

See you in Cancun for WIC 2016!

TWIC Speaker Dr. Chris Kuehl

Managing Director, Armada Corporate Intelligence

Three Reasons Not to Panic and a Couple of Reasons to Worry



The assessments of the economy are about as negative and foreboding as they were at the time of the recession in 2008-2009. Is all this angst justifiable? It is true there have been some trends that are less than encouraging but there is also a sense that many of these headwinds have been a little overblown. It is, after all, an election year and this tends to bring out

the doom and gloom as both sides work to paint a terrible picture that only their candidate has the ability to change. Is there really anything to be upbeat about these days?

The first observation is that much of the manufacturing sector data is still trending in a positive direction – maybe not as robust as would be preferred but stronger than has been the case since the recession. The level of industrial production is higher than it was prior to the recession and that is true even after some declines connected to the oil sector. Durable goods order have been perking up and there have been gains in everything from capacity utilization to employment in the manufacturing sector. These are not numbers suggesting an imminent boom but they are stronger than has been the case in the last few years.

The second observation is that manufacturing has continued to expand its role in the nation's GDP. It is the second largest contributor to the national GDP behind only health care and if one pulled just the manufacturing sector out of the US GDP it would be larger than the entire GDP of India. The US remains a major player in the manufacturing community and has been using robotics and technology to regain some business that had been lost to some of the low cost production countries such as China. There has been a real expansion of on-shoring and near shoring in many sectors.

The third observation has been that some sectors are doing very well – automotive at the top of the list. Last year a record was set with the sale of 17.5 million vehicles. This marked the third year in a row for expanded sales and most suggest that this year will be another decent year. The significance of this growth is that it signals that consumers have money to spend if it can be determined what they want to spend it on. The housing sector has been another that has done relatively well. Housing starts have fallen a little from the peaks of last year but remain higher than they have been in several years. The average price of a home has been rising and that has been good for the existing home owner. The big question at this stage is what the millennial buyer will do. This is the largest cohort (having overtaken the Baby Boomers) and nobody is quite sure what comes next. They have generally been slow to start families and buy homes but the older members of this group are finally starting to emulate their elders when it comes to home buying and that could be a good sign for all those sectors that depend on housing – everything from appliances to textiles to furniture and building materials.



This is the good news but obviously there are things to worry about as well. The number one concern revolves around the collapsed oil sector. This was the booming sector that had been driving the economy through the recession but now the fall in the per barrel price has left the sector in tatters. The fact is that low oil prices also mean low gas prices and that can well mean gains with the consumer at some point but thus far the US economy has suffered more from the low price of oil than it has gained from the low price of gasoline. The other concerns tend to revolve around the vagaries of the markets and politics and all that can be hoped is that all these people go away before they do anymore damage.

WIC Speaker Malcolm Harkins Global Chief Information Security Officer, Cylance, Inc.



In a month I will be joining all of you to discuss cyber security. The business of cyber security is here today and growing. Innovations in technology have provided organizations with numerous opportunities for new products, markets, and distribution channels. At the same time these innovations have dramatically increased the risk profiles for companies of all sizes and across all industry segments. One cannot turn on the news today without seeing a headline about a breach either by organized crime, a nation state, or some sort of hacktivist group. [Read more \(link to the following\)](#)

We also have been hearing lately in the news a lot about encryption. Not only why it is needed to secure data and protect privacy but also a great deal about why it may encumber law enforcement in their investigations. FBI vs. Apple are the current tip of the spear for discussions that have been occurring for years but are now getting public visibility to the events in San Bernadino. But these discussions are not unique to just the FBI and the iphone. These debates are occurring globally due to events in Paris and even in asia with China's recent anti-terrorism laws which require technology companies to help investigators access otherwise encrypted information and prevent the spread of terrorism-related messages, among other provisions.

This perfect storm of risk has been brewing for decades and has hit with full force the past few years. It has moved from a backroom issue to the board room . My discussion at WIC 2016 will be focused on cyber risk leadership exploring the threat and vulnerability cycle and the potential future trends as they related to Information and Technology risk. We will discuss the risks so that a non-security person that is in the c-suite can comprehend the cyber risks. It will be communicated of the real enterprise risk organizations face and the top 10 universal business risks. I will also discuss what everyone needs to look for in security solutions to ensure they meet what is required to achieve your business goals. I hope to make the session interactive session so you can ask a wide variety of questions. And I hope I will provide ideas not only on how to capitalize on technology to improve your business but also offer practical ways to protect your businesses so that you can survive and thrive in this new environment.

HOUSEKEEPING NOTES:

IMPORTANT NOTE: The deadline for hotel to airport ground transfers through IVI is April 1st. Click [here](#) for more information.

Recommended Dress and Weather: Dress code is business casual for the meetings and resort casual at the evening events. Please be aware that evening events will be on or near the beach, high heels are not recommended. Cancun's weather in April averages from upper 80s°F during the day and mid-70's F in the evening.

Seeing you in Cancun for WIC 2016!



IWF Supports Urban Wood Conference

WMMA Member - Wear your colors proudly! If you don't have the WMMA logo and website link on your company website, please consider supporting the Association. Download the logo in the Members' Only section of the

[WMMA website here:](#)

If you need help logging into the members only section contact Kristin Grove at kristin@wmma.org

International Business Development Committee South American Trade Mission

WMMA's International Business Development Committee (IBDC) will be looking into the feasibility and interest level of members who might want to be part of a mini South American trade mission sometime in 2017 or 2018. The objective would be to prospect for and sell woodworking machinery on a standalone basis or as part of a complimentary system to prospective buyers in Latin America. These synergistic woodworking machinery manufacturers could possibly share the expenses of Bernard Veltze a vetted South American woodworking consultant who could accompany the group.

This mini trade mission would be about a two week well planned foray to several countries meeting with prospective buyers and dealers on prearranged sales calls. The mini mission might be made in conjunction with a meaningful tradeshow and perhaps visits to the installed base of the company's in the mini mission. Perhaps the mini mission could benefit from the US Department of Commerce's Commercial Services Division's Gold Keys Service which arranges prescreened meetings with vetted dealers or end use buyers.

This will likely not be a WMMA-sponsored event, but rather a collaboration of WMMA member companies working together to share resources. If anyone has any interest in the South American mini trade mission and has any thoughts or further ideas please call Paul Wilmes at Mereen Johnson (612) 529-7791.



ANSI Update

A new ANSI standard entitled O1.1-4 Safety Requirements for Shapers for the Woodworking Industry has been published. WMMA members are entitled to receive one complimentary copy per company upon request. Email jennifer@wmma.org to request a copy. Copies can be purchased from the ANSI [e-standard store](#).

Call for Committee Members

Are you interested in contributing to the development and maintenance of valuable industry safety standards? The ASCO1 is currently looking for members in the following categories:

- General Interest
- Government
- Producer
- User

If you are interested in joining the ASCO1, contact WMMA Associate Director Jennifer Miller at jennifer@wmma.org.



2016 WOOD INDUSTRY NETWORKING & SNOWSPORTS TRIP WAS A SUCCESS!



IWF has the Power to CONNECT - The power to connect you to buyers, 365 days of the year.



Are you a supplier or a manufacturer? Then you need to connect with IWF, the premiere woodworking convention. The International Woodworking Fair® is where the material processing and design industries come together to solve problems, find solutions, share ideas with friends old and new, feature architectural woodwork, and reconnect with your customers. Click on the Networking Icon located underneath the IWF Quick Links section above to connect with your peers. We will be holding

many woodworking educational sessions during the convention including wood cabinetry sessions, demonstrations of woodworking tools, and furniture industry sessions from a variety of furniture manufacturers within our network.

Housing Information...IWF Exhibit Registration Housing is Open

Exhibitor Registration and Housing is open for all exhibitors. You can log into your company's Registration and Housing Portal to register and reserve hotel rooms for your exhibiting personnel through one convenient path. Staying at hotels where your customers are staying increases your chance for business opportunities after show hours through networking and hospitality. Book within the IWF block now for the best prices and locations.

Exhibitor housing is filling up! IWF 2016 booth sales are up and many hotels are already full as participation in the Seniority Housing process was higher than previous shows! If you have not booked your hotel block for your personnel, don't delay! If you have already booked your block, please assign your personnel as early as possible so that you can release any unneeded rooms, making them available to new exhibitors or attendees so we can have the best IWF possible! To log into the Housing Portal, click [here](#) and then follow the simple steps on the site.

You can request a block of rooms for your group or register individuals and choose separate hotel rooms. If you have any questions or problems, contact the Official IWF Housing Provider- Experient at 800-803-5486 or email IWF.EXHIBITOR@experient-inc.com

Exhibitor Directory Listing... We highly recommend that you take a few minutes to enter all your company and product information in your free listing. As buyer/attendees use IWF's online resources to plan their time at the show, you want to be sure they find your company and add you to their list of "Must-See" exhibitors for the show. To log in, go to <http://iwf16.exh.mapyourshow.com> and follow the simple steps on the site.

Also, IWF has contracted with the service provider Map Your Show, to create the official online exhibitor listing portion for IWF 2016. Online tools will include interactive floor plans, searchable exhibitor lists and product categories and technical conference session listings, and a show planning tool, my IWF Show Planner, used by the buyer/attendees to plan their trip and create walking maps showing the locations of the exhibitors they need to see. Exhibitors may be contacted by Map Your Show regarding upgrades to your online listing.

For more information or questions concerning IWF 2016, please email exhibitorservices@iwfatlanta.com

Industry News:

Virginia Tech Housing Report: January 2015

In January, the housing data was less than inspiring. Two things: First, it was January's data (historically a slow month) and two, it was one-month's data. We need 3, 4, or 5-months data to assess the direction of the housing market. In January, total and single-family starts, permits, new house sales, and new single-family construction spending all declined month-over-month.

[Part 1](#) | [Part 2](#)

NAM Monday Economic Report - March 14, 2016

Even with somewhat better data recently, manufacturers continue to face headwinds, including a strong U.S. dollar, reduced commodity prices and global economic volatility. - [See more](#)

Industry Calendar of Events

Note: For a complete listing of all meetings, including those held internationally, go to WMMA's website, www.wmma.org, and click on "Events."

Have an event to add to the Industry Calendar in this newsletter? Send it to

jennifer@wmma.org February 26-29, 2016

March 22-24, 2016

[2016 Cabinets & Closets Conference and Expo](#)

Pasadena Convention Center
Pasadena, California

April 6-8, 2016

[International Wood Products Association \(IWPA\) 60th Annual Convention](#)

JW Marriott Austin Austin, TX

April 12-15, 2016

[Woodworking Industry Conference \(WIC\)](#)

CasaMagna Marriott Cancun Resort
Cancun, Mexico

June 7-8, 2016

[AWFS Fair](#)

WMMA Participation in NAM DC Fly-In*

Washington, DC

*For WMMA Public Policy Committee Members
(contact WMMA office for more information)

August 24-27, 2016

[International Woodworking Fair \(IWF\)](#)

Georgia World Congress Center
Atlanta, GA

September 26-28, 2016

[WMMA Regional Meeting*](#)

Charlotte, NC

*Exact Schedule and Details TBA

July 19-22, 2017

[AWFS Fair](#)

Las Vegas Convention Center
Las Vegas, NV

November 2-4, 2017

[Woodworking Machinery & Supply Expo \(WMS 2017\)](#)

International Centre, Toronto

Website: www.WoodworkingExpo.ca