



Wisconsin Economic Development Association Inc.

TO: Members, Joint Committee on Finance

FROM: Amy Boyer, on behalf of
Wisconsin Economic Development Association

DATE: March 21, 2007

RE: **Get LEAN Manufacturing Initiative**

The Wisconsin Economic Development Association (WEDA) strongly supports a Get LEAN Manufacturing proposal as part of the Jobs for the Future Initiative. The Governor has proposed spending \$3.2 million on Lean initiatives as part of the proposed budget. As the current Wisconsin workforce reaches retirement age and without enough replacement workers, it becomes critical that manufacturing become more efficient. Efficiency is achieved by investments in machinery and equipment and more importantly investment in our state's human capital. Lean process training is a much needed productivity investment in Wisconsin's manufacturing workforce.

Unfortunately while the Governor's FY 08-09 budget creates this "new" Get LEAN initiative, it simultaneously cuts funding to the two organizations that have produced measurable results in implementing Lean projects throughout the state—projects that generated over \$246 million in impact and created 2825 jobs. This budget sets up yet another duplicative program to compete with the two established and proven Manufacturing Extension Partnerships (MEPs).

The Get LEAN proposal is crucial for Wisconsin's manufacturing sector in order to make it more competitive in the global marketplace. WEDA stresses that Wisconsin can better maximize the limited dollars available in this budget by funding those programs with a proven track record, like the MEPs. The expansion of LEAN delivery is best accomplished by those same MEPs. Wisconsin does not need another duplicative economic development program, but rather Wisconsin needs to fund those economic development programs that have a proven track record—like the MEPs.

WEDA recommends that the MEPs be funded at the \$1.2 million per year and the remaining \$800,000 be set aside in a grant program to deliver high impact LEAN training to improve productivity of Wisconsin's manufacturing workforce.

For additional information or if you have questions, please contact me at 608-258-9506 or boyer@hamilton-consulting.com

Thank you.