

# **National Institute of Standards and Technology**

## **Manufacturing Extension Partnership**

### **Advisory Board**

#### **Minutes of the September 2010 Meeting**

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#### **Background**

The National Institute of Standards and Technology (NIST), Manufacturing Extension Partnership (MEP), Advisory Board met in an open session from 8:30 a.m. to 4:30 p.m. on September 13, 2010, at the Grand Hyatt Denver in Denver, Colorado. Approximately 47 attendees, composed of Board members, MEP participants, and observers, attended the meeting.

#### **Attendees**

##### **Board Members**

Mark Rice, Chair, MEP Advisory Board, and President, Maritime Applied Physics  
James Bean, Vice Chair, MEP Advisory Board and President and Chief Executive Officer, Preco Electronics, Inc.

Dennis Dotson, President, Dotson Iron Castings

Cheryl Hill, Owner and Chief Executive Officer, Hill Manufacturing, Inc.

Edward "Ned" Hill, Dean, Levin College of Urban Affairs, Cleveland State University

James Jacobs, President, Macomb Community College

Fred Keller, Chairman and Chief Executive Officer, Cascade Engineering

Ken Priest, President and Chief Executive Officer, Kenway Corporation

##### **MEP Participants**

Clara Asmail, Senior Technical Advisor, NIST MEP

Chris Carbone, Economist, NIST MEP

Aimee Dobrzeniecki, Deputy Director, NIST MEP

Roger Kilmer, Director, NIST MEP

Karen Lellock, Senior Policy Advisor, NIST MEP

##### **Other Participants**

Lydia Carson, former Vice Chair, MEP Advisory Board, and President and Chief Executive Officer, Balm Innovations, LLC

##### **Observers**

Melissa Ayala, Industrial Specialist, NIST MEP

Paul Blackmon, Jr., Consultant, IMC

David Boulay, Director, North Carolina MEP

Samm Bowman, Business Specialist, NIST MEP

Mike Coast, Director, Michigan Manufacturing Technology Center

Ronald Gan, Administrative and Financial Management Officer, NIST MEP

Jaclyn Gardner, Brand Manager, NIST MEP

Sara Garretson, Industrial & Technology Assistance Corp., New York MEP

Winifred Grebey, Director, Florida MEP  
Diane Henderson, Business Liaison Specialist, NIST MEP  
Janice Kato, Director, Hawaii High Technology Development Corporation-MEP  
Michael Klonsinski, Director, Wisconsin MEP  
Jeff Kohler, Director, Virginia's A.L. Philpott MEP  
Brian Lagas, Industrial Specialist, NIST MEP  
Adelwiza Lequin, Industrial Specialist, NIST MEP  
Carroll Thomas Martin, Program Manager, Technology and Supplier Scouting, NIST MEP  
Deirdre McMahon, Reporting and Survey Administrator, NIST MEP  
Barry Miller, Director, Delaware Valley Industrial Resource Center  
Petra Mitchell, Director, Catalyst Connection  
Dick Peck, Chairman, Board of Directors, Florida MEP, and President, QTM, Inc.  
Ken Poole, Chief Executive Officer, Center for Regional Economic Competitiveness  
Kari Reidy, Project Manager, National Accounts, NIST MEP  
Jenne Rodriguez, Quality Specialist, Nebraska MEP  
Mark Schmit, Program Manager, National Accounts, NIST MEP  
Mike Simpson, Director, System Operations, NIST MEP  
Larry Stewart, Director, Manufacturing-Works  
Dileep Thatte, Industrial Business Specialist, NIST MEP  
Natalie Turchi, Business Trainee, NIST MEP  
Phillip Wadsworth, Account Manager, NIST MEP  
Tab Wilkins, Account Manager, NIST MEP  
Gary Yakimov, Manager, Policy Initiatives, NIST MEP

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## **Welcome, Introductions, and Opening Remarks**

***Moderator: Mark Rice, Chair, MEP Advisory Board, and President, Maritime Applied Physics***

Mr. Rice welcomed the Board, MEP participants, and observers to the September 2010 MEP Advisory Board meeting. A major effort has been made for the Board to gain a better understanding of its role relative to the small and medium-sized enterprises (SMEs), the National MEP System, and the 60 MEP Centers within the MEP System. MEP management has provided a great deal of information to the Board to help the Board gain a better understanding of the MEP System. MEP management continues to work with the individual Centers to improve their strategies and operations.

In the future, the Board hopes to:

- Work more closely with SMEs,
- Work more closely with the 60 Centers, and
- Work more closely with the Centers' Boards.

***Speaker: Roger Kilmer, Director, Manufacturing Extension Partnership, National Institute of Standards and Technology***

Mr. Kilmer announced that Lydia Carson has stepped down from the MEP Board. Over the years, Ms. Carson has been a Center director, a chief executive officer of a manufacturing

operation, a member of the Board, and Vice Chair of the Board. Ms. Carson has joined Eureka! Ranch and her focus will be on transferring technology from concept to commercial products. Ms. Carson was thanked for her contributions and years of services.

### **Current State of Manufacturing**

***Speaker: Ned Hill, Member, MEP Advisory Board, and Dean, Levin College of Urban Affairs, Cleveland State University***

#### *Forecasts*

Generally, the forecast for the country's overall economic output is variable, with gross domestic product (GDP) rates of 2.9, 2.7, and 3.6% in years 2010, 2011, and 2012, respectively (based on the Survey of Professional Forecasters released on 8/13/10). While the growth will be minimal through 2012, it does not appear that there will be a second recession.

#### *U.S. Unemployment Claims*

U.S. unemployment claims are high, but dropping. The unemployment rate was 350,000 in 2005 and the unemployment rate peaked at 650,000 in 2009. The benefits of the Federal stimulus plan have stalled and the unemployment rate is currently at 450,000.

#### *Duration of Unemployment*

The duration of unemployment is the longest since 1960 with recent indicators showing the duration of unemployment at 35.2 weeks in June 2010 and 33.6 weeks in August 2010.

#### *Automobile Manufacturing in the U.S.*

North American (U.S., Canada, and Mexico) annual percentage change in automobile production was down by a third in 2009, with the U.S. showing the largest decline. Automobile manufacturing (as an annual percentage change) in the U.S. was down by 34.3% in 2009.

### **The State of Things in the MEP World**

***Speaker: Christopher Carbone, Economist, Manufacturing Extension Partnership, National Institute of Standards and Technology***

#### *MEP and the Economy*

The economic downturn has had an adverse effect on the number of projects and client impacts generated by the MEP System. Current data shows signs of moderate improvement; however, it was noted that MEP survey data lags behind current activity by several months.

#### *Clients and Projects Reported*

Total number of unique clients and projects has decreased during the 2007 to 2009 timeframe, from approximately 8,500 unique clients and over 14,000 projects in 2007 to approximately 6,500 unique clients and approximately 10,250 projects in 2009. MEP project duration has also decreased. In 2007, the project duration was 76 hours. The current (2010) project duration is 59 hours.

### *Total MEP Center Staff and Project Work*

The number of full-time equivalent (FTE) employees within the MEP System has decreased. In 2007, there were 1,656 FTEs in the MEP System. There are currently 1,386 FTEs in the MEP System. A large portion of the Centers' efforts is focused on training- and Lean-related projects (both covering over 20% of Centers' efforts, with quality-related projects about 10%).

On the positive side, client impact data are improving. And, more projects are being reported from Center surveys.

### *MEP Impact Metrics*

Total sales and total jobs impacts hit a low in the third quarter of 2009, but total sales and total job impacts are slowly increasing. Total cost savings and total investment impacts hit a low in the first quarter of 2010, but began improving in the second quarter of 2010.

### *Challenges Reported by MEP Clients*

MEP's new survey asks clients to identify the major issues that they are currently facing. The survey response shows that the top-three client challenges include 1) implementing continuous-improvement/cost-reduction strategies, 2) identifying growth opportunities, and 3) identifying product innovation/development.

### *Why Clients are Working with MEP*

Another question on the new MEP survey asks clients to identify why they are working with the Center. The survey response shows that clients are working with MEP because of 1) MEP Center/staff expertise and 2) cost/price of services.

### *Job Impacts*

Jobs continue to be a very hot topic. There appears to be no clear correlation between a client's number of employees and the reported average job impacts. With the exception of two sectors (apparel and leather, which saw a higher increase), job impacts have been fairly consistent across industry. The MEP System has seen the highest impact of job creation in New Jersey and Oregon.

### *Board Discussion*

The manufacturing sector is leading the recovery. Low inventory and increasing demand will create an economic spike. The infrastructure sector will also lead the recovery. Tax-credit policy will not work for recovery -- what the economy needs first are consumers.

### *Questions and Answers*

Q: Given the state of the economy, how has the MEP cost-share policy affected the Centers?

A: The Centers are required to provide two-thirds of their funding from non-Federal sources.

This funding usually comes from two sources, client fees and State funds. Private industry and State governments are both suffering because of the economic downturn. Client fees are down because there are fewer clients and fewer projects. State funds are down because States do not have the income that they had before the economic downturn.

Q: Does exporting have a positive impact on manufacturing?

A: Yes, exporting is critical to solving the manufacturing issue. Economic growth will come from exporting.

## **Manufacturing Council**

***Speaker: Fred Keller, Member, MEP Advisory Board, and Chairman and Chief Executive Officer, Cascade Engineering***

The Manufacturing Council is located within Manufacturing and Services (MAS), International Trade Administration (ITA), Department of Commerce (DOC). The Council advises the Secretary of Commerce on government policies and programs that affect U.S. manufacturing and provides a forum for proposing solutions to industry-related issues.

The 2010 Council is composed of 25 members. An organizational meeting was held in July 2010 and the next meeting will be in October 2010. Twelve of the members are private-sector executives who represent various U.S. manufacturing sectors, geographic locations, and business sizes. Members are appointed for 2 years. Two of the Council members were highlighted:

- Bruce Sohn, Chairperson, Manufacturing Council, and President, First Solar, Inc.
- Joseph Anderson, Jr., Vice Chair, Manufacturing Council, and Chairman and Chief Executive Officer, TAG Holdings, LLC.

### *Recommendations*

The Council, in its 2008 Transition Paper for the Administration, made the following recommendations:

- Increase exports (i.e., enforcement of trade agreements, evaluation of structural trade issues),
- Decrease imports (i.e., oil),
- Improve the U.S. workforce,
- Fix manufacturing-related costs (i.e., health care).

### *MAS and MEP*

- MAS and MEP complement each other. MEP is focused on providing assistance and MAS is focused on competitiveness.
- MAS considers MEP as a valued partner.
- Gary Locke (Commerce Secretary) and Nicole Lamb-Hale (Assistant Secretary for MAS) recently toured an MEP client's plant in Maryland.
- MAS and MEP are working on CommerceConnect.
- MAS and MEP are participating in the Interagency Network of Enterprise Assistance Providers.

### *Board Discussion*

- The Board is looking beyond the immediate manufacturing issues and looking to help the Centers.
- MEP must address structural and strategic manufacturing issues to help manufacturing rebound.

### *Questions and Answers*

Q: Are there plans to expand the interaction between the MEP System and the Council?

A: A suggestion is to have the Centers work on ideas to improve the interaction between MEP, the Council, and MAS. Board members and Council members should introduce themselves to the various Center directors who are present at the meeting.

Q: How can MAS and the MEP System work together?

A: The new Council charter will include ex-officio Council members to include the Secretaries from the DOE, Department of Labor (DOL), and Treasury Department. Interagency members will provide critical cross-pollination of ideas.

Q: Does MAS have any funding recommendation from DOC to assist the Centers? And how would we coordinate that effort?

A: MEP is working on several export opportunities. Funding is being coordinated with Federal and State governments. MEP is trying to ensure that resources are available.

Q: Are there cost constraints or infrastructure constraints?

A: There are a number of issues. The National Export Initiative (NEI) is looking at the cost and infrastructure constraints. MEP is trying to get all available resources moving towards the SMEs. MEP needs to define what will most benefit the Centers. MEP needs to coordinate all of its resources. Currently, there are a number of manufacturing-related bills circulating in Congress to provide funding to the Centers and manufacturers.

Q: Does MEP need supplemental funding to help SMEs with their export activities? If MEP is looking for additional funding from DOC, MEP needs to better define its message. MEP needs a white paper on foreign trade policy.

A: That will be discussed in the afternoon session on NEI. Federally sponsored trade missions offer various opportunities. How do you get good National policy around credits? How do we connect people to opportunities? We need a national policy around credits.

### **Federal Laboratory Interactions Focused on Technology Transfer**

***Speaker: Lydia Carson, former Vice Chair, MEP Advisory Board, and President and Chief Executive Officer, Balm Innovations, LLC***

I have enjoyed working with MEP. With my position at Eureka! Ranch, my focus will be on the National Innovation Marketplace (NIM), which is a partnership between NIST MEP and Eureka! Ranch. I want to take a strategic look at manufacturing activities, especially at Federal laboratories and universities. U.S. Department of Agriculture (USDA), Agricultural Research Services (ARS), and DOE, Energy Efficiency and Renewable Energy (EERE), are actively translating technology. We want to help commercialize these technologies. EERE has about 200 technologies that have already been translated. USDA, ARS, also has about 200 translated technologies in their portfolio. We are trying to determine the market potential of these technologies. I want to work with MEP and with the Centers. MEP's past involvement has been great. Universities and Federal laboratories do not want to spend a lot of time translating technology. I will meet with them to discuss translating technologies. We will be recommending changes to NIM to improve its search capabilities. I have enjoyed working with MEP and want to help in any way that I can.

#### ***Board Discussion***

- It was noted that Ms. Carson can help MEP with its networking. As part of a pilot program, she will be collecting and sharing information about universities and Federal laboratories in translating technology. MEP is trying to accelerate the process of moving an idea from the inventor to the developer to the market. MEP feels that Ms. Carson will add a broad perspective to the process.

- Converting new technology to the marketplace is very difficult. Ways to make commercialization easier must be examined. Technology transfer is a huge challenge.
- Eureka! Ranch is trying to cross-reference new technology with manufacturers and the marketplace. Eureka! Ranch is analyzing what manufacturers need. The pilot program is designed to provide assistance.
- Questions that MEP needs to consider: How does the MEP System promote technology transfer? Which ideas does MEP promote? What are the chances that an idea will find its way to a commercial product?
- MEP can help reduce the cost of developing a new idea. MEP needs the resources to help transfer technology.
- The MEP System can promote venture capital funds. It can help negotiate intellectual-property (IP) rights between the inventor and the producer. MEP can help define the return on investment.
- It is a mistake for companies to wait for business opportunities in the Federal government. MEP can provide that first conversation between the inventor and the businessperson. MEP can help reduce the number of unsuccessful proposals.
- It is very important to collaborate with clients in writing proposals. The Centers need to better understand client needs.
- Grants are not the silver bullet. There are not many grants that support commercialization.
- The issue is related to free grant money versus cash to marketplace. MEP is in a position to influence the marketplace. There are new processes and new technologies. This is a very broad and difficult challenge. The MEP System can influence venture capital.
- States are interested in identifying new technologies that can be used in their States. State funding may be an opportunity for the MEP System.
- NIM is looking to register entities involved with technology transfer, e.g., research and development (R&D) organizations, inventors, and manufacturers. NIM hopes to roll this service out in several months. Currently, 1,700 new technologies are available. The registration system needs to be improved.

#### *Questions and Answers*

Q: There needs to be some entity (i.e., foundations) that will fund grants. We are in a foundation-rich area. Are there ways to stimulate sources of funds?

A: NIM is looking at pilot programs.

Q: Lydia, you have a great deal of international experience. How do you see this evolving?

A: We need to develop a system that allows U.S. manufactures to have the first opportunity to evaluate an idea before sharing the idea with foreign manufacturers. The Centers need to be motivated to do this. The MEP System is in a great position to help U.S. manufacturers. If the MEP System is working right, we should be in a good position to help.

Q: What demonstrates an expression of interest to evaluating an idea?

A: A significant meeting between the inventor and the developer. A key question is: does the U.S. manufacturer want to make an investment? The manufacturer needs to express interest. The MEP System can help make that work in the U.S. We need to examine each stakeholder's objectives.

## **Small Business Innovation Research – Technology Transfer: A New Approach to Collaborating**

***Speaker: Clara Asmail, Senior Technical Advisor, Program Development Office, Manufacturing Extension Partnership, National Institute of Standards and Technology***

### *Goals of the Small Business Innovation Research (SBIR) Program*

The goal is to move Federal-funded R&D projects to commercial products. SBIRs are government-funded opportunities to commercialize Federal R&D projects.

### *Overview of the SBIR Program*

- The SBIR program is composed of three phases: proof of concept, R&D, and commercialization.
- There are 11 Federal agencies (which include DOC, DOD, USDA, DOE, DOT, EPA, NIH, NSF, ED, DHS and NASA) currently participating in the SBIR program.
- SBIR participants must be small businesses.

### *SBIR Program Statistics Across All Agencies*

- \$31 billion have been awarded to 19,000 small businesses since 1982.
- 74,000 patents have been issued to SBIR awardees.
- Expected annual budget is \$2.6 billion.
- There are currently 5,600 active awards.

### *NIST Laboratory Technologies with Commercial Application*

- NIST laboratories work very closely with their industrial counterparts. Industry feedback, in turn, ensures that NIST projects meet relevant commercial needs.
- NIST research often needs additional private research to move an idea to market. This additional research (or TT) can be funded through SBIRs.

### *NIST SBIR TT*

- The NIST SBIR TT program solicits R&D proposals and funds innovations that are based on Federally (such as NIST) developed technology.
- The rights (IP) to all SBIR-funded research will be owned by the awardee. However, the Government reserves a “use” license.
- The SBIR program gives NIST an opportunity to support the commercialization of technology by providing funding along with technical assistance.
- In FY09, SBIR TT funded 16 Phase I (proof of concept) projects and nine Phase II (2 years of R&D) projects. These projects produced one commercial license and one co-owned patent application.
- The NIST SBIR TT approach has gained traction in other Federal agencies. The Administration has encouraged the expansion of the program. An Innovation and Entrepreneurship Working Group was convened by the White House to encourage best practices among agencies. The goal is to streamline the SBIR program to make it possible to make awards within 3 months after proposal selection.

### *MEP Support of SBIR TT*

- MEP is supporting the expansion of SBIR TT to other Federal agencies by mentoring TT, SBIR, legal, and acquisition counterparts at other agencies. MEP has convened a sub-working group to optimize the sharing of lessons learned.
- MEP is in a unique position to support the SBIR TT program. MEP has tools to assist an SBIR awardee, such as technology translation, NIM, partners, and financial resources.
- MEP is in a position to build a new segment of clients. Existing SBIR awardees, who may need support in such areas as technology-driven market intelligence, Lean product development, IP-rights protection, technology scouting, technology translation, and financing, can be client leads for MEP Centers.
- MEP is in a position to expand its services to its existing clients. MEP can help negotiate relationships between small inventors with large manufacturers. MEP has three areas to support the SBIR program. In the beginning, MEP can help clients prepare proposals. Throughout the R&D project, MEP can provide access to supporting resources. At the end, MEP can provide technology translation, lean product development and export support.

### *Success Stories*

Success stories include SBIR awardees seeking MEP Center services that have resulted in:

- Production cost reduction of \$500,000, 40% increase in product quality and reliability, 90% increase in throughput, and 93% increase in capacity (Mikro Systems, Inc., an NIH SBIR awardee, and Virginia's A.L. Philpott MEP client).
- Receiving additional SBIR Phase I and Phase II awards (Arbuckle Ranch, a USDA/DOC SBIR awardee, and Montana Manufacturing Extension Center client).
- Eliminating inventory overload, re-aligning workforce to fill vacancies, increasing customers (Kennon Products, a DOD SBIR awardee and Wyoming Manufacturing Works).
- Receiving additional SBIR award (Neuro Kinectics, a DOD SBIR awardee, and Pennsylvania's MEP Center Catalyst Connection client).

Success story includes MEP Center client receiving SBIR award

- Trex Advanced Materials sought Hawaii's MEP Center (High Technology Development Corporation (HTDC)) to reduce its electricity consumption when producing its chemical-vapor-composite silicon carbide. Finding out that Trex was attempting to commercialize some of its technologies, HTDC assisted Trex in applying and obtaining an SBIR Phase II award.

### *Board Discussion*

- Most Federal agency TT and SBIR programs have always been parallel programs and never cross-pollinated. NIST's SBIR TT approach has gained traction at other agencies.
- The SBIR program has two objectives: proof of concept and commercialization. The Administration has placed an emphasis on the SBIR program. The goal is to award an SBIR grant within 3 months. The SBIR program needs a better outreach program. Currently, Navy, DOT, EPA, NIH, and NASA are the major players in the SBIR program.
- MEP supports the SBIR TT program. The SBIR TT program adds value with the MEP toolbox. MEP can offer services to move a concept to a commercialized product. MEP can offer new services by sharing its SBIR knowledge with a new segment of MEP clients.
- Some states offer support to companies developing an SBIR proposal. For instance, an eligible applicant can request up to \$4,000 (Phase 0 application) to defray reasonable costs. MEP Centers can help in the application phase.

- A suggestion was made that a person at each Center should focus on SBIR. The Centers have an advantage because they understand the overall SBIR picture.
- Inventors are concerned about losing their IP rights. MEP can help negotiate a contract between the inventor and the producer to protect everyone's interest. This is an opportunity for the MEP System. MEP has the contacts. MEP has IP resources that can be used to assist SBIR companies. MEP has profiled manufacturing activities in the patent market.

### **National Export Initiative and MEP's Export Activities**

***Speaker: Aimee Dobrzeniecki, Deputy Director, Manufacturing Extension Partnership, National Institute of Standards and Technology***

#### *Focus of the National Export Initiative*

NEI is an Executive Order signed by President Obama in March 2010. Its goal is to double exports over the next 5 years, with the potential to create two million new jobs.

#### *NEI Priorities*

NEI hopes to achieve its goal by 1) removing trade barriers abroad, 2) assisting firms, especially small businesses, overcome export market hurdles, 3) assisting with financing, and 4) pursuing a Government-wide approach to export advocacy.

#### *Leadership Organizations*

The NEI Executive Order created the first President's Export Promotion Cabinet, which consists of top Administration officials whose focus is to assist U.S. companies in their export efforts through export counseling, negotiating trade policy, or establishing commercial diplomacy.

An interagency task force, the Trade Promotion Coordinating Committee (TPCC) ensures the coordination and development of a government-wide export promotion plan. The Committee, consisting of 20 agencies, has four main initiatives: training, marketing, program interaction, and information sharing.

#### *Progress through July 2010*

- DOC has increased trade missions – 18 trade missions with over 160 companies involving 24 countries, with another eight trade missions planned over the next 3 months.
- The Export-Import Bank has increased access to credit by more than doubling in 1 year its loans to support American exporters.
- DOC's Advocacy Center is supporting \$11.6 billion in U.S. export content, up from \$7.4 billion in 2009.
- In March, President Obama reached an agreement with China by opening their markets to U.S. pork and pork products.

#### *MEP Export Initiatives*

- MEP is an active member of TPCC. MEP staff speak at quarterly training events and MEP Center staff participate in TPCC-sponsored training sessions.
- MEP's ExporTech, a collaboration among MEP, ITA's U.S. Commercial Service, Export-Import Bank, SBA is a program that helps SMEs expand into global markets by assisting an SME in developing an export expansion/growth plan. Through MEP's ExporTech, SMEs obtain expert knowledge that is specific to their needs, thereby reducing risks and increasing the chance for success. To date, 240 companies in 19 States have completed 31 ExporTech training sessions.

### *Other Export-Related Discussions*

- Opportunities exist for collaborating with the U.S. and Foreign Commercial Service in the areas of trade missions/shows; expanding ExporTech abroad and tailoring ExporTech to be industry or country specific; increasing follow-up (e.g., at the Chief-Executive-Office level) after ExporTech sessions; and the potential use of NIM.
- The Administration's Space Coast Task Force has recommended ExporTech for suppliers in Florida.
- MEP Centers have proposed connecting and expanding ExporTech to include technology acceleration.

### *Board Discussion*

- A big challenge of ExporTech is in recruiting senior corporate leaders to participate.
- ExporTech has brand recognition in Washington.
- MEP is currently working on a marketing strategy. There are structural problems with U.S. exporting. ExporTech provides access to a repository of export-related information to help the Administration's trade initiatives.
- TPCC offers a forum for a exporting discussion. We need to capture lessons learned in exporting. MEP already has the clients. MEP's challenge is to take the clients to the next step through exporting.
- MEP needs to bring all exporting information to a clearinghouse. MEP has the knowledge. All the resources are out there, but not in one place. There are many web sites on exporting. <http://www.trade.gov/> and <http://www.manufacturing.gov/> are the central web sites. MEP strives to match resources to the needs of its clients.

### *Questions and Answers*

Q: Are there other NEI-partnership opportunities for MEP?

A: Some export partnerships are more successful than others. MEP has explored many partnership opportunities, including State opportunities. MEP will go to those States that have expressed an interest in ExporTech.

Q: Has Nicole Lamb-Hale (Assistant Secretary, MAS, ITA, DOC) been involved with any of the ExporTech sessions?

A: Not to MEP's knowledge. MEP is working with ITA and will suggest opportunities for Undersecretary Lamb-Hale.

Q: ExporTech is a good opportunity for MEP. Has MEP established goals? How do you measure if MEP is successful?

A: MEP's focus has been on companies that have shown an interest and on how an MEP Center can help them through ExporTech. With ExporTech, every company must set up a plan. MEP is getting a lot of traction on ExporTech. MEP can bring all of the resources together. Time-to-sale is now shorter than before. Through the program companies have reduced the time-to-sale from 18 months to 6 months. MEP is currently determining how to best measure the effectiveness of ExporTech.

Q: Is MEP uniquely qualified to develop this program?

A: MEP has a unique perspective. When MEP sees a problem, MEP works to find a solution through partnerships and other network resources.

Q: What is the link between Gold Key service and MEP?

A: The Gold Key service helps a manufacturer market its products. The ExporTech process is a simplified 3 session process. In session 1, MEP gets the companies into a room to identify strengths and weaknesses. Session 2 includes bringing resources in to help the companies. In session 3, MEP coaches the companies on how to build a plan. This is a new approach. MEP is trying to tie everything together.

## **2010 Board Initiatives**

*Speaker: Mark Rice, Chair, MEP Advisory Board, and President, Maritime Applied Physics*

### Advisory Board Charter

The MEP Advisory Board has a unique charter. The Board meets twice a year and provides strategic advice to NIST, DOC, and Congress. The Board's main focus is not on the Centers, but on the SMEs. The Board needs to provide an independent view of the MEP System.

The Board will build on Last Year's Efforts. The 2009 Board White Paper gave MEP a vehicle to share information with Congress and other stakeholders.

The 2010 proposed focus will be on three broad areas:

- Educating Next-Generation Manufacturers  
There is a lack of training in manufacturing. Most engineering schools have dropped manufacturing from their curricula and MBA programs generally do not address manufacturing. MEP needs to demonstrate that manufacturing is important in the U.S. MEP needs to get manufacturing back into the public eye. MEP needs to support the education and training of the next generation of manufacturing leaders.
- Competitive Assessment of Foreign Manufacturing Policies  
MEP needs to assess policies used by foreign manufacturers, especially those foreign policies and practices that affect U.S. competitiveness. This assessment will help identify opportunities for how MEP can best serve its manufacturing clients.
- Structural Change Necessary to Enable Successful Manufacturing in the Future  
MEP needs to assess and recommend how manufacturing can be improved in the U.S. MEP needs to understand what is holding U.S. manufacturers from success.

MEP needs to elevate these three issues to the policy level so that MEP's future programs will be better designed to help its Centers serve the manufacturing community.

While the schedules must remain fluid, the following are suggested deadlines for completion of the papers:

- Educating Next-Generation Manufacturers: March 2011
- Competitive Assessment of Foreign Manufacturing Policies: March 2011
- Structural Change to Enable Successful Manufacturing Futures: May 2011

### *Questions to the MEP Centers in Attendance*

Q: How does a Center choose its Center's Board? Are there best practices available to Centers?  
Is there a model available to the Centers?

A: Catalyst Connection's Center Board is balanced between large and small manufacturers. Catalyst Connection also likes to include clients and State policymakers.

There are web-based resources for choosing Board members.

Virginia's A.L. Philpott MEP's 24-person Board members are appointed by the Governor.

There are several types of Boards in the MEP System, including Advisory Boards, Fiduciary Boards, State-appointed Boards, and elected Boards.

Q: How much time do Center directors spend with its Board?

A: Centers spend time educating their Center Board members. Center Boards need to understand NIST MEP's performance metrics and how Centers are evaluated.

Catalyst Connection's Board is very active in advocacy, outreach, and client development. The Center has several Board committees and the Center director is involved with some aspect of the Center Board every month.

Q: The Board would like to see the Centers and the Centers' Boards get more involved with the Advisory Board.

A: MEP will encourage Center Board chairpersons to attend MEP's National Conference in May 2011. MEP is considering a conference track designed for Center Board members at the National MEP Conference.

#### *Board Discussion*

- The manufacturing community needs structural change to enable manufacturers to be successful in the future.
- The Board needs to evaluate Center cost factors. MEP needs to help identify State and Federal support available to the Centers. Centers must have more manufacturers on its Center Boards. Center directors cannot succeed by themselves. Center Board members must be dedicated, committed, and willing to work for the Center. The MEP System should strongly encourage Center Board members to be on other related Boards of Directors and carry the torch for MEP.
- Most Center Board chairpersons do not understand issues at the national level. Center Boards are focused on their respective Center, not national-level issues nor the MEP System. Center Boards need more opportunities to participate in MEP National System meetings and get involved with the MEP System activities. Center's Boards should be able to share fundamental issues regarding manufacturing.
- MEP tries to get Center Board representation at Center Panel Reviews. This representation is highly advantageous to the Center. There is a linkage between the Panel Review and a Center's Board. Strategic issues are covered with Center directors and Center Board members during a Panel Review.
- The Board is reframing the way it thinks of the MEP System. The Advisory Board is looking at the future of manufacturing.

#### **Adjournment**

Advisory Board members, MEP participants, presenters, and observers were thanked for attending the meeting. The next Advisory Board meeting will be held on May 15, 2011 at the MEP National Conference in Orlando, FL.