

For Immediate Release:
January 11, 2007

KOHL, SNOWE LAUNCH EFFORT TO STRENGTHEN MANUFACTURING JOBS PROGRAM

Bill will extend full funding for the Manufacturing Extension Partnership program, which helps small- and medium-sized manufacturers maintain competitiveness

WASHINGTON - U.S. Senators Herb Kohl (D-WI) and Olympia Snowe (R-ME) today introduced legislation to extend full funding for the Manufacturing Extension Partnership program (MEP) for five years. The successful program is a nationwide network of centers that helps small- and medium-sized manufacturers compete in the global economy by producing advanced products, using emerging technology, and streamlined processes. Although the MEP program, which is a federal-state-private partnership, has broad bipartisan support, Kohl and Snowe and their Congressional colleagues have had to fight to ensure that MEP centers receive sufficient funding. Today's bill would authorize \$110 to \$130 million each year in federal funding for MEP centers for the next five years.

"The MEP program is one of the few federal initiatives that provide practical, usable assistance to the manufacturing sector to help companies stay in business and retain jobs. By making it possible for employers to operate more efficiently and compete more ably, MEP has been successful in saving good-paying manufacturing jobs in my state," Kohl said.

"For over a decade, MEP has helped to create a level playing field for small manufacturers competing globally and creating good jobs here at home. Today, with domestic manufacturing facing increasing challenges, the MEP is more necessary than ever. Ensuring the MEP is fully funded helps American manufacturers power our national economic engine and continue supporting communities, manufacturers and the American dream."

MEP's top areas of assistance are process improvement, quality inspection, business systems and management, human resources, plant layout and manufacturing cells, and product development. MEP streamlines operations, integrates new technologies and shortens production times, which improves efficiency and lowers costs. The program also offers resources to manufacturers by organizing workshops and consulting on firm projects. MEP helps remove drags on profits and maximizes the potential of our manufacturing firms.

Wisconsin is home to two MEP centers, which both have a significant impact on the productivity of companies throughout the state. In Wisconsin, MEP

has helped over 1,300 Wisconsin manufacturers make nearly \$400 million in improvements in technology, productivity, and profits over the past decade. And, since 1994, the Northwest Wisconsin Manufacturing Outreach Center, targeting the more rural northwestern part of the State, has provided over 3,000 technical assistance activities to over 940 companies, creating or retaining almost 2,000 jobs. In Wisconsin, larger corporations like John Deere, Harley-Davidson, and Oshkosh Truck are working with the state's MEP centers to develop domestic supply chains.

The Maine MEP has estimated that from July 2003 to May 2004, MEP's overall affect on Maine's economy included: (a) creating or retaining 723 jobs that paid a total of \$21.24 million in employee wages and benefits; (b) increasing or retaining economic output worth \$87.33 million; (c) contributing or retaining \$36.69 million of gross state product; and (d) generating or retaining over \$8.21 million in additional tax and non-tax revenues at the federal, state and local government levels, including \$2.54 million at the state and local levels.

On March 14, 2006, the U.S. Senate approved an amendment sponsored by Snowe and Kohl to boost funding for the MEP program to \$106 million in the FY07 federal budget. The budget proposed to Congress by the Administration included a drastic cut to \$46.3 million for MEP, a 56% decrease from the \$106 million appropriated for FY06. The Senators also worked to ensure that the MEP program received \$107.5 million in the FY2005 Omnibus Appropriations bill.

The President will submit his proposed FY2008 budget to Congress in February, and Kohl and Snowe said they will again fight for full funding of the program if the Administration again proposes cuts to the program.