

# **The National Academies Conference**

---

## **The Manufacturing Extension Partnership**

### **A Differentiated Program: New Center Initiatives**

**November 14, 2011**

**Jim Watson  
CMTC  
President & CEO**





# MEP provides significant benefits for California

- California has over 44,000 Small and Medium-sized Manufacturers (SMMs), employing 1.2M workers, and producing 12.5% of state's GDP
  - Ø 70% of SMMs are in CMTC's service area
- In 2010, CMTC services provided impact for 687 SMMs resulting in:
  - Ø 2,615 new/retained manufacturing jobs
  - Ø 6,500 non-manufacturing jobs
  - Ø \$130M of manufacturing investment
  - Ø \$359M of increased sales
- High client satisfaction validates us as a reliable state resource





# Strategic priorities address innovation, expansion of customers and services

---

- Create an innovative culture
  - Ø Launch “Innovation Station” to generate new ideas for internal improvement
  - Ø Expand innovation best practices to our customers
- Expand number of new customers
  - Ø Improve selling approaches and management
  - Ø Penetrate food processing sector
- Expand services to meet emerging customer needs
  - Ø Focus on growth and management capabilities





# Our not-for-profit status and approach is a differentiator to our customers

---

- Not-for-profit status keeps focus on the customer
- Mission: *Create solutions for manufacturing growth and profitability*
- Objective: *Improve competitiveness to create jobs*
- Deliver a comprehensive suite of services
- Provide hands on consulting and training for SMMs
- Utilize public/private partnerships to service SMMs



# The sole purpose of serving SMMs is another differentiator

---

- Established a partnership network that expands our outreach to a difficult market (SMMs) to engage
- Field staff experienced at identifying and delivering solutions to address the unique issues of SMMs
- Known for change management capabilities to sustain improvements
- Built credibility with customers & state based on impact documented by our third party project surveys



## Center initiatives that differentiate our program address growth, workforce and sustainability

---

- Initiated the “Export Exchange™” collaborative
  - Ø Organized a wide-range of export expertise & services
  - Ø Features MEP program “ExporTech”
- Formed layoff aversion business assistance partnerships with 12 DOL-WIBs
  - Ø 126 projects, estimate over 2200 jobs retained/created
- Leading two sustainability initiatives
  - Ø E3 – Collaboration of five federal agencies with a local team to address energy, environment and economy
  - Ø CEI – Continuous Energy Improvement program with key Southern California utilities



# Thoughts on MEP System

---

- Continue collaborating with other federal agencies
  - Ø Builds value for SMMs through expanded services, funding and business growth
- Continue to focus on and define innovation strategies
  - Ø Invigorates SMMs to create new markets, products and jobs
- Continue investing in new tools and capabilities in key areas of challenge for SMMs
  - Ø Supply chain, workforce development and green/sustainable manufacturing
- Assist centers with integration of new initiatives