

NGM Council

October 20, 2008 Meeting Minutes

Present: Dean Amhaus, Marcia Arndt, Rob Cowen, Karl Grunewald, Ken Heins, Kim Houk, Mary Isbister, Shelley Jurewicz, Pat O'Brien, Kathy Rogers, Elizabeth Thelen, Colin Scanes, Duane Schultz, Marjorie Yoshida

Aligning our Purpose

* How did it get built?

- **Listening**
 - 500+ interviews with regional players, along with community & county feedback sessions
- **Gathering and evaluating outside research and perspectives**
 - Vandewalle & Associates, Deloitte
 - National & International Best Practices
- **Planning**
 - Strategic Framework presented May 30, 2007

* Why start with manufacturing?

- Region ranks #2 (of top 50) in percentage of workforce in manufacturing (San Jose chip industry is #1)
 - Manufacturing employment is 64% larger than U.S. average
- Manufacturing accounts for 57% of regional export driven jobs
 - State exports = \$17.2B
 - Up 64% since 2001
- Most risk – greatest opportunity
- A regional strategy that ignores it, is not realistic
- M7 region is 40% of state's economy

* Vision

Serve as a center of excellence for next generation manufacturing operations: technology-driven, innovative, lean, agile and skilled.

Become the best place to locate, build and grow small to mid-sized next generation manufacturing operations.

* Top 10 Strategies

1. Lock-in attainment zone approval for the region by June 15
2. Create single point of contact for NGM workforce needs through the Regional Workforce Alliance and its local partners
3. Accelerate and market industry-specific training programs
4. Create a "Next Generation Manufacturing Resource Center"
5. Market the Milwaukee 7 Region to targeted Next Generation Manufacturers
6. Secure \$1.5 million for the Get Lean Initiative
7. Support roll-out of Manufacturing Skills Standards Certification
8. Secure biotech machinery and equipment tax exemption
9. Expand global reach by sharing best practices on exporting
10. Build and connect regional engineering excellence

* Purpose and Role

- Identify NGM qualities
- Evaluate best practices
- Designate lead partners
- Facilitate & promote principles and practices
- Evaluate impact

* Priorities and Lead Partners

Workforce Development

Michael Mortell & Elizabeth Thelen, Regional Workforce Alliance (RWA)
Shelley Jurewicz, FUEL Milwaukee

Transitioning Existing Manu. Capabilities

Mike Klonsinski, Wisconsin Manufacturers Extension Partners (WMEP)

Technology and Innovation

Colin Scanes, UW-Milwaukee
Mike Klonsinski, WMEP

International Manufacturing Support

Pete Beitzel, Milwaukee World Trade Association (MWTA)

Marketing/Branding

Dean Amhaus, Spirit of Milwaukee

Secure Public Policy

Steve Baas, Milwaukee 7 Policy Committee

Measures of Success

- **Collaborate:** regular meetings
- **Identify:** WMEP Survey
- **Influence:** RWA influencing workforce activity in region
- **Advocate:** state budget funding for WMEP
- **Support:** WIRED proposals aligning with NGM priorities
Engineers & Scientists of Milwaukee - STEM
- **Advise:** MATC direction for new certificates
- **Adapt:** Proactive expansion and attraction strategy

Input:

- Lots of good work taking place – duplication not happening. We're all going in the same direction.
- State Technical Colleges – rolling out next generation workforce initiatives
- Governor's WAT (Workforce Assistant and Training) grants
- UWM – building strengths in advanced manufacturing

Moving Forward

Deloitte OTM Recommendations

Based on the OTM Ratings, the Milwaukee 7 region's strengths are likely to appeal to food, technology, and next-generation manufacturing operations

Food Manufacturing

- Manufacturers of processed foods, food ingredients, beverages, tobacco, and related products.

Technology Manufacturing

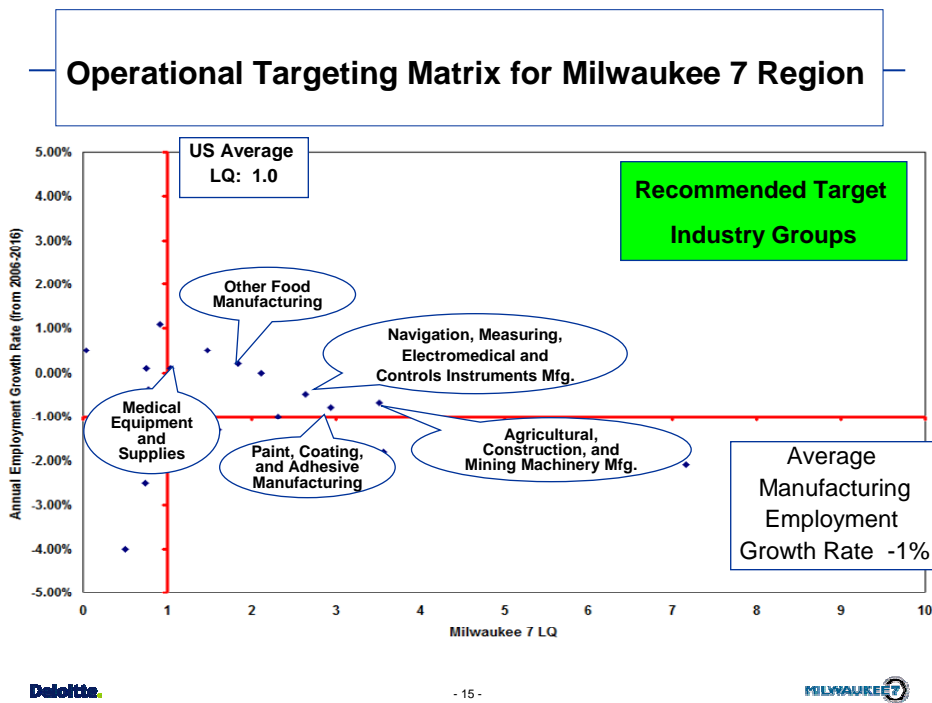
- Manufacturers of computers, computer peripherals, semiconductors, electromedical devices, measuring devices, navigation equipment, and related products.

Next Generation Manufacturing

- Manufacturers of products which are not classified in technology manufacturing, but that also require a high degree of capital equipment relative to labor in their manufacturing operations and/or employ new manufacturing processes in their operations.

Based on the OTM output, several industry groups are likely to present fruitful targets for M7 business attraction and expansion efforts. Industry groups identified using the OTM methodology, which are possible candidates for detailed industry profiles and future focus by M7, include:

NAICS Industry Group	Representative M7 Region Companies
NAICS 3345 Navigation, Measuring, Electromedical, and Controls Instruments1	GE Healthcare, Johnson Controls, Rockwell Automation, and Badger Meter
NAICS 311 Food Manufacturing (all industry groups)	Sensient Technologies, MillerCoors, Hansen CHR, Lesaffre, Wixon



Input:

- Milwaukee successful because it did NOT specialize.
- Diversity of manufacturing is what keeps us healthy
- Choose areas that will benefit all or it will upset the balance
- Employment numbers should not be used to measure. Have fewer employees but produce more than they did 10 years ago. Less people, more technology, increased quality of jobs.
- Overall metals industry is under so many different codes that we're not seeing the actual picture of the region.
- Different codes actually overlap in areas of support and needs – this is why they cluster
- It seems that we are manufacturing parts and not end-products. We are supporters of export drivers.

- Make sure you don't just look for the big companies. Small and medium companies will move. Grow small and medium companies here, retain them and grow them. Don't ignore them.
- Expansion and Attraction strategy needs to be more about expansion than attraction.
- Include supplier industries in cluster development. They are integral to expansion of existing clusters.
- Incentives at State level usually happen with new attractions.
- Metals and all different NAICS codes associated with metals are huge. Don't discount them.
- M7 needs to consider clusters. Although decreasing employment, quality of jobs in pay and skill are increasing. These clusters should not be discounted.

NGM Careers/Marketing and Branding

Story Meetings

- Why Meetings?
Change Manufacturing conversation from Negative to Positive
Keep Manufacturing Core to M7 prosperity
- What is Story?
Facts inform. Story sticks. Story inspires. Story connects.
- What are the current Results?
4 Meetings + 1 Conference Call
Start listing / collecting content for NGM site/Dream it Do it site
Keep list of ideas from Story meetings – integrate into future task
- What is Next? NGM Council review Dream it Do it and other
Ideas and start collecting ("Storage Tank" Dean Amhaus)

TWO OPTIONS TO MOVE FORWARD: DREAM IT DO IT OR BUILD OUR OWN

Dream It Do It

- New Business Model
\$ 25,000 (rather than \$ 50,000) and ongoing subscriber fees at \$2,500 / year.
\$ 100,00 - \$250,000 – collect content, customize content, staff, link to other programs, communicate and market, respond to inquiries
- Support at National Level, NAM Branding
- Approximately 13+ regions, 3 considering
- Connect to our own Regional ideas – information needs to be collected.
- Need Support: *Industry Demand Side + Talent/RWA Supply Side*
- Need at **least** 50% buy-in and leadership by manufacturers in the region. We may not be at the stage yet.
- Who are the people going to the Dream It Do It Site?
 - 16-26 year olds
 - Parents
 - Guidance counselors

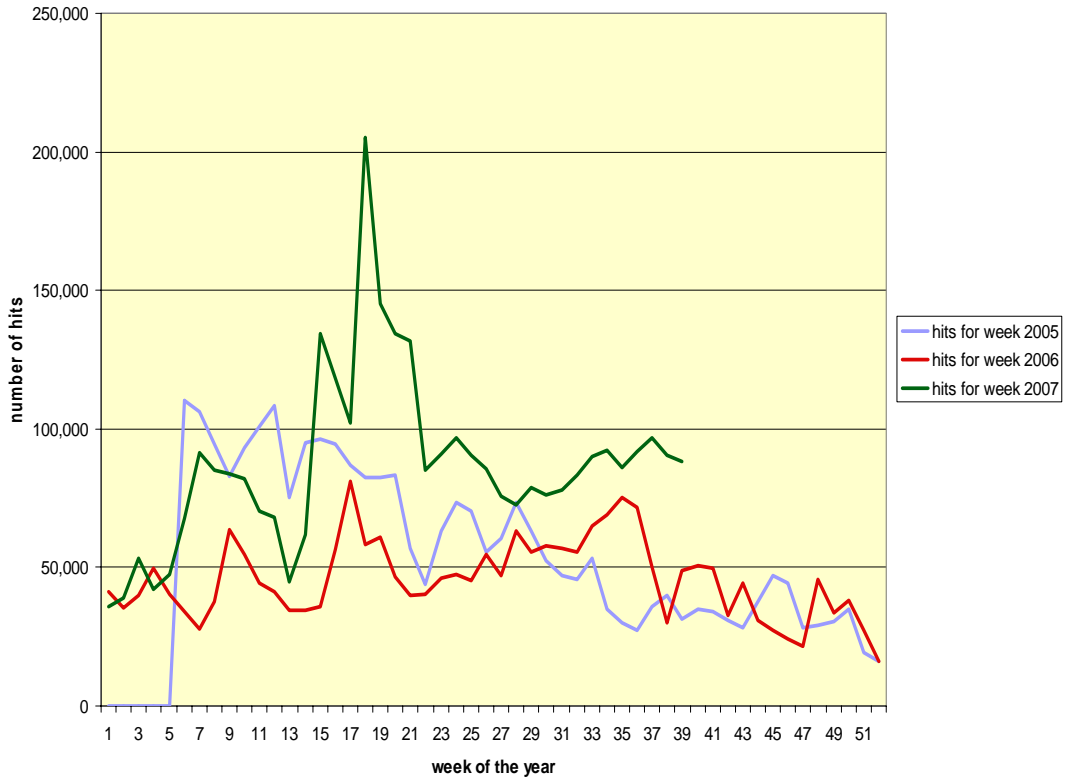
Develop Our Own

- Create NGM Site / link to ChooseMilwaukee.com
- *Expenses: Collect content, create site, manage information, communicate, respond to inquires, etc.*

- Connect to our own Regional ideas (many from story meetings)
- Need Support: *Elizabeth, RWA Priority Project Team, NGM Council*
- See examples: *New North Manufacturing Alliance (<http://newmfgalliance.org>) and Minnesota 360 degree (www.360mn.org)*



www.dreamit-doit.com hits per week



“Regardless of the tool, we need to collect information.” What information to collect?

- Industry Tours
- Career Days in high schools
- Listing of Certificates to Advanced Degrees
- Companies with Internships
- Informational websites (include dreamitdoit.com)
- Media / Marketing connections and happenings

M7 investigating web tools and presence to house the collected information and to communicate with constituents/audience. Goal: put together framework to be presented at next NGM Council meeting.

NGM Call to Action

- Reaffirm purpose & value
- Grow NGM Council: Engage another manufacturer to attend regular meetings
- Website Committee
- Other

Feedback/Dialogue

Pat – a little bit of the chicken and the egg

Colin – start with your strengths

Ken – we are more productive than portrayed, measure productivity not just employment

Sam W – our success is that we have all kinds of manufacturing

Mary I – My clients are growing

Mary – I do see more alignment in the system

Pat – Incentives from the state come from 1000 jobs minimum + wage rate

Karl – if not sexy, no one cares. We need to educate people.

Rob (Badger Alloys) – if you are not a big company, and yet, still expanding, no one listens.

Dean – BVK has marketing stuff ready to go.

Ken – be careful of affiliations with NAM

Mary I – Yes, we are moving in the right direction. There is more alignment in the system. We all want more and faster. We, I, understand it does take time.

Ken – We need benchmarks in ALL areas. Who. What. Why.

General Consensus: Workforce Development and Economic Development organizations were not aligned at all in the past. They do seem to be more aligned now. The talent network may not be finished...it is a work in progress. Would like to see things happen faster. Need benchmarks to know if we are getting better or worse.

NGM Council asking RWA for a roadmap of the talent network. Listing of groups and how they are aligned.