

Agency: Commerce, Community and Economic Development

Grants to Named Recipients (AS 37.05.316)

Grant Recipient: Alaska Manufacturing Extension Partnership

Federal Tax ID: 75-3161481

Project Title:

Project Type: Other

Alaska Manufacturing Extension Partnership, Inc. - State Matching Support

State Funding Requested: \$806,401
Future Funding May Be Requested

House District: Statewide (1-40)

Brief Project Description:

The Alaska Manufacturing Extension Partnership, Inc. is committed to developing the state's economy through the provision of technical, business and economic training and assistance to Alaska's small manufacturers and to rural Alaskans producing, marketing, and distributing Native art and other home-based manufactured products.

Funding Plan:

Total Cost of Project: \$1,612,802

	<u>Funding Secured</u>		<u>Other Pending Requests</u>		<u>Anticipated Future Need</u>	
	<i>Amount</i>	<i>FY</i>	<i>Amount</i>	<i>FY</i>	<i>Amount</i>	<i>FY</i>
Federal Funds	\$806,401	2008-13				
Total	\$806,401					

Explanation of Other Funds:

AMEP has a five year cooperative agreement (#70NANB8H8111) in place with the USDC National Institute of Standards and Technology manufacturing Extension Partnership (NIST MEP). The current agreement was put in place in 2008 and runs through September 30, 2013. AMEP receives \$806,401.00 annually subject to the availability of federal funding and compliance with annual requirements under the cooperative agreement.

Detailed Project Description and Justification:

The Alaska Manufacturing Extension Partnership, Inc. (AMEP) is an affiliate of the US Department of Commerce, National Institute of Standards and Technology, Manufacturing Extension Partnership (MEP). All 50 states and Puerto Rico have established affiliate MEP Centers, which provide affordable business services to improve the competitiveness of America's manufacturers. Through this affiliation, Alaskan manufacturers are able to expand their businesses using local experts and over 1,500 industrial engineers and advisors across the country. This affiliation also brings a 1:1 match of federal funding to Alaska. AMEP serves HD 1-40.

The State of Alaska has been an investment partner in the MEP program since AMEP's founding as a private 501(c)(3) corporation in 2004. AMEP's mission is to develop the state's economy through the provision of technical, business and economic training and assistance to Alaska's small manufacturers and to rural Alaskans producing, marketing, and distributing Native art and other home-based manufactured products.

For use by Co-chair Staff Only:

**\$800,000
Approved**

AMEP delivers a proven successful formula to add value to Alaska's resources, foster entrepreneurship, improve competitiveness, and strengthen rural Alaska's economy by expanding markets for Alaska Native art. AMEP works one-on-one with fee-paying clients on a long-term basis to solve their most pressing problems and grow their businesses.

Since inception, AMEP has performed over 164 projects with Alaska manufacturers, and worked with over 1,138 Alaska Native artists. Independent surveys quantify the benefits of this work: clients reported that AMEP helped them to create \$30,193,333 in new investment, \$29,308,656 in cost savings, create 45 jobs, and retain 65 jobs.

In addition to the \$59 million return on investment and 110 jobs mentioned above, the Alaska economy benefits in the following ways:

- Cost savings create stable companies. Firms become more competitive, substituting for imported goods and strengthening their ability to compete globally.
- New investments create new jobs. Workers have a wider variety of career options, vocational education alternatives to college track, high-tech / high-paying wages, and more options for steady employment.
- Manufacturing in Alaska includes adding value to natural resources at the point of extraction in rural Alaska. This gives Alaskans more control in the marketplace, and helps alleviate the problem of a stranded labor pool in rural Alaska.

Project Timeline:

Alaska's MEP has been an ongoing program since its inception in October, 2004. AMEP's fiscal year runs October 1 through September 30. FY 2011 expenditures will occur between October 1, 2010 and September 30, 2011.

Entity Responsible for the Ongoing Operation and Maintenance of this Project:

NA - non construction

Grant Recipient Contact Information:

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Has this project been through a public review process at the local level and is it a community priority? Yes No



The Honorable Sean Parnell, Governor
State of Alaska
Alaska Capital
Juneau, AK 99801

August 24, 2009

Dear Governor Parnell

Subject: National Institute of Standards and Technology Manufacturing Extension Partnership Funding for the Alaska Manufacturing Extension Partnership, Agreement Number 70NANB8H8111, Oct 1, 2008 to Sept 30, 2013.

The Manufacturing Extension Partnership is a nationwide network of providers reaching manufacturers in all 50 states. Our partnership with the State of Alaska is through the local resource Alaska Manufacturing Extension Partnership (AMEP). Together we are focused on working with manufacturers to help them overcome known barriers to success. From process improvement to developing the manufacturing workforce of the future to identifying the latest technologies for the development of new products, the MEP program is working to improve the overall competitive position of U.S.-based manufacturing.

AMEP's recent activities with Alaska's manufacturers demonstrate the Center's ability to work together with other federal and state resources to provide services focused on innovative solutions with companies like Triverus, Inc. in Palmer, Black Feather Boats in Juneau & Ladder Rack, Inc. in Anchorage as well as ecommerce initiatives that shortens the geographic distances that rural manufacturers tackle in bringing their products to market.

NIST MEP is very supportive of AMEP and its continuing partnership with the state of Alaska. Currently NIST MEP has a five year cooperative agreement in place with AMEP that runs through Sept 30, 2013. AMEP receives \$806,401 annually subject to the availability of federal funding and compliance with annual requirements under the cooperative agreement.

Your local contact to answer any questions regarding AMEP or future plans for the MEP program is Chris Buchholdt, Executive Director of AMEP at chris@ak-mep.org or 907.279.2637.

Sincerely

Tab Wilkins

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