



TENNESSEE ASSOCIATION OF ROOFING CONTRACTORS

THE VOICE OF LICENSED PROFESSIONAL
ROOFING CONTRACTORS

TARC Newsletter

Winter 2016

PRESIDENT'S CORNER

By Curtis Sutton, TARC President

The past year has been a great year for many of us. I hear that a lot, from our contractors and vendors alike. Personally and professionally, it's my hope and prayer that we can all say likewise for 2016, this time next year. For now, we reflect upon our experiences and consider the future. Here are just a few things TARC has been up to the past few months.

Our fall golf outing, held at Windyke Country Club in Memphis last October, proved to be a great success. Through the hard work of John McNicholas and Lance Stewart to pull the event together, we had a great turnout and sold enough mulligans to raise over \$1,500 for our scholarship fund.

In January, we held our Mid-Winter Meeting at the Four Points by Sheraton in Brentwood, a fourth in a series to feature a keynote speaker from the NRCA. Duane Musser, NRCA's Vice-President of Government Relations, shared the national organization's expertise about the current trends and concerns of our industry with around seventy attendees. Mr. Musser spoke about the roofing industry's activities in Washington, and briefed TARC about the legislative initiatives in OSHA, labor laws, and tax issues. He also discussed the 2016 presidential election season and its implications on the roofing industry. Other educational classes covered workers' compensation insurance, OSHA updates, succession planning, and an afternoon *Time and Stress Management* session conducted by Allyn Walker of the Dale Carnegie Training of Tennessee.

I would like to especially thank the sponsors, educational committee and Association Partners that made this well-organized event a success! This year we tried something new with the Mid-Winter Meeting

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by arranging a social for the spouses and out-of-town attendees and it went over very well. During the afternoon sessions, our group assembled at the Pinot's Palette in Brentwood for a chance to exercise their creative talents with paints on canvas over a glass of wine. The results were beautiful, of course. A future social will be planned during the Summer Convention.

We look forward and have started a great new year! You may have noticed that we have sent out the 2016 membership dues. I encourage you to share this information with your contacts and ask them to join the Association if they have not already done so. We have a great Spring Golf Tournament and the Summer Convention in-store and I hope to see everyone there. **We have a great year in store for TARC 2016!**



MID-WINTER MEETING 2016

TARC's Mid-Winter Meeting was held January 8-9 at the Four Points by Sheraton in Brentwood, TN. There was an array of great speakers who presented on the latest trends in the roofing industry. John Pietuszka from the Tennessee Department of Labor & Workforce Development kicked off the morning on Friday with an in-depth update on TOSHA, offering insights from the inside. Shannon Crawford of The Crichton Group presented on the latest laws and regulations in Workers' Compensation. News from Washington and legislation insights were presented by NCRA's Vice-President of Government Relations, Duane Musser.



The afternoon was led by a keynote speaker, Allyn Walker, of the Dale Carnegie Training of Tennessee, who presented *Time and Stress Management*. During his 18 years with Dale Carnegie Training, Mr. Walker has brought out natural talent in hundreds of professionals,



companies and executives through Dale Carnegie courses and trainings. He is known for his ability to influence proven strategies that improve performance.

Friday's education was concluded with a reception. A group of the women brought their paintings to exhibit during the reception from their Pinot's Palette: Paint and Sip social during the afternoon. Over 70 attendees participated in the Mid-Winter Meeting 2016.

PROFOREMAN CLASS I A SUCCESS, TARC PLANS FOR CLASS II

In February, TARC hosted the first of its educational series, NCRA's certificated ProForeman Class I. The class proved to be such a success that it sold out within just a few short weeks of its announcement. NCRA instructors Tom Shanahan and Amy Staska led the group of 30 into team work exercises, personality tests and conflict resolution techniques and kept attendees engaged with their lively presentations.

Attendees left the day long class with certificates and a new outlook on leading a team of

individuals to get a project done on time. Curtis Sutton, TARC's president and sponsor to bring the NCRA's program in Nashville said, "I have had such great feedback regarding the program, I had no idea how appreciated this class would be by our members."

Due to the success of the program, future educational programs hosted by TARC are currently in discussion.

"I think the class was a great opportunity for not only the foreman, but for the companies as well," continued Sutton. "We are planning on having part II of the course, but also another part I for those who couldn't attend this round."

REMEMBERING TEEMAS

TARC mourns the loss of **Thomas Crocket Herbert, Sr., of Rock Island, TN.**

Teemas's legacy was influential and valuable to the Association because of his untiring contributions to



build TARC's membership and sponsorship support. His efforts served the Association's events and the scholarship fund. Aside from his role as the Vice President of SanGravl Co., Teemas served on various boards including TARC, The Rotary Club, The Home Builders Association, and the Propeller Club.

He devoted his life to being a loving and supportive Father, Grandfather and Friend. He will be greatly missed.

CONSTRUCTION CONFIDENCE RISES DURING THE FIRST HALF OF THE YEAR

Reprinted Courtesy of the NRCA

Associated Buildings and Contractors' (ABC's) Construction Index indicates that contractor confidence will continue to increase, according to *abc.org*. The diffusion index measures forward-looking construction industry expectations in sales, profit margins and staffing levels; readings above 50 indicate growth.

During the first half of the year, sales expectations rose from 67.3 to 69.4; profit margin expectations rose from 61 to 62.9; and staffing levels intentions fell from 66.3 to 66.2.

Most respondents expect that sales will continue to expand and profit margins will continue to widen. ABC's weighted diffusion index for profit margins now is approaching the highest reading in the index's three-year history, and nearly 75% of respondents expect an increase in sales. The pace of hiring is not expected to increase during the next six months, largely because of a lack of available skilled labor.

"Though the U.S. economy refuses to boom, the pace of growth has been enough to allow the

average contractor to secure more work at higher margins," says ABC Chief Economist Anirban Basu. "Interestingly, the pace of hiring is not set to accelerate, which may be a partial reflection of the lack of appropriately skilled construction workers available for hire. The expectation is for construction compensation costs to continue to rise given expanding skills shortages but apparently not by enough to preclude steadily expanding margins."

Basu suggests that while the decline in commodity prices has helped to slow construction in parts of the country, low fuel prices have induced faster investment elsewhere, including the U.S. auto industry.

"The result appears to be that the average construction decision-maker is more confident than six months ago when commodity prices were higher. A stronger U.S. dollar serves to suppress U.S. export growth, and business investment growth remains mediocre," Basu concludes.

Stakeholders can continue to expect low growth rates of 2 to 2.5%.

SAVE THE DATES

April 21, 2016
SPRING GOLF TOURNAMENT
Hermitage Golf Course, Nashville, TN

June 1-4, 2016
TARC SUMMER CONVENTION
Pelican Beach Resort, Destin, Florida


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NRCA SUPPORTS REGULATORY REFORM LEGISLATION

By Duane Musser, Vice-President, Government Relations of NRCA



The NRCA is working to advance legislation that is designed to address a top priority for roofing contractors, which is providing relief from burdensome regulations. The focus is on regulatory reform due to the many

concerns of members over the dramatic increase in new regulations being issued by the federal government. In recent years, the Occupational Health and Safety Administration, U.S. Department of Labor, National Labor Relations Board and other agencies have caused numerous regulations to

on employers.

While there are different regulatory reform bills currently before Congress, the most comprehensive is the Regulatory Accountability Act (H.R. 185/S. 2006). This legislation is designed to reform the Administrative Procedure Act, the primary federal law governing agency procedures, which has not been updated in 70 years. If enacted, this bill will require federal agencies to choose the lowest cost rulemaking alternative that meets statutory objectives, improve agency fact-finding processes, require formal rulemakings in more situations to increase opportunities for public input, and fortify judicial review of new regulations. Ultimately, these reforms will enable federal agencies to produce

“NRCA will continue to make regulatory reform legislation a top priority.”

promulgate that are having significant effects on roofing contractors.

The cost of the expansion of regulations to the U.S. economy is significant. In 2011, the U.S. Small Business Administration estimated the total cost of compliance with all federal regulations across the nation was \$1.75 trillion annually. The Competitive Enterprise Institute, a market-oriented think tank in Washington, DC, estimated the nationwide cost of all regulations at \$1.9 trillion in 2013. With more regulations in the pipeline, there appears to be no end in sight to this trend. NRCA expects the Obama administration to be very active in issuing new regulations during the president’s final year in office.

To address this concern, NRCA is working with members of Congress and allied organizations in support of legislation to reform the process under which federal agencies develop regulations. The intent is to reform the process so that final regulations are more effective in achieving desired public policy goals while minimizing adverse effects

regulations that achieve the goals that Congress intended while minimizing the costs on employers and the economy.

NRCA believes that enactment of the Regulatory Accountability Act would provide more opportunities to prevent burdensome regulations from being issued. For example, had the judicial review provisions of the bill been in effect in 2010 when OSHA issued its residential fall protection directive that NRCA strongly opposed, our chances of prevailing when we challenged that regulation in court would have been much greater.

The Regulatory Accountability Act was approved by the House of Representatives in 2015 with significant bipartisan support. Our goal now is to get the 60 votes needed to move this bill through the Senate in 2016, which will mean getting several Democrats to join Republicans in supporting the bill.

NRCA will continue to make regulatory reform legislation a top priority in order to reduce regulatory burdens on our members until that goal is achieved.

NRCA OFFERS NEW VIDEO NEWSCAST

NRCA has made available its February video newscast to keep NRCA members informed about the latest news from NRCA and the roofing industry.

The February NRCA News Brief discusses the upcoming 2016 International Roofing Expo® and NRCA's 129th Annual Convention in Orlando, Fla., including highlighted products and booth activities, future events and the

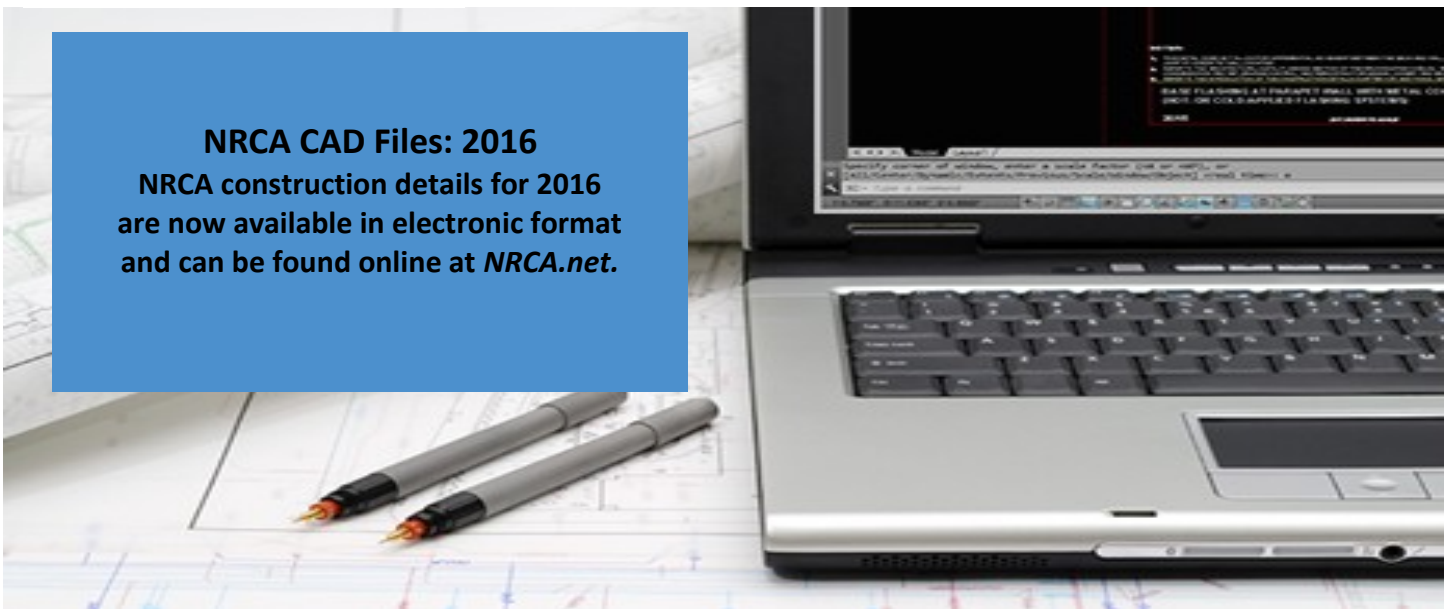
Roofing Industry Alliance for Progress' Construction Management Student Competition.

The News Brief is members only and can be viewed by logging on to *NRCA.net*.

Visit *NRCA.net* for more information or to view the February News Brief.

TARC DUES 2016: By now you should have received your dues renewal invoice in the mail.

HELP TARC: We have brand new membership informational cards for new member prospects. If you would like a handful to pass around to colleagues, business partners, etc, please contact the TARC office.



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