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Sent Via email: director@fasb.org

Technical Director
Financial Accounting Standards Board
401 Merritt 7
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Norwalk, CT 06586-5116

Re: File Reference No. 1860-100

Compensation-Retirement Benefits-Multiemployer Plans

Thank you for the opportunity to review and comment on the Exposure Draft regarding "Compensation-Retirement Benefits-Multiemployer Plans". Michels Corporation is a private, closely held utility and road union construction contractor that has been in business for over fifty years with annual revenues in the \$1.0 billion range for the last few years. The company is very diversified with primary construction operations consisting of mainline pipelines for natural gas and petroleum products, horizontal directional drilling for a variety of utility crossings, telecommunications (outside plant), electrical transmission, distribution and substation construction, wind energy/wind farm construction, drilled and concrete foundations, sewer, water and tunnel construction and pipe rehabilitation.

Given the broad diversity of our construction operations and wide range of union trades that are required in our business, Michels is signatory to a number of different unions. Each union generally has its own has its own benefit plans - pension, health & welfare, etc. The construction industry is further fragmented in that the agreements are typically with local unions that only cover specific and limited geographic areas, again each with its own benefit plans.

As a result, Michels Corporation contributes to a number of multiemployer pension plans. For our most recent fiscal year ended 1/31/10, we made contributions to over 100 multiemployer pension plans and we are on pace to reach that same level this year.

The possibility of a liability coming due to the construction contractor as a result of these plans is extremely remote. Generally, the only way a construction contractor becomes liable for a pension plan's underfunding is if it voluntarily "withdraws" from the plan, a defined term under the Multiemployer Pension Plan Amendments Act, which in most circumstances means that the company voluntarily decides to not sign a new collective bargaining agreement with a particular local union. Construction contractors very rarely withdraw from plans and can simply stop performing work altogether in a jurisdiction and never incur a withdrawal liability.

We have a few significant concerns with the exposure draft that we feel will adversely affect both our business and the usefulness and clarity of our annual financial report.

First, the volume of disclosure that appears to be required by the exposure draft is disproportionate to the potential risks posed by multiemployer plans in the construction industry. Under the proposed requirements, Michels would have to track the various required plan information for each of the 100+ plans that we contribute to and provide extensive disclosures about an extremely remote potential obligation. The example disclosure provided in the exposure draft is nearly two pages and addresses only a single plan. As previously stated, Michels works with a large numbers of unions and it appears that the disclosures could run for several pages. Providing such disproportionate, extensive disclosure on a risk that has an extremely remote chance of being realized will confuse and potentially mislead financial statement users.

The timing of the availability of the proposed disclosure information for multiemployer plans is an issue in that the disclosure information will likely be either out-of-date or incomplete when the contractors' annual financial reports are typically issued. As you also are aware, pension liabilities can be extremely volatile as a result of changes in the financial markets. We believe that disclosing information that does not reflect the current market conditions and which is potentially incomplete will be confusing and potentially misleading to financial statement users.

Finally, the proposed exposure draft will be very costly to implement for both contractors and unions with very little, if any, benefit to the contractor, the user of the contractors' financial statements or the unions based on the issues discussed above. Michels Corporation will receive no benefit from this effort, as the accumulation of this information will not be useful to management in decision making and will result in incremental costs with no clear value or benefit.

On the union side, multiemployer plans typically have many employers contributing funds annually, and some funds have hundreds of employers contributing. The proposed exposure would require these plans to provide information to the contributing employers each year to comply with the disclosure requirements. The plans will incur significant costs associated with compiling the information, presenting this to the contributing employers and addressing questions regarding the assumptions and required data. The costs of providing this information will either be absorbed by the plans, which would result in fewer benefits to the participants, or more likely, be passed along to the contributing employers. We feel that these costs greatly exceed the benefits of disclosing extensive information about an extremely remote liability.

In summary, we believe that the disclosures proposed by the exposure draft would place an onerous burden on Michels Corporation to maintain outdated information that is not an accurate reflection on the company's actual liability. This has the potential to create confusion, poor decision making for external users (i.e. sureties, banks, etc.) of our financial statements and incremental costs which would be a substantial burden given the historically tight profit margins realized in the construction industry. In our opinion, the current required disclosure is more representative and consistent with the nature of the risk posed by these plans.

Thank you for your consideration.

John Schroeder

CEO