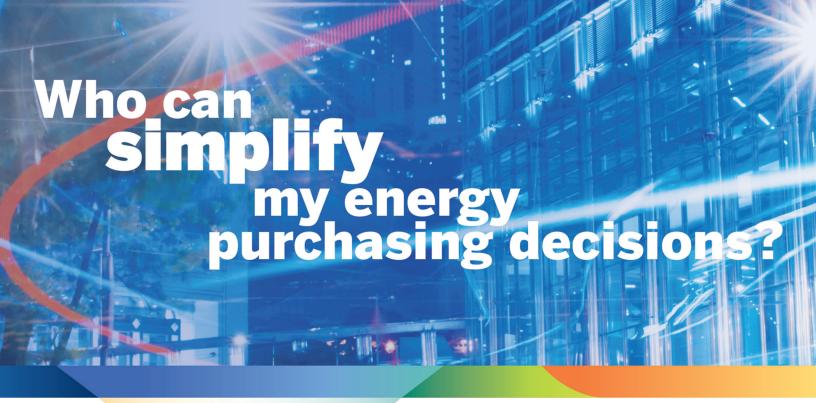
# MANUFACTURER



MTH PUMPS

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To learn more about participating in the IMA energy program, contact please contact Rich Cialabrini at richard.cialabrini@constellation.com or 847.738.2510.



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SECOND QUARTER 2025

## MISSION STATEMENT

The Illinois Manufacturers' Association is the only statewide association dedicated to boldly moving Illinois' makers forward. The IMA is the oldest and largest state manufacturing trade association in the United States, representing nearly 4,000 companies and facilities.

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For address changes and adjustments, write to *The Illinois Manufacturer*. Presort standard postage paid at Bloomington, IL. Postmaster: Send address changes to *The Illinois Manufacturer*, 220 East Adams Street, Springfield, IL 62701. Telephone: (217) 522-1240.

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Share Your Company News with the IMA . . .

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2025 MAKERS MADNESS:
"THE COOLEST THING MADE IN ILLINOIS"
MTH PUMPS

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ompanies can learn a lot from bugs! Take the mayfly for example—an insect that undergoes four distinct stages in their lifecycle: egg, nymph, dun, and spinner. The mayfly evolves from one stage to another but cannot skip a step as each stage is necessary for the transformation. Businesses and organizations evolve in a similar manner with each phase building upon the last to ensure long-term success.

I was honored to be named to the Board of Directors for the National Association of Manufacturers (NAM) and recently attended my first board meeting where I heard a compelling presentation by Joe Hahn from Strategex about strategic transformation in manufacturing companies. He outlined four key stages that companies must navigate starting with safety and a solid base before transforming through measurement, efficiency, and finally into greater effectiveness.

Much like the mayfly's evolution, businesses and organizations, including the Illinois Manufacturers' Association, must recognize what stage they're in and take deliberate steps to move forward. At the IMA, we regularly assess our own growth through our Vision Plan, ensuring we continue to lead in advocacy, membership growth, and programming. While the IMA has experienced tremendous growth over the last five years with record revenue, membership records, and increased programming and advocacy, the IMA has to continue transforming to stay ahead of the pack and better represent the state's manufacturing sector.

The world is changing at an unprecedented pace. Industry disruptions, new and emerging technologies like artificial intelligence and quantum, and shifting political landscapes all demand adaptability. Even internal changes—such as shifts in leadership—require organizations to be strategic in their evolution.

To position the IMA for long-term growth, we recently announced key organizational changes to position us for long-term growth and effectiveness for years to come. Our COO, Gordy Hulten, who has been a key asset for the IMA for the past seven years is leaving for another great opportunity, and we have welcomed Patrick Schweska as our new General Counsel. His expertise will broaden our ability to engage in legal work such as amicus briefs, strengthen our advocacy efforts, and allow for a greater expansion into policy work in Chicago and Cook County.

Three key IMA employees were promoted into new roles that will further advance the organization and our mission:

- Donovan Griffith is now EVP & Chief Strategy Officer
- · Sarah Hartwick serves as Senior Vice President in addition to running the IMA Education Foundation
- Krista Lisser is now serving as Vice President of Communications

With this strong leadership team in place, the IMA is evolving to better serve manufacturers and build on organizational legacy.

As part of this transformation, we brought in a national consultant last fall to look at the overall IMA operation, focusing on measurements, efficiency and effectiveness. While advocacy, programming, and growth remain top priorities, we'll be expanding our long-term strategy to support economic growth in Illinois for decades to come. Stay tuned for the exciting news to come!

We know that your time and treasure are valuable commodities so thank you for your investment and engagement in the IMA. We are all stronger together.◆

Marga

## WORKSHARE IL PROVIDES AN INNOVATIVE ALTERNATIVE TO LAYOFFS FOR ILLINOIS EMPLOYERS

ILLINOIS DEPARTMENT OF EMPLOYMENT SECURITY

ost businesses experience periods of reduced workflow and, therefore, lower labor demands throughout the year. In order to reduce costs during these slow periods, employers, especially those in the manufacturing industry, often feel they have no choice but to resort to layoffs. However, this shortterm adjustment is not always the most cost-effective solution in the long run. This is because employers often lose valuable staff that they have invested time and money into training. And when business picks up, they are faced with demands they can't meet, along with added costs to rehire and retrain a new workforce. When the Work-Share IL program was introduced, it gave Illinois employers a unique alternative to maintain their workforce while still reducing expenses during challenging times. This innovative program provides manu-

facturers with a strategic option to maintain their trained workforce, cut costs, and keep their facilities operating at maximum efficiency yearround.

## How the WorkShare IL Program Works

The WorkShare IL program, available through the Illinois Department of Employment Security (IDES), gives employers a way to avoid temporary or permanent layoffs when they experience a downturn in busi-

ness. The voluntary, federally funded program allows employers to reduce employee hours in any unit of their business and supplement employee pay with unemployment insurance (UI) benefits.

Participating employers register and create a WorkShare IL Plan which allows the employer the flexibility to reduce the hours between 20% and 60% in each affected business unit for up to 12 months. Workers then receive a corresponding percentage of UI benefits while the temporary reduction in hours is in effect. Full-time, part-time, salaried, and exempt employees are all eligible for the program.

Not all businesses have the same needs, so plans can be customized based on the requirements of each participating company. For example, employers have the option to create different plans for each unit of their business. This feature can be of particular use to a manufacturing company. If a manufacturer only needed to reduce hours in one segment of their operation, the Work-Share IL program would allow them to scale back only those areas facing challenges, while other units continue to operate at full capacity. Employers may apply multiple times within the same year or annually as needed.

## **Program Eligibility**

In order to qualify for the WorkShare IL program, employers must meet certain criteria. They must employ at least 2 employees in an affected unit, maintain the existing fringe benefits package under the same terms and conditions, have no existing tax issues, and verify that they have submitted all required quarterly contribution and wage reports for all past and current periods.

Share I

Workers must also meet program eligibility requirements. They must not work more than 40 hours per week, and they must be able and available to work their normally scheduled hours. Additionally, they must be determined eligible for UI benefits. Finally, workers that are included in the plan must work in Illinois. For example, employees working in a branch of the company that is located in a different state would not qualify for the program.

#### **WorkShare IL Benefits**

The WorkShare IL program offers several key benefits, both to employers who are facing layoffs, as well as employees who are supported by the program.

#### **Employer Benefits:**

• Maintain a trained, stable workforce

- Temporarily reduce payroll costs
- Avoid the time and expense of recruiting, hiring, and training new staff
- Remain prepared to quickly adjust to increased work demands
- Minimize the UI cost increases associated with layoffs

## **Employee Benefits:**

- Retain employment and avoid a temporary or permanent layoff
- Receive UI benefits to offset the reduction in hours and supplement the reduced pay
- Eliminate the need for ongoing job searches while receiving UI benefits
- Retain all fringe benefits, including health and retirement benefits

### Registering for the Program

Employers that want to sign up for Work-Share IL should follow these steps:

- 1. Visit the WorkShare IL e-Services website at Workshare. IDES.Illinois.gov/employer to register and submit a WorkShare IL Plan
- **2.** Create an individual Work-Share IL Plan for each affected business unit
- 3. Verify that the WorkShare IL Plan meets all program requirements via online notification in the employer account on the WorkShare IL e-Services site
- **4.** Workers in an approved WorkShare IL Plan must visit IDES.illinois.gov to file a WorkShare IL UI claim, as well as complete the initial certification on the WorkShare IL e-Services website

WorkShare IL is the only program of its kind in Illinois and is steadily gaining recognition across the state as a strategic workforce solution. Instead of struggling with layoffs and rehiring later, this program is helping businesses and employees stay connected, weather slow periods, and bounce back faster when demand returns.

## THE COST OF LABOR: FOCUS ON INDIRECT COSTS

MILLER COOPER & CO. LTD

anufacturers need reliable cost information for quoting, pricing, assessing performance, and valuing inventory. Today, it's also critical for sourcing decisions arising from the new tariffs. Unfortunately, common costing methods and rates based on labor can easily understate costs, leading to misallocated resources and misguided strategies.

Middle-market manufacturers often express costs as a total cost per hour (TCH) for direct labor and plant overhead. However, in attempting to simplify calculations, managers may inadvertently omit key items. Tracking is frequently limited to materials and labor, which are a declining share of total production costs. Indirect labor and overhead encompass everything else.

With understated costs, profit margins from the cost accounting system appear healthier than they truly are, concealing areas needing improvement. Pricing decisions use incomplete data, potentially leading to sales that fail to cover actual costs, particularly of non-routine orders. Meanwhile, the financial statements show losses. In response, managers may raise prices that drive away profitable business or outsource production without attaining the expected savings.

This article outlines how understated rates arise and provides practical solutions for addressing the problem. The goal is a TCH that covers all costs, without overburdening any activity.

## Compute a True Total Labor Cost per Hour (TCH)

In computing TCH, overhead is usually applied as a percentage, or burden rate, to a direct employee's base pay rate. This rate comes from the total manufacturing overhead costs divided by the direct payroll. For instance, if the financial statements show manufacturing overhead totals \$2 million and direct labor \$1 million, the burden rate is 200%. Therefore, for an employee earning \$40 per hour, \$80 is added for overhead, re-

sulting in a TCH of \$120.

However, this \$120 TCH can be half of the correct amount. Labor costs include elements not tied to jobs or products. Further analysis could reveal that \$500,000 of the \$1 million in labor is actually overhead. Consequently, the true burden rate is 500% (i.e., \$2.5 million divided by \$500,000), leading to an adjusted TCH of \$240, double the \$120 rate in use.

The \$500,000 additional overhead might consist of \$200,000 in indirect labor time, \$200,000 in payroll fringe benefits, and \$100,000 due to an efficiency assumption. For example, if labor is 90% efficient compared to established estimates or standards, then \$100,000 of the \$1 million labor is unapplied cost, or effectively overhead.

Indirect labor is time worked but not charged to specific production activities. It includes downtime due to equipment issues, supply chain disruptions, or other operational challenges that prevent employees from working on production tasks. Other factors contributing to indirect time include paid breaks, shift preparation, training, administrative duties, and maintenance.

However, once analyzed, much indirect time relates to specific production activities. Converting indirects into directs assigns costs to the affected products and orders appropriately, through increments to the TCH or separate activities, instead of averaging in as overhead. For example:

- Overtime: When incurred in expediting, overtime premium should be charged directly, thus reducing indirect costs. For example, expedited orders bear TCH plus \$30.
- Automation: When operators manage multiple machines simultaneously and costs are charged based on labor, machine overhead is under-allocated. Often, automation costs get classified entirely as indirect. The addition of machine hours as a costing base captures automation as direct.

- Special setups: Examples include breaking a setup for an expedited order or purging a dark color in a molding process. Short runs and small orders also incur extra setup relative to run time. Although technology can help alleviate some of these issues, they persist in batch-driven processing or certain other operations. Setup charges can be a fixed amount or incremental to TCH.
- Customer on-site work: TCH is often applied only to on-site time spent on installation or maintenance. However, personnel incur significant time in transit and during warehouse activities, which often more than double the TCH, considering vehicle and material handling. Additionally, without a tracking system, delivery routes broken by unforeseen issues such as no-shows are averaged into indirect costs, rather than cost directly.
- Picking and packing: Although often grouped with overhead, fulfillment operations are also direct. For example, a kitchenware company allowed customers to order a single spoon, but without applying the cost directly, managers could not see the loss of margin. The preferred approach reflects the cost as a direct rate per order line.
- Material handling: Similarly, a direct charge per line could burden orders or products requiring numerous parts.
- Rework: Rather than indirect, efforts to address production defects or errors are attributable to particular products; for example, complex castings in foundries.

Fringe benefits embedded in labor cost must enter an hourly costing rate. Fringe benefits cover paid time off, employer taxes, insurance, and other benefits. Paid time off includes holiday, vacation, and sick pay. Employer payroll taxes account for FICA and unemployment compensation, while insurance includes medical



coverage and workers' compensation. Additionally, union and retirement benefits can also contribute significantly to labor costs.

#### **Analyze Overhead Further**

Beyond labor, there is a broader pool of overhead costs—amounting to \$2 million in non-labor expenses—worth targeting. This can include machinery-related costs such as depreciation, maintenance, supplies, energy, and support personnel. Other overhead components include costs for tools, dies, spare parts, indirect materials, occupancy, plant management, insurance, personal property taxes, and material handling functions.

Short of new tracking systems, activity-based costing links costs to the activities that consume the resources, rather than averaging into misleading rates. Activity drivers are quantitative factors that best represent the causes of costs. It

may turn out that \$120 TCH is still used, but supplemented by separate direct charges, such as \$500 per set-up and \$20 per order line.

The proof of accuracy comes in comparing the \$3 million in production cost to the total dollars charged through the accounting system. Differences call for further refinement. Review and improvement are continuous. As details become available, more comprehensive costing can develop.

Analyzing overhead can greatly improve decisions. For example, improved costing at one manufacturer revealed that indirect costs incurred in creating samples for certain prospective small orders would not be recouped for many years, if at all. Another company that inundated its catalog with a plethora of custom items began to recognize the full cost of manufacturing and inventorying these specialized products and stopped

the practice.

With more accurate costing, companies also make better reshoring decisions in response to tariffs. Rather than total TCH, decisions need to project how costs react by line item. That way, only the incremental costs are part of the decision. When insourcing operations, more productive hours better utilize infrastructure. Only the portion of TCH for labor and out-of-pocket costs are relevant when increasing the utilization of equipment or adding a shift.

A robust cost accounting system empowers managers with information for critical decisions, from strategic planning to carving out a competitive niche. Instead of relying on averages, managers can identify products and orders that drive excessive costs, and conversely, those that contribute to their company's success. Ultimately, the benefit is in higher profits.

## AI AND DATA ANALYTICS: THE KEY TO PROFITABLE MANUFACTURING GROWTH

**OXIMPACT** 

anufacturing has long been the backbone of the U.S. economy, driving job creation, innovation, and productivity. As the global economy becomes increasingly competitive, the push for growth and efficiency in manufacturing is more crucial than ever. In an era of digital transformation, artificial intelligence (AI) and data analytics have emerged as game changers in the manufacturing industry.

Historically, manufacturing companies have heavily relied on manual processes and conventional automation. Over time, technological advancements have been enabling the integration of various systems, streamlining operations, providing better reporting and analytics, and improving shop floor productivity. Despite advancements, the industry remains far from achieving optimal productivity and efficiency.

Artificial Intelligence goes beyond conventional automation by enabling systems to learn, adapt, and improve over time. While traditional automation relies on pre-programmed instructions for repetitive tasks, AI-driven systems use machine learning to analyze vast datasets, recognize patterns, predict outcomes, and make intelligent decisions. This continuous refinement enhances efficiency, reduces human oversight, and optimizes real-time manufacturing processes. Data analytics transforms raw data into actionable insights, allowing manufacturers to make informed decisions more accurately and confidently. Advanced analytics can reveal inefficiencies, identify market opportunities, and optimize production workflows.

One significant advantage of AI in manufacturing is predictive maintenance, which substantially reduces equipment downtime and operational costs. Using AI-driven sensors and analytics, manufacturers can accurately predict equipment failures before they occur, scheduling maintenance proactively rather than reactively. This proactive approach significantly reduces unexpected downtime, enhances asset lifespan, and lowers maintenance costs—critical elements in maximizing productivity and profitability.

AI enhances demand forecasting accu-

racy and improves production planning, two crucial elements in manufacturing. AI-powered analytics accurately predict market demand by analyzing historical sales data, market trends, and consumer behaviors. Manufacturers can align production closely with actual demand, reducing excess inventory, minimizing waste, and maximizing profitability.

Many manufacturers encounter hurdles when adopting AI and data analytics, including significant upfront investment requirements, skill gaps within the workforce, data integration issues, and resistance to organizational change. Companies need robust strategies to overcome these barriers, including targeted training programs, phased AI implementation, and clear internal communication highlighting AI's benefits.

Leveraging AI and data analytics has shown measurable profitability gains through optimized supply chains, improved product quality, enhanced operational efficiency, and reduced waste. AI-driven strategies ensure agility and responsiveness, allowing manufacturers to quickly adapt to changing market conditions and consumer preferences. This dynamic capability gives manufacturers a distinct competitive edge, positioning them for sustainable long-term growth.

Emerging AI technologies continue to revolutionize manufacturing. AI-powered robotics, intelligent automation, digital twins, and generative AI are reshaping industry standards. AI-driven robotics enhance production flexibility and precision, while digital twins—virtual replicas of physical manufacturing systems—enable real-time performance monitoring and optimization. Additionally, generative AI provides innovative design solutions, streamlining the development process and fostering rapid innovation. These trends collectively position AI as the foundation of future manufacturing growth.

AI and data analytics are no longer optional; they are essential for manufacturers seeking long-term competitiveness and profitability. The global manufacturing landscape is rapidly evolving, and companies slow to adopt these technologies risk being left behind. Manufacturers must act decisively now to integrate AI and data analytics into their strategic planning and operational frameworks. Doing so will secure their competitive advantage, drive profitability, and ensure sustainable growth in an increasingly challenging market. The future belongs to manufacturers ready to embrace AI and data analytics as core drivers of innovation and growth.



## THE POWER OF ELECTRICITY CHOICE

CONSTELLATION

n today's energy-intensive landscape, managing costs, mitigating risks and meeting sustainability goals can be challenging for businesses of all sizes. Having the ability to choose energy suppliers empowers them to optimize their energy strategies. By understanding the intricacies of electricity choice, businesses can take control of their energy procurement and better align their operations with their financial and environmental goals.

#### What is Electricity Choice?

In regulated electricity markets, consumers are required to purchase electricity from their designated utility provider at rates set by the public utilities commission. However, in deregulated energy markets, like Illinois, consumers can choose between various retail electricity suppliers. This flexibility allows them to shop for the best rates, contract terms and services, encouraging suppliers to offer superior customer service and innovative solutions. As a result, energy buyers can tailor their procurement strategies to align with their specific operational requirements and financial goals.

#### Benefits of the Power to Choose

Having the option to select between suppliers offers several potential benefits, including:

- Cost Savings: Comparing different suppliers with competitive rates can lead to substantial savings over time. Additionally, some suppliers may offer flexible pricing plans or volume discounts that further lower costs
- Risk Management: Diversifying energy sources helps manage price volatility and prevents supply disruptions. Fixed-rate contracts provide price stability and protect against sudden spikes in energy costs.
- Sustainability Goals: Renewable energy options help businesses meet sustainability goals and reduce their

carbon footprint, enhancing their reputation and brand image by prioritizing environmental responsibility.

## Choosing an Electricity Plan

The flexibility in deregulated markets lets customers choose the best solutions based on their needs. When choosing a plan, it's important for businesses to consider budget, risk tolerance and energy usage patterns. Evaluating all costs, not just per kWh rates, is crucial to making an informed decision.

## Types of Electricity Plans:

- Fixed Rate: Lock in a set price per kWh for the entire contract term. Contracts typically lasting from 1-5 years, providing maximum budget certainty but less flexibility.
- Index Rate: Rates per kWh fluctuate based on market conditions like electricity demand, fuel costs and weather. This allows customers to benefit from lower prices when market prices fall but results in less budget certainty and higher bills during peak times.
- Managed Rate: A mix of fixed and index rate components balances budget stability and market exposure, allowing for cost optimization while maintaining some price certainty.

## Developing a Customized Electricity Purchasing Strategy

Working with a trusted provider like Constellation, IMA's endorsed energy provider, allows business customers to embrace a purchasing strategy tailored to their unique energy needs, risk tolerance and budget goals. This might include using a combination of plan types and strategically timing fixed price purchases. Rather than settling for a generic one-size-fits-all electricity plan, businesses can take control of their power purchases with a strategic, specialized approach.

## Choosing a Retail Electric Provider

When making an electricity choice, evaluating and selecting a provider is one of the most important decisions for businesses. Considering the following key factors can help navigate the options and identify an ideal provider:

- Strong reputation and years in business
- Flexible plan options to meet your business needs
- Transparent, easy-to-understand pricing
- Strong customer service and support
- Tools and resources to make informed decisions

## Benefits of Choosing Suppliers with Sustainable Energy Options

Businesses of all sizes can make an impact when choosing suppliers with energy solutions that align with their corporate sustainability goals. By implementing energy strategies that minimize their carbon footprint by increasing energy efficiency and reducing carbon emissions, they can enhance their reputation and demonstrate their commitment to environmental responsibility.

## Let Constellation Simplify Electricity Choice

Constellation, IMA's endorsed energy supplier, is committed to understanding your unique energy needs. Their team of experts can help you navigate the complexities of the deregulated energy market to find the best rates and solutions to optimize your operations and achieve your sustainability goals. Contact Constellation today to learn how your business can unlock the full potential of electricity choice and take control of your energy strategy.

# WORDS IN YOUR EMPLOYMENT DOCUMENTS MATTER

BARNES & THORNBURG LLP

s Dr. Seuss wisely wrote, "I meant what I said, and I said what I meant." A recent Seventh Circuit decision makes it clear that this timeless lesson applies directly to how employers should approach agreements contained in their policies and handbooks, especially those including disclaimers stating that such policies are not contracts. Clear and precise language can prevent misunderstandings, protect your business interests, and ensure compliance with legal standards.

Illinois' Wage Payment and Collection Act ("IWPCA") grants employees a private right of action for compensation of unpaid wages due under an agreement or contract. Employers often use disclaimer and discretionary language to establish that an employer's performance under certain agreements is not legally required. In Das, the Northern District of Illinois held that boilerplate contract disclaimers—"this agreement is not an employment contract"—are not sufficient to avoid an employer's performance under an agreement, particularly when an employer has established past practice that supports its performance thereof. The employee Das filed a suit under the IWPCA, alleging that he was entitled to a bonus payment determined by calculations and formulas under his employer's incentive plan. The employer moved to dismiss his complaint, stating that the incentive plan and communications reference said the plan contained a disclaimer stating that the bonus payment was at the sole discretion of the CEO and employees were not entitled to it. The Court held that the employer's past practice of paying its employees the bonus based on the formula and calculations contained in its policies was sufficient to establish an agreement under the IWPCA. The reservation of performance under discretion did not preclude the employer's performance.

If your company's policies include a similar disclaimer, here are key considerations to avoid claims under the IWPCA related to discretionary bonuses: Is the language clear enough?

Vague or ambiguous language can lead to confusion and costly disputes down the line. In Illinois, agreements between employees and employers go beyond formal contracts. For example, employment handbooks can be considered agreements, even if they include language explicating denying the existence of a contract. Typically, this language is sufficient but it's important to remember that an employer's actions, past practices, or even verbal agreements can create unintended legal obligations. When it comes to drafting, revising, or reviewing policies that create an earning structure, such as bonuses, be as clear as possible.

Objective terms for earning a bonus may create an agreement between an employer and employee, and an entitlement to the bonus despite including "discretionary language." In 2015, the Illinois Appellate Court held that an employer's plan that promised an employee inclusion in the bonus pool, if created, established a right to the bonus payment despite the plan stating that the bonus could "be adjusted or denied for any reason." This case demonstrates that the courts will likely find a bonus plan that requires objective metrics to receive payment creates an agreement that cannot be disputed even in the presence of discretionary language.

## What kind of bonuses are we offering?

Determine what kind of bonus structure you are offering employees and explicitly state that in your documents, contracts, email, and all records.

Under the IWPCA, an employee is not owed payment for "discretionary" bonuses but can be entitled to "earned" bonuses. Bonus structures should explicitly state whether a bonus is discretionary in its title and within any disclaimers. Bonuses tied to objective metrics, formulas, and measurable criteria are more likely to be considered "earned," And therefore considered wages under the IWPCA. Bonuses based on subjective

performance evaluations are more likely to be considered "discretionary." Knowing and preparing for this distinction is vital to safeguarding your business from legal complications.

Bonus structures with discretionary criteria should rely solely on subjective standards to establish that the bonus is not an unequivocal promise. The IWPCA defines a discretionary bonus as a bonus whose "terms associated with the earning of the bonus are indefinite or uncertain, such as bonus being upon a positive evaluation of the 'employee's performance' and not when the earning of a bonus is based on objective factors such as length of service, attendance, or signon or relocation incentives." Id. § 300.500(d). Definitive criteria—length of service, attendance, and retention incentives— create an unequivocal promise to the employee, and an employer should prepare to pony up.

## How can the company's past practices create legal obligations?

A company's previous actions and decisions can set binding expectations. Past patterns or practices of conduct may create legal obligations, including a duty to pay employees discretionary bonuses you did not originally account for. If your company has a history of paying bonuses under similar circumstances, it may be considered an agreement with employees to continue this practice. Bonus structures should be reviewed periodically to ensure they still align with business goals, market standards, and legal requirements. Regular reviews allow companies to adjust their structures and be transparent with employees about any changes to avoid potential issues.

## Does the disclaimer actually protect my business?

Employers should consider bonus structures that are based on conditional criteria without objective metrics. In 2022, the First District Appellate Court that an employer's bonus incentive contained in an offer letter did not create a



promise of the bonus because the requisite criteria included "excellent performance," which was conditional and based on the employer's subjective evaluation. In Illinois, boilerplate disclaimers may not be enough to protect against wage claims, especially if employees have come to rely on consistent bonus payments. A well-crafted contract considers both legal protections and employee expectations. Avoid copying and pasting generic disclaimers—courts examine

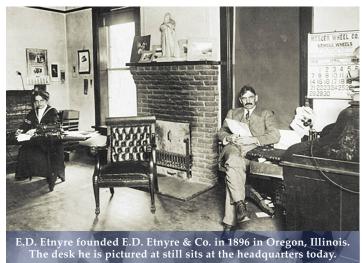
the specific language used, and employees may still be entitled to payment even with disclaimers in place. Consulting with legal experts ensures your disclaimers are strong and help prevent complications later.

Employers should be mindful of disclaimers contained in their handbooks. As of January 1, 2025, Illinois amended its Personnel Record Review Act to now include employer handbooks as a category of documents available to employ-

ees upon request. This means employers must now include versions of its handbook that applied to the employee during his or her employment. If your company's handbook contains a disclaimer, we suggest you review it carefully to ensure it does not create a binding agreement between the company and its employees.



or over a century, E.D. Etnyre & Co. has been quietly shaping the roadbuilding industry—its black and gold logo synonymous with reliability, innovation, and a certain no-nonsense pride that comes from building something the right way, not the easy way. Founded in 1898 in Oregon, Illinois, Etnyre began as a pioneer in road maintenance equipment, and today, it stands as one of the nation's most respected manufacturers of asphalt distributors, chip spreaders, transports, live bottom and lowboy trailers.



Now under the parent company Etnyre International, the company is more than its machines. It's a legacy of craft passed down through generations, a family company that grew up with the American infrastructure boom and never lost sight of its roots.

Over its 126-year history, the company has not only endured major shifts in the road construction industry but has also helped define it — setting standards in engineering, safety, and performance.

That legacy took a transformative turn in 2018, when President and CEO Ganesh Iyer came to Etnyre International. Under Iyer's leadership, Etnyre International has embraced a long-term growth strategy rooted in the values that defined its past: care, humility, integrity, respect and trust. But now, it's also about thoughtful expansion—modernizing operations, investing in R&D, and welcoming a family of brands that complement one another.

One major milestone came in 2015 with the acquisition of BearCat Manufacturing, a respected name in asphalt distributors. The acquisition proved to be both a cultural and strategic fit, bringing additional market share as well as fresh perspectives that aligned with Etnyre's commitment to doing things the right way.

Five years later, in early 2020, Etnyre acquired Rayner Equipment Systems (RES), a move that deepened Etnyre's footprint in the pavement preservation space. The acquisition expanded the company's capabilities, allowing it to offer more comprehensive solutions to customers across the roadbuilding lifecycle.

Later that year, SMF, a longtime IMA member based in Illinois that specializes in heavy metal fabrication, was acquired as well. This strategic addition not only strengthened Etnyre's manufacturing depth but also reaffirmed its commitment to investing in Illinois industry and talent.

Then in 2024, the company acquired Hendrick, further broadening its portfolio via perforated metal fabrication, screening, and architectural capabilities while reinforcing Etnyre's position as a diversified leader in infrastructure solutions.

These strategic decisions reflect a disciplined and values-driven approach to growth. Rather than acquiring for acquisition's sake,



Etnyre has focused on partnerships that align with its vision and North Star—improving lives by serving the infrastructure needs of the world.

**Empowering Through Growth:** As Etnyre continues to expand and diversify, its commitment to its workforce remains at the heart of its strategy—empowering its 'members,' as employees are called, through development, opportunity, and shared success.

"I'm incredibly proud of the equipment we build and services we provide — the work we do in our factories truly improves lives," Iyer shares. "But what fills me with the most pride is our people. Every day, I see our members bring purpose, skill, and heart to the work they do. They're the reason Etnyre International exists."

The company's growth strategy not only expands capabilities—it also creates opportunities for its workforce.

"That kind of growth unlocks incredible career paths and advancement opportunities for our members," says Mary Gaffey, Vice President of HR and Strategy Execution. "Whether it's global growth, the expansion at SMF, or bringing Hendrick into the family, we're building something powerful together."

**People-First Philosophy:** Etnyre's mission and values influence how the company operates and supports its people. The team is committed to fostering a positive culture and offering various forms of support that help members thrive professionally and personally.

While the company's focus is on high-quality manufacturing, Etnyre also strives to create a workplace where members feel valued and respected. From offering employee recognition to supporting internal growth, the company aims to create an environment where people are empowered to do their best work.

During the COVID-19 pandemic, that commitment to care became even more visible.

"The moment that stands out most to me is how our people came together during COVID," Iyer reflects. "While much of the world went remote, our members showed up — day after day — in our manufacturing facilities. Their resilience, respect for one another, and commitment to doing the right thing was unlike anything I've ever seen. It was a powerful reminder of who we are at Etnyre International."

**Resilience and Response:** One moment that stands out for Gaffey was during Hurricane Helene, when many employees at Etnyre's South Carolina facility lost power and access to basic needs. "We put together a support plan, and when we brought it

to Ganesh and our board chair, Bill Etnyre, their response was immediate and deeply human," she recalls. "They didn't just approve it—they went above and beyond."

That swift, compassionate action helped define a new standard for how Etnyre supports its members. "It wasn't just about recovery," Gaffey says. "It was about showing up for our people when they need us most."

**Family-Owned, Community-Focused:** Unlike many manufacturers, Etnyre International is still family-owned. That family mindset is present in everything from the benefits package to the way leadership interacts with staff.

"Our owners genuinely care about how we treat our members and the communities we're part of," says Rich Wilsie, Chief Operating Officer of the road maintenance division. "That kind of heart isn't common in most large businesses, but it's at the core of who we are."

Wilsie was first hired as a welder more than 30 years ago. Today, he leads the very division where he got his start—a testament to the kind of growth, leadership, and care Etnyre International strives to foster.

The company's benefits reflect that care: high-quality health coverage, flexible hours, and competitive wages are the base-line—not the bonus. And through community outreach, donation drives, and volunteer efforts, Etnyre ensures that its impact extends well beyond its factory walls. That ethos of mutual support and community care continues to guide Etnyre's approach to leadership and growth.

**Driven by Purpose:** Looking ahead, the company is doubling down on R&D and sustainability. Recent innovations include more environmentally friendly emulsion systems and digital enhancements that improve safety and precision.

"What excites me most about Etnyre's future is our people," Iyer says. "The leaders and members I get to work with today are the ones who will shape the next 126 years of this company. Our growth is important—but it's the caliber of our team and their commitment to our purpose that makes the future so promising."

Now in its 127th year, it's clear the company hasn't forgotten where it came from—or where it's going. With a rich history as its backbone and a forward-looking strategy in place, Etnyre International is paving the way for the next century of American and global infrastructure.

Please join us in recognizing, congratulating, and celebrating Etnyre International on 126 years and six generations of manufacturing in Illinois. The IMA is proud to represent them as a member of the association.



## THE IMPACT OF EFFECTIVE ONBOARDING

THE OVERTURE GROUP

nvesting on day one: decade ago, the term "onboarding" wasn't commonly used in privately held companies. Today, however, it has become an essential part of HR language. Both employees and HR professionals must have a shared understanding of what onboarding means. Additionally, top management should actively support onboarding initiatives, especially for executive, management, and professional roles. The value of successful onboarding cannot be overstated. Research indicates that organizations with a strong onboarding process improve new hire retention by 82 percent and productivity by over 70 percent (Brandon Hall Group 2015).

The daily task of engaging current employees is challenging, to say the least. However, welcoming, engaging, and integrating new employees into your company can be a monumental task – and you only get one chance to do it. A focused onboarding plan is key.

#### A Focused & Structured Plan

Onboarding refers to a structured process that helps a new employee transition smoothly into an organization. Statistics from Click Boarding highlight the value of a focused and structured onboarding process or program.

- 69% of employees are likelier to stay with a company for three years if they experience great onboarding.
- New employees who underwent a structured onboarding program were 58% more likely to be with the organization after three years.
- Organizations with a standard onboarding process experience 50% greater new-hire productivity (Click Boarding 2022).

### The Value of Onboarding

While the specific goals of onboarding can vary from one company to another, for professionals, managers, and executives, the primary objectives usually include:

- Ensuring new hires feel welcomed and valued.
- Accelerating their contributions and productivity from the beginning.
- Reducing the risk of early turnover.
- Improving customer or client satisfaction
- Aligning the new hire's role with both short-term and long-term company goals.

### First Impressions are Key

Creating a strong "First Impression" is essential for success. Many companies implement effective orientation programs for new employees, which are crucial, but they represent only one aspect of a comprehensive onboarding strategy. Key activities during orientation often include:

- Conduct a thorough explanation of the enrollment process for benefits programs.
- Training on communication systems (phone, email, etc.).
- Provide a comprehensive tour of the facilities, including introductions to colleagues, team members, management, and executives.

Even organizations that execute orientation activities well may find that there is often room for improvement. Consider the following enhancements:

- Greeting the new hire at the entrance on day one.
- Offer a detailed overview of the company's mission, vision, values, and history.
- Provision of necessary supplies and tools (computer, phone, etc.) and ensure that the workspace is fully equipped with essential tools and supplies.

#### The Initial Orientation

This initial orientation is essential for creating a positive first impression and forms the basis for a more comprehensive onboarding plan, which should

include:

## Initial Integration (First 30 Days)

- Get familiar with the company culture and policies.
- Review role expectations and responsibilities.
- Set up regular check-ins with your supervisor.
- Clarify communication preferences and establish priorities for the first 30, 60, and 90 days.

## Internal Relationship Building

- Organize meetings with executives and key personnel across departments to share insights about their roles and the overall organizational landscape.
- Facilitate one-on-one discussions to enhance personal engagement and deepen understanding of mutual responsibilities
- Focus on the new hire's immediate team and department.
- Assign a "buddy" from within the team to provide support and answer daily questions during the first 30 to 90 days, distinct from a mentorship role.

## **External Relationship Building**

- Encouraging connections with relevant external parties, such as clients, suppliers, or industry contacts, to build vital relationships for the role.
- Identifying key partnerships, including legal, banking, consulting, and software entities that are pertinent to the new hire's responsibilities.

#### Systems and Process Understanding

- Offer access to and training on essential company processes and systems critical for ongoing success.
- Organize hands-on training for any external systems or software that the new hire will use.
- Ensure understanding of how data flows through the systems.
- Identify the super users for specific modules or systems.

## Percentage of New Hires Recommending the Following Onboarding Improvements

Clearer communication of job expectations/performance metrics

Customized training for different skill sets/roles

Better alignment of onboarding content with job responsibilities

Learning resources for continuous skill development

Increased transparency about career development opportunities

More human interaction such as face-to-face meetings/mentorship

Incorporating social interation/team-building activities

Incorporating company culture/values

### **Building Company Knowledge**

- Thoroughly review all of the company's brochures and website to gain a deep understanding of the company's competitive advantages and product offerings.
- Familiarize yourself with the company's sales and marketing plan, as well as the strategic plan.
- Examine current and future organizational charts.
- Review key financial documents.
- Look over any additional documents that pertain specifically to your new position.

#### **Key initiatives**

• These major initiatives will be led or significantly contributed to by the new hire within the first 12 to 24 months of

employment.

• They are typically discussed during the interview process and should be documented in the job specification.

### **Mutual Feedback Sessions**

- This is a regularly scheduled meeting between the hiring manager and the new hire.
- This is a way for both to give and receive feedback during the early stages of employment.

#### **Execution & Follow-up**

At The Overture Group, our experience has shown us that by utilizing a structured and engaging onboarding plan, organizations can ensure that new employees feel supported, connected,

and equipped to contribute effectively from day one.

We also advise our clients that a 6-month follow-up is a key element to maintain open lines of communication after the new hire has settled in. By guiding and facilitating these meetings for our clients, we find that both the company and the employee benefit from open dialogue. This comprehensive strategy can lead to higher satisfaction, reduced turnover, and bolster overall performance for the company and its employees well into the future.

For More Information, visit TheOvertureGroup.com or contact one of our executives to learn how we can help you Attract, Motivate, & Retain.

Constellation – Providing tools to create a customized energy strategy for your company

# THINKING AHEAD: HOW TO DEVELOP A BUSINESS PLAN FOR THE FUTURE

**INSPERITY** 

mart business leaders recognize that it's never too early to develop a business plan for next year. The challenges of recent years have not only exposed the strengths and weaknesses of many companies but also opened up new avenues for growth and innovation. Though we're still in the early stages of 2025, businesses have a fresh opportunity to build on these experiences with 2026 in mind, positioning themselves for future success.

Here are some key steps organizations can take today to craft a robust business plan for tomorrow:

### **Prioritize Your People**

People are the cornerstone of every facet of your business; therefore, plans to address the needs of your staff should be paramount in your planning. As we navigate a rapidly changing world, taking care of your employees is more important than ever. This includes prioritizing their physical and mental health, work-life balance and overall quality of life. Maintaining a positive corporate culture crucial. Consider incorporating employee wellness programs, flexible scheduling, generous PTO, and other benefits into your future business plan. When employees feel valued and supported, they're more likely to be loyal and engaged, which can help drive the success of your business.

Remember that employment and labor laws and regulations are dynamic constructs and change continually. Prior to establishing any specific staff-related plans and budgets, check with your HR department, PEO partner, or legal department to see if there are any pending legislative or regulatory changes on the horizon that you should take into consideration.

Also, due to the tight labor market, if hiring is part of your plan, benefits and aspects of your corporate culture, like paid volunteer time, could impact how attractive you are to potential hires and impact how quickly you can fill positions. The Society of Human Resource Management estimates that an open posi-

tion costs \$500 per day and takes an average of 42 days to fill. Investing a little in advance to cut your search time could result in significant savings.

#### **Start Early**

Initiating your business planning well in advance enables your team to think beyond immediate challenges and focus on long-term strategies. Given the unpredictability of recent years, the importance of a well-thought-out business plan has never been more apparent. The more time you have to prepare, the better positioned your company will be to navigate the competitive landscape effectively.

#### **Embrace Current Realities**

Predicting the future can be challenging in a world where change is constant. Organizations should ground their plans in the current realities while remaining flexible to adapt as circumstances evolve. Conduct a thorough analysis of your company's current state using tools like SWOT analysis (strengths, weaknesses, opportunities, and threats) to guide your planning. Acknowledge that you are not an expert in every aspect of your operations. Talk to department heads and staff to get a real-world picture of your current state.

A comprehensive understanding of your business environment will help you identify areas that require additional investment and others that may need to be adjusted or eliminated to optimize resources and achieve success going forward.

#### **Set Realistic Projections**

A future business plan should account for both growth and uncertainty. While it's important to be optimistic when planning several months in advance, businesses should set realistic, conservative projections to safeguard against unforeseen challenges. Balancing cautious planning with ambitious stretch goals can motivate your team while ensuring that your business remains resilient in the face of adversity. Companies that have identified new opportunities in response to

recent disruptions should focus on capitalizing on these areas to drive productivity and profitability in the coming year.

### **Incorporate Adaptability**

Successful businesses today understand the importance of agility in leadership. Companies that pivot quickly and adapt to changing circumstances fare better than those that respond slowly. Adaptability should be a core component of your business plan both now and in the future. Flexible goals, processes, and strategies will help your company remain stable even if economic conditions change. By building adaptability into your planning, you'll be better equipped to handle whatever challenges arise.

#### Plan for Unusual Scenarios

While traditional business plans often include financial "what if" scenarios, expanding this approach to account for the unusual and unexpected is essential. Scenario planning should address a range of potential challenges that could arise in the next 12-18 months. Consider scenarios such as supply chain disruptions, technological shifts, changes in consumer behavior, or even new public health challenges. A well-rounded plan that takes various possibilities into consideration will help your business navigate potential hurdles more effectively.

## Seize the Opportunity

Businesses today know how planning, including planning to pivot, is critical for success. The experiences of recent years have provided businesses with invaluable lessons and opportunities for growth. Organizations that take the time to develop a thoughtful, forward-looking business plan for next year and beyond will be better prepared to thrive in a dynamic environment. As you look to the future, approach your planning with optimism and a commitment to continuous improvement. By doing so, employers and employees can forge ahead with renewed confidence and a clear path to success.

## DIGITAL TRANSFORMATION: EMBRACING INNOVATION FOR EXCELLENCE & GROWTH

**PRIMIENT** 

n an era where digital transformation is essential to staying competitive, manufacturers can leverage cutting-edge technologies to enhance operations, improve decision-making, and drive business growth. Key areas of transformation include adaptive financial planning, AI-powered decision-making, and operational efficiency initiatives. By exploring these strategies and their impact, manufacturers can gain valuable insights into how digital tools can reshape their operations.

At Primient, we recognized the need for modernization and implemented three major digital initiatives: Adaptive Workday Planning software for enhanced budgeting and forecasting, Microsoft Copilot AI for streamlined processes, and our Productiv-

ity Agenda for improved processes and cost savings. By making these changes, we've seen measurable improvements, and other manufacturers can benefit from similar strategies.

## Adaptive Workday Planning: A New Approach to Budgeting

Financial planning is at the core of any successful manufacturing operation, but rapidly shifting market conditions demand

a more flexible approach. The Adaptive Workday Planning software allows companies to move beyond fixed annual budgets by integrating real-time data and adjusting forecasts as needed. This enables better resource allocation and more informed financial decisions.

Implementing Adaptive Workday Planning made it easier to adjust our financial plans based on external market changes and shifting company priorities. This software has allowed our teams to allocate resources more effectively, respond to unforeseen challenges proactively, and ensure that capital is being spent in the most impactful areas.

For manufacturers considering a similar transition, this dynamic and transparent approach to budgeting can improve forecasting accuracy across the organization.

CoPilot: Leading the Charge in AI Adoption

AI is becoming an essential tool for manufacturers, enabling smarter decision-making, process automation, and data-driven insights. Companies that integrate AI can enhance efficiency and empower employees with more strategic tools.

AI adoption at Primient is not just about integrating technology for the sake of it; it's about improving the way employees work and empowering them with smarter tools to find synergies and make informed decisions faster. In 2024, we began using Microsoft Copilot, an AI-powered tool, to enhance decision-making processes and automate routine tasks across the organization.



With Copilot, our team has access to powerful tools with Microsoft Office 365 products that automate workflows and tasks. Copilot helps us generate content, review it, and provide valuable insights, enhancing our productivity and efficiency.

For manufacturers looking to integrate AI, leveraging tools like Copilot can help streamline workflows, reduce ineffective processes, and enable employees to focus on higher-value tasks.

## The Productivity Agenda: Driving Efficiencies and Cost Savings

Achieving operational excellence is critical for manufacturers seeking to reduce costs, eliminate waste, and improve overall performance. By implementing structured initiatives, companies can drive measurable improvements across all areas of the

business.

Primient developed a customized Productivity Agenda to support our culture of continuous improvement while focusing on achieving greater operational performance and cost savings. The goal is to be able to quickly identify operational expenses, for example, which do not tie directly to production. This initiative spans all areas of the organization and is focused on eliminating waste, enhancing employee productivity, and increasing the speed of decision-making.

Through a combination of automation, process engineering, and advanced analytics, the Productivity Agenda has helped us identify inefficiencies and implement targeted improvements. As a result, we've

seen significant cost savings while also improving customer service and strengthening our industry position.

For manufacturers considering similar optimization initiatives, focusing on automation and processes can lead to long-term financial benefits and a more agile operation.

## The Future of Digital Transformation in Manufacturing

As industries continue to evolve, manufacturers that embrace digital transformation will be best positioned for long-term success. Companies that invest in flexible financial planning, AI-driven decision-making, and operational programs can improve adaptability, enhance productivity, and strengthen their competitive advantage.

At Primient, our digital transformation journey has helped us become a more data-driven, forward-thinking organization, and we've only just begun. By sharing these insights, we aim to highlight the tangible benefits of digital innovation and inspire other manufacturers to take proactive steps in their own journeys.

WORKFORCE REPORT

## EMPLOYER INVOLVEMENT IN CAREER PATHWAYS ARE THE FUTURE OF WORKFORCE PLANNING

ARAH HARTWICK, SENIOR VICE PRESIDENT OF EDUCATION & WORKFORCE POLICY



anufacturing is evolving rapidly. According to the *Digital Skills*\*Report\* (April 2024) by the National Association of Manufacturers
and Deloitte, an estimated 3.8 million manufacturing jobs will be
needed in the United States by 2033. To meet this demand, manufacturers must proactively build their future workforce—
starting now. While national policies may shift, Illinois is taking strategic steps to connect students with high-demand careers in manufacturing.

Illinois has made significant efforts in recent years with tools and programs to assist employers in providing them with access to students in an effort to expose those students to a variety of careers. Historically, there has been a disconnect between education and the skills employers need in the workforce. To bridge this gap, Illinois passed the Postsecondary Workforce Readiness (PWR) Act in 2016, aiming to better prepare students for high-demand careers, including manufacturing. Through the PWR Act, EdSystems of Northern Illinois University developed a series of Model Programs of Study for a variety of careers, including manufacturing.

What does this mean for manufacturers? The IMA Education Foundation partnered with EdSystems to track nine regions across Illinois and their efforts around using the Model Program of Study for Manufacturing. Funded by a grant from the Illinois Department of Commerce and Economic Opportunity, the Scaling Transformative Advanced Manufacturing Pathways (STAMP) program was launched to help align high school education with industry needs. The program rolled out in nine regions across the state with strong manufacturing industries, including the Quad Cities, Chicago, Belvidere, the northwest suburbs of Chicago, the near-west Chicago suburbs, Rockford, Peoria, and Sauk Valley. These regions were selected to establish Manufacturing College and Career Pathway Endorsements (CCPE), as authorized by the PWR Act, and to target engagement and recruitment efforts that align with the in-demand skills required by local manufacturers.

The goal of the grant was to increase enrollment in manufacturing CCPE programs, ultimately leading to more students graduating high school with the skills necessary to be placed into manufacturing jobs. Manufacturers play a hands-on role in shaping these programs by advising on curriculum, identifying essential job skills, and providing work-based learning opportunities like apprenticeships and internships. This direct collaboration ensures students graduate with the skills needed for real manufacturing jobs in their communities.

It is important to note that when the STAMP grant was developed, the goal was to have 1,000 students enrolled in the manufacturing CCPE courses across those nine regions. However, enrollment quickly surpassed expectations, exceeding 1,500 students in just the first year. With the STAMP grant renewed for another two-year term, projections indicate that more than 6,000 students will soon be enrolled—a sixfold increase that underscores the growing interest in manufacturing careers. This surge is largely due to the work-based learning opportunities provided by regional manufacturers through the grant. Not only are students learning through coursework, but they are also gaining hands-on experience that directly connects to class-room learning while being exposed to the realities of a high-demand, high-wage manufacturing industry.

Excitement and interest in manufacturing careers continue to grow. The IMA Education Foundation is committed to increasing visibility and awareness of modern manufacturing careers. The enthusiasm among young people to work with their hands in high-tech fields, like manufacturing, cannot go unnoticed, and manufacturers must take full advantage of state programs that help tailor education to their workforce needs.

The success of the STAMP grant underscores the power of employer-driven workforce development. By actively engaging in education initiatives, manufacturers are not only addressing the skills gap but also securing a pipeline of well-trained employees. As manufacturing careers continue to evolve, industry involvement in shaping career pathways will be the key to a thriving workforce.

Jan Her

## MANUFACTURING MILES RETURNS IN 2025

BLUECROSS AND BLUESHIELD OF ILLINOIS

↑ he Illinois Manufacturers' Association (IMA) and Blue Cross and Blue Shield of Illinois (BCBSIL) are excited to bring back Manufacturing Miles for the fourth consecutive year. The program was created to promote health and wellness among manufacturing workers. Last year, more than 1,600 employees logged more than 875,286 miles total compared to 605,582 miles in 2023. Some participants saw the program as a way to reach personal goals and while some lost weight, others used it to start a more active lifestyle by logging any exercise that can be measured in miles, including walking, running, biking, swimming, and even playing mini golf.

During this friendly competition, co-workers and other manufacturing teams compete against each other to win prizes -- and improve their health. In 2024, we recognized the top three individual winners and the top six company winners among five size tiers and one participation category.

### 2024 Top Individual Winners

**1.** Paul Dominguez of Tamarack Products, Inc. with 3,782 miles

**2.** Tigh Connor of Case IH with 3,725 miles

**3.** Becky Dudenbostel of Gilster-Mary Lee Corporation with 3,437 miles

## **2024 Top Company Winners**

**Tier 1:** (1-10 participants) Spartan Light Metal Products: 6,399 miles

**Tier 2:** (11-25 participants) Tamarack Products, Inc: 17,333 miles

**Tier 3:** (26-50 participants) Hoffer Plastics Corp: 41,533 miles

**Tier 4:** (51-100 participants) Gilster-Mary Lee Corporation: 58,807 miles

**Tier 5:** (100+ participants) United Scrap Metal, Inc: 89,313 miles

**Highest Overall Participation:** Three Z Printing

### Help Yourself While Helping Your Team

The Department of Health and Human Services recommends getting at least 150 minutes of moderate aerobic activity per week, such as brisk walking, biking, swimming, or mowing the lawn. That's about 30 minutes a day, five days a week. If you prefer vigorous aerobic activity such as running, tennis, or aerobic dancing, the HHS recommends 75 minutes a week. Why not log your miles in the Manufacturing Miles competition, win prizes, and help your team while you also meet the HHS recommendations?

## Your Health is the Biggest Prize

We're excited to announce new and improved prizes for Manufacturing Miles to keep you motivated every step of the way! This year, we've streamlined the prize

structure and raised the stakes for the first milestone reward.

- Hit 300 miles and earn a natural cotton tote bag—perfect for grocery runs, weekend outings, or park picnics.
- Reach 1,000 miles and take home a mini massage gun to boost circulation, relieve fatigue, and help you recover after all those miles.

Whether you're logging 300 miles a month or five miles a week, remember—the greatest reward is a healthier, stronger you! Keep moving, and let's make this year's Manufacturing Miles the best yet!

#### Wellness Can't Wait

Manufacturing Miles provides a friendly competition that can improve your health and encourage wellness in the workplace. But your wellness can't wait for a competition. Regular care visits are important to help you and your family stay healthy. Regular health screenings can detect problems early when chances for successful treatment are greatest. And now is the time to get caught up on annual exams and checkups, especially if you have chronic conditions such as COPD, diabetes, or high blood pressure. We want you to keep your health and wellness a top priority.

Register today for 2025 Manufacturing Miles. The competition begins tracking Manufacturing Miles from June 2 through October 12th. Please note that all teams and participants must be registered on or before May 27, 2025. Enter your team's miles each week and watch the leader boards to see how your company stacks up against the rest of the state.



## ILLINOIS IMPOSES NEW REQUIREMENTS ON EMPLOYERS RELATED TO VERIFICATION OF EMPLOYEE WORK AUTHORIZATION

REENSEELDER HEMKER & GALE P.C.

ffective January 1, 2025, amendments to the Illinois Right to Privacy in the Workplace Act ("Act") took effect that impose new requirements for Illinois employers regarding employee work authorization verification. While the amendments are included under the Act's provisions relating to employers' use of any electronic employment verification system, including E-Verify, their scope and application apply to all Illinois employers, regardless of whether they use E-Verify. Indeed, all U.S. employers, including those in Illinois, must verify the employment eligibility of all new hires under the Immigration Reform and Control Act of 1986.

Among other things, the amendments instruct that employers cannot impose employment verification or employment re-verification requirements greater than those required by federal law. This provision caused confusion amongst Illinois employers as to whether the amendments prohibit Illinois employers from using E-Verify. The Illinois Department of Labor ("IDOL") clarified through FAQs that "Illinois Law does not prohibit any employer from using E-Verify. However, employers who use E-Verify must follow the requirements of the Right to Privacy in the Workplace Act."

Under the amendments, if an Illinois employer believes that a discrepancy exists in an employee's employment verification information following the use of an employment eligibility verification system, including E-verify, they must now provide the employee with certain notices. An "E-Verify notification of discrepancy" means that when an employer runs an employee's information through the E-Verify system, a mismatch is found between the information provided on the employee's Form I-9 and the records held by the Social Security Administration ("SSA") and Department of Homeland Security ("DHS"), essentially indicating a potential discrepancy with the employee's employment eligibility; this is usually referred to as a "Tentative Nonconfirmation" or "mismatch" in E-Verify terminology. In this situation, the amendments require Illinois employers to provide the employee with the following:

- The specific document(s) that the employer believes to be deficient, the reason(s) why the document is deficient, and if the employee or the employee's "authorized representative," defined under the Act as "an exclusive bargaining representative" requests, the original document supporting the employer's belief, and do so within seven business days;
- Instructions on how the employee may correct the alleged deficiencies if required to do so by law;
- An explanation of the employee's right to have representation present during related meetings with the employer; and
- An explanation of any other rights the employee may have in connection with the alleged discrepancies.

Separately, the amendments impose new notification requirements when an Illinois employer receives notice from any federal or state agency, such as the Social Security Administration ("SSA") or the Internal Revenue Service ("IRS"), of a discrepancy relating to work authorization, which require the following:

- The employer must not take any adverse action against the employee, including recertification, based on notification of a discrepancy;
- The employer must provide a notice to the employee, as soon as practicable, but not more than five business days after its receipt of the notification unless a shorter timeline is required under federal law or a collective bargaining agreement.
- The notice must include: (i) an explanation that the federal or state agency has notified the employer that the employee's work authorization documents do not appear to be valid or reasonably relate to the

employee; and (ii) the time period the employee has to contest the federal or state agency's determination;

- The employer must notify the employee in person and deliver the notification by hand, if possible. If hand delivery is not possible, then the employer must notify the employee by mail and email, if the email address of the employee is known.
- Upon request, the employer must give the employee the original notice from the applicable federal or state agency within seven business days. The original notice must be redacted to comply with applicable privacy laws and relate only to the employee; and
- The employee may have a representative of the employee's choosing in any meetings with the employer.

The amendments also provide new provisions requiring employers to provide notice to each current employee, by posting in English and in any language commonly used in the workplace, of any inspections of I-9 Employment Eligibility Verification forms or other employment records conducted by an "inspecting entity" within 72 hours after receiving notice of the inspection. The Act defines an "inspecting entity" as the "U.S. Immigration and Customs Enforcement, United States Customs and Border Protection, or any other federal entity enforcing civil immigration violations of an employer's I-9 Employment Eligibility Verification forms." The posted notice must contain the following:

- The name of the inspecting entity conducting the I-9 form inspection or other employment records;
- The date that the employer received notice of the inspection; and
- The nature of the inspection, if known by the employer; and

## Industrial Waste Disposal and Environmental Services



The Complete Environmental Services Partner for Your Manufacturing Needs







## **Membership Discounts**

## **IMA Member Pricing Program**

Heritage-Crystal Clean offers the following IMA member-only pricing on parts cleaning, used oil, and containerized waste services:

- Minimum 25% discount on all services
- · Larger volume discounts available
- No set-up or installation fees
- No waste profile fees
- Significant cost reduction to IMA members
- NEW: COVID-19 Decontamination & Disinfectant Services Available for Small and Large Facilities

For member's discount pricing, please contact

Dean Popovich 877-938-7948

Crystal-Clean.com

• A copy of the notice the employer received.

The IDOL will be developing a template posting that employers may use to comply with this notice requirement.

Except as otherwise required by federal law, if during an I-9 audit, the inspecting entity concludes that the employee's work authorization documents do not establish that the employee is authorized to work in the U.S., and provides the employer with notice of its determination, the employer must provide a written notice to the employee within five business days, unless a shorter timeline is provided for under federal law or a collective bargaining agreement. The employer is required to notify the employee in person and deliver the notification by hand, if possible. If hand delivery is not possible, then the employer shall notify the employee by mail and email, if the email address of the employee is known. The employer's notice to the employee must contain the following:

- An explanation that the inspecting entity has determined that the employee's work authorization documents do not appear to be valid or reasonably relate to the employee;
- The time period for the employee to notify the employer whether the employee is contesting or not contesting the inspecting agency's determination;
- If known by the employer, the time and date of any meeting with the employer and employee, or with the inspecting entity and employee, related to the inspecting entity's determination; and
- Notice that the employee has the right to representation during any meeting with the employer and/or

the inspecting entity.

If the employee contests the inspecting entity's determination, the employer is required to notify the employee within 72 hours of receipt of the inspecting entity's final determination regarding the employee's work authorization. Importantly, the amendments provide that no penalty will be imposed upon an employer who fails to provide this required notice to an employee at the express and specific direction or request of the federal government.

As of the date of publication, the IDOL has not issued administrative rules interpreting the new amendments. Notwithstanding, because the amendments create a number of new and onerous requirements, Illinois employers must familiarize themselves with the requirements and should contact employment counsel if faced with any of the above scenarios.

## AN EMPLOYER'S PREPARATION GUIDE FOR WORKPLACE ICE RAIDS AND FORM I-9 AUDITS

AMUNDSEN DAVIS LLC



arly on in Donald Trump's second presidential campaign, he made his stance on immigration clear. He repeatedly promised the American people that he would take aggressive action against illegal immigration. Since assuming office in January 2025, President Trump's administration has pursued a strict and aggressive immigration policy, aiming to significantly reduce illegal immigration by increasing deportations and expanding the scope of U.S. Immigration and Customs Enforcement (ICE) operations. As a result, it is crucial for employers

throughout the U.S. to educate themselves on their rights and responsibilities when it comes to ICE raids and Form I-9 audits.

#### Form I-9 Audits

One way an employer may come in contact with ICE is through a Form I-9 audit. Form I-9 audits are conducted by the Department of Homeland Security through Homeland Security Investigations (HSI) to:

- 1. Verify that the I-9 forms have been accurately and timely completed, and
  - 2. Ensure that all employees have

authorization to work in the U.S.

To begin the audit process, HSI is required to send the employer a Notice of Inspection. This informs the employer of the inspection and its required compliance by providing HSI Form I-9 for either all or specifically listed employees. In addition to the Form I-9, HSI may request other supporting documentation through a subpoena, such as a list of employees with hire and termination dates, tax and payroll records, and information related to staffing agencies the employer utilizes. In most instances, the

employer will have three business days to turn over the requested documents to ICE; however, employers may negotiate a longer period depending on the scope and number of employees involved in the audit.

HSI auditors then analyze the Form I-9 for substantive and/or technical violations. Substantive violations refer to significant issues, such as incomplete, incorrect, or missing forms, which can subject the employer to fines. Technical violations are usually minor mistakes that can be remedied. Employers are typically given 10 days to correct any technical violations. During the audit, the employer will also be notified of any employees for which HSI has made a preliminary decision they have not provided documentation that establishes they are authorized to work in the U.S. Employees are given an opportunity to contest HSI's finding and provide new documentation, but if they are not able to establish they can work in the U.S., the employer will not be able to continue to employ them.

When facing a Form I-9 audit, employers should work quickly to consult with their legal counsel and provide the requested information. Recommended precautionary steps to prepare include:

- 1. Conducting internal Form I-9 audits,
- **2.** Reviewing existing Form I-9 audit procedures and confirming consistent and accurate procedures, and
- **3.** Training staff who complete the Form I-9 process and documentation regarding the proper steps and procedures to ensure compliance.

## ICE Raids

As stated, ICE raids have increased thus far in 2025. An ICE raid can be very intimidating to employers and employees. Thus, it is very important for an employer to have a plan in place and educate their employees on their plan.

When ICE personnel arrive at an employer's facility, they are typically greeted by a receptionist or designated

greeter. It is essential that all receptionists and greeters receive proper training on how to handle encounters with ICE agents. Receptionists should be trained to immediately contact a designated point person within the company who is familiar with the procedures for handling governmental officials. After reaching out to the point person, the receptionist should politely ask the ICE agents to wait in a public area of the employer's facility. For example, ICE agents could be instructed to wait in the parking lot or lobby. Unless the employer has given the receptionist or greeter permission to speak on behalf of the employer, the receptionist should not engage with the agents' questions or permit them access to private areas of the facility.

Once the employer point person arrives, they should escort the ICE agents to a private room within the employer's facility. The point person will want to ask the ICE agents to clarify the reason for the visit and ask the ICE agents for names and badge numbers. It is important for the point person to take notes on all information provided by the agents. In addition to gathering personal information on the ICE agents, the point person will want to ask to copy any warrants, orders, subpoenas, and other documentation that might state why the raid is being conducted. All copied documents should be reviewed by legal counsel.

The point person will want to carefully read and review the documents provided by ICE before allowing the agents to move any further. It is important for the point person to understand the rights and responsibilities associated with various types of warrants.

• Judicial Warrants: A judicial warrant must be signed by a judge and clearly indicate that it was issued by a United States District Court or other applicable court. The warrant should provide specific details, such as the name of the employee being sought, the

specific records to be examined, and the areas within the employer's premises where ICE agents are authorized to enter. The employer should review the administrative warrant with counsel to determine the scope and next steps.

• Administrative Warrants: An administrative warrant is issued by a federal agency rather than a U.S. District Court. In most instances, an administrative warrant will have the name of the employee(s) that ICE is looking for. When presented with an administrative warrant, the point person is not required to produce the employee or allow a search of the employer's premises. The employer should review the scope of the administrative warrant with counsel to determine the next steps.

Employers should train and direct all staff to remain calm during an ICE visit. If an employee is arrested during an ICE visit, they have the right to remain silent and request an attorney.

Immediately after a raid, an employer should record as much information as possible regarding the ICE visit. For example, how many agents were present, their names, what the agents were wearing, if they spoke to any employees, and if the employer believes there was any inappropriate behavior on behalf of the agents (and if so, what was done/said). The employer should work with their legal counsel for next steps.

#### Conclusion

As immigration policies under President Trump's administration continue to focus on aggressive enforcement, it is essential for employers to be proactive in understanding their rights and responsibilities regarding ICE raids and Form I-9 audits. By taking steps such as conducting self-audits, reviewing procedures, and training staff, employers can better prepare for potential inspections. By staying informed and following proper procedures, employers can navigate the complexities of immigration enforcement.



hosen by voters from an initial field of more than 250 entries, the Aerial Fighting Helicopter Refill Pump made by MTH Pumps in Plano has been crowned the winner of the 2025 "Makers Madness" contest, earning the title of The Coolest Thing Made in Illinois.

Hosted by the Illinois Manufacturers' Association and sponsored by Comcast Business, the bracket-style competition celebrates the incredible work of manufacturers across Illinois. Manufacturers have long served as the backbone of our state's economy and produce everything from nutritious food and snacks to life-saving vaccines and medical treatments. Manufacturers also make electric vehicles, sporting equipment, and structural products like steel, rebar, and motors, as well as chemicals, high-tech gadgets used for national defense, and energy to power homes and businesses. Manufacturing is the largest contributor of any industry to the state's Gross Domestic Product, supporting nearly a third of all jobs in Illinois and contributing more than \$580 billion to the state's economy each year.

With nearly 411,000 votes cast throughout the eight-week competition, the Aerial Firefighting Helicopter Refill Pump was awarded the title of The Coolest Thing Made in Illinois, which was announced by Gov. JB Pritzker on Wednesday during a ceremony at the Governor's Mansion. Manufactured by MTH Pumps, the Aerial Firefighting Helicopter Refill Pump was designed to reduce the refill time of helicopter-based water tanks from over a minute to as little as 30 seconds, increasing the number of water drops that aerial firefighters can place on a wildfire. This time advantage improves the chances of slowing or stopping fires

from endangering lives, property, and habitats. When wildfires in California left a trail of destruction, MTH Pumps helped by providing rapid and reliable water access for aerial firefighting teams.

"Congratulations to Aerial Firefighting Helicopter Refill Pump for being named the 2025 Coolest Thing Made in Illinois. This product is a great example of the bold ideas, creativity, and innovation that powers the manufacturing sector here in Illinois," said Mark Denzler, President and CEO of the Illinois Manufacturers' Association. "With commitment and passion, manufacturers across our state are creating products that solve real-world problems and improve lives. We applaud the men and women on our shop floors whose remarkable skills turn ideas into reality."

"Illinois' world-class manufacturing industry is leading the charge as one of the top drivers of our continued economic success here in Illinois, and that's thanks to the incredible innovators all across our state," said Governor JB Pritzker. "I'm excited to announce this year's winner of the Coolest Thing Made in Illinois, the Aerial Firefighting Helicopter Refill Pump. To the team at MTH Pumps, congratulations, and to all the manufacturers who took part in this year's competition: thank you for your creativity, resourcefulness, and dedication. You make our state stronger."

"As a small manufacturer, our team is honored and excited to have our Aerial Firefighting Refill Pumps join the ranks of products from prior winners like Caterpillar, Rivian, and Komatsu," said Tim Tremain, President of MTH Pumps. "There are so many Illinois Makers that produce products that we use every day without even realizing it, but without them, our daily lives would be very different. So, I honor all manufacturers in the great state of Illinois, but I hope that with our win, we help represent the unique creativity and drive of small manufacturers and the importance of what they have to offer the world."

Other finalists for the title included the Joint Combined Aircrew Systems Tester (JCAST), which is used to assess critical safety during military flying operations, manufactured by Chemring Energetic Devices in Downers Grove; Donor Milk, a life-saving product that provides nutrition to premature and critically ill babies, which is pasteurized and distributed by Mother's Milk Bank of Western Great Lakes in Elk Grove Village, and ROV Skimmer – Remote Operated Oil Skimmer, a remote-controlled device used for oil recovery in aquatic spills, manufactured by Elastec in Carmi.

"Comcast Business congratulates the Aerial Firefighting Helicopter Refill Pump on emerging as The Coolest Thing Made in Illinois after weeks of exciting competition," said Sean McCarthy, Comcast's Regional Vice President of Business Development and Strategic Initiatives. "Comcast is proud to support the Makers Madness competition again this year and partner with the Illinois Manufacturers' Association to showcase the many unique and impactful products manufactured throughout our state."



Last year's champion was the Komatsu mining truck, a rugged, large-capacity vehicle used for construction and mining made by Komatsu in Peoria. Previous contest winners include the Rosenberg Moon Habitat, a 3D printed polymer structure designed to house humans on the moon manufactured by Ingersoll Machine Tools in Rockford; Rivian's all-electric R1T truck made in Normal, the first all-electric truck in production featuring four motors, with one powering each wheel; the Self-Regulating Traffic Signal Heater by Termico Technologies in Elk Grove Village, which uses conductive particles to heat traffic signals so they remain free of ice and snow and traffic can safely navigate our roadways; and the 797F Mining Truck manufactured by Caterpillar, Inc. in Decatur, the world's largest mechanical truck.

#### This year's top 16 finalist products included:

- Aerial Firefighting Helicopter Refill Pump (MTH Pumps, Plano)
- Aerosol Spray Cheese (Berner Food & Beverage, Dakota)
- Chef Heatley's Hot Pepper Farm Hot Sauce (Chef Heatley, Sandwich)
- Donor Milk (Mother's Milk Bank of the Western Great Lakes, Elk Grove Village)
- Gindo's Spice of Life Hot Sauce (Gindo's Spice of Life, St. Charles)
- Global Navigation Motion Module (ZF Active Safety and Electronics US, Marshall)
- Homestyle Burrito Tortilla (Azteca Foods, Chicago)
- Joint Combined Aircrew Systems Tester (JCAST) (Chemring energetic Devices, Downers Grove)
- Jumbo Marshmallows (Gilster-Mary Lee, Chester)
- Lagomarcino's Chocolates (Lagomarcino's Confectionary, Moline)
- MQ-25 Stingray (Drone Refueler) (The Boeing Company, Mascoutah)
- Rain Light Sensor (Forvia Hella, Flora)
- ROV Skimmer Remotely Operated Oil Skimmer (Elastec, Carmi)
- TCCI Electric Compressor (TCCI Manufacturing, Decatur)
- Titanium Vacuum Chamber (Meyer Tool & Manufacturing, Oak Lawn)
- Whiskey Acres Blue Popcorn Bourbon (Whiskey Acres Distilling Company, DeKalb)

## The Top 4 finalist products competed for the championship in a single weeklong contest:

- Aerial Firefighting Helicopter Refill Pump (MTH Pumps, Plano)
- Donor Milk (Mother's Milk Bank of the Western Great Lakes, Elk Grove Village)
- Joint Combined Aircrew Systems Tester (JCAST) (Chemring energetic Devices, Downers Grove)
- ROV Skimmer Remotely Operated Oil Skimmer (Elastec, Carmi)

Makers Madness is an annual competition hosted early each year by the Illinois Manufacturers' Association. The 2025 contest will open for nominations early next year at <a href="https://www.makersMadnessIL.com">www.makersMadnessIL.com</a>.



# FROM ORIENTATION TO MASTERY: TRANSFORMING ONBOARDING FOR MANUFACTURING SUCCESS

CONTINENTAL TIRE THE AMERICAS, LLC

companies continue to face challenges in recruiting and retaining skilled employees. The growing skills gap and high turnover rates have some manufacturers looking for a more efficient, impactful onboarding approach to manage these challenges. Traditional methods-brief orientation meetings and check box paperwork—fail to prepare new hires for the complexities and type of work they will experience in manufacturing. To get ahead of the curve, manufacturers are learning to focus beyond "reducing" fluctuation and starting to manage fluctuation by rightly focusing on improving the speed and effectiveness of onboarding.

## The Shortcomings of Traditional Onboarding

Traditional onboarding is often passive, transactional, and too brief. New employees receive a general overview of policies and procedures but lack the structured, hands-on training necessary for success. Without immersive, skills-based onboarding, new hires may feel overwhelmed, leading to disengagement, early turnover, and decreased performance.

Manufacturing roles require technical expertise that cannot be mastered through classroom-style training alone. Insufficient preparation increases the risk of errors and safety incidents. Consider the employee experience of a new manufacturing employee who just sat through a week of slides and lectures on the company and plant policies and then found themselves running a large piece of equipment with the department's senior operator Joe. Of course, Joe is the best operator in the department, but Joe is terrible with people. This type of orientation and sink-orswim onboarding is quite common.

## Building a Comprehensive Onboarding Plan

To address these gaps, manufacturers should implement a multi-phase

onboarding process:

- 1. Preboarding & Early EngagementBefore day one, new hires should
- receive an introduction to company culture, job expectations, and learning resources through virtual plant tours, welcome videos, and mobile-friendly pre-training modules.
- **2. Structured, Hands-On Training** Onboarding is not a one-time event and should span several weeks, incorporating experiential learning to ensure new employees gain practical skills before entering high-production environments.
- **3. Mentorship & Peer Support** Assigning mentors or onboarding buddies helps new hires transition smoothly by providing guidance and reinforcing best practices.
- 4. Ongoing Check-Ins & Feedback Regular check-ins at 30, 60, and 90 days allow leadership to assess progress, address challenges, and refine training for long-term success.

## Integrating Technology-Driven Learning with Hands-On Training

To improve onboarding and upskill employees efficiently, manufacturers must integrate modern, technology-driven training methods while ensuring hands-on experience remains a core component of skill development. Today's workforce, particularly younger generations, expects engaging, flexible, and easily digestible training experiences.

#### A balanced approach includes:

• Microlearning modules that break down complex concepts into short, easily digestible lessons. These bitesized training sessions help employees quickly grasp key topics without overwhelming them, allowing for better retention and application.

- "YouTube-style" learning experiences that leverage short, engaging videos to demonstrate processes, troubleshoot common issues, and reinforce best practices. Employees can access these on demand, reinforcing learning at their own pace.
- Augmented reality (AR) and virtual reality (VR) simulations that provide immersive, hands-on experiences in machine operation, safety procedures, and assembly techniques, reducing the risk of errors in real-world applications.
- Interactive platforms with realtime feedback that track progress, personalize learning paths, and reinforce concepts through quizzes, challenges, and knowledge checks.

## Accessibility to "Just-in-Time" Learning with Emerging Technologies

On-demand learning solutions, including mobile-friendly training platforms and AR-assisted troubleshooting guides, allow employees to access information precisely when they need it. This "Justin-Time" training approach is particularly valuable in manufacturing, where quick reference to critical procedures can enhance efficiency and minimize downtime

While digital tools significantly improve knowledge retention and engagement, they must complement—rather than replace—hands-on practice. The key is an integrated approach where employees develop both theoretical understanding and muscle memory through a blend of digital learning and real-world application. By combining technology with traditional hands-on training, manufacturers can create a more agile, skilled, and prepared workforce.

## Accelerating Onboarding Without Compromising Quality

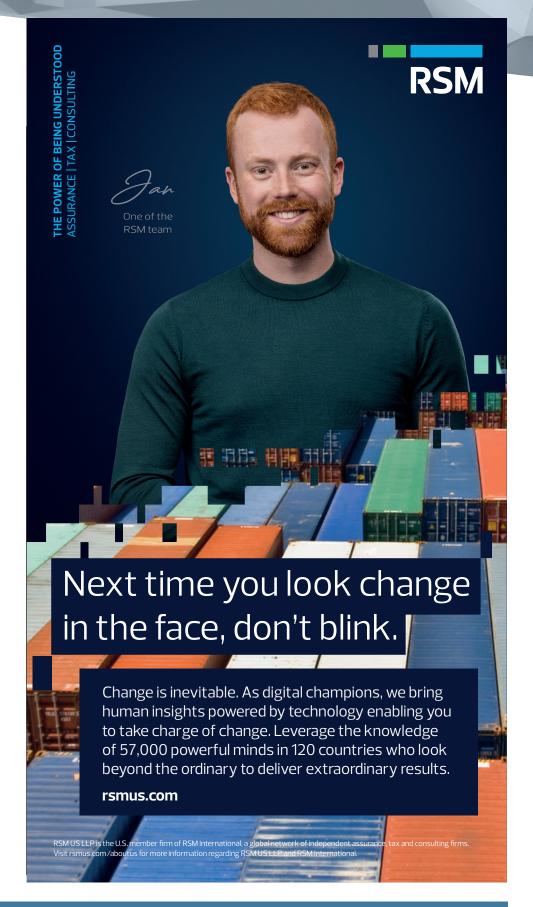
With increasing fluctuation numbers, manufacturers must streamline onboarding while maintaining effectiveness. A few additional thoughts to consider:

- Find the right technology to accelerate foundational knowledge.
- Focusing initial training on critical job functions, with ongoing development over time.
- Establishing mentorship networks for real-time guidance and problem-solving.

## The Impact: Retention & Productivity Gains

High turnover and a growing skills gap will continue to be a challenge for manufacturers. Traditional onboarding methods—passive, brief, and transactional—fail to adequately prepare new hires for complex manufacturing roles.

It's time to rethink onboarding in manufacturing. A well-structured, technology-integrated approach not only enhances employee retention and performance but also builds a more skilled and adaptable workforce. Start by assessing your current onboarding process: Where are the gaps, and how can technology and hands-on training work together to improve your onboarding goals? Explore and invest in solutions that create an engaging, efficient, and effective onboarding experience, setting new hires up for long-term success. The future of manufacturing depends on it.



# A PRACTICAL APPROACH TO TARIFFS AND SUPPLY CHAIN CONTRACTS

BARNES & THORNBURG LLP

nder his America First Trade Policy, tariffs are a fundamental component of President Donald Trump's economic strategy aimed at protecting national security and reducing the United States' substantial and persistent annual trade deficit in goods, while also addressing other aspects of U.S. trade with foreign partners that are deemed to be unfair and imbalanced.

Warren Buffett has referred to the president's tariff plan as an "act of war." Global markets have exhibited significant reaction, and foreign governments have begun implementing retaliatory measures, including tariffs on U.S. goods.

Leaders across all sectors of the economy are contemplating every scenario and preparing their next moves. Today, there is no single country or company that can go it alone. As part of a massive global network and supply chain ecosystem, what does your company need to know about the current state of tariffs? And what should your company be doing?

In this article, we first explain the underlying legal authorities for several current tariff actions and how and why the tariff landscape can change moving forward. We then discuss how to address tariff risks in supply chain contracts to reduce financial uncertainty, support operational continuity, and strengthen relationships with suppliers by fostering transparency and preparedness.

## National Emergency and IEEPA Tariffs

The U.S. Constitution assigns authority over foreign trade and taxation to Congress alone. But, over time, Congress has delegated significant authority to the U.S. president to regulate international trade. One such legal authority is the International Emergency Economic Powers Act (IEEPA) of 1977. Congress gave the president the authority to declare "a national emergency" to address an "unusual or extraordinary" foreign threat to America's national

security, foreign policy, or economy."

On January 20, 2025, his first day in office, President Trump declared a national emergency "at the southern border" citing the threat posed by cartels, migration, and narcotics. Upon declaration of such an emergency, IEEPA grants vast emergency powers to the president, including the authority to "regulate" the "importation" of "any property" applicable to the emergency at hand.

Then, on February 1, 2025, under IEEPA authority, President Trump issued three executive orders (EO) imposing tariff actions against Canada, Mexico, and China – the first time a president has used IEEPA to impose tariffs in response to a national emergency – as follows:

- Canada, EO 14193 (February 1) and later amending EOs Effective March 4, 2025, all imported commodities of Canada except potash, energy, and energy resources are subject to an additional 25% ad valorum tariff. For potash, energy, and energy resources, the additional ad valorem tariff rate is 10%.
- Mexico, EO 14194 (February 1 and later amending EOs Effective March 4, 2025, all imported commodities of Mexico except potash are subject to an additional 25% ad valorum tariff. For potash, the additional ad valorem tariff rate is 10%.
- China, EO 14195 (February 1) and later amending EOs Effective February 4, 2025, all imported commodities of China and Hong Kong are subject to an additional 10% ad valorum tariff.

These IEEPA tariff actions do not provide for drawback (i.e. a refund of duties paid if the imported products are later exported) and there are no product exclusion processes.

For the Canada and Mexico IEEPA tariffs, effective March 7, goods that satisfy

U.S.-Mexico-Canada Agreement (USMCA) rules of origin are exempt from tariffs. President Trump indicated that the USMCA emption will remain until April 2, 2024.

President Trump can maintain these tariffs until he deems that the crisis is alleviated or until Congress terminates the state of emergency pursuant to the National Emergencies Act (NEA). If Congress acts, it would need to do so with the president's consent or otherwise pass a veto-proof joint resolution (two-thirds vote in both the House and Senate).

## Threatened National Security and Section 232 Tariffs

Under Section 232 of the Trade Expansion Act of 1962, President Trump can impose tariffs or quotas if imports of an article threaten U.S. national security. To impose a new tariff action, the Secretary of Commerce must conduct an investigation and submit a report to the president within 270 days after the commencement of the investigation. Upon receipt of the report, the president can take action. The president can also amend an existing Section 232 tariff.

- On February 10, 2025, under Proclamations 10895 and 10896, President Trump amended existing Section 232 tariffs on steel and aluminum to impose 25% duties on covered steel, aluminum, and derivative products for all countries of origin (existing country exemptions or quotas agreements will terminate).
- On February 25, 2025, President Trump ordered the Secretary of Commerce to evaluate the national security risks associated with an over-reliance on foreign copper, in all its forms, that could jeopardize U.S. defense capabilities, infrastructure development, and technological innovation.

• On March 1, 2025, President Trump ordered the Secretary of Commerce to evaluate the national security risks associated with imports of timber, lumber, and their derivative products.

Once the president receives the reports on copper and lumber, he can impose tariffs, which he has expressed would be at least 25%.

President Trump's Section 232 steel and aluminum proclamations not only modify existing tariffs but also direct the U.S. Customs and Boarders Protection (CBP) to prioritize reviews of the classifications of the targeted imported goods. If the CBP discovers misclassification resulting in non-payment of the Section 232 duties, then the CBP shall assess monetary penalties in the "maximum" amount permitted by law and "shall not consider evidence of mitigating factors in its determination." This provision is an innovation in the tariff actions and will likely lead to increased CBP enforcement.

#### Other Tariff Tools in the Toolbox

President Trump is reportedly threatening to impose reciprocal tariffs in response to foreign tariffs on U.S. goods. Under the legal authorities of Section 301 of the Trade Act of 1974, he has stated that he is considering a 60% tariff on all Chinese goods in response to unfair trade practices. Other tariff tools in the toolbox identified by the president include global 10%-20% tariffs on all imported commodities; tariffs on Europe; and 100% tariffs on the BRICS group of nations (Brazil, Russia, India, China, and South Africa) if they move away from the U.S. dollar. He has stated that he is also considering pressing Congress to revoke Permanent Normal Trade Relations (PNTR) status for China, which would reset the normal tariffs on China to as much as 100% on some products.

## Be Proactive: Review and Update Supply Contracts

For many companies, tariffs will present an economic hardship that makes it difficult to perform. For some, they may consider invoking force majeure and commercial impracticability as a defense to performance under contract. However, courts generally will not reallocate the risks, including tariffs, established by the parties' contract unless the contract explicitly allows.

During President Trump's first term, in the wake of trade disputes and the COVID-19 pandemic and its corresponding supply chain disruptions, many parties expanded the definition of force majeure in their agreements to include economic and other disruptions. Companies should consider it a best practice to review their contracts for such language. If you are currently negotiating contracts, then attempt to include specific conditions in the force majeure provisions, i.e. changes in market prices or the costs of materials and raw materials or new or increased tariffs, duties, and related costs.

Review the applicable international commerce terms, or INCO terms, that define which party is responsible for tariffs, duties, and transportation costs. For example, if EXW (Ex Works), then the buyer bears all costs, including tariffs. If DDP (Delivered Duty Paid), then the seller assumes all import duties and tariffs. If FOB (Free on Board) and CIF (Cost, Insurance, Freight), the responsibility depends on the shipment location and agreed-upon terms.

Other key tariff-related contract provisions to review and consider include:

• Importer of Record. Make sure that the importer of record is clearly specified. The importer of record is required to take care of all importing arrangements, including the payment of customs duties.

- Tariff Related Costs Allocation. The parties can agree to share or shift tariff costs. For example, one party can be responsible for initially paying the tariffs but will receive a partial or total reimbursement from the counterparty.
- Tariff-Triggered Price Renegotiations. Include a provision that requires renegotiation upon new tariffs, duties, or similar government charges imposed after contract execution. In such a case, the parties would renegotiate pricing in good faith to reflect the impact of such charges.
- Price Adjustment Rights. Include in your quotation or quote updates a right to a price adjustment to preserve flexibility to reflect new tariffs, duties, or similar governmental charges imposed after the date of this proposal. This would avoid the problem of force majeure or commercial impracticability clauses not being triggered by even sharp changes to tariff levels. In such case, with advance notice and supporting documentation, the parties would negotiate an adjustment in good faith to ensure fair allocation of the increased costs.

As the trade environment continues to evolve, it is advisable to regularly review your contracts and to work with your partners in the supply chain to negotiate provisions that are clear and ensure sufficient flexibility.

This article should not be construed as legal advice or legal opinion on any specific facts or circumstances. The contents are intended for general informational purposes only, and you are urged to consult your own lawyer on any specific legal questions you may have concerning your situation.

## THERMOFORMING INNOVATION DRIVES SCALABILITY FOR OEM PARTS

PROFILE PLASTICS, INC.

Ilinois has a unique history of invention and innovation—including the cell phone, dishwasher, the Ferris Wheel, and even Twinkies among others. Beyond these well-known contributions, the plastics industry has played a significant role in this legacy. Illinois has ranked among the top states for plastic parts production for many years.

Thermoforming is a key driver of this sector's growth, advancing from manual processes to automated production methods over the last 40 years. This transformation has enabled manufacturers to achieve greater quality, consistency, flexibility, and capacity, ultimately benefiting OEMs seeking high-performance plastic components.

## What is Thermoforming?

Thermoforming is a manufacturing process that starts with a thermoplastic sheet. Heating the sheet in an oven makes it pliable, allowing it to be formed into complex shapes using a mold, or tool, combined with vacuum and/or low air pressures.

Thin-gauge thermoforming is commonly used for consumer packaging and small disposable items, while heavy-gauge thermoforming produces large, durable parts perfect for OEM applications. These parts can match or exceed the strength of metal or fiberglass while being significantly lighter.

The three primary thermoforming processes include vacuum forming, pressure forming, and twin sheet forming:

- Vacuum forming uses a vacuum to remove air and pull the hot sheet tight to the tool, so it takes on the tool's geometry, a technique widely used for over 70 years
- Pressure forming adds low-pressure airflow behind the sheet to create more complex shapes and refined surface details
- Twin sheet forming adds a second sheet and forces air between them, molding them against two opposite tools to create lightweight hollow parts that are mechanically bonded by heat and pressure

### Why Thermoform?

While injection molding remains a common and cost-effective method for producing high-volume plastic parts, thermoforming often offers distinct advantages at lower volumes and for larger parts while delivering the same high cosmetic finish and geometric detail often associated with injection molded parts. Typical thermoforming applications can include external skins like panels and enclosures and internal components such as drip trays or guards, across a wide range of industries.

Due to fundamental differences in the processes, per piece cost will likely be higher than injection molding; however, the overall total cost is often less with thermoforming due to significantly lower cost tooling— tens of thousands of dollars versus hundreds of thousands. In addition, the typical time to market is reduced due to easier-to-produce aluminum tooling sourced locally.

#### **Advancements in Automation**

Originally, trimming thermoformed parts required manual processes such as sawing, drilling, and/or cutting. This leads to variations in dimensions and potentially unsafe work practices. The introduction of CNC machines revolutionized this process, significantly improving precision and efficiency, as well as operator safety.

Early Illinois adopters of 5-axis CNC trimming helped pave the way for automation in thermoforming. These developments reduced labor requirements, material waste, and finished part variation. As a result, thermoforming has become a viable process solution for precision applications.

Innovations such as molds with pneumatic articulation combined with advanced thermoforming machine process controls enabled the creation of complex undercuts and other advanced part design features. These enhancements further expand the capabilities of thermoforming, making it a compelling alternative to traditional manufacturing methods.

### **Enhancing Product Efficiency**

Modern facilities leverage advanced tooling and automation to accommodate a wide range of production volumes. From small-batch runs of a few hundred parts to large-scale production in the tens of thousands, thermoforming provides an adaptable manufacturing solution.

Continued improvements in heating and machine technology have also optimized cycle times and trimming accuracy, expanding the potential applications for thermoformed components.

For example, pressure forming was developed in the late 1980s, in large part by Illinois thermoformers. This forming method has evolved into a highly refined process capable of producing parts with detailed features such as embossed logos and intricate textures.

### Scalability and Innovation

Over the years, thermoforming has moved from something of an art to a science.

Modern facilities leverage advanced tooling and automation to accommodate a wide range of production volumes. From small-batch runs of a few hundred parts to large-scale production in the tens of thousands, thermoforming provides an adaptable manufacturing solution.

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## Thermoforming in Illinois Manufacturing

Illinois remains a hub for thermoforming innovation, with manufacturers continuously refining their techniques to improve quality and reduce costs. The state's expertise in heavy-gauge thermoforming supports industries such as:

- Medical equipment
- Food & beverage
- Transportation
- Material handling
- Recreational equipment
- Industrial and specialty products

With a strong foundation in engineering and automation, plus support from local partners, Illinois-based thermoformers contribute to the region's reputation for plastic production excellence. They originate new processes and sustainable practices, including the recycling of plastic waste.

Thermoforming continues to drive efficiency and advances in modern manufacturing. As this technology evolves, it remains a crucial solution for OEMs seeking high-quality, cost-effective plastic components. This industry will continue to shape the future of manufacturing both in Illinois and beyond.





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## HIGH-PERFORMANCE TRAINING MEETS WORKFORCE DEVELOPMENT

AMERICANSTRUCTION, INC.

anufacturing companies face continuous pressure to improve productivity and remain competitive in an ever-evolving industry. While many organizations invest heavily in technology, machinery, and process optimization, a growing number of experts now stress the critical role of workforce development. More than just skill-building, workforce development done right promotes employee engagement, emotional well-being, and a vibrant culture of continual improvement and success.

At Americanstruction, we have seen firsthand how a people-centered approach to upskilling—coupled with a framework for high performance that also develops emotional and mental resilience—can make the difference between mere operational competence and a thriving, future-ready workforce.

Michael Magliano of Cushman & Wakefield, an Executive Managing Director - Industrial & Corporate Real Estate, likewise observes that high-performing teams are not just about having the right facility or location; they're about how well companies invest in their people's ongoing development and overall well-being.

## Why Workforce Development Is Crucial for Manufacturing

#### 1. Meeting Evolving Industry Demands

Manufacturing in Illinois and nation-wide is rapidly integrating advanced technologies such as robotics, data analytics, and automation. As these tools transform the shop floor, workers need both the technical skills and the adaptability to manage new processes. A dynamic workforce development plan—one that prioritizes continuous learning—equips employees with the competencies to respond to these shifts efficiently and confidently.

## 2. Bolstering Employee Retention and Engagement

Competitive wages and benefits remain important, but they are no longer

enough to retain top talent. Employees increasingly value professional growth opportunities, mental well-being support, and a positive, engaging work culture. Investing in employee development sends a clear message: your organization values and supports its people. This boosts morale, reduces turnover, and fosters a sense of shared purpose—an intangible advantage that often translates into higher productivity and better quality outputs.

## 3. Contributing to Community and Economic Vitality

Manufacturing companies that offer robust development pathways help stabilize local economies by creating a skilled workforce. In turn, thriving communities support the businesses that call them home. According to Michael Magliano, "A community's economic health goes hand-in-hand with a strong manufacturing base and a talented local workforce. Ensuring that the workforce remains well-trained and engaged fosters long-term growth for everyone involved."

## The Missing Ingredient: Inner Mastery Blueprint

Most workforce development programs rightly focus on core technical skills: equipment operation, production methods, safety protocols, and process optimization. Yet many plans overlook the very foundation that enables these skills to truly flourish—emotional intelligence, mental resilience, and daily well-being practices.

That's where our Inner Mastery Blueprint comes in. This four-pillared framework offers a simple yet powerful roadmap to help employees not only excel in their technical roles but also thrive in demanding manufacturing environments.

#### 1. Manage Your Emotional World

• Encourages self-awareness and empathy, leading to healthier interpersonal relationships on the shop floor.

• Reduces stress and fosters an environment where challenges are met with creativity rather than conflict and anxiety.

## 2. Practice Your Breath Work and Mental Preparation

- Equips employees with quick, effective tools to calm nerves and stay focused—crucial during peak production times.
- Creates mental clarity, improving safety, decision-making, and error reduction.

### 3. Phase Out Energy-Draining Habits

- Identifies behaviors that deplete energy or create unnecessary friction, such as poor sleep routines or negative self-talk.
- Encourages healthier habits physical activity, mindful breaks, or better time management—to sustain higher energy levels at work.

#### 4. Track Your Weekly Progress

- Instills accountability and a sense of accomplishment, fueling ongoing motivation and engagement.
- Ties directly into measurable key performance indicators (KPIs), linking individual progress to organizational objectives.

By integrating these four components, manufacturers see more than just a short-term productivity boost. They cultivate a culture of self-improvement, emotional resilience, and mutual support—benefits that carry into employees' personal lives, further strengthening workplace morale.

## High-Performance Training in Action

When superimposed onto conventional workforce development plans, a high-performance training focus creates a multiplier effect. Here's how:

• Faster Skill Acquisition: Workers

who have mastered stress-management and focus techniques learn new machinery or protocols more quickly and retain information longer.

- Enhanced Collaboration: Emotional awareness and improved communication lead to fewer misunderstandings and smoother problem-solving on the production line.
- Reduced Downtime: A resilient, cross-trained workforce capable of pivoting in emergencies or demand spikes is less prone to bottlenecks and stoppages.
- Continuous Innovation: Employees accustomed to constant personal growth are more likely to suggest process improvements and adopt emerging technologies proactively.

Michael Magliano emphasizes that manufacturers "who foster a high-performance culture see tangible benefits when it comes to facility utilization, resource allocation, and overall operational flexibility—essential elements of industrial real estate strategy."

**Bringing It All Together** 

A workforce development program powered by emotional well-being and continuous learning provides a strong competitive edge. While robotics, automation, and advanced software are transforming how products are made, the human element remains the backbone of any successful manufacturing operation. Embracing high-performance training and the Inner Mastery Blueprint not only optimizes day-to-day production but also future-proofs companies against the fast-paced changes in the manufacturing world.

#### **Key Takeaways**

• Invest in People: Prioritize skill-building in both technical and soft-

skill areas.

- Adopt a "Whole-Person" Approach: Mental prep, emotional management, and healthy habits drastically improve performance and retention.
- Plan for Continuous Improvement: Cultivate a learning mindset and regularly track progress to ensure sustained gains.
- Align with Business Objectives: Ensure every facet of workforce development connects directly to company goals, including productivity, safety, and profitability.

As we look toward the second quarter of 2025 and beyond, the manufacturing industry will continue to evolve with new challenges and opportunities. Taking a people-first, high-performance approach to workforce development can be the game-changer that keeps your organization both competitive and resilient. By integrating emotional well-being into your training blueprint, you position your teams to excel not just in their roles, but also in personal growth—creating a ripple effect of benefits that will be felt across the entire business.



Constellation – Providing tools to create a customized energy strategy for your company

anufacturing is at a crossroads. The sector is grappling with an aging workforce, rapidly evolving technology, and a widening skills gap, all of which threaten to hinder its long-term sustainability and growth. To navigate these challenges, companies must look beyond conventional recruitment strategies and invest in comprehensive talent development initiatives. One of the most effective solutions is the expansion of internal career pathways, particularly apprenticeship programs.

#### Why Career Pathways Matter for Manufacturers

Creating well-defined career pathways is essential for manufacturing companies aiming for long-term success. These pathways help attract and retain top talent, foster employee engagement, boost loyalty, reduce turnover, and address workforce shortages, especially as skilled workers retire, and fewer young people enter the field. A structured approach to employee growth not only provides clear steps for advancement but also proves that manufacturing offers more than a paycheck—it provides professional development and long-term fulfillment.

#### Apprenticeships: The Key to Career Pathways

Apprenticeships are a highly effective way to establish career pathways because they provide hands-on experience, industry-specific training, and mentorship. These structured training programs combine hands-on work experience with classroom instruction, offering individuals the opportunity to develop specific skills while earning a wage. Unlike traditional educational models, apprenticeships are customized, and directly tailored to meet the needs of employers, ensuring that workers are job-ready and prepared to make an immediate impact.

#### Why Registered Apprenticeships Matter

To bridge the gap between Illinois manufacturers and the next generation of workers, IMEC currently sponsors 17 U.S. Department of Labor registered apprenticeship programs. These federally recognized, registered apprenticeships offer a range of benefits that are essential for building a strong, skilled workforce. From a company leader's perspective, the advantages are clear:

- **1. Quality and Compliance:** Registered apprenticeships meet national standards, ensuring high-quality training that aligns with industry best practices and labor regulations.
- **2. Tailored Training:** These programs allow manufacturers to tailor training to meet specific operational needs. Whether you need skilled CNC machinists, advanced welders, or robotics technicians, apprenticeships provide a targeted way to develop a workforce capable of meeting your company's unique challenges.
- **3. Knowledge Transfer:** Pairing apprentices with experienced mentors in order to ensure that critical technical skills and operational wisdom are passed down, safeguarding the organization's institutional knowledge.
- **4. Enhanced Productivity and Innovation:** Apprentices bring fresh perspectives and up-to-date knowledge of emerging technologies. By integrating apprentices into your teams, you can drive innovation, increase productivity, and remain at the forefront of industry advancements. Apprenticeships also allow companies to integrate new talent quickly, reducing downtime and improving efficiency.

#### Next Steps for Manufacturers to Build Career Pathways through Apprenticeships

Implementing or expanding apprenticeship programs can be easier than you might think. Here are some actionable steps to take:

- 1. Identify Key Skill Gaps: Assess which roles are most critical and where skill shortages exist.
- **2. Collaborate with Local Partners:** Connect with community colleges, trade schools, and workforce groups to find apprentices and align training with industry standards.
- **3.** Create a Structured Training Plan: A successful apprenticeship program requires a clear, structured plan that includes both on-the-job training and classroom instruction. Work with your mentors and training staff to develop a curriculum that focuses



on the key skills your apprentices need to succeed and contribute to their long-term growth.

- **4. Make the Most of Financial Incentives:** Utilize financial incentives to invest in apprenticeship programs. Local Workforce Boards and the Illinois Apprenticeship Education Expense Tax Credit Program are two examples that can help offset the costs.
- **5. Monitor and Improve:** It is crucial to monitor both the progress of your apprentices and the overall effectiveness of the program. Are apprentices meeting performance expectations? Are there any gaps in their training that need to be addressed? Are they facing any roadblocks? Are they staying with your company after completing their training? By tracking key metrics, you can refine your program to ensure it continues to meet both company and employee needs.

Apprenticeships are the gold standard for creating career pathways in manufacturing. They provide a clear route to skill development, offer tailored training for immediate business needs, and foster employee loyalty. By building apprenticeship programs, manufacturers not only invest in the future of their workforce —they're addressing the industry's biggest challenges and ensuring long-term success in an ever-evolving market.

Desly

## MEMBER NEWS

U.S. Air Force Selects Boeing for Next-Generation Air Dominance Fighter Platform



ARLINGTON, Va., March 21, 2025 / PRNewswire/ -- The U.S. Air Force announced Boeing [NYSE: BA] has been awarded a contract to design, build and deliver its next-generation fighter aircraft.

Next-Generation Air Dominance (NGAD) Platform will usher in a new generation of United States fighter jets that brings leap-ahead capability in range, survivability, lethality and adaptability. The NGAD Platform is the central node in the NGAD Family of Systems.

"We recognize the importance of designing, building and delivering a 6th-generation fighter capability for the United States Air Force. In preparation for this mission, we made the most significant investment in the history of our defense business, and we are ready to provide the most advanced and innovative NGAD aircraft needed to support the mission," said Steve Parker, interim president and chief executive officer, Boeing Defense, Space & Security.

For nearly a century, Boeing has produced many of the most advanced combat aircraft for military customers around the globe including the P-51 Mustang, F-4 Phantom, F-15 Eagle, F/A-18 Hornet and EA-18G Growler, among others. The NGAD selection builds on Boeing's fighter legacy and establishes a new global standard for 6th generation capability.

Further information on the NGAD Platform's technical and programmatic details remain classified under United States national security and export laws.

A leading global aerospace company and top U.S. exporter, Boeing develops, manufactures and services commercial airplanes, defense products and space systems for customers in more than 150 countries. Our U.S. and global workforce and supplier base drive innovation, economic opportunity, sustainability and community impact. Boeing is committed to fostering a culture based on our core values of safety, quality and integrity.

ComEd Highlights 2024 Efforts to Advance the Clean Energy Transition in Northern Illinois



In 2024, ComEd delivered best-in-class reliable service and advanced renewable energy initiatives for customers across northern Illinois

ComEd is announcing how a series of investments and initiatives in 2024 led to record progress made in terms of enhancing reliability, clean energy access, community investment and jobs, and overall value for over 9 million people served in northern Illinois last year. Even amid record-breaking storms impacting the grid and the region, ComEd continued to deliver best-in-class reliability, connected thousands of customers to new renewable and cleaner energy resources, like solar and EVs, and continued to expand energy efficiency programs that help customers reduce usage and combat climate change.

Additionally, ComEd last year continued its commitment to the communities it serves by growing job training and educational programs to reach thousands of area residents, deploying a record level of financial assistance to those in need, and by securing approval on future investments that will allow the company to continue preparing the region for increased electrification and to support a clean and equitable energy transition for years to come.

"In 2024, ComEd worked hard to modernize northern Illinois' power grid, strengthening its resilience to extreme weather conditions and preparing it to power a cleaner, more electrified economy," said Gil C. Quiniones, President & CEO of ComEd. "Thanks to the support of our more than 6,600 dedicated professionals and countless partners, ComEd is positioned to support economic development across the region and to ensure that every community enjoys the benefits of the clean energy transition."

Constellation to Acquire Calpine; Creates America's Leading Producer of Clean and Reliable Energy to Meet Growing Demand for Customers and Communities



BALTIMORE and HOUSTON (Jan. 10. 2025) - Constellation (Nasdag: CEG) and Calpine Corp. today announced they have entered into a definitive agreement under which Constellation will acquire Calpine in a cash and stock transaction valued at an equity purchase price of approximately \$16.4 billion, composed of 50 million shares of Constellation stock and \$4.5 billion in cash plus the assumption of approximately \$12.7 billion of Calpine net debt. After accounting for cash that is expected to be generated by Calpine between signing and the expected closing date, as well as the value of tax attributes at Calpine, the net purchase price is \$26.6 billion, reflecting an attractive acquisition multiple of 7.9x 2026 EV/EBITDA.

The agreement creates the nation's largest clean energy provider, opening opportunities to serve more customers coastto-coast with a broader array of energy and sustainability products. Already the nation's largest producer of 24/7 emissions-free electricity, Constellation will add Calpine, the largest U.S. producer of energy from low-emission natural gas generation and an expanded renewable energy portfolio, including the largest geothermal generation operation in the U.S. The combination also forms the nation's leading competitive retail electric supplier, providing 2.5 million customers with a broader array of customized energy and sustainability solutions and new product offerings to help them manage energy costs and achieve their sustainability goals.

"This acquisition will help us better serve our customers across America, from families to businesses and utilities," said Joe Dominguez, president and CEO, Constellation. "By combining Constellation's unmatched expertise in zero-emission nuclear energy with Calpine's industry-leading, best-in-class, low-carbon natural gas and geothermal generation fleets, we will be able to offer the broadest array of ener-

gy products and services available in the industry. Both companies have been at the forefront of America's transition to cleaner, more reliable and secure energy, and those shared values will guide us as we pursue investments in new and existing clean technologies to meet rising demand. What makes this combination even more special is it brings together two worldclass teams, with the most talented women and men in the industry, who share a noble passion for safety, sustainability, operational excellence and helping America's families, businesses and communities thrive and grow. We look forward to welcoming the Calpine team upon closing of this transaction.'

Calpine's low-emission natural gas plants will play a key role in maintaining grid reliability for decades to come as customers transition to cleaner energy sources. Both companies have been early investors in carbon sequestration technology to help ensure America's abundant natural gas can continue to reliably power customers. At the same time, Constellation will invest in adding more zero-emission energy to the grid by extending the life of existing clean energy sources, exploring new advanced nuclear projects, investing in renewables and increasing the output of existing nuclear plants, in addition to restarting the Crane Clean Energy Center in Pennsylvania.

Andrew Novotny, president and CEO of Calpine, said, "This is an incredible opportunity to bring together top tier generation fleets, leading retail customer businesses and the best people in our industry to help drive a stronger American economy for a cleaner, healthier and more sustainable future. Together, we will be better positioned to bring accelerated investment in everything from zero-emission nuclear to battery storage that will power our economy in a way that puts people and our environment first. It's a win for every American family and business in our newly combined footprint that wants clean and reliable energy. ECP's commitment to these goals over the last seven years was critical to the progress we have made as a company and to laying a foundation for future growth."

Tyler Reeder, president & managing partner of ECP, said, "Since acquiring

Calpine in 2018, we have focused on unlocking value and driving future potential growth avenues for the business, which we believe have been recognized through this combination. We truly cannot thank the Calpine team enough for their partnership and are excited to support their continued contributions to the Constellation team. Following the closing of the transaction, we will remain committed as a shareholder of Constellation, reflecting our high confidence in the continued value and growth potential created by this combination."

The transaction will deliver benefits to Constellation's owners, with expected immediate adjusted (non-GAAP) operating earnings per share (EPS) accretion of more than 20% in 2026 and at least \$2 per share of EPS accretion in future years. The transaction is projected to add more than \$2 billion (non-GAAP) of free cash flow annually, creating strategic capital and scale to reinvest in the business. Constellation's base earnings outlook is expected to continue growing at a double-digit rate through the decade. Constellation remains committed to a strong, investment-grade balance sheet with current ratings expected to be affirmed by S&P and Moody's.

## Inprentus Highlighted in SPIE's Fireside Chat



CHAMPAIGN, IL, UNITED STATES, January 24, 2025 / EINPresswire.com/
-- SPIE (The International Society for Optics and Photonics) has released the November episode of their monthly Fireside Chat, hosted by Bernard Kress, with Inprentus' Founder and Chief Science Officer, Peter Abbamonte. Dr Abbamonte was invited by SPIE to share the story of Inprentus and their unique product offering of blazed, mechanically-ruled grating couplers and waveguides for the Augmented Reality (AR) market.

During the chat, Kress discussed some of the key problems and current issues with AR optics. Currently in-use birdbath combiners provide a great image but with an obstructed view and are too thick. Alternatively, waveguides provide the possibility of a higher image transmission and exit pupil expansion, providing a large eye box with lower weight and smaller form factor; however, the persistent problem of eye glow has been very elusive for waveguides in this market. Kress discussed the waveguide structures of binary vs slanted vs blazed and stated that blazed waveguides are superior to the other structures because of the use of one structure to process all colors. In addition, highly custom nanostructures from blazed gratings allow for varying shapes to increase efficiency and uniformity over a larger field of view. However, they have remained challenging to manufacture for the industry.

Kress then introduced Dr. Peter Abbamonte, who gave a history of Inprentus and of the methods by which diffraction gratings were historically made - via either Mechanical Ruling or Interference Lithography. Current waveguides are created using E-beam lithography or DUV lithography, which are not traditional ways to make gratings and are not optimized to create a quality optic.

Abbamonte explained that the AR market approached Inprentus for their unique technology for creating surface relief gratings / waveguides for AR. Inprentus' mechanical ruling methods allow the manufacture of blazed gratings that are scriptable and flexible, have excellent pitch uniformity, and low stray light. Additionally, the blazed groove shapes can be made with a wide range of angles and are modulation friendly. Abbamonte added that AR is a prototypical application for blazed gratings because they are highly efficient, highly tunable, and are easy to replicate via nanoimprint lithography (NIL). Inprentus' gratings in particular are suited to waveguides because there are no write field limitations, and the manufacturing process is substrate agnostic. Abbamonte went on to show the capabilities of Inprentus' AR design prototype blazed waveguides with high throughput, as well as waveguides made from Inprentus masters using NIL replication partner companies like Inkron.

## Stannum Core Solutions Introduces Signature Spectrum Certified® Process



## STANNUM CORE SOLUTIONS

Neurodiverse Staffing Strategies

March 25, 2025 /USA today/ -- Stannum Core Solutions presents its signature 6-Step Spectrum Certified® Process, now offering certification for employers committed to integrating neurodiverse talent into their workforce. This certification enables businesses to highlight their achievements in inclusive hiring and embed structured, efficiency-driven methodologies into their operations. The company is proud to share that it has already onboarded its first Spectrum Certified® employer—a step toward fulfilling its mission of reshaping how businesses approach neurodiverse workforce integration.

Founder Ben Schatzel spearheaded this move. Schatzel has spent nearly a decade bridging the gap between job seekers and those seeking meaningful employment. He started his career in behavioral therapy, working with neurodivergent individuals, from young children to young adults. His work involved helping them address challenges in communication, social skills, and

sensory processing.

Schatzel noticed a troubling trend over time. Many of his clients received structured support in school and therapy settings. However, those resources disappeared once they aged out of the public education system. This phenomenon, called the "service cliff," left many neurodivergent individuals struggling to transition into the workplace.

"Even if they have valuable skills, they have limited opportunities. Employers lack awareness, and their hiring processes weren't designed with the needs of neuro-divergent individuals in mind," Schatzel supplies. This realization motivated him to shift his focus from therapy to workforce development. He wanted businesses to implement structured strategies that would support neurodivergent hires and, at the same time, streamline operations for all

employees.

Schatzel emphasizes that the Spectrum Certified® Process is a business optimization strategy founded on lean methodology, continuous improvement, and efficiency. "We don't view neurodivergent hiring as an act of corporate social responsibility," he states. "We approach it as a way to create stronger, more structured workplaces that benefit all employees."

The challenges that Stannum Core Solutions aims to solve aren't hypothetical. Only 37% of neurodivergent individuals among the working-age population are employed, although they possess skills that could benefit businesses. Looking at the employer side, it's worth noting that businesses face talent shortages in industries such as manufacturing and technology. It's worth noting that this struggle to hire and maintain employees is far more than a simple staffing problem, it's a financial problem. "Some of the world's largest employers from tech giants to financial powerhouses have implemented neurodiverse hiring programs, and the benefits are extraordinary," It has been reported that those who implement such programs have seen a retention rate of over 90%.

The launch of the Spectrum Certified® Employer Certification allows Stannum Core Solutions to fulfill its mission of creating a ripple effect that extends beyond a single workplace. It intends to set new industry standards for inclusion and efficiency as certified businesses adopt and refine these methodologies. Schatzel states: "Our goal isn't just to educate job seekers. We want to support employers so they can create long-term, scalable solutions for an inclusive workforce."

## TRIM-TEX, INC. ACQUIRES PLASTIC COMPONENTS, INC.

## TRIM-TEX

LINCOLNWOOD, Ill., March 3, 2025 — Trim-Tex is proud to announce the acquisition of Plastic Components, Inc., marking the first acquisition in its 56-year history. This strategic move expands Trim-Tex's product offerings to include exterior-grade PVC profiles, making it the industry's most comprehensive source for interior and exterior PVC finishing solutions. The acquisition was finalized on February 28, 2025.

"This is a proud moment for both Trim-Tex and Plastic Components," said Trim-Tex President Bryan Schwartz. "We have immense respect for the Plastic Components team, their expertise, and their commitment to quality. By joining forces, we're not just expanding our product line — we're creating a seamless, one-stop shop for finishing solutions."

"For decades, we've been perfecting interior finishing solutions, and now the time is right to expand into exterior applications," said Trim-Tex Chief Revenue Officer Mike Garcia. "Our customers have been asking us for years when Trim-Tex will make exterior PVC profiles. Well, that time is now! This acquisition strengthens Trim-Tex's ability to serve distributors, contractors, and industry professionals with a larger portfolio of premium solutions worldwide."

The synergy between these two companies has been built over years of mutual respect and collaboration.

"The Plastic Components team is excited to join forces with such a reputable, family-owned company as Trim-Tex," said Herman Guevara, Director of Sales and 19-year employee at Plastic Components. "We've been industry friends for years, often referring customers to one another. This partnership makes perfect sense, and together, we look forward to building the premier global provider of PVC finishing solutions — both interior and exterior."

Founded in 1969, both Trim-Tex and Plastic Components share a commitment to high-quality PVC profiles, American manufacturing, and employee longevity. Many team members have dedicated over 20 years to their craft, reflecting the culture of excellence that defines both organizations.

Plastic Components will continue operating as a family-owned company and will maintain its manufacturing facility in Medley, FL, where its team will continue producing exterior-grade PVC profiles and accessories.

"This is more than just a business deal—it's the union of two family-run companies that share the same values and vision," said Trim-Tex CEO Joe Koenig, Jr. "Plastic Components has built an incredible legacy over the past 56 years, and we are honored to help carry that forward. Together, we will continue providing the highest quality products, made in the USA, while ensuring long-term stability and opportunities for our employees."

## **NEW IMA MEMBERS**

AGC AMERICA, INC.

Alpharetta, GA

**APEX GEAR** 

Elgin, IL

**BUSEY BANK** 

Naperville, IL

CHICAGO PROTECTIVE APPAREL INC

Skokie, IL

**CM INDUSTRIES** 

Lake Zurich, IL

**CONN MACIEL CAREY LLP** 

Chicago, IL

**ECOLAB** 

St. Paul, MN

**ERICSSON** 

Plano, Texas

FAEGRE DRINKER BIDDLE & REATH LLP

Chicago, IL

**GREAT DANE KEWANEE** 

Kewanee, IL

**GREEN TABLE TALKS NFP** 

Chicago, IL

**GULFSTREAM** 

Savannah, GA

**HYUNDAI-TRANSYS SEATING SYSTEM** 

Champaign, IL

**ICNC** 

Chicago, IL

**INSTACART** 

San Francisco, CA

JAMES HARDIE BUILDING PRODUCTS

Peru, IL

JLL

Peru, IL

LMT ONSRUD LP

Libertyville, IL

**NESTLE FOOD CO/BAKING DIVISION** 

Morton, IL

NOURYON CHEMICALS LLC

Morris, IL

NUTRIPACK PET FOOD (EVANGERS)

Markham, IL

SOUTHLAND DEVELOPMENT AUTHORITY

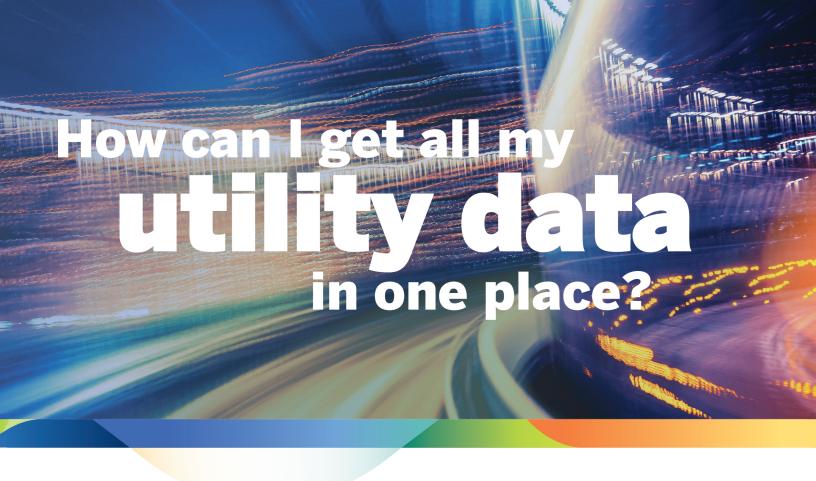
Tinley Park, IL

TAD MORE LLC

Rockford, IL

**VAULT 44.01** 

Denver, CO



Constellation has the products and strategic relationships to proactively take control of your energy data. The Pear.ai platform can help you generate energy insights in a single place helping streamline and reduce operating costs for Utility Expense Management.

To learn more about the Pear.ai platform please contact Rich Cialabrini at richard.cialabrini@constellation.com or 847.738.2510.





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