



“If we don’t change, we don’t grow. If we don’t grow, we aren’t really living.”

Anatole France

## GREATER CLEVELAND

### MANAGER’S COMMENTS

Once again... “What’s it all about Alfie?” Back in May, I referenced this Burt Bacharach song from 1967 while talking about relationships being a very important part of life, both personally and professionally.

But today I want to talk about growth. So, let’s think about it just as it pertains to business. I want to make that distinction clear because back in May someone mistakenly thought, after reading my comments that I was having personal relationship problems with my wife. It’s nice to know that people care.

Anyway, I believe growth is an essential component to a thriving business. Now let’s be sure we’re all on the same page by understanding that we’re talking about the good kind of growth...controlled growth.

That being said, isn’t it a fact that a business’ growth is paid for from profit/reserves? If you just said “no” you can put down this newsletter and go back to playing games on your mobile device.

For those of you who are saying in construction a company is always expanding and contracting let me be clear about what I consider to constitute growth. I mean expanding beyond the company’s current maximum volume of work, measured either in dollars or number of employees, by adding to their overhead cost, paid for by existing profit/reserves.

You may think I’m starting to ramble and tell you stuff you already know so let me quickly and bluntly get to the point.

Let’s say you have the capital to grow and you have the desire to grow. Can you grow? Well yes you can, IF the market you are in grows. For those of you who right away thought, I can just take more of the existing sized market, remember we’re talking about “controlled growth.” To get more of the existing market, in most cases, would require lowering your margin which to me sets you up to be in less control, Operating on a thin margin puts you at the mercy of forces outside your control that can lead to negative outcomes. You know those forces, bad general contractors/construction managers, bad weather, material problems etc.

Back to really growing. You may have the money and desire but if the market you’re in isn’t growing, you’re not growing.

That fits right in with what I’ve said many times. “We, meaning NECA and the IBEW, don’t control this industry. The market; i.e., the customer controls the industry. If they don’t have the work or they do have the work but can’t afford you, don’t expect to grow. I firmly believe we (NECA & IBEW) especially on the local level, need to be away of what the market is doing and adjust accordingly.

Continued on Page Two.





## MANAGER'S COMMENTS CONTINUED

If our market isn't growing and is using non union contractors for 50% of their work, we have a problem that has but one solution. Bid that portion of the market which we aren't doing at a competitive but profitable price. Since what we had been doing here wasn't always competitive, along with the fact the industrial market has declined, I suggest expanding the use of the Northern Ohio Regional Agreements and the other Fourth District Regional Agreement if you are traveling within the IBEW 4th District and if the agreement is applicable.

The economy controls the size and type of our market and the customers decide who's going to do their electrical work, so what's left is for us to decide how we're going to grow within our market.

If you have a better suggestion than mine, please let know.

CW/CE's are without a doubt the solution we have now to grow through being more competitive and taking market share back from the non union contractors. They also are the solution to the current manpower shortages that exist in this country. If you dispute that you should read next month's NECA Review.

## FUTURE LEADERS

The second meeting of the Greater Cleveland Chapter NECA's Future Leaders program will be held on Friday, October 21st, at noon at the NECA Office. The main point of discussion at this upcoming meeting will be the Electri International Foundation. Electri is the research arm of NECA and they produce some exceptional research on industry trends and technology. Future Leaders attendees will learn

how to utilize the resources that Electri has to offer and how Electri's services can make them and their companies more successful.

Please RSVP to Jeremy Ryan at: [ryan@gccneca.org](mailto:ryan@gccneca.org)

Check out Electri's website: <http://www.electri.org/>

## NEW MEMBER

The Greater Cleveland Chapter, NECA welcomes our newest member, **Premise Solutions** to the Cleveland Division.

Please welcome Marcus Dehler, the accredited representative for Premise Solutions as well as all of the folks over at Premise Solutions.

## MANHOURS

Cleveland Division thru August:	2,086,421
Lake Erie Division thru August:	452,028
Northeast Ohio Division thru August:	<u>187,149</u>
<b>Chapter Total:</b>	<b>2,725,598</b>

## ECONOMIC NEWS OF THE DAY

- 1.) According to Destination Cleveland, there were 17.6 million tourists that traveled to Cleveland in 2015. This generated \$8.1 billion in economic impact and \$1 billion in sales tax.
- 2.) Ohio's minimum wage is increasing by 5 cents to \$8.15 for non-tipped workers in 2017.
- 3.) The German super bank, Deutsche, has seen its stock value cut in half this year, after posting its first full year net loss since 2008. To add salt to the wound the USA last week proposed a \$14 billion fine for mortgages made by Deutsche before the financial collapse.
- 4.) 71% of Americans say they have not saved enough for retirement.
- 5.) The first presidential debate of 2016 took place on Monday, September 26th. It was the most watched debate of all time with 84 million viewers.
- 6.) The NASDAQ values copper at \$2.19 per pound.
- 7.) In light of the fake accounts scandal, Wells Fargo CEO John Stumpf will forfeit \$41 million in stock options and bonuses.
- 8.) The Cleveland Indians clinched the AL Central Division title for the first time since 2007, with a win over the Detroit Tigers. While the abysmal attendance at the Indians games dominated the media coverage (28th out of 30 MLB teams), the Indians quietly excelled in cable ratings ranking 6th out of 30 MLB teams.
- 9.) According to The Association of Union Construction 46% of IBEW locals reported work shortages, whereas only 17% reported surpluses.
- 10.) The US Department of Labor estimates that employers pay about \$1 billion per week in direct workers' compensation costs.

## GENERAL MEMBERSHIP MEETING

The next General Membership Meeting will be held on Wednesday, November 9th at 6:00 PM at

Fahrenheit Restaurant, 2417 Professor Avenue, Cleveland, Ohio. Please mark your calendars now.

## UPCOMING EVENTS

- 1.) **Lake Erie Division Meeting** –October 4, 2016 at 6:00 PM –Chez Francois.
- 2.) **Northeast Ohio Division Meeting** –October 5, 2016 at Noon—Red Hawk Grille.
- 3.) **NECA Convention and Trade Show** - October 7 - 10, 2016 - Boston, MA.
- 4.) **Cleveland Division Meeting** -October 13, 2016 at 6:00 PM –Osteria Di Valerio.
- 5.) **Future Leaders of GCC NECA Meeting**- October 21, 2016 –Noon-NECA Office.
- 6.) **Code Class**-Saturday, November 5, 2016 8:00 AM-Crowne Plaza Hotel, Rockside Road, Independence.
- 7.) **General Membership Meeting** –November 9, 2016 at 6:00 PM-Fahrenheit Restaurant.
- 8.) **Chapter Holiday Party** - December 3, 2016 - 6:00 P.M.- at the Hilton Convention Center Hotel.

**GO TRIBE!!!**



**GO BROWNS!!**



## IT'S GOOD BUSINESS TO DO BUSINESS WITH THOSE FIRMS WHO SUPPORT OUR ASSCIATION

### CHAPTER ASSOCIATE MEMBERS

1-888-Ohio Comp	Leff Electric
BMA Media Group	Mars Electric
Ciuni & Panichi, Inc.	Milwaukee Tool
CompManagement, Inc.	NES Rentals
Eaton Corporation	PEPCO
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G.E. Energy Management	United Rentals
Graybar Electric Co.	

### NECA PREMIER PARTNERS

3M	Philips Lighting
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Graybar	Southwire Corporation
Milwaukee Tool	Thomas and Betts Corporation

### ELECTRICAL TRAINING ALLIANCE PARTNERS

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Lutron Electronics, Inc.
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#### BRONZE LEVEL:

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Stark Safety Consultants
Coyne First Aid
Ripley

**LOOK FOR THE NEXT REVIEW IN NOVEMBER 2016!**