

**Jay Timmons' Remarks to Waterways Council
February 11, 2014**

As Prepared for Delivery

Thank you, Merritt, for that kind introduction.

It's also good to see Matt Woodruff. I was just in Houston where I toured the ship channel on one of Kirby's barges. I had seen the region's manufacturing facilities before—the terminals, refineries, and plants—but never from that perspective on the water.

I had hoped that we would be celebrating a major victory today, and I could deliver a postmortem about our success in navigating WRDA to the President's desk.

But as the conference drags on, hopefully with an end in sight, I think what we accomplished is significant, and the lessons we learned can guide us through future policy battles.

I appreciate the opportunity to address the Waterways Council. Over the past year, Mike and his team at WCI have worked in tandem with the National Association of Manufacturers to advance the WRDA bill.

It's a partnership that makes sense. Manufacturers rely on waterways to receive the inputs they need to make their products and then to ship their products to market. Infrastructure, whether waterways, roads, rail or airways, is a competitiveness issue, and one on which our members want us to be engaged.

As the nation's largest industrial trade association, the NAM advocates solutions that strengthen our economy.

The NAM represents 12,000 manufacturers of all sizes and sectors, from the world's largest multinationals to family businesses up and down Main Streets all across America.

Our members expect us to deliver value to them—even when the gridlock in Washington is as bad as it is today. So we had a choice: we could either make excuses and blame politicians or we could adapt. And adapt is exactly what we did.

The policy environment in Washington has forced us to change the way we advance manufacturers' interests. Even in the "least productive Congress in history," as many commentators have dubbed it, we can succeed.

The NAM has developed new programs, tools and tactics to advance manufacturers' policy priorities. We are bringing manufacturers together, creating a powerful and influential coalition that is reaching lawmakers and effectively impacting public policy.

That approach works. Despite the backdrop in Washington—a Congress that can't accomplish very much and an Administration that is driving its agenda through executive actions—the NAM

has won policy victories for manufacturers and also set the stage for future gains. As Washington has grown more aggressive in advancing policies that hurt manufacturers' competitiveness, we have become more aggressive in pushing back.

Our advocacy tools help advance more policy issues than ever before. On issues as wide-ranging as comprehensive immigration reform to affordable energy and international trade fairness, our campaigns engage policymakers and the public through traditional and social media and stir up the grassroots.

The NAM spurs lawmakers back in their districts to take action. We hold lawmakers accountable, ensuring that they can't say one thing in Washington and another to their constituents.

Today, policy battles are increasingly being fought in the courts. To strengthen our capacity to engage in the courts on behalf of our members, the NAM launched the Manufacturers' Center for Legal Action. Through the Center, the NAM has enhanced its capability to bring legal strategies to bear across the full range of organizational policy priorities. Our legal engagements touch a variety of subject areas important to our members, from product liability to labor to international law.

Indeed, when a major issue that affects the business community is being debated in Washington, the NAM is front and center because manufacturers are a powerful and influential constituency. Manufacturing has an outsized impact on the economy, and manufacturers have a presence in every congressional district. As a result, the NAM is better positioned than ever to drive an agenda that works for manufacturers, not just this year but in the years ahead.

While I hope we've experienced the worst Washington politics has to offer, our yearlong efforts to advance WRDA provide a path forward to take on future infrastructure challenges.

Over the past year, I believe we've focused attention on our nation's infrastructure needs, particularly the needs of our waterways. That focus is long overdue.

WCI was very helpful in our efforts, providing us with key points and data that resonated with manufacturers, policymakers and the public. A lot of people are simply unaware that our ports and waterways contribute so much to the U.S. economy. When we explained that they move products and commodities valued at roughly \$185 billion each year, people listened. When they heard that inland waterways transported approximately 20 percent of the coal for utility plants, 22 percent of domestic petroleum products and more than 50 percent of the nation's grain and oilseed, members of Congress listened.

And no one can honestly say that we have the infrastructure we need when disruptions along the waterway system are commonplace, and more than half of the locks are more than 50 years old.

As you all know, last year, the American Society of Civil Engineers' annual report card earned some notoriety for giving our nation's infrastructure a "D+" grade. Inland waterways fared even worse, earning a "D-" grade.

In today's era of rampant grade inflation, it takes work to get grades that low, and for Congress, our infrastructure's decline is the result of willful neglect. Lawmakers know our infrastructure is out of date and badly in need of repair, but they haven't followed through with commonsense pro-growth policies.

It often takes a crisis to spur Congress to action, and that's exactly what happened in this case.

When water levels in the Mississippi River reached dangerously low levels at the end of 2012 and beginning of 2013, the idea that commerce could grind to a halt in the heart of our country was a frightening prospect.

While the threat eventually subsided and river traffic returned to normal, Washington got the message.

This may be the only time I ever quote Rahm Emanuel: "You never want a serious crisis to go to waste." And groups like the NAM and WCI seized this opportunity to launch an all-out lobbying effort on WRDA.

The centerpiece of our advocacy was education.

The media often fixate on the supposed arm-twisting and influence peddling that goes on in the halls of Congress, but I've always believed that education is how you win votes. If you can deliver a clear and persuasive message to your elected officials—if you have the better argument—chances are you will win.

It was a yearlong advocacy campaign both inside and outside of Washington.

We hosted Mike to brief NAM members about WRDA and what manufacturers need to see in the legislation.

Much of our work centered on Capitol Hill, where we educated members and staff. Representatives from Nucor, Kirby and CF Industries headlined an event we held with Chairman Shuster and Rep. Bob Gibbs. We partnered with our business community allies and manufacturers on countless visits to Senate and House offices.

At the heart of these efforts is the power of who I call "real people in the real world." Lawmakers see lobbyists and trade association staff every day. When a manufacturer discusses the issues that he or she is facing in the economy, politicians listen.

We also used social media—and the key here is to use social media effectively. The NAM ran a weeklong series of stories from manufacturers on our Shopfloor blog.

That, however, was only the beginning. Next we had to get the message out. We sent our posts to the Transportation and Infrastructure Committee. Speaker Boehner tweeted out our posts to his followers.

Members of the Republican Study Committee had asked us for details about why this legislation was so critical for manufacturers, so we sent our posts to them. Those members then sent the posts on to other RSC members and so on.

I wouldn't say our social media efforts went "viral," but it was a minor outbreak.

We also took our message outside of Washington. Our infrastructure advocacy campaign commissioned original research with our partner, Building America's Future, to drive the debate. We hosted a press conference at the Port of Philadelphia with former Pennsylvania Gov. Ed Rendell—one of the leaders of Building America's Future—to highlight the need for sound infrastructure policies that manufacturers need to remain competitive.

And the NAM made it clear this bill was a priority for our members. We made WRDA one of our key votes—the first time we gave that designation to a water infrastructure bill.

Our efforts were relentless, and, importantly, manufacturers had good stories to tell. No one could deny there were serious shortcomings with our waterway and port infrastructure. In the face of the facts, opposition dried up.

At the beginning of 2013, I would have never guessed that an infrastructure bill would draw only three "no" votes out of 535 members of Congress. I'm optimistic that the conference report will be completed and draw strong bipartisan support as well.

Don't let anyone tell you that nothing can get done in Congress. We can achieve our policy priorities, but it takes hard work. In the case of WRDA, it took a year of education and advocacy that never let up, even when the prospects for the bill appeared dim.

The NAM will use this approach again in the year ahead to advance our agenda, but we're also ready to adapt our tactics when necessary. Just as manufacturers change their processes and methods to become more effective and efficient, so too must their advocates.

The NAM has set a bold agenda for 2014 through the end of the decade. The President and Congress should work together on a broad-based agenda to:

- Create more than 20,000 manufacturing jobs a month;
- Boost industrial production by 4.5 percent annually; and
- Grow the economy by at least 3.5 percent or more annually.

Those goals are ambitious—but very much in reach—and we can get there. We, in fact, gained 21,000 manufacturing jobs last month, but our challenge is to sustain this growth, which we haven't been able to do consistently since the end of the recession.

Manufacturers also have to do more to tell our story in ways that spur policymakers to action. We've already put our industry in the spotlight in Washington. Policymakers are paying attention, but so far, they've yet to enact the kinds of bold policies we need to unleash our economic might.

We need to engage both sitting lawmakers as well as those running in the upcoming elections. After all, at the end of the day, we need to have the best people governing our country, people with a pro-growth policy agenda as their first and most immediate priority—not politicians who have spent decades focused on other issues and suddenly announce their allegiance to pro-growth policies, but the leaders who have done so and will when elected.

I can't underscore the importance of this year's elections enough. Our advocacy and education efforts will be crucial to making sure the right candidates are elected. As we all know, there is much at stake for manufacturers and manufacturing in these midterm elections. After all, the men and women we send to Washington in the fall will be the ones writing the next WRDA bill.

The good news is that I know that we all are ready for the challenge. Your support is critical, and I can't thank you enough for your active engagement on pro-growth, pro-manufacturing policies.