

# Tri-State Tooling & Manufacturing Association

Serving Southwestern Ohio, Northern Kentucky & Southwestern Indiana

FOUNDED IN 1947



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## DID YOU KNOW?

**There are 12.33 million manufacturing workers in the United States, accounting for 9 percent of the workforce.**

**In addition, manufacturing supports an estimated 18.5 million jobs in the United States—about one in six private-sector jobs**

## February Meeting Recap

### National Robotics League

Bill Padnos, Director of Youth Engagement for NTMA joined us in February to talk to TTMA about the National Robotics League.

The National Robotics League (NRL) is a manufacturing workforce development program of the [National Tooling & Machining Association](#) (NTMA) where students design and build remote controlled robots (Bots) to face-off in a gladiator-style competition. Through the manufacturing process of Bot building, students' imaginations are captured as they design, build and compete with their own robotic creations. Through this hands-on effort along with industry partnerships, students gain practical knowledge of Science, Technology, Engineering, and Math (STEM) – all essential skills for manufacturing.

By formalizing ties between schools or youth organizations and manufacturing partners, students gain a better understanding and become enthusiastic about the career possibilities in manufacturing. Also, manufacturers are able to build valuable industry-school connections and workforce talent pipelines by helping competitors engineer a lean, mean, fighting machine. In other words, everybody wins.

Bill manages the National Robotics League, a manufacturing workforce development program disguised as a robotics competition. Bill also serves as the executive director of SW Pennsylvania BotsIQ, the largest regional program of the NRL. Bill works to promote manufacturing as a viable career option to youth while recruiting industry professionals to serve as mentors to the students in designing and building Bots for a battle.

Learn more about NRL online at <http://gonrl.org/about/>.

## Looking Ahead: March Meeting

### Enhancing Profitability and Enterprise Value

Are you struggling to identify the projects and jobs that are most profitable in your company? Are there jobs you believe are profitable, even though your systems tell you differently? In today's competitive manufacturing environment, understanding job and organizational profitability is critical for management decision making. Manufacturing companies usually rely on their job costing systems to measure and report job profitability. However, reliance on traditional job costing systems typically distorts a company's true view of profitability.

This session will help you develop practical approaches to measure and identify opportunities to improve profitability and ultimately enhance enterprise value. You will learn alternative methods to simplify the way profitability is measured on a job-by-job, and overall business basis. By focusing on the critical inputs that measure profitability, you will be better prepared to align sales, operations, and finance to focus on the same outcome - maximizing profitability.

#### Topics Covered:

1. Understanding what truly drives value in a manufacturing business
2. Identifying the limitations and risks associated with analyzing profitability using traditional methods
3. Simplifying the approach to modeling profitability
4. Identifying the critical job inputs that are necessary for making sound business decisions

**Brent Terhaar, CPA**  
**CliftonLarsonAllen, LLP**

Brent Terhaar is a Principal in the Dallas office for CliftonLarsonAllen and is one of the national leaders of the firm's Manufacturing and Distribution group. Brent has nearly 20 years of experience serving the owners of privately held businesses in the manufacturing, distribution, construction, and service industries.

### February Spotlight Member – Ashley Ward

Ashley Ward, Inc. is one of the largest machine shops in the US with 5 locations across the country. We serve various fortune 500 companies and work directly with other large OEM's. Defined as a leader in the screw machine industry, clients have sought out our expertise, equipment, and resources to get the big jobs done since 1908.

Ashley Ward Inc. is extremely excited to announce an increase in their machine inventory through the purchase of nine new state-of-the-art machines in their Mason, OH facility. Ashley Ward understands that in order to increase the sustainability of their company they must continue to increase their capabilities.

These machines will be implemented and utilized in all machining departments. Ashley Ward has purchased five Davenport multi spindle screw machines, one CNC lathe, one CNC production mill, one vertical broaching machine, and one centerless grinding machine. By diversifying the new equipment purchases, they will be able to expand their capabilities in all departments.

**WANT TO SEE YOUR COMPANY IN THE SPOTLIGHT?**  
**Please send us your news, stories, or updates, and be featured in an upcoming newsletter!**

## News from NTMA

### **New Videos Highlight the Talent and Future Leaders of our Industry**

A strategic goal of the NTMA is to highlight the talent and future leadership of our industry. The NTMA received an offer from CliftonLarsonAllen to sponsor and produce a video featuring the Emerging Leaders initiative and NTMA. It is an honor our valued National Associate Member considers NTMA a worthy cause and investment that mirrors their mission of helping clients' enterprise value and assist in their succession, particularly in small-business manufacturing.

[READ THE FULL ARTICLE HERE](#)

### **New year, new prices: NTMA 2016 Technical Seminars**

Gather and network with members from across the country during the 2016 NTMA Technical Seminars. Take advantage of new pricing for our Financial Manager Roundtables, Human Resources Roundtables, Plant Managers Roundtables, Workforce Development Roundtable, and Sales & Marketing Workshops.

Upcoming events include: Sales & Marketing Workshop (Dallas), Financial Managers Roundtable (Atlanta), [SEE 2016 SCHEDULE OF EVENTS](#)

### **Grainger agreement offers premium metalworking brands at a 25% discount**

NTMA has partnered with Grainger to drill down on exclusive NTMA savings that identify the key areas targeted on members' needs.

**In addition to 10 percent off and pre-paid freight on all products, we've added product category discounts on the items you use most! [READ MORE](#)**

## SAVE THE DATE! TTMA 2016 Golf Outing

**June 15, 2016 - Walden Ponds Golf Club  
6090 Golf Club Ln, Hamilton, OH 45011**

# Ohio Third Frontier Funding Opportunity

## Ohio Third Frontier

### Commercial Acceleration Loan Fund

Provided by the Ohio Development Services Agency

**March 15, 2016 (4:00pm): Deadline for Intent to Apply Submissions**

#### **Commercial Acceleration Loan Fund (CALF) to support Ohio for-profit companies addressing the technical and cost barriers to commercialization in Ohio of high-tech products and processes.**

CALF provides early-stage funding to investment-validated Ohio companies developing next generation products and services. CALF bridges the gap between an early stage entrepreneurs' need for capital and the traditional financing sources primarily reserved for established businesses. Successful CALF applicants are categorized within eligible industry sectors and technology commercialization phases, demonstrate the potential to grow substantially in size and value over a relatively short time-horizon, and are investment-validated (over \$1 million) through earlier rounds of venture capital, professional angel group financing, or significant capital infusion from qualifying strategic partners. Since the CALF loan approvals began in December 2013, the Commission has approved \$32.8 million in funding to 25 companies.

Funds provided by the CALF program are intended to invest in projects moving innovative products/services into meaningful market entry or who are along the regulatory approval path.

#### **Typical CALF loan projects have included:**

- Commercial scale validation in market use conditions
- First production run and manufacturing scale-up beyond pilot or beta stages
- Final customer validation, product certification, and/or regulatory certification
- Intellectual property development and protection
- Research and development supporting iterations beyond first version releases
- Launch of next generation of products, services or processes
- Design engineering and packaging

#### **General Information**

- Loan amounts range from \$500,000 to \$2,500,000
- Can be used to finance up to 75% of allowable project costs
- Loans above \$1,000,000 may be limited to borrowers generating revenues, long-term contracts and strategic partnerships, or who have attracted considerable equity capital
- Loan term may not exceed seven (7) years and target a 2x repayment to the Developmental Services Agency on the principal amount drawn
- Standard repayment structure employs a graduated schedule based on 5% projected annual sales paid monthly

## **Technology Eligibility**

- Primary Focus Industries:
  - Medical technology
  - Software applications for business and healthcare.
- Secondary Focus Industries:
  - Advanced materials
  - Aerospace-propulsion systems
  - Agribusiness and food processing
  - Fuel cells and energy storage
  - Sensing and automation technologies
  - Situational awareness and surveillance systems
  - Solar photovoltaics
  - Shale fuel extraction.

## **Project Cost Eligibility**

Each applicant will present a project outlining the plan of activity or activities that make up the total scope of work for the proposed use of CALF loan proceeds. Allowable project costs include but are not limited to the following:

- Land and/or building purchase
- Machinery and equipment purchase
- Building construction and/or renovation costs
- Long-term leasehold improvements
- Software development
- Intellectual property
- Inventory
- Sales, general and administrative costs.

## **Borrower's Cost Share**

The program requires a 25% minimum borrower contribution (Cost Share) to support allowable project costs.

Approved sources of Cost Share are: equity, convertible debt, current revenue, available cash, or loan proceeds from an unsecured or subordinated commercial credit facility. In-kind contributions, government funds (either grants or loans), or similar items are not acceptable as Cost Share.

## **Timeline**

- March 15, 2016 (by 4:00 P.M. EST): Deadline for Intent to Apply Submissions
- April 8, 2016: End of Question and Answer Period
- April 12, 2016 (by 4:00 P.M. EST): Deadline for Application Submissions
- September 15, 2016: Ohio Third Frontier Commission Meeting

**Contact Jon Kozesky at [jon@jonthomasconsulting.com](mailto:jon@jonthomasconsulting.com) with any questions.**