NASF Update & Outlook

Michigan NASF Technical Session
Grand Rapids, Michigan
April 2016
The NASF exists to:

- **Advance** a sustainable future for the finishing industry, and
- **Promote** the vital role of surface technology in the global manufacturing value chain

2016 Progress & Priorities
NASF National Leadership & Michigan

**National Board Members:**

- Brian Harrick, KC Jones
- Bernie Haviland, Haviland Enterprises
- Mitch Marsh, Marsh Plating

**NASF SUR/FIN Committee Chairman:**

- Mark Norton, Walgren
Strengthen Our Financial Position
Net Surplus for NASF & AESF Foundation, 2011 – 2015

2011 - 2015

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Revenue</th>
<th>Total Expenses</th>
<th>Net Income / (Loss)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>$1,820,266</td>
<td>$1,760,943</td>
<td>$59,323</td>
</tr>
<tr>
<td>2012</td>
<td>$1,828,293</td>
<td>$1,706,002</td>
<td>$122,291</td>
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<tr>
<td>2013</td>
<td>$2,234,690</td>
<td>$2,011,616</td>
<td>$223,074</td>
</tr>
<tr>
<td>2014</td>
<td>$2,330,453</td>
<td>$2,183,490</td>
<td>$146,963</td>
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<td>2015 Proj.</td>
<td>$2,556,998</td>
<td>$2,331,763</td>
<td>$225,235</td>
</tr>
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Improve & Market Education & Training Programs

VOLUME 01
Advanced Surface Technology
A holistic view on the extensive and intertwined world of applied surface engineering
by Per Møller & Lars Pleth Nielsen

VOLUME 02
Advanced Surface Technology
A holistic view on the extensive and intertwined world of applied surface engineering
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Increase Visibility of the Industry’s Vital Role
Expand NASF SUR/FIN: “Show & Substance”

In 2016, the National Association for Surface Finishing’s (NASF) SUR/FIN Tradeshow and Conference is returning to the South Point Hotel in Las Vegas, Nevada.

SUR/FIN is a manufacturing and technology conference, and tradeshow that connects hundreds of surface finishing professionals to the industry’s best business opportunities, latest innovations and most influential leaders. Whether you’re looking to strengthen your network and grow your business or if you’re simply looking to learn something new, you’ll find what you’re looking for at SUR/FIN 2016. This highly sought after tradeshow and conference offers 3 days of valuable networking, in-depth conference sessions and direct access to over one hundred fifty leading suppliers.
Automotive Industry Guiding Principles to Enhance Sustainability Performance in the Supply Chain

We endeavor to achieve excellence, innovation and performance in a sustainable manner. People and the environment are the automotive industry’s most important resources. For this reason, we are working together to attain the highest standard in business integrity and in the social and environmental performance of our supply chain.

The automotive industry supply chain has a high degree of complexity, therefore we believe in the benefits of a common approach and message. The following guidelines clearly describe our minimum expectations towards business ethics, working conditions, human rights, and environmental leadership, for our suppliers as well as their subcontractors and suppliers. We expect that suppliers will uphold these standards and cascade them down their supply chain.

These guidelines are based on fundamental principles of social and environmental responsibility that are compliant with local law, consistent with international expectations and are supported by the sponsoring Auto Manufacturers. Individual manufacturers may have their own standards, codes and policies that supersede these guidelines.

**Business Ethics**

The basis for sustainable and successful business activity is to have integrity and transparent business practices. Companies are expected to operate honestly and equitably throughout the entire supply chain.

**Working Conditions and Human Rights**

**Child Labor and Young Workers**
Child labor should not be tolerated and the age of employment must be in accordance with local labor law.
Promote Environment, Health & Safety Focus

The Industry is Changing

- Supply chain demands
- New professionals
- Benchmarking good practice
- New EPA proposal ahead
Expand Partnerships
NASF & National Center for Manufacturing Sciences

Welcome to the National Metal Finishing Resource Center

The NMFRC provides the metal finishing industry with environmental compliance information. The site includes overviews of the regulations, tips on how to comply, best practice solutions that can help the environment while saving you money, and links to other resources that can help this sector. The NMFRC also highlights new rules and compliance deadlines.

To supplement these compliance assistance resources, we have developed educational courses, including on-line and hard copy books, covering a range of production and environmental topics. These are on-sale through the NMFRC bookstore.

This website was developed and is maintained by the National Center for Manufacturing Sciences. Funding for this project has been provided by EPA under the National Compliance Assistance Centers program. For more information, or to pass along suggestions, please contact: Bill Cheevent, Administrative Director, wcheevent@ncms.org.

URGENT REGULATORY INFORMATION

Hard Chrome Platers: by Sept. 21, 2015, the use of PFOS-based fume suppressants must be eliminated. See new rule.

EPA’s Chromium NESHAP requires that new housekeeping requirements must be implemented by March 19, 2013. See NMFRC fact sheet.

OSHA Hexavalent Chrome Deadline for Engineering Controls is May 31, 2010. More...

Metal Finishing Shops must Submit Plating and Polishing NESHAP Notification of Compliance Status by July 1, 2010. More...

Spill Prevention, Control, and Countermeasure (SPCC). Regulated facilities must develop and implement SPCC Plans by Nov. 10, 2011 that establish procedures and equipment requirements to help prevent oil discharges from reaching navigable waters.

NMFRG Hot Topics
WELCOME TO THE SURFACE TECHNOLOGY ENVIRONMENTAL RESOURCE CENTER

The STERC provides the metal finishing industry with environmental compliance information. The site includes overviews of the regulations, tips on how to comply, best practice solutions that can help the environment while saving you money, and links to other resources that can help this sector. The STERC also highlights new rules and compliance deadlines.

To supplement these compliance assistance resources, we have developed educational courses, including online and hard copy books, covering a range of production and environmental topics. These are available through the STERC bookstore.

This website was developed and is maintained by the National Center for Manufacturing Sciences. Funding for this project has been provided by EPA under the National Compliance Assistance Centers program. For more information, or to pass along suggestions, please contact: Bill Cheesever, Administrative Director, wcheesever@ncms.org.

URGENT REGULATORY INFORMATION

Federal Initiative to Increase Criminal Enforcement of OSHA Activities

The U.S. Department of Justice (DOJ) recently joined with the Department of Labor to announce a new initiative to increase the number of criminal prosecutions for worker endangerment and worker safety cases. The Occupational Safety
Improve Association Governance

Coordinate:
- National & Chapter activities
- Board & Committee efforts

Goals:
- A Unified Voice
- A Better Brand to Market
- Boost our Effectiveness
Provide More Value through Committees
New Supplier Biz Barometer: Business Conditions in 2016

- Q3 2015:
  - Excellent: 38.4%
  - Good: 42.3%
  - Satisfactory: 15.3%
  - Fair: 0.0%
  - Poor: 3.8%

- Q4 2015:
  - Excellent: 54.5%
  - Good: 31.8%
  - Satisfactory: 13.6%
  - Fair: 0.0%
  - Poor: 0.0%
What would EPA look like?
Would would EPA look like?
Address New Regulatory Challenges

Final 2012 and Preliminary 2014 Effluent Guidelines Program Plans
Trends in Surface Finishing Permits
Los Angeles (LA SAN) | 1995-2013

# All Facilities in 1995 = 428
# All Facilities in 2013 = 250

“433” Operations – fell from 297 to 222 facilities ’95 – ‘13
“413” Operations – fell from 131 to 28 facilities ‘95 – ‘13
Trends in Surface Finishing Permits, 413 vs. 433
Cleveland (NEORSD), 1989 | 1995 – 2015*

* For Years 1989 | 1995 – 2005, Data Courtesy of Scott Broski, NEORSD
Labor Policy: Active Federal Agencies in 2016
The Labor, NLRB, EEOC Regs Pipeline

Selected Agency Actions

- Employee handbooks
  NLRB
- Quicker Union Elections
  EEOC
- Redefining “Employer” Rule
  NLRB
- Wellness Programs
  EEOC
- Use of Electronic Devices by Non-Exempt Employees
  Labor
- Blacklisting Federal Contractors
  EO
- Fed Minimum Wage
  EO
- Overtime rule
  Labor
- Fed Paid Sick Leave
  EO
- OSHA Penalties Increase by 82%
  OSHA
- Electronic Reporting
  OSHA
- Criminal Enforcement Memo
  Depts of Justice and Labor
- “Voluntary” Safety & Health Plans vs. I2P2
  OSHA HQ

2015
- Fed Minimum Wage
  EO

2016
- Use of Electronic Devices by Non-Exempt Employees
  Labor
- Blacklisting Federal Contractors
  EO
- Fed Paid Sick Leave
  EO
- OSHA Penalties Increase by 82%
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- Electronic Reporting
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- Criminal Enforcement Memo
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- “Voluntary” Safety & Health Plans vs. I2P2
  OSHA HQ
U.S. States Are Acting to Regulate:
More new state laws are creating “patchwork”

STATE CHEMICALS POLICY:
Trends and Profiles

April 2013
Rebuild NASF 1000 Legal Defense Fund

Thank You to the NASF 1000

AAA Plating & Inspection
A Brite Company
A.C. Plating Company
Accurate Precision Plating
Acme Industrial Group
Advanced Plating Technologies
Alert Plating
Allied Plating Supplies
American Plating Power
Amex Plating Inc.
Anoplate
Apex Metal Finishing
Arlington Plating Company
Asko Processing
Asterion, LLC
Astro Industries, Inc.

Haviland Enterprises
Heatbath Corporation
Hubbard-Hall Inc.
Hunter Chemical
Incertec
Industrial Metal Finishing
Industrial Plating Co., Inc.
Ionic Solutions
Jim Jones
K&L Anodizing
Kason Industries, Inc.
KC Jones Plating
KCH Services
Kuntz Electroplating Inc.
Lincoln Industries
Luster-On Products

Reliable Plating Corp.
Reliable Plating Works, Inc.
Rightech Fabrications
Ronatec
S&S Plating Company
Bill Saas
Schumacher Company, Inc.
Scientific Control Laboratories
Sheffield Platers
SIFCO ASC
Simmons Plating & Grinding Co.
Somerville Plating Company
SPEC Plating
Surface Finish Technologies, Inc.
SWD Inc.
TechMetals
Coordinate North American Activities
Recent Mexico Developments
Advancing A Sustainable Future Through Bright Design
You Are the Voice of Our Industry

As the surface technology industry looks toward the future, new policy developments are emerging that will significantly impact the manufacturing value chain and finishing operations. The 2016 NASF Washington Forum is your opportunity to gain valuable insights into the regulatory, legislative and legal challenges ahead for the finishing industry and manufacturing. The Forum will provide participants with invaluable knowledge and the chance to shape outcomes on the issues with the option of taking the industry's message directly to regulators and lawmakers in Washington.

Valuable Insights, Great Opportunity.

Every year, there are numerous, pending regulatory, legislative and legal actions that will have a high impact on manufacturing overall and the finishing industry. Participants of this year's Washington Forum will receive current, in-depth updates on prevailing topics and more, followed by an opportunity to spend a day on Capitol Hill meeting with Senators, Representatives, and senior congressional staff to discuss the future of the surface finishing industry and the future of your business.

Presentation Highlights

JUST ANNOUNCED! Jordan Barab, OSHA as Deputy Assistant Secretary of Labor for Occupational Safety and Health.
Click here for full bio...

JUST ANNOUNCED! Kristen Gentile, Former NASF Staff, now acting Chief of Staff for Senator Bob Casey (D-PA)
Click here for full bio...
Stuart Rothenberg

- Founding Editor and Publisher of The Rothenberg & Gonzales Political Report
- Political columnist for Roll Call
- One of the nation's most popular political analysts
NASF Washington Forum Highlights

Wednesday Capitol Hill Reception

Rep. Adam Schiff
(D-CA 28th)

- Ranking Member, Permanent Selection Committee on Intelligence
- Member of the Benghazi Select Committee
- Leader on national security and foreign policy
Tuesday Forum Kickoff

Peter Morici

- Economist and Author
- Professor at the Smith School of Business, University of Maryland
- Former Director of Economics, International Trade Commission
NASF Washington Forum Highlights

Wednesday Headline Speaker

Edwin Foulke, Jr.

- Assistant Secretary of Labor for OSHA under President George W. Bush
- Partner of Fisher & Phillips, LLP
- Co-chairs the firm's Workplace Safety group
Andrew Friedman
- Top tax policy expert and political analyst
- Founder of *The Washington Update*
- Former senior partner at Covington & Burling in Washington, D.C.
NASF: The Voice of the Industry

ADVOCACY
- U.S. and Global Reach
- Washington Forum
- Regulatory Alerts
- NASF 1000

OUTREACH
- Scholarships
- Bright Design Challenge

EDUCATION
- Certifications
- On-Site
- Custom
- Web-Based
- Home Study

COMMUNICATIONS
- E-News
- Social Media
- Public Relations
- Alert Bulletins

EVENTS
- Bright Design Challenge
- Leadership Conference
- Washington Forum
- SUR/FIN® Manufacturing & Technology Trade Show & Conference
- Chapter Events

50,000 average visits annually to NASF.org
45,000 average visits annually to NASFsurfin.com
1,375 Facebook Likes
1,623 LinkedIn Group Members
176 LinkedIn Followers
THANK YOU
Questions?
NASF & AESF Foundation
5 Year Trends
NASF & Foundation
Net Income

2011 - 2015

- 2011: $70,019
- 2012: $46,940
- 2013: $94,018
- 2014: $101,654
- 2015 Proj.: $84,737

($10,696)
Dues, Events & Education Net Income & NASF – Foundation Administrative Expenses 2008 vs. 2015

- **Dues**: 2008: $959,599, 2015 Proj.: $874,900
- **Education Net Income**: 2008: $59,350, 2015 Proj.: $222,441
- **Administrative Expenses**: 2008: $1,002,194, 2015 Proj.: $615,172