50 YEARS IBAW.com
INDEPENDENT BUSINESS ASSOCIATION OF WISCONSIN

JANUARY 2024

Monday, JANUARY 8th	Friday, JANUARY 19th
Sales Roundtable	*Wisconsin Monthly Meeting*

Inside This Issue:

OLLENBURG:
NAVIGATING UNCERTAINTY: RISK MANAGEMENT IN THE C-SUITE

MILLER:
3 REASONS WHY CONFIDENTIALITY IS CRUCIAL TO SELLING YOUR BUSINESS

CORAZZI:
WHY EVERY BUSINESS NEEDS A CFO

KEATING:
'PULSE' SURVEY: SMALL BUSINESS OWNERS WEIGH IN ON REGULATION

GROSS:
WHAT IMPACT DO YOU HAVE IN YOUR COMMUNITY?

ANNEX:
CORPORATE TRANSPARENCY ACT: HOW SERIOUSLY SHOULD YOU TAKE BENEFICIAL OWNERSHIP REPORTING

ANNEX WEALTH MANAGEMENT

WE'RE ALL BUSINESS.

Experienced. Capable. Predictable. Responsive. All things you expect from your banking partner when navigating complex transactions. Ixonia Bank provides innovative financing solutions that exceed expectations.

Recent Projects Financed

$8,100,000	Working Capital & Real Estate Financing
$4,200,000	Acquisition Financing Utilizing SBA Programs
$3,900,000	Capital Expenditure Financing for Growth
$3,500,000	Acquisition Financing Utilizing SBA Programs
$2,900,000	Partner Buyout & Working Capital Financing
$1,950,000	Working Capital Financing
$1,605,000	Industrial Manufacturing Acquisition
$1,400,000	Working Capital & Real Estate Financing
$1,050,000	Storage Facility Construction
$733,000	Succession Plan & Working Capital Financing
$695,000	Mixed Use Construction
$430,000	Working Capital Financing
$178,000	Affordable Multi-Family Acquisition

Member FDIC Equal Housing Lender

Greg Larson
Chief Executive Officer

Mark Wierman
President

Dennis Sampson
Director of Commercial Banking

Steve McGuire
Senior Vice President

Patrick Lubar
Vice President

Tyson Goecks
Vice President

Steve Kirst
Assistant Vice President

Cassandra Crandall
Treasury Management

Alex Fisher
Commercial Banking Officer

Ixonia Bank The Business Bank Run By Business People

Milwaukee County 414.763.2428 | **Waukesha County** 262.567.7509 | **Jefferson County** 920.206.2000

INDEPENDENT BUSINESS ASSOCIATION OF WISCONSIN

IBAW Mission:
To advance business prosperity through insightful programming, executive networking and member-driven public policy and advocacy.

Sales Roundtable

Monday, January 8th, 2024 | Time: 8:00 am - 9:30 am

Location: Von Breisen Training Center, 20975 Swenson Drive, Suite 400, Waukesha

In business, we're always looking for an edge to get new clients and their business, this is especially true when it comes to being in sales where the competition has never been more fierce. But what can we do to give us that edge? How can we use modern technology and old school tactics to our advantage - and what are those tactics?

At this Sales Roundtable we'll discuss, and share as a group tactics, tips, and other guerrilla sales & marketing methods movers and shakers in their field have used to their advantage. Join us!

*Note: Sales Roundtable is a free event but you must be an IBAW member to attend.

Register at IBAW.com

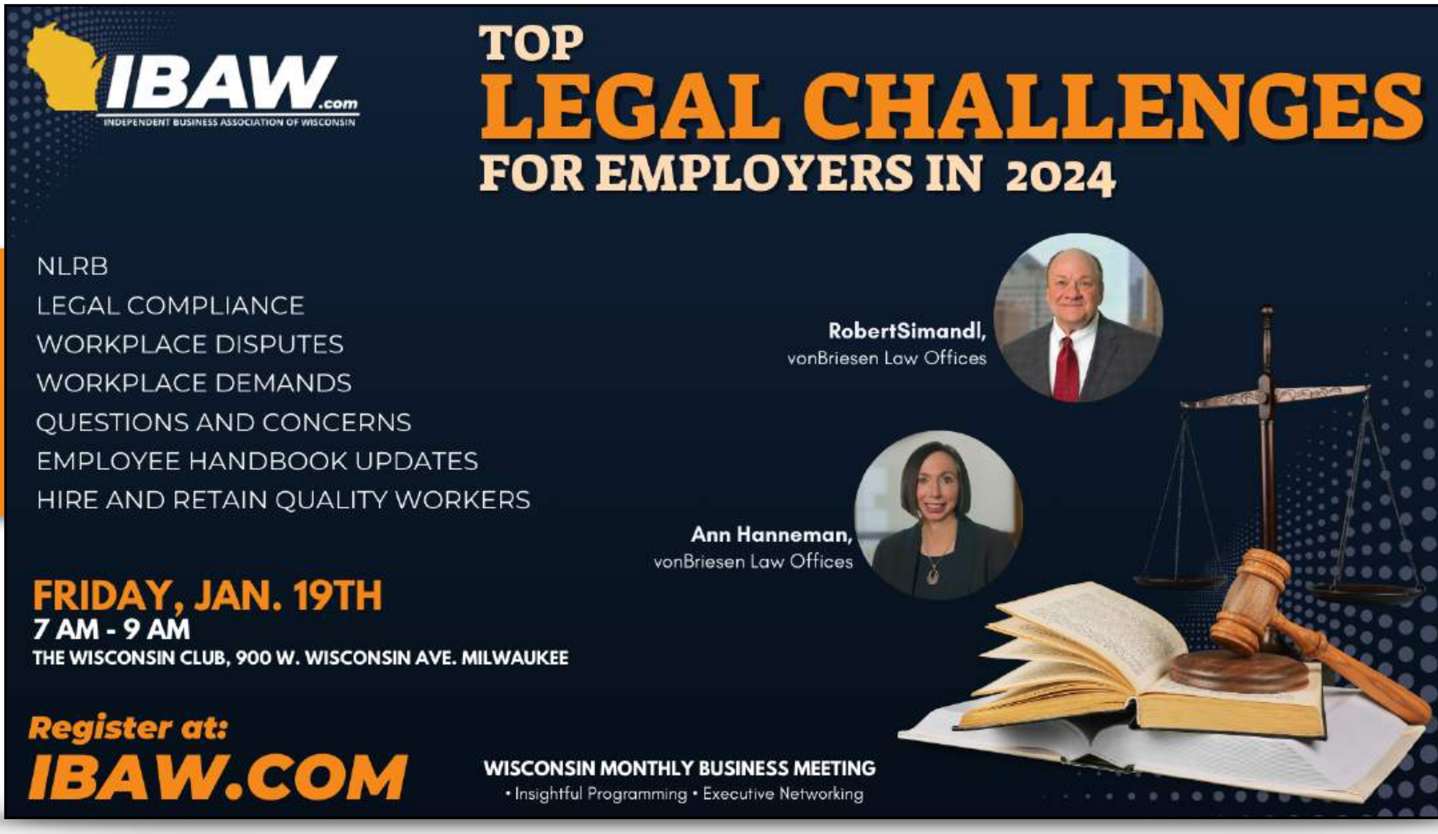
IBAW.com
INDEPENDENT BUSINESS ASSOCIATION OF WISCONSIN

"… Sales Roundtable is a great place to send my sales and marketing team, it's easily worth the price of membership on its own."

Wisconsin Monthly Business Meeting

Friday, January 19th, 2024 | Time: 7:00 am - 9:00 am

Location: Wisconsin Club Ballroom, 900 West Wisconsin Ave. Milwaukee



Bob Simandl and ***Ann Barry Hanneman***, with the law firm of **von Briesen & Roper, s.c**., will discuss the top legal issues they see confronting employers as we venture into 2024. With evolving workplace demands and the challenge to hire and retain quality workers, employers are faced with questions and demands related to remote work, employee handbook updates for legal compliance and the engagement of the NLRB (and its work sharing agreements with other federal agencies) in workplace disputes – whether or not employees are represented by a union.

Please join Bob and Ann as they walk through the critical business decisions that arise in addressing these concerns and discuss the best practices employers are adopting to meet the legal and practical challenges expected in 2024.

LOCATION	THE WISCONSIN CLUB 900 W. WISCONSIN AVE. MILWAUKEE
7:00 AM	CHECK IN, COFFEE & NETWORKING
7:30 AM	BREAKFAST & PROGRAM
9:00 AM	PROGRAM ENDS

Advanced registration & payment is required.
Please, no walk-ins.

[Register at IBAW.com]

IBAW.com
INDEPENDENT BUSINESS ASSOCIATION OF WISCONSIN

Navigating Uncertainty: Risk Management in the C-Suite

Jessica Ollenburg, CMC, CPCM, Managing Partner at Ollenburg LLC

In the dynamic landscape of business, the role of the C-Suite goes beyond steering the ship; it involves skillfully navigating through risks that can impact the organization's success. Effective risk management at the executive level is paramount for ensuring sustainable growth and resilience. In this article, we explore strategies and tools that empower the C-Suite in managing risks proactively, while never losing organizational ability to capture positive opportunity.

Understanding the Landscape

In today's dynamic business landscape, the role of risk management has never been more crucial, especially within the C-Suite. As the driving force behind organizational strategy, executives must adopt robust strategies and tools to effectively manage risks and safeguard their enterprises. Empowered executives will grasp a comprehensive understanding of organizational risks. This involves conducting thorough risk assessments, considering both internal and external factors. By identifying potential threats and opportunities, executives can develop a strategic approach to risk that aligns with the company's objectives.

Establishing a Risk-Aware and Opportunity-Aware Culture

Executives should promote open communication regarding risks and opportunities at all levels of the organization. As individual humans, most cannot see all facets of organizational risk and opportunity; however, bringing these viewpoints together can close the gaps. Appreciative Inquiry offers us extraordinary opportunity to amplify what is working well rather than to focus on what's wrong. While we cannot afford to negate problems, we must recognize that humans are naturally inclined to over-attend what's wrong, thereby mitigating our opportunity to excel. Compartmentalization must be deployed to isolate the negative from the positive, so that we can more easily bring real opportunity to the forefront with lesser strain on people and resources. While quick bursts of adrenaline can empower us for limited time, the relaxed mind is statistically far more powerful to create, invent and problem-solve than the overly stressed mind. Proactive risk mitigation remains popularly considered to be three-times less costly than reactive risk mitigation.

Building and Relying Upon the Right Information

Geopolitical uncertainty and the questionability of external data contribute to landscape "fog." Deploy internally derived data to the greatest ability and value possible, keeping in mind the cost-benefit analysis of data collection and interpretation. Extrapolation can be deployed where best. Rather than entrusting or ignoring external data, check intuitively opposing sources for external data, and interpret this in consideration of internally-derived data and company-specific trends. This enables timely identification and mitigation of potential issues, creating a more growth-ready and resilient business environment. Leveraging advanced data analytics helps in discerning patterns and trends, providing executives with the necessary foresight to identify emerging risks and opportunities.

Embracing Technology

Technology plays a pivotal role in modern risk management. While the threats of overdependence, misinformation and privacy breach are real, artificial intelligence is thriving as a business resource; leveraged in part to create communications, customer service and cyber security, among other popular uses. As with all tools, the caveats must be understood and addressed at the highest level to ensure alignment and to capture enhanced opportunity. AI can thrive as a resource where proper human judgment and proper risk mitigation are deployed. Executives should leverage advanced analytics, artificial intelligence, and data-driven tools to assess and predict risks. Technology platforms should

Article continues ⬇

be designed in part by those who truly know the efficiency of tasks. Those who allow their tech teams to run amuck with platform change without true value are threatening their own companies. Platforms must be built with future informational needs in mind, as the creation and coding of fields is critical to the future use of today's information for tomorrow. The best use of technology provides real-time insights, enabling proactive decision-making, being nimble and reducing response time in the face of emerging threats and opportunities. In communication, technology-enabled practices will consider that younger team members have statistically spent more time communicating through devices rather than the old-school means of negotiating, persuading, managing conflict and leading.

Legal Risk Management and Compliance

Staying on top of regulatory compliance is crucial. Executives must ensure that their organizations not only comply with existing regulations but also anticipate and prepare for regulatory changes. This proactive stance mitigates legal and financial risks associated with non-compliance. Constantly changing laws at local, state and federal levels create a significant burden in research, know-how, due diligence and affirmative defense. The nexus of remote and hybrid workers must be carefully considered with knowledge regarding the true nexus of work, supervision and unique governing laws. As an example of this burden of know-how, my own Inbox folder of government notices regarding lawsuits, fines and changing laws/precedents has increased by 1104 new announcements in only one month's time, December 2023. Much of the strongest demand for Ollenburg Executive Consulting is immediately in not only the change management know-how through extensive experience and never-ending research of what works and what doesn't, but also the risk mitigation available through affirmative defense signed off by court-recognized third-party experts. Additionally, our LawfulChecks.com initiative reports significant increases in pre-hire background investigation. While many employers are required to perform such checks where hiring fiduciary, secure access, childcare, healthcare, privacy and/or the many other categories of extraordinarily trusted employees with restricted access; we're seeing an increase in employers seeking to protect their existing team through more precise evaluation of incoming team without discrimination and without creating risky internal records. Where talent shortage exists, an attractive employer culture includes mitigating risk and maximizing quality of work life for team members.

In Conclusion

Effective risk management involves scenario planning; and by developing and testing various scenarios, executives can identify vulnerabilities and formulate contingency plans. This proactive approach helps organizations adapt swiftly to unforeseen challenges, creating a nimble organization. While being properly risk-reduced is key, we recommend a keen awareness to view opportunity and upside as equally critical to organizational health. A properly aligned organization will often achieve the greatest reputation and workforce strength. Today's leaders may have a blurry vision of employee motivators due to changing times, yet establishing and honing a well-defined and well-aligned organization can attract and engage the right people to the right seats with the right resources and clarity. Collaboration is key. Executives must work closely with different departments to ensure a holistic approach for optimized opportunity and mitigated risk. By implementing robust strategies and leveraging cutting-edge tools, the C-Suite can lead their organizations to not only survive but thrive in the face of challenges.

Jessica Ollenburg, CMC, CPCM is Managing Partner at Ollenburg LLC, an award-winning executive consulting firm specializing in change management, employment law and entrepreneurial ventures. Prior to OLLC, Jess served as Senior Executive Consultant, Co-Founder and CEO of Human Resource Services, Inc. (HRS), a multi-award-winning consulting firm bridging HR to the C-Suite and empowering HR leaders, while scaling HRS from scratch to beyond 1500 employees with global audience and more than 5000 employer clients. For more information, please visit OllenburgLLC.com.

Why Every Business Needs a CFO

Lynn Corazzi, Data2Profit Consulting

Many business owners don't know they are completely missing a key aspect of their business: finance. They have an accountant who handles "the numbers," and a CPA who files taxes. But that's it. No one is doing financial strategy.

"I had my business for 10 years before I understood that," Amelia Forczak, the owner of Pithy Wordsmithery, shared recently. Why don't many small and medium-sized businesses have a Chief Financial Officer (CFO)? And why does it matter?

The CFO is your business partner who:

- Uses their experience and financial knowledge to guide the leadership team.
- Manages a diverse range of critical accounting and finance activities.
- Provides insight into future performance, mitigates risk, and helps achieve objectives.
- Is actively involved in your business.

Without a CFO, who else fills this critical role?

No More Money Mysteries: Empower Yourself to Prevent Financial Surprises

A friend shared the story of two owners who needed a loan. They reviewed their financials monthly and confidently submitted their application. Later, they were shocked to learn they were denied. Sales and profits had declined eight quarters in a row. "That can't be! Our accountant is a friend and would have warned us!"

The CFO's job is to ensure there are no financial surprises. Good or bad! Without an effective CFO, they happen far too often. So why do so many owners fly without a financial co-pilot?

1. Outsourced Trust – Owners believe their accountant, banker, or tax advisor cares as much as they do. They certainly care. But realistically, they work with lots of businesses. Few focus on a single business every week.
2. Accounting is a Mystery – Owners have a passion for doing their thing. Not "numbers." They don't understand accounting, much less enjoy it. That's why accounting is often outsourced. Bankers and accountants can tell stories about business owners who lack interest and curiosity about their numbers.
3. Success – "We're growing and profitable!" That mindset works for a while, but as the business grows, managing finances gets increasingly complex, and critical.
4. What is finance? – Owners often don't know the difference between accounting and finance. They are closely related but are very different disciplines, with different roles, and value contributions.

Bottom line, without a dedicated finance partner, an understanding of accounting, and basic financial processes in place, a surprise will happen. It's a matter of when and how bad.

Numbers to Strategy: The Crucial Distinctions Between Finance and Accounting

CFOs lead two separate disciplines, Accounting and Finance. They both play vital roles, with different mindsets and skill sets. Accounting is required because you must pay taxes. Finance is optional (to a point). Let's look at a few key differences.

Article continues ⬇

Focus - Accounting deals with the past. It's a rear-view mirror. Accounting = Actual = Ago. Finance uses data to create information and look ahead. Finance = Future = Owner's Fear and the business' Fortune or Failure.

Answers – Accounting reports history as most accounting records what happened. Financial statements report up to today and earlier. They tell you "What".

- What were sales and profits?
- How much cash do we have?
- Did inventory values increase or decrease?
- Who owes us the most money?

Financial analysis digs deeper to understand "why?" and offers guidance on "what's next?"

- When will we need to borrow money?
- Why did gross margins change?
- What is an investment's rate of return?
- What products are the most profitable?

Rhythm & Role – Accounting repeats regular transactions driven by the calendar. Payroll, bill due dates, month-end reporting. There is an established rhythm of monthly work. Finance routines involve performance reviews and KPI updates. However, they focus more on special projects that help the CFO provide answers.

	Accounting	Finance
Focus	Past (A = Actual)	Future (F = Forecast)
Answers	What Happened?	Why? What's Next?
Main Objectives	Record Transactions, Financial Statement Preparation	Business Analysis, Management Decision Support
Role	Functional Expert	Business Partner
Nature of Work	Weekly/Monthly Routine	Leadership-Directed Projects
Where They Sit	Accounting Department	With Leadership Sales, Marketing, Operations
Required	Yes	No

Match A CFO Focus to Your Business Needs

Business owners and leaders think, and worry, about the future. At some point, they will recognize they need a more engaged financial expert. They need a CFO.

The first question is: Full-Time or Fractional? This will depend on how much they are prepared to invest.

A fractional CFO is cost-efficient, but a limited scope and priorities must be established. They cannot fulfill the full scope of CFO responsibilities. It is critical to match business needs to a candidate's experience and focus:

- Technical Accounting – Deep accounting expertise is appropriate if your need is to improve accounting work processes, drive cost savings, and manage compliance and plans.
- Financial Leadership – Creative experience is appropriate if you need strategic planning, analysis, and education.

Data2Profit offers Fractional CFO services with a finance focus. Reach out for a complimentary 2-hour review.

3 Reasons Why Confidentiality is Crucial To Selling Your Business

Tammie Miller, Managing Partner, TKO Miller

I have seen business owners frozen by fear. The thought that their customers, competitors, or employees might find out that they are considering a sale, is sometimes so overwhelming that the business owner does nothing at all. Even worse, they may consider selling their business "quietly" to a friend or neighbor to keep it as confidential as possible. Confidentiality is important during the sale process and when your investment banker tells you that it is also important to run a process that involves multiple parties, confidentiality may seem impossible.

Why is confidentiality important?

1. If your competitors find out that you are for sale, they can use that to sell against you

2. If your customers find out that you are for sale, they can have doubts about your stability and ability to service them going forward

3. If your employees find out that you are thinking about a sale, they may begin to look for other jobs

There are ways to have your cake and eat it too as it relates to confidentiality.

1. Put a real confidentiality agreement in place. Do this before you have any kind of meaningful conversation. Your investment banker or your lawyer can help you with this. Any real, interested buyer will not have a problem signing this document. Generally, we like to include a "no hire" provision in our confidentiality agreements as well. This prohibits the buyer from saying "no thank you" to the transaction, but proceeding to make an offer to your plant manager one week after receiving the company's information.

2. Move quickly. Once you begin the sales process, you will want to move as quickly as possible. This will require some preparation on your part and will be enhanced if you are using the services of an investment banker.

3. Go to the right buyers. Going to multiple buyers is incredibly important to increase purchase price. You must make sure you are going to the right buyers though. If you went to the supermarket and advertised your metal bending company for sale, you might have a couple of interested parties who look through your information, but it is unlikely that you will find your buyer. The right group of buyers means that your investment banker should spend a good deal of time creating the list of parties with whom you are comfortable sharing the information. This should be done before you contact anyone.

4. Don't send out an email, a mass mailing, or advertise your business for sale on a website. This may seem old fashioned, but any business of size should have direct contact between a potential buyer and the investment banker. In calls with potential buyers, a skilled investment banker can ascertain without mentioning anything about the business for sale, whether that buyer is looking for acquisitions, what areas of their business they are looking to grow, or if there is a particular geography that is important. By asking the potential buyer a couple of questions, you may be able to rule them out before you have shared any information at all, completely preserving confidentiality while fine tuning your buyer list.

Confidentiality around your transaction is not something to take lightly. However, there are ways to manage your risks around the news of the sale leaking. Don't let your confidentiality concerns stop you from making progress.

Corporate Transparency Act: How Seriously Should You Take Beneficial Ownership Reporting

Annex Wealth Management

As part of the Anti-Money Laundering Act of 2020, the Corporate Transparency Act (CTA) will soon take effect.

The CTA aims to combat money laundering, tax fraud, and other illicit activities by enhancing transparency among small businesses. Starting January 1, 2024, many companies and entities in the U.S. will need to report information about their beneficial owners to the Financial Crimes Enforcement Network (FinCEN).

The definition of a reporting company is very broad as it applies to "corporations, limited liability companies, and any other entities created by the filing of a document with a secretary of state or any similar office in the United States." Many entities created for the purpose of owning property fall under the rule.

Often, people create entities for privacy reasons. According to the legislation that created this requirement, the FinCEN information shared with the government will not become publicly available.

Certain entities will be exempt from the reporting requirement, such as publicly traded companies, banks, and tax-exempt entities. In addition, certain beneficial owners who are considered exceptions do not need to be reported. However, it may be unwise to assume an entity is exempt or that an individual falls under an exception. FinCEN has a compliance guide available for small entities. Check it out HERE

The deadline for reporting has changed in the past, and it may change again, but when the reporting officially goes into effect, any new entity created in 2024 will have 90 days to report their beneficial ownership online through a secure website. For entities created in 2025 or later, the deadline to report is 30 days. Any existing entity—formed prior to 2024—will have until January 1, 2025 to comply.

CTA reporting should be taken seriously. Many individuals have businesses or entities that may fall under this reporting requirement, and the penalties could be steep. It is important to work with a professional to make sure your entity is and will be in compliance.

Maintaining compliance is not an insurmountable hurdle for entity owners, though it does require designating an individual to be responsible. CTA reporting is not a "one-off" reporting requirement. After the initial report, updates must be provided within 30 days of a change in any beneficial owner's information, like name, address, or ownership percentage. Reporting companies and entities must also annually confirm the accuracy of the information on file with FinCEN.

There are many things that still need to be finalized with the Corporate Transparency Act. As of this writing, the database has not been completed, though FinCEN says it will be ready by January 1, 2024. The annual verification process is also still being finalized. A useful set of frequently asked questions is available here

If you're an owner of an entity or thinking about forming a new entity, it is critical to consult your tax or legal advisor to help navigate this new requirement and determine whether it applies to you.

EPA's New Push for Environmental Justice: What Small Business Should Consider Now

Alexander C. Lemke, Meissner Tierney Law Office

On November 15, 2023, the Environmental Protection Agency ("EPA") announced that it was opening a 60-day public comment period as it considers updates it plans to make to its document entitled: **Technical Guidance for Assessing Environmental Justice in Regulatory Analysis** (the "Guidance Document"). Public Comments need to be submitted by January 15, 2024.

It is important to understand that this Guidance Document is *not* a regulation, but businesses with an environmental aspect (e.g. manufacturers, waste processors, etc) should be aware of the key aspects of these materials, if only for the purpose of gaining insight on how to successfully work with the EPA in resolving environmental concerns in an effective and efficient manner.

By way of background, the initial version of this Guidance Document was first published in 2016. According to the EPA, the purpose of this update is:

[T]o reflect the state of the science; new peer-reviewed agency guidance; and new terminology, priorities, and direction, including Executive Order 14096. The purpose of this guidance is to outline analytic expectations and discuss technical approaches and methods that can be used by agency analysts to evaluate EJ concerns for regulatory actions. This technical guidance builds on the EPA's experience in evaluating environmental justice concerns within the rulemaking analytic process and underscores the EPA's ongoing commitment to ensuring the just treatment and meaningful involvement of all people with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies.

The Guidance Document is currently 130 pages long and filled with technical considerations and challenging guidance for both the private businesses and agency officials. However, while these are not enforceable rules, the EPA explicitly encourages senior EPA managers to: "find this document useful for understanding what role analysis can play in ensuring that [Environmental Justice] concerns are appropriately considered and addressed in the *development of regulatory actions*. In other words, the EPA encourages its regulators to consider the Guidance Document as they develop regulations and enforce those regulations.

Therefore, as the EPA continues to move forward with using Environmental Justice as a marker and guideline to measure "success" businesses (particularly those that interact with or potentially interact with the EPA) should be aware of some of the basic strategies contained in the Guidance Document.

Article continues ⬇

How This Document Will Be Used By the EPA's Analysts

The Guidance Document makes the four overarching recommendations to its analysts:

1. While analysts should use best professional judgement to decide on the type of analysis that is feasible and appropriate, when risks, exposures, outcomes, or benefits are quantified, some level of quantitative Environmental Justice analysis is recommended.
2. Analysts should integrate Environmental Justice into the planning of a risk assessment conducted for the regulatory action.
3. Analysts should strive to characterize the distribution of risks, exposures, or outcomes within each population group, not just average effects.
4. Analysts should follow best practices appropriate to the analytic questions at hand.
5. As relevant, analysts should consider any economic challenges that may be exacerbated by the regulatory action for relevant population groups of concern.

A substantial portion of the Guidance Document provides additional information, metrics, and considerations by which the EPA hopes to "guide" its analysts in these matters.

What Businesses Should Consider in Light of this Guidance

Business owners often do not have the extensive resources required to navigate the time-consuming, expensive aspects of interacting with a government agency such as the EPA. However, it may be beneficial to take some preemptive steps on the front end in order to avoid unwanted repercussions on the back end. In effect, by taking small, proactive steps to implement at least some of this guidance, small businesses can attempt avoid attracting the EPA's unwanted attention and unwarranted scrutiny.

1. Be aware that Environmental Justice is now a factor and consideration routinely utilized by the EPA;
2. Have an extensive understanding of what your business needs to do to comply with any applicable environmental regulations and comply with them;
3. Relatedly, be aware of the constant evolving regulatory environment and potential hire an environmental lawyer to stay abreast of changes that impact your business;
4. Engage with the community in which you operate. Businesses with environmental aspects to their business (particularly if those aspects could be perceived as adverse to the health of the community) should attempt to be a good corporate citizen by working with local leaders to improve communication and consider feedback; and
5. Finally, if something goes wrong and there is an environmental emergency, having a strong response plan will not only reduce long-terms costs it will demonstrate goodwill

While this Guidance Document does not have the force of law, the EPA encourages its officials and private businesses to implement its guidance. However, because of this encouragement, businesses can expect the EPA to consider these recommendations when it conducts analysis and as it develops more regulatory framework in the context of this Guidance Document.

What Impact Do You Have In Your Community?

Bob Gross, CEO, Gross Automation

I have always loved the Christmas season. From when I was just a pup through today, this wonderful time of the year sets well with me.

Her name was Karen Wenzel. Perhaps you know her. At one point she was the president of the Wauwatosa Lions Club and she was very active in our community.

Unfortunately, her daughter, Lindsay, passed away from a rare blood cancer about 12 years ago. So Karen and her husband Gene set out to build a program to fight blood cancer in her memory and called it Lindsay's Voice. This then became the foundation of Trees of Hope. For (9) years, the Trees of Hope program was held here at the Radisson Mayfair at the end of November and had raised just shy of $180,000 for cancer research, 100% of which was donated to the Blood Center and Kathy's House. The pandemic unfortunately put an end to the Trees of Hope and Karen and Gene went and retired to Florida.

The highlight of the Trees of Hope program was – the trees! Organizations throughout the community were asked to design, build, and donate trees for the auction. During the (9) year run, I was successful in snagging about (7) totally awesome trees. Some of the themes were a Ford Hot Wheels tree, a Chicago Metra Limited Edition Train tree, a Breast Cancer Awareness tree, a Packer's Playoff tree, and a Star Wars Theme tree.

Building upon those, my team this year added another 20+ trees to our collection. We added a Grinch Theme tree, a Cardinal Bird tree, da Bears tree, a Liquor Bottle tree, a Frozen Movie tree, a Boy Scout Camp tree, and a 101 Dalmatians tree. There is a Din Rail and Shop tree, a Fishing Lure tree, a Wisconsin Badgers tree, and a Mitten tree among other trees. The team here at Gross Automation went way overboard on this. Our lobby, our conference room, our training facility, and our bar area are all aglow with decorations and trees.

In conjunction with the Salvation Army, the Lions Club, and the Kiwanis, we joined the Tosa For Tots toy collection and distribution program. We were open until 7pm on a couple of evenings so that our customers, employees, vendors, and community members could stop by and drop off toys. One evening, even Santa stopped in for some cheer at the company bar. By all accounts, we were successful and will make a difference in some children's lives.

One particular toy/gift stands out because one of our suppliers flew in from Sweden and picked up a Down's Syndrome Barbie. How awesome a gift for a very special child.

One of my long-standing rules is that Christmas stays up until the Packer's season is over. A couple of years ago, that got us a one-week extension when they added a week to the regular season. Of course, if they make the Super Bowl, Christmas goes well into February. Not sure yet how this year will play out, but it is not looking good at the moment. So, that means if you want to see our incredible display of trees, you have only a couple of weeks into January to do it.

So, while it is too late to donate a toy for the toy drive, consider a cash donation to the Salvation Army. Please, come on over and see what we have done. Perhaps it will inspire the next idea for helping those in need in our community. You never know the positive impact that you may have on others.

“Pulse Survey: Small Business Owners Weigh in on Regulation

Ray Keating, Chief Economist, SBE Council

Whether targeted at “big business” or not, we all pay for unnecessary and costly regulation. As made clear, once more, in SBE Council’s latest “**Small Business Check Up Survey**,” small business owners understand this quite well, as the costs of regulation fall heaviest on smaller enterprises.

Cost of Federal Regulation

As noted in an **updated study** released by National Association of Manufacturers and authored by economists Nicole V. Crain and W. Mark Crain (“The Cost of Federal Regulation to the U.S. Economy, Manufacturing and Small Business”), the burdens of federal regulations fall harder on small firms.

For example, the annual per employee costs of regulations registered $14,700 (2023 dollars) for small businesses with fewer than 50 employees, $13,800 for firms with 50-99 workers, and $12,200 for firms with 100 or more employees.

And the difference was even more striking among manufacturers, with per employee costs of regulations registering a staggering $50,100 for small manufacturers with fewer than 50 employees, $28,000 for manufacturers with 50-99 workers, and $24,800 for manufacturers with 100 or more employees. And keep in mind that manufacturing is overwhelmingly populated by small businesses, with 93.1 percent of employer manufacturing firms having fewer than 100 employees (according to the latest Census Bureau data (2020)).

Small Business Views on Regulation

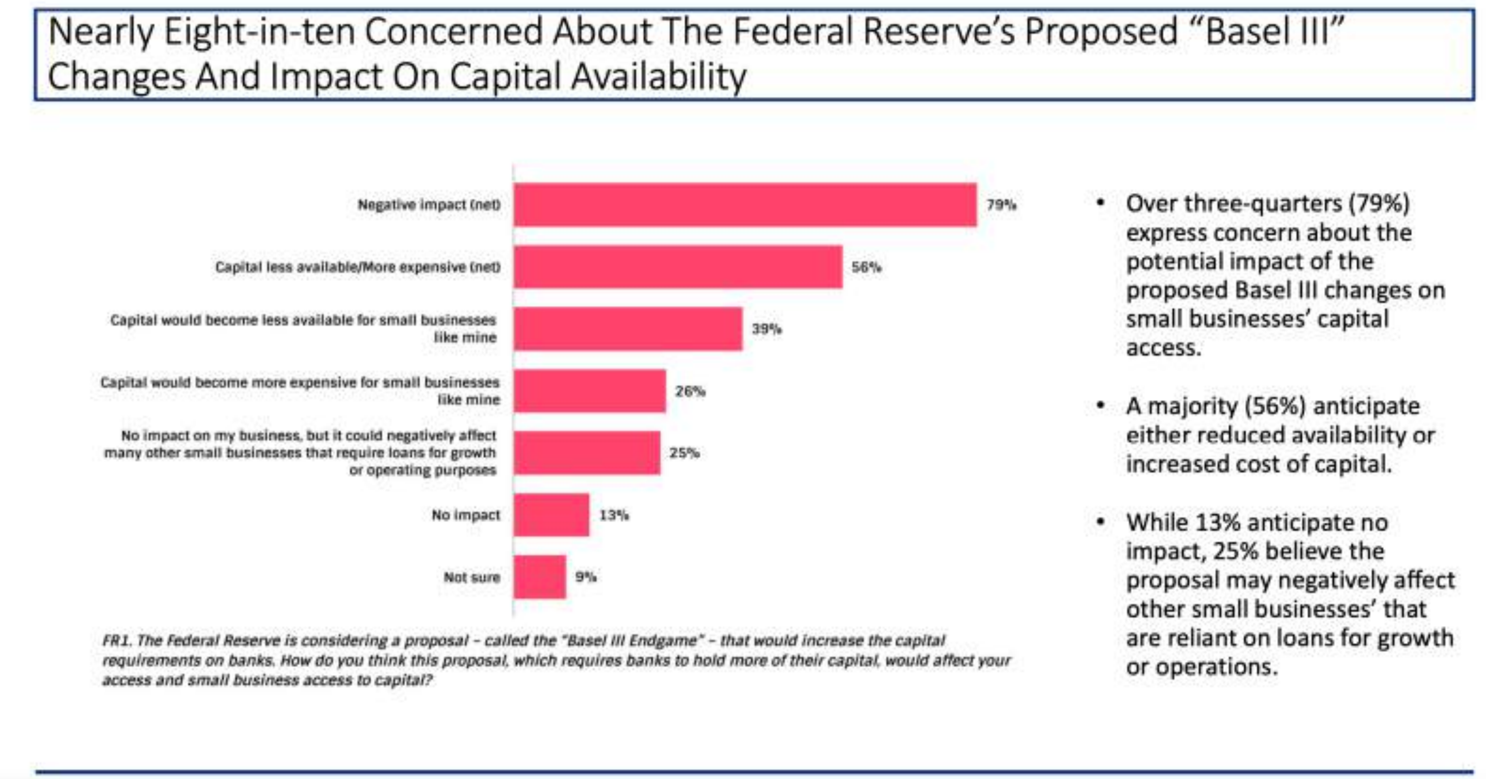
Given that the U.S. economy very much is a small business economy, elected officials, policymakers, analysis, and talking heads would be wise to consider the views and expectations of small business owners.

And SBE Council’s latest “**Small Business Check Up Survey**” is rich with critical findings regarding the views of small business owners on a host of issues, including, for example, on the matter of regulation.

- 45 percent of small business owners view new regulatory threats as negatives for their business.

- Keeping in mind that 53 percent of small business owners agree that lack of available credit or access to capital is hampering their company’s operating capacity, according to the latest survey, it’s not surprising that the Fed’s proposed

Article continues ⬇



● As for President Biden on regulation, small business owners give him poor grades, with 31 percent giving him an "F," and 19 percent a "D." For good measure, 26 percent assign a middling "C." That leaves only 14 percent giving Biden a "B" on regulation and 6 percent an "A."

Entrepreneurs, investors and their employees drive economic, income and employment growth, and yet elected officials and their employees seem to go out of their way to impose additional costs and burdens via new and expanding regulation. Small businesses, workers and our economy need a serious, comprehensive effort at deregulation. Nonetheless, politics and economic ignorance dominate, and America gets saddled with ever-growth, counter-productive regulations.

Raymond J. Keating is chief economist for the Small Business & Entrepreneurship Council.

IBAW / DALE CARNEGIE PRESIDENTS CIRCLE

A LEADERSHIP PROGRAM FOR CEOs, PRESIDENTS, AND BUSINESS OWNERS

As the CEO, President, or Owner you are asked to produce more results with fewer resources, meet and exceed competition, innovate and motivate. This creates very difficult teams and leadership challenges. Leaders must encourage teamwork, bottom-up idea generation, alignment, loyalty and above all commitment. Rather than direct and dictate, leaders must inspire and motivate!

The Presidents Circle:
The IBAW and Dale Carnegie Training have developed an exclusive Leadership program for IBAW members only. The Presidents Circle combines peer group engagement and highly targeted executive Dale Carnegie Training among peers to help you achieve significant results. These results will be achieved by providing insights, peer challenges, and developing leadership skills which are aligned with your organization and which will help drive agendas. By combining corporate mission, vision and values with our unique methodology employees will begin supporting a world they helped create.Ultimately, the only sustainable competitive advantage is the innovation, motivation, and creativity of the employees of an organization. Establishing a strong leadership culture provides the environment where innovation and creativity can flourish.

Program Specifics:

- Meetings with other IBAW CEOs/Presidents/Business Owners
- 10 monthly meetings
- Dale Carnegie Executive Leadership Training workshop each session.
- Round Table Issues Discussed and Resolved
- Guided Yearly planning
- Accountability among peers.
- Business Results

The President's Circle will help you achieve results by:

- Providing training among peers
- Creating and sustaining change initiatives
- Ensure continuous improvement and bottom-line impact
- Align the organization behind a common vision
- Develop a habit of fact-based decision making at every level.
- Strengthen and implement strategic planning
- Create a value based culture to ensure loyalty
- Build energy and trust up and down the organization to insure customer loyalty.

Commitments:

- Attend meetings
- No cost for meetings, a benefit of IBAW membership
- Referrals or 3 enrollments

IBAW.com
INDEPENDENT BUSINESS ASSOCIATION OF WISCONSIN

IBAW SALES ROUNDTABLE

2nd Monday of the Month

8:00 am - 9:30 am
Free & open to IBAW members only
Register at IBAW.com

Sales can be a tough road of ups, downs, potholes and a few bumps.

But it can also be fast paced, exhilarating and rewarding.

If you're in sales, you know there are things only other sales people understand; the thrill of scoring the big account, the uncertainty of "let me think about that.", the frustration of phone calls or emails that don't get returned. IBAW's **Sales Roundtable** is a support and knowledge resource for sales professionals, business owners, marketing and branding experts who are charged with driving sales.

Join us to discuss the strategy, tactics, inspiration, and motivation to increase sales. It's a **FREE** benefit of your membership!

Who should attend:
- Sales professionals of any level.
- Business owners
- Sales Managers
- Marketing & P.R. Professionals

IBAW.com
INDEPENDENT BUSINESS ASSOCIATION OF WISCONSIN

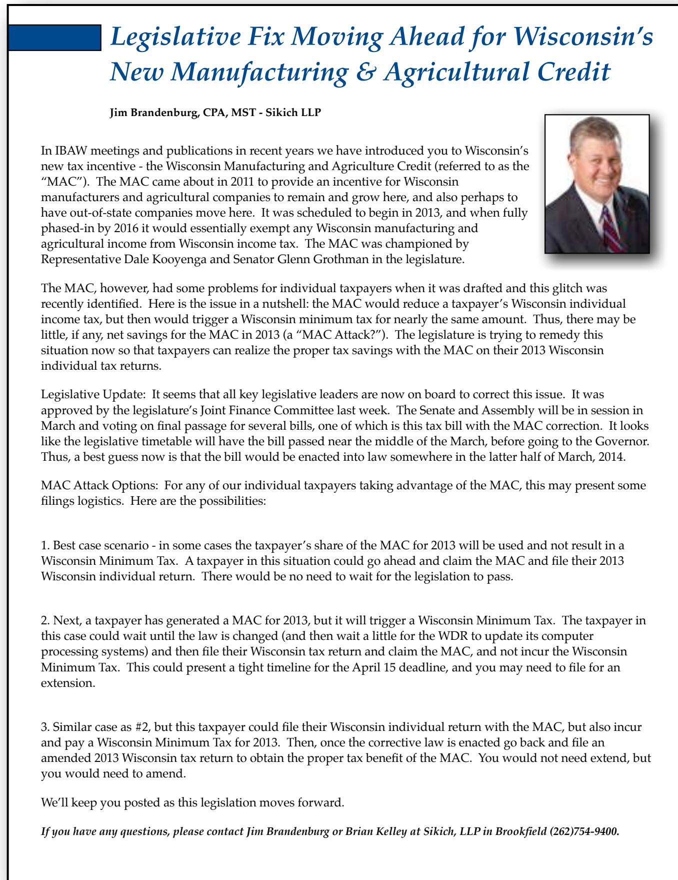
INDEPENDENT BUSINESS ASSOCIATION OF WISCONSIN

Magazine Content Needed - Consider Submitting an Article!

The IBAW magazine is in need of content, we rely on our members and sponsors to supply us informative articles. The digital magazine is sent out to over 650 contacts statewide and the magazine is parked on the web where, on average, it gets over 1100 views.

Consider writing an article on a timely business related topic to your particular field of business. This is an ***outstanding*** opportunity for you and your company to gain exposure and increase your brand awareness to a statewide audience. There is no cost to submitting an article.

Contact Steve Kohlmann for details.



Legislative Fix Moving Ahead for Wisconsin's New Manufacturing & Agricultural Credit

Jim Brandenburg, CPA, MST - Sikich LLP

In IBAW meetings and publications in recent years we have introduced you to Wisconsin's new tax incentive - the Wisconsin Manufacturing and Agriculture Credit (referred to as the "MAC"). The MAC came about in 2011 to provide an incentive for Wisconsin manufacturers and agricultural companies to remain and grow here, and also perhaps to have out-of-state companies move here. It was scheduled to begin in 2013, and when fully phased-in by 2016 it would essentially exempt any Wisconsin manufacturing and agricultural income from Wisconsin income tax. The MAC was championed by Representative Dale Kooyenga and Senator Glenn Grothman in the legislature.

The MAC, however, had some problems for individual taxpayers when it was drafted and this glitch was recently identified. Here is the issue in a nutshell: the MAC would reduce a taxpayer's Wisconsin individual income tax, but then would trigger a Wisconsin minimum tax for nearly the same amount. Thus, there may be little, if any, net savings for the MAC in 2013 (a "MAC Attack?"). The legislature is trying to remedy this situation now so that taxpayers can realize the proper tax savings with the MAC on their 2013 Wisconsin individual tax returns.

Legislative Update: It seems that all key legislative leaders are now on board to correct this issue. It was approved by the legislature's Joint Finance Committee last week. The Senate and Assembly will be in session in March and voting on final passage for several bills, one of which is this tax bill with the MAC correction. It looks like the legislative timetable will have the bill passed near the middle of the March, before going to the Governor. Thus, a best guess now is that the bill would be enacted into law somewhere in the latter half of March, 2014.

MAC Attack Options: For any of our individual taxpayers taking advantage of the MAC, this may present some filings logistics. Here are the possibilities:

1. Best case scenario - in some cases the taxpayer's share of the MAC for 2013 will be used and not result in a Wisconsin Minimum Tax. A taxpayer in this situation could go ahead and claim the MAC and file their 2013 Wisconsin individual return. There would be no need to wait for the legislation to pass.

2. Next, a taxpayer has generated a MAC for 2013, but it will trigger a Wisconsin Minimum Tax. The taxpayer in this case could wait until the law is changed (and then wait a little for the WDR to update its computer processing systems) and then file their Wisconsin tax return and claim the MAC, and not incur the Wisconsin Minimum Tax. This could present a tight timeline for the April 15 deadline, and you may need to file for an extension.

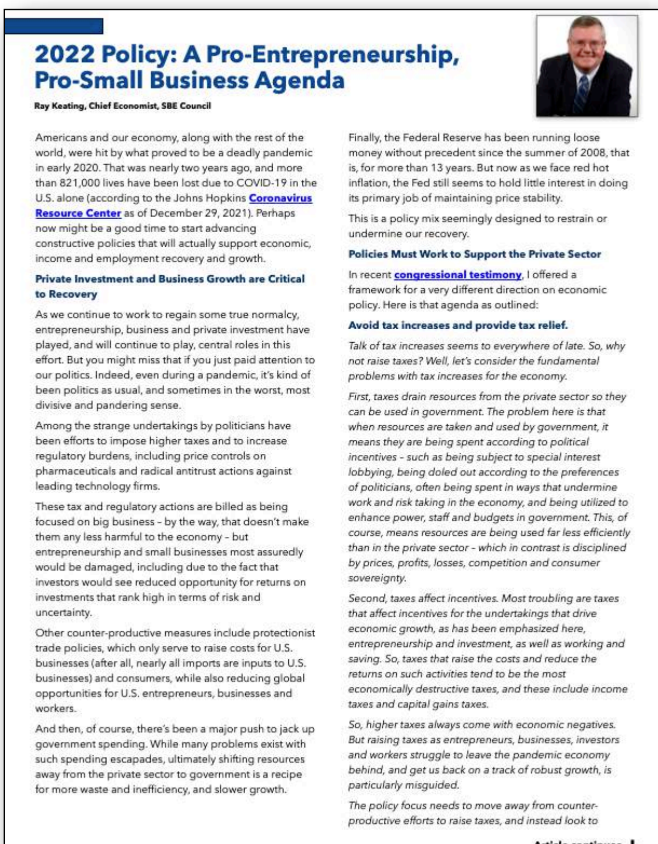
3. Similar case as #2, but this taxpayer could file their Wisconsin individual return with the MAC, but also incur and pay a Wisconsin Minimum Tax for 2013. Then, once the corrective law is enacted go back and file an amended 2013 Wisconsin tax return to obtain the proper tax benefit of the MAC. You would not need extend, but you would need to amend.

We'll keep you posted as this legislation moves forward.

If you have any questions, please contact Jim Brandenburg or Brian Kelley at Sikich, LLP in Brookfield (262)754-9400.

Articles submitted by our members & sponsors.

Meeting Recaps



2022 Policy: A Pro-Entrepreneurship, Pro-Small Business Agenda

Ray Keating, Chief Economist, SBE Council

Americans and our economy, along with the rest of the world, were hit by what proved to be a deadly pandemic in early 2020. That was nearly two years ago, and more than 821,000 lives have been lost due to COVID-19 in the U.S. alone (according to the Johns Hopkins Coronavirus Resource Center as of December 29, 2021). Perhaps now might be a good time to start advancing constructive policies that will actually support economic, income and employment recovery and growth.

Private Investment and Business Growth are Critical to Recovery

As we continue to work to regain some true normalcy, entrepreneurship, business and private investment have played, and will continue to play, central roles in this effort. But you might miss that if you just paid attention to our politics. Indeed, even during a pandemic, it's kind of been politics as usual, and sometimes in the worst, most divisive and pandering sense.

Among the strange undertakings by politicians have been efforts to impose higher taxes and to increase regulatory burdens, including price controls on pharmaceuticals and radical antitrust actions against leading technology firms.

These tax and regulatory actions are billed as being focused on big business - by the way, that doesn't make them any less harmful to the economy - but entrepreneurship and small businesses most assuredly would be damaged, including due to the fact that investors would see reduced opportunity for returns on investments that rank high in terms of risk and uncertainty.

Other counter-productive measures include protectionist trade policies, which only serve to raise costs for U.S. businesses (after all, nearly all imports are inputs to U.S. businesses) and consumers, while also reducing global opportunities for U.S. entrepreneurs, businesses and workers.

And then, of course, there's been a major push to jack up government spending. While many problems exist with such spending escapades, ultimately shifting resources away from the private sector to government is a recipe for more waste and inefficiency, and slower growth.

Finally, the Federal Reserve has been running loose money without precedent since the summer of 2008, that is, for more than 13 years. But now as we face red hot inflation, the Fed still seems to hold little interest in doing its primary job of maintaining price stability.

This is a policy mix seemingly designed to restrain or undermine our recovery.

Policies Must Work to Support the Private Sector

In recent congressional testimony, I offered a framework for a very different direction on economic policy. Here is that agenda as outlined:

Avoid tax increases and provide tax relief.

Talk of tax increases seems to everywhere of late. So, why not raise taxes? Well, let's consider the fundamental problems with tax increases for the economy.

First, taxes drain resources from the private sector so they can be used in government. The problem here is that when resources are taken and used by government, it means they are being spent according to political incentives - such as being subject to special interest lobbying, being doled out according to the preferences of politicians, often being spent in ways that undermine work and risk taking in the economy, and being utilized to enhance power, staff and budgets in government. This, of course, means resources are being used far less efficiently than in the private sector - which in contrast is disciplined by prices, profits, losses, competition and consumer sovereignty.

Second, taxes affect incentives. Most troubling are taxes that affect incentives for the undertakings that drive economic growth, as has been emphasized here, entrepreneurship and investment, as well as working and saving. So, taxes that raise the costs and reduce the returns on such activities tend to be the most economically destructive taxes, and these include income taxes and capital gains taxes.

So, higher taxes always come with economic negatives. But raising taxes as entrepreneurs, businesses, investors and workers struggle to leave the pandemic economy behind, and get us back on a track of robust growth, is particularly misguided.

The policy focus needs to move away from counter-productive efforts to raise taxes, and instead look to

Article continues ⬇

WISCONSIN MANUFACTURING SUMMIT *Photo Wrap Up*

Gold Sponsors

Photography Provided by IBAW Member:

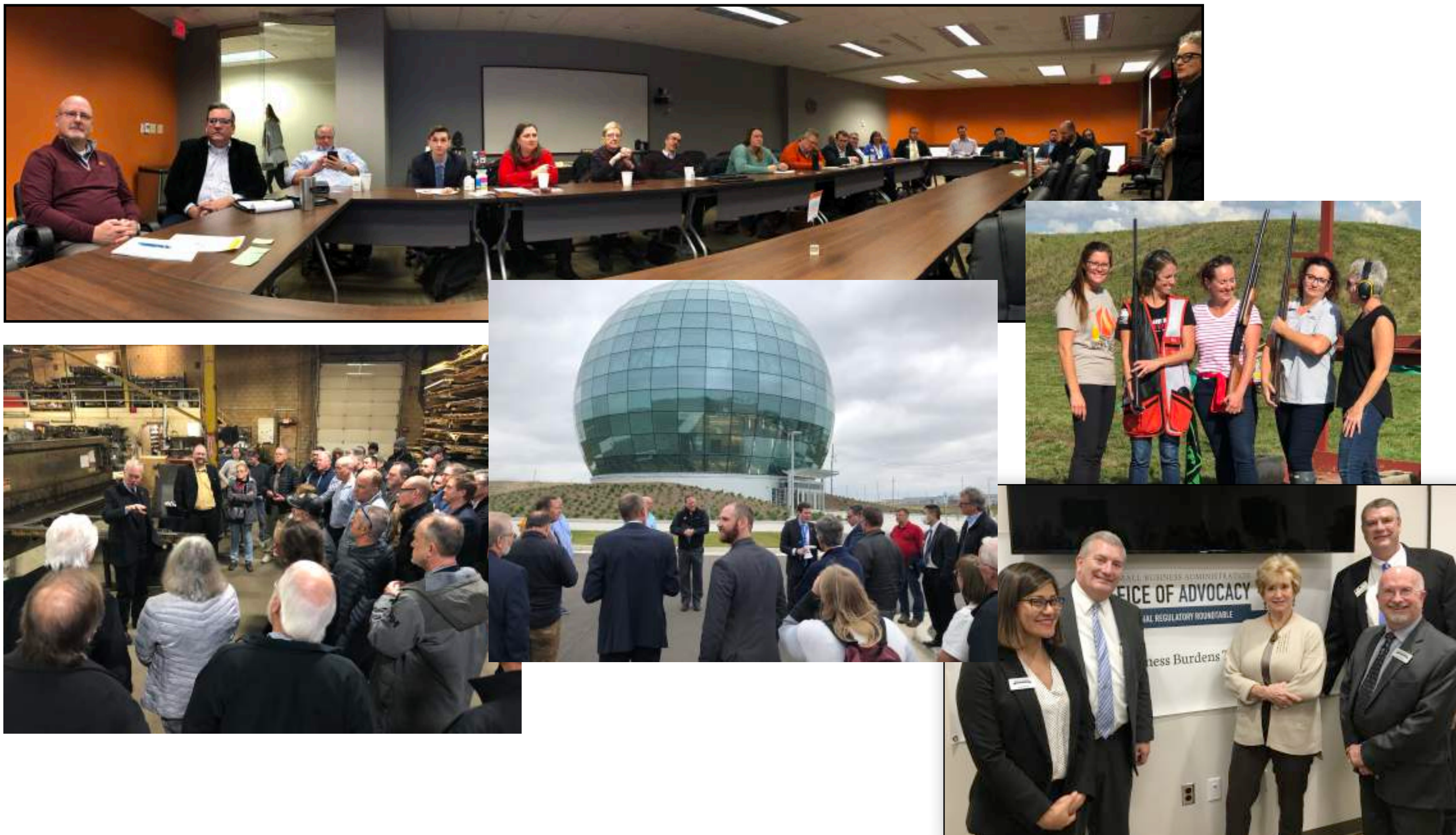
Silver Sponsors

Bronze Sponsor

Thank you to our sponsors for making this event possible!

Articles by national speakers

Get Connected. Get Inspired. Get Informed.



IBAW.com
INDEPENDENT BUSINESS ASSOCIATION OF WISCONSIN

THANK YOU TO OUR SPONSORS.

Click on their name to visit their website.

ITU AbsorbTech
Old National Bank
Ixonia Bank
North Shore Bank
Landmark Credit Union
Sikich
Lauber Business Partners
von Briesen
Oak Hill Business Partners
Boerke Co.
Rickert Industries
Insperity
Merrill Lynch
Lauber Business Partners
Saturn Lounge
The Rauser Agency - Robertson Ryan & Assoc.
Crux Commercial Partners
Annex Wealth Management
Red Elephant Chocolate

Hypneumat Mfg
Lemberg Electric
Wisconsin Lutheran College
Gross Automation
Town Bank
Ollenburg, LLC
Signature Bank
Titus Talent Strategies
CCB Technologies

THERE'S ROOM AT THE TABLE

As an advocate for small business, the IBAW offers intimate meetings on relevant topics such as Leadership, HR, Sales, and Political Issues.

Business Leaders...Leading Business

Join us.

" I almost always come away from an IBAW meeting with useable material that helps me with my business. Many times, a speaker will give me something that applies to ITU AbsorbTech. Other times, it is a conversation over breakfast that gives me value."

Jim Leef, President & CEO, ITU AbsorbTech

"Being involved with a business organization like the IBAW is critical for small business owners in Wisconsin for growth and to have a voice with government."

Rich Meeusen, Former CEO, Badger Meter.

IBAW.com
INDEPENDENT BUSINESS ASSOCIATION OF WISCONSIN

Education · Networking · Political Advocacy

www.ibaw.com / 262-844-0333 / IBAWOffice@gmail.com

IBAW
960 Timber Pass
Brookfield, WI 53045

Office: 262-844-0333
IBAW.com

INDEPENDENT BUSINESS ASSOCIATION OF WISCONSIN

Membership Application

Name______________________________Company______________________________

Address______________________________City, State, Zip__________________________

Phone_______________Email Address______________________Website________________

MEMBERSHIP INVESTMENT

IBAW membership is based on the number of full time employees in your company.

Number of employee in your company	AMOUNT
1 - 15 Employees $350.00	
16 - 25 Employees $500.00	
26 - 49 Employees..............$600.00	
50 or more Employees...........$750.00	
Add SPECIAL OPTION: Prepay breakfasts meetings. Get 12 for the price of 10! $320.00	
Amount Enclosed	

MEMBERSHIP BENEFITS apply to your entire team.

- **Monthly Sales Roundtable** - free with membership
- **Monthly 5 Star Breakfast Program**
- **C Level Peer to Peer Networking**
- **Monthly Digital Statewide Magazine** - free with membership
- **Informative workshops**
- **Business Behind the Scenes Tour**
- **Legislative Updates & Representation** from Madison & Washington D.C.

...AND MORE!

Paying By Check? Please make check payable to IBAW. **Want to pay credit card?** If you would like to pay by Visa, MasterCard or American Express, you can pay online at IBAW.com or by calling the IBAW office at 262-844-0333.

IBAW.com

INDEPENDENT BUSINESS ASSOCIATION OF WISCONSIN