

DEPARTMENT OF COMMERCE INDUSTRY &
ANALYSIS OFFICE

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UNITED STATES MANUFACTURING COUNCIL

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ADVISORY COMMITTEE MEETING

+ + + + +

Friday, October
23, 2015

Technology and Manufacturing Association
1651 Wilkening Road
Events Space
Schaumburg, Illinois 60194

The above-entitled matter came on for
notice, at 9:28 a.m., before Susan Smyth, Chairman.

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APPEARANCES:

SUSAN SMYTH, Chairman (General Motors)
CLAUDINE MARTINEZ, Vice-Chair (MCT Industries)
BILL YEARGIN (Correct Craft)
CODY FRIESIN (Fluidic Energy)
HIROYUKI FUJITA (Quality Electrodynamics)
JOE SYLVESTRO (Pratt & Whitney)
ALBERT GREEN (Kent Displays)
RAY YEAGER (DMI Companies)
IRWIN SHUR (Snap-On)
ERIC KELLY (Overland Storage)
MARSHA SERLIN (United Scrap Metal)
DAWN GROVE (Karsten Manufacturing Corp.)
JAMES KEPPLER (Whirlpool)
SHANNON ROCHE (U.S. DOC)
CHANDRA BROWN, Deputy Asst. Secretary (U.S. DOC)
LARRY TURNER (Hannover Fairs USA, Inc.)
JENNY HOUSTON (Warwick Mills)
ROGER NIELSON (Daimler Trucks North America)
CRAIG FREEDMAN (Freedman Seating Company)
ROBERT DEGENEFF (Utility Systems Technologies)
BRAD CREW (NAFTA, CHN Industrial)
CAROL CRAIG (Craig Technologies)
JAN ALLMAN (Marinette Marine Corp.) ZACH
MOTTL (Atlas Tool & Die Works) SHIRISH
PAREEK (Hydraulex Global) CHRISTINE WONG
BARRETT (Mac Arthur Corp.) JEFF WILCOX
(Lockheed Martin)
TIM SHINBARA (Atlas Tool & Die Works)
FERNANDO ORTIZ, Board Chairman (TMA)
TRICIA VAN ORDEN (U.S. DOC)

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P-R-O-C-E-E-D-I-N-G-S

(9:28 a.m.)

1 MR. SHINBARA: I=m Tim Shinbara, I=m
2 staff to Zach Mottl, one of the Council members as
3 well as the President of the TMA, the Association
4 you=re here with. I=d just like to introduce the
5 Chairman of my board to welcome you, Fernando
6 Ortiz.

7 (Applause.)

8 MR. ORTIZ: Hi. I=m Fernando Ortiz,
9 I=m Vice President and General Manager of Roberts
10 Swiss, Inc., a local manufacturer. I also have the
11 honor and privilege of being the Chairman of this
12 year of the Technology and Manufacturing
13 Association. On behalf of the Association, we
14 want to welcome you to the TMA, welcome you to our
15 facilities.

16 The TMA is a manufacturers association
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6 representing about 1,000 companies, about 30,000
7 employees in the regional Illinois area. So, we're
8 excited to have you guys here, and welcome!

9 (Applause.)

10 MR. SHINBARA: One other quick note.
11 We just completed or mostly completed a new
12 training center. We do training for 150 young
13 people, Monday through Thursday, here at TMA.
14 You're welcome during breaks to take a quick peak
15 through our hands-on portion of the training. So,
16 we're very, very proud of the fact that we do
17 everything from blades to mills to five access
18 training. We just have the first Swiss training
19 starting that's been done in the Chicago area in the
20 year. So, we're real proud of the work we do
21 training and supporting, so help yourself peaking
22 around if you want to look. If you have questions,
23 somebody from TMA will confuse you. Thank you.

24
25 CHAIRMAN SMYTH: Thank you. Thank you
26 very much. Okay, welcome and call to order.
27 Okay, I would like to officially thank Mr. Ortiz

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6 and the TMA Association for hosting us this
7 morning. We're very grateful for this wonderful
8 venue, and I think a lot of us will be taking the
9 opportunity to do the quick tours during the
10 morning.

11 So, I'm just going to quickly run
12 through the agenda. Just a reminder, that it is
13 perhaps a slightly more informal dialogue, and we
14 have a possibility where we may finish a little
15 earlier than scheduled. I know that there's a
16 number of people who have earlier flights and tight
17 schedules, so we'll try and keep it on track. If
18 anything, actually that is a very good segue
19 because I'm going to ask that as you speak, if you
20 would please pull the microphone towards you
21 because we need people to enunciate clearly.
22 Everything is going to be transcribed.

23
24 With that, I would like to hand it over
25 to the Vice-Chair, Claudine Martinez.

26 VICE-CHAIR MARTINEZ: Good morning,
27 everyone. Let's see, how close does this mic need

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6 to be to have a good pickup? Is that about right?
7 Okay. So, if everybody could just make sure that
8 you do that, and as we have our interactive
9 discussions today, if you could identify yourself
10 for the record, we would be very appreciative.

11 I have the privilege today of
12 introducing Deputy Assistant Secretary Chandra
13 Brown. DAS Brown has been a very, very unique
14 asset for us because she has been on both sides of
15 the fence. For those of you who have not attended
16 the meetings before, we are very privileged to have
17 her because she served in my position. She is my
18 predecessor as Vice-Chair on the Council and brings
19 a small business perspective in particular to bear
20 on the deliberations while she was Vice-Chair, and
21 then took that into her duties as an appointed
22 member of the administration.

23 We are very, very grateful for your
24 leadership, DAS Brown, and on behalf of everyone
25 on the Council, we welcome you today.

26 DAS BROWN: Thank you, Claudine, for
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6 that lovely introduction. It is always a joy and
7 a pleasure to be with the Manufacturing Council.
8 As many of your know, this is one of my favorite
9 tasks that I get to do. I have many tasks with this
10 administration, but working with the Manufacturing
11 Council, I don=t even consider it a task, I really
12 consider it a joy. So, it=s great to be here again
13 and great to see everyone.
14
15

16 I=m going to be fairly brief, but I am
17 going to be talking a bit about Manufacturing Day
18 and we are actually going to be soliciting some of
19 your feedback on this as well. I also wanted to
20 start out by thanking, you know, our Chair and our
21 Co-Chair for their great leadership, as well as I
22 was privileged to spend the morning with the
23 committee chairs and co-chairs yesterday. I can
24 just tell you that you have, you know, probably the
25 most hardworking team that I=ve ever seen related
26 to the Manufacturing Council. They had asked me
27 to say a couple of overarching remarks that I wanted
28 to make, and that is talking about what we are
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6 expecting from the Department of Commerce and the
7 U.S. Government, from the manufacturing as a whole,
8 and how to date, you know, you have been exceeding
9 our expectations.

10 But just as a quick review, obviously
11 we are going to be talking today about some
12 recommendation letters, and recommendation
13 letters are critical. They're one of the main
14 products of this Council. We take them very
15 seriously, whether or not they are just related to
16 the Secretary of Commerce or to our sister
17 agencies, whether that be Agency or Labor or
18 Education. We certainly disseminate those and
19 make sure that information is made available across
20 a united U.S. Government.

21 But in addition, sometimes we forget
22 there's other great ways that this Council is
23 contributing. One of those that we'll talk about
24 related to what I'm going to be saying on the
25 Manufacturing Day updates is things like white
26 papers, things like lessons learned. When we talk
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6 about Manufacturing Day, I'm going to give you some
7 facts and statistics about what happened, and you
8 know, I can start by thanking everyone here for the
9 incredible efforts that the Manufacturing Council
10 and many of you members have done, opening their
11 doors, bringing in students, the community,
12 writing blogs and posts. It's been fantastic.

13 One of the things we are looking for is
14 kind of constructive feedback. We always, you
15 know, we always want to take things to the next
16 level. So, for example, we might not need a letter
17 of recommendation on we like Manufacturing Day. I
18 hope that would be a recommendation of everyone
19 here at the table. But you know, what may be more
20 useful for us are what are the lessons learned, not
21 just how great and wonderful everything is, but are
22 there suggestions on how you take something to the
23 next level.

24
25 As we all know, workforce is a huge
26 issue. We are about, as we look forward to the
27 future, there's predictions, you know, millions of

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6 worker shortage in manufacturing. So, you know,
7 while Manufacturing Day has been great and I will
8 talk a bit about the progress, the reality is we
9 have to be taking it to the next level. So, that=s
10 a lot of the feedback that we will be looking for
11 from the Manufacturing Council which again could
12 be in the form of a white paper.

13 I would say the third way that you all
14 contribute, and by third doesn=t mean last because
15 all three of these are incredibly critical, but it=s
16 the outreach efforts that you do. You=re going to
17 hear some briefings today on TPP from Shannon on
18 Hannover Messe. If you remember, everyone here is
19 a messenger and you are a multiplier for us. So,
20 this isn=t about we always talk about any one
21 company, any one industry. This is about you
22 hopefully taking the information we=ll be providing
23 today and disseminating it throughout all of your
24 networks. So, your voice, your input, your
25 spreading the word that we have is equally critical
26 to the other work that you do. So, I want to thank

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6 you and, you know, kind of talk about those are
7 three of the areas where we so look forward to the
8 contributions of the Council.

9 That being said, let me tell you a few
10 fun statistics on Manufacturing Day 2015. Our
11 last total was over 2,525 registered events. They
12 were events in all 50 states. This is 50 percent
13 more than last year, so it's less for me about even
14 what total numbers are. For me it's about how are
15 we progressing and where is the growth.
16

17
18 Nine states had over 100 events and I
19 thought I would just call them out because there's
20 a lot of people here from them. Ohio, Michigan,
21 Florida, and California each had over 150 events.
22 So, kudos to those, and I know a lot of that is due
23 to the Manufacturing Council in some of these
24 areas. So, great kudos.

25 As we start to kick it off, too, for
26 lessons learned, one of the things we were talking
27 about even in the committee meeting yesterday with
28 the chairs of the committees is how are we

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6 outreaching more even than just opening our doors
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8 to the millions of students that we need to have
9 come through in exposure. I want to just give you
10 one specific example that I think is a great one.
11 ALCOA, they basically hosted a virtual field trip,
12 and 110,000 students, again from all 50 states,
13 viewed the virtual field trip and, which I think
14 is equally great, submitted 700 questions, because
15 that=s what talks about engagement, that you=re
16 going back and forth. A great way of, you know,
17 outreaching. That event basically, I thought this
18 is great, too, spurned over 16 million Twitter
19 things which I think is really great.

19 Also, you know, we in the government,
20 we want to always be pushing ourselves and testing.
21 Another thing that I hope everyone here knows is
22 that we are actually trying to see how this
23 Manufacturing Day campaign works in terms of
24 metrics. So, we have hired Deloitte Consulting
25 and they are going to be administering a public
26 perception survey, again to try to get data. We

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6 want to make sure this is useful, this is getting
7 the measurements and the metrics that we want.

8 We are expecting probably the final
9 data in December, but I don't want to hold us to any
10 data. But you know, we are hopefully going to get
11 that survey and information back so we can actually
12 measure the impacts of Manufacturing Day. Again,
13 that would be another thing, a call out I would have
14 to the members here. Any type of metrics and
15 statistics, you know, number of companies, you
16 know, when you send in your, the number of hits,
17 excuse me, number of students coming through your
18 facilities, those are all great metric numbers that
19 we would love to be able to share and to roll up
20 into the aggregate.

21 Another thing in terms of increase from
22 last year, there were a total of, you know, almost
23 8,000 new stories for Manufacturing Day which is
24 a 20 percent increase over the past year. So,
25 again on the press side, we're making progress on
26 that as well when we reach out. The circulation

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6 of the folks that supposedly saw the press was
7 approximately 70 million which was 130 percent
8 increase in terms of exposure to the press.

9 So, and of course, you know, I could go
10 into lots of things about how many state governors
11 introduced proclamations, how many counties and
12 mayors. To tell you the truth, I think that=s an
13 area where we really can=t, I was surprised, to be
14 honest, that it wasn=t 50 governors who did
15 announcements. It was actually 23, so we=re like
16 only halfway there. So, again as you know, it=s
17 something that everyone here could check, did your
18 governor do a proclamation. We don=t have all 50
19 states represented in the Council but I think that=s
20 something to look into.
21

22 The same with mayors, there were
23 roughly 47, so a little under 50 city mayors who
24 issued proclamations. In your small towns around
25 the country, those of your folks and your
26 memberships, did your mayors issue proclamations
27 or talk about it, I think is another, you know, good
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6 question and good metric.

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8 So, that being said, I think again the
9 overall from the government side, we=re incredibly
10 pleased with Manufacturing Day 2015. We=ve seen
11 increases where we wanted to see them across the
12 board, some bigger than we thought. We=re now, as
13 we said, doing a survey to measure the metrics and
14 the outcome. As I said, the product and the
15 feedback that we=re looking back from the Council,
16 we=ll open it up, you know, on the floor here for
17 you, too. I think, are we going to see a video?

18 CHAIRMAN SMYTH: It=s all queued up.

19 DAS BROWN: Okay. We made a,
20 hopefully we see the video. Jan has done a great
21 job and did a video. It actually mentions the
22 Manufacturing Council and it was up on You Tube.
23 It just, it=s a nice kickoff if we have it.

24 But I think what we=re really looking
25 for is ultimately kind of a white paper type format
26 on feedback, you know, and not just everything that
27 went great. I always want to emphasize, there=s so
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6 many great things that everyone has done in
7 Manufacturing Day and kudos to that. But again if
8 you're going to reach millions and millions of
9 students, you know, is there things that, you know,
10 you would recommend or lessons you've learned or
11 even something that didn't work, you know, that's
12 absolutely fine as well. This is, you know, going
13 to be kind of an open conversation and dialogue
14 about Manufacturing Day, and then hopefully of
15 course we'll be capturing this, whether it be in a
16 recommendation letter, in a white paper for the
17 perceptions group.

18 So, with that, I don't know if, Susan,
19 you wanted to add anything? But I wanted to kind
20 of open the floor up.
21

22 CHAIRMAN SMYTH: Yes, I think I do. I
23 want to make a comment. The Workforce Development
24 will be offering a white paper with respect to
25 Manufacturing Day. Chair Shirish Pareek has
26 volunteered to synthesize and collate information
27 for all of the other subcommittees. As DAS Brown

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6 said, you know, the Manufacturing Council has been
7 a significant catalyst in this event. But if we're
8 two to two-and-a-half million people short in the
9 year 2025 to having the skills to operate the
10 processes at our manufacturing facilities, we need
11 to talk to 25 million kids.

12 So, how do we take it from a momentum
13 strategy to a viral strategy? That's got to be a
14 combination of face-to-face and virtual. I think
15 it's very important that we do as DAS Brown said,
16 you know, we can capture lessons learned, best
17 practices. We can put instruction sheets together
18 to make it easy. I mean there's a fabulous website
19 and we can grow on it.

20 I do think there are opportunities for
21 integration with parallel efforts. There are a
22 number of efforts that I would say are
23 complementary in our companies and in the United
24 States as a whole such as the STEM activities, the
25 women in manufacturing. How do we weave these
26 together so that we don't have a disparate,

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6 scattered approach? How do we make a woven master
7 plan? Hopefully, the Workforce Development Group
8 will be able to pull the ideas together from the
9 team and make a contribution.

10 So, I'm going to open the floor for a
11 few comments on that, whether you want to share a
12 best practice or, I think, you know, we have five
13 or ten minutes. Then we will tee up Jan Allman who
14 is kind enough to do a fabulous video, so we'll end
15 with that. So, or are you ready to go now?

16
17 MS. ALLMAN: I can explain what it is,
18 too, if you like.

19 CHAIRMAN SMYTH: Right. Okay, so,
20 would you like to do that first, Jan?

21 MS. ALLMAN: Sure. So, this is from --

22 CHAIRMAN SMYTH: Right, why don't we do
23 that?

24
25 MS. ALLMAN: Why don't we do that?
26 She's ready.

27 CHAIRMAN SMYTH: Yes.

28
29 MS. ALLMAN: This is from Wisconsin
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6 Chamber. This was in celebration of Manufacturing
7 Month. They did two-minute You Tube videos,
8 there=s a series. They asked me to participate in
9 one of them, so here is Celebrating Manufacturing
10 Month. They tied in the University of Madison, so
11 here it is. But this is something that maybe we
12 can multiply across.

13 (Video presentation.)

14 (Applause.)

15 CHAIRMAN SMYTH: Okay, I think that was
16 excellent. You can see how much information you
17 capture in two minutes. It was very vibrant, and
18 thank you for mentioning the Council, Jan, it was
19 fabulous.

20 Okay. So, I=m just going to open the
21 floor for a few minutes. As DAS Brown said, excuse
22 me, there was an incredible contribution from many
23 people sitting around the table and their
24 organizations and the states, and I would like to
25 have some of that on record. Who would like to
26 speak? Bill?
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MR. YEARGIN: I'll start, Chairman.

We had, we did --

CHAIRMAN SMYTH: It's Bill Yeargin from Correct Craft.

MR. YEARGIN: I'm sorry. Yes, Bill Yeargin from Correct Craft. We did a few things. We had worked with our industry association, National Marine Manufacturers Association, and encouraged them to get behind Manufacturing Day. So, they started promoting it through their association, also contacted the publisher of Boating Industry Magazine which is their primary trade magazine. They did a couple of, they did a before article and an after article.

It was really pretty simple stuff. It frankly didn't take a lot of my time and effort to make the contacts and sort of get the ball rolling. So, it's really pretty simple to take it from one or two companies in our industry to all of us in the industry, industry focus.

Just in terms of the lesson learned, we

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6 had a problem, actually our Manufacturing Day
7 celebrations got moved back because the school
8 district who was bringing the kids had a bus
9 problem. So, you know, next year as we think ahead
10 and we learn, a lesson learned is, you know, make
11 sure the school district has thought all the way
12 through in terms of what buses they're going to use
13 to get the kids. I know it's a really minor thing,
14 but just in terms of a lesson learned that's
15 something that we experienced. So, thank you.

17 CHAIRMAN SMYTH: That's really good.
18
19 Would anyone else like to make a comment? Roger
20
21 Nielson?

22
23 MR. NIELSON: Roger Nielson, Daimler
24 Trucks North America. DAS Brown, Chairman Smyth
25 and the Council, we really became motivated and
26 energized by the encouragement of the
27 Manufacturing Council in their, say sponsorship,
28 along with the Department of Commerce on
29 Manufacturing Day.

30 Lessons learned, as a member of the
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6 Workforce Subcommittee, we are eagerly soliciting
7 everybody=s input to put together a white paper on
8 things that we have learned. As we all imagine,
9 logistics are a big deal. In our company in North
10 Carolina, we brought together three high schools
11 for a full day event, visiting three different
12 locations, our own plus two suppliers. The key was
13 timing it minute by minute how we were doing it.
14 We took responsibility for the transportation to
15 take the school=s bureaucracy out of the program.

16 But our whole goal that day was to bring
17 together 120 students and touch every single one
18 of them with something. So, we tried to make the
19 event attractive. We brought in movie props from
20 the Transformers movie, because we built Optimus
21 Prime for that. We brought in the first autonomous
22 driving truck ever that was legal on the roads in
23 the US, we brought that for them to look at.

24 We had Congresswoman Virginia Foxx join
25 us. We had the mayor. We had lunch. But we let
26 the kids come in, visit our facilities, and get a
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6 feel for what it was to work in manufacturing.

7
8 So, some kids went away for the first
9 time ever holding a welding torch. It's the first
10 time they've ever seen a robot work. The first time
11 ever seen what an assembly floor looked like.

12 We culminated it with a lunch and then
13 finally a town hall where 700 employees on the first
14 shift surrounded them as they sat in the front row
15 and listened to a short talk by Congresswoman
16 Virginia Foxx who was very well prepared to deliver
17 a message on Manufacturing Day. She kept on top
18 of the topic. She was on task and then was
19 available afterwards with everything else we put
20 together for pictures and stuff.

21 When we sent the kids home after a full
22 day so they can meet the closing bell, we wanted
23 every kid to go home with something. So, we did
24 photographs. We printed photographs with them,
25 whatever they wanted for that day, and we hope that
26 they remember that as they think about their career
27 opportunities, that they remember that one full day

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6 they spent learning about manufacturing. I think
7 we were successful and we look forward to
8 continuing this new tradition inside Daimler
9 Trucks to sponsor Manufacturing Day.

10 CHAIRMAN SMYTH: Fantastic! Okay,
11 any more comment? Joe?

12 MR. SYLVESTRO: Joe Sylvestro from
13 Pratt & Whitney. So, our biggest Manufacturing
14 Day ever, it=s really Manufacturing Month is what
15 we turned it into. One of the things that we
16 learned was, you know, it=s outreach but also our
17 employees really resonated with the message as
18 well. So, it became an internal and external kind
19 of reach.

20 We utilized the support of our
21 congressman, so we had them visit, shop tour, and
22 so on which drew the press. Therefore, you know,
23 a little bit of a broader conversation occurred,
24 you know, with the reporters and so on. So, we were
25 able to utilize that for the Manufacturing Day
26 message.

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6 We also brought the school classes in
7 across various sites. For us it's hard at times to
8 bring people in from the outside into the
9 factories, so it does take preparation and
10 logistics. So, it's just something that you have
11 to think through carefully. But of course, you
12 know, it can be done, so it's just a matter of
13 preparation.

14 One of the things that we learned and
15 I wanted to share is our communications team really
16 took to the social media, okay. So, you know,
17 internally, we have internal website, you know,
18 where we put our news, and they plan to hold one
19 for different articles about people, about like
20 what different groups are doing and so on. So,
21 month to date six articles internally, 15,000 page
22 views of those articles. All of them had a
23 Manufacturing Day but also a theme, but also, you
24 know, as I said, the topics inside.

25 But externally, four Facebook posts or,
26 you know, articles or whatever you would call them,

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6 I=m sorry. 48,000 impressions from those four
7 Facebook, three linked in with 100,000
8 impressions, 19 tweets with 97,000 impressions,
9 okay. So, in doing that, you know, the theme was
10 U.S. Manufacturing, Manufacturing Day, and then of
11 course, you know, Pratt & Whitney. So, we did not
12 expect to see that kind of, you know, connection
13 but it was a surprise and, you know, our
14 communications team, you know, just did a fantastic
15 job with that.

16 So, I think all of us can, you know,
17 engage those media to, you know, benefit. So, just
18 a suggestion for you the next go around. It was
19 a lot of fun.

20 CHAIRMAN SMYTH: Thank you. Thank you
21 for that, sir. Christy? Christine Wong-Barrett?

22 MS. WONG-BARRETT: I=ll share some
23 information about a regional event that was jointly
24 coordinated by Susan Smyth, Andra Rush from DMS,
25 I don=t know if she=s here right now, and myself from
26 Mac Arthur Corporation. Each organization hosted
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6 their own specific site visits, tours, et cetera,
7 to open up their manufacturing organizations to the
8 local community and students.

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12 But in addition to that, a great deal
13 of effort was put in place to assemble a regional
14 neutral site and significant media day platform
15 that would represent the broader manufacturing
16 base for the region. We had three neutral, I=ll say
17 industry neutral sites. We had a Rush factory tour
18 which shows actual assembly of large body trucks
19 which was provided for three, two students that are
20 attending courtesy of the Henry Ford Museum. We
21 had Focused Hope which is a Workforce Development
22 organization in Detroit do tours. As well as the
23 Museum of Science based in Detroit hosted about 60
24 inner city schoolchildren for a presentation.
25 Because of the breadth and significance of so many
26 companies participating in this regional event, we
27 were able to draw in a speaker from White House to
28 discuss the importance of manufacturing at a

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6 national level, to announce some major new
7 initiatives by the Federal Government that relate
8 to manufacturing innovation called the MForesight
9 initiative, if many of you have heard of that.
10 They made the announcement at our event regarding
11 that important strategic body that=s going to be in
12 place to help drive the direction of our future
13 manufacturing innovation priorities.

14 Finally, we were also able to secure
15 support from DOC with Assistant Secretary Jadotte
16 made a presentation as well. So, we were able to
17 leverage a larger event as a media platform to
18 create a very big wave, while at the same time have
19 individual events to give the exposure at a larger
20 scale to several students.

21 I think some of the takeaways to that
22 is as Manufacturing Day grows, there will be
23 competition for eyeballs on the day, so what we need
24 to think about is how do you scale it beyond just
25 the day? Whether it is Manufacturing Month as
26 others have mentioned, or if you can think about

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6 it throughout the school year. In particular, the
7 common core on several curriculum programs do have
8 segments on manufacturing or on components of
9 manufacturing such as where does supply come from,
10 how do you buy products, where do they come from?

11 So, linking the curriculum actually to
12 a field trip makes it part of the integrated
13 learning experience which is part of the STEM
14 program. So, building off of those platforms may
15 offer us, as a broader community, the ability to
16 reach more students throughout the year rather than
17 only focusing on the day. The day could be by media
18 push, but throughout the year thinking about
19 opportunities to engage the students year round and
20 tie it to their curriculum, tie it to field trips
21 which are, you know, noticeably low in budget. So,
22 if you're able to offer a free field trip, the
23 feedback I receive from students and teachers, this
24 is the best field trip we've ever had and it didn't
25 cost us a cent, so thank you very much.

26 So, think about those as ways to engage
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6 the students throughout the years. I also think,
7 similar to what Susan was saying, how do we tie it
8 in to existing platforms? Why not have a Girl
9 Scouts badge for manufacturing? Or a Boy Scouts
10 badge for manufacturing? So, tapping in to
11 platforms that are already reaching, you know, the
12 future talent base to extend it into the
13 manufacturing world.

14 CHAIRMAN SMYTH: Thank you very much,
15 Christy. So, I think we have a good
16 representation, oh, Marsha?

17 MS. SERLIN: Yes. I did it a little
18 different. We had Manufacturing Day with a
19 recycle, and we brought Ronald McDonald to start
20 the program. Ronald was able to, we were able to
21 talk to the moms because mothers are really the
22 influencers for their children, and we felt that
23 so many moms feel that manufacturing is dirty, it
24 isn't a great place for their child, and not me, my
25 children won't be working in a factory.

26 So, we had 18 troops come in. We had
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6 lunch by our vendors, and we had about 100 tours.
7 We had 300 people participate from our company to
8 give tours throughout the facility. They were on
9 cranes. They were able to watch our manufacturing
10 plant just operate. The mothers kept saying I
11 didn=t know that it was so clean here, I didn=t know
12 that manufacturing can be clean.

13 So, I think that was, we used a lot of
14 younger children to understand what it is that
15 recycling and what manufacturing is.

16 CHAIRMAN SMYTH: Great. Thank you
17 very much, Marsha. So, I=m just, sorry?

18 VICE-CHAIR MARTINEZ: May I give one?

19 CHAIRMAN SMYTH: Yes, absolutely.

20 VICE-CHAIR MARTINEZ: I=m going to
21 jump in here really quick as well. I=m going to
22 echo a couple of concerns or a couple of ideas that
23 were brought up. Leveraging programs that already
24 exist, including the Job Corps for example, the
25 nontraditional routes that are already out there
26 and already funded I think are very important
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6 mechanisms. We also did two different mechanisms.
7 We invited the welding students from our local Job
8 Corps program and realized that there was already
9 an apprenticeship program in place that the Job
10 Corps had funding for. So, now we are regularly
11 circling through three and six-week internships
12 for the students, and we've already hired one of the
13 women that were interns.

14 So, it's a very good mechanism for your
15 company to increase talent as well and increase the
16 pipeline.
17

18 CHAIRMAN SMYTH: Thank you. Very good
19 comment. Okay, Zach?

20 MR. MOTTL: Thank you, Madam Chair.
21 I'll be brief. I just want to highlight one
22 difference. You know, we're SME, so a lot of SMEs
23 don't always have the resources to put on the type
24 of event some of the larger companies can. But a
25 theme that I like to talk
26 about is working together, and we partnered with
27 our industry association here. In fact, where
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6 we=re at today, the Technology Manufacturing
7 Association had a career fair here for young
8 students for Manufacturing Day where the SMEs that
9 are members were able to bring parts and pieces,
10 and again talk about the exciting things that they
11 make and how they fit into the larger machines, the
12 larger, whether it=s airplanes or ships or other
13 things. The students were really excited to see
14 how the piece fit into the whole.

15 I would echo the real issue that we had
16 was logistics with the high schools,
17 transportation in particular and funding for that.
18 Schools don=t always have available funds, so we
19 tried to help out as much as we can. But that would
20 be a lesson learned to work on coordinating
21 logistics and funding for that. Thank you.

22 CHAIRMAN SMYTH: Okay. Yes, Craig?

23 MR. FREEDMAN: Just briefly. Thank
24 you for the opportunity. Craig Freedman from
25 Freedman Seating Company. We had a great day at
26 Manufacturing Day. We partnered with four local

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6 high schools, a local training center, and the
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8 Chicago Metro Metal Consortium.

9
10 So, we had about 200 students come
11 through. Half of them went through our factory in
12 the morning, and half of them went to the training
13 center, and then we reversed it. We were fortunate
14 enough to have the Lieutenant Governor of Illinois,
15 and she brought a proclamation with her from the
16 governor of the state. We also had President
17 Preckwinkle who is the Cook County President speak
18 as well.

19 The kids really had a great day. They
20 got to see really cool machines, I mean that=s what
21 got them engaged into it and learn about things that
22 they=ve never seen before.

23 But I want to reiterate what Marsha said
24 because I think for next year, I think, and maybe
25 not at the same day because the kids won=t want to
26 do it, but we=ve got to engage the parents. Being
27 on the Workforce Development Committee, it just
28 seems to be crucial that the parents are kind of
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6 the first line, and they=re the ones that are going
7 to, you know, give the yea or nay to their kid
8 whether they can get into manufacturing or not, or
9 consider it.

10 So, it was a great day and looking for
11 the next year. It was our first year and quite a
12 success.

13 CHAIRMAN SMYTH: Excellent. Thank
14 you very much, Craig. So, I just want to capture,
15 oh, sorry. Last one, Dawn.

16 MS. GROVE: Sorry, last comment to
17 make, Madam Chair.

18 CHAIRMAN SMYTH: One last comment.

19 MS. GROVE: Dawn Grove with Karsten
20 Manufacturing. I just wanted to add that learned
21 from prior Manufacturing Days that you cannot do
22 all the tours on one day, so we have scheduled them
23 out throughout the month. We have sub-zero going
24 on today and a number of different ones with our
25 declared Manufacturing Month.
26

27 The addition we made this year is that
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6 we coordinated with our already happening annual
7 Manufacturer of the Year Awards and Manufacturing
8 Summit, a large trade show that the schools can
9 bring the children to. So, we'll have like our Ping
10 inflatable set up so they can actually try out the
11 golf clubs. It's a very hands-on trade show, and
12 that gives the students a chance to see all of the
13 manufacturers in Arizona, or at least a large
14 selection of them at once. I think that's been a
15 good addition for us.

16 CHAIRMAN SMYTH: Okay, thank you very
17 much. So, I think we see a number of anchor themes
18 expanding attendees beyond children. I think it's
19 a really key one. Leveraging existing programs
20 such as the Job Corps and institutions and
21 associations such as SME or AMT, the engagement of
22 elected representatives, press, and social media.
23 Phenomenal numbers from Pratt & Whitney.
24 Logistics, funding, engaging people with respect
25 to metrics, safety. Regional and company neutral
26 events and extending the events beyond the day.

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6 So, I would like to thank Shirish Pareek
7 for volunteering with the rest of the subcommittee
8 on Workforce Development and put this together. I
9 would please ask you to put your comments in
10 writing, any anecdotes, any suggestions and
11 lessons learned. I'm sure that there=s more from
12 people around the table.

13 MS. HOUSTON: Madam Chair, we were
14 going to ask, the Workforce Committee, we were
15 going to ask that perhaps we get out the Council
16 to go ahead and do it in a Google Doc like we=ve done
17 some other docs before so that it would be easy for
18 everybody to see each other=s comments.

19 CHAIRMAN SMYTH: And build off it.

20 MS. HOUSTON: And the Workforce
21 Committee is going to have the questions and create
22 that format but make it easy for everybody to put
23 their comments in.
24

25 CHAIRMAN SMYTH: Thank you very much,
26 Jenny. Jenny Houston, Warwick Mills.

27 MS. HOUSTON: I apologize for not
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6 saying my name.

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8 CHAIRMAN SMYTH: No problem, Jenny.
9 Okay, so I would like to introduce Ms. Shannon Roche
10 from the U.S. Department of Commerce.

11 MS. ROCHE: Thank you, Chair Smyth.
12 As Susan said, I'm Shannon Roche. I'm the Director
13 of the Office of Advisory Committees and Industry
14 Outreach, and I will be very brief. But first, I
15 want to just say, wearing my advisory committees
16 hat, what a privilege and pleasure it is to work
17 with all of you. This is, we work with a lot of
18 advisory committees and this one is particularly
19 engaged and committed, and we really, really
20 appreciate all the hard work that you put into it
21 and all the advice that you give the Department.
22 So, thank you.

23 Wearing my industry outreach hat, I
24 wanted to tell you a little bit about the
25 Trans-Pacific Partnership agreement that was just,
26 I hope all of you saw it, has just closed. You
27 should know that the White House and the Department

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6 of Commerce are all in, as we like to say, on TPP,
7 and that it's a critical element of the President's
8 trade agenda. The trade agenda of course is
9 focused on growing the American economy and
10 supporting middle class jobs at home. We really
11 believe that this agreement furthers that goal.
12 It is the highest standard trade agreement in our
13 history.

14 Just for a little bit of context, you
15 should know that more than 96 percent of the world's
16 consumers live outside of the U.S. borders, and in
17 particular 32 billion middle class consumers are
18 projected to live in the Asia Pacific region by
19 2030. So, we really do think that this is an
20 enormous opportunity that we cannot afford to lose.

21 Very quickly, I just want to run through
22 why we think this is the highest standard trade
23 agreement in our history. There are five defining
24 features, two of which are particularly
25 interesting or I expect it to, which would be
26 particularly interesting to this group. First and

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6 foremost, it provides comprehensive market access
7 to these new markets. TPP eliminates over 18,000
8 taxes on Native American exports. Under TPP, 98
9 percent of industrial trade going to these new free
10 trade agreement partners will be duty free on the
11 first day, so I'm sure you can appreciate what a
12 difference that could make in your businesses.

13 Currently, in TPP countries, these
14 tariffs can increase prices by up to 59 percent for
15 U.S.machinery and up to 30 percent for health
16 products. I won't go through every single
17 industry, but there are significant gains to be
18 made across industries.

19 For small businesses, for the first
20 time in any trade agreement, TPP includes a
21 dedicated chapter on small and medium-sized
22 enterprises. It addresses trade barriers that
23 propose disproportionate challenges to our small
24 businesses such as high tariffs, overly complex
25 trade paperwork, customs red tape, and
26 restrictions on internet data flows.

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6 It is also the first multilateral
7 agreement to address issues surrounding digital
8 economy comprehensively. I won't go through all of
9 them, but it includes data legalization issues,
10 data for restricting data flows, copyright
11 protections, et cetera.

12 On the environment and labor,
13 particularly interesting, in both instances TPP is
14 the most robust, most enforceable trade agreement
15 that we've seen in either of those areas to date.
16 So, we really do believe that this addresses lots
17 of different kinds of concerns.

18 We are working really hard. We will be
19 working really hard to make sure that this
20 agreement goes forward. We will need everybody's
21 help. As Chandra said, you are messengers and
22 amplifiers, and you know, we will do whatever we
23 can to support you, if you are supportive of the
24 agreement.

25 In particular, I wanted to just call
26 your attention, there are a few fact sheets that

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6 are in your folders. We have a lot of tools like
7 this. So, if there is anything, if there is any
8 information or data that you want to learn about
9 the agreement or that you think would be helpful
10 in your understanding the agreement, please let us
11 know. We have people who are crunching those
12 numbers constantly, and we'll be happy to support
13 you in whatever you might need.

14 Happy to answer any questions, but I
15 know we're, I want to be mindful of time. So, I just
16 wanted to say thank you.

17 CHAIRMAN SMYTH: Okay.

18
19 DAS BROWN: Can I add one more thing to
20 that, too? Besides all these sheets, and we do
21 have them based on every, you know, state right now
22 that we're going and to the city level even on how
23 it benefits, but also a bunch of us are traveling
24 all the time. So, if you're having groups that are
25 interested, you know, pro or con, and same with
26 congressional folks, you know, there are ways if
27 you contact, and Shannon has all the information.

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6 The websites are on there. So, if you're
7 interested also in having actual people come out
8 to talk about it, that is another option as well
9 I just wanted to add.

10 CHAIRMAN SMYTH: Okay. Thank you, DAS
11 Brown. As Ms. Roche stated, there are some
12 polarized positions regarding TPP, and I think
13 we've got a range from enthusiasm to concern. So,
14 I am mindful of time but I would like to request
15 comment from the Manufacturing Council if anybody
16 has anything they would like to share at this time.
17 Ray Yeager?

18 MR. YEAGER: Ray Yeager, DMI
19 Companies. My question would be, as I look at this
20 and it says reach out to us at info.whatever, doc,
21 if we want to have someone from DOC come and speak
22 to a group, for example, I'm chairman of the board
23 over a number of different organizations, can we
24 just contact you, Shannon? Okay.

25 MS. ROCHE: Yes. Yes, contact me. We
26 have a team of people who are coordinating all of

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6 the Department of Commerce officials= trade travel.
7 So, if you are looking for someone to come speak,
8 just let me know and I=ll put you in touch with the
9 right people.

10 CHAIRMAN SMYTH: Great. Thank you,
11 Ray. Any other comment or question at this time?
12 Okay. I would like to thank DAS Brown and also Ms.
13 Roche for their participation and for their
14 comments. I would like to introduce Mr. Larry
15 Turner of Hannover Fairs USA, Incorporated.
16 Welcome.

17 MR. TURNER: Thank you, Chairman
18 Smyth. I= m Larry Turner, CEO for Hannover Fairs
19 USA, the U.S. organization of Deutsche Investment
20 that organizes Hannover Messe every year in April.
21 The reason why we=re here today is the importance
22 revolving around partner country. So, for the
23 first time, the United States was named partner
24 country for Hannover Messe next year.

25 You know, while you might think of it
26 just as a trade show, it spans much more than just

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6 a trade fair. It=s export opportunities, it=s
7 inbound investment, and it=s also a political
8 venue.

9 So, to give you some context of that,
10 every year Chancellor Merkel opens up the trade
11 show the night before with typically the head of
12 state with the partner country. The next morning,
13 there=s typically a walk-through by the head of
14 state as well as Chancellor Merkel to give
15 visibility to the event as well as lead into some
16 other conversations typically between those two
17 and government.

18 To also give you some scope on how
19 important the United States is as a partner
20 country, we signed a memorandum of understanding
21 a couple of weeks before this last show. Normally,
22 the announcements go out a few months after the
23 trade show in respect of the current partner
24 country. This year=s partner country was India,
25 and Modi was there and opened the show and did the
26 walk-through, while the press in Europe, the two

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6 weeks leading up to the event and during the event,
7 there was so much press about the United States as
8 partner country.

9 In fact, leading up to the trade show,
10 there was more press about the United States than
11 there was about India. So, there=s a huge
12 opportunity for U.S. organizations from a
13 visibility standpoint to increase what they=re
14 doing in Europe and worldwide in a venue that really
15 is a worldwide trade show.

16 So, with that as a background, I=ve got
17 a short video that we=ll show, and it=s got a lot
18 of information in it. We have two files that we=ll
19 distribute after the meeting, the video and the
20 presentation, and I=m not going to go through the
21 whole presentation, it=s in the video, but it gives
22 you some details that you can take back with you.

23
24 (Video presentation.)

25
26 MR. TURNER: So, the interesting piece
27 on this, too, is the Workforce Development aspect
28 of it. They mentioned Work Tech to you.

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6 Basically, they bused in over 7,000 students during
7 the course of the week, about 1,500 per day, get
8 them exposed to industry, get them to start
9 thinking about it. These are high school age kids.
10 This year, we are working on a university
11 recruitment aspect with Department of Commerce
12 that we're going to drop into that area so that
13 hopefully we can get some of those students that
14 are interested in attending U.S.universities.

15 So, we're spending a lot of time right
16 now on the regional events, trying to get the word
17 out, which is why I'm here today is to hopefully
18 leverage your networks to get the message about
19 partner country, about the visibility
20 opportunities. I've got a couple of slides I'm
21 going to show in a minute, but you know, we've got
22 a number of regional events. We just had one last
23 night in Bartlett which is the next community over
24 and, you know, it went well. But if you're
25 interested in spreading the news, you can also get
26 a list of the next events coming up through the end
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6 of November at hannovermesse.events, and it=s two
7 N=s in Hannover. So, it gives a list of where
8 they=re at and we got some in the East Coast, New
9 Jersey, Pittsburgh, primarily right now the upper
10 Midwest area, most of the activity has been.

11
12 So, if we could go to, keep going. I
13 want to get to the slide with the fairground. That
14 one right there.

15 So, this is a good way to take a look
16 at those five different, they call them fairs.
17 It=s really topics within the show. All the way at
18 the top, Hall No. 2, that=s research and technology.
19 So, those are research organizations, universities
20 looking to commercialize their technology.
21 Historically, that=s been one of our tougher
22 categories to fill from the United States. So, if
23 you=ve got contacts in that community, we would
24 definitely appreciate getting the word out on that.
25 We are also, to make it a little more cost
26 effective, we are looking for sponsorships so that
27 we can help subsidize that area for those

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6 organizations.

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8 Right next to that is Hall No. 3. To
9 give you some idea of size of the fairground, from
10 Hall 2 to the lower left, Hall 13, is about a
11 one-mile walk. It's a huge fairground. There's
12 about five million square feet of exhibit space
13 under cover, another five million square feet in
14 open air. We go through, this year with the even
15 year, we've got a couple of topics that are not
16 included but we fill more than half, probably
17 three-quarters of the fairground.

18 Hall 3 is where the U.S.pavilion, the
19 investment pavilion is going to be, and that's where
20 commerce and EDOs will be represented for foreign
21 direct investment.

22 The next three halls, 4, 5 and 6, that
23 is industrial supply. It's subcontracting. It's
24 lightweight construction. We find many of the
25 SMEs that are interested like that area because
26 they want to be subcontractors to large European
27 and international manufacturers. So, for

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6 instance, Akron EDO, they came a couple of years
7 ago. They had a pavilion, and instead of being in
8 the investment pavilion, they are in Hall 6 because
9 of the companies they brought with them wanted to
10 be in that area to start recruiting or building some
11 business as subcontractors. It was very
12 effective.

13 The next area which is the fastest
14 growing area because of Industry 4.0, industrial
15 internet of things, advanced manufacturing is
16 digital factory. So, we've got companies there,
17 like Microsoft exhibited on there with this last
18 show for the first time in a pretty good, big way,
19 about 800 square meters, approximately 8,000
20 square feet. They have re-signed for this year
21 with 2,000 square meters. So, they see definitely
22 a lot of value of getting in front of those
23 companies on the factory floor. They're bringing
24 their partners in. I believe Rockwell is in the
25 booth. I believe IBM is a part of that booth. So,
26 that's where you get kind of the factory and

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6 production IT technology companies.

7
8 That transitions directly into
9 industrial automation. So, between industrial
10 automation and digital factory, those are two of
11 probably the fastest growing sectors because of all
12 the integration of technology under the platform.

13 In the far left, lower left, is energy.
14 Energy is such a key component in the manufacturing
15 process that it just is a really good fit. That=s
16 everything from storage batteries, Mobilitech is
17 an infrastructure and subsystems for EV. Then
18 within the whole show, the other interesting aspect
19 is most trade shows you go to and you look forward
20 to the foot traffic and companies coming that are
21 attendees, there=s a lot of that with 200,000
22 attendees and most of those are decision makers.
23 But even more important than that, there is a
24 community at the trade show where there=s a lot of
25 business done between exhibitors, because you=ve
26 got for the most case the entire breadth of
27 manufacturing represented, so there=s a lot of
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6 business done just within the trade show.

7
8 So, we counsel our companies that come
9 in to say, you know, look at the exhibitor list,
10 set up meetings with the other exhibitors, and set
11 those meetings prior to the show, develop those
12 partnerships, those relationships, and the foot
13 traffic becomes extra on top of that. So, it=s very
14 unique. It=s not like any trade show that you=ve
15 been to in the US. If you haven=t been to a German
16 trade show, it=s very interesting because it=s
17 organized.

18 You know, if you go to a big trade show,
19 I know it=s cliché, too, but if you go to a big trade
20 show in the United States, and I=ll use CES as an
21 example, very good trade show, very strong show.
22 But you might want to see three or four companies
23 that are managing one technology and you want to
24 evaluate those three or four companies, depending
25 on when they registered, they may be in totally
26 different parts of Las Vegas. They may not even
27 all be in the convention center. Here, they=re

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6 going to be structured within probably the same
7 hall.

8 So, it=s very easy to find and it=s all
9 geared towards the attendee, what=s the attendee
10 looking for. While the trade fair is big, very few
11 attendees come to walk the whole show. It=s guys
12 like me that have to be there that ends up walking
13 five miles a day. You know, they=re looking at
14 where are the companies that I want to see. They=re
15 going to that hall, maybe adjoining halls, but
16 they=re very focused.

17
18 The other piece that we=re looking to
19 increase exposure on this year is attendance from
20 the United States. The exhibitors are very
21 important, increasing our footprint is very
22 important, but getting attendees from the United
23 States there is very important. High level of
24 expectation by the international exhibitors that
25 we have on site, and there=s things, I=ve been going
26 to Hannover now since early 90's, between this and
27 our technology trade show see that. You tend to
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6 see things at these shows before they get to the
7
8 United States.

9 So, one of my roles, I was in product
10 management and I used these trips as a shopping trip
11 to see what products I can see that weren=t being
12 distributed yet in the United States and set up
13 distribution agreements. Typically, a lot of the
14 technology you don=t see for a year or two years.
15 Bring your engineering staffs, bring your
16 technology staffs, your management. Let them walk
17 the halls. They=ll see things there in a different
18 perspective than what you=ll see here in trade
19 shows.

20
21 The other interesting dynamic with
22 pretty much all of the German trade shows is the
23 owners, some of these are privately held companies
24 and they=re huge, but the owners, the senior
25 management, they=re typically at the show the whole
26 five days of the show. They have engineers on the
27 show floor, and it=s very well expected that those
28 engineers are going to be talking about not only

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6 the application of their products but details about
7 the design of their products because the attendees
8 that are going want to know everything that they
9 need to do to integrate either into their factory
10 or into their end product.

11 So, it=s not just a bunch of sales guys
12 standing at the edge of the booth. They=re really
13 focused on delivering that content that the
14 attendees are expecting at these events.
15

16 So, with that, you=ll get this whole
17 slide presentation. If anybody wants more
18 information, Shannon knows how to get a hold of me.
19 You know, if there=s any questions, I=d be willing
20 to handle those.
21

22 CHAIRMAN SMYTH: Okay. Thank you, Mr.
23 Turner. I think we have a mix at the table, a
24 number of companies who regularly send attendees
25 to Hannover, and some who this maybe be new to. So,
26 I would like to open for any quick questions or
27 comments for Mr. Turner. Shirish Pareek?

28 MR. PAREEK: Shirish Pareek from
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6 Hydraulex Global. We've been attending Hannover
7 Messe for several years now. Quick question while
8 I have you here. Would we still stay, we make
9 hydraulic products, would we still stay in the
10 hydraulic section and power motion control or be
11 in the U.S.pavilion?

12 MR. TURNER: So, what we've done for
13 SMEs is we've set up pavilions, USA pavilions in all
14 the technology areas. Typically, the enterprise
15 organizations have standalone booths. Fluid
16 power is a part of our motion drive and automation
17 topic, and that is formally at the event on odd
18 years. In even years, we do have good
19 representation of motion drive and automation
20 companies, and they're usually aligned with Halls
21 16 and 17. So, there will be a contingent of motion
22 drive companies and I believe we do have a pavilion
23 there if you're interested in the U.S.pavilion or
24 standalone position.
25
26

27 CHAIRMAN SMYTH: Do we have any other
28 questions from the floor? Okay, Mr. Turner, I

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6 would like to thank you very much for coming and
7 giving us a presentation. I'm sure you'll have
8 lots of questions. Thank you very much.

9 MR. TURNER: Thank you for having me.

10 CHAIRMAN SMYTH: Okay. At this point
11 in time, I would like to introduce Christy
12 Wong-Barrett. The Innovation Research and
13 Development team is going to present a draft of the
14 patent quality letter and we will be voting on it.

15 MS. WONG-BARRETT: Thank you, Madam
16 Chair. Christy Wong-Barrett from Mac Arthur
17 Corporation, I have the privilege of serving as
18 co-chair for the Innovation Research and
19 Development Subcommittee. A very talented group
20 of your peers have been working diligently to
21 prepare a first letter for your consideration. I'm
22 going to hand over shortly to one of our
23 subcommittee members, a full Council member, Irwin
24 Shur, to actually present the letter.

25 As you all may know, we distributed a
26 previous draft fully to the Council for

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6 consideration, questions and commentary several
7 weeks ago. We have had an opportunity to review
8 all the comments from the Council. Thank you very
9 much, first, to everyone who had an opportunity to
10 review and also provide commentary. We have
11 reviewed all of the comments and addressed all of
12 them.

13 So, I will let, with no further ado, my
14 colleague Irwin Shur give you a rundown of the
15 feedback that we received from Council. We will
16 then also review the full letter in its new
17 iteration which is included in your packets this
18 morning, and then also address, have some time for
19 any further questions from Council before we move
20 to hopefully adopt the letter formally. So,
21 Irwin?

22 MR. SHUR: Thanks, Christy. I thought
23 it would be helpful to, as a preamble, to sort of
24 describe the committee=s thoughts on what we were
25 going to try to do because they did morph over time
26 as we started thinking about the issue. In our

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6 mind, the issue originally was what can we do to
7 make the patent system better. Everyone was
8 concerned about the existence of what polite people
9 call non-practicing entities and what impolite
10 people call patent trolls who are going out through
11 the various technologies and landscape and causing
12 issues, and also just generally the problems and
13 expense caused by disputes over patents.

14 Our original focus was on the new pieces
15 of legislation, at the time new, that are still
16 bouncing around in both the House and the Senate.
17 As we thought about it some more and talked about
18 it, we realized that that probably was not a good
19 approach for the committee to take because, in our
20 view, there were too many differing opinions and
21 there were pieces of the two bills which were
22 diametrically opposed to one another. There are
23 pieces of industry, large and small, that have
24 differing opinions on the legislation. In fact,
25 one of the comments that we=ve received about the
26 prior draft addressed that exact issue, namely,

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6 that some smaller companies and inventors are
7 actually opposed to both of those.

8 So, as we started thinking about all of
9 that, we thought maybe we should shift our focus
10 to fixing more things on the front end as opposed
11 to the back end. The legislation for the most
12 part, both of them are trying to deal with the
13 aftermath of what happens after you've got a patent
14 that's causing some sort of a problem. So, our view
15 was let's take a look back at the beginning of the
16 process, what can we do to make the patent grant
17 process better? What can we do, what
18 recommendations can we make to get people focused
19 on getting better patents issued from the USPTO,
20 patents that would be clearer, easier to define,
21 and hopefully eliminate up front the need for
22 companies to have big arguments about them down the
23 road, big expensive arguments down the road.

24
25 So, that's how we came up with the
26 approach that we took, which essentially talks more
27 about things like: focusing on the training of the
28

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6 examiners; focusing on metrics so that we have a
7 better idea of the quality and not just the quantity
8 of what=s coming out of the USPTO; and focusing more
9 on evaluation as well of the examiners, who is doing
10 a good job and who isn=t, and focusing on improving
11 those who are not. Finally, a little bit about
12 crowd sourcing. So, that=s how the letter
13 developed the way it did.

14 I suppose we should address the
15 comments that came in first. Thanks to everybody
16 who managed to get through the letter without
17 dozing off. For those of you who made comments,
18 I think that I am supposed to actually address each
19 of them in turn, and so I=ll do that. There is a
20 new draft of the letter in the materials that you
21 have, and I will point you to the pieces that we=ve
22 changed as I go through the comments.

23 The first one regarding the number of
24 the House Bill, and the one we have in there, HR
25 9 is the correct number. It used to have a
26 different number.

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6 There was a comment that was stated as
7 follows: My understanding is that both of these
8 proposed legislative bills were actually quite
9 controversial from the viewpoint of small business
10 and inventors with a significant number of
11 challenges based on these bills, largely favoring
12 large and multinational corporations who, through
13 use of greater financial resources, are thereby
14 able to significantly curtail if not suppress small
15 business innovation and inventors. It may be
16 worth acknowledging this controversy head on by
17 identifying how these bills are seen as beneficial,
18 particularly to innovation and small manufacturing
19 firms.

20 That sort of goes to what I've just
21 spoken about a minute ago. We are not trying to
22 take a position on either of these bills or any of
23 the facets of the bills. But when we went back to
24 the letter yesterday in our meeting, we realized
25 we probably could make a small change in an area
26 that looked like, by implication, might be some
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6 sort of tacit endorsement.

7
8 So, if you look at the third paragraph,
9 the second line used to say, ARecent pending
10 legislative efforts are important steps to help
11 address the issues.@ What we=ve done is we=ve
12 changed that to read that these efforts demonstrate
13 Congress= desire to help address the issues. We
14 thought that that should address the concern by
15 taking out any implication that we think this
16 legislation is helpful or unhelpful in any way.

17 So, we felt we dealt with that one
18 pretty well. Again, we=re not endorsing,
19 intending to endorse either bill. Our focus is on
20 the front end of the process.

21 The next comment that we had was asking
22 us to provide citations to some of the executive
23 orders and USPTO policies and regs that we
24 addressed. So, we=ve added those references in
25 Note 3 which is in the middle of the footnotes on
26 page 3 after the signature block.

27 We fixed the bullet numbers because
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6 somehow they all turned into ones as they made their
7 way across the ethernet somehow. One other minor
8 but very helpful change was to replace in point 3
9 on the bottom of page 2, let=s see, fifth line down,
10 the word Aproducing@ has been taken out and
11 Aawarding@ has been added. This is what happens
12 when non-patent lawyers try to write technical
13 language, so awarding is exactly the correct word
14 so we fixed that as well.
15

16 The final comment that we had gotten was
17 as follows: While the letter is well drafted and
18 can stand on its own, its focus seems to be entirely
19 on patent process with form, and yet there is no
20 mention whatsoever of the direct correlation with
21 either the strength of IP protection or changes in
22 the patent laws with the manufacturing industry
23 specifically. This last paragraph is the first
24 time the U.S.manufacturers were even mentioned.
25 Just wondering if perhaps language could be added
26 that speaks to the impact of IP treatment and
27 protection on U.S.manufacturing in particular.
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6 It's a good comment, and we agree that
7 manufacturing is very much affected. So, what we
8 did do was, in the very first paragraph of the
9 letter, we added the second sentence which
10 specifically points out that the vast majority of
11 patents in the U.S. are in fact granted to companies
12 that have significant manufacturing operations.
13 In fact, several of them are represented around or
14 near this table. So, even some of the higher tech
15 companies that you think of in terms of maybe
16 software patents in fact are involved in
17 manufacturing.

18 So, the IBMs of the world, the
19 Microsofts of the world who are some of the leaders
20 in terms of the number of utility patents that are
21 granted to them over the years, they're also
22 manufacturers. In fact, if you look at, we looked
23 yesterday at some of the statistics, and if you look
24 at the top 20 or 25 over the last ten years companies
25 in terms of the number of patents issued, almost
26 all of them have at least some manufacturing.

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6 Very, very few are pure service or software type
7 companies. So, I hope that last one addresses the
8 final comment sufficiently.

9 I don=t really have any other comments
10 about the letter. We appreciate everyone, as I
11 said, who has looked through it.
12
13

14 CHAIRMAN SMYTH: Okay. I would like
15 to thank Mr. Irwin Shur from Snap-On, Incorporated,
16 for going through the quality letter and addressing
17 the concerns that have been communicated very well.
18 I would like to open the floor to the Council for
19 any comments or deliberation at this time.
20

21 Okay. I=m taking silence as
22 indication that everybody is extremely
23 comfortable. I think the Innovation Research and
24 Development team have done a great job outreaching
25 over the last few months to the individuals sitting
26 around the table. So, I think obviously all of the
27 comments and concerns have been addressed. Okay.
28

29 MR. SHUR: Madam Chair, I did forget
30 one thing which is, in case anyone is curious and
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6 doesn't know, we did in fact reach out to the USPTO
7 and had a lengthy conference call sharing with them
8 one of our prior drafts and getting some comments
9 from them which were very helpful.

10 CHAIRMAN SMYTH: Excellent, and our
11 thanks to them. So, okay, hearing no objections,
12 I proclaim the recommendation adopted by the
13 Manufacturing Council. We have to vote? Yes.
14 Should we go around the table?

15 Okay. So, I don't see any comments.
16
17 So, we will do ayes around the table.
18

19 MR. YEARGIN: I'll make a motion that
20 we adopt the letter, this final letter as presented
21 by the Innovation Research and Development
22 Committee.

23 CHAIRMAN SMYTH: Thank you, Bill.

24 MR. FRIESIN: I'll second.

25 CHAIRMAN SMYTH: Second. All those in
26 favor?

27 (Chorus of ayes.)

28
29 CHAIRMAN SMYTH: All those in
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6 objection?

7
8 (No response.)

9
10 CHAIRMAN SMYTH: Any abstentions?

11 (No response.)

12 CHAIRMAN SMYTH: Okay, the
13 recommendation is adopted formally by the
14 Manufacturing Council. Okay. Are you ready?

15 VICE-CHAIR MARTINEZ: Yes.
16 Excellent, we will turn our discussions now to the
17 updates that we have from our various
18 subcommittees. Due to some flight constraints for
19 Hiro, I'd like to welcome Hiro to the floor now to
20 give us the Energy Subcommittee update.

21 MR. FUJITA: Thank you very much, Madam
22 Vice-Chair. Madam Chair, Madam Vice-Chair and
23 ladies and gentlemen, it's a pleasure to be with all
24 of you today.

25 As you all know, the Energy
26 Subcommittee's role is to promote trade
27 relationships in renewable energy while
28 simultaneously increasing domestic production and

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6 export activity per Secretary Pritzker. To
7 accomplish this goal, the Energy Subcommittee has
8 drafted a trade mission recommendation letter to
9 Secretary Pritzker focusing on trade in the
10 renewable energy sector to promote U.S. clean
11 energy manufacturing.

12 To date, we have had telephone
13 conferences with Deputy Assistant Secretary
14 Chandra Brown, Senior International Trade
15 Specialist and Renewable Energy Industry Analyst
16 Drew Bennett, and the Renewable Energy and Energy
17 Efficiency Advisory Committee to discuss the
18 direction of our recommendations. Deputy
19 Assistant Secretary Brown recommended we get in
20 touch with the Director of the Office of Energy and
21 Environmental Industries of ITA, Adam O'Malley.
22 Another recommendation that came from our
23 conversation with the Deputy Assistant Secretary
24 was to familiarize ourselves with the work being
25 done by other committees in this sector, like the
26 RE&EEAC which I just described, and the Office of

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6 Energy Efficiency and Renewable Energy.
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8 Per the Deputy Assistant Secretary=s
9 recommendations, we reached out to the Director of
10 the Office of Energy and Environmental Industries,
11 Adam O=Malley, who provided us with a summary of
12 recommendations of the RE&EEAC to the Secretary of
13 Commerce for Charter I 2011-2013 and Charter II
14 2012-2014 as well as specific feedback on the
15 recommendation letter. Director O=Malley=s
16 primary recommendation for the Energy Subcommittee
17 was to shift the focus to recommend that the Office
18 of Energy and the Environmental Industries
19 evaluate these markets and sectors for trade
20 missions as part of its 2016 renewable energy
21 markets report rather than simply recommending
22 these sectors and markets to the Secretary for
23 trade missions. Director O=Malley also
24 recommended to further build a case for specific
25 technologies which we have incorporated into the
26 draft.

27 On October 8th, we telephone
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6 conferenced with Senior International Trade
7 Specialist and Renewable Energy Industry Analyst
8 Drew Bennett who invited the Energy Subcommittee
9 to participate in the RE&EEAC telephone conference
10 in order to become more familiar with the goals and
11 mission of the RE&EEAC which took place on October
12 15th. The Senior International Trade Specialist
13 and Renewable Energy Industry Analyst agreed that
14 communication and cooperation between committees
15 will be helpful to further develop future projects.
16 Drew put us in touch with the chair of RE&EEAC and
17 the president of the Stella Group, Scott Sklar, to
18 enhance communication between committees. After
19 much deliberation, several meetings, and all of the
20 excellent feedback we received, the Energy
21 Subcommittee has incorporated the following into
22 the final draft of the letter:

23 * Consideration for ambassador trade
24 missions;

25 * The creation of a working group between
26 the ITA, DOE, the Office of EERE and the

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6 OEEI; and

7
8 * Recommendation that OEEI in
9 collaboration with the working group
10 mentioned above evaluates which
11 countries are ideal for trade missions
12 in renewable energy and clean energy
13 manufacturing.

14 We also acknowledged the challenges
15 faced in establishing trade with certain countries
16 and supporting information on the specific
17 technology recommended. You will have a copy for
18 review next Monday. It has been unanimously
19 approved by the Energy Subcommittee. We are eager
20 to hear any suggestions you might have regarding
21 the direction and the scope of our recommendation.
22 We would like to submit our letter for the
23 Manufacturing Council=s approval by the end of
24 October.

25 Now, I would like to ask my co-Chair,
26 Dr. Cody Friesin, to give some highlights of the
27 draft letter we have prepared.

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6 MR. FRIESIN: Thank you, Hiro. I
7 think you've covered it very well, but I'll just
8 comment that, you know, trade missions are
9 America's best kept secret I would say for
10 manufacturers who either already do or who want to
11 make the export. Yet even though they are
12 America's best kept secret for manufacturers who
13 want to export, they are highly competed. So, it
14 is our studied view that there should be a
15 substantial expansion both in terms of number and
16 in scope of trade missions.

17 So, as Hiro mentioned, the subcommittee
18 yesterday unanimously approved a letter around
19 that expansion of trade missions, specifically
20 focused on renewable energy manufacturers, and
21 both traditional trade missions where
22 organizations can apply for and then go on trade
23 missions to specific countries around specific
24 focus areas and nontraditional trade missions such
25 as reverse trade missions which benefits SMEs,
26 organizations that couldn't otherwise afford to

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6 take a one-off trip to a country or a couple
7 countries on an expeditionary effort to build a
8 business in that region. So, beyond that, we have,
9 as Hiro mentioned, developed a thought process
10 around creating a cross-departmental working group
11 between DOE and DOC to determine the best countries
12 and focus areas for trade missions, specifically
13 where the DOE has made substantial taxpayer
14 investments around renewable energy where there is
15 a budding industry within the U.S., of U.S.
16 manufacturers and where there are many
17 opportunities in those countries that that working
18 group determines would be an ideal place to go.

19 We have identified focus areas around
20 wind, solar, storage, buildings, energy
21 efficiency, and automotive. In each of those
22 areas, the DOE has made substantial investments and
23 there=s lots of groundwork already laid. This is,
24 we=re not cutting new ground in that respect in any
25 way. In fact, what we=re saying is that the
26 U.S.government is already doing a really great job
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6 with trademissions and renewable energy. Let=s go
7 and make sure that we can get that out to the field
8 and really enhance export through ITA.

9 So, as Hiro also mentioned, you know,
10 we spent a lot of time and outreach discussing
11 between, both formally and informally, between
12 Department of Commerce and Department of Energy
13 folks. I think we have broad buy-in from those
14 people that we=ve spoken to.

15 We look forward to the entire Council=s
16 feedback to the letter. We think it has a few
17 really nice features for where we stand at this date
18 which is it=s very focused, it can be executed
19 entirely within commerce. Secretary Pritzker can
20 choose to take our recommendation and go and do it
21 immediately without a substantial new burden given
22 that trade missions are funded largely by the
23 companies that go on them.

24
25 So, we look forward to all of your
26 comments. Please, when you have the letter and you
27 have a moment, we look forward to all of your

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6 feedback. Thank you.
7

8 VICE-CHAIR MARTINEZ: I'd like to take
9 a pause here and just really comment on the value
10 that we have for the in-person discussions that we
11 have, both formally at the table right now during
12 the formal Council meetings as well as in our
13 networking sessions. We owe a tremendous amount
14 to all of our gracious hosts including Zach who did
15 the spearheading of the logistics that brought us
16 here to Chicago today. For the record, I'd like it
17 to be said that the Manufacturing Council, both
18 last term and this term, has done an exceptional
19 job of going out into the communities and making
20 sure that we are staying out of the beltway when
21 it comes to getting into the national policy
22 considerations and how they affect geographic
23 diversity, sector diversity, as well as SMEs and
24 large businesses.

25 So, I think Irwin has just given us a
26 tremendous example with Christy on the due
27 diligence that is done on these letters to get them

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6 to the point where they=re really for you all to
7 review them. You can see from Irwin=s diligent
8 review of all of your comments, all of your comments
9 are taken into due consideration. Please take
10 them very seriously and please try to get them to
11 the appropriate subcommittee chairs as quickly as
12 possible.

13 We are going to be running fast and
14 furious, not that we haven=t already, we just passed
15 our third letter. But as you know, we=re going to
16 have very active all Manufacturing Council calls
17 on the off ones when we don=t have actual meetings.
18 We will be sending out some save-the-date notices
19 for future meetings. We=re targeting probably
20 February for our next meeting in DC, and then
21 perhaps May and location is to be decided.

22 But the reason that I bring that up is
23 we are trying to do the lion=s share of the letters
24 of recommendation work by the February time frame.
25 In order to do that and get letters passed in our
26 all Manufacturing Council calls, it is essentially

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6 that you heed the call of Hiro and Cody for example
7 today on the input that you have on the letters.

8 So, with that, we know that you've not
9 seen the letter yet from them, but if you have any
10 general comments for them on energy policy or
11 specifically the trade mission idea that they have,
12 we'd like to welcome those at this time.

13
14 All right. I guess you're on the right
15 track, gentlemen. With that, I'll turn it back
16 over to the Chair.

17
18 CHAIRMAN SMYTH: Thank you. We have a
19 last minute addition to the agenda. I would like
20 to introduce Mr. Joe Sylvestro of Pratt & Whitney.
21 Joe serves on the Energy Subcommittee. He also
22 attended the White House roundtable on the supply
23 chain. So, Joe is going to lead a very brief
24 discussion on the topic.

25 Supply chain discussions have emerged
26 in a number of the subcommittees and we thought this
27 was a good opportunity face to face to have just
28 a little high level dialogue across talk in the

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6 Council. I'm also going to call on Ms. Christy
7 Wong-Barrett from the Innovation Research and
8 Development Subcommittee who also attended the
9 White House event to engage in the dialogue. Joe,
10 the floor is yours.

11 MR. SYLVESTRO: Yes, thank you, Susan.
12 So, good morning everybody. This topic is meant
13 to be an informal discussion. It most likely is
14 not new in terms of your thinking, but I think that
15 we as a committee do have maybe some decisions to
16 make in terms of how to proceed in the supply chain
17 arena. So, please take my comments as, you know,
18 just comments for us to kind of form up in terms
19 of a direction.

20 So, as part of the mandate, we believe
21 that the supply chain was one of the areas that we
22 were asked to look at. So, as an energy
23 subcommittee, we have that as one of our challenge
24 areas and have been trying to develop what we call
25 gap closure. So, where are there gaps in the
26 supply chain? Then how can we make

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6 recommendations that Department of Commerce, the
7 U.S.government can provide support for renewable
8 energy manufacturing in the US?

9 Then it occurs to us though and based
10 on conversations, informal and also support from
11 our chairs, that other subcommittees most likely
12 are having the same conversation. So, I think the
13 question for us is along the lines of do we continue
14 on kind of separate paths, separate initiatives?
15 Or do we have maybe a little bit more integrated
16 approach in terms of how we would think about and
17 undertake potential recommendations? Or
18 something else which maybe you all have been
19 thinking about.

20 I mean, very clearly, we have to
21 integrate somehow, you know, and what is the best
22 way to do that? Additional to that, do we, you
23 know, press the stick forward and accelerate to try
24 to produce something this year or prior to
25 February? Or do we try to do the very best that
26 we can with the actions that we have in place in

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6 closeout, get to February and then turn our
7 attentions, you know, to the second year and really
8 trying to lay a foundation for the next Council,
9 you know, in this arena?

10 Okay. So, I wouldn't say that we, you
11 know, are potted to any one idea but we do feel
12 responsible in regards to addressing the topic.
13 We do think that it is an important topic and an
14 appropriate topic for the Manufacturing Council to
15 consider.
16

17 CHAIRMAN SMYTH: Okay. I just want to
18 comment. Thank you very much, Joe, for starting
19 us. Just to remind everybody, one of the comments
20 that was made by Secretary Pritzker when she gave
21 us the charge when we met with her back in the April
22 time frame was that she was looking to this Council
23 to provide input, where there are gaps in
24 information flow, and what mechanisms exist to help
25 adopt new technology and upgrade capabilities in
26 the supply chain. So, that definitely is part of
27 our charter and until now it's been woven implicitly

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6 through the charters in each one of the individual
7 subcommittees.

8 So, just to remind you, this is not
9 going off base thank you. Claudine?

10 VICE-CHAIR MARTINEZ: I=d also like to
11 give some background before we call on Christy for
12 her thoughts and perspective. We just want to take
13 you back to the previous Council and how these
14 committees were formed originally. So, there was
15 a very extensive survey that was conducted by the
16 Department of Commerce staff asking us to
17 prioritize what we felt as representatives
18 throughout the country of what the Manufacturing
19 Council=s mission should be, and specifically what
20 topic areas we should focus in on.
21

22 As we all know, the topic of
23 manufacturing policy for America is such a general
24 and robust topic. You have to sort of prioritize
25 down. The four subcommittees that we have
26 represented the top four concerns for the last term
27 of the Council. I believe it was in the best
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6 interest as decided by Department of Commerce to
7 continue the work that had been started in the
8 previous Council because as we're seeing, as busy
9 as all of us have been doing all of our due diligence
10 and working very, very long hours on our letters
11 and so forth, our various efforts with outreach,
12 Manufacturing Day, et cetera, time passes by very,
13 very quickly.

14 So, this particular Council, because we
15 have a change of administrations, will be looked
16 to to provide an archive of information that we can
17 hand over to the next Council and say hit the ground
18 running, here is your library of information with
19 which you can proceed on. We are very hopeful that
20 the next administration will continue the work of
21 the Council. At that particular time, they may
22 decide to have other subcommittees or structure
23 themselves differently. But right now, our
24 charter this particular term has been told to focus
25 on the four areas.

26 Now, what happened in the last term is
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6 organically we created an ad hoc subcommittee for
7 tax on SME issues because there were several
8 Council members that organically had a very
9 pressing issue with respect to tax issues. That
10 happened after the first draft or the first tax
11 letter came out, largely focused on large C
12 corporations. I see this as in parallel. We see
13 a lot of growth and a lot of interest both in the
14 administration, the White House meeting and other
15 efforts that have been ongoing on supply chain
16 efforts, so both Energy and IRD have taken it upon
17 themselves to kind of look at those issues. In
18 fact, as our Chair has mentioned, the Secretary has
19 specifically asked us for that.

20 Both Susan and I feel very strongly that
21 this Council should be prepared to answer the call
22 of what comes up during our term. We see this as
23 an opportunity to be responsive. So, I would
24 invite the members of the Council to think about
25 what your input might be, and Christy will address
26 us next, but what we=ll be looking for in the near

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6 term is input and people that would be interested
7 in serving, I'm going to call it for lack of a better
8 frame of reference, an ad hoc committee that might
9 discuss these issues.

10 So, with that, I'll turn it over to
11 Christy.
12

13 MS. WONG-BARRETT: Thank you, Madam
14 Vice-Chair. I'll speak on behalf of the Innovation
15 Research and Development Subcommittee, not just my
16 own work but our broader subcommittee has been
17 looking at this topic. I think we felt that we were
18 tasked with it, so it's actually great to hear that
19 the broader Council are on the hook for it and we're
20 happy to be a coordinating point if that's helpful,
21 or we're happy to be a partner in crime, whichever
22 way makes the most sense to develop strong points
23 of view and recommendation.
24

25 Our interpretation of the specific
26 request from Secretary Pritzker outlined three
27 very specific asks for information from
28 Manufacturing Council regarding gaps in
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6 information flow in supply chains, mechanisms that
7 exist to help manufacturers adopt new
8 technologies, and practices that we have seen that
9 help small manufacturers upgrade their
10 capabilities. My interpretation and our
11 subcommittee's interpretation of that specific ask
12 is more of a collection and synthesis of
13 information, and that could present itself in the
14 format of a white paper or a best practices or a
15 >we have reached out to our constituency, this is
16 what we found.= That would provide a complementary
17 additive piece of information to supplement what=s
18 already going on through the White House supply
19 chain innovation initiative.
20

21 Our goal I think as a full Council
22 should not be to replicate or reproduce all of the
23 great work that is being convened through the White
24 House National Economic Council, but I think we can
25 supplement it with points of view from this Council
26 and our constituency. So, one suggestion to the
27 Energy Subcommittee would be that we collectively

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6 develop a survey tool that we could utilize to get
7 the full Council=s input on those three specific
8 questions from Secretary Pritzker as a no-brainer.
9 Obviously, we could answer them on behalf of our
10 organizations, our industries, as well as your
11 trade associations where you have a natural network
12 of additional subject matter experts on the topic.

13 As a second point, I think if there are
14 possible recommendations that come out of that
15 initial survey, it would make sense for the
16 subcommittees or individuals from the
17 subcommittees that are working on those topics and
18 the subcommittee could actually coalesce on
19 possible recommendations, but I think the first
20 step is, it seems like it may more be the outreach
21 and survey information coming in.

22 As an update to this group, the
23 Innovation Subcommittee, we actually did a
24 roundtable on this topic several months ago. It
25 was in our first in-person meeting in Chicago. So,
26 we have already started to gather some information.

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6 Jeff Wilcox who is the co-chair of the subcommittee
7 as well as myself were also present with Joe. So,
8 we were able to listen in to what several large
9 manufacturers and small manufacturers are doing to
10 address supply chain innovation. It is a
11 significant topic for the National Economic
12 Council, a significant challenge for the
13 manufacturing sector overall.

14 So, I think it's a two-part, probably
15 a two-part solution for our Manufacturing Council.
16 Again, the first piece is perhaps some outreach,
17 data gathering and synthesis to address the
18 specific request of Secretary Pritzker. We have
19 been giving the feedback back to the National
20 Economic Council informally, so we are in dialogue
21 with Sue Helper and Vikrum Aiyer who are leading
22 this initiative on a pretty much monthly basis
23 about what we've learned and providing feedback.
24 So, I think what's been asked of us, we have been
25 doing it live, but we can certainly I think
26 formalize it and go more broad in our outreach to
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6 get more input.

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8 Then, as I said, the part two of it would
9 be if we do fill out our specific recommendations
10 for Commerce that Commerce can act on, that would
11 improve the overall likelihood for the supply chain
12 to innovate. We can address that as a second
13 point.

14 The final thing I'll mention is the NEC
15 who are leading this initiative did ask for our
16 support several weeks ago. We made a
17 recommendation to them informally that the White
18 House roundtable was a wonderful way to create
19 visibility of the challenge that we face in our
20 manufacturing sector with the hollowed out supply
21 chain, and the ability to reverse that is going to
22 be based on large manufacturers' awareness of the
23 challenge, and then a call to action to address
24 those gaps. That White House roundtable was very
25 successful as a starting point, but we felt that
26 further awareness building sessions and
27 roundtables would be necessary to continue to

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6 spread the word of the importance of this issue at
7 a national scale.

8 So, our feedback from the NEC was that
9 they would like to look into 2016 for additional
10 opportunities to host or convene an opportunity to
11 talk about the importance of the supply chain to
12 manufacturing, the importance of the industry
13 taking a lead in solving this problem. It is not
14 a federal problem, it is an industry market
15 failure. The industry needs to take an active role
16 in solving it.

17 So, we have actually asked full
18 Council, or we had put a survey out several weeks
19 ago where we asked for your input to identify what
20 are key trade associations or industry meetings
21 that are significant opportunities for, for
22 example someone from the Department of Commerce,
23 from the National Economic Council, to host a
24 keynote, convene best practice sharing, raise the
25 importance of the issue, and perhaps stimulate
26 further catalytic action by industries on this

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6 topic. So, if you could take a look back, I'll ask
7 the Archana perhaps after this to resubmit the
8 survey to full Council. We are waiting for your
9 feedback. We've been giving it live to NEC, but
10 we'd like, we are limited by our own industry
11 knowledge so we really want to have the breadth of
12 the Council's industry expertise, and the specific
13 ask there is where else should this message be taken
14 to start the best practice sharing.

15 CHAIRMAN SMYTH: I'd like any comments
16 from the floor on commerce. I have Albert Green.

17
18 MR. GREEN: This is Albert Green from
19 Kent Displays. One comment I would make, I think
20 what you said is really interesting. I mean
21 everyone sees this as an issue, and I think just
22 two comments that I'll make. The first comment is
23 that I think from a coordination standpoint, I
24 think it would be just a real challenge for the
25 whole Council to coalesce on it, I mean it could
26 be done but just, you know, the logistics of putting
27 it together. Also, it seems like the best ideas
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6 usually come out when it=s just extensive dialogue
7 and discussion and so on and so forth.

8 What we have done inside the IRD
9 Subcommittee as Christy has pointed out is that in
10 every question that comes to us, we sort of boil
11 it down to so what is the innovation research and
12 development piece in this? So, we try to attack
13 it from that side in all of the questions. So, one
14 possible approach is that, as it being such a broad
15 question, you know, you kind of address it in the
16 context of your area.

17 In our case, we started to look at,
18 well, what is the innovation piece that we can
19 comment on, or the R&D piece. That may be one way
20 to kind of attack it because it seems that it can
21 be done efficiently in sort of the small five or
22 six-person groups. That=s my two comments.

23 CHAIRMAN SMYTH: Thank you, Al, for the
24 comment. Cody Friesin?

25 MR. FRIESIN: Thank you, Madam Chair.
26
27 So, I think the, I appreciate your comments, Al.
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6 But one of the challenges is that, at least I have
7 a great deal of concern that out of each of the
8 subcommittees, the relevant supply chain
9 recommendations will have a great of overlap and
10 they=ll be lost within the broader letters. So, I
11 think Department of Commerce would be far better
12 served by, even if the source of these
13 recommendations will be out of the subcommittees,
14 but in ad hoc subcommittee form to take all of those
15 pieces make themselves consistent and provide one
16 recommendation to Commerce that is specifically
17 addressing Secretary Pritzker=s ask.

18 So, this is really in support of the
19 concept that Claudine laid out around an ad hoc
20 subcommittee focused on supply chain.
21

22 VICE-CHAIR MARTINEZ: I would just add
23 for everyone=s reference, just to refresh your
24 recollection, the Commerce team has been kind
25 enough to give us the letter that Susan and I sent
26 you all out that summarized all the asks to the
27 subcommittees. You=ll see on the first page under

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6 IRD, that=s what we=re referencing when Christy was
7 commenting on sending out a survey to ask where you
8 all stand, both with respect to your individual
9 companies and your associations and so forth.
10 Those last three bullets is basically what we=ll
11 pool.

12 So, what we will take the
13 responsibility task to do, Shannon, if you could
14 help me connect with Archana, not only will we send
15 the survey that you=ve already sent out but we will
16 set up the survey mechanism to coalesce the data
17 for these three points as well. So, that is well
18 taken. I appreciate that very much, both of you.
19 Other comments from the floor?

20 MR. MOTTL: Yes.

21
22 VICE-CHAIR MARTINEZ: Please, Zach.

23 MR. MOTTL: This is Zach Mottl with
24 Atlas Tool & Die Works. I certainly appreciate the
25 attention to the issue from the administration and
26 from the Secretary and from the subcommittees. I
27 support the idea of an ad hoc committee. I think

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6 that just like the food chain feeds our bodies, the
7 supply chain feeds our industry. If we don=t have
8 a healthy supply chain, if we don=t have a healthy
9 diet, we don=t have a healthy body, we don=t have
10 a healthy industry.

11 As an SME, I recognize how I fit into
12 that food chain and it=s so important to foster a
13 good relationship between the large companies and
14 the small companies. In order for companies like
15 mine to innovate, I need a healthy business from
16 my larger customers to allow me to invest in the
17 technology and the team members to innovate and
18 support the growth that my large customers expect
19 and want us to be able to provide.

20 So, I would volunteer myself. I=d love
21 to be on the ad hoc committee if that=s the direction
22 that we go. I think it=s one of the most important
23 issues that we can talk about here. Thank you.

24
25 CHAIRMAN SMYTH: Okay. Thank you very
26 much, Zach. Irwin Shur?

27 MR. SHUR: Yes, just very quick and
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6 probably a very obvious one. But I think a
7 synthesis of some of the ideas that Al and Joe have
8 had can be done by the simple expedient of making
9 sure there=s at least one member of each
10 subcommittee on the ad hoc committee, and that they
11 are thinking about it from the point of view of the
12 specific application to the tasks of that
13 particular subcommittee. That should address, I
14 would think, some of Al=s appropriate concerns
15 about the tasks of the subcommittees and melding
16 them together. And Cody, it also addresses your
17 concern which is you eliminate the sort of
18 scattered nature that could be there.

19 CHAIRMAN SMYTH: Good comment, Irwin.
20 Okay. Joe, I would like to thank you for bringing
21 this up. I=d ask for any last comments on this
22 point from you.

23 MR. SYLVESTRO: Thank you for that.
24 You know, I think an integrated approach in however
25 it makes most sense to operate within this kind of
26 a forum I think will serve us from the standpoint

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6 of allowing focus on the initiatives that are
7 already underway as well as not leaving something
8 that I think we've been asked to consider. So,
9 whatever is the right format, you know, I'd be
10 willing to support.

11 CHAIRMAN SMYTH: Okay. So, I think we
12 have a good momentum. A comment from DAS Brown?

13 DAS BROWN: Yes, coming from Commerce.
14 So, I think what we are looking for is an integrated
15 letter. So, you know, I appreciate the interest
16 that's being shown to the supply chain here and I
17 think we would be very supportive of the creation
18 of an ad hoc committee. If people would like to
19 serve their time, whether one for each or, you know,
20 build on the great work that's already been done,
21 I think if people are willing to do that, that would
22 be great. We would look forward for an integrated
23 letter from a supply chain ad hoc committee for
24 example.

25 I would also say again, you know, we do
26 need to be careful, I guess NEC has things they

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6 would like to task us to do, but our number one
7 priority to be clear is not the White House, it is
8 the Secretary of Commerce in answering that
9 question. We love our friends, Vikrum and Sue, but
10 I do want to put that in there, and that also, we
11 have other supply chain advisory committees as well
12 within Commerce.

13 So, I think this is a big topic. There
14 are many pieces and layers that you could look at.
15 We would really look forward to seeing, you know,
16 what comes out and what develops from that, you
17 know, across the board. So, that would be some of
18 the feedback from Commerce.

19 CHAIRMAN SMYTH: Thank you very much,
20 DAS Brown.

21 MS. WONG-BARRETT: Madam Chair? So,
22 just in support of the breakout of an ad hoc
23 subcommittee, I would also, or ad hoc committee on
24 this, the Innovation Research and Development
25 Subcommittee have done some work but we are still
26 in our discovery stage. So, we would have no issue

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6 whatsoever being part of a broader initiative.
7 So, there is no, we don=t need to keep our hands
8 completely on the ball, but we would be happy to
9 be part of the broader Manufacturing Council
10 initiative.

11 I would suggest that for whatever ad hoc
12 committee does develop, that we have someone
13 appointed as a chair of that to help call us to
14 various ideas because there is a lot of program
15 management required to bring together the
16 thoughts, the discovery process, the
17 recommendations. So, that may be something to
18 think about for the Chair and Vice-Chair is for
19 someone that --

20 CHAIRMAN SMYTH: That will make a lot
21 of good dialogue. Any other comments from the
22 floor? So, the Chair and Vice-Chair will take as
23 an action item to assign a chair for this ad hoc
24 subcommittee. I like Irwin=s idea of
25 representation from each one of the subcommittees.
26 I think some people have already nominated and we

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6 do have two organic centers of gravity on this, and
7 I will be taking the dialogue off line. I thank
8 everybody. Back to the Vice-Chair.

9 VICE-CHAIR MARTINEZ: With that,
10 unless there is any other comment, I=d like to
11 transition. No other comment? I=d like to
12 transition to Mr. Shirish Pareek from the Workforce
13 Development Subcommittee who will give us the
14 briefing on Workforce.

15
16 MR. PAREEK: Good morning, DAS Brown
17 and Chair Smyth and Vice-Chair Martinez. It=s my
18 great honor to be reporting on the progress of
19 workforce and perceptions of the committee on
20 behalf of my whole subcommittee.

21 Before I get started, I want to thank
22 the work that our subcommittee is doing and really
23 excellent participation and effort on the part of
24 all, and introduce the members. I=ll start with
25 Roger Nielson, Jenny Houston, Craig Freedman, Ray
26 Yeager. Also regrets from three of our members who
27 for different pressing reasons could not be here

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6 today, but their contributions are significant and
7 valuable, Tim O=Mara, and Vice-Chair with me Andra
8 Rush, and Eric Kelly who could not be here today.

9 Also, before I go into the work that
10 this current subcommittee is doing, I=m really
11 delighted to see the work that we did in the last
12 subcommittee on workforce and perception and the
13 traction it is receiving. I was invited to be at
14 an event in Detroit where President Obama and Dr.
15 Jill Biden were announcing the real emphasis on
16 community colleges and how community colleges can
17 be used as a nucleus for really transforming skills
18 amongst young people. That was, if you recall,
19 that was our big recommendation really, using
20 community colleges as a mechanism to drive trade
21 skill development.

22 Other big recommendations we had made
23 in our last, and I only share this as a way to
24 encourage and talk about some of how the
25 recommendations that are being made here are really
26 followed through. Other big recommendations we

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6 had made was driving a national level grant
7 competition, bringing industry and community
8 colleges and high schools to work together and
9 really create these multiple nucleuses where skill
10 development happen. There was a program like that
11 announced in last December and actually I had a
12 chance to also participate with Macomb County
13 Community College which was one of the recipients
14 of that grant money.

15 So, with that, I=ll get into the work
16 we are doing right now. Really, at this point, our
17 subcommittee is working on three parallel sort of
18 work products or deliverables. First one is
19 career, technical and manufacturing education in
20 middle and high school, including internship
21 programs and apprenticeship programs. I=ll go
22 more into details of that in a few minutes.

23
24 Second one is perception campaign.
25 We=ve talked about it for quite some time but I think
26 we feel we are at a point where we have a clear path
27 and we will be reporting back more on that in coming

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6 meetings. But really, taking the work that is
7 happening and the report out that DAS Brown gave
8 on Manufacturing Day, how we can work Manufacturing
9 Day from a day into an ongoing campaign and change
10 some of the perceptions that even, Marsha, you
11 mentioned about how mothers feel manufacturing has
12 a certain perception out there. So, really
13 thinking through a framework of how we launch our
14 perception campaign, so more to come on that as
15 well.

16 The third piece which is really
17 documenting, and I was delighted to hear the report
18 out from various Manufacturing Council members on
19 learnings and new nifty techniques and approaches
20 we all use for Manufacturing Day and really
21 collecting all of that and can work that into,
22 that=s a specific ask from Department of Commerce,
23 so converting that into a white paper. While I
24 have the floor, you all will be receiving a very
25 specific request, as Jenny mentioned, a specific
26 framework in which we want that information, but

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6 please do, we are really looking forward to
7 everybody=s input there and some amusing stories
8 that I heard today as well.

9 So, with that, I=ll go into more of sort
10 of details on middle and high school, some of the
11 work that we=ve already done and it=s still a work
12 in progress. We still have some more research to
13 be done and to make our letter of recommendation
14 much more specific. But I=ll talk about sort of
15 where our current thinking is on behalf of my whole
16 subcommittee.
17

18 With regards to middle and high school,
19 we recommend establishing a public-private
20 partnership with Department of Labor and
21 Department of Education to achieve the following
22 objectives. First is establish a nationwide
23 educational curriculum change for middle and high
24 schools. Second one is create workforce
25 development programs in public and charter schools
26 to really teach students about the manufacturing
27 industry, providing students with hands-on project

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6 opportunities, as well as virtual or in-person
7 field trips.

8 Third objective for us is to see more
9 cooperation between schools, manufacturers and the
10 Federal Government. I can safely say on behalf of
11 the Manufacturing Council that we don=t believe
12 that this work is all just the role of Department
13 of Education or Department of Commerce. Industry
14 certainly has a big role to play in the skills and
15 workforce development issue. Third one is really
16 focusing on establishing a national initiative for
17 career and technology development. Finally,
18 promoting national career readiness certificates
19 which are stacked and transferable that high school
20 students from high school to community colleges all
21 the way to universities as well as industry.

22 So, just some key points on middle
23 school. Really our focus is for education in
24 middle school, we recommend a model that is
25 developed by Scholastic, a leading publication of
26 research-based instruction material to really

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6 teach about, like citing jobs that are out there
7 in the manufacturing environment.

8 For high school, our subcommittee
9 proposes two approaches. One is career, technical
10 education, and second is apprenticeship programs.
11 Really, for apprenticeship programs, we are
12 looking at partnerships between public school as
13 well as the manufacturing industry to play a vital
14 role in finding what=s the best fit for both the
15 students as well as for the industry.

16 On the stacked and transferable
17 accreditations, manufacturers require a base level
18 of skills for entry level jobs in the industry.
19 But the opportunity to get these skills is limited
20 and is provided mostly by the manufacturers
21 themselves. We will be focusing about how career
22 readiness can be promoted.

23 So, in summary, we would be
24 recommending authorization of Carl D. Perkins
25 Career and Technology Education Act of 2006 to make
26 sure CTE continues to get the support and continues

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6 to be promoted. Then again coming back to middle
7 school, high school, as well as apprenticeship
8 programs. So, as you see the next letter from us,
9 there will be a lot more specificity on these
10 topics. But given we were all together, I wanted
11 to make sure we keep talking about where our
12 subcommittee is headed.

13 I=ll stop at this point and transfer it
14 back to you.

15
16 VICE-CHAIR MARTINEZ: Excellent.
17
18 Thank you very much for that briefing. We really
19 appreciate that, Shirish. I=d like to open up the
20 floor for any discussion topics on workforce in
21 general, things you think that the subcommittee
22 should be addressing, expounding on what Shirish
23 has just briefed us on. Anything? Please, Ray.

24 MR. YEAGER: Ray Yeager, DMI
25 Companies. So, everyone in this room I believe is
26 committed to the Manufacturing Council, and I can
27 tell you that as part of this subcommittee, we are
28 passionate about what we want to have happen with

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6 the youth of this country. The Department of
7 Commerce brought up earlier the concept in 2025,
8 that there are going to be two-and-a-half-million
9 jobs empty or needed to be filled in manufacturing.

10 That=s one of the things that I think
11 we are so committed to try to move forward. We=re
12 just trying to start it, but our goal is really so
13 that in 2025 we don=t have that issue, that we have
14 children coming up through middle school and high
15 school that will be ready to move into
16 manufacturing.

17
18 VICE-CHAIR MARTINEZ: Excellent
19 comment, Ray. Thank you so much. DAS Brown?

20 DAS BROWN: Yes, if I can make a
21 comment? I think this is such a critical topic and
22 I so appreciate, we know the huge amount the
23 Workforce Committee has done. There=s so much
24 legislation, there are so many things happening in
25 real time that it=s a huge topic to take on.

26 The few points, I want to commend you
27 on looking at, you know, middle schools and the
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6 younger age because there hasn't been as much
7 attention and focus on the government side. So,
8 kudos on that, I think that's great.

9 I would say on things like
10 apprenticeship, you know, you mentioned that, and
11 again knowing how much work needs to be done has
12 some advice like on focus. As you probably know,
13 we've put, this administration has put a huge amount
14 of money into apprenticeship programs and have
15 started up some new ones. So, we don't need to
16 necessarily reinvent at this point.

17 You know, I would be very interested in
18 feedback on existing things like very specific.
19 Is it working? Are there any gaps? You know,
20 apprenticeship is a good one where we have been
21 refocusing, and refocusing actual resources on.
22 So, you know, specific feedback, are they working,
23 are they not, you know, the good things about it.
24 Those are some of the things where it doesn't need
25 to be new, but feedback on existing, newer
26 performance measures I think would be very helpful

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6 from the government standpoint. Thank you.

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8 MR. MOTTL: Madam Chair?

9
10 VICE-CHAIR MARTINEZ: Please, Zach.

11 MR. MOTTL: This is Zach Mottl with
12 Atlas Tool & Die Works. I=d just like to highlight
13 that you are in a live apprentice training facility
14 here. During the break, please check out the
15 facility and ask questions. We will have our
16 Director of Education here from the Technology and
17 Manufacturing Association. The Association has
18 an over 80-year history in apprentice training
19 programs and is one of the best that I=ve seen
20 nationwide. So, please, I encourage you all to
21 find out and learn about what is working here and
22 how we can work together for more of it. Thank you.

23
24 VICE-CHAIR MARTINEZ: Very well put.
25 Anyone else? All set on Workforce? Shirish?

26 MR. PAREEK: Thank you.

27
28 VICE-CHAIR MARTINEZ: Okay, thank you.
29 Now, I=d like to turn it over to Jan Allman and Bill
30 Yeargin for an update on our Trade, Tax Policy, and

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6 Energy Growth Subcommittee. Jan?

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8 MS. ALLMAN: Good morning. Deputy
9 Assistant Secretary Brown and Madam Chair, we are
10 a work in progress. So, we have been in our
11 discovery stage. We've been talking to subject
12 matter experts. We developed a standard
13 communication package. We went out and we
14 received input both in our region and our areas,
15 you know, from our local manufacturers. We had a
16 standard communication package, we kept track of
17 who we were talking to so that, you know, when asked
18 how many people did we talk to, we actually
19 developed a standardized survey to try to get even
20 additional input in case somebody didn't want to
21 raise their hand.

22 So, we have been storming and forming
23 and trying to get as much information as possible.
24 We met this week, gathered a lot of that information
25 to try to prioritize as the challenges that have
26 been, so what are we doing moving forward. So, as
27 you know, we already, we had some really emergent

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6 urgent issues to address.

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8 We did do two letters of
9 recommendation. We have boiled it down that we
10 have five actionable immediate items that we are
11 going to be putting forth, that we're going to be
12 working on to put forth before February. We have
13 one white paper that we'll be submitting. Then
14 we'll be focusing on longer term actions, advice and
15 summary type things that we'll be pulling together
16 for the next coming Manufacturing Council.

17 So, that's kind of what our work efforts
18 that we'll be focusing on as we proceed forward.
19 So, that's kind of a very short and brief summary
20 of what we've been doing for the Tax and Trade
21 Subcommittee. Five minutes or less.

22
23 VICE-CHAIR MARTINEZ: Thank you, Jan.
24 Thank you.

25 DAS BROWN: Could you maybe just
26 mention what your five topics are for the group even
27 in general?

28 MS. ALLMAN: I don't have them with me.
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6 We did not copy them because we had them in a huge
7 matrix. I had asked to try to pull them together
8 and they thought that would be too challenging, so
9 we did not pull them. But they were ones that we
10 felt that we can do very quickly by November was
11 our challenge.

12 DAS BROWN: And I would say good work
13 like on one of the specifics, like one of the
14 specific questions that we had at the Department
15 of Commerce for example was feedback on top market
16 reports. So, that=s very specific in an area
17 where, you know, we were looking for feedback and
18 you have done a great job like outreaching and
19 finding the good or bad about where those fit. So,
20 as an example, I think that=s, you know, a really
21 great thing and got very specific actionable items
22 that --

23 MS. ALLMAN: We=re going to do a white
24 paper on that one for sure. That=s the --

25
26 DAS BROWN: I just wanted to --

27 MS. ALLMAN: Yes. So, that one --
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6 DAS BROWN: Because input from
7 everyone here is valuable on that.

8 MS. ALLMAN: We'll be doing the white
9 paper on it. Go ahead.
10

11 MR. YEARGIN: I think one of the most
12 helpful things, this is Bill Yeargin of Correct
13 Craft. I think one of the most helpful things for
14 our group is we've got a tremendous amount of
15 outside input. Every Monday we had an expert
16 speaker, you know, our group went out to our
17 business communities and universities and got
18 input and did SurveyMonkey survey. So, a
19 tremendous amount of outside input that's really
20 been beneficial for us.
21

22 VICE-CHAIR MARTINEZ: Excellent. Any
23 more from Jan? Did you want to --

24 MS. ALLMAN: No, I'm good.

25 VICE-CHAIR MARTINEZ: Okay, good.
26 Thank you, DAS Brown, appreciate that input.
27 Would anyone like to comment on that? On the data
28 that's been gotten from those surveys so far from
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6 the committee? Anyone else on general issues for
7 the subcommittee?

8 All right. Are people getting hungry?
9 Go ahead, Shirish.

10 MR. PAREEK: I really look forward to
11 recommendations from the Tax Subcommittee. One of
12 the things, and this is more of a general comment
13 from me, there are certain companies that I come
14 in contact with and more and more I'm seeing a trend
15 where they're taking the most profitable part of
16 their business and taking it offshore. I see that
17 trend in several large OEMs in my own industry where
18 they make money enough to market parts which is the
19 industry I play in and they don't make as much money
20 on the equipment, the big giant pieces of
21 equipment, and they outsource the complete parts
22 business overseas, the moneymaking operation.

23
24 Again, this is a general input from me,
25 as we think about tax, what can and how can some
26 of those things be kept in our own nation?

27 VICE-CHAIR MARTINEZ: Excellent.
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6 Very good comment. Anyone else? All right.
7 Well, seeing no other comment on that area, thank
8 you very much, Jan and Bill. I'll turn it back over
9 to Christy for the update from the Innovation
10 Research and Development Subcommittee.

11 MS. WONG-BARRETT: Thank you, Madam
12 Vice-Chair, and thank you, DAS Brown, for the
13 attention and support today. You've heard a lot
14 from our subcommittees, so probably a briefer
15 update on what you haven't heard already is what
16 follows.

17 Most recently, I just want to thank our
18 subcommittee members, Dawn Grove, Albert Green,
19 Irwin Shur, Jeff Wilcox, and also a special advisor
20 on innovation policy who has been supporting our
21 group, Kathleen Kingscott who is in the back there.
22 Without her advice, we probably wouldn't have all
23 the i=s dotted and t=s crossed and proper references
24 and thoughts around building on existing
25 platforms. So, thank you very much for your
26 support and your advice.
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6 As you know, our subcommittee had been
7 focused primarily incorporating the feedback from
8 full Council and USPTO as we brought forward our
9 letter for adoption from the Council. So, thank
10 you very much for your involvement and your
11 wonderful commentary and review of that letter.
12 We are very pleased to have it adopted today and
13 able to button down one topic and move on to the
14 next.

15 We have several other topics that are
16 in our focus and we have been unpackaging those
17 through discovery process over the past months.
18 The three remaining topics we were looking at were:

19 The NNMI's which is the National Network
20 for Manufacturing Innovation. It's a significant
21 priority for Commerce as well as the administration
22 to move that new vehicle for transference of
23 technology into commercialization forward in our
24 country out of pilot stage and into something that's
25 sustainable over the long term.
26

27 The second topic that we were focused
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6 on is ICANN which is the Internet Corporation for
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8 Assigned Names and Numbers.

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10 The third topic we were looking at was
11 supply chain innovation which I'm grateful to hear
12 that there is momentum more broadly outside of our
13 subcommittee on that and that there will be able
14 to be some focused attention on it because I feel
15 we haven't been able to put as much as we would like
16 into that particular topic.

17 So, now I'll provide a brief update on
18 NNMI and ICANN since I think I've already briefed
19 the full Council on the other two topics today.

20
21 For NNMI, we have spoken to all
22 institute directors as part of our discovery
23 process and actually several of the operational
24 leads within those institutes as well. The
25 directors obviously play a role to guide at a
26 strategic level, but the operational leads have a
27 lot of insight on what are best practices, what are
28 things they would have liked to have seen done
29 differently, what is the value they could see from

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6 central support, from network governance. So,
7 we've learned quite a lot about successes and
8 opportunities for improvement in standing out the
9 five existing institutes that are at some level of
10 maturity.

11 We have also spoken to the NIS Deputy
12 Director, the Advanced National Manufacturing
13 National Program Office Director Mike Mulnar, and
14 toured the DMDII as part of our initial meetings
15 as a subcommittee. We've spoken to the agencies
16 that have funded the initial institutes that were
17 stood up, so the DOE Director of Advanced
18 Manufacturing. We are working on a call with DOD,
19 so Adele Ratcliff, you know, on our hit list for
20 a phone conference, but she was very busy obviously
21 setting up the new Flex Hybrid Institute, so we
22 appreciate the attention on that.

23 We have also spoken to the Advanced
24 Manufacturing Partnership, one of the co-chairs
25 that let the NNMI work stream. There is still more
26 work to be done to review some of those

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6 recommendations and bring it in to our work. Then
7 we've also spoken to several industry participants.
8 We are still missing a few inputs but we are in the
9 process of gathering those through setting up
10 interviews and discussions. I'm really thankful,
11 DOC had been wonderful at making connections and
12 opening up the dialogue and helping us get access
13 to individuals that we need to speak to.

14 We will be actually splitting our work
15 on NNMI into two sections. The reason for that is
16 there is a specific topic that Secretary Pritzker
17 was interested in our feedback on regarding the
18 open topic selection process. It was highlighted
19 by Secretary Pritzker as an area of interest, and
20 there is some time sensitivity to this as well.
21 So, we have brought forward that particular
22 component of our work on NNMI and we'll be working
23 on a very, I'd say a short and sweet focused letter
24 within the next eight weeks that provides
25 commentary on the process for open topic selection
26 as well as how to attract the appropriate
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6 individuals and to do the review and selection of
7 the institute. That, as I said, we're expecting to
8 produce within the next eight weeks as our short
9 time frame.

10 The secondary investigation would be
11 what we've learned from the broader discussions on
12 institute network best practices. So, that will
13 be coming forth in a formal letter, we're hoping for
14 February. It's a little bit less time sensitive
15 and we'll have the time we need to coalesce on some
16 recommendations and also speak to all the agencies
17 that are involved and all the stakeholders to make
18 sure we're building on the work that they've already
19 done.

20 Finally, on ICANN, we are currently
21 developing recommendations letter regarding the
22 continued oversight by the Department of Commerce
23 with ICANN which is the Internet Corporation for
24 Assigned Names and Numbers. For those of you that
25 are not as familiar with it such as I, I'm learning
26 about it as well, it's the technical body that
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6 ensures the stable internet and oversees the
7 issuance of internet names including top level
8 domains such as .com, .gov, but also branded names
9 such as .cocacola, .boeing, .hydraulexglobal for
10 example, so manufacturers= brand names.

11 There are specific ideas that we=ll be
12 developing for reforming ICANN structure to
13 improve accountability and transparency to better
14 protect manufacturers not only today but in the
15 future. I think many of you are familiar with the
16 topic of distributed manufacturing and the
17 potential in the future to be manufacturing things
18 in multiple locations as close as your customer=s
19 doorstep, and your domain name may be the channel
20 through which that manufacturing happens. So,
21 understanding how the future of manufacturing can
22 be impacted by a lack of control and accountability
23 over domain names is very important for our Council
24 to be thinking about.

25
26 So, we=ve spoken to outside legal
27 experts in the field, Paul McGrady as well as the
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6 Department of Commerce=s NTIA which are the
7 representatives that are responsible for ICANN
8 within DOC. We are still finalizing
9 recommendations, we=re expecting a February timing
10 for that as well.

11 On the other topics, supply chain
12 innovation, I think we=ve already briefed so I=ll
13 pause there and open up the floor for any questions.

14 VICE-CHAIR MARTINEZ: Any questions or
15 input for Innovation Research and Development?
16 Anyone else? All right, I am going to, please, DAS
17 Brown.

18 DAS BROWN: So, if I can just make a
19 comment that I think the level, depth and breadth
20 of what you=ve done, particularly in the NNMI, is
21 something that we in Commerce are, you know, really
22 excited about hearing about. I really appreciate,
23 you know, the huge amount. I think a common theme
24 you=ve seen from everyone, whether it=s energy,
25 talking with DOE and the other folks to talking with
26 all the institutes, the Department of Defense, the

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6 Department of Energy who are doing the NNMI's
7 currently, it's so critical to do that outreach, you
8 know, across agencies, whether it's Labor,
9 Education, Energy.

10 But in particular on that, what I think
11 is great as well and I just want to add, whether
12 it's recommendation letters, you know, specific
13 recommendations, that there is so much thought
14 process and work and background information that
15 you've done during this discovery process. I just
16 want to make sure that everyone is capturing that,
17 that not everything, you know, will be in a
18 recommendation letter. We don't want necessarily
19 20-page recommendation letters with, you know, all
20 the great information you've discovered, whether
21 it's annexes, whether it's notes, whether it's
22 white papers. You know, there's just been such a
23 huge amount of effort done particularly in this
24 NNMI effort.

25 So, you know, be commended for that and
26
27 I hope that, you know, there's ways that we can take
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6 that work, it doesn't even have to be in a formal
7 recommendation within that time frame. I also
8 think that will be another one of the, as a kind
9 of concluding remark, another one of the areas
10 where you want to make sure it is keyed up for the
11 next. The NNMI's are going to continue, there will
12 be governance issues that are going to continue.
13 You know, we believe there will be expansion of
14 more, so this is a continuing, you know, theme and
15 topic.

16 So, as you also look towards
17 transitioning, I think it's important that, you
18 know, that's captured in your prioritization for
19 the next folks coming will be really helpful. So,
20 thank you.

21 VICE-CHAIR MARTINEZ: Yes. You sort
22 of took the words right out of my mouth, DAS Brown,
23 because I wanted to make sure everyone on the
24 Council knows how diligently the co-chairs are
25 working on this particular term of the Council. We
26 have been told several times by the Commerce staff,

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6 by DAS Brown and others, that we are very fortunate
7 to have the leadership that we have. You all don't
8 see a lot of the behind-the-scenes work that goes
9 on, both with our Commerce colleagues as well as
10 our leadership team. We meet at least every two
11 weeks via phone or in person. We had a very robust
12 discussion yesterday where it's very, very
13 collaborative and collegial, and we are very, very
14 grateful to be able to foster that environment.

15 That comes from the leadership of
16 Department of Commerce. We are very fortunate to
17 have DAS Brown having sat on this side of the table
18 and taken her passion for manufacturing and
19 understanding of the importance of diversity not
20 only for SMEs and large businesses but geographic
21 sector diversity. DAS Brown is so humble, she will
22 not tell you that on the average she has one to two
23 days off per month. Her weekends, travel
24 schedules, she's recovered from pneumonia I think
25 not quite all the way as you can hear from her cough.
26 Her work ethic is relentless and she really, really

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6 believes in this country and in the work of this
7 Council. So, I think we should give her a round
8 of applause.

9 (Applause.)

10
11 VICE-CHAIR MARTINEZ: You know, I'm
12 just going to transition into my closing remarks
13 and let you all know I think you all see the value
14 of having the brainstorming and networking
15 sessions that we have outside the beltway. Does
16 everyone have some good feedback on Chicago, right?
17 We had a wonderful time here. Grateful to Zach.
18 We're very, very grateful to the DMDII folks
19 including our own Liz Emanuel who we miss
20 tremendously but we're very, very happy she's
21 upward and onward.

22 The Technology Manufacturing
23 Association that's hosting here in this amazing
24 building, our option is going to be to go ahead and
25 do a tour just before our lunch arrives at 12:00
26 o'clock, so we're trying to get done a little bit
27 early to give you the opportunity to take advantage

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6 of this facility here, maybe take some lessons
7 learned home. I think that=s very, very important.

8 I=d also like to highlight one of our
9 colleagues, Jim here from Whirlpool, James
10 Keppler, we are very, very, very appreciative. We
11 cannot say enough about the hosting that you did
12 yesterday. So, I think Jim also deserves a round
13 of applause.
14

15 (Applause.)

16 VICE-CHAIR MARTINEZ: Then last but
17 not least on the host, I think that really we need
18 to give you a round of applause as well. No one
19 sees logistics. I think you are in constant
20 communication maybe six times a day with Department
21 of Commerce in the last few months. So, please,
22 give our friend also, Zach, a round of applause.
23

24 (Applause.)

25 VICE-CHAIR MARTINEZ: Last but not
26 least, I=d like to thank our Chair, our esteemed
27 Chair. I think she=s doing an exceptional job of
28 leading us, really, really fostering the
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6 camaraderie. It is a privilege to be able to work
7 with you and work with every one of you. I learn
8 so much from you all the time, both in formal
9 settings like this as well as informal. I thank
10 you all for your patriotism. Thanks so much.

11 CHAIRMAN SMYTH: Thank you, Claudine.
12 Much appreciated. I think we've made phenomenal
13 progress. When we started this journey in April,
14 we realized that we had probably less than half the
15 time of previous councils. I want to thank the
16 entire Council for their investment, that's been a
17 significant investment of time and resources.

18 I'd also specifically like to thank the
19 supporting staff, people behind the scenes, many
20 of whom are present sitting in the back of the room.
21 I, you know, very much appreciate what they're doing
22 on a personal level, my support, and also you guys
23 are reaching back and we would not be able to move
24 as quickly and diligently without our experts on
25 the team. So, perhaps a small sign of
26 appreciation?
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6 (Applause.)

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8 CHAIRMAN SMYTH: Thank you very much.

9 Okay, in this vein, I think formal thanks are also
10 due to DAS Brown, Ms. Roche and Ms. Segal and their
11 staffs for not only coordinating these meetings but
12 facilitating the engagement of SMEs and the cross
13 agency dialogue. That=s really been a critical
14 component of our success and our ability to
15 accelerate. I think several of the speakers today
16 have commented on that fact and it really is
17 essential to perform this due diligence.

18 I think it=s really, really important
19 within the agencies to understand and there=s so
20 much activity happening cross agency, what are the
21 existing programs, and to echo DAS Brown to say what
22 are the gaps in these because it=s much easier to
23 course correct something that is already in place.
24 In that way, we can make a significant impact and
25 relatively quickly. So, I want to thank you all
26 for doing that within the individual chairs.

27
28 You know, as it=s been mentioned today,
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6 we have three recommendation letters that have
7 already been accepted. They're top quality and
8 they're in record time. But in addition to that,
9 that's not the only mechanism that we have at our
10 disposal. We have other letters in the pipeline
11 but we also have multiple white papers and there
12 was some general discussion on that today.

13 I also think it's extremely important
14 to capture the chronicles, and that's a word that
15 came up a number of times in the last couple of days,
16 the chronicles of how we achieve the letters, who
17 did we speak to, what was the organization, and
18 really leave some level of standing operating
19 procedure for the people who will follow us and take
20 it to the next level. I want to thank everybody
21 for their activities in developing what I would
22 regard as the spectrum of deliverables for the
23 Secretary and the Department of Commerce.

24
25 So, I would just like to open the floor
26 for any general comment before I officially adjourn
27 the meeting. Yes, do you want to make a comment?

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6 Sorry. We have a couple of minutes.

7 VICE-CHAIR MARTINEZ: If I can. I
8 just want to let everyone know, in preparation for
9 our next all Manufacturing Council meeting which
10 we're targeting in February or March, probably
11 February, we don't have the congressional calendar
12 published yet, and so that's another reason why the
13 date is a little bit uncertain. But we want to make
14 sure we're responsive to the feedback we got in the
15 previous all Council meeting which was to replicate
16 what was done twice I believe in the previous
17 Council, and that is to act as an educational
18 resource, have the Council go up and do some
19 education outreach for the Hill.

20
21 So, if you have any contacts or any
22 specific areas that you'd like to reach into, I
23 would really appreciate if you connect with Archana
24 and give your expertise and resources so that we
25 can start to determine what those meetings will
26 look like, and get your calendars ready as well.
27 Right now, we're looking to do an off site briefing

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6 in May, and then regroup again in Washington, DC
7 probably in September for our final meeting.
8 Again, we will follow up on those dates with you.
9 I know your calendars are very sensitive, specially
10 international travel, and we will make every effort
11 to get those established very quickly.

12 CHAIRMAN SMYTH: Thank you, Claudine.
13 Any other general comment? Okay, I would like to
14 formally adjourn this meeting. Thank you,
15 everybody. Oh, and by the way, I just received and
16 extremely important note, the food is here.

17 (Off the record.)

18
19 CHAIRMAN SMYTH: Okay, just a quick
20 breaking news, for those of you who are flying as
21 I am out of O'Hare, Bill said he just received a
22 communication that there are a number of TSA
23 people, or there are less than the usual number and
24 expect huge delays. You may want to bring that
25 into consideration with your flight time. Thank
26 you, Bill.

27 (Whereupon, at 11:48 a.m., the meeting
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was adjourned.)

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