

**SUPERB Industries, Inc.**

100 Innovation Plaza  
P.O. Box 708  
Sugarcreek, OH 44681  
P 330.852.0500  
F 330.852.9908  
www.superbindustries.com



EXCELLENCE IN MANUFACTURING SOLUTIONS

UNITED STATES • EUROPE • HONG KONG



March 15, 2017

John Miller, CEO  
SUPERB Industries, Inc.  
100 Innovation Plaza  
Sugarcreek, OH 44681

Dear Committee,

SUPERB Industries is a contract manufacturer for the automobile, appliance, and energy industries. We use highly specialized machines that enable us to do highly complex parts to an exacting standard measured in microns.

We started out of our garage in the 80s. Since then we have grown to about 80 employees with about \$15MM in revenues. The hallmark of great manufacturing is precision. To achieve precision it takes incredibly advanced machines that require highly skilled operators. However, it can easily take 3-5 years to get someone to the level where they are sufficiently competent to operate these machines.

And people with the specialized skills to effectively operate these specialized machines do not grow on trees. We have to cultivate them. Accordingly, we have started a formal in-house apprenticeship program to turn unskilled workers into highly skilled and highly productive members of our team. However, the cost to run an apprenticeship program is high. The apprentices are employees so we have to bear the cost of their classroom time as well as their production time since they are usually not able to cover their costs. Plus, we have to take some of our most productive people out of operations to conduct the classroom and hands-on training. Having incumbent worker training funds would not only enable us to maintain our current efforts, we would expand them.

It is useful to know that the success of Germany's manufacturing industry is founded on on-the-job training via apprenticeship programs. A significant portion of these apprenticeship opportunities exist in the 1,000s of small manufacturers that comprise their ecosystem. It is this robust industrial ecosystem that enables companies like Siemens and BMW to be world leaders in precision industrial technology. Interestingly, Ohio had a similar eco-system whereby key manufacturing industries could rely upon a few thousand of Ohio's specialized contract manufactures. These companies, like in Germany, are typically less than 200 employees. In addition, it is the supply chain support of these small manufacturing companies that make large manufacturers such as Caterpillar, Honda, GM, the Army, Navy, and Air Force possible. The health of this ecosystem depends on these small specialized manufacturers. Moreover, the health of these small advanced manufactures depends on developing skilled workers. On-the-job incumbent worker training fuels the whole engine. And while our industry is seeing growth, if the incumbent workforce training program were renewed, it would enable me and my peers to increase headcount much faster.

Based upon my understanding of the incumbent worker training program, it would help fill this apprentice training gap. For that reason, we would like to see it renewed. Doing so would allow me and my peers in the Ohio to create a significant amount of new jobs.

BTW – every manufacturing job is estimated to generate between 4 to as many as 16 additional jobs in other sectors.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Miller".

John Miller