

NewsBriefs

Newsletter of the Architectural Woodwork Institute

NEW AWI MEMBERS

MANUFACTURING

- Bootstrap Cabinets**
Modesto, CA
- Cabinet Design and Construction, LLC**
Pensacola, FL
- Canterbury Wood Floors, LLC**
Mocksville, NC
- Carter Custom Millwork**
Millersburg, OH
- Commercial Casework, Inc.**
Greenville, SC
- D7 Partners, Inc.**
Falls Church, VA
- Eyewood Design, Inc.**
Interlochen, MI
- Institutional Products, Inc.**
Homestead, FL
- Northwood Cabinets, Inc.**
Woodland, WA
- Ratigan-Schottler**
Beatrice, NE
- The Fitts Company**
Lexington, SC
- Vanguard Woodworking**
Richmond, VA

SUPPLIERS

- Heitink Plywood Technologies, Inc.**
Bloomington, IN
- Pennsylvania Lumbermens Mutual Insurance Company**
Philadelphia, PA ■

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Editorial Mission

NewsBriefs reports on AWI resources and programs that help members improve their operating efficiency and profitability.

The BIG Reveal: New Architectural Woodwork Standards



The collaborative effort between the Woodwork Institute (WI), the Architectural Woodwork Manufacturers Association of Canada (AWMAC) and the Architectural Woodwork Institute (AWI) to produce one woodwork standard to be adopted by the architectural, design and construction industry throughout all of North America and other parts of the globe is nearing completion.

During a Town Hall Meeting on August 21 at IWF 2008™ in Atlanta, Georgia, several AWI members of the Joint

Standards Committee (JSC) introduced a preview of the new book, *Architectural Woodwork Standards*. The book is scheduled for an early 2009 release and many of the sections are currently in a draft mode.

Mike Bell, one of the AWI representatives on the JSC, conducted a PowerPoint presentation which demonstrated that the new standard is essentially a melding of the current WI *Manual of Millwork* and the AWI/AWMAC *Quality Standards Illustrated*. “The

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Got Smarts? Skill Standards Project Needs You!

“Got Smarts?” was the question on the minds of Woodwork Career Alliance of North America (WCANA) officials during the IWF 2008™, August 20-23, 2008 in Atlanta, Georgia. WCANA is seeking volunteers to share their expertise and experience to keep the architectural woodwork industry strong and professional.

During two events on August 21 at IWF, WCANA leaders unveiled the Skill Standards framework that is nearing completion in Phase One of the Wood Manufacturing Skill Standards, Evaluations and Credentials Project. The three-year initiative is supported by grants from the U.S. Department of Agriculture Forest Service that are matched by contributions from industry associations (including AWI), other organizations and AWI chapters.

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AWI & Administaff Introduce Business Solutions Program

A new human resource services program arranged by AWI with the national professional employer organization Administaff brings group buying power to AWI member small and medium size businesses. This means big company business solutions for small and medium size companies!

This new AWI Affinity Program gives access to Administaff Human Resource Services at a substantial savings. This exclusive new membership benefit for AWI members provides a 25% discount on enrollment fees and the group buying power of Administaff's 6,000+ clients. Services available include:

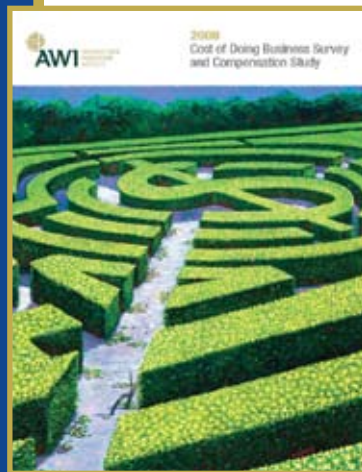
- Affordable Family and Dependent Health, Dental, Vision, Disability and 401K Benefits as part of Administaff's large group plan
- Access to a large group Workers Compensation Program (without the annual up-front large cash policy deposits)
- Thousands of Safety and Vocational Training Courses with tuition and courseware reimbursements up to \$1,500 per employee
- Full Human Resources Services including:
 - * All Federal and State Tax Remittance Deposits administered by Administaff
 - * All Federal and State Employer Forms and Reports administered by Administaff
 - * Defense in Employment Practices Disputes
 - * Representation at State Unemployment Hearings
 - * Full Service Recruiting Department.

Administaff will be hosting a webinar on the program scheduled for September 24 at 2:00 pm eastern time. Look for more details in *AWI e-briefs*.

For more information, please contact: either Erin Dillenbeck at 703.821.7318, Erin_Dillenbeck@Administaff.com or Kane Flora at 703.821.7313, Kane_Flora@Administaff.com. See the enclosed flyer about Administaff to learn more. ■

AWI Releases CODB Report; Rise in Margins Continues Trend

Gross and operating margins are on the rise among AWI Manufacturing Members, according to the 2008 Annual AWI Cost of Doing Business Survey results released this month. Respondents to the annual survey report typical financial performances of 24.1% for gross margin, and 5.2% for operating margin. In the past three years, the two measurements continue an upward movement, indicating improving financial positions among AWI Manufacturing Members.



Who respondents view as high profit firms (those in the top 25% of the peer group) are moving up. In the 2008 survey, those with an operating margin of 11.3% are considered a high profit firm, compared with 9.9% in 2007 and 8.3% in 2006.

The positive trends revealed in the study, however, do not extend to how respondents perceive the economy in the next six months. Only 38% of the CEOs believe the economy will improve in the next six months, compared with 65% in 2007 and 50% in 2006.

Participation

With participation up by 6.5% this year, industry averages reflected in the final *Cost of Doing Business Survey and Compensation Study Report* promise to more closely reflect industry costs, ratios, profit margins, compensation, and more. Ninety-four percent of the 149 AWI Manufacturing Member respondents said they "believe the AWI Cost of Doing Business Survey is a valuable member benefit."

All survey participants will receive added benefits to start putting the Report to use right away with their company information.

Distribution

All AWI Manufacturing Members will receive one copy of the printed report valued at \$950.00 as a benefit of AWI membership. Reports were shipped in early September.

The survey was conducted for AWI by Inverra. All information is held in strict confidence. ■

TYPICAL FINANCIAL PERFORMANCE

	GM	OM
2008	24.1%	5.2%
2007	19.5%	4.1%
2006	20.3%	4.1%

GM = Gross Margin = (revenue - cost of goods sold) / revenue
 OM = Operating Margin = (revenue - cost of goods sold - sg&a) / revenue
 (i.e. before taxes, interest and amortization)

Source: 2008 AWI Cost of Doing Business Survey and Compensation Study Report

The BIG Reveal... (cont. from page 1)

new standards are formatted differently than our AWI members are accustomed to in the current edition of QSI. The new outline is a modification of the CSI three-part format," he said.

- **Part One is "General"** and covers general information about the sections' subject matter, the sections' scope of work and the default requirements applicable to the sections' scope of work if not specified otherwise. The general information portion of Part One is further broken down, as applicable, into: Basic Considerations, Acknowledgments, and Industry Practices.
- **Part Two is "Product"** and covers the minimum material, machining, and assembly requirements for the grade selected or required.
- **Part Three is "Execution"** and covers the minimum installation requirements for the grade selected.
- **Part Four as "Compliance"** is an addition to the CSI format and addresses ways of verifying compliance to the standards.

“The new standards are formatted differently than our AWI members are accustomed to in the current edition of QSI. The new outline is a modification of the CSI three-part format.”

“Economy, Custom and Premium Grades have been preserved and the numbered, indented structure borrowed from CSI will make it much easier to identify specific compliance criteria in the standards,” Mike added.

The Joint Standards Committee will appreciate widespread assistance to review and identify any errors in omission or conflicting and confusing language in the new book. Much of the text has been extracted from the other two documents and quite possibly could have changed meaning in the new juxtaposition of sentence structures. Many eyes are needed to catch these errors. A Beta Draft version of much of the book has been placed on a JSC blog site at: <http://www.jscstandards.com/awi.html>. Use the following access codes: login — standards; password — awi. Use the blog comment tool (at the bottom of the left column) to make notes and comments. ■

Got Smarts?... (cont. from page 1)

Workforce Goals

“We have taken on this comprehensive endeavor to serve all levels and sectors in the industry while advancing the knowledge, skill and professionalism of the workforce needed to sustain and grow the woodwork industry,” explained Scott Nelson, President of the WCANA and CEO of Central Plains Millwork, Lincoln, NE. “The woodworking industry is one of only a few industries that does not have skill standards to help evaluate, educate and compensate their workforce to improve their skills,” Scott said.



WCANA also unveiled draft sections of the “Woodwork Manufacturing Skill Standards Manual.” This unified North

American standard of tool skills and evaluations is being written by volunteers from all sectors of the advanced wood processing industry. The manual will serve as a comprehensive, industry-accepted compilation of operational procedures which measure performance and results produced by woodworking professionals. It includes a voluntary assessment program that allows woodworkers to demonstrate their competency in in-plant woodworking skills and earn credentials that are recognized throughout North America.

Benefits to Industry

“These standards will provide benefits to so many segments of our industry,” said WCANA member Jerry Finch. “Industry professionals benefit by seeing increased interest in careers in the prestigious, modern woodworking industry. Company owners and managers benefit by getting help in recruiting, training, and retaining skilled employees. Teachers of woodworking have access to guidelines for class planning and industry outcomes, and students are able to discover a rewarding career and learn what they need to know to succeed,” he said.

“Volunteers are needed to help organize operational procedures, write standards, review materials, and much more.”

Call to Action

Experienced woodworkers are being sought by the Woodwork Career Alliance to participate in the development of the skills manual. Volunteers are needed to help organize operational procedures, write standards, review materials, and much more. For more information about the Skill Standards, the Woodwork Career Alliance, and how to join in this endeavor, visit www.woodworkcareer.org. ■

33 AWI Members to Receive Safety Awards



AWI is pleased to announce that 33 AWI Manufacturing Members will be honored for safety in their shops in the 2008 AWI/CNA Safety Awards Program. A total of 45 awards will be presented to the honorees at the Annual AWI Awards Luncheon on October 4, during the 2008 Annual AWI Fall Leadership Event in Providence, Rhode Island.

In announcing the winners of this prestigious awards program, AWI Insurance & Safety Committee Chair Teresa Bell of Kentucky Millwork said, "The AWI /CNA Safety Award program is intended to motivate woodworking plant managers and business owners to move towards continuous safety improvement. It has been noted that shops that promote a safety culture also have higher employee morale. The awards are an acknowledgement of companies of all sizes that are committing to providing a safe work environment for their employees. We congratulate the winners and encourage all companies within the association to participate in the program and learn that Safety Pays!"

"AWI/CNA Best Safety Achievement Award"

Each of the following AWI Manufacturing Members received top honors in their categories: Creative Dimensions, Inc.¹, Genbrook Millwork, Inc.¹, Wood Arts Systems, Inc.^{1,2}, and Concepts in Millwork, Inc.². In their categories, in 2007 each had the lowest Incident rate, a nationally recognized measure of safety that equalizes the Accident rate for all sizes of firms.

"AWI/CNA Zero Lost Time Accident Achievement Award"

Classic Woodworking, Inc.
 CRC/Mastercraft, Inc.²
 Commercial Millwork, Inc.
 Consolidated Supply and Service, Inc.
 Desert Millwork, Inc.
 Diversified Woodcrafts, Inc.
 Federal Millwork Corporation
 Gleason Woodwork, Inc.²
 Goodman Millwork, Inc.
 Jutras Manufacturing, Inc.²
 Luttrell Architectural Woodworks, Inc.²
 Lyndan, Inc.²

Marc Woodworking, Inc.
 Millco Woodworking LLC
 ONSITE Woodwork Corporation
 Precision Millwork & Plastics, Inc.
 Richard Gilbert Industries, Inc.²
 Riverside Construction Services, Inc.
 Somerset Wood Products Company
 Volpe Millwork, Inc.
 Windsor Architectural Woodworking
 Woodtronics, Inc.
 World of Wood, Ltd.

"AWI/CNA Safety Improvement Recognition Award"

Architectural Wood
 Conley Caseworks
 Glenn Rieder, Inc.
 Johnson Brothers Planing Mill, Inc.
 Leininger Cabinet & Woodworking, Inc.
 Pacific Woodworking Ltd.

All honorees in each category will receive a handsome plaque for display in their shops, press coverage, and recognition by their AWI member peers during the 2008 Annual AWI Fall Leadership Event, October 1-4, 2008 in Providence. CNA is AWI's insurance safety partner. ■

1 Also honored with a "Zero Lost Time Accident Achievement Award"
 2 Also honored with a "Safety Improvement Recognition Award"



2008 AWI Sponsors

Thanks to all of the following 2008 AWI Sponsors whose support helps to fund association programs and services that benefit all AWI members. Support these members; they are supporting you through their 2008 sponsorship commitment. Visit www.awinet.org to contact these suppliers the next time a need arises for their services. ■

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