



**The Manufacturing Council  
January 12, 2011  
Perrysburg, Ohio**

---

**USG Participants**

Nicole Lamb-Hale, Assistant Secretary for Manufacturing and Services, U.S. Department of Commerce

William Spriggs, Assistant Secretary for Policy, U.S. Department of Labor

Peter Perez, Deputy Assistant Secretary for Manufacturing, U.S. Department of Commerce

Henry Kelly, Principal Deputy Assistant Secretary for the Office of Energy Efficiency and Renewable Energy, U.S. Department of Energy

Michael Masserman, Director, Office of Advisory Committees, U.S. Department of Commerce

Jenna Pilat, Deputy Director, Office of Advisory Committees, U.S. Department of Commerce

**Board Members Attending**

Bruce Sohn, President, First Solar, Inc.

Joseph B. Anderson, Jr., Chairman and Chief Executive Officer, TAG Holdings LLC

Rich Bayer, Chairman and Chief Executive Officer, Freescale Semiconductor, Inc.

Chandra Brown, Vice President, Oregon Iron Works, Inc.

Al Fuller, Chief Executive Officer, Integrated Packaging Corporation

Mike Gambrell, Executive Vice President, Manufacturing & Engineering Operations, The Dow Chemical Company

Mary Isbister, President, Genmet

Fred Keller, Chairman and Chief Executive Officer, Cascade Engineering

Sam Landol, Chief Operating Officer, Sealaska Corporation

Michael Laszkiewicz, Vice President & General Manager, Automation Power Control Business, Rockwell Automation, Inc

James McGregor, Vice-Chairman, The McGregor Metal Working Companies

David Melton, President and Chief Executive Officer, Sacred Power

Jason W. Speer, Vice President & General Manager, Quality Float Works, Inc.

Tim Timken, Chairman, The Timken Company

Donna Zobel, President and Chief Executive Officer, Myron Zucker, Inc.

**Council Members Unable to Attend**

Luis Arguello, President, DemeTech Corporation

Greg Bachmann, President and Chief Executive Officer, Dymax Corporation\*

Dan DiMicco, President and Chief Executive Officer, Nucor Corporation\*

W. David Hastings, President, Mount Vernon Mills

Kellie Johnson, President, Ace Clearwater Enterprise

Dan McGahn, President and Chief Operating Officer, American Superconductor Corporation\*\*  
Stephen MacMillan, President, Stryker Corporation  
Peter Ungaro, President and Chief Executive Officer, Cray\*\*  
Jane Warner, Executive Vice President, Illinois Tool Works, Inc.\*

*\*Members participating via conference call*

*\*\*Members with staff members present*

---

## **Meeting Summary**

The Manufacturing Council met on Wednesday, January 12, 2011 on a blustery, snowy day in Perrysburg Ohio. Council Chairman, Bruce Sohn of First Solar, opened the meeting and welcomed everyone to Perrysburg, acknowledging the Council members, government representatives and high school and college students in attendance.

At the prior request of the Council, Deputy Assistant Secretary for Manufacturing Peter Perez provided a brief overview of manufacturing trends and informed the group that the information he provided would be followed by a more in-depth briefing by Deputy Assistant Secretary for Industry and Analysis, Praveen Dixit, in the coming weeks. DAS Perez reported that manufacturing is the fastest rebounding sector coming out of the recession, led by a nearly 13 percent growth of real exports and 22 percent growth of real investment a year. Since early 2009, DAS Perez pointed out that manufacturing profits have increased 90 percent and that the sector has added more than 100,000 jobs. He described the commitment within the Manufacturing and Services bureau of the Department to leverage U.S. manufacturing advantages in technology into export successes in high tech – and especially green – exports. DAS Perez concluded by reiterating the commitment of the Department to work with the manufacturers on meaningful and effective policies to revitalize the sector.

Assistant Secretary for Manufacturing and Services Nicole Lamb-Hale began by conveying the regards of Secretary Locke who, along with the President and other Cabinet officials, had cancelled travel out of respect for the tragic events in Tucson, Arizona the weekend before the meeting. Assistant Secretary Lamb-Hale welcomed the students present and encouraged their participation as the future innovators and entrepreneurs of the manufacturing industry. Assistant Secretary Lamb-Hale discussed the importance of manufacturing as a high priority for the Obama Administration for two reasons: as a vital source of middle-class jobs and as a major driver of American innovation, comprising two-thirds of the nation's research and development spending.

Assistant Secretary Lamb-Hale recognized the recent positive signs within the industry and for the economy but stressed that the White House and the economic team across the Administration is still focused on what the President has called, "the only piece of economic news that people looking for work want to hear – 'you're hired.'" Putting people back to work has been and will remain the focus of the Administration. The Assistant Secretary went on to review the newly announced tax relief and investments that will help do just that – including many measures for which past Manufacturing Councils had advocated, such as a two-year extension of the research

and development tax credit and a one-year extension of the 1603 Treasury Grant Program. She also discussed the largest temporary investment incentive in American history, allowing manufacturers and other American businesses to expense 100 percent of their investments in 2011, potentially generating more than \$50 billion in additional investment this year and fueling job growth. Another initiative that she mentioned, the America COMPETES Act, was signed into law by the President the first week of January and renewed the nation's focus on science, education and technology. Assistant Secretary Lamb-Hale concluded with renewing the commitment of the White House and Administration to advocate for what is good for business, job creation and the economy.

Tim Timken of the Timken Company provided an update for the Competitiveness Subcommittee. The subcommittee has begun their work by collecting information on the recommendations of past Councils, assessing the progress made to date on those issues and their current impact on the industry. They have begun to focus on the question "What would prompt the investment of \$1 in the industry" as a way to discuss factors that affects market growth and cost. The subcommittee will work to develop metrics and a robust reporting mechanism to track progress on issues presented by the Council. Companies of various sizes – small, medium and large – are represented on the subcommittee and will help assess the impact that policies and procedures specifically have on the success of small- and medium- size companies. Jim also emphasized the importance of discussions that are currently ongoing in Washington DC on the regulatory reform.

The Workforce Development Subcommittee then provided their update, with subcommittee chairman Mike Laszkiewicz of Rockwell Automation describing the focus of the subcommittee as how to rebuild the image of manufacturing among Americans and to address the shortage of skilled workers. To do this, the subcommittee will focus on trying to understand the gap between open jobs and the available workforce and addressing the preparedness of the workforce. Part of this discussion will include consideration of public/private partnerships as a way to assess what the manufacturing sector needs the education/training system to produce in terms of qualified worker. Mary Isbister, of Gen Met, introduced the idea of focusing on "Manufacturing Excellence" as our competitive advantage. The conversation continued to discuss types of programs already in existence that address this issue, the development of a new pilot program and who would lead/fund a new effort if made.

Turning to the Energy Subcommittee, Mr. Sohn asked the chair of the subcommittee, Mike Gambrell of the Dow Chemical Company, to provide an update on their work. Mr. Gambrell reviewed the process by which the subcommittee began their work and that of the 29 different priority issues collected, they had chosen two for their initial focus: renewable energy and energy efficiency. The subcommittee would like to contribute to the National Export Initiative through their work on those two areas. They discussed the need for an aspirational goal to capture the imagination of the country with regard to manufacturing.

The Export/Import Issues subcommittee chair, Jason Speer of Quality Float Works, Inc., gave a brief update on the issues that the subcommittee expects to look at during their term, including currency, the trade agreements with Panama and Colombia, the enforcement of existing and future trade agreements and public education on the benefits of trade.

After the subcommittee updates, Mr. Speer introduced the letter of recommendation that the Council had prepared under the leadership of the Export/Import Issues Subcommittee, expressing support for the U.S. – Korea Trade Agreement (KORUS). The Council discussed the importance of the commitment to enforcement in order for any trade agreement to be successful and that that had been the issue that come up over and over again while the subcommittee had drafted the letter. They then discussed the possibility for someone from USTR to brief them on the enforcement provisions in trade agreements at a future date. The Council conveyed their support for KORUS, noting their belief that KORUS will present great opportunities to businesses in the manufacturing sector. Following this discussion, the Manufacturing Council adopted the letter for submission to Secretary Locke. Assistant Secretary Lamb-Hale thanked the Council for their work on the issue on the Secretary's behalf.

The Council then heard an update from William Spriggs, Assistant Secretary for Policy at the Department of Labor. Mr. Spriggs expressed his enthusiasm at working with the Council, specifically the Workforce Development subcommittee. He noted that KORUS really is a new and different type of trade agreement and that the Department of Labor's Bureau of International Labor Affairs has been engaged on issues such as international labor standards to ensure a level playing field.

Following Mr. Spriggs, Henry Kelly, Principal Deputy Assistant Secretary for the Office of Energy Efficiency and Renewable Energy at the Department of Energy, addressed the Council and said that he will be working closely with the Energy Subcommittee as their work progressed. He encouraging the Council to think about ways to increase demand for a new generation of energy supply, for example, how the industry and government can encourage to decreased energy use in buildings.

Following those reports, Mr. Sohn adjourned the meeting. The Manufacturing Council will next meet in April in Washington, D.C.