

**NH MEP
Board of Directors**

Art Christianson
Vice President of Manufacturing
High Liner Foods
Portsmouth, NH

Brian Gilmore
Executive Vice President
of Public Affairs
Associated Industries of
Massachusetts
Boston, MA

Mark Godfrey
CHAIR
Chairman
Felton Brush, Inc.
Londonderry, NH

Paul Kennedy
President
Kennedy Affiliated Industries
Worcester, MA

David Metzemaekers
Director of Operations
Scott Electronics, Inc.
Salem, NH

The NH MEP Board is an elected board of experienced manufacturers and other leaders with manufacturing interests who serve without compensation for a minimum of two years. The Board works with the center's director to help set basic policies and directions to enable NH MEP to fulfill its mission.

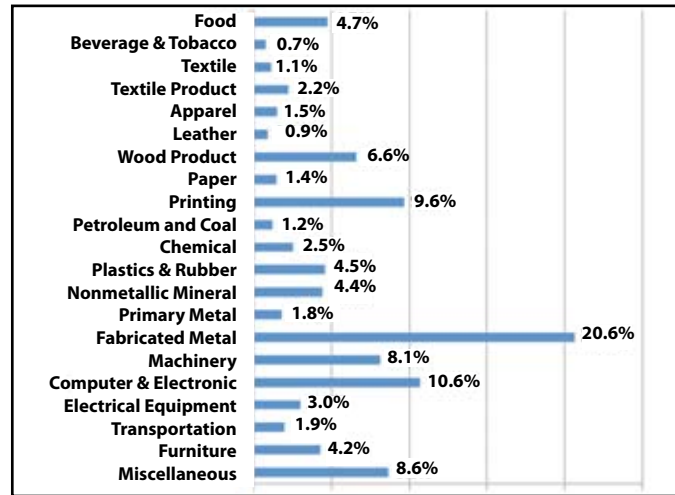
"Zenagui is a real advocate for businesses and laborers in New Hampshire. Those who've had the pleasure to work with him know his dedication to the cause. Under Zenagui's leadership, the NH MEP program has successfully bolstered state and local revenues."

**Mark Godfrey, Chair
NH MEP Board of Directors,
Chair, Felton Brush, Inc.
Londonderry, NH**

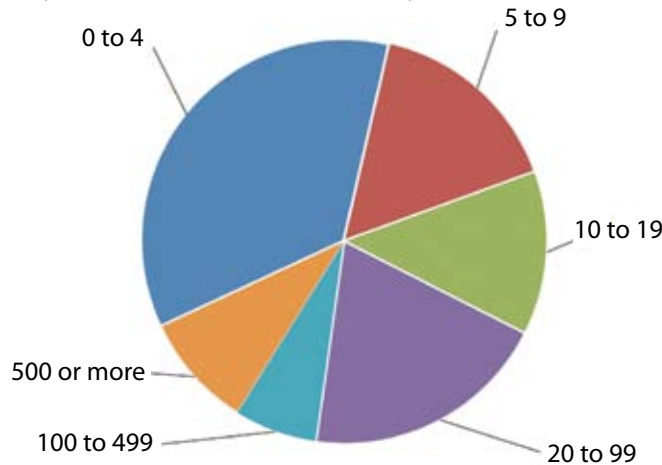
Manufacturing Matters!

- In 2008, manufacturing accounted for **10.9%**, or **\$6.5 billion**, of New Hampshire's gross state product.
- The average **manufacturing** wage in New Hampshire is **\$55,453**, (vs. the overall average wage of **\$42,444**).
- **50%** of manufacturers have fewer than 10 employees.

Manufacturing by Industry



**New Hampshire Manufacturers
by Number of Employees**

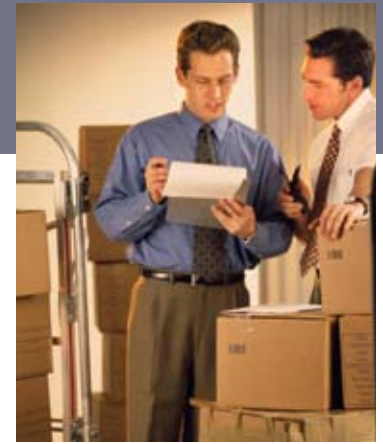


**NH MEP Director of Operations Awarded
the Department of Economic Develop-
ment Exemplary Effort Award**



Zenagui Brahim is presented with the Exemplary Effort Award at the 14th Annual NH Economic Development Summit.

Pictured left to right are Mark Godfrey, Chair, NH MEP Board of Directors, Governor John Lynch, Zenagui Brahim, and Commissioner George Bald.



"We wanted everyone to be on the same page with what our company was trying to accomplish. That's why we had every one participate in Basic Lean Training for Job Shops (TWLE102), a workshop that introduces Lean concepts and tools and shows how these concepts are applied through an interactive simulation. The NH MEP team was instrumental in demonstrating the importance of Value Stream Mapping (VSM) and Kaizen events, so we could reduce waste in various areas of the facility. You can always find more things to work on, as there is vast opportunity for improvement. Then, as managers are able to show their teams successful results, they get the buy-in, which is key to sustaining improvements. Thanks to the NH MEP team, we are able to seek out those opportunities and make small changes that greatly affect the way we do business."

Dennis Wogaman
COO
P.J. Noyes Company
Lancaster, NH

"NH MEP team stressed that lean is a discipline for the entire company not just for manufacturing. When we did the first Le102 events, we made sure they were company-wide. Everyone was able to see first-hand how lean tools could be applied to their specific job. We're fortunate to have a good management team that buys into lean and promotes it. But for our employees, seeing the dividend is what sells it. The results of lean initiatives are fast and dramatic. Our employees now understand that lean is an enterprise-wide opportunity!"

Dennis Goodman
Director of Quality
Cobham Surveillance
Nashua, NH

Results . . . Accountability

The New Hampshire Manufacturing Extension Partnership (MEP) is a statewide not-for-profit center that provides assistance and training to help manufacturers grow, improve their manufacturing and business strategies and processes, adopt advanced technologies, increase productivity, reduce costs and improve competitiveness.

NH MEP Objectives:

NH MEP's objective is to balance market penetration and the creation of economic impact by:

- Providing growth strategies for top line growth;
- Delivering Lean manufacturing solutions designed to save time and money while increasing customer satisfaction; and
- Providing energy and environmental management services to address needs of manufacturers with high energy costs and impact industry sustainability goals.

NH MEP Gets Results!

- NH MEP served more than 1,200 of New Hampshire's manufacturers since 2000.
- NH MEP trained more than 6,650 individuals through projects and events in the past five years.

Return on Investment:

In the past three years, for every \$1 of client fees paid to the NH MEP, clients received a return on investment of \$86.21 in increased or retained sales and \$12.46 in cost savings.

Economic Impact:

Over the past three years clients have reported that as a direct result of their work with the NH MEP they:

- Created **305** jobs and retained **593** jobs that otherwise would no longer exist
- Increased and retained **\$194.9** million in sales
- Spent **\$75.2** million on new investment
- Experienced **\$29.1** million in cost savings

These results have a ripple effect on the New Hampshire economy - totaling impacts of:

- **2,402** jobs that paid of **\$115.4** million in employee wages and benefits
- **\$408.1** million worth of economic output
- **\$190.7** million of gross state product
- **\$72.6** million in additional tax and non-tax revenues at the federal, state, and local government levels, including **\$14** million at the state and local level

Partnerships:

The NH MEP works in conjunction with the Department of Resource and Economic Development. We also partner with other economic development agencies to eliminate duplication of services and instead provide complementing services to partners, including the Division of Economic Development and the Business and Industry Association. We also collaborate with the NH Small Business Development Centers, the Association for Manufacturing Excellence, the New Hampshire Machining Association, the NH Community College System, as well as the University of New Hampshire to ensure that statewide assistance is available to New Hampshire manufacturers.



New Hampshire Manufacturing Extension Partnership: Serving Manufacturers Since 1996

Accountability:

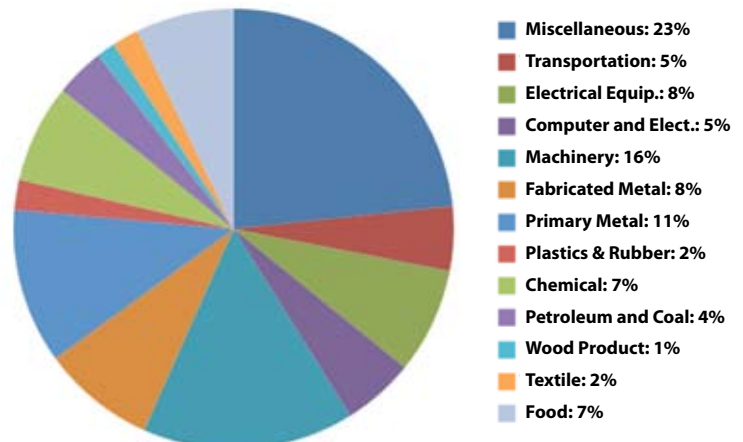
■ NH MEP's Internal Evaluation Process is Rigorous

NH MEP has in place its own internal continuous improvement program using feedback on surveys to improve and expand services to meet our clients' needs. On an annual basis, the NH - MEP is required by federal mandate to go through a rigorous performance review by a panel of its peers. The panel provides feedback on performance and we incorporate their recommendations into our operations. Additionally, the MEP program must demonstrate performance on five measures that balance market penetration and the creation of economic impact. The continuation of the program's annual federal funding is contingent upon a successful performance based on these Minimally Acceptable Impact Measures (MAIM) scores.

■ NH MEP Impacts are Independently Verified

NH MEP clients are surveyed annually by an independent survey house to determine the impact of the program on client jobs, sales, cost savings and investments. The effects of this increased economic activity extends beyond the client firms, so verified impact totals are then modeled through IMPLAN, an economic model that identifies the indirect and induced effect of NH MEP's services on the broader economy.

Manufacturers Served by NH MEP During 2009



New England Tri-state Energy Pilot Project:

NH MEP participated in a New England Tri-state Pilot Project, demonstrating success in cutting energy costs for manufacturers. MEP-EPA partnership achieved 10:1 return on investment in Maine, Massachusetts and New Hampshire. The integrated Lean Energy and Environment program was pilot tested in six regional manufacturing clients, two in each of the three participating states. In New Hampshire, the Lean Energy and Environment initiative was implemented by BAE Systems of Nashua and High Liner Foods of Portsmouth.

Impacts: For \$140,000 in direct and program management costs (\$67,000 coming from the EPA and \$73,000 in associated match dollars), the project produced a total of \$1.4 million in identified and expected impacts from the six participating manufacturers. These included: Energy savings exceeding \$652,000 per year; Environmental savings exceeding \$34,000 per year; and Lean manufacturing savings exceeding \$750,000 per year. The pilot project also ensures that energy efficiency goals are attainable by small manufacturers. Not only are they affordable for small firms; they can actually help drive down production costs.

Next Generation Manufacturing Identifies What NH Firms Must Do to Survive Global Competition

Study provides new tool for manufacturers to assess strategic priorities

Based on an in-depth national survey of more than 2,500 manufacturers, including 74 firms in New Hampshire, the study identifies six crucial strategies necessary for world-class manufacturing success. The most unique aspect of the ground-breaking study, however, is the evaluation instrument utilized in the study. It provided participating manufacturers with a detailed assessment of how their management practices compare to global industry leaders and can evaluate whether individual firms are implementing the procedures and strategies that will enable them to thrive and succeed in the coming decade.

The **Next General Manufacturing Study** was designed to serve two purposes: to provide valuable data about what America's most successful manufacturers are doing to succeed in a competitive global environment and to help individual firms participating in the study evaluate their own operations and establish performance benchmarks. Manufacturers who participated in the survey were quick to acclaim its value.

NH MEP Programs and Services

- Lean Methodologies Training
- Mobile Outreach Skills Training Program
- Workforce Development Training
- Leadership Development and Coaching
- Business Information Systems
- Quality Management Systems
- Plant Layout
- Supply Chain Management
- SupplyPoint®
- Growth Strategies

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New England Tri-state Energy Pilot Project

BAE Systems, Inc., a global defense, security and aerospace systems company, agreed to participate in the pilot program.

“What we found by participating in the pilot project was not just that energy savings could be achieved by changes in our production process, but that these changes were the lowest of low hanging fruit. In fact they were fruit that was lying on the ground. Since undertaking the project, we’ve already experienced a 12 percent decrease in our energy bill, even though production is up 7 percent.”

Jim Fallon
Continuous Improvement Manager
BAE Systems, Nashua, NH

One of North America's largest value-added seafood processors, High Liner Foods, was selected as one of two New Hampshire companies to participate in the test pilot.

“The Lean Energy and Environment pilot project helped us identify more than \$200,000 in opportunities for energy efficiency at our Portsmouth

Art Christianson, Vice President
High Liner Foods, Portsmouth, NH

Next Generation Manufacturing Study hailed as one of the Most Comprehensive Surveys

“The Next Generation Manufacturing Study is probably the most exhaustive and detailed survey of the U.S. manufacturing base ever conducted. In today's climate of globalization and the threat of lost manufacturing jobs, it's important to know where the U.S. stands as a player in the international market. The study was also illustrative for Graphicast, as it highlighted where we stand compared to the more than 1,000 companies that responded to the study. This information gives us a clear path to follow to achieve world class status in technology and service.”

Val Zanchuk, President
Graphicast, Jaffrey, NH