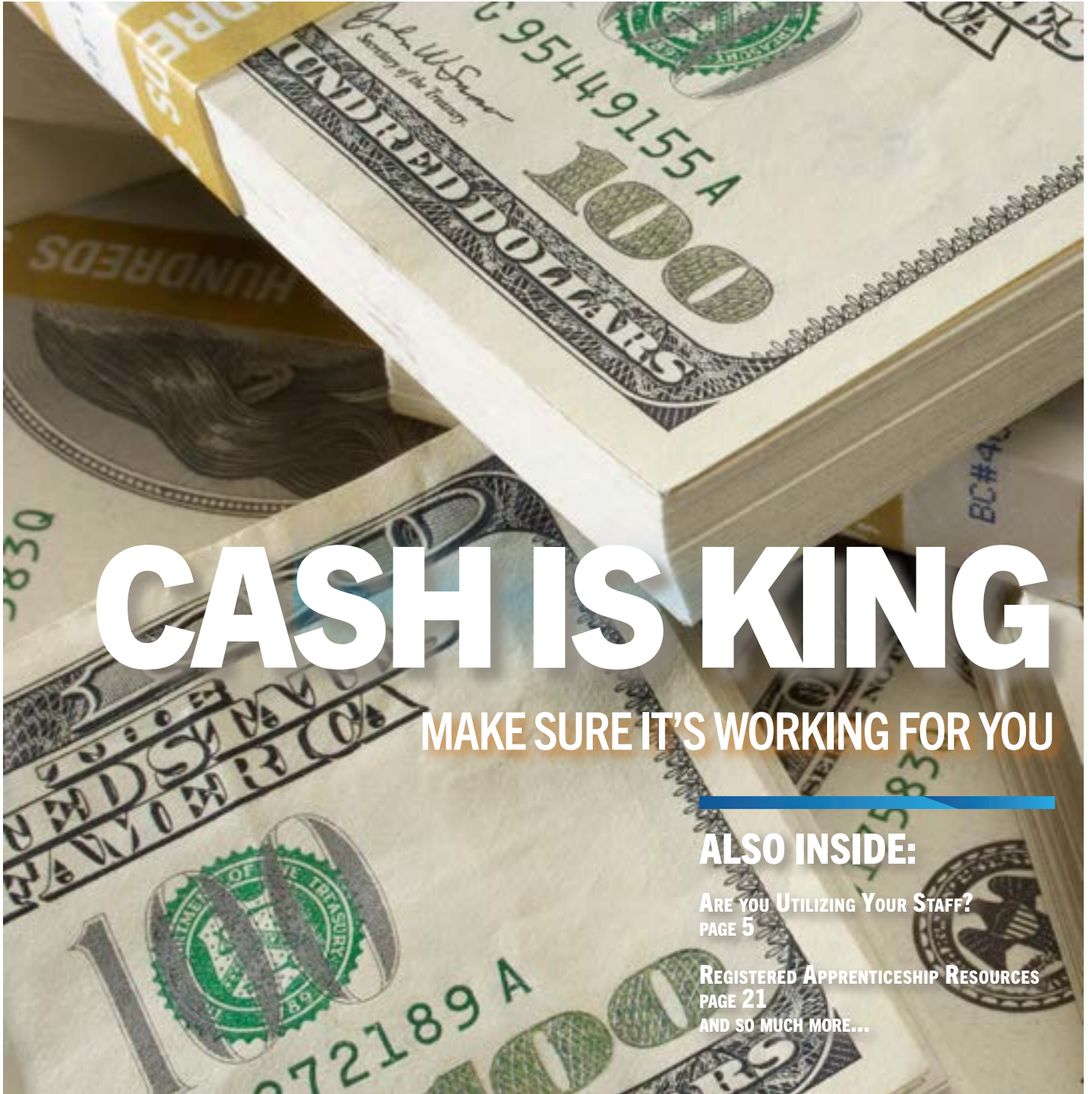


# *for* **THE RECORD**

YOUR Trade Magazine... published by the National Tooling and Machining Association



# CASH IS KING

MAKE SURE IT'S WORKING FOR YOU

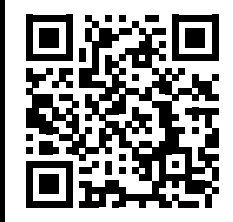
## ALSO INSIDE:

ARE YOU UTILIZING YOUR STAFF?  
PAGE 5

REGISTERED APPRENTICESHIP RESOURCES  
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# for THE RECORD CONTENTS

OCTOBER 2024

### CASH IS KING... MAKE SURE IT IS WORKING FOR YOU

Cash is King: Cigar Box Accounting	8-9
Despite Elevated Rates, it's Still Wise to Preserve Cash	10
Think Strategically about Cash Flow	11
Daily Diligence	12-13

### RECURRING COLUMNS

From Roger: A Message from the President	2-3
Welcome New Members	4-5
In the Know: Expert Insight	6-7
Chapter Check-In: WLENTMA Speeds & Feeds Challenge	15
Who We Are: Chelar Tool and Die	16-17
Here to Help: VBA and PartnerShip	18-19
Workforce Wins: Registered Apprenticeships	21
We Made That: Hoyt Archery	24

### EVENTS

CLS 2025	15
----------	----

## SEND US YOUR STORY

Each issue of The Record features our members. We want to hear from you. Send us stories of successes, innovations or experiences.

The submission deadline is the 1st of the month prior to publication.

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## UPCOMING NTMA EVENTS



ENGAGE 2024  
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# FROM ROGER

*a message from the president*

Cash flow is critical to the health of our companies. In an industry where equipment may cost anywhere from \$200,000 to \$2 million, purchase decisions have long-term implications both good and bad. If the industry is in an upswing you look like a hero but if the industry takes a downturn you look like a heel. In my career, I have looked like both. In good times and bad, we must all ask, "how does it affect the cash?"

When it comes to cash flow, it is important to remember that we are not our customer's bank. I'm amazed that major corporations will bolster their earnings on the backs of small to medium-size manufacturers. While smaller players are held to 30-60 day terms for materials and outside service expenses, the big players operate with 60, 90, 120 or 180 day payment terms. This treatment forces us to leverage and stretch our finances to be able to start the next job. We have less and less control. It quickly reminds us that cash is king and it is not serving us well.

It was the major OEMs that started the practice of pushing payment terms to bolster earnings. Many wanted to convince us directly or indirectly that our next purchase order was dependent on accepting their terms.

Eventually, they realized they had to do something to get us our money so that we could continue

as a supplier. They decided that if we discounted payments to shorten terms, they would pay us earlier. In desperation, we offered discounts of 1, 2 or 3% to get OUR money faster.

As a young sales guy, I focused on the sale. Finance was someone else's issue. As my responsibilities grew within our company, my understanding of cash became more astute. A dear friend of mine and CFO of our company taught me a lot about payment terms. Those 1,2 and 3% discounts that looked so small to me became much more meaningful when my CFO friend showed me the value of the money that our customers were making at our expense.

As an example, consider a customer who offers 2%/15 Net 60, meaning they will pay in 15 days for a 2% discount OR they will pay you in 60 days. If you use the formula discount rate divided by days early from net days offered and multiply that by 360 days, you'll get the annual percentage rate (APR). In the example above, it looks like this:  $.02/45 \text{ days early} = .0004 \times 360 \text{ days} = 16\%$ . Their terms give them a 16% APR on your money.

Our customers conditioned us to think that they were doing us a favor and that it was good business for us. I do understand sometimes such terms are a necessity for quick cash, but at a minimum you should consider the cost. Such APRs by our customers are not good for our

cash flow business unless we can add some part of that percentage into the pricing. When customers' procurement departments are forced into these kind of business tactics and thus affecting their performance from the suppliers, including some part of the discount into the price can be an unspoken solution for both sides.

I recently spoke to an executive of a large OEM firm that needed suppliers. I asked how we might connect his company who needs suppliers with our members who needed work. As the conversation continued he explained that they had just changed their payment terms to Net 120 days. I asked him why I would connect him with our members under those circumstances. His response was surprising. He said he would not. He said that all of their suppliers should stop shipping product until they changed it back.

Now, just to be clear, I am not proposing anyone do such a thing. What I am saying, is that even executives within these big companies do not agree with using small and medium-sized companies as the bank.

Our continued willingness to accept these types of terms only confirms to the financial gurus at offending companies that they can get away with it. Our willingness to take a stand against such terms, both directly and indirectly,

communicates our commitment to outstanding performance of quality and delivery.

You must also consider the importance of nurturing your banking relationship in both good times and bad. Our company utilized NTMA's Operating Cost report which gave actual statistics about our industry's performance as a whole across the U.S. Our bankers always commented that they had no real financial comparisons for contract manufacturers and were appreciative of the information.

It's important to realize the importance of cash in this industry. To be in manufacturing, you must be an eternal optimist. Early in my

career I looked at other owners, shops, and competitors and would point out how lucky they were when business was good for them and maybe not so good for our company. My dad sat me down and said yes, luck plays a part in life and this industry, but when you begin to see consistent luck, it's really the result of good decisions and business skills. That's when I really started looking at NTMA and NTMA members differently. I began to look for their wisdom, guidance and support, which was willingly shared. I no longer saw them as lucky but rather as role models. Most of what success I obtained in my manufacturing career was because of fellow

NTMA members who were willing to help, mentor and share their experiences.

Cash flow is our companies' life blood and without it we don't exist. Most of our hearts reside on the shop floor, we must manage our financial decisions and policies just as closely.

Together let's continue to Advance America's Future.

Roger Atkins, President, NTMA

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## ACCURATE MACHINING OF DENVER

Rocky Mountain Chapter

Accurate Machining, Inc. was founded in 1982 by seasoned machinists Lee Madsen and Mike Hopkins. Their vision was to create a shop that could produce high-quality work for both local industries and the aerospace sector. Over the years, Accurate Machining has built a reputation for precision and reliability, providing mission-critical parts for the aerospace and defense industries. The company holds certifications in AS9100:2016, ISO 9001:2016, and ITAR compliance, ensuring that their products meet the highest standards of quality and safety. In 2019, the company was purchased by Valerie Hastings and Heather Williams, who brought their extensive experience in manufacturing and plating to the business. Under their leadership, Accurate Machining has continued to uphold the founders' commitment to excellence, while also incorporating modern technologies and processes. The company remains a trusted partner in the aerospace industry, known for its precision CNC machining and on-time delivery. Accurate Machining has been involved in several notable projects, particularly in the aerospace and defense sectors. They have produced mission-critical components for various aircraft and spacecraft, ensuring high precision and reliability. One of their significant contributions includes manufacturing parts for satellite systems, which require extreme accuracy and durability to withstand harsh space conditions. Additionally, Accurate Machining has worked on projects for the defense industry, providing essential components for military equipment. Their expertise in CNC machining and adherence to strict quality standards have made them a trusted partner for companies needing high-performance parts. These projects highlight their capability to deliver complex and precise machining solutions.

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ACCURATE MACHINING

## KLK, INC.

Arizona Chapter

KLK, Inc. was founded in 1967 in Phoenix, Arizona by Robert Wilkinson with a single Bridgeport knee mill and a vision. Over five and a half decades later, the company is still owned and operated by the family of Mr. Wilkinson and is currently operated by the third and fourth generations of his family continuing his vision and building upon his legacy. KLK, Inc. has grown to 65 employees with two locations, the headquarters location in Chandler, Ariz. and the NPI & Sheet Metal fabrication facility in Phoenix, Ariz. KLK is dedicated to providing their customers in the Semiconductor, Aerospace and Defense industries with a quality product and quick turn times at a competitive price point. KLK takes pride in developing relationships with their customers and staff and that has allowed them to retain not only many long tenured employees but also customers. We have a handful of employees with more than 40 years of service with the company and customers with 30+ year-relationships. Today KLK, Inc. has 85,000 square feet of precision manufacturing floor space featuring 3, 4 & 5-axis milling centers, live tool turning centers, CNC press brakes, cutting laser, welding and laser welding services and electro-mechanical subassembly in a class 10,000 soft wall cleanroom. KLK, Inc. specializes in precision machining and fabrication of a variety of materials including stainless steel, titanium, Hastelloy, aluminum and plastics. KLK, Inc. is driven by its core values of family, team and service. We continue to strive for excellence by growth through integrity and excellence through commitment to hard work.

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Consolidated Precision Manufacturing (CPM) is a small, one-man machine shop founded in 2019. We serve local customers in the commercial building, defense and medical industries. Other local machine shops will utilize us for extra capacity when they need it. CPM employs modern equipment (oldest being 2018) with the latest CAM software to keep up with the ever-moving leading edge of machining processes and tooling. We currently have two CNC machines, a DN Solutions DNM5700 mill and a SMEC SL2000B lathe. Auxiliary equipment includes a CO2 laser and fiber laser engraver. We specialize in custom machining, providing our clients a resource to outsource small, medium and large projects that improve their overall productivity. We work with our clients on any level to achieve a positive, collaborative relationship.

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Arizona Chapter

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## HR: DO YOU KNOW THE UTILIZATION RATE OF YOUR STAFF? NOT MANY BUSINESS OWNERS DO.



You could be losing money if you are inefficiently using your team.

The utilization rate measures the percentage of time employees spend on productive, revenue-generating work compared to their total available hours. A low utilization rate often signals that employees are either over- or under-worked or misallocated.

### WHAT IS A UTILIZATION AUDIT?

A utilization audit examines how efficiently a company's team members are being used. The audit tracks the work they're doing, how long it takes and whether it's aligned with their pay grade and skill level.

### KEY ELEMENTS OF A UTILIZATION AUDIT:

**Employee Work Allocation:** Are higher-paid employees doing tasks that could be automated or handled by lower-wage staff?

**Task Relevance:** Is the work directly related to the employee's core responsibilities?

**Time Tracking:** How much time is being spent on billable or productive tasks versus non-billable tasks like administrative work?

**Automation Potential:** Are there repetitive tasks that could be automated to free up more valuable time?

### HOW IS IT CONDUCTED?

1. **Data Collection:** Auditors collect data on employee tasks, hours and outputs over a set period through time-tracking tools or interviews.
2. **Analysis:** This data is then analyzed to identify under-utilized or over-utilized team members.
3. **Recommendations:** The audit team provides suggestions for realignment, such as reassigning tasks, training employees, or automating processes.

### COMMON FINDINGS FROM UTILIZATION AUDITS:

**Inefficient Use of High-Salaried Employees:** Tasks that could be done by lower-paid staff or automated are often handled by senior employees.

**Excessive Time on Non-Billable Tasks:** Many employees spend too much time on administrative work, leading to a lower overall utilization rate.

**Potential for Automation:** Companies often find that repetitive tasks can be automated, leading to significant cost savings.

Companies that regularly perform these audits can typically save 10-15% by reallocating resources and improving their operational efficiency.



As a senior account executive at ADDA, Sally Avent leverages the power of strategic HR to help optimize employee performance, engagement and retention. With 20+ years of industry experience, she understands the challenges and opportunities in today's market. She may be reached at: [sally.avent@addainfusion.com](mailto:sally.avent@addainfusion.com).

## REVENUE: THE FEAR OF MESSING UP IS KILLING DEALS



Salespeople are trained to dig for "pain." Years of sales training has taught us that pain is the key to sales and that we need to consistently bring buyers back to that pain when their commitment to change waivers.

We can think of that pain as FOMO — fear of missing out on profits (extra costs or missed opportunities) or relief of some sort.


In "The JOLT Effect" by Matthew Dixon and Ted McKenna, research shows that this emphasis on FOMO can backfire. Changing buying behaviors now mean that FOMU (fear of messing up) is a bigger factor. Indecision and risk aversion are killing more and more deals. What's worse is that when sales reps return to FOMO to counter hesitation as they've been trained, they aggravate the FOMU.

Buyers are increasingly overwhelmed by information. They have too many choices. Many decisions are made by committee. Individuals are hesitant to disrupt the status quo in case their decision turns out poorly and has negative professional implications.

These factors combine to mean that indecision is increasingly common. But when reps react by leaning into FOMO as trained, they actually reduce the likelihood that a deal will close.

The solution is to follow the **JOLT** process: **J**udge the degree of indecision, **O**ffer a helpful recommendation, help focus buyers and **L**imit further exploration and explicitly de-risk a transaction so they'll **T**ake action.

This is very different than what reps are normally trained to do. Sales leaders should read the book and explore how they can incorporate recommendations to reduce the rate at which their pipeline deals end in no decision.

 **Ed Marsh CONSULTING** Ed Marsh helps B2B industrial companies grow revenue by improving strategy, marketing, sales and technology. He's a veteran, independent board director and has run industrial companies. He can be reached at [www.EdMarshConsulting.com](http://www.EdMarshConsulting.com)

## ADVOCACY: OSHA INDOOR/OUTDOOR PROPOSED HEAT RULE PUBLISHED



Following more than a month delay, Aug. 30, 2024, OSHA published its proposal to regulate indoor and outdoor workspaces. This proposal applies when the heat index reaches 80 degrees Fahrenheit under the initial heat trigger and at 90 degrees Fahrenheit for the high heat index trigger. The version published in the Federal Register is identical to the prepublication version OSHA released in July. Publication in the Federal Register officially begin

the 120 public comment period that will close on Dec. 30, 2024. Absent delays due to change in party control of the White House or court challenges, OSHA could finalize a rule as early as late spring or next summer. Under the proposed rule, employers must begin complying with the rule 150 days after OSHA publishes the final rule in the Federal Register, likely pushing compliance late into 2025 or 2026.

One Voice filed comments in 2023 and joined with others in industry expressing concern over OSHA's one size fits all approach outlined in its initial framework and maintains that members of the associations are not reporting injuries or illness due to heat in their facilities. Should the OSHA proposed rule become final, all manufacturing employers, regardless of size, must comply with the new regulation. At a heat index of 80 degrees Fahrenheit, the proposed rule requires that employers provide cool drinking water, break areas with cooling measures, indoor work area controls to reduce the temperature and weather acclimatization protocols for new and returning employees. Upon reaching the 90 degree Fahrenheit high heat trigger, employers must mandate that employees take a 15-minute rest break every two hours and implement a supervisor or buddy system to observe for signs and symptoms of heat stress.

Omar S. Nashashibi is a bipartisan lobbying and strategic consultant based in Washington, D.C.

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# CASH IS KING:

*It's just good old cigar box accounting*

when it comes to payments of receivables. You may be limited by your own personal financial resources. A non-profit organization faces the same issues.

Obviously the best way to have access to cash is to run a successful business that turns a steady profit and accumulates equity. Accurate financial statements that tell that story on a consistent basis is very important. The people who have the money will want to see that information when considering your business as an investment. Of course the more they lend you, the more they want to know. But ultimately, they want and need you to succeed.

Yes, I am talking about bankers. And they have many of the tools that can

help you with conserving cash or improving cash flow. I have always tried to leverage my relationship with our banker because they are in the business of protecting cash—I mean, if they didn't do that, we'd be using the cigar box. I meet with our bankers regularly and discuss any new products and services that might fit for the business. I give them an overview of how things are going and where we think things are heading. I can also gauge the industry locally as well as nationally due to their business relationships. That's valuable information when looking at the future.

Banks can provide financing for equipment or facility improvements, an operating line of credit to help smooth out the cash flow curve, a corporate credit card that gives you additional

time to make payments on business expenses as well as additional savings through a rewards program, monitoring your bank accounts for adequate balances to avoid bounced checks and protect you from financial fraud, just to name a few services.

I would venture most of you know a lot about what I'm talking about. Just as I am sure you know how to pay your bills according to terms, or tighten up the terms on customer payments. But are you working on it? Do you have a plan in place and are your sticking with that plan? When that rainy day hits and there's little activity at the lemonade stand, how much do you have in your cigar box? Hopefully it's packed.

## DOUG DeROSE, VICE PRESIDENT & CFO, NATIONAL TOOLING & MACHINING ASSOCIATION

What a simple and apt phrase for a small business to understand. It's what one of my accounting professors at the University of Dayton would call "cigar box accounting." I look in that cigar box where I keep the lemonade stand money and know that's what I've got available. Your company may have all kinds of sales on account waiting to be paid, but what do you actually "have" in cash that you can spend if needed? I looked up the phrase 'Cash is King' and found it traced back

to as early as 1890. The actual quote used was "cash is king and credit is a slave." Those are pretty accurate words 134 years later. Most reports I have seen recently regarding individual's savings versus their debt indicate most American's fall in the latter category, unfortunately. But that is a topic for another day.

It's easy to say you need to get access to as much cash as possible to maintain your business. Of course for small businesses that isn't easy to do. You are at the mercy of your large customers

# "CASH IS KING AND CREDIT IS A SLAVE."

### A QUICK CHECKUP:

*What's your cash ratio?*

$$\frac{\text{CASH + CASH EQUIVALENT}}{\text{TOTAL CURRENT LIABILITIES}} = \text{CASH RATIO}$$

>.5 RISKY      .5-1 ACCEPTABLE      1+ HEALTHY



# DESPITE ELEVATED RATES, IT'S STILL WISE TO PRESERVE CASH. HERE'S WHY.

**ANITA COLVIN, SENIOR VICE PRESIDENT, U.S. BANK EQUIPMENT FINANCE**

Cash is still king for manufacturers across the country. As an equipment finance lender specializing in serving manufacturers, I have seen firsthand the critical role that cash plays in the success and growth of manufacturing businesses. This is even the case when purchasing equipment in a higher-rate environment. Below are three reasons why this strategic approach could be beneficial for your business.



Anita Colvin  
senior vice president  
U.S. Bank Equipment Finance

## CASH FLOW MANAGEMENT

With elevated interest rates, it may be tempting to exhaust cash reserves to fund equipment purchases. However, financing equipment can offer significant advantages. There are a variety of financing options tailored to meet manufacturers' specific needs, including 100% financing, flexible terms, competitive rates and customized solutions. Financing allows you to save cash for essential expenses and unforeseen challenges. This can help you navigate economic downturns, sudden disruptions or unforeseen expenses without jeopardizing your operations or growth plans. There are many cash management strategies — such as opening a money market account — that can help you maintain accessible reserves while also earning a return.

## ASSET MANAGEMENT

In an industry reliant on capital-intensive assets, financing your equipment can also provide a strategic approach to asset management. It enables you to take advantage of growth opportunities, increase production capacity, and benefit from market expansion while spreading out the cost of equipment acquisition over time. Certain financing structures, such as a Fair Market Value lease, may reduce your monthly payment while providing end-of-term options that can help you manage equipment assets throughout their life cycle.

## BALANCE SHEET MANAGEMENT

Maintaining a strong capital reserve can provide additional confidence in the health of your business to banks, lenders and potential investors. Financing instead of purchasing equipment can enhance your balance sheet and improve return on assets (ROA), a key indicator used by lenders to evaluate your company's profitability and financial health. Maintaining a healthy balance between cash reserves and debt enables you to optimize your capital structure, improve liquidity, and strengthen your credit profile, positioning you more favorably for future growth and investment opportunities.

**"IN A DYNAMIC COMPETITIVE LANDSCAPE CHARACTERIZED BY EVOLVING TECHNOLOGY, VOLATILE MARKET CONDITIONS, HOLDING ONTO CASH PROVIDES A FINANCIAL CUSHION THAT CAN HELP MITIGATE RISKS AND UNCERTAINTIES."  
— ANITA COLVIN, U.S. BANK**

In a dynamic competitive landscape characterized by evolving technology, volatile market conditions, holding onto cash provides a financial cushion that can help mitigate risks and uncertainties. By preserving cash reserves, financing equipment strategically, and aligning financial decisions with long-term business objectives, you can secure financial stability, drive sustainable growth and thrive in this competitive industry.

CONDUCT A BOTTOMS-UP BUDGET REVIEW

UNDERSTAND CASH REQUIRED

OPEN MORE PAYMENT CHANNELS

AUTOMATE PAYMENTS AND INVOICING SYSTEMS

NEGOTIATE PAYMENT TERMS WITH VENDORS

LEVERAGE REFINANCING ASSETS

USE STRATEGIC FORECASTING

STREAMLINE INVENTORY MANAGEMENT

IMPROVE CUSTOMER ACCOUNT MANAGEMENT

# THINK STRATEGICALLY ABOUT CASH FLOW

SOURCED FROM FORBES.COM FINANCE COUNCIL, JUNE 2023

# DAILY DILIGENCE

*One company's best practices*

## INTERVIEW WITH MIKE HOLMES, PRESIDENT OF WALMAR AND ADM DIVISIONS, KINETIC ENGINE SYSTEMS

**K**inetic Engine Systems builds things like pumps, housings, fuel controls, compressor cases and the high temp airfoil sections of aircraft engines. Their work is high-tech, precise and innovative but when it comes

to their cash flow, Mike Holmes says there isn't any magic. It's all about paying attention.

The company, previously part of Cadance Aerospace, is newly-formed and privately-owned. They have six sites throughout the U.S. and Mexico. They post 320 million in annual revenue and employ approximately 800 people. Holmes, who has 44 years in the aerospace industry, is president of two divisions, ADM in Arizona and Walmar in Senora, Mexico.

"You have to stay on top of everything," according to Holmes. "The challenging part is keeping up with the ever-changing demand schedule. Schedules are constantly moving, and when schedules are constantly moving, you have to constantly react to that. Working capital is AR (accounts receivable), AP (accounts payable) and inventory, and inventory is always the biggest chunk. You have to do what we all do, process it efficiently and get it out the door."

Divisions have a daily production meeting. They examine yesterday's receipts, accounts receivable and past due accounts, then follow up as necessary. Every department is represented on the daily production meeting and there is transparency between departments. They monitor big shipments and aren't afraid to ask, "Should that be here or not?"

As schedules change, they've learned to change terms on the fly to protect their cash flow. If a customer pushes out a long lead item, they'll try to push it out with the supplier, but sometimes the supplier still insists on shipping the product. They've learned that sometimes creative solutions can be a win-win. Holmes explained, "We told them we would take it so they get revenue recognition, but we weren't going to pay for it until when we need it. There is negotiation, but ultimately, ends up in changing the payment terms."



Additionally, Kinetic takes advantage of customer factoring programs offered by some of their larger clients like Honeywell or Rolls-Royce. "All of these companies work with banks. You can pay the bank to get your money faster than the usual 120-day turn from big customers. The interest rate on that factoring process is cheaper than what we have on our own bank's revolver accounts by a couple of points," Holmes said. In most cases, they have their money in three to five days. There is a fee, but they save on interest.

From a broader scope, the leadership at Kinetic Engine Systems has a minimum of two cash calls per week reviewing AP, AR, and inventory nationwide across all divisions. At those meetings, they also do a look-ahead to predict the cash over the next 13 weeks. While it's challenging to have pinpoint accuracy with all the changing schedules, it gives the team the opportunity to foresee problems and address them before the occur.

Holmes explains that when you really look at it, no matter the size of the company, it all boils down to the basics. From the president of the company to the shop floor, a team that understands the value of positive cashflow works as a unit to ensure business success.

"We do a monthly townhall. We talk about how the business is doing and our inventory. It's about getting everyone to think about cash in the business like it was their checkbook. When you get all of the employees thinking that way — comparing it to how they manage their household — it makes a difference. Don't buy 12 if you can buy two. Don't just buy for comfort. When everyone is thinking that way, it helps the whole cause."

According to Holmes, it isn't rocket science. It's simply about daily diligence.



**"IT'S ABOUT GETTING EVERYONE TO THINK ABOUT CASH IN THE BUSINESS LIKE IT WAS THEIR CHECKBOOK. WHEN YOU GET ALL OF THE EMPLOYEES THINKING THAT WAY...IT MAKES A DIFFERENCE."**





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**B:** Try harder

**C:** Save yourself to death

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# CHAPTER CHECK-IN

## STLNTMA HOSTS LEADERS LUNCHEON ROUNDTABLE

**SHELLI McINTOSH, CHAPTER EXECUTIVE, ST LOUIS NTMA**

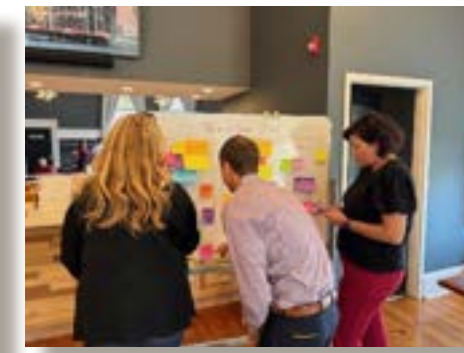
Leadership from the St. Louis Chapter recently gathered for their Leaders Luncheon Roundtable. The lunch was delicious and attendees dug into some big topics like workforce development, attracting and retaining talent and bridging the generational gap.

Brandon Dempsey facilitated a thought-provoking discussion.

Not only did the Leaders Luncheon Roundtable provide food for thought about these hot button topics, everyone left with valuable ideas to implement in their shops. As always, it was also a

great opportunity for networking and sharing best practices and connecting with other members.

We thank our attendees and all who brought their experiences and knowledge to the table.



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# MEMBER PROFILE: CHELAR TOOL AND DIE

## JARED KATT, PRESIDENT, CHELAR TOOL AND DIE

### WHO WE ARE:

Chelar Tool and Die is a third generation, family-owned manufacturing company specializing in progressive and non-progressive metal stamping dies. Our business has changed since its origination in 1962 but the focus has always remained the same — our people.

Our namesake is a story of community and legacy, two things we believe strongly in. The Chelar name is devised from the first two letters of the original trio of owners' names — Charlie, Elmer and Art. Chelar began as a small tool shop with less than 10 employees serving the local St. Louis area.

Today with over 75 employees, we are an ISO 2001:2015 certified company that provides high-quality products with superior customer service. Our 80,000 square foot state-of-the-art



facility located in Belleville, Illinois currently boasts four presses, 13 CNC machines and four wire EDMs to ensure tools are produced on time, every time.



### WHAT WE DO:

Chelar is a one-stop shop for metal stamping dies as we design, build, inspect and run production on the tools we manufacture. In addition, we specialize in precision machining, Blanchard grinding, production stamping and material simulation.

We service industries including electrical, HVAC and home appliances just to name a few. As customer needs have changed throughout the years, we have added technology and automation to our dies to ensure the highest quality parts are produced as efficiently as possible.

### WHAT WE DO REALLY WELL:

Chelar has become the go-to facility when it comes to producing complex, high-volume metal stamping dies. Our team's attention to detail and customer service is unrivaled. Our customers know when they send us a job they can expect timely delivery, impeccable quality and 100% satisfaction before the product leaves our facility. Our skilled designers take extra time to ensure our designs create not only the best part possible, but also limit the amount of waste — saving our customer material costs over the lifetime of the tool.

### WHY WE ARE MEMBERS OF THE NTMA:

When I took over as CEO at the young age of 26, many fellow established NTMA members provided wisdom and guidance as I grew in my new role within our company. The NTMA national conferences and local chapter meetings provide us networking opportunities, collaborative round table discussions and insights on national trends and developments. The NTMA has been a major part of Chelar's success and my personal growth as a business owner. We wouldn't be who we are today without the NTMA.



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*Who We Are*

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Contact lenses are often selected as an alternative to frames. VBA will work with you in selecting an elective contact lens allowance to give your clients the flexibility to meet their price point and preferences.



#### Optional Covered Materials

Looking to offer more? VBA gives your clients the flexibility to include additional options such as progressive lenses, photochromic lenses and anti-reflective coatings.



#### Frames

Knowing that frames often double as a statement of fashion, VBA works with you to determine a frame allowance. Our frame allowance gives your employees the flexibility to select frames that meet their budget and sense of style.



#### Lenses

Lens technology can give your employees clear vision—from daily tasks to special life moments. VBA works with you to determine the lens treatments and designs to meet those needs. From blue-light blocking coatings to fully-covered progressive lenses, our plans can give access to the lenses that help your employees live their best lives.

### Did You Know?



Through a partnership with TruAssure Insurance Company\*, you can expect the same simplicity with VBA dental benefits. TruAssure offers a dental network through DenteMax Plus with 396,000+ access points, giving members plenty of choices to find the provider that best meets the needs of their family.



VBA dental plans are focused on prevention so small issues do not turn into costly, intensive treatments.

- Three cleanings standardly covered each year
- Exams, cleanings, fluoride and sealants (age limits apply) standardly covered 100% in-network

## PARTNERSHIP: KEY STRATEGIES TO SHIP SMARTER AND CUT SMALL PACKAGE COSTS

In today's economy, businesses heavily rely on efficient and reliable shipping services to maintain their supply chains and meet customer demands. You know that shipping can be a time-consuming and frustrating task. But there are ways to make small package shipping easier, faster, and more cost-effective for you and your business.

### HERE ARE SOME KEY STRATEGIES:

1. **Enroll in the FedEx Advantage Program.** Thanks to our unique alliance with FedEx, NTMA members have access to industry-leading discounts. Small and mid-sized businesses can enjoy competitive pricing that is typically reserved for high volume shippers - without any minimum shipping requirements. Save 50% off FedEx Express and 30% off FedEx Ground. Enroll today to access the discounts at [www.PartnerShip.com/NTMA-RECORD](http://www.PartnerShip.com/NTMA-RECORD).
2. **Choose the right service.** Ground services are the more economical option and often the transit times are comparable to what you can get with some Express/Air services. Where you can, utilize Ground services to save on your costs.
3. **Save money with multiweight pricing.** FedEx offers options for customers who are shipping multiple packages to the same location that can help you save money versus the rates you would pay if they're considered individual packages. For businesses shipping frequently to the same locations, FedEx multiweight pricing is an efficient and cost-effective service option.

4. **Right-size your packaging.** If your dimensional weight is higher than the actual weight, your package will be rated using the dimensional weight - meaning you'll be paying more. This makes any excess space within your package extra costly. Focus on packaging that allows space for the items you're shipping and the necessary cushioning and nothing more.
5. **Utilize My FedEx Rewards.** Membership is free and offers a variety of perks including gift cards, merchandise and more. Additionally, you can recoup costs on eligible late FedEx Express or Ground shipments. Sign up today at [getrewards.fedex.com](http://getrewards.fedex.com).
6. **Get free FedEx Express supplies.** The packaging and supplies you

need to properly contain your shipments are important but can be costly. FedEx offers free Express packaging supplies for customers that you can order online and have delivered, free of charge, including envelopes, boxes and poly bags. Order yours at [bit.ly/FXExpressSupplies](http://bit.ly/FXExpressSupplies).

While taking an in-depth look at how to minimize operating expenses can be time-consuming, these small package hacks give you a few quick ways to ship smarter. It's even more important to cut costs where you can, as small package rates are on the rise.

Start saving your company money and simplify your shipping process by enrolling in the FedEx Advantage program today at [www.PartnerShip.com/NTMA-RECORD](http://www.PartnerShip.com/NTMA-RECORD).



Here to Help



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\*All TruAssure dental plans are offered in association with the DenteMax Plus dental network arrangement, which includes participating dentists from the United Concordia, DenteMax and Connection dental networks.

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# REGISTERED APPRENTICESHIP PROGRAMS: SEE HOW NTMA CAN HELP

**JENNY STUPICA, WORKFORCE DEVELOPMENT DIRECTOR, NTMA**

In today's competitive manufacturing industry, skilled labor is in high demand. Developing a pipeline of qualified workers is essential to staying ahead. One effective strategy is building or expanding a registered apprenticeship program. As a member of the NTMA, you have access to valuable resources that can help make this process easier and more successful.

Registered apprenticeship programs combine on-the-job training with related technical instruction, ensuring that workers gain the hands-on experience and technical skills your business needs. By starting or growing a program, you can create a tailored workforce that meets your company's specific needs while offering participants the opportunity to earn while they learn.

The NTMA is here to support you every step of the way. We offer assistance with program design, connection to state or federal apprenticeship systems and guidance on compliance with industry standards. We offer the related technical instruction in the form of NTMA-U, which is already approved by the Department of Labor in all 50 states. We also have on-the-job training templates that can be customized to your equipment and processes.

Additionally, we provide information on available funding and tax incentives that can offset the cost of training apprentices. Whether you're looking to build your first apprenticeship program or aiming to scale up an existing one, our resources are designed to save you time and reduce the complexity involved. After all, we don't need to keep reinventing the wheel.


Investing in an apprenticeship program today will help secure your company's future workforce. Let the NTMA be your partner in building a stronger, more skilled team.

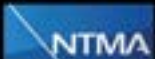
Reach out to Jenny Stupica, Workforce Development Director, at [jstupica@ntma.org](mailto:jstupica@ntma.org) with questions or to get started.

## NTMA CAN PROVIDE SUPPORT WITH:

- PROGRAM DESIGN
- CONNECTION TO STATE & FEDERAL SYSTEMS
- GUIDANCE ON COMPLIANCE
- RELATED TECHNICAL INSTRUCTION
- ON-THE-JOB TRAINING TEMPLATES
- INFO ON FUNDING & TAX INCENTIVES

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# SUMITOMO DRIVE TECHNOLOGIES WINS THE 2024 NATIONAL METALWORKING RESHORING AWARD

Sumitomo Drive Technologies, a brand of Sumitomo Machinery Corporation of America, received the 2024 National Metalworking Reshoring Award on Sept. 13, 2024, at the International Manufacturing Technology Show (IMTS) in Chicago. It was presented by Harry Moser, founder and president of the Reshoring Initiative.

“Sumitomo won the 2024 award because they brought work from offshore to both the United States and Mexico, invested a total of \$22 million in their projects between 2010 and 2024, including purchases of machine tools from leading IMTS exhibitor companies, and thereby increased their annual revenue by \$100 million over this time period. The Reshoring Award has helped accelerate reshoring from 11,000 manufacturing jobs per year in 2010 to 287,000 per year in 2023,” Moser said.

The award honors companies that have effectively brought the manufacture of products, parts or tooling made primarily by metal forming, fabricating, casting or machining, including additive manufacturing to North America. It is made possible by the Reshoring Initiative; the Precision Metalforming Association (PMA); The Association For Manufacturing Technology (AMT); SME; the National Tooling and Machining Association (NTMA); and the Fabricators and Manufacturers Association (FMA).

“Winning the National Metalworking Reshoring Award is a tremendous honor and validation of our team’s dedication to our reshoring and nearshoring strategies. This award reflects our commitment to customer satisfaction and building a strong, resilient supply chain. We are grateful to the support

from our supplier-partners and the investment of our parent company, SHI (Sumitomo Heavy Industries),” said Joe Gopi, director of manufacturing.



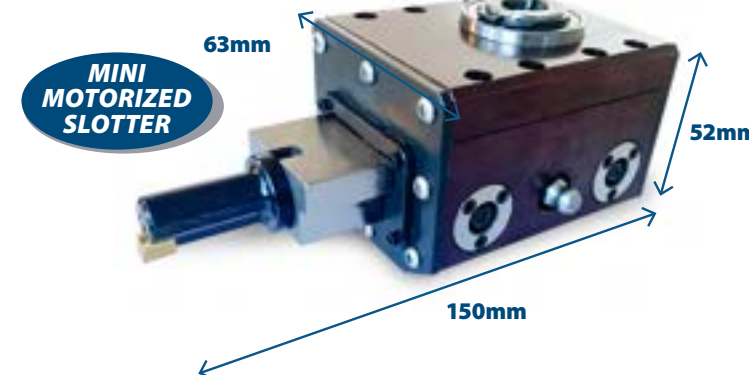
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