



# THE CUTTING EDGE

WOOD MACHINERY MANUFACTURERS OF AMERICA

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## MORE WMMA LEGISLATIVE VICTORIES

*John Satagaj, London & Satagaj*

As you know by now, the President secured a major policy victory with the enactment of a major tax relief bill. Truth be told, the bill is not as good as the President's original proposal. Modifications were made to phase in and phase out tax relief. But in the end, I will take a tax cut whenever, wherever and however.

I want to focus on the fine print regarding aspects of relief: the estate tax relief and the pension relief. I can say, with some degree of confidence, both represent wins for WMMA. WMMA shifted its strategy early this year to focus on increasing the exemption from the estate tax because we believed this would provide more relief to more owners sooner. I am happy to report the law now focuses on that type of relief. As to the pension provisions, WMMA was one of the few groups to provide any support for these provisions in the last two Congresses. Most advocates shied away from it as too boring and too technical. We think it is one of the "sleeper" wins in the new law.

If you have a pension plan of any kind for you and your employees, you probably know the present law imposes all sorts of hidden limits on contributions and benefits, the amount of compensation that may be taken into account under a plan for determining benefits, and the amount of elective

deferrals that an individual may make to a salary reduction plan. Many of these rules overlap and cancel each other out. For example, under a defined contribution plan (many businesses now use defined contribution plans) such as a profit sharing plan, the employer may only take a deduction for the contribution to an employee for up to 15 percent of the employee's compensation. But other qualification rules limit the annual additions to the plan with respect to each plan participant to the lesser of (1) 25 percent of compensation or (2) \$35,000 (for 2001).

Starting next year, all of those limitations will change. The new law increases the amount an employer can contribute to 25 percent of a participant's compensation. The \$35,000 limit on annual additions to a defined contribution plan in the "lesser of" rule above is increased to \$40,000. The other half of the "lesser of" rule, the 25 percent of compensation limitation, is increased to 100 percent of compensation. Plus, the law increases the limit on compensation that may be taken into account under a plan to \$200,000. The law also increases the dollar limit on annual elective deferrals under section 401(k) plans, salary reduction simplified employee pension plans (SEPs) and SIMPLE plans.

In addition to these changes, the new law makes a number of changes

regarding other rules that limited the ability of owners and managers to participate in the plans. These rules are known as "top-heavy" rules. They are too complicated to describe here, but ask your pension advisor to check on top-heavy rule changes.

Moving to the estate tax relief, under the new law, in 2002, the 5 percent estate surtax (which phases out the benefit of the graduated rates) and the estate tax rates in excess of 50 percent are repealed. In addition, in 2002, the unified credit (what we know as the exemption from the estate tax) increases to \$1 million. In 2003, the estate and gift tax rates in excess of 49 percent are repealed. In 2004, the estate and gift tax rates in excess of 48 percent are repealed, and the "estate tax exemption" increases to \$1.5 million. In 2005, the estate and gift tax rates in excess of 47 percent are repealed. In 2006, the

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estate and gift tax rates in excess of 46 percent are repealed, and the "estate tax exemption" increases to \$2 million. In 2007, the estate and gift tax rates in excess of 45 percent are repealed. In 2009, the "estate tax exemption" increases to \$3.5 million. In 2010, the tax is repealed.

After repeal, the present-law rules providing for a fair market value at the time of death (i.e., stepped-up) basis for property acquired from a decedent are repealed. A modified carry-over basis regime would take effect. This means the heirs take the property at the original basis of the decedent and if the property is later sold the heirs pay capital gains taxes on the full appreciation. Under the new law, starting in 2010, heirs will receive an increase (i.e., step-up) the basis of assets but only up to a total of \$1.3 million. In addition, the basis of property transferred to a surviving spouse could be increased by an additional \$3 million. Thus, the basis of property transferred to surviving spouses would be increased by a total of \$4.3 million. Otherwise the assets would then be valued based on carry-over basis.

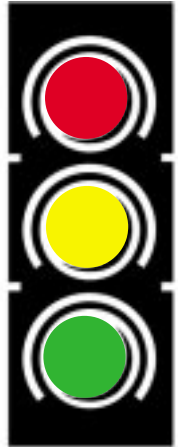
Now here's the major catch, the estate tax repeal expires in 2011. We don't think you will find an estate tax planner on earth who could advise you not to worry about the estate tax in the short term or the long term. Estate tax planning, we are sorry to say, is alive and well. The theory on the expiration is that no future Congress would dare let the repeal provisions sunset.

Enactment of the tax cut is a victory for the President, the economy and for WMMA's Public Policy Committee. Congratulations to all.

## “Stop with WMMA, GO with American Technology” Theme Continued for Anaheim

To highlight the WMMA members exhibiting at the AWFS Furniture Supply Fair 2001, the WMMA Industry Marketing Committee is supplying flashing stoplights to the 130+ exhibiting WMMA members. These same lights were used during IWF 2000. This year, the committee has added a die-cut sign to connect to the stoplight and deliver the show theme message, "Stop at WMMA Member Booths, Go with American Technology."

The stoplight and sign have been designed to fit together as one piece. The sign is made from 1" foam core and has been die-cut so that it will fit around the light. To show this eye-catching display in your booth, a sturdy easel is attached to the back of the sign so that the stoplight and sign can be placed on a table, on top of your machine, on the floor, etc. Secondly, if surface space in your booth is limited, a hook has been included that attaches to the back of the light and can easily be hung on the show drapery cross-poles around your booth. The light includes a 6-foot electrical cord and plugs into a standard electrical outlet.



ALL WMMA MEMBERS MUST PICK UP THEIR STOPLIGHT AT THE WMMA BOOTH, #3115, ON TUESDAY, AUGUST 31 BETWEEN THE HOURS OF 2PM AND 6PM.

## WMMA Members: Stop Traffic at Anaheim 2001

WMMA will make it easy to find its members in Anaheim this year. The Association is continuing its promotion from IWF' 00 under the theme of "STOP with WMMA; GO with American Technology."

Every WMMA member company exhibiting at Anaheim will again have a traffic light, complete with flashing red, yellow and green lights as well as a placard explaining the concept. The placard and lights will be distributed on site in Anaheim. This will allow visitors to easily identify WMMA member booths.

## *Save the Date for the 2002 Woodworking Industry Conference!*

The exciting city of San Antonio, TX, will play host to the next Woodworking Industry Conference. Scheduled for May 1

- 5, at the beautiful Westin La Cantera Resort, the 2002 WIC will have hard-hitting education programs and an action packed agenda so your take home value will be well worth the trip. Co-sponsored by the WMMA, the WMIA (Wood Machinery Industry Association) and AWFS® (Association of Woodworking & Furnishings Suppliers) the Woodworking Industry Conference also offers prime networking opportunities for those who attend. Mark your calendars now and plan to attend this one of a kind event.



# Association News

*Editor's Note: This is the sixth in a series of features discussing WMMA programs and services available to membership.*

## Did You Know...

...that 9.8% of the 2000 WMMA expense activity supports members' pursuit of exporting and their involvement in the international marketplace, as directed by the Association's Export Development Committee?

Key Committee projects during 2000 included:

- Coordinating the Association pavilions at trade shows in China, Milan, and Mexico. The latter was a joint effort with AWFS.
- Upgrading the WMMA booth at foreign trade shows with the development of a computerized presentation program to attract visitors to the booth, provide information on the WMMA, and allow an easy search for equipment needs either by member name or machinery/tool type. In addition to the WMMA pavilion at reduced rates in a good location, exporting members are also provided with assistance in booth design/layout, hotel packages, freight consolidation, and translators. If you haven't tried international marketing, don't delay. You have peers in the industry ready to assist you.
- Updating the computer disk of international distributors with over 760 names in 38 countries; it is distributed free to subscribing members.
- Disseminating trade leads, topical country market information, and commercial insights through the Export Opportunities Bulletin.
- Publishing articles in The Cutting Edge to assist more firms to successfully enter exporting and to support activities to increase international sales of those already exporting.
- Reporting U.S. import/export trade statistics; members may obtain specific information on their product line by contacting Harold Zassenhaus.
- Distributing international import/export statistics provided by Eumabois.
- Continuing the sponsorship of the Export Trade Certificate, under which 23 WMMA members participate.

Already in 2001, the Export Development Committee continued its support of the many of export promotion activities already described. Members have already exhibited in WoodMac China (Shanghai), FIMMA (Bento Gonçalves, Brazil), and Ligna (Hannover, Germany). The latter included a member pavilion, for the first time, in which 6 members participated. Pavilions planned for this fall at WoodMacAsia (Singapore) and next spring at W.M. Fair (China) are cancelled due to lack of member interest. Pavilions in tradeshows at Mexico City and Milan, Italy are still planned. The major focus this year has been on establishing the inaugural Foreign Buyers Program, where nominated overseas distributors will be guests of the WMMA and AWFS during the Anaheim Show.

As always, the challenge for the Committee is to continue to find ways with which to familiarize members on the overseas potential and motivate them to begin exporting. If you have questions about the Export Development Committee or would like to offer ideas for future activities, please contact Department Chairman Tom Onsrud at (704) 528-4528 or email at [tonsrud@aol.com](mailto:tonsrud@aol.com) or staff liaison Harold Zassenhaus at (301) 652-0693 or email at [zemg@erols.com](mailto:zemg@erols.com).

# Product & Engineering Standards

## *JUST WHEN YOU THOUGHT YOU'D HEARD THE LAST OF ISO 9000*

### Changes in the EU and changes to ISO may affect your company

*(This article has been written Phil Gardiol from Qnet, a consulting company and edited by Max Green (Mereen-Johnson), a member of the WMMA's Product and Engineering Standards Committee and the ASC 01 Committee)*

#### **EU Noise Directive Requires ISO 9000**

Since the introduction of ISO 9000 in 1987, over 400,000 companies around the world have had their operation registered to this international quality standard. Most of these companies pursued ISO 9000 because of market pressure brought on by either their customers or their competitors. Less than 10% of WMMA member companies are currently registered, but recent events in Europe may increase that number.

The European Union will begin on January 3, 2002 to enforce a directive relating to noise emissions by equipment for use outdoors. The directive lists 63 different types of equipment as well as acceptable decibel levels. Manufacturers of equipment called out in this directive that want to market products in Europe next year will be required to comply with the specified decibel levels and ISO 9000. Machines that some WMMA members may have to be concerned about are, building site band saws, building site circular bench saws and portable chain saws.

Some manufacturers that have been avoiding ISO 9000 up to now may need to reassess their strategy. Many companies want nothing to do with ISO 9000 based on horror stories about pointless bureaucracy and added overhead costs. Unfortunately, some of these companies received poor direction regarding ISO 9000 or rushed to use documents and practices that are not required by the standard and offered no value to their operation. However, companies can derive significant benefits in addition to sales if they go about implementing ISO 9000 in the right way.

One WMMA member company that serves as an example of a company that has benefited from ISO 9000 is American Saw & Mfg. Company of East Longmeadow, Massachusetts. American Saw has been registered to ISO 9002 since 1993; and later upgraded their registration to ISO 9001 in 1996 to include product design and development. During the early 1990's, customers began expressing their desire for American Saw to have a formal quality system, so the company began to investigate the

ISO 9000 standard. American Saw's ISO 9001 Management Representative, Brian Mailhot, described the initial reaction, "There wasn't anything in the standard that a company shouldn't be doing and we could see it would help our company. We decided to do it right and take our time". When asked about results other than sales, Mailhot stated, "We had several established measures in place which enabled us to see reduced defects and complaints. We recouped our implementation costs in approximately 18 months. There are soft benefits as well, it was very positive for us. We were a great company and now we are even better."

#### **Changes to ISO 9000**

The standard was revised in December of last year, as it is every 5 or 6 years. The new version will combine ISO 9001, 9002 and 9003 and will be identified as ISO 9001:2000. Although the contents have been rearranged, the same basic scope and intent of the requirements remains. For those companies who are viewing the standard for the first time, the new layout is more user friendly and less fragmented than the prior version.

In general, the standard requires a company to formalize its in-house methods for basic business activities and also to devote some effort toward improvement. When companies first compare themselves to the standard they find that they are already doing most of the activities - processing orders, monitoring suppliers, training employees, maintaining equipment, etc. Companies that achieve ISO registration may find they needed to add a few activities but the major focus was on strengthening the system that was already in place.

The latest version of the standard increases the emphasis placed on process management and continual improvement, but this is a logical step forward from the previous version. If your company is already registered to ISO, the changes do not require an overwhelming effort to implement; it really just amounts to fine tuning portions of the current system.

Companies that are already registered to the prior version of 1994 version of ISO 9000 (ISO 9001, 9002, or 9003) have three years to upgrade to the new standard. Companies seeking registration for the first time can work to either the 1994 or 2000 version until December of 2003, at which time the 1994 version will become obsolete.

# Management Information

## PROVIDING AFFORDABLE HEALTH CARE INSURANCE

*Skip Stachlewitz, Executive Vice President Black Bros. Co.*

Many of us are small to mid size employers and the majority of us offer health insurance to our employees. These plans vary significantly in the type of benefits offered and whether they are fully or partially funded by the company. Two things we all have in common; Our employees consider health benefits to be one of their single most important elements of their total compensation and all of us have experienced double digit health care cost increases over the past three years. In 1999 companies with less than 100 employees experienced a 13.8% increase in health care costs. It appears the 2000 increase will exceed that. In 1998 out of pocket spending was 19.6% of the total and that number is decreasing. Since the cost of providing this benefit is often the single most expensive portion of the benefit package we offer, it pays us to periodically review our approach to offering this benefit and methods of cost containment.

Once you have decided to offer this benefit as part of your overall strategy to attract and retain employees there are basically two methods for funding:

### SELF-INSURED PLANS

If you have stable financial resources self funding may be an option. Self funding involves selecting a third party administrator to process claims but you pay the cost of all claims plus a charge for the administration. You then insure at a specific stop loss figure (e.g. \$50,000) to prevent a catastrophic illness from exhausting or depleting cash. The typical cost advantages to self funding are cash flow and interest since you do not pay until after a claim is incurred. Administrative costs are 4-6% of the total plan costs rather than the 15-20% total in an insured plan. Generally, self funding is an option if you have from 100-500 employees, a stable workforce and a steady cash

flow. The down side to self funding is that you have no control over the cash needs in any particular time period.

### INSURED PLANS

The first step in developing an insured plan is to choose the type of plan you would like to offer. Below are basic descriptions of the most prevalent types available:

Indemnity Plans- the insurer pays a flat published fee for every occurrence and the employee pays the difference between this and the actual charges "out of pocket".

Participating Provider Organizations (PPO's)- the employee can utilize "in-network" providers at discounted fees thus resulting in little or no out of pocket. However, if the employee goes out of network the out of pocket is usually quite higher.

Health Maintenance Organizations (HMO's)- the employee must utilize the "in-network" provider at no out of pocket expense but service outside of the network is typically not covered.

Provider Service Organizations (PSO's)- a local or regional network of hospitals and physicians providing coverage to large employers usually at no out of pocket cost to the employee.

There are pros and cons to all types of plans and hybrid versions of all the above type plans. The type of plan best suited for you depends on accessibility, costs, size and employee expectations. Since employees are getting more used to the acceptance of managed care plans it is likely that the health plan of your choice will be a hybrid plan with some of the best features. At this point it is generally advisable, unless you have the in-house time and expertise, to employ a health plan adviser to

assist in the selection of your plan, obtain competitive bids and monitor the plan usage throughout the life of the insurance contract. Fees for advisers vary widely and are negotiable. You can also negotiate performance contracts that call for renewal rate reductions or deficit reductions.

If your plans have out of pocket costs and/or you have decided to shift some portion of the premium cost to employees, you may want to investigate the establishment of a Medical Savings Account (MSA). The MSA was created by federal legislation and allows employees to contribute up to \$5000 annually from their paychecks to pay for qualified health and child care expenses. This sum isn't taxed at the employee level and not subject to Social Security and most state taxes at the employer level.

An increasing number of employers are considering switching to the relatively new "defined contribution" health insurance. As with defined contribution pension, employers get predictable defined contributions to their employees health care and employees are "empowered" to make health care decisions affecting the cost and benefits. This health insurance then becomes "personal and portable" and employees "own" their own policies.

Take an educated and active role in selecting the right funding and insurance for your Company. Be aggressive in negotiating. Hire an adviser if you don't have the time or expertise. This is a costly benefit to you and important benefit for the attraction and retention of your valued employees. My next installment will review some of the ways we can be instrumental in reducing the cost of health care, regardless of the method of funding or type of plan.

# Export Development

## WMMA Organizing Pavilion at Promueble 2002 (Mexico City, January 23-26, 2002)

*Harold Zassenhaus, WMMA Export Director*

In its eighth year, Promueble is Mexico's largest trade fair for the woodworking machinery and furniture supply industries. In 2002 the venue will be moving to a new exhibition facility, Expo Santa Fe in Mexico City, Mexico.

For the first time, the WMMA will be organizing a member pavilion, providing we can get enough members to participate. We have an option for 172 sq. meters. **If you are interested in participating, please contact me as soon as possible or complete the space reservation form on the last page.** For members committing to space by September 1 the cost is \$170.00 per sq. meter with a 10.5 sq. meter minimum (3.5 deep x 3.0 wide). After September 1 the cost will be \$180.00 per sq. meter.

As in the past, the WMMA will provide a turnkey package to exhibiting members to include:

- ◆ Pavilion design/layout
- ◆ Furniture
- ◆ Graphics
- ◆ Electrical hookups
- ◆ Compressed air
- ◆ Hotels
- ◆ Translators
- ◆ Freight assistance

The following are statistics for Promueble 2001:

- ◆ Size: 15,000 sq. m
- ◆ Exhibitors: 250
- ◆ Attendance: 25,000

### Mexico Update

GDP grew a respectable 6.9% in 2000 despite a severe slump in the 4th quarter due to a slowed US economy. The outlook for 2001 is for the economy to grow at about 5%, thanks largely to continued strong domestic consumption.

The major concern is inflation. With exports of manufactured goods slowing as a result of the U.S. economy, and domestic consumption continuing to increase, there is concern that the swelling trade balance will fuel inflation and put pressure on the Peso. However, if the U.S. economy rebounds by the 4<sup>th</sup> quarter of this year it is likely that exports will expand and inflation will stay in check, increasing by 7% or less.

Mexico's forest products processing industry grew in 2000, particularly the furniture, molding, and flooring sectors. In 2000 Mexico exported to the US over \$900 million in wooden furniture, frames, joinery and moldings. It was our 4th largest supplier of furniture.

The Mexican construction industry grew 6.6% during 2000. The demand for new homes, hospitals, schools, office buildings, hotel rooms, retail stores, and restaurants is expected to grow and the building materials market should grow at a rate of 8.0 percent during the next three years. The new federal administration has indicated the desire to build over 1,000,000 new homes per year from 2001 to 2006 to address a serious housing deficit.

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# Export Development

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Domestic customer preferences for U.S. style timber frame construction materials have started to show a positive attitude change. However, large-scale timber frame housing construction is still experiencing some resistance from banks, insurance companies and developers due to the lack of understanding of the quality of materials and their durability, as compared to traditional masonry/concrete buildings.

The Mexican woodworking industry consists of:

- ◆ 1,375 saw mills
- ◆ 32 plywood mills
- ◆ 13 particleboard manufacturers
- ◆ 1 fiberboard plant
- ◆ 6 resin-processing plants
- ◆ 36 large furniture manufacturers and over 5,000 small and medium size furniture manufacturers.



In the past, the major concern for WMMA members has been the lack of distribution channels in the market. Many dealers seemed to be end users dressed as dealers to get a bigger machine discount. Others operated from the U.S. and dipped into the Mexico sporadically and rarely went past the boarder industries. Still others seemed to disappear when times were bad. As mentioned in the wrap up report on the Tecno Mueble trade fair held in 2000, it seems that things have changed. There appear to be a number, say a dozen or more, established dealers in the country and increasingly, the dealers cover natural territories. The changes could be a result of the recent strengthening of the Mexican market in general and the wood-processing sector specifically.

Two Mexican dealers will be recipients of the AWFS/WMMA Foreign Buyers Program and will be visiting the AWFS Fair in Anaheim. For more information on the foreign buyers visiting the fair click on the Member's only page and go to "What's New".

Markets are becoming regionalized as well with the development of at least four distinct areas: Mexico City, Guadalajara, Monterey and Tijuana. While dealers will sell throughout Mexico, most will specialize in one or have separate offices to cover others.

As a final note, Mexico signed a free trade agreement with the EU last year. US products no longer carry preferential customs treatment compared to those from Europe. This spells increasing competition from European suppliers. Members need to be aggressive in Mexican market if they want to develop or maintain their market position.

# Member News



**HERMES ABRASIVES** announces the investment in new slitting equipment for its Virginia manufacturing facility. The new equipment provides additional manufacturing opportunities, including the production of Scalloped Edged Belts.

Scalloped Edged Belts have a curved pattern, as opposed to a straight edge, on each side of the belt. The resulting curve resembles a scallop shell, giving the curved edge its name.

The dies slit 3 mm and 5 mm low profile scallops, with the size referring to the height of the scallop from the low point.

Scalloped Edged Belts are available in widths from 1" to 8" and lengths from 48" to 236". Belt width is determined from peak to peak for the scallop edging.

HERMES ABRASIVES also announces:

**SB 348 YR** incorporates zirconia alumina grain on a patented Y weight stitch bonded backing, providing increased edge wear, enhanced grain retention, and improved durability.

**SB 348 YR** features a Zero Tolerance (inset tape) joint, so the thickness of the belt remains consistent while the belt is in operation. A patent is currently pending for the inserted tape joint.

**SB 348 YR** is available in narrow and wide belt forms up to 64 1/2" width, and lengths depending on the machine used. Grits available are #36 and #60.

Applications include coarse and intermediate grinding of aluminum and non-ferrous materials, gate and flash removal and blending of part lines.

Advantages of SB 348 YR include:

- Extended edge wear
- Superior grain retention
- EB 36 - Zero Tolerance (inset tape) joint
- Durable Y weight stitch bonded backing, eliminating tearing or ripping
- Fewer belt changes
- Longer belt life

For more information, please contact your local Hermes Distributor, Hermes Account Manager, or call Hermes Abrasives at (800) 464-8314.

## **WOOD EDUCATION AND RESOURCE CENTER TO MAKE AVAILABLE ITS ROUGH MILL FACILITY**

The USDA Forest Service, Northeastern Area State and Private Forestry announced that the rough mill facility at the

USDA Forest Service's Wood Education and Resource Center (WERC) would be made available under special use leasing authority. The rough mill facility is located next to the mail WERC building in Princeton, West Virginia. A request for proposal (RFP) will be issued in August soliciting offers from companies or individuals interested in this facility. An opportunity to inspect the mill will be provided after release of the RFP. Those interested should request a copy of the RFP when it becomes available by contacting the following:

Rough Mill RFP  
USDA-Forest Service  
Wood Education and Resource Center  
301 Hardwood Lane  
Princeton, West Virginia 24740  
Telephone: 304-487-1510  
FAX: 304-487-6661

The rough mill is a well-equipped, modern 42,000 square-foot facility with all the necessary electrical and dust collection systems in place. The major pieces of processing equipment include:

- Mereen-Johnson gang rip system
- Barr Mullin Turbo Wonder Saw system
- Weinig moulder
- Yates American double surfacer
- Other planers, sanders, saws, and a double-end tenoner.

For additional information contact: Robin Hatcher at the above address.

## **TIMESAVERS ADDS J&G AS ITS DISTRIBUTOR IN THE CAROLINAS**

Timesavers, Inc. is proud to announce the addition of J&G Machinery, Inc. as a distributor of Timesavers machines to the wood market. Their territory covers North Carolina, South Carolina, and Eastern Tennessee.

"The addition of J&G compliments our current efforts in the important Southeast region of the United States," said Nyle LaGrange, President of Timesavers. "With Russ Johnson of Johnson Machine covering Virginia and West Virginia, and J&G in the Carolinas, we have the premier representatives in the territory."

"J&G's strengths," LaGrange explained, "include a 60,000 square foot facility housing a showroom that will always display Timesavers machines. They also have dedicated parts and service professionals. The availability of parts and service support from J&G, combined with our existing service center in High Point, NC, will help Timesavers be more responsive. This brings long-term value to our customers in a region that is so vital to the furniture, cabinet

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# Member News

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and millwork industries. The J&G model is an example of the type of partnership Timesavers hopes to nurture with more of its distributors."

Timesavers is the world's largest supplier of surfacing equipment to the wood and metal industries. They serve global markets with two manufacturing facilities. Its headquarters and North American manufacturing operations are located in Minneapolis, MN, and their European facility is located in The Netherlands.

## **RITTER MFG. INC., ACCU-SYSTEMS INC. ENTER NEW MARKETING AGREEMENT**

Ritter Manufacturing, Inc. and Accu-Systems, Inc. jointly announced signing of their new marketing agreement at Ritter's annual industry conference in Antioch, CA.

Company Presidents, Ase Stornetta of Ritter Mfg. and Mel Hatch of Accu-Systems, Inc. both agreed that this bold new agreement offers "enormous potential" for both companies. Under terms of the agreement, as of July 1, 2001, Ritter will begin marketing and sales of the panel processing portion of the Accu-Systems product line. Accu-Systems manufactures an array of state of the art dowel drilling, gluing and insertion machinery at their new facility in Salt Lake City, Utah. During the past twelve years Accu-Systems, Inc. has grown substantially, with frequently patented innovative technology and has built an excellent reputation in this market sector. Ritter Manufacturing has long been associated with panel processing machinery and has long been a major U. S. manufacturer, contributing to the original development of American panel processing expertise. Ritter is the first American company to produce 32mm system machinery, and

has a 40-year history with a wide range of solid wood and panel processing products.

Jon Elvrum, Director of Distribution & Sales for Ritter Mfg., considers the event to be "a landmark pairing of two excellent companies, two companies with compatible philosophies, two companies whose products glove-like synergy will propel one another forward because of how well they work together."

## **NORTH AMERICAN PRODUCTS ANNOUNCES EXPANSION OF MICHIGAN DIVISION**

North American Products Corp., announces the expansion of their Michigan Division located in Three Rivers, Michigan.

The Michigan expansion includes the addition of equipment and the appointment of a new production manager. North American recently added a Schneeberger Aries CNC Grinder in this facility to expand its production and servicing of Solid Carbide Router Bits. A Lorocho CNC Cold Saw Grinder for High Speed Steel Cold Saws was also added. With 15 years of manufacturing experience, Tom Jones is the Production Manager of the Michigan Division. Tom is responsible for the complete production process of the Carbide Tool Service Center.

With these changes in place, North American Products Corporation's Michigan Division has expanded its capacity by 50% and has aligned itself to better accommodate its growing customer base in the Michigan area.

## **Education & Scholarship Update**

**Michael Burdis,**  
*Chairman of the Education & Scholarship Committee*

The WMMA Scholarship Committee has been working on a new scholarship program for the benefit of members companies. Pending Board approval at the August meeting, the new program will:

Place more focus on member needs

Be open to any college or university

Build relationships between members, local students and local institutions

Help to develop qualified talent for the future of our members

PROFIT THROUGH AMERICAN TECHNOLOGY



Kenny Moffatt	President
Charles A. Granger	Vice President
Peter Perez	Treasurer
Kenneth R. Hutton	Executive Vice President
Elizabeth B. Franks	Associate Director
Dana Klaus	Meetings & Communications Director
Karen Boyle	Member Services Coordinator
Meridith Reed	Administrative Director
G. A. Taylor Fernley	Management Liaison
Sheldon London	Legislative Counsel
John Satagaj	1010 Massachusetts Ave. NW, Suite 400 Washington, DC 20001 (202) 639-8888
Harold Zassenhaus	Export Director 7768 Woodmont Ave. Suite 214 Bethesda, MD 20814 (301) 652-0693
Joseph Mc Hale	Legal Counsel

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*The opinions expressed in any articles by outside consultants are their own views and not necessarily those of the WMMA®.*

**Trade Fair Participation  
Promueble 2002  
Mexico City, Mexico  
January 23-26, 2002**

Company:

\_\_\_\_\_

Person responsible for foreign fair participation:

\_\_\_\_\_

Direct telephone number: \_\_\_\_\_

Direct fax number: \_\_\_\_\_

Direct email: \_\_\_\_\_

- I wish to exhibit in the WMMA pavilion in Promueble 2002.

Send me a Space Contract:

Space required: \_\_\_\_ x \_\_\_\_ meters (min. 3.5 deep x 3.0 wide)

I understand the cost for space only is \$170.00/sq. meter (minimum 10.5 sq. meters) until September 1. After September 1 the cost will be \$180.00/sq. meter.

- I wish to share the WMMA booth at Promueble 2002

I understand the WMMA will provide shipping instructions to a consolidation point in the US. I understand the cost for the service is \$200 to be billed by the WMMA to my attention.

If interested, please print out this page and return to:

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