



MANUFACTURING EXTENSION
PARTNERSHIP
NATIONAL ADVISORY BOARD
ANNUAL REPORT 2003

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NIST

National Institute of Standards and Technology
Technology Administration, U.S. Department of Commerce

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LETTER FROM THE NATIONAL ADVISORY BOARD

America's small manufacturers face constant challenges to cut costs, improve quality, meet industry standards, and provide new and improved products. In an increasingly large and competitive business world, it takes expertise and resources to meet these challenges. The Manufacturing Extension Partnership (MEP), a national network of not-for-profit centers, provides the help that small manufacturers need to succeed. Year after year, the MEP program successfully helps manufacturers transition into more productive and competitive enterprises. Based on The MEP National Advisory Board's review, the year 2003 was no different.

The MEP program currently focuses on three main areas: Program Stewardship, 360vu brand, and Manufacturing Futures. Through its stewardship efforts, MEP continues to manage center operations effectively and efficiently and meet its overall client impact goals.

The 360vu brand seeks to improve strategic positioning and competition in the marketplace of small- and medium-sized manufacturers.

Launched in December 2002, the brand generates revenue that meets, and may even exceed, sales goals. As a national brand, 360vu will help to institutionalize MEP and standardize its processes, encourage collaboration, and promote the development of common tools across state and regional boundaries.

To effectively gather and disseminate the latest manufacturing research, MEP assembled a Manufacturing Futures Group in 2003. The goal of the group is to increase the awareness of the importance of manufacturing both now and in the future. This group will look at manufacturing in the context of research and development and the economy.

MEP seeks to ensure that small manufacturers have access to services that improve their global competitiveness. This advisory board firmly believes that MEP continues to meet this objective and is prepared to take the steps necessary to address future challenges.



Dean Garritson, Chairman
National Advisory Board

A handwritten signature in dark ink, appearing to read "Dean Garritson". The signature is fluid and cursive, written over a light background.

Dean Garritson, Chairman
National Advisory Board

BOARD MEMBERS

The Manufacturing Extension Partnership National Advisory Board consists of nine members with backgrounds in industrial extension and all are appointed by the Director of the National Institute of Standards and Technology to serve three-year terms. The members bring a variety of manufacturing and manufacturing-related experience to the Board, including small and large manufacturing, labor, academia, economic development, consulting, and state government. This mix brings to the Manufacturing Extension Partnership the outside advice critical to maintain and enhance the program's focus on its customer—America's small manufacturers.

CARL BANKS
President
Production Technologies
Tracy, California and
Nashville, Tennessee



Carl Banks founded the company in 1991 as an assembler and packager of components and subsystems for Life Science Instrumentation. In 1994, Production Technologies entered the arena of Reverse Logistics and began the receipt and refurbishment of computer peripherals and supplies. Mr. Banks currently serves on the board of Manex in Hayward, California.

RICHARD BENDIS
President & CEO
Innovation Philadelphia
Philadelphia, Pennsylvania



Mr. Bendis joined Innovation Philadelphia in 2002. Innovation Philadelphia is a public/private partnership dedicated to increasing the region's entrepreneurial capacity and position Philadelphia as a leader in the global knowledge economy. Prior to that, he was president and CEO of the Kansas Technology Enterprise Corporation (KTEC) where he developed an integrated and comprehensive technology-based economic development strategy for Kansas. He has served on numerous boards and committees including the White House U.S. Innovation Partnership Advisory Task Force Steering Committee and co-chairs the SBIR Committee, the National Governors Association Science and Technology Council Advisory Board, and the State Science and Technology Institute Board of Directors. He currently serves on the board of the National Association of Seed and Venture Funds.

MARÍA ESTELA de RÍOS
Executive Vice President
of Corporate Affairs
Orion International Technologies, Inc.
Albuquerque, New Mexico



Ms. de Rios has over 25 years of experience in general business and in government and commercial contracting. Currently she is executive vice president of Orion International Technologies, which is a research and development engineering company specializing in nuclear and environmental engineering services, advanced technologies, and data and control systems. She currently sits on the Governor's Business Advisory Council and the Board of Directors for the Industry Network Corporation, the local MEP center in New Mexico. She is recognized as knowledgeable in the areas of economic development and international trade for the state of New Mexico. As such, she is a frequent speaker at forums and seminars. She has also served in leadership positions on the boards of major community- and business related organizations since 1972.

DEAN J. GARRITSON
President and CEO
International Sign Association
Alexandria, VA



Dean J. Garritson is president and CEO of the International Sign Association. ISA is a 2,200 member organization composed of manufacturers, suppliers, and end-users of on-premise signs and sign products produced by more than 400,000 employees in all 50 states and 69 foreign countries. ISA exists to support, promote, and improve the \$30 billion-a-year sign industry, which sustains the nation's nearly \$3 trillion-a-year retail industry. Mr. Garritson is responsible for the overall management of the association, including government relations, membership development, education, and trade shows. He serves on the board of Washington, D.C.'s premiere business club, the City Club of Washington. He is a graduate of the University of Kentucky where he earned a B.A. in Economics and Russian Studies. He resides in Mt. Vernon, Virginia and is an accomplished collector of American colonial antiques.

DAN J. MARCUM
Chairman
Micro Craft, Inc.
Tullahoma, Tennessee



Mr. Marcum joined Micro Craft, Inc. of Tullahoma, Tennessee in 1972, and helped lead its growth from a regional job shop into a key player in aerodynamic, propulsion, and space flight research and development with annual revenues exceeding \$70 million. He also is the founder and managing partner of Marcum Capital, a private merchant banking firm specializing in raising capital for emerging technology-oriented companies. Mr. Marcum currently serves as chairman of the Tennessee Technology Development Corporation, a public entity founded to develop technology driven enterprises in Tennessee, and Chairman of Tennessee EPSCoR, an experimental program to stimulate competitive research in the state of Tennessee. Mr. Marcum is past chairman of the Tennessee Manufacturing Extension Partnership (TMEP), the Tennessee MEP affiliate.

ROBERT S. MONTJOY
Professor and Assistant Vice-
President for Outreach
Auburn University
Auburn, Alabama



Robert Montjoy is professor of political science and assistant vice president for outreach at Auburn University. He was the founding director of the Master of Public Administration program and held the position of director of the Economic Development Institute (EDI) at Auburn. He also served on the Workforce Development Board of Alabama. As director of EDI, Dr. Montjoy was instrumental in the creation of the Alabama Technology Network (ATN), the state center for the Manufacturing Extension Partnership. Dr. Montjoy chaired the operating committee that initially oversaw the ATN and served as its president from 1998 to 2001. Dr. Montjoy is the author and co-author of several books, reports, and articles on how the interaction between the public sector and private and not-for profit organizations promotes economic and community development.

EDWARD NOHA
Chairman of the Board, Emeritus
CNA Financial Corporation
Chicago, Illinois



Prior to his current position, Mr. Noha served as chairman of the board and chief executive officer of the CNA Insurance Companies. Under his leadership, CNA rose to become one of the strongest and largest multi-line insurance organizations in the U.S. In 1992, Mr. Noha was appointed chairman of the Chicago Economic Development Commission by Mayor Richard M. Daley. In this role, he established the primary goal of job retention and expansion leading to over 20,000 jobs in the last three years. He also organized the proposal for the Chicago Manufacturing Center, one of the local MEP centers in Illinois.

CHARLES SHANKLIN
President
Crestview Aerospace Corporation
Crestview, Florida



Crestview Aerospace, an active contributor to the aerospace industry since 1964, provides the facilities, technology, experience, and innovative spirit for modification of aircraft ranging from light utility transports to supersonic fighters. He also serves as principal and chairman of Yoder Brake, Inc., Shanklin Estates, S.E., and Columbus International Financing Corporation. Mr. Shanklin served as principal and chairman of the board for Artais, Inc., Artais Weather Check, Inc., Dynamic Data Corporation, and Marion Steel Company. He received his law degree from The Ohio State University, College of Law, in 1952. He retired in 1984 as a managing partner in the law firm of Baker and Hostetler.

JOHN A. YNGVE
Chairman
Bondhus Corporation
Monticello, Minnesota



Mr. Yngve has more than 25 years of management experience in manufacturing industries. Presently, Mr. Yngve is serving as chairman of Bondhus Corporation, a tool manufacturer in Monticello, Minnesota. Previously, he was president and chairman of Nortronics Company, an electronics manufacturer. Since 1991, he has served as chair of Minnesota Technology, Inc. He also served as an officer or member on the board of the Minnesota Council, national board of the American Electronics Association, Minnesota High Technology Council, Metropolitan Transit Commission, Citizens League, Plymouth, Minnesota City Council, Board of Regents of the University of Minnesota, University of Minnesota Foundation, and the University of Minnesota Institute of Technology. In addition, he was a state representative in the Minnesota Legislature.

THE YEAR IN REVIEW

The Manufacturing Extension Partnership (MEP) continues to be a valuable resource for the manufacturing community and a successful program within the U.S. Commerce Department's National Institute of Standards and Technology (NIST). Activities within NIST, a study of MEP's core premise, and the restructuring of MEP indicated the strength of the program and the progress made in 2003.

These and other topics are covered in this report, which reflects The MEP National Advisory Board's views of the program for the year ending December, 2003.

NIST Director Dr. Arden Bement presented the following information to the Board on NIST and administration-wide activities affecting MEP.

As a network of not-for-profit centers in nearly 400 locations nationwide, MEP effectively provides small- and medium-sized manufacturers with the help they need to succeed. Linked together through NIST, MEP is strengthened by NIST's relationships with other federal agencies, as well as its economic studies and prospective analyses. The year 2003 was very productive for NIST, with management oversight, legislative, and research and development efforts that directly benefited MEP.

BUDGET

Congress continues to support MEP through their budget process. In FY 2003, MEP had an operating budget of \$105.9 million, approximately 10 percent of which funds MEP headquarters' operations. Since 1999,

funding has remained relatively flat, although MEP has demonstrated measurable improvements in its impact on client competitiveness over this time.

The President and the Department of Commerce have set budget priorities for FY 2004 and FY 2005 that include winning the war on terrorism, strengthening homeland security, and revitalizing the national economy and employment climate. Departmental priorities focus on fostering U.S. economic growth, contributing to the security of our homeland, and supporting efforts in fisheries and climate change research (through the National Oceanic and Atmospheric Administration).

PRESIDENT'S MANUFACTURING INITIATIVE

The Bush Administration aggressively supports American manufacturing with a policy agenda that promotes an entrepreneurial business climate, invests in innovation, and ensures U.S. citizens are protected and productive. From taxes to trade, education to health care, the President's agenda seeks to improve manufacturing competitiveness and create sustainable economic growth.

Commerce Secretary Donald Evans released highlights of the President's Manufacturing Initiative at the Detroit Economic Club on September 15, 2003. The President's Growth Agenda is designed to revive the economy and stimulate the demand required by manufacturers. The Initiative was outlined in a Six-Point Plan:

- Make tax cuts permanent;
- Reduce the economy's lawsuit burden;
- Make health care costs affordable and predictable;
- Ensure an affordable, reliable energy supply;
- Streamline regulations and reporting requirements; and
- Open new markets for American products.

The Department of Commerce will also create an assistant secretary for manufacturing to focus on the needs of America's manufacturers. The assistant secretary will work with the appropriate federal agencies on health care issues, training and employment, and regulations. The assistant secretary will account for the impact of

government actions on the manufacturing sector in the areas of competition, productivity, and employment. Under this new position, Commerce will also create an Office of Industry Analysis to assess the economic impacts of new rules and regulations.

Other reforms addressed by the Initiative include consolidating export promotion functions under a new assistant secretary for trade promotion. This position serves concurrently as the director general of the Foreign Commercial Service. The goal is further coordination and integration across the Department of Commerce agencies.

In addition, the Department launched a new initiative promoting access for small- and medium-sized American manufacturers to global supply chains, along with the creation of an Unfair Trade Practices Team in collaboration with Commerce's International Trade Administration. The role of federal government in manufacturing technology research and development and outreach is critical, and NIST can play an important role in both of these activities.

OTHER MANUFACTURING INITIATIVES

In addition to the Presidential Manufacturing Initiative, federal agencies and research institutions are similarly setting program goals and promoting manufacturing. These programs include Government Agencies Technology Exchange in Manufacturing (GATE-M), the Department of Commerce Manufacturing Agenda, and a collaborative effort between NIST and the National Academy of Sciences.

GATE-M began in 2001 and brings together member agencies to exchange R&D program-related information. GATE-M is a voluntary collaboration of agencies, rather than a policy mandate, and is therefore not funded. NIST chairs the consortium, which includes the DoE Office of Energy Efficiency and Renewable Energy, DoD Office of the Secretary of Defense, NASA (represented by Marshall Space Flight Center), National Nuclear Security Administration, and National Science Foundation Directorate of Engineering.

Released in March 2003, the Department of Commerce Manufacturing Agenda set clear priorities for economic growth in manufacturing. The present focus is on tax policies, but will expand to other areas, such as increasing opportunities for trade and trade negotiations, expanding markets for U.S. products and services, developing standards for federal efforts, and reforming liability, education, and healthcare.

In 2003, a manufacturing forum, co-sponsored by NIST and the National Academy of Science National Research Council, covered topics including the value of manufacturing, economic perspectives, and new challenges and opportunities in manufacturing. The forum also addressed the impacts of globalization on manufacturing. For example, in order to gain access to foreign markets, the companies are expected to use design centers in those countries. Manufacturers are then somewhat dependent on those design centers, rather than increasing their own domestic base of designers.

RESTRUCTURE OF MEP

MEP's resources help small- and medium-sized manufacturers improve productivity, strengthen competitiveness, and increase profits, using a nationwide network of manufacturing and business experts. In order to effectively meet its purpose, MEP program management focuses on three value streams—Program Stewardship, 360vu brand, and Manufacturing Futures.

Stewardship focuses on the management of cooperative agreements, federal investment in centers, and center performance management. MEP stewardship concentrates on re-engineering processes, including annual and panel reviews.

The 360vu brand was launched in December 2002, and 42 centers (as of January 2004) now carry the Brand. 360vu seeks to become the leading national consulting brand for small manufacturers. The brand provides standardized products and services to clients nationwide.

The Manufacturing Futures Group was formed in 2003 as the “brain trust” of manufacturing information. Gathering and analyzing manufacturing data will position MEP and NIST to better serve as a source of manufacturing information for other government agencies and outside organizations interested in manufacturing. The group will examine the importance of manufacturing to the economy and the role of government in the manufacturing economy.

NAPA STUDY

To improve the performance of the MEP Program, NIST requested that the National Academy of Public Administration (NAPA) conduct a study with two specific objectives. First, NAPA re-examined the core premise of MEP and re-assessed the original barriers to small manufacturers. Second, NAPA will explore alternative business models in the context of the current partnership and examine the current basis for what MEP does and why.

PHASE I: STUDY DESIGN

The NAPA Study Panel will re-examine the core premise of the MEP program. The Panel consists of eight individuals, with a majority being NAPA Fellows. The panelists have a mix of government, academic, and industry experience. The panel is independent; its report will be issued by the panel, rather than from NAPA. Panelists anticipate the biggest challenge will be to maintain the scope of the study by focusing on the MEP program and not broader manufacturing issues. The panelists will examine MEP's stakeholders and the MEP centers, as well as the MEPNAB.

PHASE II: RE-EXAMINING THE CORE PREMISE OF THE MEP PROGRAM

Phase II of the NAPA study, finalized in September 2003, identifies current barriers to productivity improvement faced by small manufacturers and analyzes the extent to which MEP helps overcome these obstacles. The study found that previously identified barriers to productivity and performance improvements still exist, although their relative impacts have changed. Other factors, including competition from low-cost countries, advances in information technology, insufficient access to industry experts, and high costs of health insurance, have grown in importance since MEP's inception. MEP and its stakeholders need to further understand both new and existing barriers.

The study also found that the small manufacturing market is underserved, specifically in productivity and performance improvement efforts. The national infrastructure created and managed by MEP does, however, link small manufacturers with the services and assistance they need to implement improvements and access needed services. The report found that MEP performs capably and effectively and returns impacts greater than its operating costs.

The panel does note opportunities to improve service delivery, organizational structure, and outcome and performance measures. These opportunities will be the focus of the study's second objective that will identify alternative business models (this report is expected to be issued in March 2004).

PROGRAM STEWARDSHIP

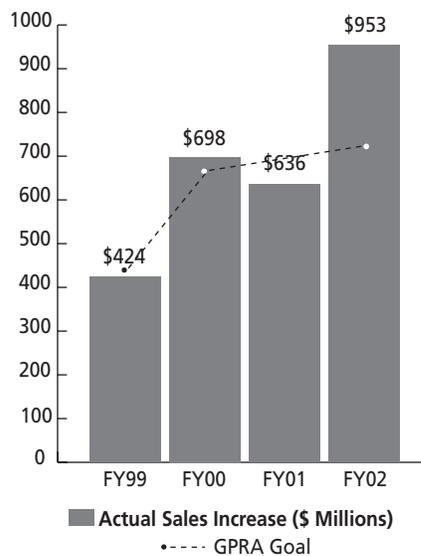
Stewardship includes all aspects of managing NIST’s federal investment in MEP. To streamline functions and become more productive, MEP employs several strategies and management tools. Minimally Acceptable Impact Measures (MAIM) standards significantly motivate centers by clearly defining NIST’s minimum performance metrics required to continue to receive funding. In addition, MEP conducts peer panel reviews of each center every two years to monitor progress and help maintain service quality.

Strategies for continued system improvement include sharing best practices and improvement strategies with lower performing centers and helping centers identify service mixes that include both long-term work and smaller projects for outreach purposes.

MEP METRICS

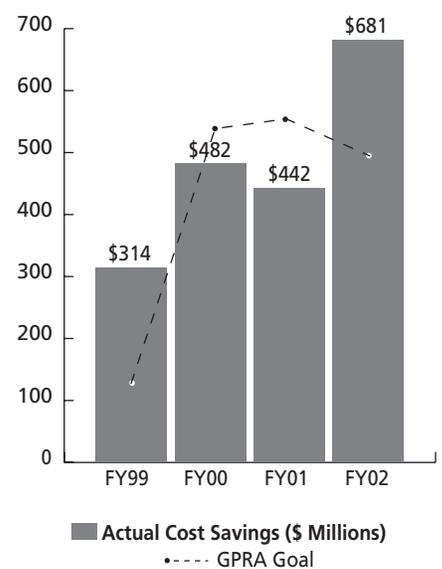
MEP achieved exceptional program performance in FY 2002 and preliminary data for 2003 indicate a continuation of that trend. The year’s Government Performance and Results Act (GPRA) goals were met and exceeded by three metrics, the highest level of performance ever. MEP centers delivered outstanding performance on the measures of New Client Sales, Client Cost Savings, and New Client Investment (Figures 1-3).

Figure 1. New Client Sales



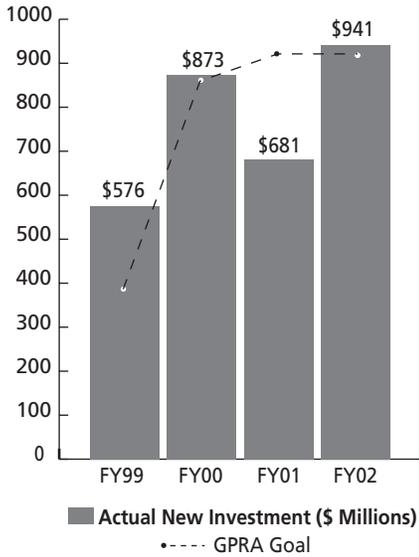
FY2002 performance is based on a survey of 5,024 MEP clients out of 5,808 attempted.

Figure 2. Client Cost Savings



FY2002 performance is based on a survey of 5,024 MEP clients out of 5,808 attempted.

Figure 3. New Client Investment



FY2002 performance is based on a survey of 5,024 MEP clients out of 5,808 attempted.

Improved sales, savings, and investment were generated through technical assistance projects for thousands of MEP clients, especially in the areas of Lean manufacturing, supply chain, and Quality. In many cases, the increase or retention of sales was reinvested in the manufacturing client establishments in the form of new investment. Client Retained Sales delivered outstanding and record-setting results in the amount of \$1.8 billion and the creation or retention of over 35,000 jobs.

Nearly 75 percent of MEP clients report productivity improvement and more than 80 percent report improved competitiveness as a result of the services received from their MEP center. Both of these numbers have been steadily increasing over the past few years.

MEP focuses its services primarily toward small-and medium-sized manufacturing establishments. Figure 4 shows the breakdown of clients served by their employment sizes.

The MEP Metrics Map (Figure 6) plots the number of impacted clients per million dollars of federal investment on the horizontal (X) axis and average impact size on the vertical (Y) axis for each center. The curves show return on federal investment at five pre-determined levels. Figure 5 is an enlarged section of the MEP Metrics Map that more accurately depicts the performance trend over the last eight quarters.

Figure 4. Clients by Size

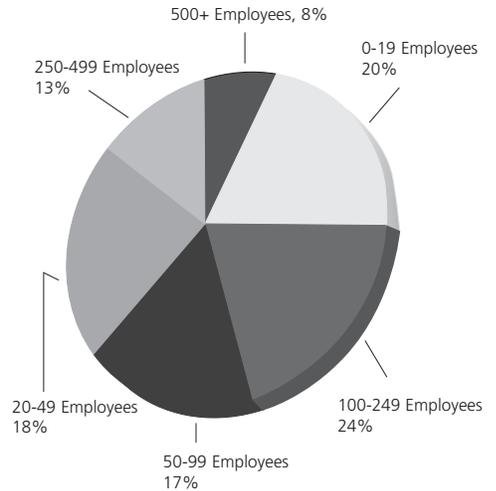


Figure 5. MEP Metrics Map

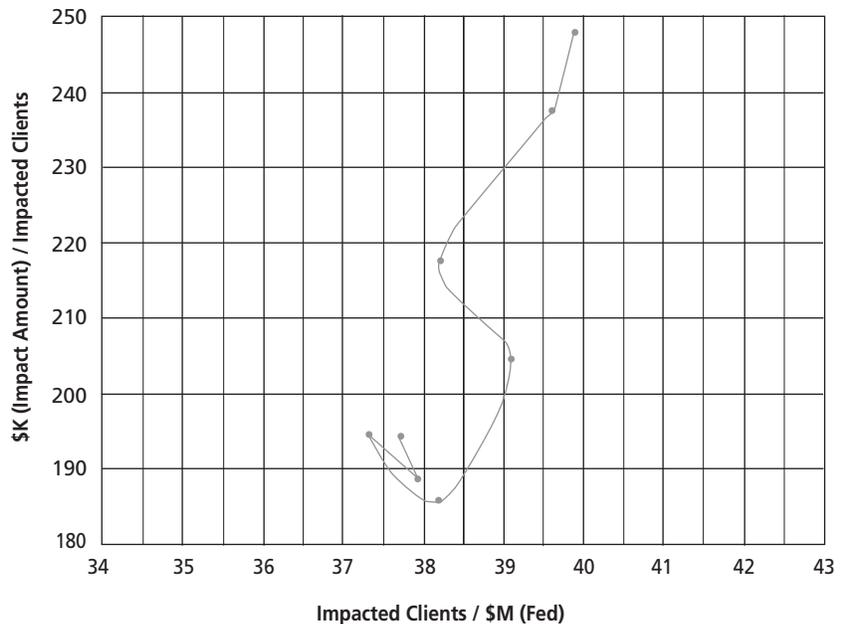
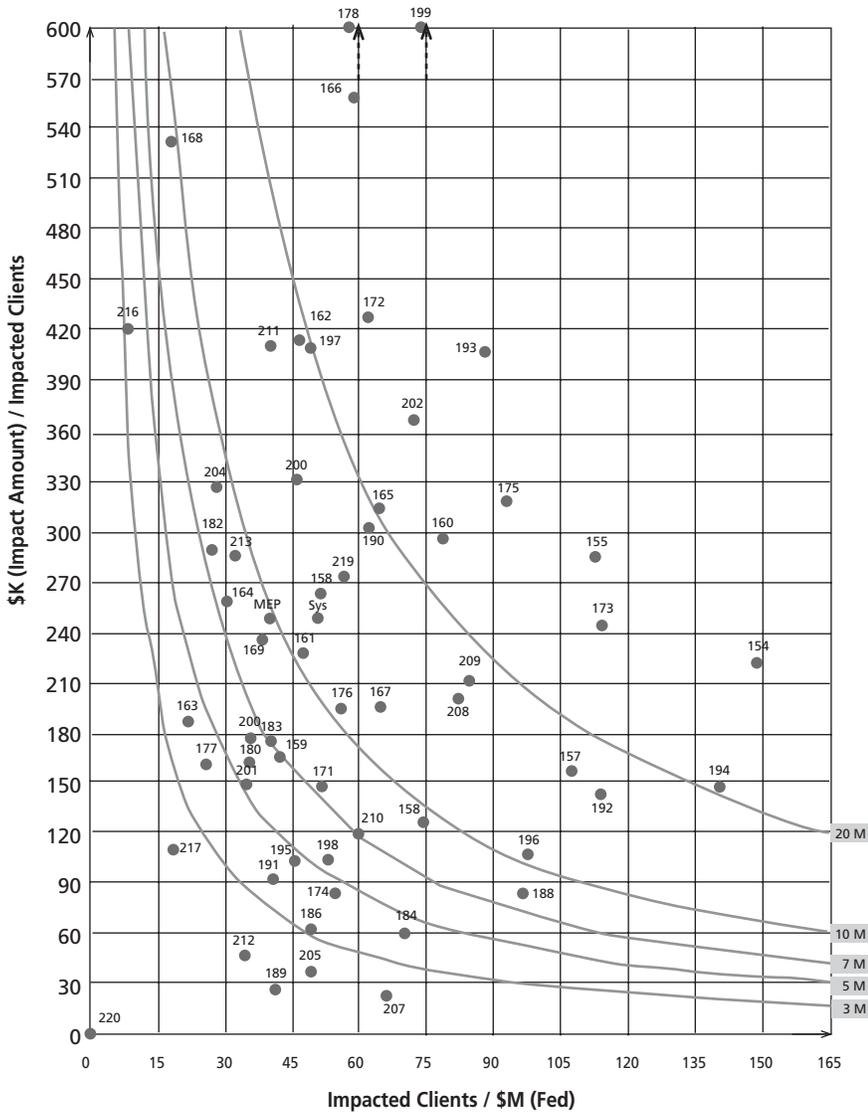


Figure 6. MEP Metrics Map, 2000 Q4 – 2002 Q3



System – System Average
 MEP – MEP Program (Including Overhead)

- 154 – Mid-Pennsylvania Manufacturing Extension Partnership
- 155 – Connecticut State Technology Extension Program
- 156 – Minnesota Technology Inc.
- 157 – Oklahoma Alliance for Manufacturing Excellence
- 158 – Mississippi Technology Alliance
- 159 – Texas Manufacturing Assistance Center
- 160 – Puerto Rico Manufacturing Extension Inc
- 161 – Michigan Manufacturing Technology Center
- 162 – Wisconsin Manufacturing Extension Partnership
- 163 – Florida Manufacturing Extension Partnership
- 164 – Chicago Manufacturing Center
- 165 – Alabama Technology Network
- 166 – Nebraska Manufacturing Extension Partnership
- 167 – Georgia Manufacturing Extension Partnership
- 168 – California Manufacturing Technology Consulting
- 169 – Missouri Enterprise
- 171 – North Carolina Manufacturing Extension Partnership
- 172 – Catalyst Connection
- 173 – Arkansas Manufacturing Extension Network
- 174 – Maine Manufacturing Extension Partnership
- 175 – Delaware Valley Industrial Resource Center
- 176 – New York Manufacturing Extension Partnership
- 178 – Virginia's A.L. Philpott Manufacturing Extension Partn.
- 179 – Northwest Pennsylvania Industrial Resource Center
- 180 – New Jersey Manufacturing Extension Partnership
- 182 – Massachusetts Manufacturing Extension Partnership
- 183 – Rhode Island Manufacturing Extension Services
- 184 – Maryland Technology Extension Service
- 186 – Mid-America Manufacturing Technology Center – Color...
- 188 – Delaware Manufacturing Extension Partnership
- 189 – Alaska Manufacturers Association
- 190 – Northwest Wisconsin Manufacturing Outreach Center
- 191 – Mid-America Manufacturing Technology Center
- 192 – Northeastern Pennsylvania Industrial Resource Center
- 193 – Iowa Manufacturing Extension Partnership
- 194 – Manufacturers Resource Center
- 195 – Vermont Manufacturing Extension Center
- 196 – Mid-America Manufacturing Technology Center – Wyoming
- 197 – Tennessee Manufacturing Extension Partnership
- 198 – Illinois Manufacturing Extension Center
- 199 – North Dakota Manufacturing Extension Partnership
- 200 – Kentucky Manufacturing Assistance Center
- 201 – Idaho TechHelp
- 202 – South Carolina Manufacturing Extension Partnership
- 204 – Corporation for Manufacturing Excellence (Manex)
- 205 – Montana Manufacturing Extension Center
- 206 – Oregon Manufacturing Extension Partnership
- 207 – West Virginia Manufacturing Extension Partnership
- 208 – Manufacturing Extension Partnership of Louisiana
- 209 – Nevada Management Assistance Partnership
- 210 – New Hampshire Manufacturing Extension Partnership
- 211 – Washington Manufacturing Services
- 212 – New Mexico Manufacturing Extension Partnership
- 213 – Utah Manufacturing Extension Partnership
- 216 – Arizona Manufacturing Extension Partnership
- 217 – Innovative Solutions
- 219 – Ohio Manufacturing Extension Partnership
- 220 – South Dakota Manufacturing Extension Partnership

360vu BRAND ACTIVITIES

In December 2002, 360vu was formally launched as a brand at the 360vu Annual Conference in Dallas, Texas. 360vu is a strategic approach to business designed for small-and medium-sized manufacturers and delivered by professional business advisors. The goal is to improve their whole business—strategic positioning and competition in the marketplace for the long-term. As a national brand, 360vu will help to institutionalize MEP and standardize its processes, encourage collaboration, and promote the development and deployment of common tools across state and regional boundaries.

The 360vu brand seeks out and develops business opportunities involving three or more MEP centers. These national accounts opportunities may be strategic or project-specific – the focus is on efficiently working together. The overall goals are to generate revenue and reduce sales costs for the centers. Out of a sales goal of \$7.5 million, the program has already booked \$5 million. In 2003, it is expected 360vu will bring \$8 million into the system.

360vu assists with lean enterprise, environmental/clean manufacturing, strategic planning, quality systems, succession planning, and information technology. Providing fresh perspectives on operations, customized business strategies, and practical, hands-on implementation help, 360vu business advisors help manufacturers create and implement long-term business goals. The 360vu brand business development approach is segmented into four target markets: federal

government, OEM supply chains, alliances, and companies with multiple locations.

■ Federal Government

Various federal agencies have programs and opportunities that provide a wide range of products and services to small manufacturers. These federal programs are good candidates for collaborative efforts with the MEP program.

360vu's partnership with EPA is a successful example. EPA wanted to increase manufacturers' awareness of "lean and clean" technologies and help small manufacturers implement "green" programs. A 360vu center in Michigan partnered with the Saturn automobile company to identify six suppliers who have worked with EPA. EPA provided \$75,000 for this effort and has pledged double that amount for next year. Applications in other industries, such as aero-

space and appliances, are being considered as well. EPA is trying to generate interest in Lean manufacturing, which has caught the attention of DoE. DoE is interested in applying Lean manufacturing to the energy efficiency equipment industry.

■ OEM Supply Chains

360vu assists suppliers in improving their quality and efficiency of services. An excellent example is the partnership with TechSolve, Boeing, and the Air Force. Boeing oversees production of the Joint Direct Attack Munitions (JDAM) kits and, with MEP's help, identified nine Lean suppliers to work with to increase JDAM production efficiency. A proposal is also pending with an industrial equipment OEM to perform 5S training at plants in six states.

- **Alliances**

Alliances with organizations with similar goals and missions as 360vu reduce sales costs. 360vu established an alliance with the network of 120 Family Business Institutes (FBIs) nationwide. The FBIs are introducing 360vu advisors to their member businesses as part of its assistance package, allowing 360vu to introduce its products and services to these members. In another example, the International Sign Association has designated 360vu as its manufacturing consultant of choice and is recommending 360vu to its members.

- **Companies with Multiple Locations**

Companies with multiple locations present 360vu the opportunity to deliver its products and services nationally while maintaining relationships with plants on a local level. By coordinating efforts, 360vu can sell the national network once to the company headquarters (versus each plant), which can reduce sales costs.

For example, a Philadelphia-area 360vu center successfully approached a local manufacturer seeking to implement a three-year business transformation process in all of its plant locations nationwide. The center met with one of 13 divisions in the parent company to arrange national implementation. Similarly, 360vu is seeking to become a Minneapolis manufacturer's Lean manufacturing provider of choice. The manufacturer is currently working with six MEP centers in its 13 locations.

MANUFACTURING FUTURES GROUP

MEP saw the need to establish a unit that researches and analyzes critical manufacturing data to better assess the state of manufacturing in the economy and to better position MEP as a source for this information among other government agencies and organizations. MEP, of course, has a special interest in information that will help to address the needs of smaller manufacturers.

To accomplish this goal, MEP assembled a team called the Manufacturing Futures Group to gather and disseminate the latest manufacturing research and to provide a link to other manufacturing-related organizations. The goal of the group is to increase the awareness of the importance of manufacturing both now and in the future. This group will look at manufacturing in context of research and development and the economy. The group

supports the foundation of MEP and anticipates evolving into a NIST-wide asset.

The Futures Group will leverage existing manufacturing research and data (including MEP performance data) to find future manufacturing opportunities, which will allow United States-based small manufacturers to meet the needs of the global economy. By developing relationships with both state and federal legislators, associations, and organizations, the Futures Group plans to build and organize knowledge systems that can fulfill this objective.

This knowledge system will provide information that assists in defining the value of manufacturing to the defense, security, and economy of the United States. The audience for this information includes MEP center directors, future partners, and federal, state, and local stakeholders.

The group presented its initial work on manufacturing in China to the advisory board.

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