new investment managers that have each been given responsibility over the investment of a portion of the Trust's assets. We expect the Trust's new investment strategy to be fully implemented by June of 2007. The repositioning of our investments is being done carefully in order to minimize transaction costs during this transition period.

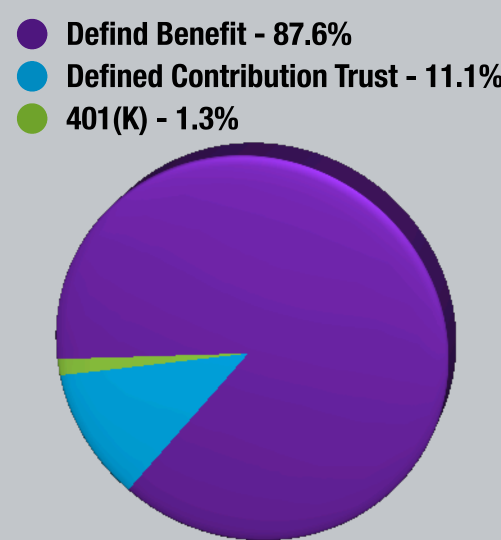
4. During this same period of time the Trust's long-time Actuarial Consultant assigned a new team of two seasoned actuarial professionals who share responsibility for the Trust. The Trust's actuaries review the pension plan's funded status, helping to ensure that the Trust is in compliance with federal pension law and that it continues to have enough assets to pay benefits well into the future. 2006 was also the year of new pension legislation with the President signing the Pension Protection Act on August 17, 2006. While it will be some time before the new law is fully phased in, our actuaries, investment consultant and attorneys have indicated to us that, under the new law's enhanced funding requirements, the pension plan is in good shape when compared with similar plans. The Trustees will continue to rely on our employee benefit attorneys at Lane Powell and our actuarial consultants from The Segal Company to guide the Trust through the legal and regulatory maze of funding, compliance, reporting and record keeping as this new legislation begins to take effect.

Your Board of Trustees believes that these strategic changes will result in improved returns, lower risk and prudent yet innovative management of our Oregon pension program. This Fall you will receive by mail your federally mandated ***Annual Funding Notice*** on the funded status of your pension plan. The Trustees encourage you to review the *Annual Funding Notice* and come to us if you have questions.

All questions regarding the Trust should be directed to the Board of Trustees – care of Ms. Hannah E Sutton at The William C. Earhart Company administrative office. The contact information is on the back page of this newsletter.

*Combined Assests of the Oregon Sheet Metal Workers Master Retirement Trust

As of January 2007



Information? Questions? Comments?

If you have any questions or comments about your Health & Welfare or Retirement Plans, please call:

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Administrator of Employee Benefit Plans
503-282-5581
Outside the Portland Metro Area, call: 1-800-547-1314

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