

Snowe, Lieberman Request Full Funding For Manufacturing Extension Partnership in FY 2009 Commerce, Justice, Science Appropriations Bill

WASHINGTON D.C. – U.S. Senators Olympia J. Snowe (R-Maine) and Joe Lieberman (ID-Conn.), Co-Chairs of the Senate Task Force on Manufacturing, today requested that the Fiscal Year 2009 Commerce, Justice, Science, and Related Agencies Appropriations bill include \$122 million in funding for the Hollings Manufacturing Extension Partnership (MEP). Joining Senators Snowe and Lieberman in their request to fully fund the MEP at the level authorized by last year's America COMPETES Act was long-time advocate and Task Force member Sen. Herb Kohl (D-WI), as well as more than 50 other senators.

“It is absolutely vital that Congress fund the Manufacturing Extension Partnership at its fully authorized level of \$122 million,” said Senator Snowe. “Responsible for helping to create or retain over 52,000 jobs and to drive \$1.65 billion in new investment in fiscal year 2006 alone, the MEP enables our nation’s small- and medium-sized manufacturers to improve productivity and compete in the global marketplace. Given the MEP’s tremendous return on investment, particularly at a time when the economy is losing jobs and struggling to regain its footing, the MEP is a tremendous use of government resources.”

“In Connecticut, the CONNSTEP program has been tremendously successful in equipping manufacturers in all corners of our state with the tools they need to compete in the global economy,” said Senator Lieberman. The federal government’s modest investment has tremendous bang for the buck, and it is imperative that we continue to support these essential programs. I am pleased that so many of my colleagues have joined me in calling to fund the MEP program at its fully authorized level.”

“The Manufacturing Extension Partnership helps small- and mid-sized employers stay competitive in the global market while retaining and creating jobs,” said Senator Kohl. “By fulfilling our commitment to the MEP, we are making a wise investment that will pay off in much greater economic dividends in terms of job creation and increased productivity for manufacturing businesses throughout our nation. As our economy struggles, this initiative is especially critical in the ongoing effort to make sure Americans stay employed.”

The MEP is a nationwide network of not-for-profit centers in over 400 locations nationwide, whose sole purpose is to provide small- and medium-sized manufacturers with the help they need in implementing the most advanced manufacturing technologies and processes to succeed as the country competes with low wage countries such as China and India. The centers, serving all 50 states and Puerto Rico, are linked together through the Department of Commerce’s National Institute of Standards and Technology (NIST).

The \$122 million in requested funds for the MEP in FY 2009 is critical to the sustainability of the nation’s manufacturing sector. The country’s small manufacturers employ over 6 million Americans and account for approximately 57 percent of the value of all manufactured goods nationwide. Small manufacturing jobs are also high skilled

and high wage, with manufacturing employees earning 25 percent more than retail employees per hour. The MEP represents a critical resource for our nation's manufacturers during the difficult economic times the country is facing. The text of the letter sent to Senate Committee on Appropriations Subcommittee on Commerce, Justice, Science and Related Agencies Chair Barbara Mikulski and Ranking Member Richard Shelby is as follows:

The Honorable Barbara A. Mikulski, Chairwoman
The Honorable Richard C. Shelby, Ranking Member
Committee on Appropriations
Subcommittee on Commerce, Justice, Science and Related Agencies
United States Senate
Washington, D.C. 20510

Dear Chairwoman Mikulski and Ranking Member Shelby:

We are writing to respectfully request full funding, in the amount of \$122 million, for the Manufacturing Extension Partnership (MEP) Program in the fiscal year 2009 Commerce, Justice, Science and Related Agencies Appropriations bill. This request is the authorized level provided in the recently enacted America COMPETES Act (P.L. 110-69).

Manufacturing continues to be vital to this country's economy and represents one-eighth of GDP in 2005, but the challenges to remain competitive are increasing. Since 2000, the U.S. trade deficit has grown by \$331 billion, or 43 percent. This funding level is necessary for the MEP to ensure the sustainability and the growth of our domestic small manufacturing industry and high-quality, high-paying jobs.

The MEP assists America's small manufacturers and helps boost productivity, sales, and investments in modernization and employment. Manufacturing was a significant contributor to the economy's expansion in the 1990s, and small manufacturers are the engines that increase and power productivity and job growth. Small manufacturers employ over 6 million Americans and account for approximately 57 percent of the value of all manufactured goods in the American economy.

The MEP is one of the most successful federal/state partnerships in government.

MEP clients achieve productivity gains that are more than four times greater than comparable firms that do not receive MEP assistance. Furthermore, MEP clients are increasing sales, hiring workers, and investing in plant modernization. In fiscal year 2006 alone, MEP clients reported 52,585 new or retained workers, sales of \$6.765 billion, cost savings of \$1.115 billion, and plant and equipment investments of \$1.65 billion.

These results are a direct consequence of clients' MEP assistance.

A \$122 million appropriation for the MEP in fiscal year 2009 is critical to the sustainability and growth of our domestic manufacturing sector. Our nation's approximately 341,000 small manufacturers account for over half the total value of U.S. production and represent 97 percent of manufacturing establishments. Small manufacturing jobs are high-skilled and high-wage, with manufacturing employees

earning 36 percent more than retail employees per hour.

Manufacturing is one of our country's greatest economic strengths and the MEP is an invaluable program that helps manufacturers improve productivity and compete in the global marketplace. Without unwavering strong federal support, the MEP will be unable to maintain its mission of serving America's small manufacturers' increasing needs. At a time when economic recovery, supply chain reliability for consumer and defense goods, and global competitiveness are national priorities, the MEP continues to be a wise investment. We respectfully request that you appropriate \$122 million for the MEP in fiscal year 2009.

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