



VERMONT MANUFACTURING EXTENSION CENTER

*Vermont's Trusted Advisor and Go-To  
Resource for Manufacturing Since 1995*

**1300+**

JOBS RETAINED  
OVER 3 YEARS

PROVIDING SYSTEMS AND SOLUTIONS

TO HELP VERMONT MANUFACTURERS

INNOVATE, PLAN, PERFORM AND GROW

PART OF THE



MEP  
National  
Network™

OFFICIAL REPRESENTATIVE

**VERMONT  
TECH**

VMEC HOST SINCE 1995

2021

**IMPACT REPORT**

# Our Mission: to Strengthen and Empower Vermont Manufacturers

Vermont Manufacturing Extension Center (VMEC) is a statewide not-for-profit center that collaborates with partners in business, government and education to bring world-class assistance and resources to Vermont manufacturers and other enterprises of all sizes. VMEC helps them meet business and industry challenges, become more competitive and resilient, and grow their profitability. As a valuable local resource and trusted advisor, VMEC has a 25+ year track record of achieving measured results and quantified impact for its clients, with a high average return on investment reported by clients as a direct result of this assistance.

The VMEC Team is Vermont's go-to resource for expertise in manufacturing consulting, coaching, hands-on implementation, continuing support, and training for leaders and workers. We engage with organizations of all sizes and at all stages of their improvement and innovation journeys to develop capabilities and adaptability in people and systems. We and our trusted partners provide assistance across strategies, processes, products, technologies and organizations to help Vermont enterprises thrive and deliver increased value to customers, communities, and the economy.

## 2021 IMPACT OF VMEC IN VERMONT

- Jobs created that otherwise wouldn't have existed: **110\***  
Last three years: **302**
- Jobs retained: **766\*** / Last three years: **1,311**
- Total jobs created – direct, indirect and induced: **1,387\*\***  
Employer wages & benefits for these jobs: **\$97,600,000\*\***
- Client investment in modernization: **\$12,317,000\***  
Last three years: **\$63,064,000**
- Cost savings: **\$23,048,000\***  
Last three years: **\$59,099,000**
- Increased and retained sales: **\$34,934,000\***  
Last three years: **\$135,492,000**
- Additional labor compensation: **\$66,307,000\*\***

\*This data reflects client reported impact as a direct result of VMEC assistance from VMEC projects surveyed July 2020 through June 2021. The surveys were conducted by a third party under contract to NIST MEP. Clients surveyed represent 48% of all Vermont clients served by VMEC during the period. \*\*Results of input-output analysis (using JobsEQ) based on results from VMEC clients surveyed.

### CLIENT PROFILE: MED ASSOCIATES



### Teaching Lean Principles Across the Organization

From its manufacturing facility in Fairfax, Vermont, Med Associates produces hardware and software that scientists use to conduct research in behavioral psychology, pharmacology, neuroscience, and related fields. When the company decided to implement a culture of Lean Manufacturing, they turned to VMEC for help.

"We reached out to VMEC based on my success working with them at previous employers," says Matt Weldon, director of operations and development. "I knew VMEC had a winning strategy that MED would benefit from."

The first order of business? To give every single employee the baseline knowledge provided in Lean 101. "VMEC has the training down to a science," Matt says. "They make it personal for each participant, relatable to our business challenges, and relevant to departments beyond just manufacturing."

*"Nobody is as well-equipped to help your business improve, grow, or learn as VMEC."*

## HOW VMEC ASSISTS VERMONT ENTERPRISES

VMEC works directly with company leaders and team members to help them achieve short- and long-term business goals, and to develop capability and resilience in people and systems.

Services are customized to match each client's unique needs and may require a few hours to many months of engagement with VMEC field staff and service provider partners. Client interactions happen at their location, online, or in hybrid formats. Whether introducing new technologies or teaching new skills, assistance is aligned and applied to business challenges and opportunities.

VMEC follows a systematic approach when working with enterprises to provide services that allow them to Improve, Grow, Learn, and Connect:

- Understand the direction and challenge
- Identify existing or new approaches and resources
- Develop a plan for growth, improvement, and innovation
- Facilitate, train, coach and consult to achieve the plan
- Measure results
- Learn, improve and plan next steps



### IMPROVE

- Lean Thinking and Methods
- Root Cause Problem Solving
- Continuous Improvement and Coaching Routines (Kata)
- Quality Systems
- Strategy Deployment
- Lean Management Systems



### GROW

- Product Innovation
- Market Development
- Supply Chain / Supplier Scouting
- ExporTech™
- Innovation Engineering™
- Industry 4.0 Technologies
- Cybersecurity
- Automation



### LEARN

- Workforce Strategies
- Organizational Assessment
- Training Within Industry "J" Programs
- Supervisor Training
- Leader Development
- Learning Culture
- Coach and Mentor Skills



### CONNECT

- Manufacturer Forums & Events
- Consortia & Peer Groups
- MEP National Network™
- VT Manufacturers Exchange
- VT-MC / Adv. Manufacturing Ctr.
- Economic, Workforce, University, and Technology Partners and Resources

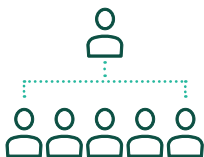


## MULTIPLIER IMPACTS OF MANUFACTURING



### Economic Multiplier

Every **\$1** in manufactured goods generates an estimated **\$2.79** worth of additional economic activity, the highest of any other economic sector. If the entire manufacturing and supply chain is included, every **\$1** spent in manufacturing adds another **\$3.60** in economic activity.



### Employment Multiplier

Each manufacturing job supports an additional **five jobs** elsewhere.

Source: National Association of Manufacturers

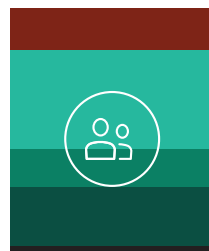
## VMEC CLIENT DATA & IMPACT



### Client Return on Investment > **288:1**

Over the past 3 years, every \$1 clients spent on VMEC assistance returned an average on that investment of \$288.

Based on company-reported data, April 2018 through March 2021.



### Size of Firms Served by # of Employees

■ 1-9	»	17%
■ 10-50	»	40%
■ 51-100	»	16%
■ 101-500	»	24%
■ 500+	»	3%

July 2020 - June 2021

## CLIENT PROFILE: DARN TOUGH VERMONT

### Investing in Staff Training Ensures Future Success

Whether they're making high-quality socks at their Northfield or Waterbury, Vt., facilities, Darn Tough has found VMEC's employee training programs to be invaluable for their team. The company recently hosted a Training Within Industry Job Instruction course, and they plan to follow up soon with a Job Relations course.

"VMEC has facilitated the growing awareness of business principles and manufacturing fundamentals, particularly among our frontline employees," says Technical Training Manager Geoff Davison. "This has helped develop a safety and continuous improvement mindset at all levels, and resulted in the identification of 'high-performing' employees to fuel our expansion and rapid growth."

Investing in staff training has boosted their own workforce, allowing them to fill 10 line supervisor positions from internal candidates rather than recruiting externally. Perhaps even more important, Geoff says, the trainings allow employees to get to know and learn from each other, and to brainstorm solutions away from their daily job pressures.



*"The investment in staff and identification of future potential, especially in this current Vermont labor market, has been invaluable."*



### Vermont Manufacturing Facts

- **9%:** Vermont GSP contribution by manufacturing
- **10%:** Vermont workers (28,180) employed by manufacturers
  - 283,562 Vermont total workforce population
  - 643,077 Vermont total population
- **\$62K:** Average annual compensation for Vermont manufacturing employees, compared to the average Vermont compensation of \$54K

Note: Manufacturing facts are based on 2020 data from National Association of Manufacturers, US Census and VT DOL.



### Manufacturers Served and Employees Trained

More than 1,237 manufacturing employees from 156 manufacturing clients were served over the last fiscal year through public events and onsite/hybrid/remote projects. The average repeat clients over the last three years is 81%.



### Challenges to Manufacturing Growth

The five highest-ranking strategic challenges reported by VMEC clients include the following (based on client surveys completed July 2020–June 2021 by an independent third party under contract to NIST MEP):

- **68%:** Employee Recruitment and Retention
- **65%:** Continuous Improvement and Cost Reduction
- **40%:** Product Innovation and Development
- **33%:** Growth Opportunities
- **24%:** Technology Needs



### VMEC COVID-19 Restart Services and Supplemental Funds Boosts Impacts

- Provided critical Restart and “Stay Safe Stay Open” information, resources and training
- Pivoted to on-line delivery and launched VT Manufacturers Exchange platform (mxvt.org)
- Leveraged federal CARES Act and state grant funds to reduce service fees

## CLIENT PROFILE: BENCHMARK SPACE SYSTEMS



### Partnering with VMEC for Continued Growth

With a view of Lake Champlain from its Burlington facility, Benchmark Space Systems builds hardware that allows small satellites to move around in space. Over the next 10 years, the number of satellites in space will increase by over 1000%, says CEO Ryan McDevitt. “Our job is to build safe, high performance, and cost-effective systems to do that, and we do it right here in Vermont.”

Ryan recalls his early relationship with VMEC, when the company consisted of “five engineers in a garage.” Today, with more than 40 employees, Benchmark still turns to VMEC for training and other critical services. Recently VMEC helped the organization enhance its cybersecurity to comply with government standards.

“VMEC helped connect us with experts on the topic, identify grants and matching funds to help support the cost, and provided transition assistance at the end of the project.”

*“As I look to the future, I know VMEC will have resources available to help with whatever we need to tackle next.”*



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## 2022 VMEC ADVISORY BOARD

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- **Patricia Giavara**, VMEC Interim Director and CEO

The VMEC Board is an elected board of experienced manufacturers and other leaders with manufacturing interests who serve without compensation for a minimum of two years. The board works with the center's director to help set basic policies and directions to enable VMEC to fulfill its mission.

## THANK YOU



We would like to recognize Bob Zider, VMEC's founding director and CEO, for his 25+ years of service to Vermont's manufacturing community. Thank you for your tremendous energy, and best wishes on your retirement!

