

# BizFed Bounce Back



*BizFed members share stories of resilience.*

Issue 9 - May 28, 2020

*In the face of COVID19, BizFed members bounce back with perseverance, creativity and resourcefulness.*

## MANUFACTURING A BETTER TOMORROW

No one could have predicted that COVID-19 would be the thing that brought back American manufacturing--but there's a chance that might happen.

A few months ago, before the virus shutdown the country and decimated the economy, manufacturers were suffering from a severe labor shortage of high-skilled workers.

But as countries throughout the world suffered similar shutdowns, supply chains were threatened and sometimes disrupted, leaving American manufacturers desperately seeking something more reliable.

"More and more of our manufacturers want to have a domestic supply chain because it's more reliable," said Craig Scharton, Central Valley Client Advisor with the California Manufacturing Technology Consulting.

CMTC is a government-sponsored organization that acts as a conduit between manufacturers and public re-



*Craig Scharton (left) meeting with clients.*

sources--similar organizations exist in every state and Puerto Rico. Created under President Ronald Reagan when America first started noticing a decline in manufacturing, these organizations formed to advise manufacturers that did not have the time to navigate the government bureaucracy on their own.

Consultants within CMTC help manufacturers plan and execute essential services like creating online stores and ad campaigns, as well as securing grants and receiving training. Recently, CMTC played a pivotal role in helping manufacturers transition to PPE makers and then find prospective buyers.

"We are working with manufacturers who make masks, room dividers and other PPE and then helping them connect with customers and businesses in California," Scharton said. "We are trying to keep money in the state."

Despite its aggressive and onerous regulatory climate, California remains the top state for manufacturing--38,000 strong, which includes cottage industries like wineries and breweries. Though some certainly took a hit with the COVID-19 shutdowns, California manufacturers have largely thrived through the crisis as many were deemed essential.

Some experienced unique problems. According to Scharton, one client was selling half its product to consumers through grocery stores, while the oth-



*Craig Scharton (right) stands with client.*

er half was to be sold to restaurants, which were floundering with shuttered doors and dried up demand.

Other complications included huge spikes in demand. But after capacity was ramped up, the demand spike normalized just weeks later.

"We're just not used to these gigantic ups and downs," Scharton said. "Manufacturing tends to be pretty slow and steady."

Going forward, the top issues facing manufacturers will be continuing the changes to safety protocols, like split shifts, remote training, maintaining an inventory of PPE and, of course, praying there's no second or third wave of the viral outbreak.

"Fortunately, I don't think employment will be an issue," Scharton said, acknowledging the rise in available labor.



@bizfedcv  
#BusinessMakes Central ValleyWork

For more information, please contact:  
Clint Olivier, Executive Director  
(559) 313-6065 | [clint.olivier@bizfed.org](mailto:clint.olivier@bizfed.org)