

# BLUEPRINT for Progress

SPRING 2017

CONSTRUCTION NEWS & INFORMATION FROM MINGHINI'S GENERAL CONTRACTORS, INC.

## Editor's Message

Small business owners are among the most influential members of their communities. In fact, in national surveys, Americans say they respect small business more than every other institution except the military. We have a lot more political influence than people realize, and I think the election results speaks to this point. Without a sound, thriving economy, America cannot be the great Country we know that it is. I hope this newsletter addresses some of the economic issues that are important as we move ahead.

The economic forecast for our Industry

appears to be positive on the whole, but a lot obviously depends on the overall economy and if the Administration can balance their incentive tax reforms with concomitant cuts in spending and create public-private partnerships to fund needed infrastructure. The stock market so far seems to like the economic emphasis of the new President. I hope that the banks follow suit in their optimism for funding building projects.

From a personal point of view, however, it would be a shame if the Middle Class did not benefit from the Trump Administration's tax reform. The

working families of America supported Trump's presidency to a large extent with the understanding that more jobs, tax reform, and a thriving economy would be in the cards. Having a Republican presidency and Republican Congress will be helpful in moving the new President's economic programs forward so that all of us may benefit **God Bless America!** ■



**Berniece Collis**  
Vice President

## The Trump Presidency and the Economy

Donald Trump, our 45th President, ran on a platform to "Make America Great Again" and his primary focus involves the Country's economy. Experts suggest that this Presidency will be good for the Economy and the Construction Industry. Clearly Donald Trump is a pro-business president with business savvy, as he has built a financial empire valued at between \$4.5 billion and \$10 billion depending on who is quoted. With the economy as his top priority, the economy will surely be the barometer by which his performance is evaluated.

Early on President Trump's immigration and foreign travel initiatives have attracted most of the attention with the start of his infamous Mexican wall, threat to deport 11 million illegals, and attempted restriction on travel to the States by people from countries known to harbor terrorists. But we need to remember that Trump also campaigned on economic reforms to boost the GNP including: a major tax code overhaul; repeal and replacement of Obamacare; renegotiation or "breaking" NAFTA; stopping hedge funds from "getting away with murder" on taxes; reforming the Veteran's Administration; and imposing import tariffs as high as 35%. All while keeping the deficit in check, growing the economy and leaving entitlement programs like Medicare and Social Security untouched.

**Impact on Individuals.** Many experts believe that his tax code overhaul involving tax cuts across the board would

not benefit the middle class per se, in spite of the fact that his camp has branded it the "Middle Class Tax Relief and Simplification Act." But analysts from the Tax Foundation and Tax Policy Center say that the largest benefit will be to Americans who earn the top 1%.

Congressman Ryan's summarized his tax plan on CBS's *60 Minutes*, "Here's the point of our tax plan. Grow jobs. Get the economy growing. Raise wages. Simplify the tax system so it's easy to comply with," he said.

**Impact on Business.** How will the Trump tax plan benefit business? Foremost, it proposes a flat 15% tax on businesses and a 10% tax cap on foreign derived income.

"His tax plan is one of the most dynamic and pro-growth tax plans out there," said Merrill Matthews, resident scholar at the **Institute for Policy Innovation**, a Texas-based, right-leaning think tank. "You would find a huge amount of new business investment and companies willing to put their money out there to begin growing the economy."

But there's a catch: Trump's tax plan would reduce federal revenue enormously, and the federal budget deficit would almost inevitably skyrocket. Hence, he also must put a cap on federal spending and hiring.

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## The Trump Presidency and the Economy (continued)

**Impact on Small Business.** Trump was the favorite candidate among small business owners. According to the National Federation of Independent Businesses, small businesses are responsible for nearly two-thirds of the job growth in our Country. But their ability to move the economy forward in recent years has been hampered by more than 3,000 new regulations in the works during the Obama administration.

Trump's promises of simplified reporting, deregulation of labor laws (overtime, for example), lower taxes on business, making US products more competitive, a Buy American policy, and the reform of Obamacare resonate with Small Business.

The National Federation of Small Businesses finds that the rising cost of health care was ranked the top issue for small companies in 2016, with 70 percent citing cost as their top concern. What's more, the National Small Business Association reports that 42% of small businesses say they've contacted lawmakers about health-care costs.

**Impact on the Construction Industry.** In terms of the Construction Industry nationwide, trade associations including ABC see the Trump presidency as positive for construction. Some of the key aspects of this optimism are the lessening of regulatory red tape and more money in the economy for capital investments like building,

However on the negative side, Trump's foreign trade policy featuring a proposed 35% tariff may bring about higher costs in building materials and industry wages nationwide because of the higher import costs of materials, and most come from abroad, and because in many locations immigrants (17% nationwide) are involved in the building trades. So if Trump deports illegals there could be a scarcity of labor in some regions, resulting in higher industry wages.

Already we are seeing a rise in material costs. Construction input prices collectively rose by 3.8 percent on a year-over-year basis, according to analysis of U.S. Bureau of Labor Statistics data released by Associated Builders and Contractors.

Nevertheless, building and rehabilitating America's infrastructure continues to be a high priority for the Trump administration, so much so that he mentioned it during his acceptance speech. He wants to leverage public-private partnerships (P3s) to spur \$1 trillion in infrastructure investment over 10 years in a "revenue neutral" model. This focus will bring a significant increase to the construction industry over the long term. We will likely see the benefits of this plan hit in about 3 to 4 years.

The general consensus is that in 2017 the Construction Industry in America will grow 7% which is a bit higher than in 2016. ■

## PROJECTS

### COMPLETED PROJECTS

- Shops at Foxcroft Towne Center
- Asbury United Methodist Church Sanctuary Remodel
- Valley Mall Restroom Remodel
- Domino's Featherbed Lane
- Domino's Spring Mills
- Rankin Hedgesville Physical Therapy
- Potomac Intermediate School Addition
- Berkeley County Schools Energy Upgrade (Opequon Elementary School)

### CURRENT PROJECTS

- Valley Health Ranson Urgent Care Center
- Valley Health Rutherford Crossing UCC & PCP
- Shenandoah Valley Medical Systems Additions and Alterations
- Conservation Fund Freshwater Institute Hoop Structure Replacement
- Rankin Inwood Physical Therapy Center
- Domino's Brunswick
- Foxcroft Towne Center Repurpose Project

Valley Health Rutherford Crossing UCC & PCP



Valley Health Ranson Urgent Care Center



Shenandoah Valley Medical Systems Additions and Alterations



## Subcontractor Profile

### Leidy's Woodworking

Mercersburg, PA • Tel: 717-328-5746 • E-Mail: david@leidyswoodworking.com • www.leidyswoodworking.com

David Leidy founded Leidy's Custom Woodworking in the early '80s with one other employee to do handyman projects for neighbors. The business grew to include the construction of family homes. In the mid '80s David moved the company to Franklin County where it specialized in cabinetry, and then in 1998, the business required a larger facility so he converted a former barn. But in 2013 the company's 13 employees and

several part-timers began working from a larger facility in Mercersburg.

Today the company offers a full range of cabinetry and woodworking solutions to commercial, residential and individual customers. The company serves the four-state region of PA, MD, WV and VA.



David Leidy  
President

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# Client Profile

Mike Clise, Owner/President

## Domino's Pizza • Quad State Area

Mike Clise is from Romney in Hampshire County WV. He graduated from Hampshire High, Potomac State College and then WVU in 1981 with a degree in Business Administration. Margaret, his wife, is also from Hampshire County. She graduated from WVU in 1982 with a degree in Accounting. They met in Morgantown in 1979 and started to work at Domino's in 1980 while going to school there.

Margaret is the CFO of M Pizza, Inc. Her accounting background has allowed M Pizza to perform most accounting functions inhouse vs. having to outsource them. "Her involvement as CFO has been integral to our success," notes Mike.

Upon Mike's graduation from WVU, they decided that franchising Domino's Pizza was what they wanted to do and set a goal of owning 10 stores. They were married in August of 1981 and Mike became an assistant manager and then a store manager in Fairmont, WV in the spring of 1982. He did that for a year and a half and then supervised stores for a year in the Parkersburg and Fairmont areas. In order to franchise, one must manage or supervise for at least a year. That requirement still exists today and is looked upon as being integral to success; Domino's only promotes from within. A person can only be a minority investor in a store. In fact, more than 90% of Domino's store owners started out as drivers or pizzamakers!

*Before and after of the first Domino's Pizza owned by the Clises and built by Craig Collis in 1984 when he was with Bruce Minghini's.*



The couple opened their first store in Martinsburg on November 16, 1984 at 121 W. Burke St. Bruce Minghini along with Craig Collis was the contractor on that job.

"We incorporated in July of 1984 and opened the first store in November of '84. The name of our franchise was a play off of the first letters of our first names combined with a fledgling TV video station known as...MTV," notes Mike.

Currently the Clises have 18 locations in four states: PA, MD, WV, and VA. They reached the original goal of 10 stores in 1997 and have two more new locations planned for 2017.

States Mike, "We currently have about 325 Team Members and we see ourselves as becoming a 25-store franchise within the next few years."

"One of Domino's Pizza's objectives is to be the #1 pizza company in the world, and in every neighborhood."

Domino's is projected to become the #1 pizza company in the world sometime this year or next. Our local growth is contributing to Domino's ability to achieve that goal," he said.

"Domino's is acknowledged as the technological industry leader with new ordering platforms regularly being added. Domino's currently receives over 50% of its orders digitally, with that number ever increasing. It has allowed the franchisees to stay ahead of the competition and has helped to position it as the overall pizza industry leader." Notes Mike, "Customers LOVE the pizza tracker!"

In terms of Domino's identity update, by 2010 things were not going well for Domino's. The company, like everyone else, had suffered through a few recession years and something needed to change.

"For some time, customers had been telling us that our product just was not up to par with our competitors," observes Mike.

"The company finally "took ownership" of that notion and decided to make changes. The first step was to publicly admit

it. Doing that was considered a huge risk, but in hindsight it resonated with the public and was a big hit. Customers appreciated the transparency and when the product changes were made (spicing up the sauce, flavoring the crust, etc.) people embraced it in droves. We proceeded to update the logo, and ultimately our stores to reflect the new "pizza theater" concept (starting in 2014), which basically is an open-kitchen design that adds seating, wherever possible.

"The result is that Domino's has outpaced the rest of the Quick Service Restaurant Industry for the past several years and is on the verge of becoming the #1 pizza company (not just delivery) in the world.



Mike & Margaret Clise

According to Mike, "We are about 3/4 of the way through the company re-imaging process, which is why you have started seeing the current commercials showing that happening."

"As mentioned earlier, I have worked directly with Craig since our beginning in 1984," states Mike. "Craig jokingly reminds me that the plans for that first location were drawn out on a napkin, which actually isn't too far from the truth. Our plans are more formal now, 35 years later, but our working relationship has always been great and I value Craig's ability to understand what I want without it having to be spelled out in detail. There are times where I think he can read my mind, but that has evolved over years of working for us and his having insight into our business/way of doing things that can only come with years of experience. Craig and his staff have always been most accommodating and our working relationship is very comfortable." ■





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### **Subcontractor Profile (continued)**

"What makes Leidy's Woodworking a natural choice is its quality products, craftsmanship, and strong relationships with customers, supplier and employees," states David. "Additionally, we handle all of our customers' projects within our own facility. An experienced, knowledgeable and caring staff designs, manufactures, delivers and installs every project. We are passionate about providing a custom, quality product to meet expectations, backed by customer service that goes above and beyond to ensure complete satisfaction."

Leidy's is presently working with Minghini's on the SVMS Additions-Alterations Project, and also the Valley Health Ranson Project.

"We are looking forward to working with Minghini's for years to come and enjoying a growing business relationship."

When David is not handling the activities of a busy, growing business, he enjoys spending time with his family, children and grandchildren, as well as the outdoors and sporting events. ■

### **Community Service**

Berniece is serving on the local Boy Scout's Eagle Board of Review.

For the Martinsburg/Berkeley County Rotary Club, Berniece is chairing the New Generations Committee and has assisted with the formation of a Rotaract Club at James Rumsey Technical Institute and an Interact Club at Faith Christian Academy. ■

### **Staff News**

#### **Welcome to CFO Brittany**

**Armentrout.** A Shepherd University graduate who grew up in Berkeley County, Brittany studied Accounting and Business Administration.

Her responsibilities include maintaining the general ledger, bank reconciliations, general ledger reconciliations, work in progress reports, financial statements, job analysis reports, and other activity reports. She lives in Martinsburg with her husband, two children, and two dogs. In her leisure time, she enjoys the outdoors. ■



*Savannah and Boyd, the Collis grandchildren, take a much needed break from work.*