

Member News!

President's Message



George Clark

Happy New Year! I hope all of you enjoyed the holidays and I hope this year will bring you good fortune and prosperity.

We begin the new year with positive signs that manufacturers are continuing to lead the way in the slow economic recovery. This news is encouraging considering the Obama Administration's relentless attack on our industry. There is hope, nonetheless; with a new Republican Congress and a Senate near gridlock, that the liberal policies that were pushed by President Obama and Former Speaker Pelosi will disappear. Watching the inauguration of the 112th Congress and the election of Speaker Boehner and listening to the remarks from some of our lawmakers brings me encouragement.

However, there is much work to be done especially on the regulation side. Obama is using and will continue to use the regulatory agencies, in particular, EPA, NLRB and OSHA as his trump. The rules and regulations being pushed by the EPA will destroy manufacturing in the U.S. and will send high paying jobs overseas. We must do what we can to prevent this from happening. MA continues to make comments to the EPA on behalf of our members, regarding these overreaching policies and will continue to fight for manufacturers' interest in this state.

In addition, MA is hosting a February Washington D.C. Fly-In to meet the new members of our Congressional delegation and discuss with the delegation the harmful effects EPA's rules and regulations will have on Alabama's economy. I hope you can join us on such an important trip.

MA is currently revamping our Safety and Security Committee to help assist our member companies in dealing with OSHA and to offer educational opportunities on new OSHA rules and regulations and best practices seminars. Similar to EPA, OSHA is beginning to change its approach when dealing with manufacturers. We expect OSHA's approach will continue to become more confrontational rather than working together with the manufacturer to achieve results. I urge you to participate in our Safety and Security Committee by designating your personal representative to serve on this vital committee.

We have made progress, over the last few months, but it is important for manufacturers to work together in a synergetic way to combat the obstacles that lie ahead.

MA's Annual Legislative Dinner & Reception

MA will host its Annual Membership Meeting and Legislative Dinner & Reception on March 1st at the Montgomery Renaissance Hotel & Spa. The annual meeting coincides with the first day of the 2011 Legislative Session. This event is one of our most important and popular programs of the year. The agenda for the meeting will include election of directors and officers, presentations, and an overview of the upcoming legislative session. The meeting will be followed by a reception and dinner with Representatives and Senators from across the state as well as many other elected and appointed officials including, members of

the judiciary, state agency heads, and members of Governor Bentley's staff and cabinet. This event is a great opportunity for our association and its members to meet the many new members of the Legislature and Administration while promoting our pro-manufacturing agenda.

The membership meeting will begin at 5:30 p.m. The cost of the reception and dinner is \$125 and a block of rooms has been reserved at the Renaissance for the night of March 1st at a cost of \$139. To register for the event you may visit us online at www.manufacturealabama.org or contact Paige at 334-386-3000. To reserve a room at the

Renaissance you may contact the hotel at 877-545-0311 or 334-481-5000 and tell them you are with Manufacture Alabama. The hotel deadline to receiving Manufacture Alabama's discount has been extended to February 11, 2011.

It is extremely important that we begin the relationship building process with the new members in state government and our Annual Legislative Dinner is an excellent way to start! We hope to see you there!

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MEMBER SPOTLIGHTS:

SSAB Breaks Ground on Heat Treating Facility

In November, 2010, SSAB started construction for its new heat treating facility for quenched and tempered steels. Located on the site of its existing steel mill in Mobile County, Alabama, USA, the facility is a part of SSAB's global strategy to maintain its position as a leader in the supply of high strength steel.

The new state-of-the-art heat treating facility will produce value-added steel plate used throughout the manufacturing and construction sectors. Additional improvements include a vacuum tank degasser and roll shifting technology.

"SSAB is focused on meeting our customers' growing demand for quenched and tempered steels. With this new heat treating line, we are well-positioned for broad expansion and groundbreaking advancements, particularly for niche steel grade products," said Olof Faxander, President and CEO SSAB.

Although the global recession dominates today's headlines, the Swedish steel company is investing nearly \$300 million for the heat treating facility in an effort to expand its line operations in Alabama and expects to add more than 100 high quality

jobs.

"Once this facility is fully operational, we will increase our quenched and tempered steel capacity to 200,000 metric tons. We are proud to have the opportunity to build this facility with the support of team members throughout SSAB and the community," said David Britten, Executive Vice President and Head of Business Area Americas.

Officials say construction of the new facility is expected to be completed in the first half of 2012.

Ascend Performance to Double Capacity in Foley

One of Ascend Performance Materials' key manufacturing facilities will double its Foley, Ala., production capacity and add jobs at its 39-acre plant on South Bay Street. Representing an important step in the manufacture of Nylon 6,6 polymer and fiber, Ascend's Foley facility has a 50-year-plus presence on the Alabama Gulf Coast.

Foley Plant Manager Thomas Boggs expects to hire 20 employees at the Foley facility by mid-year, an increase in the total Foley workforce of approximately 30 percent. "Our new hires will include plant operations personnel, as well as more specialized jobs such as electrical technicians and engineers,"

he said.

"In order to double our production capacity, and thereby create jobs in Foley, we've added a second state-of-the-art extruder, which can handle a wider range of products," said Boggs.

Alabama's aggressive economic development initiative, including incentives for business growth, was instrumental in Ascend's decision to expand operations in Foley.

Houston-based Ascend Performance Materials is a global leader in the production of Nylon 6,6, proprietary chemicals, polymers and fibers, which are used to produce a wide

variety of products for consumer and commercial applications. Its worldwide markets comprise industrial, electrical and electronic, automotive, apparel, carpet, cable tie, and compounding, to name just a few. The Foley plant is part of Ascend's fully integrated world-scale manufacturing network. Ascend produces 100 product categories, and its global sales and distribution reach 860 customers via 1,250 supply locations – from Los Angeles to Tokyo.

Austal Awarded Littoral Combat Ships

As prime contractor, Austal USA has been awarded a U.S. Navy contract valued at \$432.1 million to construct one Independence-class Littoral Combat Ship (LCS).

The Austal contract includes nine additional ships to be appropriated in the following five years, with a potential total value of up to \$3.52 billion.

Austal USA, based in Mobile, Alabama, and a division of Australian-listed shipbuilder Austal Ltd, will start construction of the first ship within six months and will immediately commence preparation work including facility expansion and workforce development.

Austal USA is expected to more than double its U.S. workforce to around 3,800 employees in order to fulfill the contract to build the aluminium warships.

Austal USA's President and Chief Operating Officer Joe Rella said the contract represents a very significant milestone for the company, and is proud that Austal has been selected to produce this important class of

ships for the U.S. Navy.

"This award represents a paradigm shift in Mobile's economy and further establishes the region as the 'Silicon Valley of shipbuilding'. We believe this contract is a strong vote of confidence in Austal's trimaran LCS design, and in the strength and capability of our Mobile, Alabama operations and highly-skilled workforce," said Mr Rella.

Austal remains the prime contractor for the U.S. Navy's program to build ten Joint High Speed Vessels (JHSV), having already been contracted to build the first five. For the LCS and JHSV programs, Austal is teamed with General Dynamics Advanced Information Systems, a business unit of General Dynamics (NYSE: GD), which will provide the combat and sea frame control system as the platform system engineering agent (PSEA).

"The General Dynamics open architecture combat system delivers exceptional capability to the U.S. Navy at an affordable cost, making it possible for a smaller crew to successfully

execute a larger variety of missions than ever before," said Lou Von Thayer, President, General Dynamics Advanced Information Systems. "General Dynamics is proud to be part of Austal's winning team."

"On behalf of Austal USA, I'd like to thank our supplier base, including General Dynamics Advanced Information Systems, the City and County of Mobile, the Mobile Chamber of Commerce, Mayor Jones, Congressman Bonner and his staff, Senators Shelby and Sessions and their respective staffs, and the employees of Austal for their contributions to this award. Most importantly we are grateful to the Navy for their innovative acquisition strategy in awarding this contract to Austal," said Mr Rella.

For information regarding available positions at Austal USA visit www.austaljobs.com.

DuPont Recognized as Manufacturer of the Year

DuPont has been recognized by the Mobile Area Chamber of Commerce as the Manufacturer of the Year at the 174th annual meeting held at the Mobile Civic Center. The award is given to a manufacturing site which has provided positive economic and community benefits to the Mobile area.

“The DuPont Mobile manufacturing site is strategic to the advancement in agriculture and is producing several innovative products that protect crops from pests, diseases and yield-robbing weeds,” said Beth Basham, DuPont Mobile plant manager. “We are in a unique position to help our customers increase global food production through advanced seed genetics, agronomic practices and product innovations that help farmers maximize productivity and quality. I’m personally proud of this recognition because it’s indicative of our site’s employees and contractors dedication to helping provide the world with much needed food supplies.”

According to Basham, a testament to the success of the Mobile plant is in its production of DuPont™ Rynaxypyr®, an advanced insect control product from DuPont that has been manufactured at Mobile since 2008. Since its introduction, products powered by Rynaxypyr® have been rapidly adopted by growers around the world to help protect crops from a broad spectrum

of chewing insect pests that prevent plants from producing to their potential.

To meet the growing demand for this innovative product, Mobile production has increased more than tenfold. With this success additional jobs have been created. Since 2007, site employment has increased by approximately 15 percent, offering attractive, higher paying jobs to the local community. The capability, flexibility, and teamwork-focus of the employees at the Mobile site have been a large part of the outstanding production response to this rapid increase in demand for DuPont products.

“DuPont™ Rynaxypyr® is an insect control product that provides growers with long-lasting plant protection and an excellent environmental profile,” explains Basham. “The employees at the Mobile site are proud to be a part of this new product introduction and success.”

DuPont has operated a crop protection manufacturing site in Mobile for nearly 25 years. The 500-acre facility was built in 1968 and acquired by DuPont in 1986. The site produces a variety of insect control products, fungicides and specialty chemicals which help growers improve the productivity and quality of a multitude of crops, including; corn, soybeans, fruits and vegetables, wheat, cotton, rice and many

more.

The Mobile plant is a certified Responsible Care® site. This program is a global voluntary initiative under which companies, through their national trade associations, work together to continuously improve health, safety and environmental performance; and to communicate with stakeholders about their products and processes.

Approximately 225 DuPont employees and contractors work together at the Mobile manufacturing site as part of a high-performance, multi-skilled work system. Six Sigma continuous improvement methodologies have been used over the last 10 years to improve the site’s manufacturing performance.

DuPont (www.dupont.com) is a science-based products and services company. Founded in 1802, DuPont puts science to work by creating sustainable solutions essential to a better, safer, healthier life for people everywhere. Operating in more than 90 countries, DuPont offers a wide range of innovative products and services for markets including agriculture and food; building and construction; communications; and transportation.

Alabama Pulp & Paper Council News

Boiler MACT is a major issue that affects not only the Pulp & Paper industry but affects all Manufacturers across the Nation. The big and good news on the Environmental front is that EPA has asked the courts for a 15 month delay in final issuance of the Boiler MACT Rule. The proposed rule was severely flawed technically (proposed standards that couldn’t be met), and economically (significant job losses that EPA did not take into account). Hopefully, the final rule will reflect positive changes for industry. We thank our US Senators and Representatives for the significant pressure they imposed on EPA to

review the proposed rule and ultimately make appropriate modifications.

On the negative side, EPA continues to push forward with “Green House Gas” regulations. Rules are now in place such that any facility desiring to make modifications or upgrades that require a PSD permit, now has to address “GHG”. While ADEM has agreed to make this process as painless as possible, it is still another hurdle to overcome in the permitting process. We are hopeful that the incoming Congress will be able to rein in EPA’s out of control regulatory thrust, especially in this area.

In ADEM news, Water Division Chief James McIndoe retired after a long career with ADEM. He was replaced by Glenda Dean. Industry has always had a cooperative working relationship with her and expect that to continue.

As always, if you have any questions or concerns, please feel free to contact Roy McAuley at 386.3000 or roy@manufacturealabama.org.

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Upcoming Events

- **Washington Fly-In**
Feb. 9-10, 2011
- **2011 Annual Membership Meeting & Legislative Reception & Dinner**
March 1, 2011
- **Safety & Security Conference**
April 7, 2011
- **Spring Golf Event**
May 1, 2011
- **Fall Annual Meeting**
September 29-30, 2011
- **Environmental Conference**
November 2, 2011
- **North Alabama Reverse Trade Show**
November 8, 2011

MA's February Washington D.C. Fly-In

The November elections resulted in the Republicans gaining control of the U.S. House of Representatives and Alabama having three new Congressmen/Congresswomen. Many issues and regulations that could have serious implications for manufacturers are impending and will be addressed by the 112th Congress, the Administration and/or Administrative Agencies. For these reasons, Manufacture Alabama has decided to hold a Washington Fly-In shortly after the new Congress convenes.

On February 9-10, 2011, Manufacture Alabama will host a Washington Fly-In to allow our members an opportunity to meet and visit with Alabama's Delegation. The February Fly-In will have a shorter format as compared to our Annual Fly-In.

Cost of the Fly-In is \$250 per person. Registration fee includes: lunch, meeting room, breakfast and travel to and from the hill. Make hotel reservations directly with the Hamilton Crowne Plaza. Please call Hamilton Crowne Plaza at 800-263-9802 or 202-682-0111. Make sure you tell them you are with Manufacture Alabama.

You can register online at www.manufacturealabama.org

We look forward to your participation. Should you have any questions, please feel free to give Rebecca a call at 334-386-3000.

Welcome

New Members

Manufacturers:

- **Steel City Bolt & Screw, LLC.**

Partners:

- **AquAeTer, Inc.**