

Ohio Matters

An Official Publication of *The Ohio Chamber of Commerce*

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2017 ALL FOR OHIO TOUR MAKES FINAL STOPS OF THE YEAR

The 2017 All For Ohio Tour wrapped up with the final stops at our member companies. These visits facilitated important policy conversations among our members, state policymakers and the Ohio Chamber, while also allowing us to see firsthand what our members are up to.

THIRD STOP

The tour continued Aug. 28 with a visit to Goodwill Easter Seals Miami Valley (GESMV) in Dayton. Joining Ohio Chamber staff members on the tour were Sen. Bill Beagle (SD 5), Sen. Bob Hackett (SD 10), Rep. Niraj Antani (HD 42), Rep. Jim Butler (HD 41) and Rep. Jeff Rezabek (HD 43).

GESMV’s mission is to empower people with disabilities and other disadvantages to achieve independence and improve their quality of life. Last year alone, it served 20,560 people in 23 counties, made possible by a team of 1,300 employees and nearly 1,000 volunteers.

Goodwill Easter Seals Miami Valley CEO and President Lance W. Detrick led the facility tour to kick off the visit, taking us through the spaces where they focus on specific services for participants. Visiting Ohio legislators then had the opportunity to talk to program participants.

A roundtable discussion among Goodwill staff from around the state, Ohio Chamber staff and Ohio legislators followed. Emily Turner, executive director of the Ohio Association of Goodwill Industries, voiced a concern that there are not enough workers with the qualified soft skills to obtain and retain jobs. Because job training and placement are a crucial part of what

GESMV helps its participants with, workforce development is a key policy issue to help the success of the organization, as well as Ohio’s business climate as a whole. Among the successes in Ohio’s workforce development, there is still room for continued growth and improvement.

FOURTH STOP

On Sept. 12, Williams Co. hosted the next stop of our tour. A member since March 2016, Williams invited us to tour its Utica East Ohio (UEO) Harrison Hub facility in Scio. UEO is dedicated to developing infrastructure for the gathering, processing and fractionation of natural gas and natural gas liquids (NGL). Rep. Andy Thompson from Ohio House District 95 participated as well.

The first part of the visit included a facility tour of the Kilgore Compressor Station, located in Carroll County, a site it has maintained since December 2013. Following a safety check, Williams staff led the group on a walking tour around the property to see the working parts that make what they do possible, including eight compressor units made by Ohio’s Ariel Corp., filters and scrubbers that remove water, hydrocarbons or other impurities from the gas and cooling systems.

A presentation and policy discussion followed the first leg of the visit. Topics included environmental permits and requirements to continue construction and facilitation of the company’s sites, as well as the need for qualified workers. While Williams continues to work with schools to help educate students to better prepare potential workers,



Ohio Chamber staff members and Rep. Steven Arndt from House District 89 visited Cedar Fair.



Ohio Chamber staff members, along with Rep. Niraj Antani (HD 42), Sen. Bill Beagle (SD 5), Sen. Bob Hackett (SD 10), Rep. Jim Butler (HD 41) and Rep. Jeff Rezabek (HD 43)



Ohio Chamber staff members and Rep. Andy Thompson from House District 95 toured Williams Company facilities.

there is still concern about finding enough skilled workers to fill jobs and pass drug tests.

The trip concluded with a driving tour of the UEO Harrison Hub Facility, a fractionation plant in Harrison County where NGLs are separated and shipped via trucks, rail and pipeline to their destinations.

FINAL STOP

Our All For Ohio Tour continued Sept. 26 with a trip up to “America’s Roller Coast” in Sandusky to visit member company Cedar Fair. The tour took place at Cedar Point, one of 11 amusement parks Cedar Fair owns across North America. Overall, Cedar Fair parks entertain more than 25 million visitors annually and showcase over 120 roller coasters.

The visit began with a shuttle tour through the property with Cedar Fair and Cedar Point staff. Highlights included recent expansion such as the new hybrid roller coaster Steel Vengeance — previously called Mean Streak — and the continued expansion of

the signature Hotel Breakers.

The tour was followed with a presentation and roundtable discussion led by Jason McClure, vice president and general manager of Cedar Point. The roundtable included several points of state policy issues that facilitated conversation among Ohio Chamber staff and Cedar Fair staff, as well as Rep. Steven Arndt, of House District 89. Workforce development, a common issue among our members, was a top concern for the company, as were regulation, employment issues and infrastructure investments.

Cedar Point opened in 1870 and is the second-oldest operating amusement park in America. In 2021, it will celebrate its 150-year anniversary.

It was great to visit a few of our members this summer. We hope to continue our All for Ohio Tour next year. If you are interested in hosting elected officials and Ohio Chamber staff members at your company, please contact Kathy Eshelman at keshelman@ohiochamber.com.



*You've got a
business to run.*

Health care is expensive.

*We'll help save
you money.*

In listening to our members, one of the common concerns we hear is the rising cost of health care. Because of this, we sought ways to bring down these costs. In partnership with BE Solutions, the Ohio Chamber of Commerce is now offering a wide breadth of health insurance options for small businesses, those with two to 99 employees. And with our new partnership with Delta Dental, we are offering standalone dental plan options exclusively for Ohio Chamber members.

On average, our members are seeing a 10 percent savings
versus their previous year.

For more information on all of our insurance programs, contact
Laz Picciano at lpicciano@ohiochamber.com, or call (614) 629-0926
or visit www.ohiochamber.com/insurance.



By Steve Loewengart, Regional Managing Partner, Fisher & Phillips LLC

THE REVIVAL OF LAST-CHANCE AGREEMENTS AS AN ALTERNATIVE TO TERMINATION

Recruiting and hiring employees can cost a company as much as \$5,000 per candidate in the professional or manufacturing industries, according to the Society for Human Resource Management. In addition, an employer must also invest a considerable amount of time and money in on-the-job training and supervision. These kinds of investments — coupled with concerns about finding qualified employees — are causing some employers to look for alternatives to immediate termination when serious problems occur in the workplace.

One option is the last-chance agreement.

WHAT IS A LAST-CHANCE AGREEMENT?

A last-chance agreement (LCA) is an agreement between an employer and employee that allows an individual who has committed a serious violation against company policy to have one last chance to keep his or her job, instead of resorting to immediate termination. In exchange for continued employment, the employee agrees to follow a set of agreed-upon behaviors. Failure to make good on these promises will result in termination. LCAs are most common in union settings and often include the union as a party to the agreement. However, employers in non-union settings have also found them to be useful. A successful LCA generally has three components.

- To clearly set forth the employment issues at hand
- To detail specific steps that must be followed to correct the problem
- To define the consequences if the agreement is not followed

LCAs can be used in employment misconduct contexts ranging from chronic absenteeism and workplace harassment to the abuse of legal and illegal drugs.

WHEN IS IT APPROPRIATE TO USE AN LCA?

Imagine that an employee engages in prescription drug abuse and reports to work intoxicated, in violation of his employer’s anti-drug policy. The employee has a long tenure, and otherwise has a good work record. Furthermore, the employee claims that he misunderstood his dosage limits, admits fault and promises not to do it again.

Does this warrant discipline? It is difficult to know where to draw the line. LCAs can help to manage a salvageable employment situation. In this scenario, the employer could offer an LCA as an alternative to termination. The LCA would remind the employee of the company’s prescription drug abuse policy and require the employee to:

- Remain sober at all times while working, even when taking prescribed medication

- Sign a medical release for information
- Participate in a fitness-for-duty test to determine whether the employee can safely perform the job duties under his or her current treatment plan
- Follow recommended drug abuse treatment if necessary
- Submit to random drug testing for 12 months

If the employee fails to follow the agreement (e.g., is discovered working while intoxicated or tests positive for illegal drugs), the consequences are clear — termination. Although LCAs are not a legal shield against future claims or lawsuits from employees, they are often well received by courts in favor of the employer when such agreements are thorough, the terms have been violated and the employee is terminated as a result.

HOW TO DRAFT AN LCA

An LCA is a contract related to employment, and as such, should be reviewed by legal counsel prior to use. It should clearly set out the work violation at issue, the behavior to follow in order to avoid repeat misconduct and the specific consequences for violation. Further, to avoid any misinterpretation by the employee that the LCA is a guarantee of continued employment for other situations, it should clearly state that the agreement does not alter the at-will employment relationship.

Lastly, the LCA should not be used unless the employer is committed to holding the employee accountable. In other words, if the bad behavior continues, the employer must be prepared to enforce the agreement and terminate employment. To do otherwise would send a message to all employees that such conduct can continue without reprisal and encourage litigation from any victims of the employee’s bad behavior. If the employer is not prepared to terminate the employee at the outset, then a safer course of action is to forego the LCA and prescribe a lesser discipline of suspension, reduction of pay, demotion or other appropriate measures.

LCAs can be useful tools for dealing with workplace misconduct when drafted and used correctly. With the renewed focus on the cost of hiring and retaining qualified employees, LCAs can be an additional tool that gives employers further flexibility in responding to misconduct in the workplace. 📌

Steve Loewengart is an employment law veteran with more than 25 years of experience. He represents employers in a wide variety of labor and employment legal matters and serves a broad range of clients. Reach him at (614) 453-7606 or sloewengart@fisherphillips.com.

J.D. VANCE KICKS OFF 2017 POLICY CONFERENCE AT SALT FORK

Offers ideas to bring back American Dream to those who have been left out



J.D. Vance

The 2017 Policy Conference at Salt Fork was another great success, as legislators and public policy professionals came together to discuss topics impacting Ohio. This year’s opening speaker was *New York Times* best-selling author and Ohioan J.D. Vance. While much has been written about his book, *Hillbilly Elegy*, which has been a bestseller for a year and a half, Vance offered insights into ideas that could provide solutions to the life problems he writes about in his memoir.

Growing up in the Appalachian parts of Northern Kentucky and Southwest Ohio, Vance’s family was impacted by underemployment, loss of employment, drug and alcohol abuse and poverty. However, he overcame these obstacles by graduating high school, joining the military, attending The Ohio State University on the GI Bill and graduating from Yale Law School, affording him opportunities that many with his childhood experiences did not have.

“If you look at my life from the outside, I think a lot of folks see it and say, ‘This is what we want to happen for America’s poor children.’ It’s the American Dream,” Vance said. “I wrote *Hillbilly Elegy* because when I looked at the data and the broader community around me, I saw there weren’t as many people who were able to live that American Dream. I saw that if you were born in the 1940s, you had above a 90 percent chance of earning more than your parents. If you were born in the 1980s, that number had dropped to 50 percent.”

Vance believes this decline in the achievement of the American Dream should bother everyone. He attributes this decline to the lack of high-quality, dignified work available. To change this, Vance offers three ideas.

THREE BIG IDEAS

The first possible solution is to talk about the loss of America’s intellectual property. Vance said that while the U.S. middle class is shrinking and suffering, the middle class in the rest of the world has been growing.

“We should be proud of the fact that there are fewer people in poverty all over the world, but \$600 billion in intellectual property was stolen from the United States last year, with most stolen by China,” Vance said.

This results when companies set up a business in another country and they are forced to transfer their knowledge and technology not to the consumers in those countries but to the government.

“That intellectual property came from your tax dollars, our university research and the hard work of American workers, and it is being stolen,” Vance said. “We shouldn’t be surprised that when this happens, the American middle class starts to shrink and the American Dream starts to disappear. We have to talk more about this issue.”

Second, Vance sees too much emphasis on obtaining a college degree and not enough on other pathways to success.

“When I left the Marine Corps, I could flip burgers or go to college,” he said. “There’s a culture bias that some people don’t like the idea you can earn more as a plumber than with a college degree.”

Vance suggests reforming the education system so that the only options aren’t flipping burgers or earning a four-year degree.

Finally, Vance sees the opioid crisis not just as a social crisis but also an economic crisis.

“Employers would like to hire today, but they can’t find people who can pass a drug test,” Vance said. “That’s a significant problem, and it’s holding back earned success.”

This summer, Vance, his wife and their newborn son moved back to Ohio from California, and they reside in Columbus. He has started a nonprofit, Our Ohio Renewal, to help address the needs and issues he wrote about in his book. 📌

MANUFACTURERS’ EDUCATION COUNCIL

Largest business tax conference in the nation coming in January

The Manufacturers’ Education Council’s 27th annual Ohio Tax Conference is Tuesday and Wednesday, Jan. 23-24, 2018. Attended by 14,224 corporate tax directors, CFOs, tax professionals and taxing authorities over the past 26 years, this event is the largest business tax conference in the nation.

The conference was established in the early 1990s by the Ohio Chamber of Commerce, with the Ohio Department of Taxation, and led by the Ohio Tax Commissioner and former Franklin County Auditor Roger Tracy. The idea was to serve as one of the top business tax educational conferences, bringing together leading experts on tax issues from across the nation. The annual Ohio Tax Conference has since served as the model for public/private partnership for tax education, inspiring many states to establish their own state tax conference.

A 48-person, blue-ribbon tax conference planning committee, made up of many Ohio Chamber members, meets twice a year to select topics, keynote speakers and workshop sessions for the annual Ohio Tax Conference. Representing some of the most prestigious national law firms and tax consulting organizations and Ohio’s leaders in corporate taxation, members from across the country evaluate hundreds of tax abstracts to select conference topics.

This conference attracts the best and brightest in taxation in the nation to lead workshops, roundtables and more. Ohio Chamber of Commerce Chairman Larry Kidd, who is also president and CEO of Reliable Staffing Services LLC, will lead an interactive workshop on employment services. Former Ohio Chamber chairman and a national guru on taxation policy Thomas Zaino, the founder and managing partner of Zaino Hall & Farrin, will provide a commercial activity tax keynote speech and lead workshop sessions on municipal income tax centralization. He will also lead a roundtable on Ohio tax policy and reform. Leaders of the tax-writing committees in the Ohio Senate and Ohio House of Representatives will also join in.



Several other national tax experts will be featured at the 2018 conference as leaders and keynote speakers. Conference attendees will interact with leading tax decision-makers in Ohio, as well as top tax officials from Kentucky, Michigan and Indiana.

Featured topics at the 2018 conference include municipal income tax centralization, technology/data/tax automation, amnesty and voluntary disclosure agreements, real property appraisals and valuation, winning at state tax controversies, the new federal partnership audit rule, the elimination of tax appeals from the Ohio Board of Taxation directly to the Ohio Supreme Court and nexus wars across states.

In addition, this year’s conference features two optional ethics sessions for CPE & CLE credits for Ethics & Professionalism for State Tax Professionals. The first session, Ten Things I Hate About You, is scheduled for the morning of Jan. 24. The second, For Your Eyes Only: Understanding Privileges & Protections in State Tax Practice, is a post-conference optional session Wednesday afternoon.

With the best lineup of speakers and hot tax issues, the 27th annual Ohio Tax Conference is a valuable resource for keeping current on significant tax developments at the federal, state and local level. As the largest business tax conference in the nation, attendees benefit from the continuing education credits they can earn and the valuable information learned about major tax and jobs issues. 📌

For more information and to register for this influential event, go to www.mecseminars.com and click on the Taxation & Business tab at the top of the page.

By Jacob Mattinson and Finn Pressly, McDermott Will & Emery LLP

THE EEOC RELEASES WELLNESS PROGRAM GUIDELINES



Employer-provided wellness programs continue to gain in popularity as employers look for new ways to reduce health care expenditures and ensure employee well-being.

This trend has caught the attention of government regulators, resulting in a wave of new regulations and guidance placing boundaries on wellness program designs. As a result, it has become progressively difficult for employers to manage their wellness programs in compliance with the growing number of requirements.

Of the federal agencies tasked with enforcing wellness programs, the U.S. Equal Employment Opportunity Commission (EEOC) is the latest to release guidance on wellness program design and administration. The EEOC’s regulations arise out of its enforcement of the Americans with Disabilities Act (ADA), which generally prohibits employers from discriminating against employees on the basis of disability.

EEOC’S ENFORCEMENT OF THE ADA

Title I of the ADA prohibits employers from discriminating against qualified individuals with disabilities. Specifically, the ADA generally prohibits employers from making disability-related inquiries or requiring medical examinations. However, the ADA provides an exception to this rule that allows employers to engage in otherwise prohibited conduct as part of an employee wellness program, but only if the program is voluntary.

Historically, the EEOC provided very little guidance regarding wellness program compliance under the ADA. Previous EEOC guidance stated that a wellness program is considered voluntary as long as an employer neither requires participation nor penalizes employees who do not participate.

However, the EEOC at that time never established guidelines for when a penalty or an incentive would render the program involuntary — despite the fact that the Department of Labor simultaneously issued sweeping guidelines for incentivizing participation in wellness programs. To further compound employer concern, the EEOC filed several lawsuits alleging that employer wellness programs violated the “voluntary” requirement under the ADA.

In one lawsuit filed in 2011, an individual claimed that a penalty imposed by his employer’s wellness program for failure to take a health risk assessment and health screenings violated the ADA. The court found that in the absence of clear EEOC guidance, the employer’s wellness program met a safe harbor available to bona fide benefit plans under the ADA. As a result, the wellness program design was allowed and did not trigger the ADA prohibition on disability-related inquiries and medical examinations.

EEOC ISSUES REGULATIONS

On May 17, 2016, the EEOC released final regulations providing guidance on how employer wellness programs can comply with

Title I of the ADA. The final regulations clarify how the ADA’s voluntary standard is met, which requires, for example, that employees are not required to participate, are not denied coverage under a group health plan, are not retaliated against and receive a required notice.

The notice requirements apply to all wellness programs that ask employees to respond to disability-related inquiries and/or undergo medical examinations, regardless of whether the wellness program is part of a group health plan or whether incentives are offered in connection with the program. This has been a point of confusion for many employers, who may think no notice is required because their wellness program does not provide any employee incentives or ask disability-related questions. In fact, a simple health risk assessment can subject the wellness program to the EEOC’s regulations.

In addition, the EEOC clarified that wellness programs governed by the ADA must not offer a reward that exceeds the maximum allowable incentive to employees who participate in the program. The limit is generally 30 percent of the total cost for self-only coverage for the plan in which the employee is enrolled.

In addressing related guidance issued by other government agencies, the EEOC emphasized that a wellness program’s compliance with the nondiscrimination rules under the DOL’s wellness program rules does not necessarily mean that the program is in compliance with the final wellness program rules under the ADA.

Importantly, employers should remember that not all wellness programs are subject to the EEOC’s regulations. Only those programs that require a physical examination or ask disability-related questions are subject to the ADA.

RECENT COURT CASE

Some advocacy groups have warned that the EEOC wellness regulations open the door to government-sanctioned employer intrusion into employees’ personal health information. In a recent case, the American Association of Retired Persons (AARP) sought to halt enforcement of the EEOC’s regulations.

In the lawsuit, the AARP argued that the final wellness program regulations were inconsistent with the ADA and challenged the process the EEOC utilized in issuing the regulations. The U.S. District Court for the District of Columbia ordered the EEOC to review and revise its regulations.

In response to the judge’s ruling in the AARP lawsuit, the EEOC stated that it will reconsider its final wellness program regulations and intends to issue new proposed regulations by August 2018.

NEXT STEPS

Employers sponsoring wellness programs do not need to take any new action at this time as a result of the AARP lawsuit. However, wellness program administration is a challenging task, and employers should continually review their wellness programs to ensure they are structured correctly and that the appropriate notices are provided to employees in light of the guidance issued by the EEOC and other government agencies.

Any changes an employer makes to its wellness programs, however innocuous they may seem, could change the applicable law and should be carefully reviewed. Looking forward, employers should be ready to implement any changes required by the new EEOC rules once those are issued. 📌

Reach Jacob Mattinson at jmattinson@mwe.com and Finn Pressly at dfpressly@mwe.com.

APPRENTICEOHIO
CONNECTS
BUSINESSES
WITH SKILLED
WORKERS



Ohio employers frequently say they need skilled workers, but many don’t realize they can build a highly skilled, motivated workforce, inexpensively and efficiently, with the ApprenticeOhio program.

Ohio has more than 19,000 apprentices in more than 200 occupations, making it the largest program in the region and the second-largest in the nation. Apprentices can be trained in a variety of industries, from health care to advanced manufacturing, from energy to computer programming, and everything in between. Best of all, employers can design programs to meet their needs.

“Apprenticeship programs emphasize learning by doing, and they’re thriving,” says Cynthia Dungey, director of the Ohio Department of Job and Family Services, which manages ApprenticeOhio. “Businesses can train workers the way they want them trained, and to industry specifications. This training model allows employers to improve the skills of existing employees and quickly boost the productivity of new hires.”

Each ApprenticeOhio program includes at least 2,000 hours of structured on-the-job training and 144 hours a year of classroom training, typically at a local community college. Most programs are sponsored by an employer, an employer association or a labor-management committee for one or more organizations. ApprenticeOhio professionals can help interested businesses design programs, partner with educational institutions, and plan and fine-tune curriculums.

Want to learn more? Visit Apprentice.Ohio.gov, or email Apprenticeship@jfs.ohio.gov. An ApprenticeOhio representative will set up an appointment to give you more information and answer your questions.

By James Yates and Sarah Pawlicki, Eastman & Smith Ltd.

WEINSTEIN WAKE-UP CALL

Harassment remains a significant workplace issue

Recently, there has been an explosion of claims that Hollywood heavy hitter Harvey Weinstein, co-founder of Weinstein Co., sexually assaulted and harassed women for decades.

While the salacious nature and sheer volume of the allegations surprised many, the fact that harassment still exists in America’s workplaces is unsurprising. In June 2016, participants in a Select Task Force on the Study of Harassment in the Workplace issued a report on the current state of harassment in the workplace, which was published on the EEOC’s website, www.eeoc.gov/eeoc/task_force/harassment/report.cfm.

The report concluded that “workplace harassment remains a persistent problem” (nearly one-third of charges filed with the EEOC in 2015 included an allegation of harassment), “harassment too often goes unreported” (about three of four individuals who experienced harassment never reported it) and “there is still a compelling business case for stopping and preventing harassment.” (In 2015, the EEOC recovered \$164.5 million in harassment cases).

Given this, it is certainly time to revisit company efforts to address harassment in the workplace in a meaningful way. The following are key concepts to keep in mind.

- **Think of “harassment” in broad terms.** Just as harassment includes more than sexual harassment, keep in mind that disrespectful conduct and workplace incivility, while not per se illegal, may also be harassment. In fact, the EEOC recently launched training initiatives focused on addressing disrespectful conduct and abusive behavior and empowering observers to appropriately intervene. Make sure your harassment policies cover not only “illegal” harassment but that they also establish your company’s expectations for a respectful workplace regardless of protected classification.
- **Expand the concept of “workplace.”** Policies and training should address not only conduct on company property, but other work-related settings such as business trips, work-related meetings and social events. Online or mobile device-related abusive behavior by employees is just as harmful (and more prevalent) than on-the-premises harassment and should likewise be prohibited.
- **Protect employees from harassment by others.** A well-crafted harassment policy will protect your employees from harassment by customers, vendors, contractors, delivery personnel and temporary employees.
- **Provide multiple avenues for employee complaints.** Employees will not complain unless they feel confident that the complaint is communicated to an individual or entity with authority to address the issue.

- **Maintain confidentiality to the fullest extent possible.** Assure those participating in an investigation that you will keep things as confidential as possible. However, do not tell the complaining party that you will not tell the alleged harasser who made the complaint. The alleged harasser should have the ability to understand the allegations to make an appropriate response.
- **Do not retaliate.** Harassing behavior goes unreported for fear of retaliation. Employers need to reassure employees reporting abusive behavior and anyone participating in the investigation that there will be no retaliation. This should be done verbally and in writing throughout the investigation. Likewise, alleged harassers should be instructed directly that the consequences for retaliating will be severe.
- **Take action.** After receiving a complaint, do something. Conduct an investigation and follow up after the investigation with the employee to assure the person that the company took the matter seriously and responded appropriately. Discipline the offender as appropriate and relative to the conduct that was revealed in the investigation. Sweeping things under the rug can come back to haunt your organization years later.
- **Supervisory training is not optional.** The impact (positive and negative) of an organization’s front-line supervisors cannot be overstated. Train them. Often. The “equal opportunity harasser” is a defense of last resort. The argument that a supervisor is mean to every employee is not all that persuasive in front of a jury. In fact, juries will relish the opportunity to punish the “mean supervisor,” as well as the employer that continued to tolerate the bad behavior. This is where the concept of prohibiting abusive behavior (not just illegal harassment) comes into play.

Broad-based respectful workplace policies that incorporate equal employment opportunity and harassment issues, combined with effective employee training, may be the difference between a large jury verdict or settlement and an employer obtaining a dismissal of the claim. Ignoring the problem will only make it worse. Companies that take prompt action in response to harassment complaints go far toward staying out of court and the news.

James Yates and Sarah Pawlicki are members in Eastman & Smith Ltd.’s Labor and Employment group. Between them, they have over 30 years of experience partnering with human resource professionals to make workplaces better (and legally compliant). Reach them at (419) 241-6000, or jbyates@eastmansmith.com and sepawlicki@eastmansmith.com.

MEMBER NEWS

Welcome new members
The following companies joined
the Ohio Chamber of Commerce
between Aug. 24 and Oct. 19,
2017. Welcome to the Ohio
Chamber of Commerce!

- Charles Penzone Inc., Powell
- Donaldson Plastic Surgery and Aesthetic Solutions, Columbus
- GlaxoSmithKline, Hummelstown, Pennsylvania
- JD2 Strategists LLC, Columbus
- Lastar.Com Inc., Moraine
- Liberty Savings Bank, Wilmington
- R.L.O. Inc., dba Great Clips, Beavercreek
- Rea Polishing Inc. Wauseon
- Thomas B. Fordham Institute, Columbus
- Waypoint Benefit Solutions, Dublin



Need help marketing your products or services internationally?

The International Market Access Grant for Exporters (IMAGE) program helps small businesses increase exports and create jobs in Ohio’s economy. The program offers financial assistance for small businesses to promote their products and services in an international market, reimbursing the qualifying activities of eligible approved applicants at a 50 percent rate, capped at \$12,500 per fiscal year.

The IMAGE program is funded, in part, through the Small Business Administration’s State Trade Expansion program. For more information about the IMAGE program, go to www.image.development.ohio.gov.

Ohio’s minimum wage increasing

Ohio’s minimum wage is scheduled to increase on Jan. 1, 2018, to \$8.30 per hour for nontipped employees and \$4.15 per hour for tipped employees. The minimum wage applies to employees of businesses with annual gross receipts of more than \$305,000.

The current 2017 Ohio minimum wage is \$8.15 per hour for nontipped employees and \$4.08 per hour for tipped employees. The 2017 Ohio minimum wage applies to employees of businesses with annual gross receipts of more than \$299,000.

The constitutional amendment (II-34a) passed by Ohio voters in November 2006 states that Ohio’s minimum wage shall increase on Jan. 1 of each year by the rate of inflation. For employees at smaller companies with annual gross receipts of \$305,000 or less after Jan. 1, 2018, and for 14 and 15-year olds, the state minimum wage is \$7.25 per hour.

MEET A BOARD MEMBER

Learning begins with discovery

Lois Rosenberry has been an active Ohio Chamber board member since 2001. She is the founder and CEO of Children's Discovery Center (CDC) and serves as a member of the Ohio Small Business Council Committee and our Executive Committee.



Lois Rosenberry

What does your company do?

Children's Discovery Center is a premier early care and education provider that encourages learning through exploration within a creative, nurturing environment. We have eight locations in Ohio and South Carolina serving 1,700 children.

How does your company impact the Ohio economy/benefit the Ohio business community?

Children's Discovery Center employs 200 people in Ohio who serve as directors, teachers, assistants and support staff. Because of the nature of our services, we provide peace of mind to working parents, which enables them to competently fulfill their work responsibilities in the marketplace. We also utilize vendors from other industries, including banking, accounting, food, paper supplies, utilities, printing, maintenance and more. Therefore, we also impact the overall health of the supporting businesses.

What is your role at the company?

I am the founder of CDC and serve as the CEO.

How have you or your business benefited from your involvement with the Ohio Chamber?

I have gleaned best business practice ideas through my connections with other members, kept up to date with pending legislation that affects Ohio's business climate and have become an issue advocate. Through my membership, I can make my voice heard at the Statehouse.

How long have you been on the board?

I have served on the Ohio Chamber Board of Directors for about 16 years.

What are some of the latest goals/objectives of your company?

Our company is birthing a catering company called Inspired Kitchen that strives to improve the nutritious meals served to our children. We are focused on improving teacher training to ensure a high-quality project-based educational approach that incorporates the STEAM model (science, technology, engineering, art and math). We are exploring opening a new center to better serve our business community, as well.

How has the Ohio Chamber helped your company achieve those goals/objectives?

The Ohio Chamber has opened the door for me to speak directly with legislators regarding industry-specific legislation, to participate in online training sessions to improve my business performance and to attend Salt Fork Policy Conference, where I have been able to stay on the cutting edge of new trends and issues at both the state and national levels. 🇺🇸

PETLAND CELEBRATES 50 YEARS OF SUCCESS

A childhood visit to Disneyland sparks the idea for a pet store empire

Ed Kunzelman was 10 years old, living in California, when Walt Disney opened his first theme park in Anaheim, California, in 1955. His first visit to the park left an invaluable impression.

"I saw what Walt Disney had done to a crummy amusement park scene," says Kunzelman. "It seemed a lot of pet stores weren't that nice, like the little carnival scene. I wanted a store that was brighter, cleaner and filled with people that really liked animals and really liked people and could educate them about pets. So there was this theme, and that was why we called it Petland, like Disneyland."

With a focus on customer service, animal care and store presentation, Petland defines leadership in the pet store retail industry. Petland Inc. began with one man, Kunzelman, who took his fish-keeping hobby to the next level by opening a single pet store on Oct. 21, 1967, in southern Ohio. The store featured 12 wet tanks and offered fish, small animals and birds. After months of customers asking about puppies, Kunzelman visited local breeders, and in spring 1968, began offering three to five puppies at a time, as they weren't in high demand. For several years, Kunzelman continued to buy only from local breeders. However, once the first franchised Petland store opened in Portsmouth, Ohio, in 1972, and the business began to grow, it became necessary to find additional suppliers.

Fifty years later, Petland is an award-winning franchise operation based in Chillicothe, Ohio, providing jobs for approximately 500 people in this state alone.

COMMUNITY SERVICE

Petland's work goes beyond simply selling a pet. The company is also committed to being a part of the community and providing public pet education. As a part of its Adopt-A-PetSM program, Petland provides homeless pets with a safe place while finding suitable



families to take them in. As a part of its commitment to the community, it has also taken on several community service programs.

Safari Stan's Children's CharitiesSM collects money annually for St. Jude Children's Research Hospital and has fulfilled over 250 pet-related wishes for the Make-A-Wish Foundation[®] of America.

Heartland Canines for Veterans provides disabled veterans with therapy, service and companion dogs and sponsors the full cost (\$7,200) of one training dog per year.

Petland also provides service canine support by financially supporting or providing feeding programs for more than 125 therapy dogs and K9 units.

STRONG BUSINESS

Today, Petland remains a thriving business. This year the company achieved its highest ranking yet on *Entrepreneur's* annual Franchise 500 list, coming in at No. 188. With 150 retail pet centers across the United States, Canada, Mexico, China, South Africa, Brazil and El Salvador, last year Petland announced plans to expand into the Middle East/North Africa region, as well.

Petland continues to put veterinary care at the forefront of its business model, as pet counselors work every day to meet the Petland mission: "Our Pet Counselors are dedicated to matching the right pet with the right customer and meeting the needs of both. To our customers who already own pets, we are dedicated to enhancing their knowledge and enjoyment of the human-animal bond." 🇺🇸

(Photos, top row, left to right) Director of the Ohio Small Business Council testified in favor of House Bill 10.

The Ohio Chamber's Energy & Environment Committee met in October to discuss pending energy and environmental issues.

Vice President of Membership Kathy Eshelman, Director of Energy and Environmental Policy Zack Frymier and Director of External Relations, Stephanie Kromer, attended the Northeast Energy Management Conference in September.



(Photos, bottom row, left to right) The Ohio Small Business Council held its quarterly meeting in October.

Our Ohio Chamber Taxation and Public Expenditures Committee met in October to discuss pending legislation.

Director of Energy and Environmental Policy Zack Frymier testifies in favor of Senate Bill 188.

MEET STAFF MEMBER KATHY ESHELMAN

Eshelman brings business experience to VP position



Kathy Eshelman is one of our newest team members at the Ohio Chamber of Commerce and started her job this year. Prior to joining our staff, she was a small business owner for 26 years. She brings that business experience to her position as vice president of membership. Eshelman, her husband, Jack, and

daughter, Betsy, live in Dublin. She is a proud graduate of the University of Texas and holds a bachelor of arts degree in broadcast journalism.

Get to know Eshelman in the fourth installment of our Employee Spotlight.

Do you have any pets?

No. We did have a series of red betta fish. My daughter named them Ruby, Ruby 1, Ruby 2, Ruby 3, etc. Then we got a blue one and she still named it Ruby 4. They are all buried in our backyard.

Where did you grow up?

Pasadena, Texas, a suburb of Houston

Which three websites do you visit most?

SalesForce, Twitter and Facebook

What do you do when you are not working?

I teach WERQ, an aerobics class, be with my family, have fun with my girlfriends or spend time with my daughter at Pure International Pageants. (Last year we were both Miss Ohio for our age divisions.)

What is your favorite quote?

“Go confidently in the direction of your dreams. Live the life you imagined,” by Henry David Thoreau

Are you afraid of anything?

Gaining weight back after losing 100 pounds

If we asked your family and close friends to describe you in one word, what do you think they would say?

Gregarious

Do you have a secret family recipe? If so, what for?

Cornbread dressing, chocolate meringue pie, pecan pie and Texas sheet cake

What is your career highlight?

My appointment to the National Women’s Business Council, Advisors to the President, Congress and the SBA, and starting a business at age 25 and growing it to a \$1 million business

Tell us one thing that most people don’t know about you.

I marched in the University of Texas Longhorn Band and was honored to represent the state of Texas in the Inaugural Parade of President Ronald Reagan and Vice President George H.W. Bush. The band stayed in the Quantico Marine barracks and flew to D.C. in an orange Braniff airplane. 🇺🇸

By Chris Ventura, Executive Director, Consumer Energy Alliance

Campaign for America’s Energy: WHY OHIO ENERGY MATTERS

Energy. It fuels and powers Ohio’s businesses, farms and families of all sizes, providing tremendous opportunity for job growth across industry sectors and improving the lives of countless Ohioans. Yet this opportunity can only occur if our energy costs are affordable, we continue to advance environmental goals and the energy we use is reliable.

Do you remember how expensive energy bills were just a short time ago, with the price of a gallon of regular gas at \$4.11 and natural gas reaching \$12.71?

Imagine those prices today, coupled with the ever-increasing electricity rates you are paying. Can your business or family afford to have these high prices return? For many, the answer is simply no.

The primary reason energy costs have decreased is an increase in American energy production, led in part by energy exploration in Ohio, Pennsylvania and West Virginia. To put this in perspective, if these three states were a separate country, it would be the third-largest producer of natural gas in the world. In fact, for the first time in history, the Energy Information Agency (EIA) is predicting that, this winter, the United States will not have to import any natural gas, which could not be accomplished without Ohio’s increased energy production.

In Ohio, we’re seeing an unprecedented investment in natural gas-fired power generation, with nearly a dozen power plants being built or in the planning stages. Businesses are realizing electricity prices that, in some cases, are 50 percent lower than in other exporting countries. At the same time, Ohio’s homeowners have seen

their natural gas bills substantially decrease year over year.

But make no mistake, the high energy prices that stifled economic growth, threatened jobs and pushed budgets to the brink can return if our elected officials make bad policy choices. And in today’s policy arena, with such differing points of view, anything can happen.

Once-bipartisan issues, such as achieving American energy independence from foreign countries and investing in new and modernized energy infrastructure, have become increasingly partisan, with small, well-funded groups fighting to not just limit energy production and transmission in Ohio, but to stop it altogether.

As with any piece of infrastructure, we must make common-sense choices about investing, building and upgrading energy in Ohio, from transmission infrastructure like high-voltage lines to pipelines to diversifying our energy with more solar and wind production. Yet, as noted by researchers, we are caught up in an unproductive, divisive and often misinformed debate about our energy strategy, which threatens not only Ohio, but our country’s economic and environmental goals. Instead of providing thoughtful solutions and ideas, some individuals continue to make the illogical argument that we must choose between energy development and environmental protection. But why? We can, and must, have both.

Energy is not a partisan issue. The environment is not a partisan issue. It is time that people in communities across our state and this country come together with thoughtful solutions that can benefit not only our communities, but

communities everywhere. We cannot become complacent when it comes to ensuring affordable, reliable and safe delivery of our American energy resources.

It is time to change the discussion by highlighting the importance of the energy that businesses, farms and families all need. It is time to raise public awareness and ensure our elected officials realize the consequences that bad policy decisions could have on Ohio’s job creators and families.

For too long, well-funded anti-development groups have attacked energy development without understanding the consequences to families and businesses or providing actual solutions to meet our basic everyday needs. That is why Consumer Energy Alliance (CEA) is launching Campaign for America’s Energy, focused on fostering a more thoughtful public discussion on the implications that energy policy has on businesses and families across our state. It is time we look at the facts in order to end this unproductive and often misinformed or intentionally misleading discussion on energy.

The fact is that Ohio deserves a cleaner environment. But Ohio also deserves common-sense, balanced state energy policies that encourage development, production and transmission of traditional energy resources, and the simultaneous development of renewable energy sources that are clean, reliable and affordable.

It’s also a fact that technological innovation has allowed Ohio to become one of the leading energy-producing states in the country, while also upholding some of the most stringent environmental



QUICK GLANCE

- Ohio is one of the leading energy producing states.
- Increased energy production has decreased costs.
- Energy development and environmental protection are equally important.

standards enacted not just in America, but in the world.

Responsibly developing Ohio’s energy resources and protecting the environment are not a zero-sum game. We can, and must, do both to preserve our state and all it has to offer our children.

We invite you to join us in leading a rational dialogue on why Ohio’s energy matters to our businesses, our communities and our families. 🇺🇸

Chris Ventura is executive director for Consumer Energy Alliance - Midwest. Prior to joining CEA, Ventura served as senior project manager for the Ohio House of Representatives under Speaker William Batchelder. CEA is the leading U.S. consumer advocate in support of affordable, reliable energy for working families, seniors and businesses across the country. To learn more, visit www.ConsumerEnergyAlliance.org.

CHAMBER ENDS ANOTHER SUCCESSFUL YEAR

New initiatives coming for 2018



As we put the final touches on 2017, I want to thank those who have helped us continue our mission: As the state’s leading business advocate and resource, the Ohio Chamber of Commerce aggressively champions free enterprise, economic competitiveness and growth for the benefit of all Ohioans.

First, I want to thank our leaders this year, Tom Zaino, who served as chairman from April 2015 to May 2017, and Larry Kidd, who took the gavel at this year’s Annual Meeting. Both of these chairmen have helped keep the Ohio Chamber on focus so that we can successfully carry out our mission. They have given numerous hours of time and talent in helping the organization.

Second, I’d like to thank all of our board members. These business leaders take time away from their businesses to attend our board meetings and events. Their belief in our mission helps us to make the best decisions for Ohio’s business community.

Third, I’d like to thank the over 850 volunteer committee members. By participating in our committee work, they are helping to move our mission forward. Their effort on reviewing legislation that impacts Ohio

businesses and providing input on what would make Ohio’s business climate better helps us achieve our goals.

Finally, I’d like to thank all of you — our members. It is your belief in our mission that keeps us going, day after day. Without our members, there wouldn’t be an Ohio Chamber of Commerce. When advocating at the Statehouse, our No. 1 priority is to do what is best for our members.

2017 marks the 124th year of existence for the Ohio Chamber of Commerce. This year, we hosted 27 HR Academy webinars business symposiums. Our Annual Meeting featured former college football coach Lou Holtz, and our 2017 Policy Conference at Salt Fork featured best-selling author J.D. Vance. We introduced a new health and dental insurance program for our members, and we are getting ready to launch a cyber insurance program.

We also scored many legislative victories. When the budget bill was introduced, it included a tax reform package composed of increases in the sales, oil and gas severance, tobacco products, and beer and wine taxes, along with a plan to expand the sales tax to several services not currently subject to it. These tax changes would have resulted in an estimated \$1.2

billion of new taxes on Ohio employers. None of them is in the final version of the budget bill.

Other pro-business provisions we supported during the budget process included common-sense reforms to Ohio’s municipal income tax system, a new process for how the Ohio EPA handles discharge permitting appeals and several new workforce development initiatives. We continue to advocate for changes to Ohio’s broke and broken unemployment compensation system.

With 2018 fast approaching, we are looking forward to celebrating our 125th anniversary. We have several new initiatives in the works, including an employer tool kit that will help deal with the opiate/opioid crisis, and a few other exciting things that you’ll just have to wait to hear about. As we finish up 124 years advocating on behalf of Ohio’s businesses, I just want to say thank you to everyone who contributed to our success, and I look forward to working with you next year. 

Andrew E. Doehnel

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