

**Remarks as Prepared for Delivery for Jay Timmons
President and CEO, National Association of Manufacturers
President's Report: *Forward Motion*
NAM Fall 2015 Board of Directors Meeting
October 1, 2015
Washington, D.C.**

Looking Back on 2015

Thank you, Chris [Womack]—and thank you again, Rex [Tillerson], for joining us. Thank you for your outstanding commitment to the NAM—and for leading by example to prioritize Washington engagement. I know we all appreciate your insight about the policies necessary to unleash growth and opportunity for the decades that lie ahead.

Rex outlined many challenges and underscored the uncertainty we face, but here—in *this room*—there's every reason to be confident in our future.

Thank you for coming here this week, for both your investment of resources and time. Your incredible support ... and increased involvement has empowered your NAM team to make this year a year of action and results.

2015 is your story—and to report out on some of the chapters, we'll hear from you this afternoon.

No achievement this year affects more of our membership than approval of Trade Promotion Authority, with expansive potential as a result. David Farr, chairman and CEO of Emerson, can certainly attest to that. David, thank you for being our lead advocate, committing your time and energy to secure this historic achievement.

Our trade agenda is broad, and, of course, Export-Import Bank reauthorization is also a key priority for manufacturers. Mary Andringa, past Board Chair and President and CEO of Vermeer Corporation, knows it's the NAM and manufacturers who have steered the votes to pass reauthorization, should the Republican leadership allow it to come to the floor for a vote.

Just like our unyielding effort on the Ex-Im Bank, as both Sherri Hotzler [HOTzler], president and CEO of Vantec, and Justin Jones, principal of Heritage Plastics, will attest, our hard work to fight back against unnecessary and counterproductive rules and regulations, as well as modernizing needed ones, is paying off.

Whether it's the Manufacturers' Center for Legal Action going to court to defend manufacturers' interests, or our effective lobbying to forge consensus—to get rare wins—in Congress, we're making strides against the administrative state.

And, in other ways, we're strengthening our core here at home, to make us more competitive abroad. David Seaton, Chairman, President and CEO of Fluor Corp. has provided us with great leadership to do just that. David, can you talk about these core competitiveness issues?

Thanks, David. We can also be invigorated about the NAM's expanding influence on issues that impact—and will accelerate—digital manufacturing. In this work, we've been proud to partner with Fred Humphries, corporate vice president of Microsoft Corporation. And it's been a great partnership, Fred.

Thanks, Fred—and all of you. These are just some highlights—a sense of the direction in which we are heading and the results we are achieving.

Forward Motion

There's no doubt today that we are better than we were when we last met in March, when we came together in Washington last year. But we must act decisively now to seize the greater opportunities that await us.

When I stepped into my current role, my foremost goal was to challenge our team and our members to build an association that could do more than just preserve manufacturing in the United States. We wanted an association that could also promote and perpetuate manufacturing. And here's why.

There are four values that have always made manufacturing strong and also make our industry the envy of the world. The values of free enterprise ... competitiveness ... individual liberty ... and equal opportunity.

They are the values we live by every day, and they are also what have made America an exceptional nation.

So that means our larger mission, as manufacturers, is to defend American exceptionalism. To keep America strong, we have to continue to advance our core values, those four pillars.

But in a changing world—in a changing Washington, D.C.—we can't succeed if we do things the ways they always been done. We have to keep evolving with the times.

That's why we laid out our 2020 Vision. To ensure the NAM is always at the cutting edge, both today and five years from now.

We have to be about more than traditional advocacy. We have to take on the new challenges—from primary politics to legal action. And we have to offer more products and services that directly add value to you and your companies.

That's what the 2020 Vision is about. While other associations may cling to an outdated model, the NAM is pioneering a new way forward in an era of rapid change.

Because we are driven by that higher calling: to do our part to defend American exceptionalism—that powerful ideal that as a country, we are defined not only by our past, but also by our future.

Based on what we've done at the NAM, in even more difficult times, I know what we can do. So I'm asking you today to commit to putting our muscle, our clout and our resources all in — into the fight for the future of our country with only one result as an option: victory...victory for manufacturers...victory for all Americans.

Today and as we move forward, the NAM is doing more—and being tasked to do more for manufacturers...by all of you, by all of our members. That means that if your dues are under the goal line, we need you to hit the mark.

If you believe our issue campaigns and litigation are important, make the investment.

If other manufacturing companies you know benefit from our work, but are not yet members, we need your help to help us identify them and bring them into membership.

I know these are not easy times, with pressure mounting to limit every expense, with continued demands on your time. But if a company looks at the NAM as optional, we need your help to explain to them that winning in Washington is anything but an option.

Ladies and gentlemen, so many of you are doing all this and so much more. Thank you. I know we're asking a lot of you, and, in return, I can tell you that everyone at the NAM is working all hours to carry us to success.

Here in the short term, the unfinished business of infrastructure funding, tax extenders, Ex-Im Bank reauthorization and the elimination of the Employer Benefits Tax, to name just a few legislative priorities, is well underway.

And long-term goals are coming into sight.

We're waging battle in the courts—to win—with the Manufacturers' Center for Legal Action—to get more immediate changes, and to reform the most expensive legal system in the world.

This summer, we rolled out our Restore Our Courts Initiative—to end the practice where plaintiffs' attorneys shop for a different venue in order to find ways to get more lenient judges or more sympathetic juries.

What often happens is that trial attorneys aim to try cases against out-of-state manufacturers in state courts rather than in federal courts where a more fair outcome may be possible. It's basically a rigging of the system—it's not right, and it yields uneven results that cost manufacturers dearly.

Restore Our Courts is important—and we need to expand our effort and finish the job.

While we're trying to change the system, we're also working within it to provide you with direct legal services to navigate it better.

The Manufacturers' Compliance Institute stands ready to help you with complex labor rules and employment issues, like the NLRB's "ambush elections" rule. Since the MCI's May startup, we've provided compliance assistance to 414 member companies and 558 individuals. That represents more than \$17 million in dues.

The Manufacturers Center for Legal Action has been financially supported by so many of you in this audience today – and I greatly appreciate it. The lawsuits and briefs filed by the Legal Center are funded by the critical support of our members—and there is no shortage of work to be done. I want to make sure that the NAM is positioned to take on the very worst of regulatory overreach in the courts. And we can only do that with the full financial support of manufacturers.

Now, I want to talk about something that is top of mind, whether we want it to be or not: the elections. This cycle is our moment. This is our time.

Just listen to any of the candidates for president and you'll hear them talk about the importance of manufacturing.

We're popular. Now we need to turn that popularity into policy that works for us. And the best way to show lawmakers that we mean business, is to increase our election activity in a smart way. There are a number of steps necessary to do this right—and to win.

First, we must make our priorities clear. We've shared our vision and goals with all of the presidential candidates already. Beyond that, the NAM is developing a manufacturing policy platform to distribute to all federal candidates, eventually leading to a comprehensive briefing book

for the transition of the next president, whoever he or she is. We'll publicly unveil this platform during the State of Manufacturing Tour in 2016.

Second, we must be a part of setting the terms of the policy debates—and we'll do that with our Presidential Candidates Forum on Manufacturing at Vermeer Corporation on November 2, and also with our State of Manufacturing Tour and with our presence at both political conventions.

Third, whether they are Republicans or Democrats, we need to rally behind candidates who embrace our priorities and who get things done—or who are capable of getting things done—in Washington.

We cannot sit on the sidelines in primaries, when good candidates with viable paths to victory are on the ballot. We need to invest early—to help the right candidates succeed and to be an integral part of the nominee selection process. Sure, we need to continue engagement in the general election—but, by then, it's often too late. We can't afford to wait anymore.

Fourth, there are several candidates who do not support manufacturers. We don't want these lawmakers in Congress. We will hold them accountable and, if necessary, seek out challengers who will stand with us – be it in primaries or general elections.

Fifth, we have to do a better job of coordinating the business community's political giving and deploying our finite resources more effectively.

For manufacturers, that means utilizing the NAM-PAC to help maximize the impact of our political contributions. Please contact Ned Monroe if you're investing in this election. Especially if you don't have your own company PAC, it's a great way to get involved.

More broadly, the NAM needs to lead, and expand, the responsible business community's strength in elections. There are too many organizations attacking us today that present false metrics and obstruct policies that will grow the economy. They do this all in the name of ideological purity and with purely partisan motives. I don't need to name them. You know which ones they are. But let's be clear about something: We are the antidote to the poison that is infecting our political process.

We are going to press, leverage our credibility to force the consolidation of the business community's political programs—to make them more efficient and more effective. And yes, to win.

And that's why we're creating new partnerships, such as the America Votes Business Coalition—to take our work to the next level.

Finally, we win, by educating voters and getting out the vote.

A summer NAM poll of manufacturing employees was quite revealing. Among the key findings:

- Only 17 percent of manufacturing employees received information about candidates or the importance of voting from their employer in the last election.
- A majority of employees want nonpartisan get-out-the-vote reminders.
- And when they do get information, 62 percent of manufacturing employees said the information helped them decide which candidate to vote for.
- 74 percent said that agreeing with a candidate on issue positions is more important than being able to relate to a candidate.

So there's hope, ladies and gentlemen. We just need to inform, to involve ...and to inspire.

Ladies and gentlemen, what's at stake today is American Exceptionalism itself.

We're not just here to network, although it's a great place to do that. We're not just here to make our companies more profitable, although that's a benefit.

This trade association, which you lead, is different.

We're here because we believe, and we want to make stronger manufacturing and American Exceptionalism: free enterprise, competitiveness, individual liberty and equal opportunity.

You are absolutely unique among leaders, providing leadership in and far beyond this room. You have a different voice and a way to amplify our core values. Your voice needs to speak louder—including in the political process and during campaigns.

And you must, absolutely must, activate your employees. You are the key to unlocking participation. You're the generals of the army. You need to make sure that you have the soldiers to back you, to back us all, up.

So let's now go boldly in the face of the competition, determined to uphold our highest ideals.

Let's win. Let's win together.

Thank you.