



MAF ADVOCATE

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March 2009

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MAF NEWS

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Partnering Organizations

Associated Industries of Florida,
Inc.
Florida Biofuels Association,
Inc.
FLATE Center for Manufacturing
Education
Florida United Tax Managers
Association
Space Florida

NEXT is Now!

If you are wondering what we are talking about, it's time you knew! For the past three years MAF has funded an advertorial about manufacturing careers in the Florida Trent *NEXT* magazine that is distributed to 730,000 high school students. Each year we receive thousands of responses from interested students. In order to reach an entire generation of students and assess the value, we need your help in funding the 2009 *NEXT* advertorial.

Did we tell you your name will be in the advertorial if you are a sponsor? Sponsorships are available for \$1,000 to \$5,000; we still need \$20,000 to reach our goal. Checks must be in our office by April 1.

MAF Manufacturing Economic Report Released

Florida TaxWatch released a Special Report on March 2009 entitled "Economic Impact Analysis of Florida's Manufacturing Sector." Thank you to Swisher International, Inc., First Coast Manufacturers Association, South Florida Manufacturers Association, CSX, First Coast Manufacturers Association, Swisher, Hoerbiger, Florida MEP, PCS Phosphate, Georgia Pacific, Gerdau Ameristeel and Metal Essence for making this possible. Below are a few of the highlighted findings. In most cases 2007 statistics were used as 2008 statistics were not yet available. You can view the report in its entirety on our website.

Florida's manufacturing sector, which represents 5% of total state employment, has grown slightly in terms of production over the past decade despite declining employment within a majority of manufacturing subsectors. Despite the growth, the relative size of the sector within the state economy has shrunk during the same period. In contrast, agriculture represents less than 1 percent of the Gross State Product (GSP), but gets more attention. Manufacturers have been doing more with less; with fewer workers, there has still been a 27% growth in output per worker hour.

The manufacturing sector represented 93% of all Florida exported goods in 2007 and Florida is one of only a handful of net exporting states.



If current trends continue:

- The Florida manufacturing sector is projected to directly/indirectly contribute to 1.1 million jobs in 2009; which is projected to increase up to 1.4 million jobs in 2018. In 2009 the sector is expected to account for \$122 billion in GSP and \$216 billion per year by 2018.
- Manufacturing is projected to increase annual state output from \$252 billion in 2009 to \$424 billion in 2018 and is expected to directly/indirectly contribute \$45 billion to the state's total exported goods in 2009 and as much as \$60 billion in 2018.

If current manufacturing sales tax exemptions are repealed it would result in a net loss of more than 3,300 Florida jobs, \$980 GSP, \$2.3 billion in state output, and \$200 million in exported goods by 2018.

If the Legislature provided a 10% Capital Investment Incentive to the manufacturing sector, the manufacturing sector would directly or indirectly create a net of at least an additional 5,500 jobs for Floridians, nearly \$1.0 billion in GSP, \$2 billion in state output, and \$200 million in exports by 2018.

The report also shows Florida employment by economic sector, Florida gross state product by sector, business taxes as a percent of all state taxes by state, estimated taxes paid by businesses in Florida, and so much more. The report has already been used in advocacy with Florida legislators and will be a great tool to have for many years to come.

Last Complimentary Newsletter

For those of you who have been enjoying the MAF newsletter for the past five years, we have enjoyed engaging you on manufacturing issues in FL. However, on January 1 MAF became a membership organization and the newsletter is considered a membership benefit.

In order to make sure your "subscription" doesn't lapse, we hope you will join MAF official membership this year. Dues payment schedules are flexible to accommodate economic hard times, but we are positioning ourselves for manufacturing to be better and bigger in the years to come. At a minimum, we hope you will visit our web page often and join us again at the MAF Annual Manufacturers Summit this year in November!

Annual Summit Dates and Place Set

The Orlando Hyatt Airport Hotel has been chosen as the place for the 2009 Manufacturers Summit on November 5-6, 2009. Please mark your calendars now! We are planning plant tours of Lockheed Martin and Mitsubishi Power Systems as a part of the Summit, so you won't want to miss it!

FINANCE AND TAXATION

Many Working on Stimulus Package

In February the Florida Chamber of Commerce launched the Florida Coalition for Federal Economic Stimulus. The Coalition includes 193 local chambers of commerce, associations and other organizations who are seeking timely and effective use of federal stimulus dollars in a manner that creates the maximum number of private sector Florida jobs.

The Coalition's website serves as a source for breaking news and updates regarding the economic package. The link is: http://www.flchamber.com/mx/hm.asp?id=leg_coalition_eco_stimulus.

Governor Charlie Crist also created the Federal Stimulus Working Group, which will identify Florida's critical program and infrastructure needs and develop a plan for distributing federal stimulus money. Governor Crist leads the Federal Stimulus Working Group, which includes administration and agency

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leaders, including Agency for Workforce Innovation and Office of Tourism Trade and Economic Development.

Exports Increase from FL

On February 25, EFI released new statistics on Florida's imports and exports, showing a significant increase in overall trade in 2008. Here are the highlights:

- Merchandise exports in FL reached \$130.5 billion, a 13.7% increase over 2007. Total US trade grew by only 9 percent.
- Florida imports gained 2.9%, totaling \$57.5 billion, while U.S. imports grew by 7.3 percent.
- The Miami Customs District had the largest trade surplus among all 59 US Customs Districts - \$19.6 billion more in exports than imports.
- U.S. Department of Commerce reports that international companies on average, grow faster, pay 15% higher wages and are much more profitable than those that do not export. In FL in 2008, jobs sustained by exports of goods totaled 596,992 and by exports of services, 424,760.
- Florida is now the fifth largest export state.
- FL top five export destinations are Brazil, Venezuela, Canada, Mexico, and Colombia.
- Leading exports include: industrial machinery (including computers); electric machinery (including sound equipment; TV equipment and parts); vehicles; optical, photographic, medical or surgical instruments; and aircraft, spacecraft and such parts.

WORKFORCE

RFPs Issued for Banner Centers

On March 9, Workforce Florida posted its RFP for Florida's Banner Centers. FLATE intends to submit a proposal and MAF will be supporting their effort. Proposals must be submitted to WFI on April 10 and awards are expected to be made on May 1, 2009.

Update on Employee Free Choice Act

The misnamed Employee Free Choice Act (EFCA) was introduced in both the House and Senate this month with the bill numbers HR1409 and S560 respectively. The National Association of Manufacturers and MAF are opposed to the bills. NAM urges all of us to contact our legislators in opposition.

NAM reports that an economic study also released this month illustrates the detrimental impact of the EFCA on US jobs. The study shows that for every 3 percentage points gained in union membership through card checks and mandatory arbitration there will be a resulting 1 percentage point rise in the unemployment rate the following year. Based on labor leaders' predictions that the EFCA would lead to an increase of 1.5 million new union members - passage of the EFCA would cost 600,000 jobs the following year. NAM believes that the EFCA is one of the greatest threats facing manufacturers today.

Career and Technical Student Organizations

Career and technical student organizations, through their respective missions, play a prominent role in creating an environment where students can aspire to be the best in advanced technology careers. MAF member, FLATE, has established partnerships with various career and technical student organizations throughout Florida.

The Florida Technology Student Association (FL TSA), and SkillsUSA are the two main co-curricular organizations that FLATE is intricately involved with, and actively supports. FL TSA fosters personal growth, leadership, and opportunities in technology, innovation, design, and engineering through co-curricular activities, competitive events and related programs. SkillsUSA is a partnership between



students, teachers and industry representatives providing resources for teachers, high school and college students pursuing technical education/occupations. FIRST (For Inspiration and Recognition of Science and Technology) is the leading extra-curricular organization that FLATE supports. Two events in Florida, the South Florida Robotics invitational and the Florida FIRST Robotics Regional at UCF, function as a pathway for local students to participate at the FIRST robotics competition leading to the national robotics competition.

All of these organizations and their competitions involve solving modern manufacturing problems, building and programming computer controlled mechanics, explaining the finer points of the program and their mechanical features, and are geared to sharpen participants' ability to solve real manufacturing problems. They are also a mechanism for local students to participate at the regional and national competitions, and act as an excellent resource for students to take advantage of available scholarships, cultivate technical leadership, and professional and team-building skills.

FLATE supports these organizations by providing financial support, technical expertise, and by encouraging working professionals and companies to participate and support these activities. FLATE invests time and resources to design challenges, serves as judges in regional competitions, helps gather necessary equipment for the participants, and assists in securing a location to host some of these competitions. Additionally, FLATE helps set-up the arena, provides financial support through event sponsorship, and assists with team registrations.

Statewide competitions culminate during the spring of each academic year, and national competitions in the summer. School teams are starting to work on their competitions now and are always looking for help from working professionals in their area. You can find out more about these organizations, how to volunteer and contact links at www.fl-ate.org/projects/skills-usa.html, or contact Dave Gula at 813.259.6581, gula@fl-ate.org.

NAM Launches Manufacturing Skills Certification

A new system of skills certifications that maps to both career pathways across the manufacturing economy and to educational pathways in postsecondary education was endorsed by the National Association of Manufacturers this month. The pathways will be deployed through community colleges to provide students and transitioning workers with industry recognized skills certifications that are educational credentials with real value in the workplace. The first release of the system focuses on core or basic personal effectiveness skills, academic competencies, general workplace skills, and industry-wide technical skills required by employers in all sectors of manufacturing. We are delighted that NAM has endorsed a system like the one that FL has been implementing for the past few years. For more information about the NAM-Endorsed Manufacturing Skills Certification System, go to www.manufacturingskills.org.

SUSTAINABLE COMMUNITIES

Sterling Council Rolls Out Blueprint for Small Business

The Florida Sterling Council is holding a series of workshops to help small businesses define quality for their business and implement changes that will positively affect the bottom line. The first workshop is a Small Business Improvement Overview, the second is Building the Business Profile, the third is Building the Foundation, the fourth is Building the Work Environment, and the fifth is Building the Business Improvement Plan. The first workshop is free for the business CEO and one other employee and the rest of the series costs \$495 for the complete series. The workshops are being held in Tallahassee in March and April. For more information about dates and topics, contact LKeen@floridasterling.com or call (850) 922-5316. Nancy Stephens, MAF, attended the first introductory workshop and found it to be a mini

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version of the Sterling body of knowledge. Now is the time to sharpen your skills for the business you are going to keep and grow at a price you can afford!

SFMA Announces Regional Manufacturers of the Year

The South Florida Manufacturers Association has named its 2009 SFMA Manufacturers of the Year. They are as follows:

- Category 1-75 Employees - Decimal Engineering, Inc.
- Category 76-150 Employees - SV Microwave
- Category 151-250 Employees - The Anspach Efforts, Inc.
- Category 251 Employees - Watson Laboratories, Inc. - Florida.

Congratulations to all of these SFMA winners. We hope to see them compete for MAF Manufacturers of the Year in November!

COMMUNICATIONS/UTILITIES

Florida Energy & Climate Commission Awards Grants

The Commission received 205 grant proposals for the Renewable Energy and Energy-Efficient Technologies Grant Program for 2008, including 143 applications for renewable energy and energy efficient technologies and 62 applications for bioenergy projects. Together, the 205 grant proposals seek almost \$280 million in grant funding and provide almost \$1.7 billion in cost share for the projects. The top ten ranked proposals in each category were presented to the Commission on February 23, 2009. The following applicants will receive grant funding for Fiscal Year 2008-2009:

Renewable Energy and Energy-Efficient Technology Grants

- Willard & Kelsey Solar Group, LLC - \$2.5 million
- University of South Florida - \$1,422,364
- ARI Green Energy, Inc. - \$2.5 million
- Mustang Vacuum Systems, LLC - \$577,636 (partial funding)

Bioenergy Grants

- Southeast Renewable Fuels - \$2.5 million
- Verenum Biofuels Corp. - \$2.5 million
- Highlands EnviroFuels, LLC - \$305,000
- Florida Thoroughbred Breeders & Owners Association - \$2.5 million
- Florida Crystals Corporation and Coskata, Inc. - \$195,000 (partial funding)

For a summary of the top ten ranked proposals in each category, including grant recipients, go to the FECC logo at www.myfloridaclimate.com.

UPCOMING EVENTS

April 23-24

Building World Class Safety, sponsored by Florida Minerals & Chemistry Council at the Resort and Club at Little Harbor, Ruskin, FL. Safety experts from a wide variety of businesses will be sharing their best safety practices. Check www.fmcc.org for a registration form.

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- May 12-13 Florida United Tax Managers Association Annual Meeting, Marriott, Lake Mary, FL. FUTMA is one of MAF's Partners. For more information, contact Janice Surette, Secretary/Treasurer, FUTMA, (561) 694-4262.
- May 26-29 Florida Sterling Annual Conference, JW Marriott Orlando Grande Lakes, Orlando, FL
- May 29 MAF Board of Directors Meeting, 1:30 – 4:30 p.m., JW Marriott Orlando Grande Lakes, Del Lago 1 & 2, Room, Orlando, FL

IF YOU ARE INTERESTED IN JOINING MAF, contact nancy@mafmfg.com, visit our website or call (850) 402-2954 for more information!