

Obama asks Congress to deploy manufacturing 'institutes'

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Washington, D.C. (Manufacturing.net) — In his State of the Union address Tuesday night, President Barack Obama asked Congress to do more for American manufacturing. Just after stating that the manufacturing industry has created more than 500,000 jobs in the last three years, and that companies like Caterpillar, Ford and Apple are bringing jobs back to American soil, the President outlined his plan to see Congress approve fifteen manufacturing innovation institutes. He says these institutes are the core of his goal to make the U.S. “a magnet for new jobs and manufacturing.”

The President also announced his intent to create three new Institutes of Manufacturing (IMI), which are part of a larger National Network for Manufacturing Innovation (NNMI). This comes at the heels of the first institute in Youngstown, Ohio, which focuses on additive manufacturing. President Obama said, “There are things we can do, right now, to accelerate this trend. ... A once-shuttered warehouse is now a state-of-the art lab where new workers are mastering the 3-D printing that has the potential to revolutionize the way we make almost everything. There's no reason this can't happen in other towns.”

As of press time, there is no more information available about the new IMIs, where they might be located, or which companies and institutions would be involved. The most likely scenario is that the President will announce three solicitations in the next few days, which will be the first step in organizing the locations and members of each new institute. While these three can be implemented under the Obama’s

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current budget, the other proposed 15 would need to be approved by Congress.

On March 9, 2012, President Obama proposed a \$1 billion addition to his fiscal year 2013 budget that would create a network of up to 15 manufacturing innovation institutes around the country. The NNMI is intended to be a public-private partnership in a variety of regions around the country, with the aim of encouraging further competition and investment in American manufacturing. And in his State of the Union, he made clear his intent to see the Network completed by the end of his term.

The formation of the NNMI is relatively simple: with a one-time \$1 billion investment, the Network will be broken up into as many as 15 regional Institutes for Manufacturing Innovation (IMIs). Each IMI will work to encourage research and development activities and deploy new innovations for manufacturers in the area.

By conducting applied research projects in a collaborative space, the IMIs would be able to reduce the risk of researching and commercializing new technologies, or ones that solve generic industrial problems. In addition, they could develop better education and training strategies, along with work on better methodologies for supply chain management.

Robert Atkinson, president of the [Information Technology and Innovation Foundation](#) [1] (ITIF), calls the NNMI a “pre-competitive R&D service” where manufacturers can pool their knowledge together in the spirit of the German Fraunhofer Society. He says, “The whole notion is that you can get better R&D efficiency, and basically spur the rate of innovation, if you collectively work together on these things. You compete against other manufacturers around the world, and you cooperate here with these kinds of services.”

At the Youngstown institute, named the National Additive Manufacturing Innovation Institute (NAMII), companies like GE Global Research, Northrop Grumman and Lockheed Martin Aeronautics are collaborating with industry organizations like the Society of Manufacturing Engineers (SME) and leading universities from around the country. Penn State has committed to NAMII, as have Wright State University and Northern Illinois University. The institute is also working with government institutions, such as the Department of Defense, to encourage research and development in additive manufacturing — perhaps better known as “3D printing.”

On its website, NAMII says its goal is “to transition additive manufacturing technology to the mainstream U.S. manufacturing sector and create an adaptive workforce capable of not only meeting industry needs but also increasing domestic manufacturing competitiveness.”

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Of the announcement last night, Atkinson says, "Our continued recovery from the Great Recession will be powered in large part by our growth in our traded sectors, including manufacturing. To accomplish this goal we need to produce better and more innovative products and services that will enhance American global competitiveness. President Obama's call for a national network of manufacturing innovation institutes will provide the knowledge, technical capacity and job skills necessary to keep American manufacturing on the cutting edge."

National Association of Manufacturers (NAM) President and CEO Jay Timmons said that his members have welcomed the President's other comments on STEM education reform, but said, "Equally important is creating an atmosphere where employers can hire workers and invest in their businesses."

He continued: "It is impossible to expect manufacturing to thrive when manufacturers are deprived of the tools they need to compete in the global economy while battling a 20 percent cost disadvantage. While tonight's speech had a familiar focus on economic growth and recovery, we unfortunately didn't hear a call for action on comprehensive tax reform that will benefit manufacturers. A manufacturing resurgence won't come from limiting the global power of manufacturers. Tax reform is essential because it is our uncompetitive system that is hurting manufacturers both at home and in the global marketplace. We need a regulatory policy that lessens the burden on job creators."

The National Network for Manufacturing

Innovation: <http://manufacturing.gov/nnmi.html> [2]

National Additive Manufacturing Innovation Institute: <http://namii.org/> [3]

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[1] http://en.wikipedia.org/wiki/Information_Technology_and_Innovation_Foundation

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