

For

THE STATE CHAMBER 

Nebraska Chamber of Commerce & Industry

MANUFACTURERS Only



Fall 2014

HORNADY, LINCOLN INDUSTRIES ARE NEBRASKA MANUFACTURERS OF 2014



Hornady Manufacturing Co. and Lincoln Industries received this year's Innovation in Manufacturing Award for Nebraska. (From left) Nebraska Chamber President Barry Kennedy and State Chamber Chairman Chris Roth, President and CEO of Reinke Mfg., present the awards to Hornady Mfg. President Steve Hornady and Lincoln Industries President Tom Hance. Also pictured is Tony Urban with McGladrey's Nebraska office.

Manufacturing is a vital component of the Nebraska economy. It also represents an essential segment of the membership within the Nebraska Chamber. The State Chamber Manufacturers Council evaluates and recommends policy positions to the State Chamber Board of Directors and serves as a forum for the exchange of views and information that the State Chamber manufacturing members wish to share.

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Hornady Manufacturing Co. of Grand Island and Lincoln Industries of Lincoln are the recipients of Nebraska's 2014 Innovation in Manufacturing Award. Hornady Manufacturing received the award for mid-sized manufacturers, while Lincoln Industries received the award for large manufacturers.

The companies were honored at the October 8 meeting of the Nebraska Chamber of Commerce and Industry's Manufacturers Council held at the Pinnacle Bank Expo Center in Grand Island's Fonner Park.

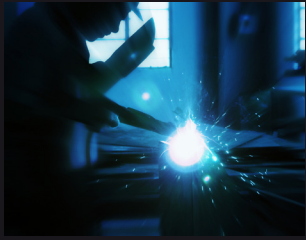
The Innovation in Manufacturing Award is sponsored by the Nebraska Chamber and McGladrey, a leading provider of assurance, tax and consulting services to the manufacturing and wholesale distribution industries. The award is presented annually to Nebraska manufacturers who successfully implement

new ways of conducting business through the use of products, processes, technologies and strategies.

Established in 1949, Hornady Manufacturing Co. of Grand Island designs and manufactures bullets, ammunition, reloading tools and accessories. Born out of the vision of Joyce Hornady, the company's founder, Hornady Manufacturing today has more than 300 employees and is one of the largest independent producers of bullets in the world. Hornady occupies over 108,000 square feet of production space, and in one day – on one press – is capable of producing more bullets than the company's entire first year production. The company was honored for its growth, as well as its innovations in product design, quality and

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Nebraska Manufacturers of the Year *Continued from page 1*

safety. Hornady President Steve Hornady accepted the Manufacturer of the Year Award on behalf of the company.

Lincoln Industries is the nation's top supplier of products requiring high-performance metal finishing. Founded in 1952 as Lincoln Plating by Dale LeBaron, Lincoln Industries serves businesses throughout the country. With more than 60 years of innovation in the industry and more than 500 employees, the company's success has been made evident in the long-term relationships it has with some of the world's top companies, including Harley-Davidson, John Deere, Lindsay

Corp., Tenneco and Valmont Industries. Lincoln Industries was honored for its ability to meet the changing needs of its customers, as well as its employee wellness programs and overall workplace environment. Lincoln Industries President Tom Hance accepted the Manufacturer of the Year Award on behalf of the company.

"We take pride in honoring Lincoln Industries and Hornady Manufacturing with this award," said Barry Kennedy, president of the Nebraska Chamber. "Both companies are important leaders in Nebraska's manufacturing sector."

The State Chamber and McGladrey have presented the manufacturing award since 2008. ■

NEBRASKA MANUFACTURING JOBS UP 3.3% OVER PAST YEAR

For a fourth straight year, Nebraska has gained manufacturing jobs. That's according to the 2015 Nebraska Manufacturers Register, a manufacturers database and directory published by Manufacturers' News, Inc. of Evanston, Illinois.

The industrial machinery sector accounts for the second-most jobs in the state, employing 12,786, up 3.3% over the year, according the register. Nebraska is now home to 2,765 manufacturers employing 123,700 workers.

The food products industry leads the way in manufacturing jobs in Nebraska, employing just over 39,000 people. ■

REGISTER NOW FOR DEC. 3 BUSINESS SUMMIT IN LA VISTA

On December 3, the Nebraska Chamber will host an important business summit at the La Vista Embassy Suites Conference Center. This half-day event will spotlight the trends and challenges facing Nebraska and its business community.

Some of the planned highlights of the summit will include:

- An appearance by Nebraska's next governor, who will provide an update regarding his 2015 agenda.
- Panels of experts who will discuss Nebraska's current economic conditions and workforce issues, as well as key energy and

environmental issues being impacted by federal actions.

- Keynote speaker Jack VonderHeide, one of the nation's leading authorities on emerging technologies, will focus on several of the groundbreaking technologies that businesses can expect to see – and how that technology will alter customer habits and expectations.

The summit will begin at 11:45 a.m. and conclude no later than 4 p.m.

To register or for more details, contact the State Chamber at (402) 474-4422 or e-mail cvolnek@nechamber.com. ■

GOVERNOR, STATE CHAMBER SALUTE NEBRASKA MANUFACTURING

Following a tour of Lincoln Industries' innovation center, Governor Heineman presents Lincoln Industries Chairman and CEO Marc LeBaron and State Chamber Chairman Chris Roth with a proclamation declaring October as Manufacturing Month in Nebraska.



In mid-October, Nebraska Chamber President Barry Kennedy and Nebraska Chamber Chairman Chris Roth – who serves as CEO and president of Reinke Manufacturing of Deshler – joined Governor Dave Heineman in his “Salute to Nebraska Manufacturing Tour,” which featured visits to four Nebraska communities. They were joined by business leaders, manufacturing employees, and students to celebrate October as Nebraska Manufacturing Month.

Stops included Lincoln Industries of Lincoln, NUCOR Corp. of Norfolk, Orthman Manufacturing in Lexington, and Deshler Public Schools, where the governor made remarks to students and toured the school’s welding facility.

The tour received widespread press coverage and helped highlight October as Nebraska Manufacturing Month, as declared by the governor.

During the visits to the communities, the governor noted that manufacturing careers are important to Nebraska’s economy.

“We’re trying to let young people know the manufacturing jobs of today are different than they were 25 years ago,” Governor Heineman said. “Whether they are looking at a two-year or four year degree, there are opportunities in manufacturing in the area you should look at.”

State Chamber Chairman Roth said jobs in manufacturing pay about fifty percent more than other non-farm jobs. He also advised his fellow manufacturing executives that they should be meeting regularly with local school officials and letting them know their labor requirements and encouraging school districts to adjust their curriculum accordingly, to meet local workforce demand.

At the tour in Lexington, Orthman Manufacturing President John McCoy said that his company had benefited from the Nebraska Advantage Program, new market tax credits and the Intern Nebraska program.

According to updated figures, Nebraska is home to 2,765 manufacturers employing 123,700 workers. Manufacturing contributes approximately \$12.5 billion annually in Nebraska’s total economic output. The state’s average annual employee compensation in manufacturing is roughly \$55,000, compared to the average compensation in private, non-farm sectors of \$37,572. ■



The governor and State Chamber executives toured the NUCOR Steel facility in Norfolk. NUCOR Steel Vice President and General Manager Dirk Petersen (right) also serves on the board of the Nebraska Chamber.

The governor and Nebraska Chamber President Barry Kennedy brief news media and local officials in Lexington on the importance of manufacturing to Nebraska’s economy.



LAWMAKERS VOW TO FOCUS ON WORKFORCE SKILLS

Recent news stories have reported that some state lawmakers are placing heavy emphasis on vocational training in the public schools. This could mean more time and attention will be devoted to workforce issues in the 2015 session of the Nebraska Legislature.

Some of the lawmakers who have been prominently noted in workforce related news accounts are Bellevue Senators Sue Crawford and Tommy Garrett, as well as Papillion Senator Jim Smith and Lincoln Senator Kate Bolz.

The Bellevue Leader recently reported that Senators Crawford and Garrett are committed to working with Senator Smith, who has promoted vocational education. The lawmakers say "Nebraska's economy lacks people skilled in the trades, and that vocational training can lead to well-paying jobs that do not require a four-year college education."

Senator Smith has said "Nebraska's public schools are doing too little to introduce students to the trades," adding that those who go into the trades "are entrepreneurs, the ones who will probably end up being benefactors to the education system in years to come when they own their own businesses." □



EXAMINING THE LINK BETWEEN WORKFORCE AND WELFARE

The U.S. unemployment rate currently sits at 5.9% -- marking the first time since July 2008 it has dipped below 6%. This is good news on the surface, but there's more to the story. The Bureau of Labor Statistics says 97,000 people dropped out of the labor force last month alone. Since government statisticians say individuals can't be officially "unemployed" if they're not looking for work, the workforce decline has helped lower the jobless rate.

Currently, the U.S. labor force participation rate is at a 36-year low -- as 93 million Americans over the age of 16 are not in the workforce. While Nebraska can claim the second-highest labor force participation rate (72.3%) among the states, participation in eight states has plummeted below 60%.

As the country's labor pool shrinks, U.S. taxpayers are paying record amounts in social welfare programs administered by government. The number of individuals on food stamps has topped 46 million for three years, according the USDA. Medicaid enrollment has expanded from 42.3 million in 2007, to 54.1 million in 2012 (latest year available) at a cost of \$384 billion for medical services. The two major federal disability programs cost taxpayers \$260 billion a year.

Not including Social Security and Medicare, Congress allocated \$717 billion in federal funds in 2010 (latest year available), on top of \$210 billion from the states (\$927 billion total) for means-tested welfare programs in the U.S. □

GRANT AIMS TO HELP BUSINESSES REACH INTERNATIONAL MARKETS

The Nebraska Department of Economic Development (DED) is trying to help increase the number of small businesses in Nebraska that are exporting, and increase the value of exports for small businesses that are currently exporting. The International Market Access Grant (IMAG) program will reimburse eligible expenses to a Nebraska company for expenses related to participating in export focused trade activities; U.S. Department of Commerce business matchmaking programs; international advertising; third-party product testing; and translation and printing services. Companies must qualify as a small business entity based on SBA's guidelines to be eligible for IMAG funding opportunities.

Companies can access these funds through an application process for activities to be completed no later than Sept. 29, 2015. Funds will be awarded on a first-come, first-serve basis to the extent funds are available. Maximum reimbursement per company over the life of this grant is limited to \$20,000 (third-party product testing not included).

For applications, go to: <http://www.neded.org/business/international-trade-and-investment>. If you have any questions, please contact Susan Rouch, 402-471-4668, susan.rouch@nebraska.gov; or Kent Campbell, 402-309-3359, kent.campbell@nebraska.gov, for assistance. □

STUDY: FEDERAL REGS COST U.S. \$2.03 TRILLION ANNUALLY

A new study by the National Association of Manufacturers (NAM) has found that complying with federal regulations costs Americans \$2.028 trillion in lost economic growth every year.

According to the NAM, the average manufacturing firm faces \$19,564 per employee, per year, in compliance costs; that's nearly double the burden of the average U.S. firm. Small manufacturers pay \$34,671 per

employee per year to comply with federal regulations — more than triple the average — and nearly 59% of those costs are incurred to comply with environmental regulations.

NAM is requesting the help of the businesses in telling the story of how troubling and costly federal regulations have become. For more information, visit www.nam.org. □

HELP US GROW YOUR STATE CHAMBER

The Nebraska Chamber has represented the state's manufacturing community for more than a century. Today, the State Chamber is at its strongest level ever — with record membership and major legislative accomplishments.

But to keep advocating effectively for the state's manufacturing sector, and to compete with opposing special interests that often work against the interests of employers and the business community, let's make the Nebraska Chamber's voice even more influential.

Please take a moment and let us know of businesses and individuals who would benefit from the services provided by the State Chamber.

By providing us with the names of potential new members, you will help us grow your Nebraska Chamber. Send your referrals to James Berringer at jberringer@nechamber.com, or call (402) 474-4422. □