

# KENTUCKY ASSOCIATION OF MANUFACTURERS 2008-2012 LEGISLATIVE AGENDA & ADVOCACY PROGRAM INITIATIVES

KAM's 2008-2012 Legislative Agenda and Advocacy Program will be executed through eight exclusive and unique Branded Initiatives, specifically designed to address key issues facing the Kentucky manufacturing industry:



## **ProsperousKentucky<sup>SM</sup>**

**Keep manufacturers and the industries that support them in Kentucky and attract new manufacturers here to raise the standard of living for all Kentuckians.**

**Existing Manufacturer Reinvestment Incentives** – Introduce or support legislation to encourage retention and expansion of an aging manufacturing base by offering incentives to help Kentucky manufacturers retool and update their facilities, processes and equipment.

**Energy** - Work with members and the Office of Energy Policy on policies of the Comprehensive Energy Strategy including energy efficiency, renewable energy, low cost electric, clean coal technology, development of natural gas, and system reliability.

**Worker's Compensation** – Support coalition initiative to amend current Workers' Compensation program, including subrogation of benefits, medical and prescription costs, pain management, and installing a lifetime cap on benefits.

**Eminent Domain** - Following Kelo v. New London U.S. Supreme Court decision, work to assure that Kentucky statutes on eminent domain continue to protect private property from unwarranted government seizure.

**Transportation** – Support appropriate funding for the maintenance and development of the transportation infrastructure, which is vital to commerce and economic development.

**Annual Manufacturing "Think-Tank" Summit** – Hold an annual summit to bring together the state's economic, education and business leaders to develop and implement major initiatives on how to protect and grow manufacturing in Kentucky.

**Public Affairs Forums** – Hold regular membership forums to discuss the political process, emerging issues, and provide action updates on legislative and executive affairs.

**Unemployment Compensation** - Support laws that maintain a sound, solvent trust fund and assures that benefits go only to those out of work through no fault of their own. Oppose expanding benefits for those who voluntarily terminate employment, those discharged for misconduct or dishonesty, those who refuse to accept suitable work, and those who become unemployable by reason of criminal conviction.

**Budget Deficit** – Encourage fiscal discipline and spending reform for curing deficits in the state budget.

**State Employee Benefits** – Support the equalization of state-employee benefits with the private sector and urge the General Assembly to eliminate unnecessary programs (regardless of cost) in favor of increased funding for essential programs.

## **ProductiveKentucky<sup>SM</sup>**

**Train Kentucky manufacturing workers to out-produce workers in low-wage countries like China, India and Mexico.**

**Education** – Partner with UK Center for Manufacturing and KCTCS to train Kentucky workers in advanced manufacturing techniques.

**High Technology** – Lead and encourage the creation and implementation of a nanotechnology initiative that will promote the growth and awareness of nanotechnology's importance to manufactured products.

**Process Management** – Educate and train Kentucky manufacturers in the use of Process Management and other related efficiency-driving practices (such as Lean Manufacturing).





## FreedomKentucky<sup>SM</sup>

Free Kentucky manufacturers from high taxes, regulations, and other constraints that prevent them from winning in the global marketplace.

**Philosophy** – Strenuously oppose excessive government intervention in the activities of the private sector.

**Business Taxation** – Eliminate the “AMC or LLET tax” on gross receipts or gross profits.

**Tort (Lawsuit) Reform** – Support legislative action to limit non-economic and punitive damages in medical malpractice suits and comprehensive tort reform.

**Unemployment Compensation** – Oppose expansion of benefits for those who voluntarily terminate employment, are discharged for misconduct or dishonesty, refuse

to accept suitable work, and who become unemployable by reason of criminal conviction.

**Right-to-Work** – Support an organized effort to allow all Kentucky workers the freedom to eliminate mandatory membership in or financial support of labor organizations as a condition of employment. This will eliminate Kentucky’s competitive disadvantage as the only non Right-to-Work state in the South, which discourages other manufacturers from locating here and encourages those already here to leave the state.

**Public Employee Unionization** – Oppose the expansion of public employee unionization.

**Prevailing Wage** – Oppose the mandated use of union scale wages in determining worker pay for public projects, resulting in unnecessary higher costs.

## SmartKentucky<sup>SM</sup>

Prepare Kentucky students and adults for well-paying jobs in manufacturing.

**Workforce Development** - Work with secondary and higher education to develop improved skills required by more advanced/higher technology manufacturing processes. Gain state adoption of the Manufacturing Skill Standards Assessment (or its equivalent) to develop a better-prepared workforce for manufacturing jobs. Introduce or support legislation that encourages students to finish high school, creates advanced manufacturing and/or engineering career pathways in secondary schools and learn skilled trades at technical education institutions.

**Education** - Partner with Big Brothers Big Sisters agencies to match manufacturing workers with public and private school students to improve math and science scores and increase graduation rates. Partner with the Kentucky Community and Technical College System to ensure young people entering the workforce are equipped with the necessary skills to succeed in an advanced manufacturing environment. Through creative marketing efforts, educate parents, teachers and students about the benefits associated with “cool” careers in manufacturing.



## HealthyKentucky<sup>SM</sup>

Reduce Kentucky’s health care costs by encouraging our workers to be safe and healthy and promoting a safe, accident-free workplace.

**Lawsuit Protection** – Introduce or support legislation to indemnify companies whose employees are assaulted by other employees who bring firearms into the workplace from their vehicles parked on private company property.

**Wellness** – Form partnerships to reduce Kentucky’s smoking and obesity rates, encourage proper nutrition and establish voluntary wellness programs.

**Policy** – Work with the Kentucky Long-term Policy Research Commission concerning discussions of healthcare policy in Kentucky.

**Cost Containment** – Support efforts to lower the medical and prescription rise in costs;

Support constraining the cost of health care to allow companies to continue affordable health care coverage for employees.; Advocate for a market-oriented strategy, like health insurance tax credits, to improve the affordability of health care coverage for employers and workers.

**Freedom** – Oppose mandated coverage, thus allowing employers and individuals to choose what coverage meets their needs.

## HonestKentucky<sup>SM</sup>

Encourage honesty and integrity in the manufacturing workplace to help manufacturers reduce costs so they can compete and win in the global marketplace and keep their facilities and jobs in Kentucky.

**Better Business Bureau** – Partner with Kentucky Better Business Bureaus to help Kentucky manufacturers and their workers set a new standard for workplace ethics in America.

**Training** – Train and annually certify Kentucky manufacturers and their employees in establishing and maintaining a culture in which ethical and honest behavior is the norm.



## CleanKentucky<sup>SM</sup>

Help our members balance sustainable growth with the environment and their communities.

**Environment** – Educate manufacturers on current compliance rules and regulations and address environmental issues through KAM's Chemical Industry Council.

**Programs** – Support environmental programs that are based on sound science, consider cost-benefit relationships, and consider technical and economic feasibility.

**Incentives** – Support creation of incentives for voluntarily remediating and restoring vitality to abandoned, idled, and contaminated property ("Brownfields")

## MarketKentucky<sup>SM</sup>

Encourage and assist more Kentucky manufacturers (who already produce 97 percent of the Commonwealth's exported goods), to take advantage of the opportunities in the global marketplace.

**Provide outside counsel and assistance** to help Kentucky manufacturers with branding, communication strategy, domestic and international marketing and exporting their goods to markets outside the U.S.

**Provide partner resources** such as the Kentucky World Trade Center and Connemara Group, KAM's marketing agency and partner.

**Help members through marketing efforts** to market their products more effectively by:

- Opposing taxes on advertising
- Providing assistance in manufacturers' strategies to expand marketing efforts and increase market share
- Offering consulting services in an effort to allow manufacturers to improve effectiveness of their marketing strategies and efforts.



## VISION, MISSION & VALUES

As Kentucky's only statewide trade association focused exclusively on the manufacturing sector, the Kentucky Association of Manufacturers is the only group ... the only Kentucky association ... that can provide the experienced and necessary leadership for developing and executing a focused, bold and aggressive action plan to advance Kentucky manufacturing. Our Vision, Mission and Core Values provide the foundation for KAM's 2008-2012 Legislative Agenda and Advocacy Program and beyond.

### VISION

By 2012, Kentucky will be one of the world's most desired locations for both new and existing manufacturers.

### MISSION

We exist to enable profitable growth for existing Kentucky manufacturers and the industries that support them, and to attract new manufacturers to Kentucky, so that the prosperity of all Kentuckians will be enhanced.

### CORE VALUES

KAM's values are reflected in the acronym, "PEARL":

#### **The "P" stands for the collective POWER of KAM's member companies.**

KAM represents hundreds of manufacturing companies and thousands of manufacturing employees and is led by a team with 200+ years of manufacturing talent that's focused on Kentucky's \$100 billion economic engine. Therefore, our stakeholders and target audiences will listen to what KAM says.

#### **The "E" stands for Ethical.**

There have been far too many lapses of ethics in America. The Kentucky manufacturing industry will continue setting a higher standard for honest and ethical behavior. And KAM will help maintain it through partnerships and the ongoing efforts of our member companies.

#### **The "A" stands for Aggressive.**

An association cannot get things done if it sits back and waits. While it waits, a CEO in New York or California who's looking to build a big plant somewhere could pick West Virginia or Mexico over Kentucky. Or some plant in Kentucky could decide to close and move to China or India.

#### **The "R" stands for Results.**

There's a lot at stake here. The entire Kentucky economy rides on the back of manufacturing: Housing, retail, services, etc. That's why KAM cannot settle for just "trying" to get things done. KAM will measure itself on what is actually accomplished ... bottom-line results. After all, as people who have worked in or for manufacturing, KAM's team is used to doing that.

#### **The "L" stands for Leadership.**

KAM is going to be changing the way Kentuckians think about preparing its future workforce, taxes, incentives and other issues critical to our state's prosperity. That isn't easy, and it's going to require strong leadership with new ideas and new approaches to advocating and managing change.

## 2007 MAJOR HIGHLIGHTS & RESULTS

Changed name, logo and brand to best reflect who we serve – Kentucky manufacturers; adopted new slogan to reflect our redefined vision: Manufacturing. Prosperity in the Making.

Moved office from Louisville to Frankfort to better serve member interests in Kentucky's center of state government. Was selected as the Kentucky host association for the Kentucky Prosperity Project to encourage manufacturing employees to get involved in civic affairs.

Conducted Commonwealth Policy Forums to gather input for manufacturing industry advocacy agenda. Partnered with award-winning advertising agency Red7e to conduct a \$2 million marketing and PR campaign; formed partnership with Kentucky Broadcasters Association. The campaign resulted in 84 million gross impressions and \$2.5 million in advertising equivalency

Fought for repeal of Alternative Minimum Calculation (LLET) tax; helped defeat efforts to eliminate "exclusive remedy" provision of Kentucky's Workers Compensation Insurance law.

More than 30 new sponsors and partners invested in KAM to help promote and grow the manufacturing industry. Through KAM's Chemical Industry Council, assisted Kentucky chemical manufacturers in complying with state and federal environmental rules and regulations and addressed environmental issues.

Honored three Kentucky manufacturers and one employee as "Manufacturers and Employee of the Year."

Was involved in the formation and leadership of the Advanced Manufacturing Partnership Group, a coalition of leaders in education, manufacturing and economic development charged with tackling issues facing Kentucky manufacturers.



**KENTUCKY ASSOCIATION  
OF MANUFACTURERS**



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