

THE RECORD

Published by the National Tooling and Machining Association

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and so much more...

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OCTOBER 2, 2020

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NOVEMBER 17-20**

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THE RECORD

OPERATIONS & EDITORIAL

Roger Atkins, President
Doug DeRose, Editor

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Upcoming NTMA National Events



Legislative Conference **RESCHEDULED**

With all that is happening, we are bringing you the opportunity to have your voice heard by your elected officials in Washington, D.C. This is your chance to discuss our industry's priority issues and key challenges facing your business ahead of the 2020 elections.

The Legislative Conference is being rescheduled as a series of regional, virtual meetings. Once the dates have been coordinated in your area, you will receive a direct invite to attend this accessible and impactful experience. If you have questions or need more information, please contact Bill Padnos at bpadnos@ntma.org



GOING VIRTUAL November 17-20, 2020

After months of careful consideration, NTMA has decided to transition Engage 2020 to an "all virtual" event!

NTMA is committed to providing a format of the highest quality: an unprecedented event for unprecedented times. In going virtual, we remain confident in our ability to offer attendees important, industry-relevant content, and we are working with our speakers, corporate sponsors, and internal teams to make sure all participants can be engaged, informed, and enjoy the same level of connection that the manufacturing industry not only deserves, but needs in this time.



PRESIDENT'S UPDATE

As I write this month's article, we find ourselves in the middle of the third quarter of the year and still dealing with the challenges created by COVID-19. I am no longer focused on COVID-19 itself but rather, on how we learn to live our lives and run our businesses in the midst of COVID-19. That said, we can no longer be paralyzed by the unknown and must move forward making the best decisions we can, with the best information we have, collaborating with industry partners and customers for the best solutions.

There is no doubt in my mind that members of NTMA have weathered the storm better than most small-to-medium size businesses that have gone through this alone. I believe the information provided to our members has positioned them to act proactively rather than reactively to the challenges. I base my comments on the fact that, for NTMA as an association, we are only down 3.4% in membership with a four year high in member retention. Working together as an association of peers has allowed us as individual companies to pull together in navigating these unplanned challenges together.

As we now focus on the upcoming MFG Day celebration in October, there's never been a better time to highlight our businesses and the critical role we, as an industry, have played during this pandemic. With 98% of our members being deemed essential businesses, we have been a part of the glue which has held our nation's manufacturing economy together. From critical medical devices and PPP equipment, to commercial and military aerospace support, to

sending people and satellites into space and even more - we all make a difference.

MFG Day is our opportunity to show our local communities, as well as our political representatives what happens within the invisible four walls they drive by daily. It also gives us the opportunity to expose the younger generation to the vast amount of opportunities within the manufacturing world in which we live; a world that needs workers for the future, and one that does not focus on "skin color" or "gender" as a basis for employment. It seeks people who have the abilities to vision and manufacture the future.

As different opportunities to discuss the world of manufacturing with our younger generation arise, don't forget to mention our National Robotics League (NRL) as a way to participate at the jr high and high school levels. Unfortunately, the NRL too has its challenges as schools work to finalize their schedules and extra-curricular activities. I know that our NTMA Workforce Development Team, known as AMPED, is working to navigate these challenges, and to continue providing our young people with doors of opportunities to our great industry.

With all that said, MFG Day this year will look much different than years past. Our challenge will be how to open our shops "virtually" and still tell our stories of capabilities and opportunities. Let us embrace the challenge. NTMA and its fellow members are here to help and support you continuing to engage the next generation of manufacturing. The time is now to

show we are still here, and highlight our importance to our local communities, states, and nation.

In closing, I would be remiss not to acknowledge the hardships many of our members are currently experiencing. I also realize that the road for many other members may get more difficult before it gets better. The unknown between now and year end itself brings undue anxiety. To then throw a critical Presidential election into the middle of the current environment is enough to send us all into a frenzy. I challenge us all: we must stay focused and stay together. **We are Stronger Together.** I also ask that if you have extra work or opportunities, let's share them within our NTMA member family. My staff and I will be happy to connect any member to member opportunities that you have. We are an organization based on sound business ethics and integrity, which should overcome any fears we have about helping each other in a time of need.

I personally thank each of you for your loyalty to NTMA and to our industry. Your loyalty allows me and your NTMA staff to work tirelessly on your behalf. It is my honor to serve you, my lifelong industry peers. Let us continue to move forward in Faith and not Fear.

"We are Stronger Together."

Roger Atkins, President - NTMA

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How NTMA Members Stay Connected During Unprecedented Times

“

Many NTMA members are looking for ways to stay connected during these uncertain times. While we are not able to gather together in person, we can still connect virtually. To address this issue, in May, NTMA started hosting a bi-weekly “Member Drop-In” virtual meeting. This is a unique opportunity to check in with your fellow NTMA members, discuss complex problems, and get ideas or solutions from your peers.

This “virtual roundtable” has been very beneficial to the members who have attended and we encourage you to take advantage of this quick, easy, and free networking opportunity.

The Drop-Ins have been very informational for me and have helped me keep in touch with membership... I think it is has really helped me get to know and interact with different members across the country. I see many old friends there as well as making some new ones. The NTMA remains a very important organization for Blaser and we will remain committed to participation in events.

Drew Borders
Business Development Manager, Global Markets
Blaser Swisslube Inc.



Upcoming Member Drop-Ins are scheduled on the following dates:

September 22, 2pm EDT; October 13, 2pm;
October 27, 2pm EDT

Please check your e-mail for future invites, or contact NTMA's Member & Chapter Relations Manager, Kelly LaMarca at klamarca@ntma.org or (216)264-2837.

We hope to see you on the next call!

Allied Machine to Launch New Drilling System This Fall



Dover, OH - Allied Machine and Engineering proudly announces their revolutionary high-penetration drilling system, the T-A Pro. After 35 years of spade drilling success with their iconic T-A (Throw Away) insert, the best just got better. Allied Machine's team of engineers developed technology that takes THE "go-to" solution for general purpose holmaking to a performance level previously unachievable by a spade insert.

The T-A Pro drill combines material-specific insert geometries, a redesigned drill body, and a proprietary coolant-through system to allow penetration rates which run at speeds nearly 30% faster than other high performance drills on the market. Coolant outlets are designed to direct maximum flow to the cutting edge providing quick heat extraction where it is most critical - even at significantly higher speeds. Material-specific insert geometries produce impeccable chip formation and the drill body incorporates straight flutes redesigned for maximum coolant flow and excellent rigidity. These design elements combine to extend tool life, create consistent quality holes, and provide superior chip evacuation.

As a result, the T-A Pro drill offers machine shops and high production manufacturers a spade drill with incredible speed and a cost per hole averaging 25% less than existing drills.

The T-A Pro drilling system will be available in diameters ranging from 0.4370" – 1.882" (11.1mm – 47.80mm) and is ideal for holes ranging in stub, 3xD, 5xD, 7xD, 10xD, 12xD, and 15xD depths. The drill will be stocked in both imperial and metric shanks, with flat and cylindrical variants. The carbide insert geometries offered initially will cater to the following

ISO material classes:

- Steel (P) with AM300 coating
- Cast iron (K), with TiAlN coating
- Non-ferrous (N) with TiCN coating

Product Manager, Sal Deluca, states, "The T-A Pro drill is designed for use in applications ranging well beyond general purpose drilling. It truly will target all industries, offering phenomenal tool life at high penetration rates, especially in situations where the balance of chip formation at high penetration is critical."

The T-A Pro drilling system will be available to order from Allied Machine's distributor partners in October.

For more information or to request a free demonstration please visit www.alliedmachine.com/contact or call 1 (330) 343-4283 to be connected with field support in your area.

About Allied Machine & Engineering

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Located in Dover, Ohio, Allied's precision holmaking technologies provide end users worldwide with the highest level of drill performance. Precision engineering and expert application support make Allied the first and best choice for solving complex metal-cutting challenges.



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Emerging Leader Success: Interview with Andy Reinwald



Andrew ("Andy") Reinwald is owner and president of Ripley Machine. He started with the company in high school and took over ownership from his grandfather a few

years later, in 2015. As an under-30 jobshop owner, Andy is at the helm during the challenging COVID-19 pandemic. He sat down with Caitlin Sickles, NTMA's communications consultant, to discuss what it's like managing through difficult times and where he finds value in NTMA.

NTMA: How did you get into manufacturing, and how did you come to your leadership role?

AR: My grandfather owned Ripley Machining since 1994 and, when I was in high school, I was trying to pick up a part time, summer job, and he offered me a position. I worked at the company the summer between my junior and senior year. After graduation, I wasn't sure what I wanted to do. My grandfather was really wanting me to work at the shop. So, I came back, but I initially despised the work!

NTMA: What made you change your mind, to not just tolerate the job, but come to love it and make it your career?

AR: The change came from getting more of a hands-on role, looking at prints and understanding them, and learning what the codes on the machines meant. When it wasn't just pushing buttons, but really figuring things out and doing the work myself. And, of course, when I could understand what the parts were used for, that really excited me.

NTMA: And what are the parts that Ripley Machine makes? How are they used?

AR: We do a lot of work for various valve assemblies. Actually, the air compressor in our shop has several parts on it made by us. So - that's interesting - being able to walk into the other room and see where your parts are found. That's the best thing about manufacturing. Every single aspect of your day-to-day life somehow involves parts that came through a manufacturing shop.

NTMA: So, speaking of everything we do in our lives, we're in a challenging time right now. A lot of manu-

facturers say that the COVID-19 pandemic has upended business. What has your experience been like?

AR: We have certainly seen challenges. There has been a drop off from some of our customers. But, we're focused on utilizing this time. We remain focused on our customers and meeting their needs, but we're also using this slowdown productively. For example, we redid some aspects of our quality management system, we completely overhauled our website, and we're currently implementing ERP software. That's my outlook on the entire situation: we can't change the pandemic situation in the world, but we can use the time we've got and make the most of it.

NTMA: That's a good and optimistic way of looking at it. Let's talk a little bit about your website upgrade. What made you decide to make that investment right now?

AR: Well, we teamed up with Paperless Parts on the quoting platform and so we worked with them on our website, too. We obviously need to make sure our top potential customers know that we're here and ready to serve them. And what better way than to make it so that you can go to our website and get a quote right away?

NTMA: Paperless Parts is an NTMA partner, right?

AR: Yes.

NTMA: Since we're talking about NTMA benefits, let's drill down there. There is a theory out there that young leaders are less interested in trade association membership, that they don't find as much value from trade associations as previous generations did. What's your response to that?

AR: I definitely think that is false. There is still so much to learn from trade associations. Sure, it might take different forms now, but connecting with other people is important. The older generation, they have gone through things before, in the world or in the machine shop. The role of trade associations is also important in keeping active outreach to local schools and communities and that's vital as we keep growing manufacturing and getting young people involved.

NTMA: You mentioned leaning on the association and other members. Have you had that experience during COVID-19? Has NTMA been helpful to you in this crazy time?

AR: The information that NTMA is providing through

One Voice [the joint Washington, DC-based advocacy effort with the Precision Metalforming Association] has been the biggest key through COVID-19. The information shared from a local standpoint and national standpoint, from the initial shutdowns to the PPP loan process and now, as we head toward another potential relief package, that work has been instrumental in keeping up-to-date, knowing what to expect and what to take advantage of.

NTMA: That's good. You also said NTMA could be valuable as the industry grapples with the question of how to bring in more workers, particularly young people. How do you see the role of NTMA and your strategy for recruiting?

AR: Having recently - within the last ten years - come out of high school, I know that, if it weren't for my grandfather owning a machine shop, I never would have even thought of manufacturing as a potential career. And, thinking back, it was almost discouraged to go into trades. Without the work of trade associations, that kind of stigma will continue to exist in the school systems. So it's our job, not just the trade association but also individual companies, to show what manufacturing is all about and how vital a role it plays. We're seeing that now with the supply chain impacts due to COVID-19 - it's all about how important manufacturing is to our society. And our industry is more than just the work we do. The Northwestern PA Chapter of NTMA just donated \$15,000 to local fire departments. They weren't able to fundraise so we took our benefit golf tournament and donated it all to the fire department. That's the spirit of manufacturers - we're willing to help out. Our businesses are vital to our area and we support our area.

NTMA: That's amazing. Do you think it's working - the efforts to change the narrative and expose young people to the possibilities in manufacturing?

AR: I definitely do. From 10 years ago when I was a senior in high school, that narrative has really changed a lot. When I talk to people, I see a difference. And think about who was deemed essential in the pandemic, who was able to keep working. The perception of the importance of manufacturing is changing. So young people can see that you can go to a trade school - for much less than a four-year college - or do an apprenticeship and come out with a skill set to earn a good living. The stigma is changing and people know the possibilities.

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November 17-20, 2020

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After months of careful consideration, NTMA has decided to transition Engage 2020 to an "all virtual" event!

NTMA is committed to providing a format of the highest quality: an unprecedented event for unprecedented times. In going virtual, we remain confident in our ability to offer attendees important, industry-relevant content, and we are working with our speakers, corporate sponsors, and internal teams to make sure all participants can be engaged, informed, and enjoy the same level of connection that the manufacturing industry not only deserves, but needs in this time.

With our new online platform, Engage 2020 can provide new, exciting, and endless possibilities for all attendees to build on the strength of an industry that has continued to grow and thrive, even during a most difficult situation.

We hope you'll join us for a true virtual event – no masks required! – and a new, exciting way to Engage with the world's largest network of Precision Manufacturers. Manufacturing Engage 2020 will build on NTMA's long legacy of providing precision manufacturers and industry leaders with the invaluable experience of gathering together to network, learn and advocate for the advancement and future of the industry.

For more information:

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Speakers & Sessions Highlights



Harry Moser

Founder & President, Reshoring Initiative

Harry is the founder of the Reshoring Initiative. He was inducted into the Industry Week Manufacturing Hall of Fame in 2010 and was named Quality Magazine's 2012 Quality Professional of the Year and FAB Shop Magazine's Manufacturing Person of the Year. Harry participated actively in President Obama's Insourcing Forum at the White House, received the Manufacturing Leadership Council's Industry Advocacy Award in 2014, and the Made in America 2019 Reshoring Award. He was named to the Commerce Department Investment Advisory Council in August 2019.

Reshoring/Onshoring Initiative

Wednesday, November 18 – 1:15PM

It is now clear: shorter supply chains are stronger, more competitive supply chains. Harry will demonstrate how to convince your customers that they will be more profitable buying from you – even just 20% to 30% of products they now import. He helped one job shop win a \$60 million order. Harry's session will teach you:

- *How to identify the companies that import what you make competitively*
- *How to help the customer quantify the costs and risks of offshoring*
- *How to market reshoring*
- *How to convince companies to reshore and buy from you*

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**Dr. Chris Kuehl**

Managing Director of Armada Corporate Intelligence

Dr. Chris Kuehl is a Managing Director of Armada Corporate Intelligence and one of the co-founders of the company. He has been Armada's economic analyst and has worked with a wide variety of private clients and professional associations over the last 18 years. He is the Chief Economist for the National Association for Credit Management, prepares NACM's monthly Credit Managers Index, and is also the Economic Analyst for the Fabricators and Manufacturers Association, and writes their bi-weekly publication, *Fabrinomics*, which details the impact of economic trends on manufacturers.

The Year of Living Dangerously **Friday, November 20 – 8:30AM**

This has been a tumultuous year thus far - threats of a manufacturing recession, supply chain crises due to the corona virus outbreak, collapsed markets. All on top of issues that have been hitting manufacturing for years - labor shortages, trade disputes, rise of the robots and so on. What is the sector looking at now and what does the rest of the year look like.

**John Guzik**

Partner, Franklin Partnership

**Omar Nashashibi**

Partner, Franklin Partnership

**Paul Nathanson**

Partner, Franklin Partnership

**Caitlin Sickles,**

Principal, PolicyResolutionGroup at Bracewell

Election in a Pandemic – An Update from Washington D.C. **Wednesday, November 18 – 2:30pm**

Regardless of the state of the pandemic, economy, or stay at home orders, the U.S. Constitution requires that an election for President is held on the first Tuesday after the first Monday in November. Our team in Washington, D.C., The Franklin Partnership and Policy Resolution Group at Bracewell, will provide their insights into the race for the White House, battle for the U.S. Senate, and outlook for a second Trump term or agenda for a Biden administration. 2020 has shown us all the impact elected officials have on our businesses and communities. This presentation will provide manufacturers with the latest on the races and how the outcomes will impact your business.

EVENT PRICING

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Customers Can't Come to You? You Can't Visit Customers? Now What?

Time to Rethink Sales & Marketing with Technology that Makes Meaningful Connections Possible During the Pandemic & Beyond

by Francois Gau, President and CEO, LEVY Marketers

As the coronavirus changes the way we live and work, many commentators have noted correctly that COVID-19 accelerated trends already in motion, such as brick and mortar retailers struggling to compete with online merchants. The pandemic has also accelerated changes already underway in the realm of industrial buying. Those habits, such as frequent face-to-face visits, are unlikely to revert to previous form regardless of how quickly a vaccine or cure becomes available.

That's because people have discovered that technology allows them to interact productively without being in the same room. We've all had to seriously dive into web meetings with the likes of Zoom, Teams, Skype, and UberConference. Many of us ended up working at home, relying increasingly on messaging and collaboration tools such as Slack, Wrike, and Asana.

Don't get me wrong; although attending a trade show or conference and enjoying a leisurely lunch or dinner, round of golf, or evening at the ballpark, arena or stadium are effective ways to establish or strengthen relationships with prospects or customers, for better or worse, they are no longer essential.

As a result, many of us need to continue adapting to this new normal. In today's world of industrial buying, after two parties establish trust and sign a contract, efficient collaboration can occur through videoconferencing and email, with onsite visits happening only when absolutely necessary, such as installation, repairs, or modification for performance optimization.

The goals are as follows:

- 1. We NEED to get sales leads to visit, connect, interact, learn, and ENGAGE with our brand. (i.e., our company's culture and what people expect from the products we provide.)**
- 2. We NEED prospects to BUY from us, and not from our competitors.**

ENGAGE

First, let's take a short detour through one of my favorite topics: changing demographics. This trend pre-dates COVID-19 and will continue to have a profound impact on industrial marketing and sales.

As Millennials (Gen Y, currently ages 25-40) continue their ascent to managerial and executive positions, those of us who sell intermediate or finished goods to manufacturers must change how we interact with prospects and customers, or risk having lower sales numbers. Specifically, we must provide quotes and product information at warp speed instead of days, weeks, or, worse, months down the road to coincide with a visit. Order fulfillment must occur equally fast.

This new generation of leaders and managers are "digital natives" who grew up using the internet to access anything and everything. They value instant responses over the longer cycle times required by face-to-face contact because it's what they've always experienced.

A survey conducted last year by Adobe, the global computer software manufacturer, revealed that about half of people under age 35 would rather engage with a computer than a human when interacting with a brand. Although the survey did not distinguish between business-to-business (B2B) and business-to-consumer (B2C) audiences, that distinction is becoming less relevant; consumers increasingly have the same mindset and use the same devices to access and analyze information in both realms.

This reality will become more embedded in business culture as members of the Gen Z cohort (people currently between the age of 10-25) become a larger percentage of the workforce.

A key characteristic of Gen Z's preferred way to interact with brands, according to a recent study conducted by Campaign Monitor, a marketing software provider, is through email and social media platforms. The significance of this finding is that, as Gen Zers

advance to positions of authority, we need to make certain that we are communicating with those individuals in a variety of online locations, optimizing our "sales funnels" to accommodate leads from LinkedIn, Twitter, Instagram, YouTube, and Facebook, as well as new social media platforms cropping up each year.

Gen Zers check their email several times a day and tend to receive fewer emails than their millennial counterparts, so it's easier to "cut through the clutter" by incorporating email into your strategy for reaching this demographic.

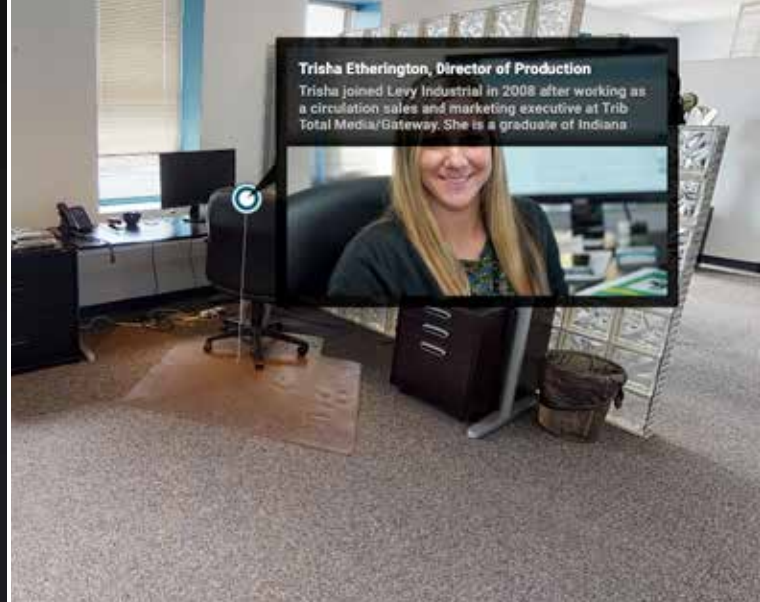
Gen Zers are also more socially conscious than previous generations and want to do business with companies that have ethical missions which go beyond making money. Apple's mission, for example, is "to bring the best user experience to customers through our innovative hardware, software, and services." Ours, at LEVY, is "to Make Marketing Count." What's yours, and how does it track with what you do every day? How often do you share it with customers and prospects?

In short, a simple website is just not good enough. After two years at LEVY, I am finding that industrial brands are no different than consumer ones. Engagement is key. We need to talk to prospects and customers continually about topics that matter to them on an emotional level in addition to conveying information about our products and services. This is often called inbound marketing. The idea is to relentlessly become the thought leader in that "something special" you do. It's hard work, but it's the only way forward I know.

BUY

In our world of industrial buying, marketing is usually limited to listing features and general benefits, such as "here's what we have, this is what it does, and trust us because we're better, cheaper..." Sales are usually collaborative and highly technical. In some instances, we must become a "certified" supplier to conform to a customer's specific needs or industry standards. We often must engineer, develop, prototype,





test, re-do the prototype multiple times, “run-off,” etc. Eventually, we get to production.

Assuming we have everything aligned perfectly at that stage of the sales cycle, we are close to a “deal.” It’s between us and “the other company” (i.e., our most direct competitor). If we can’t get prospects to visit us as they used to, how do we get them sufficiently comfortable to do business with us?

A SWEEPING VIEW

An effective way to bring prospects, customers, suppliers, strategic partners, and others into your facilities, without compelling them to spend the time and money necessary to walk through your actual doors, is to make interactive virtual tours available to them.

For years, the real estate industry has made effective use of virtual tours to acquaint potential buyers with commercial and residential properties, as well as with areas surrounding those properties.

Using a special 360° camera, it’s now possible to employ a combination of virtual and augmented reality (computer-generated images and meta data, such as products, services, people, and videos, superimposed on physical images) to show your target audiences as much of your facilities as you would like them to see. In addition, through a virtual reel, or “walk-through,” you can explain how your people, technology, and processes can make a difference and why you’re unique.

The result is that a visit which used to require days or months to plan now takes minutes. You can completely integrate this tool with your lead conversion program as part of your proposal development process. It’s highly effective based on what I often hear, “When

they visit, they almost always buy.” If they can’t come to you physically, make them come virtually. Since this tool is online, if people have questions, they can email or call you, or reach out to you on a social media platform. This approach is highly engaging and can be embedded in your outreach campaigns to connect with prospects in the way we are used to these days. Over the past few months, we have created several of these “virtual tours,” starting with our own offices in Pittsburgh. It took us about a half-day to shoot footage and another half-day to “jazz it up” with augmented reality images, videos, links, and other elements that increase the tour’s interactive features.

This straightforward process consists of you making your facility “camera ready” by cleaning the appropriate areas and removing proprietary content that the high resolution 360° camera could record.

A crew then visits your site to get 360° shots of the desired areas. It can take an hour to process images of 2,000 sq. ft., so, for most of us, the video shoot can take a while. Ideally, we shoot footage during maintenance or off shifts. To achieve the most effective imagery, the video should show stationary objects only -- no moving people or parts, including conveyers, pallets, and cranes.

Following the shoot, you work with a digital production team to edit footage by adding text and images, videos, and links at all strategic locations in your shop that best promote your capabilities.

After editing is complete, the video is published online and can be shared on all your social media platforms and marketing channels. It contains a feature that allows you to track and analyze who’s taking the virtual tour and when they took it, so you can follow up with them as appropriate.

A virtual tour also has other uses. It can be an effective tool for:

- Supplier onboarding or audits (pre-visit planning)
- Recruiting new talent
- On-boarding new team members
- Training staff (e.g., safety, equipment use)
- Reaching out to members of the community
- Collaborating with research partners in academia
- And much more

As we discussed, I started this journey to bring clients into our shop. It’s been highly effective, and we’ll continue to leverage that investment to “make our marketing count.”

We’re living at a time when factors related to public health, economics, and demographics are converging to make online communication the meeting tool of choice. Those who adapt to this new reality will find opportunities while those who don’t will become irrelevant.

Because it’s always more effective to show something to someone rather than tell him or her about it, see what my team did to familiarize people with our firm at <https://my.matterport.com/show/?m=GkXpwNkhTqa&brand=0>

In a special partnership with NTMA, we can do the same for you, whether you want to showcase your production capabilities, office space, or both. Call us, and we’ll get you started with the process.

Francois Gau is President and CEO of LEVY Marketers for Industry + Tech (www.levyind.com), a full-service marketing firm that uses a mix of digital and traditional marketing channels to create brand awareness, increase sales, and improve communications for manufacturers and technology companies worldwide. LEVY is based in Pittsburgh and has been in business for more than 30 years.



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We are Living in Interesting Times

By Bill Padnos, Workforce Development Manager

In the wake of everything, we've lost the ability to go to the movie theater, eat out, and even know which direction we can walk in a grocery store aisle. What hasn't changed is our ability to choose what we do with the time that we have and what impact we want to make in our community.

Even with doors closed and masks on, you have the opportunity to make a difference in someone else's life and change his or her world. Our youth are completely disconnected right now. All that my 14-year-old daughter wants to do is hug her four best friends in person. They may be in constant contact right now through their phones, but ultimately, it cannot replace person-to-person contact. Kids may be connected to thousands over social media, but that is just not the same, and they know it.

In July, the Ad Council launched the Find Something New campaign. I want to stay away from the political argument surrounding this, as well as the careers and committees highlighted in the campaign itself. Instead, let's focus on the actual message that it really wants to convey:

Jobs are changing — and the pandemic has accelerated the pace. Whether you're entering the workforce for the first time or need to pivot and retrain, skills-based education can put you on the fast track to an in-demand career. Explore your options to find something new.

Right now, our youth and our neighbors need to hear from you about careers in the precision metalworking industry. They need to know that our essential industry will provide them with a pathway to success and

fulfillment—that manufacturing is about innovation, problem solving, teamwork, technology, and creativity. And, most importantly, that our work is in an industry tasked with repairing and building a better world.

MFG Day is not being called off due to the pandemic. There is no rain delay, postponing MFG Day to the spring. It is still taking place on Friday, October 2, or any day that you have the chance to make a connection to your community. You will need to be a little more creative and deliberate to be able to open up your shop with the doors closed. However, isn't manufacturing all about problem solving?

In this month's NTMA Record, there is an article about creating a 360° virtual video tour of your shop and inviting the community to see what is inside your facility. This is a great way to have an interactive showcase of your shop, available on demand, which could also double as a recruitment tool for customers and workers.

Reach out to your local school and invite students and their parents to a live virtual tour of your shop. You just need a cell phone, iPad, and a Facebook page, and you are ready to go. Open up your facility and allow the community to see what is in your shop. It's also key to interview your employees to say what they do and how much they like working at your company. The Policy Resolution Group at Bracewell has created great tools for you to use that are available at the AMPED Resource Center on the NTMA web site.

Another option is reaching out to your local Goodwill or Community Career Center to connect with individuals that are looking for something new. Help them realize

that they have the aptitude to work in industry. Offer them the opportunity to take the NTMA Mechanical Aptitude Test to prove that they have the ability to learn how to be a machinist. For an investment of \$350, you can purchase ten Mechanical Aptitude Tests to find that "diamond in the rough." Not only are you connecting with untapped resources to find new employees, you are making a difference in someone's life and changing their world for the better.

One last option is to use MFG Day as a starting point for a Pre-Apprenticeship program in your community. Whether it is with students in high school or 18-24-year-olds that are unengaged, the Pre-Apprenticeship program provides industry-driven education and skills training, and covers the first year of the related instruction for a machinist apprenticeship. This online program can be done in a classroom setting or on their own from home. For more information, visit <https://ntma.org/programs/education/>.

MFG Day is not just about having school kids taking a tour of your shop and seeing the cool machines in action. It is about community engagement, creating connections, and recruiting future workers. Now more than ever, the next generation needs to understand that there is light at the end of the 2020 tunnel. As we have noted in the past, Generation Z is listening to our messages about manufacturing careers, apprenticeship programs, and technical schools. Wouldn't you want them to hear this message from you and think about how great it would be to work at your company?

We are living in interesting times -- and it is up to us to either stay on the sidelines or make a difference. Which option are you choosing for MFG Day this year?

Shaking the Washington Money Tree

By Omar Nashashibi The Franklin Partnership, LLC

Nowhere but in Washington, D.C. do money trees exist, grown in the soil of countless taxpayer dollars shipped to the nation's capital. Sending money to Washington is the easy part, getting it back is where who you know and what you know can mean thousands of dollars for your business and community in the form of grants and tax incentives.

Washington is a town of connections, which is why groups like the NTMA hire lobbying firms like mine. But those connections run beyond the Beltway and into the states where businesses, non-profits, private foundations, and local governments and educational institutions exist. Of the 435 members of Congress currently serving, 48.8% served in their state legislature prior to their service in Washington, D.C. These members of the U.S. House and Senate maintain close ties to the very decision makers who hand out grants and tax incentives for manufacturing both in Washington and in state capitals across the country.

Members of Congress and elected officials serving in the state legislatures often have dedicated staff whose job is to help their constituents identify government funding resources for workforce training, employee hiring and retention, and tax incentives for many of the very activities NTMA members already undertake on a daily basis.

Every NTMA member should work to establish a relationship with their local officials and members of Congress who can mean the difference between securing funding for a project and missing an opportunity.

While the NTMA has the resources to help you identify funding sources, engaging your elected officials can give you the upper hand when competing against other applicants. They can also help bring stakeholders together as NTMA did with an Ohio member of the U.S. House who arranged for local manufacturers

to meet with educators to discuss ways to partner. Such partnerships are the foundation of developing a local workforce pipeline and often lead to a local consortium applying for funding together to benefit all parties.

Your local chapter or business can ask the NTMA to help you connect with an elected official who will often assign you a "case worker" to help identify your needs and potential funding opportunities. Many of the grants for non-profits especially require local collaboration where a foundation or institution applies for funds that will benefit local workers and employers. Shaking the money tree is not as mythical as it sounds if you know where to look. The states offer numerous branches of opportunity from grants in Indiana funding 50 percent of an employee's training costs for two years if it leads to an industry recognized credential to Connecticut's Manufacturing Innovation Fund providing \$25,000 in matching grants for incumbent worker training.

Manufacturers who are not engaged with their elected officials locally and nationally stand to miss out on funding opportunities at all levels of government. Establishing an active advocacy program at the local level can open doors and begin simply with members and chapters reaching out to the NTMA.

Our lobbying efforts in Washington, D.C. have led to expanded funding for career and technical education, grants for apprenticeships, incentives for hiring veterans and young people and it is important that NTMA members take advantage of these funds. If you believe you have sent enough taxpayer dollars to Washington and state capitals, now is the time to reach out to the NTMA, establish or grow your local advocacy efforts and find that money tree to bring your dollars back home.

Omar Nashashibi is a Founding Partner at The Franklin Partnership, LLC, a bi-partisan government relations firm retained by the National Tooling and Machining Association in Washington, D.C.

One Voice: Federal Government Advocacy Program

Although 2020 has offered new and unique challenges to our industry, it's important to continue to have a partner in advocacy. NTMA continues to work closely with the team at One Voice: the combined federal government advocacy program representing small and medium-sized business manufacturing in America.

In addition to providing guidance through the uncertainties caused by COVID-19, One Voice has an innumerable amount of fantastic resources, not only to help you answer questions in your shop, but to continue to make the most of your business. This includes sponsored virtual events, news releases, educational materials, the Talking with One Voice podcast, and much more.

We hope you continue to utilize this key partner in One Voice—one that ensures that millions of manufacturers across the country have their voices heard.

Please visit www.metalworkingadvocate.com for more information.



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A JOINT EFFORT BY NTMA AND PMA

NTMA President Roger Atkins Talks with Tucker Arensberg

Recently, NTMA President Roger Atkins sat down with Pittsburgh-based law firm Tucker Arensberg to provide his perspective and outlook related to the effects of COVID-19 on the manufacturing industry. Roger knows the NTMA well; he joined the association in 1979 and has previously held every officer position for NTMA at the national level, including serving as NTMA Chairman in 2012.

The discussion looked at the effects of PPP loan funding, the state of manufacturing moving into the second half of 2020, keeping employees safe and compliant, and what's on the horizon for the industry:

Below are Roger's thoughts on where operations are heading coming out of the pandemic.

"Well, I think of augmented reality. I think you're going to see a lot of things go electronic...the days of sales people walking in and helping you, could be changed from you putting on a set of goggles and them walking you through it. And this is something I've been trying to encourage our members to get behind. In any disruption in our industry or a major disruption such as this, there are opportunities for change. After COVID-19, the people who may have been reluctant to go through with automation are going to be more open to change."

"When you see what a pandemic can cost in terms of workforce and operations by closing your business, it would be a great improvement to go the automation route. So much of the work that is easily automated has been taken overseas. We keep the stuff that is really hands-on and complex. But I do think if we can see some shift, we could see more and more automation and I think that's what we are going to see."

Interested in reading more of Roger's expert perspectives?

Visit: <https://ntma.org/ntma-president-roger-atkins-talks-with-tucker-arensberg/>



NTMA 6S Excellence Award PURPOSE:

To improve the perception of American manufacturing by promoting and recognizing excellence in member shop organization and efficiency.

HOW IT WORKS:

- NTMA companies apply for the award by submitting a self-assessment based on criteria that demonstrate best in class practice in the six S's:

- | | |
|-----------------|----------------|
| 1. Safety | 4. Shine |
| 2. Sort | 5. Standardize |
| 3. Set in Order | 6. Sustain |

- Certificates are awarded every year for the first 5 years based on self-assessments submitted. Once the recipients receive 5 certificates, they are also presented with a trophy.

SPONSORSHIP OPPORTUNITY:

- Conference exposure via introductions, etc.
- Promotional exposure: web, print, blogs, and emails that promote and support the award.

SUBMISSION DUE DATE:

Please submit your application before September 30 to be considered. For more information, please contact Linda Warner at lwarn@ntma.org or 216-264-2824.

Applications and self-assessment documents can be found here <http://www.ntma.org/resources/documents/6S-excellence-program>. Applications should be sent to 6Saward@ntma.org

Tooling and Machining Group Donates \$17K to Firefighters, Scholarships

More than \$17,000 has been donated to area volunteer fire departments and toward educational scholarships by the northwestern Pennsylvania chapter of the National Tooling and Machining Association, an industry trade group.

The donations came via the chapter's recent annual golf outing at The Country Club of Meadville. The annual event is the chapter's largest fundraiser of the year with a percentage donated to the NWP NTMA Education Foundation, which supports the continuing education of those pursuing careers in tooling and manufacturing.

However, due to the COVID-19 pandemic and limited fundraising opportunities for area volunteer fire

departments, the chapter opted to donate more than \$14,000 to area VFDs that serve the communities of chapter members.

All sponsors of this year's outing were asked to nominate the VFD of their choice. All nominated departments located within the chapter's footprint received \$500. An additional \$2,000 was awarded to each of three of the nominated VFDs on the day of the golf outing via a random drawing.

Volunteer fire departments awarded \$2,500 were Edinboro, Saegertown, and West Mead 2, while Blooming Valley, Cambridge Springs, Clymer (New York), Conneaut Lake, East Mead Township, Hayfield Township, Vernon Township, Vernon Central, and West Mead 1 each received \$500.

In addition, \$2,500 was also contributed to the Crawford/Venango Fire School which provides training for firefighters in the region.

The chapter also was able to donate more than \$3,000 to the NWP NTMA Education Foundation from proceeds of the golf outing.



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President, MetalMite



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DAN VILLEMAIRE

President, C & M Precision Tech



Paperless Parts Partners with Online Metals To Expand Its Quoting Platform

Reviewing Your Business Insurance Plan

By Lisa Campbell, Senior Program Underwriter, Safehold Insurance

There are many reasons to review your business insurance plan on an annual basis with your independent insurance agent. While it's common for small businesses to start out with a basic insurance package, as the business grows and evolves, coverage needs do as well.

Below are a few questions to open a dialogue with your independent insurance agent to help ensure your business is properly protected.

- *Have you changed the name of your business?*
- *Have you restructured your company's ownership (e.g. gone from a sole proprietorship to LLC or corporation) or added any DBAs (doing business as)?*
- *Have you changed officers, partners, or owners?*
- *Have you added or changed the nature of your operations and products?*
- *Have you contracted outside delivery firms to ship and haul your goods?*
- *Have you entered into any new contracts where you are required to carry Professional Liability or E&O Coverage?*
- *Do you service or install the products you manufacture?*
- *Have you changed or expanded the types of products you sell and/or services you offer?*
- *Do you have aging equipment?*
- *Have you updated your electrical, sprinkler, and other systems?*

Any "Yes" answer to the above questions may mean you need to add coverage or increase your limits on some of the following.

Property Coverage

Certified NTMA Agents, Pat McCurley and Sharon Wadsworth at Midlothian Insurance in Midlothian Texas, offer an educated process by which they advise their clients on insuring to appropriate value for each client's property coverage: "For building coverage, no matter the coinsurance, we recommend writing 100% of replacement cost. Many factors are involved in figuring replacement cost for a property risk, such

as the structure's building materials, square footage, roof type, exterior as well as interior amenities, such as type of flooring, kitchens, number of bathrooms, equipment (mounted and freestanding) to differentiate what is part of the building and what is business or personal property. We always give the pricing to the client, based on their specific replacement cost, then go a step further, by advising what it would take to increase that figure for the annual cost of inflation and upgrades with building costs.

Business personal property, also called contents, however, is somewhat different. Some clients that buy machinery on a regular basis are very knowledgeable of the replacement cost (or) change machinery every few years due to changes in technology, to stay competitive with their business. Also, there are many occasions where our clients have temporary use of tools, dies, molds, and patterns loaned from the manufacturer.

Addressing these items pays dividends for the client and Hanover insurance company to diligently assess replacement cost valuations pre-catastrophe, so that correct values are already in place prior to a significant fire, wind, hail, or equipment breakdown claim.

For your building, consider whether it is owned or leased; also consider what liability coverages may be more advantageous for you. There also should be consideration for your employees; hiring new staff or using remote workers may require updates to worker's compensation and employee best practices liability coverage. Even vehicles used at your shop require an evaluation for insurance.

Insuring for Cybersecurity

The internet can also play a huge role in your insurance plan; having a website, or simply selling anything online requires coverage against data breaches, hacks, viruses, and many other common issues associated with security on the web.

Our partner, Certified NTMA Agent David Arthur at Fuller Sudlow Agency in Atlanta, outlined his recent experience with a specific cyber exposures and loss:

"When I started in the insurance business 30 years ago, coverages were basic and hardly ever changed or evolved like they have in the past few years. In particular, cyber liability has risen in awareness in a huge way. This is mainly due to the media coverage when a large corporation has "been hacked."

No company seems to be immune, and no company seems to be able to prevent these destructive attacks. As this exposure gains media coverage, small businesses are starting to take note...small businesses are much more likely to become a target of a cyber attacker than larger corporations. The reason: small business technologies are less complex than a larger corporation's system, since larger corporations have more resources at their disposal.

There are quite a few types of cyber attacks out there. Some you may have heard of include phishing, insider attacks, Fusion Malware, or Ransomware. The attackers are always a step or two ahead of the victims, and even the insurance carriers that try to keep their coverages up to date for their insureds. If I had a dime for every time I heard the following, I would certainly be able to retire a little earlier than expected: "it's not a matter of if you have a cyberattack, but when."

To illustrate my point, I have a client who is a small light manufacturer. When I earned their business a few years ago, I offered cyber liability to them in my proposal. My contact had a few questions and they decided the exposure simply wasn't there. Exactly 6 days later, I received a call from my contact. Apparently, a cybercriminal had been able to hack into her email and obtain the password to their payroll company's website where she handled payroll each week. They were able to change each employee's bank account information to have the funds go to another bank account where they could access it.

This was a painful conversation as I had to explain the coverage that would help in this situation would be cyber liability. They did sustain a sizable financial loss and have since asked me to provide this coverage. Please make every effort to reach out to your

10 Things Great Manufacturers Won't Do

By Daniel Carranco, Director of Continuous Improvement, Global Shop Solutions

independent agent and have them explain and offer to provide a quote for this valuable coverage. Most small businesses simply can't afford a cyberattack loss and this coverage can help transfer that risk to your insurance carrier.

Product and Professional Coverage:

Certified NTMA Agent, Russell Weltner, shares his and his client's recent loss regarding a defective material supplier:

"This is an actual situation that occurred with one of my clients. Their Customer (Company A) issued specifications to my client (Company B). My client (B) completed (their) contract per customer specifications without any changes including using Material Supplier (Company C) as designated as part of the customer specifications. Company A used the part in their own finished product.

"The material from Company C was defective and fortunately was discovered before any bodily injury or property damage occurred. However, there were considerable costs to fix the situation. No harm no foul for Company B right? No, my client was sued by his customer (A) who also sued Company C who made the part. As we all know what happens in our litigious world, the attorneys sue all parties. My client had made the decision to not have the coverage and paid \$250,000 in legal fees when they had done nothing wrong."

As an ongoing practice, it is helpful to keep your independent insurance agent apprised of changes in anticipation of, and avoidance of, possible gaps in coverage for your company. Should you have any questions, please reach out to your agent to ask about the NTMA Insurance program offered through Hanover Programs and Safehold Special Risk, Inc.



Running a successful business requires intense focus on doing the right things at the right time. This is especially true for manufacturers, where customers demand quality products delivered on time every time often with short lead times. What you don't do can be just as important as what you do, sometimes even more so. Here are 10 things the best manufacturers try not to do.

1. Rely on manual processes. Manual processes act like anchors on your business, slowing down production times and increasing the chances for error. Important data gets lost or misfiled. Work order entry and job setup takes longer. Labor costs climb. Automating your processes gives you the advantage of reducing labor costs, eliminating waste, future-proofing your business and more.

2. Use paper on the shop floor. Going paperless on the shop floor used to be wishful thinking for manufacturers. It's a reality that can transform your business, starting with materials management. Moving materials and parts throughout the shop floor without paper is faster and easier than ever. You can produce reliable count verifications and updates, run cycle counts in realtime, and make on-the-fly adjustments to part and lot-bin counts — all without printing a single sheet of paper.

3. Guess at job costs. Guessing at job costing is like hoping there's water in the pool when you dive in. If you're wrong, the outcome can be painful. With Job Costing Accounting software, you can know the cost breakdown for freight, labor, overhead, outside services, other items, and material.

4. Put up with sloppy inventory management. Few things are more frustrating than shipping late because materials aren't on hand. Automating your inventory process lets you know what you have, how much, and where it is, so you never run short of parts.

5. Lose control of labor costs. Labor costs are typically one of the biggest items on the P&L. They are also one of the hardest to track with precision. Time on the job is inaccurately recorded. Overtime hours are

poorly managed. Separating direct from indirect labor can be difficult. When you automate, these ongoing problems disappear.

6. Purchase too much or too far in advance.

With today's just-in-time manufacturing, the cost of carrying excess inventory not only outweighs the benefits; it also puts you at a competitive disadvantage. With automated purchasing you only buy what you need, when you need it.

7. Skimp on training. The manufacturing industry never stops moving forward with new tools, new technologies, and new work processes. The only way to keep up is with ongoing training for employees. With a Process Documentation and Training (PDT) application, you can record and document all processes for auditing, certification, and training.

8. Make decisions based on old data. Manufacturing success often comes down to how well you manage the data. With Business Intelligence software and Key Performance Indicators, you're working with information that is mere seconds behind what is happening on the shop floor. This enables you to access realtime data on virtually every aspect of your business.

9. Keep shop floor personnel guessing. One of the biggest sources of waste for manufacturers is employees standing around because they don't know what to work on next. You can continue posting shop floor schedules on the bulletin board and continue getting the same results. Or, you can use Shop Floor Data Displays to show realtime labor, material, and production data on large screens around the shop floor and watch red time shrink overnight.

10. Stop getting better. Today's highly competitive markets demand continuous improvement just to keep up, much less stay one step ahead of the competition. Shop Management software provides the tools your business needs to meet your customers' changing demands as they happen. The quickest way to fall behind in the manufacturing industry is to stop trying to improve. Great manufacturers strive to get better every day.

Pay Attention to this Data to Win More Business

By Jason Ray, CEO of Paperless Parts

When job shop owners and estimators talk about which resources are most valuable to their business, they often gloss over the two most important ones: time and data.

Time is a non-renewable resource – so each hour must be spent intentionally on tasks and jobs that will positively impact the business. Knowing this, most job shops focus on increasing efficiency on the shop floor.

Yet, if job shops want to make a greater impact on revenue – and reduce wasted time (and money) – they should work on making front office tasks, especially quoting, more efficient. Strategic quoting helps job shops determine which jobs they are more likely to win – and which ones they won't – so they know which quotes are worth their time and will grow the business.

Data is the key to rejuvenating the quoting process, yet it's also one of the barriers. To increase win rates, job shops need the ability to analyze their data – from the types of jobs they are winning or losing, to insight into why. With the right information at their fingertips, job shops can better understand a) which parts they keep winning jobs for, b) how to scale business with the customer base they currently have, and c) if they have the right machines and operational capacity to support the jobs and grow their business. These insights are critical to growing a business, and they are the fuel helping data-driven job shops pull ahead in the market.

The goal is for job shops to quote more jobs that they are confident they can win. As shops start diving into the data, these are four categories they should pay close attention to.

1. Customer Win Rates

You probably know your win rates, but can you determine your win rate by customer? It's helpful to know how often you win or lose on a quote for a particular

customer so you can decide how much time to spend quoting jobs for them – if at all. Historical profit and win rates per customer are valuable metrics when determining which jobs you can most likely win. It's important to have the ability to segment data by customer, which can be difficult with pen-and-paper or Excel-based approaches.

2. Total Customer Value

You should be able to look at your RFQs and determine which ones are the most valuable to your business. That way, you can prioritize the quotes in the queue and determine how to best spend time and resources. If you don't have all your shop's RFQs and quotes – past and present – centrally located, it will be nearly impossible to gather the data needed to assess the value of the job you are quoting. Having a central database to organize and store this data is helpful and time efficient, making it easy to gain both a holistic view of your business and the granular details that inform job-by-job decisions (e.g., this customer brought me X dollars in the past year).

3. Customer Response

Your quoting system should provide the visibility needed to manage the sales process – including data such as when the customer viewed the quote, how many times they opened the quote, if it was forwarded to others, or if they accepted or rejected it. Digital quoting delivers this information in real time, so you can influence the customer response process. For instance, you can see that a customer has viewed the quote several times but has not accepted it yet.

In response, you can call to ask if they have any questions. Knowing the average response time of a customer is also helpful. If a customer typically takes 24 hours to accept a quote, and they haven't responded to the quote after that time frame, then it's another good idea to give them a call. Better insight

into customers' response enriches customer service and directly influences the sale.

4. Granular Details

The more you can segment and analyze different aspects of your data, the better. You should be able to look into your quoting system and ask, are we winning more jobs in a certain territory or region? Is there a competitor involved? If there isn't, can we price higher? Are there certain days of the week that we receive more quotes? If so, can we better plan our schedule and staffing around that day? If we returned quotes within 24 hours, would that improve our win rate? The less time spent quoting, the more time you can spend responding to RFQs.

Having access to the right data at the right time can drive decision making and increase win rates for job shops. However, job shop owners and estimators can't run a data-driven business without the right tools. Excel spreadsheets, paper bookkeeping, and manual notes don't allow estimators to organize data – never mind glean insights from it – effectively. Job shops need a digital quoting platform that takes customer information directly from the RFQ and automatically populates it in the software, where estimators can then dissect the information with ease. Not only does the process help expedite quoting, but the data is saved for later when estimators and owners want to analyze the business.

Ignoring data is leaving money on the table. Job shops that want to pull ahead and grow their business need to focus on how enhanced quoting can help them win more jobs. By investing in just one process, job shops will see a major return to their business – and there's data to prove it!

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