



New England Real Estate Journal

JULY 2009

President's Message, by Sara A. Stafford

Summertime, and the living is easy. So they say, but not this year! Summer 2009 presents special challenges for all businesses, construction ones more than most. Uncertainty is the order of the day – as we wait for credit markets to improve, for unemployment to stabilize, for consumers to start spending, for federal stimulus to fulfill its promise. Even as we wait for the turnaround, however, we continue business as usual here at ASM, as our way of helping to spur recovery. This means, first and foremost, seeking support on Beacon Hill for measures that address subcontractors' economic concerns. We were pleased to win a small victory for subcontractors recently in connection with the sales tax increase (see more on this below), and we are working hard now to get support for measures to ensure subcontractors get paid for their work – guaranteed to be a stimulus in itself. On other fronts, we have just published a Buyer's Guide with special offers and cost savings for members (see more below). The recent issue of our magazine, and the one coming next, will be full of practical business advice for today's market conditions, as will the educational programs we have in the works for the fall. Times are challenging, to be sure, but ASM is here to help, and we encourage you to take advantage of the resources available to you this summer and throughout the year.

ASM wins reprieve on sales tax increase for construction

The sales tax increase to 6.5% takes effect August 1, but contractors will enjoy a temporary reprieve, thanks to a special exemption in the new law included at the urging of ASM. Specifically, the law grants an exemption for building materials and supplies purchased pursuant to a bid or a contract that predates the increase. The Dept. of Revenue (DOR) must still issue "transitional rules," which are expected to be similar to those in 1975, when the rate last increased. At the very least, we expect the current 5% rate will apply to materials purchased under a contract signed before the new rate kicks in; OR under a contract signed within 60 days of the increase, pursuant to a bid that predated the increase – provided the sale or use of materials takes place before Jan. 1, 2011. The special exemption will likely apply only to contracts without escalator clauses. Watch the DOR website for information on the "transitional rules" as they become available.

Open House at new ASM Office

Construction of ASM's new offices finished up early in May and we moved in almost as soon as the last nail was set. The new space is terrific, and is a tribute to the professionalism of the ASM member companies that did the work. But words don't do it justice. We invite you to come see for yourself! Please join us for a casual Open House on Thursday, July 23 from 2:00 to 6:00 p.m. We are on the 4th floor at One Washington Mall, which is adjacent to Boston City Hall. Just drop in anytime that afternoon, and we will show you around. We will also have light refreshments to enjoy while you talk with fellow subcontractors. If that day is not convenient, feel free to stop by whenever you are in the area.

2009 Scholarships awarded

Each year, ASM awards several \$2,000 college scholarships to deserving sons and daughters of ASM members, funded by proceeds from our annual golf tournament. The ASM Scholarship Committee is pleased to announce the winners of our 2009 Awards: Melanie Fontes of Mansfield (whose dad, Jose Fontes, works at ENE Systems); Max Goldstein of Needham (son of Eric Goldstein of CF Data Systems); and Aislinn Shea of Northborough (daughter of Francis Shea, with Sullivan Group Insurance). All three were outstanding in both academic achievement, as well as extra-curricular activities and community service. Melanie will continue her studies at Boston College; Eric is headed to Brandeis; and Aislinn has been accepted to Harvard. We congratulate each of them and extend our thanks to the sponsors of our 2009 golf tournament whose generosity helped make the 2009 scholarships possible.

ASM Buyers' Guide now available

The 2009 edition of ASM's Associate Member Directory and Buyers' Guide is now in print and is available, free of charge, to anyone making purchases for a construction business. The Guide includes over 75 companies providing a wide range of products and services, including insurance, bonding and financial services, as well as construction supplies, equipment and vehicle leasing, risk management, marketing, printing, HR services, and

much more. Many are also offering special deals for members-only. The Guide provides an easy way to find what you need, save money, and do business with companies that support the subcontracting industry. Call ASM for a copy, 617-742-3412 – or download it from the ASM homepage.

Hold the Date – ASM Winetasting Social

ASM will kick off the fall season in grand style, with a Winetasting Social and Silent Auction on Friday evening, Sept. 25, at Venezia Restaurant on the Boston waterfront. A first for the association, the event is an opportunity to sample the fine wines of a local winery, while enjoying delicious food, musical entertainment and spectacular harbor views. The Silent Auction will feature more than 25 offerings ranging from sports tickets to weekend getaways. Mark the date and plan to join us on Sept. 25 for a relaxing evening with fellow subcontractors! Watch the ASM website for details.

Visit the ASM website for a complete calendar of fall events, www.associatedsubs.com