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Press Releases

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U.S. Commerce Department Invests in America's Small- and Medium-Sized Manufacturers

Public-private partnership will expand access to advanced technologies, increasing competitiveness and creating high-quality jobs

WASHINGTON – Meeting with small business and manufacturing leaders at the White House today, Assistant to the President for Manufacturing Policy Ron Bloom, U.S. Chief Technology Officer Aneesh Chopra, and U.S. Assistant Secretary of Commerce for Economic Development John Fernandez announced a new public-private partnership that will deliver \$4.5 million in grant funding to help small- and medium-sized manufacturers in the Midwest compete in the 21st century global economy. The grants – \$2 million from the Commerce Department's Economic Development Administration (EDA) and \$2.5 million from private-sector partners – will catalyze development of state-of-the-art technologies that accelerate the design process, allowing these small- and medium-sized companies to become more competitive. Public and private-sector partners today signed a Memorandum of Understanding in support of the effort.

“President Obama has called for America to out-innovate, out-educate, and out-build the rest of the world in order to win the future,” Bloom said. “This partnership between the government and the private sector supports all three of those pillars to give our manufacturers the tools they need to compete and win.”

EDA awarded the grant to the Council on Competitiveness – a non-partisan group of CEOs, university presidents and labor leaders that works to advance economic prosperity – to form the National Digital Engineering and Manufacturing Consortium. The Consortium will use the funding to develop software, purchase time on supercomputers, and train small- and medium-sized manufacturers in the use of this technology, enabling them to design their own advanced manufacturing processes and products. This will be done in close collaboration with original equipment manufacturer (OEM) customers of these companies, thus ensuring that this cutting-edge technology will help both OEMs and their supply-chain partners in Ohio, Illinois, Indiana and Michigan.

“Today's collaboration reflects the President's commitment to reasserting the power of American ingenuity through support of advanced manufacturing,” Chopra said. “America's small- and medium-sized manufacturers will directly benefit, as this effort will democratize access to digital manufacturing tools that have proven effective in reducing the time to design new products.”

“As U.S. manufacturers work to keep their competitive edge, government and the private sector are working together to foster a vibrant advanced manufacturing sector in the United States,” Fernandez said. “This important public-private partnership to strengthen manufacturing in the Midwest is an example of the type of investment that can help America win the future by out-innovating and out-competing the rest of the world.”

The goal of the initiative is to foster collaboration between large manufacturing firms and their small- and medium-sized supply chain manufacturers and provide advanced manufacturing modeling and simulation resources that use high-performance computing (HPC) technologies. HPC is a game-changing platform that will revolutionize the manufacturing process for small- and medium-sized enterprises. This cost-efficient method uses top-of-the-line technology to speed up the design cycle and quickly provide a realistic

simulation of the final product. Increasing access to these advanced technologies and training, including modeling and simulation tools, will better prepare U.S. small manufacturers to out-build their global competitors.

“This pilot project exemplifies the potential for public-private partnerships to play a pivotal role in the growth of the U.S. economy,” said Council on Competitiveness President and CEO Deborah Wince-Smith. “Through this investment, the administration is joining with the private sector in recognizing the importance of modeling and simulation to the competitiveness of our small businesses and the health of our manufacturing base.”

The National Digital Engineering and Manufacturing Consortium is being coordinated by the Council on Competitiveness in collaboration with the National Center for Manufacturing Sciences, Inc., the National Center for Supercomputing Applications in Illinois, and the Ohio Supercomputing Center. Other partners that have provided the \$2.5 million local match in funding include Purdue University, General Electric, John Deere, Lockheed Martin, Procter & Gamble, and the State of Ohio. In addition to the U.S. Department of Commerce, interagency partners include the Departments of Defense and Energy, NASA, the National Science Foundation, and the Small Business Administration.

Strengthening the capacity of small- and medium-sized manufacturers will result in a more skilled workforce, improved product quality, and job growth. The Obama Administration is committed to building a 21st century manufacturing economy by supporting small business development to create the technologies and industries of the future. Last week, President Obama’s Council on Jobs and Competitiveness held its first meeting to discuss the best ways to continue the dialogue between government and the private sector, and what actions must be taken to improve competitiveness and economic opportunity for U.S. businesses.