

NIMA NEWSLETTER

October 2006

MANUFACTURING SPOTLIGHT

Renaissance Marine Group Inc.

Renaissance Marine Group Inc. the proud Manufacturer of Duckworth and Weldcraft Boats.

Bruce N. Larson, Director of Administration & Finance provided us with a tour of the 27,000 square foot facility located at 1061 16th Ave. in Clarkston, Washington. Duckworth Boats and Weldcraft Boats consolidated in 2000 and became Renaissance. They manufacturer between 500 & 550 boats per year and currently employ 74 workers.

Renaissance proudly sports a new CNC Press Brake and CNC Plasma Cutter and speaks to the precision that these products provide in the quality of their boats. Renaissance does not look at equipment acquisition as labor cutting, but providing the ability to build their boats faster and better. The use of the CNC Plasma Cutter has greatly enhanced the ability to eliminate waste during the cutting process. They have also set up a very efficient and well organized parts process which assures that there is no down time due to lack of parts. This boat building operation is extremely efficient beginning with the cutting process right down to the customization. In the past the boat seats were made and upholstered in house, however they have a quality vendor that currently provides seats. The boat tops are made in house and Renaissance boasts that their tops are the strongest available on boats.

Screening, education and training are important to successful boat building. The lack of skilled workers and available training has pushed Renaissance into providing an in house training program. This training is broken down into required skills and has a process to evaluate each job.

If the boat market continues to grow so will Renaissance. They have plans to double their production, however with this expansion they are looking to Asotin County to assist them in accessing the County sewer system. The current drain field occupies a large portion of the existing building site.

Renaissance considers Weldcraft and Duckworth boats as being handcrafted rather than custom built boats. Customized features are however available on all of their boats, both inboard and outboard. Quality is the secret to their success and these are definitely quality boats.

Going to the local high school shop classes is on Bruce's agenda, he hopes to provide the students with information and education, with the hope that these students may see manufacturing as a possible career.

For further information on Renaissance please see their websites: www.weldcraftmarine.com &

www.duckworthboats.com

MANUFACTURING SPOTLIGHT

Hotwire Direct Foam Cutting Machines

Hotwire Direct is owned by Tony Rousseau, who also heads the Research and Development Department, his son Ben is the Support and Marketing Manager, and Gary Simler is the General Manager. They are located at 1712 13th St. Clarkston, Washington.

Hotwire Direct a manufacturer of foam cutting machines has been in business for 12 years, they employ 18 workers. Ben Rousseau says there is a growing need for qualified people to help them expand their company. Hotwire is in need of a machinist and has trouble filling positions due to the lack of training by applicants. Ben indicated that employees who do not have training need to have good math and communications skills (both verbal and written) and a mechanical aptitude.

Hotwire has a national and international market, although their market is somewhat tied to the housing industry they are maintaining steady and slightly increasing growth on both local and export sales. .

The Hotwire machines are remarkable. They use Solid Works for Research & Development, Rhino 3d and BobWire are used for programming the machines. Each machine comes with computer, software, bar code scanner system, 3 day installation and training. Once the computer is programmed for the design the bar code systems allows even the inexperienced to use the machine, a digital display takes the operator through the steps.

Hotwire is working on a new coating machine that covers the foam molding with a stucco like product for both interior and exterior applications.

Ben said that their standard wire machines cut with up to 6 wires at a time and are capable of cuts within 0.002" tolerance. The Research and Development Department has just finished their first 50 wire machine. With this machine they are able to cut 14,400 feet of 1"x6" trim board in 4 ½ minutes.

This manufacturing process can be summed up in one word "WOW" they just do an absolutely superior job on these machines.

Please view their web site at www.hotwiredirect.com

North Idaho Manufacturers' Association Letter to the Membership

Dear NIMA Members,

NIMA was founded in 2003 through a grant administered by the Idaho Small Business Development Center (SBDC) at Lewis Clark State College. A board of directors was formed and expectations were high amongst area manufacturers that the time had come for a collective voice for our industry, in our region. Much was accomplished over the first year as organizational issues such as incorporation were addressed, organizational objectives and priorities were

established, and a coordinator was hired. The board was quickly building a foundation for our organization. However, somewhere after this first year progress slowed, board directives went unfulfilled and the momentum generated in the first year was lost. The organization lay in this state for the next couple years. It was a frustrating time for everyone involved.

From the beginning, the SBDC office retained control of the manner, amount, & timing of all expenditures. The Board was asked to provide ideas to SBDC as to how the monies could be spent to generate business opportunities for NIMA members. In November of 2005 the NIMA board demanded a full accounting of the funds spent in the name of the organization. Given the lack of progress and activity on the board's directives, the board expected to see a majority of the grant funds still available for use on NIMA programs. To the board's surprise all but \$37,000 of the original grant monies had been expended through the SBDC.

The intentions of the board were good, our effort was considerable, but our inability to keep the grant funds from being eaten by the system was regrettable.

After our November financial reality check the board began meeting privately, without the SBDC, to determine what could be done to try to keep the organization alive. In spite of the disappointments, the board remains convinced that there is much good to be done for the areas manufacturers and their communities through a vibrant manufacturing organization.

There was a flurry of meetings with the board looking at different alternatives for keeping the organization viable. One objective of survival became crystal clear; the organization could not remain affiliated with the SBDC. The relationship between the organization and the SBDC was damaged to the point that a new home and a new partnership were necessary.

The board met with the administration of LCSC and explained its concerns regarding its relationship with the SBDC. The college agreed to transfer the remaining funds to the control of the organization and the board immediately began a search for a new home.

After interviewing a variety of potential partners, NIMA was excited to accept an invitation from the Clearwater Economic Development Association to headquarter its organization and cooperate with the CEDA staff in helping to address the needs of area manufacturers. Most of you probably know well the workings of CEDA who is the conduit through which much of the federal economic development funding reaches local businesses and communities. CEDA not only shares the same interest in economic development as NIMA but also has the certification necessary to administer and account for the federal dollars transferred to NIMA. The new relationship with CEDA has been a breath of fresh air. (Please read the accompanying article on CEDA located on below)

In addition to finding a new home, the board determined that NIMA's long-term success was heavily dependent on finding an executive director rather than just refilling the coordinator position that was previously staffed by an SBDC employee. The organization needed an individual that possessed the knowledge and determination to champion the needs of the manufacturing industry. NIMA was extremely fortunate to attract the interest of Dave Bonfield (see Dave's bio below). Dave's extensive experience in program development and his long-term relationship with the area manufacturing industry uniquely qualifies him to help drive the organization forward.

Dave takes direction from, and reports to, the NIMA board though he is technically an employee of CEDA for administrative purposes. His salary is paid entirely with NIMA funds that are under the administration of CEDA; however, CEDA bears no responsibility for NIMA salaries or expenses.

The organization is again gaining momentum yet it is at a most critical time in its life. There is much to do to get the organization back on solid footing. NIMA has partnered with CEDA on a new grant application to address the work force needs of the local manufacturing industry and is developing outlines for other funding opportunities.

Members, we need your help. The board is committed to the success of NIMA but without your interest and participation in the organization it will never achieve its potential.

There is a lot of information we would like you to know about the organization, much more than can be covered in this short memo. To start the process of bringing you back up to speed on what the organization is working on and a list of the organization's goals and objectives, we will be including these in a new monthly newsletter. We will also be introducing you to your fellow NIMA members through the member profiles featured in each newsletter.

Please take advantage of the opportunity to learn more about your organization. There will be many opportunities to help the organization as we reestablish our mission and start driving value to our membership.

If you have any questions about the past, present, or future plans of NIMA don't hesitate to contact Dave or any of the NIMA board members. (See Dave's and the board's contact information below). Dave will be busy contacting you over the course of the next few months to introduce himself and to get to know your manufacturing operation better.

Thank you,

North Idaho Manufacturers' Association Board of Directors

Lenny Hill; Hillco Technologies, Inc.

Barry Ramsay; D8, Inc.

Dan Wenstrom; Precision Machine, Inc.

Kim Geist Jr.; Seaport Machine, Inc.

Ed Endebrock; Hydraulic Warehouse, Inc.

CLEARWATER ECONOMIC DEVELOPMENT ASSOCIATION

1626 6TH Ave. N. , Lewiston, ID 83501 (208) 746-0015

www.clearwater-eda.org

CEDA'S PURPOSE:

The Clearwater Economic Development Association is a member driven, non-profit organization, incorporated in 1968 within the State of Idaho. It is structured to promote and assist economic and community development and foster a stable and diversified economy within the five north central counties of Idaho (Idaho, Lewis, Latah, Clearwater, and Nez Perce). Members include the five counties and twenty-two incorporated communities of north-central Idaho as well as the LCSC, the Port of Lewiston, the Nez Perce Tribe, North-Central Idaho Travel Association, the Kendrick/Juliaetta Recreation District, Clearwater RC&D, Latah Economic Development Council, the University of Idaho Business Incubator, and the Port of Lewisto

- **REGIONAL PLANNING:** As a designated Economic Development District by the U.S. Department of Commerce Economic Development Administration, CEDA prepares the Comprehensive Economic Development Strategy (CEDS) on an annual basis, which provides information about the region's cities and counties, local economic development groups, and business organizations. The CEDS also prioritizes the elements for future projects.
- **PROJECT PLANNING, GRANT WRITING, AND GRANT ADMINISTRATION:** CEDA's fiscal and contract management personnel specialize in all phases of grant and program management including construction, public works, housing, public facilities, economic development, and disaster recovery projects. In recent years, our grant writing staff has secured over tens of millions in funding for north central Idaho. CEDA manages approximately \$2,000,000 each year in grants/contracts and a revolving loan fund annually.

CEDA has a long, successful history of working with State and Federal grants in managing a diverse range of projects, each requiring compliance with a multitude of grant conditions and regulations. This experience coupled with good working relationships with the communities and their engineers/architects provides the foundation for successful projects.

- **SMALL BUSINESS LOANS:** CEDA administers Micro Loan Programs and Revolving Loan Fund (RLF) programs and the Intermediary Relending Program to assist start up businesses through fixed asset financing and working capital. The current loan portfolio includes 49 loans.

CEDA Board President

Rick Laam, City of Orofino

CEDA Executive Director

Christine Frei

NEW EXECUTIVE DIRECTOR

It is an honor to have been selected as the Executive Director of the North Idaho Manufacturers' Association. Some of you know me and some of you don't so let me give you a little background.

Many of you may remember me as having interviewed you in 2002 for a Needs Assessment Grant.

I have 20 plus years in Higher Education in the technical programs at Lewis Clark State College. My career included responsibility for electronics, mechanics, welding, & drafting to mention a few. In addition we implemented a program called Work Force Training that provided training for local businesses. I have also been involved in a couple of manufacturing ventures over the last 15 years. These ventures helped me better understand the needs of manufacturers.

I will be making an effort to meet with all of you. Our newsletter will be providing you with information regarding training and we will be featuring local manufacturers in our monthly spotlight. If you know of a manufacturer that is not getting a copy of the newsletter or wants to be a member please call or email me. Questions or comments are always welcome. I am here to assist you in any way possible. Dave Bonfield

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Ed Endebrock 208-743-7058

Kim Geist Jr. 509-758-2605

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Dave Bonfield 208-746-0015