



WHAT SAN ANTONIO MAKES...MAKES SAN ANTONIO

SAMA 2018—1st Quarter Edition



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A worldwide leader in HDPE connections finds a home in San Antonio



“With the help of the SAMA network, IPP has built a strong and diverse workforce to fill staffing requirements for corporate and manufacturing personnel.”

—Dawn Cunningham
Human Resources
Improved Piping Products

Improved Piping Products, Inc. (IPP) was founded in 1979 by Gunter and Susan Schlicht in Orinda, California. As a mechanical engineer, Gunter Schlicht recognized the benefits of the convoluted flange as a lighter weight, easier to handle product than the standard flange. He also saw it as an opportunity to improve the performance and economic feasibility of flange connections in the thermoplastic piping industry.

After nearly two decades in production of metallic products for the thermoplastic industry, the

company launched its first HDPE (High-Density Polyethylene) fittings in the late nineties.

Manufacturing originally occurred in China with warehouses in California, Texas, Missouri and Florida. When the company decided to consolidate operations, Texas was a perfect location due to the central location, having main interstate access and was also closer to product material sources. After visiting San Antonio, Houston and Austin, San Antonio was the clear choice for manufacturing and growth.

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Outlook is bright if we all stay focused

Manufacturing still paces SA economy

If you work in the San Antonio area manufacturing industry, you’re in the right place at the right time. After all, San Antonio Manufacturers Association (SAMA) last year commissioned a Trinity University study and its findings, released in December, were astounding. Among many impressive metrics, the study found that:

- Manufacturing employees make 23% more income, on average than other San Antonians, and that gap

almost doubled between 2001 and 2016. In other words, manufacturing wages are pulling away from the rest of the pack!

- The gap is wider for those working in transportation manufacturing. Employees make an average of more than \$68K a year, a full \$20K a year more than the average San Antonio annual salary.

- Local manufacturing employees earned nearly \$3B last year, 36% more than a decade ago.

- The total annual economic impact number of \$40.5B jumped 28% from \$31.6B just six years earlier.

SAMA is eagerly taking the lead in working with our community, economic development partners, educators and others to ensure San Antonio takes care of our existing manufacturers and plans smartly. The continued economic success of our amazing region demands this of all of us.

—Casey Whittington
Senior Vice President
The Whittington Group



WHAT SAN ANTONIO MAKES...

Chairman's Report...



"After absorbing the damages from Hurricane Harvey, 2018 manufacturing in San Antonio and Texas is on the rise and very strong."

—Duffy Shea
President
Alamo Iron Works

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Wow! What a great ending to a year full of challenges and change....2017 was a tale of two halves for many of our manufacturing members. The first half was a ho-hum start to 2017, looking a lot like a 2016 hangover. But the second half, and particular, in the 4th Quarter, saw a rising tide that had everyone busy and excited. Even after absorbing the damages from Hurricane Harvey, 2018 Manufacturing

2017 Year in Review

in San Antonio and Texas is on the rise and very strong.

Big issues affected SAMA in 2017, like local elections that really shook things up. Our SAMA Economic Impact Study showed how the eight (8) County area around San Antonio has grown to be a leading economic contributor, if not *the* leading economic generator, in this area. How does a 40 billion economic impact sound coming from

manufacturing? Our area remains incredibly attractive for current and future manufacturing growth: affordable land, excellent and affordable utilities, incredible workforce programs to provide a capable and willing work force, plus all the goodies that come from doing business in Texas.

On the SAMA front, we had a

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2017 Highlights

During 2017, the San Antonio Manufacturers Association (SAMA) provided the following educational and training programs:

- 56 members attended SAMA's Employment Law Seminar training program
- 21 members attended the SAMA's Exhibitor Training for Trade Shows
- 98 people attended SAMA's "Texas Reshoring: Made in the USA" Conference conducted during SAMA's Industry Trade Show
- 62 members attended SAMA's Environmental Seminar training program
- 55 members attended SAMA's Annual Safety Seminar on "OSHA's Direction In 2017 & How To Be Prepared"
- 28 members completed SAMA's OSHA 10-hour Safety Certification Program
- 57 members attended SAMA's "Achieving Excellence in Leadership" Seminar
- 22 members attended SAMA's Customer-Focused Supply Chain Management Seminar

• 31 members attended SAMA's Cyber Security Seminar – Attacks Can happen To You!

• 12 members completed SAMA's & TMAC's Manufacturing Supervisor Certification Program

• 14 members completed SAMA's & TMAC's Lean Manufacturing Certification Program

• 145 companies exhibited at SAMA's South Central Texas Manufacturing Trade Show & Conference with over 800 interested participants

Over 1,465 people attended SAMA's monthly luncheon meetings to network with other members as well as gain knowledge on pertinent topics for manufacturers, including "San Antonio's Manufacturing Industry—2017 Economic Impact Study"; "Energy Plans and Availability"; "San Antonio 2017 Mayoral Debate"; "Water Projects & Availability Update"; "Air Quality & Non-Attainment What Does It Mean for Bexar County"; among other topics of interest

• 56 members attended SAMA's Annual Bus Tour of Manufacturers, showcasing diverse regional

manufacturing firms and their production processes

• MfgDay17 had 182 members, students and counselors tour two local manufacturing plants in the San Antonio area

In addition, SAMA sponsored a number of social and community networking activities for our membership in 2017, including:

• Coordinating a drive that raised over 290,000 lbs. of food for the San Antonio Food Bank

• Hosting the annual SAMA Bowling tournament for SAMA members, with 160 members attending

• Hosting the Annual Spring and Fall Golf Tournaments, with 288 SAMA members attending

• More than 388 people attended the SAMA Mixers, with some highlighting a manufacturing firm or associate member and providing a networking forum

Let us not forget the exclusive CEO Event where 56 Manufacturing C-Level members enjoyed cocktails, dinner and an outstanding speaker at the enchanting Coates Chapel & Courtyard.

...MAKES SAN ANTONIO

Workforce needs? Invite a teacher

Teacher externship lead to increased student interest and involvement

Ever wondered how to get students interested in your industry? How to get them interested in training and working in your field? One answer is simple: invite a teacher to your facility or better yet, host a group of teachers at your facility.

The Summer Teacher Externship program brings teachers from the Alamo region into local industries so that they can gain “real world” practical experience and be able to convey that to students. The teachers receive Problem-Based Learning (PBL) instruction that they can use to leverage their experience from visiting local

industries to bring industrial problems into their classroom, helping to answer the question “when am I ever going to use this?” Having exposure to local industries increases their credibility with students when discussing the practical application of lessons and the associated career opportunities. The program continues into the school year with virtual tours and interactions using live videoconferencing sessions that allow teachers and students to interact with industry members using tablets/laptops. Students can ask direct questions and have live tours of facilities without

the hassle and expense of going to the site, thus allowing for the students to get exposure to more sites and career opportunities.

This past summer, the program involved nearly 200 teachers, which equates to touching almost 25,000 students. Nearly 40 local industries participated in the program, ranging from small companies with 10-20 employees, up to the large well known companies with thousands. Industries include machining, robotics, medical, food, bookbinding, energy, utilities and engineering.

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In 2008, IPP opened a 45,000 square foot HDPE production facility on Director Drive. In August of 2010, IPP expanded its presence in San Antonio with the acquisition of a 55,000 square foot warehouse on Space Center Drive.

After acquiring a large enough facility to expand operations, the decision was made to shut down production in China and bring all manufacturing to San Antonio. In 2013 the warehouse was moved to a 100,000 square foot facility and the Space Center production plant opened in 2014 where the original warehouse was located. In 2016 the Director Drive production plant consolidated with Space Center and is currently the

hub of all IPP manufacturing.

Thanks to our team of dedicated employees and a tremendous vote of confidence from our customers, IPP continues to provide high quality, economical, environmentally friendly, highly engineered piping products for the thermoplastic industry after 39 years since inception. Over the years, IPP has expanded its sizes and pressure ratings and now offers a full line of straight-line fittings in all sizes, including our unique, patented Deltaflex® flanges that can be found all over the world in oil and gas, mining, chemical, water service, waste treatment, plant process, engineering, pulp and paper, dredging and geothermal industries.

Today, IPP still remains a family business committed to superior quality, service and delivery with Dudley Schlicht – President and Duncan Schlicht – Vice President at the helm in San Antonio. Extensions of IPP can also be found all over the world, with our sourcing team in Shanghai, our IPPI international team based in the UK, and additional partners in Latin America.

Since joining SAMA in 2012, IPP has enjoyed the benefits that membership provides as our business needs increase and evolve, especially being fairly new to San Antonio. With the help of the SAMA network, IPP has built a strong and diverse workforce to fill staffing requirements for corporate and manufacturing personnel.

2016 MANUFACTURING INDUSTRY IMPACT FACTS

- The manufacturing industry is one of the largest sectors of the San Antonio economy. Its economic impact in 2016 was \$40.5 billion, including the impact of exported products.
- San Antonio’s manufacturing is very diverse, spanning virtually every industrial product line. Its principal sectors have grown and evolved over time in response to national and global changes in the manufacturing environment.
- San Antonio manufacturers paid nearly \$3 billion in wages and salaries to 51,904 employees in 2016.
- Jobs in manufacturing continue to pay very well. The 2016 average salary of manufacturing employees was \$57,507, 23% above the San Antonio average.

IPP has relied on SAMA’s resources on numerous occasions, finding invaluable support for our operations. “SAMA has been instrumental in helping Improved Piping Products find key personnel for our organization.”-Duncan Schlicht

As we move into 2018, IPP looks forward to maintaining our relationship with SAMA and in the San Antonio marketplace. Through this continued partnership, we are optimistic to continue our growth this year and in the future.

—Dawn Cunningham
Human Resources
Improved Piping Products



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solid fiscal year in which we responsibly supported our members thru numerous value added seminars like Employment Law, OSHA and Safety Training, TMAC's award winning Manufacturing Supervisors Certification, as well as TMAC's Lean Manufacturing Certification.

We had 145 companies from SAMA participate in our highly regarded and growing SAMA Trade Show & Conference (800 attendees during the daylong event). SAMA also showed its true Texas colors by donating over \$10,000 and 290,000 lbs.

of food to the SAT Food Bank and to the victims of Hurricane Harvey. And your Board approved almost twice that amount to our educational partners in workforce training like the ATEAMS to insure we have the current and future workers trained and ready for manufacturers going forward.

This was a busy and fun year, action packed with strong momentum building for all of our businesses. I want to thank the Board for putting up with me and congratulate Jim Caldwell (TMAC) as our new Chair for 2018 and Ian Burden, President of Alamo Group, as the Chair Elect for 2019. Jim and Ian are the real

thing and both are savvy manufacturing leaders. Jim will continue to drive improvement in all that we do at SAMA, as that is his nature. There are some great new programs coming up in 2018, and we will see the results of Jim and the Board's efforts early in 2018 to bring these fantastic new programs to the SAMA membership. Stay tuned! Saludos and Best Wishes in 2018!

—Duffy Shea
President
Alamo Iron Works



Texas Manufacturing

- #1 exporting state in the nation for 14 years, exporting \$210 billion in manufactured goods
- Texas manufacturers employ more than 848,000 Texans with Annual compensation of more than \$82,460, nearly 50% higher than other non-farm Texas workers
- Manufacturing generates more economic activity than any other sector in the U.S. For every \$1 spent in U.S. manufacturing, another \$1.40 is added to the economy.

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Through the program partners in the Alamo STEM Workforce Coalition (ASWC), the student experience progresses throughout the year to shadowing days and



internship programs, where the students gain in-depth knowledge and understanding of future career opportunities.

How hard is it to get involved? Not at all. The ASWC Teacher Externship partners work with you to make arrangements for the site externship visit from scheduling the visit, to giving guidance on how to conduct an externship visit, to accompanying the teachers during the visit. Each externship visit is half a day

and you can opt to do one or multiple sessions. Not only are the responses from the teachers rewarding, the employees become very engaged by being able to show/explain what they do and how it relates to teaching and career opportunities. Get involved in the active development of your future workforce needs by sponsoring a teacher or hosting teachers at your site. Sponsorships start for as little as sponsoring a teacher for a day (\$500, Influence Sponsor

reaching 25 students), to a full week (\$2,500, Engage Sponsor reaching 125 students), to a group of teachers (\$25K Momentum Sponsor reaching 1,250 students). Site hosting starts with groups of teachers as small as 10. To become a Sponsor or get further information, please contact ATEAMS at ateams.sa@gmail.com.

—Dr. Mark Neiderauer
COO
EO₂ Concepts