

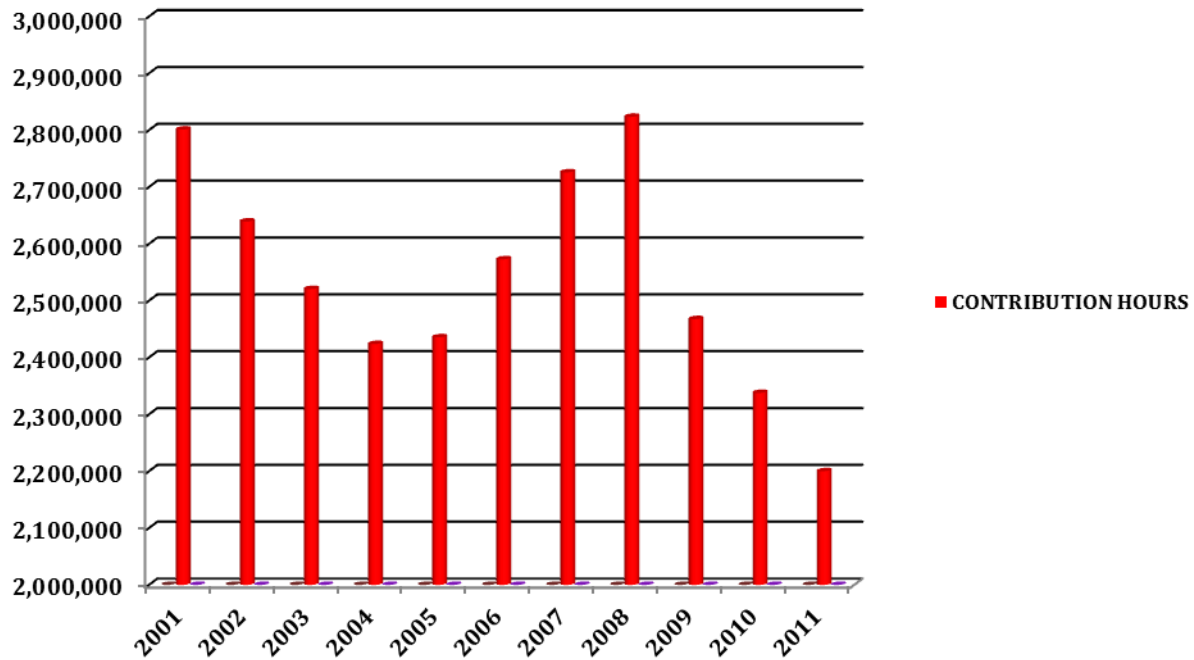
# Introduction

- Business Environment
- Work and Contribution Hours
- Manpower Metrics
- Competition in the Service Market Place
- Economic Challenges

# ACR Trust - Work and Contribution Hours

- 2001 2,801,077
- 2002 2,639,391
- 2003 2,520,540
- 2004 2,423,817
- 2005 2,435,604
- 2006 2,572,934
- 2007 2,725,756
- 2008 2,823,502
- 2009 2,467,663
- 2010 2,337,715 (-17.2% off best year)
- 2011 2,270,417 (projected; -19.6% off best year)

**ACR TRUST  
SERVICE CONTRIBUTION HOURS**



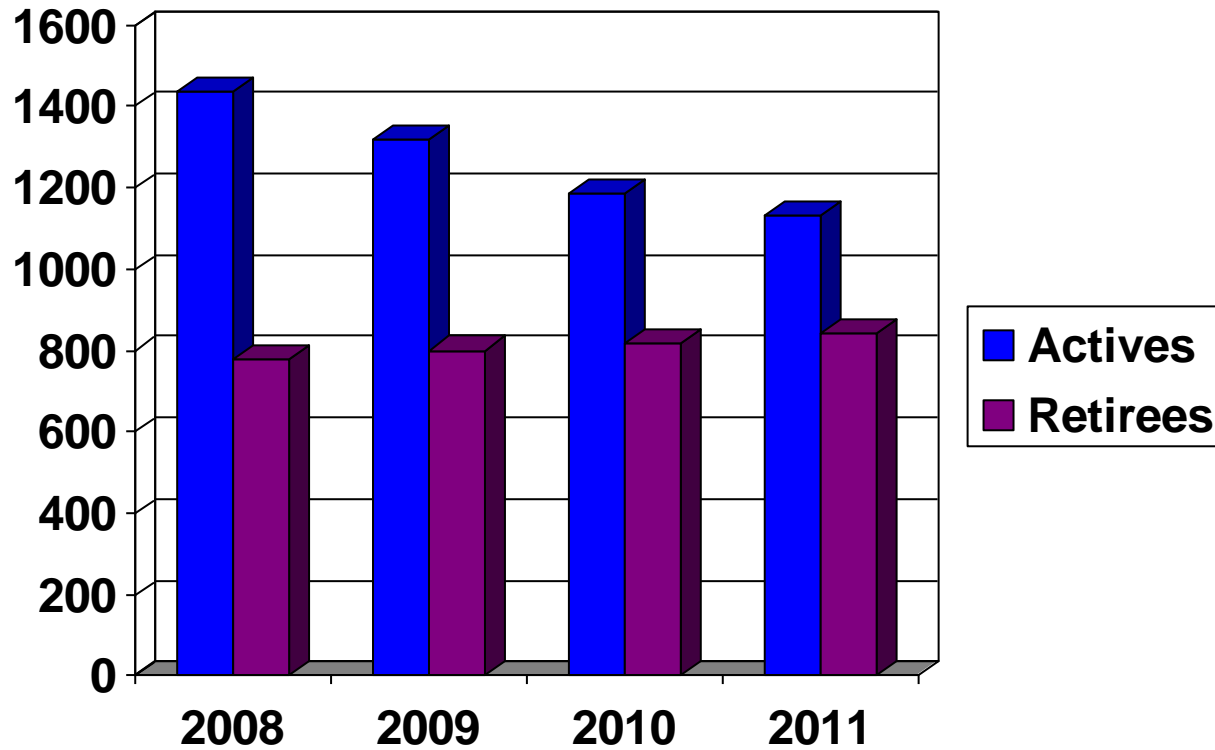
# Manpower Metrics

	Actives	Retires	Ratio
2008	1435	779	1.84
2009	1317	800	1.65
2010	1185	817	1.45
2011	1132	842	1.34
Difference	-303	+63	

**21% decline in active employees**

Source: ACR Trust Report

# Manpower Metrics



# UA Local 250 Out-of-Work List

May 2008	N/A
May 2009	104
May 2010	116
May 2011	108

Source: UA Local 250

# Wages vs. Total Package

<b>Region</b>	<b>Year</b>	<b>Wage</b>	<b>Benefits</b>
LA/OC	2002	76%	24%
	2010	70%	30%
SBR	2002	78%	22%
	2010	76%	24%
SDI	2002	72%	28%
	2010	63%	37%

# Between 2001 and 2010:

Wages have increased by	19.4%
Benefit costs have increased by	67%
Union dues costs have increased by	452%

Source: UA Local 250 and ARCA/MCA Wage and Benefit Schedules for 2001 and 2010

# Signatory Service Companies compete with:

- Non-Union Contractors
- Sheet Metal (reduced service package)
- IBEW
- Operating Engineers
- Stationary and Mobil Engineers
- ABM
- ABEL Engineering
- Jones Lang LaSalle
- Equipment manufacturers with their own service operation
- Lesser skilled building workforce

# Marketplace Changes

- Loss of preventive maintenance to low cost providers
- Reduced frequency of preventive maintenance
- Cancellation of preventive maintenance contracts (repair when broken)
- Repair recommendations not approved
- Multiple competitive bids on small repair jobs

Less work for all in a more competitive environment

# Primary issues preventing companies from becoming signatory contractors:

- Withdrawal Liability
- Cost of Benefits
- Work Interruption
- Restrictive Work Rules
- Increased Hourly Burden Billing Rates

# Summary

The ARCA/MCA proposal will address the important issues necessary to make the union signatory contractors more competitive and keep the employees/union members gainfully employed.