University of Wisconsin-Stout
Stout Technology Transfer Institute (STTI)
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Request for Funds:
Continued Operation of the Northwest Wisconsin Manufacturing Outreach Center

ORGANIZATION
The Northwest Wisconsin Manufacturing Outreach Center (NWMOC) delivers an integrated manufacturing modernization service to industry in northwest Wisconsin. The center is a partnership between the University of Wisconsin-Stout, the Chippewa Valley, Western Wisconsin, Wisconsin Indianhead, Nicolet Area, and Northcentral Technical Colleges. UW-Stout provides a framework for structural change through project management, assessment, strategy development, and technical assistance implementation while the technical colleges possess unique capabilities in technical problem solving and workforce training. The institutions team together on technical assistance projects, and perform as a seamless modernization assistance center.

The range of services provided by the NWMOC ensures both focused assistance where needed and a broader leveraging of services and resources through networking, brokering, and training events. Since 1994, NWMOC’s clients report impacts exceeding $130 Million and over 2000 jobs created or retained. The NWMOC has a proven record of successfully managing collaborative relationships with funding sources including Federal Agencies (US Department of Commerce NIST/MEP, USDA), UW System Institutions, Wisconsin Technical College System, UW-Extension, Wisconsin Department of Commerce, Regional Planning Commissions and the Wisconsin Economic Development Association, Workforce Development, and NIST/MEP centers and affiliated organizations. The program was recently honored by the National Institute of Standards and Technology (NIST) for its effective management of a complex partnership with technical colleges throughout the state.

DESCRIPTION
The primary goal of this proposal is to leverage the NWMOC’s capacity to serve manufacturing and industry in northwest Wisconsin. Since its establishment as part of the federal Technology Reinvestment Project (TRP) in 1984, the NWMOC has targeted small and medium-sized manufacturers for assistance, with special emphasis on companies doing business with the government. Through operations assessments, in-plant assistance, and seminars and workshops, the NWMOC helps defense contractors and other manufacturers understand the nature of the competitive environment and use appropriate technologies and techniques to continually improve. For individual manufacturers, this means the opportunity to increase productivity, apply appropriate technology, improve quality, reduce product cost, enhance flexibility and responsiveness to market forces, and, most importantly, remain productive components of local and national economies. Through expanded funding, the NWMOC can leverage existing resources, tools, and approaches, continue to field a total industry enhancement package (one that includes technology transfer and worker training), and enhance its focus on defense contractors.

Funding in 2006 will support regional manufacturers by enabling NWMOC to provide more:

- Emphasis on defense contractors for assistance.
- Opportunity Assessments.
- On-site/in-plant assistance, including lean training, plant layout, quick changeover and setup reduction, quality issues, strategic planning, etc.
- Referrals to other agencies and programs when appropriate.
- Workshops and seminars.

Client testimonials attest to the success of the NWMOC’s approach to technology transfer:
Sun Printing, Wausau
“[The transition to lean manufacturing] was probably one of the most exciting four or five months working in this industry I’ve had.” Karla Kieffer, Sales Manager and part owner

Becker Communications, Schofield
“Factor in our employee’s high morale and it really puts you on cloud nine. This is gigantic! This is what NWMOC did for us.” Joel Becker, Vice President/General Manager

Amron, Antigo
“This initiative developed a life of its own and went beyond the specific 5-S principles. The empowerment energy of the project teams spread throughout the entire organization.” John Ponasik, Manufacturing Manager

Donaldson Inc, Baldwin
“The willingness on the part of the shop floor employees to participate in the new projects has been fantastic. This is really big, and we are particularly thankful for the NWMOC guidance and training in Lean Manufacturing Concepts; they are excellent trainers and coaches.” Chuck Ash, Plant Manager

Barko Hydraulics, Superior
“NWMOC gave us a lot of resources... In the first month of implementation using the process NWMOC taught us, our production rate was higher than any month from the previous year – and we haven’t looked back since.” Mike Burgess, President

TIMETABLE
NWMOC is requesting funds for fiscal year 2006. Because of existing infrastructure, no startup phase is required and funds will immediately support service delivery.

CONTACT
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PAST FUNDING
For the past five years UW-Stout has received funds for manufacturing technology transfer from the following Federal agencies at the amount shown:

<table>
<thead>
<tr>
<th>Agency</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Department of Agriculture</td>
<td>$156,000 annually</td>
</tr>
<tr>
<td>NIST/MEP</td>
<td>$403,000 annually</td>
</tr>
</tbody>
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COSTS
Amount requested for this project in FY 2006

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel (4 project managers)</td>
<td>$250,000</td>
</tr>
<tr>
<td>Fringe Benefits@ 41.5%</td>
<td>$103,750</td>
</tr>
<tr>
<td>Services and Supplies/Travel</td>
<td>$15,000</td>
</tr>
<tr>
<td>Indirect costs @ 37%</td>
<td>$136,478</td>
</tr>
<tr>
<td><strong>Total Project Request</strong></td>
<td><strong>$505,188</strong></td>
</tr>
</tbody>
</table>

Anticipated funds from other sources in FY 2006:

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>State/Local Funds</td>
<td>$432,000</td>
</tr>
<tr>
<td>State of Wisconsin DOC</td>
<td>$75,000</td>
</tr>
<tr>
<td>US Dept. of Agriculture</td>
<td>$305,000</td>
</tr>
<tr>
<td><strong>Total Other Funding</strong></td>
<td><strong>$812,000</strong></td>
</tr>
</tbody>
</table>

SIGNIFICANCE
The NWMOC targets small and medium-sized manufacturers for assistance, with special emphasis on companies doing business with the government. This focus is imperative today, when government contractors are being called on to provide a limitless array of technology
products and services to meet the critical needs of homeland security and national defense. Support of the NWMOC will aid regional defense contractors and other manufacturers in adopting the highly effective management practices which keep costs down and ensure productivity, flexibility, and reliability. In addition, in partnership with the Wisconsin Technical College System, NWMOC focuses resources on training the technology workers vitally needed by defense contractors and industry in general.

The range of services provided by the NWMOC continues to ensure both focused assistance where needed and a broader leveraging of services and resources through networking, brokering, and training events. Additional funding will allow the NWMOC to continue technology transfer activities to small and medium-size manufacturers that form the state’s economic base, and enable the program to expand critical support to Wisconsin’s defense contractors.

CONGRESSIONAL CONTACT

Senator Herb Kohl