9300 CONTRACTOR

March 2009



THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

The American Recovery and Reinvestment Act of 2009 was signed by President Obama on February 17, 2009, and it contains many of the provisions from both the House and Senate proposals. According to the Congressional Research Service, the total 10-year cost, of \$787 billion, is lower than both versions initially passed by the House and Senate. The spending parts of the Act account for 63.7% of the total cost (\$501.6 billion) and the tax provisions account for 36.3% (\$285.6 billion).

The stimulus bill was designed as an immediate remedy to reverse the current widespread economic downturn. The bill contains direct federal spending and tax relief, including significant spending for infrastructure projects, renewable energy and efficiency programs, school modernization, and other construction projects. Listed below are provisions that directly affect the tile and construction industries according to the American Subcontractors Association.

Construction Investment

The stimulus package provides more than \$135 billion for construction. Most of the funding will go to federal, state and local public entities for work stalled due to budget shortfalls, or start new projects that will break ground within a few months. Listed below is a break down of the funding:

- Transportation: \$49.3 billion, including \$29.5 billion for bridge and highway construction, \$6.9 billion for transit programs, \$8.8 billion for high-speed rail investment and \$1.8 billion for airport improvement grants.
- Energy-efficiency and technological improvements: \$29.8 billion, including \$11 billion to improve the nation's electrical grid, \$7.2 billion to expand broadband availability, and \$5 billion for home weatherization assistance programs in the states.
- Building construction and improvements: \$29.6 billion, including \$5.6 billion to the General Services Administration to rehab government buildings, \$7 billion to the Department of Defense for military housing and facility improvement, and \$8 billion for housing programs.
- Environmental and water infrastructure: \$21.4 billion, including \$5.6 billion for the Army Corps of Engineers and Bureau of Reclamation, \$7.4 billion for clean water programs, \$7.8 billion for environmental cleanup programs. The law also includes \$8.8 billion in discretionary funds that states can use for the construction and renovation of schools.

Business Tax Provisions

The "American Recovery and Reinvestment Act of 2009" provides more than \$285 billion in tax relief to individuals and businesses.

- · Extension of increased small business expensing
- Bonus depreciation
- · Small business capital gains exclusion

Highlights and Events

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Visit our website at www.tcaainc.org

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MESSAGE FROM THE PRESIDENT



Jerry Leva

ear TCAA Members:

Here we are four months removed from our 100th Anniversary Convention and well into the New Year. Building on the success of that noteworthy event, we are already looking forward to, and working on the 2009 convention which will be held in Chicago, September 26-28.

Mark your calendars for that date and we will keep you updated on the planning as we proceed.

I certainly hope this message finds you, your families and your businesses well despite the problems we face today. I sincerely believe that our economy is set for a steady rebound and it behooves all of us to start making adjustments and preparations.

One great way of doing this is the Trowel of Excellence certification. This will put our companies a step ahead of the competition. I urge all of you to complete the process which has been recently revised and updated. Please refer to page five of this newsletter for all of the revisions and updates. If you have any questions regarding the certification, please contact the TCAA office and speak with one of our knowledgeable staff.

It has been a difficult winter from a weather and economic standpoint but Spring is here and we feel it is a time for renewed optimism. Faith in God, our country and the resilience of the American people will prevail, so let's all be ready!

Please do not hesitate to contact me, our Board of Directors or our staff with your thoughts, concerns and ideas on how we can make our association and the industry better. It is your association and we want to represent you in the best way we can.

Have a great spring and summer,

Jerry Leva, Sr. TCAA President

TCAA 2009 **Annual Convention**

Mark your calendar to join us in Chicago on September 26-28. for the annual convention. This convention will offer dynamic educational programs, visits with our valued suppliers to learn about the newest products and technologies, opportunities to network with your peers in the industry and a little R & R.

The convention will be held at the Hyatt Regency Chicago which is ideally situated within the Magnificent Mile, an American version of the Champs-Elysées. Enjoy yourself in the "city within a city," as this downtown location links you to Blues, Jazz, irresistible cuisine. Grant and Millennium Parks, Lake Michigan beaches, Navy Pier and Michigan Avenue.



Registration brochures will be available May 1st

NEW MEMBER

Please welcome TCAA's newest Supplier Member:

BASF Construction Chemicals, LLC - Building Systems

Ashley Davidson 889 Valley Park Drive Shakopee, MN 55379 Phone: (952) 496-6025

Fax: (952) 469-6058 E-mail: ashlev.davidson@basf.com Customer Service: (800) 433-9517

Labor

Committee Report

TCAA TRAVELS WEST

TCAA representative John Trendell was in Reno, Nevada in February attending the National Plasterers Council's Annual National Conference. The organization is made up of pool contractors from all over the country. Over 400 attendees were there to take part in seminars regarding all aspects of the pool industry. John spoke at one of the seminars on the installation of ceramic tile in pools.

His discussion centered around actual case studies of different pools John's company has installed over the years. John's focus was to help make the attendees aware of the importance of proper installation techniques and layout requirements. "I wanted the contractors to understand how critical having qualified installers is to a successful ceramic tile pool. That's why I was promoting the use of our membership for their ceramic tile work." TCAA is always looking for ways to promote the skills of our members and to provide more work opportunities.

The following week John met with the San Francisco Bay Area local ceramic tile contractors' association, many of whom are TCAA members. John talked to them about the importance of having a national ceramic tile presence through membership in TCAA. "I pointed out how TCAA has two voting members on the TCNA regarding the methods of installations handbook and that one of our members, Chris Walker, is Vice-Chairman on the ANSI committee for ceramic tile. Both of these organizations are considered the final word on tile installations and almost all tile specifications refer to these standards." John also talked about TCAA's representation on the IUBAC labor/management committee and the networking tile contractors are provided by attending the annual TCAA Convention.

Speaking of the IUBAC, six members of TCAA attended the IUBAC winter meetings in San Diego. Included was a round table discussion with the tile marble terrazzo labor/management committee. Our organization was well represented by Grace Gebhardt, Emily Williams, Ron Schwartz, Jerry Riggs, Les Lippert, and John Trendell. Everyone at this year's meeting recognized that it certainly is "all about the economy". Ideas that were discussed included "Green" construction, job targeting, small commercial and shift rates, and contract language.

TCAA wants its membership to look to us for help with any opportunities that promote our industry. As John says "I'm always up for a trip and promoting TCAA and ceramic tile is great way to do both."

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To submit an article or story idea, contact us by phone, fax or e-mail. TCAA is a membership-based organization serving the needs of the Ceramic Tile industry since 1903. Annual membership dues for active contractors and suppliers are \$950, \$75 for retired suppliers, and \$25 for retired contractors.

Tile Contractors' Association of America, Inc. 10434 Indiana Ave. * Kansas City, MO 641137 Toll free: (800) 655-8453 * Fax: (816) 767-0194 Email: info@tcaainc.org * Website: www.tcaainc.org

COVERINGS 2009

CONFERENCE KEYNOTERS TO ADDRESS CHALLENGING YEAR AHEAD

Coverings 2009, April 21-24 at Chicago's McCormick Place Convention Center, is planning a conference series that will help arm show attendees with valuable tools and insight they can use to face down the challenges forecasted for the coming year.

Ken Simonson, Chief Economist of the Associated General Contractors of America (AGC), will kick things off Tuesday morning, April 21, with his presentation, "Construction Forecast: What Impact Can You Expect?" Simonson will offer ideas on how contractors and other industry professionals can best ride out the downturn, shrinking budgets and project delays.

Also Tuesday, a session entitled "Olympic Impact on Urban Development" will focus on The Windy City's aggressive bid to host the 2016 Olympic Games.

On Wednesday morning, April 22, Jonathan Trivers, owner of consultancy Marketing Wit & Wisdom, will provide insight into how best to connect with consumers with his presentation, "Trendscape 360: Today's Retailers Must Understand Customer Changes and Industry Changes".

During Thursday morning's keynote address for stone professionals and fabricators, attendees will learn how to separate fact from fiction regarding the safety of granite countertops during "Radon and Radiation in Granite – Reality and Perspective."

Thursday afternoon, **Envision Design's Kendall P. Wilson** will take the stage Thursday afternoon to present "Green Directive – Recent Work by Envision".

For more information on attending or exhibiting at Coverings, please visit www.coverings.com or contact NTP at 703.683.8500.

The American Recovery and Reinvestment Act of 2009

(continued from page 1)

Business Tax Provisions (continued)

- Temporary reduction of S Corp built-in gains holding period from 10 to 7 years
- Expand work opportunity tax credit for disconnected youth and unemployed veterans
- 5-year carry-back of net operating losses for 2008 for small businesses with gross receipts of \$15 million or less
- Delayed recognition of certain cancellation of debt income over 10 years

Energy Tax Incentives

- Long-term extension and modification of renewable energy production tax credit
- Temporary election to claim the investment tax credit in lieu of the production tax credit
- Clean Renewable Energy Bonds ("CREBS"): \$1.6 billion
- Qualified Energy Conservation Bonds: \$2.4 billion
- · Removal of dollar limitations on certain business and residential energy credits
- Tax credits for energy-efficient improvements to existing homes
- Tax credits for alternative fuel pumps
- Repeal subsidized energy financing limitation on the investment tax credit

State and Local Governments

Tax provisions for state and local governments will stabilize income and help manage costs associated with administering taxes:

- One-year deferral of the 3 percent withholding requirement on government contractors
- Eliminate costs imposed on state and local governments by the AMT
- Qualified School Construction Bonds: \$11 billion
- Extension and increase in authorization for Qualified Zone Academy Bonds (QZAB): \$1.4 billion
- Tax credit bond option for state and local governments (a.k.a., "Build America Bonds")
- Grants for low-income building construction and rehabilitation in lieu of tax credit

SBA Surety Bond Guarantee Program

The law temporarily increases the upper limit of surety bonds that the SBA can guarantee, from \$2 million to \$5 million, allowing small businesses to compete for larger projects for which they might not normally be able to secure payment and performance bonds. The stimulus package also allocates an additional \$15 million to the SBA surety bond revolving fund to help expand the program's reach.

SBA Loan Programs

SBA's two primary business loan programs, 7(a) and 504, received provisions to expand these programs:

- Fee Reductions \$375 million to allow for temporary elimination of or reductions in the fees the SBA charges to lenders and borrowers in the loan programs, giving borrowers and smaller banks priority in receiving fee relief.
- Temporary Increase in SBA Guarantee Levels The law allows the SBA to, on a case-by-case basis, temporarily raise the guarantee level (up to 90 percent) for 7(a) loans, other than loans made through the SBA Express program. Currently, the maximum guarantee levels are 75 percent for loans over \$150,000, and 85 percent for loans of \$150,000 or less.
- Business Stabilization Program These new program will temporarily allow the SBA to (i) fully guarantee "stabilization"
 loans that cannot exceed \$35,000, and (ii) fully subsidize a small business borrower's interest payment on the stabilization loan. A borrower does not have to begin repaying the stabilization loan until 12 months after receiving it, and the loan must be paid in full within 5 years.
- Microloans The law appropriates \$30 million for the SBA's microloan program, with \$24 million dedicated to microloan technical assistance and \$6 million for new microloans.

To ensure oversight and transparency the government has launched a new Web site that will allow Americans to see how and when money is being used. You can visit this site at: www.recovery.gov. Included on the site is the full text of the law, timelines for disbursement, tracking on projects to which funds have been allocated, announcements on government action related to the stimulus and mechanisms for individuals to contact the Recovery Accountability and Transparency Board with questions and concerns about the impact of the law.

References: The American Subcontractors Association, Inc., and the Congressional Research Service.

TROWEL OF EXCELLENCE

WHAT IS THE TROWEL OF EXCELLENCE?

The Trowel of Excellence certification was developed in partnership by TCAA and IMI to provide a visible commitment to excellence, setting certified union tile contractors head and shoulders above the competition.

Companies receiving the Trowel of Excellence certification have qualified by completing a rigorous process that documents the company's sound business practices, superior installations, advanced technical expertise, outstanding customer service and adherence to the highest industry standards.

Trowel of Excellence certification sets TCAA contractors apart from your competitors!

HOW DOES MY COMPANY BECOME CERTIFIED?

To qualify for the Trowel of Excellence, a company must:

- · Be a member in good standing of TCAA
- Be a signatory contractor in good standing with IUBAC
- · Be a contributor to IMI
- Have been in the tile contracting business for a minimum of five years
- · Submit a company bio
- · Have completed minimum OSHA training statement
- · Sign and agree to adhere to the TCAA Code of Ethics
- NEW! Provide proof of completion of at least 12 hours of educational programming within the past 24 months (6 hours must come from programs completed at TCAA conventions and 6 hours from IMI-sanctioned training)
- Submit three letters of reference from industry sources
- Agree to adhere to industry best practices consistent with the TCNA Handbook
- Submit a body of work for three projects completed within 5 years of application date
- · Submit evidence of financial responsibility

CERTIFICATION PROCESS

Once all requirements have been met, contractors wishing to become certified must submit a Certification Packet that includes the completed application form, the documents listed on the Check List and payment of the \$200 certification processing fee.

Certification Application

New in 2009, certification applications are available online at the TCAA website (www.tcaainc.org). The entire process can be completed electronically by completing the fillable PDF form and emailing it along with scanned supporting documents and photos. If you prefer, you can also complete the fillable PDF form online, print it out and mail it to TCAA with supporting documents, photos and payment of the certification processing fee.

Applications are reviewed and final approval of certification made by the TCAA Board of Directors. Candidates are notified within 30 days after the Board's review of its decision. Certification is effective immediately upon notification and remains valid for three calendar years.

Send your completed application and packet materials to:

TCAA Trowel of Excellence c/o Carole Damon 10434 Indiana Ave. Kansas City, MO 64137



Trowel of Excellence Certified Companies

Artisan Tile & Marble Co., of New Jersey, Inc., Somerset, NJ.

Artisan Tile Inc., Brighton, MI
DTI of Illinois, Aurora, IL
Eugene G. Sackett Co., Inc. Rochester, NY

G.M. Sloan Mosaic & Tile Co., Mundelein, Illinois Lippert Tile Company, Menomonee Falls, WI Port Morris Tile & Marble Corp., Bronx, NY

Selectile of California, Inc., El Monte (Los Angeles), CA Shores Tile Co., Inc., Roseville, MI.

VAL Floors. Carlstadt. NJ

Venice Terrazzo & Tile Co., Rockford, IL. William Erath & Son, Inc., Copiague, NY. Williams Tile & Marble, Inc., Maryland Heights, MO

Project of the Year Award GUIDELINES

The following guidelines apply:

- Contractors may submit only one project in each category.
- Contractor's TCAA membership must be current to be eligible for consideration.
- Application must be completed in full (front and back) and accompanied by a minimum of six (6) digital photos (jpeg or tif files only). Submit photos on CD or DVD with completed entry form.
- Projects submitted must have been completed in calendar years 2007 or 2008.
- Entries will be judged by a panel of industry experts.
- The company awarded First Place in each category receives a special engraved trophy. The company awarded Second Place in each category receives an engraved plaque.
- The project manager of each First Place company receives a certificate of achievement and complimentary TCAA Convention registration.
- Winners will be announced and awards presented at the 2009 TCAA Convention.

Completed applications and photos must be received in the TCAA offices no later than Monday, June 1, 2009. Entries received after the deadline (including photo submissions) will not be considered.

Mail completed application and digital photos to:

Project of the Year Competition
Tile Contractors' Association of America
c/o Carole Damon
10434 Indiana Ave.
Kansas City, MO 64137

TCAA reserves the right to refuse consideration of any applications not submitted in accordance with the above-described guidelines.



TCAA 2009

PROJECT OF THE YEAR

OFFICIAL ENTRY FORM

ENTRY CATEGORY (check one):

☐ Residential Construction	☐ Commercial Construction	
Project Name		
Project Location		
Project Manager Name		
Tile Contractor Company		
Contact Name	Title	
Street Address		
City	State Zip	
Phone ()	_ Fax ()	
Email		
Year of Project Completion (circle	e one): 2007 2008	
Project Participants and Written Description of Project (complete information on back side of application)		
On behalf of all participants involved in this project, I hereby agree to conform and abide by all the competition guidelines described herein. I understand and agree that the decision of the jury is final.		
Signature	Date	

Important Information Regarding Photos!

Project photos must be submitted in electronic format (jpeg or tif) on CD or DVD. If you are taking your own photos, be sure your digital camera is set to the largest file size available. If your photos are being furnished by an ad agency or your marketing department, instruct that they be submitted at 72 dpi at 28" x 22".



TCAA PROJECT OF THE YEAR 2009

Official Entry Form Participants and Project Description

Project Category (check one):	☐ Residential Const	truction
Project Completed In (check o	ne): Q 2007 Q 20	08
Project Name		
Architect Name	Firm Name	e
Address (City, State, Zip)		
Phone ()	Fax ()	Email
General Contractor		
Address (City, State, Zip)		
Phone ()	Fax ()	Email
Tile Manufacturer		
Address (City, State, Zip)		
Phone ()	Fax ()	Email
Total Square Footage of Project	::	
Timeframe of Installation (hours	, days, weeks)	
Materials Used in Project		
Method of Installation		
Was the tile contractor involved	in the design or installation met	hods used? If so, how?
Description of Project (including	any technical challenges overc	ome)

INDUSTRY

NEWS

NEW ULTRAFLEX™ LFT GRABS TIGHT TO LARGE-FORMAT TILES

MAPEI introduced an innovative new mortar for large-format tile and stone at the Surfaces trade show in Las Vegas. This premium mortar provides a non-sag thinset bed for applying large tile and stone on walls, allowing installers to work faster and produce a more uniform aesthetic in the finished project. Ultraflex LFT can also be applied as a non-slump medium-bed mortar up to 3/4 inch (19 mm) thick for floor installations of large-format tile and stone.

"With designers employing larger and larger stone and ceramic tiles in their interior and exterior décor plans, we see a strong need for a polymer-enriched mortar with high performance and deformability. Ultraflex LFT provides the strongest grab for the largest tiles," said Jeff Leone, MAPEI's Director of Strategic Marketing.



Continuing MAPEI's emphasis on developing products with green innovation,
Ultraflex LFT contains Dust-Free Technology, which significantly reduces dust generation from MAPEI products used on
tile and stone installation jobsites. Performance testing has recorded a 90% reduction in the amount of particulates released during production, pouring and mixing of products containing Dust-Free Technology. Lower amounts of dust being released from Ultraflex LFT on the jobsite lead to a cleaner workplace environment and may help contribute to a
builder's Internal Air Quality Management Plan if he is seeking LEED certification for projects.

The smooth and creamy consistency of Ultraflex LFT mortar makes it easy to apply, and its extended open time allows installers to set tiles more efficiently. When combined with MAPEI's excellent surface preparation products and wide variety of grouts, Ultraflex LFT offers contractors a total solution for large-format tile and stone installation systems. MAPEI – Technology You Can Build On!