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2008 USCTI Spring Institute Meeting and 20th Anniversary Commemoration

USCTI members will experience an exceptional and historic 2008 USCTI Spring Meeting in Washington, DC, where the nation's capital will provide a vibrant backdrop for our events and the Institute's 20th Anniversary commemoration.

Beyond housing the seat of government for the United States Congress, Washington DC's incredible mix of history, art, and entertainment offers many options that USCTI will leverage to increase the value and productivity of participation.

The 2008 Spring Meeting Schedule reflects a format that accomplishes our business objectives and provides many unique opportunities —

- **To Interact** and engage with your Industry colleagues
- **To Meet** with your Congressional representatives on Capitol Hill
- **To Experience** the inspiring museums, monuments and memorials that celebrate and commemorate our nation's heritage
- **To Honor** the USCTI Past Presidents and Industry leaders whose contributions have advanced the progress of the Institute and the Industry
- **To Participate** in shaping the achievements of the future

We expect an outstanding attendance of members and Industry leaders for this occasion.



Schedule of Events Grand Hyatt Washington

SATURDAY, APRIL 19

8:00 AM – 9:00 AM	Programs Committee Meeting
9:15 AM – 12:00 Noon	Board of Director's Meeting
12:30 PM – 4:30 PM	Afternoon Open for Tours
5:30 PM – 7:00 PM	Welcome Reception Woodrow Wilson House

SUNDAY, APRIL 20

8:00 AM – Noon	Institute Breakfast Meeting & Members Forum Keynote Speaker: Jamie P. Estrada, <i>Deputy Assistant Secretary for Manufacturing, U.S. Dept. of Commerce</i>
9:00 AM – 10:30 AM	Guest Breakfast Presentation: Jacqueline Kennedy Onassis
12:30 PM – 4:30 PM	Afternoon Open for Tours
6:30 PM – 10:00 PM	20th Anniversary Black Tie Gala

MONDAY, APRIL 21

8:00 AM – Noon	Institute Breakfast & Meeting Capitol Hill Club Speakers: Former Governor John Engler [MI], <i>President & CEO, NAM</i> <i>Former U.S. Representative</i> Michael G. Oxley [R-OH] Jeanne Campbell, <i>President and CEO of Jeanne Campbell Consulting</i> Catherine Robinson, <i>Associate Director High Technology Trade Policy, NAM</i>
12:30 PM – 4:30 PM	Afternoon Open for Tours
2:00 PM - 3:00 PM	VIP Capitol Tour
2:00 PM – 5:00 PM	Networking Happy Hour Old Ebbitt Grill
3:00 PM	Visits with Congressional Leaders
6:00 PM – 8:00 PM	Closing Dinner Sequoia Restaurant
8:15 PM – 10:00 PM	Evening Monument Tour

TUESDAY, APRIL 22

Open for Individual Plans

President's Column



Gene Baldino, President
United States Cutting Tool Institute



As we mark the twentieth anniversary of the USCTI, I thought it interesting to reflect on what it was like in 1988. A few items of note:

- Rain Man was voted best picture
- Calgary, Canada hosted the winter Olympics
- George Bush was elected president
- One U.S. dollar was worth 1.3 Canadian dollars or 1.74 Deutschemarks
- The Euro was not being traded
- China was an insignificant portion of gross U.S. imports

Today our challenges have progressed well beyond the manufacture of a good product. Decisions on forward contracts for foreign exchange and LIBOR swap agreements have replaced those of helix angle and notch relief. Arranging employee health care savings accounts, structuring creative worker compensation insurance solutions, building strategic production and sales alliances with both foreign and domestic partners as well as staying abreast of ongoing regulatory and statutory changes have all become part of the routine. Please don't forget the 5:00 a.m. conference call with your customer in Stuttgart or the 8:00 p.m. web cast with your agent in Singapore.

As our industry and our markets have increased in complexity, they have also grown in excitement and opportunity. Each of you, and collectively with the support of our institute, continue to successfully evolve, conquering the challenges we face with knowledge, ingenuity and courage. In the true sense of entrepreneurial spirit, the members of the USCTI have reengineered their companies, emerging from the past twenty years stronger, more vibrant, and with a foundation built upon sound business and manufacturing practices.

While we are all proud of past achievements, it is important to recognize that the evolution continues. Future periods will bring about new challenges and controversies. Technology, environmental and even geopolitical changes will affect the markets we serve as well as those we haven't even thought of yet. Over and over again we will be called upon to make decisions and choose which path to take on the crossroads ahead. It is during these challenging times that the strength of our companies, our convictions, and our institute must come to bear.

Your institute is strong, but must be fortified if it is to continue to meet the challenges ahead. Enhancements to statistical information and programs as well as online capabilities have already begun, with more to come. Several new resources for technical expertise, legislative reporting, and human resource management are being investigated as possible additions to the institute's portfolio. Beyond its products and services, the USCTI continues to set itself apart by providing a networking environment which fosters open communication, problem solving dialog and meaningful lasting friendship among industry colleagues.

All members are encouraged to actively participate. It is only with your help and support that the strategic initiatives of our institute will materialize. Also, for those that have been unable to attend meetings, come join your fellow members some time soon. Your input is of value, but more importantly, your camaraderie is missed.

In closing, I would like to congratulate the institute and its member companies for providing twenty years of service to the cutting tool industry. I would also like to send a special thank you to all of the past presidents of the USCTI, for a job well done and for providing a solid foundation from which our future will be built.

Celebrating 20 Years

UNITED STATES CUTTING TOOL INSTITUTE

The United States Cutting Tool Institute (USCTI) was formed in January, 1988 when two of the largest associations of cutting tool manufacturers joined forces. The Metal Cutting Tool Institute and The Cutting Tool Manufacturers Association combined their efforts, resulting in a single, stronger organization representing more than two-thirds of the domestic cutting tool market.

PAST PRESIDENTS

2005-2007 Gary A. Vanderpol Criterion Machine Works	2002-2003 Robert C. McKee Talbot Holdings Ltd	1998-2000 William H. Stokey Allied Machine & Engineering Corp.	1994-1996 Arthur R. Beck Precision Twist Drill Co.	1990-1992 James L. Packard Regal Beloit Corp.
2003-2005 Bruce H. Williams U. S. Tool Group	2000-2002 David A. Baker Robb-Jack Corp.	1996-1998 William B. Cleveland Craig Tools, Inc.	1992-1994 John [Dutch] M. Summers Jasco Tools, Inc.	1988-1990 *John L. Knight Viking Drill & Tool, Inc.

METAL CUTTING TOOL INSTITUTE

Promoting the manufacture and sale of American made rotary metal cutting tools was the primary purpose of the Metal Cutting Tool Institute (MCTI). The Institute, comprised of over 30 manufacturers, was founded in 1932 principally to recommend standards for the industry. MCTI's activities also included the compilation of market statistics, a government relations program, and a labor relations program.

MCTI was dissolved on December 31, 1987 as part of the unification of the industry through the formation of USCTI.

PAST PRESIDENTS

1956-1972 Perry L. Houser	1939-1942 *William E. Caldwell The Cleveland Twist Drill Co.	1964-1967 J. C. Stites The Cleveland Twist Drill Co.	1948-1951 *Donald G. Millar Greenfield Tap & Die Corp.	1982-1984 John C. Bath John Bath & Co., Inc.
1946-1956 *Mason Britton	1935-1939 *W. B. McSkimmon Union Twist Drill Company	1959-1964 Howard J. McGregor, Jr. National Twist Drill & Tool Co.	1946-1948 *Howard L. McGregor, Sr. National Twist Drill & Tool Co.	1979-1982 Joseph W. Constance The Bendix Corporation
1932-1935 H. B. Smith Illinois Tool Works, Inc.	PAST CHAIRMEN OF THE BOARD 1970-1972 *Walter C. Bergstrom The Weldon Tool Company	1957-1959 *Louis A. Lincoln Bay State Tap & Die Co.	PAST PRESIDENTS OF THE BOARD 1986-1987 Ronald E. Quigley Union Butterfield Corp./Litton Industries	1976-1979 H. A. Gardner The Cleveland Twist Drill Co.
1945-1946 *Howard L. McGregor, Sr. National Twist Drill & Tool Co.	1967-1970 *Stanley L. Holland Union Twist Drill Co.	1954-1957 *George F. Holland Union Twist Drill Co.	1984-1986 *S. Kirk Carpenter The Weldon Tool Company	1973-1976 William L. Lukens National Twist Drill & Tool Co.
1942-1945 *Charles M. Pond Pratt & Whitney		1951-1954 *M. J. Kearins United Drill & Tool Corp.		1972-1973 *Walter C. Bergstrom The Weldon Tool Company

CUTTING TOOL MANUFACTURERS OF AMERICA

The Cutting Tool Manufacturers of America (CTMA) was an association whose programs and activities were directed toward helping its members become better businessmen. Formed in 1943, CTMA carried out its objectives through informative meetings, statistical reports, a government affairs program, and an insurance program. More than 100 American manufacturers of cutting tools were members of the Association.

CTMA was dissolved on December 31, 1987 as part of the unification of the industry through the formation of USCTI.

PAST PRESIDENTS

1986-1987 *John L. Knight Viking Drill & Tool, Inc.	1976-1977 *Helmut C. Heuser Bokum Tool Company	1968-1970 *Samuel J. Graham Re-Nu Tool Company	1959-1960 *George N. Popham Gorham Tool Company	1952 W. F. Fuller Fuller Tool Company
1984-1986 Edward B. Palm Detroit Tool Industries	1975 Edmund J. Czopor Gorham Tool Company	1967 Robert A. Smith Hy-Pro Tool Company	1956-1958 *L. H. Skoglund, Jr. Scully Jones & Co.	1948-1951 *Emil Gairing Gairing Tool Company
1982-1983 *Donald N. Lucas Abrasive Diamond Tool Co.	1974 Lawrence W. Gault Fansteel VR/Wesson	1965-1966 *Melvin L. Weinberg Putman Tool Company	1955 *Howard R. DeVlieg DeVlieg Machine Co.	1947 D. E. Van Deusen Kelly Reamer Company
1980-1981 *Thomas Hollis, Jr. The O. K. Tool Company, Inc.	1973 Donald G. Cole Cole Carbide Industries, Inc.	1964 Glenn E. Johnston Star Cutter Company	1954 R. H. Wolfe Arrow Tool & Reamer Co.	1946 *E. A. Goddard Goddard & Goddard Company
1978-1979 Bradley L. Lawton Star Cutter Company	1971-1972 John G. Weeks Illinois Tool Works, Inc.	1961-1963 *William R. McClure Eclipse Counterbore Co.	1953 *G. J. Birgbauer Super Tool Company	1943-1945 *Richard Robbines Carboloy Company

Does Your Company Have A Document Retention/Destruction Policy?

By: Joseph P. Boeckman, Baker & Hostetler LLP

I am often surprised that many clients, regardless of size or sophistication, do not have a document retention and destruction policy. The reasons are usually simple – it's a boring project that gets pushed to the bottom of the "to do" list, or it's costly to implement with no economic benefit in return. These reasons may be comforting – that is until something alarming happens to alert management to the dangers of not having a document retention and destruction policy in place. Unfortunately, by then it may be too late. A well-crafted and enforced document retention and destruction policy really is "an ounce of cure versus a pound of prevention."



Boeckman

Virtually every company should have a "document management program," a more accurate description of a document retention and destruction policy. But to successfully complete this task, a company must commit resources, both manpower and money, to implementing and enforcing its document management program. This requires people with clout and connections within the company, i.e., senior management, to actively support the proper design, implementation and enforcement of a document management program.

Why have a document management program?

Legal Compliance: Businesses operate under extensive and varied laws and regulations, some of which include document retention requirements. Properly designed document management programs help ensure compliance with these laws and regulations, which in turn decreases the company's legal risk. If adopted in good faith, a document management program creates a legitimate justification for a company's inability to produce documents in a subsequent litigation where documents were destroyed pursuant to the company's document management program.

Availability and Accessibility of Documents: A document management program with clear protocols for how and where to retain corporate documents helps a company better manage its documents. It encourages employees to save only items of substance, and to save them in a deliberate and consistent manner, so that they can be readily located and retrieved when needed.

Economic benefits: A company can reduce its document storage and retrieval cost by disposing of documents pursuant to a document retention program. In addition, these programs can dramatically lower the volume of information that a company retains, thereby decreasing the volume of documents that the company needs to identify, preserve and collect during the discovery phase of litigation.

Who should be involved in developing, implementing and overseeing a document management program?

Senior Management: Senior management must actively support the document management program. Their input is critical in establishing the corporate goals served by the document management program and balancing

the tradeoff between the benefits of retaining documents for longer periods of time against the costs of document retention.

Legal Counsel: In-house counsel should be heavily involved since one of the primary goals of a document management program is to protect the company by ensuring compliance with legal requirements. Many companies also find it helpful to employ outside counsel to provide expertise or manpower that supplements the knowledge of the in-house counsel. Outside counsel can also provide an objective assessment of the company's needs and exposure based upon a broad range of experience with the client.

HR and Finance Departments: The human resources and finance departments should be brought into the picture early for proper designing of the program and to ensure that the overall document management program does not disrupt their operations.

IT Department: Perhaps the most important group is the company's information technology department. Many of the difficult issues center on how to manage the company's email. Because so much of today's information is created, shared and stored electronically, it is vital that the company's IT department be part of the team so that the design of the program is compatible with the company's technology and software.

What should the document management program look like?

All document management programs should ultimately have a written plan or protocol that explains the company's document management policy. It is important to consider the goals of your company up front because the style and content of the policy can vary considerably depending on a variety of factors. The policy should be drafted with your organization's needs in mind. While there is no "one size fits all" approach to document management programs, each document management program should satisfy the following criteria:

- **Responsibility** – Senior personnel and counsel should work together to design a document retention program specific to the company's needs, which is then implemented and regularly updated.
- **Written** – A company should write the document management program in layman's terms so that its employees can easily understand the policy. The policy should contain a statement of its purpose and scope and describe how employees should apply the policy.
- **Reasonableness** – The document management program must be reasonable in light of its particular circumstances. To satisfy a reasonableness standard, the document management program must ensure that the company only destroy documents in good faith and in compliance with all applicable laws and regulations.
- **Retention Requirements** – The document management program must identify the different types of documents covered by the program and the life and time that the company must retain each document type. The program should clarify that employees are to destroy documents at the end of the retention time applicable to each specific document. Importantly, the program must clearly articulate the circumstances under which employees must suspend all document destruction, such as an anticipation of litigation.

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- **Distribution and Comprehension** – The company must distribute the program and ensure employee comprehension of the program. For example, the company should distribute the program to each existing employee and publish the document management program in its employee handbook for future hires. Also, the company should institute periodic training sessions where qualified personnel explain the program, its requirements and the reasons for those requirements.

What documents should be saved and for how long?

Most company documents can be divided into two categories – documents that are essential to the ongoing, legal and effective function of the company and those that are merely personal or preliminary in nature.

Documents in the first category included the following: documents and data necessary to meet government record-keeping, reporting and compliance requirements; insurance policies; personnel files; financial and tax information; intellectual property; official correspondence; and corporate policies and guidelines. The retention period for these kinds of documents depends on a number of considerations, including the retention periods specified in state and federal regulations, contractual obligations, pending or reasonably foreseeable lawsuits or official proceedings relating to the subject matter of the documents, statutes of limitations, protection of intellectual property, product development and research considerations. In the absence of a specific legal duty to retain documents, each company must balance the importance of specific records to the business against the costs of retaining the documents.

Documents in the second category include the following: personal emails and correspondence; preliminary drafts of letters and memoranda; and other materials such as brochures and newsletters. The continued preservation of these documents serves no useful corporate purpose and may, in fact, needlessly expose the company to storage costs and legal liability. These materials should be promptly and systematically deleted and destroyed, with the exception of documents relevant to or discoverable in pending or potential and other legal and official proceedings.

A few comments about email. For many businesses, email has become the first and primary method of communication, both within and outside the company. Huge quantities of emails are generated every day on countless topics ranging from lunch plans to contract negotiations. What should a company do with its email? The answer will vary from company to company. However, there are some general concepts that should shape your policy. As a threshold matter, for most companies there is no legal requirement that a company save email as a specific item. Therefore, absent a court order or other authority addressing the company's email, there is nothing that requires a company to save email for a certain length of time. It is the content of the email, and not its transmission format, that will govern what applicable document retention requirements, if any, apply. Because the content of email, rather than its nature, governs its retention, it is important for any company to think of ways to help separate emails that should be retained (i.e., emails that are essential to the ongoing, legal and effective function of the company) versus those that should be destroyed (i.e., personal emails). Saving all email is generally not necessary and can be expensive. Dumping all of the company's emails onto a backup tape or dedicated server can create a technological black hole that causes more problems than it solves.

What if the company doesn't follow the document management program? A document management program that is not consistently enforced is not effective protection against allegations of bad faith document destruction. Suspicions will be raised by the sudden vigorous enforcement of a policy that up until that point was only sporadically enforced. Moreover, selective destruction of documents after a subpoena has been issued could subject a company to criminal liability. Bottom line – a document management program that is not consistently enforced and followed is just as bad as not having a document management program at all.

In summary, a company receives many valuable benefits by developing, implementing and uniformly enforcing a reasonable document retention and destruction policy.



REVISED SPONSORSHIP PROGRAM

The 2008 USCTI Meeting Sponsorship Program has been redefined and enhanced to provide customized opportunities for both members and non-members to elevate their profile to Industry partners with additional visibility and recognition for their companies. Meeting Sponsorship Program details are always available from the Institute Office and at www.uscti.com.

A signature USCTI Member Utilized category has been introduced to promote value added services or products. A Legacy Benefit feature has also been added to the Gold Sponsorship category.

Don't miss this opportunity to take advantage of a Corporate Sponsorship opportunity and/or to invite your value-added vendors, partners or affiliates within the metal cutting tool industry to participate.

2008 SPONSORS



USCTI Plans for Long-Term Success

by Steve Morency, Chair, USCTI Long-Range Planning Committee



Morency

The USCTI Board of Directors established a Long Range Planning Committee to revisit USCTI's long range plans to ensure the future relevance and value of its objectives, programs and activities.

The following members serve on the Long-Range Planning Committee: Al Choiniere, Superior, Inc.; Jim Haag, Hard Coating Technologies; Steve Morency, M. A. Ford Mfg. Co.; Harry O'Brien, Crucible Materials; Dave Povich, Tool Alliance; and Bruce Williams, U. S. Tool Group.

The committee met on three separate occasions and presented their recommendations to the Board of Directors on October 20, 2007. An overview of that report and their actions to date follows.

The Committee developed a list of "purpose statements" for the Institute that includes –

- Provide venues for networking
- Provide industry statistics
- Provide information on new technologies
- Provide a platform for members to form alliances/partnerships
- Provide resources to allow members to compete globally

A new Vision Statement and Mission Statement were developed and approved for the USCTI:

The new Vision Statement is –

Leading the future of the cutting tool industry.

And the new Mission Statement is –

To provide members focused access to cutting tool industry networking, promotion, market data and trends.

A list of strategic objectives were developed in support of the new Vision and Mission. Some of the issues these objectives focus upon include membership growth, dues revenue growth, meeting attendance, and new product division development.

Five critical goals were developed that address the achievement of those objectives. The top three are:

- 1.) redesign of the USCTI Web site;
- 2.) increased/enhanced member networking opportunities, and
- 3.) creation of the position of USCTI Technical Director.

The USCTI Long-Range Planning Committee and Board are committed to enhancing membership value.

Questions regarding this long range planning effort can be directed to any of the Committee members.

Future Meeting Dates

Mark your calendars now for these upcoming events!

2008 USCTI Spring Meeting

The Grand Hyatt Washington
April 19-22, 2008
Washington, DC

2008 ECTA European Cutting Tool Conference

June 26-28, 2008
Stuttgart, Germany

2008 USCTI Fall Meeting

October 18-20, 2008
Hotel del Coronado
Coronado, CA

2009 USCTI Spring Meeting

April 25-27, 2009
TBD

2009 USCTI Fall Meeting

October 17-19, 2009
TBD

2010 WORLD CUTTING TOOL CONFERENCE

April 20-23, 2010
San Francisco, CA

Welcome, 2008 New Members!

HORN USA, INC.
320 Premier Court, Suite 205
Franklin, TN 37064
Duane Drape
National Sales Manager

VARDEX USA
DIV. OF VNE CORP.
1149 Barberr Dr.
Janesville, WI 53547
Jeff Major
National Sales Manager

2008 Institute Dues

This is a reminder that USCTI membership dues invoices were sent to all members of USCTI in February. Please note that dues have not increased for 2008. The Institute Office would be grateful if you would complete your company's dues calculation form and remit your dues as soon as possible. If you have any questions regarding the calculation of your dues, please feel free to contact the Institute office.

USCTI's Web site Redesign is Well Underway!

USCTI is in the process of *completely revamping* the USCTI Institute Web site, to include the development of a password-protected area for "members only"! The site's operation and content are being redesigned in order to maximize its value and usefulness to the USCTI membership.

Company profiles for all USCTI member companies will continue to be listed and maintained on the new and enhanced USCTI Web site. Also, an upgraded electronic USCTI Membership Directory, featuring expanded detail, is being compiled in this regard, to include key member company personnel, titles, company logos and contact information. *Personal* contact infor-

mation for member company personnel, including e-mail and phone numbers, will **ONLY** appear on the password-protected area of the site for "members-only" access.

If you haven't taken advantage of this opportunity to ensure that your company's data, and individual contact information, is accurate and up-to-date please contact the Institute Office as soon as possible.

We will also be soliciting members for functional ideas of additions to the site. For example, a member's only Technical Library with access to industry standards, documents, and more.



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