



Your Source for Monthly Manufacturing News

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Manufacturing News from our Nation, State and Region

National News

Manufacturing Expands for 12th Consecutive Month

The [Institute for Supply Management's](#) latest [Report on Business](#) noted that the manufacturing sector's Purchasing Managers' Index (PMI) – a broadly-accepted measure of manufacturer performance, stability and overall outlook – expanded for the 12th consecutive month to achieve a new high of 61.2. Across ISM's survey base, manufacturers increasingly reported new orders, higher levels of production, faster-than-expected growth in employment and renewed exporting activity. The sector also noted improvements in raw material inventories and increases in order backlogs. Unfortunately, most companies also noted slower supplier deliveries and increased input prices – both of which are contributing to long product lead times and, to some extent, reduced profit margins. Overall, however, the report is overwhelmingly positive news for the nation's manufacturing sector and industrial employees.



Federal Reserve Report on Industrial Production Provides More Positive News

On June 15, 2021, the [Board of Governors of the Federal Reserve System](#) provided more positive news on the health of our nation's manufacturing sector by releasing its report on [Industrial Production & Capacity Utilization](#). Fueled by sharp gains in motor vehicle assemblies and related automotive supply chain activity, total domestic industrial production increased 0.8% in May 2021, according to the Board's analysis. When compared to one year prior, overall domestic industrial production is up 16.3% and within 1.4 percentage points of the pre-pandemic (February 2020) level. Capacity utilization increased by 0.7 to 75.6%, although it was notably higher in the paper production (82.4%), plastic product (81.0%) and computer/peripherals (97.8%) subsectors. The full report, including accompanying tables and illustrations, can be found by [CLICKING HERE](#).



State Update

Fed Reserve Report: Manufacturers Anticipate Growth; but Concerns About Input Costs, Supply Chain & Labor Shortage Remain

The Federal Reserve Bank of Philadelphia's [Manufacturing Business Outlook Survey](#) (MBOS) for June 2021 concluded that Pennsylvania manufacturers are continuing to experience increases in employment, customer orders and general activity – with 36% of surveyed firms noting increased sales and 39% recording higher employment levels over the past 30 days. Pennsylvania-based industrial firms also noted increased capacity utilization rates, with many approaching 90% of their production potential. Even while currently operating at a very high level, over 75% of firms surveyed by the Federal Reserve Bank expected further increases in product demand over the next six months. Although their outlook remains positive, manufacturers increasingly cited rising input costs, supply chain instability and the ongoing labor shortage as potential barriers to growth. An executive summary of the survey report can be found by [CLICKING HERE](#).



Expansion Solutions Magazine Highlights “The Pennsylvania Advantage” for Manufacturers

Earlier this month, [Expansion Solutions Magazine](#) (ESM) highlighted the many advantages that Pennsylvania offers manufacturers when considering their site selection options or expansion plans. Within “[The Pennsylvania Advantage](#)”, author Nicole Cornett accentuates Pennsylvania’s proximity to major domestic and foreign markets, diverse economy, bio-tech support systems, advanced manufacturing focus, and increasing popularity among food, beverage, plastics and metals manufacturers as key strategic advantages for businesses to consider when selecting facility locations and expansion opportunities.



Regional News

Manufacturing Leaders Chime-In on Industry Need for American Rescue Plan Support

In an op-ed article published by multiple regional and statewide newspapers throughout the month of June, six regional manufacturing leaders made a strong case for directing city, county and state American Rescue Plan allocations to NEPIRC and the Pennsylvania Industrial Resource Center Network for subsequent distribution to manufacturers hard-hit by the COVID-19 pandemic. By pointing out that 82% of Pennsylvania’s manufacturers have fewer than 50 employees and 90% have fewer than 100 workers, the authors contend that manufacturers should have access to the same COVID-19 recovery dollars as other “small businesses”, but are often overlooked in favor of more traditional “Main Street” establishments. You can read the full article here: [“Manufacturers Are Small Businesses Too”](#).



Scranton Manufacturer Highlighted on

Flag Day 2021

[North American Manufacturing](#), a Scranton-based manufacturer of equipment, furnishings, personal protective equipment, flags, and specialized hardware for governmental, Department of Defense and consumer markets, recently partnered with NEPIRC for the production of “[The Making of America's Flag](#)” – a three-minute video highlighting the special processes, skills, specifications and craftsmanship that go into making a proper U.S. national flag. The video was introduced via [NEPIRC's YouTube channel](#) on Flag Day 2021 and has been recognized nationally for the way in which it highlighted the value of northeastern Pennsylvania's diverse manufacturing economy and the importance of small and mid-sized manufacturers. You can watch the video by [CLICKING HERE](#).



Reminder! \$2,500 Rebate for COVID-19 PPE Purchases, Cleaning & Other Costs Available to Manufacturers



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Commission

Manufacturers can still access NEPIRC's ARC Mini-Grant rebate program that will provide reimbursement of up to 25% of unforeseen COVID-19 response costs, such as the cost of PPE items, extra cleaning costs, costs associated with third-party health/temperature checks, costs for Plexiglas shielding or COVID-19 compliance signs and so forth – up to a maximum of \$2,500 per company. Manufacturers must be located within Lackawanna, Luzerne, Monroe, Pike and Wayne counties and complete a short questionnaire, along with submitting eligible paid invoices. For more information, or to participate in this rebate program, please contact Drew Mackie, NEPIRC's Executive Vice President & CFO, at Drew@NEPIRC.com.

If your company has great news you'd like us to share with our manufacturing community, please contact Chelsey Coslett, NEPIRC's Manager of Marketing & Stakeholder Engagement, at Chelsey@NEPIRC.com.

NEPIRC News

Area High School Students Tour NEPIRC to Learn About Careers in Manufacturing

Earlier this month, juniors and seniors from the Wilkes-Barre Area Career & Technical Center visited NEPIRC to learn more about careers in manufacturing following the success of our 570Day video (which you can watch by [clicking here](#)).



The students enjoyed a presentation given by NEPIRC President & CEO, [Eric Joseph Esoda](#), and also had the chance to speak with NEPIRC's Lean Enterprise Consultant, [Brian Matyjevich](#), NEPIRC's Manager of Marketing and Stakeholder Engagement, [Chelsey Coslett](#), and NEPIRC's I.T. Manager, [Randall Yash](#). The staff enjoyed hosting this engaging group and looks forward to more student visits next school year!

NEPIRC Adds to its Manufacturer

Showcase

Recently, NEPIRC welcomed a few new local manufacturers to its Manufacturing Showcase thanks to product donations made by [The AZEK Company](#), [Crystal Windows and Door Systems PA](#), [Interstate Window & Door Co.](#) and [Deer Park Lumber, Inc.](#)



These are also just a few of the manufacturers that will be featured in NEPIRC's next video project, which will highlight local manufacturing companies that make home improvement products. The video will air in July and be featured in next month's e-newsletter. Stay tuned!

NEPIRC's Lean Enterprise Consultant Receives Master Black Belt Designation

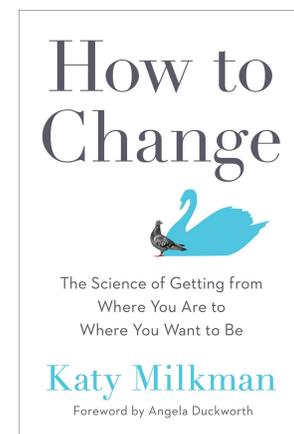
Last week, Brian Matyjevich, NEPIRC's Lean Enterprise Consultant, passed his Master Six Sigma Black Belt examination! He previously held two Six Sigma Black Belts – one as a professional and another in healthcare. As a Master Black Belt, Brian will devote his time to Six Sigma project training, coaching and supervision.



The NEPIRC team congratulates Brian as this certification is acquired with years of disciplined study, real-life experiences and determined by passing a rigorous four-hour exam.

What We're Reading

Eric Joseph Esoda, NEPIRC's President & CEO, recently completed [Katy Milkman's](#) best-seller – "[How to Change: The Science of Getting Where You Are to Where You Want to Be](#)". His advice: don't mistake this book for your typical "self help" reader! Within her book, Harvard alumnus and current Wharton School professor Katy Milkman discusses the science of driving change in yourself, your friends and your co-workers. Each chapter covers a particular barrier to changing for the better – procrastination, laziness, lack of confidence and so on – and provides science-backed techniques for combating each of those challenges. If you struggle with creating positive change within yourself, your workteams, your employees or even your customers, this book provides many helpful and easily-implemented tips.



New Business Opportunities: Companies Looking for Suppliers

NEPIRC is relaying these potential new business opportunities to manufacturers across our region:

- **FIBERGLASS REINFORCED PANEL FLOORING** – RV and similar product manufacturer looking for supplier of fiberglass reinforced panel (FRP) flooring. Each panel consists of two (2) 0.0625" fiberglass sheets permanently adhered to a 1.375" thick expanded honeycomb core and will be 107.875"(L) x 56.75"(W) x 1.5"(H). Will be used as flooring in a variety of different campers, RVs and similar. Product should have ability for in-mold color or paint adhesion on one (exterior) side and white on other (interior) side. Select panels will have precise coordinates for pre-

drilled mounting holes or cut-outs. Final product must be temperature stable with no delamination or adverse effects from -40F to 120F. Flatness tolerance of 0.125" over full length/width. Other specifications apply. Buyer is located in the Denver, CO region and anticipates orders of three to four panels per week throughout the upcoming year. Desired price point is \$250-\$350 per panel.

- **PRECISION CUT STEEL TUBING** – Laser or plasma CNC cut steel tubing needed for in-house welding for manufacturer of camper trailers. Spec ASTM A500B applies. Desired wall thickness is 1/8". Order would consist of a mix of varying length rectangular and square steel tubing with various cuts, slits and holes added. The longest piece would be approximately 80" while the shortest is 7". Most common are between 4"x2"x1/8" and 2"x2"x1/8". Hole dimensions are held to 0.03" and angles to 0.5 degrees. Annual volume is expected to be between 100-200 pieces per year at varying prices depending upon size. In general, the buyer's spend on all steel products is budgeted at \$5,200 per week based on the production of four campers per week. Additional specs are available.
- **ROTATIONALLY-MOLDED ICE CHESTS** – Arizona company is seeking a manufacturer to produce rotationally-molded ice chests with polyurethane foam insulation. Cooler is made of molded plastic with polyurethane injected foam insulation, rubber feet, injection-molded plastic latches and rope handles with rubberized grips. Inside of the cooler must be food-grade virgin plastic. UVA inhibitors should be added to resins for fade resistance over 10-12 years direct sun exposure. 2.5 lbs./sq.ft. foam density. Cooler should have 1.5" to 3" walls and foam lid. Initial orders of 200-300 per month are expected until the quality is verified – increasing to 40,000 units per year thereafter. Costing is negotiable and will be based on percentage of MSRP. Additional specifications are available upon request.
- **ALUMINUM TUBE BENDING SERVICE** – Midwest company searching for manufacturer to bend 1" aluminum tubing to 90 degrees and weld small brackets or other tubes to product. The bent tubes will be 1" in diameter and 1/8" to 1/16" wall thickness and range from 39" to 80" before bending. The end product must be 6061-T6 for maximum strength. In prior runs, the supplier had to anneal the aluminum prior to bending and subsequently heat treat it back to T6. Buyer is open to discussing more efficient production options.

Companies interested in these supplier opportunities are encouraged to contact Dale Parmenteri, NEPIRC's Vice President of Consulting Operations, at Dale@NEPIRC.com. Please use "Supplier Opportunity" as the subject line for an immediate response!

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