



The Franklin Partnership – PMPA’s “Boots on the Ground” in Washington, D.C.

The Precision Machined Products Association has a long history of advocacy in Washington, D.C. In 1975, PMPA led other trade groups in forming the Alliance of Metalworking Industries. And in 1979, the association formed a Political Action Committee to support lawmakers who show support for free enterprise and small business.

PMPA’s latest advocacy effort intensified three years ago when it engaged The Franklin Partnership as its lobbyist in the nation’s capital. The Partnership helps PMPA develop advocacy goals based on membership priorities and works with the Government Affairs Committee to analyze federal legislative bills and regulations. It also assists PMPA’s lobbying efforts by developing an effective roadmap to achieve specific objectives.

The three principal Franklin partners—John Guzik, Omar Nashashibi and Pete Rose—have made a concerted effort to connect with as many PMPA members as possible. “Omar and I have



traveled throughout the country to meet with members,” says Mr. Guzik. “We speak to PMPA groups, tour facilities and talk to the employees on the shop floor. That’s where we learn about the industry and we take that back to Washington.”

Show Them What You Make.
One of the points that Mr. Guzik stresses with PMPA members is making legislators understand exactly what precision machining companies manufacture. “We recently had 20 PMPA members visit Washington to talk about issues that affect the industry,” he says. “Prior to the fly-in, we encouraged members to bring examples of the parts they make. Rich Hoster of Smith &

Richardson (Geneva, Ill.) brought a pair of surgical scissors.

“We had a meeting with Representative Don Manzullo (Rep. - Ill.), who’s a member of the House Financial Services Committee and a key player on small business issues,” he continues. “The congressman was so impressed with the precision of the small scissors that he asked if he could keep them to show other members of Congress. About a month later, I had another meeting with Mr. Manzullo. He was using those same surgical scissors to demonstrate the kind of precision manufacturing that is taking place in Illinois. He takes the scissors with him wherever he goes.”

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“That kind of tangible example shows legislators

the real-world impact their policy decisions have,” adds Mr. Nashashibi. They learn about precision medical devices and then ask, ‘Would they be subject to a tax under the health care bill?’ It takes PMPA members to educate Congress by showing what member companies do. That means visiting Washington or meeting with elected officials back home.”

“We recently showed a representative from Detroit what a medical device tax would mean for manufacturing in her district,” Mr. Guzik says. “She didn’t realize that such a tax would hurt PMPA customers. Those customers would then have to make a decision between continuing to manufacture in the United States and going overseas.

“Congressmen come from various backgrounds, but very few of them have manufacturing experience. Yet, they make policy decisions that affect small manufacturers. Unless the industry is involved and

reaches out to these lawmakers, they will never know how much their votes affect small businesses.”

The Call for More Credit.

“Another hot button for manufacturers is access to credit,” Mr. Guzik states. “We surveyed members of three major metal-working trade associations, including PMPA and 75 percent of them said they are worried about credit even when business conditions improve. We took those statistics to the Departments of Commerce and Treasury, as well as to the White House. We told them that a substantial number of small, domestic manufacturers are currently experiencing serious problems accessing credit for day-to-day operations.

“Washington is very focused on stimulating the economy,” he continues. “So lawmakers listen when 75 percent of an industry expects problems even when they are getting new orders, hiring new workers and purchasing capital goods. It was because of PMPA membership feedback that we got

Washington’s attention on credit.”

“A lot of members began talking to their congressmen about the credit issue more than a year ago,” Mr. Nashashibi recalls. “They kept that momentum going and, as a result, PMPA’s Rob Kiener was invited to Washington last October to testify on behalf of the industry before the Senate Banking Committee. He explained the challenges PMPA members face with access to credit. He showed them the reasons and offered solutions.

“In February, President Obama heard the cries of manufacturers and their need for temporary credit relief,” Mr. Nashashibi continues. “He issued the small business loan fund proposal. It’s another example of the association being the voice of the industry, using political support back home to generate buzz in Washington and get Congress to act. The industry is now on the radar screens of U.S. congressmen—the people who are making the decisions.

“Although it has taken over a year on the credit issue, that is fairly efficient by Washington standards,” he adds. “We got a bill that started with a few PMPA members from New York, Ohio and Michigan approaching Rob Kiener and Mike Duffin at PMPA. Rob had a seat before one of the country’s most powerful Senate committees because the PMPA membership had been so active.”

PMPA’s Action Alert System. A big part of PMPA’s success with advocacy is the associations’ Action Alert System. It is designed so members and other users can voice their support for or opposition to legislative initiatives.



Pete Rose, Omar Nashashibi and John Guzik lead the efforts of The Franklin Partnership for PMPA. Mr. Guzik and Mr. Nashashibi will be at the upcoming PMPA Annual Meeting in October where they will make two presentations, “A View from the Hill” and “2010 Midterm Congressional Elections – A Power Shift?”



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According to Rob Kiener, PMPA’s director of government affairs and communications, members have responded in record numbers when called upon. “The Action Alert System is getting Washington to listen to small manufacturers,” he says. “Members receive monthly reports from The Franklin Partnership that are posted on the PMPA website and featured in the PMPA newsletter. The Action Alerts are also broadcast through the PMPA Management Listserves.

“Depending on the issue, responses can range from a PMPA committee taking action to several hundred members voicing their opinions, all within a very short amount of time,” he continues. “I’m amazed at the reaction. The Action Alerts have really ratcheted up the response rate and members quickly take action when they’re asked to do so.”

Mr. Guzik offers his own example of the effectiveness of Action Alerts. “When Craig Becker was nominated for the National Labor Relations Board, we issued an Action Alert. Mr. Becker’s views on labor laws are very different from those of manufacturers and we were initially successful in preventing him from getting the 60 votes necessary for his confirmation. The Senators understood our concerns and heard our pleas. Letters, emails and phone calls really make a difference.”

Another example of the Action Alert System’s effectiveness involves the Employee Free Choice Act. “Unions spent \$400 million in the last two years trying to pass

that bill,” Mr. Guzik explains. “The precision machining industry doesn’t have that kind of money, but we do have the people—employers and employees—that support the association’s goals.

“PMPA helped stop the Employee Free Choice Act from going to a full vote and becoming law,” he continues. “In part, that was because of the Action Alerts. There was enough energy to fight nearly half-a-billion dollars worth of union lobbying.”

Keeping up the pressure is also important in matters of international trade and in climate change legislation, according to Mr. Nashashibi. “Lately, we’re seeing more movement behind the scenes on the China currency issue. Part of that is because groups like PMPA continue to apply pressure on U.S. Senators.”

“Manufacturers also understand the impact that climate change legislation can have on their businesses and they’ve responded,” adds Mr. Guzik. “The thought of their electricity bills doubling or tripling as a result of such legislation has really resonated with them.”

This Year’s Elections—A Power Shift? Mr. Guzik and Mr. Nashashibi will be presenting at the PMPA Annual Meeting in October. One of their topics covers the possible power shift that could take place in the November elections. “This is turning into a very challenging election season for both Democrats and incumbents who are perceived as part of the establishment,” says Mr. Guzik. “Depending on what political

prognosticator you talk to, there are between 50 and 90 seats in the House of Representatives that are competitive.”

Right now, Democrats have a 39-seat majority in the House of Representatives. With as many as 90 seats in play, there is the possibility that the majority will be reduced and that the Republicans could take control. “There are a lot of factors that influence elections,” Mr. Guzik cautions. “But if unemployment continues to remain high and economic growth continues to be sluggish, I see significant challenges for Democrats.”

PMPA and The Franklin Partnership are keeping an eye on a number of Senate races. One is the Illinois race for President Obama’s old seat. “PMPA members are joining together to help elect Mark Kirk (Rep. - Ill.),” says Mr. Guzik. “And in the Ohio Senate race, the association has been supportive of Republican Rob Portman. We’re also looking closely at the races in Pennsylvania and Indiana. These are critical in determining how many pro-manufacturing seats we will have in the Senate next year.”

There are also many close races in the House of Representatives. “Out of 28 seats in the House that are toss-ups, five of them are in Ohio,” Mr. Nashashibi points out. “In a lot of those areas, there is a strong concentration of PMPA members. That’s where having active members matters more than ever. There could be a power shift if Democrats lose 40 seats in



the House. It is definitely doable. Regardless of

party affiliation, we can only have pro-manufacturing officials in Washington if PMPA members are active and get out the vote."

Expertise Beyond Manufacturing. In addition to representing PMPA, The Franklin Partnership has two other manufacturing trade associations as clients: the Precision Metalforming Association (PMA) and the National Tooling and Machining Association (NTMA).

"The three associations are similar in size and in issues of interest," says Mr. Guzik. "All are comprised of small- and medium-sized manufacturers. It's a unique fit."

According to Mr. Kiener, The Franklin Partnership was retained not only for its expertise in manufacturing, but also for the firm's experience with related industries. "The Franklin Partnership represents a variety of industries, including health care and defense, which are two market segments that our members serve," he says. "The knowledge of what's going on in those other sectors ultimately benefits PMPA members."

"We have been able to utilize the relationships with some of our other clientele to benefit PMPA," adds Mr. Guzik. "Having other types of clients gives us a broader expertise. We're able to work on issues on behalf of hospitals and then use that knowledge to help manufacturers understand the real-world costs of health care."

In summing up the reasons for retaining PMPA's Washington lobbyist, Mr. Kiener says, "PMPA engaged The Franklin Partnership so we would have a firm that represents us in Washington on a day-to-day basis. Because we are

based in the Midwest, we need to have that continuous link to what's going on in D.C.

"When we conducted our member survey prior to our strategic planning meeting in January, we asked members about the value of our advocacy efforts. Advocacy went from being ranked very low in previous years to our third-highest-ranked service in the latest survey. Getting members energized and engaging with The Franklin Partnership has been a big plus for PMPA."

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The Franklin Partnership

The Franklin Partnership is a law and government relations firm that focuses on the areas of manufacturing, small business issues, international trade and related industries. The lobbyists have represented the interests of PMPA in Washington, D.C. for the past three years.

The Partnership provides advocacy, lobbying and information services to help members stay abreast of government legislative developments; coordinates PMPA member visits to congressional offices in Washington; assists in identifying key legislators who can impact the business and regulatory climate; and sets up plant tours to give lawmakers a first-hand view of the industry.

With The Franklin Partnership on its side, PMPA is actively involved in lobbying at the national level on issues impacting the precision machining industry. The firm gives strength to small businesses that might not realize the power they have in getting the ears of their representatives in Washington.

PMPA 2010 Annual Meeting

October 15-19 –
Palm Springs, California

The industry's leading companies will join together at The Westin Mission Hills in Rancho Mirage (Palm Springs), California this October at the PMPA 77th Annual Meeting. This year's business program includes the following presenters:

"We Are All Greek Now – The Ghost of Christmas Future"
Hugh Hewitt, author, talk show host and law professor

"Increasing Profitability Through Proactive Contract Management"
Dan Sharkey, attorney, Brooks, Wilkins, Sharkey & Turco PLLC

"A View from the Hill" and "2010 Midterm Congressional Elections – A Power Shift?"
John Guzik and Omar Nashashibi, The Franklin Partnership

"Always a Winner: Finding Your Competitive Advantage in an Up and Down Economy"
Peter Navarro, author, economist and economics professor at the University of California/Irvine

"Strategies for Today's Investment Realities"
Bob Conrad and Jeff Coons, vice president, Manning & Napier

Visit the PMPA Annual Meeting website for more details: pmpa.org/meetings/annual_mtg/. Or, contact Rob Kiener, PMPA Director of Government Affairs & Communications: rkiener@pmpa.org Phone: 440-526-0300.

