



C/O Brian Porto, Secretary
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Allied Stone Industries Membership Meeting October 4, 2010

Meeting called to order by President Sawyer at 8:00 AM

- Roll Call was taken
- Roster correction sheet was passed around

Financial Report:

Gary Ballerini reports that for period we have a balance in our account of \$31,242.45. Total revenues for the period were \$45,830.38. Total expenses for the period were \$51,189.52. President Sawyer calls for a motion to accept treasurer's report. Butch Coleman makes a motion to accept treasurer's report. Michelle Hoferer. Motion passed.

Guest Speakers:

Butch Coleman introduces Dan Russell of Russell Stone Products.

Dan Russell explained that his Eagles Ridge products come from the Howard area of Pennsylvania, while his Homewood and Bloom Run products come from Irwinville area of Pennsylvania.

Scranton International Airport and the Capital Visitors Center are two projects which have used their material. Dan played a video which showed their products and capabilities.

Butch Coleman introduced the second guest speaker, Carl Metzger. Mr. Metzger gave a presentation on MSHA followed by a question and answer period.

Future Meeting Sites:

President Sawyer asks Jack Van Etten for an update on the Fall 2011 Meeting in Chicago. Jack provided a hand out with information for the meeting scheduled for September 29th through the 31st at the Fairmont Chicago Millenium Park.

Mark thanked Jack for his presentation.

Montana was discussed as possible location for the 2012 fall meeting.

Natural Stone Council update was presented by Brad Poynter. Check off is tabled. NSC is looking for grants and private donations.

Stephanie Veras is heading up the sustainability effort.

Echoform has been hired to seek Green Certification for natural Stone.

NSC has representation at the Verona Fair.

NSC is looking for participants for both sustainability and green committees.

There was discussion about sustainability and the green initiative.

Brad stated he would seek more information regarding the time and travel commitment required for the committees.

Dennis Buechel stated that others have already certified their products green. i.e. Concrete which has a larger carbon footprint than natural stone.

Dennis explained that if the United States Green Building Council (USGBC) determined that the committee that was formed was a more third party committee it could lead to more lead points for natural stone.

Brian Porto spoke about the mission of the ASI. Under the Constitution and Bylaws of the ASI there are three stated objectives. Our meetings, and the fact that we as an organization subsidize a portion of the cost of the meetings to help achieve a high member turnout, helps us achieve many of the objectives of the organization. We will be looking at other ways for the ASI to raise money for the promotion of natural stone.

Roundtable Discussion:

Pine Stone: Martin Pearson reported that business had slowed down in June for a couple of months but things picked in September. Not a lot on the drawing board. Martin further reported that their quarry operations are doing well.

Fieldstone Center: Brad Poynter Thanked Butch and Donna for hosting the convention. He also urged everyone to get out and vote in November.

Robert Schwake Stone Co., Inc.: Donna McNulty reported that business was down but not as bad as last year. They have added a fireplace division as well as two outside sales people.

Lansing Cut Stone Co., Inc.: John Boersma report the year has been flat for the year. There has been an increase in bidding since August.

Gary Ballerini made a motion to adjourn. Frank Raducz second. All in favor, motion passed.

Meeting ends at 11:15 A.M.

Allied Stone Industry Membership Meeting October 6, 2010

Meeting called to order by President Sawyer at 8:15 am.

Roundtable Discussion:

J.T. Lardner Cut Stone: Michelle Hoferer reported that this year was not as good as last year. They were busy through spring, but the summer was slow. Michelle is hopeful for next year.

Van Ness Stone, Inc.: Brundene Van Ness reported that they were down from last year. They had a great summer. Margins are a little down but hopeful for next year.

M & G Stone Inc.: Gary Ballerini reported that they have seen a large drop. Their area is tied to Wall Street. When Wall Street does well, they do well. Since 2008 residential construction is down. Gary said that the people they

have are good to work with giving 110%. He thanked Butch and Donna for their hard work.

Endless Mountain Stone: Butch Coleman thanked everyone for supporting the convention. He reported that they were flat from last year. They have the same business with eight less people. Butch expressed that the industry was in jeopardy from over regulation (DEP, DOT). 10 ton weight limits on all roads have been introduced due to the influx of construction on gas wells. The bonding rate has increased from \$1000.00 to \$3500.00 per acre. In New York, it is \$6000.00 per acre. Permitted quarries will now have a \$200.00 per quarry fee. Butch was concerned that there will be more blue stone and less variegated stone if more quarries do not come on line. This is because the variegated colors are on the higher levels of the quarry.

Oakville Natural Stone (Guest): Daniel Murphy thanked the group. Kevin Alves stated that they are always looking for innovations to bring more products to market. Thinking outside the box has helped them.

Sturgis Materials: T.J. Jackson Reported that 2009 was not very good for them but 2010 has been good. They had to let some people go. They have stopped selling man made stone products. This includes both pavers and cultured Stone. So many people are able to produce natural thin veneer now that they felt that was the direction to take. Looking forward to 2011. Thank Butch and Donna for hosting the convention.

Rolling Rock building Stone: Gary Weller reported that the favorite part of his job is getting out traveling and finding new products. They have access to more reclaimed materials including granite cobbles and steps. Gary stated that this group is strong due to sharing of information and ideas.

Van Ness Stone, Inc.: Fred Van Ness reported that he is thankful for the work that is still coming in. They are focusing on selling stone, and continuing education with installers is going to be a focus this year.

Ranier Devido Stone Co., Inc.: Bob Devido reported sales are down. They have not added any additional equipment in the last couple of years.

Brock White Co.: Scott Koopmeiners reported that sales were flat from last year. Commercial is carrying their business. Looking at 2011 to be better. Bidding has increased.

Natural Stone Veneers International: Rene Buechel reported they had seen the slow down coming and down sized. Then they right sized the inventory. NSVI is working on a new brochure.

The Stone Zone Company d.b.a.: Casey Gorton stated that they have started fabricating Kansas stone. Business has been slow.

Stone Belt Freight Lines: Danny Jones reported that DOT regs have caused some small operators to leave the industry. Market may get tight when things pick up.

Galloy and Van Etten: Jack Van Etten reported that the cut shop has been brutal. Marble and granite business has been keeping them going. He is hoping things will pick up.

Indiana Limestone Company: Brett Skilbred thanked everyone for the welcome received during his first meeting. He reported that they have not recovered from the residential dip. Commercial is keeping them going. Blocks and slabs are flat from 2009. They are maintaining quarry production.

Biesanz Stone Company, Inc. (Guest): Darell Stahlecker thanked Park Industries for hosting them as a guest. Darell mentioned that he and two other partners purchased the company 5 weeks ago. He thanked everyone for the welcome. He is looking forward to good things because people in the industry are good.

Park Industries: Steve Flynn reported that Tom is doing well. Their marketing department them with statistics that followed home sales since 1995. Home sales hovered around 6 million. 2004 to 2005 that number jumped to 9 million. 2007 to 2008 there was a severe drop to 1.5 million homes. June of 2009 was the bottom of the graph. Since then home sales are up to 4 million. When they layered sales over the graph they looked like they followed the housing sales trend. They are moving towards more C and C equipment. They are focusing on education seminars.

Frederick Block, Brick & Stone: Eric Estep reported that they were looking at bringing in new products to keep cashflow going. Dick Davies reported that they had a bad winter. Over 60" of snow. For two months there was nothing going on, but April through August was better than last year. He has concerns over this winter.

Fon du Lac Stone: Craig Kisser thanked Butch for hosting and complemented him on his operation. He stated he learned a lot from the tours on this trip and that he would bring back some things that he learned.

Bandera Stone Co.: Don Pemberton reported that they fabricated and installed the stone for the upcoming Field and Stream Show House.

Jones Stone Co.: Sarah Jones reported that their limestone has helped keep sales up. She has concerns about winter.

Halquist Stone Co., Inc.: Tom Halquist reported that their aggregate sales were slow. Bill Halquist reported that they were down again single digits. Over the years, they grew and grew, now they have to make some decisions on what to focus on. Bill stated it was important to keep the team in place.

U.S. Stone Industries, L.L.C.: Kent Barnow Reported that they went through a large consolidation. During that consolidation, they temporarily closed their St. Mary's Plant. Kent stated that it was a good decision since things have not bounced back in 2009 and 2010. Brent Bayer thanked the Colemans for hosting.

Adirondack Natural Stone: Andre Hagadorn reported that they had an interesting year for their quarry business. They have been maintaining but now they are busy. He informed the group that he is now importing and selling Stynex Splitters. His new company is Apex Equipment Incorporated. Andre Hagadorn Jr. Thanked the ASI. He also thanked his father for the opportunity to be involved in the stone business. He hopes that the worst is behind us and the economy is on the rebound.

Robert Browning
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rebttek@myfairpoint.net NED Corp: Brad Wyatt reported that in Pennsylvania he reported that NED Corp. had been acquired and merged with General tool. They have now franchised out their stone support centers. He introduced his guest Robert Browning of:

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Robert has been in the industry for over 20 years. Robert reported that he focuses his business from PA to Quebec and a little west. They service big blades as well as thin veneer blades and other products. They also keep an inventory of products. He hopes that natural stone continues to be promoted and sold so he can service the stone fabricators.

Tri-State Stone & Building Supply Inc.: Brian Porto reported a similar experience this past year to Fredrick Block, Brick & Stone because of the snow in the area. Things have rebounded to be about flat with last year. Brian reported that they saw a slow down coming a couple of years ago, and planned accordingly. They have gotten some institutional, government and commercial work since the housing slow down which has helped.

Stone Center of Indiana: Mark Sawyer reported business peaked in 2007. They were down 36% from 07 and have been flat since 07. They Right sized the organization and are down 10 employees. They Project to be profitable this year. They are selling through education, salesmanship, installation support and trade shows. They are selling their customers. Mark recapped his experience being tasked with investigating whether or not the ASI and BSI should merge a couple of years ago and mentioned the soul searching that went on about the merger. Even though at the time it appeared that there might be a majority of firms in favor of that merger, the votes were not there. He stated that the successful meeting in Colorado and the present meeting here in Pennsylvania has rejuvenated the ASI and in hind site we made the right decision. He stated that in Colorado one of the tasks was for the membership to look for potential new members. We have 10 or 11 guest here in Pennsylvania with six applications already in and we may have an additional four or five. Looking for Membership would be about full. Mark thanked all of those member firms who brought guests and he thanked the guest firms for attending. Please bring your minute books to the next meeting.

Montana Rockworks Inc.: Bill Carter spoke about the Mighty C. He has found it increases productivity for thin veneer manufacturers and installers. They are up about 18% this year. 2005 thin veneer was about 15% of sales to 60% today. Bill spoke of the 2012 convention in Montana. He suggested planning early. There are a lot of unique and fun things but some of them will take some preplanning. It may be worth extending either before or after the convention. He will be putting together some information and getting it out to the membership.

Butch Coleman mentioned that Carl Metzger, who has been doing MSHA talks at events for many years, said that this was the best event and most

congenial group he has worked with. Butch felt that this said a lot about our organization. Butch also thanked everybody for attending.

Mark Sawyer motion to adjourn. Butch Coleman seconded the motion. All in favor, motion passed.

Meeting closes at 10:30 A.M.