Workers’ Compensation Reform —
What does it mean for your company?

Illinois employers are poised to see an immediate savings of nearly $300 million because of recently enacted Workers’ Compensation reforms supported by the Illinois Manufacturers’ Association and signed into law by Governor Pat Quinn less than a month ago. In response to the new law, the National Council on Compensation Insurance (NCCI) just announced an 8.8 percent decrease in their Workers’ Compensation advisory rates effective on September 1 for companies that buy insurance. Tens of millions in additional savings will be realized by self-insured entities including both private companies and public sector employers. This will be the single largest Workers’ Compensation cost savings to employers in Illinois history.

While this is a significant cost savings now, additional money will be saved when other parts of the reform package are implemented including the health care networks and empanelment of new arbitrators. In announcing the advisory rates, NCCI noted that there are several reforms including a strengthened medical utilization review process that cannot be measured at this time. Since the Workers’ Compensation changes are prospective, the new law only applies to new cases filed after the bill became law on June 28.

According to NCCI statistics, Illinois’ workers’ compensation rates have increased by 16.7 percent since 2006 while other states saw a combined average decrease of more than 19 percent during that same time period. This year, however, states ranging from Indiana to New York are seeing an increase in rates. Before the Workers’ Compensation law was signed, Illinois was poised to see an increase of 1.4 percent in rates but will now see significant savings because of the recently enacted reform law.

The IMA is also pleased to announce that Governor Quinn has appointed Mark Denzler, Vice President & Chief Operating Officer of the IMA, to serve on the newly reconstituted Workers’ Compensation Advisory Board that is slated to immediately begin reviewing candidates for arbitrator positions. In addition, Mark’s new role entails working with the Workers’ Compensation Commission in formulating policies, discussing problems, reviewing advisory rates, and helping establish long and short-range goals. In addition to Mark, Mitch Abbett from IMA-member company Holten Meat has also been selected as one of twelve members of this Board that will play an integral role in ensuring the success of Workers’ Compensation reform.

Available now, order your copy today . . .
IMA’s 2011-2012 Annual Compensation Report

How do your benefits and compensation plans compare?

This is what you need to plan for the future.

For information, call Janie Stanley, 800-875-4462, ext. 3020, or email: jstanley@ima-net.org.

IMA’S 2010-2011 BENEFITS REPORT IS ALSO STILL AVAILABLE

IMA’S EXECUTIVE MEMO IS UNDERWRITTEN BY:

EXPERIENCE RESPONSIVENESS.
Of 838 clients surveyed, 98% say Plante & Moran is responsive to their needs.
IMA: ETIP multi-company competitive grant funds available

For training dates July 1, 2010 through December 31, 2011.

The Illinois Manufacturers’ Association has recently been notified that the Illinois Department of Commerce & Economic Opportunity has awarded the IMA funding for ETIP FY11. The allowable training period is July 1, 2010 through December 31, 2011.

Companies wishing to participate need to submit a Company Profile, application & schedules A, B, C & budget report, training summary report (formerly expenditure summary), external vendor materials report, copies of invoices and payments, participating employee report, internal trainer wages report, a trainee attendance sheet (roster), a trainee retention report and a training survey form.

We will be submitting two separate reports for this grant. The first report will include training completed between July 1, 2010 and June 30, 2011. At this time, companies need to submit their training records for the time period of July 1, 2010 through June 30, 2011. The records are due in our offices no later than September 1, 2011. Go to www.ima-net.org/2011-etip/ to access the required reporting forms and instructions.

The second report will include training completed between July 1, 2011 through December 31, 2011. The remaining training records for training completed July 1, 2011 through December 31, 2011 will be due in our offices around the first of January, 2012. We will send reminders to notify companies of pending deadlines.

If you have any questions or need further information, please contact Janie Stanley, Revenue & Grant Administrator, 800-875-4462 ext 1+3020, email jstanley@ima-net.org, or fax 217-522-2367.

Chicago Business Barometer™ stabilized

July’s Chicago Report featured a Chicago Business Barometer that stabilized at the average of the May and June readings. The survey results for the July Report characterized a US economy that continued to expand for the 22nd consecutive month, but at a slower pace.

At the individual index level, the July report painted a mixed picture, with three Business Activity indexes reflecting increased expansion while four characterized a slowing in the rate of recovery.

Negative pulls on the July Business Barometer included Employment, which approached neutral and fell to a 19-month low. Supplier Deliveries remained erratic, yet posted a significant month-over-month decline and established a new 1-1/2 year low. While still in expansion territory, New Orders remained below Production for the fourth consecutive month.

Strength in the Business Barometer stemmed from a sizeable gain in Order Backlogs, which reversed last month’s contraction and broke a three-month run of declines.

The Prices Paid index, after three consecutive months of decline, increased its still-high rate of expansion, but was marginally below its three-month average.

Business Policy measures were mixed. Lead times reported for Production Material declined for the second month, while MRO Supplies reflected the mirror image of Production Material; the former remained above both the three-month and long-term averages, realizing its highest level since December 2010. The Capital Equipment index remained volatile and hovered near the 2011 average.

The composite Chicago Business Barometer (often referred to as the “Chicago Purchasing Managers’ Index” or “Chicago PMI”) and associated indexes are published monthly in the Chicago Report.

The indexes in the Chicago Report represent the breadth of activity compared to the prior month (technically “diffusion indexes”). As such, this report measures the pervasiveness of changes in economic activity, but does not reflect the magnitude of either advances or declines. The composite Chicago Business Barometer provides an overall gauge of business activity.

The Chicago Report includes seven Business Activity indexes, reported as raw data and seasonally adjusted values (more/faster; same; less/slower — relative to the prior month) to illuminate trends in economic activity. The value of each index indicates the breadth of economic contraction (<50) or expansion (>50). Thus the index value characterizes current economic activity, often weeks or months before other indexes are published. In addition, the direction or trend of such a diffusion index provides a leading indicator of future economic activity . . . a trend of increasing index values provides a forecast of the direction of future increasing/spreading economic activity while a trend of decreasing values, regardless of index value, is an indicator of pending/continuing economic weakness.

ISM-Chicago is a non-profit association dedicated to strengthening the community of procurement and supply professionals in the Chicagoland area. Source: http://www.kingbiz.com.

U.S. Export Story — Finding customers around the world

Announcing SBA’s NEI Export Video Contest

SBA is teaming up with Visa to ask small business owners: “Where will your next customer come from?” In order to recognize successful small exporters and increase awareness toward federal assistance for exporters, we’re sponsoring the SBA Export Video Contest. The contest, presented in partnership with the National Export Initiative and Export.gov, will award monetary prizes to five successful small business exporters representing a variety of industries.

American small businesses looking to expand are going global. There are a number of advantages to exporting: reaching new customers, increasing sales and profits, and becoming less dependent on domestic demand, to name several. In fact, over two-thirds of the world’s purchasing power is based outside the U.S., where the vast majority of consumers reside. The U.S. government stands ready to help your small business get started in exporting, with an array of programs, tools and resources.

We want to hear your exporting story in a short, original video submitted to YouTube. U.S. small businesses that have completed at least one successful export-See EXPORT STORY, page 3

Visit the New Energy blog from Constellation Energy . . .
http://blog.newenergy.com

Join in discussions on shaping the future of energy

the Illinois Manufacturers’ Association endorsed energy supplier . . . for all your energy needs
Mark your calendar for these upcoming IMA special events . . .

August 5, 2011
IMA Small Manufacturers Council Meeting DoubleTree Hotel, Oak Brook 8:00 am-12:00 noon. Contact: Jim Nelson, jnelson@ima-net.org.

September 22, 2011
IMA Women in Manufacturing Meeting Ford Motor Co., Chicago. 10:00 am-2:00 pm. Plant tour of Ford Motor Company, panel discussion with successful women from diverse manufacturing backgrounds and networking opportunities included. Contact: Kimberly McNamara, kmcnamara@ima-net.org.

October 13-15, 2011
IMA Young Leaders Council Third Annual Fall Conference Contact: Jim Nelson, jnelson@ima-net.org.

October 19, 2011
IMA Breakfast Briefing — Wage & Hour Issues: The Single Greatest Threat to Employers, Ditka’s, 2 MidAmerica Plaza, Oakbrook Terrace
For more information, visit http://www.ima-net.org/oct-19-breakfast-meeting, or email kmcnamara@ima-net.org.

November 10, 2011
IMA SALES TAX SEMINAR, Northern Illinois University — Naperville, 8:30 am-12:30 pm
IMA’s Annual Sales Tax Seminar presented by IMA-member Wolf & Company. This annual review includes an overview of the Illinois Tax structure and how manufacturers are affected, Manufacturers’ Purchase Credit (MPC), Exclusions, Exemptions and Deductions. For more information, visit http://www.ima-net.org/storage/Reg%20form.pdf.