

Ep.3.09 - Tom Lutz

📅 Thu, Apr 06, 2023 4:09PM ⌚ 24:43

SUMMARY KEYWORDS

people, michigan, carpenters, build, skilled trades, pile drivers, state, industries, support, skills, places, partners, impact, opportunity, construction, women, work, world, unique, careers

SPEAKERS

Tom Lutz, Ed Clemente



00:01

Welcome to The Michigan Opportunity, an economic development podcast featuring candid conversations with business leaders across Michigan. You'll hear firsthand accounts from Michigan business leaders and innovators about how the state is driving job growth and business investment, supporting a thriving entrepreneurial ecosystem, building vibrant communities and helping to attract and retain one of the most diverse and significant workforces in the nation.



Ed Clemente 00:29

Welcome to the show, I'm your host today, Ed Clemente. And we're very fortunate to have Tom Lutz. He's the executive secretary treasurer of the Michigan Regional Council of Carpenters and Millwrights. Welcome to the show, Tom.



Tom Lutz 00:40

Thank you. Appreciate the opportunity.



Ed Clemente 00:43

And that's a mouthful for what you guys represent. So what do you tell people when you first bump into them and say, what is the Council of Carpenters and Millwrights, for example.



Tom Lutz 00:53

Basically, we're a representative organization that represents men and women that work in skilled labor. And we have a lot of different crafts that we'll get into. But, primary functions we do today are training and recruiting. And for the, not sole purpose, but really important purpose

of trying to fill the skilled trades gap for for people here in Michigan and for our contractors and for our companies that we're recruiting to come to our state. So we do that by providing people the opportunity to make a good living, at a valuable profession.

E Ed Clemente 01:26

And so, everyone kind of knows what a carpenter is. What's a millwright?

T Tom Lutz 01:32

Yeah, so a millwright, are the men and women that actually power the industries that our state is so intertwined with, so think of people that install, repair, and maintain the things that power industry, so things like conveyor systems, automated conveyor systems that run assembly lines, so that's an immediate recognition point for millwrights. But we also do things like install, maintain and repair hydraulic pumps, and align electric motors so that the power is put to work and efficiency in our manufacturing facilities. I like to say, everyone's pretty familiar with the automotive industry in Michigan, and when they go home on their shutdowns, the mill rates go to work and make sure that they're building and their tooling works so that they can be productive members of Michigan throughout the remainder of the year.

E Ed Clemente 02:26

Well I'm more fortunate than most because I had like three cousins that were all millwrights. I know what it is, and they would say we're the most important people at the plant, because if we don't show up, stuff can break down and no one's there to fix it.

T Tom Lutz 02:39

They're extremely skilled, and they are dedicated men and women that literally power the industries that power our economy and our state.

E Ed Clemente 02:48

Yeah, yeah. And as we're gonna see, as we see more plants going up, and things like that, they're gonna be even more important. You kind of touched on this just a teeny bit. But I mean, when I worked in legislature, I always had the support of the skilled trades, such as yourself, but they're really the ones that were sort of the heart and soul somewhat of business in this state, because we're a big manufacturing state. And I know that you probably have, we're talking about talent. And let's just say this real quick, you're up in Negaunee, Michigan today in the UP, and tell us why you're there and what other spots you have, you might be at some day.

T Tom Lutz 03:32

Yes. So we represent over 12 different locals representing over 14,000 men and women across

our state. So I like to say from Monroe to Marquette, people seem to get the point. But the reality of it is that we're in so many locations, because that's where our customers are. That's where our contractor base is, that's where our members are, and that's where our industries are. So I happen to be in one of our newer training centers here in Negaunee, Michigan. It's one of three that we've built over the last, say, 48 months or so, we opened a brand new training center in Wayland, Michigan, just south of Grand Rapids. I'm in Negaunee on 41 just west of Marquette. And of course, the newest one we just opened in the city of Detroit. But it's not the only places we are. We also have training centers in Saginaw, and in Grayling, and those are supported by local buildings around the state as well.

E

Ed Clemente 04:22

I know I overly focused on millwrights. But tell us a little bit about carpenters too, because I think carpenters aren't exactly just carpenters. I think they do a lot of stuff.

T

Tom Lutz 04:36


Yeah, so one of the most important things that we do is in recruitment and educating people about the many careers. And one of the fallacies about skilled trades is that they're jobs and they're not they're truly a lattice of potential endless potential of career opportunities. But let me begin with some of the skills that we teach. So we have carpenters and I'm not talking decking, siding, windows or roof for your house. I'm talking foundations, interior systems, doors and hardware, metal stud and drywall, acoustical ceilings, architectural millwork and panels. We also represent unique things in Michigan, we have a display industry, the men and women that don't just build high-end architectural millwork for the interior systems that we do, but also for things like the display industry, the North American International Auto Show is a great example of that. We also represent pile drivers. People don't really understand pile drivers any better than they understand millwrights. But these are the men and women that shore up the earth, creating a solid foundation for us to build the high rises, the iconic buildings that everyone recognizes, for example, in the city of Detroit, we worked for months and months and months shoring up the foundation of that building with pile drivers and other crafts in order to build a high rise. Another great example of that is of course the Gordie Howe Bridge, one of the most important infrastructure projects not just in our state, but to our country. If it weren't for the skills of a pile driver, we would be misssserved, we would we would be unable to build those projects without skilled people. But we also represent things that people don't correlate. We represent floorlayers, and divers, people that do the types of work that we've discussed, but underwater, so we have carpenters, both residential and commercial pile drivers, millcabinet, resilient floor decorators, millwrights, we also have lathers. And people think lath has been replaced by metal studs and drywall. But when you work in an industrial setting, you often have to build a structure that we can use to support the infrastructure for big things. Think of insulation or those types of components inside of a energy plant.

E

Ed Clemente 06:59

Just to touch a little bit more on the bridge. I don't think people realize that is, because I live down river so I know, downriver Detroit. And I drive through that whole section almost three times, four times a week, where all the cranes are now. And that is like the biggest project. And

it's like you said that's really going to change the face even of North America, I think somewhat, not just the US, but also North America, as to how we are going to be on the international scale, as we may be onshore, more companies and those kinds of things. How many of, you probably don't know off top your head, but are those a lot of workers there that you have, like 1,000 I don't even know how many people work there.

 Tom Lutz 07:44

There are hundreds and it [Hundreds, okay.] varies depending upon the craft jurisdiction and the work at the time, but we have concrete carpenters there doing the forms and pouring up. But we also have pile drivers there. Another unique aspect of pile driving and carpenter work is welders. We have a lot of welders on that site, we have a lot of riggers, because as you can imagine, the pieces of infrastructure that we build and set in place require a very specific, not just precision, rigging and moving of large piece of equipment, but in order to be able to do it safely. You know, we like to say we train hard skills all the time. But nothing is more important than someone going home at the end of the day. And that kind of ties right in to what we believe. And that is we believe that people that do the hard work, that build the physical world that we all live in, not just our companies, but the places we go to school, the places we go to get healed, our healthcare facilities, our educational facilities, our community things, the places where we go watch our heroes play, the sports we love so much. All of those things are interdependent upon these people. And they deserve a fair and equitable voice, right, in their careers. And so that's why we believe what we do is so important. And it's oftentimes misunderstood the valuable impact of, not just a representation and training facility, but a voice for working people, and changing the mindset, for way too long. The trades were considered lesser when compared to things like a four year degree. It is our responsibility to educate the community and the impacts that we have. Now, think about a young man or woman that might be unsure what they want to do. We've all heard the story of someone that goes to college for three or four years, gets a degree and decides that they can't work in a cubicle. I get to tell that story all the time because we've lived it. The difference between working in the skilled trades and developing what you want to do as a career versus going to college is you get paid to come here and do this. And there's no debt. We collectively as an organization have committed funding with our contracting partners to make sure that that education has value, is available, and they are respected so much by the industries that employ them, they pay them to learn. So that's the kind of story that I think the community doesn't understand about us. And that is this kind of story that also delivers the things that our communities rely on.

 10:15

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 Ed Clemente 10:32

You know, you talk a little bit about the apprenticeship kind of things. But why don't you tell someone who's never been through an apprentice program what's exactly involved? Because I think it's like, the apprenticeship, journeyman, things have been around forever. And we just

don't really know how that system sort of works, sometimes, at least outsiders don't that much.

T

Tom Lutz 10:51

Yeah, so we have a really unique opportunity as we go out and recruit young people to explore the skilled trades. So we have a simple application process, which you can find on www.buildmyfuture.net, go to that website, and it'll walk you through the process. But in essence, you simply need a high school diploma or a GED. But don't worry, if you don't have them, you can start the program, you just have to commit to getting them before you turn out at journey level. Those kinds of simple things are the qualifiers. And we're here to support you with other community partners, by the way to help you get those skill sets. But once you show up at our door, you don't have to have experience. You have to have attitude, and effort. We can teach you the hard skills, we've been doing that, as you mentioned, for generations and generations, even before the 140-plus years that the UBC has been doing it in the United States. And we've been doing it almost that long and Michigan. But the reality of it is you come here, you learn a valuable set of tools starting with safety. But primary supporting skills like blueprint reading, math for the trades, I remember math, I always ask myself, why do I need to know what x means. When we have the ability to show them that x means linear feet of base or cubic yards of concrete, we impact the educational delivery system in a way that makes sense. And then you get to do the part that everyone chooses us for. And that is that we actually physically get to do things with our hands. And that's why so many people, this is the right choice for them because they can experience the reward of their physical labor. And again, I think it's a story that we need to tell more. And it's surely the kinds of skills that we need to respect more in our communities and understand not just the struggle, but the rewards of these opportunities.

E

Ed Clemente 12:50

Yeah, and you mentioned you just opened three new ones. And you also I believe, survived Michigan's Executive Committee. At least recently, there's been a strong push to support your efforts too hasn't there, just that's kind of led to some of this acceleration, hasn't it?

T

Tom Lutz 13:09

Well, yes, the money that we spent in training centers, it truly has been paid for by our members and our contractors who decided together to allocate those funds for the future, the training, not just for our contractors and our members, but for our state. But one of the challenges that we ran into is that the buildings are difficult to appraise, right? So they didn't neatly fit into the usual commercial or industrial categories. And so that left us with a gap and financing now, we paid, like everyone would suspect our initial down-payments, significantly more than a standard mortgage would require an a down payment. But we had that appraisal issue. And so we are incredibly grateful to the to the MEDC that stepped up with a \$5 million, what we would consider a gap financing. So through the Collateral Access Program, and it's not a grant, we pay it back with interest. But the problem with financing these types of investments is, the world, including the financial departments of the world, don't value them in the same way as they do a standard commercial building or even a residential home. So we're extremely grateful for that. I will also say that we're thankful for the administration, and for the

legislature's recognition that we need to tell the labor story in a unique way that supports the skill sets that we need to effectively build our future. If contractors and companies are going to continue to move to Michigan, we need to build their buildings. And in order to do that, we need to have skilled labor. So I'm thankful that we recently received a grant and that grant will allow us to create a program, a mobile awareness, a fully experiential, immersive experience to talk to people in junior high and high school to show them what's available. You know, as you probably are well aware, lots of construction classes, vocational classes, have been removed over the previous decades. And so people don't get to see it. So we do also value that partnership. And I appreciate the opportunity for us to be the ones to help tell that story.

E Ed Clemente 15:25

Yeah, and is there any other sort of partners or stakeholders that you work with? I know, you mentioned the MEDC, but I'm sure there's a ton of other ones you probably work with in your process.

T Tom Lutz 15:37

So we literally build a physical world we live in. So think of our customers as anyone that goes in or out of a building, or across the bridge, or down a road, or into a mine. Right? All of those people are our customers. So we have lots and lots of stakeholders. But listen, I would be remiss if I didn't thank and recognize our contracting partners. These are the men and women that employ our over 14,000 members every single day, they invest in their education, as we just talked about, they also invest in them as people, they invest in them as people by giving them good wages, and health care benefits, and a way to honorably retire. So I have to first acknowledge the stakeholders that are my closest partners, the one that we negotiate the collective bargaining agreements that supply all of these things too and those are my contracting partners. But the real stakeholder is our communities. And those are made up the men and women that actually physically do the work. These are the men and women that strap on their tool belts, and get in the mud, and get hot, and sweaty and sometimes cold. You do all of these things to build the physical world we live in. So, we have huge partners that we do a substantial amount of work with. We mentioned the automobile industry has been a great supporter of organized labor, the carpenters and many of the skilled trades across our state. But we have new industries as well. We have new industries that we're moving into as we improve our world, things like new and green energy partners. We have, we have new partners in trends in construction, things like mass timber, or solar, innovative partners that help us bring this cutting-edge training. And right now, in-demand skills that make these things a success is literally too many to list. But we're thankful for all of them.

E Ed Clemente 17:34

Yeah, and you sort of answered my next question unless there was something else. But any other trends you see for your team, or your you know, your skilled trade folks that you see on the horizon beyond what you just mentioned?

T Tom Lutz 17:48

Yes. So I think we all know the amount of opportunity to improve our infrastructure, we all know the recent bipartisan support for improving that infrastructure. So I think trends in the short term, and you can check this on any career forecast, right, construction is amongst those, but there are really unique and interesting developments in those things. I mentioned solar, mass timber, the evolution of construction technology. Actually, I say evolution, maybe it's like everything else in life, a little bit of a circle. But it's the utilization of those things that make construction feel real to people. Also, make no mistake that it's about healthy building, and green building, sustainable building. Those are the trends that we see in the short term.

E

Ed Clemente 18:45

Last couple of questions, you might have already touched on this somewhat. But if you were your high school self again, what would you tell you? You kind of touched on a little bit, but what would you tell yourself today to do that you look at the future?

T

Tom Lutz 18:59

Well, I would say that you need to consider all of your options. And you need to pursue a path that speaks to you. We are an organization of people that have a really unique desire to be physical, in the world, and in our learning. And just because you don't seem to fit somewhere else, just probably means you haven't found the place you fit. So don't give up on that. Explore all of your options. And you know, for too long, right, we were a default for people that did not succeed a traditional academic society. You have to look past that they don't know what they're keeping from you when they exclude you from traditional academics, but there's solid places for you. You know, our four year apprenticeship program gives young people a skill that you can't take away. I tell people all the time if you come here, and you learn a skill set, whether it's carpentry or millwrights, or or floorcovering, or architecture millcab, and you decide to become an accountant later, you didn't lose those skills, you might be building your own home. That's a plus plus, but if you go to school for a more traditional career path, and then you switch to construction, sometimes those things are less valuable. So look at it as a whole. And let me give you a couple examples. There's a young lady that came to us just a few years back, she's about 18-19 years old. And her grandmother had seen a summer camp program that we had worked on, this young lady was extremely successful in the academic program. Matter of fact, she had scholarships on the table. She didn't feel like that's where she fit. She came from a somewhat underserved community. And so there were some economic challenges. And she didn't experience financial independence, she came to us and found a place that helped fill the family void, the community void in her bones. But I gotta tell you, the look on her face when she was in her third year, when she said to me, Hey, I just paid off my truck. And I'm in my own home. And I have zero debt. That's what I would tell young people today, I would tell people that if you have the desire, and if you have the will, we can help you find the way.

E

Ed Clemente 21:28

You said a couple stories. You said one other one, I thought too, did you have a second one?

T Tom Lutz 21:32

Yeah, so the other story I've kind of related a few times, but I think it's really important to hear, I can't tell you the number of students that come through our doors with college educations in careers that they can't work in, they can't live there. Oftentimes, as a young person, we go to the influencers in our lives direction before our own. This is an economic challenge, not just financial, but sometimes can kill the will to succeed when they have followed a path that people laid out before them without taking into consideration how their personal impact would be. And so I have men and women with accounting degrees and with educational degrees, and I have men and women that spend significant amount of time pursuing manufacturing education, and they just can't walk through the same door every day without a new challenge. And I would say explore those things before you make the decision to either financially impact yourself in a less-than-positive way. Or before the sell before the world tells you what it is you're supposed to do. Listen to your heart. You know if you're supposed to be here, we'll be here when you're ready.

E Ed Clemente 22:27

And your very last question. And I know already one of your answers maybe, but what do you like doing best? Or what do you like best about Michigan?

T Tom Lutz 22:57

So the Pure Michigan ads kind of summarize how I feel about us physically. I love four seasons, I love change. I think all those things are great. So I love being able to be on a beach in the summer, and ride a snowmobile in the winter. I'm a motorcyclist. So I'd love to be able to get out and feel that physical world. But to be honest, the one thing that really resonates with me is the people of Michigan. I think that's what makes doing what I do so easy and why I'm so proud of the work that we do because it impacts people. But the true Midwest grip that has made Michigan great that has led economies and industries for decades, the true resiliency of our state and the beauty of our state is not in the beauty that surrounds us. It is the beauty that is our people. And for all of those reasons, I love Michigan.

E Ed Clemente 23:52

Well put. Well, I want to thank again our guest today Tom lots he's executive secretary treasurer of the Michigan Regional Council of Carpenters and Millwrights. Tom, I know you're busy guy. Thanks again for taking time to do this with us today. You did a great job.

T Tom Lutz 24:08

Well, I appreciate the opportunity. And I look forward to working together with you, the MEDC and the state of Michigan to make us great.

E Ed Clemente 24:17



Join us next week where I guess is going to be David Wang. He's the CEO for BEET, a global software engineer company for manufacturing.



24:26

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