OFFSITE UNDER ATTACK – UNIONS, MEDIA, POLICYMAKERS, ATTEMPT TO SLOW DOWN INDUSTRY MOMENTUM

It’s been an incredibly busy year for the Modular Building Institute: MBI’s Government Affairs team has been hard at work on many issues in North America, tackling issues of importance to the industry including building codes, regulatory changes, and legal challenges. In the United States alone, 72 industry-specific bills and 13 new regulations were introduced in 2014. MBI followed all of these to make sure that members were treated fairly. However, we continue to keep a close eye on the following issues:

In California, the Russ Will Mechanical ruling by the California Court of Appeal in August 2014 was a welcome surprise. The appellate court ruled that California’s Prevailing Wage Laws do not apply to off-site construction and fabrication. This protected modular manufacturers from prevailing wage laws in the eyes of the court. The debate now turns to the California legislature, where it is expected that lobbyists for labor unions will work to introduce new legislation to expand the scope of the prevailing wage laws to off-site fabrication and construction. MBI continues to retain professional industry representation in California to defend members.

On the other side of the country, the modular industry took a perceived blow as construction on B2/Atlantic Yards/Pacific Park in New York City ground to a halt as the relationship between Skanksa and Forest City Ratner began to dissolve. Skanska pointed the finger at modular construction, while FCR maintains that modular is the way of the future. Although neither of these companies is a member of MBI, both MBI staff and members were approached by media outlets for comment. But we do know that the established construction industry “greeted” this project with nothing but obstacles, lawsuits, and challenges at every step in an effort to protect the status quo. As a side-note, as B2 sits right now, unfinished, this is STILL the tallest modular building constructed in North America in the last 40 years! Forrest City should still be considered an innovator and a leader for being bold enough to propose constructing the tallest modular building in the world in an industry and location not generally conducive or accommodating to new ways of thinking.

As building codes become more stringent, our industry must rise to meet these new standards. Given our controlled construction environment, we should be better positioned to meet these new requirements than our stick built counterparts. MBI plans on doing much more outreach, education, and advocacy towards code officials to help them distinguish between relocatable buildings, which need to be moved without triggering new code requirements, and permanent modular construction. (Continued on page 3)
Just-in-time and custom cut, the Mule-Hide nationwide distribution network offers ready-to-install new or retrofit single-ply modular roofing systems that are exactly what you need.

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COVER STORY CONTINUED:

So, despite the best efforts of those who would try to keep this industry below two percent market share, MBI is confident that the growing demand from owners and developers for more resource efficient and sustainable construction processes will help fuel our growth going forward. MBI members have so many success stories of mid-rise buildings erected in urban settings — now is the best time to promote them! Send your success stories to MBI’s Communications Manager, Liz Burnett at liz@modular.org.

As the modular construction industry gains further acceptance and market share, we can most certainly expect an increasing effort towards curbing our growth. We as an industry need to find the balance of paying our workers a fair and competitive wage while remaining innovative.

If you are having legislative, regulatory, or administrative issues, please forward those to Tom Hardiman at tom@modular.org.

UPCOMING MBI EVENTS

MBI’s Lunch & Learn Series
EDMONTON, AB

The MBI Lunch & Learn Series offers events with the purpose of communicating information, increasing visibility for participating companies, and facilitating networking among members, non-members, and potential end-user clients.

Agenda & Guests TBA.

Upcoming Dates:
• February 5, 2015 9:00 AM–2:00 PM
• May 7, 2015 11:00 AM–2:00 PM

Location:
University of Alberta Faculty Club
11435 Saskatchewan Dr. NW
Edmonton, AB T6G 2G9

Email MBI Canadian Member Services Stephen Tamayo for more info: tamayo@modular.org.

WORLD OF MODULAR 2015
MARCH 13 - 16, 2015 • BELLAGIO – LAS VEGAS, NEVADA

Join hundreds of modular construction professionals for our 32nd Annual World of Modular in Las Vegas, Nevada! For 30+ years, MBI has provided professionals in the modular building industry a place to network, exchange ideas, learn from experts, discuss issues, display new products and receive well-deserved recognition. Join us for high-profile speakers, top-notch educational sessions, exhibits, the latest trends in modular, entertainment and more!

World of Modular is an open forum for anyone interested in the modular construction industry. For suppliers of building products, services, and financing, the MBI trade show remains the best place to reach manufacturers and dealers of modular buildings.

For more information visit www.worldofmodular.org.

To register for these MBI events or to view more upcoming events, please visit our website at www.modular.org/events_calendar.aspx.
The MBI Educational Foundation and the MBI Canadian Foundation are pleased to have each awarded one $2500 student scholarship. Applicants to the scholarship programs must be employees of MBI member companies or employee spouses, children, or grandchildren. Applicants are ranked on completed applications, accuracy, financial need, industry-related degree programs, recommendation letters, personal statements, and verified GPAs.

We received 25 applications for the 2014 US scholarship. This year’s winning applicant is John Roth. John graduated from Cascade High School in Turner, Oregon with a 4.12 grade point average. This fall he will attend Chemeketa Community College then transfer to Oregon State University to complete a degree in engineering. For the past three summers, John worked at Blazer Industries in Aumsville, Oregon where his father is a drafting supervisor and code specialist. John enjoys running track and cross country and attributes his love for construction to his childhood LEGO® sets, as well as a school trip to Italy to learn about architecture and art.

We received 11 applications for the 2014 Canadian scholarship. This year’s winning applicant is Jacob-Steadn Sweder. Jacob is a student at Concordia University in Montreal, Quebec where he studies urban planning. He is particularly interested in the use of modular construction by government and social agencies as an efficient and environmentally responsible model for community housing. Jacob’s other interest in the community includes routinely volunteering at the Center for Race and Culture to combat racism in schools. Jacob’s mother serves as a Lean and Continuous Improvement Coordinator at a division of Champion Canada International.

These scholarships make a total of 20 scholarships and over $40,000 awarded since 2001. Please consider a generous donation to the foundations to support this worthy cause by using the contribution form online (bit.ly/MBIFoundationsForm) or by calling 888-811-3288.

MBI Educational Foundations also fund research conducted by our schools and universities committed to being our Partners in Education. Learn more about MBI Educational Foundations & our research: www.modularfoundation.org.
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Congratulations to Reliant Asset Management (RAM) Modular for being named #3 on the 2014 Inc. 500/5000 list!

The Inc. 500/5000 list recognizes the fastest-growing private companies in America. In the last three years, RAM has experienced a growth of 55,460 percent, with a 2013 revenue of $85.1 million. RAM Modular builds, acquires, and leases commercial modular office buildings, schools, hospitals, and temporary structures including remote workforce housing.

www.rammodular.com

MBI mourns the loss of Hall-of-Famer Mike Arnold of Markline Industries

Mike Arnold, founder of Markline Industries, passed away earlier this summer after a long battle with cancer. Inducted into the MBI Hall of Fame in 2009, Mike Arnold was also a beloved friend, husband, father, and grandfather, as well as an important figure in the US modular construction industry.

His peers remember him fondly:

“My dear friend that will be missed greatly.”
-- Linc Moss, President at Ramtech Building Systems, Inc.

“Besides being an innovator, Mike was a constant source of encouragement for me personally as we sought to push the envelope of modular fabrication, and more importantly he taught how to treat employees as valued assets and how to conduct business dealings with integrity.”
-- John Morrison, Director of Marketing/Business Development at Markline Industries
Last fall, MBI introduced its new Code of Conduct program, intended to help raise the level of professionalism in our industry. This Code applies to member companies and any individuals listed as member contacts at MBI.

For the 2014 renewal season, all primary contacts within each MBI member company are REQUIRED to successfully complete MBI’s new online ethics course as a condition of continuing membership. There is no cost for the primary contact to take the course. Additional contacts within each company can take the course and will be invoiced afterwards.

This Code is written in simple, clear and enforceable language, and we will enforce it without exception. All companies will have a primary point of contact for ethical- or conduct-related issues.

Our goal at MBI is to grow this industry, and it will not happen without a great degree of professionalism and integrity, and MBI’s Code of Conduct is a great step in that direction for your company.

We encourage you to embrace this program as a competitive advantage and even promote it to your customers. Non-members may or may not have their own code of conduct, but MBI can say with confidence that 100 percent of its members subscribe and adhere to our Code of Conduct. See the Code of Conduct and take the test at bit.ly/MBICode.

All MBI members have access to the MBI fraud and ethics anonymous complaint hotline.

» Toll-Free Telephone:  
  English speaking USA and Canada: (855) 400-8007  
  (not available from Mexico)  
  Spanish speaking North America: (800) 216-1288  
  (from Mexico user must dial 001-800-216-1288)  

» Website: www.lighthouse-services.com/modular  
» E-mail: reports@lighthouse-services.com  
  (must include company name with report)  
» Fax: (215) 689-3885  
  (must include company name with report)

Thank you for your continued support of the industry association, and, as always, feel free to contact MBI with any questions.

Email: info@modular.org | Phone: 888-811-3288
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For over 30 years, Mobile Modular has been a trusted partner in providing modular space solutions for a variety of industries and markets. From classrooms and labs, to office space and everything in between, Mobile Modular buildings are adaptable, durable and available to meet any business demand.

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