

**Remarks Prepared for Delivery
Jay Timmons, President and CEO
National Association of Manufacturers
2020 NAM State of Manufacturing Address
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Vermeer Corporation, Pella, Iowa**

Good morning! Thank you to the manufacturers tuning in from across America and to the Iowa manufacturing leaders, including our partners from the Iowa Association of Business and Industry, here with us.

Thank you to Jason Andringa and Vermeer for hosting us.

What a time to be in this great manufacturing state. Iowa is at the center of the political universe. The eyes of the world are on you once again. You can hardly get a pizza without being followed by three TV cameras and two presidential candidates.

Iowa will write the first draft of history on caucus night as you play your part in this great experiment of American democracy and kick off the 2020 election.

2020 is also a landmark year for manufacturers. Today, we are indeed celebrating 125 years of the National Association of Manufacturers.

On January 22, 1895, 583 business leaders gathered in Cincinnati, Ohio, in the theater of the Odd Fellows Temple, to launch a national organization dedicated to advancing manufacturing in the United States.

For 125 years, the NAM, *your* NAM, has led the business community and fought for all who make things in America. And all of you in this room, and the 13 million men and women in our industry, some of whom are watching today, are part of the storied history of building our exceptional nation.

And Vermeer, this very company, embodies the story of manufacturers' progress.

It began in the 1940s, with Gary Vermeer's wagon hoist that caught the eye of local farmers and launched his business.

And ever since, generation after generation, Vermeer, like so many manufacturers, has led a march of continuous innovation, learning from failures to achieve success.

The round, one-ton hay bale that changed the hay industry. Trenchers that help lay a network of energy pipelines. The horizontal drill, which pierced the ground across this nation to make way for the fiber cable that revolutionized communications.

Just steps from here sits the house where Gary Vermeer started it all.

From humble beginnings to a brand trusted the world over....

That relentless drive to build solutions is what has powered manufacturing to this day, where we contribute \$2.4 trillion to the U.S. economy and make up 19% of the Iowa economy.

13 million men and women are making our lives possible while making their American Dream a reality.

Chemists and biologists at Lilly and Pfizer creating the lifesaving medicines that heal us and protect us....

Engineers at Honda and Toyota redefining mobility....

Pioneers at Boeing and Lockheed preparing to take us deeper into space....

Developers at Microsoft harnessing the astonishing possibilities of artificial intelligence....

Technicians at Sukup, building the structures to store the grain that feeds the world....

Food manufacturers at General Mills not only producing our food but committing to doing so in ways that are even more environmentally sustainable....

And dotted all across the country are the thousands of small manufacturers, creators, and inventors who are the suppliers and partners in advancing human progress.

Yes, manufacturing is vastly different than in 1895, with humans and robots working alongside each other as technology drives our fourth industrial revolution.

But one thing remains the same: manufacturing workers are the heart of a strong American economy.

And we need more workers. So in this pivotal year, the NAM and The Manufacturing Institute, our workforce and education partner, are setting out on an unprecedented campaign to inspire a new generation—and tell the real story of our industry.

One of the biggest misperceptions is that automation is coming for our jobs. But manufacturers know the truth—technology makes us safer, more effective. Some jobs will shift, often to higher-skilled, higher-tech positions.

But people will always be what make this industry possible—something Governor Kim Reynolds here in Iowa knows well. I'm honored to serve alongside her on the American Workforce Policy Advisory Board.

Our members tell us this is their top concern—educating Americans on these opportunities...and finding workers for the hundreds of thousands of manufacturing jobs open today and the 4.6 million that will be open over the coming 8 years.

Our historic effort, called “Creators Wanted,” is a capital campaign that will support the programs of The Manufacturing Institute—including the STEP Women’s Initiative, youth engagement and Heroes MAKE America, which trains our returning servicemembers for high-paying manufacturing jobs.

And you can bet, “Creators Wanted” will also come to a city or state near you.

This spring, our mobile tour will launch and engage more than 250,000 Americans with hands-on experiences that demonstrate the high-tech opportunities in modern manufacturing and open their minds to what our industry offers.

We’ll reach more than 15 million people online, and then we’ll conclude the year’s activities with the Making America Festival in September.

We’ll gather, where else, but Cincinnati, where it all began in 1895. And every single one of you here, and every single one of you watching, are all invited.

And I am proud to announce today that Vermeer Corporation, along with your foundation and Mary and Dr. Dale Andringa, have contributed \$100,000 to this cause. And another local manufacturer, Pella Corporation, is also leading by example with a \$100,000 contribution of its own.

Manufacturers across America are stepping up in the same way—and we want everyone to be a part of it. So please, get involved at creatorswanted.org.

Now, at the start of this new decade, manufacturers are at a turning point. The NAM’s most recent quarterly Manufacturers’ Outlook Survey found 68% of manufacturers have a positive outlook for their businesses....

You might say, two out of three sounds good. But in mid-2018, we were at record high levels in the 90s.

We’ve stabilized in the 60s now. And this survey was in the field before the trade deal with China and before Congress passed the U.S.–Mexico–Canada trade agreement, meaning the numbers should improve, barring the unexpected—like geopolitical events beyond our control.

So, 125 years since our association’s founding, manufacturers in America are in a state of renewed resolve, ready to reach our full potential, to lead the world in innovation and to advance our country to a better, brighter future.

If our elected leaders choose to enact policies that advance manufacturers' priorities, our industry is prepared to lift up our entire country.

That's what we have seen in recent years. Just yesterday, in his remarks at the World Economic Forum, President Trump touted manufacturing's growth and success during his presidency. As I've said before, from tax reform to regulatory certainty to leveling the playing field, promises made to manufacturers have been promises kept—and the employment and output numbers show it.

It's always important to hold leaders and candidates accountable. And who has a better opportunity to do that than folks right here in Iowa?

The NAM doesn't endorse presidential candidates—because it's our job to work with whomever wins the White House.

That's what we do for our members. We advocate for you in the halls of the White House and in Congress. We make sure you have a seat at the table with the most powerful people in this country.

But here's what I will say about this election...

It's not the label next to a candidate's name—whether an "R," a "D" or an "I"—that determines whether he or she will be a good president or even a good member of Congress.

The test is whether he or she will work to uphold the values that make America exceptional. These are the same four values, the same four pillars, that make our industry's success possible.

The best leaders support all four.

- First, free enterprise: the system unmatched by any other, where market forces drive innovation and growth.
- Second, competitiveness: the level playing field manufacturers in the United States need and deserve to compete and win in the global economy.
- Third, individual liberty: each person's inherent rights. Upholding and respecting these rights unleashes creativity and entrepreneurship.
- And fourth, equal opportunity: the fundamental belief that every American contributes to the success of our companies, our communities and our country.

In other words, what matters isn't party or personality or process. What matters is good policy.

For years, the NAM has taken this post-partisan approach—not bipartisan or nonpartisan but post-partisan. We’ve called on others to do the same.

Time has proven us right. The USMCA, for example, would never have gotten through Congress if we had let it become a partisan trade agreement.

Other business associations and executives are changing their model as well. They have also realized you can’t put all your eggs in one party’s basket. And manufacturers should be proud that we are leading this change.

But if anyone is confused about what those values mean in practice, this week we’re releasing “Competing to Win” for 2020. It’s manufacturers’ agenda on 11 key policy areas.

On taxes, we want to keep moving forward on tax reform. That 20% deduction for small businesses...make it permanent. Expand it. And the Treasury Department must implement the law as Congress intended.

We want to keep hearing stories like that of Hancock Lumber, a 171-year-old company in Maine, which, thanks to tax reform, recently increased employees’ wages, bonuses, the company’s 401(k) contribution and more.

Tax reform was rocket fuel in 2018 as manufacturers kept our promises to invest in our people and communities. In 2019,... things slowed. We had net job growth, but trade uncertainties weighed us down.

And on trade, we have to keep moving forward with China. Tariffs have consequences. But you know what, so does China’s cheating. The President, to his great credit, has secured a “phase one” deal.

So now, let’s hold China accountable and negotiate the next phase to turn the trade war into a full-scale, enforceable trade agreement, just as the NAM called for two years ago.

Then, let’s get trade deals with as many other countries as possible, before China does...and fully implement the USMCA now that it’s passed so companies like Vermeer can do what they do best—sell more Iowa-made products to more people around the world.

Trade is, indeed, one of the big success stories of the past decade, and along with it is energy policy. Thanks to manufacturers’ ingenuity, America is producing far more energy than we were projected to just a decade ago, allowing us to become a net exporter for the first time in modern history.

We’re now far less reliant on hostile regimes for our energy needs—which is clearly more important than ever before.

And energy-related greenhouse gas emissions are not only below projections but also below 2010 levels.

Going forward, we need energy regulations that allow us to keep innovating and delivering reliable energy from all sources—oil, gas, nuclear, solar, wind, renewables and more.

That's how we're going to improve our environment and tackle climate change. Innovation. Cooperation. And smart, bipartisan legislation that doesn't put manufacturers in America at a competitive disadvantage.

Modernized regulations—like the Trump administration's game-changing permitting reforms—allow us to build needed infrastructure while still keeping our promise to be good environmental stewards.

I'll tell you what doesn't help, though. Attacks on energy manufacturers, like lawsuits from headline-grabbing politicians and profit-seeking jackpot justice trial lawyers. That has got to stop.

Look, we're all in this together, on this one God-given earth, so we're going to have to solve climate change together.

And you know, bold, cooperative thinking is also what's needed to fix our nation's infrastructure.

In our "Building to Win" plan, the NAM is calling for more than \$1 trillion in infrastructure investments to fix collapsing bridges, unclog our highways, deploy 5G capabilities and so much more.

I'll put it this way: would an extra \$3,400 a year make a difference in your life or the life of someone you know? That's how much our broken infrastructure costs every single American family every single year.

The gridlock on our highways is unacceptable; and gridlock in Congress is no excuse.

Now, on immigration, manufacturers want a comprehensive solution that fixes border security, addresses economic realities but also shows compassion.

We have a full plan ready to go, so don't tell us it can't be done. And don't tell me we don't have room for immigrants who want to contribute to this country, either. There are more jobs to fill in America than unemployed people to fill them. And, don't forget, nearly half of Fortune 500 companies were founded by immigrants or their children.

With health care, our message is, “first, do no harm.” Ninety-eight percent of NAM member companies offer health benefits. We want more flexibility so we can offer even better coverage.

Whatever you name it, a Government-for-All plan is not going to cut it with manufacturers. And at the same time, we must protect our ability to deliver the lifesaving cures that we make.

On health care, the NAM is proud to provide not just policy solutions but practical solutions.

We’ve established a groundbreaking association health plan for smaller companies. At NAMhealthcare.com, manufacturers with 2 to 99 employees can access plans usually available only to large companies—potentially letting your membership pay for itself.

That is what a modern association does to take care of its members.

And for the overall health and success of our companies and their people, “Competing to Win” also has prescriptions on labor protections, corporate governance; research, technology and innovation; as well as regulatory and legal reform.

Since President Trump took office, by the way, we’ve made progress on 91.5% of the regulations that our members identified as needing to be modernized.

But, as you might guess, your NAM isn’t content with less than 100%. Our mission is always to exceed your expectations.

So, here’s my challenge to any candidate or elected official: Just try to find a more reasonable, more attainable, more unifying plan for America’s future than the NAM’s “Competing to Win” agenda.

Unfortunately, the nature of politics is that “reasonable” and “unifying” don’t always win the day. Extremism and division often do—as we’re seeing with calls for socialism or isolation or protectionism that would undermine our very economic system.

There are forces trying to exploit our differences and pull us apart.... Foreign powers. Cynical operatives. Politicians who abandoned their values.

So we all have work to do.

Some Americans are losing faith in our system because their concerns go unaddressed. Business leaders need to be unafraid to speak to these concerns—as we champion an even stronger free enterprise system that lifts everyone up and leaves no one behind.

And there's one very patriotic thing all of us can do: vote.

When manufacturers have the right tools, when our government isn't holding us back, we can do incredible things, stories the NAM is proud to share with the world, from companies leading the way on sustainability to giving back to those in need.

Like, of course, Vermeer Corporation, lending a helping hand to your community here in Pella in a time of crisis, even as you rebuilt from the 2018 tornado that ripped through the heart of the Vermeer Mile. Your courageous work has truly inspired manufacturers nationwide.

Because that's what manufacturers do. And the NAM's mission is to make sure manufacturers have the tools you need to keep succeeding and to write America's next incredible chapter.

The story of the past 125 years is one of manufacturers, all of you, changing our country for the better, and being the solution. That's our calling for the next 125 years.

This American experiment, our shining city upon a hill, was built by manufacturers. So drawing inspiration from the past, with our eyes fixed firmly on the future, we set forth again today on that mission.

And I surely hope you'll join us every step of the way.

Thank you.