The Vermont Manufacturing Extension Center (VMEC) is a statewide, not-for-profit center that provides assistance and training to help manufacturers grow, improve their manufacturing and business strategies and processes, adopt advanced technologies, increase productivity, reduce costs and improve competitiveness.

VMEC’s Primary Mission

*Our mission is to improve manufacturing in Vermont and strengthen the global competitiveness of the state’s manufacturers.*

Additionally, in early 2006 VMEC launched the Process Strategies Group (PSG) as a specialized business unit within the Center to bring its vast Lean process improvement experience and strategy expertise to selected non-manufacturing sectors. This impact report does not include any client project impact results from VMEC PSG.

How VMEC Assists Companies

**Leading the way for “Next Generation Manufacturing” in Vermont:** VMEC is helping manufacturers be competitive in each of the six Next Generation Manufacturing strategies and attributes:

1. Innovation and Technology Acceleration
2. Advanced Talent Management
3. Systemic Continuous Improvement
4. Extended Enterprise Management
5. Sustainable Product and Process Development
6. Global Engagement

**On-site Consulting, Training and Implementation:** VMEC Advisors are hands-on experts, working with Vermont’s manufacturers and selected other companies to develop and implement targeted improvements and growth strategies.

**Public Workshops and Events:** A variety of basic and advanced workshops are held throughout the state to provide information and tools to improve operations. On-site workshops can also be arranged.

**A Resource Center:** Companies have access to a wealth of information from the VMEC website, newsletters, events, certification programs, and numerous local, regional and national resources through VMEC’s affiliation with its federal partner, the Hollings Manufacturing Extension Partnership (MEP), a nationwide program of the National Institute of Standards and Technology (NIST) in the U.S. Department of Commerce.

**Helping Companies Reduce Costs, Sell More, Increase Profits and Accelerate Innovation**

Using proven “Lean” and “Innovation Engineering” tools and principles, VMEC helps companies accelerate innovations to create more efficient and cost effective plant and administrative processes, increase sales, and create more profitable products and customers.

**Lean Training, Implementation and Coaching**

Since 1995, VMEC has been working with companies of all sizes to improve plant and office administrative processes, to lower costs, increase throughput, and improve customer and employee satisfaction. VMEC staff members are “Lean” experts with a proven track record. Success stories are available at www.vmec.org. When Lean companies mature and have their own Lean resources, VMEC often continues to assist as an unbiased coach—or “sensei”—and provides new and advanced training opportunities.

**Accelerating Profitable Growth and Innovation**

VMEC helps companies jump start and accelerate Profitable Growth by helping them “Get Ideas, Get Action Plans and Get Moving.” They might be ideas and focused action plans for “Lean and Green,” for more effective marketing messages, or for new or improved products and processes.

Photos courtesy of Vermont Teddy Bear Company, Olivia’s Croutons, NRG Systems and Microstrain, Inc.

VMEC can train staff and assist companies in the use of “Innovation Engineering” tools and principles.
**VMEC’s Total Impact on the Vermont Economy**

$890,234,495  
January 1996 – June 2010

$56,464,154  
July 2009 – June 2010

Includes the direct client impact reported by clients via third-party survey, the indirect impact generated when clients’ firms increase their purchases from suppliers, and the induced impact caused by increased household expenditures generated by direct and indirect effects.

1 Reported impacts are modeled using IMPLAN 3.0 Software and Vermont 2009 State data package.

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**Manufacturing Really Matters in Vermont**

- Next to Government, Manufacturing contributes more to Vermont economically than any other sector.
- Manufacturing contributed $2.94 billion to Vermont in 2008.
- Manufacturing provides about 31,000 jobs that are high skill and high wages. Each manufacturing dollar generates approximately $1.37 in additional economic activity.
- Approximately 60% of Vermont’s 2,000 manufacturers have fewer than 10 employees, and about 87% have 50 or fewer employees.
- Manufacturing remains the engine of American technology development and innovation.

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**WE GET RESULTS!**

**Number of Manufacturers Served: 849**
- VMEC served more than 849 of Vermont’s approximately 2,000 manufacturers from January 1996 through June 2010.
- VMEC served 117 manufacturing companies from July 2009 through June 2010.

**Public and On-site Workshops and Training Provided by VMEC in 2010**
Over 1,984 manufacturing employees from 115 companies participated in public workshops and onsite manufacturing training in Vermont from July 1, 2009 through June 30, 2010.

**Vermont Manufacturers Forums**
Approximately 247 manufacturing employees from 34 companies participated in six Vermont Manufacturers Forums held throughout Vermont at various plant sites of companies committed to continuous improvement, Lean thinking and/or Lean manufacturing, and innovation-led growth.

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**Vermont’s State Gross Domestic Product (GDP)**

<table>
<thead>
<tr>
<th>2008 Level ($ mil)</th>
<th>2008 Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total GDP</td>
<td>$25,225</td>
</tr>
<tr>
<td>1. Government</td>
<td>$3,504  13.9%</td>
</tr>
<tr>
<td>2. Manufacturing</td>
<td>$2,935  11.6%</td>
</tr>
<tr>
<td>3. Health Care</td>
<td>$2,534  10.0%</td>
</tr>
<tr>
<td>4. Retail Trade</td>
<td>$2,039  8.1%</td>
</tr>
<tr>
<td>5. Professional/Technical/Admin.</td>
<td>$2,008  8.0%</td>
</tr>
<tr>
<td>6. Finance/Insurance</td>
<td>$1,683  6.7%</td>
</tr>
<tr>
<td>7. Wholesale Trade</td>
<td>$1,183  4.7%</td>
</tr>
<tr>
<td>8. Hotel/Restaurant</td>
<td>$1,151  4.6%</td>
</tr>
<tr>
<td>9. Construction</td>
<td>$1,007  4.0%</td>
</tr>
<tr>
<td>10. Information</td>
<td>$661  2.6%</td>
</tr>
<tr>
<td>11. Education Services</td>
<td>$585  2.3%</td>
</tr>
<tr>
<td>12. Utilities</td>
<td>$573  2.3%</td>
</tr>
<tr>
<td>13. Transportation/Warehousing</td>
<td>$530  2.1%</td>
</tr>
<tr>
<td>14. Agriculture/Forest/Fishing</td>
<td>$386  1.5%</td>
</tr>
<tr>
<td>15. Arts/Entertainment/Recreation</td>
<td>$221  0.9%</td>
</tr>
</tbody>
</table>

Source: U.S. Bureau of Economic Analysis

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**PARTIAL VMEC IMPACT**

- Jobs created that otherwise would not have existed: 32*
- Jobs retained: 89*
- Additional jobs created/retained: 279** that paid a total of $10.2 million** in employer wages and benefits
- Client investment in modernization: $4,085,780*
- Cost savings: $12,229,251*
- Increased and retained sales: $7,355,000*
- Total increased tax revenues (est.): $6,833,000** including $1.12 million** at the state and local levels
- Additional labor compensation: $17,458,000**
- Additional indirect business taxes: $1,151,000**
- Total value added (gross state product): $21,387,000**

This data reflects the results of VMEC client projects from July 2009 through June 2010. The data is from formal surveys conducted by a third party under contract to the National Institute of Standards and Technology (NIST), Hollings Manufacturing Extension Partnership (MEP). Clients surveyed represent only 32 percent of all Vermont clients served by VMEC during the period.

*Client-reported impact as a direct result of VMEC assistance.
**Results of input-output analysis (IMPLAN modeling) based on results from VMEC clients surveyed.
“The team at VMEC is extremely knowledgeable, upbeat, creative, intuitive, helpful, and willing to do whatever it takes for companies to grow and succeed.”

JOAN DENIZOT, PRESIDENT, SUPER SIZED CYCLES

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