



# THE CUTTING EDGE

## WOOD MACHINERY MANUFACTURERS OF AMERICA

Volume XVII, No. 8

August 2002

### Business Briefing

*By Art Raymond, A.G. Raymond and Company*

At midyear let's take a look at some key indicators in the U.S. economy...

#### **Factory Activity Expands**

Good news is starting to pile up for manufacturing activity in the U.S. The Institute of Supply Management, keeper of several closely watched economic indicators, reported that their manufacturing index expanded for the fifth straight month in June to a 28-month high. As new orders and production are growing at the strongest pace in three years, hopes are high that the economic recovery that gained traction in the first quarter has broadened to include manufacturing.

#### **Labor Market Continues Weak**

The unemployment rate moved up to 5.9% in July. But remember that the jobless rate is a trailing indicator; one that will not fall until after the economy has strengthened for some time. Businesses tend to delay adding workers until confident about the direction of the economy and profits.

Early in recoveries companies squeeze more productivity out of their existing work forces by adding to their workweeks. A sign that this tactic is being employed is the 17-month high for the weekly hours in manufacturing and the 19-month high for overtime hours.

One indicator that the jobless rate may be peaking is the decline in filings for unemployment benefits to a 15-month low. Another positive note is that layoff announcements are down 24% from a year ago.

#### **Stocks ....**

Most need no reminder that their 401(K)'s are now their 201(K)'s. From their peaks in early 2000 the Dow Jones Industrial Average is down 32%; the S&P, 45%; and the NASDAQ, by over 74%.

Stocks usually lead the economy into recovery. In the last nine recessions the stock market bottomed out 4-1/2 months before the economy turned around. But this year investors are ignoring signs of recovery and focusing on accounting scandals and fears of terrorist attacks.

#### **The Dollar Moves Lower**

What does the declining dollar mean for the economy?

The trade-weighted dollar has fallen 5% since February (but is still up 39% from 1995). As a result, the U.S. will probably attract less foreign money. For some time foreigners have been investing about \$1 billion each day in U.S. stocks, bonds, real estate, and companies. If that flow falters, interest rates will move higher, and stock prices will probably grow slower. Housing and other businesses that are interest rate sensitive will suffer.

*Continued on next page*

### In This Issue...

ANSI Update .....	7-9
Business Briefing .....	1-3
Management Information ..	12-14
Member News .....	4-5
Product & Eng. Standards ...	6
Public Policy .....	10-11

# Business Briefing

*Continued from previous page*

On the other hand, the weaker dollar will make U.S. made goods more attractive vis-à-vis imports and also increase exports. With all else equal this new demand should translate into more jobs for U.S. workers and higher sales for U.S. companies.

To sustain those higher exports will require strong demand from the rest of the world and higher import prices. European countries, Germany in particular, plus Japan must stimulate their domestic economies. Unfortunately Japan has little room to cut interest rates and has a mountain of government debt. Fearing inflation the EU has shown no inclination to lower interest rates. And what happens if foreign producers decide to lower prices to remain competitive in the U.S.?

The key to sustaining this fledgling recovery is increasing worldwide demand for goods and services. Stay tuned.

## Sector Situation Report

Latest news from the wood products industry by sector...

- ☑ **Office Furniture** – Sales of office furniture continue in the doldrums. Industry giant **Steelcase** posted a loss in their 1Q03 on a sales drop of 29%. The company expects little if any recovery in orders for the full fiscal year. For its FY2002 **Herman Miller** squeezed out a small profit on sales 34% below the prior year.

Exhibitors at the annual NEOCON trade show in Chicago in June reported traffic off about 15% from the halcyon shows of yesteryear. But most indicated that their key buyers attended. Many companies introduced new products in an effort to attract new demand.

- ☑ **Kitchen Cabinets** – Cabinet sales jumped 11.1% in June according to the KCMA's Trend of Business Survey. For 2002 cabinet sales are up 11.5%.

**American Woodmark**, the 3<sup>rd</sup> largest U.S. cabinetmaker, reported 4Q2002 sales up a stunning 24% and an operating margin of 11.2%. Management attributed its success to favorable raw materials purchasing, lower freight costs, and high overhead absorption. Capacity utilization was nearly 100%.

Are Woodmark's full factories a precursor of expansion in this important wood products segment?

- ☑ **Home Furniture** – A mix of good and bad news has trickled out of this sector in recent weeks. On the positive side...

- **Ethan Allen**, producer and retailer, is forecasting FY2003 sales up 10% and earnings up 15%.
- Producer **Hooker Furniture** reported 2Q2002 sales up 12% and YTD sales up 10.5%.
- Retailer **Haverty** reported sales for the first six months of their 2002 up 6.3%.
- Retailer **Pier One** stated that June sales were 16.1% above their year ago performance.

On the negative side...

- Analysts have reduced earnings estimates for producer giant **Furniture Brands International** citing slower-than-expected demand for higher-end products.
- Producer **Stanley Furniture** announced 2Q2002 sales of \$55.3 million but is still 23% below the same quarter in 2000.

Reading the details of these announcements, one can see the effect of the compelling values offered by imported furniture. Hooker noted that order rates for their imported line were "up significantly compared to the first half of 2001." Pier One's stores are dominated by imported goods. And Stanley has few imported groups in their line.

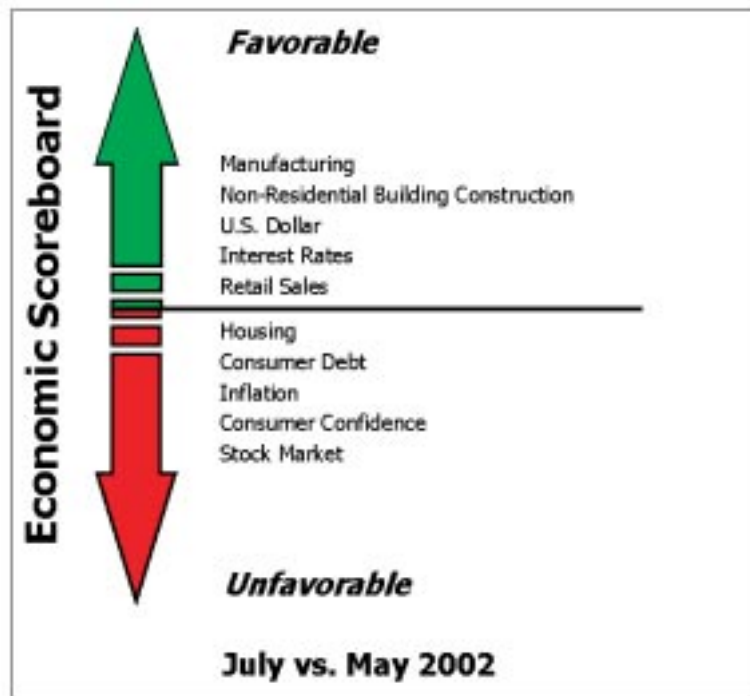
*Continued on next page*

# Business Briefing

## *Continued from previous page*

Indeed many retailers are now importing directly from foreign producers rather than buying imports from U.S. companies. A survey by *Furniture Today*, the weekly covering the home furniture industry, documented that about one-third of furniture retailers currently import directly. And 91% of those companies see direct imports increasing in the future.

- ☑ **Flooring** – According to NOFMA wood flooring shipments rose by 10% in May vs. the same month a year ago. Year-to-date shipments for the first five months of 2002 were up 15%.
- ☑ **Wood Components** – Coming on the heels of a poor 2001, the WCMA has reported improving sales. Year-to-date shipments through April were up 5.7%. Shipments in April alone rose 10.9%. These increases are coming primarily from sales to the construction and remodeling industries.
- ☑ **Home Construction** – While new housing starts and existing home sales remain at or near historic highs, economists have a new worry. High real estate prices are stretching homebuyers' budgets in spite of the lowest mortgage rates in nearly 30 years. According to *The Wall Street Journal* house payments as a percentage of disposable income are at their highest level since this statistic has been tracked. This predicament is a result of lower mortgage underwriting standards. Lenders are now permitting house payment to equal 50% of a buyer's disposable income, up from about 30% ten years ago. First-time homebuyers can now put down less cash at closing. The average down payment for these buyers is 3% vs. 10% ten years ago. These facts beg the question – can home building continue its recent strong performance?



For more information, visit the A.G. Raymond website at [www.raymondnet.com](http://www.raymondnet.com). If you have questions or comments about this article, contact author Art Raymond at [info@raymondnet.com](mailto:info@raymondnet.com) or 919/831-0070. You can also e-mail WMMA headquarters at [wmma@fernley.com](mailto:wmma@fernley.com).

## Congratulations to WMMA Finalists in the Challengers Award Competition

*Congratulations to the following WMMA member companies who have been named finalists in the competition for the Challengers Distinguished Achievement Award:*



- ✓ **CEMCO, Inc.** – ITC / Intelligent Tolerance Control System
- ✓ **Dubois Equipment Company, Inc.** – Dubois UV Mist Coater
- ✓ **Ecogate Inc.** – Wireless ECOGATE dust collecting
- ✓ **James L. Taylor Mfg. / Cameron Automation** – Opti-Match
- ✓ **North American Products Corporation** – Sidewinder

The Challengers Award recognizes advancements in technology or significant contributions to environmental improvement, and focuses on companies who have distinguished themselves by developing innovative technology in products, services, or manufacturing techniques.

The awards will be bestowed during a special awards ceremony at IWF 2002 on Thursday, August 22 at 1:30 PM in the Sydney Marcus Auditorium in Building A of the Georgia World Congress Center.

Please be in attendance to cheer on your fellow members!

# Congratulations

## WMMA Trade Fair Participation Program

A principal Export Development Committee activity is organizing WMMA pavilions in 3-5 international trade fairs. This unique service allows members to exhibit in some of the best known trade fairs in the world while conserving costs, enhancing exposure and gaining support from fellow members and the WMMA staff. In 2003 the WMMA is organizing pavilions ranging in size from 100-225 sq. meters in the following events:  
AMPIMM Fair, Mexico City, Mexico (January 15-18)  
WoodMac China, Shanghai, China (February 25-28)  
Ligna, Hannover, Germany (May 26-30)

Exhibiting members services include:

- ☞ good location
- ☞ space discounts
- ☞ booth design/layout
- ☞ freight consolidation
- ☞ hotel packages
- ☞ translators

In addition, the WMMA will have its own booth at each fair in which it will be advertising members' products and

services. Members who want to share the booth can do so for \$200. This entitles members to display literature, run product videos and/or work out of the booth. All participants will receive a summary of the event, a copy of the exhibition catalog and leads generated.

The following is a summary of each event. To sign up for any of the following events go to the "2003 Fair Sign Up Form"

([www.wmma.org/members/mpdf/tradefairpartform.zip](http://www.wmma.org/members/mpdf/tradefairpartform.zip)).

Contact Harold Zassenhaus for more information on each event (tel.: 301 652 0693; fax 301 986 1389; email: zemg@erols.com). Space will be assigned on a first come, first served basis.

- ☞ AMPIMM Trade Fair, Mexico City, January 15-18
- ☞ WoodMac China, Shanghai, February 25-28
- ☞ Ligna, Hannover, Germany May 26-30, 2003

# Member News

## Cabinet Vision and Cabnetware Part of New Software Unification

In June 2002 Planit Holdings PLC announced the formation of Planit Solutions. Planit Solutions, now the largest supplier of CAD/CAM solutions to the woodworking industry worldwide, was formed to unify the distribution and resources of the software brands, AlphaCAM, Cabinet Vision, Cabnetware, and Planit Millennium in several markets including North America.

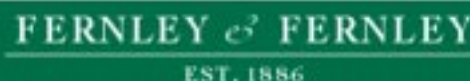
Cabinet Vision & Cabnetware have both experienced great success through the years and together hold a large share of the custom cabinet manufacturing market. The Cabinet Vision & Cabnetware brands will now be distributed by one unified dealer network, allowing the dealer and the customer to work together in determining the right solution for their business needs.

Another benefit of unification is the CNC machine suppliers will now be able to support all Planit Solutions' brands through a single common interface, thus eliminating confusion and strengthening these vital business-to-business relationships. All Planit Solutions' CNC technology is based on AlphaCAM, the world's number one CAM solution for the woodworking industry. As the system of choice by the leading woodworking machinery suppliers, AlphaCAM will continue to be distributed by the company's machinery partners. This will also give customers the option to take advantage of value-added features available in each brand while maintaining one seamless connection to their CNC equipment.

*Visit Planit Holdings at the upcoming International Woodworking Fair in Atlanta at booth #4723.*

## Fernley & Fernley, Inc. Offering Webcast Seminars on "Effective Succession Strategy."

Fernley & Fernley, Inc., WMMA's association headquarters, has formed a partnership with St. George Integrated Financial Solutions to offer members an exciting, informative, and educational opportunity through a series of webcasts. The first webcast training series will be offered in the fall and is entitled "How to Value your Business & Develop an Effective Succession Strategy." WMMA members will have the option of registering for all six modules or to select only those modules that are relevant to your specific needs. Detailed information on the webcast training series will be sent to members in September and will also be available on the WMMA web site at [www.wmma.org](http://www.wmma.org) and the Fernley & Fernley web site at [www.fernley.com](http://www.fernley.com).



*Just one more benefit of your WMMA membership!*

## "What Does Your WMMA Dues Dollar Buy?"

**Industry Tradeshow Discounts**

**Worldwide Publicity**

**Monthly Newsletter**

**Educational Opportunities**

**Industry Advisor Program**

**Industry Safety Standards**

**Industry Statistics**

**Economic and Benchmarking Data**

**Regulatory Alerts**

**Legislative Calls to Action**

**Internet Links**

**Leads for New Business**

**Access to Overseas Distributors**

**Export Trade Certificate**

**Networking with Industry Peers**

**Manufacturer/Distributor Conferences**

# Product & Engineering Standards

*The WMMA Product & Engineering Standards Committee is doing more than ever to bring vital safety information to machinery manufacturers and their customers. Take advantage of these valuable safety resources:*

## User Manual Guideline

One copy of the "Guidelines to Develop User Manuals," which is hot off the press, will be sent to all member companies shortly after IWF- Free of Charge! This document is a \$2500 value, and will be marketed to non-members as such. Complementary additional copies can be ordered by filling out an order form at IWF or an online order form to be posted on the WMMA web site.

The printed Guideline, which is enhanced with numbered tabs and spaces for your notes, is a living document. Please refer to this Guideline when writing your User Manuals, as it is just one more way we can continue the trend toward compliance.

## Hazard Warning Labels

Do not forget the importance of using hazard-warning stickers on your machinery! A booklet of safety signs, which meet the most current ANSI Z535 2002 Standards, has been printed for your use. These will also be available at IWF (WMMA Booth is #CCAB26), and are always available to you through headquarters. Just call 1-800-BUY-WMMA.

Safety compliance remains an industry-wide concern. Let WMMA members lead the way to safety!

## WMMA Mission Statement

*The WMMA shall represent and support domestic manufacturers of equipment and tools used in the processing of wood and wood products from the forest to finished products.*

## WMMA to Sponsor Safety Seminar at IWF

**What:** FREE Technical Conference Session, Woodworking Industry Standards & Safety

**When:** Thursday, August 23rd, from 3:30 to 5:00 PM

**Where:** Building. B, Level 3 Concourse, Rooms B302-305 of the GWCC

**Who:** A safety portion is presented by AFMA, WMIA, & WMMA and a standards portion is presented by APA, CPA, LMA, & KCMA

### Seminar Description:

*In an encore presentation from the 2000 session, learn about the latest developments in woodworking safety for your workplace. Highlights will include:*

- A review of the safety hazard icons and how they should benefit the user.
- Re-affirmation of the ANSI 01.1 scope and its deployment in the workplace.
- User Manual Guide as a reference text.
- Working with Ergonomics to your advantage.
- An opportunity to ask questions specific to your working environment."

**Why:** *You cannot afford to miss this timely presentation*

# ANSI 01.1 Update

## New Draft of ANSI 01.1 Standard Approved

### ASC 01 Committee One Step Closer to Submitting new Standard for ANSI Publication

*Michael L. Gililand, PE, CSP*  
*Vice President, Engineering Systems Inc.*  
*Chair, ASC 01*

On July 11, 2002, a new draft of the ANSI O1.1 standard was approved. Titled "Safety Requirements for Woodworking and Associated Machinery," this standard covers the safety requirements for the design, installation, care and use of woodworking machinery and accessory equipment, used in industrial and commercial applications, having a total connected power of 5 hp (3.7kw) or greater, or having 3-phase wiring.

The ASC O1 committee, sponsored by WMMA, is charged with writing and updating this standard on a regular basis. The draft will be voted upon over the next few months and is expected to then be submitted to ANSI (the American National Standards Committee) for publication.

The standard was written with the intent and expectation that it will be used not only as a guide for design and manufacture of woodworking machinery, but as a reference for OSHA enforcement. It should therefore become an important core safety reference for all manufacturers and users of woodworking machinery. To assure the availability of the standard to everyone who needs it, WMMA is exploring innovative new ways to publish, sell, and distribute the standard once approved.

The new O1.1 standard represents a departure from previous safety standards. It does not attempt to set specific standards for every possible machine in use. Rather, it provides a set of generalized guidelines that can be adopted to any machine. This structure makes it possible to address any machine in a general sense, or to quickly develop new streamlined standards for a specific machine.

Adoption of this new standard is still many months away; possibly more than a year away. The committee, however, is not resting. It has already begun organizing and planning for the future - writing standards specific to every machine in general use in the industry.

*Below is a list of the committee members as of July 2002. They should be congratulated on a difficult job well done.*

NAME	REPRESENTING	NAME	REPRESENTING
Jim McDonald	Accu-Router, Inc.	Max Green	Mereen-Johnson Machine Co.
Bryan Purnell	Accu-Router, Inc.	Jim Laster	Newman Whitney
Joe Harrill	AFMA	Frank Smith	OSHA
White Watkins	AFMA	Wayne Hill	Power Tool Institute
Chuck LeRoux	Andersen Corp.	Dan Montague	Power Tool Institute
Al Weaver	American Society of Safety Engineers	Nathan Sauder	Sauder Woodworking Co.
Neal Growney	American Society of Safety Engineers	Steve Jones	Stiles Machinery, Inc.
Walter Painter	At Large	Jack Hyde	System Safety Society
Mat Ros	At Large	Joe Durst	United Brotherhood of Carpenters and Joiners of America
Lou Brickner	At Large	Michael Belcher	Underwriters Laboratories
Jim Jones	At Large	Barrett Wilson	Underwriters Laboratories
David Coble	At Large	Heinz Schmidt	WMIA
Bill Pritchard	KCMA	Giordano Checchi	WMIA
Richard Titus	KCMA	Mike Gililand	WMMA
		Dan DeLong	WMMA

# ANSI 01.1 Update

## Congratulations and Thank You to All Involved In ANSI 01.1 Standard Development

The recent completion of the draft of the ANSI 01.1 Safety Standard for Woodworking was the culmination of several years of dedicated work by many knowledgeable individuals. Here, Michael Gililand, Chair of the ASC 01 since 1999, recognizes and thanks those who were so instrumental in bringing the new edition of the ANSI 01.1 standard closer to completion.

July 23, 2002

Mr. Kenneth R. Hutton  
Fernley & Fernley, Inc.  
1900 Arch Street  
Philadelphia, PA 19103

RE: ANSI 01.1 Standard Development

Dear Mr. Hutton:

It is my great pleasure to inform you that the ASC 01 Committee concluded it's work on the ANSI 01.1 standard this past meeting, July 11, 2002. I hope you will inform the membership of the Wood Machinery Manufacturers of America who have so generously and patiently sponsored this committee's activities.

Within the next few weeks, formal ballots will be sent to all committee members. It is my expectation that the standard will be approved as written. With that approval WMMA can begin the submittal process for publication by the American National Standards Institute.

Let me also take this opportunity to express my great appreciation and admiration to the WMMA, its tireless staff, the staff of Fernley & Fernley, and of course the members of the ASC 01 Committee. All involved can be proud of their work as a team and as individuals. I was honored to have been part of that team.

The work of the committee is not finished, however. It is only the beginning. This new standard will serve as an umbrella under which a great variety of machine specific standards will be developed. That work has already begun.

Within the next month, a draft project outline and budget will be prepared and submitted to the WMMA and to the committee members. The committee has already begun the work of determining the format for the machine specific standards and has scheduled the first few meetings in this continuing effort. I am reminded that I serve as chair of this effort only at the pleasure of WMMA. It is my desire to continue to do so and will be honored once again should WMMA wish me to continue as chairman.

Thank you again for this opportunity and thanks again to all involved for this assistance.

Sincerely,

Michael L. Gililand, PE, CSP  
Vice President, Engineering Systems Inc.  
Chair, ASC 01

# Public Policy

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

## DID YOU KNOW...

*...that 8.4% of the 2001 WMMA expense activity provided quality, professional representation on federal legislative and regulatory issues? Representation is achieved three ways: with the Legislative Counsel of London & Satagaj; through the Association's affiliation in the National Association of Manufacturers (NAM); and among a dozen coalitions.*

### Key committee projects during 2001 included:

Being among the first to personally contact their elected officials about two issues:

- ✓ the ability to use The Congressional Review Act (CRA) to rollback The Ergonomics Rule; and
- ✓ The need for immediate, meaningful tax relief to individuals as a means to stimulate the economy and pull wood products through the distribution channel.

Success was achieved on both fronts prior to the change in the balance of power within the Senate.

- ✓ Including OSHA in multiple ways involving the industry's safety standards continued.
- ✓ Joining a coalition with other capital good manufacturers in seeking to reform the depreciation system and to spur business investment, continued technological advances, and productivity growth.
- ✓ Continuing efforts to seek a fair, uniform statute of repose failed, given the political dynamics within the Senate.
- ✓ Distributing the weekly ATRA newsletter, Legislative Watch, on product liability activity in the states.
- ✓ Informing members through monthly columns in The Cutting Edge about the latest federal issues potentially impacting members' businesses and daily lives.
- ✓ Continuing the financial support for the coalition working to resolve wood dust levels and containment. WMMA maintained its commitment to the health of the industry by funding, for the fourth year, a request of \$20,000 per year for six years as its share of the wood dust study conducted by Tulane University.

During 2002, the Committee has maintained its focus beyond product liability reform legislation:

- ✓ Fortunately, the Association had decided in 2001 to put its influence behind the High Productivity Investment Act (HPIA). Over the first several months of the year, that platform was used to launch various forays into the debate over economic stimulus legislation, which was eventually passed.
- ✓ In addition to the stimulus/depreciation issue, the WMMA Public Policy Committee has made health care costs, the overvalued dollar and our continuing concerns regarding the legal system as priorities for the remainder of the year.
- ✓ Monitoring the potential for rebirth of The Ergonomics Rule in some form or fashion throughout the year. Members understand the implications of The Ergonomics Rule, which would have had a double impact on wood machinery manufacturers as employers as well as designers and builders of workplace machinery for customers.

Quarterly updates on relevant legislative and regulatory issues continue to keep members informed on matters "inside the Beltway." The Committee, however, needs to hear directly from you the membership on what issues of concern exist for your businesses, your employees, and you. Please discuss those with:

Committee Chairman Chuck Brink at (541) 389-8776 or Email at [chuck@msl-lc.com](mailto:chuck@msl-lc.com);  
Legislative Counsel John Satagaj at (202) 639-8888 or Email at [email@lonsatlaw.com](mailto:email@lonsatlaw.com); or  
Staff Liaison Ken Hutton at (215) 564-3484 x215 or Email at [khutton@fernley.com](mailto:khutton@fernley.com).

# ANSI 01.1 Update

## ASC 01 Looking for Experts on Cutoff and/or Chop Saws

With the draft of the 01.1 standard completed in July (see related article on p.7), the ASC 01 will now focus on writing machine specific standards. The first machine to be addressed will be cutoff (chop) saws. As this standard is developed, the format will be used as a template for all future machine specific standards.

The work on cutoff (chop) saws will begin at the November meeting of the ASC 01. To assist this effort, the committee is looking for knowledgeable design/engineering experts to serve as consultants in drafting the standard. Any recommendations for engineering and/or technical personnel to share their expertise with the committee should be submitted to the ASC 01 committee, c/o Michael Gililand (see address below). These consultants will be asked to provide technical consultation for any product that they consider to be a cutoff and/or chop saw. Travel to committee meetings will be the option of the consultant.

Help the ASC 01 continue their excellent progress on development of safety standards for the woodworking industry. Please submit recommendations for cutoff/chop saw experts to:

Michael Gililand  
Engineering Systems Inc.  
923A East Terra Lane  
O'Fallon, MO 63366  
P: 636/240-6095  
F: 636/281-9052  
E: mgililand@esi-mo.com

*If you have questions or comments about the ANSI 01.1 standard, contact Mike Gililand at 636/240-6095 or mgililand@esi-mo.com. You can also e-mail WMMA headquarters at wmma@fernley.com.*

## WMMA Booth at IWF 2002

Booth #CCAB26

Phone #404-222-5216

Fax #404-222-5217



Your source for:

- Additional copies of the new 2003 Buyers' Guide and Directory
- WMMA User's Manual Guideline Order Forms
- WMMA Hazard Warning Label Order Forms

***WMMA Staff will be on hand to answer questions and assist whenever possible. Stop by to say hello!***

## Ergonomics Redux

*By John Satagaj  
London & Satagaj*

Like a bad penny, ergonomics has returned to the public policy scene in Washington. Not only is it back, but it looks like we will be fighting the ergonomics battle on two fronts.

There is a freestanding bill, S. 2184, to require the Department of Labor to issue a mandatory ergonomics rule, ready for action in the Senate. We expect the supporters to force a vote on the Senate floor for the sole reason of creating fodder for the fall congressional election campaigns.

If that was not enough, we are now dealing with an "earmark" to the Labor Department appropriations bill. An earmark is a provision that requires the agency to use the designated funds for a specific purpose. The Senate Appropriations Committee has earmarked \$2 million for the development of an ergonomics rule. While it does not require the Department to issue a rule, they cannot use it for any other purpose. We are hopeful the earmark will be stripped out of the Senate bill when it comes to the Senate floor. If not, we have two more safeguards in place as there will be a conference committee and the House bill will not have that provision in it. Then, the President must sign appropriations bills into law.

We expect the showdown to occur on one or both of these initiatives in September. For WMMA members it is a "double whammy," as WMMA members have to worry not only about their own workplaces, but also whether the machinery they manufacture is "ergonomically correct." Therefore, now is the time to contact your two Senators. All Senators can be written to at the same address: United States Senate, Washington, DC 20510. Call your Senators. All of them can be reached through a central switchboard at (202) 224-3121. When connected with an office, if you cannot get through to the Senator, ask to speak to the staff person who would have responsibility for the ergonomics rule. We doubt you will find an office where no one knows what you are talking about. When you connect with a staff person, explain your connection as a constituent, the contribution you make to the community as an employer and the impact of the rules on your business. Remember to "ask for the sale." Tell the staff person you would like to know what the Senator would do about this.

"I want to express my strong opposition to any bill or amendment to provide for the reissuance of a rule relating to ergonomics.

"Since Congress has already rejected a rule you should not take a step back by passing legislation forcing OSHA and the private sector to spend millions of dollars to revisit the same flawed approach. Rather, Congress should give the Occupational Safety and Health Administration's (OSHA) new comprehensive results oriented program on ergonomics a fair chance to be fully implemented. Contrary to popular belief, business owners are concerned with the problem of musculoskeletal disorders (MSDs). Since OSHA's new plan emphasizes compliance assistance and education it will assist business owners in protecting themselves and their employees from MSDs. It is time for Congress and OSHA to work together with businesses on this issue; if any of these bills or amendments become law, that would not be the case."

On a brighter note, OSHA delayed some ergonomics related reporting rules again. You may recall, in January 2001 OSHA published certain revisions relating to ergonomics to its general rule on recording and reporting occupational injuries and illnesses to take effect on January 1, 2002. On July 3, 2001, OSHA proposed to delay the effective date until January 1, 2003. OSHA explained that it was reconsidering the requirement in that employers check the MSD column on the OSHA Log for a case involving a "musculoskeletal disorder" as defined in that section. This action was taken in light of the Secretary of Labor's decision to develop a comprehensive plan to address ergonomic hazards, and to schedule a series of forums to consider key issues relating to the plan, including the approach to defining ergonomic injuries. The Secretary of Labor has released her plan and OSHA has now decided to determine whether a single definition of MSD is appropriate and useful for record keeping purposes, and if so, whether the new definition is the appropriate one. As a result it is delaying the record-keeping requirement for MSD's until January 1, 2004.

*As always, we ask you to share any copies of correspondence with WMMA!*

If you have questions or comments about this article, or other Public Policy issues, contact John Satagaj at [e-mail@lonsatlaw.com](mailto:e-mail@lonsatlaw.com) or 202/639-8888. You can also e-mail WMMA headquarters at [wmma@fernley.com](mailto:wmma@fernley.com).

# Management Information

## Management Toolbox: A resource brought to you by the WMMA Management Information Committee

### *A Policy Statement for Computer Use and Permission*

The business climate in which industry now competes is changing as rapidly as the management tools available to it. As recently as five years ago, few of us knew of, let alone used, laptop computers, fax on demand, E-mail or the Internet. Now we are all grappling with how to best harness technology for competitive advantage.

Just as the competitive environment has changed, so have the operating rules. Consequently, it is necessary to consider the operating rules and guidelines governing use of that technology by your employees.

The following is offered as a starting point, if you have not already done so, for you to develop a policy statement for computer use and permission. As always, your own corporate counsel should be involved in any steps your company may wish to take along these lines.

### **Computer Use and Permission Policy**

#### **1. Introduction**

\_\_\_\_\_ is the sole owner of the computer hardware and software run within the company. It is essential for each user to recognize his/her responsibility in having access to vast services, sites, systems and people. The user is ultimately responsible for his/her actions in accessing network services.

\_\_\_\_\_ has a right and an obligation to protect this company asset against abuse.

#### **2. Corporate Computing Assets**

##### *A. Permission*

Your use of the computer facilities must be authorized by \_\_\_\_\_. All computer and electronic files belong to somebody. You should assume them to be private and confidential unless the owner has explicitly made them available to others. Keep your password confidential.

##### *B. Unauthorized use of Software*

You are prohibited from loading any software on any computer system without approval from the system administrator. That includes commercial, shareware, and freeware software. Further, you are expressly prohibited from using company computers to make illegal copies of licensed or copyrighted software. Copyrighted software must only be used in accordance with its license or purchase agreement. You do not have the right to own or use unauthorized copies of software, or make unauthorized copies of software for yourself or anyone else.

You are prohibited from using software that is designed to destroy data, provide unauthorized access to the computer systems, or disrupt computing processes in any other way. Using viruses, worms, Trojan horses, and other invasive software is expressly forbidden.

The company has installed antiviral software on all of its computer systems, and employees are required to use it. You are prohibited from tampering with this software or turning it off. All disks that are inserted into the company's computers must first be scanned for viruses or signs of other forms of malicious software.

##### *C. Use for Profit Activities*

The company's computer systems are for the sole use of the company. You are prohibited from using the company's computer systems for personal or private financial gain, unless that use has been specifically authorized.

##### *D. Harassment*



You are prohibited from using the company's computer systems to harass anyone. This includes the use of insulting, sexist, racist, obscene, or suggestive electronic mail; tampering with others' files; and invasive access to others' equipment. In addition, users of any electronic communication facilities-such as electronic mail, bulletin boards, and newsgroups-are obligated to comply with the restrictions and acceptable practices established by \_\_\_\_\_.

#### *E. Theft*

All hardware, software, and computer-related supplies and documentation are the sole property of \_\_\_\_\_. They must not be removed from the company without proper authorization.

#### *F. Waste and Abuse*

You must avoid any activity around your workstation that may result in damage to your computer, software, or information. Eating and drinking while seated at your computer is not permitted. The company's computer systems are a valuable resource, and they should not be abused or wasted. Be considerate of fellow workers if you must share computer resources.

### **3. Electronic Mail**

The electronic mail system is to be used only for company-related business. You are prohibited from transmitting fraudulent, harassing, or obscene messages and files. You must not send any electronic mail or other form of electronic communication by forging another's identity or attempt to conceal the origin of the message in any other way.

The content and maintenance of a user's electronic mailbox is the users responsibility:

- Check e-mail various times throughout the day.
- Delete unwanted message immediately since they take up disk storage.
- Keep messages remaining in your electronic mailbox to a minimum.
- Never assume that your e-mail can be read by no one except yourself; others may be able to read or access your mail. Never send anything that you would not mind seeing on the evening news.

### **4. Internet**

Do not use the company-owned or any other network accessible by the company computer-whether local, national, or international-for any activity other than company-related business.

This includes, but is not limited to, surfing the Internet; engaging in on-line discussions in newsgroups and bulletin board services; attempting to access other computer systems without authorization; posting commercial messages.

### **5. Your Responsibility**

You are responsible for your own actions, and, should you violate the company's computer-use guidelines, your position may be terminated in extreme cases of flagrant abuse or disregard of this policy. You are also required to participate in assuring the legal and ethical use of company computers and user accounts. Any violation of this policy should be reported to senior management.

### **6. Enforcement**

\_\_\_\_\_ will investigate any alleged abuses of its computer resources. As part of that investigation, the company may access files and monitor usage. If the investigation indicates that computer privileges have been violated, the company may limit the access of employees found to be using computer systems improperly. Further, the company may refer flagrant abuse to senior management or law enforcement authorities. Although \_\_\_\_\_ wishes to ensure that the privacy of all its employees is protected, in the course of its investigation, the company may reveal private, employee-related information to other employees.

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

## Did You Know...

*...that with just 2.2 % of the 2001 WMMA expense activity, the Management Information Committee offered multiple survey opportunities for member participation?*

### Key Committee projects during 2001 included:

- Distributing the biennial Capital Spending Survey of end-user purchasing plans and circulating to all member companies via the Members Only section of the Association's website.
- Compiling monthly graphical and tabular index comparisons (Flash Report) of woodworking equipment and cutting tool orders, compared over 24 months, with data supplied from a fluctuating sample of member companies.
- Circulating a quarterly listing of distributors (Delinquent Accounts) whose payment schedules are more than 30 days past settlement.
- Distributing the inaugural Data Collection Survey, which captures regular business activities and practices that should allow members to benchmark themselves against others within the industry.
- Submitting bimonthly articles in The Cutting Edge on the economy and its impact in the wood processing industry, as analyzed by consultant Jack Albertine, plus coordinating a Helpline column focused on a variety of industry issues to help members better manage their businesses.

For 2002, the goal is to increase report participation to 50 member companies from the current 30-40. The Flash Report was renamed as the 2002 Executive Trends Report. The Helpline series was renamed as The Management Toolbox. The Sales Compensation and Plant Wage Surveys have been reformatted into much shorter versions and will be distributed this fall, following an invitation to participate in the new Data Collection Survey.

*If you have questions about the Management Information Committee or have suggestions for future projects, please contact Committee Chairman Matt Carroll at (815) 539-7451 or email at [mcarroll@blackbros.com](mailto:mcarroll@blackbros.com), or staff liaison Ken Hutton at (215) 564-3484 x215 or email at [khutton@fernley.com](mailto:khutton@fernley.com).*



# Happy Labor Day!



Charles A. Granger	President
Peter Perez	Vice President
Jim Laster	Treasurer
Kenneth R. Hutton	Executive Vice President
Jean McCann	Director of Committees
Elizabeth B. Franks	Editor, The Cutting Edge
Raylene Torres	Meetings & Communications Director
Karen Boyle	Member Services Coordinator
G. A. Taylor Fernley	Management Liaison
John Satagaj & Andreas S. Kalisperis	Legislative Counsel 1010 Massachusetts Ave. NW, Suite 400 Washington, DC 20001 (202) 639-8888
Harold Zassenhaus	Export Director 7758 Wisconsin Ave. Suite 306 Bethesda, MD 20814 (301) 652-0693
Joseph Mc Hale	Legal Counsel

© 2002 by Wood Machinery Manufacturers of America, Philadelphia, PA. All rights reserved. This publication or any parts of it may not be reproduced in any form without written permission from the publisher. For permission to reprint articles or to send correspondence, write to : WMMA®, 1900 Arch Street, Philadelphia, PA 19103-1498, Phone: (215) 564-3484. Fax: (215) 963-9785. E-mail: [wmma@fernley.com](mailto:wmma@fernley.com)