

Motor & Equipment Manufacturers Association

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June 22, 2017

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

The Motor & Equipment Manufacturers Association (MEMA) represents 1,000 vehicle suppliers that manufacture and remanufacture components and systems for use in passenger cars and heavy trucks providing original equipment (OE) to new vehicles as well as aftermarket parts to service, maintain and repair over 260 million vehicles on the road today.¹ Our members lead the way in developing advanced, transformative technologies that enable safer, smarter, and more efficient vehicles, all within a rapidly growing global marketplace with increased regulatory and customer demands.

Vehicle suppliers are the largest manufacturing sector in the United States directly employing over 871,000 Americans, up 19 percent since 2012. Together with indirect and employment-induced jobs, the total employment impact of the motor vehicle parts manufacturing industry is 4.26 million jobs. Nearly \$435 billion in economic contribution to the U.S. GDP is generated by the motor vehicle parts manufacturers and its supported activity. In total, motor vehicle parts suppliers contribute more than 77 percent of the value in today's vehicles.²

On behalf of our member companies, I applaud your commitment to industry driven apprenticeships and the recent Executive Order that will improve and expand these important opportunities in the United States. Suppliers utilize a wide range of apprenticeship programs in the U.S., with MEMA member companies partnering with the U.S. Department of Labor, community, and technical colleges, states, and private entities to provide these programs. Supplier companies involved in apprenticeship programs range from very large, global corporations with multiple facilities to local, small manufacturers with a limited number of facilities.

The supplier industry relies on apprenticeship programs and engages with apprentices in a number of ways, including programs aimed at high school students prior to graduation as well as recent high school graduates, and programs with an internal

¹ MEMA represents its members through four divisions: Automotive Aftermarket Suppliers Association (AASA); Heavy Duty Manufacturers Association (HDMA); Motor & Equipment Remanufacturers Association (MERA); and, Original Equipment Suppliers Association (OESA).

² "Driving the Future: The Employment and Economic Impact of the Vehicle Supplier Industry in the U.S." MEMA and The Boston Consulting Group, January 2016. www.mema.org/sites/default/files/MEMA_ImpactBook.pdf
https://www.mema.org/sites/default/files/MEMA_ImpactBook.pdf



employer-provided educational and apprenticeship opportunity for current employees. These programs vary in length and time commitments, provide tuition free training, and lead to employment after the satisfactory completion of the term of study.

Apprenticeship programs are important to vehicle suppliers that must acquire and retain highly skilled workers. MEMA members are involved in all areas of STEM education including robotics, mentoring, internships, and apprenticeships. The advent of a major technology shift in transportation has underscored the need for trained workers requiring both traditional and advanced manufacturing skills. These same companies find that skilled labor remains in high demand and short supply, with routine turnover adding to these challenges. Increased training is part of the solution, but it is expensive. Internal training and development programs are the most likely to help mitigate loss of talent and to close the skills gap suppliers face. The enhanced programs that you described in last week's announcement will help the industry mitigate some of these expenses.

MEMA members are justifiably proud of their commitment to the future workforce. These programs must be expanded and amplified to meet the needs of the industry for a skilled and committed workforce. Your leadership will make the necessary expansion possible.

MEMA looks forward to working with you and your Administration to improve and expand apprenticeship programs. Thank you for your commitment to U.S. manufacturers and a skilled workforce. For more information, please contact Ann Wilson, senior vice president, government affairs, at 202-312-9246.

Sincerely,

A handwritten signature in black ink, appearing to read "S. Handschuh".

Steve Handschuh
President & CEO

c: The Honorable R. Alexander Acosta
Secretary, Department of Labor