

April 13, 2020 - 10:00am ET
Georgia Manufacturers Alliance - Town Hall

Host: Jason Moss, Founder and Executive Director GMA
Guests: - Jason Lammers, Grenzebach Corp, GMA member
- Cassie Nettles, Ad Victoriam Solutions, GMA member
- Laura Madajewski, HLB Gross Collins, GMA member
- Russ Dunlap, Taylor English Duma, GMA member

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Welcome by Jason Moss - Today's topic is Manufacturing Town Hall

Today we will focus on the current state of manufacturing and how companies are dealing with the Coronavirus crisis. Even though the world is changing, GMA's mission is the same, only the tools have changed to all digital. Check our upcoming events on our website for all the upcoming calls. These calls are designed for manufacturers and for those who support the manufacturing industry throughout Georgia.

All calls are via Zoom and lasts approximately one hour. Please register online so you can get the links to the calls, any resources discussed on the call, and its show notes.

Weekly formats:

Mondays - 10:00am, Town Hall

Mondays - 2:00pm, Task Force call for those who want to help fight the COVID-19 crisis

Tuesdays, Wednesdays, Thursdays - 10am, Variety of Specific subjects such as legal, insurance, HR

Fridays - 4:00pm, Fun Friday where we share best practices, experiences and learn from each other.

***** First speaker, Jason Lammers, Grenzebach**

Grenzebach specializes in mechanical engineering and plant construction. We sell contract manufacturing, think sheet metal, fabrication machining, manufacturing major pieces of equipment, glass manufacturer for solar industry. Jason has been with Grenzebach since 2016.

"On the first day at my home office, I got fully dressed for work to get into the right mindset."

About Grenzebach during this time:

- 80% office staff and all sales work from home. Engineering project mgr and main project mgr are at the factory. We have a skeleton crew at the factory, working 4 x 10 hr days. Fridays an outside service cleans. Have increased them to come once a week to clean all high touch areas in the shop and office, besides regular cleaning.
- All shop workers have to keep a 6ft distance, although it is hard to review drawings
- Hand sanitation stations throughout the facility instead of restrooms only
- 120,000 sq ft factory, GMA toured it.
- Automotive, tire and rubber industries are down so we do less work for them
- Pneumatics manufacturing, those involved in producing ventilators are looking for manufacturing space, however, we cannot help them.
- We produce for the solar panel industry which is an energy supplier and a critical business which makes Grenzebach a critical company.
- We also produce items for the grocery stores and delivery, they are essential so we are too.
- What surprised me most was how quickly things and people can change, and their attitudes as well. Modex was a benchmark, after Modex it hit home, I wasn't allowed back in the office.

Questions from participants:

- Question: James Score - how can you successfully operate without personal interaction?
Answer: Main staff is still in the office, they are doing a lot of safety training videos. Not sure how they manage, I'm not involved in that
- Question: What is the level of concern for personal safety?
Answer: I have not been in the office so I dont know. However, a welder told me over the phone that his main concern is to make sure he can go to work so he can pay his bills.
- Question: Any holes in supply chain?
Answer: The majority of raw materials are from the USA, very little from overseas so good for now, not heard about issues. Regarding pneumatics or electronics. Many european suppliers manufacture in the USA. Jason via chat: We have actually been shifting to a more US based supply chain since the end of 2018.

General comments by Jason Moss:

- Taskforce has engineering support for retooling. Jason is proud of GMA's members who step up.
- KIA motors will be shut down until April 27, it has a ripple effect.
- We are re-evaluating the annual GMA Summit on September 15, 2020. Have to make a decision soon. In a show of hands, via chat, will you be attending? 18 out of 35 replied: 17 yes, 1 no.

***** Next speaker, Cassie Nettles, Ad Victoriam Solutions**

We are a software implementation firm specializing in data integration. We help manufacturers integrate their process implementation with Salesforce.

- Hired 23 employees in 2019, our manufacturing segment has exploded
- Joined GMA to learn what manufacturers are doing, what are their pain points, internal inefficiencies etc so we can learn how to best serve you. For example, a problem could be integrating your CRM.
- Manufacturing industry is now 64% of our pipeline
- Next biggest industry is healthcare and HLS, Health Life Science.
- HIMSS conference was cancelled, approx 60,000 attendees. Now they are conducting webinars for our sales team.
- Communication is key, find a way. There are 3x as many emails now, it is hard to keep up.
- 70% of our employees were already classified as remote, so no change for them.
- Most employees are going stir crazy, only interaction they had were live events. Cassie is happy not to be traveling for now.
- Target is client onsite again May/June, but not sure. Have no benchmark.
- We are noticing that manufacturers in general are most of all careful on how they are spending money.

TIP: If you are working with vendors and consultants, ask them questions! Even if you can't pay them, they are there to support you. Let us help you build a roadmap for the future. Let's have that conversation now when we are in the midst of it, rather than six months from now. Don't be afraid to reach out!

General comments Jason Moss:

- Six weeks ago, we had never done a webinar, now we are 100% virtual
- Miss member interaction, it's the core of GMA. Our three main areas are our members, conducting on-site manufacturing tours and our annual Summit. All live events!
- One GMA member, a large company, is using Disney as a benchmark. Disney is taking reservations for June.
- The Atlanta Business Chronicle this morning showed Sanderson Farms, Moultrie GA, near Corona hotspot, Albany GA, has sent all their 415 employees home with full pay for two weeks, for safety reasons.
- The Governor of Texas is planning to lighten the Shelter in Place order by April 30. GA is to hit peak on April 24, so not sure when we'll get back to normal, or new normal.
- Taylor English Duma who helps GMA with the legal aspects, advises GMA members to avoid legal suits, instead do the right thing: open communication is key with your vendors, suppliers and customers.
- If the customers are paying, do the right thing and pay your vendors. We know cash is king right now but you have to do the right thing.

QUESTION TO GMA MEMBERSHIP:

Our goal is to support manufacturers in Georgia. Our Mission has not changed, but our tools have. How can GMA better serve you, what needs can we meet, how can we better serve the manufacturing community and our members?

Answers via chat:

- Tom Valentine: we are seeing a large increase in demand for online training as it pertains to Supply Chain improvement and onshoring/near shoring. Let me know how we can help with a best in class solution provider.
- Henry Quillian: Consider taking some version of a psychological survey regarding whether workers are willing to continue working in the face of risk for themselves and their family in order to keep cash flowing into their households.
- Rob Kuehl - Maier America: Practical tips on properly applying for PPP loans and what is to be expected on the \$1,200 payouts for our associates under \$100K. Associates are highly interested in the future of the holy payroll...
- MacField Young: I think the networking is key right now. Companies are having hits in the selling of their products or getting the components and raw goods they need. So you can help support, as you are, by connecting people with new suppliers, defining what new products they could make and sell, and what regulations they need to meet to do this.
- Pierre Tanguay: It might be interesting to develop a short form video process for sharing best practices that GMA attendees can view. 5 minutes or less to a specific topic, or even a virtual facility overview.

***** Next speaker, Laura Madajewski, HLB Gross Collins and GMA Chapter member:**

On the <PPP> newsfront:

We received more clarification as to all the different filings that were to be done by April 15, under the PPP. Additional transparency:

- Payroll, if you were automatically deferring payroll taxes and also applied for PPP, you cannot defer payroll taxes. It is considered Double Dipping.
Clarification: go ahead and defer payroll taxes under the Cares Act. You can repay them later.
- You are approved for PPP when you receive a loan number! Within 10 days thereof, you are supposed to get your funds.
- SBA has a big backlog with loan applications, and in issuing loan numbers.
- Some banks have lifted the asset cap
- Have patience. Listen to Jason's weeklong back/forth with his bank!
- Call Laura or Jason if you need help.

TIPS, after you have applied for PPP, EIDL etc.

- What is your new financial game plan, how do you get your business back up and operating?
- What if the virus comes back, what is your plan of action then?
- Get short term plan for some type of direction

- Everyone, file your individual tax return, do not wait until July 15th!

Comments Jason Moss:

We all know the pillars of a good business is to have great accounting, legal and banking teams, they make a big difference. Listen to the video recording of this call on Jason's weeklong process of applying for CaresAct loans, and how his long time relationship with Synovus bank helped guide him through the process.

What are your ramp-up plans to get back into business? Now is the time to think about that!

***** Questions and Answers:**

Question from Sloan, TieDown: apologize for late arrival, we had our first case of Coronavirus at TieDown. Does anyone know of the CDC guidelines when someone has been in close contact with a person who has tested positive for COVID-19? The co-worker has been all over the factory but always outside of 6ft.

Answers:

- James Score: distance is now 13ft, also the virus sticks to the bottom of shoes
- Sloan: we want to say "per CDC guidelines", anything else?
- Russ Dunlap: no experience or knowledge on this topic
- James Score, their procedure: those who were in immediate contact with infected employee also need to get tested. Company decontaminates that workcell. Name of infected employee is confidential, all affected will be sent home, after disinfecting, open the area back up.

Comment Jason Moss: same question was asked by Daniel Defense. GA Tech had reached out to GMA regarding the same issue and Jason paired them up. See bottom of these ShowNotes for link and caution note.

Question to Tom Valentine by Jason Moss regarding any freight related guidance?

Answer: Trucking companies put policies and procedures in place early on, see earlier conversations, to protect drivers:

- Please have patience with deliveries, be courteous and kind to drivers
- Eliminated delivery signatures, to protect drivers
- Drivers wait outside of customer, no breakroom or restroom for them
- Companies have implemented specific deliver hours, makes it even harder
- Damages are based on "free and clear" delivery signatures, this is creating somewhat of a problem. Both parties have to do a lot of back/forth communicating to resolve this issue.
- Freight is still moving, only 6 states do not have Governor mandated Shelter In Place
- Paperworks is all electronic, no personal interaction
- Freight has slowed down some, customers have augmented some of their personnel.

Rob Kuehl, Maier America: being courteous and kind is very important. Our freight forwarder is going nuts getting us freight in from Germany. Rob mailed a note to his boss complimenting their

efforts, now he has someone assigned to him! Give truckers a small gift, it goes a long way and they'll remember you!

Jason: same for postal mail delivery, I put a \$20 in mailbox and watched the mailman, he was super surprised and happy!

Question by Rob Kuehl, Maier America: When are people getting the \$1200?

Answer: Ryan Carver - Clear Choice: heard it would be on April 15

Henry Quillian: VP Pence said this morning: "this week"

Closing remarks Jason Moss:

See post on GMA website, make sure to connect with me on LinkedIn. Please "like" our post, make a comment and share/post it or tag someone who you think could benefit from this call!

GA Tech Link:

Follow this link to access a recorded webinar outlining guidance on preparing your workplace for COVID-19 (NOTE, FYI - if you engage MEP and OSHA through Ga Tech, you are obligated to follow ALL of their recommendations. I've had some other than positive feedback on this requirement in the past with other manufacturers).

<https://gatech.webex.com/recordingservice/sites/gatech/recording/play/2a4b09b73740452ba6998bca0ae1a094>