

PRESIDENT'S MESSAGE

Since my last "President's Message", a number of events have taken place. Both Republicans and Democrats have held their conventions (as did AWCI, a bit earlier) and endorsed platforms that, they indicated, would enhance the economic climate.

We are all for that!. However, if the drywall & ceiling business here in New Jersey is to continue improving, we will need an increasing supply of trained manpower to be able to take full advantage of the work available. The Carpenter's union has stepped up their ongoing apprenticeship training program, but will it be able to meet the current demand? DISCA, together

the BCA, has recently negotiated an extension to the Carpenter's contract at terms that seem reasonable (if the good times keep rolling). Similarly, combined with the Painters and Glaziers Associations we have a new contract with the Tapers which goes out to 2005. The one thing lacking right now, and for the future, is a recruitment and training program sufficient to meet the increasing demands of this extended construction boom. We must urge our unions to step up their efforts to bring both new apprentices and experienced non-union tradesmen into the craft to help solve the skilled labor shortage, and provide us with the trained workforce needed for the 21st century.

We are planning to participate, as an event sponsor, in Construction Industry Career Day, in cooperation with several other construction industry associations, labor, and users' groups, in an effort to show young people the good jobs and careers available within the construction industry. The Carpenter's union will also be participating. This event will be held on March 31, 2001.

On the supplier side, materials are

once again in good availability and prices are stable. Now, like any successful administration, we are adapting an old political catch - phrase for the remainder of my term in office. "Four more months!" Let's try to use this time to do some hard planning for the foreseeable future.

Arthur Gilman
DISCA President

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E-mail us at: discanj@aol.com

AWCI ANNUAL CONVENTION MGM GRAND HOTEL & CASINO LAS VEGAS, NEVADA

By Brian McGlone
DISCA and
AWCI Board Member

AWCI held its 83rd Annual Convention and Expo, April 29th through May 2, 2000, in Las Vegas, Nevada at the MGM Grand Hotel. Las Vegas, always a crowd pleaser, drew nearly three thousand four hundred attendees to one of AWCI's most successful conventions ever.

Anne Daly of P.J. Daly Contracting, Ltd., Hamilton, Ontario was the recipient of the Pinnacle Award, AWCI's most prestigious award given at each annual convention. The Pinnacle Award is presented to an individual who through unselfish dedication has earned the admiration and recognition of the industry.

The Safety Award was presented to Performance Contracting, Inc. of North Highlands, Ca. The Safety Award gives national recognition to contractor mem-

bers who exhibit effective safety programs. The basis for the Safety Award includes injury and health frequency rate data, experience modifiers, safety statements and company safety program information.

The Excellence in Construction Quality Award was presented this year to Grayhawk, LLC of Lexington, Kentucky; and the project was the Southeast Christian Church in Lexington, Kentucky, which included 4,000,000 square feet of drywall and 500,000 square feet of acoustical ceilings. Celotex Corporation, Clark Steel Framing Systems, Drywall and Building Supply Co., Inc. and United States Gypsum were all involved with the project.

DISCA held its annual convention concurrently with AWCI this year, and 30 attendees from our Association participating in the week long activities.

Be sure to mark your calendars for October 10 through 14, 2000, for the AWCI Industry Executives Conference and Committee Week at the Sheraton Wall Centre, Vancouver, British Columbia.

MEMBERS SUPPORTING EACH OTHER

DISCA encourages Regular Members to consider the products and services of Associate Members before going to another source.

Please peruse the product lines and services of the following DISCA members in your Millennium Directory and Buying Guide:

**Allied Interior Supply
Ames Taping Tools
Armstrong World Industries
Celotex Corporation
The Compuflex Corporation
Dashco, Inc.
Dietrich Industries, Inc.
Gar Equipment Corporation
Georgia Pacific Gypsum Corp.
Heartland Insulation, Inc.
Horizon High Reach
Jafco Supply Corp.
Jersey Gypsum Supply Co.
J.B. Acoustical Supply
Kamco Supply Co.
Marjam Supply Co.
MarinoWare Industries
Specialty Products
Insulation Co.
Specified Technologies
Strober-Haddonfield Group
Super-Stud Building Products
True & Associates
Unimast Incorporated
United States Gypsum Co.**

DISCA NEWS

Fax (718) 726-0293

WELCOME NEW MEMBERS

Regular Member:

ABI Construction Corp.
410 Tennent Road
Morganville, NJ 07751-1230
Andrew Bassista
Tel (732) 591-9753
Fax (732) 591-0278

Associate Members:

The Compuflex Corporation
257 Cox Street
Roselle, NJ 07203
James Clements
Tel (908) 620-2777
Fax (908) 620-2772

Heartland Insulation, Inc.
19050 Cranwood Parkway
Warrensville, Ohio 44128
Mark W. Zupon
Tel (216) 581-9301
Fax (216) 581-9132

Super-Stud Building Products
8-01 26th Avenue
Astoria, NY 11102
Brian Kimmins
Tel (718) 545-7500

EXCELLENCE IN CONSTRUCTION AWARDS

DISCA has initiated a project to construct its first Excellence in Construction Awards. Three categories will be considered:

1. Commercial Project
2. Industrial or Institution Project
3. Residential

CRITERIA:

Projects must be substantially completed by December 31, 2000.

Projects must be located in New Jersey.

Winners must be DISCA members.

Contributors to the project will also be appropriately recognized.

Applications have been distributed. The deadline for submission is October 31, 2000. If you need an application call the DISCA OFFICE at (973) 857-5244.

Winners will be honored at DISCA's Annual Committee Day and General Membership Meeting Dinner on January 18, 2001, at

DATES TO REMEMBER

November 16, 2000

- 4:30 Board of Directors Meeting
- 6:30 General Membership Meeting
Montclair Golf Club

December 15, 2000

7:00 to 12:00
ANNUAL HOLIDAY DINNER
DANCE - DISCA AND ASA/NJ
to be held at Fox Hollow Golf Club
in Somerville, New Jersey.

January 18, 2001

COMMITTEE DAY AND GENERAL MEMBERSHIP MEETING

- 12 noon to 4:00 - Meetings of all DISCA Committees
- 4:00 - Board of Directors Meeting
- 6:30- Cocktails, Dinner, General Membership Meeting, Election of 2001 Officers and Guest Speaker.
- 8:00 PM: PRESENTATION of DISCA'S EXCELLENCE IN

LEGALLY SPEAKING

Donald E. Morrice
DISCA Executive
Director and Counsel

CONSTRUCTION LIEN LAW - SUPREME COURT REVIEW

The New Jersey Supreme Court, for the first time, has reviewed the construction lien law enacted in 1994. A liberal interpretation, overlooking some technical and insubstantial shortfalls by the contractor, resulted in the first public policy statement by the Court that there was “no need” to impose the “draconian remedy discharging the lien claim altogether.”

Upon substantial completion of the project, the general contractor applied for final payment for work performed under the contract and simultaneously filed a construction lien claim. At the time of filing, the general contractor had not yet turned over certain important documents, such as affidavits of indebtedness, consent of surety, certificate of insurance, and a release of liens from sub-contractors (these documents were required under the retainage provisions of the contract). In addition, the general contractor had not completed certain punch list work.

The Trial Court held that the general contractor’s lien claim was prematurely filed, as it had not performed all of the work represented by the value of the lien “in accordance with the contract” (N.J.S.A. 2A:44A-3). At the time of the claim filing, subcontractors and sub-subcontractors

maintained pending construction liens

filed with the county. While the Trial Court observed that there was substantial completion and that the general contractor had not “willfully overstated” the amount of lien claims, it determined that the general contractor had not provided all of the work and services required to release the retainage in accordance with the contract and pursuant to statute. Finally, the Trial Court held that due to the premature and improper manner of lien claim filing, the general contractor would be penalized by a forfeiture of the right to file subsequent lien claims to the extent of the face amount of the defective claim. The Appellate Division of the Superior Court affirmed the Trial Court’s holdings.

In reversing the Appellate Division and the Trial Court decisions, the Supreme Court relied upon the statute’s legislative history and the intent and purpose of the law — to provide a contractor with a means to protect its right to assert a lien against the property for the value of the work it has performed. The Court observed that the section of the statute relied upon by the Courts below - “in accordance with the contract” - should be read and interpreted sensibly and consistent with its intent to protect contractors’ right to be secured for their work. *“We interpret that language to mean that a party must perform work under a contract to be entitled to a lien, but not to require literally that a party must satisfy all of the terms and conditions of a contract before it can file a lien.”* The existence of remaining punch list work and the documents which the general contractor had not yet provided did not rise to the level of an improper filing with the ultimate effect of depriving the contractor of his lien, but rather the Trial Court should have stayed the general contractor’s lien foreclosure until arbitrators had determined the amount due under the contract. The pending arbitration proceedings would result in a determination of the amount and validity of the lien claim.

The Thomas Group, Inc. v. Wharton Senior Citizens Housing, Inc. et.al.
163 N.J. 507 (May 4, 2000).

SUPPLIERS CONSTRUCTION LIEN VINDICATED

Suppliers to a private school project filed construction lien claims for concrete and other building materials delivered to the general contractor at the site. A dispute arose between the owner and the general contractor; ultimately the general contractor was terminated and insolvency ensued. After suppliers had unsuccessfully sought payment from the terminated general contractor, construction lien claims were filed. Suit was timely commenced. Trial Court granted summary judgment to the owner and construction manager on the theory that the “lien fund,” pursuant to the statute, had been exhausted, and the suppliers liens could therefore not attach to the owner’s property. Apparently, the owner or construction manager had prepaid amounts to the general contractor that had not yet been earned and were not due before the construction liens were filed by the suppliers.

The Appellate Division reversed the Trial Court and concluded that the “lien fund” was not reduced by the payments prematurely made to the general contractor. The Court further held that “suppliers’ lien claims to the retainage on the prime contract take priority over the owner’s rights in the retainage.” Collaterally the Court held that the writing requirement of the statute was satisfied by signed delivery receipts (not by evidence of partial payment) and finally that a “willful overstatement requiring forfeiture of a lien claim” should be based upon bad faith and not upon mistake. The matter was remanded.

Legge Industries v. Joseph Kushner Hebrew Academy et.al. 333
N.J. Super. 537 (App. Div July 27,

ABOUT OUR PRESIDENT, ARTHUR GILMAN

Arthur Gilman, a pioneer in metal studs, started his construction career at a lumberyard stocking metal framing and KD bucks in July 1963. Recognizing this form of fire rated interior partition as the wave of the future, (albeit after a year with a painting contractor trying the drywall business, and four months with a general contractor) he started his own company, *Gilman Construction Co., Inc.*, on a shoestring, performing metal stud partitioning and interior general contracting in May 1965.

In 1968 Gilman Construction got its first big break when awarded the drywall for the renovation of the Paramount Theatre into 10 floors of offices (totaling 400,000 sq. ft.). After being paid for crane loading the building with studs and sheetrock cut to 2 inches above hung ceiling height, though it took two years to complete the tenant fit up, success was assured.

In the early 1970's the Drywall operation was split off from the General Contracting and *Action Wall & Ceiling* was launched. The company performed its first department store drywall project in 1975 and shortly thereafter started doing acoustical ceiling work, including black iron, by lathers. Two years later, Action began the first of 60 jobs twinning, tripling and quading motion picture theaters, 16 of which were in New Jersey. They followed

John Schaub joined the organization in 1968 and except for a two-year hiatus with another contractor in the early seventies, has been with Gilman ever since and is now a full partner.

Crosstown Interior Contracting, Inc. was started in 1990, as the successor to Action, adding Larry Gore and Mike Murray as junior partners. Crosstown has averaged over \$9 million annually for the last five years with about half coming from Gilman Construction's GC/CM operations, primarily from Macy's, Bloomingdale's and Stern's.

Although work in New Jersey has been somewhat limited recently, Gilman Construction will be performing a major renovation to Stern's in Bridgewater starting later this spring. Crosstown will be competing with three other DISCA members for the drywall and ceiling portion of this project.

Art has been a member of DISCA since 1978, and an active board member since 1983. Despite their Long Island City location, Art and his company have participated regularly in DISCA activities.

An avid golfer, Art recently brought his handicap down to 9 for the first time in 40 years. As a skier, he holds his own with experts half his age. Art resides with his wife, Margareta, in White Plains, New York, their children, Tracy 30 and

Todd 28, having left the nest. **DISCA HONORS FORMER PRESIDENT FRANK SCHNEIDER**

Immediate Past President, Frank Schneider, was honored at the Holiday Gala held at The Manor on December 7, 1999.

President Arthur Gilman read the following RESOLUTION:

The BOARD OF DIRECTORS, Membership and Staff of the DRYWALL AND INTERIOR SYSTEMS CONTRACTORS ASSOCIATION, INC. OF NEW JERSEY in grateful recognition of the services performed by Frank A. Schneider as President of DISCA from 1996 through 1998, are pleased to present this gift for the new and upcoming New Jersey amateur golf contender.

He then presented Frank (a new golfer) with a set of golf clubs.

MARKET OUTLOOK

by
Bill Umbach, DISCA Board Member

PRODUCT	PRICING	AVAILABILITY
DRYWALL	Not much room for further decreases. Expect prices to stabilize this fall.	GOOD
JT TREATMENT	Stable	GOOD
STEEL	Anticipate 3% - 6% increase this fall	GOOD
INSULATION	Stable	GOOD
ACOUSTICAL TILE	Stable	GOOD
ACOUSTICAL GRID	Stable	GOOD
EIFS	Stable	GOOD
DOORS & FRAMES	Stable	GOOD
P/T F/T LUMBER	Expect usual fall decreases in line with framing lumber	GOOD

This column is prepared as a guideline for our contractor members for bid sumittals. If you have any suggestions for additional products, information, format or just want to offer input, please call Bill Umbach at (732) 819-9000

DISCA CONVENTION 2000

DISCA piggybacked the Association of the Wall & Ceiling Industries-International (AWCI) Convention this year to allow our members to attend both conventions. DISCA member companies represented were Crosstown Interior Contracting, Inc., B.J. McGlone & Co., Inc., P. Germinario & Sons, Inc., Andersen Interior Contracting, Inc., Morlot Construction Corp., Partyka Construction, Inc., Allied Interior Supply, the Strober-Haddonfield Group, Inc., Marjam Supply Co. and Super Stud Building Products.

DISCA's Convention started with the arrival of our members at the MGM Grand, Las Vegas, Nevada, on April 27th. Golfers participated in an outing on Friday while non-golfers took helicopter tours over Grand Canyon, bus tours to Hoover Dam or walking tours through the new Las Vegas Strip.

A Board of Directors Meeting was held on Friday, April 28th, in a local restaurant that closed to accommodate our association's meetings, welcoming cocktail party and a private dinner.

DISCA hosted a Cocktail Party and Dinner on Saturday, April 29th after attending Construction Technology Council and Committee Meetings. The Union Contracting

Council and further Committee Meetings were held on Sunday, April 30th.

Seminars offered by AWCI on Monday and Tuesday, May 1st and 2nd, included the following:

The ABCs of Professional Employer Organizations

Understanding & Using Financial Information

Contract Clauses That Can Kill You
Technology 2000

How to Find and Keep Great Employees

Women of the Millennium, The Mother of All Survival

Most DISCA members remained to attend AWCI's Final Night Reception, Dinner and Gala and participate in the FWCI (Foundation of the Wall and Ceiling Industry) Silent and Live Benefit Auction on May 2nd.

DISCA MEMBER COMPANIES exhibiting at the TRADE SHOW:

AMES TAPING TOOLS

ARMSTRONG WORLD INDUSTRIES, INC.

THE CELOTEX CORPORATION

DIETRICH INDUSTRIES, INC.

UNITED STATES GYPSUM COMPANY

CELOTEX/BPB JOIN FORCES

Celotex's Ceiling and Gypsum businesses were recently purchased by British Plaster Board (BPB), of London, England. This acquisition is effective as of July 26, 2000. BPB also owns Westroc Gypsum of Toronto, Canada, who will be Celotex's Ceilings and Gypsum North American counterpart. BPB is one of the world's largest suppliers of Gypsum and plaster board, and with the purchase of Celotex, will be a major worldwide competitor in the ceiling industry. Officially, Celotex is now BPB/Celotex, however the Celotex brand name will continue to be used.

STROBER-HADDONFIELD OPENS COMMERCIAL & DRYWALL DIVISION

A building material supplier cannot be "all things to all people." Yet the Strober-Haddonfield Group (SHG) has demonstrated that it can capably serve the needs of several customer groups in the construction industry. While the preponderance of sales is derived from supplying residential builders, sales to commercial customers have grown considerably in the last two years. With the goal of increasing our share of that market segment as a major objective, The Strober-Haddonfield Group is proud to announce the creation of their "Commercial and Drywall Sales Division." This Division will be headquartered in Trenton, NJ and will be directed by Dave Muccia, formally of Dietrich Industries and National Gypsum. It will be staffed by a Sales Support Team that will work hand in hand with our Outside Sales Representatives to bring a new level of service to this critical market segment.

SHG has thirteen locations throughout NJ and PA with the Camden, Mt. Holly, Lakewood, Phillipsburg, Trenton and Vineland yards located in UEZ's. The Commercial and Drywall Division will specialize in Drywall, Acoustical products, Insulation, Steel Framing, Dimensional & CCA Lumber, Hollow Metal Doors, Hardware, Waterproofing and Concrete Restoration products, Firestopping, Moldings, Caulk and Sealants as well as Dryvit. Supervised loading and distribution is available with Boom Truck deliveries up to 80 feet.

Contact one of our Sales Support Team with all your material needs:

The Strober-Haddonfield Group
651 South Broad Street
Trenton, NJ 08611
Phone (609) 396-4555
Fax (609) 396-3883

DISCA GOLF CLASSIC 2000

Rockaway River Country Club hosted DISCA's first Golf Outing of the millennium on May 15, 2000. Both Regular and Associate Members were well represented in the field of ninety-two golfers.

All eighteen holes were sponsored by DISCA members as well as regional and local unions. Prizes were donated by Celotex Corp., Georgia Pacific Gypsum Corp., Marino Ware Industries, Super Stud Building Products, Unimast Inc. and United States Gypsum Corp.

Golfers participated in a tournament based upon a Calloway System of scoring accentuated by the ever popular "*pink ball contest*" in which each foursome is allocated a pink ball to play in addition to its four white balls. Many of the pink balls never make it to the eighteenth hole, but everyone seems to enjoy the challenge. Winners were awarded pro shop certificates to use immediately following the dinner. Rockaway River's pro shop remained open until all victors had claimed their prizes.

Rockaway River Country Club turned their facility over to our association's exclusive use for the day. A cocktail hour was held on the porch preceding an excellent dinner in the dining room.

WINNERS AND THEIR SCORES

LOW GROSS:

Steve Halsch - 77
Ken Zansberg - 81 (40)
Brian McGlone - 81 (41)
Dave Muccia - 81 (43)
Nick Mortillaro - 82
Matt Rocca - 83
Hank Visco - 84

LOW NET

Dave Rudy - 72
Kris Steele - 73
John McCracken - 73 (12)
Dennis Sgambati - 73 (12)
Steve Leyden - 73 (15)
David Casey - 73 (21)
Bill Ash - 73 (24)
Bart Gentile - 73 (25)

LONGEST DRIVE

Bruce Rush Hole #3
Dennis Sgambati Hole #15

CLOSEST TO THE PIN

Ray Steele Hole #9 - 9'2"
Brian McGlone Hole #14 - 4-5"

Drywall & Interior Systems Contractors
Association, Inc. of New Jersey

411 Pompton Avenue
Cedar Grove, New Jersey 07009
Tel (973) 857-5244
Fax (973) 857-8140

AWCI CALENDAR

October 10-14, 2000
AWCI Industry Executives'
Conference & Committee
Week
Vancouver, British
Columbia

March 20-25, 2001
AWCI Convention & Trade
Show
Opryland, Nashville,
Tennessee



DISCA BOARD OF DIRECTORS

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CrossTown Interior
Contracting Co., Inc.

Leo Radionoff, Secretary
Van-Rad Contracting Co., Inc.

Robert J. Partyka, Vice President
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