



MANUFACTU

As Other States Struggle,

RING

is on the Upswing in NH

BY CINDY KIBBE

It's no secret. There was a time when manufacturing jobs shifted from the U.S. to other countries and that had a dramatic impact on every state in the nation.

So how is it that manufacturing in New Hampshire, the state's top industry for both employment and revenues, is on the upswing?

"Our products were born in a culture of innovation, efficiency and strong commitment from workers," said Christopher Way, interim director of the New Hampshire Division of Economic Development. "We're a small state, which enables us to have very strong relationships with our manufacturers, their markets and their challenges."

Through technological advances, and the ups and downs of financial markets, manufacturing has always been the bedrock of New Hampshire's economy. In June 2013, more than 66,000 people were employed in manufacturing, according to the New Hampshire Economic and Labor Information Bureau. The U.S. Bureau of Economic Analysis finds the manufacturing sector accounted for 15.5 percent of New Hampshire's Gross Domestic Product by state in 2011 – the largest of any other sector.

How's Business?

Looking at the recession in the rear view mirror, those years did have an impact on jobs here, "but the other half of the story is that the output per employee is more productive now than it's ever been," said Dennis Delay, an economist with the New Hampshire Center for Public Policy Studies.

In fact, many manufacturers "are finding ways to be more productive and innovative," said Zenaghi Brahim, director of operations for the New Hampshire Manufacturing Extension Partnership.

One example is Watts Water Technologies, a global maker of plumbing valves and components. In June 2013, it opened a multi-million dollar, 30,000-square-foot foundry at its Franklin facility, where it will assemble lead-free products. It brings the 140-year-old company into compliance with the new federal Reduction of Lead in Drinking Water Act of 2011.

"I believe we're on the upswing," said Tyler Stone, Watts' operations manager in Franklin.

The 500 employees of the Franklin plant alone turn out 280,000 valves each week, which are "25 percent of Watts's global sales," Stone said.

On the other side of the state, sales increased over the last few years for Charlestown-based medical device manufacturer Design Standards.

"We expect those sales to grow by as much as 15 percent in the next three years, as the market for the technology in our pipeline matures," said Eric Crainich, company president.

Innovation is the key that keeps Design Standards—and its 110 employees—flourishing in New Hampshire.

"Our customers think of a theoretical way to solve problems and then we take it from there and innovate beyond the theoretical to the workable," said Crainich.

Innovation is the cornerstone of a company that's been in business in Pittsfield since 1901. The fire gear Globe Manufacturing Co. makes today is not your grandfather's firesuit - it has more in common with high-tech athletic and military apparel than simple waxed canvas.

Employing nearly 400, Globe's sales have remained solidly around \$80 million in recent years as its customers—primarily municipalities and their fire departments—rebuild their balance sheets.

Robert Freese, the fourth generation to own the company, said that just means he has to be more creative.

Globe is incorporating into its products research on multi-layer dressing systems from Cornell University and advanced fiber studies from North Carolina State, for example.

The company also collaborated with the U.S. Army and others on its WASP T-shirt, an undershirt that collects, transmits and displays location and physiologic data.

“There’s no way we could do the level of development that they do, but we can tap into that innovation,” said Freese.

Birds of a feather

Globe’s partnerships with universities and the military are prime examples of the clustering trend seen in New Hampshire – manufacturing stakeholders banding together to share products, knowledge and services to help all parties succeed.

“New Hampshire has very high concentrations of clusters in the more innovative parts of the manufacturing industry,” Delay said.

One of those clusters is the New Hampshire Aerospace and Defense Consortium. The New Hampshire International Trade Resource Center and other government and industry partners are working together to help connect the state’s aerospace and defense companies to the global marketplace.

“There is something to be said about ‘tribal knowledge’ and how an industry can access it by working together and sharing from their experiences,” said Tina Kasim, program man-



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No place like ‘home’

Many New Hampshire manufacturers have customers around the world, but they have chosen to keep operations right here in the Granite State, leveraging its resources and enviable quality of life to their advantage.

And it has paid off.

Watts has called Franklin home since 1959; the new foundry is the 17th expansion in the company’s Granite State history.

New Hampshire has remained a great fit for Design Standards since his father opened the Charlestown facility in 1988, said Crainich.

“I have an appreciation for how the state recognizes that manufacturing is a vital and important part of the economy,” he said.

Challenges and solutions

The story of New Hampshire’s manufacturing industry continues to be one of change. Technology, like additive manufacturing and the advancement of 3D printing, is taking it to higher levels. The creation of new parts and prototypes is more cost effective now than it ever has been. Barriers of the past, which may

have deterred entrepreneurs, are gone and the climate for innovation is very inviting.

After an NHMEP survey of manufacturers in 2013 found concerns about the availability of skilled labor, the Advanced Manufacturing Partnerships in Education Program was created. It is an initiative created from the \$20 million Trade Adjustment Assistance Community College Career Training Act grant by the U.S. Department of Labor.

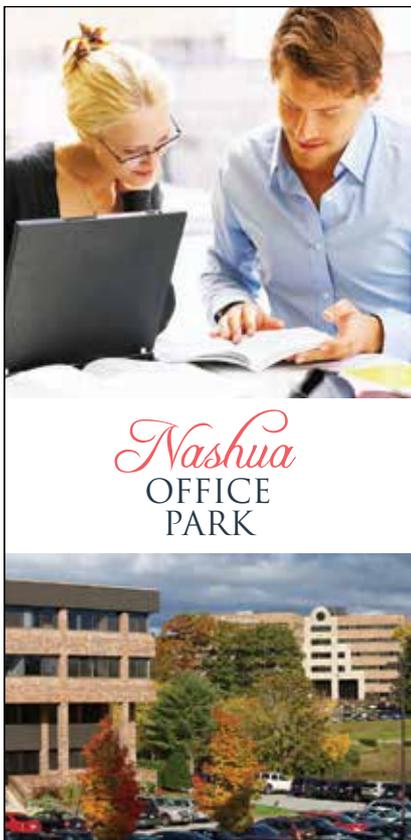
The initiative is driving development of training programs to support the advanced manufacturing industry.

‘Alive and well’

With companies continuing to innovate, partnerships creating novel training programs and dynamic collaborations driving success, the future looks very promising for Granite State manufacturers.

Or as Design Standards’ Crainich put it: “Manufacturing is alive and well.” ❖

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