May 11, 2020 - 10:00am ET Georgia Manufacturers Alliance - Town Hall

Host: Jason Moss, Founder and Executive Director GMA

Guest: Bart Freeman, Daniel Defense, GMA member

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About GMA:

Even though the world is changing, GMA's mission is the same, only the tools have changed to all digital. These calls are designed for manufacturers and for those who support the manufacturing industry throughout Georgia, to support each other and share best practices. 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.

Welcome by Jason Moss

This is our second month of hosting virtual Zoom calls. All our calls are archived, feel free to use those as a reference. We want to make sure we keep everyone current. Today:

- Bart Freeman will tell us what's happening within Daniel Defense
- Several changes within GMA as we transition from virtual to live events!

Back on March 6, Bart and I were kicking these virtual calls off, informing GMA members of this looming pandemic. We were talking about contingency plans. Check out the archived calls under our News tab, looking back on our first call, it is a great call to listen to!

Bart Freeman, Vice President-Human Resources, Daniel Defense.

We are located just outside Savannah and employ approximately 240 employees. We are a small arms manufacturer; we build, sell and market firearms.

- Business is pretty good, we are expanding products.
- Gun sales were up the last few months.
- Typically, in political year, Q3 and Q4 sales go up but this year, it is earlier. We are sold out through 7/31.
- Curious whether Q3 and Q4 will be affected from earlier sales.
- Sales of firearms have been down for the last 3 years.

Jason: what changes have you done with operations on the shop floor?

- Taking the temperature of anyone entering. If 104 degrees or above and they have to leave

- Cleaning crews 24/7
- Removed all fans in the facility to prevent spread of germs
- Social distancing, by far the challenging to manage. Human behavior gets in the way.
- Owners have stepped up, found suppliers in the last few weeks. Every week we do something for our employees. We have toilet paper, paper towels, cleaning supplies. The employees get a bag twice a week to go shopping in our company!
- Social Distancing: we had to realign 50% of our workstations, and move equipment to accommodate the 6ft rule.
- All office spaces, realigned seating; conference rooms, meeting rooms etc
- We started 6-7 weeks ago with telecommuting 70% of the office staff. We are phasing them
 in 3 phases, and hope to have everyone back around June 1st. We are in no hurry to get
 them back. Let's stay safe.
- Supply chain has been a challenge lately: The business has experienced a surge in the last few months. Suppliers can't keep up, we have to go 3-4 deep on major components to have coverage for suppliers
- Absenteeism: we have relaxed our absenteeism policies. With the onset of the Coronavirus we have an approx 10% ongoing absenteeism. We are doing a lot more cross training and had to increase our headcount.

Jason: How about the workforce at GA coast, can you find new hires?

- Hospitality / restaurants are hit hard.
- Gulf Stream, laid off 700 employees last week, some may become our new hires.
- We utilize temp services because our business is cyclical. So far good talent is good to find.
- The challenge is that very few people are flying. We are hiring engineers, supply chain resources. We recruit via Zoom or Skype, make hiring decisions based on Skype, you cannot interview in person when they are located in CA or NJ. It's too far to drive, no flights.
- We are still following a strict hiring process based on the "WHO" book. A very intense, lengthy and robust hiring process. We continue to follow it.

MacField: have you done any virtual tours?

- A candidate is willing to come over in about two weeks with their spouse, staying the weekend, then yes, would love to have them tour the company.

Jason: Do you have any suggestions for a company who is planning coming back on line, getting their production back up?

- Soc Distancing is challenging. We have tons of signage on doors, hallways, floors etc and lots of training, yet it is still a challenge.
- We just implemented a requirement to wear a mask if you can't do social distancing. le when you train someone.

Tara Burke: when did you implement the changes?

- Throughout the day, it was an ongoing effort as soon as we learned about something new or different.

Comment Jason:

Early January we asked about a "what if" the economy shut down? We conducted a poll with GMA members and asked how many companies have contingency plans. We figured coastal companies

are in the hurricane path and usually have contingency plans. Surprisingly, out of 20, 50% had no real contingency plans!

Jason: what is your biggest take-away from this time period?

- My initial thought: communication is the root of all evil. You assume; you never do enough; people interpret communications differently.
- We post on email etc, and have electronic boards throughout the facility, but how do you make people look at it? We have small meetings, but being limited to 8 employees at a time, it takes time.

Jason: We email 10,000 members at a time, but the magic is still direct 1-on-1 email to someone who is actively engaged and followed up with a telephone call, that is the most effective for us. Most of you probably received a call from us this morning.

Jason, I heard about Daniel Defense, it's commitment to community:

- We cooked dinner or lunch for the Police, Fire Dept, EMT. It is good to give back.

MacField: how about outside meetings for employees?

- Yes, we were even considering doing interviews outside
- Also, we have a training room for 70-80 people so we can train there with plenty of room for 10 people.
- Conference room, we have taken out chairs. Only 4 chairs instead of 12, we are pro-actively taken measures to prevent too many people meeting

LD: what is the morale of your employees?

- It has been very good, we have been talking about a pay premium for all employees but we get more mileage out of doing something daily: Chick-Fil-A, other restaurants, twice a week we provide employees with a shopping bag for whatever we have (paper products/cleaning supplies), we also brought in an ice cream truck. Owner is trying to line up suppliers to provide meat per employee. These little things help more.
- Communications is still the key and majority employees are happy to still have work.

Cokkie: visitors, sales reps, suppliers?

- The owners love tours but have not set a date to re-open for any type of visitors.

Henry Levine: as you went through the plant protection process, what did employees think, how did management feel about the progress?

- Initial PPE was a challenge. Gloves, for instance, educate the benefit of using gloves. Several employees were asking for masks, and gave us setbacks on gloves. Then very few continued to wear the masks, it fogged up glasses, some said they couldn't breathe, it got in their way. Social distancing was also a challenge to implement.
- Just now we are requiring employees to wear a mask if within 6 ft of each other. It gives employees the opportunity not to have to wear masks all day.

IMPORTANT CHANGES - UPDATES AT GMA:

Factory Tours:

June 26 - Denyse Companies July 8 - VDL Industries

Marketing:

Printed GA Manufacturing Directory. Due to added digital marketing opportunities, we are only printing the January directory. It will be a more in-depth publication.

The GA Manufacturing Summit - September 15, 2020

- Keynote speakers: Marty and Cindy Daniel and Lt. Col. Waldo Waldman
- Modified floor plan: 800 people at round tables, but changing break out rooms to conform to social distancing. Some companies have indicated that there will be no sales travel until 2021.
- Format: hybrid, zoom camera in each area. Tickets are the same, either zoom online or live. This will open attendance for those who cannot travel, and have never been able to attend our Summit.

GMA is a for-profit organization, we survive on memberships and sponsorships. Live events are a source of income which we cannot host as much anymore so we are very thankful for your ongoing support. Please take a look at our sponsors, we could not survive without them! Companies such as Taylor English, have also supplied us with lots of information during this time.

GMA could not operate without the help of our sponsors, thank you:

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Digital marketing solutions - check out our rolling banner on the GMA home page:

We are now showcasing a "member of the week" and a "supporting partner member of the week". This is a paid marketing campaign on our home page, linked to an article, a company video or an interview, see the scrolling banner. For the inaugural week, we have:

- Manufacturer: Southwire Company
 Jason from Southwire is our first manufacturer on the GMA digital marketing banner!
- 2. Supporting Partner: E2E Benefit Services

Raymer Sale from E2E Benefit Services always secured the back page of the directory and now jumped on board for the digital idea. He is sponsoring an education session: May 20th, focused on company benefits.

GMA is engaging with its community in a totally different way right now and it is nice for members who are further away to be able to connect.

New rules for our virtual calls:

Monday, 10 am, Town Hall call - registering is preferred.

Tuesday, 10 am, Task Force - starting tomorrow, registering is mandatory

Wednesday, 10 am, Networking on 5/13 but 5/20 is an educational call provided by our digital

Manufacturer of the Week sponsor. You have to be a GMA member!

Thursday, 10 am, Relaunch call - registering is mandatory.

Friday, 4 pm, Fun Friday - registering is mandatory, open to all.

Networking calls in June:

Tuesday mornings for Alpharetta area

Fridays for Gwinnett in the morning and Cobb for lunch

These will be all virtual in June, and hopefully back live in July.

Virtual tours:

Some will be hybrid with Jason, Wesley and the tour manager until we get back into full swing with tours. Last year 120 events but we need to transition back, we will be doing it differently.

Closing remarks Jason:

- Let us know how we can help you, we are here to support you in growing your business.
- Check out GMA calendar
- Please like and enter comment about this call on my Linkedin page!!!

Call participants who put their contact information in the chat box, in order of appearance:

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