#### **PA Tax Amnesty Program**

written by Lauri Moon | June 7, 2017 Click here to check out a YouTube video to learn more about Pennsylvania's Tax Amnesty program.

Tax Amnesty Fact Sheet Tax Amnesty Business Tool Kit

## IRCs Generate \$14-to-\$1 Return on Investment!

written by Lauri Moon | June 7, 2017

A recent study performed by the Regional Economic Studies Institute of Towson University indicates a treasury return on investment of \$14.42:\$1, indicating that for each \$1 of Commonwealth of Pennsylvania funding received the IRC Program generated \$14.42 of incremental or retained treasury revenue. Click on the link below to read the full report.

Impacting PA Manufacturings Economy Study 2017

### 2017 National Manufacturing

### Outlook and Insights: Strategies to Overcome the Headwinds

written by Lauri Moon | June 7, 2017

According to the Bureau of Economic Analysis, the value of manufacturing was \$2.17 trillion, or 11.9% of annual GDP, in Q2 2016. This represents more than the agriculture, construction, information, and mining industries combined. The 2017 National Manufacturing Outlook and Insights survey takes a deeper dive into the latest manufacturing metrics: exports, new orders, revenue growth, R&D investment, capital expenditures, costs, workforce, and technology.

Download the report here.

# IRC Program Credited with the Creation and Retention of Over 6,000 Jobs in 2016

written by Lauri Moon | June 7, 2017

An independent analysis performed by the **Fors Marsh Group**, an applied research firm based in Arlington, Virginia, credited the Pennsylvania Industrial Resource Center (IRC) Program with the creation and retention of 5,943 manufacturing jobs in 2016. Companies participating in IRC engagements also recognized \$775.1 million of additional revenue, invested \$174.4 million in modernization or expansion within Pennsylvania and realized \$61.8 million in operating cost savings. These results were accomplished by the IRC Program's seven centers: **Catalyst Connection**, **DVIRC**, **IMC**, **MANTEC**, **MRC**, **NEPIRC** and **NWIRC**. Collectively, those centers cover every county of the Commonwealth.

These results represent the summation of client-reported IRC engagement impacts gathered by the Fors Marsh Group through a voluntary survey process. Survey participants identify the impacts as direct results of IRC engagements. Results are subsequently reported to the **Pennsylvania Department of Community and Economic Development** and the **U.S. Department of Commerce**, each of which funds a portion of IRC operations.

"Manufacturing plays a critical role in Central Pennsylvania's economy," said **Lauri Moon**, IMC's Manager of Outreach & Special Projects. "As part of the IRC program, IMC is the only economic development resource dedicated solely to meeting the needs of Central Pennsylvania's small and mid-sized manufacturers. We do this by providing objective, expert advice and actionable solutions that help these companies become more innovative, productive and profitable."

The IRCs provide small and mid-sized manufacturers with the technical, consultative and technology-based services they need to grow and thrive in a global economy. Such growth, in turn, accelerates the creation of good-paying manufacturing jobs within Pennsylvania. IRC services encompass traditional manufacturing disciplines focused on improving productivity, product quality and profitability, but have also expanded into revenue growth, supply chain optimization, advanced manufacturing technology and Industry 4.0 areas, such as cybersecurity, additive manufacturing, smart factories and broadband technologies.

In 2016, the IRCs performed substantial engagements with 867 companies, the majority of which reported that their local IRC was the only consultative resource available to them. Those companies reported the following 2016 results:

- Creation and retention of 5,943 jobs
- Retention of \$634.4 million of at-risk sales
- Realization of \$140.6 million of sales into new markets or new customers
- Operational cost savings of \$61.8 million
- Investment of \$174.4 million in expansion, including \$95 million in facility projects or equipment upgrades and
- \$48.5 million in new process or product development

As part of another study, the IRC Program outputs are being analyzed by the Regional Economic Studies Institute of Towson University. Preliminary results of that study suggest that IRC engagements added nearly \$3.75 billion to the Pennsylvania economy in 2016 and provide a return of \$14.42 to the Pennsylvania treasury for each \$1 invested in the program.

## AME Mid Atlantic Announces AERCO Best Practices Event

written by Lauri Moon | June 7, 2017

This AME best practice workshop consists of presentations by AERCO associates, a facilitated tour of AERCO's operations and breakout sessions offering a deeper dive into specific areas of interest. Workshop highlights include kanban replenishment, daily management focus on "making processes visible," product/process rationalization to focus on core competencies and leverage supply chain capabilities and more. The program concludes with a facilitated continuous improvement session to offer feedback to our hosts. Don't miss this opportunity to visit a mature system based on enterprise excellence concepts with application throughout operations and design.

Click here for additional information on this event.

### **IMC Needs Your Support**

written by Lauri Moon | June 7, 2017

For over 25 years, IMC has been helping Central Pennsylvania manufacturers

become more innovative, productive and profitable. We have been able to provide this support, in part, due to our affiliation with the U.S. Department of Commerce, NIST Manufacturing Extension Partnership.

We are asking for your support via an email campaign to Congress requesting continued support for the Manufacturing Extension Partnership (MEP) program, which has been zeroed out in the President's proposed budget.

To participate, click here to be directed to the email tool and follow these simple instructions:

- 1. Enter all required contact information and click Submit.
- 2. Customize paragraphs 1 and 4, where indicated by the brackets, with your company specific information.
- 3. Once complete, click Submit.

## Advanced Manufacturing Leadership Awards Nominations

written by Lauri Moon | June 7, 2017

"Manufacturing Trends" announced invitation to submit nominations for NACFAM's Advanced Manufacturing Leadership Awards that will be presented at their annual conference luncheon on September 7, 2017. The awards are "the *big company* chair/CEO/president award and the *small company* chair/CEO/president award."

If interested in nominating a candidate (chair/CEO/president) for one of these awards, please send the completed nomination to Fred Wentzel at wentzelf@nacfam.org or mail to NACFAM, Suite 800, 2025 M Street, NW, Washington, DC 20036. Nominations must be received by May 15, 2017. Questions can made to Fred Wentzel at 703-455-3461.

### Success Story: IMC Transforms Ralph S. Alberts Co.'s Business Processes

written by Lauri Moon | June 7, 2017

For over half a century, the Ralph S. Alberts Company has been one of America's most resourceful, full-service, multifaceted custom molders. Their departments and capabilities include CNC Machining, Custom Molding, Foam Molding, FRP Molding, Hand Casting, Injection Molding and Roto-Casting. Over 50% of their gross business involves manufacturing seating and padding devices for the amusement industry.

IMC has been working with Ralph S. Alberts Company for several years, but more frequently in the past two years in order to transform their business processes through lean and continuous improvement.

#### **Situation**

Due to the variation and large volume of amusement parks, rides and themes, Ralph S. Alberts has manufactured over 3,000+ tools to satisfy the needs of that industry over time. It is much more cost-effective to keep and store the tools for future reuse than it is to create a new one. Hence the significant number of tools.

These tools were stored randomly on solid wooden racks and on the floor in a low overhead mezzanine area, adjacent to the primary production area with limited space. There was no standard method for storing or finding a tool, rather each tool was stored where they could find space on the self-constructed wooden shelves.

In addition to being randomly stored, there was no comprehensive list of inventory.

Specifications for all of the tools were not recorded in one central location, nor did the individual tools have any unique identifiers. There was a complete lack of organization, and the process for finding any given tool was completely manual.

Since the quantity of tools is significant, and there was no organization system in place, it took multiple employees, together, up to an hour to find the tool they needed. Sometimes, when they finally found the tool they needed, it was damaged, as a result of the ad hoc storage.

In addition to the primary concern of tool storage and organization, the mezzanine area in which the tools were located was poorly lighted, mostly as a result of the wooden shelves blocking the light.

Seth Alberts, the third generation owner, recognized the company could be more efficient in their tool storage and organization. Each summer, the company set a goal to reorganize and inventory the tooling mezzanine, but due to the demands of everyday business, they never made much progress. An overhaul was needed. Seth did not want to expand their facility, but rather explore options for maximizing their current storage space. In addition to maximizing their current storage space, they wanted to evaluate their current ERP system for possible scanning and location technologies that could help centralize the specifications and location of each tool.

#### **Solution**

IMC served as the systems integrator for this project. Since IMC and Ralph S. Alberts Company have been working together for several years, IMC understands the bigger picture of the company – where they've been, where they're going, trends, what works and what doesn't.

The first step was to complete a comprehensive inventory of all existing tools. This inventory resulted in a complex spreadsheet that included the weight, dimensions and information pertaining to the OEM, park customer, ride name and any other relevant information. Each tool was also assigned a unique identifier. While it is cost-effective to keep the tools that haven't been used in several years, they could be separated and stored in sea crates, the first step toward maximizing their current space.

The second step was to address the logistics, with the help of their current ERP system, EstiTrack. IMC contracted Gil Vierra of Business Imperatives Consulting Group, LLC, (BICG) to lead cataloging, defining the best system and evaluating EstiTrack's capabilities as it relates to a more efficient tool storage and organization.

Once Gil had narrowed down the information and categorized what was needed for the shelves, he worked with Seth and Bill DeHaan of APEX Storage, Inc. to research and design the physical shelving. Once the ideal shelving was determined and built, Gil managed the installation process with the help of Melissa Timco, director of operations and sales, and Jason Francis, production coordinator, from Ralph S. Albert Company to ensure tool availability. The company shut down for one week, as employees removed old shelving, installed new lights and the new shelving. Once the shelving was installed, identifiers were added to each of the shelves, and tools were sorted and organized into their new location.

The project was completed in eight months, with a total expense of just under \$50,000.

#### **Results**

An investment of just under \$50,000 likely saved the company upwards of \$500,000.

The process of identifying and locating tools, which had previously taken multiple individuals up to an hour, was reduced to taking one person a matter of minutes. As a result, they have been able to schedule work more efficiently, which has enabled them to reduce lead times, in some cases by two weeks. The reduction in time and labor connected to the increased efficiency will also allow them to increase their overall net profit margins.

Furthermore, by maximizing their current space, they eliminated the need for a building expansion to accommodate their growing number of tools.

In summary, their notable results to date include:

- Increase storage capacity by 125%
- Eliminated the need for building expansion
- Reduced tool find and retrieve process from one hour to minutes

- Reduced time and labor costs
- Created two new Tooling Librarian positions
- Reduced lead time (by up to two weeks)

In addition to the dramatic improvement to their tooling inventory and organization, many employees were inspired and empowered as a result of helping with this project. Through the process, employees learned ways to improve their own workspaces, and are more conscious of the difference maximizing space and organization can make. With the help of IMC, the culture at Ralph S. Alberts was improved.

"We believe this will be a step towards decreasing our COGS, increasing our sales and ultimately maximizing our margins," said Seth. "These larger margins will allow us to invest in similar projects in the future, so we can carry on in our journey of continuous improvement. We want to thank IMC for all of their efforts in helping us accomplish our goals."

### PA Business Central Announces Top 100 Organizations

written by Lauri Moon | June 7, 2017

Congratulations to the following IMC manufacturers, clients and partners for being named a Top 100 Organization by PA Business Central.

- American Eagle Paper Mills
- Architectural Precast Innovations
- Avail Technologies
- Curry Rail Services
- Discovery Machine
- Electri-Cord Manufacturing Company

- Empire Kosher Poultry
- Homeland Manufacturing
- Lycoming Engines
- Nittany Paper Mills
- North Central Sight Services
- Philips Ultrasound
- Ram-Wood Custom Cabinetry
- Reclamere
- Restek
- Timberhaven Log and Timber Homes
- Williamsport Wirerope Works

#### Partners:

- Blair County Chamber of Commerce
- CBICC
- Concurrent Technologies Corporation
- Keystone Payroll
- McNees Wallace & Nurick
- Pennsylvania College of Technology
- Southern Alleghenies Planning and Development Commission
- Williamsport/Lycoming Chamber of Commerce

For a complete list, visit http://www.pabusinesscentral.com/.

## Could your Company Benefit from an Apprenticeship Program?

written by Lauri Moon | June 7, 2017

The Central PA Advanced Manufacturing Industry Partnership has funding and resources available to support the development and expansion of apprenticeship

programs in your company.

To learn more, consider joining us on Thursday, February 9th from 1-3pm in Lewisburg. Click on the flyer for additional information.

CPWDC Industry Partnership Apprenticeship Flyer