VOLUME XXI, NUMBER 3 MARCH 2008

BusinessMagazine

MANUFACTURERS' ASSOCIATION OF NORTHWEST PENNSYLVANIA

BUSINESS MAGAZINE

VOL. XXI, NO. 3 MARCH 2008

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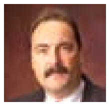
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Mission Statement

The Manufacturers' Association of Northwest Pennsylvania is dedicated to providing information and services to its members that will assist them in the pursuit of their business and community interests.

– Board of Governors

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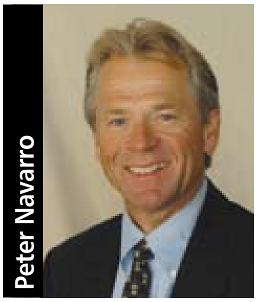
Consider This



Peter Navarro is a business professor at the University of California-Irvine, a regular CNBC contributor, and author of the bestselling book, The Coming China Wars. *His video series "The China Effect" appears on YouTube. Professor Navarro's other books include the path-breaking management book,* The Well-Timed Strategy, *and the bestselling investment book* If It's Raining in Brazil, Buy Starbucks. *His free weekly investment newsletter is published at www.peternavarro.com. The following article was reprinted with permission.*

Fix Economy With Manufacturing Jobs

As the U.S. economy slides inexorably toward recession, China continues to boom. A major reason for this stunning divergence in fortunes is the ongoing transfer of millions of American manufacturing jobs to China. To restore the health of the American economy, it follows that we must resuscitate our once dominant manufacturing sector and reclaim those jobs.

Unfortunately, the importance of U.S. manufacturing as an anti-recessionary tool has been totally lost on both Washington policymakers and our bumper crop of presidential candidates. This is true even as the Midwest and many other heavy manufacturing pockets of the country continue to endure some of the hardest times in 50 years.

Consider the Federal Reserve. Its recession "solution" is to feverishly cut interest rates and throw open wide the credit spigot. With the dollar hitting fresh lows, this easy money policy has merely debased our currency.

Because monetary policy isn't working, economists on both sides of the party aisle are urging the use of fiscal policy to stimulate the economy. For example, both Larry Summers, a Democrat and former Treasury secretary, and Martin Feldstein, a Republican and former chairman of the Council of Economic Advisers, want an emergency tax cut. This, however, would exacerbate an already chronic federal budget deficit, further devalue the dollar, and likely ignite a simmering inflation.

The most productive, literally, anti-recession tool would be to restore America's competitive manufacturing edge. For those who have little faith in American industry's ability to compete, consider the remarkable technological makeover of the Rust Belt steel industry, which has been one of the hottest plays on Wall Street for the past five years. This industry has added $350 billion and 1.2 million direct and indirect jobs to the economy.

More broadly, the U.S. manufacturing sector — from aerospace, cookware and plastics mold-building to autos, chemicals and semiconductors — is critical to the health of our economy and fully capable of pulling us out of our economic malaise. Indeed, manufacturing is the heart of the innovation process in America, and no other country combines as many of the core requirements for a strong manufacturing base as ours: economic and political freedom, the rule of law and property rights, highly advanced capital markets, a superior infrastructure, and the best work force in the world.

Instead of recognizing the importance of U.S. manufacturing, even most of our presidential candidates seem willing to cede our best-paying blue collar jobs to China. As we beat our manufacturing retreat, a cornucopia of service sector jobs are supposed to spring up to replace good, high paying jobs in heavier industries. That's very rusty thinking.

The real truth is this: Cheap Chinese labor and free market forces are not causing America's hemorrhaging of manufacturing jobs to China. Rather, it is China's unfair trade policies. These mercantilist policies include a web of illegal subsidies, blatant currency manipulation, flagrant counterfeiting and piracy, lax safety and health regulations, and turning a blind eye to environmental control (16 of the world's 20 most polluted large cities are in China).

To restore America's manufacturing might and fight the current recession, we need well-funded education reforms to provide the skilled workers needed for American industry of the future. We also need precisely targeted tax policies that enhance growth and encourage productivity; cost-cutting reforms that bring health care, legal and regulatory costs down; a national energy policy that ensures plentiful and inexpensive energy; technology policies that enhance the U.S. lead in R&D and innovation; and worker skill-enhancing initiatives to put people back to work.

Ultimately, however, any lasting solution must also include a national strategy to level the manufacturing playing field. As a practical matter, this means cracking down hard on Chinese mercantilism. This is not protectionism, as many knee-jerk pundits insist, but merely a prudent policy response to a set of unfair trading practices that are seriously harming our country. ★

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Manufacturing Spotlight


John Dineen, president and CEO

Last month, GE Transportation President and CEO John Dineen talked to the Business Magazine *about the industrial giant's history, careers in manufacturing and the Erie headquarters being known as "GE's boot camp." Here, Dineen discusses the Evolution Hybrid locomotive, Ecomagination and the global reach of the company.*

What can you tell us about the GE Evolution Hybrid locomotive and when will it be available commercially?
With the hybrid, we decided to get the prototype out there and learn from that prototype. So in six months our engineering team put it together and we've been getting some great reactions from the customers. In the background, we will continue to work on some of the fundamental development. In the case of the hybrid, it's the battery system. There's no "off-the-shelf" battery system that's going to serve the unique needs of the hybrid; so for the past three years we've been working on a proprietary battery, architecture and chemistry. We'll be bringing those prototypes out this year and then working those prototypes on the locomotive. Our target date to have at least the first batch of prototypes out there is 2010. As we get deeper and deeper in the battery technology, there may be some other things that we can do a little sooner.

GE nationally and globally has rolled out the "Ecomagination" program. What role has GE Transportation played?
A big part of it. In fact, some of our products have been very well-known images in the Ecomagination campaign. We view Ecomagination as solving a real need in the world. We are not doing it just because it's the right thing to do, but because it's good business. Markets around the world need products that are cleaner, more fuel-efficient and have all the economic benefits that they come to expect from a traditional product. So with the requirements of cleaner technology and higher fuel-efficiency, we've saddled the engineering community with big challenges. But the timing has been fantastic because now we live in a world where people care about global warming, they care about smog, they recognize that we've got problems out there that we need to address. We think that by bringing products to market that can help address these problems that we're going to be successful. It's an eco-strategy, it's a green strategy, and it's a business strategy.

Talk a little about your division's growth in foreign markets — what do you think spurred that?
We simply put our money where our mouth is. We wanted to grow globally so we started to deploy our resources commercially into these markets. I put some of my best talent in markets around the world — in Turkey, in China, in India — to deal with the customers, and we invested. Every market requires a different type of locomotive, so we've had to invest in product programs to develop a locomotive for China, a locomotive for Brazil, a locomotive for Kazakhstan. Each one of these has required a real commitment of new product introduction dollars. It's easy to talk about, but you've got to put your money where your mouth is and that's what the business has done over the past few years. GE has really made a financial commitment to growing globally and we're seeing that pay off. If you look at our backlogs of locomotives, our total coming from outside North America has gone from about 2 percent to now about 40 percent.

Last year you announced an order for 30 locomotives from UK-based Freightliner Group Ltd. How did that come to fruition?
That's one of our most recent orders and, relative to some of the other orders that we've had, it seems a lot smaller but strategically it was very important for us. The European market requires a very unique locomotive, lighter weight and a new type of engine. We haven't been able to play in that market over the years; we've got a new engine platform and a new locomotive design that we think are going to serve the needs of that market very well. We're committed to that and have been working to find a large customer for a while. Freightliner is a very progressive company in the UK. They are very interested in this product and they made a big commitment to us with 30 locomotives. That allows us to get this platform off the ground, and we have big hopes for more orders like it and perhaps bigger orders in the future. ★

For more information about GE Transportation, visit http://www.getransportation.com/na/en/. ★

Business Buzz

Composiflex Expands Design, Manufacturing Capabilities

Erie-based Composiflex, a global supplier of highly-engineered composite products, has expanded its manufacturing and design capabilities to produce cutting-edge, patient positioning systems that are well suited for use with MRI diagnostic technology.

According to the ISO 9001:2000-certified company, the vast majority of composite patient positioning products in the market today are manufactured using carbon fiber, which is primarily applicable for use with CT scan and X-ray technologies, but not with MRI equipment.

"Through our material science expertise and advanced design capabilities, Composiflex is focusing on providing medical product solutions that are suitable for magnetic resonance systems by altering the material makeup and design of current products, or creating new ones. Additionally, we are developing multi-mode medical products that health-care providers can successfully use with a range of technologies including MRI, CT scan, PET and X-ray platforms," said Composiflex Sales and Marketing Executive Marty Matthews.

Specializing in custom-designed composite products, Composiflex serves the medical product, industrial equipment, ballistics, armor/security, aerospace, military and recreational equipment markets.

For details, visit www.composiflex.com.

BRM Receives Top Industry Certification

Business Records Management (BRM), a leader in records and information management in Pennsylvania, recently received AAA certification by the National Association for Information Destruction (NAID), making it the first information destruction company in Erie to be so certified.

According to the company, the AAA NAID certification is the highest level of certification in the shredding industry. The AAA certification is awarded to companies that adhere to stringent and comprehensive document destruction methods, while meeting security requirements that are designed to protect the privacy and confidentiality of all shredded information.

"Identity theft is the fastest-growing crime in the country, and the security of company records is one of the top critical issues that businesses face," said BRM President Steven Wright. "Our clients have always known that their information is in good hands whether it's being stored or destroyed, and this certification provides them with an added assurance."

For more information, see www.businessrecords.com.

Inventor Dean Kamen to be Guest Speaker at Millennium Luncheon

Dean Kamen, the inventor, entrepreneur and tireless advocate for science and technology who perhaps is best-known for his Segway HT, an electric self-balancing human transporter, will be the guest speaker at Edinboro University's first Dr. Jeremy D. Brown Millennium Leader Scholarship Luncheon on March 6 at Erie's Bayfront Convention Center.

Demonstrations of the Segway – first unveiled to the public in December 2001 on ABC's "Good Morning America" – will be available prior to the 11:45 a.m. luncheon.

The Dr. Jeremy D. Brown Millennium Leader Scholarship was created by Edinboro University of Pennsylvania President Jeremy D. Brown to signify Edinboro's continuing commitment toward enhancing opportunities for high-achieving students who have demonstrated leadership qualities in their extracurricular activities. The scholarship luncheon serves to expand that endowment for current and future Edinboro students.

For more details, call 814/732-2992.

Highmark Ranked High for IT Innovations

Highmark was recently ranked as No. 62 on the Top 500 list of innovative users of information technology in the United States by *Information Week* magazine, joining other national companies such as Google, Wachovia, Motorola and Microsoft.

Headquartered in Pittsburgh, Highmark, which is ranked second in the health insurance field, moved up in the rankings from 170th overall last year. Highmark was ranked fourth overall among all insurance companies.

Tom Tabor, Highmark's senior vice president and chief information officer for Information Services, attributes the jump in the rankings to the major steps Highmark is taking to meet health-care consumers' demands for increased flexibility in services and products.

For details, visit www.highmark.com.

Urban Engineers Recognized Among 'Best Places to Work'

Urban Engineers, with offices in Erie, was recently recognized as one of the "Best Places to Work" in Pennsylvania.

The awards program is a public/private partnership of the Team Pennsylvania ▸

Business Buzz

Manufacturers' Association contact: Karen Torres

Foundation, the Pennsylvania Department of Community and Economic Development, the Pennsylvania Chamber of Business and Industry and the *Central Penn Business Journal.*

Urban was ranked in the large company category (more than 251 employees). The statewide survey and awards program was designed to identify and honor the best places of employment in the Commonwealth, benefiting the state economy, its work force and businesses.

Printing Concepts Now Environmentally Certified

Printing Concepts Inc., headquartered in Millcreek Township, recently received notification that it is the first printer in the tri-state region to be officially certified by the Forest Stewardship Council (FSC), the Sustainable Forestry Initiative® (SFI) program and the Programme for the Endorsement of Forest Certification schemes (PEFC).

Each of these organizations is focused on chain of custody (CoC) certification, which documents the entire path taken by a tree from the forest to the mill, to the printer, and to the end-use consumer.

Printing Concepts President Michael Martin said the decision to "go green" was an easy one, because it was something requested by his customers.

"We conducted some initial research and the more we learned, the more we knew that this was more than a simple investment we were going to make in order to be able to meet the requirements of a single customer," said Martin. "It would be an important step for Printing Concepts and could be an important tool for all our customers, many of whom operate educational and medical institutions, companies and organizations already focused on maintaining environmentally responsible practices."

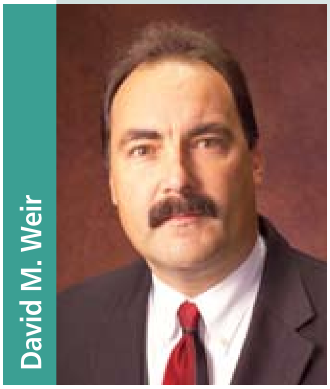
For more information, see www.printingconceptsinc.com.

Eric Ryan Corporation Forms New Division

The Eric Ryan Corporation (ERC) in Ellwood City has announced the formation of a new division within the company. The Energy Services Division was conceptualized as management noticed an increased number of requests for energy consulting. ERC's core business of utility and telecommunication consulting and bill auditing will continue, but the Energy Services Division will provide additional savings opportunities to clients.

The objective of the new division is to target the commercial sector and specialize in areas that assist clients in reducing energy consumption. ⋆

For details, visit www.ericryan.com.



Health Matters

David M. Weir is president of UPMC Work Partners, part of the UPMC Insurance Services Division. The Insurance Services Division, which includes UPMC Health Plan, UPMC Work Partners, EAP Solutions, UPMC for You (Medical Assistance) and Community Care Behavioral Health, offers a full range of group health insurance, Medicare, Children's Health Insurance Program, Medical Assistance, behavioral health, employee assistance, and workers' compensation products and services and serves more than 1 million members.

Workplace Wellness: Focus on Safety

The primary responsibility of any employer toward his or her employees should be to protect their health and safety in the workplace. The importance of protecting workers' health and safety is the reason there has been a dramatic increase in the number of both occupational safety and health regulations in recent years.

The best way to protect against accidents in the workplace is to institute a workplace safety plan that provides for the identification and elimination of workplace hazards that pose an unacceptable level of risk.

Regular workplace inspections are essential to any workplace safety plan. Initial inspections and all follow-ups should consist of several elements, including identification and evaluation of workplace hazards, analysis of patterns of work-related injury and illness, and provision of training and assistance designed to prevent future work-related injury and illness.

Regular inspections underline a business's commitment to safety and health and can help to create a culture of safety among employees. But policies, procedures and inspections can go only so far. A true commitment to safety entails more: the visible demonstration of support for workplace safety by company leaders.

Lead by Example

Leadership's commitment to workplace health and safety can be demonstrated in a number of ways. One way is to make safety an agenda item at management meetings. Another is to connect managers' evaluations to the safety records of their departments. Including safety training in all new-hire orientations sends a strong and early message about both the company's commitment to employees' health and safety and its expectation that employees will participate in maintaining a safe and healthy work environment. Setting aside specific training time for hazardous work environments underscores the need for extra diligence while working within them. And, of course, adequate time and support must be provided for all safety training and other safety initiatives.

Identify the Changes in the Workplace

For many years workplace safety was seen almost exclusively as an issue for companies whose employees worked on assembly lines or moved large volumes of goods within shipping, receiving and storage areas. While safety within those contexts is still critical, the notion of safety in the modern workplace is greatly expanded. Today the most common workplace injury is musculoskeletal, and the injury site is in front of a computer screen in a quiet office!

These days the definition of a workplace has expanded to include any place where commerce is conducted, including on the road. Employees are extremely mobile on the job, and the leading cause of workplace fatalities is now traffic accidents. Traffic accidents were responsible for approximately 23 percent of all workplace deaths in 2006.

Realize the Cost Savings

Workplace safety is something that companies can measure and manage. According to the Occupational Safety and Health Administration's Office of Regulatory Affairs, businesses can see a savings of $4 to $6 for every $1 invested in safety. A poll of executives taken by Liberty Mutual showed that for every $1 spent on workplace safety, they saw at least $3 in savings.

Workplace safety is not an "add-on." It is an essential responsibility that should be incorporated into a company's standard operating procedures. It's simple, but true: The only acceptable way to do business is the safe way. ⋆

What to do when a potential hazard is discovered:

1. Make everyone in the workplace aware of the situation and its seriousness.
2. Immediately notify the area supervisor.
3. See that a report is completed.
4. Follow up on the report to ensure that action is taken.

For safety during lifting, an employee should be sure to:

1. Plan the lift.
2. Wear nonskid shoes and have firm footing.
3. Bend at the knees, tighten the abdomen, and keep the back straight during lifting.
4. Have a firm grip on the item being lifted.
5. Lift smoothly, avoid twisting the body, and push rather than pull.

The leading causes of serious work-related injuries are:

- Overexertion
- Falls on the same level
- Bodily reaction
- Falls to a lower level
- Being struck by an object

For more information on workplace safety, visit www.upmchealthplan.com.

"NWIRC helped us find our market."

Mike Chesley, general manager
Composiflex, Inc.
Erie, Pa.

As Mike Chesley can tell you, Composiflex manufactures some pretty innovative stuff for a lot of different industries—from aerospace to medical to ballistics.

But when it came to its high-performance composite spring division, they were seeing sluggish growth despite offering a superior product at a competitive price. Admittedly, part of the problem was that they weren't sure what—or where—their market was.

That's where the NWIRC came in.

"The NWIRC helped us to really get a feel for this market like we've never had before," said Chesley. "Now, not only do we have contact information for every prospective customer out there, we also know exactly what the market potential is for this particular product line. And that knowledge is priceless."

For more information on how the NWIRC can help your business define its market and plan for growth, call us at one of our regional offices:

Erie: Jack Watts or BJ Lechner (814) 456-6299
Meadville: Susan Hileman (814) 572-2077
Dubois: Gene Samanka (814) 590-1219
Mercer: Amy Weller (724) 699-5787

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Robert B. McMunigle, CPA

Robert B. (Mac) McMunigle, CPA, PFS, ABV, is a manager with the certified public accounting firm of McGill, Power, Bell & Associates, LLP. He has been with the firm for 25 years. McMunigle specializes in tax planning, estate planning, business valuation and business succession planning. He is certified as a personal financial specialist (PFS) and offers personal financial planning.

The Appreciated Stock Dilemma: Determining Your Best Options

You had the foresight to purchase a large block of Google stock at $100 per share. Or, you have been a participant for the past 30 years in the employee stock purchase plan your company offers, a period during which the stock has appreciated significantly.

These and numerous other situations cause an interesting dilemma for you as a taxpayer. You would like to diversify your portfolio and lock in some of your gains. However, you are hesitant to incur the income tax generated if the gain is recognized. What are your options?

Hold the Stock

Continuing to hold the stock has a significant advantage in that securities (owned outside of an individual retirement account or tax-advantaged annuity product) passing through an estate receive a "step-up" in basis for the beneficiaries. Your heirs' basis in the stock would increase to the stock's value in determining your taxable estate, generally its value on the date of death. All of the gain on the prior appreciation is permanently eliminated under current tax law. The status of the federal estate tax and basis step-up rules for 2010 and thereafter is still uncertain, but will hopefully be clarified in the near term.

If you wish to achieve the basis step-up but are concerned by the risk of continuing to hold the stock, you may want to consider option and collar transactions to provide some downside protection. However, this consideration must be approached carefully as many of these types of transactions, including certain short sales and futures contracts, will result in a constructive sale of your appreciated stock, requiring you to recognize gain on it. The Internal Revenue Service has yet to issue formal guidance in this area.

Sell the Stock

Capital gains have historically been taxed at lower rates than ordinary income. This is especially true now as the maximum long-term capital gain rate is currently only 15 percent. This is the lowest effective rate since World War II. As recently as 1979 the maximum capital gain rate was 49 percent. Commentators are near unanimous in their belief that the next change in tax rates will be upward, indicating this may be a good time to sell.

Even though the capital gain rate is currently very favorable, the income from the net capital gain recognized is fully includable in adjusted gross income. This could result in significant hidden tax costs resulting from phase-outs of deductions and credits, and also the imposition of the alternative minimum tax on your other sources of income.

Accordingly, the decision to recognize a large capital gain should be accompanied by proper tax planning. Prepare tax projections to determine the true estimated tax cost. Can other sources of income be deferred or converted to tax-free investments? Can you recognize any capital losses on other securities to offset the gain?

Gift the Stock

An interesting opportunity exists for capital gain tax planning in 2008 and 2009. The capital gain rate for taxpayers in the 10 percent and 15 percent tax bracket is zero percent during these years. Are there any family members with sufficiently low income to whom the appreciated property can be gifted? Your holding period and low basis carry over to them, but they could potentially sell it and owe no tax on the gain.

However, in considering this strategy, you need to be aware that the applicability of the "kiddie tax" has significantly expanded. The kiddie tax rules apply the parents' tax rate to a child's income. Beginning in 2008, it can now apply to children up through age 23, making this strategy ineffective for gifts to, and sales by, most college students.

Make a Charitable Contribution of the Stock

If considering charitable intentions, appreciated marketable securities are ideal assets with which to make contributions. Taxpayers generally receive a tax deduction for the full fair market value of the stock on the date of the gift and do not have to recognize the gain on the unrealized appreciation. As an alternative to current outright charitable gifts, appreciated stock also can be used to fund charitable remainder trusts and/or gift annuities. These vehicles provide the donor with a charitable deduction and an ongoing income stream, while deferring the capital gain. ⋆

For more information on tax issues related to stocks, contact Bob McMunigle at McGill, Power, Bell & Associates, LLP at 814/724-5890 or mac@mpbcpa.com.

Invested in Your Future

Headquartered in Wexford, Pennsylvania, APB Financial Group, Ltd. defines its role as "advocates on behalf of businesses and families who require highly specialized financial and advisory services." Representing the firm's areas of expertise are President Mero Capo, wealth management; W. Brent Ohl, life insurance; and Kevin Buckley, retirement plans.

Mero Capo wants his clients to get a good night's rest. In fact, if they're not worrying about the what-ifs that keep many business owners awake, staring at the ceiling till 2 o'clock in the morning, then he knows he's done his job.

As both president and an accredited investment fiduciary at APB Financial Group, Ltd., an employee benefits consulting and wealth management firm based in Wexford, Pennsylvania, Capo and his team of consultants specialize in helping businesses and high-net-worth individuals realize their financial goals. The firm has distinguished itself by infusing its more than 30 years' experience with an innovative approach to financial planning that gets to the heart of what clients both need and want. This unique strategy, known as the Blueprints For Tomorrow™ Program, is specifically designed to help clients understand their current financial situation and remove any roadblocks that stand in their way, starting with the question, "what if?"

What if I die unexpectedly? What if I become disabled? What if I want to sell my company? What if my key employees leave?

"The reason that we started implementing the Blueprints For Tomorrow™ Program is that we wanted to sit down and talk about all those what-if scenarios that keep them awake at night," says Capo. "They may think, 'you know what, we need a retirement plan,' but once they go through our scorecard, and we prioritize all their needs, they may soon realize that they have three other needs that are more pressing than that retirement program."

Blueprints™ is far different from the product-based solutions offered by many financial firms. Rather, the focus is on a process-based model of 14 blueprints, or road maps, that zero in on the personalized needs of both business and individual.

"One of the things that I think is important is that people understand why we do business the way we do," says Capo. "The reason that we came to start these blueprints is that as our organization grew, we started to offer all these services that we knew our clients needed, and top-notch consultants to work with them, but our success was very limited and we couldn't figure out why.

"While talking to an individual in the business that we had gotten to know very well, he related a story about one of his clients where he had for years tried to get him to do a bunch of different things that would be good for his family and good for his business. The individual developed brain cancer and was told he only had a month to live. All of a sudden, he calls his adviser back, but it's too late. The end result was that after the funeral, the adviser, the individual's attorney and CPA all got together and realized that they had failed their client. They all had come at him with all these services and all these things and essentially put him in a bunker mentality. He didn't know where to go first. He didn't know where to turn. He didn't have a path. He was just getting bombarded.

APB Financial Group, Ltd.

APB Financial Group, Ltd.

APB is an employee benefits consulting firm that specializes in wealth management services for businesses and high-net-worth individuals. Services range from registered investment advisory services, retirement plan consulting, sale of annuities to mutual funds. In addition, planning services are available such as financial, tax, and estate and supplemental retirement plans.

Owned by: First Place Financial Corp., a $3.2 billion financial services holding company based in Warren, Ohio.

Affiliated with: National Financial Partners Corp., the parent company of NFP Securities, Inc. APB is also a member of PartnersFinancial, an independent national financial services company.

Employees: 18

Certifications and/or designations: two accredited investment fiduciaries (AIF), a certified employee benefit specialist (CEBS), two chartered financial consultants (ChFC), a certified public accountant, an Office of Supervisory Jurisdiction specialist, and a chartered life underwriter (CLU).

Founded: 1974

Headquartered: Wexford, Pennsylvania

More information: *www.apbfinancial.com*

"When I think about that in relation to our clients," continues Capo, "we were doing the same thing. They need what we offer but when we go out and say you need this, this and this – they go into bunker mentality. They don't know where to begin."

Statistics in a *Pittsburgh Business Times* article titled, "Survey: Small business owners lack planning," show 38 percent of 200 high-net-worth small business owners polled in New Jersey, Pennsylvania, Connecticut and New York reported having no long-term exit strategy or succession plan in place. Thirty percent said their plan existed only "in their head" and another 10 percent of those polled said they had not fully developed a plan yet, but should.

By leaving these issues unresolved, notes APB's management team, many business owners don't realize they are putting their future and security in jeopardy. "We know what it's like running a business," adds Vice President W. Brent Ohl, ChFC, CLU and investment/bank owned life insurance consultant. "Sometimes it feels like you're running an adult day care and you're constantly putting out fires. We're just trying to put order to it."

APB's clients represent a wide array of industries. Shown here, from left, are longtime clients: Bill Jones, president of Penn United Technologies, Inc., with W. Brent Ohl of APB; Ohl and John Shaginaw, president of LLI Engineering, Inc.; and APB Vice President of Investment Advisory Services Glen O'Connor with Jim Kosinski of Tower Engineering.

"That's why we ask questions that many other advisers don't," adds Capo. "Not just how many employees do you have, but how much do you want to put into a retirement plan? We ask what keeps you awake at 2 in the morning? What scares you? This is not just in relation to their business; it's their personal life as well. What are you most afraid of losing?"

Personalized Solutions

In 1994, when Capo, a former controller for a regional dental laboratory and retirement plan adviser, was recruited to run the investment advisory arm of the business, APB's framework was more of a traditional retirement planning firm, selling group annuity programs. Since that time, the 18-person firm has evolved from an organization selling insurance-based solutions to one where its consultants design the plan, offering benefits across the board.

States Capo, "So it's gone from basically picking a product off the shelf to sitting down and working with every client individually, even polling their employees to see what types of investment options would be most appropriate. We develop the investment policy statement, working with the trustees and constantly going back to monitoring and reporting to the trustees or investment committee on how well the investments are holding up with respect to your investment policy statement."

Today, the firm's clients include high-net-worth individuals, and businesses from a three-person staff to those with 3,000 employees. Its market base comprises small and medium-size family-owned operations to large publicly traded companies.

"They have different issues," explains Capo, "but they're all potential clients of ours. We like to work with business owners or the executives of large companies and through our Blueprints™ Program, or scorecard methodology, determine what the biggest issue is them."

For example, APB assisted a construction company where a partner had become sick and ultimately died. Through the Blueprints™ Program, the other partner was able to make a transition to three key employees and sell his stock in the company. APB also successfully worked with a business owner who was plagued with high turnover, and through a specific bonus plan was able to not only retain employees but also make turnover virtually nonexistent.

Another client was an engineering firm where the companies' principles were completely hands-on and had no succession plan in place. According to APB, the client's buy-sell agreement was not funded and other financial issues were not dealt with. After working through the blueprints, the business owners had a plan to lock in key people, and a plan to make the firm more attractive to an outside buyer.

"None of this works unless we're involved with their CPA, their attorney or whoever else," says Capo. "If you're drawing up a key man life insurance or a buy-sell agreement with two partners, we don't draft the agreement, we work with the attorney who drafts the agreement and we fund the buy-sell agreement. We are definitely reliant upon their current relationships. We act more like a quarterback or an impartial referee. That's our role whether it's refereeing between siblings or just making sure that everyone is still pulling in the same direction."

APB has the infrastructure – both in terms of personnel and financial support – to stay on course. The firm has an average tenure of 15 years and its new staff has been with the firm close to six years. That means that when a client calls the firm, they are getting the same point of contact. "We find that clients appreciate that," states Capo, "there is a level of comfort and trust."

On a larger scale, APB is a subsidiary of First Place Financial. The $3.2 billion holding company employs more than 1,000 people, and owns First Place Bank, which has some 30 branches located from Ohio's Mahoning Valley to northern Detroit. The footprint ▸

lends a great deal of stability, especially to larger businesses and international organizations with operations in the United States.

Notes Capo, "There's really no limit to our geography or size of our client base."

Long-Term Benefits

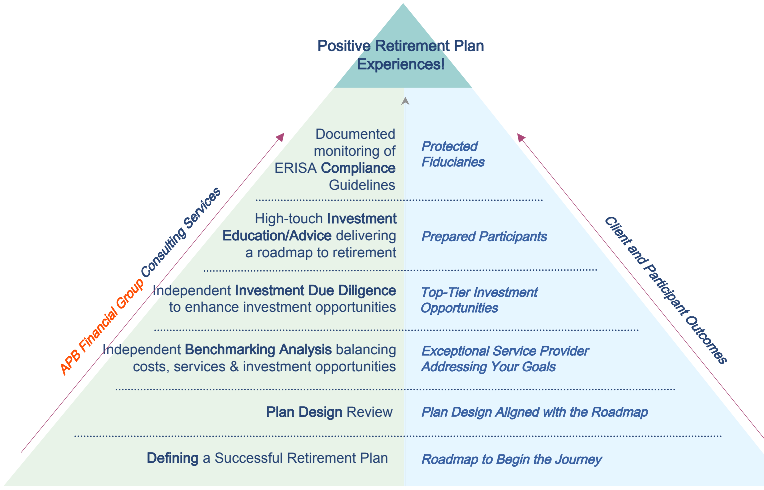
Experts agree that the demand for financial services will spike as the U.S. population of 76 million baby boomers age over the next 30 years. In fact, estimates show nearly 8,000 Americans reach the 60-year mark every day.

APB's experienced advisers strive to provide the leadership, support, expertise and professionalism necessary to meet their clients' needs.

"If you look at what's happening demographically today, we just hit the first edge of the baby boomer generation," notes Capo. "That means retirees will have to have the investment and income management services in place to make their money last throughout their lifetime."

And that's where APB comes in. Through its affiliation with PartnersFinancial, a National Financial Partners company and organization of independent investment and insurance professionals, APB has the intellectual capital and purchasing power of a larger firm, offering more than 9,000 different mutual funds. Additionally, the firm's investment arm has a screening process for all investment options out there and provides clients with a recommended list that APB monitors on a quarterly basis for performance, plus a whole area of its business segment is dedicated to the fiduciary liability of offering a retirement plan.

According to Vice President of Retirement Services Kevin Buckley, CEBS, APB's retirement plan consulting value proposition is the firm's ability to work with business owners to determine the goals of a retirement plan, designing the right plan, and implementing the plan on the right platform all in a total fee disclosure model that limits an owner's fiduciary liability to the maximum extent possible. The firm has even introduced a step-by-step model for "how to create a successful retirement plan" with an accurate picture of fees and costs.



One of the signature services offered by APB Financial Group, Ltd. is its step-by-step model for "how to create a successful retirement plan."

"A lot of business owners are in the dark about what they are paying for their retirement program," he notes. "Yesterday, I met with a company owner who was convinced that she was paying $2,000 every year for their retirement plan, but I was able to show her that plan costs were actually almost $25,000. We were able to present some alternatives to reduce costs while actually increasing the quality of the program and reducing the fiduciary liability of the business owner. Determining fees related to these plans is a difficult task due to the layers of fees sometimes imbedded in the platforms and some providers' reluctance to disclose them. It takes an experienced consulting firm to really know what rocks to look under."

Colleague Brent Ohl, who has nearly 30 years experience in the industry, says it is these pitfalls that businesses and individuals need to be aware of, especially when it comes to their future wealth. Time and time again, he says, he has helped clients, age 70 to 85, review their insurance policies to make sure those dollars are being properly utilized.

A prime example is the increasingly popular life settlements, which have opened a secondary market for life insurance. According to Ohl, policy owners can access fair market value for atheir policies, rather than accepting the lower cash value from the issuing life insurance company.

"Once your health goes, it's like beachfront property – you can't get it anymore," says Ohl. "Our focus at APB is to design a plan that will get clients to where they want to be five, 10, 15 years from now."

It's for this reason that Capo shares these parting words. "When we started talking to business owners, I always thought they had a plan. They knew what they did. They did it well. The most surprising thing to me was the number of people that don't have a plan. People plan so many things out to the exact detail, but the average business owner has probably taken more time to write instructions for a babysitter than they have to transition their business.

"That's why it's so important to take a little time away from working in your business, to work on these blueprints and protect yourself, your family and your company." ⋆

For more information, visit www.apbfinancial.com.

Blueprints For Tomorrow™

A financial planning program designed to ensure that "what-if" issues get dealt with quickly and comprehensively. These 14 blueprints include:

- Sale of Business
- Inside Transition (Family, Co-Owners or Key Employee/s)
- Passive Ownership
- Premature Death
- Disability
- Retirement
- Wealth Accumulation and Asset Protection
- Key Employee Retention
- Legacy Planning
- Orderly Estate Distribution
- Prevention of Misspent Life Insurance Dollars
- Can Do Minimizer
- Corporate Benefits and Retirement
- Qualified Plans

APB delivers personalized solutions through its Blueprints For Tomorrow Program™, helping clients define what they want in a financial plan or benefits package.

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- Managers who average 28 years of service
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MEMBER FDIC

EQUAL HOUSING LENDER

Catherine Moodey Doyle

Legal Brief

Catherine Moodey Doyle is an associate at the law firm of MacDonald Illig Jones & Britton, LLP. A graduate of Allegheny College and Duquesne University School of Law, Doyle practices in the areas of intellectual property, commercial litigation and insurance defense.

Protect Your Intellectual Property Rights When Working With Independent Developers

With rapid changes in technology, businesses often hire or commission independent developers to meet changing business needs. For instance, a business may retain Web site designers to update Internet Web sites, software developers to produce software to help with management or manufacturing, or engineers to improve existing products or design new products. However, when a project is complete and the developer's fee is paid, the business may not own all rights to what has been developed.

It is a common misconception that once the consultant has been paid, the business owns all copyrights, patents and other intellectual property (IP) rights related to the development, and the business can do anything it wants with the work. Along with this misconception, businesses often assume that the independent developer has no further rights in the development. Unfortunately, unless there is a specific agreement addressing IP, these assumptions regarding IP rights are incorrect and a business may not have actually purchased everything it intended.

Ownership of Copyrights

One of the reasons for this misunderstanding is that the law treats the IP rights of an employee differently than those of an independent consultant. Under copyright law, the "work-for-hire" doctrine normally makes businesses the "authors" and thus the owners of copyrightable developments made by employees in the scope of their employment. In addition, many businesses require employees, as a condition of employment, to execute IP agreements. These agreements typically cause an employee to assign to the business the employee's ownership rights, including all copyrights, patents and other IP rights relating to and resulting from the employment.

However, the "work-for-hire" doctrine of copyright law normally does not apply to copyrightable developments made for a business by a non-employee. Although there are certain types of copyrightable developments for which the "work-for-hire" doctrine may apply to non-employees, that doctrine only applies to specific types of work and only when there is a written agreement making it applicable. Thus, the copyrights relating to a development, such as a Web site or a computer program, may belong to the independent developer who developed the Web site or computer program. Under these circumstances, the customer for whom the development was made has the right to use it only for "the purposes contemplated by the parties."

Ownership of Patent Rights

A similar result occurs under patent law with one significant exception: Employees remain the inventors of inventions made in the course of their employment. Nevertheless, a business normally owns its employees' inventions and has a right to have any related patents assigned to it either by operation of law or through an IP agreement as mentioned above.

As with copyrighted works, however, an invention made by a non-employee inventor is owned by that inventor, not the business who is the customer of the inventor. Under these circumstances, the business that commissioned the work only has the right to use the development for "the purposes contemplated by the parties."

Why Copyrights and Patents Matter

The owner of a copyright to a writing or product has the legal right to control "derivative works," that is, any future modification of the writing or original product. Consequently, without a specific agreement that states otherwise, an independent developer may be the only party who can legally modify a Web site or computer program the developer produced. Similarly, the owner of a copyright or a patent has the legal right to control all uses of the development beyond "the purposes contemplated by the parties," a vague legal concept that is open to many interpretations. The owner of a patent or a copyright also can issue licenses to third parties to use the very development, or some variation of the development made for another client.

In conclusion, before hiring an independent developer, it is important to enter into a written agreement regarding intellectual property rights resulting from the work commissioned. ⋆

With the need for new technology to compete in the global market, collaborative efforts in developing new technology and the resulting intellectual property rights (IP) raise a number of issues:

- The traditional "work-for-hire" doctrine and other employee related IP ownership principles do not apply to independent developers of IP.
- An independent developer may retain patent rights and copyrights to the work product commissioned by a business.
- It is important to address the ownership of IP of a development with your developer before commencement of any work.
- Carefully negotiated agreements with independent developers should prevent future disputes regarding ownership and use of IP.

For more information on intellectual property rights, contact Catherine Moodey Doyle at MacDonald Illig Jones & Britton, LLP at 814/870-7662 or cdoyle@mijb.com.

Legal

HR Connection

Survey Says: Show Me The Money

When it comes to incentives, cash bonuses are still the reward of choice for high-performing employees in the private sector.

According to a recent WorldatWork and Vivient Consulting study, 80 percent of companies surveyed have at least one short-term incentive plan, and nine out of 10 companies with such plans say employees receive bonuses for their hard work and high performance.

According to the study, private companies with various levels of revenue (anywhere from $100 million to more than $5 billion) stayed within 2 to 12 percent of their operating income to facilitate a short-term incentive program, with budgets that were roughly the same.

Using short-term incentives, such as bonuses, helps focus employees and helps them reach important goals, says Leonard Sanicola, compensation practice leader for WorldatWork.

An Expensive Misclassification

FedEx Corp. recently disclosed that the Internal Revenue Service (IRS) has tentatively concluded that the company misclassified FedEx Ground delivery drivers as independent contractors in 2002 and that the company could owe $319 million in taxes and penalties plus interest.

The company disclosed the tentative assessment in a filing with the Securities and Exchange Commission.

FedEx Corp. continues to argue that the drivers are independent contractors. The company says it is preparing to meet with the IRS audit team.

"We believe that we have strong defenses to the IRS's tentative assessment and will vigorously defend our position, as we continue to believe that FedEx Grounds owner-operators are independent contractors and that no loss is probable," the company said in a statement.

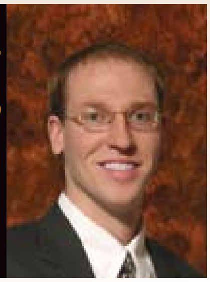
Two More Hours Can Mean Millions

Shifting two hours a week from administrative duties to selling and carefully allocating activities between new-business developers and account managers can mean millions of dollars in incremental sales for companies, according to a study by Watson Wyatt Worldwide, a leading global consulting firm.

Watson Wyatt's *2008 Report on Sales Effectiveness and Compensation* found that just two hours more of sales activity a week can lead to as much as $225 million in additional expected revenue for a company with 1,800 new-business developers. Reallocating time and resources between new-business developers and account managers can create as much as $600 million in additional expected sales for a FORTUNE 100 company with $20 billion in sales. ★

For more HR & Legal Services updates, see www.manp.org.

HR Advantage Tip



Matt Karl is an HR generalist at the Manufacturers' Association. He provides HR support through the HR/Legal Services hotline and aids member companies with employee handbooks, affirmative action plans, employee opinion survey and other HR consulting services.

Association Provides Assistance, Answers to OSHA Reporting Requirements

According to the Occupational Safety and Health Administration (OSHA), recordkeeping is a critical part of an employer's safety and health efforts for several reasons. Some of these include:

- Keeping track of work-related injuries and illnesses can help you prevent them in the future.
- Using injury and illness data helps identify problem areas. The more you know, the better you can identify and correct hazardous workplace conditions.
- You can better administer company safety and health programs with accurate records.
- As employee awareness about injuries, illnesses and hazards in the workplace improves, workers are more likely to follow safe work practices and report workplace hazards.

As part of OSHA's recordkeeping requirements, most employers are required to post an annual summary of work-related injuries and illnesses (OSHA Form 300). This form is to be posted in a common location from February 1 through April 30 of each year.

While all employers must report to OSHA any workplace incident resulting in a fatality or the in-patient hospitalization of three or more employees within 8 hours, not all employers are required to post Form 300. OSHA uses the Standard Industrial Classification (SIC) Code to determine which organizations must keep records. A list of these exempt industries can be found on OSHA's Web site, *www.osha.gov*, which includes such industries as hardware stores, used car dealers, gasoline service stations, liquor stores, barber shops, bowling centers and legal services. ★

For more information on these and other recordkeeping requirements, please contact me at 814/833-3200, 800/815-2600 or mkarl@manp.org.

Manufacturers' Association's
HR Advantage
Your Human Resource Team

Debra Kruse

Debra Kruse is a certified financial counselor and manager of Lending Services at the Erie General Electric Federal Credit Union. She has 31 years of lending and financial counseling experience and joined the credit union in 2003.

Improve Their Credit, Their Lives and Your Bottom Line

Help Employees Prevent and Overcome Credit Crises

You've spent the time and money to do the research, and you are confident that you offer a competitive compensation package to your employees. So why might members of your staff still struggle to make ends meet?

Employers typically address physical and mental health concerns with employees, yet many overlook the crisis that bad credit creates for members of their organization. The financial health of your employees inevitably affects their productivity and impacts your bottom line. So, how can you help alleviate their financial frustrations so they can remain focused on growing your business?

Assume Nothing

Many employers assume that well-educated, highly compensated individuals would never find themselves in a credit crisis. Statistics show that one in every four working Americans, more than 35 million employees, are in enough financial stress that it affects their work. Among those 35 million employees are doctors, lawyers, executives and even financial professionals.

In fact, more affluent employees may find it difficult to admit they are in a credit crisis and therefore seek help. As an employer, bring the issue to the forefront. Let your employees know that you are aware that the average U.S. household owes more than $9,000 in credit card debt and, if your employees are among them, you want to help.

Offer Easily Accessible Options

A debt crisis is often the proverbial pink elephant in the room — it's obviously present yet no one wants to be the first to mention it. Realize that it is often easier for individuals to ignore their credit problem and keep suffering from paycheck to paycheck, month to month than to admit that the problem exists. Offering confidential and easily accessible credit counseling options to your employees may increase their willingness to take the first step toward getting their finances under control.

If you currently offer an Employee Assistance Program (EAP), speak to your provider about credit counseling options for your employees. Some EAPs offer their own credit counseling services. If the organization you work with does not, they should be able to extend useful advice on how to structure an employee credit counseling program. Perhaps they can recommend counseling organizations that could come onsite to work with your staff. If you are not currently offering an EAP, try contacting local financial institutions to find out if they offer credit counseling. Local nonprofit organizations such as Family Services may also be able to point you in the direction of a reputable credit counselor.

Once you have a program in place, make it as easy as possible for employees to take advantage of it. Allow them to take a reasonable amount of time away from their daily duties to meet with the counselor. Arrange for the counselor to be available for structured follow-up sessions to monitor progress and ensure success.

Only Partner with Trustworthy Professionals

It's common knowledge that Americans are struggling to manage their credit card payments, and many organizations have surfaced in recent years promising to consolidate, eliminate or negotiate debt. Unfortunately, not all of these organizations have the consumer's best interests in mind. If you plan to offer credit counseling to your employees, consider working out a partnership with a reputable source. Do your homework. Only offer a credit counseling service to your employees if you are certain they are a legitimate nonprofit entity. Ask for references from other companies that have worked with the counseling service and research the provider with the Better Business Bureau.

An Ounce of Prevention

When it comes to credit, ignore the "if it ain't broke, don't fix it" mentality. In our credit-driven society even your most intelligent employees may be tempted to live beyond their means by incurring large amounts of credit card debt. Build and maintain an onsite financial education program for your employees to help those in trouble and prevent others from making dangerous financial decisions.

Work with a financial professional or a nonprofit that has experience presenting financial topics to large groups. Offer a variety of seminars for the many life stages of your employees such as first-time home buying, using credit wisely, budgeting and paying down debt, saving for college, and planning for retirement. Consider seeking out a variety of presenters to keep the messages fresh and appealing.

Again, make it as easy as possible for your employees to take advantage of these educational opportunities. Consider allowing them to attend seminars on the clock, or offer an incentive like a drawing or giveaway for those willing to attend a morning, lunchtime, or evening session. Rest assured that the financial sense you instill in your employees will improve their lives and allow them to focus on improving your bottom line. ⋆

For more information, or to help your employees with credit issues, please contact Debra Kruse at 456-6231, Ext. 251 or dkruse@egefcu.org

HR Questions & Answers

What are my legal duties as an employer with respect to retirement plans?
For starters, you are not obligated to establish an employee benefit plan. However, if you do, the plan must be created, operated and (if appropriate) terminated in accord with ERISA — the federal Employee Retirement Income Security Act of 1974 — and the Internal Revenue Code.

The key requirements concern reporting plan information to the federal government, providing information to your employees, funding and administering the plan properly, and diligently exercising your position of trust in operating the plan.

This fiduciary responsibility means acting in the best interests of the plan and the beneficiaries, which may preclude certain investment options (for example, shares of the employer's stock).

What are some retirement plan options?
Defined benefit (the traditional "pension") or deferred compensation/defined contribution plans are the typical choices. Different variants of these plan types are allowed to both for-profit and nonprofit companies (and government entities) under the Internal Revenue Code.

The rules for such plans, however, are very complicated, and it is necessary to consult professional benefits and tax advisers before setting up any plan, so as to obtain reliable information that can be the basis for a good business decision.

Can I correct errors in our company retirement plan?
Depending upon the circumstances, possibly.

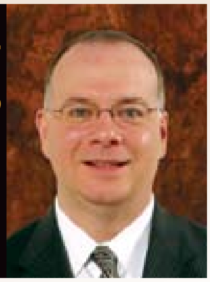
One option to consider is the IRS' Voluntary Correction Program (VCP). A plan sponsor (that is, an employer) can seek to preserve the tax benefits of its retirement plan if the sponsor discovers problems prior to coming under examination by the IRS. In such cases, a fee is paid to the IRS, which requires that problems be corrected within specific time frames.

For some plans, particularly if the errors are insignificant, the IRS' Self-Correction Program may allow errors to be fixed without a fee.

IRS Circular 230 Notice: The IRS requires us to inform you that any tax advice contained in this communication (including any attachments) was not intended or written to be used, and cannot be used, for the purpose of (1) avoiding penalties or (2) promoting, marketing, or recommending to another party any transaction or matter discussed herein. ★

Have a question? Call the Manufacturers' Association's HR/Legal Hotline at 800/815-2660 or 814/833-3200.

HR Advantage Tip



Attorney John Onorato is the vice president/general counsel at the Manufacturers' Association. He assists member companies with their legal needs and HR questions.

Risky Business: Top 10 Investment Scams

Today I received an e-mail from someone in Nigeria who wants me to work with him to get $200 million out of his country. He will give me 10 percent, if I supply him with my bank account number and my financial institution's routing number. Lucky me.

Truly, however, financial fraud is no joke. According to the Pennsylvania Securities Commission, here are the 10 most common investment scams to watch for:

1. **Internet scams** — Never invest based on a "tip" found on the Internet without doing your own research.
2. **Investment seminars** — It's usually the gurus who get rich, charging admission and selling their books and audiotapes.
3. **Affinity groups** — These con artists often target members of closely-knit religious, political or ethnic groups, taking advantage of their natural urge to trust people who are like them.
4. **Abusive sales practices** — Investors should be on guard and hang up on aggressive cold-callers.
5. **Telemarketing** — These new "boiler rooms" feature high-pressure telephone sales operations that are always open and sell fraudulent investments.
6. **Promissory notes** — Such notes are supposedly insured and backed by real assets. In fact, they are backed only by an often-worthless promise to repay.
7. **Viaticals** — These contracts are interests in the death benefits of terminally ill patients, such as AIDS and cancer victims. Because predicting death is so uncertain, these investments are extremely speculative.
8. **Entertainment** — Con artists focus on investors hoping to hit it big with a stake in the next Hollywood blockbuster or entertainment product.
9. **Ponzi/pyramid schemes** — These swindles promise high rates of return. The only people who make a killing are the promoters who create them.
10. **Franchise offerings** — Promoters target people attracted by the prospect of owning their own business. States have taken actions relating to inadequate disclosure and fraud involving franchises. ★

For more information, contact me at 814/833-3200, 800/815-2660 or jonorato@manp.org.

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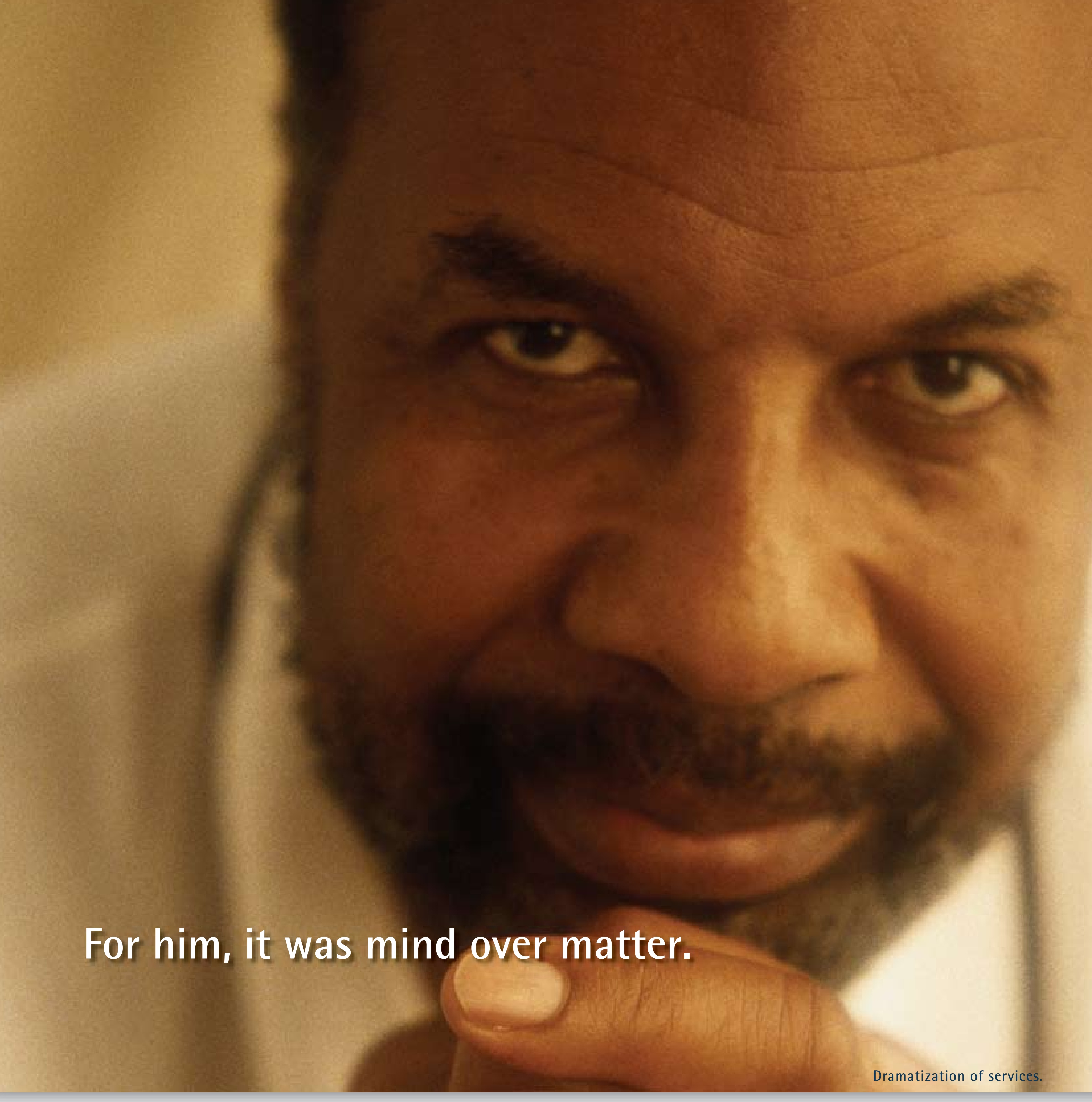

For him, it was mind over matter.
Dramatization of services.

Events

1) Lou Baxter, WJET-TV; Phil Hayes, WICU 12; John Christianson, WSEE-TV; and Kevin Cuneo, *Erie Times-News*, discuss the media coverage of local business and industry, during a recent roundtable at the Manufacturers' Association's Conference Center.

2) John Garner of National City Bank (center) and colleagues are treated to a hearty breakfast and a panel discussion at an Association Eggs 'n' Issues briefing.

3) David Siporin, vice president of International Business for LORD Corporation, speaks to members of the Exporting Roundtable about the strategies to use when developing a long-term exporting plan.

4) Guest speaker Erie County Executive Mark DiVecchio addresses Association members about plans for a regional community college.

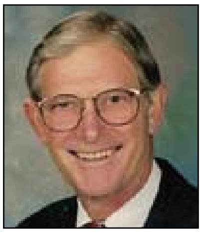
5) Former Manufacturers' Association Board Members Dave Tullio, Chet Giermak and Harry Brown were among the 75 business and community leaders who attended the Association's recent luncheon briefing with the county executive.

People Buzz

National Fuel Promotes Carlotti to Senior VP

Carl M. Carlotti has been promoted to senior vice president of National Fuel Gas Distribution Corp. In this position, Carlotti will provide general oversight of Distribution Corp.'s Pennsylvania division, in addition to presently being responsible for managing the Land, Consumer Business, Transportation Services, Purchasing and Accounts Payable departments.

Burton Funeral Homes Featured at Conference

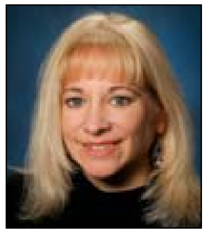


G. David Burton and **Karen Burton Horstman** of Burton Funeral Homes and Crematory, Inc. were recently presenters at the International Cemetery, Cremation and Funeral Association's Wide World of Sales conference in New Orleans, which drew 450 attendees from across the United States and Canada.

As part of their presentation, the two focused on the unique addition of a cremation garden to their funeral home grounds at 2532 Norcross Road in the Belle Valley area of Greater Erie. Burton was the first company to offer multiple (12 in all) permanent memorialization options for cremated remains in the tri-state area.

CPA Firm Announces Staff Promotion

McGill, Power, Bell & Associates, LLP, a certified public accounting firm with offices in Erie and Meadville, has announced that



CarolAnn Taoukhi has joined the firm as a staff accountant. Taoukhi specializes in tax preparation for businesses and individuals. She is an enrolled agent with the Internal Revenue Service.

HBK Sorce Financial Partner Earns Master's in Financial Services

Gregory J. Sorce, a certified financial planner and partner of HBK Sorce Financial, has earned a Master of Science in Financial Services degree from the Richard D. Irwin Graduate School of The American College, Bryn Mawr. Candidates for the degree must complete 36 credits of individual and residency study and 16 hours of supervised examinations.

Sorce is a co-founder of HBK Sorce Financial and his company, with offices in Erie, was recently listed in *CPA Wealth Provider* magazine as one of the Top 100 Independent Registered Investment Advisory Firms in the country with more than $1.3 billion of assets under management.

United Way Welcomes New Board Member

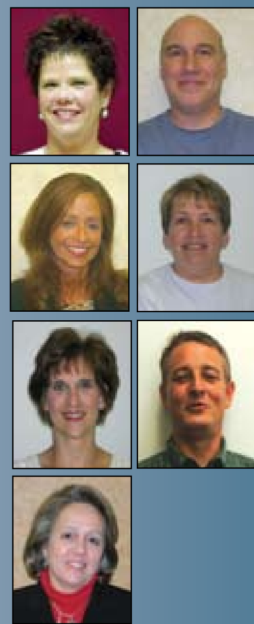
Stephen M. Gary, Sr., senior vice president and the chief financial officer of Saint Vincent Health System, has joined the board of directors for United Way of Erie County. He has been a health-care finance executive for more than 21 years, working in health systems and public accounting and consulting.

Great Lakes Home Healthcare Services Experiences Regional Growth

In addition to completing a major $2 million renovation to its 1700 Peach Street headquarters in Erie, Great Lakes Home Healthcare Services (GLHHS) has purchased Allied Healthcare from WCA Hospital in Jamestown, New York. This will enable the agency to service 16-counties with locations in Erie, Meadville and Bradford, Pennsylvania, and Jamestown and Fredonia, New York, and thus prompted the following appointments:

Senior Vice President of Professional Services, **Beth Greenough**, CRNI; Senior Vice President of Outpatient Pharmacy, **Robert Buzas**, RPh; Senior Vice President of Marketing & Business Development, **Laurie Schneider**; Vice President of Clinical Services, **Diane Harbaugh, RN, CDE**; Vice President of Quality Initiatives, **Sally Sunseri, RN, MSN**; Vice President of Finance, **Scott Gomersall**; and Vice President of Regional Development & Operations, **Debra Greene, RRT**.

GLHHS/Allied Healthcare, which recently received its Joint Commission accreditation for another three years, is a regional provider of home infusion therapy, home medical equipment, respiratory therapy, medical nutrition, orthotics and prosthetics, diabetes education/supplies and private duty nursing. ★



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