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## tma news bulletin

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#### technology & manufacturing association

The Technology & Manufacturing Association (TMA) was founded in 1925 by eight small manufacturing companies who believed they could better themselves by associating with one another. Through the years, members established programs and services that would help their businesses grow and prosper, train their employees, and provide medical and retirement benefits. As a result of these efforts, TMA has grown into a not-for-profit organization of precision manufacturing and supplier companies in the greater Chicago area.

TMA is governed by a Board of Directors, composed of executives from member firms. A fulltime professional staff works closely with the Board, its committees and trust.

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# message from the president



#### **TMA Members & Friends**,

1925 was a pretty important year in history...

It was the year of the Tri-State Tornado, which is still the U.S. record holder for the longest track, most deaths and most injuries. It was the year that Mount Rushmore National Monument site was dedicated. And it was the year that TMA was founded.

In 1925, Walter Percy Chrysler founded a new automobile company out of the failing Maxwell Motor Company; after 40 years as a catalog only company, Sears Roebuck opened its first retail store; Nellie Tayloe Ross took office in Wyoming as the first female governor elected in the U.S.. And 1926 was the year that eight Chicagoland

manufacturers formed an association to cooperate in the training of their workforces.

1926 saw the U.S. population reach 115 million people. Calvin Coolidge was the President of the United States, Stanley Baldwin was Prime Minister of the United Kingdom, Benito Mussolini was the leader of Italy, and Sam Swenson of Midwestern Tool was the chairman and B. E. Irmis of Superior Tool Works was the Secretary of the newly formed association that would become the Technology and Manufacturing Association.

It was a different world then...yet clearly some things haven't changed. Forward-looking manufacturers are still concerned about training the workforce they need for current production and for the future. Hardworking business people still understand the value of networking with their peers and sharing ideas. Manufacturers still understand the value of an association to help strengthen and build their industry.

Last month, TMA's auditors, KRD, completed the audit of TMA's books and accounts. The Association received a clean audit. Membership dues are steady as are the number of TMA members. Education and Training revenue hit a seven-year high and we're serving the largest number of students in a decade.

Meetings and Event revenue, an indication of member engagement, hit a seven-year record as well, and TMA staff hosted or coordinated over 180 events in 2016. Our insurance division BSI met expectations in the ever-changing health market place, and Daniel and Henry, our partners in property and casualty insurance, posted gains of almost 20%.

TMA closed 2016, healthy and strong, programmatically and financially, with substantial reserves, its building and Hands on Training Center fully paid for, and with zero debt.

I think Sam Swenson, B. E. Irmis, E. F. Gorman, E. F. Bachner, W. Groetchen, C. Danielson, & H. Radler would be proud of what they helped found, and what all of you have helped build.

Congratulations!

Courdunby

Steve Rauschenberger

# TMA AT 91: A LOOK BACK... AND A FOCUS FORWARD

"If you don't know history, then you don't know anything. You are a leaf that doesn't know it is part of a tree."

And while author Michael Crichton pointed out in that quote what's true of families, cultures and nations, it is also true of associations such as the 91 year old Technology & Manufacturing Association.

Anniversaries are that time once a year to not only look forward to the future, but take time to honor those that played a major role in TMA's history.

TMA began in 1925 when Sam Swenson of Midwestern Tool Company and Ben Irmis of Superior Tool Works discussed the need for cooperation among metalworkers in the Chicago area. The two were concerned that tooling firms were "cutting each other's throats," and destroying the possibility of Chicago ever becoming a great metalworking center. They planned a gathering with the hopes of convincing fellow company owners to work together to solve problems facing their trade.

The Die, Tool, Special Machinery and Manufacturers Association's groundbreaking meeting was held in August 1925 at Chicago's Morrison Hotel, and representatives from 20 toolmaking companies attended. Chicago Alderman Oscar Nelson spoke about the value of associations and their importance.

While the audience welcomed the alderman's sentiments, only eight of 20 firms agreed that an association for Chicago's tool industry was needed: S. Swenson of the Midwestern Tool Company, C. Danielson of Service Tool Die & Mfg. Co., J.A. McLeod, R. Groetchen of Groetchen Tool & Mfg. Co, E. J. Gorman of Utility Tool Works, H. Radler of Surety Tool & Die Works, E. F. Bachner of Plymouth Mfg. Co. and B. Irmis of Superior

Tool Works.

Together those eight founders launched what would one day become the voice of the tooling industry throughout the seven-county Chicago Metropolitan area.

As manufacturing grew, so did the association. Within three years, the original eight companies grew to 100 members. By the time Pearl Harbor was attacked in 1941, the industry had geared itself to the war effort, which created a booming business environment for the tooling industry.

In 1943, with its name changed to the "Tool & Die Institute," the association faced one of its biggest challenges: the U.S. Selective Service. Having continuously been plagued with a shortage of skilled manpower, the situation worsened when the war began pulling experienced tradesmen from factory floors.

The T & DI worked together to open communication with local draft boards for occupational deferments for their skilled workers. They pursued trade journals, newspapers and magazines to join their opposition to the military's conscription of prized tool and die makers. At one point, 50 Institute members marched on the Selective Service Board Headquarters in Chicago with jigs and fixtures in hand to remind the public the value of their work and why their skilled workers should be permitted to serve their country at home.

While the Association's efforts did not result in completely exempting skilled workers from being drafted, the members' tactics did succeed in delaying many draft age workers from being sent overseas before the war ended in 1945.

The end of World War II brought another set of challenges for the Association. A slowdown of work created a tense competitive environment among regional toolmaking companies. In order to restore its original cooperative spirit, the Association reached back to a "Code of Ethics" members agreed upon during the group's formative first twenty years.

"Take advantage of no man's ignorance, and see that employees are truthful and straightforward, and do not misrepresent nor overcharge the confiding," one of the standards said.

"Every manufacturing establishment should have a perfect system of ascertaining the actual cost of every job. It is in this way only that the business can hope to be relieved of the deleterious effects of guess prices. Such a system should not only ascertain the facts, but record them, so that they can be referred to understandingly, and the information immediately ascertained," another said.

And while not easy, the T & DI and the industry as a whole survived post-war distress to expand its services. During the 1950's Korean War, T & DI leadership saw the need to establish a group insurance program for its members – one that continues to thrive into 2017.

In the 1960s, the T & DI set up a pension plan that continues today as TMA's financially sound, updated and expanded 401k plan. That revolutionary era set into motion space travel, expanded aeronautics and automobile demands for manufacturing. The association's ongoing training for skilled workers reached the 1500 mark in 1968.

It was in the 1970s that the industry as a whole began feeling the pangs of economic recession, and training enrollment dropped to 855 students, a loss of 350 students in one year. At the same time, the association's membership decreased – but their services remained intact.

Since then, the association's name changed to the Technology & Manufacturing Association and they've settled at their present location in Schaumburg. The names and locations are visual changes that represent the dramatic progression in tooling and manufacturing over the decades as the industry has become computerized and more efficient.

Today, TMA represents an industry that is going through a downsized, "lean" phase.

Still offering 150 plus events each year for members, the gold standard in technology training, a rigorous health insurance program and a solid 401(k) trust with which few can compare, among a myriad of other services, TMA remains focused on serving manufacturers in the Chicago region as it nears its 100th year.

As Winston Churcill once said, "The farther backward you can look, the farther forward you are likely to see."

That thought bodes well for manufacturing and for the 91 year old Technology & Manufacturing Association.

Here's to Year 92!

# FROM TMA GRADUATE TO COMPANY OWNER

Dick Truhlar of Pelco Tool & Mold, Inc.



#### **By Fran Eaton**

Pelco Tool & Mold, Inc. is one of several Chicago area manufacturers that was celebrated at TMA's 91st Anniversary Dinner as being an association member for 50 years.

And if that wasn't notable enough, one of Pelco Tool's three owners - Dick Truhlar - graduated from his moldmaking apprenticeship in 1971, when TMA was the Tool & Die Institute.

"At the time, we had a couple of hundred in our classes and the training lasted four years," Truhlar said. "I was surprised to learn after several years of working with one of our salesmen that he and I graduated from the Institute the same year."

Out on the shop floor among Pelco Tool's 37 employees, the TMA apprenticeship tradition continues with Brian Hale, who will be completing TMA moldmaking coursework in May.

"We're looking forward to attending Brian's graduation," Truhlar said.

Pelco Tool's and Dick Truhlar's stories parallel the progression of manufacturing in the Chicago area, as well as TMA's purpose and vision.

Truhlar said he first became interested in manufacturing when he was in a high school vocational class. He loved

making things with the machines in that class. One day on the bulletin board, he noticed a sign saying a local moldmaker was looking for apprentices.

"I visited with the owner of Pelco Tool at the time – Emil Peluso – who started his company in 1963 in Brookfield with three employees," Truhlar said. "He hired me, and then he joined the Tool & Die Institute so I could be trained there."

Truhlar worked at Pelco for 11 years before moving to another moldmaker shop where he worked and learned more about the trade for seven years.

"I then got an offer to come back to Pelco as a foreman," he said. "After seven years, the owner decided he was ready to retire at 65. I talked with two friends in the trade – Roger Wittersheim and Rob Suva – who were also interested in buying Pelco. We met together with our wives and hashed out the details, and ended up buying Pelco in 1991."

Truhlar said what they paid for the whole company is less than what they have to pay for one new machine these days. In the beginning, like most company owners, there were many months they paid their workers more than they paid themselves.

"We had to put up everything we had, but it was the best thing I ever did financially," Truhlar said. "Pelco was a \$1 million a year business with six employees when we bought it. Our best recent year we did about \$13.5 million in sales. That's not bad after 26 years." As a moldmaker, Pelco Tool has dealt with the frustration of seeing many of their customers move their work overseas, but they've stayed consistently busy working with companies that make containers commonly found in grocery stores.

Inventive container designs for everyday items like coffee creamer, peanut butter, laundry detergent, stadium cups and liquor caps are staples for the business.

"They're always looking for container convenience and appearance to attract customers," he said. "It's our job to set up the molds that make those product containers sitting on store shelves. We work out any problems the design may have, and then make the molds for plastics to be poured into."

For Truhlar, his career is a perfect fit – and he's sure that more schools should encourage kids that like to make things to consider manufacturing training as a viable option to college degrees. The technology aspect of manufacturing has changed the career dramatically since the early 1970s.

"When I grew up, you had to be mechanically-inclined to do this kind of work. Today, the machines work with kids that are used to video gaming. The tools are computerized and way easier to use," Truhlar said.

While Truhlar, now 70, still enjoys his work at Pelco, he's working three days a week and spending more time with his wife. The future of Pelco Tool will likely fall into the hands of his son-in-law and the other partners' families.

His passion for the next generation of manufacturers is still very evident.



Dick Truhlar, President of Pelco Tool & Mold, Inc.

"The teachers, the school systems – they need to be reminded that it's not the best choice for everyone to go to college," he said. "The kids need to know about this alternative for their careers – many may be happier here, making something."

That's the kind of kid Truhlar says he was in the 1970s – the kind of person that dreamed big and worked hard to achieve the American Dream.

And the same kind of person and venture that TMA was founded to serve and encourage in 1925.

Pelco Tool & Mold, Inc. is located at 181 Exchange Blvd, Glendale Heights, IL 60139. Their website is: www.pelcotoolinc.com



Pelco Tool employee (and current TMA student) Brian Hales (left) and Pelco Tool's President (and former TMA student) Dick Truhlar.

## TECHNOLOGY & MANUFACTURING ASSOCIATION ANNUAL MEETING THURSDAY, MARCH 2, 2017

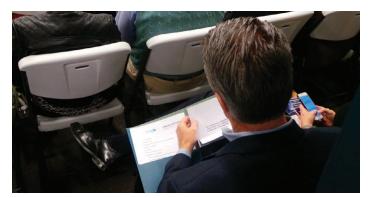
Members of the Technology and Manufacturing Association welcomed new board members and the 2017 board chairman at the March 2 Annual Meeting in Schaumburg.

**Aaron Wiegel**, CEO of Wiegel Tool Works, accepted the chairmanship of TMA's board of directors for the coming year. He paid tribute to his father, Martin Wiegel, who chaired the TMA board in 1991, and those who have participated in and led TMA during its 91-year history.

Wiegel said he was the sixth board chairman that followed a family member that had been a board chairman in the past. Others included TMA founder M.P. Heinze, from 1925 to 1931, who was followed by his grandson Paul Heinze in 1975; Paul Prikos in 1962, who was followed by his son Paul T. Prikos in 1986; the late Josef Klingler in 1972, who was followed by his daughter Carol Ebel in 2009; John Piper in 1978, who was followed by his son Tim in 2000 and Gregg Panek in 1992, who was followed by his son Brian Panek in 2014.

The new chairman then told the membership his emphasis for 2017 would reflect an urgent need the industry is facing.

"I believe there is only one association that is focused











on providing the manufacturing industry with a legacy," Wiegel said.

"TMA's legacy can be seen in the toolrooms, at mold makers, and on production floors all over the Chicagoland area and beyond. No organization in the Midwest has trained more tool and die makers, mold makers, and precision master machinists than our TMA."

TMA President Steve Raushenberger introduced the 2017 TMA Board of Directors: **Ben Barnett**, **Bill Downey**, **Tom Hacker**, **Tom Hilaris**, **Wade Keats**, **Patricia Miller**, **Rocco Palmi**, **Jeff Pope**, and **Jason Zenger**.

The four TMA board officers for the year are **Jim Carr** (Immediate Past Chairman), **Rich Hoster** (Treasurer), **Todd Beauchamp** (Vice Chairman) and **Aaron Wiegel** (Chairman).

Special recognition was given to retiring board members **Fernando Ortiz**, **Greg Kaplan**, and **Al Panico**.

A treasurer and auditor's report showed TMA on a sound financial footing and adjustments to the association's bylaws rounded out the business meeting.

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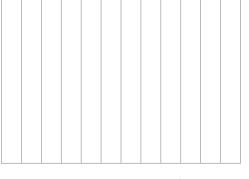
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## **TECHNOLOGY & MANUFACTURING ASSOCIATION** ANNUAL DINNER A CELEBRATION IN THE SKY OVER CHICAGO



Aaron Wiegel - 2017 Chairman of the Board



SATURDAY, MARCH 4, 2017 MID-AMERICA CLUB 80TH FLOOR I AON CENTER



Manas Mehandru of mHub (left) with former TMA Chair Steve Kase





2016 Chairman Jim Carr



Former Chairman Egon Jeaggin







Stacia Hobson presenting the Rose Mottl Award to Erica Wiegel



Mike Magliano presenting the Young Leader Award to Jeff Majewski





Past Chairman Fernando Ortiz (standing) and his wife Andrea. TMA Board Member Jeff Pope (seated)



TMA Board Member Rocky Palmi



TMA's Ben Pyzdrowski (left) and his wife with John Rauschenberger





TMA Board Member Bill Downey with his wife Patty



continued on next page...

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**Aaron Wiegel** of Wiegel Tool Works, shared that his focus as TMA's 2017 Chairman of the Board would be the critical task of training a new generation of manufacturers.

"This why I decided to serve," Wiegel told the 300+ guests in attendance. "The promotion of manufacturing education through high schools, colleges, the general public and to our members is why I am here today."

"It is all of our responsibility as leaders of our industry to invest in our future," Wiegel said. "It is all of our responsibility to develop the next generation of employees. If we don't lead and do this, who will?"



IMA President Steve Rauschenberger (left) with former chairman Brian Panek (center) celebrating Panek Precision's 50 year membership in TMA



2017 Chairman Aaron Wiegel addressing dinner attendees











TMA Treasurer Rich Hoster and his wife Cathy





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# JIM CARR: YEAR IN REVIEW 2016 CHAIRMAN PLEASED WITH OUTREACH TO SMALL MANUFACTURERS

During **Jim Carr's** term as Chairman of TMA, he met with fellow small manufacturers through a series of roundtables held from Rockford to downtown Chicago.

"I wanted to reach out and show small manufacturers that they have a voice, that they're a big swath of the association's membership," Carr said.

Carr says responses he's received to the eight different roundtable discussions were encouraging and confirmed what he already knew: small manufacturers' problems are really not that different from big manufacturers'.

"We all have the same problems, it's just that smaller manufacturers are in a smaller capacity," Carr said. "If they're having cash flow problems, they're smaller cash flow problems. There might be a couple of more zeroes on the bigger manufacturers'..."

Other typical topics of discussion included bank loans, HR and insurance issues, and marketing.

"Finding and hiring skilled labor always comes up," he said. "It's a pain point everyone's going through right now. The big ones can't find skilled workers, and neither can the small ones. The big guy might need ten skilled workers, when the smaller one might need only one."



Carr said he was always happy to not only discuss challenges, but to also offer solutions. "We were able to connect them directly and on the spot with recommended service providers for HR, insurance, 401k and marketing ideas – all those through TMA," Carr said.

Carr will continue to serve on the TMA Board of Directors in 2017. He also plans to focus on the family business and the "MakingChips" podcasts he co-hosts with **Jason Zenger**.

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#### events tma

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#### **APRIL 5**

#### Sales & Marketing Peer Group

Join your sales and marketing peers in the R-Lab of Rieke Office Interiors. The R-Lab is an innovative space that excites and inspires. An environment where presentations, discussions and networking net serious results. TIME: 11:30am - 1:30pm COST: Free

LOCATION: Elgin, IL

#### **APRIL 12**

#### **Manufacturing Career Fair**

Grow your workforce. Meet high school students. Hire summer interns for 'trial employment'. Schaumburg HS manufacturing lab tours will be available for emplovers. TIME: 3:30pm - 6:30pm COST: Free LOCATION: Schaumburg, IL

#### **APRIL 13**

#### Lunch & Tour: Capsonic Group

Capsonic Group specializes in high-volume production of insert and composite molding. Since 1986, Capsonic Group has earned a reputation for delivering parts that perform as designed, on-time and on budget. TIME: 11:30am - 1:30pm

COST: \$35 (includes lunch) LOCATION: Elgin, IL

#### **APRIL 19**

#### **IT Peer Group**

Join fellow IT professionals at Winzeler Gear, which manufactures precision molded gears for automotive and appliance applications. Discuss your sales and marketing pain points, and learn new strategies to address them. TIME: 11:30am - 1:30pm COST: Free LOCATION: Harwood Heights, IL

#### **APRIL 26 Economic Breakfast: The Trump Bump** & Manufacturing

The TMA Supplier Network is hosting an economic breakfast. John Augustine, CFA, CIO of Huntington Wealth & Investment will discuss how long the Trump rally can be sustained and the new administration's impact on small- to mid-sized manufacturers. TIME: 7:30am - 9:00am COST: \$25 LOCATION: Schaumburg, IL

#### **MAY 11**

#### **Precision Machining Competition**

This event is one of TMA's most significant and effective initiatives for career recruitment into precision metalworking. Now in its 26th year, this event honors excellence in precision machining skills among Illinois high school students. TIME: 5:00pm - 7:30pm COST: Sponsorships Available LOCATION: Schaumburg, IL

#### **MAY 25**

#### TMA 2017 Related Theory Graduation

The convocation for the TMA Related Theory class of 2017 will be held at the Stonegate Conference Centre in Hoffman Estates, IL. Join the graduates, their families and employers to celebrate. TIME: 5:30pm reception + dinner COST: Sponsorships Available LOCATION: Schaumburg, IL

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