

## **Jay Timmons' Remarks at the NAM Fall 2014 Board of Directors Meeting**

**October 2, 2014**

Good afternoon. We thought it was worth playing a part of Doug's opening video again, because it highlights an important point: Americans believe in manufacturing. Americans know manufacturing creates jobs, growth and opportunity. Americans know manufacturing provides pathways to the middle class, to a stable and secure retirement and to a brighter future for each new generation. Manufacturing changes people's lives for the better—and improves the conditions of life for everyone.

That's why, as we gather today, even with the gridlock in this city, the National Association of Manufacturers is able to move our agenda to grow the economy. We're winning the public over.

It's a new day in public policy advocacy in this country. A democratized marketplace of ideas—unlike anything we've ever seen—has replaced the institutions, which have traditionally set the agendas, guided the debates and informed decisions. At the same time, the NAM has evolved, innovated and changed for the times—just like the storied companies of our association.

We've bolstered the organization across the board to adapt for, address and thrive in this new reality where public opinion is key.

From stepped up public relations and communications, which maximize data-driven new media solutions and traditional forums, to expanded grassroots networks and coalitions; from increased personal involvement of NAM member leaders, including many of you, in telling the manufacturing story, to impactful new research—the NAM has set the standard for comprehensive issue advocacy campaigns that leave nothing to chance. The reports we conducted and released recently have framed discussions on issues like the Export-Import Bank reauthorization, the potential new ozone standard, infrastructure investments and the onslaught of federal regulations that combine to take \$2 trillion out of our economy each year.

To bolster these campaigns, we've grown our partnerships with traditional and nontraditional allies—from the U.S. Chamber of Commerce, to the Laborers' International Union of North America, to the National Council of La Raza. And, at the same time, we've deepened our relationships with members of Congress.

Beyond these necessary steps, a new, strong voice has emerged in Main Streets and in capitals at home and abroad. Because manufacturers' challenges do not stop at America's borders, the NAM is engaging world leaders and forging new partnerships around the globe, thoughtfully, strategically and always focused on our mission.

Because of our own government's overreach, we established—one year ago this month—the Manufacturers' Center for Legal Action to lead the fight in the courts to restore balance in a regulatory environment that weighs disproportionately on the manufacturing sector.

Ladies and gentlemen, let me be perfectly clear, the NAM achieved this progress because of you. We received financial investment, leadership, advice and even boots on the ground from our members to help make the difference. You cascaded action alerts to your employees. You shared our videos and social media with your contacts. Thanks to you promoting and highlighting our studies, they were even more impactful. Our joint partnerships with associations like the

Chamber, the Business Roundtable, the Retail Federation, the National Federation of Independent Business, our state association allies and other powerful manufacturing organizations to which you belong and sometimes lead—those alliances have helped make the NAM more successful.

Thanks to your leadership, steadfast support and stepped-up involvement, our approach has worked. We've achieved unprecedented growth—in membership and revenues, a 27 percent increase in the organization's revenues from 2009 to what we project in 2014—empowering manufacturers with more resources to more effectively advance our shared priorities.

And, we are seeing results.

[Accomplishments video]

All this progress has been remarkable. But all these accomplishments are just the beginning. And all we can still achieve stretches beyond the horizon.

Now, we gather this afternoon at a time of reflection and renewal—in a moment of progress and possibility; of challenge as well as opportunity; at a time just a few weeks before Election Day, when we will choose congressional leaders for the next two years.

This will be no surprise to any of you in this room: An August Wall Street Journal/NBC poll found declining trust in both major political parties and a growing pessimism about the future of this country. That poll found that 76 percent of adults lack confidence that their

children's generation will have a better life than they do—an all-time high. Some 71 percent think the country is on the wrong track, and 60 percent believe the United States is in a state of decline. They neither have confidence in the president—who has an approval rating of just 40 percent—nor Congress. Just 31 percent have a favorable view of Democrats in Congress and, shockingly, just 19 percent have a positive view of Republicans in Congress.

Whatever happens in the election next month, it's pretty safe to say the malaise will not dramatically improve, if at all. The gridlock and uncertainty are likely to remain in place. And the issues that are essential to preserving manufacturing's comeback—comprehensive tax and immigration reform, regulatory reform, an “all-of-the-above” energy policy, expanded trade opportunities, bolstered intellectual property protections, long-term infrastructure investments, tort reform and education reform—will continue to be met with resistance, contention and vitriolic partisanship.

But the people of the United States have never been content with being bystanders during history—we force the winds of change. And the people of the United States have not lost our spirit to lead the world. It's in our DNA, it's who we are, and it's who we aspire to be.

The American people are, indeed, ready to rally again—to claim and to secure for their children and future generations the American Dream: a tomorrow that is always better than today. A dream that emboldened our founders to risk their lives for independence and inspired them to craft words and ideals that animate a nation that is the envy of the world. A dream that drove men and women not only to risk their lives abroad, but also to create an “Arsenal of Democracy” that saved a continent, secured liberty and ended a global war. A dream that has attracted millions to our shores, who, in turn, built their future—and ours—here, right here.

America is not lacking belief in that dream or in ourselves. America is not lacking a will to work. The problem today is that America lacks leadership.

The type of leadership that welcomes, encourages and promotes job creation—not rhetoric that disparages the motives and patriotism of the people who create those jobs.

The type of leadership that inspires all people to achieve more—not that reduces us to be nothing more than average.

The type of leadership that brings us progress—not that creates gridlock and, worst of all, divides our people and turns us against ourselves.

Leadership that understands and values American exceptionalism and that sets goals and aligns policies that preserve and perpetuate it, not only here but around the world.

That is our unique opportunity, that is our responsibility, and that is what we must do: we must lead, and we must unite the nation. The gridlock will end—and we must be the catalyst for the change that is so imperative.

Americans are ready to look to us to break the gridlock. To fill the vacuum of leadership. To provide solutions that spur innovation, bolster job creation and promote economic growth. Solutions grounded on four unifying principles that fueled manufacturing's rise in the United States and that have made our country the greatest in the history of the world: free enterprise, competitiveness, individual liberty and equal opportunity.

Free enterprise—the vitality of pure market forces that drive innovation and growth in the private sector.

Competitiveness—the pragmatic policies that enable our businesses to increase investment, expand markets and succeed in the global economy.

Individual liberty—the creativity and entrepreneurship unleashed by protecting, defending and, yes, advancing the basic freedoms enshrined in our Constitution and Bill of Rights.

Equal opportunity—the fundamental belief that, given the chance, every human being has the potential to prove they can contribute to the success of our enterprises, our communities and our nation.

How do these principles apply to a national policy agenda? Well, our taxes must be more competitive; our regulations must be more transparent, consistent, balanced and fair. We must remove taxes and modify regulations and change laws that get in the way of our people maximizing their potential to contribute. Our approach to infrastructure must be recalibrated toward the future; our “all-of-the-above” energy policy must extend beyond words and into action. We must modernize our workforce training system for the 21st century—to prepare our people to excel in the global economy. And we must finally move forward on comprehensive immigration reform—not only because it makes us more competitive, but also because it's the right thing to do.

Free enterprise, competitiveness, individual liberty and equal opportunity—these principles are a strategy for seizing what's achievable and making business the business of America again.

The present gridlock in Washington and uncertainty around the country are the result of too many politicians—in both parties—who are willing to allow these principles to diminish or to erode. And that gridlock and uncertainty are the consequence of failures to support and to cultivate Republican and Democratic candidates who embrace free enterprise, competitiveness, individual liberty and equal opportunity as a governing philosophy.

It's time—well past time—to get Washington working again. And these principles chart the course. They align with the values and beliefs of the majority of the American people—because these ideals are written into our founding documents, they are etched into our past, and they are woven throughout our history. They'll help us win elections and secure sound and wise policy that will ignite prosperity and growth.

Now, to advance this agenda, America needs each of you in this room and all business leaders all across the country to engage, to educate and to persuade.

And thanks to the great work of you and other members around the country, the NAM is showing the way.

In terms of election engagement, the NAM has expanded our programs at every level—to help break the gridlock and turn out manufacturing voters. We've built a broad coalition of national, state and local partners and allies to host employee registration drives. We've spearheaded get-out-the-vote efforts during the most recent primary season—and we will have efforts in Colorado, Iowa, Kentucky and North Carolina this fall. Our travel teams will head to those states, to visit NAM members and canvass with voter guides and election materials. In addition, we've organized nonpartisan forums around the country to educate manufacturing voters and increase our impact in the elections. And our online Election Center has become the one-stop resource for manufacturers—employers and employees—for customized election information, for how-to guides on building effective and legally sound get-out-the-vote strategies and for priority issue education.

And the NAM has taken the engagement discussion outside of Washington—and to our members with our new “Leadership Engagement Series.” Through this dialogue, we're challenging more executives—hundreds of executives—to get involved in the political process personally and to encourage their employees to cast their ballots. We're harnessing the insight and experience of our board to convince their peers all throughout the supply chain about the importance of reaching out to their representatives—to not give in to, or give up on, Washington, but to move it in the direction that we need.

The political system we seek and all Americans deserve requires something more fundamental, however. The business community—the business community as a whole—needs a tactical shift. In addition to embracing the right values, we need to be nonpartisan and be deliberate about how we engage lawmakers in not only general elections but primary elections as well.

And in terms of nonpartisanship, while Republicans have put forward laudatory tax and regulatory reform ideas and moved them, we must acknowledge that Democrats have championed Ex-Im Bank reauthorization, bipartisan deals on transportation and waterway infrastructure funding and workforce development.

But let me be clear. Nonpartisanship does not mean that we will not take sides. When a party supports policies that could exacerbate the effects of the world's highest corporate tax rate, like

the Administration's piecemeal tax measures, endangering the livelihoods of families in the United States, we will respond. And we have.

Let me be clear about something else as well. We need someone at 1600 Pennsylvania Avenue who will not seize upon issues, like inversions, to score political points. We need a president, whoever he or she is, to stand up for American businesses and provide the leadership to attract headquarters to our shores—rather than using his or her office to demonize business and job creators. A president who is willing to provide the leadership to make our tax code more competitive and reform our regulatory framework—in order to attract corporate investment to our country. Anything less than that is a total failure of leadership.

We need pro-business Democrats, particularly in congressional districts that vote uniformly democratic, as well as pro-business Republicans. We need nominees in both parties who advance commonsense solutions.

And, my friends, if we are to succeed, we must also be smarter about how we engage in the political process. Duplication and competition for resources is just plain foolish. Resources must be committed to where they are needed most. Engagement in primary elections is absolutely critical; otherwise, we allow the extremes, in both parties, to decide who wins and who loses.

We have to help a new generation of leaders emerge—people who know how to create jobs and grow a business. We're just about ready to turn the corner to the 2016 election. And you know, I've been thinking: what better place, than right here, to float an idea as good as this one? I'll bet we could put together a really strong finance committee for a guy named Doug Oberhelman. So what do you think, Doug? Are you ready to enter the arena?

But seriously, we need to engage members of Congress in their districts, on the shop floors, in labs, in offices and in plants—so they can see the true value business brings to their constituents.

And the business community needs to speak with one voice—across industries—for a common agenda. The ultimate goal—growth—will benefit all of us, increasing demand for our products and allowing companies and the people of this nation to prosper for generations.

And above all, we need manufacturing voters to vote. Think about this: Of 123 million eligible voters in the 25 states that held primary elections in 2014, only 18 million cast a ballot. So, since 90 percent of congressional districts are not competitive thanks to radical gerrymandering, that means that a little more than 14 percent—the people who tend to be the most extreme partisans—are deciding the outcomes of elections.

It's no wonder that we have gridlock in this town. From a purely reelection standpoint, there's no benefit to working together. There's no benefit to actually finding solutions.

But imagine this: 17 million voters whose jobs depend on the success of manufacturing, 17 million voters heading to the polls. And suddenly, we have a new electorate, one that secures commitments from candidates to support policies that increase growth, investment and opportunity. And then we have a new day in politics—a rising sun on an America that works again.

Ladies and gentlemen, these are our ideas for progress. These are our ideas to end the gridlock, to enact the right policies and to strengthen our nation. These are the ideas to reignite that beacon

of hope, of optimism and of opportunity that has always lit our path forward. These are our ideas to guarantee American exceptionalism.

In this new journey, in this vital charge and in this challenge for the future of our nation, your advice, your counsel and your involvement are essential—to refine the NAM’s strategy, our tactics and our ideas. But, at the end of the day, we must act.

Washington will not change unless we change it.

America is at a turning point. Our leadership in the world is no longer certain. The American people are frustrated—and ready for change. The only choice is whether to drive those changes in the right direction—in the direction of free enterprise, competitiveness, individual liberty and equal opportunity—or whether we will allow others to determine our future.

Manufacturers do not let others craft solutions. We create them.

Manufacturers do not falter at a time of challenges. We meet them—and we overcome them.

Manufacturers do not shun leadership. Manufacturers lead, always have.

And, you know what, we will again.