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Z Z MIDWEST GLASS 2008 ISSUE 3

### MIDWEST GLASS ASSOCIATION

A MINNESOTA GLASS ASSOCIATION PUBLICATION

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#### UPCOMING EVENTS

- Midwest Glass
   Conference
   October 23
- AGRSS Auto
   Glass Safety
   Conference,
   November 5-6,
   2008, Mandalay
   Bay Convention
   Center, Las Vegas

#### MIDWEST GLASS CONFERENCE, OCTOBER 23, 2008

The MGA will present our third annual Glass Conference beginning at 9:00 a.m. Thursday October 23, 2008. The event will be held at the University of Minnesota Conference Center, in St. Paul. We have arranged for speakers you would normally hear in distant cities at national trade shows and exhibits. Break refreshments and lunch are included in an inexpensive package.

This is an opportunity to learn and network in a fun environment. A stellar array of speakers will address flat and auto glass topics separately - you can pick and choose. You will have time between presentations to network with your peers, suppliers and sales representatives. Don't miss it!

#### Speakers



#### **Carl Tompkins**

Carl will lead us off with presentation on leadership that will appeal to everyone whether you are in auto glass or flat glass. Carl is well known as an energetic speaker, he jump started last year's conference and will provide invaluable learning in a dynamic presentation.

### Max Perilstein

Max is well known throughout the industry due to his advocacy with the NFRC. You probably read his blog to help keep up on developments in

#### CONTRACTOR BILL OF RIGHTS COALITION (CBRC) UPDATE

The Contractor Bill of Rights Coalition (CBRC) has continued to meet during the summer in preparation for the next legislative session. You may recall seeing a call for a Legislative Survey earlier in the year; the resulting input is being used to help develop legislation.

More recently, we are issued a call for

subcontractor stories that illustrate the issues we are trying to address. A copy of the call is included in this newsletter. We will take the best stories, pull them together and use them is discussions with legislators.

Discussion with subcontractors and attorneys representing them during our

(Continued on page 6)

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#### ANOTHER SUCCESSFUL GOLF FUNDRAISER

The MGA returned to Sawmill Golf Club for our Annual Golf Fundraiser on Thursday, June 26. Nearly 100 golfers filled the course for an afternoon of golf and later went to the Gasthaus Bavarian Restaurant in Stillwater for dinner, refreshments and prizes. The event provided a opportunity to have fun, forge relationships, and the chance to win great prizes.

The outing was a success in every way because of the personal and financial support of members, suppliers and sales representatives. We would be remiss if we went any further without recognizing those sponsors:

**Pilkington** was our **Tournament Sponsor**; this was the third year in a row for them in this role, a sincere thank you goes to Curt Cantwell, Mike Rabida and Scott Rethwill of Pilkington. The Pilkington team really stepped up to the plate this year in sponsoring not only this event but the Auto Glass Seminar this past March.

**Grand Prize and Hole Sponsors** are listed below; many of them are recurring sponsors having supported our golf outing over the years.

<b>Grand Prize Sponsors</b>	Hole Sponsors
Arch Aluminum &	Oldcastle
Glass	Johnson Sales
Dakotaland	Coral Industries
Guardian	Boehnlein Sales
Minneapolis Glass	F. Barkow
PPG Autoglass	NGA
Sika Corporation	Viracon
Vitro America	Carlite
	Alumax Bath Enclosures

The dinner was followed by golf tournament awards (trophies Minneapolis Glass) and a prize drawing \$1,500 which included a Membership at the Sawmill and Loggers Trail Golf Clubs (won by Mark Reese of Harmon), \$500 Visa Card (Brandon Kirby), \$200 Best Buy and Holiday Station Cards (Craig Johnson). The prizes were abundant and included golf clothing and equipment, sports memorabilia, and for Vikings (Provided tickets Dakotaland), Twins, Lynx, and Saints (All Auto Glass) games.

Many members contributed on several levels by helping with the organization of the event, contributing prizes, running contests, acting as sponsors and then playing in the tournament. Registration helpers were Kathleen Daggett, Joyce Johnson and Jennifer Lang. Joyce and Jennifer and Jack Beckman also assisted with, ticket sales and with the prize drawing. Gary Jacobson was our scoring official again this year

This event has played a major role for the MGA during the last three years. It enables us to run stronger programs and better address the needs of members and the industry. We have tried to identify many of the individuals and companies who supported us this year. Please take some time to express your appreciation and keep them in mind when you make your business decisions.

We have a winning formula; we have reserved the Sawmill and Gasthaus again on June 25, 2009 - mark your calendars now.

#### MIDWEST GLASS CONFERENCE (CONTINUED FROM PAGE 1)

flat glass and glazing markets with his regular blog "From the Fabricator Glass and Aluminum Insights". Max is Vice President of Vice President, Marketing for Arch Aluminum & Glass Co., Inc.



#### **Bud Oliver**

Bud is Director of Product Operations for National Auto Glass Specifications (NAGS). He has more than 29 years experience in the automotive industry,

serving the last 13 years with Mitchell's NAGS. Bud's responsibilities for NAGS include managing all editorial processes, database content, production, industry relations and the creation of the NAGS parts and pricing. He is also a committee member for the NGA's Auto Glass Suppliers Committee, Product Identification Standards committee and the AGRSS committee.



#### **Chris Umble**

Chris is the Vice President, Strategic Initiatives, LYNX Services. He led the strategic assessment that resulted in PPG's creation of LYNX Services in 1993 and has been instrumental in the emergence of

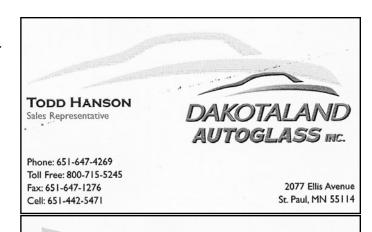
LYNX Services as the leading US provider of claims management. He has a leadership role in the development of new products and services and works development activities with major accounts on innovations such as Customized Offers®, METRYX<sup>TM</sup>, and Claim Launch<sup>TM</sup>.



#### **Gary Thaden**

Gary is the lobbyist and legal advisor for the Minnesota Mechanical Contractors Association MMCAs. He was a leading member of the Contractor's Bill of Rights

Coalition in the late 1990s when the last "Rights" bill was passed and is a leader with the CBRC again. Gary will review your contract rights under existing Minnesota law and will bring us up to date on current CBRC activities.





#### Jim Janssen

Senior Territory Manager Transportation Aftermarket



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JACK C. WATERS Midwest Regional Sales

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#### REASONS TO JOIN THE NATIONAL GLASS ASSOCIATON

The NGA is the largest trade association for both architectural and automotive glass, representing almost 4,000 locations worldwide

**Training programs** offer the critical knowledge and skills you need to compete in today's marketplace. **MyGlassClass.com**, the **NGA**'s state-of-the-art online training platform, has revolutionized training in the U.S. glass industry.

**Certification programs** help steer your business in the right direction and verify that your employees have the knowledge to work safely and efficiently. **NGA** Certification is the gold standard of the glass industry, for both professional technicians and the shops that employ them.

**Training and Education Grants Funding**: We are steadily securing state grants around the country that allow **NGA** members in those states to utilize our training and certification programs at no cost.

*Glass* Magazine, an award-winning monthly publication considered best-in-class by the glass industry, covers the entire industry, and each vertical segment – commercial, retail and automotive. *Glass* Magazine offers fresh ideas on how to improve your margins and grow your bottom line and covers timely issues that impact your operations.

**GlassBuild America**, our annual trade exposition, is universally recognized as <u>the</u> most important gathering place for professionals in the glass, window and door industries. Drawing more than 9,000 attendees and 400 exhibitors, GBA has been recognized as one of *Tradeshow Week* magazine's top 200 shows for the past four years.

The **NGA** proudly offers a comprehensive menu of value-added **Business Services** – such as shipping discounts with UPS, business liability insurance, employment screening, and more – all at substantial savings, driven by the **NGA's** collective buying power with leading national companies.

For new members joining between now and the end of 2008, the NGA's Employment-Labor Law Audit manual, a 587 page book that allows you or your human resources professional to self audit your company in the areas of employment practices, policies and procedures. This serves as a guided tour through the maze of human resource management and will assist you in the creation of a positive and productive workforce.

To join today go to our website at <a href="www.glass.org">www.glass.org</a> and complete the online application. If you have any questions please call Melissa Morse, Division Manager for Membership at 866/342-5642, ext 157.

#### MGA HAS MOVED

The Minnesota Glass Association has moved. Please note our new address and contact information: Mike Schmaltz's contact information remains the same, cell: 612-598-1753 and email: mschmaltz@mnglass.org

New MGA office: 16112 Wake Street NE, Anoka, MN 55304. Office 763-413-0805 & Fax: 763-413-1131

#### MINNESOTA GLASS REGULATIONS CHANGE

During the last legislative session Senate File 3336 passed and was signed by the Governor on April 25. The bill amended section Minnesota Statutes 168.27 and 169.71 which regulate auto glass.

Section 168 regulates Vehicle registration taxation and sale. It was amended by new subdivision 30, Glazing Material; to prohibit dealers from selling or leasing vehicles which do not meet the glazing material requirements under section 169.71.

Section 169 covers traffic regulations section 169.71 Subd. 4 (4) b. (2) was amended to allow persons with medical need and a physician's prescription to operate vehicles with restricted light transmission glass. Subdivision 4 addresses allowable light transmission in Minnesota registered vehicles. The allowable transmission can be no less than 50% plus or minus 3% in the visible light range.

Specifically now, to take advantage of the new features of the statute:

- (i) the driver or passenger is in possession of the prescription or a physicians statement of medical need:
- (ii) the prescription or statement specifically state the minimum percentage that ligh transmittance may be reduced to satisfy the prescription or medical needs of the patient; and
- (iii) the prescription or statement contains an expiration date, which must be no more than two years after the date the prescription or statement was issued
- (3) (v) the rear and side window of a police vehicle. (are exempt from the regulation)

The statute itself had not been updated as of this writing. It is a good idea to keep a copy of the statute available for reference. Section 169.71 specifically covers windshields and prohibits cracked or discolored windshields if the vision is obstructed. Other issues affecting auto glass are within the same statute. It is available at <a href="https://www.revisor.leg.state.mn.us/statutes/?id=169.71">https://www.revisor.leg.state.mn.us/statutes/?id=169.71</a>

#### STYLMARK JOINS MGA

The MGA is delighted to welcome Glenn Craft and Stylmark (6536 Main Street NE, Minneapolis, MN 55432) as a member.

Stylmark has been a leading manufacturer of aluminum and steel products for retail, hospitality, entertainment and other commercial environments for over five decades. Their broad product offering includes showcase frames and lighting, shelves, architectural trim, fitting room and glass and glazing products.

The MGA is working with Stylmark to arrange an educational tour of their plant in Fridley in 2009. This, coupled with a visit to a local extrusion plant will enable glass professionals to observe an extensive range of metal fabrication processes.



JOHN R. WEISE

PRESIDENT

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#### Scott Rethwill

Sr. Sales Representative

Pilkington North America, Inc. 601 Campus Drive New Brighton MN 55112 Office +1 651 633 3100 Fax +1 651 633 3101 Cell +1 651 775 5066 scott.rethwill@us.pilkington.com

A member of NSG Group

#### CBRC UPDATE (CONTNUED FROM PAGE 1)

meetings led to a realization that many subcontractors payment who prevails in a civil action to collect interare not aware of the rights they already have under est penalties from a party responsible for payment existing Minnesota law. Gary Thaden, Government must be awarded its costs and disbursements, includ-Affairs Director, for Minn.-Dakotas NECA, prepared ing attorney fees incurred in bringing the action." See the following for CBRC Members; we hope it helps #6 below. you understand your rights as you review contracts.

#### Getting Paid on a Construction Project – Minnesota Statute Section 337.10

Suing or Being Sued on a Minnesota Construction Project: "Provisions contained in, or executed in connection with, a building and construction contract to be performed in Minnesota making the contract subject to the laws of another state or requiring that any litigation, arbitration, or other dispute resolution process on the contract occur in another state are void and unenforceable."

Lien or Payment Mechanics Bond Waivers: "Provisions contained in, or executed in connection with, a building and construction contract requiring a contractor, subcontractor, or material supplier to waive the right to a mechanics lien or to a claim against a payment bond before the person has been paid for the labor or materials or both that the person furnished are void and unenforceable. This provision shall not affect the validity of a waiver as to any third party who detrimentally relies upon the waiver."

Prompt Payment to Subcontractors: "A building and construction contract shall be deemed to require the prime contractor and all subcontractors to promptly pay any subcontractor or material supplier contract within ten days of receipt by the party responsible for payment of payment for undisputed services provided by the party requesting payment. The contract shall be deemed to require the party responsible for payment to pay interest of 1-1/2 percent per month to the party requesting payment on any undisputed amount not paid on time. The minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10. For an unpaid balance of less than \$100, the party responsible for payment shall pay the actual penalty due to the party requesting payment. A party requesting

Progress Payments: "Unless the building and construction contract provides otherwise, the owner or other persons making payments under the contract must make progress payments monthly as the work progresses. Payments shall be based upon estimates of work completed as approved by the owner or the owner's agent. A progress payment shall not be considered acceptance or approval of any work or waiver of any defects therein." See #6 below.

Retainage: "Unless the building and construction contract provides otherwise, an owner or owner's agent may reserve as retainage from any progress payment on a building and construction contract an amount not to exceed five percent of the payment. An owner or owner's agent may reduce the amount of retainage and may eliminate retainage on any monthly contract payment if, in the owner's opinion, the work is progressing satisfactorily." See #6 below.

Application – The last three paragraphs (Prompt Payments to Subcontractors, Progress Payments and Retainage) do not apply "to construction of or improvements to attached single-family dwellings, if those dwellings are used for residential purposes and have fewer than 13 units per structure" or to "new or existing building constructed for habitation by one to four families, and includes detached garages.





Pre-Registration (per Attendee)

After 10/16/08

## **General Registration Form**

Minnesota Glass Association Midwest Glass Conference Thursday, October 23, 2008

# University of Minnesota, Continuing Education and Conference Center Directions: www.cce.umn.edu/conferencecenter

The Minnesota Glass Association is proud to host the Midwest Glass Conference on Thursday, beginning at 8:00 a.m. October 23, 2008 at the Univ. of Minn. Conference Center in St. Paul. The event is open to the industry at large. We sponsor this event to help members to keep abreast of industry developments, evolving regulations, current techniques and best practices.

#### Learn from outstanding national authorities on key industry topics:

\$75

\$100

Registration Fee

- What are the strategic issues facing our industry?
- What will you need to do to adapt?

Registrant Names & Company (Please Print)

- Glazing trends and safety considerations
- NAGS and billing challenges and solutions.

**Event Registration Fees (Includes Break Refreshments & Lunch)** 

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Card Holder Name		Card Holder Addr	ess					
Credit Card Number		City	City					
Expiration Date v-code	Amount	Control #	Comments:					
To pre-register, send this form		10/16/00 N .:			10/15/00			

By Mail to: MGA, 16112 Wake Street NE, Anoka, Minnesota 55304

By Fax to: 763-413-1131

#### **BOARD OF DIRECTOR OPENING**

Board of Director terms expire at the end of December each year. The Board of Directors is the central authority in running the Association. It makes financial decisions, and determines strategy regarding issues affecting the association. Board Members typically also sit on either the Flat Glass or Auto Glass Committee. The Board and these committees typically meet once each month except during July.

We are reaching out to members interested in serving on the Board. This is an opportunity to become involved and impact the future of this industry. The glass industry is profoundly affected by a greater variety of outside forces than most other businesses. In addition to the normal relationship customer issues that exist in every business glass companies must deal with outside parties who significantly impact the conduct and profitability of business.

Sitting on the sidelines is not an option. Outside parties are working for their best interests; we will be left behind if we do not stay involved. The final outcome will be determined by those who show up. This is your opportunity - don't let others decide for you. Contact Mike Schmaltz or any Board Member to get involved.





#### ALL AUTO GLASS OPEN IN FOREST LAKE

All Auto Glass, Inc. Fridley, MN, announced they opened a new retail shop in Forest Lake on August 1, 2008.

The office and drive-in facility is located at 21400 Forest Blvd., Forest Lake, MN, 55027.

Jody Pilaczynski has been with All Auto Glass for four years working in the Fridley corporate office. She will transfer to Forest Lake as office manager. Steve Gabler will be the mobile and in shop technician. Steve has been with All Auto Glass since April, 2007.

In July, 2008, All Auto Glass celebrated 17 years in the retail auto glass replacement business. They also have satellite locations with drive-in facilities in Isante, Big Lake, Burnsville, White Bear Lake and Fridley.

#### **3% TAX RETENTION**

The Tax Increase Prevention and Reconciliation Act of 2005 (TIPRA) was generally beneficial to construction subcontractors. However, Section 511 of the TIPRA requires federal, state and local governments to withhold 3 percent from their vendors for <u>all</u> goods and services, including construction, for potential tax liabilities. The bill takes effect in 2011.

Attorney Aaron Dean points out "A 3% withholding requirement would be very difficult for subcontractors because 3% for taxes plus retainage of 5% or more is oftentimes greater than a subcontractor's profit margin on a particular job."

Several bills have been authored to rescind this retention requirement. These bills are unlikely to see any action during this session. H.R. 5719 however, will delay the enactment of the requirement for one year and we should support passage of the bill. It passed the House and was referred to the Senate Committee on Finance; it has not seen any action since then.

#### **Key Points**

The 3 percent tax withholding requirement transfers the responsibility for enforcing federal tax compliance from the Internal Revenue Service to state and local governments, in effect creating an unfunded mandate.

The IRS is charged with the enforcement of tax laws. Vigorous enforcement of existing laws and regulations is the solution to closing the tax gap.

Reporting requirements are already in place for government contractors. Sec. 511 forces an undue burden on all contractors for the illegal activity of the few that choose to evade their tax responsibilities.

Legislation introduced by Reps. Wally Herger (R-CA) and Kendrick B. Meek (D-FL) in the U.S. House (H.R. 1023) and in the U.S. Senate by Sen. Larry Craig (R-ID) (S. 777) will repeal Sec. 511.

You should support passage of H.R. 5719

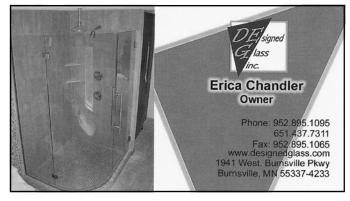
This requirement is an inappropriate burden on local governments and small business.

You can email your Senators through their web pages, connect as follows:

http://coleman.senate.gov/public/ (Senator Coleman is the sponsor of S.2394 repealing 511)

#### http://klobuchar.senate.gov/emailamy.cfm

Form letters are ineffective; use the above information to draft your individual email message. Following the anthrax scare, written letters are very slow.



M G A	Membersh			
Name				
Company				
Address				
City		State		Zip
Phone	Fax			
Email	Prima	ry Business		
Annual Dues Structure:				
[] >\$499,999 [] \$500,000-\$1,999,999 [] \$2 million-\$3 million [] Over \$5 million [] Associate Members  The above membership fee covers your pnames under the same ownership on the Members  [] \$25 per location or name	MGA member list, please add			
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Number		Expiration	n Date	V-Code
By applying to become a member of MGA Code of Ethics and bylaws. Aut				
Please remit payment to: Minnesota Glass Association Terrace Ln Plymouth MN 55442				Total Due

# M G A

#### Minnesota Glass Association

16112 Wake Street NE Anoka, MN 55304 Phone: 763-413-0805 Fax: 763-413-1131

Please note our new contact information

	1	

## ANNUAL MEETING NOTICE

ANNOUNCEMENTS

The MGA Annual meeting will be held at 8:00 a.m. on October 23 at the University of Minnesota Conference Center, 1890 Buford Avenue, St. Paul, MN 55108. This will start the day's activities for the Midwest Glass Conference. You can attend this meeting, at no cost, if you choose not to register for the Conference. The MGA Board will report on a Bylaw revision and will report on it at the meeting. We will also be holding the Board and Officer election for 2009.

I strongly encourage you to attend the Conference. This is a fantastic value for members - for only \$75 you will get a package that would easily cost over a thousand dollars in a distant city. The seminars include top notch national speakers, an opportunity to meet with others in the business, lunch and break refreshments. - Sign up now - use the form in this newsletter or see <a href="https://www.mnglass.org">www.mnglass.org</a>.

#### FOR SALE:

Somaca VE-3 Three spindle straight line edger in good working condition. Asking \$7,500. Feel free to see machine in operation. Please call Eric Solland at Indianhead Glass, Inc. (715)483-9919 ext 15.