

News Release



**KENTUCKY ASSOCIATION
OF MANUFACTURERS**

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New Poll: How To Grow Kentucky Manufacturing? *Manufacturers Say By Raising High School Graduation Rates, Tort Reform, Improving Productivity*

Louisville – A newly released poll of Kentucky manufacturers conducted by a Louisville research firm reveals the top priorities for protecting and growing the manufacturing industry, says Andrew C. Meko, president and CEO of the Kentucky Manufacturers Association (KAM).

“Manufacturing represents 20 percent of our state gross product, more than double the contribution of the next largest commercial contributor, Real Estate Sales and Rentals,” Meko says. “If manufacturing declines in Kentucky, it will have a devastating effect on virtually all other business and industry segments.

“That’s why we asked Kentucky manufacturers to name the top priorities for ensuring a vibrant manufacturing sector and sustainable prosperity for all Kentuckians,” Meko says.

The poll’s key findings are as follows:

100 Percent of the Respondents named the following issues as “high” or “very high” priorities:

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| Help me become more efficient and productive without making me hire more workers. |
| Change Kentucky's tort laws to limit the filing of frivolous lawsuits and place limits on plaintiff awards. |
| Raise Kentucky's High School Graduation Rate. |
| Help me sell more Kentucky manufactured goods to other countries. |
| Eliminate unfair and costly government regulations. |

90 Percent of the Respondents named the following issues as “high” or “very high” priorities:

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| Lower business or corporate taxes on Kentucky manufacturers. |
| Help me finding more qualified workers. |
| Make Kentucky a Right to Work state. |
| Help me invest capital in equipment, systems and infrastructure. |
| Put a lifetime cap on worker's compensation benefits. |
| Help me compete against low-wage countries like China, India and Mexico. |
| Help me train my workers in high-tech manufacturing. |
| Help lower my health-care costs. |
| Help me educate my employees about how to live healthier lifestyles. |

80 Percent of the Respondents named the following issues as “high” or “very high” priorities:

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| Prevent cities and counties from adding an additional sales tax on top of Kentucky's 6 percent sales tax. |
| Help me comply with environmental laws and regulations. |
| Help me deal with an increasing number of Hispanic workers. |
| Help me develop a more honest and ethical workplace where employees do not abuse time off or sick leave and don't show up for work high on drugs or alcohol. |

The new 77-question poll conducted by Enalysis of Louisville reflects the views of 117 large, small and medium-sized manufacturers from all regions of the state.

What's next? According to Meko, KAM is finalizing an aggressive legislative agenda and advocacy program to make a significant impact on the high-priority issues.

"We are attacking these issues in four ways," he says. "One, by working with elected officials at the state, federal and local levels; two, by cultivating relationships with government agencies and cabinet officials; three, by working with the general public, media and leaders in business, education and civic organizations; and four, by taking action ourselves, as appropriate."

Meko says all of KAM's specific actions will be managed under seven branded initiatives: CleanKentucky_{sm}, SmartKentucky_{sm}, ProductiveKentucky_{sm}, HealthyKentucky_{sm}, HonestKentucky_{sm}, ProsperousKentucky_{sm} and FreedomKentucky_{sm}.

"Obviously, when we take action to raise Kentucky's low graduation rate, it will fall under our SmartKentucky_{sm} initiative," he says. "Efforts to improve Kentucky's business tax climate will be organized under FreedomKentucky_{sm}."

One of the ways Meko plans to announce and promote the manufacturing agenda is through a recently announced ProsperousKentucky_{sm} Summit and "Think Tank" at the Frankfort Convention Center on Monday, Feb. 12.

More than 500 Kentucky manufacturers are expected to descend on Frankfort that day to hear some of Kentucky's and the nation's most powerful and influential leaders present new ideas on how to promote and grow the Kentucky manufacturing industry.

For information about "ProsperousKentucky 2007," visit www.KAManufacturers.com or call (502) 491-4737.

About the Kentucky Association of Manufacturers

Established in 1911, the Kentucky Association of Manufacturers is the Commonwealth's only manufacturing trade association. Formerly the Associated Industries of Kentucky, KAM's mission is to raise the prosperity of all Kentuckians by protecting and growing our state's economic engine: manufacturing. KAM proactively works with elected officials, policymakers, chambers of commerce, other associations, economic development experts, the news media, the general public and its own members to drive results through seven branded initiatives: ProsperousKentucky_(sm), ProductiveKentucky_(sm), FreedomKentucky_(sm), SmartKentucky_(sm), HealthyKentucky_(sm), HonestKentucky_(sm) and CleanKentucky_(sm). On the web at www.KAManufacturers.com