

June 2011

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The health of Minnesota manufacturers is vital to our state economy and the Minnesota Chamber of Commerce. Nearly one-quarter of our members are in the manufacturing sector. We are your voice and your advocate.

This e-newsletter is distributed to keep you abreast of issues. We welcome your feedback. Please contact Jennifer Byers, vice president of external operations, at (651) 292-4673 or jbyers@mnychamber.com.

MCGLADREY QUARTERLY MANUFACTURING & DISTRIBUTION MONITOR OFFERS RESPONDENTS REAL-TIME DASHBOARDS



Through our relationship with McGladrey, you have an opportunity to participate in the Summer 2011 edition of its [Manufacturing & Distribution Monitor Survey](#), which each quarter tracks key industry benchmarks and salient business issues of top-of-mind concern to industry executives. For an investment totaling less than 15 minutes, respondents receive:

- Core benchmark data that update in real-time dashboards and accrue each quarter the survey is answered. In addition, each quarter the dashboard reports data on select management issues of topical importance to your business. The focus of this study is Operational Effectiveness.
- Periodical reports featuring in-depth analysis of the quarterly aggregated findings.

If you are new to the survey, you can access it by clicking [here](#).

If you participated in the Spring 2011 survey, you will receive an invitation directly from McGladrey that will update your benchmark data automatically once you have completed the questionnaire. We appreciate your participation and encourage your continued involvement.

Responses received by June 30 will be included in the Monitor's summer quarterly analysis.

More than 900 manufacturing and distribution executives participated in the Spring 2011 survey. For a copy of the Spring report, click [here](#).

If you have questions, concerns or need assistance with the survey, please e-mail the [McGladrey Monitor Team](#) or call (866) 752-0217.

NAM MANUFACTURING SUMMIT: CONTACT YOUR FEDERAL LAWMAKERS

This week in Washington, D.C., manufacturers of all sizes from across the country are participating in the National Association of Manufacturers annual Manufacturing Summit. Manufacturers are meeting face-to-face with lawmakers to discuss the challenges and opportunities ahead – underscoring why manufacturing means jobs.

Please help make sure this message is heard by sending an e-mail to your members of Congress. The summit centers on three important issues: free trade agreements, overregulation and tax policy. Simply click [here](#), enter your address and send a message urging your member of Congress to work with the manufacturing community to seek sensible solutions that lower the cost of doing business in the United States. For other ways to get involved from your desk, please click [here](#).

GOLF TOURNAMENT: Foursomes still available!



June 27 | 11:30 a.m.-7:30 p.m.

There's still time to join the Minnesota Chamber as we return to Cragun's Legacy Courses in Brainerd for our annual golf tournament. The Chamber's golf tournament provides the perfect opportunity for doing business outside of the office with clients or to reward some worthy staff. This tournament is known for its "on pace play" at an exceptional course. Several foursomes and hole sponsorships are still available. Make your reservation today!.

Click [here](#) to register and to see how you can win a trip for two to Las Vegas!



AT THE LEGISLATURE: HEADWAY IN PERMITTING, ENERGY

A balanced state budget is nowhere in sight and a government shutdown seems likely. Still, the Minnesota Chamber scored some successes important to manufacturers in environmental permitting and energy in the regular session.



HF1 streamlined the environmental review and permitting process and was passed by both bodies on a strong bipartisan basis. The law includes a 150-day goal for the Pollution Control Agency and Department of Natural Resources to process environmental permits, provides for e-licensing and allows project proposers to prepare draft preliminary environmental impact statements. This will result in significant project savings, both in dollars and days.



Another positive outcome was modification to the Conservation Improvement Program (CIP). Language included in the omnibus energy bill allows very large users of natural gas to seek the same CIP exemption available to very large users of electricity. Large users of natural gas previously were subject to extremely high CIP charges and were unable to recoup much savings through CIP programs. The bill also lessens the administrative burden for continued exemption status.



The Chamber also achieved a rate impact analysis of the 2007 Renewable Energy Standard (RES). The RES requires most utilities to get 25 percent of generating capacity from renewables by 2025; Xcel Energy has a goal of 30 percent by 2025. While renewables are a viable resource, questions about cost are well worth asking.

More work to do

One significant piece of energy legislation that did not get signed into law dealt with cost-based rates. Language was included in the original version of the omnibus energy bill, but was removed due to opposition from the Governor's office. This proposal would require the Public Utilities Commission to use cost as the primary consideration when determining revenue allocation among classes in a rate case. It also would allow the PUC continued flexibility to consider noncost factors.

At times, the PUC orders too much of the cost of a rate case onto the business class. Businesses are forced to pay more than the cost they place onto the system. The result? All residential users receive a subsidy, whether their income is \$2,000 or \$200,000 a year. This is unsound energy policy. It creates uncertainty in utility pricing and sends a negative



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message to businesses looking to locate or expand here. It also discourages conservation by sending incorrect price signals.

Please take a minute to [contact Gov. Mark Dayton](#) and let him know that cost-based rates are vital to the continued success of Minnesota manufacturers. It's important for employers to chime in as we continue to fight for the health of your business and your bottom line.

U.S. CHAMBER INTENSIFIES LOBBYING FOR PASSAGE OF TRADE AGREEMENTS

The U.S. Chamber of Commerce this week unveiled the website www.TradeSupportsJobs.com, offering unprecedented details on U.S. exports and the jobs they support for all 50 states and all 435 congressional districts, as the business community intensifies its advocacy for the trade agreements with South Korea, Colombia and Panama. "With facts and arguments, we'll win this trade debate and get these deals done," said U.S. Chamber President and CEO Thomas J. Donohue. "For the first time, this site makes available lists of thousands of companies that are exporting, in every state and every district. We need these facts and arguments more than ever because we need these trade agreements more than ever."

Please contact your lawmakers to underscore the urgency of signing these trade agreements. To take action, click [here](#).

WEBINAR: ERGONOMICS IN A MANUFACTURING ENVIRONMENT

Did you know that back strains are the leading injury in the workplace? Looking to prevent sprains, strains and other repetitive motion type injuries? Learn how an innovative ergonomic program can reduce absenteeism and turnover, save workers' compensation costs, and improve productivity and product quality in your manufacturing setting.

To listen to an archive of this webinar, click [here](#). Presenters were Richard Higgins, corporate environmental/safety manager at Hutchinson Technology, Hutchinson, and Bonnie Lunzer, safety director at Parsons Electric, Minneapolis.