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Project Summary: Chicago Green Manufacturing Network

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Project Overview

The Chicago Manufacturing Renaissance Council (CMRC) and World Business Chicago (WBC) seek to create a regional infrastructure to link local manufacturing companies to the emerging wind turbine industry, thereby helping our region's companies to enter a cutting edge market that promises long term growth, requires complex machined inputs and represents an alternative to decline. This project aims to:

- Connect local manufacturers to an emerging industry
- Promote job growth and industrial investment and expansion
- Attract related industries, OEMs and businesses
- Make the Chicago Area a hub for manufacturing for the wind turbine industry, and develop a blueprint for linking Chicago companies to other emerging and green industries

The CMRC, WBC and the Great Lakes Wind Network (GLWN) along with their partners are developing a project to **identify, evaluate and connect** area manufacturers to OEMs and first tier suppliers in this industry. We will work closely with the GLWN to design, implement and ensure the quality of this project.

The specific and overarching objective of this project is growth and development of manufacturing suppliers in the Chicagoland area, connecting such companies to the wind turbine industry is the primary long term objective. With that in mind, this project will incorporate assessment of the overall approach to supply chain development and all partners' performance to ensure the efficacy of the model and the successful pairing of local companies to customers.

Working with the GLWN, and using their model as a framework for the role out of our project, we propose the following structure:

Identification of Companies

Using the GLWN Wind Supply Chain Workshops as a model, we will conduct four regional workshops to identify local manufacturing companies that could possibly enter this market. These events will be informational in nature, introducing attendees to the industry, the opportunity that it represents, and give an overview of the technical and process capabilities this sector demands. Companies will then have the opportunity to follow up with us, getting listed in on our database and eventually undergoing an evaluation. These events typically attract 100 manufacturing companies, of which 25% are eventually evaluated. Simultaneously, we will perform a systematic evaluation of the manufacturing base in Chicagoland, and identify key companies with the capacity or potential to enter this market, and directly target them for outreach. This research will be used to inform subsequent workshops and to better pinpoint companies to invite to Supply Chain events.

Assessment and Evaluation

Companies that are interested in entering the market can take an industry focused survey and then request an evaluation of the business based that will determine on whether or not it is ideal for the Wind turbine industry. This evaluation is a two day process carried out by one or more technical expert from a partner account manager agencies. These partners will be trained by Great Lakes Wind Network staff to conduct these evaluations, in which they will identify:

- Detailed Manufacturing Capabilities
- Available Capacity
- Quality Systems
- Reliability/Service Capabilities
- Financial Health of the Organization
- Existing Business Connections

Based on this evaluation a preliminary assessment of the company will be developed. Based on the information collected about the company, the case manager and the team will develop an analysis of the bottlenecks that and obstacles that face the company and a gap analysis of the company with respect to the Wind Turbine market.

Case Management and Matchmaking

Based on the findings of the Gap Analysis the case manager will support the company to address the gap between its current state and the requirements of the Wind OEMs. These case managers will provide many of the general business development services that CMRC partners such as IMEC

provide, for instance: lean training, support locating financing, business services, growth support, etc.

Companies will then be connected to OEMs as a part of the outreach work of the GLWN, their supply chain events or in response to OEM request, and as a part of the outreach of project partners to OEMs. WBC, CMRC and partner agencies will assist potential suppliers with resources and support to close the gap between their current situation and OEM requirements.

Project Partners

Chicago Manufacturing Renaissance Council and World Business Chicago

The Chicago Manufacturing Renaissance Council and World Business Chicago will jointly manage this project. The CMRC and WBC will be responsible for the over quality of the program, for coordinating:

- the Supply Chain Workshops,
- Coordinating the partner agencies that do outreach to companies,
- Ensuring that partner agencies are properly trained and have the staff to:
 - Conduct Evaluations
 - Provide technical support
 - Conduct case management
 - Provide Business development expertise
- Manage the involvement of the GLWN in the project, and
- Be the fiscal sponsor, responsible for fundraising and payment of partner agencies for their work.

Great Lakes Wind Network

GLWN is an Ohio based project that since 2007 has been working to connect Midwest manufacturing companies to American and International Wind Turbine OEMs. They have developed extensive contact with these OEMs, and have a detailed understand of the technical requirements these companies have for their suppliers, they have a technical knowledge of their turbine designs, a track record of organizing supplier match making events and connecting suppliers, and a model for managing partner agencies. They will act lead consultant on this project. GLWN will provide their

model for the entire program for identification, assessment and connecting companies to OEMs. They will specifically provide their tools for:

- Assessment
- Gap Analysis
- Account Manager Training

GLWN will be responsible for training the Chicago based partner agencies staff in the use of these tools. They will also be available to support this staff with technical questions relating to the tools, the industry, technology, terminology, etc.

GLWN will market Chicago based firms to OEMs that is maintains contact with and will hold supply chain events both in Ohio and Illinois featuring Chicago area companies, as is appropriate the GLWN will be the primary but not exclusive point of contact to OEMs in terms of supplier matchmaking opportunities and as the project develops local organizations and partners will develop and maintain independent relationships with OEMS and companies.

Partner Agencies

Chicago Southland Economic Development, the Fabricators and Metalworkers Association and the Illinois Manufacturing Extension Center among others, will carry out outreach, technical evaluation, case management, follow up and business development service for the project. They will be trained in the portions of this process that are specific to Wind, evaluation, assessment. They are part of this project because of their expertise in one or more of these areas. Their account managers and technical evaluators will undergo GLWN training.

Agencies will assign an account manager to each company that is evaluated. Account managers will have a weekly conference call with GLWN staff, the CMRC project manager and other account managers to update progress, share information, discuss cases, etc.

The requirements of account managers for partner agencies as understood by the GLWN are:

The Account Managers will have a manufacturing background with a proven track record of successful interactions with owners/senior managers. Technical credentials will include a formal engineering background with at least five years in at one of the following areas: machine shop, forge, foundry, welding, heavy fabrication, composites, motor rewind, and power electronics. In addition, the ability to read and interpret blueprints is required, as are project management skills.

Project Budget

It is expected that this project will cost approximately \$650,000 in its first year. These costs will include personnel costs for the CMRC project manager, costs for GLWN consultation and training, costs related to workshops, and costs related to the gap analysis and case management conducted by the partner agencies. See attached budget for full description of these costs.

Funds for this project will come from two sources primarily: Fees paid by companies for attending events, evaluations, gap analysis and other services; and funds raised by the CMRC and GLWN. It is expected that fee-for-service work will generate about 25% of revenue. The remaining funds will be raised by the CMRC in conjunction with its partners from private foundations and a variety of public sources.

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