

NACE-SSPC INTEGRATION

NSRP UPDATE



Joe Walker, President

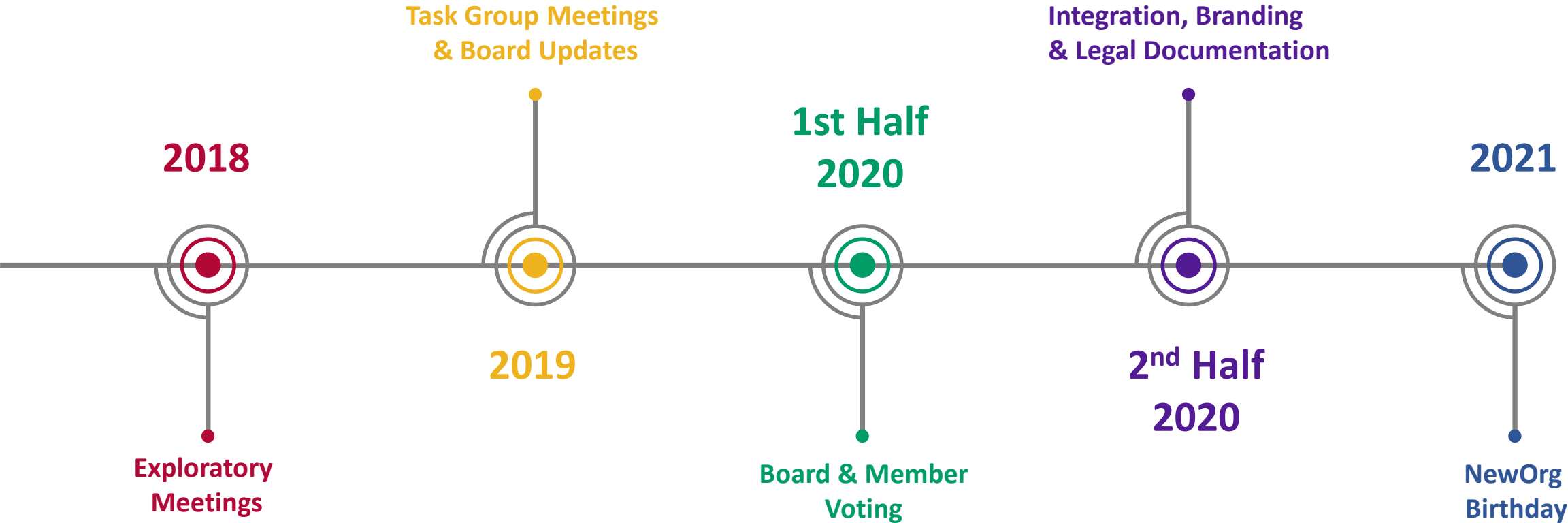


Terry Greenfield, Chairman

Agenda

- Recap
- Membership Vote
- Progress & Next Steps

Recap



Reasons for Combining

Unified Voice

Standardization

International
Growth

Simplification

Integration

Expansion of
Professional
Networks

Discussion Timeline



Membership Vote

Results - Vote to combine NACE and SSPC

Start: 2020-04-03 00:00:00 America/Chicago

End: 2020-04-17 23:59:00 America/Chicago

Turnout: 7539 (22.4%) of 33602 electors voted in this ballot.

The boards of NACE and SSPC have each unanimously approved the proposed combination of NACE and SSPC. Do you approve of the transaction?

Option	Votes
Yes	6697 (89.0%)
No	829 (11.0%)

VOTER SUMMARY

Total	7539
Abstain	13 (0.2%)

Results - Vote to combine SSPC and NACE

Start: 2020-04-03 00:01:00 America/New_York

End: 2020-04-17 23:59:00 America/New_York

Turnout: 2661 (27.3%) of 9764 electors voted in this ballot.

The boards of NACE and SSPC have each unanimously approved the proposed combination of NACE and SSPC. Do you approve of the transaction?

Option	Votes
Yes	2349 (88.3%)
No	312 (11.7%)

VOTER SUMMARY

Total	2661
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10,000+ votes

“YES” - 9 out of 10

Voter Feedback - Themes



Broad support for unified standards



Many like the potential cost-savings of one membership fee instead of two and of potentially one certification instead of two



Removes duplication of efforts



Gives inspectors more resources

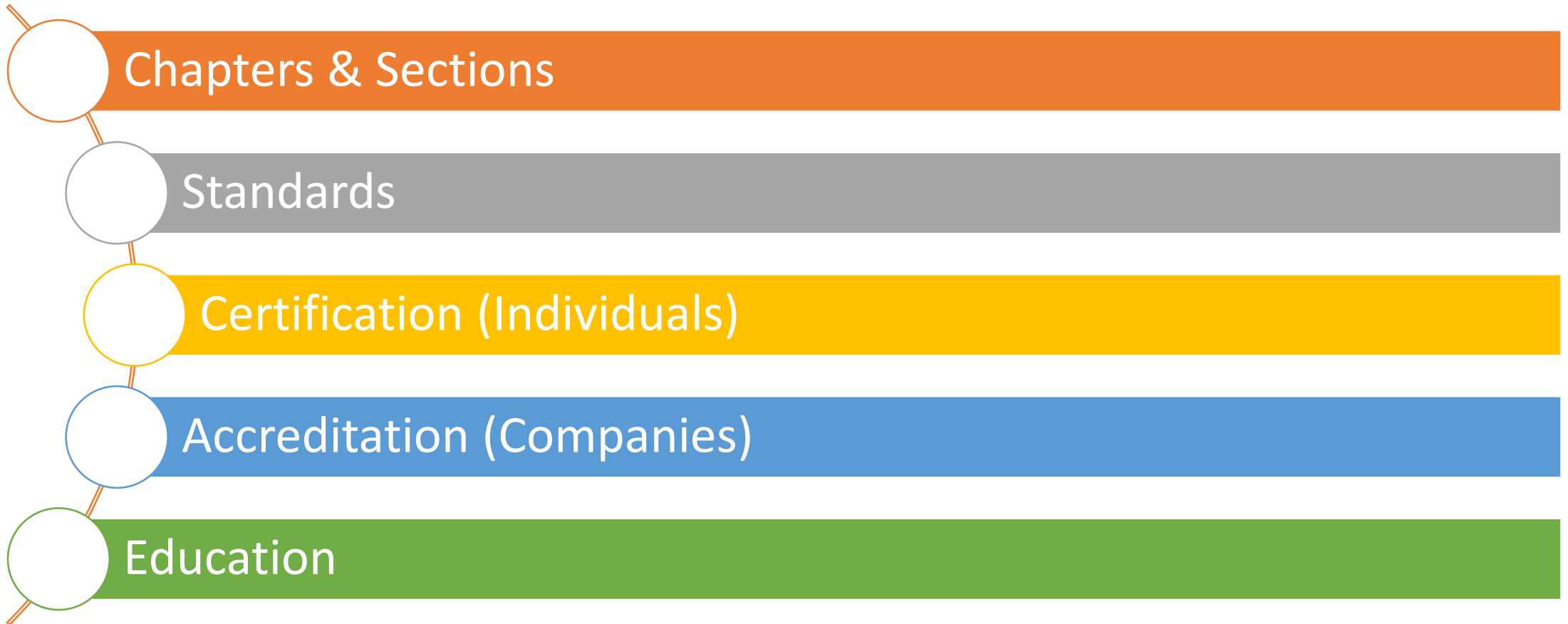


Reduces confusion over different interpretations of standards

Progress & Next Steps

- **Since the Vote**
- **Looking Ahead**

Initial Member Working Groups



Since the Vote

A Transition team was appointed by each board to facilitate the combination

- ✓ Retained McKinley Advisors selected to facilitate the transition
- ✓ Selected CEO for the new organization
- ✓ Identified initial Merger Working Groups
 - Staff Focused and Member Focused
- ✓ Initiated “Brand” Request for Proposals (RFP)
- ✓ Legal team developing legal things

Guiding Principles

- **Both organizations (NACE and SSPC) are taking part in these discussions as equals.** Each organization has been allowed equal representation within the group discussing this combination, and all recommendations have been reached by the consensus of all representatives.
- The combined organization will continue providing certifications, education/training, standards development, and government relations/advocacy.
- Both brands and trade names will continue to be present and used within the industry to limit the confusion that may be caused by a combined organization.
- Pittsburgh (SSPC) and Houston (NACE) offices will continue to house the majority of the combined organization's operations.

Integration Structure

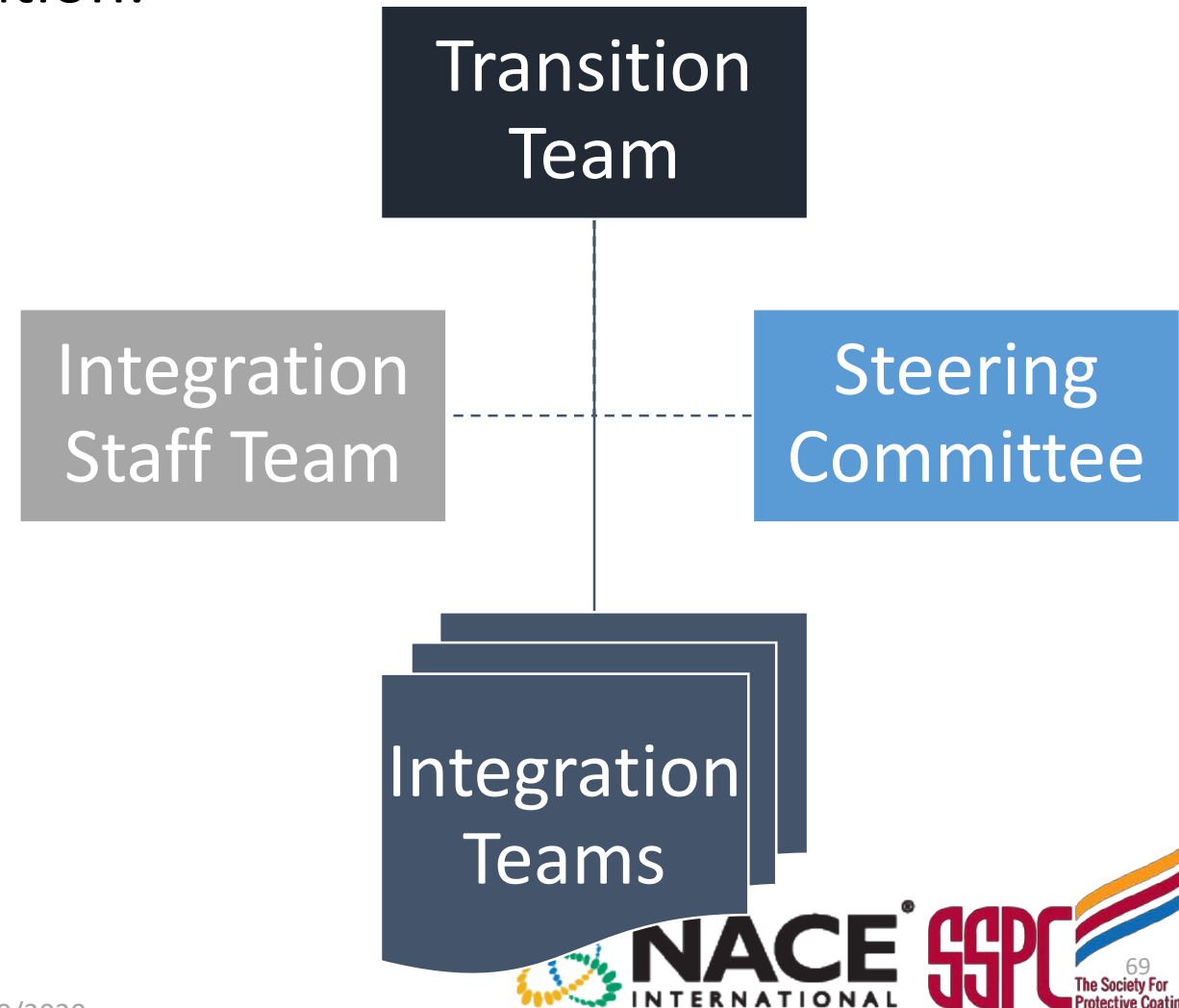
The following structure will be used to organize the various teams that will be working on assigned areas of the integration:

Member and Staff Integration Teams:

- Brand
- Governance
- Chapter/Sections
- Standards
- Certifications
- Accreditation
- Education
- Publications
- Conferences & Events
- Pre-Professional Activities
- IT Infrastructure
- Finance & Accounting

Staff-Only Integration Teams:

- Staff Engagement



Standard Process for Integration Teams

Immersion Meetings

- Staff Planning Meeting
- Full Team Kickoff Meeting
- Charter Development

Data Collection and Inventory; Develop Decision Framework

- Collect Research/Data on Programs, Products, Services
- Inventory and Comparison of Programs, Products, and Services
- Identify decision points and criteria to be used for evaluating options

Decision Point Discussions

- 5-6 Full Team Teleconferences
- Address Each Decision Point

Recommendation Development

- Develop Recommendations for Transition Team Review
- Revise Recommendations, As Needed

Transition Team

Purpose

Consider and approve plans and recommendations provided by the Integration Teams as well as discuss other consequential topics as they arise.

Members

- | | | | |
|--------------------|-----------------|----------------|----------------|
| • Terry Greenfield | • Kevin Garrity | • Ross Boyd | • Doug Moore |
| • Tim Bieri | • Joe Walker | • Skip Vernon | • Cris Conner |
| • Jim Feather | • Sam Scaturro | • Joyce Wright | • Amir Eliezer |
| • Drew Haiko | • Garry Manous | • Doni Riddle | • Dave Evans |

Staff

- Bob Chalker
- Bill Worms
- McKinley Advisors

Steering Committee

Purpose

Ensure the integration process is conducted in a responsible and collaborative fashion and is focused on enacting the principles included within the Combination Proposal.

Members

- Terry Greenfield
- Joe Walker
- Tim Bieri
- Sam Scaturro

Staff

- Bob Chalker
- Bill Worms
- McKinley Advisors

Integration Timeline

Orientation and Team
Kickoff Meetings
(Early June 2020)

Effective Date
(~October 2020)

Agreement Signing
Date [When sensitive
information can be
shared]
(June 19, 2020)

Launch Date
(January 1, 2021)

Work will
continue
through 2021

Integration Principles and Culture

- Continue to embrace the spirit of cooperation and collaboration exemplified by the members and staff
- Implement the combination proposal approved by Boards and Members and operate with the scope of your Team's charter
- Focus on the opportunities while overcoming the challenges
- Implement the appropriate culture, processes, systems, methods, structure and technologies that will **allow the new organization to be nimble, flexible and agile in achieving superior results**
- Be transparent, say the "Thing"
- Be open to new ideas
 - Explore and evaluate what both NACE and SSPC currently
 - Find and implement the best practices

NSRP Areas of Interest

- Sections and Chapters
- SP&C Community individual qualifications (Certifications)
- QP / NIICAP Accreditation programs
- Education: Coating Inspection; Coatings, Lead, Health & Safety; Marine/Navy Courses; Surface Prep & Coating Application (Craftworker)

Chapters/Sections Team

Purpose

Develop recommendations for consolidating chapters/sections and establishing communities, both geographic and topical, for NewOrg stakeholders.

Members

- Amir Eliezer
- Jane Brown
- John Todd
- Jarrett Brelsford
- Garry Manous
- Jay Kranker
- Juan Caballero

Staff

- Heather Hill
- Greg Muha
- Jim Kunkle
- McKinley Advisors

Data Collection
(Early Jul 2020)

Initial Recommendations
(Sept 2020)

June
2020

Team Discussions
(Jul-Aug 2020)

Final Recommendations (Nov
2020)

November
2020

Standards Team

Purpose

Develop recommendations for the standards development process and multi-year transition plan for existing standards.

Members

- Cris Conner
- David Barnes
- Roy Fultineer
- Robert Herron
- Derrick Castle
- Heather Gilmer
- Ahren Olsen
- Alison Kaelin

Staff

- Ed Manns
- Aimee Beggs
- John Whalen
- McKinley Advisors

Inventory and Data/Research Collection
(Jun – Jul 2020)

**June
2020**

Recommendations on Standards Development Process and Procedures
(Aug – Dec 2020)

**December
2020**

6/10/2020



Certification Team

Purpose

Develop certification recommendations for review and approval by the Transition Team.

Members

- Kevin Garrity
- Kyle Greenfield
- Michelle Lau
- Bob Cloutier
- Gunnar Ackx

Staff

- Helena Seelinger
- Keenan Loubser
- Kari Hodge
- Jennifer Merck
- Sara Badami
- Kris Kemper
- McKinley Advisors

Program Comparison and Research/Data Collection
(June – Aug 2020)

Team Discussion and Recommendation Development
(Aug 2020– Feb 2021)

February
2021

June
2020

Accreditation Team

Purpose

Develop accreditation recommendations for review and approval by the Transition Team.

Members

- Connor McManous
- Jack Maillis
- Kevin Garrity
- Harry Tsaprailis
- Don Holle
- Rich Capolupo
- Rick Matthews
- Paul Vinik
- Kevin LaRue

Staff

- Keenan Loubser
- Helena Seelinger
- John Whalen
- Henry Arato
- McKinley Advisors

Program Comparison and Research/Data
Collection
(Jun – Jul 2020)

Recommendations Development
(Nov-Dec 2020)

June
2020

Team Discussions
(Aug – Oct 2020)

December
2020

Education Team

Purpose

Develop education recommendations for review and approval by the Transition Team.

Members

- Terry Greenfield
- Mike O'Brien
- Justin Rigby
- Heather Groll
- Tom Higginbotham
- Hasan Sabri
- Joyce Wright
- Bill Corbett
- Mitch Blum
- Tony Serdenes

Staff

- Pam Nicoletti
- Buddy Reams
- Dustin Young
- John Whalen
- Bob McMurdy
- Alicia Yust
- McKinley Advisors

Program Inventory and Data Collection
(June-July 2020)

Recommendations Development
(Nov – Dec 2020)



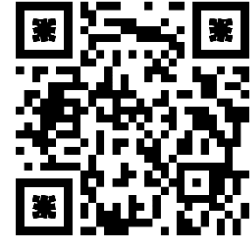
June
2020

Team Discussions
(Aug-Nov 2020)

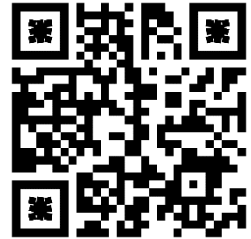
December
2020



Questions & Additional Info



<https://www.sspc.org/sspc-nace-updates/>



<https://www.nace.org/about/nace-sspc-news>