

June 17, 2013

US House of Representatives
Small Business Subcommittee
2361 Rayburn House Office Building
Washington, DC 20515

Mr. Chairman and members of the Small Business Subcommittee, Thank you for the opportunity to join you today. My name is Terry Iverson - President & CEO of Iverson & Company (founded in 1931 by my grandfather). We sell machine tools (primarily computer controlled machines- CNC) to the manufacturing communities in IL, WI & IN. I have been involved in the manufacturing industry for the last 33 years, and my family in the same, since 1925. My brother Erik runs our family's manufacturer of indicators founded in 1932. Our companies are about a mile apart in Des Plaines, IL a suburb of Chicago - not far from O'Hare.

This country is in an epidemic crisis at this moment. If we do not find the next generation of engineers, manufacturing workers, programmers, inspectors, machinists, etc., then manufacturing opportunities will diminish not because we do not have the ingenuity or expertise, but because we do not have the persons to fill the positions to carry out our capabilities. I am pleased to hear that there is a buzz on manufacturing in recent months and years around the country, media, and both sides of the political parties.

For my entire career I have called on some of the largest and most well know manufacturing companies in the Midwest. I have also called on the subcontract machine shops, otherwise known as "job shops". Both my uncles each owned their own jobs shops during their careers. Both manufacturers and job shops bring different needs and requirements but all have shared the same problem for over the 3 decades I have called on them – they cannot find enough skilled personnel for their needs. I have been told thousands of times - Terry, I will buy a machine today from you if you will provide an operator with it!

Baby boomers are getting nearer and nearer retirement and because of the misperceived notions of the art & science of manufacturing, young people

are discouraged by many influencers (relatives, counselors, teachers, the media) to NOT pursue a career path in such. Advanced manufacturing is heavily computerized and automated. The industry is no longer a dark, dirty, dingy and low paying profession. The average manufacturing employee is 56 years of age ¹. I believe strongly that manufacturing is what has made this country great and supplied good paying incomes and careers for millions of families. My family has been fortunate in this regard. In Europe not only do they have apprenticeships in manufacturing, but they also have a culture that holds these advanced manufacturing positions in high esteem. Currently neither is the case here in the United States.

I have always felt a need to give back to the young people of our country. They are our future and deserve to be shown what is possible and what opportunities of which they can take advantage. Here is an opportunity to inform, educate and make them aware of the appropriate realities compared to the general public's perception of manufacturing careers in the US.

Our country is naïve as a culture as to how things are made. I am not sure how this came to be, but most of us go about our days taking for granted the iphone or blackberry we use, the computer we rely on, the vehicles that carry us to and from everything we do, the airplanes we fly in, the devices we defend ourselves with – ALL had to be manufactured. Our country has been THE leading manufacturing country in the world. We have ALL benefitted in many ways from this. Our quality of life as we know it has been a direct result of our country's historical prominence in manufacturing.

Much of the public & media are of the opinion that ALL manufacturing has gone overseas to China and India. While some of this notion is true, "Advanced Manufacturing" will & MUST stay in this country. Some of the repetitive rote mechanical low skilled tasks in fact have gone over to the Far East. The decision making, problem solving high skilled positions are still in this country and have over 600,000 ² positions that cannot be filled, at a time when unemployment hovers around 7.6% ³. The Advanced Manufacturing capabilities must be a part of our culture in order for us to enjoy the quality

¹ Bloomberg Business week By [Harold L. Sirkin](#) November 12, 2012 & January 14, 2013

² 2011 Skills Gap Report produced by The Manufacturing Institute and Deloitte

³ Bureau of Labor Statistics May 2013

of life as we know it in the US. Not only does our economic status depend on this, but so do our national defense & our position of strength in the world. Those who possess elite manufacturing capability, will also hold a prominent position in the world order of power.

Too many of our companies in the US compete on an unlevel playing field in their industries. This may be due to the policies of foreign countries, unfriendly manufacturing policies and regulations in our country, and now have the added challenge of not being able to fill positions that require high level problem solving, programming and process related skills. Our country is great and we have the innate ability to rise to excellence. The US manufacturers automate and innovate in order to compete with other countries in now what has long become a global market. We need to encourage manufacturers to invest in the US. We need to also encourage them to Re-shore their products here. (My friend Harry Moser leads this charge nationally). These efforts are all for naught, if as a country we cannot provide the needed personnel and future generation of design or manufacturing engineer, programmer for the robots, or technicians to repair and/or set up the machine tools. It all ties together into a very large dilemma manufacturing companies find themselves in every day.

This is where my vision and organization comes in. After being involved in technical education with several community colleges, high schools in the Midwest, and also serving on some technical education boards around the country I came up with a vision and organization – **CHAMPIONNow!** This organization's name is an acronym for the following: **Change How Advanced Manufacturing's Perceived In Our Nation.** The **Now!** is the call to action, so that things change for the better. You can see and read more about this at our website which is www.championnow.org . We have a film trailer that explains all about how & why we intend to change these perceptions and why this is so important and critical to our country and the manufacturing sector. This impacts all of us.

Since founding **CHAMPIONNow!** in 2009, I have been involved in many technical education programs in the Midwest and involved in special projects. Currently I am involved in a project that will highlight 3 successful young people's transition into a manufacturing career path and their

inspirational stories. This fall a producer will be filming these stories so that we can bring their unlikely direction into a manufacturing career to serve as role models to others that may be totally unaware of these successful opportunities offered. Additionally this October 4th is the second annual National MFG Day where many companies will open their doors to allow everyone to see what today's manufacturing companies look like.

STEM – Science, Technology Engineering & Math is a desperately needed focus for our youth. Project Lead the Way gives high school students a way to connect the theoretical knowledge with a way to apply high level concepts. This was something very much missing in my engineering education “back in my day”. After AP Physics and Calculus in high school and 6 years of college, I became disenchanted with the way these concepts were taught and went into the working world. My family's devotion to the art of manufacturing brought me into what has now turned out to be a lifelong relationship.

CHAMPIONNow! is poised & ready to Champion manufacturing careers. We need to educate our country on how exciting, challenging, honorable and financially rewarding these careers can be! Everyone in our industry has “Beat a Dead Horse” by complaining about the void in finding people, and we need to quit complaining and join together and do something about it.

Too many young people go to college and don't find their way to getting the degree they (42%)⁴ are searching for in 4 years. About 53% of college graduates (under 25)⁵ are either unemployed or under employed, many take jobs normally filled by high school graduates. 17 million⁶ workers with college degrees are working jobs that do not require one. When considering supply vs. demand healthcare and legal professions (75-125%⁷ of demand) have saturated markets while precision production, mechanics and repair technology professions hover around 45-49%⁸ of demand.

⁴ U.S. Department of Education, National Center for Education Statistics. (2012). *The Condition of Education 2011* (NCES 2012-045), Indicator 45.

⁵ Susan Adams, Forbes Staff May 28, 2013

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⁷ Data are drawn from all high school seniors who took the ACT and enrolled in a community college, fall 2010. Cited in ACT (2012).

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College tuitions are higher than ever, and the ability for acceptance in many colleges is harder than ever to get in. Manufacturing needs the brightest and best. Good math and science students that are great with their hands are the perfect storm for these careers. They need to be seen as *Manufacturing CHAMPIONS!*

Some of the best candidates are our Veterans who just need the skills to be able to drop into a career such as these. They have the discipline & decision making skills, but need the particular technical skills that manufacturers need. Women employed in manufacturing careers are at exceedingly low numbers (27.1%)⁹. We have a large percentage (47%)¹⁰ of the working population that we are not reaching. We need to change that. I am encouraged with my friends Jennifer McNelly at The Manufacturing Institute and Author Karin Lindner and their roles they can play in this.

I encourage everyone here to do what you can to lead the charge for our cause. We have so many needs in technical education, policies, image, perception and need to bring MADE IN THE USA back as a proud claim and priority when we buy products. This problem is very complex and we need everyone on both sides of the political agenda to agree on this and play a part in the solution.

Thank you again for your time and giving me the opportunity to speak to you today. I hope I have been able to bring to light some things that can make a difference in what I consider a vital topic in the US today.

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⁹ US NEWS May 2013 -A Manufacturing Recovery, But Not for Women A new report shows that the vast majority of new manufacturing jobs have gone to men By DANIELLE KURTZLEBEN

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