

Approved: February 13, 1997
Date

MINUTES OF THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT.

The meeting was called to order by Chairman Bill Mason at 3:30 p.m. on February 3, 1997 in Room 423-S of the Capitol.

All members were present except: Barbara Allen (Excused)

Committee staff present: Lynne Holt, Legislative Research Department
Beverly Renner, Committee Secretary

Conferees appearing before the committee: Paul Clay, CEO, Mid-America Manufacturing Technology Center (MAMTC)
Marianne Hudson, Vice-President, MAMTC

Others attending: See attached list

Paul Clay, CEO, Mid-America Manufacturing Technology Center (MAMTC) introduced Marianne Hudson, Vice-President, MAMTC. Ms. Hudson briefed the committee on the mission and services offered by MAMTC (Attachment 1). She stressed the importance of small manufacturers in the economic development of the state and the process by which MAMTC is able to assist them. MAMTC partners with Missouri, Colorado and Wyoming to share technical expertise and equipment time to leverage resources.

Representative Long moved that the minutes for January 28, 29 and 30 meetings be approved. Representative Henderson seconded the motion and the motion carried.

Chairman Mason made a motion that the committee introduce a bill to create a Butler County Port Authority. Representative Sharp seconded the motion and the motion carried.

Chairman Mason adjourned the meeting at 4:25 p.m.

The next meeting is scheduled for February 4, 1997.

MAMTC Presentation to:

The House Economic Development Committee

By Paul Clay, MAMTC CEO
Marianne Hudson, VP Marketing

February 3, 1997



MAMTC's Mission

Help small and medium-sized manufacturers
adopt appropriate technology and business
techniques to improve quality, productivity and
sales, and reduce costs.



MAMTC's Services and Products

Primary service is hands-on consulting to identify and resolve problems in the manufacturing process. Services include:

- ◆ Hands-on consulting
- ◆ Seminars and workshops
- ◆ Vendor and technology searches
- ◆ Product process testing and analysis
- ◆ Equipment and software demonstration
- ◆ Limited customized training
- ◆ Industry cooperatives and networking groups



Client Success Stories in Kansas

- ◆ Doerr Metal Products (Larned) - Helped company design and market a welding table. Doerr's table won the "Best New Product" Award in 1993 from the Western Kansas Manufacturing Association.
- ◆ Audio Communications, Inc. (Overland Park) - Produced a wood mold to serve as a prototype for a voice-technology product. Client gained 8 investors for his business venture and won a business plan competition.
- ◆ Manufacturing Development, Inc. (Cheney) - Trained company in Total Quality Management and Statistical Process Control. Client gained supplier certification to keep a major contract and achieved an annual cost reduction of \$132,000.
- ◆ Concept W Systems, Inc. (Emporia) - Assisted company in establishing policies and procedures for purchasing, receiving and inventory control. Improvements in these areas were expected to generate \$350,000 in increased sales.

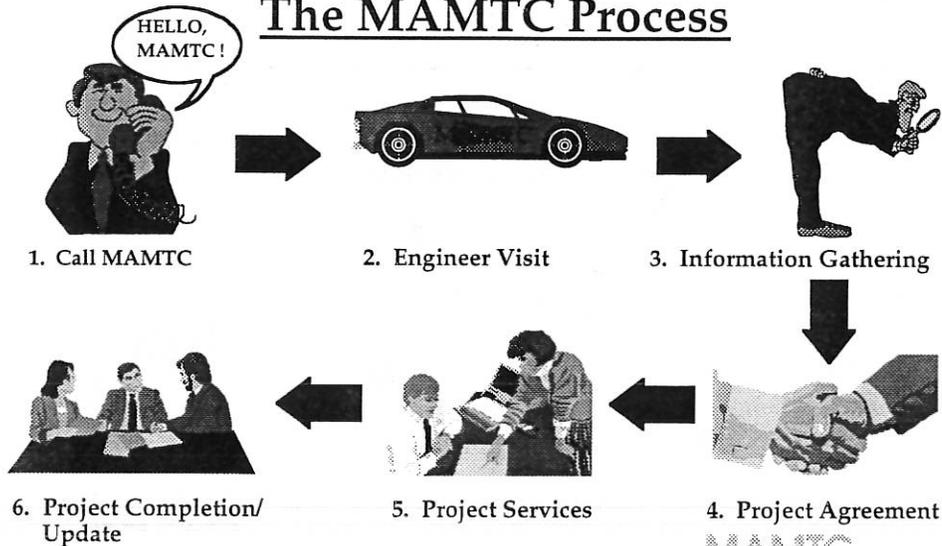


Core Service Areas

- ◆ Quality
- ◆ Manufacturing Process
- ◆ Business Systems
- ◆ Marketing
- ◆ Information Systems
- ◆ Human Resources
- ◆ Product Development and Testing
- ◆ Company Assessment

MAMTC
Helping you start your own business

The MAMTC Process



Field Engineers

Functions

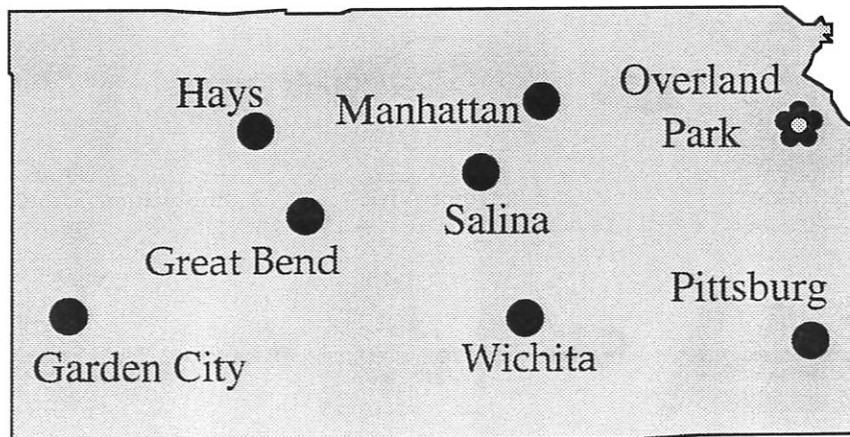
- ◆ Direct sales/marketing of MAMTC's services
- ◆ Company assessment
- ◆ Proposal development
- ◆ Project management and implementation
- ◆ Customer service

Typical Profile

- ◆ Twelve or more years industrial experience
- ◆ Technical (undergrad) degree and advanced degree
- ◆ Several years of sales experience
- ◆ Understanding of project management
- ◆ Results oriented

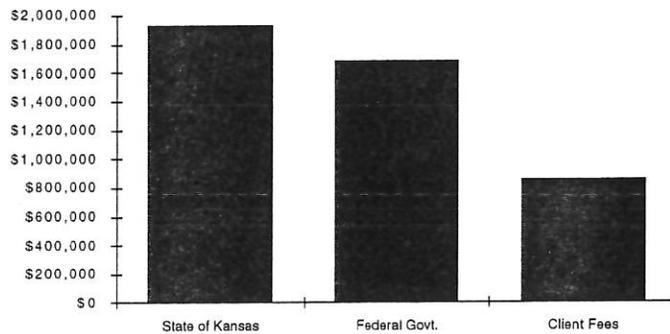
MAMTC
Manufacturing Technology Center

MAMTC - Kansas Offices



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Manufacturing Technology Center

Cash Revenues for MAMTC in Kansas FY 1996



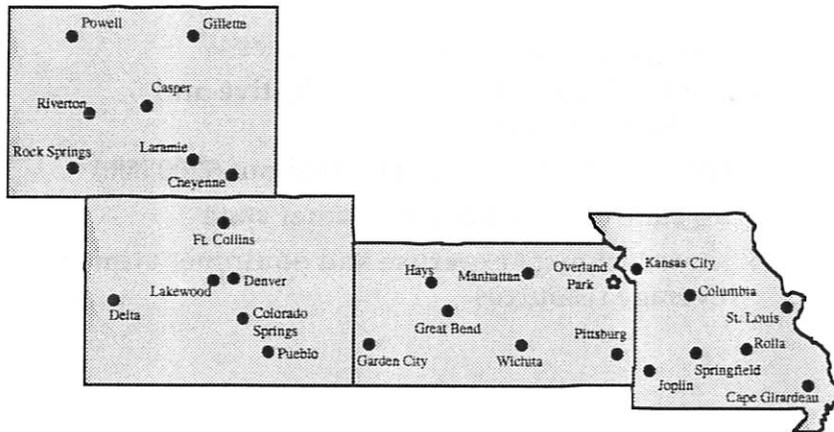
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MAMTC-Kansas Partners

- ◆ Kansas Technology Enterprise Corporation (KTEC)
- ◆ Advanced Manufacturing Institute /
Kansas State University
- ◆ Center of Excellence in Computer Aided Systems
Engineering / University of Kansas
- ◆ Center for Design, Development and Production /
Pittsburg State University
- ◆ National Institute of Aviation Research /
Wichita State University
- ◆ Western Kansas Technology Corporation
- ◆ Fort Hays State University
- ◆ Garden City Community College

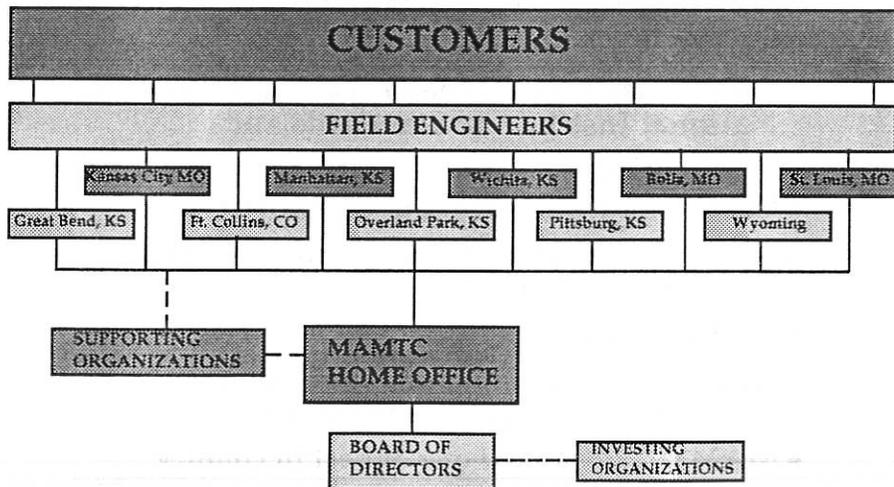
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MAMTC Offices



MAMTC
MEMBER OF THE MAM GROUP

MAMTC Organizational Chart



MAMTC
MEMBER OF THE MAM GROUP

Other States Partner With MAMTC

- ◆ Like general structure and services
- ◆ Home office handles administrative and marketing issues
- ◆ States pay management fees (about \$200,000)
- ◆ No state dollars used in another state
- ◆ Share technical expertise and equipment time to leverage resources



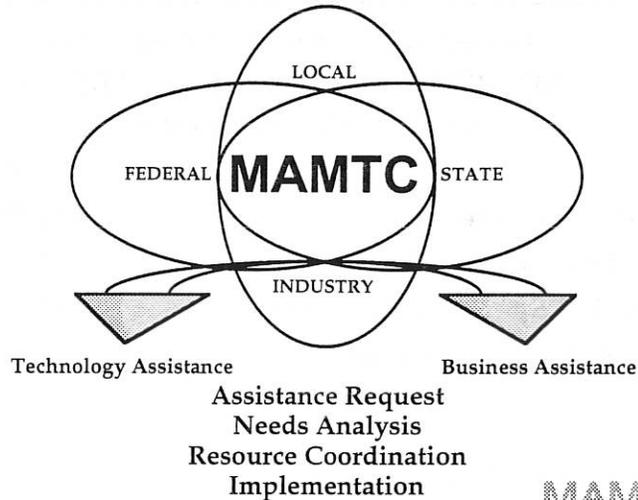
MAMTC Part of National System

**Manufacturing Extension Partnership of the
National Institute of Standards and
Technology**

- ◆ Centers located throughout US - about 70
- ◆ Most operate through partnerships between states and NIST/MEP
- ◆ Kansas partner is KTEC
- ◆ All centers have similar mission, but operate differently to meet local and state needs
- ◆ MAMTC considered one of best in country



The MAMTC Concept



MAMTC Services to Economic Development Organizations

- ◆ Lead development and referrals
 - ◆ Facility layout for new plants and expansions
 - ◆ Company assessments
 - ◆ Energy and waste minimization
 - ◆ Technical reviews of loans for manufacturing equipment
 - ◆ Vendor searches
 - ◆ Ability to meet unique company needs-- engineering, operations, management, marketing
 - ◆ Initial 8 hours of free service
 - ◆ Discounts on service
- MAMTC**
Manufacturing Assistance Model of Technology Center
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MAMTC Economic Impact Projections

Projected Bottom-Line Results for MAMTC Clients Exceed \$200 Million

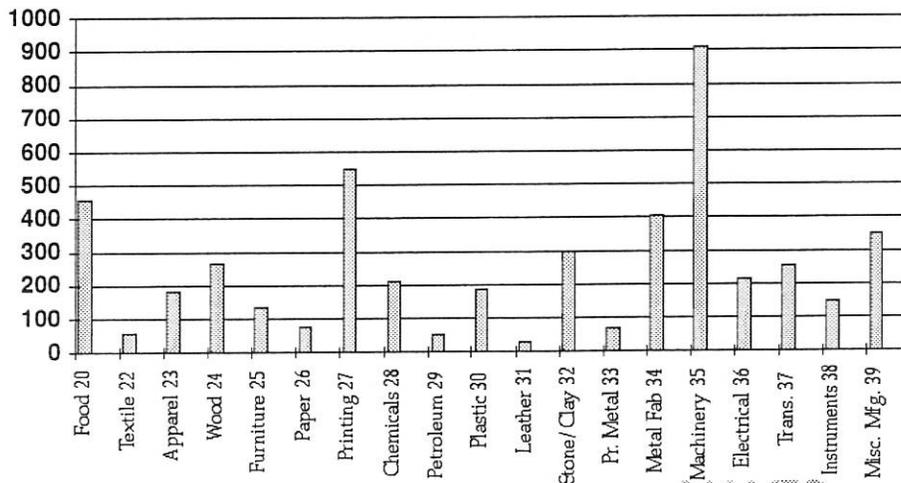
(January 1, 1992 - December 31, 1996)

	<u>Cumulative</u>
Sales Increases	\$150,553,026
Reduced Costs	\$44,254,347
Capital Spending Increases	\$44,861,205
Jobs Created or Saved	1,917

Source: Independent surveys of companies that have completed 748 projects with MAMTC.



Kansas Manufacturers by Industry



Smaller Manufacturers are Important

- ◆ There are 370,000 manufacturing firms with under 500 employees.
- ◆ Smaller firms make up 98% of all manufacturing establishments.
- ◆ Smaller firms contribute more than half the value added in manufacturing in the U.S.
- ◆ Smaller firms account for 75% of new jobs in manufacturing.
- ◆ Smaller firms employ 65% of all manufacturing employees (over 8 million jobs).
- ◆ Smaller firms supply many of the component parts needed by larger firms.

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MANUFACTURING AND MARKETING TRAINING CENTER

Barriers Faced by Smaller Manufacturers

- ◆ Lack of awareness of changing technology, production techniques and business management practices.
- ◆ Difficulty for owners and managers of small companies to find high-quality unbiased information, advice and assistance.
- ◆ Isolation of smaller manufacturers, which have too few opportunities for interaction with other companies in smaller situations.
- ◆ Regulatory environment which creates a disproportionate burden for smaller firms.
- ◆ Difficulty of obtaining operating capital and investment funds for modernization.

From Learning to Change: Opportunities to Improve the Performance of Smaller Manufacturers, National Academy Press, 1993

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Sample of MAMTC Customers

A-1 Tool and Machine, Inc.	Pittsburg	Vendor Search, CAD/CAM, Software Selction, Machine Repair
Abbott Aluminum	Manhattan	Product Design
Ace Forms, Inc.	Pittsburg	TQM, Team Training
Adapa, Inc.	Topeka	Material Engineering/Stress Analysis, Product Design
Alamo Group - Kansas	Holton	Bill of Materials, Quality System
Allied Signal Avionics, Inc.	Olathe	ISO 9000
ALO, USA, Inc.	Sterling	Facility/Plant Layout
Alum-A-Lite	Hugoton	CAD Drawings
American Packaging Corp.	Hutchinson	Facility/Plant Layout Planning
Audio Communications, Inc.	Overland Park	Prototyping
Auto-Lifters of America	Newton	Product Testing
Automate Cable and Wire	Chanute	ISO 9000
Aztec Marking Co., Inc.	S. Hutchinson	Ergonomics, Machine Design
B & S Aircraft Parts & Accessories, Inc	Wichita	Human Resources, Team Training, TQM
Blaylock Diesel Service	Baxter Springs	Marketing
Brackett, Inc.	Topeka	Machine Design, Manufacturing Training
Building Systems, Inc.	Garden City	CAD/CAM Evaluation & Utilization, CAD Drawings
Bunting Magnetics Corp.	Newton	Facility/Plant Layout Planning, Materials Engineering
Buzz Print	Overland Park	Process Review and Planning
Cardinal Machinery	Wichita	Rapid Prototyping
Cardwell International, Inc.	El Dorado	Facility/Plant Layout, Process Review
Cashco, Inc.	Ellsworth	Prototyping
Chance Industries, Inc.	Wichita	Material Engineering/Stress Analysis, Product Testing
Charloma Plastics, Inc.	Cherryvale	Wood Machining - CNC Router
Cobalt Boats	Neodesha	Energy Conservation, Prototyping
Coffeyville State Bank	Coffeyville	Environmental Assessment
Commercial Aircraft Products, Inc.	Wichita	Product Design, Quality System, Team Training
Concept W Systems, Inc.	Emporia	Material Control, Equipment Selection, Inventory Control
Continental Technologies, Inc.	Little River	Marketing (Industrial)
Creative Designs	Wichita	Prototyping
Cross Manufacturing, Inc.	Overland Park	Process Review & Planning
Custom Cupboards, Inc.	Wichita	Safety Analysis and Planning
Cytech	Wichita	Material Engineering/Stress Analysis, Product Design
D and J Engineering	Augusta	Computer Training
Design Manufacturers	Hesston	Wood Machining - CNC Router
Didde Web Press	Emporia	Setup Reduction and Quick Changeover
Disposable Instrument Company, Inc.	Shawnee Mission	Process Review & Planning, Quality System
Dixon Industries	Coffeyville	Geometric Dimensioning & Tolerancing
Doerr Metal Products	Larned	Bar Coding, Product Design, Product Testing, Marketing
E.C.T., Inc.	Wichita	Information Management and Systems
Easy-Up Industries, Inc.	Neodesha	Activity Based Costing
Emerson Electric	Independence	ISO 9000
Enviro-Pal, Inc.	Garden City	Marketing (Industrial)
Ernest Spencer Metals, Inc.	Meriden	Facility/Plant Layout Planning
Eskridge, Inc.	Olathe	Setup Reduction
Etco Specialty Products, Inc.	Girard	ISO 9000
Excel Industries, Inc.	Hesston	Product Development Team Training
FEMCO, Inc.	McPherson	Material Engineering/Stress Analysis. Product Testing
Ferguson Production	McPherson	Company Assessment
Fluid Drag Research	Valley Center	Marketing (Industrial)
FMC Corporation	Lawrence	Setup Reduction and Quick Changeover

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Sample of MAMTC Customers

Garsite TSR, Inc.	Kansas City	Facility/Plant Layout, Process Review
Golden Harvest Products	Shawnee Mission	Process Review and Planning
Great Plains Industries, Inc.	Wichita	Geometric Dimensioning & Tolerancing
Great Plains Manufacturing, Inc.	Salina	Product Development Team Training, Set-up Reduction
Great Western Manufacturing Co., Inc.	Leavenworth	Process Review & Planning, Product Design
HAAHJEM North America, Inc.	Salina	CAD Drawings, Product Testing
Hampel Oil	Wichita	Information Management and Systems
Haven Steel Products, Inc.	Haven	Facility/Plant Layout Planning, Prototyping, Software Select
Hay & Forage Industries	Hesston	Product Testing
HB Rusk, Inc.	Wichita	Product Design
Heatron	Leavenworth	Quality System
Heckendorn Equipment Co.	Peabody	Material Engineering/Stress Analysis, Prototyping
Heritage Acre Fencing	Fort Scott	Wood Machining - CNC Router
HEYCO, Inc.	Garden City	Facility/Plant Layout, CAD Drawings, Vendor Search
Hix Corp.	Pittsburg	Standard Operating Procedures
HM Ives & Sons	Topeka	Facility/Plant Layout Planning, Inventory Control, Strat Plan
Hopkins Manufacturing Corp.	Emporia	Quality System, Project Management
Hutchinson Wil-Rich Mfg. Co.	Clay Center	Inventory Control
Hutchinson/Mayrath	Clay Center	Setup Reduction and Quick Changeover
James D. Van Becelaere Co.	Pittsburg	ISO 9000
Jenkins Motorsports, Inc.	Dodge City	State/Federal Support for Product Realization
JR Custom Metal Products, Inc.	Wichita	CAD Drawings, Inventory Control, Quality System, Testing
Kanamak Hydraulics, Inc.	Garden City	Material Engineering/Stress Analysis
Kansa Corp.	Emporia	Product Design, Product Testing
Kansas Instruments	Council Grove	Total Quality Management
Kansas Manufacturing Inc.	Wichita	Marketing (Industrial), Company Assessment
KAR Limited	Garden City	CAD Drawings
KETCH, Inc.	Wichita	Machine Design
Key Industries, Inc.	Fort Scott	Environmental Assessment
Keyes Manufacturing, Inc.	Newton	Product Testing
Keystone Railway Equipment Co.	McPherson	Quality System
L & J Wood Products, Inc.	Hesston	Job Costing
Landoll Corp.	Marysville	Computer Training, Material Engineering
Laurco Fabrics, Inc.	Wichita	Safety Analysis and Planning
Lawrence Paper Company	Lawrence	Setup Reduction and Quick Changeover
M & W Manufacturing, Inc.	Iola	ISO 9000
MAC Equipment, Inc.	Sabetha	Finite Element Analysis
Magic Focus, Inc.	Augusta	Facility/Plant Layout Planning
Mann Enterprises, Inc.	Waterville	Prototyping
Manufacturing Development, Inc.	Cheney	Statistical Process Control, TQM
McAdam Limestone Products, Inc.	Moran	Material Engineering/Stress Analysis
McCall Pattern Co., Inc.	Manhattan	Finite Element Analysis
Mega Manufacturing, Inc.	Hutchinson	Product Testing - SOMAT
Mellies Products, Inc.	Morganville	Bill of Materials
Microtronics, Inc.	Humbolt	Rapid Prototyping
Mid-Kansas Economic Development Co	Great Bend	Product Testing
Modine Manufacturing Co.	Emporia	Safety Analysis and Planning
Multi-Business Press, Inc.	Hillsboro	Marketing (Industrial)
NAAB Electric, Inc.	Garden City	CAD Drawings
NAR-MAC Industries, Inc.	Wichita	Product Design, Strategic Planning
National-Spencer, Inc.	Wichita	Product Evaluation

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Sample of MAMTC Customers

Noveltronics	Manhattan	Prototyping
Orthopedic Research Institute	Wichita	Rapid Prototyping
Ott Brothers Machine Co., Inc.	Wichita	Safety Analysis and Planning
Ottawa Truck, Inc.	Ottawa	Manufacturing Strategy, Process Review, Cellular Mfg
Parsons Precision Products	Parsons	Geometric Dimensioning & Tolerancing
PATCO	Overland Park	Prototyping
Perfekta, Inc.	Wichita	Manufacturing Software Selection
Pioneer Wood Products	Lawrence	Prototyping - Wood Products, Wood Machining
Pitsco, Inc. - Manufacturing Division	Pittsburg	Prototyping, Product Design, Wood Machining
Plastic Fabricating Company, Inc.	Wichita	Material Engineering/Stress Analysis
Precision Built Systems, Inc.	Derby	Material Engineering/Stress Analysis, Technical Info Search
Preco Industries, Inc.	Lenexa	Facility/Plant Layout, Vendor Search
Prestige, Inc.	Neodesha	Prototyping - Wood Products, Wood Machining
Progressive Feeds, Inc.	Pittsburg	Material Engineering/Stress Analysis
Quik-Kuf, Inc.	Garden City	CAD Drawings, Product Design, Prototyping, Testing
Raytheon Aircraft Co.	Wichita	Geometric Dimensioning & Tolerancing
Reliable Cap & Closure, Inc.	Olathe	Energy Conservation
REMA Bakeware	Salina	Team Process Improvement Training
RHS Fertilizing/ Spraying Systems	Hiawatha	Facility/Plant Layout Planning
Robbie Manufacturing, Inc.	Lenexa	Setup Reduction, Plant Layout Planning
Schuetz Tool & Die, Inc.	Hiawatha	Marketing (Industrial), Quality System
Scientific Engineering, Inc.	Salina	Technical Information Search
Service Printing, Inc.	Wichita	Strategic Planning
Solar Electric Systems of Kansas City	Lenexa	Material Engineering/Stress Analysis
Sports Revolution	Leawood	Prototyping
Stonwurks, Inc.	Clay Center	Marketing (Industrial)
Straightline Manufacturing	Newton	Process Review & Planning, Leadership Training
Sunflower Manufacturing Co., Inc.	Beloit	Material Engineering/Stress Analysis
Sutherland Engineering, Inc.	Lawrence	Facility/Plant Layout Planning
Thermal Trade, Inc.	Wichita	Environmental Assessment
Thermoid HBD Industries, Inc.	Chanute	Statistical Process Control
Topeka Foundry & Iron Works	Topeka	Finite Element Analysis
Trinity Environmental Laboratories	Mound Valley	Quality System
Turbine Specialties, Inc.	Salina	Product Design
Uniflo Conveyor, Inc.	Wichita	Material Engineering/Stress Analysis
Unit Rail Anchor Company	Atchison	Activity Based Costing
Vektek, Inc.	Emporia	Metrology
VRT-OZ, Inc.	Leavenworth	Rapid Prototyping, CAD Drawings
Walnut Ridge Group	Pittsburg	Prototyping - Wood Products
WayneCo Products, Inc.	Wichita	Product Testing
Wescon Products Co.	Wichita	ISO 9000
Wichita Ponca Canvas Products, Inc.	Wichita	Technical Information Search
Wilch Manufacturing, Inc.	Topeka	Process Review and Planning
William F. Hurst Co., Inc.	Wichita	Information Management and Systems
Windwright	Pittsburg	Prototyping
Wiseda, Ltd.	Baxter Springs	Export Marketing
Wolfe Machine, Inc.	Mulvane	Statistical Process Control
Yellow Freight Systems, Inc.	Overland Park	ISO 9000
Yuasa Exide	Hays	Human Resources

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