

Proactive Technologies, Inc.<sup>™</sup> capturing worker expertise to build and support job specific, task-based worker development programs (with metric-based solutions) since 1986.

Experience the power of the accelerated transfer of expertise™

Develop all the expert workers you need in a fraction of the time, with a fraction of the investment!

Increased w orker capacity, w ork quality and quantity, and w orker compliance (ISO9001:2015, AS9100D, TS16949, engineering and quality specifications, and safety requirements).



Human Resources Management for Tomorrow ... Today!

Issue: October, 2019

**Proactive Technologies News** 

The Proactive Technologies Report newsletter is a Free Service of Proactive Technologies Inc. Important Stories You Might Have Missed Share With a Colleague

### Labor Costs Expected to Increase, So Will Challenges to Developing Workers

by Dean Prigelmeier, President of Proactive Technologies, Inc.



In an article by David McCann of CFO.com entitled, "Labor Costs Will Skyrocket Over the Next Decade", the author

cited new research from consulting firm Korn Ferry projecting new challenges for employers in the coming years. "Organizations around the world could add more than \$2.5 trillion to their annual labor costs within 12 years as a result of the global shortage of highly skilled workers. The report follow s up on the recruiting and workforce management firm's forecast in May that the talent shortage could cost companies \$8.5 trillion in unrealized annual revenue by 2030.

This is a rolling crisis that started several decades ago - the repercussions are just now being articulated in terms employers can relate. Employer's aw areness of the approaching crisis appeared for retiring baby-boomers and the anticipated loss of expertise and critically unique task-based skills mastered over decades of performance. Add to that the rise of millenials, the continual introduction and evolution of technology and the disruptive effects of the Crash of 2008. Now employers are finding themselves rebuilding their w orkforce, in many cases with tools and techniques that haven't evolved all that much and still w ithout really understanding the seriousness of the challenge, let alone the labor and opportunity costs to their operation.

The report continues, "The crisis is not something that's far off in the future. Even in 2020, the U.S. wage premium is expected to reach \$296 billion. By 2025, the gap will total \$400 billion, according to the report." What can companies do to mitigate the trend and minimize the effect? "Employers will need to concentrate on reskilling low er-level w orkers," Thompson (author of the report) notes. "That involves identifying those w ho are adaptable and flexible enough to be successful in the new w orld of w ork and putting in place robust training and workforce plans." Read More

### More Employers Finding Ways To Strategically Ensure Fair Pay

by Stacey Lett, Regional Manager - Eastern U.S. -Proactive Technologies, Inc.



In an article appearing in IndustryWeek entitled "Trying to

Ensure Fair Pay, Employers Are Changing Policies," it noted that according to a recent employer survey "2018 Getting Compensation Right," "60% of U.S. employers are planning to take some action this year to prevent bias in hiring and pay decisions." Further, 53% "are planning on or considering adding a recognition program."

The report w ent on, "37% percent are planning on or considering changing criteria for salary increases. Among employers not redesigning their programs, most are making changes to the importance of factors used to set base pay increases."

In short, the report led one to believe that employers overall wanted to make pay fairer, but one got the impression that there was no clear path. It is difficult in this environment to talk about raising workers wages without

### Proactive Technologies' Publications Archive

To download a .pdf version of this issue, find the link at the bottom of this month's post on our website's <u>News and Publications</u> page or click <u>Proactive Technologies Report -</u> <u>October 2019 Issue</u>. While at our website, check out past newsletters, articles and more.

Helping employers to unlock worker value since 1986!



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### In This Issue

Proactive Technologies' Workforce Development News

Industry News

**Financial News** 

International News

International Trade News

Education and Workforce Development News

**Quality News** 

Cyber Security and IT News

Human Resource Management News

Environmental, Health & Safety News

### <u>Free</u> - *Live* Online Presentation Schedule

If interested in attending one of the presentations below, click on the title, then select a date/time and press "Send." An an online presentation invitation and link will be sent to you. On the date and time of the event, just click on link in email invitation and it will connect you to the presentation. **No special equipment required**. shareholders mounting a revolt. But with the reported shorted of skilled labor, the difficulty in training w orkers with a lean staff and no structure, strategy or record keeping, etc. an area of compromise has to be reached. If not, skilled w orkers will not apply, or stay, and the shareholder profits will definitely be affected. It is the "bullet that needs to be bit" to get the economy w orking like it did so w ell post World War II w hen everyone felt they had a chance at doing w ell for themselves and their family.

One easy-to-set-up, easy-to-implement, low investment/high return strategy for paying w orkers for the documented value the employee has accumulated has been discussed in previous Proactive Technologies Report articles, most recently "<u>A Pay-for-Value Worker Development</u> <u>Program - Fair to Management and Workers, and Effective Too!</u>" and previously in "<u>Pay-For-Value Employee Programs</u>."

Developing each worker should be a linear process in spite of inputs from all direction. Read More

### Developing the Maintenance and Other Technically Skilled Workers That You Need; To Specification, With Minimal Investment



Dr. Dave Just, formally Dean of Corporate and Continuing Education at Community Colleges in MA, OH, PA, SC. Currently President of K&D Consulting

In the March, 2016 Proactive Technologies Report article, "<u>Grow Your Own</u> <u>Multi-Craft Maintenance Technicians - Using a 'Systems Approach' to</u> <u>Training</u>" I described how **Proactive Technologies**, Inc. has often joined forces with universities, community colleges (many w ere schools for w hich I lead the customized training and w orkforce development departments) and other related technical instruction providers to setup and implement the "<u>hybrid model</u>" of w orker development. This approach has proven itself highly effective for technical job classifications such as Maintenance, Chemical Operators, Press Operator, Tool & Die, NC Machine Operator, Quality Control, Supervisor and others.

This "systems approach" to w orker development is simple in its structure but includes metrics and quality control points to ensure that w orker development outcomes are clearly defined, progress measured and reported monthly, and goals reached - **no matter if the job changes or people change jobs**. Although this approach can be used for any job classification in any setting, together w e have applied this approach effectively for Maintenance and many other critical technical positions, as w ell as often neglected supervisor and first-line management positions, for many clients over the last 2 decades.

The approach is unique in that it sets-up for its clients the task-based structured on-the-job training programs. There is no "cut and paste;" each job/task analysis is specific to that job classification, for that company, and incorporates already established process documents and specifications to ensure compliance with quality programs such as ISO/TS/AS and safety requirements. Proactive Technologies provides the technical implementation support and accurately reports progress for **each trainee's individual pursuit of "Job Mastery"** - allow ing the business client to focus on its business w hile w e ensure the employer gets the skilled staff they need, w hen they need them. As a bonus, incumbent w orkers are base-lined to the structured on-the-job training program requirements and a customized path is established to drive them, along with the new -hires, to <u>full job mastery</u>.

Read More

### Pre-Employment Physical Ability Tests Can be a Legal Liability If Not Done Right

by Jim Poole, President of Lifetime Learning, LLC



Physical Testing" that "If your company uses pre-employment physical stress tests for job applicants that result in the rejection of female applicants, you could be in a world of hurt if the Equal Employment Opportunity Commission (EEOC) finds out." He described the story of Hirschbach Motor Lines, "which used a pre-employment back assessment to screen and reject applicants it believed would be unable to work as truck drivers. Applicants were tested for their ability to balance and stand on one



Click here for descriptions of all of the available presentations. Click on a specific title for that specific description and schedule or to schedule a date and time that works for you.

APPLIES TO ANY ORGANIZATION (Recorded - Available Any Time): <u>PTIpromo - A Preview of an</u> <u>Upcoming Presentation</u> (13 minutes)

FOR FORMER EMPLOYER CLIENTS: <u>PTI1001 - Former Client Employers -</u> <u>Restart Your Organization's</u> <u>PROTECH© Training Infrastructure</u> (45 minutes)

FOR ANY EMPLOYER: <u>PTI1002 - Building an Effective</u> <u>Worker Training/Apprenticeship</u> <u>System - Registered or Not</u> (45 minutes)

<u>PTI1004 - If You Can't Find Skilled</u> <u>Workers, Develop Your Own</u> (45 minutes)

PTI1007 - Structured On-the-Job Training Supports ISO/AS/TS Process Training Requirement Compliance (45 minutes)

PTI1008 - Preparing your Workers for Growth: Using Lulls Before Growth to Increase Your Worker's Capacity (45 minutes)

FOR EDUCATION, WORKFORCE AND ECONOMIC DEVELOPMENT ORGANIZATIONS PTI1003 -Adding Employer-Specific Structured OJT to Your Training Support Strategy(45 minutes)

PTI1005 - Adding Structured On-the-Job Training to Your Apprenticeships (45 minutes)

PTI1006 - Building a Regional Workforce Development Infrastructure: Employer-Specific for Maximum Effectiveness and Lowest Investment (45 minutes)

If you would like more information or would like to discuss these presentations or anything else, click <u>here</u> and fill in the "Contact Us" with your request including information specifying an alternative date/time you prefer and how many will be attending. An invitation and link will be sent to you.

UPCOMING EVENTS Onsite and group presentations are being scheduled for the leg, touch their toes w hile standing on one leg, and to craw I... The company eventually agreed to pay \$3.2 million to a class of female applicants after the EEOC filed a lawsuit alleging the strength and fitness tests they took impacted women disparately. Earlier this year another case involving physical ability testing required by a police department resulted in a nearly \$2.5 million settlement for female applicants."

EEOC's aggressive pursuit of cases demonstrates w hy it is important that employers understand the legal issues surrounding <u>physical ability tests</u> (PATs). Extreme care should be exercised w hen selecting and validating such tests. Sparkman quotes experienced law yers representing clients in these types of cases, "If a PAT has a disparate impact-for example, if w omen fail the PAT at a statistically significantly higher rate than men-an employer has the burden of demonstrating that use of the PAT is job-related and consistent w ith business necessity,' explain attorneys Mallory Stumpf and Sarah Smith Kuehnel of the Ogletree Deakins law firm."

The EEOC announced last year in its Strategic Enforcement Plan (SEP) that for the next several years, it will continue to focus on class-based recruitment and hiring practices that discriminate. <u>Read More</u>

# Explaining Your Process Training to Auditors, Prospects and Clients

by Proactive Technologies, Inc. Staff

For most organizations, the general notion is that training is going on in every corner of the organization, for every worker at any time of the day or night. One person is showing another person how to perform a process, operate a piece of equipment or softw are, fill out a form or, yes, make a copy using the new copy machine just installed. Have you ever w alked by a copy machine and seen someone standing in front of it, staring at the control panel...then the sky as if seeking divine intervention.

When the resident expert masters a task and it becomes routine, there is a tendency for them to marginalize the task as so easy that the next trainee should learn it by osmosis. If not, maybe the new-hire "just doesn't seem to w ant to learn." Somehow, the organization may get by. In this case, like so many, it may sound like an insignificant example of training, but not to the person w ho needs the copy and w ho may be judged if a meeting is w aiting for it.

Same too are the more critical and complex tasks of the job, requiring compliance with so many factors such as engineering specifications, quality control requirements, safety requirements and company policies. Without a deliberate task-based training infrastructure in place, training might be ad hoc, informal, unstructured and rarely documented. Add to this the periodic w orker cross-training that allow s w orkers to train in, and master, tasks in multiple job areas and the amount of critical, but undocumented, training can be tremendous.

In the event of an audit by by an internal department, a certifying agency, a client or a prospective client, explaining how a worker is trained to master a task critical to a repeated high level of quality might be difficult to impossible. And answ ering how a worker, who is thought to have mastered a task, is updated when the process is improved, redesigned, affected by changes in technology, changeover of product line or part of an orchestrated improvement program might be even more difficult. <u>Read More</u>

## Proactive Technologies' <u>Fall Discount Offer Is Coming</u>! October 15th - December 20th, 2019!

Imagine yourself under pressure to master the tasks of your new job, with no one available to show you how and very limited access to a resident expert.

It is a shame, but it happens... a lot!

The solution is the **PROTECH™ system of** *managed*  following states, <u>and a</u> <u>representative will be in your</u> <u>area</u>, in the month of:

### October, 2019

Colorado (Eastern Slope)

Kansas (Kansas City, Topeka and I70 Corridor)

Kentucky (North and Eastern)

Indiana

Missouri (Kansas City, St. Louis)

Minnesota

Nevada (Reno, Las Vegas)

New Mexico (Albuquerque, Santa Fe)

North Carolina (Asheville and Western Area, Charlotte, 177 Corridor)

North Dakota

Ohio

Pennsylvania (Pittsburgh and Western Area)

South Carolina (UpState, Columbia and Charleston Area)

Tennessee (Eastern)

Utah

West Virginia (North-Central, South Central)

<u>Contact Us</u> to express your interest in an onsite or group presentation.



### Classes alone will not close the "skills gap," but structured on-thejob training can...every time!

Under-capacity of workers is an enormous source of untapped value and unrealized return on worker investment. In addition, standardizing expert task performance - between workers and shifts - can add to worker ROI through lower scrap and rework.

Experience the power of the **PROTECH™ system of** <u>managed</u> human resource development!

### human resource development!

Proactive Technologies offers pilot program approaches, scalediscounts and opportunities for reimbursement to make your decision simple and successful!

- Capture worker expertise for accelerated transfer;
- Increase worker capacity, work quality, work quantity and compliance (ISO/AS/TS and OSHA);
- Lower turnover rates;
- Lower your firm's internal costs of training!

Higher return on each worker investment!

<u>Learn more</u> and get ready to maximize worker performance and return on worker investment...while minimizing your investment to do so!

<u>Contact a Proactive Technologies representative</u> to set up a 10 minute phone call that might convince you to learn more about the accelerated transfer of expertise<sup>™</sup>.



### **Industry News**

### DOMESTIC ECONOMIC DATA Gross Domestic Product, Second Quarter 2019 (Third Estimate); Corporate Profits, Second Quarter 2019 (Revised)



US Department of Commerce - Bureau of Economic Analysis Real gross domestic product (GDP) increased at an annual rate of 2.0 percent in the second quarter of 2019, according to the "third" estimate released by the Bureau of Economic Analysis. In the first quarter, real GDP increased 3.1 percent.

Profits from current production (corporate profits with inventory valuation and capital consumption adjustments) increased \$75.8 billion in the second quarter, in contrast to a decrease of \$78.7 billion in the first quarter. Read Report

### Personal Income, Outlays

US Department of Commerce - Bureau of Economic Analysis



Personal income increased 0.4 percent in August after increasing 0.1 percent in July. Wages and salaries, the largest component of personal income, increased 0.6 percent in August after increasing 0.2 percent in July. <u>Read Report</u>



- Accelerated Transfer of Expertise<sup>™</sup>;
- Increased worker capacity, productivity, work quantity, work quality and compliance (specifications, ISO/AS/TS programs and safety mandates);
- Decreased internal costs of training;
- Higher return on worker investment!

You would be surprised how small of an investment is needed to unlock enormous returns.

If budgets are tight, **Proactive Technologies can** be an extension to your training department, with our technical implementation support included with every project!

There's nothing to lose by contacting us to learn more.

www.proactivetechnologiesinc.com

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### Advanced Report on Manufacturers' Shipments, Inventories, and Orders

US Census Bureau

New orders for manufactured durable goods in August increased \$0.5 billion or 0.2 percent to \$250.7 billion. August 2019: +0.2° % change; July 2019 (r): +2.0° % change. Read **Report** 

### Job Openings and Labor Turnover

US Bureau of Labor Statistics The number of job openings was little changed at 7.2 million on the last business day of July, the U.S. Bureau of Labor Statistics reported today. Over the month, hires edged up to 6.0 million and separations increased to 5.8 million. Within



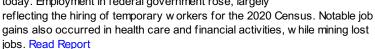
separations, the quits rate and the layoffs and discharges rate were little changed at 2.4 percent and 1.2 percent, respectively. This release includes estimates of the number and rate of job openings, hires, and separations for the nonfarm sector by industry and by four geographic regions. Read Report

### **Civilian Labor Participation Rate**

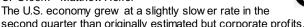
Federal Reserve Economic Data Data and graph of civilian labor participation rate from 1950 to today. Read Report

### Job Creation - Employment Situation Summary US Bureau of Labor Statistics

Total nonfarm payroll employment rose by 130,000 in August, and the unemployment rate was unchanged at 3.7 percent, the U.S. Bureau of Labor Statistics reported today. Employment in federal government rose, largely



### U.S. GDP Gain Revised Down to 2.0% for Q2 CFO.com - Matthew Heller



second quarter than originally estimated but corporate profits, boosted by strong consumer spending, rebounded after two straight quarterly declines.

In its second reading of second-quarter grow th, the Commerce Department reported Thursday that gross domestic product increased at a 2.0% annualized rate, revised down from the 2.1% pace estimated last month. The

economy grew at a 3.1% rate in the January-March quarter and expanded 2.6% in the first half of the year.

But the government also said a key measure of corporate profits - after taxes, without inventory valuation and capital consumption adjustments rose 4.8% from the prior quarter after declining 1.5% in the two previous quarters. It was the biggest quarterly gain since the first quarter of 2018. Read Article

### The Disappointing Jobs Report Would Have Been Much Worse Without Newly Hired Census Workers

CNBC - Yun Li

Without the temporary hiring of Census workers, the August jobs report would have been worse.

Federal government hired 25,000 temporary workers in preparation for the 2020 Census in August, giving the overall jobs gain a big bump. Nonfarm payrolls increased by 130,000 last month, which fell short of Wall Street estimates for 150,000.

Employment in federal government rose by 28,000 in total in August, the Labor Department said on Friday. Private-sector employment was up by only 96,000, the low est pace since February.

The weakness largely came from the retail sector, which saw a net decline in workers of 11,100 in August alone. Trade, transportation and utilities also lost 11,000 jobs, and mining and logging lost 5,000 positions. Read Article

ISM Report: US Manufacturing Contracts for First **Time in Three Years** IndustryWeek - Bloomberg











• We Design, Build, Install

The Institute for Supply Management's monthly report shows manufacturing already in recession on certain metrics.

U.S. factory activity unexpectedly contracted in August for the first time in three years as shrinking orders, production and hiring pushed a widely follow ed measure of manufacturing to its low est level since January 2016.

The Institute for Supply Management's purchasing managers index fell to 49.1 in August, weaker than all forecasts in a Bloomberg survey of economists, data released Tuesday show ed. Figures below 50 signal the manufacturing economy is generally contracting. The group's gauge of new orders dropped to a more than seven-year low, while the production index shrank to the weakest level since the end of 2015. Read Article

### Lockheed Wins \$4.6 Billion NASA Contract for Orion Spacecraft



IndustryWeek - Bloomberg Lockheed Martin Corp (IW500/24). w on a \$4.6 billion contract to build at least six Orion spacecraft to carry astronauts to the moon.

The deal covers \$2.7 billion for the first three vehicles and an additional \$1.9 billion for another three in the 2022 fiscal year, the National Aeronautics and Space Administration said in a statement Monday. NASA may eventually order another six Orion capsules for its Artemis moon missions by Sept. 30, 2030. <u>Read Article</u>

### Many Manufacturing Employees Still Not Getting Trained



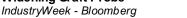
IndustryWeek - Staff A new study finds that 81% of employees believe training makes them feel more engaged at w ork.

Nearly one-third of frontline employees do not receive any formal w orkplace training, a number that has remained stagnant year over year, according to a new study, "State of Frontline Workplace Training Study," released recently by Axonify and Ipsos.

"The frontline employee is often an under-supported segment of the workforce," said Carol Leanman, CEO of Axonify.

In manufacturing and logistics, 37% only receive training a few times per year and that training is only 58% effective. Additionally, 34% of manufacturing employees said they are trained on the wrong things that don't help them do their jobs. The main highlights from the research include: <u>Read Article</u>

## FBI Raids UAW Chief's Detroit-Area Home in Widening Graft Probe





Gary Jones' home w as raided by FBI agents today as a part of their ongoing corruption investigation into the union. The FBI also raided the home of his predecessor and a union conference center. The UAW criticized the raids as unnecessary.

The U.S. Federal Bureau of Investigation ramped up its years-long investigation into corruption involving the United Auto Workers by raiding the home of the union's president.

Agents searched the home of UAW President Gary Jones in w hat the union called an unnecessary step, citing his cooperation and desire to uncover and address any w rongdoing. The Detroit News reported earlier that the FBI also raided the home of Jones' predecessor, Dennis Williams, and a union conference center in northern Michigan. <u>Read Article</u>

### Toyota, Suzuki to Deepen Ties

IndustryWeek - Bloomberg Suzuki added to list of Toyota partnerships, which already includes Subaru Corp. and Mazda Motor Corp.



Toyota Motor Corp. and Suzuki Motor Corp. are strengthening their relationship by taking stakes in one another, the latest alliance in an industry that's facing sw eeping changes in technology, consumer preferences and business models.

Japan's biggest automaker will acquire about 5% of Suzuki shares for about 96 billion yen (\$907 million), w hile Suzuki will get a smaller holding valued at about 48 billion yen in Toyota, the automakers said in statements Wednesday. <u>Read Article</u> and Support Advanced Automation Technology for Manufacturing

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- SAR Offers Other Specialty Courses for Manufacturing



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### **MEMORABLE QUOTES**

"Every theory is correct in its own world, but the problem is that the theory may not make contact with this world."

> W. Edwards Deming American engineer, statistician,

### Boeing Fears 737 Worker Exodus in Tightest Job Market in Decades IndustryWeek - Bloomberg



Boeing is already in a pickle over its grounded 737 Max planes. It could get worse if workers start jumping ship.

Boeing Co. aims to clear its 737 Max for flight as soon as October. But the planemaker also is plotting how it would respond to a far worse scenario: a grounding that stretches months longer.

Complicating both efforts is the tightest U.S. labor market in half a century. With experienced mechanics and engineers increasingly difficult to hire, Boeing is pondering w hat once loomed as a last-ditch choice -- a temporary factory shutdow n -- to preserve its w orkforce. Read Article

### Trump Gives Businesses Deregulation Whether They Want It or Not IndustryWeek - Bloomberg



The wishes of industry leaders appear to have little to do with the President's decision to cut regulations across the board.

Donald Trump campaigned on a promise to ease the grip of environmental rules he said w ere throttling businesses. But time and again, his deregulatory moves as president have drawn the ire of the very companies that w ere expected to benefit.

In the latest instance, the Environmental Protection Agency unveiled a proposal Thursday to eliminate mandates paring methane leaks from oil w ells -- despite major oil companies insisting they don't w ant the relief.

Similarly, automakers and the nation's top business lobbying group are begging the White House to alter course in its plans to weaken fuel efficiency standards and pick a fight with California. And power-plant operators say an administration effort to undermine requirements for mercury pollution controls may keep them from recouping the cost of that equipment. Read Article

### Airbus Scores \$5-Billion Contract from AirAsia



American Machinist - Staff Long-range budget airline orders a total of 42 new -model wide-body and narrow -body commercial aircraft

AirAsia X, a Malaysian budget airline focused on long-distance routes has finalized a reported \$5-billion order with Airbus for 12 wide-body A330-900 and 30 narrow-body A321XLR aircraft. Tan Sri Tony Fernandes, CEO of the parent AirAsia Group, described the two aircraft models as "perfect partners for long-haul, low-cost operations and will allow us to build further on our market leading position in this fast-growing sector."

The airline currently operates a fleet of 36 A330-300s to destinations in the Asia- Pacific region and Middle East. <u>Read Article</u>

### Digital Adoption Across Rural Businesses Could Add \$140 Billion to U.S. Economy Thomas Insights - Staff Writer



New research by the U.S. Chamber of Commerce reveals an opportunity for rural small businesses to grow annual revenues by 21% over the next three years - the equivalent of \$84.5 billion per year - by increasing their adoption of online tools and digital services.

Digital adoption in rural areas could add \$140 billion to the U.S. economy in total. Read Article

### Aircraft Carrier USS Gerald R. Ford

IndustryWeek - Bloomberg Huntington Ingalls, GE Feud Over Who Pays for Fixes to Troubled \$13 Billion Warship



The propulsion problem, which forced the USS Gerald R. Ford back to port during sea trials in January 2018, is just one of many issues the next-generation warship has faced.

Almost two years after the U.S. Navy's costliest w arship w as first hobbled by manufacturing defects with its propulsion system, the two companies at the center of the breakdow n are haggling over w ho will have to pay back taxpayers for fixing the problem. professor, author, lecturer, and management consultant 1900-1993

"The only thing worse than training your employee and having them leave is not training your employees and having them stay."

### <u>Henry Ford</u>

founder of the Ford Motor Company, and the sponsor of the development of the assembly line technique of mass production 1863 - 1947

"There are two types of people who will tell you that you cannot make a difference in this world: those who are afraid to try and those who are afraid you will succeed.."

> Jim Rohn American entrepreneur, author and motivational speaker 1930 - 2009.

### Recent Proactive Technologies News Article Quicklinks

### <u>September</u>

How Much Would "Full Worker Capacity" Through Full Job Mastery Be Worth to Your Firm? by Dean Prigelmeier, President of Proactive Technologies, Inc.

Task-Specific Performance Reviews - An Accurate Metric for a Structured On-Job-Training Outcome by Stacey Lett, Regional Manager-Eastern U.S., Proactive Technologies, Inc.

Classes Alone Will Not Close the "Skills Gap," But Structured On-the-Job Training Can...Every Time! by Proactive Technologies, Inc. Staff

Supervisors and First Line Management Need Structured On-The-Job Training, Too by Dean Prigelmeier, President of Proactive Technologies, Inc.

### <u>August</u>

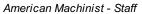
Thirteen Good Reasons Why Structured On-The-Job Training Should be Part of Your Business Strategy by Dean Prigelmeier, President of Proactive Technologies, Inc.

The High Cost of Employee Turnover by Stacey Lett, Regional Manager -Eastern U.S., Proactive Technologies, Inc.

Ensuring Worker Training Complies With ISO, AS, TS and Other Quality Mandates Proactive Technologies, Inc. - Staff

From Innovation to Implementation -Success Depends on Preparedness Aircraft carrier-builder Huntington Ingalls Industries Inc. and subcontractor General Electric Co. are in talks over w ho will pay the Navy for fixes it made on the propulsion system of the troubled \$13 billion USS Gerald R. Ford. The service last month declared the system finally fixed, though the carrier still has a number of other shortfalls. <u>Read Article</u>

## Boeing Wins \$2.1B Cargo Jet Order from China Airlines





Contract for six 777Fs as the carrier begins to modernize its 747 freighter fleet

China Airlines finalized an estimated \$2.1-billion contract for six Boeing 777 Freighter aircraft, reportedly to modernize its cargo fleet. That fleet currently is comprised of 18 Boeing 747-400F jets, making Taiw an-based China Airlines one of the world's largest 747 Freighter operators. The carrier plans to incorporate the "Triple-Sevens" as it introduces cargo service from Taipei to North America. <u>Read Article</u>

#### Justice Department Sues to Stop Aluminum Producer Novelis' Acquisition of Aleris IndustryWeek - Jill Jusko



Federal agency contends the transaction would hurt competition in the North American market for rolled aluminum sheet for automotive applications.

Aluminum producer and recycler Novelis Inc. has hit a snag in its efforts to acquire Aleris Corp., a producer of aluminum rolled products.

The U.S. Justice Department filed a civil antitrust law suit on Wednesday to block the proposed acquisition to "preserve competition in the North American market for rolled aluminum sheet for automotive applications," the Antitrust Division stated in a new s release.

The federal agency alleges the combination would give Novelis control of 60% of the projected total domestic capacity and a large majority of uncommitted capacity, enabling it to raise prices and take other actions hurt automakers and "ultimately American consumers." Atlanta-based Novelis is a subsidiary of India's Hindalco Industries Ltd. <u>Read Article</u>

### Amazon's Automation Overreach

IndustryWeek - Lawrence Whittle There is such a thing as too much, too soon. Companies need to invest in both humans and machines.



With Amazon retraining its workforce to the tune of \$700 million, nearly a third of the company's U.S. workers will become accustomed to more techintensive responsibilities. This effort-one of the most historically forceful on Amazon's part-sets the stage for the company to figure out whether its stated mission of ditching its own human workforce in favor of smart robots is a go.

The tech behemoth has made no secret of its desire to go fully automated: It's been investing in automation technology for years. In 2017, Amazon had over 100,000 robots "w orking" in w arehouses around the w orld, and just recently, new s surfaced that it has started replacing human packers w ith so-called CartonWrap robots in some w arehouses. <u>Read Article</u>

### Will Taxing Robots Slow Automation?

Material Handling & Logistics - Adrienne M. Selko Is automation the solution to the workforce shortage, or is exacerbating the problem?



I can picture it now: a robot, with its head in its hands, sitting at its desk trying to fill out its tax forms.

But the issue is actually a serious one. A tax on robots has been proposed, both in the U.S. and the EU, as a way to try and recover some of the economic loss as people are pushed out of jobs to make room for the robots.

How ever, as is the case with any economic solution, there are many sides to any policy. Do we need to offset the revenue that could have been generated through employment taxes? And should that tax be used to provide services for those laid off? Should it be used to retrain for new jobs? Or will the tax prevent companies from incorporating more technology into their processes and deter innovation? <u>Read Article</u>

of Those Executing by Dean Prigelmeier. President of Proactive Technologies, Inc.

### July

Do U.S. Productivity Measures Measure Productivity? by Dean Prigelmeier, President of Proactive Technologies, Inc.

Decreasing the Cost of Turnover WHILE Increasing Worker Capacity, Work Quality and Compliance...With **One Approach!** by Stacey Lett, Regional Manager -Eastern U.S., Proactive Technologies, Inc

The Skills Gap Solution; Employers Still Reluctant to Commit to Role Only They Can Fill by Staff

Apprenticeships - An Alternative to the "400 Hours For Drill Press" **Training Model** by Dean Prigelmeier, President of Proactive Technologies, Inc.

### <u>June</u>

The US is Ranked 12th in Talent, Topped By Those Pesky Socialist Countries. What's Gone Wrong? by Dean Prigelmeier, President of Proactive Technologies, Inc.

**Thinking Past the Assessment -**Unfinished Goals and Unrealized **Expectations** by Stacey Lett, Regional Manager -

Eastern U.S., Proactive Technologies, Inc.

### Is the "Gainful Employment" **Requirement For Education** Realistic?

by Dr. Dave Just, formally Dean of Corporate and Continuing Education at Community Colleges in MA, OH, PA, SC. Currently President of K&D Consulting

Is an Apprenticeship Without Structured On-The-Job Training an Apprenticeship?

by Dean Prigelmeier, President of Proactive Technologies, Inc.

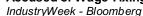
### May

The Connection Between Worker Capacity, Organizational Capacity and **Output** by Dean Prigelmeier, President of Proactive Technologies, Inc.

Are Advances in Technology Distracting, Rather Than Assisting, HR From the Fundamentals of Worker Selection and Development? by Stacey Lett, Regional Manager -Eastern U.S. - Proactive Technologies, Inc.

The Key To Effective Maintenance **Training: The Right Blend of** Structured On-The-Job Training and Related Technical Instruction by Dr. Dave Just, formally Dean of Corporate and Continuing Education at

### Tyson, Perdue Farms, Pilgrim's Pride, Others Accused of Wage-Fixing





The plaintiffs allege that leaders of the companies conspired with one another in order to fix w ages for low -opportunity w orkers. Companies producing more than 90% of America's chicken have conspired

to depress wages for a largely immigrant work force in some of the nation's most dangerous jobs, according to a law suit.

The case filed last week is mostly based on interviews with former employees, and claims the conspiracy among 18 companies, their subsidiaries and affiliates and two consulting firms continues until today. It was filed on behalf of three former workers, but seeks class-action status for hundreds of thousands, many with limited language skills and few other prospects for employment.

Since 2009, leaders of the firms' human resources and compensation departments have held annual secret meetings at a Destin, Florida, hotel to discuss pay and benefits for line and maintenance workers at about 200 plants, according to the complaint in Baltimore federal court. Read Article

### GE Plans \$5 Billion Debt Buyback to Help Tame **Balance Sheet**



IndustryWeek - Bloomberg

General Electric Co. plans to buy back as much as \$5 billion of bonds as the manufacturer seeks to cut its debt load as part of its turnaround.

The company said that it would repurchase up to \$2.5 billion of dollar debt and the equivalent of \$2.5 billion (2.28 billion euros) of euro-denominated notes. GE said in its statement on Thursday that it won't expand the size of the buyback plan.

GE Chief Executive Officer Larry Culp is overhauling a company that suffered from one of its worst slumps in its 127-year history. Profits have dropped amid flagging demand for gas turbines and high costs. Read Article

### Lockheed Expanding Missile Systems Manufacturing



state officials.

Lockheed Martin Corp. is expanding production at a ballistic missiles manufacturing, assembly, and testing plant in Camden, Ark. A groundbreaking event for the \$142-million capital investment at the Long Range Fires Production Facility included corporate executives as well as

The construction will be completed in two years, and by 2024 the expansion is expected to add 326 new workers to the 650 already employed at that operation.

The Camden plant is a manufacturing, final assembly, testing, and storage operation for Lockheed Martin Missiles and Fire Control (MFC) programs. MFC is one of four Lockheed Martin business units, and designs and manufactures advanced combat, missile, rocket, manned, and unmanned systems for military customers, including the U.S. Dept. of Defense and foreign allies. Read Article

#### In GM Strike, Union Says Only 2% Of Deal Has Been Agreed To, 'We're Far Apart' NPR - Brakkton Booker



Talks betw een General Motors and union officials representing tens of thousands of striking autow orkers

restarted Monday in hopes of driving both sides to an agreement on issues including w orkers' w ages, health care and profit-sharing.

After several hours, union officials representing nearly 50,000 workers acknow ledge negotiations remain in neutral.

"We're far apart," United Auto Workers spokesperson Brian Rothenberg told NPR's All Things Considered Monday afternoon. Read Article

#### Lexus is Now in the Luxury Yacht Business Thomas Insights - Anna Wells



Lexus has premiered a new vehicle, but it's not a car. Or an SUV. In fact, the company says that, in an effort to address the "continuing challenge to deliver innovative and amazing experiences to its customers" that it's decided to get into the boat business. That's right, Lexus has unveiled its first luxury yacht, designed to deliver "an irreplaceable experience that stimulates the senses and exceeds ow ner expectations,

Community Colleges in MA, OH, PA, SC. Currently President of K&D Consulting

Enterprise Expansion/Contraction and Worker Development Standardization by Dean Prigelmeier, President of Proactive Technologies, Inc.

### <u>April</u>

More Education Won't Fix Flat or Declining Wages, But Appropriate Compensation and Stable Job Markets Can Make College Worth It by Dean Prigelmeier, President of Proactive Technologies, Inc.

Your Resident Expert May Not Be an Expert Trainer, But Easily Could Be by Stacey Lett, Regional Manager -Eastern U.S. - Proactive Technologies, Inc.

#### Put Yourself in a Trainee's Shoes

by Stacey Lett, Regional Manager -Eastern U.S. - Proactive Technologies, Inc.

Worker Capacity; Malperformance Cause-Effect

by Dean Prigelmeier, President of Proactive Technologies, Inc.

#### <u>March</u>

Eight Scenarios That Would Make You Wish You Had a Structured OJT System by Dean Prigelmeier, President of Proactive Technologies, Inc.

Employers Say They Struggle With a "Skills Shortage," Yet They Cut the Training Budget. What Gives? by Stacey Lett, Regional Manager -Eastern U.S., Proactive Technologies, Inc.

Some Community Colleges Moving Back Toward 70's Approach to Vocational Programs; Why Did it Take So Long?

by Dr. Dave Just, formally Dean of Corporate and Continuing Education at Community Colleges in MA, OH, PA, SC. Currently President of K&D Consulting

Can't Find The Right Workers? Why Not Train Workers To Your Own To Specification? by Dean Prigelmeier, President of Proactive Technologies, Inc.

### February

Is it Possible to Close the "Skills Gap" if Focused on the Symptom, Not The Cause? by Dean Prigelmeier, President of Proactive Technologies, Inc

Internships of Value - For Employer and Intern

by Stacey Lett, Regional Manager - Eastern U.S. - Proactive Technologies, Inc.

<u>Workforce Development</u> Partnerships That Last; My <u>Experience</u> even at sea."

In late October, wealthy consumers will get the chance to buy the Lexus LY 650 - w hich was designed in collaboration with Italian yacht design studio Nuvolari Lenard. The 65-foot cruiser intends to be both elegant and sporty and features three staterooms, each with a private show er, and a salon featuring captain's chairs and a sofa and galley. There's room for 15, and it can sleep six. Optional luxury features include benefits like surround sound, air conditioning, bespoke furnishings, and real wood trim. Read Article

#### Embraer Rolls Out First New E195-E2 American Machinist Staff



Largest of the OEMs redesigned regional jets, "the most environmentally friendly aircraft in its class" will carry up to 146 passengers on routes up to 4,600 km

Embraer has delivered the first E195-E2 aircraft to Azul Linhas Aéreas Brasileiras S.A., the budget carrier that is the launch operator for this version of Embraer's redesign E-Jet series. Azul has placed 51 orders for the narrow -body jets, and five more will be delivered during 2019.

The E195-E2 is the largest variant of the E-Jet E2 aircraft, follow ing the redesign of the narrow -body E-Jet series and the previous introduction of the E190-E2. <u>Read Article</u>

### The Blind Spot of Predictive Maintenance

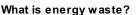


New Equipment Digest - Staff Full transparency should be at the forefront of predictive maintenance programs.

When it comes to machine health, there are numerous products to choose from that promise to ensure the predictability and the reliability of equipment. It's all with good reason too: machine health can be one of the largest factors for keeping up with production. How ever, even with all of the machine health products and softw are, there's a possibility you're not acquiring all of the pertinent data if you're not running continuous diagnostics on all equipment. Read Article

### Converting Waste Into Profit

New Equipment Digest - Hilton Hammond It happens every day in plants around the world: not getting the highest amount of usable pow er from every kWh. It's a waste of time, money, opportunity, and energy.



In industrial manufacturing plants or commercial operations, waste is when 100% of energy isn't generating work or producing revenue. Even with the energy efficiency of electrical and electro-mechanical equipment improved by some equipment manufacturers up to 95%, it's possible to reduce waste further. <u>Read Article</u>

#### American Axle Sells 10 U.S. Iron Foundries Foundry



\$245 million proceeds will accelerate debt reduction, improve margin, according to AAM's chairman

American Axle & Manufacturing Holdings Inc. agreed to sell 10 U.S. ferrous foundries for \$245 million to Gamut Capital Management, a New York-based private-equity fund. These plants comprise the remaining Grede Foundries operations that AAM acquired in late 2016 as part of its \$3.3-billion takeover of Metaldyne Performance Group. <u>Read Article</u>

#### Pennsylvania, Wisconsin Lost the Most Factory Jobs in Past Year IndustryWeek - Bloomberg



Both states experienced dramatic job losses even as other Rust Belt states like Ohio and Michigan added jobs.

As the U.S. presidential campaign heats up, Democratic candidates may w ant to look at two Rust Belt states that narrow ly helped deliver Donald Trump's victory in 2016: Pennsylvania and Wisconsin.

The two swing states lost the most manufacturing jobs in the past 12 months, bucking the national trend. In Pennsylvania, home to steel mills, the number of factory positions fell by about 8,000 and in Wisconsin the loss w as just over 5,000, according to regional data from the Labor Department Friday. <u>Read Article</u>

By Randy Toscano, Jr., MSHRM, CEO of Legacy Partners 2

Do U.S. Productivity Measures Measure Productivity? by Dean Prigelmeier, President of Proactive Technologies, Inc.

### **January**

Yet Another Reason Structured On-The-Job Training Should Be Part of Any Company's Business Model -New ISO 30414 Standards for Human Capital Metrics by Dean Prigelmeier, President of Proactive Technologies, Inc.

A "Pay-for-Value" Worker Development Program - Fair to Management and Workers, and Effective Too! by Stacey Lett, Regional Manager -Eastern U.S. - Proactive Technologies, Inc.

Proactive Technologies Discount Program Ends, But..."Low-Risk" Pilot Approach Option Remains in Effect by Proactive Technologies, Inc. Staff

Grow Your Own Multi-Craft Maintenance Technicians - Using a Systems Approach to Training by Dr. Dave Just, former Dean of Corporate and Continuing Education at Community Colleges in MA, OH, PA, SC. Currently President of K&D Consulting

Replicating Your Best Performers by Dean Prigelmeier, President of Proactive Technologies, Inc.

### December

Is It Possible To Improve Worker Performance Without Documented Task Mastery? by Dean Prigelmeier, President of Proactive Technologies, Inc.

"Realistic Job Previews" Can Be a Useful Tool for Measuring a Prospective Employee's Transferable Task-based Skills by Stacey Lett, Regional Manager -Eastern U.S. - Proactive Technologies, Inc.

Proactive Technologies Discount Program Ends, But..."Low-Risk" Pilot Approach Option Remains in Effect by Proactive Technologies, Inc. Staff

Confusion Over What Constitutes "Training" is Stumbling Block to Effective Worker Development Strategies bu Development of Development of

by Dean Prigelmeier, President of Proactive Technologies, Inc.

### **November**

A Training Approach That Should Make the Bean Counters Happy by Dean Prigelmeier, President of Proactive Technologies, Inc

Increasing Worker Capacity - An Alternative to Cutting Workers for Short-term Cost Savings

### 48% of U.S. Consumers Would Change Buying Habits to Reduce Environmental Impacts [Report] Thomas Insights - Staff Writer

U.S. consumers are increasingly concerned about the



ethics, sustainability, and origins of the products they buy. In fact, 48% of U.S. buyers w ould "probably" or "definitely" alter their buying habits in order to reduce environmental impact according to a recent Nielsen survey.

The tech-savvy millennial generation is more than twice as likely to make this switch, with 74% agreeing compared to only 34% of baby boomers. According to these statistics, millennials are similarly inclined to buy organic products, items containing sustainable and environmentally friendly ingredients, and brands that commit to social responsibility.

Millennials and their successors, Gen Z, are also more willing to pay extra cash for sustainable brands, at 73% and 72%, respectively. As a whole, 66% of U.S. consumers are willing to pay more for sustainable brands, according to Nielsen. <u>Read Article</u>

### **Financial News**

### The 'Strange, Unduly Neglected Prophet'

NPR Planet Money - Greg Rosalsky Silvio Gesell hated money. A German entrepreneur w ho moved to Argentina for business in the late 19th century.



he witnessed a massive financial crash in 1890 that convinced him that money was behind the world's economic problems: poverty, inequality, unemployment, stagnation. <u>Read Article</u>

## Drone Bubble Bursts, Wiping Out Startups and Hammering VC Firms

IndustryWeek - Bloomberg



Once a promising, futuristic tech at the start of the 2010s, drones are now the center of a troubled, overcrow ded sector.

New commercial drone businesses flooded into the market at the start of the decade, flush with venture capital and giddy with visions of unmanned aircraft being used for everything from delivering packages to fertilizing farmland.

Unmanned aircraft are still seen as a pillar of the future. But for now, all that over-heated enthusiasm is getting a cold blast of reality.

Some of the biggest startups began closing their doors last year after burning through hundreds of millions in venture capital poured into a fledgling industry that, despite forecasts for explosive grow th, is taking longer to mature than expected. <u>Read Article</u>

### You May Be Experiencing Secular Stagnation

NPR Planet Money - Greg Rosalsky Feeling sluggish? Having trouble achieving and maintaining productivity grow th? Does it feel like investment will never, ever go up? You may be experiencing secular stagnation.



Symptoms include persistently low interest rates and weak inflation. Also, mediocre economic grow th, despite a diet of huge deficits and cheap credit. It may be time to consult a former U.S. Treasury secretary.

In 2013, Larry Summers gave a speech at the International Monetary Fund offering an explanation for w hat seems like never-ending sluggishness in the economy. <u>Read Article</u>

## Wells Fargo Pushes Wrongly Accused N.J. Pastor Toward Arbitration

American Banker - Penny Crosman A New Jersey pastor w ho w as falsely arrested because



of errors made by Wells Fargo employees may be forced to resolve legal claims against the bank in arbitration, renew ing questions about banks' use of the process.

Jeff Edw ards, the pastor of Parsippany United Methodist Church for the past 29 years, sued Wells Fargo in May to recoup costs related to his arrest, w hich w as eventually dismissed after it became clear the bank had mistakenly identified the w rong person related to cashing fraudulent checks. But now the bank is seeking to move the case out of court, arguing that the pastor is bound by an arbitration clause he signed w hen he opened his account w ith First Union 22 years ago. by Stacey Lett, Regional Manager -Eastern U.S. - Proactive Technologies, Inc.

10 Reasons Structured On-The-Job Training is a Vital and Necessary System for Any Organization by Dean Prigelmeier, President of Proactive Technologies, Inc.

A Simple, Low-investment Solution to Closing Skill Gaps; New-Hires and Incumbents by Dean Prigelmeier, President of Proactive Technologies, Inc.

### October

When Wages Rise for Skilled Labor, Can Your Firm Maximize Worker Value and Minimize Investment? by Dean Prigelmeier, President of Proactive Technologies, Inc.

Retiring Workers and the Tragic Loss of Intellectual Property and Value

by Stacey Lett, Regional Manager -Eastern U.S. - Proactive Technologies, Inc.

### Apprenticeships: Be Careful Not To Minimize Integrity While Spiking The Numbers

Dr. Dave Just, formally Dean of Corporate and Continuing Education at Community Colleges in MA, OH, PA, SC. Currently President of K&D Consulting

When is Illustrating Technical Materials Useful to the Trainee? by Dean Prigelmeier, President of Proactive Technologies, Inc.

### **September**

The US Workforce Competitive Advantage Has Declined For Decades - Not for Lack of Resources, Effort or Base Talent, But For Strategy by Dean Prigelmeier, President of Proactive Technologies, Inc.

The Skills Gap Solution; Employers Still Reluctant to Commit to Role Only They Can Fill by Staff

Assessing Employees With Past Drug Addictions for Work Tricky by Stacey Lett, Regional Manager -Eastern U.S. - Proactive Technologies, Inc.

Estimating the Costs Associated With Skipping Employer-Based Structured On-The-Job Training by Dean Prigelmeier, President of Proactive Technologies, Inc.

Visit the Proactive Technologies website "<u>News</u> <u>and Publications</u>" page for Past Newsletters and Archived Articles Wells Fargo is hardly alone. Large corporations have increased their use of arbitration clauses in recent years.

"The use of arbitration clauses is absolutely on the rise, spurred by a decade and a half of Supreme Court rulings that have permitted companies to use them more widely against consumers and workers," said Remington Gregg, counsel for civil justice and consumer rights at Public Citizen, a nonprofit consumer advocacy organization based in Washington, D.C. Read Article

## Parts of America May Already be Facing Recession



AreaDevelopment - The Economist Slow dow ns in housing construction and manufacturing are ominous.

IT CAN BE hard to know when isolated announcements become something more. Since last November General Motors has cut several thousand factory jobs at plants across the Midw est. In early August US Steel said it would lay off 200 workers in Michigan. Sales of camper vans dropped by 23% in the 12 months ending in July, threatening the livelihoods of thousands of workers in Indiana, where many are made. Factory workers are not the only ones on edge. Low es, a retailer, recently said it would slash thousands of jobs. Halliburton, an oil-services firm, is cutting too.

In any given month, even at the height of a boom, more than 5m Americans leave a job; nearly 2m are laid off. Most of the time, how ever, overall employment grow s. But not all the time. America may or may not be lurching tow ards a recession now. For the time being employment and output continue to grow. But in the corners of the economy where trouble often rears its head earliest, there are disconcerting portents. Read Article

## Ford Cut to Junk as Moody's Doubts CEO's Turnaround Bid



IndustryWeek - Bloomberg

Ford Motor Co. (W 500/3) was dealt a blow by Moody's Investors Service, which cut the carmaker's credit rating to junk on doubts that a turnaround plan by Chief Executive Officer Jim Hackett will generate earnings and cash quickly enough.

Moody's dow ngraded Ford to the highest junk rating, Ba1, saying the automaker's cash flow and profit margins are below expectations and likely to remain w eak over the next two years. The descent to junk status affects one of the largest corporate bond issuers in the U.S. outside the financial sector.

Investors have traded Ford's debt for roughly the past year at levels that implied the company was headed for junk. Hackett has struggled to win over Wall Street with an overhaul that includes cutting thousands of jobs, reviving an aging line of SUVs and ditching slow-selling sedans. <u>Read</u> Article

### 50 Housing Markets That are Turning Ugly

MSN News - Cameron Huddleston Trouble appears to be brew ing in these real estate markets



The U.S. housing market has been strong, and home prices have been rising steadily since 2012. How ever, signs of w eakness have started appearing lately - including a slow dow n in the pace at w hich home prices have been rising.

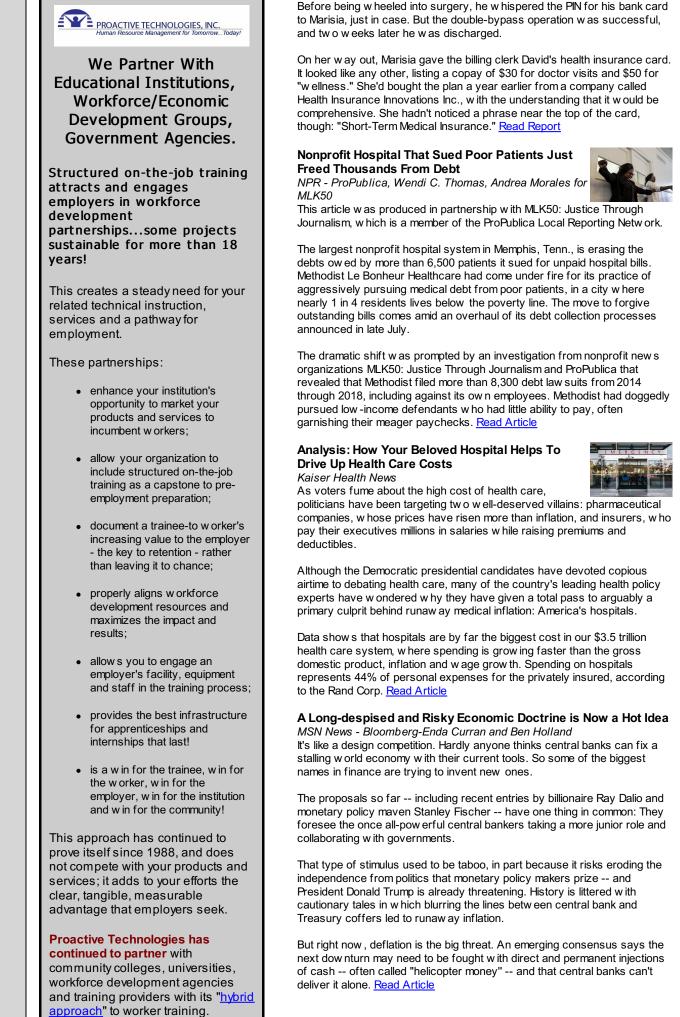
That doesn't mean the housing market is headed for a crash. But some places could be more at risk of a dow nturn than others. To identify those places, GOBankingRates evaluated 500 cities to identify which ones have high rates of foreclosures and underw ater mortgages (houses that are w orth less than w hat is ow ed). GOBankingRates also looked at changes in median home listing prices, the number of days homes are on the market and percentage of for-sale listings with price cuts and compared those figures with national averages to see w hich housing markets w ere lagging behind the nation as a w hole. <u>Read Article</u>

### Health insurance That Doesn't Cover the Bills has Flooded the Market

Flooded the Market MSN News - Zeke Faux, Polly Mosendz and John Tozzi Early one Friday morning two years ago, David Diaz woke



up his wife, Marisia, and told her he didn't feel right. He asked her to pray with him. Their son called 911, and within minutes, Marisia w as tailing an ambulance dow n the dirt road aw ay from the couple's house on the outskirts of Phoenix to a hospital in the city. David had had a massive heart attack.



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#### Oracle Reports Sales Miss, Co-CEO Taking Leave CFO.com - Matthew Heller

Mark Hurd says he decided that he needed to spend time focusing on his health.

Oracle shares fell as much as 5.8% in after-hours trading Wednesday after the softw are giant reported low er-than-expected quarterly sales and said co-CEO Mark Hurd w as taking a medical leave of absence.

For the first quarter, Oracle had sales of \$9.2 billion, flat from the year-ago period and below analysts' estimates of \$9.29 billion. It earned an adjusted 81 cents per share, which was in line with estimates and up 14% on a year ago. Read Article

#### Easy Money? Private Capital's Drawbacks CFO.com - Russ Banham

Private capital providers are fighting to finance middle market firms. But finance chiefs should proceed with caution.



If money makes the world go 'round, Earth must be spinning like a top. Plentiful private capital from myriad sources has created an unprecedented supply of financing. Midmarket and smaller companies that have historically relied on a commercial bank loan or an initial public offering to fuel robust grow th ambitions have access to massive amounts of both private debt and equity. The private sources include pension funds, sovereign wealth funds, family offices, hedge funds, mezzanine funds, business development corporations, and traditional private equity firms.

"There's a ton of dry pow der out there," says Jimmie Lenz, assistant professor of finance at the University of South Carolina's Darla Moore School of Business. <u>Read Article</u>

### US Seeks Tighter Security Reviews of Foreign Tech Investments IndustryWeek - Bloomberg



The regulations would give more oversight to the Committee on Foreign Investment, and focus on critical infrastructure and sensitive data.

The Trump administration proposed new regulations on Tuesday to toughen national-security reviews of foreign investments in U.S. companies involved in technology and infrastructure.

The proposed regulations seek to implement a 2018 law that gave an interagency review panel know n as the Committee on Foreign Investment in the United States, or CFIUS, greater authority to examine foreign transactions. The new rules expand the timeline and scope of covered transactions, including certain real estate deals involving foreign persons and sensitive data. <u>Read Article</u>

### **International News**

# Mexico, Latin America, South America and the Caribbean

Amazon fires: Seven countries sign forest protection pact BBC



Seven South American countries have agreed measures to protect the Amazon river basin, amid global concern over massive fires in the world's largest tropical forest.

Bolivia, Brazil, Colombia, Ecuador, Guyana, Peru and Suriname signed a pact, setting up a disaster response netw ork and satellite monitoring. At a summit in Colombia, they also agreed to w ork on reforestation. More than 80,000 fires have broken out in the Amazon rainforest this year. <u>Read Article</u>

### US Gets Morsels of Mexico's Gasoline Business by Using Trucks

MSN News - Amy Stillman and Jeffrey Bair



U.S. exporters are increasingly relying on trucks to get fuel into Mexico as the country's gasoline production sags and infrastructure constraints limit shipments from one coast to the other.

Windstar LPG, Nustar Energy LP and Indimex Marketing and Trading are among companies capitalizing on Mexico's growing fuel demand to carve out their own slice of the crossborder distribution business. send you an e-reservation. Include your client ID, name and user ID number and which webinar you would like to attend.

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\* Lowers the costs associated with turnover;

\* Drives new-hires and incumbent workers to "full job mastery;"

\* Increases worker capacity, work quality, productivity and compliance (ISO/AS/TS training and records requirement, engineering specifications and safety mandates);

\* Creates framework for crosstraining, retraining and worker certification;

\* Establishes the framework for employer specific/job-specific apprenticeships and internships registered or not;

\* Builds career development tracks and succession plans for hourly (and salary) workers;

\* Ensures the increased and maintained "Return on Worker investment" through any type of change...

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The trend comes as state-ow ned oil company Petroleos Mexicanos struggles to meet Mexico's consumption needs due to declining refinery output and distribution bottlenecks exacerbated by a dearth of pipelines and storage facilities. Some gas stations, including those run by private companies that buy from Pemex, have been forced to shut periodically due to lack of supply. <u>Read Article</u>

#### Huge iceberg breaks off Antarctica DeutscheWelle

climate change.



A block of ice more than 1,500 square kilometers in area has broken off the Amery Ice Shelf in Antarctica. But researchers say the production of this iceberg, called D28, is not due to

An iceberg nearly twice the size of Berlin has broken off the Amery Ice Shelf in Antarctica, in an event long aw aited by scientists.

The calving of the iceberg, which has been named D28, was captured by the EU's Sentinel-1 satellite system. The new ice block has an area of more than 1,500 square kilometers (579 square miles).

The last major calving event at the shelf occurred in the early 1960s, NASA and other experts said, when a block measuring roughly 9,800 square kilometers broke off. Read Article

### Canada, Europe and Great Britain

German Locomotive Takeover Gives China Cheap Route Into Europe IndustryWeek - Bloomberg



China's w orld-leading train maker CRRC (China Railw ay Rolling Stock Corp.) has gained control of one-quarter of the European diesel-locomotive market in a single purchase costing less than 10 million euros (\$11 million).

The acquisition of the Vossloh AG business, announced Monday, provides China Railw ay Rolling Stock Corp. with a major toehold in a region w here rail travel is ousting cars and planes faster than anyw here else. Read <u>Article</u>

#### European Auto-industry Warns of 'Seismic' and 'Devastating' No-deal Brexit DeutscheWelle



Automotive trade groups have given a dire forecast if the European Union and Britain fail to reach an agreement before the October 31 Brexit deadline. The industry has said it will end up costing "billions of euros."

As Britain and the rest of Europe gear up for Brexit, Europe-wide industry groups w arned on Monday of the "irreversible damage" caused by a nodeal scenario.

With the British government and the European Union currently at an impasse, the likelihood of the United Kingdom crashing out on October 31 without an agreement increases with every passing day - a notion that is feared by leading automotive trade organizations.

Groups including the European Automobile Manufacturers' Association, the European Association of Automotive Suppliers and 17 national groups released a joint statement regarding the impact of a "no-deal" scenario on an industry which employs almost 14 million people across the EU, including Britain. <u>Read Article</u>

#### Angela Merkel Opens International Motor Show With Climate Warning DeutscheWelle



The chancellor called on the auto industry to put more

effort into research and investment into electric vehicles. Germany's automotive industry chief said more regulations were not the answer to sustainable travel.

Chancellor Angela Merkel opened the International Motor Show Germany (IAA) on Thursday, with an address highlighting the "Herculean task" that lay before the auto industry in trying to create more sustainable travel.

"High mobility will have its price, if more efficient, climate-friendly vehicles are not manufactured," she said, calling the European climate targets set for 2030, a "huge challenge." <u>Read Report</u>

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If your firm is partnered with local career and technical educational institutions, use of shared employer's equipment, facilities and paid wages of trainer(s) and trainee(s) are attractive match for potential grant assistance.

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Having trouble finding, selecting, training and keeping the skilled workers you need? Are your employee turnover costs a concern?

Let's start with what we already know:

- Classes alone will not train workers to perform your tasks...
- Quality Control policies and
   Process Documents are not a
- substitute for task training...Putting 2 people together and hoping for the best is not a
- training strategy...Wishing and hoping w on't develop the skilled w orkers you

need... The cost of one worker malperformance or one worker's under-capacity or under-

performance - due to lack of proper training - can more than justify the investment to train all your workers properly!

AND, unstructured, uncontrolled, undocumented task training is going on all day, every day. **But if you** cannot explain the process, you surely cannot measure and improve it.

Proactive Technologies's approach to structured on-the-job training takes place where, and while, the work is performed. **You need no additional staff** and <u>structured</u> on-

#### German Groups Lose GMO Soybean Battle to Monsanto at Top European Court DeutscheWelle



The European Court of Justice dismissed an action brought by three German NGOs against the authorization of genetically modified soy products. The NGOs argued more research was necessary to determine the product's risks.

The European Court of Justice in Luxembourg ruled on Thursday that the authorization of genetically modified soy produced by former agrochemical corporation Monsanto w as legal. An appeal is not possible. <u>Read Article</u>

#### World Leaders Gather in Paris for Jacques Chirac's Funeral DeutscheWelle



Dozens of world leaders have gathered in Paris to bid

farew ell to former French President Jacques Chirac. A national day of mourning culminated in a military ceremony and a funeral mass.

Foreign dignitaries gathered in the French capital on Monday for the funeral of Jacques Chirac, who died last week at the age of 86.

The former statesman served as president of France from 1995 to 2007, during a political career that spanned four decades.

Monday was declared a national day of mourning, and a minute's silence was held in schools and public buildings across the country. <u>Read Article</u>

## China and Southeast Asia

Regional Integration and Non-Tariff Measures in ASEAN



Economic Research Institute for ASEAN and East Asia (ERIA) The number of non-tariff measures (NTMs) continues to increase. In the case of the ASEAN, NTMs have often been called out as impediments for further integration. In contrast to tariffs, the elimination of NTMs is hard to conceive as they can play an important role in ensuring the quality of goods. But in some cases NTMs can complicate business and act as trade barrier rather than ensuring the quality of goods. In order to improve the trade environment in the ASEAN Economic Community, this book suggests that ASEAN should break with the 'trade negotiation' approach and aim instead for regional transparency, further cooperation in conformity assessment procedures. <u>Read Publication</u>

### China Anniversary: Beijing Celebrations Mark 70 Years of Communist Rule



China is set to host lavish events to mark 70 years since the founding of the People's Republic of China (PRC).

A large military and civic parade will be held in Beijing, with President Xi Jinping expected to give a speech.

On 1 October 1949, Mao Zedong - or Chairman Mao - announced the formation of the PRC, after communist forces w on a bloody civil w ar.

Modern China has since developed at an extraordinary pace, but it has also one of the world's most restrictive states. The celebrations on Tuesday risked being overshadow ed by ongoing protests in Hong Kong, w here thousands of people w ere expected to take to the streets in protest against Beijing's control over the territory's society and politics. <u>Read Article</u>

### Asia, India and Australia

DeutscheWelle

Asia Raises the Stakes with \$65 billion Casino Boom



Asian countries have quickly got used to the billions in tax revenues from dozens of luxury casino resorts. But chasing wealthy Chinese tourists amid an economic dow nturn is a gamble that could turn to bust.

Pachinko, a pinball-like slot machine, is Japan's favorite form of gambling. The country's 11,000 Pachinko amusement parlors generate more revenues than the casinos of Las Vegas, Macau and Singapore combined.

But Pachinko playing peaked years ago. In 2018, the amusements achieved revenues of 20 trillion yen (\$180 billion, €165 billion), according to the Japan Productivity Center, a third less than a decade ago. As a result of the

the-job training **does not interrupt your work schedule** like unstructured, haphazard and ad hoc training does.

You probably have most of the pieces are already in place; they just need structure around them to make the training experience work for everyone through the <u>accelerated</u> transfer of expertise<sup>™</sup>.

As part of every project, **Proactive Technologies provides the support** to set-up, implement, manage, document and revise the worker development system so you can stay focused on business.

Ask your Proactive Technologies, Inc. representative about the PROTECH™ system of managed human resource development

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change in fortunes, last year, Japan's government liberalized the country's strict gambling law s to allow, for the first time, the construction of three luxury casino resorts.

Japan plans to make up the lost taxes from Pachinko's decline by luring China's growing wealthy and middle-class tourists to the new gambling establishments. Read Article

# Africa, Middle East, Eastern Europe and Russia

Robert Mugabe's body returns to divided Zimbabwe DeutscheWelle



The body of Zimbabw e founding leader Robert Mugabe

has arrived back in the country, to be w elcomed with a guard of honor. How ever, discord prevails over both the former strongman's legacy and his proposed burial site.

Former President Robert Mugabe's body at arrived Zimbabw e's main airport on Wednesday, amid controversy over where he would be buried and his overall legacy.

The former leader's body arrived in the capital, Harare, for a w elcome at the Robert Gabriel Mugabe International Airport, w hich still bears his name. A military guard of honor stood to attention as the casket, draped in the national flag, w as removed from the aircraft. <u>Read Article</u>

### Has China-Pakistan Economic Corridor lived up to the hype? DeutscheWelle



The China-Pakistan Economic Corridor has been touted as a "game changer" for Pakistan's economy. Four years since launching, its implementation faces serious challenges, and the future course remains uncertain.

In 2015, when China launched its multibillion-dollar economic corridor in Pakistan, called the China-Pakistan Economic Corridor (CPEC), it was dubbed a "game changer" for Pakistan. As Pakistan grapples with an acute economic crisis, experts say CPEC could stimulate much-needed economic activity in the country.

CPEC is part of China's intercontinental Belt and Road Initiative (BRI), which envisions rebuilding the old Silk Road to connect China and Asia, Europe and beyond with massive infrastructure spending largely financed by China. Beijing also hopes BRI will help expand its clout over Pakistan and across Central and South Asia, as well as counter US influence in the region. <u>Read Article</u>

### Cameroon Holds Dialogue on Anglophone Crisis DeutscheWelle



A five-day meeting to resolve Cameroon's three-year-long conflict began Monday. The unrest in the English-speaking regions has cost more than 3,000 lives and displaced over 500,000 civilians.

Dozens of governors, traditional and religious leaders and other dignitaries clad in festive attire disembarked from a Maroua bound Camair flight in Yaounde, the nation's capital. Their destination: the great national dialogue that began Monday.

Hundreds of Cameroonians from across the country and from the diaspora invited the government to solve the so-called Anglophone crisis, in w hich more than 3,000 people have died and around half a million uprooted since 2016. <u>Read Article</u>

## Its Hurricane Season Again, and Again People Are Needing Help

Hurricane Dorian recently passed through the Caribbean, devastating Abaco and the Bahamas on its w ay tow ard the U.S. Eastern coast. People need our help.

If you w ant, and are able, to contribute but do not know w hich organizations to contact, here are a few links to established and reputable organizations w ith a record of lending a helping hand: International Red Cross

American Red Cross

Americ

(<del>)</del> ICRC

Jose' Andres' World Central Kitchen

### International Trade News

### **INTERNATIONAL TRADE DATA**

Monthly Wholesale Trade US Census Bureau

July 2019 sales of merchant w holesalers w ere \$499.6 billion, up 0.3 percent (+/- 0.4 percent)\* from last month. End-ofmonth inventories w ere \$679.1 billion, up 0.2 percent (+/- 0.2 percent)\* from last month. July 2019: +0.2\* % change in Inventories; June 2019 (r): -0.1\* % change in Inventories. <u>Read Report</u>

### Manufacturing and Trade Inventories and Sales

US Census Bureau

U.S. total business end-of-month inventories for July 2019 were \$2,042.6 billion, up 0.4 percent (+/- 0.1 percent) from last month. U.S. total business sales were \$1,462.9 billion, up 0.3 percent (+/-0.1 percent) from last month. Read Report

July 2019: +0.4 % change in Inventories; June 2019 (r): 0.0\* % change in Inventories. Read Report

### U.S. International Trade in Goods and Services

US Department of Commerce - Bureau of Economic Analysis

The U.S. monthly international trade deficit decreased in July 2019 according to the U.S. Bureau of Economic Analysis and the U.S. Census Bureau. The deficit decreased from \$55.5 billion in June (revised) to \$54.0 billion in July, as exports increased and imports decreased. The previously published June deficit w as \$55.2 billion. The goods deficit decreased \$1.6 billion in July to \$73.7 billion. The services surplus decreased \$0.1 billion in July to \$19.7 billion. <u>Read Report</u>

### International Transactions, 2nd quarter 2019

US Department of Commerce - Bureau of Economic Analysis

The U.S. current account deficit, which reflects the combined balances on trade in goods and services and income flows between U.S. residents and residents of other countries, narrow ed by \$8.0 billion, or 5.9 percent, to \$128.2 billion in the second quarter of 2019, according to statistics from the U.S. Bureau of Economic Analysis (BEA). The revised first quarter deficit w as \$136.2 billion. <u>Read Report</u>

## New Foreign Direct Investment in the United States, 2018

US Department of Commerce - Bureau of Economic Analysis

Expenditures by foreign direct investors to acquire, establish, or expand U.S. businesses totaled \$296.4 billion in 2018, up 8.7 percent from \$272.8 billion in 2017. Read Report

## Apple iPhone, Amazon Echo Production Moving From China to India



IndustryWeek - Bloomberg Foxconn, Apple's manufacturing source for China, turns to India as an upand-coming hub for manufacturing.

On a steamy summer morning, dozens of buses pull up outside a cluster of low-slung, blue buildings in the south Indian state of Andhra Pradesh. Women dressed in colorful salw ar kameezes disembark, their dupatta body scarves billow ing as they make their w ay past hibiscus bushes and posters proclaiming, "Our aim, no accident."

The night shift at Foxconn Technology Group's mobile phone plant in Sri City is ending, and thousands of young women are punching out as others stream in to replace them. One of the arrivals is Jennifer Jayadas, a tall, slim 21-year-old w ho lives several miles away in a two-room hut with no running water. Read Article







#### World Steel Output Still Rising Despite Tariffs American Machinist



While most producer nations have flat or declining production volumes, China's tonnage is up 9.0% year-to-date

Steelmakers worldwide have increased raw steel output +4.6% since January, compared to the comparable seven-month period of 2018. In July, global steel output totaled 85.2 million metric tons, dow n -1.4% from June but increasing +1.7% from July 2018. Read Article

### Mercedes SUVs Are Piling Up at a German Airport

IndustryWeek - Bloomberg



Daimler AG is storing thousands of cars at a former military airport in northern Germany, as the Mercedes-Benz maker

faces supplier issues that are delaying deliveries of its revamped GLE sport utility vehicle to customers.

GLE SUVs and other models were lined up in blocks, some of which were 15 cars abreast and seven deep, stretching down the tarmac at the former Ahlhorn airport near the city of Bremen. The SUVs, which start at about \$56,000, were made in the U.S. for European customers. Read Article

### Why Many U.S. Companies Have Kept Production In China And Have No Plans Of Moving



NPR - Heard on All Things Considered - Ailsa Chang Chang Speaks with Basic Fun CEO Jay Foreman about the effects China tariffs are having on his toy company.

With more tariffs looming in the U.S.-China trade war, American companies are growing more pessimistic about the outlook for doing business in China. But 87% of U.S. firms with operations in China say they still haven't moved production to another country, and they have no plans to do so. That's according to a new survey from the U.S.-China Business Council.

To find out why most plan to stay put, we've called up Jay Foreman. He's the CEO of Basic Fun. It's the toy company that makes K'Nex, Lincoln Logs, Cutetitos and Pound Puppies. Read Article and Hear Interview

#### Siemens CEO Urges Europe to Take Stronger Stance in Trade Battle IndustrvWeek - Bloombera



Siemens AG Chief Executive Officer Joe Kaeser urged

the European Union to assert its voice in the trade conflict between the U.S. and China, saying the specter of a "decoupling" of political and economic systems would break with decades of integration and ultimately risk a global recession.

"Europe would be well advised to avoid this bilateral decoupling, but it can only achieve this when it is heard as a third force in the world, and that's not the case at the moment," Kaeser told journalists in Berlin. Part of the problem is that Germany and France, as the two biggest economies in the region, aren't alw ays aligned betw een industrial and agricultural interests, he said. Read Article

### A Mysterious Pencil Factory Sharpens Focus On **Tariff Scams**



With a growing number of imports from China facing tariffs.

some companies are trying to avoid those costs by falsely labeling Chinese products as manufactured elsew here.

The search for the origin of the pencils led to a dusty factory in the Philippines.

An American investigator traveled there last year, trying to find out if the factory really produced the pencils, as a U.S. importer claimed, or was simply repackaging pencils from China, as a competitor suspected. Chinese pencils have long been subject to a stiff anti-dumping tariff, which would have more than doubled the importer's cost.

An unannounced factory visit yielded damning evidence. According to a U.S. customs report, the manufacturing equipment at the Philippine plant "appeared to have been covered in dust and cobw ebs indicating that they had not been used for some time." Read Article and Hear Podcast

**Consumers Are Really Starting to Worry** About the Trade War CNBC - Yun Li



U.S. consumers are getting increasingly anxious about the trade w ar with China despite a recent thaw in the tensions ahead of the trade talks next month.

The University of Michigan's Surveys of Consumers show ed in September a near record number of consumers cited trade policies as a negative factor w eighing on the economy.

"Trade policies have had the greatest negative impact on consumers, with a near record one-third of all consumers negatively mentioning trade policies in September w hen asked to explain in their ow n w ords the factors underlying their economic expectations," Richard Curtin, Surveys of Consumers' chief economist, said in a statement. <u>Read Article</u>

### World Trade Statistical Review 2019

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH - World Bank

World Trade Statistical Review 2019 looks into the latest developments in w orld trade, with a detailed analysis of the most recent trends for trade in goods and services. Read Report

### China Announces Range of Tariff Exemptions IndustryWeek - Bloomberg



China announced a range of U.S. goods to be exempted from 25% extra tariffs put in place last year, as the government seeks to ease the impact from the trade w ar w ithout lifting charges on major agricultural items like soybeans and pork.

Pharmaceuticals and lubricant oil are among exclusions to levies on imports announced by the Ministry of Finance on its website on Wednesday. The exemptions, effective from Sept. 17 to Sept. 16 2020, will cover 16 categories of products w orth about \$1.65 billion, according to Bloomberg calculations based on China's 2018 trade data. Other products on the list include alfalfa, fish meal and pesticides. <u>Read Article</u>

#### The Trade War Spurs China's Technology Innovators Into Overdrive IndustryWeek - Bloomberg



In Shenzhen's glitzy financial district, a five-year-old outfit creates a 360degree sports camera that goes on to win awards and draw comparisons to GoPro Inc. Elsew here in the Pearl River Delta, a niche design house is competing with the world's best headphone makers. And in the capital Beijing, a little-know n startup becomes one of the biggest purveyors of smartw atches on the planet.

Insta360, SIVGA and Huami join drone maker DJI Technology Co. among a wave of startups that are dismantling the decades-old image of China as a clone factory - and adding to Washington's concerns about its fast-ascending international rival. Within the world's No. 2 economy, Trump's campaign to contain China's rise is in fact spurring its burgeoning tech sector to accelerate design and invention. <u>Read Article</u>

### Taking a Bullet for the Trade War

*IndustryWeek - Paul Ericksen* The U.S. government has yet to paint a realistic picture of the tariffs' toll on manufacturers, farmers, and w orkers.



The September 3 article, "ISM Report: US Manufacturing Contracts for the First Time in Three Years" may be a leading indicator that American manufacturers and consumers will start feeling negative impacts of this country's tariffs on Chinese imports. The point of making this observation is not to question w hether this trade w ar is necessary-in my mind, it is-but rather to point out the reality that if it goes on much further, there will likely need to be some belt-tightening in this country.

To date there hasn't been much noticeable impact-at least as consumers are concerned-since retailers have maintained pricing on Chinese goods. But at some point going forw ard, either prices on imports from China will rise or the companies selling them will start to suffer noticeable negative financial impact. Again, the point here is not to criticize the U.S finally taking on China, trade-wise, but to paint a realistic picture on w hat to expect if tariffs continue much further. <u>Read Article</u>

#### How to Navigate Export Risks: A Planning Guide for International Business Opportunities Thomas Insights - Kristin Manganello



The global export market presents U.S. companies with a wealth of opportunities. How ever, just like with any large-scale opportunity, expanding your international presence also exposes you to a number of vulnerabilities and challenges, some of which stem from factors beyond your control.

In a world plagued by uncertainties, being aw are of the possible risks and know ing how to mitigate them is one of the most important investments a company can make when considering exported goods.

Below are a few examples of common risks businesses must be prepared to handle when exploring international trade opportunities. Read Article

### Europe Renews Pledge to Retaliate Against Any Trump Car Tariffs



IndustryWeek- Bloomberg

The European Union's trade chief reiterated a pledge to impose retaliatory tariffs against the U.S. should President Donald Trump follow through on a threat to hit the bloc's automotive goods with duties.

European Trade Commissioner Cecilia Malmstrom criticized Trump's assertion in May that EU cars and auto parts shipped to the American market pose a security risk to the U.S. The Trump administration faces a self-imposed deadline of mid-November to decide w hether to curb such imports. <u>Read Article</u>

### Education and Workforce Development News

### A New System to Gauge Acquired skills?

Community College Daily News - Matthew Dembicki A national w orkforce policy advisory board convened by the White House is recommending an ambitious system to



record all the credentials, skills and work-related experiences attained by Americans so workers and employers can more accurately determine job qualifications.

The so-called "interoperable learning record" (ILR) was among the recommendations presented Wednesday at a meeting in Washington, D.C. of the American Workforce Policy Advisory Board, which provides advice and recommendations to the interagency National Council for the American Worker on ways to encourage the private sector and educational institutions to address the skills crisis.

The advisory board comprises more than two dozen top representatives from business and industry, government, education and other organizations. Three of the board members come from the community college sector: Walter Bumphus, president and CEO of the American Association of Community Colleges; Jay Box, president of the Kentucky Community and Technical College System; and Sheree Utash, president of WSU Tech in Kansas. <u>Read Article</u>

### Senate Confirms Eugene Scalia as Labor Secretary, Succeeding Alex Acosta Who Resigned in July Amid Outcry Over Epstein Plea Deal



Community College Daily News - Washington Post-Felicia Sonmez and Eli Rosenberg

The Senate on Thursday confirmed Eugene Scalia to succeed Alex Acosta, the labor secretary who resigned in July amid an outcry over his role in a plea deal for the multimillionaire sex offender Jeffrey Epstein.

Scalia is a partner at the Washington law firm Gibson Dunn, where he has represented companies such as Walmart, Ford and UPS in workers rights claims. He is also the son of the late Supreme Court justice Antonin Scalia. Scalia was confirmed Thursday on a 53-to-44 vote. <u>Read Article</u>

# Training and Organizational Development News

**'Knowledge Sweeps' Clean Up at Goodyear** *IndustryWeek - Jim Clarke, Felix Massot* Getting the right info to the right people saves millions, halves product cycle time.



When large and long-established manufacturing companies consider the value of know ledge management for technology and product development, the issues of brain drain, reuse and discovery w eigh heavily on the minds of executive management. Retirees and many millennial employees regularly w alk out the door with their tacit know ledge, and the company's documented explicit know ledge from them often becomes buried w ithin project records, databases and online portals. <u>Read Article</u>

## Things People Do to Speed Up Innovation that Slow It Down



### IndustryWeek - Katherine Radeka

These three approaches may look good in theory, but time and again they fall flat.

The following is an excerpt from the forthcoming book, High Velocity Innovation: How to Get Your Best Ideas to Market Faster (Career Press: October 2019).

Over and over again, I see the things company leaders do to accelerate innovation often slow it down instead. They encourage teams to be decisive, only to find that many of those decisions have to be revisited later, when it's expensive to change the decisions. They accelerate the Investigation Phases of innovation to meet an aggressive time line, and then find that the Execution Phases get bogged down. They staff an innovation team with outsiders for fresh thinking and then wonder why these teams' products cost too much or fail to resonate with consumers. Read Article

#### Hanging on Until 2030

*New Equipment Digest - Mark Howard* The well-publicized skills gap could leave 2.4 million jobs vacant betw een 2018-2028 and could cost the industry \$454 billion by 2028.



The United States is undergoing a dramatic demographic transformation. According to research by the U.S. Census Bureau, one in five Americans will be 65 or older by 2030. By 2035, retirement-age Americans will outnumber those under 18. Mark How ard, North America country manager of industrial parts supplier, EU Automation, explores w hat this means for the manufacturing skills shortage.

Generating around 12.75 million jobs, and producing 18.2% of the world's goods, US manufacturing is colossal. What's more, according to the National Association of Manufacturers, every dollar spent in manufacturing adds \$1.89 in business grow th in other supporting sectors, such as retailing, transportation and business. <u>Read Article</u>

### In Drive to Increase Manufacturing Workforce, Sikorsky and Teamsters Partner to Reach High School Students



AreaDevelopment - Hartford Courant, Stephen Singer Over eight w eeks, Vanessa Maldonado, left, w orked w ith

mentor Mia Bridgeforth and other technical experts to earn preapprenticeship hours tow ard aircraft manufacturing certification. (Sikorsky hand-out).

With demand soaring for qualified manufacturing w orkers in Connecticut, Sikorsky Aircraft and the Teamsters union are ratcheting up an 18-year partnership to train the next generation of aerospace employees, reaching beyond community colleges and vocational schools into high schools.

The Stratford helicopter maker, a subsidiary of defense manufacturer Lockheed Martin Corp., and the union that represents 4,000 Sikorsky w orkers recently announced an aircraft manufacturing pre-apprenticeship program certified by the Department of Labor. The designation allow s students to apply the hours of w ork and study certified to any aerospace manufacturer.

"It's an interesting ride," said Rocco Calo, secretary-treasurer of Teamsters Local 1150. "It's recognizing a credential. Not just at Sikorsky, but anyone in the supply chain, too." <u>Read Article</u>

### In Uncertain Times, Strategy Becomes More Important, Not Less



IndustryWeek - Paul Ericksen What is the basis for my worry? It's the double w hammy of the 2017 corporate tax breaks and the increase in federal spending.

I had a discussion the other day with my neighbor. It was about the validity

or lack thereof of global w arming. He and I are on opposite sides of the political spectrum but have a good enough relationship to have meaningful discussions on partisan issues. The points I brought up w ere things like documented increases in temperatures, accelerated melting of glaciers and ice caps, etc. He acknow ledged those facts but said they w ere due to normal variations in climate -- not the result of man's use of fossil fuels. In the end, his position w as that predictions about climate have alw ays been iffy, sometimes on target and sometimes not. Read Article

### In Change, Top Management Procrastinates the Most IndustryWeek - R. Paul Vuolle



This article is based on Vuolle's forthcoming book, "Lead Now, Manage Later: The Straight Shooter's Guide to Business Success" to (Koehler Books: October, 2019).

Most companies change only when forced to. Unfortunately, this often occurs when the wolves are at the door.

When I have led change in organizations, the most striking comments from people involved have been that they do not know w hat will happen after the change. And this is the quintessence of change!

If we know that changes will bring positives, we would probably not resist it. Luddite CEOs and business leaders who grit their teeth and ignore the inevitable in alw ays-fluid and changing market forces are doomed. <u>Read</u> <u>Article</u>

### **Quality News**

#### Lean Leadership: Understanding the Why and How of Standard Work IndustryWeek - Larry Fast



Once standard w ork is approved, it is the only right way the process should be operated, until...

Question: We are trying to create some standard w ork around several processes in our plant. Who should "ow n" this-the operators w ho run the process or an engineer? I'm not sure I can get everyone to agree there is the one best w ay.

Answ er: First, I'm delighted that the reader and others at work have recognized the importance of having standard work in place for all processes. Over the years we've referred to processes by a variety of other names -- set ups, specification limits, detailed bills of material, operating instructions, preventive maintenance, et cetera. All these, and many more, should properly be understood and documented as standard work. <u>Read Article</u>

### How Hasbro's Culture Contributes to Sustainability



EHS Today - John Hitch The toymaker isn't playing when it comes to sustainability, Hasbro's SVP of Corporate Social Responsibility says, though to w ork, employees must take it just as seriously.

It's pretty apparent the w orld has a plastic problem, from the 2.6 million tons of plastic debris flow ing from rivers into the w orld's oceans to the various forms of the transparent refuse that end up in landfills. According to the EPA,

Americans created about 14.7 million tons of plastic containers and packaging w aste in 2015 alone, w hich accounted for 5.5% of all municipal solid w aste (MSW). The percentage recycled increased from 9% in 2000 to 14.6% in 2015, but more than tw o-thirds still ended up in landfills. Read <u>Article</u>

### Citing Poor Quality, Emirates President Refuses Delivery of Boeing, Airbus Planes IndustryWeek - Bloomberg



The British CEO rebuked Boeing and Airbus for producing poor-quality aircraft plagued by glitches and unreliable engines.

Emirates President Tim Clark delivered a broadside against Airbus SE and Boeing Co. as well as their biggest engine suppliers, saying he's no longer prepared to take delivery of aircraft that don't meet specifications.

The veteran airline executive, who oversees the world's largest international carrier, said he's run out of patience with glitches that have held up new models or forced costly groundings for emergency repairs. He likened the nuisance to purchasing a new luxury car, only to have the dealer w arn that the engine will need changing after three months. Read

#### <u>Article</u>

## Your Lean Six Sigma Belt Program Is the Problem

*IndustryWeek - Dan Markovitz* Don't let the easily quantifiable metric substitute for the real goal.



I visited a company a few weeks ago that asks all of their employees to do a green belt project. It's not mandatory, but completion of a project is part of their annual review. Not surprisingly, the management boasts that nearly everyone does a project.

You know how many people do a second project? Less than 5%.

This company is doing okay, but they definitely don't have a culture of continuous improvement. Plenty of green belts, sure. But there's no evidence of a continuous improvement mindset among the w orkers. Which is w hat the senior leadership w ants, and w hy they created a Lean Six Sigma belt program in the first place. <u>Read Article</u>

### **Cyber Secuurity and IT News**

### Microsoft Vendors Win a \$7.6 Billion Deal for Pentagon Software

IndustryWeek - Bloomberg



The Pentagon will receive nearly \$8 billion dollars in office software. The deal is unrelated to the Joint Enterprise Defense Infrastructure project, which is still up for grabs.

Vendors led by General Dynamics Corp. w ere aw arded a contract for as much as \$7.6 billion to provide Microsoft office softw are for the Pentagon, the Defense Department and General Services Administration said.

While the Microsoft 360 productivity softw are is cloud-based, the contract isn't related to the hotly disputed "JEDI" cloud project that the Pentagon has yet to aw ard. Amazon.com Inc. and Microsoft Corp. are the two remaining competitors for that prize, w hich may reach \$10 billion. <u>Read Article</u>

### Google's Dominance Hurts Competition

NPR All Things Considered - Aarti Shahani State attorneys general of 48 states, Puerto Rico and the District of Columbia announced a major probe Monday into Google's dominance in search and advertising for



practices that harm competition as well as consumers. Texas Attorney General Ken Paxton is leading the bipartisan pack.

"The Internet is not free. This is a company that dominates all aspects of advertising on the Internet and searching on the Internet," Paxton said at a press conference on the steps of the Supreme Court in Washington, "as they dominate the buyer side, the seller side, the auction side and even the video side with YouTube." The investigation includes all the states, except for California and Alabama. <u>Read Article and Hear Podcast</u>

## There's No Magic Bullet: Learnings on the Road to Industry 4.0



IndustryWeek - Ben Nelson, Mark Maas What might w ork in one area might not w ork in the next.

As the world becomes increasingly connected, we are beyond automation and machine learning being disruptors; they are becoming table-stakes technology. On paper, manufacturers across the globe should be transforming old factories and outfitting them for the future of production. But the reality is that converting old factory operations into truly smart factories presents many challenges that can slow down manufacturers' ability to turn the concept of a digital factory into an operational reality. <u>Read</u> <u>Article</u>

#### NY to Lead Antitrust Investigation of Facebook CFO.com - Matthew Heller

A coalition of states will probe Facebook's "dominance of [social networking] and the potential anticompetitive conduct stemming from that dominance."

Facebook's antitrust headaches worsened on Friday as New York's attorney general announced she was leading an investigation into potential anticompetitive conduct.



The social media giant is already being probed by the U.S. Federal Trade

Commission, which is focusing on whether Facebook has used acquisitions of other platforms including Instagram and WhatsApp to maintain its dominance.

New York Attorney General Letitia James said she w as joining with her counterparts in seven other states and the District of Columbia to investigate "Facebook's dominance in the industry and the potential anticompetitive conduct stemming from that dominance." <u>Read Article</u>

## Is Data Security Risk Crowding Out Other Priorities?

CFO.com - David McCann

It may be difficult to judge w hether contemporary CFOs' tight focus on data privacy and security is a value-add or a strictly defensive posture that limits their engagement in



value-add activities. Either w ay, study after study shows that among the multitude of concerns finance chiefs must grapple w ith today, it's become their chief one.

Most recently, management consulting firm Protiviti surveyed 817 CFOs and other finance leaders w orldw ide, asking them to prioritize 40 different aspects of finance. Participants rated each aspect on a 10-point scale. More than 8 in 10 (84%) of them rated data privacy/security an 8, 9, or 10. Next on the list w as enhanced data analytics (79%).

CFOs' strong attention to this risk takes into account their aw areness that data breaches are commonplace today as well as a lack of confidence in their ability to drive adequate defenses, according to Protiviti. <u>Read Article</u>

#### Cybercriminals Shifting Focus Away from Financial Sector to Target Manufacturers Thomas Insights - Staff Writer



Just as 18th-century pirates turned their attention instead

to easier prizes like solitary trading vessels, so too are 21st-century cybercriminals turning aw ay from w ell-protected primary targets, like banks and tech companies, to focus instead on easier prey - like manufacturers.

### Why is the Manufacturing Sector at Risk?

Traditionally, the finance sector has been the biggest target for cybercriminals with the intention of stealing money or valuable customer data. In some ways, this focus has caused executives in the manufacturing sector to disregard the threat with the assumption that they are an unlikely target.

How ever, manufacturing is at risk of cyberattack due to: Read Article

### Human Resource Management News

## When Rumors Spiral, Communication Saves the Day



IndustryWeek - Mark Whitten

Worker speculation can lead to confusion and fear. Here's how to solve it.

Throughout my leadership journey, the one topic that is consistently discussed is communication-or in some cases, the lack of it.

The old saying is that communication is the lifeblood of an organization. That is true, and it comes in many different forms and methods. How ever, I want to share with you one very important and misunderstood aspect of communication that I have witnessed across multiple assignments, different countries, different cultures, different employers ... same issues! <u>Read</u> <u>Article</u>

## NLRB and NMB Ease Union Decertification Process



Material Handling & Logistics - David Sparkman The NLRB also seeks to simplify representation elections.

The National Labor Relations Board (NLRB) is continuing its campaign to change how employee union representation elections are conducted by pursuing both rulemaking proceedings and by voting on individual cases as they arise.

Historically, the five-member NLRB has made policy by voting on individual cases that are brought to it from the board's field offices where the initial rulings on unfair labor practice complaints are made. The Trump-era board is aiming to undo many of the pro-union decisions of the NLRB during the Obama Administration that sought to make it easier for unions to w in representation elections. <u>Read Article</u>

## A Key Employee Just Gave Notice - Here's How To Prepare Before They Leave



ThomasNet - Kristin Manganello

Employees are a company's greatest asset; each member of the team represents an important mechanism within the overall machine. While every individual within a workforce has the potential to add value to a company, there are some employees that, through their skills and experience, rise so far above the rest that they become absolutely vital to the company.

Unfortunately, sometimes these key employees end up parting ways with their employers to move on to new opportunities. Because the company is heavily reliant on the former employee, this departure can result in a deep void that can have an enormously negative impact on the business. This is especially true for small businesses, where teams tend to be small and tightly knit.

How ever, losing a key employee doesn't have to be a catastrophic event. Here's how to stay prepared for potential team member departures - just in case. <u>Read Article</u>

### 24 Questions You Should Be Asking Your Employees to Improve Talent Retention ThomasNet - Staff Writer



Changes in the labor market mean retention isn't for hiring

managers only. Cost-cutting and dow nsizing in today's job market have had a dramatic effect on the way employees look at their careers. Simply put, today's employees have let go of their commitment to a specific employer and, like athletes unhappy with their current station, have become "free agents" in search of the best opportunity available.

That is w hy "retention of talent" has become a key strategy for small, midsized, and especially large corporations around the w orld. Some are looking at things like offering special benefits (telecommuting, flexible hours, building new fitness centers, etc.), w hile others have gone deeper.

Lora Adrianse, a coach, consultant, and ow ner of Essential Connections, suggests asking the follow ing questions to help determine how employees feel about their jobs: <u>Read Article</u>

## The Overtime Rule Gets an Overhaul: Are You Ready?



IndustryWeek - Elliot N. Dinkin

To reduce the risk of non-compliance, businesses should prepare now for the upcoming overtime rule changes that primarily impact w hite-collar employees.

The U.S. Department of Labor's (DOL) revisions to the Fair Labor Standards Act (FLSA) w hite-collar exemption are expected to be finalized soon. The proposed new rules w ould raise the salary threshold from \$455 per w eek (\$23,660 per year) to \$679 per w eek (\$35,308 per year), allow employers to include "certain nondiscretionary bonuses and incentive payments" up to 10% of the new \$679 per w eek salary threshold and, raise the total annual compensation requirements for highly compensated employees to \$147,414. Read Article

### **Environmental, Health & Safety News**

### VPPPA Safety+ 2019: Recruiting to Prevent Workplace Violence



EHS Today - Stefanie Valentic Preventing w orkplace violence incidents doesn't have to start in the w orkplace. It can begin during the hiring process.

Active shooter sessions are ineffective because they fail to teach w orkplace violence prevention and are focused mainly on techniques used in mass shooting situations, Phil La Duke told VPPPA's 2019 Safety+ Symposium attendees.

The safety consultant and author of "Lone Gunman: Rew riting the Handbook on Workplace Violence Prevention" expounded about the ways safety managers and human resources professionals can screen job candidates to mitigate the risk of a workplace violence situation.

"It begins before you even have the candidate in for an interview," he told the audience. "It's better to hire someone later and have the issue of trying to recruit them then to hire a maniac." Read Article

### Improve your Electrical Maintenance Inspection Efficiency and Safety



EHSToday - Jonathan Katz Updated NFPA guidelines mean facilities must reevaluate how they perform thermal imaging tests.

A new era has arrived for electrical equipment maintenance, and w orker safety is predominant. The days of suiting up in personal protective equipment (PPE) and hoping for the best are over. The NFPA 70E which deals with how to reduce risk through safe work practices on equipment under "abnormal" conditions and when the likelihood of shock exposure, arcing fault and arc flash are heightened have been updated. One of the standout features, The Hierarchy of Risk Control Methods are no longer optional; they have been made mandatory. These requirements apply to any energized electrical work task to help mitigate exposure and reduce risk. The Hierarchy must be applied in sequence to eliminate the inherent risk or reduce it to as low as reasonably practicable. The Hierarchy of Risk Control is made of 6 control levels - Elimination, Substitution, Engineering Controls, Aw areness, Administrative, and Personal Protective Equipment (PPE). Each control level must be considered fully and eliminated as an option before moving to the next low er, less effective control within the hierarchy. Read Article

### OHSA's Top 10 Violations for 2019



EHS Today Companies around the United States are still failing to address the same hazards that are leading to OSHA's top 10 violations. <u>See Slideshow</u>

## NSC 2019: Workplace Violence and Mass Shootings



EHS Today - Stefanie Valentic "Our best possible course of action is to have a workplace devoid of negative emotions," says Jack Jackson, SafeStart senior consultant.

With the prevalance of active and mass shootings in the United States, employers should have a emergency response plan to protect workers. How ever, some companies w ait to have a plan because leadership doesn't see the possibility of it happening, said Jack Jackson, SafeStart senior consultant, at the 2019 National Safety Congress and Expo in San Diego.

"We have to talk about it now, rather than later," Jackson told attendees. "We don't need to sit complacent in our surroundings and in our ow n little w orld because w e don't think it could happen." <u>Read Article</u>

### If it's difficult to identify, explain or document your firm's worker development process, maybe you don't have one.

Perhaps your firm finds it difficult to accommodate change or measure and improve worker performance. Or, scrap and rework are unreasonably high for workers that were thought trained.

Spend a few minutes to learn more about a worker training approach:

- designed for manufacturing;
- proven for any industry;
- customized to your job classifications, your tasks and specifications, and your business operation's needs...

## Does your organization struggle with high turnover rates leading to

low er organizational capacity, w ork quality and quantity and compliance? Is your organization faced w ith these increasing costs w hile seeing a decreasing training budget?



### Wouldn't it be worth a few minutes of your

time to find out how you can drive every worker - incumbent and new-hires - through structured on-the-job training to full job mastery. with a small investment and huge return?

Check the "Upcoming Events" section of this newsletter for when a Proactive Technologies Representative will be in your area next and <u>schedule an onsite briefing</u> !
Proactive Technologies, Inc. <u>always offers a low-to-no risk pilot</u> program approach. We w ork w ith the client to design a project to fit their budget and meet their business needs.
Plan to attend one of our scheduled live online presentations (see schedule on left) OR tell us a date and time that fits your schedule, which we can follow -up with an onsite presentation. Or skip the online presentation and schedule an onsite briefing.
The PROTECH™ approach:
<ul> <li>Is designed to your job classification, your operation and incorporates your firm's specifications, process, standards and policies;</li> </ul>
<ul> <li>Ends your worries and costs over finding qualified candidates and closing the "skills gap;"</li> </ul>
<ul> <li>Drives every worker to full job mastery while they simply learn their job;</li> </ul>
Cuts your employee turnover costs;
<ul> <li>Captures worker expertise before it leaves and use it to quickly and thoroughly train replacements;</li> </ul>
<ul> <li>Provides metrics and reports for process monitoring and improvement.</li> </ul>
European-style apprenticeships without the exorbitant cost whether registered or not.
We research available training grant funds for each project and help the client apply. Grants may offset most or all of the investment to set-up and implement the structured training system!!
Low investment, no risk, high returns - everything to gain!
Isn't an hour of your time worth it to see if this approach to worker training is the one you always wished you had?
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