“Providing the Resources for Success in the Die Casting Industry”

— Daniel Twarog, NADCA President
Letter from the President

Dear Die Casting Professional,

The first year after a major economic downturn in the economy always sees different rates of progress in the various end market segments. Certainly the automotive industry led the way out of the downturn and other markets followed. They followed, but only to a point. Many remain cautiously optimistic that the economy will continue to grow. With only a modest GDP growth in 2010, the re-employment of the industry was not forthcoming. The coming year is expected to grow by 3.5% GDP. This should help build more confidence in many of the hesitant end markets. NADCA developed many new programs and continued to improve on service delivery methods in 2010. This annual report provides you with the highlights of most of these products/services.

In 2004, NADCA entered into a JV agreement with AFS to work on Congresses and CastExpo. The agreement was not renewed after the 2010 CastExpo and NADCA has decided to go back to producing our own Exposition and Congresses in the years to come. While the 6 year relationship with AFS was seen as positive, we see the future as very bright on our own. We have secured space in Columbus, Ohio this coming September and we contracted for our Exhibition in 2012 and 2015 in Indianapolis, Indiana. We look forward to everyone in the die casting industry supporting these annual events.

NADCA used new methods to transfer information through Webinars, e-newsletters, and online education in 2010. Several free webinars on implemented research results were well attended from die casters around the country. NADCA increased its circulation of the weekly eNewsletter to over 6,000 people. NADCA introduced seven online courses through ToolingU.com. All of these efforts were made to get information on technology into the hands of the die caster quicker and easier. Look for more information on APPS and e-books coming in January 2011.

NADCA’s Washington representation changed in 2010 and new and innovative efforts are being made to engage the membership on the issues. The Government Affairs area of the website is updated monthly with our activities in Washington and it keeps the members current on the positions and issues we are addressing.

We have done all this with the support of the membership. We hope you find value in the services and products we offer. Thank you for your support.

Daniel Twarog
President, North American Die Casting Association

www.diecasting.org/information/annual
Those Who Lead

NADCA Board of Governors

Leonard A. Cordaro, Chairman
Premier Die Casting Company

Robert P. Dathe, Vice Chairman
A & B Die Casting Inc

Eric Treiber, Secretary/Treasurer
Chicago White Metal Casting Inc

NADCA 2010 Executive Officers and Terms

Jeffrey A. Albertson, 2009–2011
Inventix Mfg. LLC

Andrew D. Behler, 2005–2010
Blue Ridge Pressure Castings Inc.

Robert D. Black, Jr., 2008–2010
DY-KAST Supply and Equipment Inc.

Scott A. Frens, 2005–2010
Fort Recovery Industries Inc.

Harold J. Gerber, 2010–2012
Albany–Chicago Co.

Patrick J. Greene, 2009–2012
Cascade Die Casting Group Inc.

Frank C. Haney, 2008–2010
VERSEVO Inc.

Twin City Die Castings Co.

Bernard Jaeger, 2009–2011
Diversified Machine Inc.

Tom Johnson, 2006–2011
Ryobi Die Casting (USA) Inc.

Mike Jurcic, 2010–2011
Craft Cast Engineering Inc.

Larry P. Larson, 2010–2012
Rangers Die Casting Co Inc.

John D. Littler, 2010–2012
Littler Diecast Corp.

Alan Loeffelman, 2009–2011
Production Castings Inc.

Mark Los, 2008–2010
BuhlerPrince Inc.

Robert C. Marconi, 2006–2011
RCM Industries Inc.

Mark J. Marshall, 2008–2010
Chem-Trend Ltd Partnership

Simon Newman, 2010–2010
Dynacast Inc.

Dave Rawlings, 2010–2012
Mo–Tech Corp.

Empire Die Casting

Del Mar Industries Inc.

Tom Troxclair, 2010–2012
Troxclair & Associates

John R. Walker, 2005–2010
Walker Die Casting Inc.

Ryan Winter, 2008–2010
Eastern Alloys Inc.

Robert Worthy, 2008–2012
Ube Machinery Inc

www.diecasting.org/information/annual
Planning for the Future

NADCA Mission

NADCA is committed to promoting industry awareness, domestic growth in the global marketplace and member exposure.

Strategic Areas of Concentration

Chapter Relations:
Foster community and local business relations, attend speaker and networking events, influence both association direction and industry change.

Research and Development:
Identify industry needs and expand funding sources that optimize die casting processes and techniques.

Education:
Present industry knowledge for creating improved die cast parts and processes, incorporating the latest standards and educational curriculum.

Meetings and Expositions:
Provide public and networking opportunities to develop customer relations and position association members as leaders in die casting.

Marketing:
Bring business and engineering focus to die casting as the process of choice.

Membership:
Provide member base with industry news, technical information, promotional activities, networking and referral opportunities and trade events.

Government Affairs:
Foster strategic alliances and increase grassroots efforts to effectively bring industry matters directly to leaders in legislature and Washington.

Globalization:
Assert NADCA's member die casters' presence in the global and domestic markets.

Membership — The Association’s Backbone

As the industry’s trade association, NADCA represents a range of companies directly and indirectly involved in the die casting industry including suppliers, captive die casters, OEMs and job shops. In less than 10 years, the industry has lost 25% of its companies which has in turn shown an impact on NADCA membership at both the corporate and individual membership levels. Further consolidation was seen through 2010 though not nearly at the quantity that NADCA reported in 2009. Many die casting companies started to recover in 2010 while suppliers recovered at a slower pace. With the trying economic conditions slowly fading, the association began positioning itself to develop sustained growth into the next two to three years.

To address this, NADCA received unanimous support from its Board of Governors to continue to implement its own relief initiative for the membership. Corporate membership dues are based on a company’s annual sales volume as it relates to the die casting industry. The dues also include assessment fees which are broken down into two categories for marketing and research, and represent more than 10% of membership dues. The immediate plan was to suspend each member’s dues assessments. Further, the Board voted to discount corporate member dues by 25%.

A membership retention committee was formed by the Board to brainstorm and execute ways to ensure member growth for 2010. As a result, NADCA worked on better marketing of its services (focusing on what was determined as valuable by a membership survey), a presentation (now available online) on the benefits of corporate membership, enhanced ad packages, and free training. Board members representing die casting companies also became involved with the effort by contacting their top suppliers regarding membership.

The combination of a recovering economy, NADCA’s decision to host die casting-specific congress and trade shows as well as the action plan developed by the retention committee spurred a 33% increase in corporate membership over the previous year.

NADCA’s individual membership numbers hit an all time low in 2009. Many individual memberships are paid for by companies, so it stands to reason that the memberships will increase as the industry rebounds. To address this downturn in 2010, the Board reduced dues from $85.00 per year to $75.00. Despite the discount, individual membership has been slow to bounce back, but still posted a 3.25% increase.

Regardless of its membership struggles, NADCA again pledged to continue to represent the die casting industry with minimal impact to its daily operations by supplementing the loss in assessment revenues with funds from its general reserve. In fact, the Association continued to develop classes, revise and create new publications and invest time and money in the development of new technologies that can better the whole industry. Many of these areas will be touched on in this report.

www.diecasting.org/information/annual
NADCA Chapters — Reaching the Industry

NADCA membership and resources are represented across the country through the efforts of its 15 active area Chapters. Chapters are located in:

- 3 Michigan
- 5 Chicago
- 6 Cleveland
- 7 New York
- 9 Central NY
- 10 Ontario
- 12 Wisconsin
- 14 S. Ohio
- 15 Southeastern
- 16 Minnesota
- 17 St. Louis
- 25 Indiana
- 29 South Central
- 30 Los Angeles
- 39 SW Michigan

Chapters reported varying levels of attendance and continued to hold local meetings, host social events and organize plant tours. Golf outings tend to draw the biggest membership turn-outs, but other popular events include supplier night and state of the industry talks. Some Chapters have been successful in working with other metalcasting groups to co-host meetings and events. NADCA staff began a cross country tour in 2010 to address the current state of the industry at Chapter Meetings. Between 2010 and 2011, each Chapter will receive a visit from a NADCA representative.

NADCA continued to support active Chapters through the establishment of a yearly stipend, based on total membership. Every Chapter that qualified received a $10 credit for each current member. The funds are held in an account at NADCA to be used for educational courses.

For the second year in a row, in a grassroots-like effort, Chapters have subsidized conference fees to send representatives to the annual Metalcasting Government Affairs Briefing in Washington, D.C. The investment was made so die casting representatives could emphasize the importance of die casting to the U.S. manufacturing industry to lawmakers. In 2010, chapters 3, 17, and 39 subsidized seven individuals’ costs to attend the Washington Conference.

In 2009, Chapter 29, which serves South Central U.S., relocated to Tennessee from Arkansas. The move was made to put the Chapter closer to die casters active in NADCA. The re-organized Chapter has held three well-attended meetings and the future for the re-energized Chapter looks bright.

Education — Communicating Ideas

In 2010 we continued to see a decline in education. Instead of running two full semesters, we opted to cut back the number of courses offered at National. National, Chapter, In-Plant, In-House, Train-the-Trainer and Online class attendance in 2010 totaled 404 students for 25 course offerings extended by NADCA. Thirteen national courses were taught with 49 students, three Chapter courses with 36 students and 16 In-Plant courses with 255 students. The In-House Program was completed by 32 students at one facility; 15 new trainers for the In-House Program were trained and seventeen students completed online courses. NADCA licensee Southwestern Michigan College (SMC) also suffered in 2010. Not a single NADCA course typically offered through SMC was offered in 2010 due to lack of attendance. Therefore, the grand total for 2010 attendance was 404 as compared to the 2009 attendance level of 449, the 2008 attendance level of 924, and the 2007 level of 1,238. The decline was due to the overall state of the economy. With the economy and state of the industry projected to start recovering in 2011, attendance is expected to recover as well, although it may be a few years before levels hit those of 2007.

Despite the lack of attendance, the Education Program continued its effort to review, revise and translate courses. The EC-415 Die Cooling Systems Engineering Course was revised and renamed Thermal Design & Control. In 2010 we also made great strides in providing online education. We now offer six courses online through our partnership with ToolingU.com. In addition to online courses, we developed an Arc Flash course with the use of Harvill Funds. The course was presented as a seminar with 16 attendees. Throughout 2010 we continued hosting energy seminars across the country. In the spring we visited Nemak Alabama with 30 attendees and in the fall we visited Edelbrock Aluminum foundry with 15 attendees. Finally, we hosted two die casting seminars on magnesium die casting design and high integrity die casting design.
Maximizing Productivity with Research & Technology

The research project portfolio consisted of 25 projects in 2010 with a total leveraged value (direct funding plus cost share) of nearly $50,000,000. During the year, three projects were discontinued and two new projects were added. Since the value of the new start project was slightly more than $6,000,000 less than the value of the discontinued projects, the total value of the portfolio decreased from $56,000,000 to slightly less than $50,000,000. The discontinued projects (due to funding limitation from the funding sources) were related to casting alloy standards, electronic conversion of part models to casting models, and squeeze casting of magnesium automotive components. The new projects are focused on solder and fatigue resistance of refractory materials for dies and characterization of T5 heat treatment of A380 castings. The portfolio continues to maintain a good balance in the areas of cast materials, die materials, computer modeling, process and energy/environmental technologies. Sources for funds for the projects are: the United States Department of Defense (DOD) through the Defense Supply Center Philadelphia, Philadelphia, PA, the Defense Logistics Agency, Ft. Belvoir, VA, the Armaments Research and Development Engineering Center, Picatinny, NJ, Benet Laboratories, Watervliet, NY, and the American Metalcasting Consortium (AMC); DOE through the Vehicle Technologies Program, the Industrial Technologies Program (ITP) and the Cast Metals Coalition (CMC), and the United States Council for Automotive Research (USCAR)/United States Automotive Materials Partnership (USAMP) Program; and NADCA.

The accomplishments resulting from completed R&D project, as well as other research and technology efforts in 2010 include: an updated version of the Gating Software (Item #E514-CD); the release of publication #309, Evaluation of Surface Finishes on Aluminum Die Castings; revision of publication #415, Thermal Design & Control of Die Casting Dies; publication of the 2011 Research & Development Strategic Plan and Roadmap; and the 114th Metalcasting Congress Transactions. In addition, a reverse engineering guidance tool and a productivity enhancement tool were posted on the web for online accessibility. It is also worth highlighting that castings were successfully produced from Al and Mg base SHS composite materials. Other accomplishments are cited in the Energy & Environmental Section of this annual report.

Although technical information from the 114th Metalcasting Congress can be obtained via the aforementioned Transactions, excellent presentations and discussions took place during the NADCA Congress Sessions which provides for a higher level of technology transfer. There were a total of thirteen sessions. Nine of the sessions were of the standard format with presentation of three Transactions papers in each session. Four of the sessions were of the special format type, comprised of a keynote paper/presentation, success stories from die casters and suppliers and a panel discussion. The topics of the special format sessions were Die Cavitation, Creep Resistant Zinc, Energy, and Die Casting Management.

Three new technology transfer efforts were initiated in 2010. The first was R&D webinars, two of which were offered free to Corporate Members. The one hour webinars consist of 40 minutes of presentation, leaving 20 minutes for discussion. The second was the procurement of a DTE computer control of cooling water system to be offered to Corporate Member plants on a 90-day trial basis. The intent is to allow plants to try new technology at low cost and low risk prior to making a capital investment. The third was the initiation of App development. Two Apps that were developed and scheduled to be released in early 2011 are a Flash Predictor and PQ2 Light.

Note: Contributions to the above have been made by the technical committees and task forces.
Networking & Communicating Through Industry Events

In 2010, NADCA conducted the CastExpo’10, the Executive Conference, Metalcasting Industry Government Affairs Conference and the Plant Management Conference.

CastExpo’10 was March 20-23, 2010, in Orlando, Fl. Co-sponsored by North American Die Casting Association (NADCA) and the American Foundry Society (AFS), the event attracted nearly 4,500 attendees and more than 300 companies from around the globe showcasing the latest technology, research and services available to the metalcasting industry.

CastExpo’10 also unveiled a new segment at the show geared towards designers and buyers with the Cast in North America Pavilion. This area of the show allowed metalcasting facilities (foundries and die casters) to showcase their casting capabilities in an unprecedented forum. More than 40 exhibitors had the opportunity to network with buyers and designers.

The Die Casting Executive Conference was March 23-25, in Orlando, FL. The annual conference was designed to flow directly from CastExpo’10 into the Executive Conference. The conference was reformatted so the two events would fit nicely together and attract a greater audience. Featured presentations focused on the economy, American manufacturing and energy. It also featured a half day seminar on Brand loyalty that was presented by the Disney Institute.

More than 125 U.S. metalcasters visited Washington, D.C. to attend the 2010 Metalcasting Industry Government Affairs Conference, which was held May 5-7 at the J.W. Marriott, Washington, D.C. Conference participants met with lawmakers and key staff from 22 different states in more than 100 pre-scheduled meetings during Metalcasting Advocacy Day. Pertinent issues such as concerns regarding the Environmental Protection Agency regulation of greenhouse gas emissions, the lack of permanency in tax code, currency manipulation, card check, and climate change legislation were addressed. Friday was set aside for upcoming regulations. Attendees heard about several new OSHA enforcement directives and upcoming rules, including crystalline silica and combustible dust.

The 2010 Plant Management Conference was Sept. 22-24 at the Amway Grand Plaza Hotel in Grand Rapids, MI. Special presentations included the Quality & Cost Improvement through Process Control, Crisis Management and Die Casting Success Stories. Cascade Die Casting and Die Tech & Engineering hosted plant tours for conference attendees.
Marketing

The Design e-newsletter was distributed twice per month to over 2800 OEM designers. The newsletter contained information on the latest in die casting applications and design techniques. Press releases on die castings, in the news, were released for the OEM Design publications to use to inform the end users of die castings the successes that have been generated through their use. Twelve different press releases we sent in 2010. NADCA conducted design specific seminars for OEM in the Chicago area. These seminars focused on magnesium and high integrity die castings. Die Casters were invited to have small tabletop displays to further market their specific capabilities. All of these marketing activities were conducted to generate leads for the corporate members of NADCA and to drive the end users to use the NADCA Capabilities Directory to search for competent suppliers of die castings.

In 2010, over 350 leads were generated from all the marketing efforts for the industry. Additionally, 860 individuals per month used the NADCA Design website with 415 new subscribers. The total subscriptions for the design website now exceed 3,000 OEM designers. Nearly 10,000 searches were conducted last year for die casting companies in the NADCA Capabilities Directory. The online directory only lists NADCA Corporate Members. All of this activity from the Designer community helped NADCA formulate a Designer Needs Survey.

The Designer needs survey was answered by members of the design community that represented over $500M of die casting purchases in 2010. NADCA surveyed designers and purchasers about the advantages and problems with die casting components. The results help NADCA corporate members shape their marketing approach. In the most recent study, there were six most commonly cited advantages of using die castings. One out of every three responses indicated that ‘cost’ was a major advantage in using die cast products. Strength and Precision followed at 10% and 14% respectively.

The companies that used die cast products were asked about some of the more common problems they encounter with die castings. The answers to this question placed almost 90% of the problems within the control of the die casting operation. This insight helps NADCA members lead the industry by addressing the key concerns of their customers.

NADCA also marketed the use of die castings through the annual International Die Casting Competition. Over 30 entries were submitted and eight excellent die casting designs were selected and displayed at the CastExpo’10. The winning entries were also highlighted in several press releases and magazine articles which ran in OEM Designer magazines.

Industry Facts & Figures

The Wage and Benefit Survey, published annually by NADCA, was conducted in December of 2010. The survey represents 52 companies in the die casting industry nationwide. The participating companies table defines the group of facilities in terms of annual sales, number of die casting machines, number of employees, etc. Information is provided both nationally and by region.

Zinc under Six Ounces Non-Electroplated

Caudle Manufacturing Co. Inc.
Pinless Tag Clip

Zinc over Six Ounces Non-Electroplated

Cast Products Inc.
Base Flange for Flat Panel TV Mount
This year, the typical participating company had annual sales of $30 million per year; utilized 21 die casting machines, and employed 155 full-time direct labor employees. Ten (9%) were union shops. Eighteen percent of the total production employees reported were temporary employees. Almost 77% of the survey participants’ total employees were hourly production employees.

Less than half the companies (33%) reported a general wage adjustment in the last 12 months, but a larger percentage (42%) plan to make a general wage adjustment in the next 12 months. The median value of adjustment in the last 12 months was .5% more than the amount in 2009.

The report also covers how hourly employees are compensated, what benefits they receive and how practices vary by company size and location.

Publications — Improving the Industry’s Knowledge

NADCA introduced several new and revised publications and software in 2010 that will continue to spread information and technology that is being developed. The following publications were revised or new in 2010.

• Wage & Benefit Survey
• Thermal Design & Control of Die Casting Dies
• Gating Software
• Die Casting Shipment Report
• Evaluation of Surface Finishes on Aluminum Die Castings
• Finishing Operations for Die Castings

“This year, surprisingly, the competition was most fierce in the magnesium over one half pound category, possibly indicating that we will see more innovations in the application of large magnesium die castings in the future.”
Die Casting Engineer (DCE) magazine is distributed to all Individual Members, Corporate Members and subscribers. In 2010, more than 14,500 copies of Die Casting Engineer were in circulation, with an average of 2,400 people receiving each issue.

The magazine’s purpose is to act as a vehicle to promote the industry. It does so by featuring upcoming educational courses, conferences, industry news and technical articles submitted by the industry’s leading educators, scientists and suppliers. The past year featured approximately 50 technical articles throughout the six issues. The themes for 2010 included design, die materials, secondary operations, aluminum, die casting defects, and squeeze/semi-solid metal casting.

Die Casting Industry LINKS finished its tenth year of publication for Corporate Members only and continued to provide a diverse content to satisfy the needs of many different levels of upper management, sales and marketing departments, as well as presidents and CEOs of die casting companies and suppliers.

Because the magazine only targets these individuals — the key contacts of all NADCA’s corporate member companies — much of the information is very sought-after and is available only to these companies. Recipients of LINKS look forward to the full State of the Industry Report, in-depth industry marketing updates, Wage & Benefit Survey results, Financial Survey results and many other features stories addressing ways to improve a company’s bottom line. A large portion of LINKS content is derived from NADCA staff and another portion comes from business consultants, some involved with the industry and some from outside the industry.

Back in 2009, LINKS began to be printed and mailed in-house at NADCA. While this saved on the bottom line costs for the magazine, it still allowed for the same great content and articles that our readers look forward to each issue.
NADCA Online — www.diecasting.org

NADCA launched several new areas of its website in 2010. The membership area was improved and expanded to highlight all the services that NADCA offers. The presentation can be found at www.diecasting.org/membership/presentation.

Also developed was a corporate member calculator that computes the savings your company can realize by being a NADCA Corporate Member. Try it out at www.diecasting.org/memberhsip/calculator.

NADCA recognized the need of the industry for online education. Through a partnership with ToolingU, NADCA put several courses online. Offerings included:

- EC-102 - Introduction to Die Casting
- EC-700 - PQ
- EC-514 - Gating Design
- EC-515I - Die Casting Defects - Internal
- EC-515E - Die Casting Defects - External
- EC-906A - Arc Flash & OSHA
- EC-906B - The OSHA Bottom Line for Electrical Work
- EC-906C - Addressing Arc Flash Hazards

After jumping into social networking in 2009, NADCA jumped head first into the exciting trend of blogging. The “NADCA Blog” offers an opinionated spin on prevalent issues in die casting.

Features include:

- Sites of Interest to Die Casters
- Reposting option as well as connections to NADCA on Social Networking Sites
- Reading suggestions from NADCA Publications
- Follow NADCA Blog entries through RSS

Visit the NADCA blog at www.diecasting.org/nadca.

NADCA has created yet another tool to address the die casting industry’s needs and wants. During a recent member survey, members stated the need for an area where die casters could buy and sell excess equipment. NADCA’s new Die Casting Equipment & Supplies Exchange website gives users the ability to:

- Post Items to SELL!
- Search Items to BUY!
- Upload an image and description of an item you wish to buy or sell.
- Place a request for an item that you are “looking for.”

The Die Casting Equipment & Supplies Exchange website is easy to use and acts as a type of classified “hub” for buying, selling, and requesting equipment and supplies. For only $10, you can list your item, complete with description, image, and asking price.

For an additional $5 you can include your listing in one of two featured areas.

Another improvement from the member survey was to improve and expand the job board which allows Corporate Members to post job openings and job seekers to look for employment and post their credentials. NADCA strives to stimulate interest and bring new talent to the die casting industry and its latest effort is evident by viewing its Careers in Die Casting Resources page. This new tool is essential for those looking for a career, as it provides information to interest and educate viewers on this fast-paced, technologically advanced industry.

Updated features include:

- Informative Video for College Students
- Informative Video for High School and Continuing Education Students
- Opportunities in Die Casting Web Area

Individuals looking for information on a career in a forward-looking industry can utilize the resources that NADCA has provided to aid in their search. Recent changes to our popular job area include the ability for the job seeker to upload their resume.

Advertising revenue for the website in the year 2010 continued to offset the expenses of the website.
In early 2010, NADCA teamed with AFS to conduct a very well attended Government Affairs Briefing in Washington DC. This conference was the start in a different direction that the NADCA Government Affairs committee initiated at the end of 2009. By the middle of 2010, NADCA had changed to a new firm to represent the industry for the rest of the year and beyond. Artemis Strategies had hired Stephanie Salmon from Waterman & Associates to be our point person in Washington DC.

GA Committee Chairman David Wolf, NADCA Chairman Leonard Cordaro, and NADCA President Twarog visited Artemis Strategies in early July to map out a renewed government affairs effort for the industry. The timing was perfect as the mid-term elections were shaping up to significantly change the direction being taken in Washington.

The first step was to identify the states and districts that were vulnerable to change. Artemis provided an ‘election overview’ that NADCA published and sent to all the membership. After the elections in November, Artemis prepared guides to the new senators and congressmen. These guides were also sent to the membership and made available online. The NADCA Government Affairs Committee then met to determine the specific positions that the industry will take on topics like free trade, energy, greenhouse gas, taxes, healthcare, and OSHA reform. These industry positions will be posted in early 2011 and members will be asked to go to Washington in May, 2011 to visit with their representatives in order to stress our industry’s position on these important topics. Artemis provides monthly reports to NADCA members on the status of our activities and legislation. This is also available on the NADCA website and through NADCA e-news. These reports will help make every member more fluent in the impact these issues has on the industry and their businesses.

Two thousand ten (2010) marked significant change in NADCA’s approach to Washington issues and the building of the foundation will lead to success in the coming years.

Energy & Environment

NADCA Supports

• Increasing energy production by supporting policies that promote all energy sources.
• Lessening America’s dependence on foreign sources of energy by increasing domestic exploration and production of fossil fuels.
• Allowing responsible oil and gas development off-shore.
• Pursue policies that encourage investment in new energy projects and provide market based solutions to meet energy demand;
• Increasing the use of alternative/renewable fuels, such as wind, solar and geothermal energy, and vehicles powered by these sources.
• Tax incentives for energy efficiency and conservation for manufacturers.

NADCA Opposes

• Efforts by the EPA to regulate greenhouse gases under the Clean Air Act - Instead, mandate that the EPA delay its regulations until the courts complete their examination of the agency’s endangerment finding and proposed rules.
• EPA’s proposed ozone standard - Instead EPA should withdraw its rulemaking and allow the normal five-year review of the ozone standard to continue.
• Efforts that increase the regulatory burden through the Clean Air Act, the Water Act and the National Environmental Policy Act.

Issue: Health Care Reform

NADCA Supports

• Balanced and responsible insurance market reforms.
• Small Business Health Plans (SBHPs). SBHPs give small businesses the power to pool together to offer health care at lower prices and purchase insurance across state lines. Many corporations and labor unions already are permitted to offer this type of health care plan.
• Health Savings Accounts (HSAs). HSAs are tax-free savings accounts for medical expenses that allow more small businesses to obtain affordable health coverage for themselves and their employees. NADCA supports expanding access to high deductible health
plans and HSAs, as well as increasing HSA contribution limits.
• Flexible Spending Accounts (FSAs). FSAs or cafeteria plans, allow employees to set aside money (pre-tax) each year to be used for medical expenses such as co-pays, deductibles and services not covered under their base insurance plan.

NADCA Opposes
• Employer mandates. New government mandates that force employers to provide a mandated level of coverage will result in direct premium increases, making insurance more expensive for employers and employees.
• A government-run insurance plan. Including the government in the health insurance market will result in less competition and fewer choices. Die casters do not want to replace the health care they have with something inferior that costs trillions of dollars in taxes and debt.
• Increases in Medicare payroll taxes.
• Prohibitions on HSAs, FSAs and SBHPs that limit employer and employee flexibility and choice.

Issue: Tax & Trade

NADCA Supports
• Keeping Tax Rates Low. NADCA supports low tax rates so that die casters can reinvest in and grow their businesses.
• Cutting Corporate Tax Rates. Including average state corporate taxes, the total U.S. corporate income tax is 39.2 percent, second only to Japan’s 39.5 percent. In contrast, the average corporate tax rate in other developed countries is 25.3 percent. Higher after-tax returns and increased capital formation from lower corporate tax rates would raise labor productivity, wages and employment. Greater employment and income would replace much of the tax revenue loss.
• Permanent Expensing of Investment. Die casters are typically required to depreciate plant, equipment and other buildings over many years. A temporary measure (2003-2004) allowed businesses to deduct half their equipment expenditures from current income. The expensing provision lapsed (2005-2007), then was restored temporarily (2008-2009), and was recently extended (through 2012), allowing businesses to write off new equipment purchases in the 2011 tax year.
• Permanent Increases to Section 179 Expensing Limits. The current expensing limits increased in 2007 to $125,000 (with an annual inflation adjustment) and are set to expire in 2012.
• Maintain Estate Tax Relief. In 2010, Congress approved a tax package which will allow family-owned businesses to plan for a two year estate tax of 35 percent and a $5 million per spouse exemption. Oftentimes, a business owner hit with the estate tax must sell portions of the business because they lack liquid assets to meet the tax payments. A report by the Joint Economic Committee noted that “the typical small-business owner has 60% of the family net worth invested in the business.”
• Holding China and other Countries Accountable for Currency Manipulation – Currency manipulation puts American manufacturers at an unfair disadvantage making their goods much cheaper.

Issue: Workplace & Safety Matters

NADCA Supports
• Fair workplace rules that protect workers and promote employer flexibility. Many die casters provide flexible, voluntary leave benefits for their workforces, including sick leave through a paid-time-off benefit structure. A one-size-fits-all paid sick-leave mandate threatens these benefits. In addition, Congress needs to straighten out the Family Medical Leave Act (FMLA) before adding new mandates. Currently, employees are able to take FMLA leave on little to no notice. This presents challenges to die casters and its employees.
• Common-sense OSHA reforms and standards that promote a safe and healthy work environment. The Occupational Safety and Health Administration (OSHA) must fully consider the costs and benefits of proposed regulations or new “interpretations” of existing standards prior to a proposal to ensure that federal and private resources are utilized efficiently to improve safety.
The NADCA Design assistance program is available to help designers and specifiers of die castings (OEM's) obtain optimized die cast products. The “NADCA Design” program provides resources to assist with the development, design and manufacturing of a die cast product. OEMs familiar with NADCA Design content will see improved manufacturability and performance of their final die cast product. NADCA Corporate Members are approved to use any NADCA Design material in their marketing programs. In addition, NADCA Corporate members may hold jointly presented NADCA Design Seminars in their plant or at their customer’s location.

**Seminars:** The NADCA Design Seminar is the core offering of the NADCA Design program, covering in detail all aspects of die casting product design and development. The seminar also covers the die casting processes and associated tooling. In 2010, a NADCA Design seminar was held at Encompass Lighting, a manufacturer of high end lighting fixtures, located in Skokie, IL. The NADCA Seminar in conjunction with other die casting related courses was taught at Continental Automotive in Guadalajara, Mexico. In 2010, the first Magnesium and High Integrity Die Casting Design Seminars were held in Schaumburg, IL, with multiple designers and purchasers in attendance. More information on the NADCA Design Seminars may be obtained at the following web sites:

www.diecastingdesign.org/seminars

www.diecasting.org/meetings/seminars

**Instant Design Assistance:** Direct design assistance is available through the on-staff NADCA design engineer at  www.diecastingdesign.org/contact . In 2010, designers and purchasers from 60 different companies were assisted by telephone and e-mail. The assistance typically involves discussion of a specific product design for die casting, a review of die casting alloys and their properties, and part geometry. If the OEM is not currently working with a NADCA die caster, they are led to the online Die Casting Capabilities Directory on the NADCA Design Web site to connect with die casters to quote their part. Die casters should keep their listing in this database up to date in order to connect with potential customers. The data from these contacts is also contained in the corporate leads database accessible by NADCA Corporate Members each month.

**The NADCA Design Web site:** The NADCA Design Web site, www.diecastingdesign.org, provides practical information that OEMs need to develop, design and manufacture their die cast products online. This year, more than 7,000 unique visitors viewed the NADCA Design Web site with 65% being new visitors and 35% being return visitors. The most popular section of the Web site was the NADCA Standards Book, followed by the section on draft, and the casting example database show casting the winners of the NADCA International Die Casting Competition and the Die Caster Database. Be sure to enter this year’s International Die Casting Competition by visiting: www.diecasting.org/castings/competition.

**NADCA Design e-Newsletter:** In 2010, the NADCA Design e-Newsletter was delivered via email to thousands of OEMs. The newsletter contains topics of interest to buyers and designers. Current and archived e-Newsletters may be viewed at www.diecastingdesign.org/newsletter.

In addition to running the NADCA Design Assistance program, the staff Design Engineer provided technical assistance to over 87 die casters and suppliers. He also taught multiple in-plant, chapter and headquarters courses and provided technical support for the HyperCAST research project.
Energy & Environment — Workshops

This year, NADCA offered two more energy workshops. These workshops provide a half day of presentations from the industry’s leading furnace manufacturers. During this time, the attendees receive a top down view of the state of the art procedures in melting and holding aluminum. In addition, an overview of climate change legislation is given, as well as a presentation of how to benchmark energy use. After the presentation, there is a tour of a metalcasting facility that had put some energy efficient practices in place.

The first energy workshop was held in at Nemak Alabama. This facility is located down in Sylacauga and is known for making engine blocks. This tour was an incentive for attendees to come to the workshop and see a very large operation they might not otherwise see. In the end, the meeting room was filled to capacity with over 30 people in attendance.

The second workshop was held in Hemet, California, with a tour of the Edelbrock in San Jacinto. Edelbrock is a legendary manufacturer of automotive aftermarket performance parts. The facility houses an aluminum shell mold foundry and an aluminum semi-permanent mold foundry. Even though it is not a die casting facility, their shaft furnace and energy efficient practices were of particular interest for the attendees. This event was also a success, with 25 attendees.

NADCA continued to actively monitor the evolution of climate change regulations in 2010. This year was a big year with the EPA creating its own regulations of greenhouse gas emissions. With the EPA’s intentions clear early in the year, NADCA joined with the National Association of Manufacturers and other manufacturing associations to challenge the Endangerment Finding. The EPA’s claim that they can regulate greenhouse gas emissions rests solely on the Endangerment Finding. This effort is ongoing and working through the Washington D.C. court system. As this case develops and climate change regulations evolve, NADCA will work to create press releases, articles, reports and other tools to keep the die casting industry informed.

Opportunities for Interns — David Laine Scholarships

For more than 30 years, NADCA has encouraged studies in the many disciplines related to die casting with David Laine Memorial Scholarships. Established in 1975, the scholarships honor David Laine, who served for 29 years as secretary of the American Die Casting Institute (ACDI), a forerunner of NADCA.

The main objectives of the scholarship program are to provide financial assistance and encouragement to students who are interested in careers in the die casting industry, to foster and improve engineering education in die casting technology and to stimulate awareness, and interest in the die casting process.

Internships for 2010 gave opportunity for students to be involved in various projects, which included assisting in die changes, performing safety audits, runner and gating design, part modeling, die casting sales & marketing and quality control. In 2010, NADCA awarded nine students with a combined scholarship of $27,000 through the David Laine Intern & Scholarship Program.

In recent years, NADCA has seen increased interest and applications for the Laine Scholarship. Those who receive this prestigious award are better-positioned to focus on their academics and career development. Indeed, the Laine Scholarship has also had a significant impact on retaining talent in metalcasting: more than 75% of the past scholarship recipients have gone on to work in die casting.

The scholarships provided by the Laine Fund are supported entirely by contributions and pledges from the die casting community. For more information, visit www.diecasting.org/scholarship.
Bottom Line

2010 saw a slow economy with many businesses experiencing lower than expected revenues and net profits. NADCA ended up with both revenue and expenses under budget. Total revenue for the year was over $3 million. Department expenses were about $2.1 million. General and Administrative expenses were $1.2 million, which was 7% below budget. A significant factor for the reduction in overhead expenses was a decrease in benefit costs 31%.

NADCA’s Magazine department was one of the departments where net revenue ended up over budget. The magazine’s revenue for the year was almost 20% over budget. Expenses were 40% below budget.

A successful Exhibition allowed the Conference department to finish the year with a net profit of approximately $390,000. We are looking forward to a successful Die Casting Congress & Tabletop in Columbus, Ohio.
2011 Executive Conference
March 20-23, 2011

The Omni Tucson National Resort has it all - from its picturesque setting in the foothills of Tucson's Santa Catalina Mountains to the lush fairways of its 36-hole championship and desert-style golf courses. Recently selected by Golf Digest as Best Places to Play 2008/09 and one of the “75 Best Golf Resorts in North America,” this 650-acre desert resort with 128 guest rooms is one of Tucson’s finest spa and golf resorts.

Hotel Information:
Omni Tucson National Resort
2727 West Club Drive
Tucson, Arizona
Phone: (520) 297-2271 Fax: (520) 297-7544

www.diecasting.org/meetings/exec