



OCTOBER 2005

Calendar of Events

October 6, 2005

**CMFI Board of Directors Meeting
Rosewood Restaurant, Rosemont.
6:00 PM**

October 27, 2005

**Member Meeting
Workplace Violence
Grazie Ristorante, Des Plaines**

May 23-25, 2006

**SFIC Washington Forum
Washington DC**

www.sficwashingtonforum.com

MONTHLY MEMBER MEETING

OCTOBER 27, 2005

6:00 – 9:00 PM

**Grazie Ristorante · 1050 E. Oakton ·
Des Plaines, Illinois**

WORKPLACE VIOLENCE & SEXUAL HARASSMENT

Mr. Kenneth Henry, Esq.

Mr. Henry specializes in the areas of labor relations and employment law. His clients range from Fortune 200 companies to small and medium-size businesses and entrepreneurial individuals. He will discuss what sexual harassment is, can be, and what to do about it. He will also discuss workplace violence, how to recognize it, and what to do about explosive situations.

Prior to going into solo practice, he was a trial attorney for the Office of the Solicitor-Region V, US Department of Labor.

Ken currently serves as Arbitrator on the Mandatory Arbitration Program for the Circuit Courts of Cook County as well as the Labor, Employee Benefits & Commercial Panels for the American Arbitration Association. He is a former Chair of the Environmental Control Commission for the City of Highland Park and an Instructor for the US Department of Labor's OSHA National Training Institute.

FOR RESERVATIONS: mail in your pink card, fax (773-784-1304) or e-mail (cmfi@netzero.com) to the Institute office ASAP.

Here's a great article about two of our CMFI Wisconsin members. The article originally appeared in the August 24, 2005 issue of the Milwaukee Journal Sentinel and was forwarded to us by Betsy at Kraft Chemical.

'A GOOD MARRIAGE' OF FAMILY-RUN COMPANIES: PURCHASE UNIFIES RACINE PLATING BUSINESS RIVALS

By Rick Barrett

In the summer of 1919, scores of Germans were killed in food riots, Milwaukee was cracking down on illegal booze sales, and Wisconsin Plating Works was a fledgling company that polished brass bed frames for Simmons Mattress Co.

Fast-forward to the present. Wisconsin Plating Works is still in Racine, is still family owned and has just bought one of its rivals – 78-year-old Racine Plating Co. Neither company polishes brass bedposts now, and they're putting aside nearly a century of competitive differences to focus on mutual survival. "Companies are either growing or they're going out of business," said Robert Toeppe, Wisconsin Plating Works president.

Combined, the two companies are making corrosion-resistant plating for an eclectic mix of products, such as hand tools, shower curtain rods, garden tractors and automobiles. "We don't want all our eggs in one basket," Toeppe said. "We are cautious about taking on too much automotive work, for example. And we have been very fortunate over the years to be able to control who we do business with and with what industries."

...Last April, Toeppe was turkey hunting when he got a call on his cell phone from a business broker telling him that Racine Plating was for sale. "At first I said that I

wasn't interested, but after four months of due diligence and walking away from the table two or three times, we finally got a plan together," Toeppe said. "There were many synergies that we thought could really help our businesses rapidly grow."

Combined, the two companies have about 46 employees and \$4 million in annual sales. They have similar products but different markets. Racine Plating handles large quantities of material, while Wisconsin Plating Works focuses more on smaller, specialty orders that require quick turnaround. "It's a good marriage, given that we have similar core competencies and yet different focuses," Toeppe said.

One thing working in the companies' favor is that equipment manufacturers, such as John Deere Co., are farming out more production work to their suppliers. They're no longer fabricating, shaping, machining, plating and painting as many parts themselves. "That has really helped us," Toeppe said. "Years ago, these equipment manufacturers wanted to be vertically integrated so they could control everything at their fingertips. But now, all of their work is assembling" the final products.

The two companies are only six blocks from each other near downtown Racine. Terms of the acquisition were not disclosed, but the 75,000-square-foot Racine Plating Co. plant now operates as a division of Wisconsin Plating Works. "...There was a Milwaukee company that was interested in acquiring the business and would have shut the plant down," Toeppe said. "It would have resulted in another empty factory building in Racine," which has one of the area's highest unemployment rates.

Even as small companies fold or are devoured by bigger competitors, there's a

surprisingly large number of family-owned manufacturing plants left in Wisconsin. Some of them are fifth generation companies, and several have more than 800 employees. But, overall, less than 10% of family-owned businesses make it to a fourth generation. "It really depends on the family and how hard they tried to capture the original culture of the business, its values and vision," said Susan Schierstedt, Wisconsin Family Business Forum director. "Sometimes family members don't even know what the business does," she said.

Nicki Toeppe, who is Robert Toeppe's daughter, is a fourth-generation family member at Wisconsin Plating Works. She graduated from UW-Whitewater three years ago with a degree in business management. "I have seen my dad own this business my whole life, and it's been my goal to be part of that," she said.

IMPORTANT CHANGES FOR NAMF

Several significant developments have recently occurred which will affect the NAMF and all affiliates. Most notably, NAMF President and CMFI member, David Jacobs, recently closed his plating business and, as a result, stepped down as NAMF President. Mr. Bob Burger (NAMF Vice President) has been selected by the NAMF Executive Committee to serve as Interim NAMF President for the remainder of Dave's term.

In a recent memo to the NAMF Executive Committee and Board of Directors, Bob thanked David for his commitment to the industry and announced that Ray Lucas will step in as Vice President as well as continuing to serve as Treasurer.

Bob also announced that the SFIC and the member associations (AESF, MFSA, and

NAMF) had just completed the search process and had hired a new management firm to represent the industry. Effective January 1, 2006, the industry's new management firm will be Navista Inc. which replaces the current management firm of Barrack and Associates. Navista is located in Washington, DC and recently merged with The Policy Group, the industry's Government Relations office.

Discussions continue to move forward regarding the consolidation of the three trade associations comprising the SFIC. At its recent meeting, the SFIC Board of Directors agreed to hold a facilitated retreat in Chicago where representatives of all three organizations would begin to iron out the difficulties involved in such a consolidation and focus on defining an organizational structure that reflects the diverse needs and interests of the respective organizations.

During this retreat, this group of 21 representatives (7 from each association) will try to determine the framework, dues structure, membership delineations, etc. of a new consolidated organization. The findings of this 2-day retreat will then be presented to the Boards of Directors of all three associations in January, 2006.

CMFI intends to devote significant time to discussing this issue at our January, 2006 annual business meeting of members. By that time, enough information will be finalized to be able to present something definitive to our members for full discussion. Further, CMFI will keep its members fully informed during the entire process. If, in the meantime, you have any comments regarding the consolidation issue in general or specific items you feel should be discussed, please contact our NAMF Director, Rick Delawder (rick@swdinc.com).

cmfi

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NEWS YOU CAN USE...

**The semiannual deadlines for submission of the EPA
Compliance Reports to the MWRD are as follows:**

40 CFR 413 April 27 and October 27
40 CFR 433 February 15 and August 15

**Noncompliance charges were updated in January
2005**

ENFORCEMENT LEVEL	SAMPLING CHARGE	ADMINISTRA- TIVE COST
Notice of Noncompliance	\$650.00	\$770.00
Cease & Desist Order (Single Sample SNC)	\$1500.00	\$770.00
Cease & Desist Order (Chronic/Acute SNC)	\$3800.00	\$770.00
Recurring Cease & Desist Order (Per each C&D Order)	\$3800.00	\$770.00
Show Cause or Legal Action	To be addressed in resolution of the enforcement action	

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