Remarks Prepared For Jay Timmons
President and CEO, National Association of Manufacturers
State of Manufacturing Tour: Fort Worth, TX
Bell Helicopter Training Facility

Good morning. It’s great to be here in the Lone Star State and here at this impressive facility.

Thank you, Glenn [Isbell], for welcoming us. And thank you, Chris [Wallace], for your continued leadership to make Texas a great place to do business.

Let me recognize three of our NAM board members:

- Steve Bobb, Executive VP and Chief Marketing Officer at BNSF Railway Company;
- Keith Moore, President and CEO of 4Front Engineered Solutions;
- and Della Williams, President and CEO of WilliamsRDM

I also want to thank David Riemer once again for sharing your insights, and for your leadership at Siemens and on behalf of manufacturing in the United States. Siemens continues to make great contributions here in America, not just through the people you employ and the innovation you produce—but also through your groundbreaking technologies that are changing the face of our industry and the world economy.

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I’m here today to share with you the State of Manufacturing in the United States. Why manufacturing? It’s simple really. It’s because the strength of manufacturing in America is responsible for the success of America in the world. That is an indisputable fact. When manufacturing succeeds, America succeeds.

That may sound counterintuitive to some, and it belies the picture some would like to paint: that manufacturing means things of the past—old, gritty factories, simple tools and rudimentary machines.

But as you know, today’s manufacturing is vastly different from yesterday’s. The National Association of Manufacturers has more than 14,000 member companies, from world-recognized brands to family-owned small businesses, and we are the voice of more than 12 million working men and women, their families and the communities they build.
Just a quick look at some of our members’ work will show you: modern manufacturing touches every aspect of our lives.

From the many ways Textron Aviation and Bell Helicopter are transforming aviation for defense, intelligence, search and rescue and civilian applications…

…to Textron’s subsidiaries’ development of specialized vehicles, tools, and testing equipment.

From Exxon’s work to ensure abundant, affordable energy remains a competitive advantage for the United States…

…to Williams RDM and their precision manufacturing of cables, connectors and intelligent mobile power grids.

From Fluor Corporation, which is engineering solutions to the globe’s toughest construction projects…

…to the vast new world of the Internet of Things, where everyday objects are now digitally interconnected by the web.

First it was our phones. Then it was our thermostats, our watches, our cars. Soon it will be everything from our contact lenses to our entire homes.

Texas Instruments is contributing with analog chips and embedded processors that lie at the heart of all things electronic.

Meanwhile AT&T is not only helping to connect us all, they are deploying technologies to empower cities to manage traffic, reduce pollution emissions and provide smarter and more resilient energy grids.

And elsewhere, companies like Honeywell are making the “digital home” a reality, letting you control your home security and energy management with the touch of a button from around the world.

That’s the Internet of Things…and that’s modern manufacturing.

By 2020, 26 billion objects will be linked together by the Internet. Manufacturing is truly changing everything…and all these things are changing America and changing our lives.
And that is why, today, manufacturing in the United States is leading an innovation revolution—a revolution that will win us jobs, strengthen working families and restore our standing around the world.

It’s also a revolution that will be on display this coming April—at the world’s largest industrial trade show at Hannover Messe, in Hannover, Germany. This year, the United States is the official partner country for the event, which last year drew 220,000 visitors to see the latest technologies and new frontiers of digital integration in manufacturing. The NAM, partnering with the U.S. Department of Commerce and Siemens, is rallying more manufacturers in the United States to participate—and to demonstrate our global leadership.

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Now, this leadership is already on display across America, as twelve million people are building our future. Manufacturers contribute more than $2 trillion dollars to the national GDP. Here in Texas, manufacturers have a total output of more than $230 billion. If manufacturing in the U.S. were its own country, it would be the ninth largest economy in the world.

And get this important data point: For every $1.00 invested in manufacturing, another $1.40 is added to the economy. It’s why manufacturing improves our way of life and builds communities.

So, you see, the state of manufacturing matters. It matters for the state of our union.

Every day, manufacturers go to work, competing to win. But obstacles still block the way to an economy that lives up to our people and the potential we can unleash.

Unavoidable headwinds, like global economic weakness and worldwide instability, have roiled manufacturing. While this will be slow to change, our leaders right here in our own country have at this moment the power to fix other self-imposed barriers to opportunity and success. They can fix policies in Washington that imperil our promise.

These barriers exist because Washington hasn’t yet summoned the will to change them. And because “We The People,” in some ways, haven’t done enough to fight for manufacturing as essential to American Exceptionalism and our future.

Just as “American Idol” is entering its final season this year, it’s also time to stop selecting political candidates based on how they sound, rather than what they can actually do for manufacturing and our country.
Of course, if you listen to the candidates who are out campaigning today—they all embrace manufacturing and pledge their support...at least rhetorically. So do many of our elected leaders.

But, words alone aren’t enough. Creating the right climate for economic growth takes the right policy agenda.

At the NAM, we want to make it easy on our leaders. We’re spelling out exactly the right policies that will empower manufacturers...and America...to compete and win.

Our 2016 Manufacturers’ Agenda for Economic Growth and American Exceptionalism, titled “Competing to Win,” is a policy roadmap guided by four core values, which are also foundational principles of the country we love.

The first is free enterprise: market forces that drive innovation and growth better than any system ever conceived in the history of mankind.

The second is competitiveness: our ability to expand markets and succeed in the global economy.

The third is individual liberty: the creativity and entrepreneurship unleashed by protecting and advancing the basic freedoms enshrined in our Constitution and Bill of Rights.

And the fourth, equal opportunity: our shared belief that every one of us, if given the chance, has the potential to contribute to the success of our companies, our communities and our country.

Every policy proposal supports these principles—which are also the values that have made and that will keep America exceptional.

Our message is this: If a candidate wants to be a manufacturing president...if Congress wants to energize the manufacturing economy....if you want to be a manufacturing voter...this is the agenda.

We zero in on 11 areas:

- tax;
- trade;
- energy;
- environment;
- infrastructure;
• labor;
• immigration;
• workforce;
• health care;
• research, innovation and technology; and
• regulatory and legal reform.

That’s more topics than we have time for here. So I’m going to focus on three of them today: energy, environment and infrastructure.

On energy, too many have joined factions to support a favored strategy at the expense of all others. Some try to hand pick which energy sources Americans can use, advantaging one energy source over another—or trying to eliminate altogether energy options that our families rely on. That is the wrong approach. Other leaders push overreaching environmental regulations that would limit our energy options. That, too, is wrong.

With our abundance of diverse resources, the United States is uniquely positioned to chart an energy future that raises the standard of living for all Americans. To do so, however, we must utilize every source of affordable, secure energy available.

This will mean expediting the permitting process for onshore and offshore energy exploration, opening more federal lands to responsible development, building new pipelines and energy delivery infrastructure, and removing regulatory barriers that hamper energy projects of all types.

It will also mean maintaining and improving our power grid and ensuring manufacturers can access energy from all sources when they need it, even as we work for cleaner air and lower emissions.

And we’ll need to promote the research, development and deployment of new technologies to improve efficiency and support domestic production.

Too often, our environmental agenda works at cross-purposes with these goals. Two recent examples come to mind. Together they will add a serious weight to our economy, on top of the $330 billion our environmental regulations already cost.

The first is the EPA’s new greenhouse gas regulations for power plants, which could, in many areas of the country, raise electricity costs for consumers and manufacturers and compromise energy reliability.
That’s why the NAM filed hundreds of pages of comments with the EPA on how to better craft this regulation, and why we have asked the EPA to go back to the drawing board and fix this rule before moving forward. We have also asked the Supreme Court for an implementation delay until the many lawsuits challenging the rule have been resolved.

The second troubling action was the creation of an even tighter standard for ozone. Experts say this could be one of the most expensive environmental regulations in history.

At a time when air quality is better than it’s been in decades and billions in investments are being made that will further that progress, many jurisdictions could essentially be closed for business under this new rule if Congress or the Courts don’t step in to restore some balance. Otherwise, manufacturers will face restrictions on construction, equipment use, and more.

Those very same standards could affect transportation infrastructure as well. Areas that cannot meet the overly stringent limits could lose federal highway dollars and be forced to sideline needed projects…ones that would ultimately reduce gridlock and result in cleaner air.

Clearly our nation needs to stop viewing energy, environment, infrastructure and the economy through separate lenses. They are all interconnected, and our policies must treat them as such.

The United States must be a global economic, and environmental leader, and manufacturers are showing the way: Manufacturers have reduced greenhouse gas emissions by more than 10 percent since 2005 while our value to the economy grew by 26 percent. Ozone levels are down 25 percent since 1990 and continue to fall.

Lawmakers need to work together to commit to modernizing outdated environmental laws written during a bygone era known for rotary phones and the Beatles. We can’t build a sustainable future if we’re coping with laws written for a nation and world that, frankly, no longer exist.

Stronger oversight will be necessary, and we must insist on sound science and an evidence-based approach that takes commercial feasibility into account.

Likewise, we aren’t going to build a modern economy when we are relying on a frail and crumbling infrastructure.
Go elsewhere in the world and you will be a witness to the most up-to-date infrastructure and intermodal systems that exist. But here in America, congestion and deteriorating roads threaten not only our quality of life but also our very ability to compete economically.

Late last year, we saw some green shoots of progress when Congress finally passed a multiyear surface transportation authorization bill.

But that success was nearly a decade in the making. We need more. We need greater commitment to build the system of the future.

Our ports and inland waterways need to be upgraded to remain world class, and the U.S. aviation system, which catapulted the connectivity of nations and people, must remain second to none. If we don’t keep moving forward, transporting people and products in America will become slower, costlier and riskier. We can do better—and create jobs along the way.

We may need to look in new directions for funding strategies, using public/private partnerships and alternative financing arrangements as we work toward next generation funding solutions.

Finding agreement and synergy across all these areas will require commitment and compromise. But the rewards will be substantial—an economy that lives up to our potential.

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And ultimately, that’s what all of this is about—empowering us to pioneer the future. So we also need to address those other important areas:

That means eliminating trade barriers so our companies can reach the billions of customers outside our borders.
That means comprehensive tax reform—to lower rates for all businesses and unleash job creation.

We are a nation of immigrants, so it’s time to fix all parts of our broken system to boost our economy and fulfil a moral obligation.

To address the growing skill gap, we have to empower the workforce with the talents and education that equip them for in-demand, well-paying manufacturing jobs.

And we need to reduce the burden on workers’ families by expanding healthcare options.
Finally, we have to reform our broken, expensive legal and regulatory systems—all the while helping manufacturers cope with the current system.

That’s why the NAM created the Manufacturers Center for Legal Action. Through litigation in international, federal and state courts, the Center reins in regulatory overreach, protects our hard-fought legislative gains and ensures a level legal playing field for manufacturers. Additionally, the Center’s Manufacturers Compliance Institute provides direct legal support to help NAM members navigate the complex web of regulations.

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So, as you can see, that’s a full bucket! But, ultimately, all these priorities are about helping real people build better lives.

To offer the mom living in Ft. Worth a job to provide for her children today and her retirement tomorrow…

To give the family in Laredo the chance to advance and improve their standard of living…

To ensure the veteran coming home to San Antonio can enjoy the freedom she defended for all of us overseas…

And to give communities a foundation for growth and hope for a brighter tomorrow.

Throughout America’s history, manufacturers have made our country stronger by the people we employ, the lives we touch and the products we make.

Today, building a stronger country requires something else—bringing the right leaders together to get the job done. We need to elect and support people who believe in solutions—and those four foundational principles: free enterprise, competitiveness, individual liberty and equal opportunity.

You know, leading our great nation is about more than who can yell the loudest, or who can denigrate others most, or who can express the least desire to work across ideological lines.

No, true leadership that is worthy of the promise of America brings out the best in all of us.

A great leader unites. He or she doesn’t divide.
That is why manufacturers are raising our collective voices—the more than 12 million voices in the Manufacturing Army—to speak out…and take a stand. We need you to join us—to question candidates and to vote for those who support real solutions and real leadership.

We’re manufacturers. We make things—incredible, life-changing things. And now, it’s up to us to make a difference again—for the future of our country.

Thank you so much.