Impact Washington is a private non-profit organization whose mission is to strengthen manufacturing in the state of Washington through a public-private partnership offering consulting, educational and advocacy services in order to contribute to a healthy Washington economy.
The MEP National Network
Impact Washington History

- NIST-MEP Affiliate in Washington State for 20 years
- Private Non-Profit part of public-private partnership
- Required third party independent client survey
- Impact is our measure of success, not profit
The MEP National Network

A NATIONAL NETWORK HELPING MANUFACTURERS THRIVE

NATIONAL NETWORK
One Center in every state and Puerto Rico

Nearly 1,300 Experts
Nearly 600 Field Locations
More Than 2,500 Service Providers
Interacted with 25,445 Manufacturers
Manufacturing USA

[Image of various manufacturing entities and logos]
What we do

- Productivity Improvement / Cost Reduction
- Leadership and Organizational Development
- Growth
- Manufacturing technology
- Lean & ISO Consulting
- Supply Chain Consulting
- FSMA Training & Compliance
- Robotics/Automation
- Transition & Succession Planning
- Cyber Security
- Strategy Consulting
- Leadership Development
Employee Recruitment is the fastest growing need for the majority of MEP clients

Why now? Why not before?
"A greater percentage of the elderly will be poor or near poor than in the last 40 years," warns retirement expert Teresa Ghilarducci of New York's New School for Social Research.

Why? Simply put, the boomers are not saving nearly enough to offset the disappearance of pensions. A Fidelity Investments report says that 48 percent of boomers are not on track to be able to afford basic expenses in retirement.

(As the idea of the American retiree evolves, not so many will be hitting the links by Helaine Olen, AARP The Magazine, Updated July 2016)

Contributing factors to increased retirement age:

- Social Security issues
- Longer Life expectancy
- Disappearance of pensions
Women's and men's share of labor force

- Percent women in overall labor force
- Percent men in overall labor force

Helped Postpone Labor Shortage

42.8M workers added by women entering the workforce between 1970 and 2016

Women went from 38% of the workforce to 46.8%

US Bureau of Labor Statistics
Manufacturing Statistics


5.8M jobs lost between 2000 & 2010

Source: EPI analysis of Bureau of Labor Statistics (2015a)
2017 provided most dramatic swing in decades
(196,000 jobs added versus 2016 loss of 16,000)

- Increased Costs
  - Size and weight/shipping (China, Germany, Japan, Mexico)
  - Chinese labor costs doubled in past 5 years (rising 12-15%/year)
  - Cost of quality

- US-$ devaluation, Intl. Trade regulations & Economic growth

- Improved Productivity with Factory Automation, Robotics
  - Brings jobs back/retains jobs
  - Maturation of automation Technology (cost effective & easier to use)
  - New Technology (AI, CoBots & Vision systems/intelligence)
Key Points

- Labor is becoming an issue
  - Boomer retirements
  - Jobs - **Jobs** - **JOBS** *(new skills required)*
  - PNW is attractive area for business growth *(Sam Wolkenhauer)*

- Improved ROI for Technology and Automation Decisions
  - Maturing technology = Lower time and $ investment
  - Worker comp *(repetitive work)* & other insurance costs continue to rise
  - Rising cost of labor *(plus cost and difficulty to hire adequate labor)*

- Upskill and Displaced Worker Training
  - Robotics - Increased IT, electrical and programing skills
  - Industry 4.0 - New skills for facility maintenance
  - AI & the “internet of things”
Thank you!

Rich Hodges
Email: rhodges@impactwashington.org
Phone: (509) 434-6007
Main Offices at:
    3303 Monte Villa Parkway, Suite 340
    Bothell, WA 98021
www.impactwashington.org