

March 5, 2020

The Honorable Jose Serrano, Chairman The Honorable Robert Aderholt, Ranking Member Committee on Appropriations Subcommittee on Commerce, Justice, Science and Related Agencies U.S. House of Representatives Washington, D.C. 20515

Dear Chairman Serrano and Ranking Member Aderholt:

Thank you for your past support of the Hollings Manufacturing Extension Partnership (MEP) program. We, the undersigned MEP partners and manufacturing associations, are writing to request your continued support of the MEP program as Congress develops the Fiscal Year (FY) 2021 Commerce, Justice, Science and Related Agencies appropriations bill. Specifically, we are asking you to support increased funding for the program to \$154 million.

The MEP program is the only nationwide network of public-private partnerships that provide technology-based services to small- and medium-sized manufacturers (SMMs), which they use to create good-paying manufacturing jobs. The MEP centers enable manufacturers to compete globally by providing access to critical information, training, and technologies that improve efficiency, productivity, and profitability.

MEP delivers a high return on investment to taxpayers. The Upjohn Institute for Employment Research conducted a study of MEP and found that the program generates a 14.4:1 return on investment. According to an annual survey conducted by an independent firm, MEP clients reported \$15.7 billion new and retained sales and the creation or retention of 114,650 jobs in 2019. Considering that the average U.S. manufacturing worker earns more than \$87,185 in wages and benefits per year, MEP clients are economic drivers in their communities. MEP clients are also increasing their capacity for the production of goods. MEP clients reported \$4.5 billion in new investments directly attributed to their work with MEP.

The MEP program's well-documented impact is substantial. Since 1988, MEP clients reported 1,221,996 jobs created and retained. Each of these jobs creates 3.4 full-time additional jobs, totaling more than 3 million additional jobs in local communities. The total job impact of the MEP Program generates significant local, state and federal tax revenues.

An increase in funding will allow the program to increase the number of manufacturers receiving MEP services. Specifically, MEP will provide additional services to more companies within critical supply

CO-LABS, Inc. 2440 Pearl Street, Boulder, CO 80302 <u>www.co-labs.org</u> Dan Powers, Executive Director, 720-389-0455 <u>dan@co-labs.org</u> Making Colorado's federal research lab ecosystem THE hub of crucial discoveries shaping our world. chains, such as automotive, aerospace, and priority defense sectors that support the growth and technological advancement of our military; develop and deploy new services in key areas such as cyber security, 3-D printing, Industry 4.0, flexible materials, broadband technology, and supply-chain optimization; and re-double efforts to assist US manufacturers with re-shoring, manufacturing repatriation, and creating domestic supply-chains.

The MEP continues to be a cost-effective, job-creating investment that boosts American manufacturing and competitiveness. We respectfully request that you provide \$154 million in funding for the MEP center network in Fiscal Year 2021.

Sincerely,

Dan Powers Executive Director CO-LABS, Inc.

About CO-LABS:

It is our mission to nurture Colorado's federal research laboratory ecosystem to be a world-class scientific discovery and innovation asset to the country.

In pursuit of this mission and vision, CO-LABS educates the public, businesses, educational organizations, and government officials about the value of federally-funded scientific laboratories. We create connections between these sectors and support the technology transfer of Colorado's scientific resources from the lab into society.

Through events, economic analyses, strategic communications and networking activities we work to: • **PROMOTE** Colorado as a global leader in research and technology

- EDUCATE the public about the labs' impact and importance of sustained funding for research
- **CONNECT** the labs, universities and businesses to facilitate partnerships and technology transfer

To learn more, visit <u>www.CO-LABS.org</u>.