



# MTI INSIGHT

August/September 2015

The Largest Network of Commercial Heat Treaters in the World.

## Six Facts to Know About Millennials

### Need to Know . . .

- Millennials are the most diverse generation in history; 57% are non-Hispanic whites compared with 61% of generation X and 72% of boomers;
- 60% of boomers get their news from local TV; 60% of millennials use Facebook as a primary source
- Millennials are marrying later than any previous generation, with a median age of 29 for men and 27 for women

One of the hottest topics in the business world today is how to manage the new generation of workers. There's more discussion and more research being done today on people born in the last two decades of the 20th century—the rough boundaries given to the demographic cohort called "millennials"—than on any generation before it.

Millennials are a fascinating generation, filled with contradictions. For example, generally speaking, *millennials are a highly confident group*, according to demographic researcher Jean Twenge. Yet at the same time they are *the most stressed out generation*, according to the American Psychological Association (as could be expected from a population whose formative years were bookended by 9/11 and the fear of terrorism on one hand, and the Great Recession and the fear of unemployment on the other).

Continued on Page 2

## Five Things You Must Do as a Business Owner

You became a business owner for the benefits you could enjoy. You sacrificed, worked hard and took risks to make it happen. In some strange twist of fate, however, you're always the last one to be paid. Sometimes, you aren't paid. You continually sacrifice your own personal financial security for the health and welfare of the business, employees and other stakeholders.

You must serve others well to succeed as a business owner. Your customers are at the top of your list, followed closely by your employees. However, you must also serve yourself. If your business does not earn enough to adequately provide for you currently plus make a contribution to what you'll need when you retire, you need to make a change. Often, the only change that needs to be made is your perspective.

For whatever reason, many business owners don't feel comfortable making their own financial well being a priority. Some feel guilty charging fair prices, holding people accountable, taking vacations and paying themselves well. This is ludicrous.

You rely on no one for your well being. To the contrary, you provide for others, and pay much more than your share of taxes. As such, you deserve to be paid well so you can continue the important role you play in society. And you deserve a comfortable retirement – if not because you deserve and earned it, then because it will prevent you from having to depend on others, such as the government. Moreover, you should have enough that, even in retirement, you

## In this issue:

- 4 DeWolf Forecast
- 6 "People Strategy" Important to Businesses, Business Plans
- 7 Business Owner Imperative: Ensure Continuity
- 8 New 3D Technology Promises to Accelerate Manufacturing Process
- 10 MTI Summer Meetings Hit on Safety

...and Much More!

can be a provider and a caregiver.

**Convinced? Great! Today, you begin to make your own financial well being a priority.**

**1) Retirement Savings:** The first thing you must do is begin to adequately save for retirement. The government has a variety of programs that allow you to do so on a pre-tax basis. Get your time and money working for you. Make it a priority. A habit. The equity in your business is NOT your retirement plan. Putting all your retirement eggs in one basket is foolish and imprudent.

Continued on Page 3

# Six Facts to Know about Millennials

Continued from Page 1

Here are six facts American business leaders, including manufacturers, should understand about millennials:

- 1. They are the largest generation in history.** Baby boomers have long considered themselves the most influential generation by virtue of their sheer numbers. But according to Pew Research Center, millennials are now the largest living generation. True, roughly 76 million babies were born during 1946-1964 and 66 million were born during 1981-1997, Pew's definition for millennials. Extending the millennial boundaries to the year 2000, as many demographers do, and the number of babies born in both cohorts is virtually the same. But according to the U.S. Chamber of Commerce, the number of immigrants arriving over the past quarter-century has swelled the ranks of millennials past 80 million. At the same time, boomers are slowly dying off (their population peaked around the turn of the millennium). While boomers' numbers and relative wealth ensure they'll remain key target customers for the foreseeable future, as millennials become more affluent and the economy becomes more technologically sophisticated, expect the later model of humans to become the primary customer.
- 2. They are the most diverse cohort in history.** The Pew Research Center found that no previous generation has been as diverse as millennials. Some 57% are non-Hispanic whites, compared with 61% of Gen Xers and 72% of boomers. The percentage of non-Hispanic whites will continue to fall, as non-white babies make up half of all births today. This makes newer generations more tolerant than previous generations and it's having an impact on politics.
- 3. Millennials are the first generation to be asked by a previous generation for guidance.** At a MAPI meeting last year, demographer Neil Howe, who along with Bill Strauss introduced the term "millennial," introduced me to a new phenomenon: millennials are the first generation in history to be asked for guidance from a prior generation. Considering the exponential growth of technology, this shouldn't surprise members of the boomer and silent generations, who've grown accustomed to calling children and grandchildren for help with computers, cellphones, televisions, and the like. Still, considering historic traditions worldwide in which older generations were revered as wiser, this is a remarkable cultural reversal.
- 4. They get most of their political news from nontraditional sources.** While 60% of boomers still get their news from local TV sources, according to Pew that same percentage of millennials turns to Facebook. In other words, they're relying on news aggregators that abbreviate and edit stories, rather than original content generators such as newspapers. This affects the amount and quality of the news they read.
- 5. They're different socially and religiously.** Millennials are marrying later than any previous generation: just 26% are married today, compared with 36% of Gen Xers and 46% of boomers when they were in this age range. The median age of marriage for millennials is 29 for men and 27 for women, the highest in history. In addition, just over a third of millennials

describe themselves as religious, the first in U.S. history to not have a majority described as such. The percentage of absolute believers is 58% among millennials, which is 15 percentage points below the rate for boomers.

- 6. They lean Democratic but are philosophically more complex.** The majority of millennials are socially liberal (for example, they are far more likely to favor same-sex marriage and marijuana legalization than earlier generations) and identify with the Democratic Party (in the most recent Harvard poll of millennials, 55% would like to see Democrats retain the White House, while only 40% would like to see a Republican elected). At the same time, the Harvard survey reveals that 40% of millennials agree that tax cuts are a way to generate economic growth, while only half that percentage disagrees. A Reason Foundation poll also found that a majority of millennials hold economically conservative views. As Derek Thompson, senior editor at The Atlantic, observed, "something interesting happens when Millennials start making serious dough. They start getting much more squeamish about giving it away." Welcome to the club.

Article written by Stephen Gold, CEO & President of MAPI

**THROUGHPUT | BLUESTREAK™**

## iMaintain

Preventive Maintenance Software  
Designed Exclusively  
for Heat Treaters

Can be installed as a **STAND-ALONE** or connect to **Bluestreak™** to tie directly into production or scheduling

### Features & Functionality

- Runs on a computer, tablet & smartphone
- Supports flexible maintenance processes with unlimited trackable steps, specifications & electronic media attachments
- Schedule recurring PM tasks or one-off maintenance orders
- Track equipment up/down time, labor hours, repair costs
- Full inventory, vendors, suppliers, locations & purchase orders
- More functionality when connected to **Bluestreak™**

[go-bluestreak.com/bluestreak-solutions/iMaintain](http://go-bluestreak.com/bluestreak-solutions/iMaintain)



# Five Things You Must Do as a Business Owner

Continued from Page 1

**2) Life Insurance:** If you have people that directly depend on your income, such as a spouse, children, grandchildren or parents, what will they do if you pass away tomorrow? Next year? Face it: you're mortal. In addition, as a business owner, you probably have debt. Do you want your legacy to be, "Oh, yes, \_\_\_\_\_ is the guy that left his business and family in debt"? You need enough life insurance to pay off all your debts and provide for those that depend on you.

**3) Disability Insurance:** Now that we've gotten personal, we might as well address another issue. What if you become injured or incapacitated in a way that renders you unable to work? You'll need to hire someone to run your business, and the business profits might suffer. You need to be sure that, in the event you are unable to work, you will have enough income to cover your business and personal expenses.

**4) Buy-Sell Agreement:** If you own your business with others, you need a buy-sell agreement. Let's face it – you don't want to end up being partners with the children or spouse of your partner. You also don't want one of your partners to suddenly sell to another of your partners and give the buyer control. A buy-sell agreement dictates the protocol for how shares are sold and transferred. If you are not totally sure of the rights you and your fellow equity holders have (or don't have) to sell or transfer shares, you need to find out. Talk to your attorney. Discuss the issues with your partners, create a new or improved buy-sell agreement, a stockholder agreement, or enact changes in other ways such as modifications to your bylaws.

**5) Diversification:** Private business owners are notorious for having all their wealth in their businesses. It's the epitome of lack of diversification and a violation of one of the most basic and espoused laws of investment. As soon as your business makes it past the start-up stage and begins generating enough cash to meet your basic business and personal needs, start a program of diversification. You cannot predict the future and even the deftest businessmen and women can be sideswiped by changes in technology, the economy, or both. Begin by fully funding retirement accounts and paying off your home. Then begin investing elsewhere. Real estate should be an early consideration as it tends to be economically dependable and can provide passive income during retirement years. Are you a business owner that puts long hours in year after year but you take little home? Book meager profit? Approaching retirement with few assets other than your business? Bear risks that remain unmitigated?

Get help. Make a change. Turn over a new leaf. You can do it.

Article provided by *The Business Owner*, an online business periodical focused on important issues of business owners of small to medium size companies.

## Thermocouple & Thermocouple Wire Manufacturer

In-house ISO 17025:2005 Calibration Lab



# GEOCORP<sup>INC.</sup>

419.433.1101    GEOCORPINC.COM

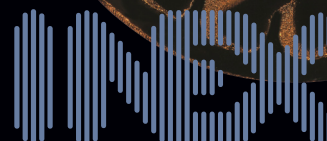
ACCURACY. KNOWLEDGE. AVAILABILITY.

## FASTER, CHEAPER & BETTER Si-SiC Radiant Tubes



+25%  
more  
production

ASK US  
HOW



COMPOSITE RADIANT TUBES



Proudly Made in the USA

Phone: 716-537-2270  
www.inexinc.net • inex@inexinc.net



# DeWolf Associates Forecast Letter

## Looking at Leading Indicators

Volume 30, No. 7

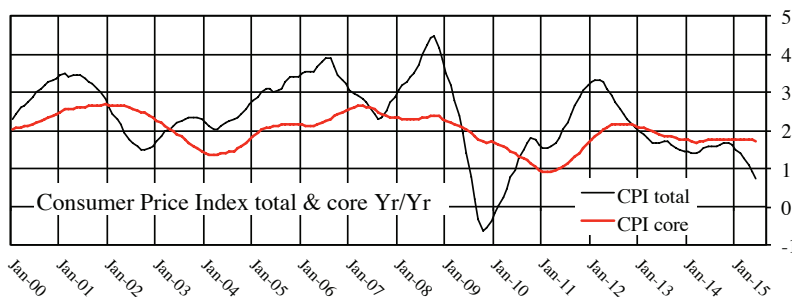
July 2015

Summary for non-technicians –The upcoming mild low is expected to occur in the second quarter of 2016, although for some series the actual low will be in the first quarter. Average business cycle timing puts the next high in the first quarter of 2018. The following low, which may be more significant, is not expected until close to the end of the decade.

### Outlook for the economy

The first half of this year has been unexpectedly slow. The economy is on track to reach a minor business cycle low in the first quarter of 2016. While GDP and industrial production will remain solidly positive at the low, it now appears that many companies will have growth rates dip into negative territory. Despite the current slowing, the fundamentals of the economy remain strong. Employment is growing steadily and the solid gains in housing and auto sales are encouraging signs that there should be no concern about a potential recession.

The Federal Reserve has been waiting patiently to raise interest rates until there is an uptick in inflation to around 2%. Interestingly, this is one of those rare non-recession periods where the "core CPI" (Consumer Price Index minus food and energy) is higher than the total CPI. Currently the core CPI is 1.7% while the total CPI, pulled down by the unusually low price of oil, is only 0.7%.



### Leading Indicators

**State & Local Bond, Corporate Bond Aaa and Mortgage Interest Rates** – Long-term interest rates rose noticeably in June. Mortgage rates increased to 3.98% from 3.84% in May.

**Yield Spread** – The Yield Spread growth rate continues to drop steadily. It was down to -3.7 in June following -3.3 in May. The qtr/qtr passed its low of -6.1 in February and March, so the yr/yr should be turning up soon. If Yield Spread has returned to its role as a one-year leading indicator, this would put a low for the overall economy in mid-2016.

**CEWI-M** – The Cahners Early Warning Indicator (Mortgage) is a combination of housing starts, the mortgage interest reciprocal, and the Dow Jones monthly median. It usually leads the economy by one year. The CEWI should return to its role as a leading indicator when interest rates are allowed to reflect normal market forces. For now it is not very helpful. CEWI-M data: December 8.0, January 9.1, February 10.9, March 9.5, April 9.4, May 9.7, June 11.3

**PMI** - The Purchasing Managers Index leads the economy by one to two quarters. The index has risen in May and June after a slump at the end of the first quarter. The forecast has the PMI yr/yr growth slowing to a low of -6.2 at the end of this year. It does not appear that the PMI index will drop below par of 50 at the low.

**Durable Goods Orders/Inventory**– Forecasting orders and inventory separately and combining them into a ratio gives a series that leads the economy by one to two quarters. Data is currently available through May. The growth curve will have a "mirror image" low in the third quarter of 2015, a result of record setting orders in July 2014. This masks the exact timing of the cyclical low.

### Some other series

**Gross Domestic Product** – The third estimate for the first quarter GDP was raised to -0.2 from the second estimate of -0.7%. The slow first quarter will drag down the growth for the year. The forecast now has only 1.9% gains in 2015 followed by 2.1% in 2016. A long look out to the end of 2017 suggests improved growth of 3.1%.

**Industrial Production** – The industrial production index has been jiggling up and down in the first half of this year, ranging between 105.4 and 106.1. The forecast has a low of 1.4% in the first quarter of 2016. This year is predicted to end up 1.9% followed by 2.7% gains in 2016. There should be increasing growth through 2017.



**Housing Starts** – Housing starts faltered at the end of the first quarter but recovered with a strong second quarter. The quarter was up 14.9% from a year ago. Existing home sales were also solid. The qtr/qtr for existing homes was up 8.3% and the yr/yr up 3.2%. The forecast for housing starts has been raised substantially to 7.0% growth in 2015 with 10% gains in 2016. Annual totals remain below normal levels, so unlike many series that have returned to pre-recession levels, housing still has room for “recovery growth.”

**Light Vehicle Sales** (U.S. sales of vehicles assembled in the U.S., Canada, and Mexico) – Vehicle sales continue to be the focus of consumer spending. Sales have returned to pre-recession levels and as a result the rate of growth is slowing. The

forecast has 3.4% gains in 2015 with 2% growth in 2016. Slightly higher growth is expected for 2017.

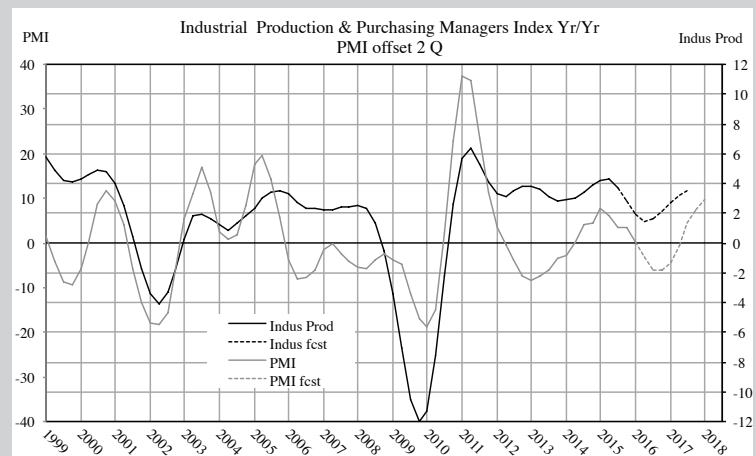
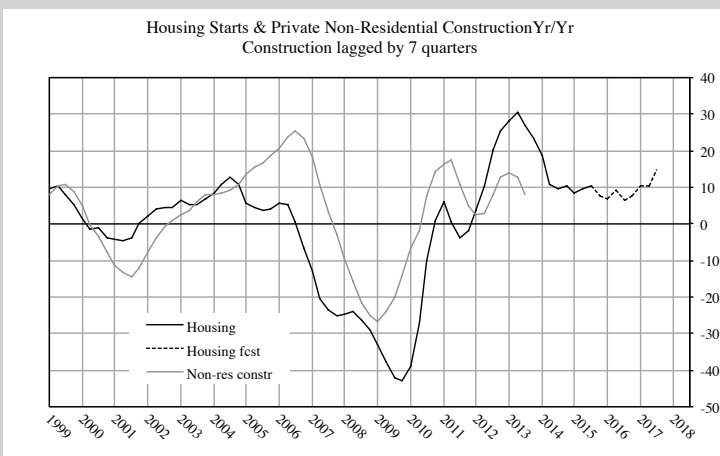
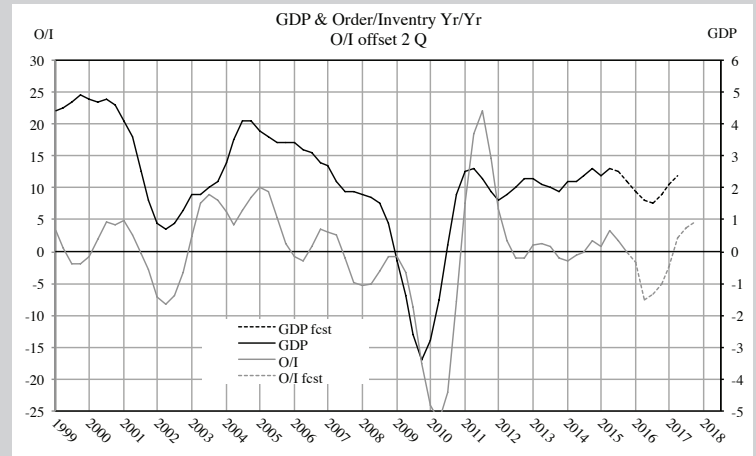
**Retail Sales** – Retail sales continue to be better than year-ago sales, with the notable exception of gasoline stations, which make up about 10% of total retail. The forecast has been raised slightly based on an improved second quarter. This year is expected to be up 1.4% compared to 2014. There will be stronger gains of 3.9% in 2016, primarily because that will be a comparison of two years with the similar low gas prices. Retail sales this year will compare a year of lower gasoline prices (2015) with higher prices (2014), making the growth rate look unusually slow.

**Employment** – Employment continues to increase at a slow but

steady pace. The forecast has been raised slightly and now has 2015 up 2.1% followed by 1.7% gains in 2016. Unemployment is not forecast here since it is a fuzziier number, depending on how many people are actively looking for a job. Unemployment has dropped from 10% in October 2009 to 5.3% this June.

Estimated turning point timing for the overall economy based on leading indicators: Current High: 1st Q 2015; Following (mild) low 2nd Q 2016; next high 1st Q 2018

**The DeWolf Associates Forecast Letter** is published by Deborah DeWolf Allen, 100 Horse Shoe Loop, Prescott, AZ 86303. Phone 928-443-5422 Email: debbieallen@cableone.net.



# "People Strategy" Important to Businesses, Business Plans



While I was attending a Great Place to Work Institute conference, an organizational consultant spoke about a client that displayed posters throughout its offices with the message "Our valued employees are always treated with trust and respect," yet the employees underwent security searches before entering each day. This was an unusual practice for a civilian organization with only "normal" security concerns. The consultant questioned the leaders about the conflicting messages. The organization discontinued the searches.

## Avoid Conflicting Messages

The leader of this company was oblivious to the conflicting messages his employees were receiving. Smart and successful business managers are more careful. They pay closer attention to the messages given. This is because company culture matters. You want to build a winning culture, a unique yet healthy one that breeds teamwork, loyalty and productivity.

## People Strategy Is Mission Critical

When writing and executing your business plan, don't forget the people strategy. People strategy is as important as your marketing plan and cash flow projection. To be sure,

many CEOs boast, "Our people are our most important asset," but judging by the vast numbers of unhappy, unfulfilled and burned-out workers across this great nation, more times than not, it's little more than lip service. When developing your business plan, address the following:

**Culture:** What type of company culture do you have? Keep in mind that the culture typically mirrors the personality of the leader. Be true to it and bring out its most admirable qualities. Define it and adhere to it. Build your brand and your internal and external messages around it.

**Merit-Based Promotions:** Do you evaluate, compensate and promote based on objective performance and results, or stick with the old "who looks the best" or "who has the pedigree" or "who sucks up to me in the most skillful manner?"

**Integrity:** Are you a "by hook or by crook" organization or "we succeed and win with honesty and integrity"? Organizations that seek success by the former route tend to implode eventually.

**Identity:** Does your organization have shared values? Shared beliefs? Guiding principles? If so, are they real or just handbook material/wall fodder?

**Hiring:** Do you hire impulsively and make selections yourself based on recommendations, tests or other subjective criteria, or do you place high on the list the candidates who fit with your culture and the recommendations of your existing employees?

**Jerks Welcome?:** Do you employ jerks? Allow people to act like jerks? Or do you require manners? Ladies and gentlemen? Kindness and cooperation?

## Employee Work Flexibility?:

Are you innovative, trusting and understanding, or strict and traditional when it comes to employee work arrangements? Keep in mind that employers who are creative in how they accommodate the work needs of talented individuals tend to be more productive and profitable.

You're the business owner. You can build your company any way you wish. But my experience is that company cultures often are left to develop on their own. The result is often "yuk, how did we get here." So here's my plea: Your culture is too important to be left to develop on its own. It should be part of your carefully crafted business plan, regularly monitored and tweaked. Do this and you'll be proud of what you create. It'll be a place where people want to work.

**Article provided by The Business Owner, an online periodical that specializes in content for owners of small to medium size businesses. Article written by Kevin Kennemer, president of The People Group.**

# Business Owner Imperative: Ensure Continuity

As a business owner, your number one priority is to ensure the ongoing existence of the business. This is why you work each day to earn a profit and produce positive cash flow.

A less obvious but very real threat to the survival of your business is catastrophe — the sudden and unforeseen event that puts you out of business or inflicts long-term damage: fire, flood, data breach or events that damage your public image or reputation, or the loss of a vital customer, vendor, license, employee or representative.

Just as the business owner must work each day to secure profit and liquidity, he or she must protect the business from loss due to sudden, unforeseen events.

## Here's how:

### Step 1: Identify Your Most Critical Assets

Begin by listing the assets you use in the creation and delivery of your goods or services and in the operation of your business. The primary asset categories are facilities, inventory, equipment,



personnel, data, network/connectivity, voice, hardware, software, licenses, agreements, relationships and reputation. Add to the list items necessary to prove ownership of valuable assets, rights or interests, such as titles and insurance policies. Rank each asset or asset class from most valuable and/or critical to least valuable and/or critical. Estimate the impact that each asset would have if lost. Gauge the impact in dollars, customer relationships, public perception and contingent liability.

### Step 2: List Things That Could Damage Each Critical Asset

Brainstorm about all the things that

could damage each critical asset and/or sever you from full access. For an asset such as your website, it could be a failure of your server by fire or flood. For a key employee or vendor agreement, for example, it could be an erosion of a personal relationship or a fire or other natural disaster. For a license, it could simply be non-renewal for unknown reasons. For something such as a patent, it could simply be the passage of time. Whatever it may be, list the things that could cause damage or separation.

### Step 3: Develop Mitigation Plans

For each "thing" that could cause loss, develop a mitigation strategy. For

*Continued on Page 12*

## In Memoriam: Donald Gaydosh – Ohio Metallurgical

It is with great sadness that MTI has learned that long time MTI member Donald S. Gaydosh 77, of Elyria passed away Monday July 27, 2015 at Lakewood Hospital following a brief illness. Don's company, Ohio Metallurgical has been members of MTI since 1962. He was born February 11, 1938 in Detroit, MI. Donald was a 1956 Richmond Senior High School graduate. He was

the owner and operator of Ohio Metallurgical, and was a member of St. Mary Church, Elyria Elks, Elyria Country Club, and The Knights of Columbus. Donald loved his wife, children and grandchildren, he enjoyed golf, bowling, playing "66", trips to Las Vegas with family, and was a Cleveland area sports fan. Survivors include his wife of fifty five years; Sherrill A. (nee: Ashley),

two daughters; Lisa A. Albright (Bill) of Elyria, Linda E. Tilberg (Todd) of Sheffield Village, three sons; James D. of Cleveland, John M. (Tara) of Grafton, Keith A. (Jennifer) of Broadview Heights. The family suggests that memorial contributions in Donald's memory be sent to the charity of the donor's choice. Online condolences can be expressed at [www.laubenthalmercado.com](http://www.laubenthalmercado.com).



# New 3D Technology Promises to Accelerate Manufacturing Process

The inventor of a new kind of 3-D printer says his research group will build a massive machine capable of mass-producing competitively priced plastic parts within two years.

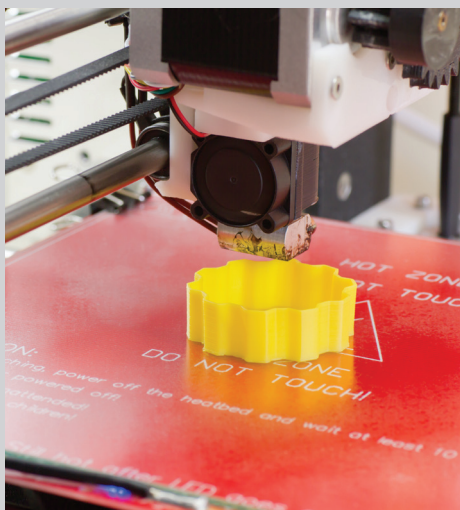
Making plastic parts layer by layer according to digital instructions is a very slow process compared with conventional methods. That's why additive manufacturing—or 3-D printing, as it is more popularly known—has thus far been economical only for making small batches of niche products like dental implants and hearing-aid shells. The new technique could increase the number of parts that can be made economically this way from thousands to millions at a time, at least for small, complicated objects.

Compared with conventional technologies like injection molding, additive manufacturing could significantly reduce material use and eliminate the costly machine tooling needed to make certain complicated shapes. It also makes it more practical to design unique architectures for parts that, for example, could help make automobiles and aircraft lighter and more fuel-efficient (See "10 Breakthrough Technologies 2013: Additive Manufacturing").

Neil Hopkinson, a professor of mechanical engineering at the University of Sheffield in the United Kingdom, has been developing the new method, called high-speed sintering, for over a decade.

Laser sintering machines build objects by using a single-point laser to melt and fuse thin layers of powdered polymer, one by one. Hopkinson replaced the laser

system, which is both expensive and slow, with an infrared lamp and an ink-jet print head. The print head rapidly and precisely delivers patterns of radiation-absorbing material to the powder bed. Subsequently exposing the powder to infrared light melts and fuses the powder into patterns, and the machine creates thin layers, one by one—similar to the way laser sintering works, but much faster.



Hopkinson's group has already shown that the method works at a relatively small scale. They've also calculated that, given a large enough building area, high-speed sintering is "on the order of 100 times faster" than laser sintering certain kinds of parts, and that it can be cost competitive with injection molding for making millions of small, complex parts at a time, says Hopkinson. Now the group will actually build the machine, using funding from the British government and a few industrial partners.

High-speed sintering has the potential to be "very quick," and the process could end up being much cheaper than laser sintering in certain cases, says Phil Reeves, the vice president of strategic consulting for Stratasys,

a leading maker of many kinds of additive manufacturing machines and materials. However, a lot of work is still needed to develop materials that can work with the process if the goal is to compete with injection molding, he says. Judging from what Hopkinson has made public, the range of polymers that work with high-speed sintering is limited compared with that of injection molding, Reeves says, and many industrial polymers may not be compatible with the process, since it relies on combining the powder with an additional, light-absorbing material.

Another potential challenge to the commercialization of Hopkinson's technology, says Reeves, is that Hewlett-Packard is developing a very similar technology. Though few details are known about HP's system, called Multi Jet Fusion, it's clear that it also employs an ink-jet print head that can deliver both a radiation-absorbing material and another material it calls a "detailing agent."

For what it's worth, Hopkinson's high-speed sintering is patented, and the intellectual property is owned by Hopkinson's previous institution, Loughborough University, which has licensed the technology to several entities, including the German 3-D printing company Voxeljet. Hopkinson says the machine his group is building now will be able to deliver additional materials, such as conductive inks used to print electronic devices, which remains a big technical challenge for additive manufacturing. "I don't believe that HP plan on this," he says.

**Article provided in partnership with MAPI. Written by Mike Orcutt.**

# Enhancements Coming to Quarterly Heat Treating Forecasts in 2016

One of the most valued benefits of MTI is the quarterly Heat Treat Outlook report. Each month, about 140 member plants submit their sales numbers to MTI's third party only program that provides a historical trend report to participating members.

Those sales trends are then provided to MTI's economic forecasting company, who uses them to create the Heat Treat Outlook Report. This report breaks down MTI member sales trends vs key leading indicators, and provides a forecast for sales growth or decline for the next 12 and 24 months.

In an industry where there is significant investment in energy, labor, and equipment, it is imperative that you have accurate data and forecasting to help you know when to invest, or not to invest to grow your business.

Early this year, MTI received notice that MTI's longtime forecasting company, DeWolf Associates, would be retiring at the end of 2015. Upon receiving the news, MTI formed a Forecasting Task Force led by Pete Hushek, from Phoenix Heat Treating. The task force reviewed the options for a new forecasting

company, and made a decision on a company that the task force feels will enhance the already informative report that members receive each quarter.

MTI is excited to announce that it is contracting with ITR Economics, a company who came highly recommended and specializes in forecasting models for manufacturing associations. ITR has a proven track record of 94% accuracy in predicting the future economic swings in the economy.

Starting in the first quarter of 2016, the enhancements you will see to the quarterly forecasting will be:

- Forecasting for the next 3-years, as opposed to the 2-years that MTI currently receives.
- Monthly color coding for up to a year out for growth and declines. This will tell you if the month is expected to be pre-growth, growth, pre-recession, or recession.
- 3-month and 12-month moving average analysis trends.
- 3 Webinar calls each year with ITR's

economist, who will review the MTI report and forecast in detail.

- Forecasting session at one of MTI's national meetings each year to report on the year's trends, and what to expect for the upcoming year.

MTI would like to say "Thank You" for the work by the Forecasting Task Force, in researching and enhancing the Heat Treat Outlook report for 2016.

If you are not participating in the MTI Monthly Sales Reporting program, we highly encourage you to do so. When you participate, you receive your own personalized report each month, showing your historical trends and sales ranking against our local district and nationally. Higher participation further enhances the Quarterly Heat Treat Outlook Report.

**If you would like more information on the Monthly Sales Program or Quarterly Heat Treat Outlook Report, feel free to contact our office at 904-249-0448 or [info@heattreat.net](mailto:info@heattreat.net).**



# MTI Summer Meetings Hit on Safety



During the month of June and July, members came from all across North America to enjoy meetings in Niagara Falls, Canada and Seattle, Washington. Members enjoyed a session presented by MTI's Safety Consultant, Rick Kaletsky, as well as, case studies at the Seattle Meeting from Bob Hill of Solar Atmospheres of Western PA, Don Hendry from Pinson Valley Heat Treat, and Tim Levy from Industrial Steel Treating.

The sessions on safety hit on key elements in any plant including:

- What not to say to an OSHA inspector
- How to partner with your local fire department and medical rescue
- Top areas of safety concerns
- Best practices to help prevent serious accidents
- OSHA safety certification programs to help you have a "culture of safety"

After the meeting day was over, members took part in 2-nights of social events to talk about industry issues and connect with other members. Members at the Seattle meeting got to take part

in a private tour of the Everett, Washington Boeing Plant. The tour was a once in a lifetime type tour arranged by Solar Atmospheres.

MTI leadership would like to encourage all members to attend a meeting near you in 2015 or 2016. These meetings are highly educational, and the networking with other executives in the industry is the top reason why many attend.

**If you have any questions on MTI meetings, you can visit our website at [HeatTreat.net](http://HeatTreat.net) or contact our office at 904-249-0448 or [info@heattreat.net](mailto:info@heattreat.net).**







**SUPERIOR FUEL SAVINGS.  
HIGHEST VELOCITY.**

**THE TJSR v5**

**MTI**  
DIAMOND SPONSOR

**ECLIPSE®**  
Innovative Thermal Solutions  
[www.eclipsenet.com](http://www.eclipsenet.com)  
Email: [jroberts@eclipsenet.com](mailto:jroberts@eclipsenet.com)

**SENTRY HELPS  
PROTECT MY  
BUSINESS  
AND ME**

It's our business to know the insurance needs of your metalworking business. We help you create flexible, custom-made risk management solutions to help protect you when you need it most, including machinery and equipment safety, employment practices liability, and employee benefits programs developed specifically for metalworkers.

With Sentry, you'll spend less time worrying about insurance and more time focusing on your business. And that's good business.

**888-376-0903 • [sentry.com/HeatTreat](http://sentry.com/HeatTreat)**

Exclusively endorsed by

Paid endorsement.  
Property and casualty coverages and safety services are underwritten, issued and/or administered by a member of the Sentry Insurance Group, Stevens Point, WI. Individual life insurance, annuities, pensions and group products are issued and administered by Sentry Life Insurance Company, Stevens Point, WI. In New York state only, individual life insurance, annuities, pensions and group products are issued and administered by Sentry Life Insurance Company of New York, Syracuse, NY. For a complete listing of companies, visit [sentry.com](http://sentry.com). Policies, coverages, benefits and discounts are not available in all states. See policy for complete coverage details. In New York, coverage provided through policy form numbers: (Life Insurance) 585-3000, 380-1740, 380-2244; (Disability) 685-9000-31; (Dental) 785-7000; (Pension) 840-300(NY); (Individual Annuity) 380-440. Short-term disability insurance is not available in New York.

92-314 706983 08/22/13

# Business Owner Imperative: Ensure Continuity

Continued from Page 7

example, if a key asset is a relationship with a person or organization, your plan might include:

1. Strategy to reduce reliance on the relationship
2. Multi-point strategy for keeping the relationship
3. Development of contractual protections, such as non-compete, non-solicitation or cancellation notice provisions. (i.e. transfer of risk, such as the purchase of a key-man life insurance policy)

If the key asset is, for example, "inventory," you might work to:

1. Reduce the risk of fire by installing a sprinkler system and/or updating the wiring in the facility
2. Ensure full loss coverage with insurance



3. Develop a strategy for quickly sourcing inventory and securing a temporary place for operations (in case of a loss of the facility)

## Step 4: Periodic Review of the Plan

Over time, your business will evolve. Your risk exposures will evolve as well. To be sure you're doing what you can to ensure the continuity of your business, periodically pull out your continuity security worksheets. Go over them thoroughly and update them. Spot new risks and develop and implement strategies for mitigating exposure.

Keep in mind that identifying your critical assets can take some time. List them yourself and then periodically revisit the list. Some key assets/risks can be difficult to spot. Persons of different vantage points and experiences can be of great help, so put some of your employees and advisors on the task. Ditto for the list of risks to each critical asset.

Your most important job, as a business owner, is to ensure the survival of your business. Profitability is essential, but don't forget about the risk in unforeseen events. Identify your critical assets, the events that could damage them, and then develop a mitigation plan for each.

Article provided by The Business Owner, an online business periodical focused on issues of small and mid-size business owners.

## PIONEERS IN POLYMER QUENCHANTS



Tenaxol™ was purchased by Chemtool Incorporated in 2013. Same great product, new owner.

Chemtool Incorporated brings a wide assortment of grease, lubricants, metal working fluids, cleaners, corrosion inhibitors, quenchant, diecast and hydraulic oils.

Tenaxol™ is a leading brand in polymer quenchant for the heat treat industry.



**CHEMTOOL**  
**INCORPORATED**  
**TENAXOL™**

Call 815-957-4140

[www.tenaxol.com](http://www.tenaxol.com)



Choosing Ipsen means choosing a partner in success.

Member of MTI since 1995.

[www.IpsenUSA.com](http://www.IpsenUSA.com)

**3-85kHz!** Instant, Stepless, Variable Frequency

**She's a Super Freq!**

Radqne's new IFP™ Induction Heat Treating Power Supply

**RADYNE**  
An Inductotherm Group Company

For Ultimate Flexibility and Control of Your Heat Treating  
Call or Email at: [sales@radqne.com](mailto:sales@radqne.com) | 414-481-8360

**INDUCTOTHERM GROUP** Leading Manufacturers of Melting, Thermal Processing and Production Systems for the Metals and Materials Industry Worldwide.

# Quench Oil

- Maximum Hardness
- Minimum Distortion
- Non Staining
- Long Bath Life
- Easy to Wash Off for Bright/Clean Work

Heat Treating Salts • Polymer Quenchants  
Stop-offs

**Heatbath** CORPORATION

ISO 9001:2008 Certified

[www.heatbath.com](http://www.heatbath.com) • 413.452.2000

# Dry Coolers Inc.

Industrial Process Cooling Systems

ISO 9001:2008 REGISTERED

Heat Exchangers, Cooling Towers, Chillers

[www.drycoolers.com](http://www.drycoolers.com)  
800-525-8173

Proud to be a supplier to the MTI



Don't let  
**one part**  
keep you down.



Keep your vacuum furnace up and running with spare parts from Solar Manufacturing. Whether you're rushing to repair a damaged hot zone or performing routine maintenance, you'll get fast replacements. Dedicated aftermarket specialists are standing by with expert advice – regardless of furnace brand. Next time you need that critical part, call Solar for responsive service.



267-384-5040 x 1537

*The Brightest Solutions  
Through Ingenuity*

[www.solarmfg.com](http://www.solarmfg.com)

PROUDLY MADE IN THE USA

[www.wirco.com](http://www.wirco.com)

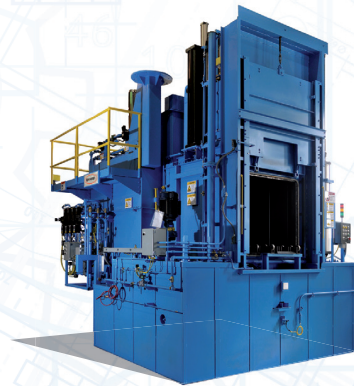
**HEAT RESISTANT  
FABRICATIONS & CASTINGS**

QUALITY • SERVICE • VALUE

**THE QUALITY YOU DEMAND FOR YOUR GLOBAL STRATEGY**

**UBQ Furnace  
(Universal Batch Quench)**

Offering Superior Process Results With Reduced Operating Costs.



**MAXIMUM VERSATILITY IN A MODULAR, COMPACT DESIGN**



49630 Pontiac Trail | Wixom, MI 48393 USA  
+1 248 624 8181 | [sales@afc-holcroft.com](mailto:sales@afc-holcroft.com)

[www.afc-holcroft.com](http://www.afc-holcroft.com)

1915      1975      Present



1925      1952      Present

A lot can change over 100 years.  
Our standard of quality isn't one of them.

**100**  
Surface Combustion  
1915 2015

*Celebrating a century of excellence.*

1700 INDIAN WOOD CIRCLE MAUMEE, OH 43537  
PH. (800) 537-8980 • (419) 891-7150 • FAX (419) 891-7151  
[INFO@SURFACECOMBUSTION.COM](mailto:INFO@SURFACECOMBUSTION.COM)  
[WWW.SURFACECOMBUSTION.COM](http://WWW.SURFACECOMBUSTION.COM)





# MTI Associate Members

## Bringing Value, Service and Expertise to MTI Members







Metal Treating Institute  
8825 Perimeter Park Blvd. #501  
Jacksonville FL 32216

OVER 350 COMPANIES WITH OVER 10,000 HEAT TREATING PROFESSIONALS



**THE LARGEST NETWORK OF  
COMMERCIAL HEAT TREATERS  
IN THE WORLD!**

OVER 350 MEMBER COMPANIES AND 10,000  
PROFESSIONALS SHAPING THE FUTURE OF HEAT TREATING

**THERE IS STRONG...**

**THEN THERE'S MTI STRONG!**

*MTI Gives Your Company a Competitive Advantage  
to Maximize Your Profits, People, Safety and Quality.*