MEP: A One-Stop Shop For Manufacturers

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About 25 years ago, the Department of Commerce created an award to encourage American businesses to focus on quality to compete in an expanding global marketplace. The goal of the Malcolm Baldrige National Quality Improvement Act of 1987 was to “enhance the competitiveness of U.S. businesses,” according to The National Institute of Standards and Technology (NIST). Larger corporations had the resources to embrace the movement and improve their operations but after about 10 years, it became apparent that smaller manufacturers didn’t have the resources to perform as well.

A program of the U.S. Department of Commerce’s NIST, the Manufacturing Extension Partnership (MEP) was formed to help small and midsize manufacturers implement process improvement and cost reduction strategies to save time and money, achieve higher profits, and create and retain thousands of jobs. Today, MEP continues to provide those services and Roger D. Kilmer, the director of MEP — a nationwide, $300 million public-private partnership program — explains, “American manufacturers can look to their local Manufacturing Extension Partnership Center to get help with innovating new product lines, expanding markets, and patenting and commercializing inventions.” He adds that it is a “source for best practices to go ‘green’ or ‘clean,’ for information about the best ways to approach workforce development, and for help connecting upstream OEMs and downstream suppliers for both existing product lines and new ones.”

“For manufacturers of $100 million or smaller, we should be their first call when they run into a problem,” adds Buckley Brinkman, executive director of the Wisconsin Manufacturing Extension Partnership (WMEP).

Manufacturing Outreach

The MEP network consists of 58 centers across the country. Every state has at least one center that partners with federal and state workforce programs to improve access and affordability for the education and training of manufacturing employees at all levels in skills required to be, and remain, competitive. One-third of MEP support is from federal funding, one-third is from state funding, and one-third is from client fees. In addition to focusing on advocacy to help remind decision-makers how important manufacturing is to the economy, MEPs are also a consulting and networking source for small and medium manufacturers. Outreach activities and educational events help connect manufacturers with each other and with “the best thinking right now,” says Brinkman.

Annual conferences help manufacturers become aware of available resources, and NIST MEP also partners with federal agencies to coordinate outreach activities,

provide newsletters, partner with the education system (including community and technical colleges, and research universities), work with economic developers, and provide training workshops on “methods for improving bottom line results such as innovative engineering, black belt, ISO, and strategic business planning,” Kilmer explains.

One such training opportunity, the ExporTech program, helps U.S. manufacturers build successful export strategies. Assisting in the development of an international growth plan, ExporTech is for both new-to-export companies and those that have not fully exploited global opportunities. “We find a lot of the time that companies will come to us and they won’t have a really clear idea of what creates the most value for them,” says Brinkman. “We’ll help them make a reasonable, rationale decision on what companies they want to target. We’ll help them put together a specific approach so that they can actually enter the market and begin to realize increased sales.” Over the course of 90 days, the ExporTech program can take a company from just thinking about exporting to having a fully vetted plan that it is able to enter the exporting game with. Brinkman says graduates from the program “have, in general, added half a million dollars in sales in the six months after they’ve been in the program.”

“As a public/private partnership, MEP delivers a high return on investment for taxpayers,” Kilmer says. He adds that in fiscal year 2010, MEP interacted with nearly 34,000 manufacturers and did project work with nearly 10,000 clients that resulted in more that $3.6 billion in new sales, $1.3 billion in cost savings, and the creation or retention of more than 60,000 jobs.

“From lay-off aversion, new product development, workforce training, market expansion, and technology development, MEP centers can either provide strategic consulting and training, or partner with an institution that can deliver targeted solutions alongside them,” says Kilmer. NIST MEP is currently working with other organizations in the U.S. Department of Commerce through the SelectUSA initiative to encourage foreign businesses to operate in the U.S., encourage U.S. and foreign businesses to grow in the U.S., and encourage U.S. businesses operating outside of the U.S. to return previously offshored operations back to America. Kilmer explains that part of this effort involves determining the “hidden costs” of offshore manufacturing arising from transportation, extra inventory and personnel, supplier and political instability, and intellectual property loss so that companies are aware of the total cost of manufacturing overseas.

“What we do is help manufacturers get their plants to be more effective, more efficient, and more flexible,” Brinkman says, “so they have the opportunity to bring work back or the opportunity really to compete in the marketplace.”

An Effective Endeavor

Over the course of WMEP’s history, Brinkman says it’s created over 14,000 jobs and has had about $1.7 billion worth of economic impact. “Generally, we’re returning $10 to $15 for every $1 of public funding that we get,” he adds.

“We either have the resources to help them address their problems or we know somebody who does have them,” Brinkman explains. “So we can be a one-stop shop.”

A catalyst for strengthening American manufacturing, MEP is providing small and mid-size manufacturers with a variety of services, from innovation strategies to process improvement. With over 1,400 technical experts located in every state, MEP is able to offer its clients a wealth of unique and effective resources centered in five critical areas: technology acceleration, supplier development, sustainability, workforce, and continuous improvement.

“The key for manufacturers to continue the recovery is to have efficient manufacturing and business operations and to be innovative in how they get more customers, expand into new markets, and develop new products,” says Kilmer. “This is the ‘sweet spot’ for NIST MEP—working with small and mid-size manufacturers to be more productive and develop innovation and growth strategies to be more competitive.”

“We believe that, with help, American manufacturing can continue to be the engine of growth in the U.S. economy.”

For more information on NIST MEP resources, visit www.nist/gov/mep *[2].*

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