

# MEP Advisory Board

June 8, 2022  
FACA Board Meeting

This is a simplified version of the presentation for website purposes.  
A full version may be requested by emailing [Cheryl.Gendron@nist.gov](mailto:Cheryl.Gendron@nist.gov)

# FACA and the Advisory Board

- The MEP Advisory Board is authorized under Section 3003(d) of the America COMPETES Act (Pub. L. 110–69), as amended by the American Innovation and Competitiveness Act, Public Law 114–329 sec. 501 (2017), and codified at 15 U.S.C. 278k(m), in accordance with the provisions of the Federal Advisory Committee Act, as amended, 5 U.S.C., App.

# Welcome from the MEP Director

- **Pravina Raghavan**, MEP Director

# MAB Meeting Details

- **Wednesday, June 8, 2022**
- Welcome and introductions
- Opening remarks and welcome
- Board and audience introductions
- MEP Director's update
- Presentation: Silver Tsunami and Succession Planning
- Board feedback and discussion
- Public comments
- Closed session

# Welcome New MEP Advisory Board Members

**Approved May 2022**

- **Peter Connolly**, NJMEP Advisory Board, New Jersey
- **G. Christopher Mathews**, National Custom Hollow Metal Doors, Maple Leaf Awning and Canvas, Arkansas
- **Dr. Annette Parker**, South Central College, Minnesota

# Welcome to Tulsa

- **Matthew Newman**, MEP Advisory Board, Chair

# Welcome to Tulsa

- **Dave Rowland**, President and CEO, Oklahoma Manufacturing Alliance, OK MEP

# The MEP Advisory Board

- Chair: **Matthew Newman**, New Era Advisors, Inc.
- Vice Chair: **Mary Isbister**, GenMet Corp
  
- **Ray Aguerrevere**, Custom Metal Fabricators
- **Jose Anaya**, El Camino Community College
- **Don Bockoven**, Fiber Industries LLC
- **LaDon Byars**, Colonial Diversified Polymer Products, LLC
- **Peter Connolly**, Connolly Consulting
- **Bernadine Hawes**, Econsult
- **Miriam Kmetzo**, Welding Technology Corp\*
- **Mitch Magee**, Consultant
- **Chris Mathews**, National Custom Hollow Metal Doors and Frames & Maple Leaf Awning & Canvas
- **Pat Moulton**, VT Tech\*
- **Annette Parker**, South Central College
- **George Spottswood**, Quality Filters, Inc
- **Leslie Taito**, Taco Comfort Solutions
- **Jim Wright**, Proof Research

*\*Participating Online*



# Welcome and Introductions

- **Laurie E. Locascio**, Director of NIST and the Under Secretary of Commerce for Standards and Technology
- Mojdeh Bahar, NIST, Associate Director, Innovation and Industry Services



# NIST MEP Director's Update

- **Legislative and MEP program budget updates**
- **MEP National Network update**
  - Supply chain
  - Workforce
  - Technology and innovation
- **MEP National Network 2017-2022 strategic plan update**

# MEP Program Budget Outlook

<b>FY 2021</b> Appropriation Status	<b>FY 2022</b> Appropriation Status	<b>FY 2023</b> Appropriation Status Outlook
<ul style="list-style-type: none"><li>• Base funding: \$150 million; \$4 million increase over FY 2020</li><li>• Funding not subject to cost share requirements; elective for Centers receiving state funds conditioned on federal cost share requirement</li></ul>	<ul style="list-style-type: none"><li>• \$158 million for MEP</li><li>• Funding not subject to cost share requirements (elective for Centers receiving state funds conditioned on federal cost share requirement)</li></ul>	<ul style="list-style-type: none"><li>• President's budget calls for \$275 million for MEP</li><li>• No expectation of cost share exemption</li></ul>

# NIST MEP Projected Spend Plan Through March 11, 2022

<b><u>Available funding:</u></b>	<b>\$ Millions</b>
Appropriation	158.0
Carryover from FY 2021	2.0
Anticipated prior-year recoveries	3.2
Funding from other agencies*	1.6
<b>Total available funding</b>	<b>164.8</b>
<b><u>Planned expenditures:</u></b>	
Center renewals	134.1
Strategic competitions	0.7
Contracts	6.5
NIST MEP labor	11.5
<u>NIST and program overhead</u>	<u>12.0</u>
<b>Total planned expenditures</b>	<b>164.8</b>

Projected FY 2022 efficiency rate = 11.84%; actual FY 2021 efficiency rate = 11.94%.

\* Funding from DOD for contracts and project support

# Manufacturing Legislation

- EO 14005, EO 14017 and other actions have heightened manufacturing visibility nationwide
- FY22 Appropriations requires MEP to start work on the supply chain database.
- Appropriations coming for a new Bipartisan Innovation Act?

# Uniqueness Value MEP to Build US Manufacturing

- MEP Centers act as the lynchpin in boosting communities and ecosystems across the country.
- MEP National Network can support the Administration's priorities focused on:
  - (a) Ensuring operational domestic supply chains,
  - (b) Improving and increasing the available workforce at a living wage, and
  - (c) Supporting growth of advanced manufacturing technology.
- MEP Centers serve SMMs, a unique client base, that will need additional support to be able to increase their reach and penetration while also increasing their economic impact in their communities.
- NIST MEP can partner with other bureaus in the Department of Commerce and other federal agencies to increase U.S. Manufacturing by broadening the services available through the MEP National Network.

# MEP Client Demographics

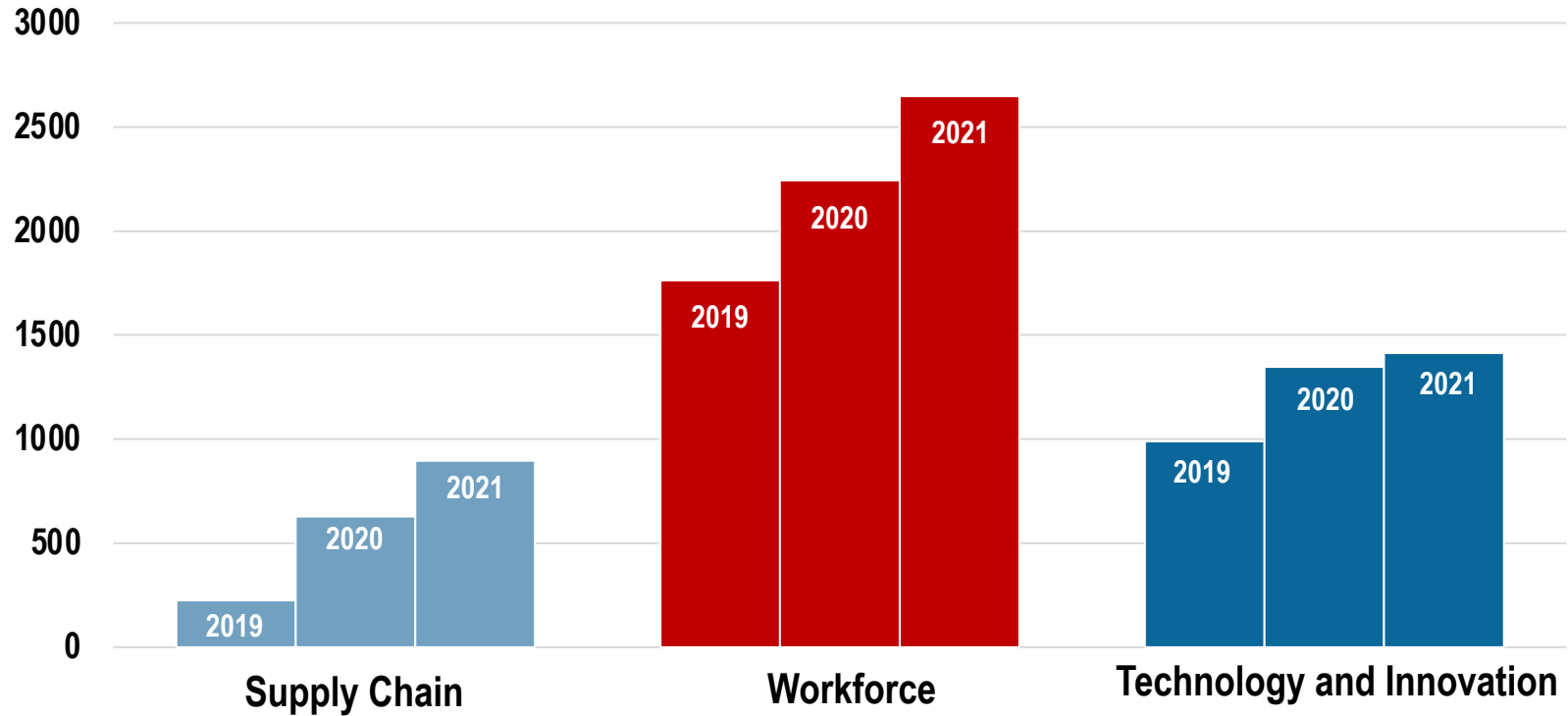
## U.S. manufacturers statistics

- Over **98.9%** of U.S. manufacturers are small (<500 employees)
- Over **90%** have <100 employees
- According to the Economic Census, SMMs historically account for **73%** of paid employees, **62%** of value added, and **67%** of payroll in U.S. manufacturing

## MEP clients

- Over **79%** of MEP clients have <100 employees
- **42%** of MEP Clients have <20 employees
- **18%** of MEP clients are in rural areas
- **12%** of MEP clients are woman owned
- **10%** of MEP clients are startups
- **6%** of MEP clients are minority owned

# MEP Program Themes





# MEP Program Support for Supply Chain

- MEP has extensive experience with and expertise in **building supplier networks**
- Senate USICA and House COMPETES both specify **MEP program role for national supply chain database**
- Supplier Scouting is the foundation of how MEP Centers can work with manufacturers to **map their supply chains and populate supplier databases**, which will enable us to identify required capabilities and potential vulnerabilities

# Supply Chain: Network Support



# MEP Program Support for Workforce

Customized Training for  
Entry-level Workers

Recruitment and  
Talent Acquisition

Strategic Talent Planning

Leadership Coaching and  
Development

Organizational Culture and  
Employee Engagement

Succession Planning

***MEP helps SMMs with an extensive range of workforce needs that address all stages of the employee lifecycle***

# Workforce: Network Support



# MEP Program Support for Technology and Innovation

**Robotic Manufacturing Sensor Collaboration with NIST Labs, NIST MEP and NY MEP**

# MEP Program Support for Technology and Innovation

## **MATTR/MATTR+**

- MEP-Assisted Technology and Technical Resource Program (MATTR) is expanding via MATTR+
- MATTR+ will provide SMMs efficient and rapid technology consultation from world-class researchers
- NIST MEP funding will provide dedicated consulting support with NIST labs for MATTR+

## **Food Industry Services**

- Program with U.S. multinational supermarket chain serves to reach SMMs within their supply chain and establish direct prime/OEM relationship
- Leverages FDA partnership to help SMMs meet Food Safety Modernization Act (FSMA) requirements

# Innovation and Technology: Network Support



Manufacturing Extension Partnership



# Strategic Competition Update

## FY 2022 Center State Competition

- **NOFO One** (awards announced Oct. 1 for Jan. 1, 2023 start)
  - Kentucky, Nebraska, Rhode Island and South Dakota
  - Applications received April 26. Review process ongoing. Award recommendations will be sent to NIST Grants Management Division by July 9
- **NOFO Two** (awards announced April 2023 for July 1, 2023 start)
  - Arizona and Maryland
  - NOFO will be posted Aug. 1, 2022. Applications will be due Oct. 28, 2022



MEP National Network  
2017-2022 Strategic Plan Update

# Measures for the 2017-2022 Strategic Plan

Assessed  
the pandemic's impact  
on manufacturing

Forged  
partnerships and  
created connections

Helped  
manufacturers pivot

Evolved  
operations in a new  
normal

# 18 Month Measures of Success

## **1. Strengthening the National Supply Chain**

Increase supplier matches and clients served in critical areas

## **2. Serving the Manufacturing Workforce**

Increase client engagement in workforce services

## **3. Increasing Awareness**

Amplify and measure Network brand awareness

## **4. Leading in Technology Deployment**

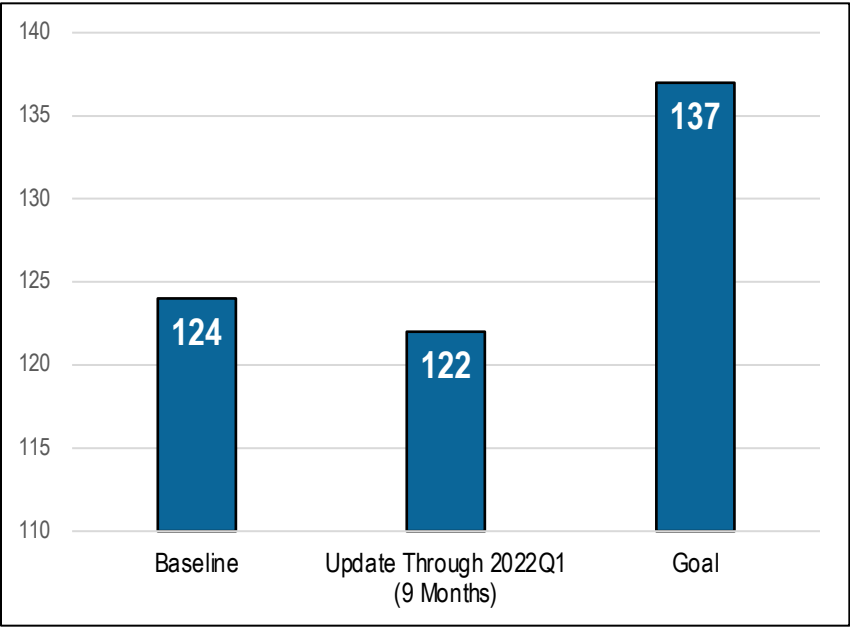
Increase client engagement in technology services and implementation

# Measure One: Strengthening the National Supply Chain

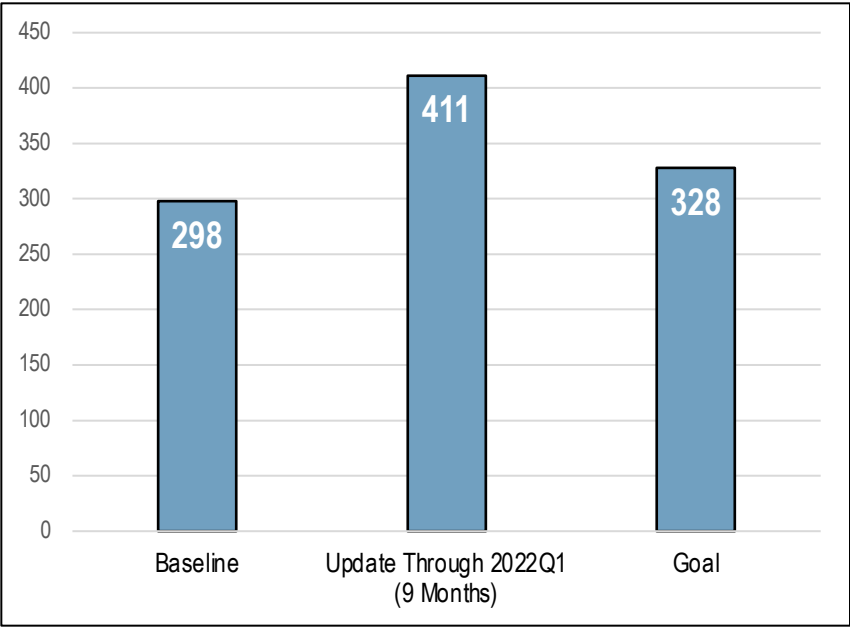
- Supplier scouting requests
- Successful scouts – matching buyers and sellers

# Measure One – Strengthening the Supply Chain

Goal: Increase supplier scouting requests by 10%



Goal: Increase successful supplier scouting matches by 10%

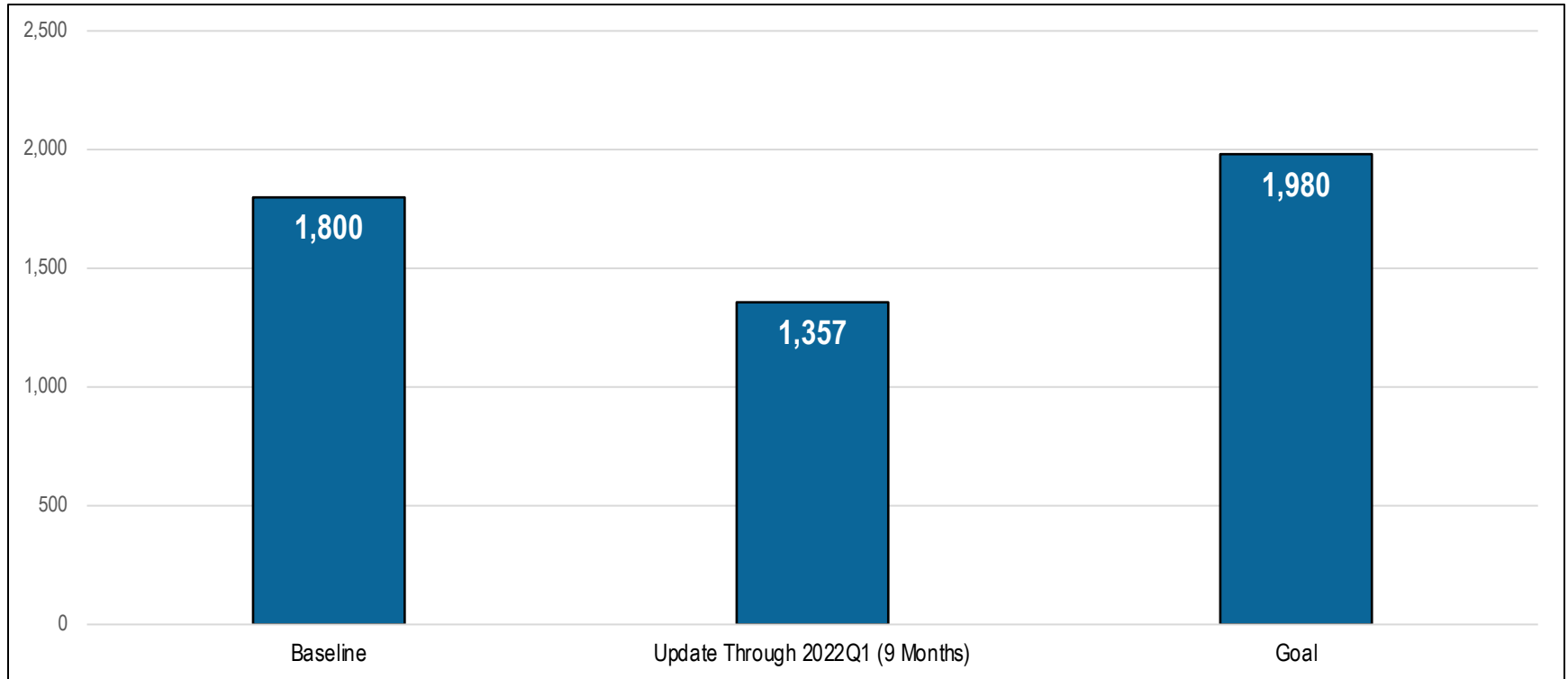


# Measure Two: Serving the Manufacturing Workforce

- Clients and/or projects in workforce-related services

# Measure Two – Serving the Manufacturing Workforce

Goal: Increase clients engaged with workforce projects by 10%



# Measure Three: Increasing Awareness

- Count occurrences of the hashtag #MEPNationalNetwork
- Count of online mentions of brand terms “MEP National Network” and “NIST MEP”
- Total subscribers to the NIST MEP Blog
- Aggregate count of backlinks
- Number of followers on NIST MEP’s Facebook, Twitter and LinkedIn pages



# Measure Three – Increased Awareness

**Goal: Amplifying Network Brand Awareness by at least 10%.**

Brand Measure	Baseline for Current 18 Months*	Progress To Date	New Goal for Current 18 Months	Change
#MEPNationalNetwork hashtag occurrences	567	636	624	+12%
Brand Mentions	194	142	213	-27%
Manufacturing Innovation blog subscribers	40,130	47,451	44,143	+18%
Backlinks	186	258	205	+39%
Social media followers	18,419	19,035	20,261	+3%

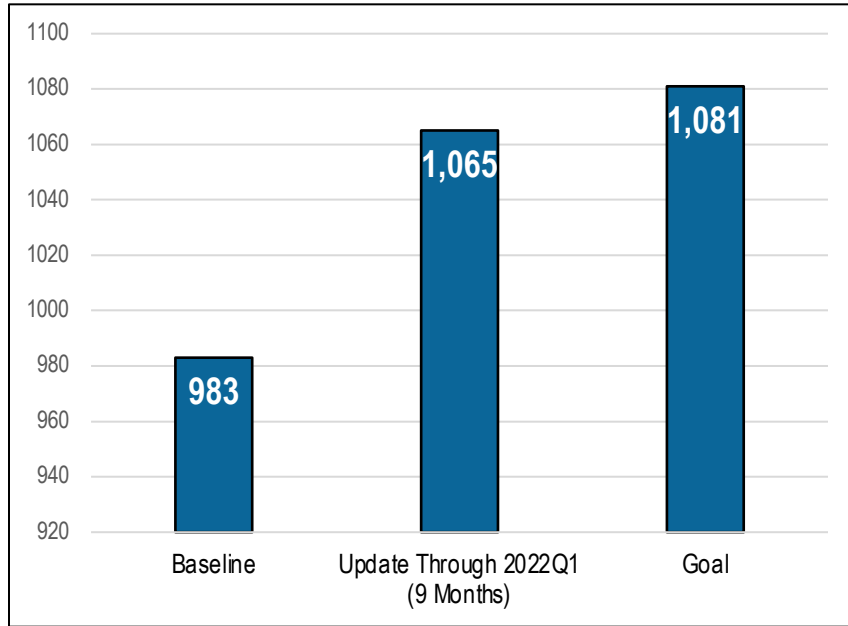
\*Progress to date based on data from Jan. 1-March 31, 2022

# Measure Four: Leading in Technology Deployment

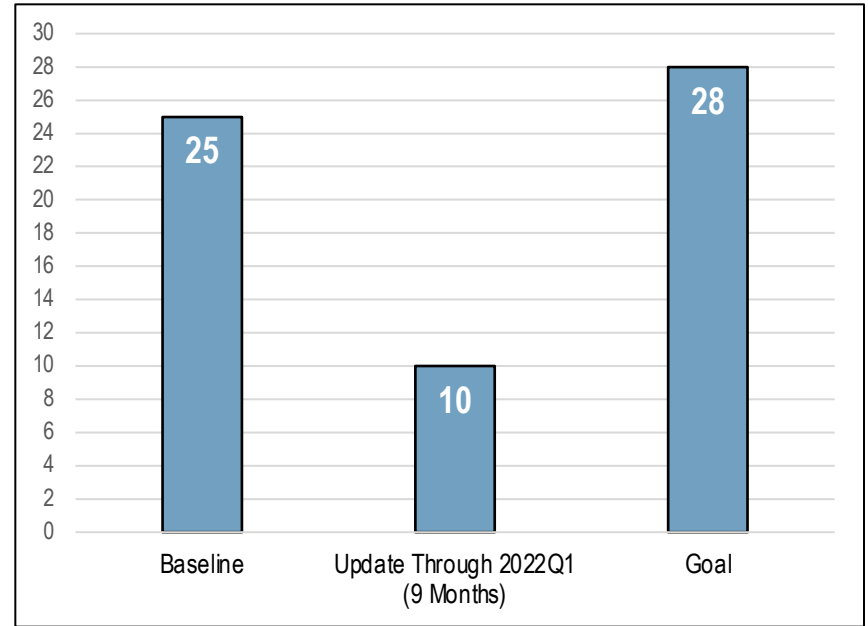
- Clients and/or projects in technology services
- MATTR engagements

# Measure Four – Leading in Technology Deployment

Goal: Increase clients engaged with technology services projects by 10%



Goal: Increase MATTR requests/inquiries by 10%



# Current Advisory Board Working Groups

<b>Working Group</b>	<b>Board Leadership</b>	<b>Focus</b>
<b>Supply Chain Development</b>	Don Bockoven, Lead LaDon Byars, Co-Lead	MEP National Network program support and development of manufacturing supply chains
<b>Executive Committee</b>	Mary Isbister, Lead George Spottswood, Co-Lead	Support Board governance and connection with local Center boards
<b>Strategic Plan, 2023-2028</b>	Bernadine Hawes, Co-Lead Jim Wright, Co-Lead	Support development of the MEP National Network 2023-2028 Strategic Plan

**Daniel Goldstein, CEO and President, Folience**

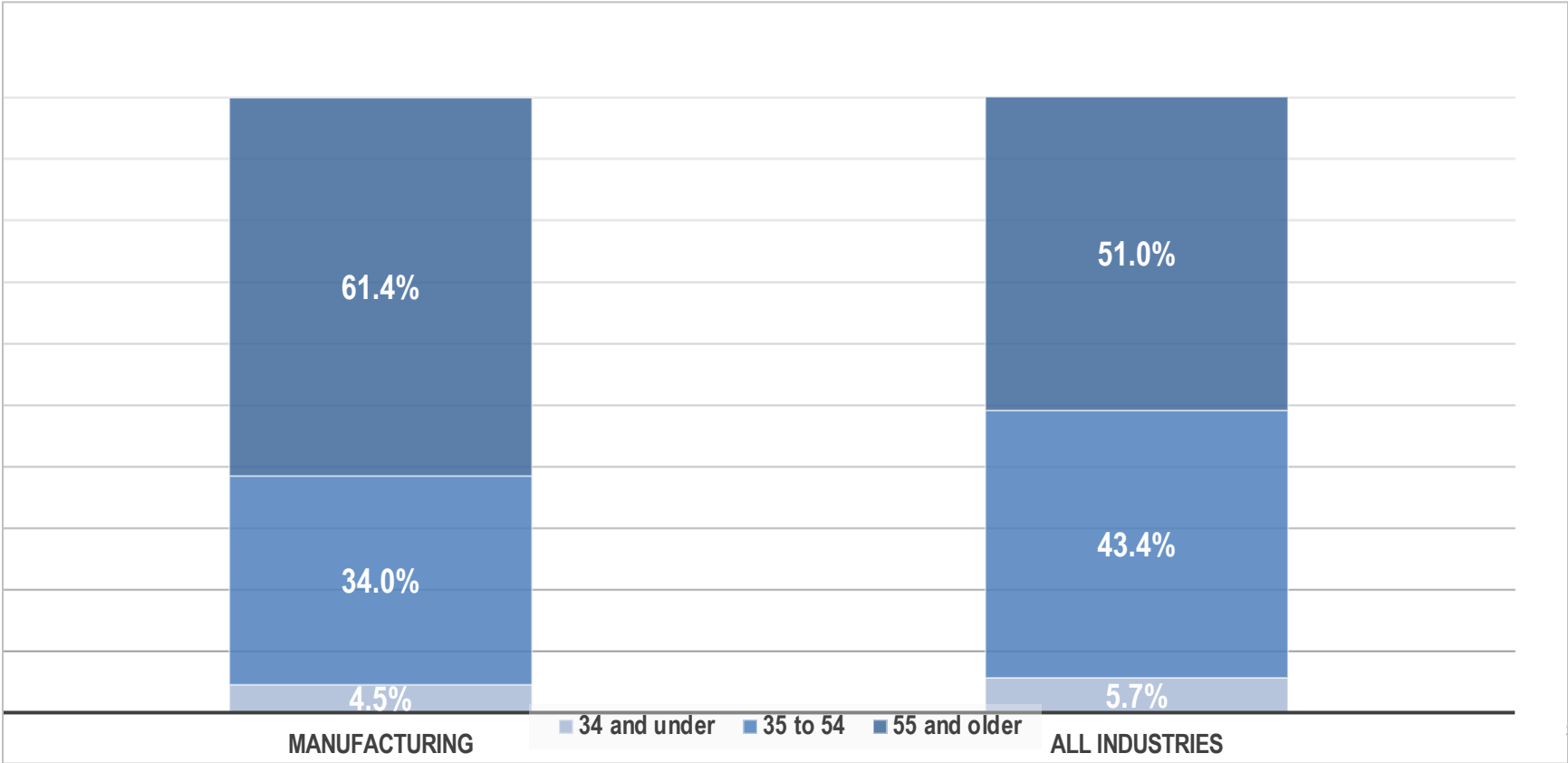
Presentation: **Silver Tsunami and Succession Planning**

What is MEP's role?

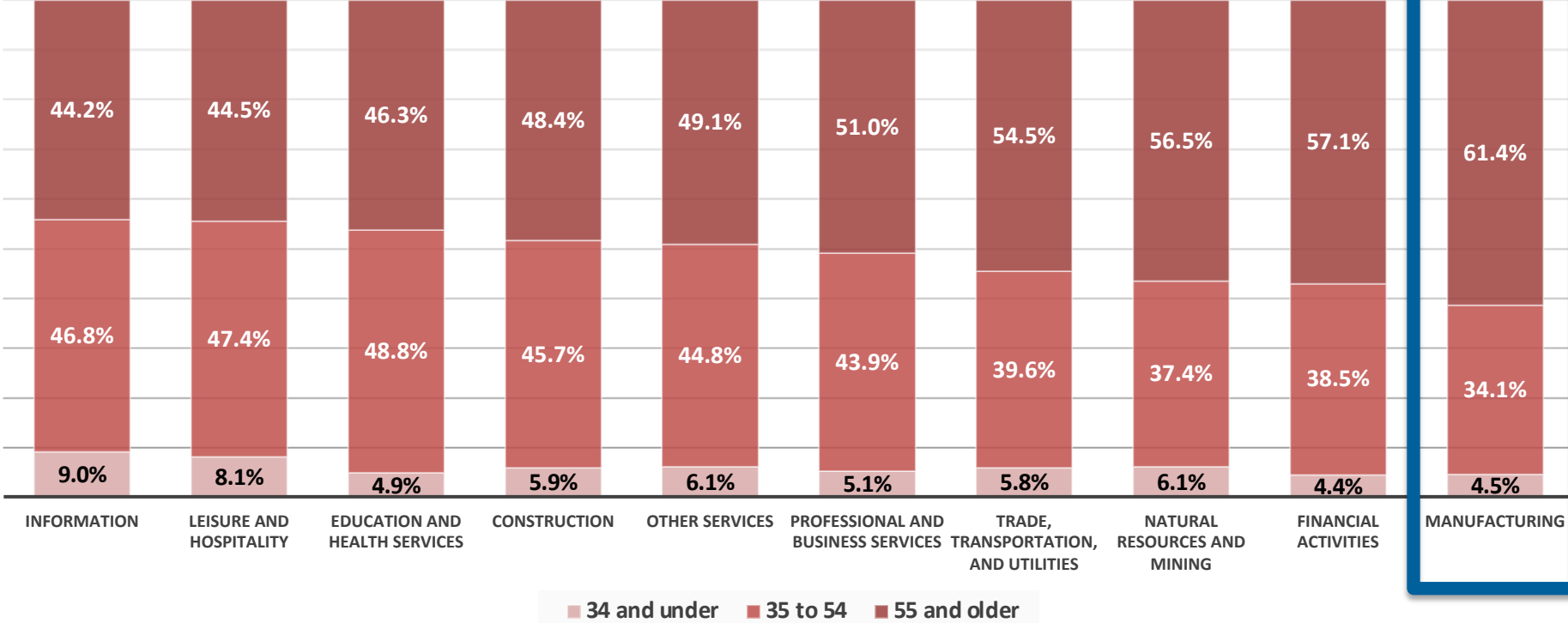
# The Silver Tsunami Matters For US Manufacturing

- Manufacturing is a **key contributor** to the U.S. economy
  - Employs over 12 million Americans
  - Contributes over \$2.7 trillion to GDP
- Both aging ownership and workforce **threaten the productivity and competitiveness** of manufacturers
- Nearly 99% of U.S. manufacturers have **<500 employees**
  - Many are family-owned
- The impact of aging ownership is **significant** for U.S. manufacturers in particular
  - Manufacturer owners typically older than other industries

# U.S. Manufacturer Owners' Are Older Compared to All Industries



# U.S. Manufacturing Has Largest Share of Owners Aged 55 or Older Among U.S. Industry Supersectors





# MEP Succession Planning Work

- Since 2016, MEP Centers have completed **190** succession planning related projects with **167** different manufacturers
- This work resulted in **113** completed client surveys, which had the following economic impact:
  - **\$97.9M** in new and retained sales
  - **\$7.4M** in total cost savings
  - **\$33.2M** in total new client investments
  - **914** jobs created and retained

# Succession Planning Leads to Restructuring for Growth

- **Client name:** Greaves Corporation
- **How CONNSTEP helped:**
  - Created an infrastructure for growth, addressed employee's changing responsibilities and provided a greater understanding of management roles
  - Production floor capacity increased and a clear roadmap was established for transitioning of leadership roles
  - Greaves Corporation considers itself better positioned to become a leader in the electrical connector industry

## Client Results:

**\$600,000** in increased or retained sales

**5** new or retained jobs

**\$1,100,000** in new investment

**\$40,000** in cost savings

# Jose Anaya – Thank You for Your Service

Dean of Community Advancement  
El Camino Community College

**Two terms of Board service:  
July 2016-July 2022**

# Next MEP Advisory Board Meeting

Tuesday, Sept. 20, 2022

Co-located with the MEP National Network Update meeting and the FORME Center Best Practice Conference in Chicago, Illinois

Board members invited for ALL activities:

- Monday, Sept. 19 through Tuesday, Sept. 20 morning: MEPNN Update Meeting
- Tuesday, Sept. 20 afternoon: MEP Advisory Board Meeting
- Wednesday, Sept. 21: Center Best Practice Conference

# MEP National Network Strategic Plan 2023 – 2028

## Development Review and Feedback

# Thank You

For the Full Presentation, Please contact Cheryl Gendron at  
[Cheryl.Gendron@nist.gov](mailto:Cheryl.Gendron@nist.gov)

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