

MEP HURRICANE RECOVERY EFFORTS: HELPING MANUFACTURERS GET BACK TO BUSINESS

With its years of experience in providing manufacturers with the resources and expertise they need to grow and thrive, the National Institute of Standards and Technology Manufacturing Extension Partnership (NIST MEP) was an ideal choice to help ensure that government funds aimed at spurring recovery from the devastating hurricanes of 2005 were spent wisely and effectively. The nationwide MEP network of manufacturing experts and its well-established centers in the five affected states (Alabama, Florida, Louisiana, Mississippi and Texas) were perfectly positioned to immediately mobilize for the development and direction of several innovative projects to help manufacturers rebound and grow in the aftermath of the disruption and destruction caused by the storms.

MEP's success in generating recovery and business growth in hurricane-damaged areas is no surprise. Each year, MEP collaborates with tens of thousands of manufacturers to solve problems, increase productivity, improve their economic competitiveness, and enhance their technological capabilities. As a result, MEP clients achieve higher profits, save time and money, invest in physical and human capital, and create and retain thousands of jobs.

The projects spearheaded by MEP in response to the hurricanes of 2005 demonstrate the program's agility, vitality and ability to have a measurable impact on manufacturers, their communities and the economy overall.

Gulf States Shipbuilders Consortium

In order to assist Gulf Coast shipbuilders affected both by hurricane damage to facilities and equipment and the lack of skilled workers caused by the displacement of coastal residents, MEP-affiliate Alabama Technology Network established the Gulf States Shipbuilders Consortium (GSSC) in conjunction with the MEP affiliates in Louisiana and Mississippi. The consortium is a membership-based, regional cooperative group of shipbuilding companies, suppliers, educational institutions, economic developers and area MEP centers in Alabama, Mississippi and Louisiana. Its goals are to raise public awareness of the shipbuilding industry in the Gulf Coast region, establish a steady stream of technically trained workers for the shipbuilding industry in the region and establish a foundation for sustaining and growing the consortium.

The project has engaged 12 shipbuilding and repair companies as full participants along with 16 other shipbuilding and repair vendors and support organizations. The consortium has developed a strong working relationship among coastal shipbuilders, the MEP centers and state community colleges to address the industry's most critical and pressing problems.

In July 2008, GSSC will launch a campaign to increase public awareness of career opportunities in the shipbuilding and repair industry along the Gulf Coast and attract, develop, and retain a robust labor force in Alabama, Louisiana, and Mississippi. Specific initiatives related to the public awareness campaign that have been completed include: the GSSC web site (www.gsship.org); a shipbuilding and career resources web site (Goships.com); a call center to

connect individuals interested in working in the industry with appropriate partners; a shipbuilding career awareness program attended by more than 400 middle- and high school students from Mississippi and Alabama, including training and shipbuilding simulation kits for over 75 teachers and counselors; and career fairs resulting in over 300 leads from interested job applicants that were referred to member shipyards.

Another project initiative is a shipfitter job analysis aimed at developing comprehensive job and training information for the shipfitter position. This will serve as the foundation for the development of a shipfitter curriculum, scheduled to launch this winter, that will ultimately lead to the development of an industry-recognized portable skills certificate. Also under development are three pilot shipfitter boot camps to quickly train workers for this critically needed occupation.

Best practices resulting from the various project initiatives will be shared among the MEP centers and across industries as a model for addressing economic development needs impacted by workforce issues.

Manufacturing Assistance in Other Affected States

Florida:

The Florida MEP affiliate is using its NIST MEP grant to help small manufacturing enterprises increase revenue levels, participate in defense and commercial supply chain opportunities and prepare business continuity plans. Some 54 percent of Florida's small manufacturers were affected by the hurricanes.

Approximately 155 manufacturers in the 23 designated hurricane-impacted counties have been trained by Florida MEP through 14 training seminars on acquisition response training and lean manufacturing techniques. Florida MEP has facilitated and is in the process of completing training projects ranging from two to twelve months for 66 companies. This training includes preparation for ISO certification, lean transformation, plant layout and business continuity planning.

In addition, Florida MEP has provided to more than 200 companies access to the SupplyPoint® (www.supplypoint.com) database. Through one-on-one mentoring Florida MEP has provided information on the government solicitation process, and offered guidance on how to conduct business with the government. With the training provided under this grant, multiple companies have successfully submitted and been awarded bids to various government agencies. These winning bids are expected to continue as companies become more experienced in the solicitation process.

All of the grant participating manufacturers have demonstrated reduced costs, sales increases, job retention and, more importantly, new revenue opportunities through government contracts.

Mississippi/Louisiana:

The Manufacturing Extension Partnerships of Mississippi (MEP.ms) and Louisiana (MEPOL) formed a partnership to restart, recover and enhance those manufacturers affected by Hurricanes Katrina and Rita. The partnership provides a comprehensive array of business management and

technical services to companies and facilities that can demonstrate adverse hurricane impacts.

Since June 2006, MEP.ms has served over 125 companies affected by Hurricane Katrina through projects and interactions with concentration in six coastal counties in Mississippi hardest hit. More than 40 projects have been completed, with more than five additional hurricane projects in the pipeline.

Specifically, MEP.ms has helped manufacturers operate more efficiently than prior to the devastation from Hurricane Katrina through the implementation of lean manufacturing techniques, value stream mapping and ISO/TS registration, among other efforts. To date, companies that have participated in the MEP.ms hurricane assistance program have reported 2.5 million dollars in impact, with more positive results expected as time progresses.

MEPOL has served over 72 companies affected by Hurricane Katrina and Rita through 130 projects and training sessions thus far. Of these 130 projects, 89 are completed with 33 completed enterprise discovery assessments.

Specifically, MEPOL has helped manufacturers improve efficiency and has provided accounting, marketing, quality and business assistance. Some project topics include e-commerce, strategic planning, employee training, and patent application assistance. To date, 16 of MEPOL's Hurricane clients have been surveyed and reported more than \$1.2 million in cost savings, nearly \$4 million in increased sales and more than 50 jobs created or retained.

Texas:

The Texas Manufacturing Assistance Center (TMAC) provided timely and efficient recovery, planning and implementation assistance to manufacturing firms in the Texas Gulf Coast region whose business activities were negatively impacted by the hurricanes of 2005, particularly Hurricane Rita.

The hurricane assistance project funds enabled TMAC to help manufacturers recover from the devastation caused by the storms and to better prepare for future storms and other disasters. Specifically, TMAC helped area manufacturers to: design facilities to operate more efficiently; train and develop the current workforce and new employees needed to replace workers displaced by the storms; improve quality, reduce scrap and increase throughput; improve safety, increase morale and improve productivity; develop plans for business continuity in the event of future disasters.

Using a database to focus on manufacturing businesses with at least 15 employees in the eligible 20-county area, TMAC identified 572 eligible firms and sent them a postcard announcing the availability of no-cost business assistance. Another 100 candidate companies were identified through collaborations with local economic development groups and other referrals. Ultimately, center staff categorized 96 interested companies and conducted formal assessments of 61 companies. With the hurricane assistance project funds, TMAC completed 30 individual implementation projects with 21 companies. Additionally, TMAC conducted five group projects focusing on disaster preparedness and business continuity. These training events attracted attendees from more than 100 organizations.

Participating companies have reported significant cost savings, sales increases and job creation as a result of the post-hurricane assistance.

FINAL 7-17-08