Phil Straub, Vice President of Aviation Engineering Garmin International Testimony in Support of Senate Sub for HB 2149 April 27, 2011 House Appropriations Committee

Mr. Chairman, Members of the Committee, I am Phil Straub and I am the Vice President of Aviation Engineering at Garmin International. I am pleased to appear before you today in support of House Bill 2149, the Kansas Engineering Initiative.

Garmin is headquartered in Olathe, Kansas and we design, manufacture, and market navigation equipment and applications that are used throughout the world. We have sold more than 82 million GPS-enabled devices to pilots, boaters, the military, emergency responders, hikers, hunters, athletes, and motorists around the world. We employ approximately 2,730 associates (more than 1200 of them in engineering roles) in the state of Kansas, and over 8,700 associates globally.

- 1. If our company is to grow and prosper here in Kansas, we need a steady supply of trained engineers. Garmin has hired more than 135 engineers from Kansas State, 129 from Kansas, and 16 from Wichita State. That's 280 Kansas-trained engineers in all, and 85 in the last three years alone, and we continue to hire key engineering talent despite the economic recession.
- 2. As a high-tech company located in the Midwest, we are forced to compete with other technology companies located in Silicon Valley and elsewhere for engineering talent. While Kansas university engineering graduates understand the benefits of living in the Midwest, it's sometimes difficult to lure out-of-state engineering students to this part of the country. We need as much home-grown talent as we can get.
- 3. Because Garmin has not been able to successfully recruit enough top-performing students with hands-on experience to design the products we make, we have been forced to open a number of satellite offices in other states. In total, those out-of-state facilities employ nearly 500 associates and 320 engineers. The state of Kansas misses out on the tax revenues associated with those employees and the facilities that house them.
- 4. Garmin has long recognized this issue, and we have actively supported engineering recruitment programs over the years. We are a Corporate Partner with both Kansas State University and Kansas University, helping these schools hire personnel and improve their facilities.

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5. Furthermore, Garmin has its own scholarship program in place to help attract students to the field of engineering. Endowed with \$10 million, the Dr. Min Kao Family Foundation annually offers 100 scholarships worth \$5,000 per year per engineering student. In addition, scholarship recipients are given first consideration for one of more than 75 annual paid internship opportunities at Garmin – a package worth up to \$20,000 per year to each recipient.

Despite these efforts, demand continues to outstrip supply at our state's three engineering schools, which are already performing at full capacity. For these reasons, Garmin urges your favorable consideration for Senate Substitute for HB 2149. I would be happy to answer questions now or at the appropriate time.

Appropriations Committee

Date April 21, 20//

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