



BEFORE THE HOUSE FINANCE COMMITTEE
REPRESENTATIVE JAY EDWARDS, CHAIRMAN

TESTIMONY OF
JOHN HOLEMAN, TOSOH SMD, INC.

OMA MEMBER

June 18, 2024

HB 435 - Proponent Testimony

Chairman Edwards, Ranking Minority Member Bride-Sweeney and members of the House Finance Committee, thank you for the opportunity to testify in support of House Bill 435, sponsored by Representatives Santucci and Demetriou, which would create the Manufacturing Technology Assistance Grant Program (MTAP).

My name is John Holeman and I am representing Tosoh SMD, Inc. as a member of the Ohio Manufacturers Association.

In 1975, two former employees from Batelle Memorial Institute in Columbus, Ohio created Specialty Metals & Alloys, Inc. in Grove City Ohio. With two part time employees they used their expertise in manufacturing evaporation metals and physical vapor deposition materials for the emerging Semiconductor Industry. Two years later, Varian Associates acquired the company and changed the name to Varian/Specialty Metals Division.

In 1988, Tosoh Corporation purchased Varian/Specialty Metals Division as a strategic addition in the growing electronics materials field and changed the name to Tosoh SMD, Inc. In 1993, Tosoh SMD, Inc. relocated the facility to 3600 Gantz Road in Grove City.

Today with 250 employees, Tosoh SMD has been providing high-purity metals and alloys globally to the semiconductor industry for the past forty-nine years. In 2024, Grove City's Area Chamber of Commerce recognized Tosoh the "Best Place to Work" for the second consecutive year!

House Bill 435 creates the **Manufacturing Technology Assistance Grant Program (MTAP)** that will provide an opportunity for manufacturers with under 500 employees to apply for \$150,000 in grant funding for equipment upgrades and smart technology integration.

MTAP represents a crucial opportunity to empower Ohio's small to mid-size manufacturers to thrive in an increasingly competitive global market. By providing grants for the adoption and integration of smart technologies, this program will not only drive operational improvements but also ensure the long-term sustainability of our manufacturing sector.

For our company, MTAP would help us realize operational efficiencies by allowing the state to partner with us on technological improvements. As an Intel preferred supplier, minimizing part-to-part manufacturing variation is vital to providing quality products and meeting tomorrow's innovations. Maintaining a competitive edge, Tosoh SMD will use the MTAP funding to support the second phase of our Industry 4.0 program with the introduction of machine learning through AI platforms, server banks for data storage, and tool to tool data ports.

With an initial funding allocation of \$12,000,000, this program will not only enable manufacturers to thrive in today's dynamic business environment but also maintain Ohio's position as a frontrunner in manufacturing technologies.

We urge your support for this proposal, recognizing its significance in driving economic competitiveness, fostering innovation, and ensuring the continued success of Ohio's largest industry - manufacturing.

Thank you for your consideration of this program. I am happy to answer any questions you may have about this proposal or our company.