

WINTER 2010

www.tnchamber.org

10 for TN: A Roadmap to Prosperity

2010 Business Agenda Addresses Concerns and Opportunities Impacting Business Growth and Competitiveness

The Tennessee Chamber of Commerce & Industry serves as your advocate at the State Capitol and to the state's regulatory agencies. After all, the cost of government is more than taxes: it includes the cost of legislation and regulations that are imposed on Tennessee companies and become a part of their daily operating expenses.

As your advocate, the Tennessee Chamber works to prevent anti-business legislation and regulation, and it researches and develops solutions to address business concerns. Each year, the Tennessee Chamber develops a Business Agenda of proactive issues that addresses these business concerns.

This year's issues – presented as 10 for Tennessee: 10 Initiatives Generate Tennessee Jobs on the Journey to Prosperity – provide an easy way for business leaders to communicate with legislators on items that will impact the state's business community.

We all know that Tennessee's economic strength relies on a dynamic and vibrant business and industrial community that is competitive in a world marketplace and provides jobs for Tennesseans and their families. Restoring our economic health must be a top priority ahead with no sure solution in sight.

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98th Annual Meeting to Feature Top State Leaders

Tennessee business and industry leaders from across the state will gather in Nashville March 3 for the 98th Annual Meeting and Reception of the Tennessee Chamber of Commerce & Industry, presented by AT&T.

It is the premiere meeting of the state's leading business leaders and employers.

Governor Phil Bredesen is invited to keynote the opening lunch at Noon. Following lunch, we will look at 2010: The Challenges It Holds; The Results It Will Bring.

We will discuss the State of Economy, and what can we expect in 2010? Economists will tell us if the economy is recovering and when the recovery will reach Tennessee. You will leave with the information you need to map your strategy for this year.

We will look at The Future of our State. Tennessee will elect a new governor, and all major gubernatorial candidates have been invited to talk to you and to answer your

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Morton Elected Tennessee Chamber Chairman, New Board Members Elected

Gregg F. Morton, president of AT&T Tennessee, was elected to a full term as Chairman of the Board of Directors of the Tennessee Chamber of Commerce & Industry. He has filled the unexpired term since November 1 of former Chairman Brett McBrayer of Alcoa, who located out of state.

Scott Becker, senior vice president of Administration and Finance for Nissan North America, was elected Chairman-Elect.

John Van Mol, founding partner, President, & Chief Executive Officer of Dye, Van Mol & Lawrence of Nashville, continues to serve on the Board of Directors and Executive Committee as Immediate Past Chairman.

Susan Lay Dew, General Manager of Worldcolor in Dyersburg, was elected Treasurer.

Morton came to Tennessee in 2007 when he was named as State President of AT&T Tennessee, where he is responsible for overseeing the company's regulatory, legislative and community affairs activities in the state.

With more than 30 years in the telecommunications industry, Morton began his career with Southern Bell in Charleston, S. C., in 1978. He held assignments with increasing responsibility from 1982 to 1987 in Atlanta, Ga., and from 1987 to 1989 in Columbia, S.C. In 1989, Mr. Morton was promoted to Director - Legislative Affairs in BellSouth's Washington, D.C. office. He returned to Columbia in 1993 as BellSouth's Executive Director for Governmental and Public

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Education Reforms: The General Assembly At Its Best

Deborah K. Woolley ★ President

We do not normally welcome the members of the General Assembly back to town by saying “Thank you for a job well done,” but so far there has been little normal about 2010.

And it is only a month old.

Congress ended the year by passing two different versions of health care reform, only to have the bluest of all blue states send a new Senator to town who won by opposing health care reform (even more amazing is that he will take Sen. Ted Kennedy’s seat who was a sponsor of the bill he opposes).

The economists still point to an on-going recovery, but unemployment took an unexpected leap up and they are hustling to explain why.

For a Tennessee Volunteer fan like I am, 2010 meant the abrupt – and classless – departure of one football coach which gave way, in fewer than 72 hours, to a new coach – a feat only made more perplexing by Tennessee fans who are having to learn to say Coach Dooley without having Georgia on our minds.

Even the weather has been strange ... as I write this today, it is alternating between bright sunshine and blowing snow.

But the General Assembly topped it all by passing two major pieces of education reform in less than two weeks during the Extraordinary Session. The House and Senate members worked in a focused, bipartisan manner and accomplished education reforms that have been needed, in some cases, for more than two decades.

The K-12 reform, aimed at bringing much needed accountability to the classroom, undid a ban that had existed for more than 20 years. The Governor, the General Assembly, the business community and

much of the education community all actively supported the bill and accomplished the goal of accountability in a way that is fair and supportive of teachers while ensuring our students and taxpayers are getting what they are promised.

The higher education reform addresses one of the most fundamental concerns for Tennessee employers – availability of a qualified workforce for the jobs of the 21st Century. Most employers today need a student with post-secondary education – be it two year, four years or a technical certificate, yet we had an education system that produced five times as many drop outs as graduates. The reforms passed by the General Assembly get to the heart of the matter by encouraging colleges and universities – using the state funding formulas -- to better encourage student graduation rates, to make post-secondary education more customer friendly and to use our community college system effectively and efficiently.

It is a common sense solution to a major challenge, and the Tennessee Chamber and its employers across the state thank the Governor for his vision, leadership and insight. We thank the House and Senate leadership for their focused commitment to passage of the bills and their willingness to work quickly and across party lines.

It is a commitment we all hope will carry over as the Extraordinary Session becomes history and we begin the “regular” business of the state. The challenges are no less daunting and the solutions are just as vital. It is also a lesson in how government can work, and it is one we all wish Congress could learn.

Deb Woolley can be reached at 615-256-5141 or at deb.woolley@tnchamber.org

**For the latest news and updates
on issues affecting the Chamber,
log on to www.tnchamber.org**



Temps Provide Effective Solution As Companies Start Hiring

Jeff Bates ★ TA Staffing

The economy has lost jobs for 24 straight months, but smaller than expected declines in recent months indicates that the country might soon start hiring. The one bright spot in the December Jobs Report was that the Temporary Help Industry added 47,000 jobs, the fourth straight increase. This is positive news because the temporary help services industry is considered a leading indicator of economic recovery and unemployment a lagging barometer, total employment usually starts increasing three to six months after temporary employment.

Employers are turning to the temporary help industry instead of adding permanent staff until they can be sure that a more long-term investment will pay off. Current demand is strongest in Technology, Accounting, Compliance, and Customer Service.

There are several reasons why businesses are reaching out to the staffing industry during these times; one is testing the cultural fit and the other is, should business growth be restricted, laying off temporary talent can have a less psychological damaging effect than letting go full time staff and has a minimal effect on staff moral as well.

Another reason is efficiency and flexibility; the demand for temporary business talent is not confined to cost cutting motivations, companies are using talent to drive innovation. It's much easier to bring on top talent on a temporary basis to help develop or launch a new product, in the past it required that you add this untested candidate as a full time employee and even if they meet your short term expectations they may ultimately be under utilized after the project is complete. Product launches used to take several years, now companies are doing it in less than six months. This requires flexibility, efficiency, and risk avoidance. Bringing talent on under contract also allows the ability to add this candidate to the full time roster should the business choose to do so on down the road.

While the temporary help industry has lost 685,000 jobs or 27 percent since December of 2007 and while its recovery is good news, it is not immune to the same challenges as other industries, most notably the creation of new jobs and the rising cost of employment and benefits. As many in society struggle with the idea of "losing jobs" to other countries the greatest concern to the American worker should be "where are jobs



Bates

being created," and who is providing the climate for innovation and the entrepreneurial spirit. Increased employer cost and government mandates will not accomplish this and will ultimately drive innovation out.

As the economy returns, Washington should embrace that a portfolio of multiple assignments is what businesses and the entrepreneur spirit craves for, it provides efficiency from a business standpoint and gives those with the entrepreneur spirit the flexibility to work in a variety of environments while building or working toward their own dream of starting and owning a business. This new relationship between business and talent isn't a failure but the latest sign of our economy's endless appetite for renewal and innovation.

Jeff Bates is Managing Partner of TA Staffing.

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10 for TN: A Roadmap to Prosperity

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Employers are seeking cost savings at every level while government is seeking additional revenues to shore up lagging budgets. Employees struggle to make ends meet while fervently hoping that their jobs don't become the latest victim of.

There can be no doubt, in 2010, that the most over-riding issue impacting both business and legislative decisions is the state of the economy. The deepest recession in the last half century has been felt from Wall Street to Main Street and the resulting layoffs, company closings, revenue shortfalls, high prices and lack of consumer confidence all seem to stretch the economy.

We must tackle the tough problems together. The Tennessee Chamber of Commerce & Industry and its members across the state are eager to work with our elected officials – at the state and federal levels – to reach our goal of revitalizing our economy through economic growth and enterprise.

The 2010 Business Agenda and 10 for TN: 10 Initiatives to Generate Tennessee Jobs on the Journey to Prosperity outlines the key challenges facing our state's employers and our suggested recommendations for addressing those challenges. We pledge to work in partnership with our policy leaders to enact legislation that will move our economy forward and restore Tennessee's vibrant and growing economy.

Annual Meeting

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questions. You will get the information you need to decide who should lead our state.

Finally, we will look at the State of General Assembly. House and Senate legislative leaders will discuss this extremely challenging year. They will tell you how they intend to pass a balanced budget and manage state services. You will learn whether they will be seeking new sources of revenue and how you – as a business and an employer – might fare.

The Evening Reception will conclude the day by providing business leaders an opportunity to interact with members of the General Assembly and key policy makers.

It is a meeting you cannot afford to miss.

To register for the 98th Annual meeting, visit www.tnchamber.org or call Suzie Lusk at 1-615-256-5141.



10 Legislative To Generate Jobs on



TENNESSEE CHAMBER OF COMMERCE & INDUSTRY

2009-10 BUSINESS AGENDA

Get the Economy Moving

Avoid new costly mandates, fees or taxes on business in returning Tennessee companies to full competitiveness and in creating prosperity for its citizens. Manage the state budget conservatively while fostering economic development and job creation.

- In anticipation of more than a \$1 billion state budget shortfall, prevent attempts to supplement tax revenue with new or expanded business taxes.
- Protect the property tax definition of rent liability for businesses.
- Ensure property tax assessments are clear, concise and fair to business with no bias to benefit local governments.
- Prevent combined reporting.
- Evaluate proposals requiring filing on a "single-entity" basis for the state franchise and excise tax.
- Protect key business, industrial machinery and raw goods sales tax exemptions.

Enact Legal Reform

Protect Tennessee's business climate with comprehensive legal reform that includes caps for product liability, punitive and non-economic damages, and medical malpractice. Start legal reform by ensuring that both citizens and companies have fair input into the judicial selection process

- Ensure the state Consumer Protection law is fair and balanced to businesses.
- Oppose efforts to negatively alter revamped Judicial Selection Process.

Improve Health Care Availability

Increase health care availability and control costs through technology, innovation and transparency.

- Prevent cost-adding health care mandates.
- Support meaningful healthcare reform at the federal level that lowers costs for business while creating a better healthcare system. Monitor federal healthcare proposals and communicate to membership grassroots.

Safeguard Employee Rights

Prevent organized labor from taking away an employee's right to work or the right to a secret ballot. Strengthen Tennessee's right-to-work laws, and prevent public sector union contracts.

- Ensure Tennessee maintains its right-to-work state status.
- Monitor, communicate and lobby federal anti-business, pro-labor initiatives.
- Protect against any Jobs Killer bills.

Meet our State's Infrastructure Needs

Achieve transportation and infrastructure investments in a fiscally and economically responsible way helping businesses to grow and expand while transporting goods and people in a sustainable, safe and efficient manner.

- Ensure Congress addresses transportation infrastructure in a comprehensive manner, including support for expedited consideration of SAFETEA-LU.



TENNESSEE CHAMBER OF COMMERCE & INDUSTRY

2009-10 BUSINESS AGENDA



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2009-10 BUSINESS AGENDA



Initiatives in 2010 the Road to Prosperity

Put Education First

Prioritize education, fostering a better educated and skilled workforce, and expand charter school options for Tennessee families because prosperity depends on an educated workforce.

- Protect implementation of the Tennessee Diploma Project.
- Advocate for greater accountability in Tennessee's higher education systems to improve efficiencies and graduation rates.
- Ensure adequate BEP funding.
- Protect investment in Pre-K and advocate the benefits of early childhood education and services.
- Improve college completion rates.

Conserve Energy and the Environment

Advance the role of business as leaders in conservation and environmental compliance.

- Maintain current waste disposal programs to provide appropriate and affordable means to dispose of industrial waste.
- Stop attempts to place restrictions more stringent than federal on coal mining.
- Defend 2009 "wet weather conveyance" legislation.
- Ensure any potential fee proposals are based on appropriate analysis.
- Support allies in federal legislation and regulation related to greenhouse gases and climate change.
- Ensure rule promulgation considers impacts on industry, jobs, economy and property owners.

Protect Workers' Comp for Employees and Employers

Guard Tennessee's workers' compensation law by keeping it adaptable to a changing workplace. Define key elements such as recreational/wellness, telecommuting and physician communications. Ensure workers' comp remains a non-adversarial system, free from fraud, serving the employee and employer in a cost-effective manner.

- Protect against any expansion of injury definition and increased compensability.
- Limit pain management injury claims to no more than two years after maximum medical improvement.

Stabilize the Unemployment Insurance Fund

Maintain the integrity and stability of the unemployment insurance fund in the most responsible and cost-effective way, ensuring that it is used only for the current statutorily intended purposes.

- Protect the integrity of the fund and unemployment benefits for our employees while ensuring frugal and prudent management of the fund and utilization of available resources, including reduction of fund costs.

Create Fairness in Campaign Contributions

Allow companies and organizations, who should enjoy the same rights as individual citizens, to contribute and participate in Tennessee's political process using enforced contribution limits, open reporting standards and stiff penalties for non-compliance.

- Support allowing corporate participating in Tennessee election process



2009-10 BUSINESS AGENDA

TENNESSEE CHAMBER OF COMMERCE & INDUSTRY



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2009-10 BUSINESS AGENDA

TENNESSEE CHAMBER OF COMMERCE & INDUSTRY



New Tennessee Chamber Board Members

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Relations in South Carolina. In January 1997, Mr. Morton was promoted to Vice-President Legislative and Regulatory Affairs for South Carolina Operations. In 2004, Mr. Morton was promoted to Vice-President-Legislation and Chief of Staff of the BellSouth Washington, D.C. office of Governmental Relations. In January of 2007, he was named President of South Carolina-AT&T.

A native of South Carolina, Morton graduated from Clemson University in 1978 with a bachelor's degree in Administrative Management.

In addition to the Tennessee Chamber,



Gregg F. Morton

he is a member of the Nashville Rotary Club and serves on the Board of Directors for the Boy Scouts, United Way, and The Nashville Symphony. He is a member of the Fisk University Board of Trustees and the

Senior Advisory Board of the College of Business and Behavioral Science at Clemson University. He is married to Cathy Thomas Morton and they have two children.

Becker is responsible for all Finance, Legal and Government Affairs, Information Systems, NMAC, Product Economic Control, Corporate Planning and Program Management Office, Organization Development, Security, Real Estate, Corporate Aviation and Internal Audit functions for Nissan's operations in the Americas region. He also will serve as a member of Nissan's management committee for the Americas. He joined Nissan in July 2006 from Sears Holdings Corp., where he served



Scott Becker

as vice president and deputy general counsel. Prior to that, he was with D'Ancona & Pflaum LLC, a Chicago-based law firm. He holds a bachelor's degree from the University of Chicago and a law degree from

University of Pennsylvania Law School.

Van Mol, a highly regarded public relations executive, served as a public affairs officer for the Army in Vietnam and executive vice president of

another Nashville public relations firm before helping establish Dye, Van Mol & Lawrence in 1980. In addition to the Tennessee Chamber, he serves on the boards of Cumberland University, Goodwill Industries of Middle Tennessee, Inc., the Pencil Foundation and the Nashville Songwriters Foundation. He is a past chair of Goodwill and the Nashville Downtown Partnership. He hold a bachelor's degree in Journalism from the University of Tennessee.



John Van Mol

Dew, a member of the Tennessee Chamber board, is a Tennessee CPA with more than 30 years of financial experience in public accounting and industry. For the last 25 years, she has served as Controller and currently General Manager for Dyersburg's largest employer, Worldcolor. A Tennessee native, she received her bachelor's degree in Accounting from The University of Tennessee at Martin. She is active in the

Dyersburg/Dyer County Chamber of Commerce and serves as the Vice Chair for Existing Industry.



Susan Lay Dew

Elected to a second three-year term on the 2010 Tennessee Chamber Board of Directors are Andy Hall, Wellmont Health Systems, Kingsport; Mike Prince, Cooper Standard Automotive, Surgoinsville; Dennis Alpert, Wal-Mart Stores, Inc., Lebanon; Lacy Upchurch, Tennessee Farm Bureau Federation, Columbia; Darlene Marsh, Burr & Foreman LLP, Nashville; and Kent Carter, Marvin Windows, Ripley.

Elected to a first three-year term on the Board of Directors are Brad Knoll, King Pharmaceuticals, Bristol; Keith Miles, McNeely, Pigott & Fox Public Relations, Nashville; Mary Neil Price, Miller & Martin PLLC, Nashville; Randy Kennedy, Procter & Gamble Company, Jackson; Greer McMullen, ServiceMaster Corp., Memphis; Chris Jackson, Alcoa, Alcoa; Dicky Walters, Whirlpool Corp., Cleveland; and Steven Taylor, FedEx, Memphis.

Also elected to the board for one-year terms are Tennessee Chamber of Commerce Executives Chairman Rosemary Bridges, Director of the South Tipton County Chamber of Commerce, Munford; and Tennessee Economic Development Council Past Chairman Walt Wood, Chief Executive Officer for the Shelbyville-Bedford County Chamber of Commerce, Shelbyville.

The Board of Directors, which is comprised of the officers, the executive committee and elected board members, serves as the governing body and determines the policies of the Tennessee Chamber.



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**TENNESSEE DEPARTMENT OF LABOR
AND WORKFORCE DEVELOPMENT**

VANITY FAIR, BLUE BELL FOUNDATION



Tennessee Scholars is building a quality workforce one student at a time. In this Tennessee Chamber of Commerce & Industry-sponsored program, employers tell 8th graders, before they make their four-year high school plan, how to be successful in a career and in post-secondary education. The students are urged to challenge themselves with a high school curriculum that is both strenuous and relevant. Out-of-school activities and in-school behaviors are a critical part of the program.

With the new Tennessee Diploma path for graduation and increased demands of the workforce, Tennessee Scholars must complete all state requirements and the following “stretch” curriculum:

- ★ 4 English Courses
- ★ 4 Math Courses (Algebra I, Algebra II, Geometry, and one higher level math).
- ★ 3 Lab Science Courses (Biology and Chemistry required)
- ★ 3 Social Studies Courses
- ★ 1 Fine Arts Course
- ★ 2 Foreign Language courses in the same language
- ★ 2 Career Technical Education courses, or 2 AP/Dual Credit/IB courses
- ★ 80 hours of Community Service, 95% attendance and no out-of-school suspensions
- ★ Maintain an “C” average in each Tennessee Scholars course
- ★ Pass Exit exams in Algebra II and English III

Since 2004, more than 15,000 Tennessee Scholars have graduated better prepared to compete in a global economy. More than 65 percent of Tennessee’s school districts participate in coordination with parents and the local business community. Student by student, Tennessee’s future is being secured.



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Upcoming Seminars and Programs

DATE	SEMINAR	LOCATION
February 18, 2010	Maintenance-Related TOSHA Compliance	Jackson
February 23, 2010	Maintenance-Related TOSHA Compliance	Murfreesboro
February 25, 2010	Maintenance-Related TOSHA Compliance	Knoxville
March 3, 2010	98 th Annual Membership Meeting and Reception	Nashville
March 11, 2010	Basic Safety	Smyrna
March 18, 2010	Basic Safety	Knoxville
March 24, 2010	Basic Safety	Jackson
March 31, 2010	Basic Safety	Clarksville
April 7-8, 2010	10-Hour OSHA Voluntary Compliance	Morristown
April 14-15, 2010	10-Hour OSHA Voluntary Compliance	Jackson
April 20, 2010	Safety Programs	Knoxville
May 6, 2010	Safety Programs	Murfreesboro
May 13, 2010	Combustible Dust/Best Practices in Occupational Safety and Health	Morristown
May 18-21, 2010	30-Hour OSHA Compliance	Middle TN
May 27, 2010	Combustible Dust/Best Practices in Occupational Safety and Health	Smyrna
June 10, 2010	Combustible Dust/Best Practices in Occupational Safety and Health	Jackson
June 17, 2010	Industrial Air Regulations	Nashville
August 12, 2010	Industrial Air Regulations	Knoxville

For additional information, call the Tennessee Chamber of Commerce & Industry at 615/256-5141 or check the website at www.tnchamber.org. Click on Calendar.