



**FOR IMMEDIATE RELEASE:**  
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## **NACFAM “White Paper” on Productivity To Be Released**

**WASHINGTON, D.C.** - The National Coalition for Advanced Manufacturing (NACFAM) will release its White Paper entitled, **Industrial Transformation: Key to Sustaining the Productivity Boom**, at the Washington Productivity Forum on June 4<sup>th</sup> at the Melrose Hotel.

**Leo Reddy**, Founder and CEO of NACFAM, will summarize the **Major Findings** of the White Paper at the Forum luncheon.

**Gerald Elson**, Vice President and General Manager of Vehicle Operations at General Motors, will speak on **The Importance of Manufacturing**.

**Rusty Patterson**, Chairman of NACFAM and Vice President of Customer Supply at Raytheon, will present the **White Paper Recommendations**.

With the nation’s manufacturing sector continuing to face an increasing number of major challenges, the White Paper suggests that the U.S. can compete successfully with low-wage countries if industry and government rally around two basic goals: 1) increase labor productivity by greatly accelerating the use of advanced technologies and 2) leverage national resources through a major expansion of public/private partnerships.

The central elements of the White Paper call for 1) moving global competitiveness higher on the national agenda, 2) developing and deploying “next generation” process technologies, 3) “incentivizing” American workers to keep pace with technological change, and 4) reducing

supply chain vulnerability. (See attachment for a more detailed exposition of these four policy recommendations.)

The paper contains specific suggestions designed to enable U.S. manufacturers to be competitive in any industry sector where they choose to do business. Taking these steps now will 1) accelerate the rate of manufacturing innovation, 2) stimulate investment in the most advanced manufacturing equipment, 3) continually improve workforce skills, and 4) create a voice in the federal government to ensure the continuation of manufacturing-friendly public policies.

Following the discussion and adoption of the White Paper at the semi-annual meeting of the NACFAM's Advanced Manufacturing Leadership Council (AMLC), council members will hold briefing sessions with senior Administration officials at the Eisenhower Executive Office Building, the Department of Commerce and the Department of the Treasury.

Later that afternoon, a second group of the AMLC will meet with key Congressional leaders to discuss the White Paper recommendations and outline the impact their adoption could have on national economic growth.

During these afternoon sessions, council members will also explore how transformational industrial capabilities could lead to the production of highly individualized products by manufacturers on a mass scale, thereby creating a pathway to sustaining the productivity boom that has persisted during the current economic slump.

The Washington Productivity Forum provides business, government, education and labor leaders concerned with the productivity of the nation's manufacturing sector with a venue to discuss policy issues that can enhance the nation's economy, standard of living and public sector revenue generation.

NACFAM Founder and CEO **Leo Reddy** will be available to take media questions either before the Washington Productivity Forum luncheon or afterwards. For more information about Mr. Reddy's availability, please call Fred Wentzel, NACFAM Senior Advisor for Industry Relations at 202-429-2220, ext. 106 or e-mail him at [wentzef@nacfam.org](mailto:wentzef@nacfam.org). *Members of the media are welcome to attend the June 4<sup>th</sup> luncheon.*

## **NACFAM “White Paper” Policy Recommendations**

### ***Move global competitiveness higher on the national agenda:***

- A sustained, stronger focus on manufacturing productivity across the highest levels of the Administration, including the Secretary of Commerce, the President’s Advisor on Science and Technology, and the President’s Council of Advisors on Science and Technology Policy.
- More effective use of the manufacturing-related programs at the National Institute of Standards and Technology given its unique responsibility for assisting industry.
- Use “Save \$1 Billion a Day” as a galvanizing goal for reducing the trade deficit as a measure of America’s ability to compete.
- Accelerate depreciation of investments in new hardware & software for all manufacturers.

### ***Develop and deploy next generation process technologies: “A New Tool Kit”:***

- Substantially increase federal investment in productivity-enhancing manufacturing science & technology research.
- Utilize “industry-led, government-enabled” consortia models akin to Sematech.
- Move research more rapidly towards practical application through the concept of “R&I” (Research and Implementation) rather than “R&D.”

### ***Enable America’s workers to keep pace with technological change:***

- Provide a tax incentive for technical re-training over a worker’s career.
- Integrate academic and technical/applied learning into the Perkins Act authorization.
- Integrate industry-led skill standards into education and training programs under Workforce Investment Act reauthorization.
- Accelerate development of skills standards-based certification systems.

### ***Decrease supply chain vulnerability and support the nation’s smaller suppliers:***

- Avoid trade disruptions and maintain secure logistics & supply networks.
- “Hedge” critical military and homeland security products through a strong domestic supplier base.
- Build much higher levels of cooperation and collaboration between Manufacturing Extension Partnership (MEP) services and the supply chain optimization programs of large manufacturers at the sub-tiers.
- Fund the Enterprise Integration Bill for greater standards interoperability and improve IT capabilities of suppliers.