



NTMA TECHNOLOGY FOR THE FUTURE CONFERENCE REPORT

February 2 – 7, 2008
St. Petersburg, Florida, USA

INTRODUCTION:

Member companies Anchor Danly, H.J. Machine & Pattern Ltd. and True North Molds, along with the association's Executive Director Mr. Leslie Payne represented the Canadian Tooling & Machining Association (CTMA) at the National Tooling & Machining Association's (NTMA) Annual Meeting & Technical Conference entitled "*Technology For The Future*" that was held in St. Petersburg, Florida, USA, February 2 – 7, 2008. The Americas regional meeting of the International Special Tooling & Machining Association (ISTMA – www.istma.org) was also held in conjunction with the conference.

NTMA CONFERENCE:

Day 1: Highlights from the first day of the conference (Saturday) included a presentation by John VanKirk, President and Executive Director of the National Centre for Defense Manufacturing Technology focusing on a number of case studies, USA defense projects and sample parts needed by the members of the National Defense Manufacturing and Machining organization (NCDMM – www.ncdmm.org).

This was followed by a number of round table discussions on the following topics:

- Tool & Die / Moulds
- Precision Machining
- Special Machines

Day 2: The second day (Sunday) was devoted mainly to NTMA association strategic planning and goal setting sessions.

Day 3: The third day of the conference (Monday) included a presentation by Kenneth Mayland, President of Clear View Economics on "*Why Technology is Absolutely Key to Company Success*". In addition, Lloyd Rawls discussed succession planning and David Styers discussed how to build an effective association Board and how it applies to private company Boards.

Day 4: On Tuesday, Eduardo Beira, ISTMA General Manager (from Portugal) presented his views on world-wide statistics and trends in the global tooling industry (www.istma.org).

Tom McCarthy's presentation on USA Labour & Employment Issues affecting NTMA members focused on how to deal with problem employees, effective hiring and firing methods and various government regulations.

Stephen Mandes, President of the National Institute for Metalworking Skills discussed their recently developed training programs such as on-the-job training, trainer-senior trainer, training coordinator, etc. (www.nims-skills.org). This training is similar to the Canadian train-the-trainer program delivered a few years ago.

Day 5: On Wednesday, a 3-hour seminar/workshop on “*Smart Machining Technology*” was hosted by TechSolve. It was conducted by John Kohls with assistance from Rob Caron, President of Caron Engineering Inc., Tom Scotton of Connecticut Center for Advanced Technology Inc. (www.ccat.us, www.usnali.org) and Jim Hoffman of G.E. Aviation.

Day 6: On Thursday, John B. Byrd III, President of the Association for Manufacturing Technology (AMT), gave a presentation on “*Technology Innovation Advances in Manufacturing*”. MT Connect is an open protocol that will enable communication between different shop floor machines. This is being developed by the University of California.

ISTMA-AMERICAS MEETING HIGHLIGHTS:

Highlights of the ISTMA-Americas’ afternoon meeting on Tuesday (Day 4) included:

- Minutes from the previous meeting, a Financial Report and the Contact List were reviewed and accepted.
- NTMA will conduct the 2008 ISTMA-Americas Business Conditions Survey and upgrade it to an online electronic format.
- Report was given on the ISTMA-World Board Meeting that took place in India in October 2007.
- The first Global Partner member is Uddeholm.
- The next ISTMA-World Conference will be held in Windsor, Ontario, Canada during the summer of 2010. Sponsorship levels, call for papers and suggested conference fees were discussed.
- Next ISTMA-World Board Meeting will be held in Shanghai, China, May 2008.
- Next ISTMA-Americas Meeting will be held in conjunction with the ISTMA-World Members Assembly being held in Johannesburg, South Africa, June/July 2008.



ISTMA-AMERICAS COMMITTEE MEMBERS

Front: Tom Garcia (USA), Harry Moser (USA), Rob Akers (USA)
Back: Les Payne (Canada), Horst Just (Canada), Egon Jaegglin (USA), Eduardo Beira (Portugal), Geoff Anderson (Canada)

ADDITIONAL COMMENTS:

Each of the three participating CTMA member companies have expressed successful customer contact and increased technical knowledge by participating in this event (see attachments).

The association was also able to distribute a good number of our new 2008 Buyer's Guide & Members Capability Index to further promote the entire membership of the Canadian Tooling & Machining Association.

A copy of the presentation notes and slides from this conference is available for review through the CTMA office.

Our thanks to International Trade Canada for their financial assistance in helping us participate in this event. Partial funding was provided through the Program for Export Market Development –Trade Associations (PEMD-TA).



**CTMA MEMBER COMPANIES AT NTMA CONFERENCE
IN ST. PETERSBURG, FLORIDA, USA**

*Front: Penny Anderson; Horst Just (H.J. Machine & Pattern Ltd.), Eduardo Beirs, (ISTMA-World); Luella Verstraete
Back: Geoff Anderson (True North Molds); Roy Verstraete (Anchor Danly); Paul Brisebois (Anchor Danly); Les Payne (CTMA).*

Submitted March 4th, 2008

*By: Leslie Payne, Executive Director
Canadian Tooling & Machining Association
www.ctma.com*

Attachments: Letters from Anchor Danly, H.J. Machine & Pattern Ltd. and True North Molds.

February 27, 2008

Dear Sir/Madam:

Re: NTMA Annual Meeting in St. Petersburg, Florida

I recently attended the NTMA Annual Meeting in St. Petersburg, Florida with Paul Brisebois, our VP of Sales for North American Die Sets.

The event was a great success and very productive for us. Thanks to the PEMD support, we met various existing customers and new potential customers from the United States. This is a particularly valuable venue as the toolmaker owners are present, and it provides us a unique opportunity for business and strategy development with our customers at this senior level.

Dr. Kenneth Mayland, a senior experienced economist, presented an excellent review of the North American economy, the US yes/no recession and how technology investment is the key to productivity gains, even in tough times. This helped our strategy planning back drop for 2008.

A panel presentation/discussion on Smart Machine Technologies introduced advanced manufacturing – modeling simulation, robotics and automated production. The concepts are in various stages of development from university environments to on the shop floor. I have brought the learnings back to our Windsor Continuous Improvement team.

In summary, the NTMA Annual Meeting was well worth it.

Best regards,



Roy Verstraete
President & CEO
Anchor Danly



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February 26, 2008

To: Leslie Payne
Executive Director
Canadian Tooling & Machining Association (CTMA)

Thanks to the PEMDI support we were able to participate in the recent ISTMA Meeting in St. Petersburg, Florida in conjunction with the NTMA annual conference. The program provided excellent technical information which is very important and helps our company to improve its competitive position in this rapidly changing global market place.

We welcomed the excellent networking opportunities and made some new contacts which should prove to be beneficial for our companies export development program. As a result, we expect to increase our sales to the US by 3% in the coming year.

Again, thank you for the opportunity.

Best Regards

Horst Just
President
H. J. Machine & Pattern Ltd.



True North Molds Ltd.

2008 NTMA Annual Meeting

Gleanings from the NTMA conference in St Petersburg, FL, Feb 1-7.

G. Anderson, True North Molds, London, Ontario

Introduction

There were in the order of 125 different member companies in attendance. Most of those seem reasonably busy, but of course it may be that it is only the busy shops that can afford to attend. Those in aerospace and the defense industries are very busy, as are those in oil and gas, and medical.

Low cost country imports

For certain, lots of work has gone overseas, never to come back. But there is a general feeling that some of the work that initially went overseas is coming back, partly because of the US dollar, but also because of quality, delivery, and a better appreciation of collateral costs, such as project management, communications, start up, maintenance and repair.

ISTMA

Eduardo Beira of ISTMA gave an interesting presentation. Members of the CTMA and the NTMA can access the ISTMA site through their respective association logins, without needing a separate ISTMA login. There is quite a lot of useful information there and it is well worth a visit.

One of the interesting things that Eduardo pointed out is that in China they have such an exploding internal demand for tooling that it is hard for them to focus on the export market. In fact, overall China is a net importer of tooling. Of course, tooling exports bring in foreign currency, but their domestic tooling supports their manufactured exports as well, which likely brings in even more foreign currency.

The US economy

Kenneth Mayland, an economist with Clearview Economics, gave a big picture view of the economy.

Some of the things he noted:

The Sub-prime mortgage problem

We hear a lot about the sub prime mortgage problem, but how big is it really?

Out of 100 households, 70 are homeowners; one third of these own their homes outright; of all mortgages, 15% are subprime; of the subprimes 15% are delinquent. This means that about 1% of all households are affected.

Write-offs to date are just over \$100B, and may go as high as \$300B.
\$300B is about the size of the S&L problem in the 1980's in today's dollars.
A 2% monthly change in the stock market is about \$300B. So in the scheme of the entire economy it is not a big deal.

Oil pricing

In terms of personal income, spending on gasoline, fuel oil, energy etc is about at the same level as existed prior to OPEC around 1970!

Dollar Decline

He says that devaluation is good for the economy right now, and he expects further declines.

Recessions historically occur every 10 years, and he's expecting the next one in 2010.

Labor and Employment Update

Tom McCarthy is the legal resource available to NTMA members. He started by noting that in the Tampa Bay area, for every 1000 policemen, there were 3500 lawyers! He reviewed the labour and employment laws, particularly those relating to The Fair Labor Standards Act (FLSA), The Family and Medical leave Act (FMLA), The Americans with Disabilities Act (ADA), and Workers' Compensation.

Essentially ADA prohibits discriminating against a qualified person with a disability because of that person's disability.

FMLA requires an employer to grant eligible employees up to 12 weeks of unpaid leave in a 12 month period with continuation of group health benefits and the assurance of job restoration for things like birth of a child, serious health condition of one's self, child, spouse or parent.

The percentage of unionized employees in the private sector had dropped from 23% to 7% since 1973. In recent years the above mentioned statutes have provided protection for many workers. The workplace is becoming increasingly litigious, and it is necessary to have the proper policies and practices in place to deal with work place issues, and disgruntled employees. The revamped FLSA is the newest and hottest issue, and last year there were 7000 cases filed against employers.

Smart Machines and Productivity

The expenses associated with machining operations are roughly \$200B per annum, approximately 2% of GDP. There are American private and public groups involved in increasing the productivity of this sector. There seems to be quite a bit of help available from the military/aerospace interests in getting better parts quicker and cheaper.

Some of the technologies projects discussed were:

Smart Machine Platform Initiative, the objective of which is to bring together the various existing technologies to make "the first part correct". Using these technologies successfully requires a company's management, shop floor, and employees to be ready for change and disruption. They expect to have a demonstration of their approach at the emerging technology center at the IMTS show in Chicago in the fall of 2008.

One technology presented was *Tool Monitoring and Adaptive Control* by Caron Engineering. Essentially this technology monitors spindle horsepower and adjusts the feed rate in an optimum fashion.

Another technology presented was *On-Machine Probing*, and its applications, by GE Aviation. There were some very interesting applications of this technology. The presenter explained how they incorporated the probing routines into their CNC programs, and how they were able to achieve a 50% reduction in losses for their Closed Loop Machining Operations, as well as significantly increased productivity.

MTConnect

MTConnect is an initiative sponsored by the Association for Manufacturing Technology. They are developing standards and protocols to allow various shop floor machines and devices to talk to each other. There will be a demonstration at the IMTS show in Chicago in the fall.

Of particular interest to Canadians was this presenter's discussion on how Automotive Employment is leaving the Great Lakes Region. Much of it is going to Mexico and the Southern States, where there is a more flexible business environment. In Alabama alone, there have been 200 automotive related plant openings since 1980. And many of these jobs are requiring a college degree.

Some stats involving Canada and the US.:

Over the last 5 years Canada has had a 2% decline in manufacturing employment, while in the US it was 15%.

From 2000-2005, Canada's growth in Productivity in Manufacturing was 10%, where as in the USA it was 30%.

Shop Tours

There were two shop tours to the plants of member companies in the area. Their markets were aerospace/defense. Both plants had good equipment, and seemingly good procedures and quality systems. Beyond basic machining, both had special processes for finishing parts.

Summary

I made some useful contacts with several shop owners that I am already following up on. As a result of the technology presentations, particularly that by GE Aviation, we are now investigating the on board probing, and are carrying out trials in our plant to assess what we might be able to achieve.

As a result of our attendance, it became even more apparent that Canadian shops must find a way to enter some of the non-automotive markets. We have good equipment and good skills, and hopefully through participation in conferences like this one, we can establish contacts and/or learn more about the markets that are experiencing growth and that need our capabilities.

G2A
Feb/08