The Architectural Woodwork Institute (AWI) is pleased to announce that the National Testing Center (AWI NTC) is prepared to begin offering testing services in support of the upcoming AWI 0641 – Architectural Wood Casework Standard.

**Test Availability**
The AWI NTC will immediately begin offering assembled unit tests and structural integrity tests for wall, tall, and base cabinets in addition to durability tests for finishing technologies with regards to chemical resistance, adhesion, and abrasion resistance. The AWI NTC laboratory has also added environmental humidity testing to the slate, which will determine the effects on panel products when subjected to extreme humidity variations.

The test methodologies for each of these testing procedures became available at www.awinet.org on March 1, 2019.

**Testing Options**
Regarding the testing offerings, AWI Testing Sales Manager, Emory Burmeister, stated, “We’re very excited to begin offering these testing services for the benefit of the architectural woodwork industry, especially since we will be providing professionals from all aspects of the industry with options for new methods of manufacturing, new materials, and new joinery techniques.”

**CODB Survey Opens March 18**
It’s that time of year to prepare to participate in the Annual AWI Cost of Doing Business Survey, a custom-designed AWI financial management tool tailored to the architectural woodwork industry. The 2019 CODB Survey submission period opens March 18. The CODBS is an exclusive benefit for AWI Manufacturing Members in good standing – and at no cost, only the time it takes you to participate.

Proprietary surveys of this kind would cost thousands of dollars, but you need go no farther to find an unparalleled resource for architectural woodwork business operating costs.

**AWI National Testing Center Invites Submissions**

The Architectural Woodwork Institute (AWI) is pleased to announce that the National Testing Center (AWI NTC) is prepared to begin offering testing services in support of the upcoming AWI 0641 – Architectural Wood Casework Standard.
Make sure you are featured in the online AWI Member Directory!

The AWI Member Directory is designed to enable visitors – your customers – to research your company online with greater ease. Make sure your business profile is updated and complete. Make certain that AWI’s NEW online directory accurately and fully reflects your business information.

Use these instructions to update your categories and choose to show your company in the directory.

Login using the green “Sign In” button (top, right) at www.awinet.org. You will arrive at your Profile page.

• Choose “Organizations” tab and click “MANAGE Organizations.”
• Choose the “Account” tab on top and the “Organization Info” link on the left side.
• Click on the “Categories” in which you would like to be featured.
  Please remember that Manufacturers should only choose the categories starting with “MFG” and Suppliers should choose the categories that start with “SUP.”
• Update any additional company info and scroll to the bottom and click the blue “SAVE” button.
• If you would like your contact info to show, choose the “Contact Info” link on the left side.
• Choose the “Edit” button next to your Address, Phone Number, Email Address and Web link to update any information.
• Click the “Show in Directory” checkbox and click “SAVE.”

If you need any assistance, please contact AWI at 571-323-3636 or email Katie Allen, Marketing Project Manager, at kallen@awinet.org.

New AWI Members

MANUFACTURERS
Anvil Cabinet & Mill
Brigham City, UT
BMI Cabinets, LLC
Phoenix, AZ
Dakota Ridge Construction
Englewood, CO
Top-Drawer Cabinetry, LLC
Houston, TX

SUPPLIERS
Smartware, LLC
Chapel Hill, NC
Southern Premier Millwork, LLC
Land O Lakes, FL

Note: These new members joined AWI in January 2019.

Use the online Directory of AWI Manufacturing and Supplier Members at www.awinet.org for contact information and access to the websites of these and other AWI members. The resource is open 24/7 for use in seeking manufacturers and suppliers of architectural woodwork.
**Fun Team Building Enhances Creativity**

Team building can help enhance productivity and amplify a team’s ability to problem-solve together. Team building also teaches time management while strengthening relationships and trust. Help your team get to know each other a little better in a fun and inspiring environment with Blaine Bern’s Mardi Gras World team building activities during AWI’s Spring Leadership Conference, March 31 – April 2, 2019 in New Orleans.

**LEARNING FORUM**

**Mask-Making**

Participants will make an original Mardi Gras mask at a fun and rewarding Mask Making Workshop. Each workshop starts with a brief history of masking in New Orleans. From there, you’ll make your own, one-of-a-kind creation. Let your creativity run wild or follow along with sample masks that we can help you recreate.

The mask-making team building activity also features a private tour that includes a chance to try on Mardi Gras costumes and learn about the history of Mardi Gras.

Following the mask-making activity, let your creativity rest during a catered lunch at Mardi Gras World.

*Photo courtesy of Blaine Kern’s Mardi Gras World*

**Team Building Benefits**

Have fun in a creative, casual environment. According to Mardi Gras World, numerous studies show that team building activities can help with:

- Improving creativity
- Defining company objectives and goals
- Fostering organizational productivity
- Enhancing everyday processes and procedures


**UPCOMING AWI REGIONAL SEMINARS**

**Financial Management**  
May 10  
Host: AWI New England Chapter

**Project Management**  
Sept. 5-6  
Host: AWI Great Lakes Chapter

**Financial Management**  
Sept. 20  
Host: AWI West Texas Chapter

**Advanced Estimating**  
Sept. 26-27  
Host: AWI Texas Chapter

**Project Management**  
Nov. 7-8  
Host: AWI Carolinas Chapter

Visit www.awinet.org, “Education” on the top menu bar of the home page, then “Seminars” for more information, including course description, agenda, faculty, and registration fees. Information will be posted closer to the events.

These learning forums are organized and conducted as a component of AWI’s Education Outreach program. AWI chapters host the events to support continuing education of architectural woodworkers throughout the country.
What is your strategy for growing your business? What hard data do you use for forecasting and mapping your financial health? Digging deep into your financials by participating in the Annual AWI Cost of Doing Business Survey will give you a roadmap to get where you want to go.

That’s sound advice from a long-standing participant in the CODBS, Lange Bros. Woodwork Company’s Randy Lange, company co-owner and president.

**Putting Results to Work**
“The CODBS Results allow you to see trends and help you forecast and plan for the future. By tracking your business costs, you can look back and evaluate how you met your prior projections and adjust them for the upcoming year. If you don’t plan, you won’t get where you want to go. The CODBS data provides a map for navigating a path to the future,” Randy told NewsBriefs. “We have charted the results for our company vs. industry averages for decades.”

“We’ve participated in the CODBS since the early days of our AWI membership. When we joined AWI in 1989, we were seeking opportunities for networking, woodwork standards, and a SIC (now NAICS) government code specific to our industry about its worth. The CODBS filled the gap of industry-specific data about the size and scope of the architectural woodwork industry,” Randy said. “The CODBS offers us a huge ROI, allowing us to compare our financials with others to see how successful we are and if we are doing a good job.”

**BUSINESS TOOLS**

Lange Bros. uses the CODBS Results across the board, including “setting up operating standards for the year and evaluating if our purchasing and labor are in line with industry averages. We also use the human capital data to examine if we have too few or too many employees, if they are optimally productive, and if our salaries correlate with industry practices. We want to assure that we are offering a better than average benefits package,” he said.

NewsBriefs asked Randy if there has been any particular way in which Lange Bros. benefited from participation. “An example is using the CODBS Results and our five-year averages when seeking bank loans to expand our business.”

**First-time Participants**
It may be daunting for some AWI Manufacturing Members to participate the first time. “You may need to re-categorize your financials to align with the CODB Survey; but that is usually a one-time exercise.” The CODB Survey has a feature for making notes to track the contents of each line, documenting your data entries and notes for subsequent years.

Randy suggests that business owners assign the task of survey completion to the company bookkeeper who is most likely the HR person. “Once he/she enters the data, you can review any questions they have and they can document how the data was entered.” Then you have a process...
going forward. “The data entry can help your company focus on where you are and how you got there; the results will enable you to analyze and plan how to improve and grow your business.”

Importance of Participation

“You are holding the industry back by not participating in the annual CODBS,” Randy emphasized. “If the data in the survey results show an increasingly successful industry, then the industry thrives and others, banks included, are willing to invest in a growing industry. Although there is more competition, it forces average firms to strive and excel as high profit firms,” he said. “We all benefit from increased survey participation and better statistics.”

It is important to participate in good and bad times, according to Randy. In good times, you can more wisely invest your money. In bad times, such as when credit is more expensive and you don’t have adequate personnel, using the CODBS Results allows you to forecast and beat the curve. You also can purchase equipment and finance your purchases at lower rates as well.

Bottom line, you can’t successfully contain costs, increase sales and improve margins without hard data and the kind of trend information you receive from the AWI Cost of Doing Business Survey. Make 2019 the year to commit.

Randy Lange is president and co-owner of Lange Bros. Woodwork Company, Inc. in Milwaukee, WI, where the family-owned and -operated business was founded in 1932. With over 30 years of architectural woodworking experience, Randy is one of the company’s project managers and also oversees its sales and estimating departments. He is a long-standing presenter of AWI’s Project Management Seminars. Lange Bros. produces custom architectural millwork, cabinetry and furniture, wall paneling, and ornamental pieces, including custom moldings. Lange Bros. has been an AWI Manufacturing Member since 1989 and is a QCP Licensee.

**Why Participate?**

He urges AWI Manufacturing Members to “participate in the survey to gain a competitive edge in the rapidly changing marketplace.” AWI Members should not rely on outdated information because technology is revolutionizing the construction industry, the cost of labor is increasing, and while the economy is healthy, trade winds are on the horizon, according to ITR Economics™.

“If your participation in the CODBS is erratic, you can’t wait another year to participate in the survey,” Sebastien said. “The industry is changing fast. From salary ranges in a competitive job market, to how much companies are spending on capital expenditures, to what companies are spending on materials, overhead and operating expenses, you will benefit from hard data from your financials in good AND bad times.”

Last year, 137 companies submitted data, and that 10% increase in participation over the previous year illustrated that AWI members are relying more on hard data to make strategic financial decisions that can drive their business to increase profits and sustain healthy operating costs for years to come.

**Value of Participation**

“Use information available to you to increase your profitability and gain a competitive advantage. Know your competition. The data is worth the investment of time,” Sebastien says. He notes that the average time to complete the survey is 2-3 hours. For some it is less, but for others – particularly first-timers – it may be a lot more. “Invest a few hours of your time to end your financial guesswork; use the CODBS data as a compass to guide your efforts to realize increased profits in 2019.” (See related article for reasons to participate in the CODBS.)

**First-time Participant**

If you are a first-time participant, don’t hesitate to reach out for guidance in completing the survey. In addition to a “How To” webinar which Sebastien will conduct soon (date to be determined), the Financial Management Task Force Chair frequently has offered one-on-one guidance to ease any concerns or confusion. The survey data is held in strict confidence by Inverra, AWI’s third party resource. If you need help, contact Sebastien at SebastienD@HollywoodWoodwork.com to set up an appointment to chat.

Sebastien DesMarais is President of Hollywood Woodwork in Florida. After graduating from the University of Florida with majors in Computer Engineering and Finance, he spent six years with General Electric, working in Information Technology and Corporate Finance both in the United States and globally. Sebastien joined Hollywood Woodwork in 2010, overseeing Finance & Accounting, Risk Management, Human Resources, and Information Technology, and in 2015 became the company’s president. He is currently Vice President of AWI and serves on the AWI Board of Directors. Sebastien has been chair of the AWI Financial Management Task Force for several years with a goal of increasing financial competency among AWI members through the CODBS and financial management seminars and webinars.


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**Participate in the survey to gain a competitive edge in the rapidly changing marketplace.**

AWI Members should not rely on outdated information because technology is revolutionizing the construction industry, the cost of labor is increasing, and while the economy is healthy, trade winds are on the horizon, according to ITR Economics™.
Business Trends
"From what woodworkers are telling me, 2018 was very strong and they expect positive trends to continue in 2019," Sebastien DesMarais said.
Add your data to the CODBS Survey in 2019. Aggregated totals will be revealed to all participating AWI Manufacturing Members.

2018 CODBS Respondent Profile
2018 SURVEY RESULTS COMPARED WITH 2017

<table>
<thead>
<tr>
<th>Key Indicator</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Companies submitted data</td>
<td>137</td>
<td>Up from 126</td>
<td></td>
</tr>
<tr>
<td>Average operating margin is 6.57%</td>
<td>74%</td>
<td>Down from 7.33%</td>
<td></td>
</tr>
<tr>
<td>Average high profit firm operating margin is 17.09%</td>
<td>72%</td>
<td>Down from 17.90%</td>
<td></td>
</tr>
<tr>
<td>50% have sales in excess of $5 million</td>
<td>6.51</td>
<td>6.19</td>
<td>6.30</td>
</tr>
<tr>
<td>55% have 30 or more employees</td>
<td>59%</td>
<td>Up from 53%</td>
<td></td>
</tr>
<tr>
<td>33% outsource their installation completely to contractors</td>
<td>55%</td>
<td>Down from 32%</td>
<td></td>
</tr>
<tr>
<td>12% have 25% or more of their employees unionized</td>
<td>33%</td>
<td>Up from 15%</td>
<td></td>
</tr>
<tr>
<td>62% have been in business 25 or more years</td>
<td>79%</td>
<td>82%</td>
<td>78%</td>
</tr>
</tbody>
</table>

Source: 2018 AWI Cost of Doing Business Survey Results

Business Trends
"Despite healthy business trends, the 2018 Cost of Doing Business Survey Results revealed that profitability decreased by almost one percentage point. Overhead increased and availability of labor is a continuing challenge that is getting worse," Sebastien DesMarais said.

The Financial Management Task Force Chair delivered a Results Webinar for all AWI Manufacturer Members in 2018 discussing high points of the report. What changes will the 2019 results reveal? Find out by participating in the 2019 CODBS.

STANDARDS

Emory went on to reiterate that manufacturers also have the option of building to AWI’s tested and approved prescriptive construction methods in lieu of testing casework products to ensure compliance with the standards. These methodologies will be available soon at www.awinet.org.

If you can build a cabinet more efficiently, you can have it tested for compliance. This will really open a lot of doors for industry professionals.

“If you can build a cabinet more efficiently, you can have it tested for compliance,” Emory continued. “This will really open a lot of doors for industry professionals.”

Product Submissions
The testing process requires fully-assembled casework units, finish samples, and panel samples to be shipped to the AWI NTC in accordance with the test methodologies alongside drawings indicating the construction or finishing methodologies of the specimens. For more information regarding the testing processes or pricing, contact Emory Burmeister by phone at 229-514-1411 or by email at eburmeister@awinet.org.
At South Shore Millwork we offer the highest level of technology and service that is available. Our team of 80+ craftsmen, engineers, installers, project managers, and administrative personnel are adept at taking ideas and vision and turning them into reality. Our 80,000 sq. ft. modern, climate-controlled facility has the most state-of-the-art equipment available and is designed for manufacturing efficiency and sustainability.

South Shore Millwork prides itself on providing personalized account management, never missing a deadline, and offering a lifetime commitment to our customers. Our goal is to bring your vision into reality while keeping you informed and happy. We believe that you should expect nothing less than world-class craftsmanship, technology, and service for your next project.

In 2015 South Shore Millwork installed a state-of-the-art solar farm which produces 100% of the electricity required to run our 80,000 sq. ft. manufacturing plant. South Shore Millwork’s other sustainability strategies include a complete solution for collecting manufacturing waste for recycling and a specialized distiller in the finishing department that reclaims 80% of solvents for reuse. Our sustainability program has proven to be effective in reducing our impact on the environment, making us one of the “greenest” in the business.