



SWACCA

2020

ANNUAL

REPORT



SWACCA

Signatory Wall and Ceiling Contractors Alliance is a national organization of wall and ceiling contractors committed to working in partnership with its workforce to provide the highest-quality, most efficient construction services possible to its customers. SWACCA represents companies that fully embrace their commitment to their customers and their employees.

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What a difference a year makes.

This time last year, the construction industry was enjoying 10 years of steady growth and approaching record numbers of employment and construction dollars put in place. As the coronavirus reached our shores and quickly spread, our daily lives were upended and our industry had to quickly pivot and adopt new ways of conducting business.

Shutdowns, social distancing, face masks, remote work arrangements, and virtual meetings became the norm as we all learned how to navigate this new environment. Added to these challenges were economic uncertainty, social unrest, and political discord, which will surely make 2020 one of the most challenging years of our lives.

Yes, much has changed in a year. What has not changed is SWACCA's steadfast mission to advocate for our members and to promote the benefits of union construction. In spite of the challenges faced in 2020, SWACCA made significant progress in moving our agenda forward and successfully achieved a number of key initiatives.

As you will read throughout this report, SWACCA has proven itself to be a pragmatic voice of common sense in an environment that has become increasingly divided. The SWACCA staff, Board of Directors, and each and every member should be commended for making SWACCA a reliable voice of authority in our industry.

We are all hopeful for a return to some semblance of normalcy in the months ahead. Even so, 2021 will surely bring new challenges that we must be prepared to face. I'm confident that SWACCA's staff and membership are up to the challenge.

Sincerely,



Scott Casabona

President

Signatory Wall and Ceiling Contractors Alliance

MISSION & VISION



SWACCA

The Signatory Wall and Ceiling Contractors Alliance (SWACCA) was incorporated in November 2015 to protect and grow the market share of signatory contractors while promoting and enhancing the signatory wall and ceiling industry. SWACCA is the collective voice of industry employers in the national conversation about the unionized construction industry.

Vision Statement

As a national alliance of signatory wall and ceiling contractors, we're committed to protecting and growing our industry. Our collective strength as highly trained and experienced contractors continues to grow as we add partners. Together, we're sharing knowledge, solving problems, and increasing opportunity for our members.

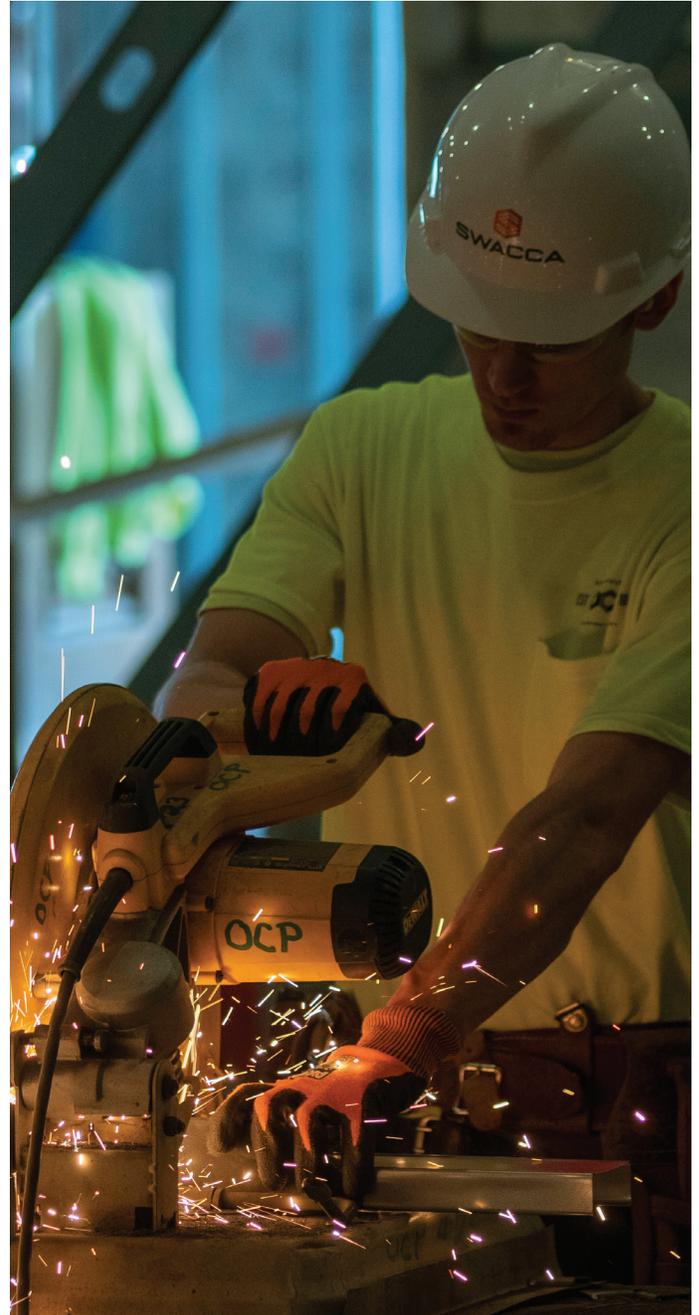
We won't rest until the world knows what we know: SWACCA stands for the most highly skilled and productive contractors in the industry.

We deliver value.

Mission Statement

SWACCA enhances union construction by providing business tools and resources to its members. SWACCA develops relationships, provides education, and leads advocacy efforts on behalf of our industry.

We're building better tomorrows.





A Year Unlike Any Other

To say that 2020 was a year unlike any other here in Washington, D.C., would be greatly understating the events of the past year. Former President Trump ended 2020 the same way he began it: impeached by the House and awaiting trial in the Senate. In between impeachments, policymakers contended with a once-in-a-generation pandemic that prompted temporary closure of the U.S. economy, a summer of civil strife, a general election that altered the power dynamic in D.C., and an insurrection at the U.S. Capitol building.

Despite these events, the political polarization they caused, and the far more labor-intensive work that had to be done for effective policy advocacy in an era of lockdowns and stay-at-home orders, SWACCA's public policy team persevered and secured important victories in 2020.

There are many reasons to be proud of SWACCA's accomplishments in 2020, and there is much left to do on issues of critical importance to the unionized wall and ceiling industry.

SWACCA Helps Secure Critical Federal Support for COVID-19-Impacted Small Businesses

As businesses around the country closed or moved to remote operations due to COVID-19, SWACCA's public policy team jumped into a sweeping new set of issues to protect the solvency and competitiveness of the unionized wall and ceiling industry. This included engaging with the Administration and the Homeland Security Department's Cybersecurity and Infrastructure Security Administration to shape the initial version (and three subsequent revisions) of the agency's Essential Critical Infrastructure Workers Guidance, providing direction on how jurisdictions and businesses prioritized the ability of "essential workers" to ensure vital work continued safely across the nation. With this non-binding federal guidance in place, SWACCA affiliates did important work ensuring proper consideration of our industry's workforce in similar state lists of essential workers. Legislatively, SWACCA joined other business groups in early March to persuade lawmakers to include tax credits for employers to cover the cost of emergency paid family and sick leave programs for workers created by the *Families First Coronavirus Response Act* or *FFCRA* (P.L. 116-127).

Recognizing the need for further measures to address the severe economic fallout caused by the pandemic, SWACCA turned to working with Congress on a larger response bill, the *Coronavirus Aid, Relief, and Economic Security (CARES) Act* (P.L. 116-136) in late March. This \$2.2 trillion measure included \$349 billion for the Paycheck Protection Program (PPP) advocated for by SWACCA and many other industries impacted by the pandemic.

After the bill became law, SWACCA engaged forcefully on the regulatory implementation of the PPP. Initially this work focused on addressing issues raised by President Scott Casabona with the interpretation by the Treasury Department and the Small Business Administration (SBA) that companies had to satisfy two alternative construction industry size standards to be eligible for PPP funds. Engaging with senior Administration officials and coordinating a common message with AGC and other construction organizations, SWACCA played a significant role in winning a reversal of this guidance. We also secured two last-minute regulatory extensions of the PPP's "safe harbor" repayment deadline, allowing borrowers who received PPP loans due to a "misapplication or misunderstanding" of PPP certification standards to repay the loans without penalty. SWACCA's public policy team also carried out the Government Relations Committee's directive to get the SBA to clarify guidance, making clear that borrowers who signed PPP attestations in good faith were not obligated to show they did not have access to other credit. SWACCA's advocacy also helped to persuade the Treasury Department and the SBA to clarify that borrowers under the reduced 60% payroll threshold still qualified for partial loan forgiveness after initial guidance raised concern that they may not.

The demand for PPP aid was so high that by mid-April, the initial \$349 billion in funding was exhausted and the program was forced to close. Recognizing the impact that the PPP had on SWACCA members, our public policy team developed and executed a multipronged legislative and regulatory approach to extend and improve the program.

This effort included working with Congress to develop and pass two bills in the second quarter of 2020 providing additional funding and various improvements to the PPP.

The *Paycheck Protection Program and Health Care Enhancement Act* (P.L. 116-139) advanced shortly after the PPP was forced to close. It provided \$310 billion in additional funding for the PPP. The second bill, the *Paycheck Protection Program Flexibility Act* (P.L. 116-142), provided greater flexibility for loan recipients by: (1) extending the expense forgiveness period for PPP loans from 8 to 24 weeks; (2) reducing the minimum amount of a loan that must be spent on payroll from 75% to 60%; (3) allowing PPP recipients to defer payroll taxes; and (4) extending the deadline to rehire employees from June 30 to December 31, 2020.

As the coronavirus continued to rage through summer and into fall, the PPP again closed due to lack of funding. After a significant delay due to the partisanship that accompanied the 2020 presidential election, SWACCA's lobbying efforts culminated on December 27 with President Trump signing into law the *Continued Appropriations Act, 2021* (P.L. 116-260).

The bill contained SWACCA-advocated changes to the PPP, including: (1) an additional \$249 billion for the PPP; (2) reversing an IRS ruling that prohibited PPP borrowers from deducting expenses paid for with a forgiven PPP loan; (3) extending PPP eligibility to 501(c)(6) nonprofit organizations (which includes several SWACCA affiliates); (4) allowing small businesses with 300 or fewer employees and at least a 25% revenue decline to access a second round of PPP funding; and (5) providing a streamlined loan forgiveness process for the smallest PPP loans.

The combined spending and COVID-19 relief package also included two other measures for which SWACCA had been fighting since the summer. One was an extension through March 2021 of a refundable payroll tax credit for employers who voluntarily provided paid sick and family leave following the December 31st expiration of the paid sick and family leave mandates created under the *FFCRA*. The other was an extension of the employee retention credit under the *CARES Act*.

Fixing the TCJA's "Retail Glitch"

In addition to advocating on the new issues created by the pandemic, SWACCA never stopped work on longstanding priorities, including fixing the "Retail Glitch." This "glitch" was a drafting error in the 2017 *Tax Cuts and Jobs Act (TCJA)* related to the depreciation period for "qualified improvement property" (QIP), which covers any improvement to the inside of a commercial building including offices, industrial properties, restaurants, retail establishments, and other leasehold spaces. Due to the Retail Glitch, QIP was not assigned a separate depreciation period. This resulted in QIP property having to be written off over a 39-year period, rather than the 15-year depreciation schedule with immediate expensing that everyone in Congress agreed was the intent of the *TCJA*. This longer depreciation schedule resulted in retailers and restaurants delaying or even canceling interior improvements while they waited for this costly, inadvertent drafting error to be fixed and allow much more favorable tax treatment for improvements.

SWACCA's policy team worked tirelessly with an array of business groups, a bipartisan mix of legislators, and the Trump Administration to ensure that a fix for the Retail Glitch was included in the *CARES Act*. This technical change is estimated to have provided \$15 billion in additional liquidity for small businesses. Importantly, we persuaded Congress to make the fix retroactive, allowing businesses to recoup taxes that were overpaid in 2018 and 2019 because of the Retail Glitch. This was an especially hard-fought win. We prevailed against repeated efforts to tie the Retail Glitch fix to several unrelated provisions that were being pushed by various factions in Congress at the height of the pandemic.

Fighting IRAPs While Protecting and Advancing Registered Apprenticeship Programs

Protecting registered apprenticeship was another core public policy priority SWACCA continued to work on during the pandemic. These efforts included regulatory battles to protect our industry from the Trump Administration's Industry-Recognized Apprenticeship Program (IRAP) rulemaking, and legislative advocacy to reauthorize and strengthen the National Apprenticeship Act.

On March 11th, just as COVID shutdowns were starting, the Department of Labor (DOL) issued its final IRAP rule that included the critical construction industry carve-out. The final rule responded to SWACCA's argument that the proposed rule needed to be revised to provide the construction industry a permanent and unconditional exemption, rather than the temporary one subject to various conditions in the proposed regulation. Furthermore, the preamble to the new regulation adopted arguments SWACCA began making to DOL in 2017 about why participants in IRAPs cannot be deemed apprentices for purposes of Davis-Bacon prevailing wage rates. Winning this victory was harder after a change in leadership at DOL in the summer of 2019 when Secretary Alex Acosta, who had been a politically moderate law school professor, was replaced by conservative, management-side labor lawyer Eugene Scalia. The years of work SWACCA had done educating Acosta and his team on registered apprenticeship in the construction industry and the support this had generated toward a carve-out were suddenly erased. SWACCA started this process anew and continued with full intensity right up until the issuance of the final rule in March. The relationship of trust and respect SWACCA's public policy team had with the new leadership team at DOL from previous service in the Bush Administration Labor Department was vital to this effort.

Throughout 2020, SWACCA also worked in concert with its labor partners to get the House to pass the *National Apprenticeship Act of 2020* in November by a vote of 246-140.

SWACCA aided in getting almost two dozen Republicans to support the legislation despite opposition from House GOP leadership because the bill did not fund IRAPs. As passed by the House, this legislation: (1) provides \$3.5 billion over 5 years for grant programs to create or support registered apprenticeship programs and pre-apprenticeship; (2) codifies and streamlines standards for registered youth apprenticeships and pre-apprenticeship programs; (3) codifies the existence of the Office of Apprenticeship at the U.S. Department of Labor; and (4) ensures the continuation of the Labor Department's National Advisory Committee on Apprenticeships, which had not been operating under Trump. During

consideration of the bill, SWACCA engaged on several amendments that were offered. Most notably, SWACCA helped to defeat an amendment offered by Rep. Lloyd Smucker (R-PA), by a vote of 142-243, that would have revised the bill to: (1) provide statutory recognition for IRAPs; (2) cut 70% of the funding authorized under the bill for registered apprenticeship; and (3) eliminated the National Advisory Committee on Apprenticeships.

While this bill failed to be considered last year in the GOP-controlled Senate, it has already been reintroduced again this Congress and we are pressing to pass it. Its prospects are brighter with Democratic control of both Houses of Congress and the change in Administration. Many of the bill's provisions are priorities for the Biden Administration. And SWACCA's policy team has been impressed with the Biden team's commitment to registered apprenticeship – both during the transition and in more recent interactions with the new Administration.

Continuing the Fight Against Misclassification in the Construction Industry

In 2020, SWACCA's public policy team continued its efforts to educate federal regulators and legislators and shape public opinion in the fight against misclassification of workers in our industry. Throughout the year, we worked to delay the issuance of the Trump Labor Department's proposed regulation to make it easier to classify workers as independent contractors under the Fair Labor Standards Act (FLSA). We were able to deter DOL from proposing the rule until late in the third quarter, which effectively ensured that the public comment process and development of a final rule would not occur prior to the November elections so a new Administration could revisit whatever DOL issued. Once the proposed rule published in September, SWACCA's public policy team worked with General Counsel John Nesse to develop detailed, technical comments. In its [comments](#), SWACCA opposed the changes outlined in the proposed rule and expressed support for the existing independent contractor standard. SWACCA's comments detailed omissions in the cost-benefit analysis for the rule concerning the many costs taxpayers would incur if more workers were deemed independent contractors under federal employment law. DOL included detailed responses to *nine* of SWACCA's arguments in final rule. In addition to filing its own comments, SWACCA joined its allies in the Construction Employers of America (CEA) in a separate, more general set of [comments](#) on the proposed rule.

SWACCA's policy team also opened a new front in the lobbying campaign against the independent contractor rule by negotiating the placement of an [op-ed](#) by President Scott Casabona in *Fortune Magazine*. The op-ed explained why the rule would hurt honest employers in the construction industry, reviving and expanding on many of the points SWACCA made in

its 2019 testimony to Congress on worker misclassification in our industry. The op-ed received praise from industry allies and many of SWACCA's union partners, including the UBC. It further cemented SWACCA's status as a leading employer voice against worker misclassification and increased interest on Capitol Hill and among the Biden team in SWACCA's views on this important issue. Our discussions with Congress and the Biden transition team and Congress following the election make us confident that the final rule from the Trump Labor Department will never actually take effect. We were particularly pleased that this regulation was cited as an example of a "midnight" regulation from the Trump Administration that would be frozen and reviewed under a memorandum President Biden issued on Inauguration Day. We are now just awaiting formal notice of a delay in the effective date.

Preserving Davis-Bacon on Federal Projects

Throughout 2020, SWACCA's public policy team engaged with congressional staff on application of Davis-Bacon to any projects authorized under any new infrastructure proposals. We also continued to educate legislators on the need to define "infrastructure" broadly to include not only roads and bridges, but also projects that create work for SWACCA members. Our efforts yielded results when House Democrats advanced the *Moving Forward Act* (H.R. 2) in July. This \$1.5 trillion package funds construction of schools, childcare facilities, affordable housing units, hospitals, water treatment facilities, airport improvements, and other "infrastructure" that will create work for SWACCA members. While this bill did not receive consideration in the Senate last year, Democrats have signaled it is their starting point for an infrastructure package early in the new Congress.

During consideration of H.R. 2, we worked with our union partners and industry allies in the last days of the second quarter and the first days of the third quarter to defeat an amendment offered by Rep. Virginia Foxx (R-NC) that would have eliminated Davis-Bacon coverage for most projects funded by H.R. 2. We were pleased to see the Foxx amendment defeated by a bipartisan vote of 147-274. Forty-two House Republicans voted against the Foxx amendment, illustrating strong bipartisan support in the House for Davis-Bacon.

Continuing the Fight to Ensure Pension Reform Includes Composite Plans

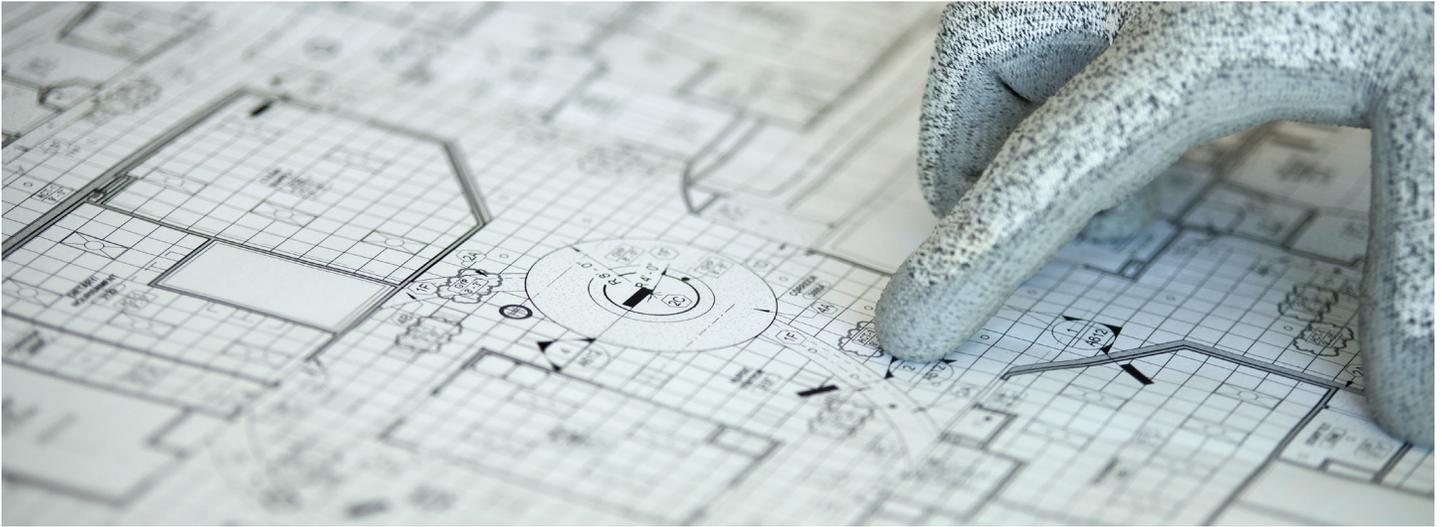
Another issued SWACCA engaged on throughout 2020 was reform of the multi-employer pension system. Continuing our efforts of the past several years, SWACCA maintained pressure on Congress to pass pension reform that included composite plans. Specifically, our efforts centered on urging Congress to authorize composite plans as part of any larger package of pension reforms.

After negotiations broke down over including pension reform, including composite plans, in the *CARES Act*, SWACCA turned to educating lawmakers on the need to include it in a future coronavirus response package. In April, President Casabona sent a **letter** to House Speaker Pelosi (D-CA) outlining the necessity of including pension reform with the composite plans in any future coronavirus relief bill. SWACCA's policy team joined the UBC, LIUNA, and other allies in educating dozens of key House members who supported pension reform that composite plans were good for employers and workers—and a necessary concession to key Senate Republican Chairmen who wanted to allow more alternatives to traditional defined benefit programs in exchange for other pension reforms. We were pleased that the House heeded these arguments and included composite plans in the House-passed *HEROES Act* in May. This marked the first time that composite plan legislation received a vote in either chamber of Congress.

Following passage of the *HEROES Act*, SWACCA partnered with the Construction Employers of America (CEA) on a **study** detailing the relative advantages of composite plans over traditional multi-employer defined-benefit pension plans. SWACCA helped CEA to organize a webinar with dozens of House and Senate staff from key committees on the principal findings of the study. We also followed up on President Casabona's April letter by facilitating a joint **labor-management letter** from SWACCA, CEA, the AGC, the UBC, and other union partners supporting composite plans urging authorization for composite plans. These efforts helped ensure the House again included the *GROW Act* in its *HEROES Act 2.0* that passed in July. Unfortunately, Senate Republicans and House Democrats ran out of time during their pension reform negotiations and composite plans as they rushed after the election to agree on a year-end spending compromise and COVID relief package that was signed into law on December 27th.

Looking Ahead in 2021

The New Year brings with it a new Administration and new Congressional majorities that will – as we detailed during the October Membership Meeting – present both opportunities and challenges to advancing SWACCA's key priorities and addressing new issues arising from the changes wrought by the recent events and the November elections. On some issues, we are developing new paths forward that we are incorporating into our efforts of the last few months to educate new lawmakers and the Biden Administration on issues facing our industry. It is an exciting, yet uncertain time in Washington, D.C. SWACCA members can rest assured, however, that the public policy team remains committed to protecting and advancing the interests of the unionized wall and ceiling industry in the year ahead.



A Leap Forward

SWACCA's labor relations programming took a leap forward in 2020, with the development of key resources to assist SWACCA members in navigating the COVID-19 pandemic, the launch of the popular Collective Bargaining Workshop, a labor-management presentation on the conversion of a defined benefit pension plan to a variable design, and full membership in the Construction Labor Research Council.

COVID-19 Labor Relations

The World Health Organization (WHO) declared the novel coronavirus (COVID-19) outbreak a global pandemic on Wednesday, March 11, 2020. SWACCA's labor relations team sprang into action by developing robust resources for SWACCA members during an incredibly confusing and frustrating period for our industry and the rest of the country. Within a week, SWACCA's team produced and distributed guidance to SWACCA members that included comprehensive resources from the Centers for Disease Control and Prevention (CDC), the U.S. Department of Labor (DOL), and the federal Occupational Safety and Health Administration (OSHA).

On March 24th, SWACCA distributed comprehensive guidance which included updated general information, a sample essential workforce notice, the *Families First Coronavirus Recovery Act* (FFCRA) paid leave provisions, a detailed FAQ on signatory contractor jobsite operations, and updated links to resources from the CDC, DOL, OSHA, and the Equal Opportunity Employment Commission (EEOC). That communication was updated just three days later on March 27th, with a comprehensive update that provided detailed information about the *FFCRA* paid leave law, new and updated FAQs, and additional resources.

The *FFCRA* paid leave law took effect on April 1st. On that same date, SWACCA distributed a guide titled, "Information for Union-Signatory Construction Industry Employers related to the Paid Leave Provisions of the Families First Coronavirus Response Act (FFCRA)." The guide was written specifically for signatory contractors and walked through each part of the *FFCRA* law, covering when paid leave applies, how to pay it, and how to receive federal reimbursement.

On April 10th, SWACCA hosted a member webinar on coronavirus-related legislation including *FFCRA* paid leave. SWACCA's General Counsel, John Nesse, walked attendees through the complexities of the new paid leave law and answered numerous member questions for the live audience.

Also on April 10th, SWACCA published a member newsletter that, in addition to its other content, included information and advice on how to conduct collective bargaining activities during the pandemic.

SWACCA's *FFCRA* paid leave guide was updated on April 15th as DOL issued new guidance, and was enhanced to include sample documents for SWACCA members' use. The guide proved both useful and popular – in addition to SWACCA members, it was used by union locals, benefit plans, and others to implement the new law.

On April 16th, SWACCA transitioned its guidance from news bulletins to the member website, as contractors adapted to what was becoming the "new normal." SWACCA's final special COVID-19 bulletin included links to updated jobsite guidance, the updated *FFCRA* paid leave guide, a helpful guide to federal financial assistance for individuals/employees produced by SWACCA's government relations team, and links to SWACCA's news blog where dozens of additional updates would be published throughout the remainder of the year.

Traditional Labor Relations



COLLECTIVE BARGAINING WORKSHOP

SWACCA announced just prior to the pandemic that it would introduce a new labor relations product in 2020: the SWACCA Collective Bargaining Workshop. The workshop was developed to serve as a launch point for employer bargaining committees in their collective bargaining process, prior to meeting with the union. Designed for in-person delivery over a full day, the workshop contains three sections: The first section is a review and discussion of the SWACCA Collective Bargaining Guidebook, which is a written overview of the bargaining process from a technical perspective. The second section is a presentation of negotiation research applied to collective bargaining – strategy and techniques. The third and final section is a discussion of local bargaining issues raised by participants in the pre-workshop surveys and in the workshop itself.

SWACCA promptly adapted the workshop for delivery during the pandemic via Zoom in an abbreviated format. The first workshop was delivered in June to the employer bargaining committee for the Wall and Ceiling Contractors Association of Metro St. Louis in preparation for their drywall finisher contract negotiations. Over roughly three hours, SWACCA General Counsel John Nesse led a presentation and extended discussion with the participants. The presentation was well received by the employers who commented that it was “jam packed with value” and helped “get everyone’s head right on negotiating this next contract.” WCCA Executive Director Dan Wienstroer observed, “The Collective Bargaining Workshop was a major contributor to our successful contract negotiations this summer. The knowledge gained from this seminar was utilized in this year’s bargaining, which was non-contentious and achieved a fair outcome.”

The workshop was delivered twice more in 2020 and is growing in popularity. It was adapted for a larger group of employers from the Associated Wall and Ceiling Contractors of Oregon and Southwest Washington (AWCCO) and the Northwest Wall and Ceiling Contractors Association based in Seattle (NWCCA). More than two dozen participants joined the Zoom session to discuss the collective bargaining process,

bargaining techniques, and negotiation strategy. The participants ranged from being brand new to collective bargaining to having negotiated many contracts. The workshop was organized by AWCCO Executive Director John Killin, who said:

“The collective bargaining workshop is the sort of course that every signatory group should hold annually for current and future leaders. New and seasoned negotiators alike gained tremendously from this course on labor negotiation fundamentals.”

The workshop was next held with a Wall and Ceiling Alliance (WACA) bargaining committee preparing to negotiate two contracts with the Plasterers union in northern California. The committee was largely comprised of very experienced negotiators. One participant commented:

“The Zoom conference went very well. Based on the level of experience of most the group, it was a really good refresher and reminder of the different approaches. I especially liked the interest-based strategies we discussed in the bargaining techniques section.”

The SWACCA Collective Bargaining Workshop is available via Zoom to any SWACCA Regional Affiliate. It’s not just for specific bargaining committees – it can be adapted to serve as an education opportunity for SWACCA members who are interested in learning more about the collective bargaining process in general.

DEFINED BENEFIT PENSION CONVERSION

A highlight of SWACCA’s 2020 labor relations work came during the fall membership meeting with a presentation that covered the conversion of a large defined benefit pension to a variable design that produced no new unfunded liability. Notably, the presentation included both the labor and management perspectives of what was a collectively bargained-for conversion. The plan at issue was the Twin Cities Carpenters Pension plan, which was 68.6% funded at the time of the conversion. During collective bargaining, the union and employer group discussed converting the plan from a traditional defined benefits design to a variable benefit design in order to improve sustainability of the fund and alleviate unfunded liability. The parties negotiated language in the new CBA that provided an additional pension contribution if the plan trustees want to fully convert the plan to a “variable rate defined benefit (variable annuity) pension design.” This additional contribution would be eliminated when the trustees determined it is no longer needed to fund legacy liability. The trustees ultimately approved a complete conversion to a variable defined benefit plan, which was then projected to reach the green zone in 2024 and be 100% funded by 2031. The presenters provided unique insights into what each side was thinking during certain portions of negotiations, and also described the logistics of the plan conversion.

Construction Labor Research Council

The Construction Labor Research Council (CLRC) produces quarterly wage and benefit research reports that cover most building trades across the country. SWACCA distributes these reports to members via the member newsletters, and they are also available in the members-only section of www.swacca.org. In 2020, SWACCA joined the CLRC as a full voting member of the Board of Directors. In addition to the board seat, SWACCA's full member status offers discounts to SWACCA and SWACCA affiliates on custom CLRC research reports. Custom reports include market share studies, union-nonunion wage and fringe comparisons, benchmark analysis that compares wage and fringe costs to indexes, contract costing, and more. Custom reports may be useful in collective bargaining and other labor relations planning activities at the local level.

Looking Ahead

SWACCA expects to host several collective bargaining workshops in 2021 with a larger number of SWACCA-affiliated CBAs expiring in 2022. The SWACCA Labor Relations Committee has determined that a second workshop should be offered that will focus on advanced bargaining techniques. This product is expected to become available to affiliates in mid-2021 for convenient delivery via Zoom. As SWACCA continues to grow its labor relations resources, member feedback and participation are critical to ensure that these products meet your needs. If you are interested in scheduling a Collective Bargaining Workshop, or if you have an idea for a labor relations resource SWACCA should offer, please contact SWACCA General Counsel John Nesse at jnesse@mguidance.com or (651) 253-4818.



New Communications Partners

In 2020, SWACCA partnered with two new communications partners: Hart Inc. and Betsey Kershaw & Co. (BK&Co.).

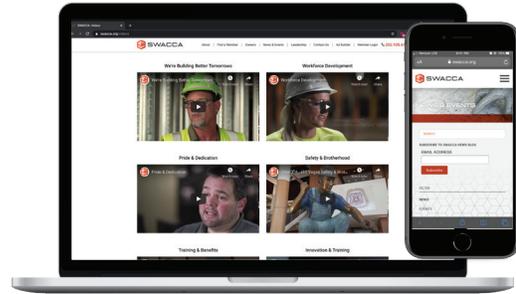


Hart's role is to develop and manage media opportunities for SWACCA. To that end, it worked with SWACCA President Scott Casabona to author a piece for *Construction Executive*, titled "Recruit Gen Z to Fill the Skilled Labor Shortage." This piece appeared in the publication's eNewsletter in November 2020 (<https://constructionexec.com/article/recruit-gen-z-to-fill-the-skilled-labor-shortage>). Several additional SWACCA publication opportunities are in the works for 2021.

BK&Co. is a social media strategy and management company. BK&Co. manages SWACCA's existing Twitter account (@swaccainfo) in partnership with SWACCA's public policy team, and also developed SWACCA's Facebook (www.facebook.com/swaccaorg) and LinkedIn (www.linkedin.com/company/swacca) pages in 2020. Overall, SWACCA's social media audience has grown to 434 followers over these three channels: 260 followers on Twitter (a 13.5% increase from 2019), 54 followers on Facebook, and 120 followers on LinkedIn. SWACCA totaled 2,925 "engagements" – a comment, like, or post share – in 2020: 2,279 engagements on Twitter (a 109% increase from 2019), 261 on Facebook, and 385 on LinkedIn. And followers of SWACCA's social media channels clicked on post links 1,048 times: 777 times on Twitter (a 349% increase from 2019), 59 times on Facebook, and 212 times on LinkedIn. Lastly, SWACCA's social media "impressions" – that is, the number of people SWACCA's content was visible to, whether it was clicked on or not – totaled 77,738.

SWACCA's long-term goal is to develop an engaged online community through its social media channels, consisting of SWACCA members, industry stakeholders, and those who may be interested in joining our industry. We strongly encourage SWACCA members and their employees to follow SWACCA on Twitter, Facebook, and LinkedIn, as these channels provide an easy way to stay updated regarding news about SWACCA and its members. Moreover, if you or your employees have any content you would like to share with SWACCA – including company awards or accomplishments, photos, or feature stories about employees – you can contact Hart directly via email at swaccapr@hartinc.com and BK&Co. at <https://airtable.com/shrvpC1TE8Fj8G31Z>.

Updates to the SWACCA Website



In addition to taking on new communications partners, SWACCA updated its website (www.swacca.org) in 2020. The website now contains a Video Library (<https://www.swacca.org/videos/>) featuring SWACCA members. The News Blog (<https://www.swacca.org/news-events/>), which contains a wealth of SWACCA- and industry-related information, was redesigned and includes a better search function. SWACCA members can now subscribe to the News Blog by entering your email address and clicking on the "Subscribe" button. (If you do subscribe, please consider whitelisting the following email addresses – swaccainfo@gmail.com and info@swacca.org – to avoid emails ending up in your junk or spam folder.)

The members-only section of the website also contains a wealth of information for SWACCA members. A reminder about how to access this section of the website: If you have not accessed the members-only section of www.swacca.org, your username is your primary email address used for membership with SWACCA and the password is **SwaccaMember1**. Select "Update My Profile" in the members-only section to change your contact information and password. Be sure to click "save" after making any updates. If this doesn't work, please contact SWACCA's Association Manager Alyson Palmer at apalmer@swacca.org.

SWACCA Communications

In 2020, SWACCA published 177 updates on its News Blog. Additionally, SWACCA continued to communicate with its members directly through exclusive Quarterly Newsletters as well as Member News Bulletins as important issues arose. Any employee of a SWACCA member company is welcome to receive these updates. If you or someone you know would like to be added to the distribution list, you or they can enroll at this link: <https://mailchi.mp/0fb6b034c574/swacca-member-communications-signup>.



SWACCA Membership

After adding two new SWACCA chapters in 2019 – the NWCCA in the Pacific Northwest and the WCCA of Indianapolis – SWACCA currently represents roughly 400 signatory wall and ceiling contractor members across the United States.

SWACCA continued to actively recruit new members in 2020, despite the challenges posed by the global pandemic. SWACCA Board members and staff reached out to wall and ceiling contractors in Toronto, the Chicago area, Iowa, Washington, D.C./Maryland, and New York over the course of the year. In addition to these direct recruitment efforts, SWACCA continued to raise its national profile – for example, through its timely and in-depth communications regarding COVID-19-related legislation and regulations – which aids in the recruitment of new members.

SWACCA has taken an aggressive approach to achieving its goal of providing a national voice for unionized wall and ceiling contractors. To continue on our current path, SWACCA needs to continue its growth. SWACCA's Directors and staff will continue their efforts to add regional affiliate chapters in new areas throughout 2021. The support of our current membership is key to these efforts and we welcome any assistance that current SWACCA members can provide.

HOW TO JOIN SWACCA AS A CONTRACTOR MEMBER

- Check SWACCA's membership list to find a Regional Affiliate near you. Your Regional Affiliate submits your nomination for membership.
- If a Regional Affiliate does not exist in your area, you may join as a Supporting Member with the goal of establishing a new Regional Affiliate in your area.
- The SWACCA Board of Directors reviews applications for Contractor Membership at least once a year.

HOW TO JOIN SWACCA AS A REGIONAL AFFILIATE MEMBER

- Applicants for Regional Affiliate membership can submit applications directly to the Board of Directors.
- Acceptance of an application requires a 2/3 majority vote by the Board.
- There can be multiple Regional Affiliate members in a given geographic area only if they represent different fields of expertise within the industry.

SWACCA Innovation Committee Builds a Foundation

In 2020, the SWACCA Innovation Committee was created, setting itself on a focused path and taking a proactive approach on how innovation and technology is integrated into the signatory wall and ceiling industry. As the first order of business, the committee established a conduit for industry technology to be evaluated through Proof of Concepts and Research Studies. The committee will prioritize problems, based on three pillars: Building Information Modeling (BIM), Workforce Health, and Big Data. Each focus point is built around the mission of the committee: To Welcome and Introduce Innovation for Productivity and Profitability.

Committee chairman and SWACCA Board member Robert Klugh, Martin Bros., is supported by committee members: Heather Powen – Martin Bros., Nick Carrillo – WWCCA, Cameron Wies – TJ Wies, Brett Dahmer – PCI, and Tom Clerkin Jr. – Ceilings Inc.

Innovation/technology sourcing: The Innovation Committee made a call for abstracts for new technology and/or services to be evaluated. The committee had received five abstracts at the time of this report.

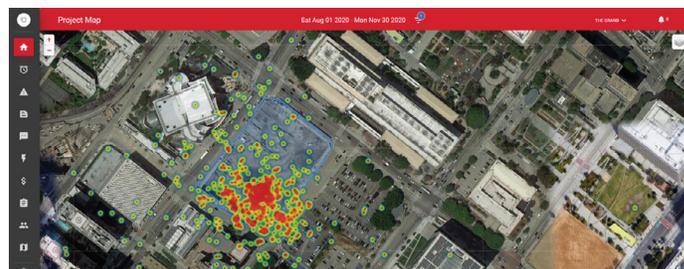
In 2020, the committee successfully collaborated on two research studies to bring key insight to SWACCA members.



STUDY 1: EXOSKELETON – The Exoskeleton is a human augmentation device to help tackle health, safety, and labor shortage challenges on the jobsite. The finding of the study concluded there is foreseeable value in the future. Crewmen felt less fatigue in their shoulders while installing ceilings and soffits once the device was properly fitted. Proper fitment ensures an overall positive experience; poor fitment of the Exoskeleton limited range of motion and overall comfortability, such as arm cuff slippage and too much resistance (support power).

Key Findings:

- The equipment is easy to put on and remove; typically, under 2 minutes.
- The equipment does not fit well in tight spaces and has potential to get stuck on pipes and duct straps, etc.
- The users found the equipment limits range of motion when pushing, pulling, and reaching.
- The equipment created difficulty when accessing the crewmen’s toolbelt.
- Through our findings, this augmentation device, when using on applications that are overhead for most of the time, let users see small benefits.



STUDY 2: CONTACT TRACING – The Innovation Committee conducted an 8-week research study on crewmen wearing personal safety devices to determine COVID-19 contact tracing and to gather data points for worker productivity while on site.

Parameters of the Research Study: For the control group, we evaluated 32 crewmen on 4 floors for 8 weeks. Each crewman was given a personal safety device when arriving at the COVID check-in tent and wore it throughout their shift and dropped it off before leaving the site. There were over 250 beacons placed throughout the site: at the COVID-19 check-in station, the manlift, and 4 floors for the entire 8-week study. The project is a 176,000-square-foot, 39-story tower.

Key Findings:

- Regarding COVID-19 contact tracing, the committee gathered data points every 8 minutes from the time the crewmen stepped through the project geo fencing until they returned their beacon at the end of the day. This project did not have a positive COVID-19 case with the sample group during the test pilot.
- The committee was able to gather data points in case a positive COVID-19 had been reported with our sample group; they could have identified the crewmen and taken the appropriate safety measures.
- Through this study, the committee was able to quantify a dollar value for time lost at the COVID check-in tents and the manlift within an 8-minute time frame.

Relationships Built, Relationships Gained

The committee has steadily opened doors with tool manufacturers, technology startups, and material manufacturers to expose these companies to signatory wall and ceiling contractors willing to provide feedback and commentary on emerging and existing products, services, and technology. A list of those companies includes Hilti, Stanley Black and Decker, Milwaukee, Ottagoe, BasisBoard, ArmourTone, and Hyperframe.

Beyond relationships with products for contractors, the committee has reached over the fence and connected with persons at other national signatory contractor associations representing other crafts to collaborate on findings, share data, improve the working environment for the worker, and empower the signatory contractor; these trades include mechanical, electrical, and plumbing.

Looking at the Horizon

In the next 24-48 months, the committee will use its influence to connect SWACCA members with technology and services that align with our mission to improve productivity and profitability. The technology that passes through the abstract submission will be welcomed into a “Shark Tank” evaluation. Ultimately, there will be an opportunity to enter an incubation process, where the committee will deliver research studies and proof of concept to help push the industry forward. The committee is evaluating this technology for compatibility, scalability, and adaptability all throughout the industry.

Other committee endeavors that are on the horizon are expert industry speakers discussing leading-edge topics, industry roundtables, panel discussions about construction technology, and reports detailing SWACCA innovation committee partners.

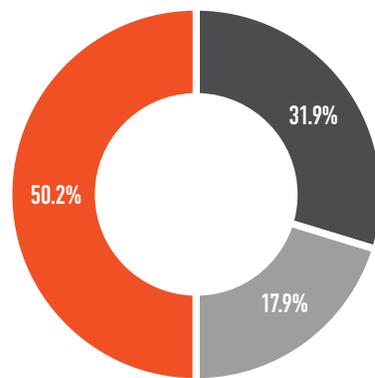


FINANCIAL SUMMARY



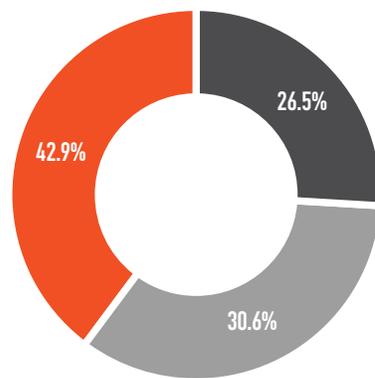
Budget Growth

SWACCA's Board of Directors and staff work diligently to manage our organization's budget with the goal of efficient administration and concentrated spending on member-driven initiatives. 2020 saw SWACCA move its programming online, which resulted in savings relative to the budget and helped grow SWACCA's financial reserves. SWACCA conducts a substantial amount of programming through the various committees: marketing, government relations, labor relations, innovation, membership, and Regional Affiliate executives. The committees' budgets have been expanded for 2021, which enhances the opportunity for each committee to grow its activities and take on new initiatives at its own direction. Each SWACCA Regional Affiliate has the opportunity to appoint one member to each committee and thereby steer SWACCA's programming directly.



2020 EXPENSES (ACTUALLY INCURRED)

- Program Expenses
\$323,259.59
 - General Administrative
\$205,369.02
 - Committee Budgets
\$115,125.63
- Total: \$643,754.24



2021 BUDGET

- Program Expenses
\$362,000
 - General Administrative
\$224,200
 - Committee Budgets
\$258,500
- Total: \$844,700

OPPORTUNITIES TO ENGAGE



SWACCA members have numerous opportunities to engage directly with SWACCA in 2021.

Membership Meetings

SWACCA will host membership meetings in Spring 2021 and Fall 2021. In the past, these meetings have been held in conjunction with the Association of the Wall and Ceiling Industry (AWCI) events, at the AWCI Convention in the spring and the AWCI Industry Leaders Conference in the fall. In 2020, the COVID-19 pandemic changed this practice and brought about SWACCA's first two-day, virtual membership meeting via Zoom webinar. SWACCA will hold similar meetings this spring and fall; the meeting dates and additional details are forthcoming. Stay tuned via SWACCA's newsletters for more information.

Contributing to SWACCA Communications

SWACCA publishes a quarterly member newsletter and distributes member news bulletins on an as-needed basis. Any employee of a SWACCA member company is welcome to receive these updates. If you or someone you know would like to be added to the distribution list, you can enroll here: <https://mailchi.mp/0fb6b034c574/swacca-member-communications-signup>.

SWACCA also maintains a robust, public News Blog on its website at <https://www.swacca.org/news-events/>. The News Blog contains substantial public policy and government relations content related to SWACCA's strategic initiatives and was a great source of PPP loan and FFCRA paid leave updates throughout 2020. Anyone can sign up to receive these updates on SWACCA's website.

SWACCA is building a social media community for our industry. If you haven't already, please connect with SWACCA on [Facebook](#), [Twitter](#), and [LinkedIn](#), where our content helps amplify the voices of SWACCA member companies, among other initiatives.

SWACCA members are welcome to contribute content for these publications and social media channels. Please contact Alyson Palmer via email at apalmer@swacca.org if you would like to do so.

Serving on SWACCA Committees

SWACCA members are eligible to serve on the following SWACCA committees:

- **Membership:** Works to grow SWACCA's membership and increase the proportion of signatory contractors represented by SWACCA.
- **Labor Relations:** Directs SWACCA's labor relations efforts and related member resources.
- **Communications & Marketing:** Guides SWACCA's efforts to grow market share, spread important messages to crucial audiences, and advocate publicly for signatory contractors and the union wall and ceiling industry.
- **Innovation:** Oversees SWACCA's effort to integrate the latest innovations and technology into the union wall and ceiling industry.

Each SWACCA Regional Affiliate is empowered to appoint one representative to each of these committees. Each committee has an annual budget to conduct its own operations in support of SWACCA's strategic plan. If you are interested in working with one or more of SWACCA's committees, please contact the executive director of your Regional Affiliate group and also contact Alyson Palmer at apalmer@swacca.org.

Board of Directors

Service on a committee is a great opportunity to gain experience with SWACCA's operations and leadership. The next and highest level of leadership is SWACCA's Board of Directors. SWACCA's Board of Directors is elected through a nomination process that begins with the SWACCA Regional Affiliates. Every fall, the Regional Affiliate Executives convene to make nominations for open Board seats. Those nominations are then voted on to be seated the following January. If you are interested in being nominated to serve as a Director, please contact the executive director of your Regional Affiliated group.

BOARD OF DIRECTORS



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President

Sloan and Company
Mountain Lakes, New Jersey
Eastern Region

Robert Klugh
Vice President

Martin Bros.
Gardena, California
Western Region

Gregg Brady
Treasurer

Brady Company/Central CA
Castroville, California
Western Region

Shawn Burnum
Secretary

Performance Contracting Inc.
Lenexa, Kansas
Central Region

Matt Townsend
Director

OCP Contractors
Holland, Ohio
Immediate Past President

Tom Clerkin
Director

Ceilings, Inc.
Norristown, Pennsylvania
Eastern Region

David Giorgi
Director

Giorgi Interior Systems, Inc.
Bedford Heights, Ohio
At-Large Director

Greg Knutson
Director

GK Knutson
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Neil O'Connor
Director

Western Partitions Inc.
Wilsonville, Oregon
Western Region

John Strawser
Director

Valley Interior Systems, Inc.
Cincinnati, Ohio
At-Large Director

Dan Wienstroer
Director

Wall and Ceiling Contractors
Association of Metro St. Louis
St. Louis, Missouri
Regional Affiliate Executive

Tim Wies
Director

TJ Wies Contracting
Lake St. Louis, Missouri
Central Region

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SWACCA