

# Manufacturers Working To Save American Jobs

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In an economy where manufacturers are struggling to stay afloat, some are also fighting to find ways to keep their workers employed. Save An American Job (SAAJ) is a branding and networking initiative designed to do just that.

Save an American Job, founded by Don Rongione, CEO and President of the Bollman Hat Company, is a proactive initiative to encourage more Americans to buy American-made products and help manufacturers prevent job losses in the industry.

Rongione created SAAJ as result of the painful process he's experienced of having to lay off people that have been loyal to his company for decades.

"We've had to let go of employees that have been with the company for well over 30 years. We couldn't be loyal in return because we didn't have sufficient orders to support production levels -- largely due to low-cost imports from foreign manufacturers."

In fact, the loss of manufacturing jobs in the U.S. has a direct impact on the U.S. economy. According to the most recent Labor Department report, 27,000 U.S. manufacturing jobs were lost this past December, adding to the more than 5.5 million manufacturing jobs that have disappeared over the past decade.

It is written that for every one manufacturing job, there are at least five others lost from the chain of workers -- truck drivers, accountants, R&D, maintenance, and others -- who in some way support the manufacturing industry. As a result, over 30 million jobs have been lost over the last decade due to the manufacturing decline in the U.S.

SAAJ's goal is to unify like-minded American companies through branding and consumer education on how and where to buy American, why it is important and what the rebuilding of a strong manufacturing base in the U.S. will mean in terms of not only saving jobs, but establishing long-term economic stability and independence.

Since its conception last July, the organization has been steadily attracting more companies to its membership. To become a member Rongione says that companies

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must be committed to saving jobs and keeping manufacturing in the U.S. A membership in the organization gives companies the use of logos that help promote their products as American made.

How is the Save An American Job logo different than using a “Made In USA” logo?

The FTC “Made in USA” standard requires that “all or virtually all” of the product is made in America. Rongione argues that in today’s global economy, it isn’t feasible for many manufacturers to make a 100 percent American made product. Instead, his focus is on keeping as much of the manufacturing in the U.S., thus saving American jobs.

“Save An American Jobs logos can be used on products in which at least 60 percent of costs are incurred, and final assembly occurs in the U.S. You might not be able to say ‘Made in USA’, but you can say you produce in the U.S. and comply with the Save An American Job standard,” says Rongione.

The Save An American Job organization even welcomes foreign manufacturers with U.S. factories as members -- as long as they are producing in the U.S. and adhere to keeping jobs here.

In addition to full use of the SAAJ branding license that highlights a manufacturer’s promise to American jobs, other benefits to members include strength in numbers. The more manufacturers that become members, the more they’ll be able to build awareness of the cause. In addition, members will be able to network and exchange ideas on ways to remain cost-effective in a global economy.

Michael Araten, CEO and President of K’NEX, a manufacturer of children’s toys and a member of SAAJ, says that through networking he hopes to educate other manufacturers on the real costs of doing business overseas and help them bring jobs back to America.

“We joined SAAJ because we’ve been focusing on moving more of our business out of China and back to the U.S. We hope to share our own success story with others and demonstrate the true costs of doing business overseas compared with making the product here in America,” says Araten.

While the labor rate may be substantially lower in China -- maybe 1/14 that of the U.S. -- Save An American Job stresses that lead times, inventory tariffs, quality control risks, port fees and more can make the cost of doing business overseas much more expensive than manufacturing in the U.S.

“When you walk someone through the total cost of the finished goods from the supply chain standpoint, it can be up to 20 percent cheaper to build in the U.S. It has been very eye-opening for people we’ve been talking to,” says Araten.

Through networking with other companies in the Save An American Job program, Araten wants to share with others how moving business back into the U.S. can be beneficial to everyone. In fact, K’NEX’s finished goods will be up to 60 percent

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American-made by the end of 2010 and will increase jobs at its U.S. facilities.

There are other benefits to keeping jobs and your business in the U.S. as well.

“What we're promoting is that not only does the initiative save jobs, but from a consumer perspective they are getting a superior product because it's safer and more durable. It's also more environmentally friendly as products produced in the States consume less energy when transported to market,” says Rongione.

The initiative also focuses on educating consumers to look beyond price. Rongione says manufacturers that are keep their business here have to distinguish themselves by quality, durability, craftsmanship, safety and energy efficiency.

“We're unlikely to be a low-cost provider in the marketplace so we have to educate consumers that our product is superior and the value in the long run is greater for all those factors mentioned. Hopefully the ability to sustain the manufacturing base in this country, the middle class and jobs will also be a great motivator for consumers,” says Rongione.

But Rongione says educating consumers is a long-term process that will involve recruiting more manufacturers to become members as those companies will decide on the strategies for Save An American Job and help fund those initiatives.

*For more information on Save An American Job, visit [www.saveanamericanjob.com](http://www.saveanamericanjob.com).*  
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