

Survey finds job, sales payoff

By MICHAEL CLEVELAND

CONCORD – A total of 885 jobs and \$232.3 million in sales: That, says the New Hampshire Manufacturing Extension Partnership, is how it has benefited the state in the past five years.

Between April 2006 and February 2011, companies working with the MEP have created 425 jobs and retained 460 that “otherwise would not exist,” according to a survey of 204 companies.

Those companies also reported \$232.3 million in increased sales, spent \$81.8 million on new investment, and experienced \$36.3 million in cost savings.

New Hampshire MEP is a federally funded nonprofit that provides assistance to small manufacturers. It is a network of technical, manufacturing and business specialists linked together by the U.S. Department of Commerce and the National Institute of Standards.

The five-year executive summary released last week estimates the total economic contribution to the New Hampshire economy from firms whose employment, sales or investment activity changed as a direct result of assistance provided by the New Hampshire MEP. It comes at a time when funding for MEP is on the chopping block amid federal budget negotiations.

MEP’s job, executive director Zenagui Brahim said, is to “help New Hampshire manufacturers in productivity so they can compete globally.”

It does that, he said, by working directly with companies, but not just at the management level.

“We go in the field at the shops, on their floor and front office, and work with a team there, from senior management to technicians, the whole process of making the product,” Brahim said in a telephone interview Tuesday.

The idea is to keep companies competitive by helping them streamline their operations and cut down on costs, he said.

“Every time they see an opportunity to cut down on costs and render the services or product and ship it on time with very good quality, they have a competitive advantage,” Brahim said.

A year after MEP works with them, companies respond to a survey conducted by an independent, third-party survey company. Clients are asked a number of questions relating to changes in efficiency and output as well as the quality of the MEP services they received.

According to the MEP, it’s not only the clients who are benefitting from MEP services. Increased sales by New Hampshire MEP clients require that they increase their purchases of

goods and services from other companies. The supplying companies, in turn, generate additional demands of their own, the MEP said.

“In this way, dollar expenditures for final demand can be traced to all of the affected industries in the regional economy,” a press release from MEP said. “In addition, the income from new jobs generated by New Hampshire MEP clients and the supplying firms results in increased demand for consumer goods. Each of these effects, in turn, generates subsequent ripples throughout the New Hampshire economy.”

According to the five-year summary, the sum of these direct, indirect and induced effects are responsible for:

Creating or retaining 3,794 jobs that paid \$187.5 million in employee wages and benefits.

Increasing or retaining economic output worth \$719.4 million.

Contributing or retaining \$297.8 million of gross state product.

Generating or retaining \$97.9 million in additional tax and non-tax revenues at the federal, state and local government levels, including \$21.8 million at the state and local level.