



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

**HAPPY HOLIDAYS!**

Best Wishes for a Safe and Prosperous New Year



**"Full Job Mastery" means "Maximum Worker Capacity" - A Verifiable Model for Measuring and Improving Worker Value While Transferring Valuable Expertise**

*by Dean Prigelmeier, President of Proactive Technologies, Inc.*



It is no secret that with the traditional model of "vocational" education, the burden of the **job/task-specific skill development** falls on the employer. It is not economically feasible nor practical for educational institutions to focus content on every job area for every employer. So they, instead, focus rightly on core skills and competencies - relying on the employer to deliver the rest.

This is where the best efforts of local educational institutions and training providers begin to break down even if highly relevant to the industry sector.

**Employers rarely have an internal structure for task-based training of their workers.** Even the most aggressive related technical instruction efforts erode against technological advances as every month passes. If core skills and competencies mastered prior to work are not transformed quickly into tasks the worker is expected to perform, the foundation for learning task performance may crumble through loss of memory, loss of relevance or loss of opportunity to apply them.

**New workers routinely encounter a non-structured, rarely focused, on-the-job training experience.** Typically, the employer's subject-matter-expert (SME) is asked to "show the new employee around." While highly regarded by management, the SME (not trained as a task trainer and having no prepared materials) has difficulty remembering the nuances of the tasks when explaining the process to the new employee, since that level of detail was buried in memory long ago. Each SME, on each shift, might have a different version of the "best practice" for processes, confusing the trainee even more - rendering the notion of "standardization" to "buzzword" status.

**Initially, new employees have difficulty assembling, understanding and translating the disjointed bits of recollection into a coherent process to be replicated.** Each comes with their own set and levels of core skills and competencies, and learning styles vary from the self-learner/starter to the slow-learner worker who, with structure to make sure they learn the right best practice, may become loyal, high-quality workers.

**The more time the SME spends with the new employee in this unstructured, uncontrolled and undocumented experience, which is the prevailing method of on-the-job training, the more the**

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

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

Increased worker capacity, work quality and quantity, and worker compliance (ISO9001:2015, AS9100D, TS16949, engineering and quality specifications, and safety requirements).

## 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 [News and Publications](#) page or click [Proactive Technologies Report - December 2019 Issue](#). While at our web site, check out past newsletters, articles and more.

**Helping employers to unlock worker value since 1986!**



## Sign-up for our free monthly newsletter

It's easy. Just click on the "Join Our Mailing List" link above. Make sure you continue to receive news that matters to you and your industry, from around the world.

### 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](#)

## Free - 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 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.**

employer is paying two people to be non or minimally-productive. Adding employees can actually lower short-term productivity and add little to long-term productivity for an organization, but the costs will attract notice internally and may lead management falsely believe the problem is cost related. [Read More](#)

## Algorithms for Hiring, Credit..What Next? Perhaps Caution Should be Exercised

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



We are pushed from all sides to embrace advancing technology meant to impact every aspect of our lives. Peer pressure - from friends, family, colleagues, industry "experts" drive us to consider embracing "our future" - often explaining away the disruptions it causes to our present. Sometimes naïve, but always enthusiastic, media compete to be the first to break the news, bombard us with everything from subtle shaming to industry-driven pushes to accept and use technology - even if lacking thorough testing or proper consideration of all ramifications from its usage. If the technology causes damage, shoulders are shrugged and the horizon is scanned for the next.

Driven by massive amounts of marketing cash -often to create the illusion of trends when market acceptance is tepid - who is helped and who is hurt by the innovation is a distant afterthought. The damage can be done and those promoting the technology push to broaden its acceptance. If press coverage is too harsh when its promise comes up short and shareholder interest wanes, abandon it and move on to fabricate the next "trend."

Take, for example, the recent examples of [Apple and Goldman Sachs credit cards](#), which it appears issued lower credit limits to spouses of husbands who shared the same credit score. "A tech entrepreneur, David Heinemeier Hansson, first raised the issue when he tweeted that the Apple Card's algorithms discriminated against his wife, giving him 20 times the credit limit it had given to her." His wife's credit score was much better than his own. This, also, happened to the spouses of Apple cofounder Steve Wozniak and other prominent figures.

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**"...the Goldman credit card story is "not the best example of this huge problem."**

Nick Thompson  
Wired Editor-in-Chief

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Some banking algorithms utilize around 400 attributes in its determination of creditworthiness. And that might be made up of many we wouldn't expect, but we will never know since it is considered a "trade secret." But, as in most cases of machine learning, a lot of trust and faith is afforded the technological advancement which is only rocked when something tragic, abnormal or, in this case anti-social and potentially illegal, is discovered. [Read More](#)

## Tips for Workforce Developers - Partnerships That Matter...and Last

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



Having partnered with Proactive Technologies, Inc. on workforce development projects for the past 20 years, it gave me a chance to innovate and learn what works, what efforts are most appreciated by the employer, trainee and employee, and which projects utilized resources most efficiently and effectively. There are numerous resources available from many sources that can impact a trainee with varying effectiveness, but the secret is selecting those that are appropriate for the project outcome the employer expects.

As Dean of Corporate and Continuing Education at community and technical colleges in Massachusetts, Ohio, Pennsylvania and South Carolina, at the start of each assignment I had to first learn what resources our school had available for the sectors we were targeting, and how current and relevant the courses, materials and instructors were for the specific skills employers were seeking. To be honest, in some areas our products and services were weaker than expected, so the determination needed to be made whether we had the resources and will to upgrade what we had or develop what we

[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):**

[PTI1000 - A Preview of an Upcoming Presentation](#)  
(13 minutes)

**FOR FORMER EMPLOYER CLIENTS:**

[PTI1001 - Former Client Employers - Restart Your Organization's PROTECH® Training Infrastructure](#)  
(45 minutes)

**FOR ANY EMPLOYER:**

[PTI1002 - Building an Effective Worker Training/Apprenticeship System - Registered or Not](#) (45 minutes)

[PTI1004 - If You Can't Find Skilled Workers, Develop Your Own](#)  
(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 [here](#) 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

needed. We also had to consider if it would be more economical to strategically partner with outside providers who always had the current technical expertise and already created solutions we could incorporate into our offerings.

Too often there was internal resistance and a lack of understanding of how important being relevant was to workforce development. Many institutions grew complacent to change or were discouraged by shrinking budgets or misaligned priorities from innovation. Always feeling a sense of urgency to overcome the ubiquitous "skills gap" that cast a shadow on all education and workforce development efforts, there are some important steps that I developed for myself to help me better assess each employer's need and provide solutions client employers appreciated. This is the reason most employers we worked with kept us engaged year after year. We earned, and maintained, their respect and gave them confidence in our solutions, which ensured our continued role in their business model. This provided a continued revenue stream for the school to continue, improve and expand those efforts.

1) **Listen carefully to the employer's description of the need** - not every employer has a clear grasp of their need, but if you listen to their frustration in the context of your experience gained from concerns of other employers facing similar symptoms, you can help the employer discover the root cause. Then a solution that makes sense can be developed; [Read More](#)

## Economic Development Opportunities - An Important Incentive in Attracting Companies to Your Region

*by Dean Prigelmeier, President of Proactive Technologies, Inc.*

When organizations try to create new jobs in their area - working with companies that are considering moving to, expanding to or expanding within their areas - skilled labor availability for many regional economic development strategies may include an offering that consists of one part skills assessment, one part general skill classes and a sprinkling of worker tax credits or grants. That seems to be what most incentive packages include, but is that because: A) that is what the other offers look like; b) it has been like that for decades; C) it is assumed that is all that is available; or D) all of the above?

For over thirty years headlines sounded the alarm that those institutions that were training the workforce of tomorrow were not succeeding in their effort as discussed in, ["An Anniversary That You Won't Want to Celebrate: 30 Years Later and The Skill Gap Grows - Is it Finally Time to Rethink The Nation's Approach?"](#)). Many skilled workers that are available to work do not have the skills that employers need today. Not completely satisfied with their answer to the inevitable question regarding the region's skilled labor availability and how workers with specific skill needs will be found or developed, some economic development organizations are exploring other options and opportunities.

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***"Whether attracting new companies and helping them thrive and expand, or helping existing business to do the same, this approach is an important component of any economic development strategy."***

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It is important to understand that the types of skills that employers are most concerned with - especially employer-specific task-based skills - most likely have not been in the local workforce, nor have any programs been available in local institutions to develop them, simply because these new jobs, with new skill requirements, have never been in the area. The types of skills needed for most modern manufacturing and advanced manufacturing have never been developed because the need was not present nor the data on these jobs available. Even if the need was present, by the time the skill is recognized, a program developed and a worker completed the learning, manufacturers either moved on or moved out. [Read More](#)

## Proactive Technologies Announces Significant Turnkey Project Discount Program - October 15th - December 20th, 2019!

**"No-Risk" Discount Pilot Program - Witness Approach for One of Your Specific Job Classifications Before You Decide to Expand**  
*by Proactive Technologies, Inc. - Staff*

Due to the success of our last discount offers, and many requests from companies that could not act before the end of the last discount offer early

following states, **and a representative will be in your area**, in the month of:

## **December, 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, I77 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**)

**Contact Us** to express your interest in an onsite or group presentation.



**Classes alone will not close the "skills gap," but structured on-the-job 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 *managed* human resource development!**

this year, Proactive Technologies Inc. is once again offering a **generous discount offer of up to 40%** to employers **from October 15th to December 20th, 2019!**

## **Offer Closes Soon!**

This **accelerated transfer of expertise™** approach is a tremendous offer without the discount but with it, it can help any employer to:

- quickly and completely train the skilled workers they need;
- realize an increase in worker capacity, work quantity/quality and compliance with quality programs such as ISO9001:2015, TS16949, AS9100D, NADCAP, etc., as well as engineering specifications and safety;
- reduce the internal costs of training!

**New-hires and incumbent workers are driven to full job mastery and higher levels of return on worker investment (ROWI).**

The task-based, structured on-the-job training infrastructure is perfect for apprenticeships; instead of marking the calendar for "time-in-job," job-relevant tasks are mastered and documented.

As if anyone needs one more reason (i.e. in addition to live online presentations, onsite presentations) to decide whether to move forward with structured on-the-job training to boost their training strategy: **[Read More](#)**

## **Proactive Technologies' Fall Discount Offer Is Underway! October 15th - December 20th, 2019!**

### **Discounts up to 40%!**

We help the client find grants to offset the investment to set-up and implement each program. We provide the technical support to allow your firm to focus on business.

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* human resource development!**

Proactive Technologies offers pilot program approaches, scale-discounts 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 worker process training compliance (ISO/AS/TS and OSHA);
- Lower turnover rates;
- Lower your firm's internal costs of training!

**Higher return on each worker investment!**

**[Learn more](#)** and get ready to maximize worker performance and return on worker investment...while minimizing your investment to do so!

**Contact a Proactive Technologies representative** to set up a 10 minute phone call that might convince you to learn more about



- **Accelerated Transfer of Expertise™**;
- 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](http://www.proactivetechnologiesinc.com)

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- Job-Relevant Technical

the accelerated transfer of expertise™.

**What keeps you up at night?** Is one of them what will happen to worker and organizational capacity if staffing levels change (increase or decrease)? Or if changes in market conditions, technology, processes, organizational structure and product lines change the work to be performed? **Do you feel prepared?**

#### THE SOLUTION IS REALLY PRETTY SIMPLE

1. Capture current expert worker expertise and manage it for change;
2. Use it to accelerate the transfer of expertise to next worker;
3. Measure and improve processes and worker performance;
4. Monitor progress and report.

You probably have all the pieces of a strong worker training program in place. **What you may be lacking is a proven method and support to set your system up and provide implementation technical support so you can focus on business.**

Why not take a few minutes to find out more about Proactive Technologies' **PROTECH™ system of managed human resource development** for the **accelerated transfer of expertise™**?

**Low investment - high return!** Increased worker capacity, work quality/quantity, and compliance... all while decreasing your internal costs of training!

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## Industry News

### DOMESTIC ECONOMIC DATA

**Gross Domestic Product, 3rd quarter 2019 (second estimate); Corporate Profits, 3rd quarter 2019 (preliminary estimate)**

*US Department of Commerce - Bureau of Economic Analysis*

Real gross domestic product (GDP) increased 2.1 percent in the third quarter of 2019, according to the "second" estimate released by the Bureau of Economic Analysis. The growth rate was 0.2 percentage point higher than the "advance" estimate released in October. In the second quarter, real GDP rose 2.0 percent.

Profits from current production (corporate profits with inventory valuation and capital consumption adjustments) increased \$4.6 billion in the third quarter, compared with an increase of \$75.8 billion in the second quarter.

[Read Report](#)



### Personal Income, Outlays, October 2019

*US Department of Commerce - Bureau of Economic Analysis*

Personal income showed virtually no change in October after increasing 0.3 percent in September. Wages and salaries, the largest component of personal income, increased 0.4 percent in October after increasing 0.1 percent in September. [Read Report](#)



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

*US Census Bureau*

New orders for manufactured durable goods in October increased \$1.5 billion or 0.6 percent to \$248.7 billion. October 2019: +0.6% change; September 2019 (r): -1.4% change.

[Read Report](#)



### Manufacturers' Shipments, Inventories, and Orders

*US Census Bureau*

New orders for manufactured goods in September decreased \$2.9 billion or 0.6 percent to \$496.7 billion. September 2019: -0.6% change; August 2019 (r): -0.1% 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



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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*

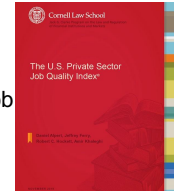
Total nonfarm payroll employment rose by 130,000 in August, and the unemployment rate was unchanged at 3.7 percent, the U.S. Bureau of Labor Statistics reported today. Employment in federal government rose, largely reflecting the hiring of temporary workers for the 2020 Census. Notable job gains also occurred in health care and financial activities, while mining lost jobs. [Read Report](#)



### The New "U.S. Private Sector Job Quality Index" to Start December, 2019

*Cornell Law School*

The U.S. Private Sector Job Quality Index (JQI) assesses job quality in the United States by measuring desirable higher-wage/higher-hour jobs versus lower-wage/lower-hour jobs. The JQI results also may serve as a proxy for the overall health of the U.S. jobs market, since the index enables month-by-month tracking of the direction and degree of change in high-to-low job composition.



By tracking this information, policymakers and financial market participants can be more fully informed of past developments, current trends, and likely future developments in the absence of policy intervention. Economists and international organizations have in recent years developed other, complementary conceptions of job quality such as those addressing the emotional satisfaction employees derive from their jobs.

For the purposes of this JQI, "job quality" means the weekly dollar-income a job generates for an employee. Payment, after all, is a primary reason why people work: the income generated by a job being necessary to maintain a standard of living, to provide for the essentials of life and, hopefully, to save for retirement, among other things. [Read Article](#)

### Pentagon, Lockheed Martin Reach \$34 Billion F-35 Deal

*Thomas Insights- Andy Szal*

Lockheed Martin will produce nearly 500 F-35 fighter aircraft under a newly announced \$34 billion Pentagon contract, company and department officials said Tuesday.



The 478 F-35 Lightning II planes included in the finalized agreement will primarily consist of 351 F-35A aircraft used by the Air Force. The order also includes 86 of the vertical-takeoff F-35B used by the Marine Corps and 41 of the carrier-based F-35C.

The U.S. military will receive 291 of the planes, while 127 will go to the Pentagon's international partners and 60 will be purchased through the foreign military sales process. [Read Article](#)

### Fiat Chrysler, Peugeot to Create No. 4 Automaker

*CFO.com - Matthew Heller*

The companies see the \$48 billion deal as a move to "capture the opportunities and manage effectively the challenges of the new era in mobility."



Fiat Chrysler Automobiles and Peugeot have agreed to a merger, sacrificing their independence as a means to reduce the costs of shifting to electric and autonomous vehicles.

The proposed combination would create the world's fourth-largest automaker, with unit sales of 8.7 million vehicles, combined revenues of nearly 170 billion euros (\$190 billion) and recurring operating profit of more than 11 billion euros (\$12.3 billion).

The companies said there is "compelling logic for a bold and decisive move that would create an industry leader with the scale, capabilities and resources to capture successfully the opportunities and manage effectively

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## PTI Systems International, Inc.

- Affiliated with Proactive Technologies, Inc. for projects outside the United States;
- Workforce development partner

the challenges of the new era in mobility." [Read Article](#)

### The 'Uber for Trucking' Tries to Navigate Some Uber-Scale Problems

*IndustryWeek - Bloomberg*

Rates are falling across North America after two years of increases. Spot demand, which excludes long-term freight contracts, plummeted 27% through Oct. 25, and most drivers aren't expecting business to improve over the next six months



Amit Sekhri took up trucking in the thick of the Great Recession, drawn in part by the freedom of driving the open roads. He was prepared for long hours and weeks away from home. But two of his biggest-and least expected-gripes were the constant phone calls and late payments. Like many truckers, Sekhri booked his jobs through freight brokers, a class of intermediaries who do most of their business by phone. And many have a bad habit of paying late. [Read Article](#)

### Global Web of Drug Suppliers Challenges FDA as Safety Fears Rise

*Material Handling & Logistics - Bloomberg*

To increase supply chain security, the FDA is asking drug companies to invest in new production technologies that could help return some manufacturing to the U.S.



Regulators want to reduce U.S. dependence on foreign-made pharmaceutical ingredients, as a wave of recalls has raised questions about the safety of the global drug-supply chain.

The Food and Drug Administration is encouraging drug companies to invest in new production technologies that could help return some manufacturing to U.S. shores. The U.S. is currently home to only about a quarter of global production capacity for active pharmaceutical ingredients, according to Janet Woodcock, the director of the FDA's Center for Drug Evaluation and Research. [Read Article](#)

### Is Aluminum the Answer to Sustainable Packaging?

*Thomas Insights - Staff Writer*

Increased attention to the social and environmental impacts of products and services is changing the way consumers are viewing their purchases. 81% of global consumers believe that companies should take steps to improve the environment, according to a report by Nielson Holdings.



As a result, many companies are adopting sustainable packaging to show their commitment to preserving the environment. Coca-Cola and PepsiCo announced this year that they would be rolling out water packaged in aluminum cans to cut down on plastic waste.

Aluminum packaging has also garnered support from celebrities; Jason Mamoia announced in April 2019 that he would be partnering with Ball Corporation to produce a line of aluminum-canned water called Mananalu. While aluminum packaging can certainly reduce the demand for single-use plastic bottles and containers, is it the definitive solution to sustainable packaging? [Read Article](#)

### Amazon Appeals Pentagon's Choice of Microsoft For \$10 Billion Cloud Contract

*NPR - Alina Selyukh 2016*

Amazon is taking the Pentagon to court. The company is alleging "unmistakable bias" on the government's part in awarding a massive military tech contract to rival Microsoft.



This begins a new chapter in the protracted and contentious battle over the biggest cloud-computing contract in U.S. history - called JEDI, for Joint Enterprise Defense Infrastructure - worth up to \$10 billion over 10 years.

The Pentagon declared Microsoft the winner of JEDI on Oct. 25, after months of delays, investigations and controversy - at first, over accusations of a cozy relationship between Amazon and the Department of Defense, and later, over President Trump's public criticism of Amazon. [Read Article](#)

### Boeing Replaces Robots with Humans after 777 Assembly Errors

*Thomas Insights - Mike Hockett*

Humans scored a victory in the perceived battle for jobs versus robots this week, as aerospace manufacturing giant Boeing said it is abandoning a robotic system used to assemble fuselages for the company's



for employers, and education/training providers who support employers, to ensure every worker can be trained to full job mastery;

- Experienced with governmental, IDB, GIZ and economic development agency sponsored projects;
- Experienced in assuring multinational employers expanding to the U.S. have the skilled workforce they need.



**Don't complain about a "skills gap," expect & develop every worker to full job mastery!**

[Learn more](#)



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## MEMORABLE QUOTES

***"Divide responsibility and nobody is responsible."***

[W. Edwards Deming](#)

American engineer, statistician, professor, author, lecturer, and management consultant  
1900-1993

***"We need economic growth, yes, but growth can be jobless, so a sustainable framework for employment must include a job creation strategy."***

[Susan Leslie Burrow](#)

General Secretary of the International Trade Union Confederation, a significant figure at the International Labor Organization and former president of the Australian Council on Trade Unions.  
1954 -

***"Nothing in this world can take the place of persistence. Talent will not; nothing is more common than unsuccessful men with talent. Genius will not; unrewarded genius is almost a proverb. Education will not; the world is full of educated derelicts. Persistence and determination alone are omnipotent."***

[Calvin Coolidge](#)

777 jetliners and relying more on skilled mechanics for the job.

The robotic system had been used for the past four years at Boeing's Everett, Washington production facilities and was in development for two years prior, but never paid off on its promise to reduce hand labor and errors in assembly - often requiring mechanics to complete the robots' work and taking more total time than if done by hand from the start.

Reports from Bloomberg and The Seattle Times cited Boeing on Wednesday stating there are no planned changes in total staffing as a result of the changeover, which began in the company's second quarter and should be finished by 2019's end. [Read Article](#)

## Shipping Giant Maersk Looks to Batteries to Cut Carbon Footprint

*Thomas Insights - Mike Hockett*

Batteries have helped automobiles go green over the past decade when it comes to reducing their carbon footprint, but in the maritime sector, needs for much more power have made it a difficult area for battery adoption.

That may soon be changing.

In a November 6 press release, the world's largest freight shipping liner, Maersk, said it will pilot a battery system aimed at improving both vessel performance and reliability while reducing CO2 emissions. In December, a containerized 600 kWh marine battery system will be installed in a trial on board the 4,500 twenty-foot equivalent unit (TEU) Maersk Cape Town. [Read Article](#)



## Gannett, New Media Shareholders Approve Merger

*CFO.Com - William Sprouse*

After the merger, Gannett will be the largest newspaper publisher in the United States.



Shareholders of New Media Investment Group, the parent of GateHouse Media, and Gannett voted to approve their proposed merger, the companies said after special shareholder meetings on Thursday. The combination of GateHouse Media and Gannett will create the largest media company in the United States by print circulation, with more than 260 daily publications and hundreds of weekly papers.

New Media is financing the \$1.13 billion acquisition with a \$1.8 billion loan from Apollo Global Management at an 11.5% interest rate, which will, reportedly, require \$275 million to \$300 million in cost cuts per year within 18 to 24 months.

"I think \$300 million is a low number" for the cost cuts, Ken Doctor, media analyst at Newsonomics said. "The number is going to be higher." [Read Article](#)

## Adidas to Close Robot-Staffed 'Speedfactories'

*CFO.com - Matthew Heller*

The company had seen the two futuristic shoe plants in Germany and the U.S. as a way to "reinvent manufacturing."

Adidas is closing both of its robot-powered "Speedfactories," abandoning a strategy aimed at bringing sneaker production closer to Western markets and reducing reliance on Asian suppliers.

The footwear giant had described the futuristic factories it opened in Ansbach, Germany, in 2017 and Atlanta in 2018 as "reinventing manufacturing." They combined a small human workforce with technologies including 3-D printing, robotic arms, and computerized knitting to make running shoes.

But Adidas announced Monday that production at the two plants will be discontinued by April 2020 at the latest and will instead use the Speedfactory technologies to produce athletic footwear at two of its suppliers in Asia. [Read Article](#)

## Mitsubishi Electric Looks for Buyer in Memphis

*Thomas Insights - Jeff Reinke*

When Mitsubishi Electric opened a plant in Memphis in 2013, it was championed as a move that could revitalize manufacturing in Tennessee.

The plant served as Mitsubishi's U.S. transformer business headquarters, employed more than 200 people making an average salary of \$68,000, and

**THOMAS**

An American politician and lawyer who served as the 30th president of the United States  
1872 - 1933

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by Dean Prigelmeier, President of Proactive Technologies, Inc.

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

#### [The US DOL Wants States To Expand Apprenticeships. Will, and Can, Community Colleges Support Truly Employer-Focused Apprenticeships?](#)

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

#### [Proactive Technologies Announces Significant Turnkey Project Discount Program - October 15th - December 20th, 2019!](#) Staff

### October

#### [Labor Costs Expected to Increase, So Will Challenges to Worker Development](#)

by Dean Prigelmeier, President of Proactive Technologies, Inc.

#### [More Employers Finding Ways To Strategically Ensure Fair Pay](#)

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

by Jim Poole, President of Lifetime Learning, LLC.

#### [Explaining Your Process Training to Auditors, Prospects and Clients](#) by Proactive Technologies, Inc. Staff

### September

#### [How Much Would "Full Worker Capacity" Through Full Job Mastery Be Worth to Your Firm?](#)

by Dean Prigelmeier, President of

was built using more than \$45 million in state and local tax incentives.

Now, sales of Mitsubishi's transformer, which is designed to send electricity from power plants to utilities, are slumping. [Read Article](#)

#### **Tata Steel to Cut 3,000 Jobs as Crisis Rips Through Europe**

IndustryWeek - Bloomberg

The job cut comes amid a world steel surplus and weak European demand for the metal.



Tata Steel Ltd. plans to cut as many as 3,000 jobs across its European operations to cut costs in the latest blow to the region's industry, with the move coming amid a heated general election campaign in the U.K.

About two-thirds of the reductions would be office-based staff, the company said in a statement. While the steelmaker didn't give a detailed breakdown, Tata Steel Works Council said more than half of the planned cuts would be in the Netherlands. The company also has facilities in the U.K.

"Stagnant EU steel demand and global overcapacity have been compounded by trade conflicts, which have turned the European market into a dumping ground for the world's excess steel capacity," Mumbai-based Tata Steel said. [Read Article](#)

#### **GM Sells Shuttered Ohio Assembly Plant to Electric Vehicle Startup**

IndustryWeek - Bloomberg

Lordstown Motors Corp., the electric-truck startup formed specifically to save a shuttered Ohio car factory, has acquired the highly politicized plant from General Motors Co.



The acquisition that the two companies plan to announce Thursday ends an era that began when GM opened the complex in 1966. The factory's fate was largely sealed when the United Auto Workers union was unable to convince GM to keep it in the fold as part of a new labor contract ratified late last month.

Terms of the deal aren't being disclosed. Workhorse Group Inc., which is affiliated with Lordstown Motors but doesn't share any ownership, climbed as much as 12% to \$2.75 in New York trading. [Read Article](#)

#### **Ford Workers Embracing New Union Contract as Deadline Nears**

IndustryWeek - Bloomberg

The speed of the deal's acceptance is in contrast to negotiations with GM, which resulted in a record strike



Ford Motor Co.'s new proposed pact with the United Auto Workers union is cruising toward ratification with nearly two-thirds of workers voting in favor of it so far, even winning over factories that face uncertain futures.

Workers at Ford's Mustang plant in Flat Rock, Michigan, approved the contract, even though the factory is losing a new electric vehicle as part of the deal, according to a running tally kept informally by the union. Also giving it the green-light: A transmission facility north of Detroit which is taking on hundreds of displaced workers from an engine factory that is closing.

With about half the vote counted, 63% of Ford workers have accepted a deal that includes \$6 billion in product investments in U.S. facilities, a \$9,000 signing bonus and raises that take hourly wages to \$32.32 by 2023. Four years ago, Ford had the lowest contract approval ratio of the Detroit Three, with support of less than 52% of its workers, and it took an 11th-hour push to avoid rejection. [Read Article](#)

#### **Washington Leading Effort to Establish Electric Aircraft Infrastructure**

Thomas Insights - Dale Robinson

In May 2019, leading global consultants Roland Berger counted almost 170 electric aircraft programs in development worldwide, anticipating over 200 by the year's end, with a majority aimed at short-haul and the urban air taxi role.



The state of Washington is home to Zunum Aero, MagniX, Verdego Aero, Boeing, and Volta Volare, which boasts Eric Lindberg, grandson of Charles Lindberg, on its advisory board. The state has revealed both benefits and problems in a comprehensive 40-page report published earlier this year.

**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.

## August

**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 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.

## June

**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 -**

## Turbulent Ups and Downs in the Future of Electric Aircraft Infrastructure

Fortunately, the large state has ideal geography for small regional airport development - mountains, lakes, forests, and harsh coastline make it difficult to travel moderate distances within the state. [Read Article](#)

## Astronomers Think SpaceX Satellites are Spoiling the Sky

Thomas Insights - Anna Wells

For all of his supporters, there are still many others out there with a bone to pick with Elon Musk. And because he has his hands in a diverse array of businesses, it's anybody's guess who will wind up with the famous entrepreneur in their critical crosshairs.

As BuzzFeed News reports, this time it's astronomers - and they're voicing their concerns over Elon Musk's SpaceX firm and its Starlink program. Starlink was initially developed as a way to improve global internet access by clustering groups of smaller satellites closer to the earth instead of relying on fewer, larger ones further out. The \$10 billion project intends to culminate in a network of some 12,000 satellites by the mid-2020s.

But so far, it appears the 122 satellites SpaceX has launched to date are already causing problems from astronomers as they attempt to observe the sky, with some taking to Twitter to bemoan the shiny objects cluttering their view after the most recent Starlink launch chucked 60 of them into the ether in early November. [Read Article](#)

## U.S. Department of Commerce Extends Huawei Temporary General License

U.S. Department of Commerce

Today, the Bureau of Industry and Security (BIS) of the U.S. Department of Commerce announced that it will extend for 90 days the Temporary General License (TGL) authorizing specific, limited engagements in transactions involving the export, reexport, and transfer of items - under the Export Administration Regulations (EAR) - to Huawei and its non-U.S. affiliates which are subject to the Entity List.

"The Temporary General License extension will allow carriers to continue to service customers in some of the most remote areas of the United States who would otherwise be left in the dark," said Secretary of Commerce Wilbur Ross. "The Department will continue to rigorously monitor sensitive technology exports to ensure that our innovations are not harnessed by those who would threaten our national security." [Read Release](#)



## Financial News

### Google to Acquire Fitbit in \$2.1 Billion Deal

Thomas Insights - Andy Szal

Google plans to acquire wearable fitness device maker Fitbit in a deal worth an estimated \$2.1 billion, the companies announced Friday. The deal would combine a wearable technology pioneer with a leading tech giant as both companies, reports noted, struggle in the wearables segment amid competition from Apple, Samsung, and others.



Google officials said the company hopes the acquisition will allow it to bolster investment in its software for wearable systems and roll out new wearable products.

"We plan to work closely with Fitbit to combine the best of our respective smartwatch and fitness tracker platforms," Google senior vice president for devices and services Rick Osterloh wrote in a blog post. [Read Article](#)

### Uber Forms New Unit to Push Financial Products

CFO.com - Matthew Heller

The company "is betting that by building out its financial ecosystem, it can keep drivers and riders loyal to its platform."



Uber is moving deeper into payments technology, launching a new unit to bring financial services including "instant pay" to drivers.

The ride-hailing company said Uber Money will work on "financial products and technologies that deliver additional value for the Uber community, all at Uber speed."

Already on the fintech menu is an update to drivers' Uber Debit accounts that will enable them to get the money they earn from rides instantly, instead of typically having to wait for weekly payments or cash out using a feature called Instant Pay. [Read Article](#)

## 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 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.

## **April**

## 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.

## **March**

## Eight Scenarios That Would Make You Wish You Had a Structured OJT System

## **The Two Faces of Private Equity**

CFO.com - David McCann

Host Analytics' CFO makes a case for private equity, recalibrates the software company's business focus, and sets a six-point agenda for his finance team.



The story of private equity is really two stories. One is about PE firms investing in and enhancing the value of their portfolio companies. The other is about slashing expenses to the bone in the quest for a bottom line that may appeal to certain gullible potential acquirers.

Both are abundantly true stories. While it's an eminently viable asset class, private equity suffers from an identity crisis caused by frequent missteps.

[Read Article](#)

## **Facing a Growing Paradox**

The 2019 A.T. Kearney Foreign Direct Investment Confidence Index®

AT Kearney - Paul A. Laudicina, Erik R. Peterson, and Courtney Rickert McCaffrey

Investor sentiments reveal a variety of paradoxes in the environment for FDI, many of which can be explained by the rise of the age of multi-localism. [Read Report](#)



## **Why China's Digital Currency is a 'Wake-up Call' for the US**

MSN News - Fortune, Naomi Xu Elegant

China's central bank may launch its own digital currency in the next 18 months amid strong endorsements of blockchain from the highest levels of government, signaling a desire for China to be self-reliant and globally competitive and adding another dimension to the growing U.S.-China tech rivalry.



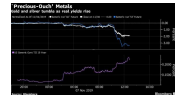
"China is making these very large macro plays," says Mike Wasyli, managing partner at DeerCreek, a corporate strategy firm that specializes in fintech and works with blockchain companies across Asia-Pacific and the U.S. "They want to maintain control and be seen as leaders and so adopting blockchain and being public about it, as we saw recently, is going to stir a lot of interest."

Blockchain technology underpins digital currencies, and also has applications in smart manufacturing, supply chain management, and the Internet of Things. [Read Article](#)

## **Precious Metals Get Crushed as End-of-the-World Trade Implodes**

MSN News - Bloomberg, Luke Kawa

As investors fretted for most of the year that the trade war and slowing growth would end in a global recession, assets like gold and sovereign bonds provided protection. That ended spectacularly Thursday.

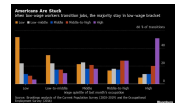


Gold lost as much as \$30 an ounce, Treasuries tumbled the most since summer and defensive equities sank. While continued signs of a detente in the U.S.-China trade war sparked the day moves, such a beat-down has been months in the making as peak pessimism on global and U.S. growth has ebbed. [Read Article](#)

## **For 53 Million Americans in Low-wage Jobs, a Difficult Road Out**

MSN Money - Bloomberg, Reade Pickert

Unemployment is hovering near a five-decade low, workforce participation is at the highest level in six years and Federal Reserve Chairman Jerome



Powell recently called the labor market "strong." Yet, 44% of Americans age 18 to 64 are low-wage workers, according to a Brookings Institution report. An estimated 53 million Americans are earning low wages, according to the study. Their median wage is \$10.22 an hour, and their annual pay is \$17,950.

While many are benefiting from high demand for labor, the data indicated that not all new jobs are good, high-paying positions. The definition of "low-wage" differs from place to place. The authors define low-wage workers as those who earn less than two-thirds of the median wage for full-time workers, adjusted for the regional cost of living. [Read Article](#)

## **PBGC Releases FY 2019 Annual Report**

Pension Benefit Guaranty Corporation

The Multiemployer Insurance Program Moves Closer to Insolvency; Single-



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.

### **Workforce Development Partnerships That Last: My Experience**

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 Tool**

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

Employer Insurance Program Improvement Continues.

The 2019 Report shows a record deficit of \$65.2 billion in its Multiemployer Insurance Program at the end of FY 2019. This increase from \$53.9 billion at the end of FY 2018 was mostly due to interest rate changes that drove up the value of PBGC's future payments to failed multiemployer plans. The Multiemployer Program, which insures the pensions of 10.8 million Americans, is highly likely to become insolvent during FY 2025. [Read Release](#)

### **DOJ Lays Out a Path to Reduced Corporate Penalties**

CFO.com - John J. Carney and Kayley B. Sullivan, Baker-Hostetler

A new Justice Department policy gives defense counsel a framework for winning reduced monetary penalties for fiscally poor client companies.

Every year in C-suites around the world, CEOs, CFOs, and chief legal officers find themselves facing the prospect of a criminal prosecution of their company for alleged misconduct. The potential results are not only negative publicity and mandated remedial measures, but also a massive monetary penalty that could threaten the company's very existence.

After bearing the cost of litigating or settling related civil suits and paying damages and restitution, many companies are already on a weak financial footing when they are hit with a large fine by the Department of Justice. The accumulation of these negative economic events too often forces companies to cut costs by closing facilities, selling key assets, or even filing for bankruptcy.

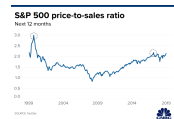
Struggling to find a path forward that is fair to victims, creditors, and innocent investors, the DOJ recently issued important guidance (the Memorandum) for managers and their counsel. [Read Article](#)

### **Warren Buffett Sitting on \$128 Billion Raises Questions About Whether This Market is Overvalued**

MSM News - CNBC, Yun Li

Despite having \$128 billion to burn, Warren Buffett just backed out of a bidding war after a slightly higher offer topped Berkshire Hathaway's.

If the Oracle of Omaha is that shy to just spend a tad more of his giant cash pile, could that be saying something about the stock market's overall valuation?



Last week, the Berkshire Chairman and CEO bid \$140 a share, or just over \$5 billion, for Tech Data, a hot technology distributor, according to an exclusive report Friday from CNBC's Becky Quick. Then private-equity giant Apollo Global Management then sweetened its initial bid to \$145 a share, or \$5.14 billion. [Read Article](#)

### **Feds Investigate Under Armour's Accounting Practices**

CFO.com - William Sprouse

The investigation involves whether the company shifted sales from quarter to quarter to make results appear stronger.



Sportswear retailer Under Armour is facing investigations from the U.S. Department of Justice and the Securities and Exchange Commission over its accounting practices. A report in the Wall Street Journal said investigators were proving whether the company shifted sales from quarter to quarter to appear stronger. According to the report, the Justice Department is conducting a criminal investigation and is coordinating with civil investigators at the SEC.

In an earnings call with analysts, Under Armour executives defended the company's accounting practices and said they were cooperating with investigators.

"The company began responding in July 2017 to requests for documents and information relating primarily to its accounting practices and related disclosures, and the company firmly believes that its accounting practices and disclosures were appropriate," a spokesperson for the company said. [Read Article](#)

### **DOJ Plans Heightened Scrutiny of Government Contractors**

CFO.com - David McCann

The new "Procurement Collusion Strike Force" aims to root out antitrust

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### [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](#)

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## **November**

### [A Training Approach That Should Make the Bean Counters Happy](#)

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**Structured on-the-job training**

crimes like bid-rigging and price-fixing in the procurement of government contracts.

The Justice Department announced on Tuesday the formation of a new unit aimed at deterring, detecting, investigating, and prosecuting procurement-related antitrust crimes such as bid-rigging and price-fixing conspiracies. Such fraud undermines competition in government procurement, grant, and program funding, the DOJ said.

The new Procurement Collusion Strike Force (PCSF) will be an inter-agency partnership. It will consist of prosecutors from DOJ's Antitrust Division and 13 U.S. attorneys' offices, FBI investigators, and inspectors general offices of the Defense Department and the Postal Service, among others.

Rigging bids and "allocating market share" during the procurement process inevitably causes a rise in prices offered to the government, according to the DOJ. [Read Article](#)

### **Pending Home Sales Fall as Housing Shortage Worsens**

MSN News - CNBC, Diana Olick

Demand for housing is high, but there aren't enough homes for sale to meet it.



Pending home sales, which measure signed contracts, fell 1.7% in October month-to-month, according to the National Association of Realtors. Sales were 4.4% higher annually, likely because mortgage rates are much lower this fall.

The average rate on the 30-year fixed mortgage was about a full percentage point lower this October than it was a year ago. Rates did move slightly higher in October, which could account for some of the monthly drop, but a shortage of homes for sale is more of the culprit. Lower rates overall this year have juiced demand significantly, causing for-sale inventory to fall. Inventory had been rising at the start of this year, due to last year's rate spike. [Read Article](#)

## **International News**

### **Mexico, Latin America, South America and the Caribbean**

#### **Brazil Environment: Clean-up on Beaches Affected by Oil Spill**

BBC

Thousands of people have taken part in a huge clean-up operation to remove oil and tar from beaches along Brazil's north-eastern coast.



Volunteers, as well as government workers, used wheelbarrows, spades and plastic gloves to remove the thick tar from the sand and water.

The source of the spill, which was first detected on 2 September, remains a mystery.

Experts say this could be the worst disaster for the region's coral reefs.

[Read Article](#)

#### **Bolivian President Evo Morales Resigns Amid Widespread Protests Over Election Fraud**

NPR Meg Anderson

Bolivian President Evo Morales has resigned amid widespread protests across the country alleging fraud in the presidential election that he declared himself the winner of just three weeks ago.



"It is my obligation, as the indigenous president and as the president of all Bolivians, to look for peace," Morales said in a televised address on Sunday. "For this and many reasons, I am resigning."

Morales added that he felt deeply sorry for what he referred to as a "civic coup." [Read Article](#)

#### **Colombia Anti-Government Protesters Clash with Police**

DeutscheWelle

Protesters are angry over rumored austerity measures in the offing - which President Duque denies. The unrest began relatively peacefully but evolved into violent clashes. At least three people were killed.



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This creates a steady need for your related technical instruction, services and a pathway for employment.

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- enhance your institution's opportunity to market your products and services to incumbent workers;
- allow your organization to include structured on-the-job training as a capstone to pre-employment preparation;
- document a trainee-to worker's increasing value to the employer - the key to retention - rather than leaving it to chance;
- properly aligns workforce development resources and maximizes the impact and results;
- allows you to engage an employer's facility, equipment and staff in the training process;
- provides the best infrastructure for apprenticeships and internships that last!
- is a win for the trainee, win for the worker, win for the employer, win for the institution and win for the community!

This approach has continued to prove itself since 1988, and does not compete with your products and services; it adds to your efforts the clear, tangible, measurable advantage that employers seek.

**Proactive Technologies has continued to partner** with community colleges, universities, workforce development agencies and training providers with its "[hybrid approach](#)" to worker training.

Introduce the power of the [PROTECH™ system of managed human resource development to your clients!](#)

thousands of Colombians took to the streets on Thursday amid a general strike over rumored economic reforms and increasing discontent with the government of President Ivan Duque.

Protest organizers said more than 1 million people demonstrated across the country, while authorities put estimates at 207,000.

What began as peaceful marches turned violent by early evening as demonstrators threw rocks at riot police officers, who fired tear gas to disperse the crowd.

Defense Minister Carlos Holmes Trujillo said at least three people died in the clashes, while more than 120 civilians and 150 members of the security forces were injured. [Read Article](#)

## **FEMA's Hurricane Aid to Puerto Rico and the Virgin Islands Has Stalled**

*The New York Times* - Mark Walker and Zolan Kanno-Youngs

More than two years after back-to-back hurricanes ravaged this tropical island, medical workers are still treating gunshot wounds in hallways and kidney failure in a trailer. They ignore their own inflamed rashes that they say are caused by the mold that has shut down an entire hospital floor below a still-porous roof.



At least they have a hospital. The lone medical center on Vieques, an idyllic island that is part of Puerto Rico, was severely damaged by Hurricanes Maria and Irma, then abandoned to wandering roosters and grazing horses. Ailing people wait at the ferry dock to catch a boat to the mainland.

Two years on, "we are in the same situation as we were in the days after the hurricane," said Rafael Surillo Ruiz, the mayor of Yabucoa, on Puerto Rico's hard-hit eastern edge. [Read Article](#)

## **Canada, Europe and Great Britain**

### **The World's Best Pension System is Being Pushed to the Brink**

*CNN* - Julia Horowitz

An extended period of negative or record low interest rates has put huge pressure on pension funds in the Netherlands, forcing them to alert retirees that their incomes could be cut. The Dutch government is working urgently to resolve the immediate problem, but the emergency is fueling concern in a country where an increase in the number of retiring workers means pension changes are inevitable.

Dutch workers have typically been able to retire on a pension equivalent to roughly 80% of their average pay. But stress on pensions from low interest rates has led to talk of reduced payouts to retirees, or increased premiums for those still in work, shocking a nation that has come to rely on a system known for its strict accounting and reliability. Nearly everyone has access to pensions from both the government and through their employer, and the Netherlands was ranked first in investment adviser Mercer's 2019 annual review of global pensions. [Read Article](#)

## **Tesla Taps Germany for European Gigafactory**

*Thomas Insights* - David Mantey

Only a few weeks after Tesla got the green light in China, the company has announced plans to build another Gigafactory in another country.



CEO Elon Musk says that the new factory will be in the Berlin, Germany area, and manufacture batteries, powertrains, and the Model Y compact crossover.

According to the AP, the company will also invest in a design and engineering center in the German capital.

The Model Y, which starts at \$39,000, has a range of 230 miles per charge and will hit the market next fall. [Read Article](#)

## **China and Southeast Asia**

### **As Tensions Rise Over Defense Costs, U.S. Walks Out Of Talks with South Korea**

*NPR* - Anthony Kuhn

In an escalating dispute over how much allies should pay the U.S. to station troops on their soil, U.S. negotiators walked out on talks with South Korea in Seoul on Tuesday, as the two sides staked out vastly differing positions and accused the other side of being





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unreasonable.

The Trump administration reportedly is demanding that Seoul, a key ally, contribute around \$5 billion for the coming year to cover the cost of the roughly 28,500 U.S. troops based in South Korea. That's more than five times what South Korea agreed to contribute earlier this year, and Seoul is pushing back hard. [Read Article and Hear Podcast](#)

## Pro-Democracy Candidates Make Election Gains in Statement To Beijing

*NPR - Sam Gringlas*

After months of protests, pro-democracy candidates in Hong Kong appeared on course to make major gains in local elections on Sunday in what many activists are calling a rebuke of Beijing.



Results for Hong Kong's district council elections trickled in well into Monday morning local time as residents gathered in the streets to pop champagne and celebrate winning candidates.

Early returns showed pro-democracy candidates taking at least 201 of 452 districts. [Read Article](#)

## Asia, India and Australia

### Australia Wildfires: State Of Emergency Declared Over 'Catastrophic' Danger

*NPR - Paolo Zialcita*

Scorched by days of unrelenting wildfires, parts of southeast Australia are facing "catastrophic fire danger." On Monday, officials declared a state of emergency for all of New South Wales, the country's most populous state.



"Catastrophic" conditions - the highest fire danger rating in the country - are expected to hit three areas in New South Wales, including the greater Sydney area. Residents were warned that homes cannot withstand this level of fires and that leaving early is the only way to survive.

"We don't know where the fires will flare up, but we do know when you have averages of 38 degrees [Celsius] and extremely windy conditions across the state that everybody has to be alert no matter where you are and we cannot allow complacency to creep in," the premier of New South Wales, Gladys Berejiklian, said in a press conference Monday. [Read Article](#)

### Thai Fishing Industry Makes Headway, but Challenges Remain

*DeutscheWelle*

Thailand's fishing sector has made significant strides since coming under intense international scrutiny, but some gaps and loopholes are still holding the country back from becoming a model for ethical labor practices.



In October, the Office of the US Trade Representative (USTR) announced the suspension of preferential trade policies for Thailand under the Generalized System of Preferences (GSP), which will affect over 500 products, including all of those related to the Thai seafood industry.

The reason cited for the removal, which will take effect on April 25 next year, was Thailand's failure to adequately safeguard workers' rights. Some have cast doubts over the measure's true motives, suggesting there are political influences involved, but reports in recent months over the poor state of working conditions have shown that the move was not entirely unfounded. [Read Article](#)

## Africa, Middle East, Eastern Europe and Russia

### Israeli Prime Minister Netanyahu Is Facing Charges in 3 Corruption Cases

*NPR - Merrit Kennedy*

Israel's attorney general has decided to file charges against longtime Israeli Prime Minister Benjamin Netanyahu in three corruption cases, according to a statement Thursday from the country's Justice Ministry. Israel has been mired in political uncertainty for months as it awaited the decision.



Netanyahu is Israel's first sitting prime minister to be indicted. He has long denied the allegations, saying they are politically motivated.

In a TV appearance after the announcement, Netanyahu decried the charges

would like to attend.

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as an "attempted coup."

"Police and investigators are not above the law," he said, according to The Associated Press. "The time has come to investigate the investigators." [Read Article](#)

### **South African Airways Strike Reflects Country's Economic Woes**

*DeutscheWelle*

After a week-long strike, unions have accepted South African Airways's offer. Economists believe the state-owned airline's crisis is only the tip of South Africa's problems.



The National Union of Metalworkers of South Africa (NUMSA) and the South African Cabin Crew Association (SACCA) had demanded an 8% pay rise and wanted to halt plans to cut over 900 jobs of the airline. On Friday, November 22, the unions accepted South African Airways's (SAA) offer of a 5.9% wage increase ending the week-long deadlock.

The airline had argued that it could not meet the demands of the unions, and might not have been able to maintain the status quo if the strike continued. "We may not have enough cash to pay salaries at the end of the month," SAA board member Martin Kingston told the Reuters news agency. Many economists believe that the airline, which hasn't produced financial statements for the past two years, is practically insolvent. [Read Article](#)

### **Merkel Urges Reforms in Africa to Woo German Investors to the Region**

*DeutscheWelle*

German Chancellor Angela Merkel has hosted African leaders for the third G20 Compact with Africa summit in Berlin. The initiative aims to boost private investment in Africa - but challenges remain.



Welcoming African leaders to Berlin has become something of a routine for German Chancellor Angela Merkel since the Compact with Africa initiative began. This year's summit is the third of its kind, but interest from the region seems to be waning.

Only seven heads of state from the 12 Compact countries were in attendance - a far cry from previous years, especially when compared to the first summit in 2017 that was launched with much fanfare. Prominent African leaders like South Africa's President Cyril Ramaphosa and Ethiopian Nobel Prize laureate Abiy Ahmed, who were present at last year's event, were absent. [Read Article](#)

## **International Trade News**

### **INTERNATIONAL TRADE DATA**

#### **Monthly Wholesale Trade**

*US Census Bureau*

September 2019 sales of merchant wholesalers were \$498.6 billion, virtually unchanged (+/- 0.5 percent)\* from last month. End-of-month inventories were \$676.7 billion, down 0.4 percent (+/- 0.2 percent) from last month. September 2019: -0.4 % change in Inventories; August 2019 (r): +0.1\* % change in Inventories [Read Report](#)



#### **Manufacturing and Trade Inventories and Sales**

*US Census Bureau*

U.S. total business end-of-month inventories for September 2019 were \$2,041.5 billion, virtually unchanged (+/- 0.1 percent)\* from last month. U.S. total business sales were \$1,459.4 billion, down 0.2 percent (+/- 0.2 percent)\* from last month. September 2019: 0.0\* % change in Inventories; August 2019 (r): -0.1\* % change in Inventories. [Read Report](#)



#### **U.S. International Trade in Goods and Services, September 2019**

*US Department of Commerce - Bureau of Economic Analysis*

The U.S. monthly international trade deficit decreased in September 2019 according to the U.S. Bureau of Economic Analysis and the U.S. Census Bureau. The deficit decreased from \$55.0 billion in August (revised) to \$52.5 billion in September, as imports decreased more than exports. The previously published August deficit was \$54.9 billion. The goods deficit decreased \$2.7 billion in September to \$71.7 billion. The services surplus decreased \$0.1 billion in September to \$19.3 billion. [Read Report](#)



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**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, narrowed 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 was \$136.2 billion. [Read Report](#)

**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](#)

**A Bad Move for the Trade War**

*IndustryWeek - Paul Ericksen*

Why the U.S. shouldn't engage in currency manipulation with China.



Last month's column discussed the potential downsides of manipulating interest rates. This month's will review another issue that has been debated recently—namely, currency manipulation. China has been undervaluing its currency for the last three decades. What has been the impact of this strategy?

First, it set the foundation for the initial jumpstarting of the Chinese manufacturing economy by making China's products less expensive to the rest of the world. Second, it supported China's otherwise unsustainable economic growth. Finally, it has attempted to dampen the impact of U.S. tariffs on Chinese products. [Read Article](#)

**China Wins WTO Case to Sanction \$3.6 Billion in US Trade**

*IndustryWeek - Bloomberg*

The case predates the current trade war, but may increase tensions.



China secured the World Trade Organization's go-ahead to impose \$3.6 billion in sanctions against the U.S., in a case that predates the tariff war between the world's two largest economies but may add a layer of tension to ongoing talks.

The damages awarded, in a document released Friday on the Geneva-based organizations' website, are the third highest in WTO history. The amount is about half of what was requested by China, which argued that some U.S. anti-dumping rules were illegal. [Read Article](#)

**China Signs its First Free Trade Agreement with an African Country**

*Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH - Tralac*



Mauritius and China have strengthened their bilateral relations with the signature of a Free Trade Agreement (FTA) on October 17 2019 in Beijing. The Agreement is the first FTA which China has signed with a country of the African continent. The FTA which represents a major achievement for Mauritius will give the country access to a huge market of 1.4 billion inhabitants, with a GDP of some \$13 trillion. [Read Article](#)

**What Brazil's Tariff Changes Mean for U.S. Manufacturers**

*Thomas Insight - Shelagh Dolan*

After decades shielded by closed economic policies, Brazil is changing its course on trade. President Jair Bolsonaro's administration is slashing import tariffs on more than 2,300 products - reducing some to zero from as much as 20%.



For local businesses accustomed to protectionism, the policy change means being forced to adapt to the challenges of free trade. For American manufacturers, however, the world's eighth-largest economy just became a new opportunity.

**Why Is Brazil Changing Its Trade Policy?**

Brazil's long history of protectionism has stifled sustainable economic growth for decades. With duties twice as high as in Mexico, China, and the European Union (EU) last year, the nation's tariffs hurt local businesses

pieces are already in place; they just need structure around them to make the training experience work for everyone through the [accelerated transfer of expertise™](#).

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needing to import supplies to make their products. [Read Article](#)

## China Wants US to Drop Tariffs on \$360 Billion of Imports for Trade Deal

*IndustryWeek - Bloomberg*

President Xi of China is seeking a rollback on tariffs for Chinese goods as a precondition for signing a partial trade deal with President Trump.



China is seeking the roll back of U.S. tariffs on as much as \$360 billion of Chinese imports before President Xi Jinping agrees to go to the U.S. to sign a partial trade deal with President Donald Trump, according to people familiar with the matter.

Negotiators asked the Trump administration to eliminate tariffs on about \$110 billion in goods that were imposed in September and lower the 25% tariff rate on about \$250 billion that began last year, said some of the people, who asked not be named discussing the private talks.

Chinese officials also suggested the U.S. could temporarily waive some tariffs, people familiar with Beijing's position said. In return, China could remove tariffs on a reciprocal amount of U.S. goods, mostly farm products, one of the people said. [Read Article](#)

## China's Xi Wants US trade Deal but can 'Fight Back'

*DeutscheWelle*

The Chinese president said he wants to strike a deal with the US but is "not afraid" of a trade war. Fears that talks could collapse grew after US law makers passed a bill backing protesters in Hong Kong.



Chinese President Xi Jinping said on Friday that China holds a "positive attitude" toward trade talks with the US, but would "fight" to get the best terms.

"As we always said we don't want to start the trade war but we are not afraid," Xi said, responding to questions from representatives of the New Economy Forum, held at the Great Hall of the People in Beijing.

"When necessary we will fight back, but we have been working actively to try not to have a trade war," he said. He added that the nation was working toward a "phase one agreement on the basis of mutual respect and equality." [Read Article](#)

## Africa: Russia's Putin Seeks to Double Trade Volume With Africa Within 5 Years

*Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH - AllAfrica*

Military cooperation is set to dominate the first Russia-Africa summit in the Black Sea resort of Sochi, attended by leaders and top officials from all 54 African countries and scores of African businessmen eager to tap into Russia's emerging market.



While opening Wednesday's summit, Russian President Vladimir Putin told leaders and representatives of Africa's 54 countries that he would seek to double trade ties between the two partners over the next 5 years. [Read Release](#)

## World Development Report 2020 - Trading for Development in the Age of Global Value Chains

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



Global value chains (GVCs) powered the surge of international trade after 1990 and now account for almost half of all trade. This shift enabled an unprecedented economic convergence: poor countries grew rapidly and began to catch up with richer countries. Since the 2008 global financial crisis, however, the growth of trade has been sluggish and the expansion of GVCs has stalled. Meanwhile, serious threats have emerged to the model of trade-led growth. New technologies could draw production closer to the consumer and reduce the demand for labor. And conflicts among large countries could lead to a retrenchment or a segmentation of GVCs. The World Development Report (WDR) 2020: Trading for Development in the Age of Global Value Chains examines whether there is still a path to development through GVCs and trade. It concludes that technological... change is at this stage more a boon than a curse. GVCs can continue to boost growth, create better jobs, and reduce poverty provided that developing countries implement deeper reforms to promote GVC participation, industrial countries pursue open, predictable policies, and all countries revive multilateral cooperation.

[Download Report](#)

## Germany Fines BMW, Daimler, VW Over Steel Cartel

*DeutscheWelle*

Daimler, BMW and Volkswagen were together fined €100 million (\$111 million) on Thursday for forming a cartel to fix steel prices.



Germany's competition watchdog, the Bundeskartellamt, imposed the fine, accusing the three companies of engaging in "anticompetitive practices" to buy steel.

In a statement, the Bonn-based authority said Volkswagen, Daimler and BMW met regularly with steel producers "between 2004 and the end of 2013" to discuss uniform surcharges for purchasing the raw material.

Unlawful prices resulting from these cartel meetings were in place until at least 2016, the statement added. [Read Article](#)

## Trading Promises for Results: What Global Integration Can Do for Latin America and the Caribbean Edited by Mauricio Mesquita

**Moreira, Ernesto Stein**

*InterAmerican Development Bank*



The IDB's 2019 Report is now available. Highlights include:

- Excessive expectations on the promises of free trade led to disappointment, skepticism and reform fatigue, and in some cases, to policy reversals.
- Liberalization brought many benefits, including faster growth. Our study finds that a tariff cut accelerates per capita GDP growth. And most Latin Americans favor deeper integration.
- Some sectors and workers lose with free trade, however, and have incentives to block trade reform. Implementing good trade policies requires a deep understanding of the political economy of trade policy and an adequate institutional architecture for trade policy management.
- Successful trade policies also require a complementary agenda to facilitate factor reallocation and protect those who are made worse off, in order to make the most of the opportunities offered by global integration, while mitigating associated risks.

[Download Report](#)

## Education and Workforce Development News

### A Broader Reach with Distance Learning

*Community College Daily News - Ellie Ashford*

As community colleges struggle to maintain enrollment, rural colleges are finding they can attract more students, including dually enrolled students, by expanding distance learning options.



Lamar Community College's (LCC) distance learning program is a lifeline for high school students in the remote eastern plains of Colorado who can't otherwise take advantage of concurrent enrollment opportunities.

LCC's service area for concurrent enrollment includes 13 high schools in four rural counties that together are about the size of Massachusetts, says LCC President Linda Lujan. One high school had just one senior last year, and several schools have 80 or fewer. [Read Article](#)

### US Workers Show Little Improvement in 21st Century Skills

*MSN Money - Virginia Van Natta*

U.S. workers are failing to improve the skills needed to succeed in an increasingly global economy, according to a government agency report released Friday.



The National Center for Education Statistics asked 3,300 respondents ages 16-to-65 to read simple passages and solve basic math problems. What the researchers found is that literacy, numeracy and digital problem-solving ability in the U.S. have stagnated over the past few years.

Some 19% of the test-takers ranked at the lowest of three levels for literacy and 24% lacked basic digital problem-solving abilities.

Meanwhile, a shocking 29% performed at the lowest level for numeracy, the same as findings from the previous study conducted in 2012-2014. Almost one in three couldn't correctly answer "how much gas is in a 24-gallon tank

if the gas gauge reads three-quarters full." [Read Article](#)

## All Types of Colleges Face Student Hunger, Housing Issues

*Community College Daily News - Matthew Dembicki*

It doesn't matter whether a college is in a city or rural area, in a wealthy section of town or in a poor part, they all serve students who are facing food and housing insecurities. Just ask Kathryn Jeffery. She has served as a leader at several community colleges in California over her career, and at each one she has had experiences with students who struggle to find a meal or a home.



During a panel on Wednesday that opened the American Association of Community Colleges' (AACC) Fall Meeting in Arlington, Virginia, Jeffery recalled that when she was a vice president of rural Columbia College, she learned of a student who slept in a hammock at night on the school grounds because his commute home was too long to travel back and forth each day. She allowed him to sleep in his car and to use the college's restrooms at night until the school could find better arrangements for him.

When she later was president of Sacramento City College, a student approached Jeffery one day to tell her that he slept under a nearby overpass. [Read Article](#)

## Wrestling over IRAPs

*Community College Daily News - Matthew Dembicki*

About \$1.1 million of federal funding appropriated for registered apprenticeships was used for a proposed apprenticeship model led by industry, even though congressional law makers specifically prohibited the department from doing so.



John Pallasch, assistant secretary for employment and training at the U.S. Department of Labor (DOL), acknowledged during a House hearing on Wednesday that funding appropriated for DOL's Training and Education Services (TES) was "misapplied" toward activities that directly supported so-called industry-recognized apprenticeship programs (IRAPs). Speaking at a House Education and Labor Committee hearing on apprenticeships, Pallasch said he became aware of the issue when he arrived at ETA this past July and immediately corrected it. He added that the department is working on additional protocols to ensure it won't happen again. [Read Article](#)

## Training and Organizational Development News

### How to Develop a Strong Company Culture at Your Industrial Business [New Podcast]

*Thomas Insights - Mikaela Tierney*

On this week's new episode of the Thomas Industry Update Podcast, Thomas CMO Shawn Fitzgerald sits down with American Crane and Equipment Corporation President & COO Karen Norheim. A Champion for Industry winner and Chair of the National Board of Women in Manufacturing, Norheim is not only undoubtedly a leader in industry, but she's also a committed leader to her American Crane team.



"I really believe that we build beautiful machinery, but the way that we build beautiful machinery is because of all of our amazing people at American Crane," she says in the latest podcast episode. "The most important part of our business is our people. They're the ones who allow us to create these awesome machines. And I'm very proud of them and the products that we build and the customers that we serve." [Read Article and Hear Podcast](#)

### Please, Not Another Argument for MBWA

*IndustryWeek - Dan Markovitz*

Unscheduled wandering isn't good for you or your company.



Theodore Kinni argues in *Strategy + Business* that leaders must practice management by walking around (MBWA), a concept popularized by Tom Peters and Bob Waterman in their seminal book, *In Search of Excellence*. That's the best way for them to stay connected to their businesses and understand what's really happening with their customers. As Peters puts it, "The real meaning [of MBWA] was that you can't lead from your office/cubicle."

I've got no problem with the concept-after all, it's similar to the lean precept of *genchi gembutsu*, or going to the *gemba*.

But here's the problem with MBWA: it's essentially unstructured. In fact, Peters and Waterman specifically advise managers to make their walks

unpredictable, both in terms of where they go and when they go. The CEO is supposed to just wander around and, without notice, randomly pop into people's workspace like some sort of benign animatronic ghost from a Disney World ride. Peters and Waterman believe that if front-line workers are expecting your visit, you won't see what's really happening on a regular basis. They argue that front-line staff will work differently; they'll clean up their work area; they'll cover up small problems. As a result, leaders won't get an accurate picture of how the processes are operating. [Read Article](#)

### **Good Leaders Create Cultures in Which Good Decisions Are Made**

*EHS Today - Rick Bohan*

Decisiveness is overrated as a strength, as it doesn't factor in individual bias.



The "trait theory" of leadership posits that good leaders are born with certain traits. The theory says that if we can identify those traits, then identify people who have those traits, we can select good leaders. The trait theory of leadership is time-worn and has been thoroughly discredited, but its principles still echo in much of current thinking about what makes good leaders and managers.

This is, perhaps, now more evident than in the notion that good leaders are decisive. Take a moment and do a web search on the phrase "good leaders are decisive." Then look at the titles of the articles that show up. It's clear that "decisiveness" is strongly associated with the identification of "great leaders." [Read Article](#)

## **Quality News**

### **Want to Go "Lean"? First, Understand What It Means**

*CFO.com - Robert Logemann*

Lean is more than a buzzword. Because the common understanding of lean is incomplete, it's been unjustly dismissed and criticized.



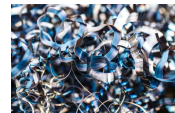
Lean systems are widely misunderstood. Although the term was introduced many years ago to describe an operations philosophy, it has since been summarized, misused, and generalized. It's become a ubiquitous buzzword - one that Fortune 100 companies and small independent entrepreneurs alike gravitate toward when they feel the need to talk about boosting company performance.

"We need to embrace a model that's Lean," well-meaning change-seekers might say. "Just cut all of the unnecessary stuff out, eliminate waste, and drive greater efficiency." While such buzzword-packed phrases may sound inspiring during meetings and presentations, they don't have any real or actionable meaning. [Read Article](#)

### **5 Ways to Reduce Scrap and Rework in Your Manufacturing Processes**

*Thomas Insights - Staff Writer*

Scrap and rework in manufacturing are generally seen as an unavoidable and expensive part of doing business. But with careful planning, manufacturers can minimize the bottom-line impacts of materials costs and wasted labor.



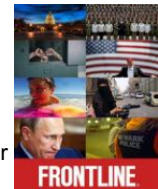
But first, some definitions: "scrap" refers to materials left over from product manufacturing and may range from metal shavings to whole parts. Scrap is different from "waste" in the sense that it is recyclable and therefore has some monetary value. "Rework" happens when an inspected part is found to be non-conforming, defective, or failed and must be disassembled, repaired, replaced, or reassembled. [Read Article](#)

## **Cyber Security and IT News**

### **In the Age of AI**

*PBS Frontline*

FRONTLINE investigates the promise and perils of artificial intelligence, from fears about work and privacy to rivalry between the U.S. and China. The documentary traces a new industrial revolution that will reshape and disrupt our lives, our jobs and our world, and allow the emergence of the surveillance society. [See Report](#)



### **Warehouses Are Tracking Workers' Every Muscle Movement**

*IndustryWeek - Bloomberg*



Wearable safety trackers are changing how warehouses handle employee safety, but some are concerned about potential surveillance applications.

Every morning when he goes to work in the freezer room of a warehouse in eastern Pennsylvania, Jack Westley throws on a hooded sweatshirt to keep warm and grabs a radio to talk to his coworkers. He was recently given a new piece of equipment to wear, which he attaches to a harness over his shoulders. It's a black device about the size of a smartphone that tracks his every move.

For Westley, a 36-year-old with tattooed arms and a sunny disposition, work means a full day of carrying boxes as ice slowly forms in his beard. The freezer is one of the more treacherous areas, according to the warehouse's management, in part because workers get sloppy when they're cold. So each time Westley bends too deeply to pick up a box or twists too far to set one down, the device on his chest vibrates to send a warning that his chance of getting hurt is elevated. Westley noticed he'd developed a habit of bending at the waist as he reached far into pallets to pull out boxes. "That might've been something they would've vibrated me for, but I started walking around to the sides of the pallets, you know, thanks to the reminder," he says. [Read Article](#)

### **Alliance Formed to Secure Operational Technology**

*IndustryWeek - Peter Fretty*

As information and operational technologies converge, vulnerabilities become crystal clear.



Recovering from a data breach is a time consuming, expensive and often embarrassing endeavor. And as companies are discovering, data breaches are no longer limited to information technology (IT). The ongoing convergence of IT and operational technology (OT) networks is making OT increasingly vulnerable to cyber-attacks. In fact, 77 percent of OT organizations have reported a data breach in the last 12 months.

Threats to OT include the hardware and software dedicated to automating, monitoring and controlling physical devices such as key pieces of production equipment as well as motors, valves and pumps. When breaches occur, they can disrupt operations, negatively impact productivity, cause ecological damage and compromise human safety. [Read Article](#)

### **Industry 4.0: Don't Believe the Hype, Yet**

*IndustryWeek - Elhay Farkash*

The term provides marketers a framework to reposition some technologies that are getting a bit long in the tooth, while the real transformation has yet to happen.



Discussions around the Fourth Industrial Revolution, or Industry 4.0, began six or seven years ago. Early thinking around Industry 4.0 is based on the complete automation of manufacturing facilities using vast amounts of data, robotics, AI, and machine learning.

Unfortunately, there are a couple of problems with this current vision of Industry 4.0. [Read Article](#)

### **AT&T Fined \$60 Million in Data 'Throttling' Case**

*CFO.com - Matthew Heller*

An FTC commissioner says AT&T's unlimited data plan for smartphone customers was a "bait-and-switch scam."



After five years of litigation, AT&T has agreed to pay \$60 million to settle allegations that it "throttled" the data speeds of millions of smartphone customers who had signed up for unlimited data plans.

The company and the U.S. Federal Trade Commission had reached a settlement in August but the amount of the fine was only disclosed on Tuesday after commissioners voted to approve the deal.

The FTC alleged in a lawsuit filed in October 2014 that AT&T misled smartphone customers by charging them for "unlimited" data plans while reducing their data speeds. [Read Article](#)

### **Here comes Google: Is Fitbit Selling Us Out?**

*USA Today - Mike Feibus*

Fitbit has one of the most enviable caches of health data in existence. But the wearables pioneer needs money to stay competitive in the red-hot industry it helped spawn. It's pairing up with Google, one of the internet giants that already knows too much about us, in what looks like an inevitable win-win for both companies.



But at what cost to us and our privacy? I can't help feeling like Fitbit sold us out in the process of securing the investment it needs.

Fitbit has built what is arguably one of the most usable and engaging fitness, health and wellness platforms, and it has more than 100 million wearables and 50 million registered users to show for it. But inexpensive fitness bands from Chinese makers such as Xiaomi and higher-end, feature-packed smartwatches from Apple and Samsung have squeezed Fitbit's sales and depleted its war chest. It needs an infusion of cash to keep pace. [Read Article](#)

### **Innovation Focused Firms Issue Open Call for Hackers**

*IndustryWeek - Peter Fretty*

Upcoming hackathons look to spark innovation efforts.



Sometimes friendly competition is the best route to realizing new innovations. This is the primary goal of two recently announced an open call for hackathons participants taking place between now and mid-December.

Q1 Communique Laboratory Inc. launched its quantum hackathon tackling the threat of quantum computing. Cybersecurity companies, computer science students and hackers have begun challenging the Company's 'quantum-safe' encryption in a \$100,000 hackathon. [Read Article](#)

### **U.S. Department of Commerce Proposes Rule for Securing the Nation's Information and Communications Technology and Services Supply Chain**

*US Department of Commerce*

WASHINGTON - Today, the U.S. Department of Commerce issued a notice of proposed rulemaking and requested comment on the implementation of Executive Order 13873, Securing the Information and Communications Technology and Services (ICTS) Supply Chain. The proposed rule sets out the procedures the Secretary of Commerce plans to use to identify, assess, and address ICTS transactions that pose an undue risk to ICTS in the United States, to the critical infrastructure or the digital economy in the United States, or an unacceptable risk to national security or to the security and safety of U.S. persons. The public will have a 30-day period to submit comments. [Read Release](#)



## **Human Resource Management News**

### **EEO-1 Component 2 Deadline Now January 31, 2020**

*Material Handling & Logistics - David Sparkman*

Court says only then will it consider the filing numbers complete.



If you haven't gotten around to filing your required EEO-1 Component 2 data with the U.S. Equal Employment Opportunity Commission (EEOC), don't worry about it. You now have an additional three months-until Jan. 31, 2020-to turn it in, thanks to the dictates of the federal judge who arrogated to herself micromanagement of the process.

EEOC earlier had extended the original Sept. 30 filing deadline because it said not enough employers had filed their forms. EEOC reported the deadline extension to the federal district court judge supervising the filing process after she earlier found the commission had acted illegally when it withdrew the Component 2 reporting requirement imposed by the Obama-era EEOC.

[Read Article](#)

### **The Solution to an SME's Workforce Problem? A Daycare ... and other solutions gleaned from a month of traveling to industry events.**

*IndustryWeek - Paul Ericksen*

There is nothing I enjoy more than getting out and interacting with owners and employees of small- and medium-sized (SMEs) manufacturers. I had the opportunity to do just that last month.



At an Advanced Manufacturing Technology engagement hosted by the Iowa Association of Business and Industry (IABI), I spoke of the need for step-function type change by companies who want to increase their competitiveness, i.e., something that incremental changes rarely result in. My October 18 IndustryWeek column was an extended version of that talk. [Read Article](#)

## Will Luxury Amenities Attract Warehouse Workers?



*Material Handling & Logistics - Adrienne M. Selko*

If you're not offering competitive wages and benefits, don't expect to attract new talent with nail salons and free pizza.

If you build it, they will come. While this might apply to baseball fields, I'm not certain it will apply to coffee stations at warehouses.

A baseball field would actually be a good idea since warehouse workers could use the exercise that comes with playing baseball to strengthen their muscles, which might help prevent back injuries which are so common.

However, in this case we are talking about providing upscale amenities at the actual warehouses. The thinking is that if a company can offer coffee bars, lounges, patios, discounted dining venues, gyms and walking trails, it will make warehouse jobs more desirable and bring in workers that are so desperately needed. [Read Article](#)

## American Jobs are Getting Worse, a New Index Shows

*MSN News - CBS, Irina Ivanova*

Although the U.S. is on a record streak for job creation, many Americans still feel like they can't get ahead. It's not their imagination. The past three decades have seen the economy churn out more and more jobs that offer inadequate pay, a group of researchers found.

"The history of private-sector employment in the U.S. over the past three decades is one of overall degradation in the ability of many American jobs to support households - even those with multiple jobholders," they wrote.

The group wants to popularize a new economic metric, called the Job Quality Index, that goes beyond the usual labor market barometers, which tend to focus on the quantity of employment. To be sure, there has always been plenty of jobs that don't pay well. But, as the index's creators found when crafting their measurement, there is now a growing number of low-paying jobs relative to employment with above-average pay. [Read Article](#)

## Environmental, Health & Safety News

### OSHA Adds to Enforcement Weighting System

*EHS Today - David Sparkman*

Type of hazards and enforcement initiatives now part of measurement mix.



As of Oct. 1, the Occupational Safety and Health Administration (OSHA) has begun using a new system for weighing and measuring its enforcement priorities that now includes added emphases depending on the type of hazard inspected and whether the actions were taken in pursuit of agency enforcement initiatives.

"Because weight will now be given to these areas, employers should be prepared for inspections related to high hazards and specific OSHA enforcement initiatives," warn attorneys Jayni Lanham, Heidi Knight and Mark Duvall of the law firm of Beveridge & Diamond PC. [Read Article](#)

### Cal/OSHA Affirms Court Ruling Against Home Depot

*EHS Today - Staff*

In April 2015, Cal/OSHA investigators cited Home Depot for multiple violations following a serious work injury at warehouse in Mira Loma, Calif.



The employee's foot was seriously injured during a collision between two pallet jacks in 2014. The home improvement retailer appealed the citations, which California's Court of Appeals affirmed on October 17.

"This is the first California Court of Appeal decision on the issue of protective footwear in warehouses and it sends a strong message on the need to protect workers," said Cal/OSHA Chief Doug Parker. "Cal/OSHA has investigated a number of serious foot injuries related to forklifts and rider pallet jacks in the warehousing industry. In many cases, injuries could have been avoided with protective footwear." [Read Article](#)

### SLC 2019: Think and Survive Workplace Violence

*EHS Today - Jill Jusko*

It's an ugly statistic: Nearly 2 million Americans are directly impacted by workplace violence every year. They're bullied, stalked, threatened and, in the most extreme scenario, killed by a disgruntled co-worker, a contractor or even a domestic partner.



Unfortunately, the ugliness is also a reality, and such was the topic of William F. Flynn's keynote address at the 2019 Safety Leadership Conference. He shared that bit of data along with a host of other grim statistics during his talk "Think and Survive: Workplace Violence and Active Shooter Preparedness."

[Read Article](#)

### **OSHA Stresses Limits on Computer-Based Training**

*EHS Today - David Sparkman*

Courses must offer interactive and hands-on opportunities with qualified trainers.



The Occupational Safety and Health Administration (OSHA) takes employee safety training very seriously, and in support of that commitment the agency recently reinforced its stated policy that online and computer training alone for employees is not adequate to meet federal train requirements.

"One of the keys that OSHA emphasizes in all of its efforts is the importance of training," OSHA Acting Chief Loren Sw eatt declared in a recent speech. "Training must be provided to w orkers w ho face hazards on the job. It's the law , and it's also good for every business. A highly trained w orkforce can minimize unnecessary costs and disruptions from an illness, injury, or fatality." [Read Article](#)

### **SLC 2019: Why All Companies Need to Be ISO 45001 Certified**

*EHS Today - Stefanie Valentic*

If you don't know w hat ISO45001 is, you w ill be hearing about it often in the foreseeable future.

"[ISO 45001] is the future of safety," Ed Foulke, Fisher Phillips partner, told a packed room of attendees at the 2019 Safety Leadership Conference in Dallas.

The new international standard is going to be the basis for all safety management systems implemented globally, not because companies w ant to, but because customers w ill demand it.

The delicate dance between safety and the bottom line is finally coming to an end as the new standard directs top management of companies to implement systems company-wide.

"We w anted to take the safety profession and get them to the C-suite," Foulke, w ho w orked on the ISO 45001 committee, explained. [Read Article](#)

**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 schedule an onsite briefing!**

Proactive Technologies, Inc. always offers a low-to-no risk pilot program approach. We work with 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:**

- Is designed to your job classification, your operation and incorporates your firm's specifications, process, standards and policies;
- Ends your worries and costs over finding qualified candidates and closing the "skills gap;"
- Drives every worker to full job mastery while they simply learn their job;
- Cuts your employee turnover costs;
- Captures worker expertise before it leaves and use it to quickly and thoroughly train replacements;
- Provides metrics and reports for process monitoring and improvement.

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?**

**Contact a Proactive Technologies, Inc. representative today!**



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*Human Resource Management for Tomorrow... Today!*

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