

THE ILLINOIS MANUFACTURER

FIRST QUARTER 2026



Q&A with
Kara Demirjian Huss

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MISSION STATEMENT

The Illinois Manufacturers' Association is the only state-wide 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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New Foundation Name, New Mission

More than two thousand years ago, Socrates reminded us that real progress comes not from fighting the old, but from building the new. That spirit has guided the Illinois Manufacturers' Association since seven visionary companies founded it in 1893 as a unified voice for Illinois' manufacturing sector.

For more than 130 years, the IMA and its members have helped shape every major moment in our nation and state's history. From the White House to the State House to City Hall - we've been there, advocating for growth, jobs, innovation, and opportunity.

Through constant evolution, we've become Illinois' largest and most influential statewide business organization by any metric. Revenue. Member engagement. Programs. Effectiveness. Advocacy.

Today, our reach extends far beyond traditional manufacturing. Companies across every sector - banking and finance, energy, transportation and logistics, technology, airlines and railroads, professional sports, startups and legacy companies, engineering and accounting firms, hyper-scalers and tech companies, water, gas and electric utility companies; even dozens of local, state and national trade associations - now stand with us in working toward a shared mission of building a stronger and more competitive Illinois.

Now we're asking an even bigger question: What should Illinois look like in 2030? 2040? 2050 and beyond? And how do we get there?

That's why our Board has launched a bold new chapter for The IMA Foundation. With an expanded mission - and leadership more closely tied to the IMA Board - the Foundation will help shape the future of our state. Formerly the IMA Education Foundation, its expanded mission reflects a broader purpose: to serve as Illinois' "state futurist," shaping long-term strategy around competitiveness, education and workforce, energy, infrastructure, healthcare, childcare, immigration, housing, and our legal and regulatory climate.

The IMA Foundation will use non-partisan research, collaboration, and bold thinking to help Illinois compete and grow because every business matters to our future. It will create solutions, drive results, and address complex challenges facing the state because we believe that Illinois can lead our nation.

Change is accelerating. History teaches us that organizations either adapt (Apple, Netflix and Amazon for example) or fall behind (Eastman Kodak, Sears, and Blockbuster). The IMA is choosing the former and adapting to meet the moment. Together, we are focused on the future—and committed to building a stronger, healthier, and more competitive Illinois for generations to come.

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Choosing the Right Energy Supplier to Support Financial Goals

Constellation

Energy purchasing decisions can have a significant impact on a business's budget. As organizations face pressure to manage costs, reduce risk and meet sustainability goals, choosing the right supplier and product is essential. With a well-aligned strategy and a trusted provider, businesses can reduce exposure to market volatility, improve budget predictability and support long-term financial goals.

Understanding Your Load Profile

Prior to choosing a product type, businesses should analyze their energy consumption patterns over time. The resulting load profile can provide insights that significantly impact contract structure, pricing strategy and operational efficiency. Businesses should ask the following questions to better understand their energy usage and inform decision-making:

- ▶ When does the facility use the most electricity?
- ▶ Are there seasonal or daily peaks in demand?
- ▶ Is usage consistent over time?
- ▶ Do we have flexibility in our operations?

Energy suppliers will tailor pricing and contract structures to better fit operational needs based on business profiles. For example, a business with predictable, off-peak usage may benefit from buying index rates, while facilities with highly variable demand patterns may need a strategy to manage fixed rates and capacity charges.

Load profiling may also identify inefficiencies like equipment running unnecessarily during off-hours, or opportunities for automation or operational adjustments that reduce costs.

Evaluating Price Options to Support Budget Goals

When evaluating supplier options, one of the first decisions businesses face is how to structure their energy pricing. Choosing the right product type depends on a business's energy usage patterns, financial goals and risk tolerance. Understanding available pricing structures is key to building a strategic energy plan.

Fixed Price Solutions: Businesses can lock in a consistent rate per kilowatt-hour (kWh) for the length of their contract — anywhere from 12 to 36 months or longer. Fixed-price solutions offer price stability and simplify budgeting by reducing exposure to market fluctuations.

Index Price Solutions Energy rates fluctuate based on real-time wholesale market conditions. This approach provides flexibility and potential savings when prices fall but also carries the risk of higher costs during periods of high pricing or high demand.

Layered or Managed Solutions A blended strategy combines fixed and index pricing, allowing businesses to secure a portion of their load at a fixed rate while the remainder follows market trends. This strategy balances cost certainty with the opportunity to benefit from favorable market conditions.

Although businesses should choose purchasing strategies based on their unique needs, budget goals and risk tolerance, a Constellation study that tested 73 different strategies across four Independent System Operators (ISOs) revealed that a layered or managed solution often delivers significant benefits, including effective management of both risk and price.

Improving Budget Predictability Through Peak Shaving and Demand Response

Peak shaving is a targeted strategy that helps businesses reduce electricity costs by minimizing usage during the most expensive times of the year. These peaks often occur during extreme weather, such as summer months when it's very warm, or from unexpected stress on the grid, when energy prices and capacity charges are at their highest.

This is important because a business's capacity charges are based on its highest usage during these peak periods. Even a short spike in demand can significantly increase costs for the entire year.

Peak shaving strategies include:

Load shifting Moving energy-intensive processes to off-peak hours to avoid triggering peak demand charges.

Battery storage Using stored energy during peak periods to reduce reliance on high-cost grid electricity.

Demand response programs Participating in utility or supplier programs that offer financial incentives for reducing load during peak events.

By proactively managing peak demand, businesses can lower their capacity charges, reduce strain on the grid and even generate revenue through demand response programs.

Optimizing Your Costs with Constellation

Choosing an energy supplier is a critical step in building a purchasing strategy that supports long-term financial and operational goals. With the right provider and a data-informed approach, businesses can manage risk, control costs and support long-term financial performance.

At Constellation, we offer a strategic approach supported by market insights and a broad range of solutions to help businesses take greater control of their energy budgets. Contact one of our representatives today to learn how Constellation can enhance your energy strategy and support your business goals.

From Freight Chaos to Control: How Manufacturers Are Centralizing Transportation

Automated Logistics Systems



How Transportation Quietly Became Everyone's Problem

For many manufacturers, transportation management didn't become complicated overnight. It became complicated slowly, one plant at a time, one carrier at a time, one exception at a time. What started as practical, localized decision-making eventually turned into a patchwork of brokers, carrier-direct relationships, spreadsheets, and institutional knowledge held by a handful of people. For years, that model was "good enough." Today, it increasingly isn't.

Manufacturers are operating in an environment defined by volatility: fluctuating demand, ongoing tariff uncertainty, capacity swings, labor pressure, and rising service expectations from customers. In that environment, transportation models built on fragmentation are showing real cracks. As a result, more manufacturers are rethinking not just how they buy freight, but how they manage it.

When Fragmentation Starts to Limit the Business

The most common issue with fragmented transportation models is the lack of visibility. When each plant or business unit operates independently, no one truly owns the full picture. Leadership teams often struggle to answer basic questions with confidence, what transportation is really costing the organization,

where service failures are occurring, or which lanes and customers create the most risk.

Service inconsistency quickly follows. Local optimization leads to redundant carrier bases, uneven performance standards, and limited leverage when capacity tightens. Plants do what they can to protect themselves, but the organization as a whole becomes more exposed, more reactive, and less predictable.

Over time, these issues compound. Expedites become routine. Problems escalate late. Transportation stops being a controllable function and starts feeling like a constant source of noise.

The Hidden Cost No One Budgeted For

While rate is the most visible transportation expense, it is rarely the most damaging. Fragmented models quietly drive-up administrative workload, accessorial charges, detention, dwell, and internal firefighting. Teams across procurement, operations, and customer service get pulled into transportation issues that distract from their core responsibilities.

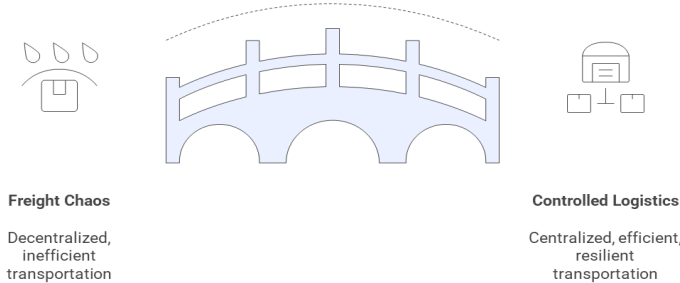
In many organizations, transportation becomes less about moving freight and more about managing friction. The true cost shows up not only on the balance sheet, but in lost time, strained relationships, and missed improvement opportunities.

Why Centralization Is Gaining Momentum

These pressures are pushing manufacturers toward a different approach. Centralization is no longer being viewed as a loss of flexibility, but as a way to restore clarity and control. The goal is not to remove decision-making from plants, but to support them with better structure, visibility, and shared standards.

One of the strongest signals that it's time to centralize is strain rather than scale. When leadership lacks confidence in the data, when freight reviews require manual effort, or when surprises feel inevitable, the existing model has reached its limit.

Manufacturers centralize logistics for control and efficiency.



What “Good” Actually Looks Like in Practice

Manufacturers that centralize successfully focus on ownership and discipline rather than bureaucracy. Transportation is treated as a system, with clear accountability for carrier strategy, execution, and performance management. Plants continue to ship freight, but within a framework that allows the organization to learn and improve as a whole.

Visibility becomes a foundational capability. With consistent data and real-time insight, teams can identify risks early, intervene before service failures occur, and reduce reliance on costly expedites. Transportation shifts from reactive to manageable.

From Rate Management to Network Thinking

Perhaps the biggest change is philosophical. Centralization allows manufacturers to move beyond lane-by-lane rate discussions and think at the network level. Carriers are evaluated holistically. Lanes are engineered with intent. Modes are chosen strategically rather than out of habit. Savings still matter, but they are driven by better decisions, not just tougher negotiations.

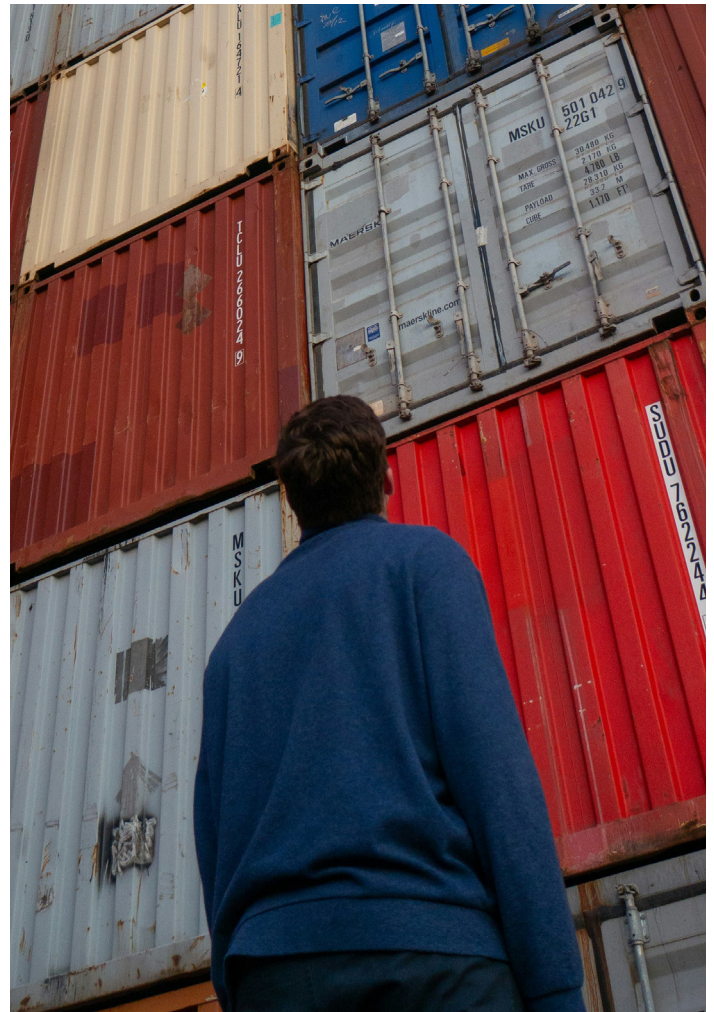
Building Control Without Disruption

Centralization does not require a massive overhaul. Many manufacturers are taking phased approaches, starting with visibility and reporting, then expanding into managed execution,

audit and payment, or network optimization. What matters most is recognizing transportation as a strategic capability rather than a background task.

Why Control Is Becoming a Competitive Advantage

Looking ahead, the manufacturers gaining an edge in 2026 will not be the ones working harder to manage freight. They will be the ones who built systems capable of absorbing volatility without chaos. In a world where uncertainty is constant, control is no longer optional. Freight chaos is rarely the result of poor effort. More often, it is the natural outcome of structures that no longer fit today's reality. Centralization is how manufacturers are realigning transportation with the demands of the future, and turning complexity into control.





ATEX and HazLoc: The High Stakes of Non-Compliance in Hazardous Areas

Ac&E

In industries where flammable gases, vapors, or dusts are present — from oil & gas to pharmaceuticals, chemicals, mining, and food processing — the risk of explosion is a constant threat. To safeguard lives and infrastructure, global safety regulations have been established, most notably ATEX in Europe and Hazardous Location (HazLoc) in North America. Yet despite clear guidelines, non-compliance remains a leading cause of industrial accidents, with consequences that can be catastrophic.

Understanding ATEX and HazLoc

At the core of both regulatory frameworks is a premise: preventing explosions by controlling the environment, equipment, and human behavior in hazardous locations.

ATEX (short for Atmosphères Explosibles) refers to two European directives:

- ▶ ATEX Directive 2014/34/EU (equipment and protective systems intended for use in potentially explosive atmospheres): Governs the design, manufacture, and certification of equipment used in explosive atmospheres. Devices must carry CE and ATEX markings to be legally sold in the EU.
- ▶ Directive 1999/92/EC (safety and health protection of workers potentially at risk from explosive atmospheres): Outlines employers' responsibilities, including hazard assessment, zone classification, and employees' protection..

HazLoc is the North American “equivalent” to ATEX requirements, covering:

- ▶ NEC Article 500+ in the United States
- ▶ CEC Section 18 in Canada

Though both ATEX and HazLoc share the same overarching goal — explosion prevention and mitigation — they differ in certification scheme, classification systems, and technical requirements.

Both systems are structured around three core safety pillars:

- ▶ Preventing the Formation of Explosive Atmospheres Through ventilation, leak prevention, and process control.
- ▶ Eliminating Ignition Sources All equipment, both electrical and mechanical, must be designed to prevent the creation of sparks, arcs, or excessive heat.
- ▶ Minimizing the Consequences of an Explosion If an explosion occurs, systems such as flame arrestors, pressure relief devices, and explosion-proof enclosures: are used to contain or mitigate the damage.

It's essential to understand that being compliant to ATEX directive doesn't mean being compliant also to HAZLOC regulations, and vice versa.

In fact, there are also some key differences between ATEX and HazLoc regulations, mainly:

- ▶ Geographic Scope: ATEX applies within the European Union, while HazLoc regulations are enforced in North America. Each operates under a distinct legal framework, with different compliance requirements.
- ▶ Technical Standards: these schemes use different methods for classifying hazardous areas and specifying the technical measures needed to prevent ignition — including equipment certification, installation procedures, and safety design criteria.
- ▶ Certification, Inspection, and Maintenance: ATEX and HazLoc follow different certification schemes. For example, : in Europe, the declaration of conformity issued by the manufacturer is permitted as a conformity scheme for equipment dedicated to less critical areas (2,22), without the verification by a notified body. This approach is not recognized in the HAZLOC regulations. On the other hand, the certification program for non-electrical components, as required by the ATEX directive, is not yet regulated in the HAZLOC regulations, despite the standards now being in force.

Each scheme (ATEX and HazLoc) has specific requirements for the inspection, maintenance, and periodic verification of equipment used in hazardous environments.

For these reasons, it is essential to follow the laws and standards in force where the machine or system will be installed, to provide a compliant and safe system. At first, the classification of potentially explosive areas has to be defined to avoid ignition sources that may be caused by both electrical appliances and non-electrical ignition sources (mechanical sparks, electrostatic charges, hot surfaces, etc.).

A system or installation is considered non-compliant when, for example, unlisted equipment is used in hazardous zones, or an explosion protection document/risk assessment has not been performed, or installation requirements are not correctly applied.

The Real Risks of a Non-Compliant plant/machinery can be very serious, starting from explosions and fatal accidents. Numerous industrial disasters have been traced back to non-certified equipment or poorly implemented safety systems. In worst-case scenarios, lives are lost. Other consequences are: Production Downtime, Financial Losses, Legal and Criminal, Consequences by the local authorities.

Regulatory bodies like OSHA, the Authority Having Jurisdiction, and EU safety authorities can impose severe fines or pursue criminal charges against a company's leadership.

Prevention is Affordable — Neglect is Costly

ATEX and HazLoc standards are not optional checklists — they are life-saving protocols. The risks of ignoring them are not hypothetical; they are real, well-documented, and, in most cases, entirely preventable. When flammable substances are involved, safety must always take priority.

Compliance isn't a burden — it's a responsibility.



Constellation – 24/7 access to billing and energy usage data

Frontline Leadership: The Game-Changer for Your Operation

Illinois Manufacturing Excellence Center
David Boulay, President



When I walk through manufacturing facilities, I'm often reminded of one simple truth: the difference between hitting your goals and falling short almost always comes down to one thing. It's frontline leadership. Your first-line supervisors and team leaders aren't just task managers. They're the bridge between your strategy and what actually happens on the floor. If we don't invest in them, we're leaving performance, retention, and profitability on the table. This isn't a "nice to have." It's the most powerful strategic lever you have.

But, too often, these roles are filled based on technical skill alone. Great operators get promoted, but leadership is a different game. Without the right capabilities, teams struggle: engagement drops, communication breaks down, and problem-solving stalls. On the flip side, when supervisors lead well, everything changes: performance climbs, teams stabilize, and operations improve in ways that stick.

The Business Case You Can't Ignore

Gallup Research shows that frontline supervisors drive about 70% of the difference in team engagement. That's huge. And when manufacturers invest in developing these leaders, the results are real:

- ▶ Turnover drops, which means less recruiting, less lost knowledge, and more stability.
- ▶ Productivity jumps because supervisors keep throughput moving and downtime low.
- ▶ Consistency improves. Better communication and proactive problem-solving reduce errors and rework.

These aren't just HR metrics. These numbers hit your bottom line. Higher throughput, better margins, and a culture of continuous improvement that compounds over time.

Why You Can't Wait

Manufacturing is under pressure like never before with tight labor markets, automation, rising customer expectations, and supply chain challenges. And frontline supervisors are in the thick of it.

At the same time, surveys show that only half of frontline workers feel fully engaged. Attrition is still a headache. People don't leave companies, they leave managers. If you want to stabilize your workforce and be resilient through all the pressures, start with your supervisors. Great frontline leaders don't just assign tasks. They translate strategy into action, coach their teams, and solve problems before they become crises. The skills that matter most include

- ▶ Fast, confident decision-making to keep production flowing.
- ▶ Clear communication that prevents errors and reinforces quality.
- ▶ Team alignment that sparks engagement and innovation.
- ▶ Human-centered leadership that recognizes stress and celebrates contributions.

The best way to build these skills is through structured, hands-on programs grounded in real-world challenges. Training that feels practical, not theoretical, so leaders can apply what they learn on the floor, every day.

What You Can Do Now

If you're a senior and/or HR leader, here are some steps to take

1. Reset expectations. Supervisors aren't just promoted operators, they're people leaders. Make sure job descriptions, performance measures, and incentives reflect that.
2. Invest early. Build leadership capability within the first 6–12 months of promotion. Focus on real manufacturing scenarios: shift handoffs, communication breakdowns, performance conversations.
3. Equip managers of managers. Development sticks only when plant managers reinforce the behaviors being taught. Leadership expectations must cascade.
4. Measure what matters. Track engagement, team stability, and problem resolution, not just output. These indicators tell you if leadership capability is taking hold.

The bottom line is investing in frontline leadership isn't a cost, it's a strategic move with measurable impact. Companies that prioritize these roles outperform peers, retain talent, and achieve gains in productivity, quality, and engagement. Frontline leaders are the linchpins of your operation. Develop them, and you strengthen your business from the ground up.

The manufacturers that win won't just chase efficiency or adopt new tech. They'll build strong leaders where it matters most—on the front line, every shift, every day.

David Boulay is President of the Illinois Manufacturing Excellence Center. He may be reached at dboulay@imec.org, or 309-677-3766.

Bracket

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In mergers and acquisitions, transactions start with buyers and sellers eager to move forward, desiring a smooth path to closing. Unfortunately, the path can be more like walking a tightrope. Most Letters of Intent are not consummated, often due to accounting problems. A buyer's investment decision relies on conducting thorough due diligence regarding the quality of earnings, as well as tax, legal, operational, and commercial aspects of target companies. Like them or not, numbers are critical to valuation, funding, and assessing benefits. Middle market businesses typically trade at a multiple of their cash flow. Buyers can uncover seemingly minor differences that snowball at a multiple into real dollars. As issues are uncovered, buyers proceed cautiously and interpret them in the most conservative way, leading to contingencies in offers, such as seller financing or earn-outs.

Sellers might not foresee the level of scrutiny to which their financial information is subjected. They often use accounting methods that reflect personal preferences, without a second thought. Sellers who have overlooked accounting are blindsided and may become distrustful. In the worst case, the situation becomes tense, and accounting derails a deal before it has a chance to close. The seller withdraws entirely, wasting everyone's time and money, and fails to fulfill the objective of exiting the company. In retrospect, broken deals might have been prevented with stronger preparation by sellers.

This article explores why accounting matters so profoundly in M&A, when due diligence issues arise, and how proper financial discipline helps both sides stay aligned, avoid costly surprises, and reach the closing table with confidence. Sellers who prepare not only safeguard their transactions but also enhance valuation—sometimes by half a turn or even a full cash flow multiple.



Let the Buyer Beware

Here is an example transaction involving a small manufacturing company, adapted from a real-life scenario: A retiring engineer has built a respected manufacturing business over decades. He is proud of the company's reputation and is now ready to pass it on to someone to continue the legacy. Enter a young engineer, fresh out of a major corporation, eager to run his own business and excited about the opportunity to learn from the seller while building something of his own. The two quickly develop a strong rapport—the seller admires the buyer's energy and ambition, while the buyer respects the seller's experience and legacy.

Initially, the company's accounting practices appear straightforward. Revenue is recorded upon final invoicing at the time of shipment of a completed product. Work in progress—comprising materials, labor, and overhead—is properly reflected as an asset on the balance sheet. However, the company also records income from initial customer deposits and progress payments, with its accounting software automatically linking invoice generation to revenue recognition.

As financial due diligence progresses, the buyer uncovers a concerning issue. Deposits comprise much of the company's reported revenue and have grown from business expansion and changes in payment terms. However, these deposits are booked as revenue without matching the costs, contrary to sound accounting practices. After removing the impact of deposit growth, the company's earnings drop sharply.

Standard cash-free, debt-free transaction terms complicate matters even more. The outstanding cash deposits, collected in advance to fund work-in-progress, remain with the seller at closing. The buyer assumes unfinished projects without the necessary cash to complete them and so will need to obtain more funding. What might seem a mere timing difference to the seller takes on enormous dollar significance.

When the buyer raises this issue, the seller is blindsided and struggles to regroup, while the buyer, though respectful of the seller's career, now faces the challenge of reconciling his entrepreneurial enthusiasm with financial reality.

As the example illustrates, accounting practices greatly affect transactions. Some companies record revenue when customers place orders or make payments. Others prorate profit as jobs are completed, while many recognize revenue at the point of shipment. However, these practices may be incorrect, potentially leading to early revenue recognition that inflates accounts receivable and profits.

Overstatements can also occur even when sellers adopt the right accounting. For instance, a company's CPA might advise adding labor and overhead costs to manufactured inventories for compliance. However, implementing this for the first time can generate a nonrecurring increase in income due to the reduced cost of goods sold. Unless disclosed as an accounting change or booked to equity as a prior-period adjustment, overstatement occurs.

Another common overstatement is the failure to reserve against uncollectible receivables and excess or obsolete inventory. Accounting rules mandate markdowns to net realizable value if items are below historical cost. Companies often leave such items on the books until they are entirely certain they are worthless. In contrast, the rules require reserves to accounts receivable for potential losses, even when balances currently appear collectible. For inventories, industry practice often calls for reserving against future carrying costs of inventories that exceed a year's usage.

Bridge to GAAP

At the core of accounting is Generally Accepted Accounting Principles (GAAP), as established by the Financial Accounting Standards Board (FASB), which outlines acceptable practices for financial reporting and provides a common language and framework. GAAP developed in response to the Great Stock Market Crash of 1929, attributable in part to companies using unorthodox accounting methods.

Buyers focus on GAAP for their own protection. GAAP ensures that comparisons across industries and time periods are fair. Buyers rely on standardized financial statements to assess risk, value, and future performance. In absence of GAAP, buyers operate without critical information, relying on seller practices, meaning the evaluation is based solely on the seller's word.

For sellers, neglecting GAAP can be detrimental to closing a deal. Even if the business itself is fundamentally sound, non-GAAP financials can discredit the seller. When sellers present financials that deviate from GAAP—whether due to aggressive revenue recognition, underreported liabilities, or inconsistent expense treatment—they raise red flags. Discrepancies signal

either a lack of preparedness or an attempt to obscure the truth. Deals can collapse not because the numbers are unfavorable but because they are deemed unreliable. Buyers walk away when they cannot trust the information presented to them.

Addressing issues in advance is crucial. For example, one seller of custom-manufactured items recorded revenue at the time of order, not realizing that revenue should be deferred and recognized as contracts were fulfilled. When the owner learned of this requirement and made the adjustment, the correction dramatically changed the company's performance, leading to its withdrawal from the market.

To keep deals intact, sellers must prepare thoroughly. In one instance, a manufacturer reduced its inventory reserve, which the buy-side due diligence team interpreted as non-recurring income and deducted it from earnings. Although the reduction was only a few hundred thousand dollars, the resulting impact on the purchase price amounted to millions. Feeling chiseled, the seller opted to withdraw from the deal.

The seller later engaged a firm specializing in sell-side financial due diligence to manage the accounting information. The firm documented that the reserve reduction was due to negative margin sales, inventory disposals, and charitable contributions, so that it became a non-issue for the next buyer. The transaction closed successfully.

Other items for sellers to review ahead of time include: Providing clear documentation and audit trails, cleaning up revenue recognition practices, reconciling accruals and liabilities, and ensuring consistent expense categorization. GAAP differences identified need to be addressed when presenting financial information and reflected in the sales and purchase agreement terms.

When both parties adhere to GAAP, negotiations become smoother, valuations are more accurate, and post-close surprises are minimized. In M&A, trust is essential. GAAP provides the framework that enables both parties to engage in good faith and have confidence in the financial data. Sellers who disregard GAAP risk losing potential deals, while buyers who overlook it may find themselves purchasing an illusion.

The Power of Tax Deferral in Real Estate: 1031/721 Exchange vs. Cash-Out

The Inland Real Estate Group

When it comes to real estate investment strategies, Section 1031 and 721 exchanges offer an attractive opportunity for investors seeking to maximize real estate investment potential. 1031 and 721 exchanges are powerful tax-advantaged tools that may allow for the deferral of capital gains taxes on the sale of real property used for business or investment purposes.

To illustrate the impact this can have on long-term returns, let's walk through a hypothetical scenario comparing two common paths: taking sale proceeds in cash (and paying taxes) versus reinvesting all sales proceeds in a 1031 or 721 exchange, and deferring taxes.

The Hypothetical Property Sale

Imagine an investor purchased a property long ago for \$100,000 with no mortgage or other debt. They depreciated that property over time down to a zero adjusted cost basis. They are now selling that property for \$1,000,000. The up-front costs and expenses of an investment in a DST are not reflected in this example. Source: <https://taxfoundation.org/data/all/state/state-capital-gains-tax-rates-2024/>

Funds Available for Reinvestment Cashing Out: The Tax Hit

In the above hypothetical example, if the investor chooses to take the cash and pay the taxes, they will owe taxes on the capital gain of \$900,000 and depreciation recapture on \$100,000. Together, federal capital gains, state capital gains, Medicare surtax, and depreciation recapture result in a nearly \$300,000 tax bill, leaving them with just over \$700,000 to reinvest.

Using an Exchange: Full Reinvestment

If the investor opts to execute a 1031 or 721 exchange, the full \$1,000,000 in sale proceeds can be reinvested. No capital gain, depreciation recapture, or Medicare taxes are paid at the time of the exchange.

Long-Term Impact: 10-Year Appreciation

Let's say the new property appreciates at a modest four percent annually over a 10-year period. In this hypothetical example, thanks to the full \$1 million reinvestment via the exchange strategy, it is estimated that the investor will gain nearly \$500,000 more in value than the non-exchange path. Additional 1031/721 Exchange Advantages

- ▶ Elimination of direct management responsibilities
- ▶ Potential for monthly income
- ▶ Access to professionally managed, institutional-quality properties that may otherwise be unattainable
- ▶ Portfolio diversification across property type and geography

The Bottom Line

The government will always get a cut, utilizing a 1031 or 721 exchange strategy provides the opportunity to delay any tax burden — potentially growing wealth significantly at the same time. Before making any decisions, investors should consult with a tax advisor to understand how an exchange could fit into their investment strategy.



Brian Fritz is SVP & Head of Exchange Solutions Team for Inland Securities Corporation.



The cost of scams and security: Why vigilance matters for manufacturing companies

Canadian Imperial Bank of Commerce

Manufacturing companies stand at a pivotal intersection of technological advancement and operational complexity. As these organizations digitize production lines, manage intricate supply chains, and engage in global commerce, they become increasingly vulnerable to scams and security threats. The consequences of these threats can impact reputation, operational efficiency, and long-term growth. For manufacturers, vigilance is not just a best practice; it's a business necessity.



The Importance of Vigilance

Vigilance is the cornerstone of effective security. For manufacturers, this means:

- ▶ **Employee training:** Regularly educating staff to recognize phishing attempts, suspicious invoices, and social engineering tactics.
- ▶ **Robust controls:** Implementing dual authorization for payments, routine supplier verification, and secure access protocols.
- ▶ **Incident response planning:** Establishing clear procedures for responding to scams or breaches to minimize disruption.
- ▶ **Continuous monitoring:** Using technology to detect unusual activity and flag potential threats in real time.

A culture of vigilance ensures that every employee, from the shop floor to the executive suite, understands their role in safeguarding the company.

Leadership's Role

Executives must lead by example, prioritizing security as a strategic business objective. This includes investing in cybersecurity solutions, fostering open communication about risks, and celebrating proactive behaviors that prevent scams. Leadership commitment signals to the entire organization that security is everyone's responsibility.

Manufacturing companies face unique and significant risks from scams and security breaches. The financial, operational, and reputational costs can threaten the very foundation of the business. By cultivating a vigilant workforce, investing in robust controls, and prioritizing security at every level, manufacturers can protect their assets, ensure business continuity, and build lasting trust with partners and customers. In today's threat landscape, vigilance is essential for survival and success.

Want to know if you're up-to-date on common business scams? Test your scam-spotting skills with our 5-minute quiz.

Start quiz: <https://us.cibc.com/en/privacy-security/banking-fraud/scam-quiz-commercial.html>

Unique Risks for Manufacturers

Manufacturing companies often operate with lean teams and limited resources, making them attractive targets for fraudsters. Common scams affecting this sector include:

- ▶ **Business email compromise (BEC):** Attackers impersonate executives or suppliers, tricking staff into authorizing fraudulent wire transfers or sharing sensitive information.
- ▶ **Invoice and payment fraud:** Fake invoices or altered payment instructions can redirect payments to criminal accounts, especially in organizations with high transaction volumes.
- ▶ **Phishing and malware:** Employees may inadvertently click on malicious links, leading to compromised credentials or ransomware attacks that halt production.
- ▶ **Supply chain attacks:** Fraudsters exploit relationships with vendors or logistics partners to gain access to systems or manipulate orders.
- ▶ **Spoofing calls:** Fraudsters may impersonate bank staff and claim your account is compromised, urging you to review transactions or reset credentials; always verify callers using a trusted bank contact and never share login IDs, passwords, or authentication codes.

Given the reliance on just-in-time delivery and integrated systems, even a brief disruption can have cascading effects across the supply chain.

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Clearing the Path for Innovation: Tackling Technical Debt

Forvis Mazars

The manufacturing sector is entering a new era of transformation. With artificial intelligence (AI), machine learning, robotics, and automation promising measurable gains in efficiency and insight, the temptation to not be left behind and chase the latest technology is stronger than ever. However, before manufacturers leap toward the future, they must first look inward at their existing systems, software, and processes. “Today’s technical debt becomes tomorrow’s AI roadblock,” states Shilpa Shastri, Forbes Technology Council member.

This article explores how weighing your current tech stack and addressing technical debt can help to unlock resources and responsiveness needed to invest in next-generation tools. In addition, a real-world case study can help uncover how one manufacturer turned legacy limitations into a launchpad for innovation.

What Is Technical Debt?

Technical debt refers to outdated, fragmented, or poorly integrated technology systems that accumulate over time. It’s often the result of quick fixes, siloed decisions, or postponed upgrades. While invisible at first, technical debt quietly drains productivity, inflates costs, and limits an organization’s ability to scale or adapt.

Consider this: technical debt in manufacturing can be similar to neglecting regular maintenance on production equipment.

Imagine a factory where machines are kept running without scheduled servicing or upgrades. First, everything seems fine: production continues, and deadlines are met. However, minor issues accumulate over time: belts wear out, sensors become less accurate, and lubrication dries up. These minor problems don’t immediately halt production, but they slow it down, increase the risk of breakdowns, and make repairs more expensive when failures finally occur.

Just as skipping maintenance leads to costly downtime, emergency repairs, and lost productivity, accumulating technical debt (by postponing software updates, ignoring integration needs, or relying on outdated systems) creates hidden costs and operational risks. Eventually, the factory must invest more time and money to fix these problems compared to the regular maintenance being performed.

In short, technical debt is the “unperformed maintenance” of your digital manufacturing systems. Common examples of technical debt can include:

- ▶ Extensive customizations to fit specific business needs
- ▶ Deploying messy code to meet deadlines
- ▶ Deferring equipment refreshes
- ▶ Leaving security vulnerabilities unpatched
- ▶ Allowing data to remain ungoverned or APIs to exist that ignore standards
- ▶ Not fixing broken service management processes

Addressing technical debt proactively can help your operations run smoothly, reduce unexpected costs, support long-term growth, and free up funding to invest in innovative technologies.

Case Study: A Manufacturing Turnaround Story

ABC Company, a third-generation family-owned construction materials manufacturer, with 200 employees and \$80 million in annual revenue, faced mounting technical debt after years of ad hoc software purchases and poor decision making by various team members. The various departments (finance, HR, operations, shop floor, logistics, etc.) operated on disconnected systems, with manual processes dominating workflows, and outdated tools straining employee morale.

These practices had a lasting negative impact on ABC’s business, including:

- ▶ Lost dollars. Directing money to poorly done solutions-based approaches, and paying for technology that was not adding value or improving production or quality.
- ▶ Talent retention. Legacy systems and disjointed applications created a divide among departments and product teams. Outdated systems frustrated skilled operators and engineers, leading to turnover and difficulty attracting new talent.
- ▶ Overworked employees. With a lack of system integration, employees (especially in finance and operations) used tools like Excel that involved manual entry. This manual entry led to unnecessary overtime for shop floor workers who were responsible for inputting, approving, and reviewing time entries, resulting in productivity losses.
- ▶ Lack of data integrity. Since the data existed in different systems, it was inaccessible to shared departments. Financial and project reporting was done after the fact and not in real time. Data was pulled from numerous Excel spreadsheets and systems. This lack of integrity led to a breakdown of trust in the data.

Turning Strategy Into Results

ABC’s leadership realized that chasing new tech without fixing the foundation would only compound the problem. They appointed a new IT director, who led a strategic overhaul focused on three steps:

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Step 1: Technical Debt Check

Before investing in smart technologies, conduct a technical debt check. This involves auditing software licenses, subscriptions, and system integrations, identifying redundant, unused, or underutilized systems, gauging heavy manual or paper-based processes, and mapping each tool to its corresponding business value and business process area.

This initial step paves the way for garnering genuine stakeholder support, setting realistic budgets, allocating resources accurately, and prioritizing initiatives that will have the greatest impact. By streamlining systems and eliminating waste, ABC freed up its budget and reduced IT complexity.

Step 2: Measure the Impact on the Bottom Line

According to a recent HFS Research report, “Tech debt is no longer just a technical issue; it’s a structural liability. It slows innovation, drains budgets, and locks enterprises into operating models that simply can’t keep up. Despite years of transformation, most large organizations remain anchored to foundations never designed for the speed, agility, or intelligence today’s markets demand.”

With tackling technical debt becoming a strategic priority for growth, ABC formed a small working team to take on this task. Notably, they discovered multiple on-premises applications, unused software, and overlapping services from various vendors. ABC measured the cost of inefficiencies, support burdens, and missed opportunities. This helped to build a compelling business case for change and secure executive buy-in.

Within 12 months, ABC reduced technical spend by 12%, reallocating those funds toward migrating its enterprise resource planning (ERP) to the cloud and planning for an AI pilot.

Step 3: Build Governance & Momentum

To prevent future debt, ABC formed an innovation committee with cross-departmental representation. They established clear standards for tech adoption, required one-page business cases for new purchases, and prioritized platform solutions over point solutions.

The innovation committee now plays a crucial role by test-driving new technologies, performing inquiries to understand if they align with business goals, and avoiding failed applications. This shift created a culture of innovation and accountability at ABC.

The Real Payoff: Readiness for What’s Next

By focusing on its current state first, ABC unlocked the capacity to invest in transformative technologies. The company didn’t just modernize; it positioned itself to be future-proof and agile in its adoption of emerging technologies.

As your company looks to take on a similar endeavor, keep these important considerations in mind:

- ▶ Acknowledge technical debt and address it to make room for innovation.
- ▶ Focus on alignment: help to ensure every tool supports strategic goals.
- ▶ Involve stakeholders. Governance and transparency prevent future fragmentation of data and systems.
- ▶ Gauge and manage vendors and be sure to perform ongoing vendor due diligence.
- ▶ Invest with intention. Freeing up resources today enables smarter investments tomorrow.

Before chasing the newest piece of equipment, take stock of where you are. The most successful manufacturers are strategic stewards of their technology ecosystem.

Look Inward Before You Leap

Manufacturers who proactively address technical debt position themselves for long-term success. As demonstrated by ABC Manufacturing, investing in their IT platform’s modernization helped to drive operational excellence, support workforce development, ensure resilience in an ever-changing market, and make room for innovation. Taking these mindful steps can help your organization move forward strategically.

Current Developments in International Business and European Supply Chains

When U.S. manufacturers expand into Europe, understanding the realities of supply chains, regulatory systems, and physical infrastructure is essential. Recent discussions with representatives from the Netherlands Foreign Investment Agency, Holland International Distribution Council, Port of Rotterdam and KPMG highlighted three major areas shaping how companies enter and operate in the European market. The information below is a breakdown of the International Business and European Supply Chains program, hosted by the IMA with Paul Kleijne, Director and Head of Office NFIA Chicago.

1. Shaping Your Supply Chain for Europe, and the advantages of going through the Netherlands

Europe's major consumer markets are concentrated within a 350-mile radius of key entry points such as the Port of Rotterdam and Amsterdam Schiphol Airport, accessing around 170 million consumers. The Netherlands boasts a strong logistics sector, with 10% of its workforce in logistics, contributing 14% to the national GDP. Companies entering the market often outsource logistics to local providers to remain scalable and reduce risk. The country and its 3PLs offer a variety of value-added services, including customization, assembly, and reverse logistics, enabling faster lead times and flexible distribution. And amid current labor shortages, the drive to adopt automation and AI is enhancing efficiency across sectors such as life sciences & health, and high-tech systems.

2. Regulatory Implications When Entering the European Market

U.S. manufacturers are increasingly challenged by complex regulations stemming from tariffs, sustainability policies, and changes to customs procedures. A proposed tariff agreement between the EU and the U.S. aims to eliminate EU tariffs on U.S. industrial goods, pending approval. Key updates in EU customs legislation include a centralized Customs Data Hub, a unified Customs Authority, and a "Trust and Check Traders" system for compliant companies. Import VAT can be recovered if structured correctly, with some countries, among which the Netherlands, allowing VAT deferment by law. Sustainability regulations like the EU Deforestation Regulation (EUDR) and the Carbon Border Adjustment Mechanism (CBAM) further complicate compliance, although the EU is currently pushing a broad simplification agenda that will reduce the regulatory burden on companies and thus bring down compliance costs and red tape. Overall, tariff unpredictability remains a significant concern for manufacturers, affecting planning and supply chain decisions.





3. Physical Infrastructure and Logistics Capacity in Europe

Major European ports are enhancing transatlantic supply chains through improved connectivity and infrastructure, with the Port of Rotterdam handling over 14 million TEU annually and recording an 8% volume increase of transatlantic trade between the USA and the Port in the first 9 months of 2025. Significant investments in digitalization are being made here to boost efficiency and real-time visibility, using tools such as Port Alert for truck scheduling, Rail Connected for rail data sharing, and NextLogic for barge planning. Inland networks link ports to key production and consumer areas, while public performance dashboards showcase operational metrics. Solutions such as RouteScanner optimize container routing, supporting the region's capacity to accommodate larger ships and maintain its status as a leading global importer and exporter due to strong logistics capabilities and growing consumer markets.

In summary, the Netherlands has become a forerunner in advancing European cooperation for value-added supply chains. The Dutch ecosystem – with its superb infrastructure and connectivity, both geographic and digital – acts as a central connecting hub for Western Europe, elevating the entire region as a gateway to the continent. In addition, the Netherlands serves as a testing ground and pilot market for key enabling technologies, such as robotics and AI, that are transforming supply chains.

Paul Kleijne, Director, Netherlands Foreign Investment Agency, can be reached at paul@nfia.com. Or visit this [Invest in Holland](#) webpage for more information about expanding your business in the Netherlands.

This is a recap of the latest webinar in our International Exporting Series. For more information about the IMA programs, please reach out to Terri Graham at tgraham@ima-net.org



Q&A with

Kara Demirjian Huss

Incoming Board Chair, Illinois Manufacturers' Association

Q: Where did your professional journey begin?

A: My journey began in a very different industry—fashion. Studying at the University of Illinois and working in New York taught me how to build brands, influence markets, and shape narratives that move people.

In the mid-1980s, my dad purchased the York Division of BorgWarner and began assembling what would become our family's corporate enterprise. By the mid-1990s, he recruited me out of the fashion industry to help define our market strategy, build a national distribution base, and develop the go-to-market strategy for a new company he acquired and product line he was launching.

Over time, I came to understand that my career was not unfolding in separate lanes—it was forming an ecosystem. Manufacturing, economic development, workforce systems, and strategic communications are deeply interconnected, and my work sits precisely at that intersection.

Q: Was there a pivotal moment early in your career that changed your trajectory?

A: A true turning point in my career came when we were making the decision about where to expand TCCI's electrification platform. On paper it almost made more sense to shut down U.S. manufacturing than to rebuild it. But I could see something else forming: significant U.S. investment in clean energy and next-generation technology, a rapidly expanding global market in commercial vehicle electrification, and a clear gap in climatic research and workforce pipeline development.

Those conversations ultimately allowed us to make a different choice: to keep and transform our U.S. manufacturing footprint and to build the three-tiered Clean Energy Innovation Hub in Decatur. That moment changed my trajectory. It crystallized my belief that Illinois can lead in advanced manufacturing and clean energy, that policy and industry can work together to reshore and modernize production, and that workforce, innovation, and storytelling all have to move in lockstep.

Q: When you look back at your early days in the industry, what obstacles shaped the leader you are today?

A: The biggest obstacles weren't about a title or a label – they were about credibility. I was coming into a global manufacturing company at a young age, with a background in strategy and communications, in an environment that was very engineering- and operations-driven.

I learned very quickly that the way through that was not rhetoric – it was doing the work. Walking the plant, sitting with engineers, understanding cost structures, listening to customers, and learning from people who had been doing this far longer than I had. Over time, that built trust.

Those early challenges shaped how I lead today. Leadership is about building strong networks and trusted relationships, being deeply accountable for outcomes, and being willing to “get your hands dirty” to get things done.

“YOU DO YOUR RESEARCH, YOU LISTEN MORE THAN YOU SPEAK, YOU ASK HARD QUESTIONS, AND YOU’RE WILLING TO MAKE DECISIONS AND STAND BEHIND THEM.”

Q: How did you navigate leadership in environments where women were often underrepresented?

A: I've spent a lot of my career walking into rooms where I was one of very few women. My approach was never to shrink myself to fit in. I've always believed in owning who I am.

The way I navigated those environments was by focusing on what ultimately matters in any leadership seat: doing the work, knowing the business, and delivering results. I built credibility by listening first, understanding the numbers, showing up prepared, and following through.

I wasn't trying to be "the woman in the room"; I was trying to be a leader who added real value.

Q: What lessons or values guide your leadership today?

1. **Do the work.** You stay close to the operation, close to the numbers, and close to the people we serve.
2. **Build trusted relationships.** Manufacturing runs on people and partnerships.
3. **Own the outcome.** If we commit to reshoring, to building a clean energy hub, or to standing up a workforce pipeline, then we stay with it through the hard parts and measure ourselves on results, not headlines.

Q: Can you share a moment at TCCI that captures your leadership in action?

A: We were facing the pandemic, geopolitical tensions, tariffs, supply-chain chaos, and shifting regulations across every region we serve. It was clear to me that if we didn't define who we were in that environment, the market would do it for us.

We looked at everything through one lens: What is TCCI's true value differentiator in this new energy and regulatory landscape?

What I'm proud of is that we used a very complicated period to get sharper about who we are, how we show up in the market, and how our teams see themselves in that story. It was leadership through clarity.

Q: What have been your proudest accomplishments so far?

A: I'm proud that we made the decision to keep and transform manufacturing in Illinois when it would have been easier to move it overseas.

I'm proud of being appointed by Governor Pritzker to the Illinois Workforce Innovation Board and trusted to help lead the state's communications and stakeholder engagement strategy.

And I'm proud of the quieter work: helping others shine—mentoring emerging leaders, elevating young talent, and giving manufacturers and community partners a stronger voice at the table.

Q: What does your new role at the IMA mean to you?

A: It's a tremendous honor and a real responsibility to serve as Board Chair of the IMA. Illinois is where my family built its manufacturing legacy and where I've built my own career, so this role is personal.

I see it as a chance to help ensure that the next generation of manufacturers has even stronger footing than we did.

My focus is on elevating the strengths we already have, pushing for clear and competitive policy, and making sure the voice of manufacturers is at the center of conversations about energy, workforce, infrastructure, and economic development.

Q: If you could give one piece of advice to your younger self, what would it be?

A: Trust your instincts and run toward the opportunities that feel bigger than you—but remember that your greatest strength will be the people around you.

You don't need to have every answer. Do the work, be prepared, ask good questions—and then let others make you better.

In short: be bold, but build with others.



AI and Robotics Won't Save Us Without the Workers and Infrastructure to Support It

Clayco

More now than ever, Illinois manufacturing needs to remain focused on developing and retaining an edge in skilled labor and resolving supply-chain constraints. The well reported AI boom and upcoming robotics boom are revolutionary but require skilled labor and infrastructure to support them through their expansive growth cycles. The advancements in AI and robotics are currently supplements to physical operations, but they are not full-scale solutions on their own. For the here and now, we must build up our physical resources - workforce, facilities, supply-chain depth - to expand our manufacturing and construction bases so that the future advancements in AI and robotics.

Confronting Constraints

Across Illinois and the nation, manufacturers are encountering multiple pressure points: a shrinking skilled-labor pool, aging workforce and supply-chain fragility. According to data from the University of Illinois, employment in Illinois' manufacturing sector has dropped from about 839,749 jobs in 2001 to approximately 576,244 in 2023. And the share of older workers (ages 55-64 and 65+) has climbed significantly, while younger workers' share has declined. Illinois is not the only state struggling with the challenging labor market as evidenced by Ford's reported shortage of 5,000 mechanics. The national construction industry is projecting 81,000 unfilled skilled electrical openings each year for the next decade. This skilled labor gap creates challenges in building critical infrastructure (e.g. electrical infrastructure upgrades) and keeping production lines moving to achieve a world class manufacturing base in Illinois.

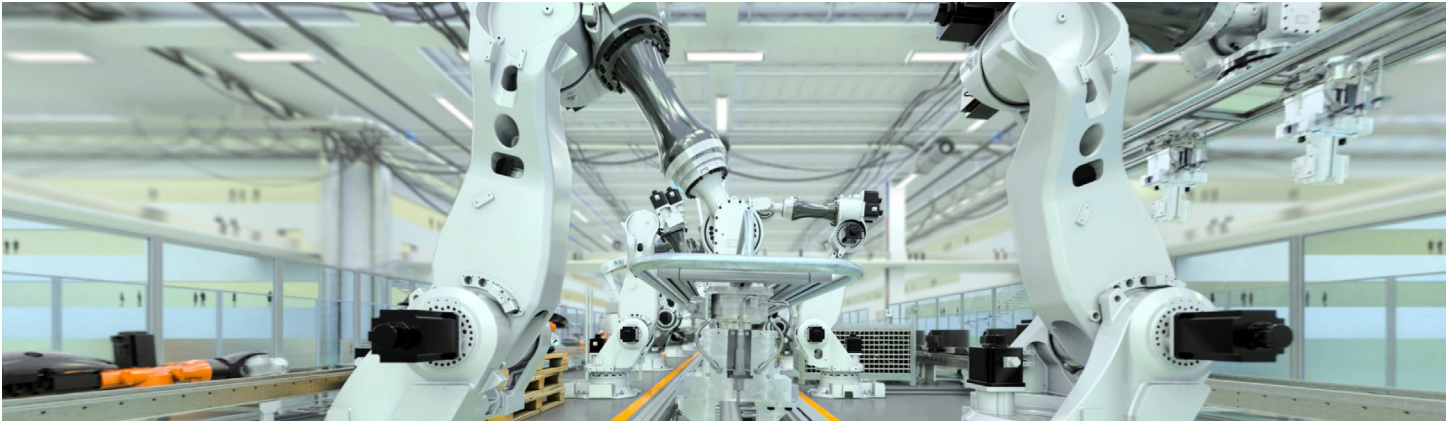
Right now, AI is dominating strategic conversations. It's easy to believe that automation and robotics will solve the industry's challenges, but that attention can obscure a more basic truth: without strong facilities, reliable supply chains, and skilled people, no technology will deliver on its promise. When AI takes all the oxygen in the room, leadership risks prioritizing what's new over what's currently necessary.

Ultimately, business leaders need to look beyond AI and understand the physical facility and product world. The solutions to Illinois' competitiveness challenges are not abstract — they are tangible and actionable. This isn't an argument against AI, robotics, or automation. It's an argument that those innovations only achieve their full value when the physical foundation is ready to receive them. The states and companies that strengthen their workforce and infrastructure today will be the ones positioned to fully capitalize on next-generation technology tomorrow.

The skilled-labor imperative

We must rebuild a pipeline of skilled labor. For more than a decade, Illinois has watched demand for skilled manufacturing talent outpace supply. The state that succeeds in attracting, training and retaining that workforce will have an immediate





and durable advantage. No amount of automation can offset a shortage of experienced technicians, operators, machinists, welders, electricians, millwrights and other skilled workers who keep facilities running.

How do we actually build the skilled labor pipeline? Doing so is difficult but not impossible. It depends on the industry to make skilled work an attractive, attainable and respected career path again. Four actions have the highest return:

1. Improved Optics of Skilled Labor Education.

Over the last half century, trade schools and apprenticeship programs have been denigrated in preference for four-year collegiate programs. We must change this in our K-12 education system. Skilled labor programs, including the benefits for labor force need to be celebrated as a pathway to six-figure earning potential without four years of college debt. The companies that win long-term talent are the ones that treat outreach as a core function, not a “nice to have.”

The Illinois Community College system should continue to be leveraged in building this pipeline. The system saw a growth of 3.7% in its recent 2025 Fall headcount, and enrollment stands at just below 275,000 across the state. There is tremendous opportunity for the system to continue to lean in and fill the skills gap across industry.

2. Industry Support of Skilled Labor Education

Illinois is currently trailing Indiana, Michigan, Wisconsin and Texas in apprenticeship and trade school expansion. This is our competition for manufacturing and construction talent. Companies, unions, community colleges, state and municipal government need to collaborate on improving and increasing the access to skilled labor training and apprenticeship programs.

3. Build career paths, not just job openings.

Workers stay when they understand where the job leads. Clear advancement ladders, skill-based pay bumps, cross-training opportunities and tuition support are powerful retention tools. Skilled workers want a future, not just a paycheck.

4. Improve Infrastructure supporting Illinois Manufacturing

And this workforce strategy can't sit alone. It must be paired with forward-looking facility and procurement planning. Illinois manufacturers who forecast equipment needs, power requirements, material-flow demands and supply-chain dependencies in a three to five-year window will be positioned to capture the next wave of capital investment, reshoring and advanced manufacturing opportunities. The companies that wait until demand arrives will be too late.

AI, robotics and automation isn't the finish line; it's the reward for doing the fundamentals right. The companies building for it now are the ones that will dominate the next wave of American manufacturing.

Leaders can find a practical checklist here to help evaluate whether their people, facilities, and systems are ready for the future. Scan qr code below for the Future Infrastructure Readiness Checklist.

Clayco is an Illinois business and national industrial integrated design builder.



HOW MANUFACTURING LEADERS LEAD

Inside the habits, decisions, and values shaping modern industry

Leadership in manufacturing is being tested on every front — from rapid technological change and talent demands to shifting global priorities and rising pressure to deliver results without compromising values. In this Leadership Q&A, three influential leaders shaping the manufacturing and innovation ecosystem respond to the same set of questions, offering candid insight into how they lead, decide, and build organizations that last. Their answers reveal not only what sets great leaders apart, but what it takes to scale impact, earn trust, and navigate complexity in an industry that's evolving faster than ever.



Meredith O'Connor
JLL, Vice Chairman

Meredith: You've been engaged in nearly every major project in Chicago and many across the globe. You're now leading JLL's advanced manufacturing practice. How is Illinois leading in the attraction of manufacturing?

"Illinois is establishing itself as a manufacturing powerhouse by evolving from traditional heavy industry to high-tech manufacturing powered by skilled workers and sophisticated automation. What sets us apart is our proactive approach to emerging technologies. While other states are catching up to AI integration, we're already positioning for quantum computing applications.

Looking ahead, shifting federal priorities toward defense are creating new demand across aviation, aerospace, life sciences, and advanced technology manufacturing— sectors where Illinois has established expertise. Our strategic location provides unparalleled access to North American markets while our research institutions ensure manufacturers can find the specialized skills they need. These things, paired with the state's tools and resources available by way of government incentives, allow Illinois to not just compete for manufacturing investment but create the conditions where advanced manufacturing thrives."



Michael Fassnacht
Clayco, President of the Chicagoland Region

Michael: You've formerly led World Business Chicago, the chief business attraction unit for Chicago. What leadership skills are needed to lead global efforts for a world class city?

"Leading global efforts for a world-class city requires credibility, diplomacy, and the ability to listen before acting. You have to build trust across cultures, sectors, and governments while staying grounded in the values and strengths that define the city. It also demands long-term thinking, balancing near-term wins with a vision that extends well beyond any single administration or project. Above all, it requires consistency and professionalism, because a city's reputation is shaped by how its leaders show up on the world stage every day."



Haven Allen
mHUB, CEO & Co-founder

Haven: You helped co-found mHUB which is an organization driving hard tech innovation and manufacturing entrepreneurship located on the west side of Chicago that has grown exponentially and has future growth plans. Talk about your leadership and how you built this ecosystem from scratch.

"mHUB was built from the ground up through partnership and collaboration, aligned around a clear mission and shared sense of purpose. From the beginning, we focused on creating real value for the entrepreneurs and manufacturers we were best positioned to serve, and we measured success by outcomes and not just activity.

My leadership role centered on ecosystems and organizational design. That meant creating clear entry points for stakeholders across industry, capital, academia, and government; building a strong, mission-aligned leadership team; and establishing strong governance and a culture rooted in execution, accountability, and continuous learning. As the organization grew, I focused on aligning strategy, resources, and incentives so partners could move quickly while remaining coordinated. What allowed mHUB to scale was not a single person, program or facility, but a deliberate approach to institution-building and a clear emphasis on trust, adaptability, and long-term impact. The result is an ecosystem that continues to evolve while staying anchored to its core mission."

1. What's the one or two most important leadership habits? Are there habits or traits that you had to “unlearn” in order to grow?

Meredith: “The most important leadership habit is treating everyone with kindness and respect. In the competitive commercial real estate industry, I’ve built my network on genuine relationships, not just transactions. I write down and remember people’s birthdays, hobbies and family facts so they know I care. That’s the level of personal relationships I strive to foster.”

Michael: “Personally, I’ve lived by three simple guiding principles: do great work, do the right thing, and be your best self. While those principles have served me well, it’s essential for every leader to define and pressure-test their own. We all face moments where decisions are uncomfortable, whether it’s a project that raises moral questions or a personnel decision we don’t fully agree with. Having a clear personal North Star helps you navigate those moments without compromising who you are as a leader.”

Haven: “For me, important leadership habits include investing in strong teams and creating clarity around direction and priorities. Recruiting mission-aligned leaders, investing in their development, and giving them meaningful opportunities to grow has allowed mHUB to retain five of its six original employees while continuing to scale. Equally important is setting clear direction through disciplined strategic planning and regular board and leadership alignment to build organizational buy-in and measure progress. The most important habit I had to unlearn was the instinct to go it alone. Letting go of the belief that involving others would slow things down and establishing a focus on building teams with diverse perspectives and complementary skills has been essential to scaling, impact, and resilience.”

2. What's a lesson you learned the hard way that changed how you lead?

Meredith: “There’s no such thing as a secret. You can have all the NDAs in the world, but there’s always someone who thinks confidential information isn’t actually confidential. This taught me to be extremely thoughtful about what I share and with whom, while maintaining transparency where it matters most. It’s shaped how I communicate with my team and clients, ensuring we’re building trust through appropriate disclosure rather than assuming confidentiality will hold.”

Michael: “A lesson I learned the hard way is that delaying difficult conversations rarely makes things better. Early in my career, I believed time or context might resolve issues on their own, but it often allowed small problems to grow. Leadership requires addressing challenges directly and respectfully, even when it’s uncomfortable. Those moments ultimately shape culture and trust far more than the easy wins.”

Haven: “One lesson I learned the hard way is the importance of revenue diversification. For example, mHUB’s early model was built around a single product – membership and partners with access to an incubator. While demand was strong, the model struggled to scale fast enough to cover structural costs or support the ambition we had for impact. When the organization diversified revenue by launching engineering and design services and, later, investment platforms, the additional business lines created new entry points for customers, reduced risk, and allowed us to reinvest in growth, enabling nine consecutive years of revenue growth and profitability.”

3. When your values and business pressure collided—what won, and how?

Meredith: “My personal and professional values have never collided because I’m the same person at home as I am in business. Authenticity is non-negotiable. I’ve been fortunate to always work for organizations I’m proud of and leaders I respect, which create alignment rather than conflict. When you build your career on genuine relationships and ethical practices, you don’t find yourself in situations where you must choose between doing what’s right and what’s profitable.”

Michael: “My values have to win, every time. Business pressure can be intense, but short-term gains aren’t worth compromising integrity or trust. I’ve learned that walking away from decisions or opportunities that don’t align with your values ultimately strengthens your credibility as a leader. In the long run, people remember how you led far more than the result of any single decision.”

Haven: “Values win—but not by default. They win when organizations are intentionally designed to play a long game, evaluating short-term opportunities against mission, customer impact, and long-term trust. In practice, this might mean walking away from partnerships or initiatives that don’t align with values or would compromise the ability to serve customers or community effectively over time. Near-term actions should strengthen rather than erode future scaling potential. Values don’t have to be a constraint on performance; they can be a source of durability.”

4. As a leader, how do you build and nurture a strong culture?

Meredith: “I focus on consensus building and ensuring everyone knows their opinion matters regardless of their title. In JLL's Advanced Manufacturing practice, the best solutions come from diverse perspectives, so as a leader, I embrace and lift all voices from our team. Furthermore, I lead with a level of trust. I give my team members the benefit of the doubt that they will perform and show up for clients without me needing to micromanage. When I started at JLL, I had five children under the age of seven. I learned that work-life balance isn't about traditional hours but about zone defense and mutual support. I extend that same understanding to my team, recognizing that high performance comes from people who feel valued and supported, not burned out.”

Michael: “I believe strong cultures are built through consistency, clarity, and respect. Leaders set the tone by how they show up every day, especially under pressure, and by holding themselves to the same standards they expect of others. Performance and well-being aren't competing priorities; people perform at their best when they feel respected, supported, and trusted. When leaders invest in their people and create an environment of professionalism and accountability, strong results follow naturally.”

Haven: “Culture is built intentionally, not passively. As a leader, I focus on establishing clear norms around ownership, accountability, and execution while creating an environment where people feel trusted to learn by doing. This includes emphasizing action over excessive planning, encouraging entrepreneurial thinking, and ensuring everyone understands how individual contributions drive strategic priorities. When people feel supported and aligned, they perform better, stay longer, and build a stronger culture together.”

5. When you look at the best leaders on your team, what do they do that others don't?

Meredith: “They do more than you ask them to do. They think ahead and predict next steps while being prepared for multiple scenarios. I live by James Baker's (former United States Secretary of State) mantra: Proper preparation prevents poor performance. The best leaders embody this naturally. They anticipate implications and come to conversations ready to move projects forward, not just report on status.”

Michael: “The best leaders are consistent and self-aware. They listen more than they speak, follow through on commitments, and treat everyone with the same level of respect, regardless of title or role. They don't avoid hard conversations, and they lead by example, especially when decisions are difficult. That consistency builds trust, and trust is what separates good leaders from great ones.”

Haven: “The best leaders on my team consistently take initiative—they anticipate needs, step into ambiguity, and take full ownership of outcomes, not just tasks. With that ownership comes real accountability: they drive timelines, make decisions, and follow through. Rather than protecting scope, they seek new challenges and growth opportunities—for themselves and for the organization. Ultimately, the strongest leaders behave like owners. They act with urgency, think beyond their role, and take responsibility for moving the organization forward.”

6. Talk about your workday and prioritization when everything feels urgent? What is your approach to decision-making and balancing your days?

Meredith: “In site selection, everything genuinely is urgent because these decisions are extremely important and can impact hundreds, even thousands of jobs and millions and often billions in investment. There are no traditional work hours in our business. My approach is strategic triage: I focus first on client deliverables with the tightest deadlines and highest stakes, then work backwards from there.”

Michael: “When everything feels urgent, I focus on what truly matters versus what's simply loud. Not every issue requires the same level of attention, and part of leadership is creating space to think before reacting. I prioritize decisions with long-term impact, delegate where appropriate, and stay disciplined about my time. Calm, thoughtful decision-making helps keep both the work and the people around me moving forward effectively.”

Haven: “Early in my career, I equated leadership with sheer effort and prided myself on being the hardest-working person in the organization, often logging 80 to 100 hours a week. Over time, I learned that intensity alone does not scale and that it can become a bottleneck. Today, when everything feels urgent, I prioritize work that unlocks my team's productivity, setting clear priorities, removing obstacles, and making decisions that others cannot. That means being disciplined about what truly requires my involvement and what can, and should, be delegated.”

7. What's one system, habit, or meeting structure that's been a game changer for your leadership team?

Meredith: “While virtual meetings have been around forever, they've become a true game changer for our leadership team specifically in how they impact us in the manufacturing space. The ability to conduct comprehensive virtual facility tours and site assessments has transformed our operations in ways that go far beyond typical video conferencing. We can now evaluate manufacturing facilities, industrial sites, and production capabilities anywhere in the world without the extensive travel time and coordination challenges that previously delayed critical decisions.”

Michael: “One of the biggest game changers has been being more disciplined about how we use time together. We focus on fewer, more purposeful meetings with clear agendas, defined ownership, and concrete next steps. That structure creates accountability and allows the team to spend less time reacting and more time thinking strategically. When meetings drive clarity and action, they become a leadership tool rather than a drain.”

Haven: “At mHUB, meetings are designed to drive decisions, alignment, or problem-solving—not information sharing, which can be handled asynchronously. Every meeting must have a clear purpose, a defined agenda with objectives, and only the relevant decision-makers in the room. This structure has significantly improved focus, accountability, and speed, while respecting everyone's time as a scarce organizational resource.”

8. What's your favorite book or podcast on leadership that you recommend?

Meredith: “One of my favorite podcasts is Going Big! With Kevin Gentry. The episodes are in-depth conversations with business owners, entrepreneurs, non-profit leaders, political figures, and other trailblazers who have achieved extraordinary impact in their work and communities and have built something remarkable.”

Michael: “My friends and family know that I am a huge fan of NYU marketing professor Scott Galloway, both his books (including his latest, Notes on Being a Man) and his podcasts, especially Pivot and Prof G.”

Haven: “Team of Rivals by Doris Kearns Goodwin. Not a traditional leadership book but one that talks through building teams, managing conflicts, and consequential decision making.”

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The New Playbook for Manufacturing Strategy: Real-Time Data as a Competitive Edge

AdCirrus ERP

Manufacturing has always rewarded leaders who can see what's coming next. Today, visibility isn't just helpful - it's essential. Whether you're running a 20-person shop or managing multiple facilities across the country, the pace of change has made it impossible to lead effectively without clear, real-time information.

Yet many small and mid-sized manufacturers still operate with fragmented data scattered across spreadsheets, handwritten notes, email threads, and aging legacy systems. Leaders spend more time hunting for answers than acting on them. Production managers piece together updates from different systems. Sales teams promise dates that the plant cannot meet. Finance waits for numbers that are already outdated by the time they arrive. This is the reality across much of the sector, and it's slowing growth at a time when speed and clarity matter more than ever. Modern ERP systems can change that. Not because software magically solves problems, but because these systems give leaders the visibility they have been missing, the kind that connects every department, every process, and every decision in real time. But the real transformation does not begin with technology. It starts with leadership. The organizations winning today are the ones where leaders embrace data-driven decision-making, remove silos, and build cultures where people operate from the same truth. Visibility is no longer just a tool, it's becoming the new currency of leadership in manufacturing.

Why Real-Time Data Now Defines Competitive Strategy

Illinois manufacturers face pressures that didn't exist a decade ago: unpredictable supply chains, labor shortages, tighter margins, evolving customer expectations, and rapid technological shifts. Making decisions weekly, or even daily, is no longer enough.

Leaders need to see what is happening right now:

- ▶ What jobs are running behind schedule?
- ▶ Which materials are low or delayed in transit?
- ▶ What will this week's orders do to next month's capacity?
- ▶ Are we pricing jobs accurately based on actual costs?

Real-time data provides clarity in moments where guesswork used to be the norm. With that clarity comes faster, more confident decisions. As one Illinois plant manager recently said, "The problem isn't that we don't work hard. It's that we don't always know the right thing to work on". Visibility solves that.



The Cost of Blind Spots: Where Fragmented Data Hurts the Most

Most SMB manufacturers don't lack information; they lack connected information. The biggest performance issues usually appear in four areas:

1. Inventory Accuracy

Too much inventory drains cash, and too little causes late shipments. Many manufacturers still rely on manual counts or outdated spreadsheets, creating gaps that affect purchasing, production, and profitability.

2. Production Planning and Scheduling

When data isn't synchronized, every department has a different version of what is running, what is late, and what is next. This results in periods of overtime for one week, followed by machine idleness the subsequent week.

3. Customer Delivery Commitments

Sales gives dates based on assumptions. Operations work off old information. Finance reconciles issues after the fact. Everyone is doing their best, but without shared visibility, misalignment becomes inevitable.

4. Compliance and Traceability

Industries like automotive, food, and metals are under increasing pressure to keep records precise and up to date. Relying on manual methods turns traceability into a reactionary process, rather than a proactive one. These gaps aren't the fault of individuals - they result from outdated systems and processes that haven't adapted to the speed of modern manufacturing.

Avani Shah, is a Director of People & Digital Experience at AdCirrus ERP. She may be reached at avani.shah@adcirruserp.com or 630-863-5464

The ERP Advantage: Unified Data for Unified Execution

ERP systems bring everything together: inventory, production, purchasing, sales, finance, and quality. Leaders can operate from a single source of truth. The value goes far beyond consolidation. The real benefit is the way visibility elevates leadership decision-making:

- ▶ Leaders can see bottlenecks before they turn into delays.
- ▶ Schedulers can plan based on actual capacity, not estimates.
- ▶ Accurate lead times enable purchasing teams to make smarter decisions.
- ▶ Finance can close faster with real-time numbers.
- ▶ Customer service can give confident, accurate updates.

ERP doesn't automate thinking, it empowers better thinking. With the right visibility, leaders can focus less on reacting and more on directing, improving, and anticipating.

The Leadership Shift: From "Report Collectors" to "Decision Architects"

Historically, manufacturing leadership relied on experience, intuition, and tribal knowledge. Although those strengths still matter, the new leadership role looks different.

1. **Leaders Build a Data-Driven Culture:** It isn't enough to install software. Teams must understand why the data matters and how it helps them do their jobs better.
2. **Leaders Remove Silos:** When departments hold their own private data sets, coordination breaks down. Leaders set the tone by sharing information broadly and consistently.
3. **Leaders Prioritize Accuracy Over Volume:** Dozens of dashboards are unnecessary. Instead, a handful of clear, meaningful KPIs matter most:
 - ▶ On-time delivery
 - ▶ Inventory accuracy
 - ▶ Schedule adherence
 - ▶ Labor utilization
 - ▶ Capacity load
 - ▶ True job costing
4. **Leaders Encourage Engagement, Not Compliance:** People adopt new systems when they feel included in the process. Leaders who communicate openly and involve teams early see far better results.

5. **Leaders Use ERP as a Strategy Tool, Not an IT Project:** ERP should support the long-term direction of the company: growth, efficiency, better customer experience, and more predictable operations.

In short, the mindset around data has become just as important as the data itself. A practical starting point for manufacturers who want real-time visibility. Visibility doesn't require a massive overhaul on day one. Most organizations see meaningful progress by focusing on a few strategic initiatives:

1. **Pick 3–5 metrics that truly matter:** Start with metrics tied directly to customer satisfaction and profitability.
2. **Standardize the way work is captured:** If every department tracks information differently, real-time data will always feel out of reach.
3. **Identify the biggest disconnect between departments:** This is often where the fastest return on visibility happens, such as scheduling versus sales or inventory versus purchasing.
4. **Automate one workflow at a time:** Simple wins, such as automated inventory updates or real-time WIP status, create momentum and trust.
5. **Communicate the purpose behind each change:** People resist change when they do not understand it. Transparent communication builds adoption and confidence.

Visibility Is Becoming the Cornerstone of Modern Manufacturing Leadership

Manufacturers operate in an environment where complexity is rising, competition is tightening, and the margin for error is shrinking. Leaders can no longer afford partial information or slow visibility. The new playbook rewards those who:

- ▶ Embrace real-time data
- ▶ Remove silos
- ▶ Make transparency the default
- ▶ Build cultures where decisions flow quickly and confidently

ERP systems give manufacturers the tools to do this. The true competitive edge, however, comes from leadership. From the willingness to modernize. From commitment to clarity. And from the belief that the best decisions come when everyone operates with the same truth. In manufacturing today, visibility is not just an operational improvement - it's a strategic advantage.



Artificial Intelligence Impact on Personnel Decisions in Illinois: What Every Manufacturer Must Know

Amundsen Davis Law

As artificial intelligence (AI) continues to develop at a rapid pace, it is quickly weaving itself into the daily operations of workplaces nationwide. The manufacturing industry—known for its focus on efficiency, safety, and productivity—is no exception. AI is increasingly being used throughout the employment lifecycle, including hiring (to collect applicant information, screen résumés, and draft job descriptions), onboarding (to automate new-hire checklists, track documents, and tailor training modules), and performance management (to help supervisors interpret performance and production data).

While these tools can reduce administrative burdens and streamline workflows, they also introduce new legal considerations. Whether a manufacturer uses AI occasionally or relies heavily on automated tools in recruiting, onboarding, evaluations, discipline, or termination, employers must understand the legal and regulatory issues tied to AI in the workplace. Below are five key points every

Illinois manufacturer should keep in mind, including important upcoming changes under the Illinois Human Rights Act (IHRA). Existing Laws Still Apply

AI does not operate in a legal vacuum. All existing federal and state employment laws still apply, even if a personnel decision is made or heavily influenced by AI. Illinois manufacturers remain fully responsible for ensuring compliance with:

Federal laws such as Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act (ADA), and the Age Discrimination in Employment Act (ADEA).

State laws such as the IHRA, the Biometric Information Privacy Act (BIPA), and the Illinois Personnel Record Review Act (PRRA).

If an AI tool disproportionately screens out certain groups—for instance, older workers, applicants with employment gaps, or individuals with disabilities—the employer, not the software vendor, remains liable. Intent does not matter; what counts is the effect. Regulators, including the Illinois Department of Human Rights (IDHR) and the U.S. Equal Employment Opportunity Commission (EEOC), have made clear that AI cannot serve as a shield against discrimination liability.

In short, if AI plays a role in a hiring, promotion, termination, or other employment decision, the employer must be able to explain and defend that decision under the full range of existing laws.

The New Amendment to the IHRA and What It Means for 2026

Recognizing the growing reliance on automated decision tools, Illinois recently passed legislation to amend the IHRA. This amendment went into effect on January 1, 2026, and significantly extends the law's protections to cover employer use of AI in employment decisions.

Key provisions of the amendment include:

- ▶ A prohibition on using AI in a way that has the effect of discriminating against employees or applicants on the basis of any protected characteristic under the IHRA. That includes race, color, religion, national origin, sex, age, disability, and other protected categories. It also prohibits using zip codes or other proxies for these protected classes in any AI algorithm.
- ▶ A requirement that employers provide notice to any applicant or employee before using AI for employment-related purposes. These purposes include recruitment, hiring, promotion, renewals, selection for training/apprenticeship, discharge, discipline, or any other terms/conditions of employment.
- ▶ The amendment reflects Illinois's intent to set a high standard for fairness, transparency, and accountability where AI is used, especially in high-stakes employment decisions. For manufacturers, it means compliance is not optional, but mandatory starting in 2026.
- ▶ For multi-state employers, this change underscores the need to track differing state-level laws. Since there currently is no federal law addressing the use of AI in employment, state and local governments are left to either do nothing or pass their own regulations. The result is a patchwork of different requirements and prohibitions. Therefore, it is imperative that employers know which laws apply, which will depend on where an employer operates and where its employees perform their work. For example, even though what passes in Illinois may not yet be required elsewhere, using a single national AI-based HR platform may trigger obligations in Illinois if the employer has Illinois-based workers.

Required Notice Under the 2026 IHRA Amendment

Under the amended IHRA, any employer using AI for recruitment, hiring, promotion, discharge, discipline, training selection, tenure, or any “terms, privileges, or conditions of employment” must provide notice to employees and applicants.

While the law does not yet specify exactly when or how that notice must be provided—whether in job-postings, offer letters, employee handbooks, or separate consent forms—it directs the

IDHR to promulgate rules that will clarify the timing, form, and content of required notice.

Because further guidance is expected, employers are well-advised to take a conservative approach now:

- ▶ For any job posting or internal job announcement, include a statement such as: “This employer uses AI tools in parts of the candidate screening and evaluation process.”
- ▶ In offer letters or onboarding communications, explicitly note which parts of the process may involve AI (e.g., résumé screening, video interview review, automated assessments).
- ▶ For existing employees, update handbooks or policies to reflect that AI may be used in evaluations, promotions, or other employment-related decisions.
- ▶ Provide a point of contact (HR or compliance officer) to answer questions or explain how AI is used.

Vetting AI Software Is a Must

Before adopting any AI-enabled tool—whether for résumé screening, onboarding workflows, performance analysis, safety monitoring, or worker scheduling—employers should conduct a thorough review of the software and its vendor. Important considerations when vetting include:

- ▶ Understanding what data the tool uses, how it was trained, and whether the vendor has validated that the tool relates to legitimate job criteria.
- ▶ Reviewing the vendor’s bias-testing results (if any) and requesting transparency about bias-mitigation steps.
- ▶ Determining where the data is stored, whether data transfers cross state lines, and who owns or accesses the data.
- ▶ Identifying whether the tool collects biometric information, which may implicate separate Illinois laws (e.g., BIPA).
- ▶ Confirming how human review, appeals, or overrides work (AI recommendations should not stand alone).

Since many HR platforms now use AI “under the hood,” employers should not assume compliance simply because a product is widely used. Employers remain legally responsible for all decisions influenced by AI, regardless of whether they built or purchased the tool.

Auditing for AI Bias Is a Constant Requirement

Once an AI tool is in use, compliance does not end with deployment. AI systems must be audited regularly to ensure they

are not producing discriminatory or inaccurate results. This is especially important given the IHRA amendment’s prohibition of AI that results in discriminatory effects. Manufacturers should periodically review whether the tool:

- ▶ Disproportionately excludes or penalizes applicants or employees in protected classes;
- ▶ Uses proxy data (such as zip codes) that may correlate with protected characteristics;
- ▶ Relies on data that may reflect historical bias;
- ▶ Produces false positives or false negatives when evaluating performance, safety, or discipline;
- ▶ Reflects changes over time (e.g., as demographic or workforce composition changes).

Additionally, human review should remain central. AI can and should inform decisions, but final personnel decisions must be made by a qualified human. Documenting those human decisions, along with the data and reasoning, will strengthen the employer’s compliance record and support transparency if challenged.

Finally, employers need to keep clear records of vendor documentation, validation studies, audit results, notification receipts, and correspondence regarding AI-driven decisions. Good documentation can be the difference between a defensible decision and costly litigation or regulatory action.

Conclusion: Smart AI Use in Illinois Means Planning, Oversight, and Transparency

AI can be an extraordinary asset for manufacturers seeking to reduce administrative burden, improve consistency, and enhance workforce planning. But AI does not remove an employer’s legal responsibilities. With the new IHRA amendment, Illinois has made that explicit.

Manufacturers should approach AI adoption thoughtfully by understanding the general mechanics of the AI tools and how they will be used, applicable laws, vetting vendors carefully, providing transparent notice, auditing regularly for bias, and maintaining meaningful human oversight. Companies that take these steps will be well-positioned to leverage AI’s benefits while minimizing legal and compliance risk.



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CITGO Takes Action Against Hunger with \$90,000 in Donations

Amid rising food insecurity across the nation, CITGO Petroleum Corporation is stepping up with \$90,000 in donations to organizations fighting hunger during Hunger Action Month. These donations will provide meals, support food rescue efforts, and fund community programs, reaching hundreds of thousands of people in need throughout the year.

“Caring for our communities means making sure no one has to face hunger alone,” said CITGO Vice President of Human Resources and Support Services Kresha Sivinski. “These partnerships give families not only access to nutritious meals, but also the stability and hope that every person deserves.”

CITGO remains dedicated to strengthening communities and supporting those in need. Through strategic partnerships and targeted contributions, the company provides resources, relief, and long-term support for individuals and families facing hardship. To learn more about these community efforts, visit [CITGO Responsibility](#).



ILLINOIS UTILITIES BUSINESS DIVERSITY COUNCIL

The Illinois Utilities Business Diversity Council (IUBDC) was established on June 11, 2015, with a shared vision of creating a collaborative forum dedicated to best-practice sharing, strategic dialogue, and meaningful information exchange among Illinois’ utility companies. Since its inception, the Council has remained committed to advancing the growth, development, and increased utilization of diverse businesses across the state of Illinois, recognizing the vital role these enterprises play in building strong, inclusive, and sustainable communities.

Founded by Ameren Illinois, ComEd, Illinois American Water, Nicor Gas, North Shore Gas, and Peoples Gas, the IUBDC has spent the past decade fostering partnerships, encouraging innovation, and promoting equitable opportunities within the utility supply chain. As the Council celebrates its 10th anniversary, it proudly reflects on a decade of collaboration, progress, and impact—while continuing to strengthen its mission to support diversity, equity, and economic opportunity throughout Illinois.



Parr Instrument Company has completed a significant expansion and renovation. The newly finished 54,000-square-foot manufacturing facility, completed in February 2025, now consolidates shipping, receiving, assembly, and inspection under one roof. The addition of advanced machining capabilities, including Mazak INTEGREX i-500S and SLANT TURN 550 machines, enables production of vessel sizes up to 100 liters in-house and helps reduce lead times.

Operations have also been modernized with four new Vertical Lift Modules, which boost storage capacity and improve inventory efficiency. Additionally, the former manufacturing area has been converted into expanded, state-of-the-art administrative offices, with the renovation completed in December 2025.

This expansion underscores Parr Instrument Company's ongoing commitment to quality, innovation, and growth. The company looks forward to welcoming employees, customers, partners, and the community into the new space.



CITRIN COOPERMAN[®]

Citrin Cooperman Expands Midwest Presence with Acquisition of ORBA

Citrin Cooperman Advisors LLC, a leading provider of professional services for private, middle market businesses and high net-worth individuals, has announced an agreement to acquire substantially all assets of Ostrow Reisin Berk & Abrams, Ltd. (ORBA). ORBA is a respected Chicago-based accounting and advisory firm with offices in downtown Chicago, Oak Brook, IL, and Salt Lake City, UT.

The acquisition marks a significant step for Citrin Cooperman, expanding its Midwest presence and enhancing expertise across industries such as manufacturing & distribution, professional services, sports & entertainment, real estate, and other privately held businesses. ORBA brings 15 partners and more than 150 professionals to Citrin Cooperman.

"This is a landmark milestone in Citrin Cooperman's continued growth," said Alan Badey, CEO of Citrin Cooperman Advisors LLC. "ORBA has an outstanding reputation built on decades of excellence, a deep group of talented professionals with trusted client relationships, and a culture that mirrors our own. Together, we are creating a powerful Midwest region that expands opportunities for our people and our clients. We are thrilled to have the ORBA team join Citrin Cooperman and make us Better, Together!"



Springfield Plastics donates \$151K to Illinois cancer research, care

Springfield Plastics contributed over \$150,000 to cancer research and patient care through its annual Drain for the Cure fundraiser.

The company presented \$143,550.31 to Simmons Cancer Institute at SIU School of Medicine and \$8,250 to HSHS St. John's Cancer Center during check presentations at each facility, according to a community announcement. The fundraiser has raised more than \$1.2 million since 2014

Since its inception in 2014, Drain for the Cure has raised over \$1.2 million. The initiative is made possible by contributions from employees, customers, vendors, business partners, and friends of Springfield Plastics.





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