


MAY 15, 1989

TO: SENATOR DOLE   
FROM: CAROLYN SEELY  
SUBJECT: SPEECH TO MACHINE TOOL INDUSTRY SENIOR MANAGEMENT

---

On Thursday, May 16, at 8:30 a.m., you are scheduled to address a breakfast meeting for senior management of the National Machine Tool Builders Association members. You will be greeted by Jim Mack, NMBTA's Public Affairs Director, and introduced by NMBTA's current Chairman, James Geier, Chairman and CEO of Cincinnati Milacron. The topic of your remarks is listed as the "GOP Congressional Agenda". Mr. Mack saw last week's ASAE speech on C-Span and thinks similar remarks would be perfect.

Congresswoman Lynn Martin is scheduled to give opening remarks at the Thursday breakfast. Later that day, the group will hear from Secretary Mosbacher (keynote), Ways and Means Committee members Kennelly and Schulze, Senator Danforth (tax and trade), Congressman Aspin and representatives from the Army, Navy and Air Force (DOD budget and procurement needs). On Friday, the group will hear from Speaker Wright (House agenda), Senator Dixon, Senator Kasten and Congressman Luken (product liability), Senator Riegle (competitiveness), Commerce Undersecretary Kloske (export controls) and Senator Heinz.

NMBTA members are capital intensive and rely heavily on cost recovery incentives. (The meeting program will gratefully acknowledge your sponsorship of legislation preventing Treasury from altering cost recovery schedules without Congressional approval.) Not surprisingly, NMBTA also supports the Rostenkowski minimum tax initiative as an alternative to the new ACE preference which adversely impacts depreciation. However, its members would be equally satisfied with a continuation of the current book income preference.

Other issues of concern to NMBTA include Section 89, product liability, the modified R&D credit legislation which, unlike current law, can be used by small business, and the types of trade initiatives which would target Federal R&D spending, suspend the antitrust laws for favored industries, etc.





**NMTBA's**  
**87th SPRING MEETING**

**Loew's L'Enfant Plaza  
Washington, D.C.**

**May 17-19, 1989**



**BUSINESS  
PROGRAM**




## Wednesday, May 17

- 8:00 am – 10:00 am Finance/Executive Committee  
Breakfast Meeting  
Montcalm Room
- 8:00 am – 10:00 am Machine TOOLPAC  
Breakfast Meeting  
Marquette Room
- 8:00 am – 5:00 pm Registration  
Quorum Room
- 10:30 am – 3:00 pm NMTBA/NMTBS Board of  
Directors Meeting  
Degas Room
- 12:00 pm – 5:00 pm Spouse Headquarters  
Marquette Room
- 12:00 pm – 1:30 pm NMTBA/NMTBS Board and Past  
Chairmen Luncheon  
Monet III Room
- 12:00 pm – 1:30 pm NMTBA/NMTBS Board and Past  
Chairmen Spouses Luncheon  
Lafayette Room
- 6:00 pm – 7:30 pm Welcoming Reception  
Rayburn House Office Building  
First Floor Foyer

**Note:** Buses depart from the L'enfant Plaza Hotel front lobby entrance beginning at 5:45 pm and will shuttle between the two buildings until 7:45 pm.



## Thursday, May 18

- 7:30 am – 5:00 pm Registration  
Ballroom Foyer
- 8:00 am – 5:00 pm Spouse Headquarters  
Quorum Room
-  7:45 am Breakfast  
Monet Jr. Ballroom

### Welcoming Address

Congresswoman Lynn Martin (R-IL)

Only five years ago, Lynn Martin was among a group of little-known politicians recognized by *U.S. News & World Report* as "10 political stars in the making." Today she is a leader in the House of Representatives. She served as co-chair of the George Bush for President campaign.



Lynn Martin's district contains more NMTBA members than any other congressional district in the country. She headed up the successful effort to secure over 200 congressional supporters for NMTBA's 232 Petition during the mid-1980's.

### GOP Congressional Agenda

Senator Bob Dole (R-KS)

Senator Dole is the Republican Senate leader. A tough, common sense conservative from America's heartland, Senator Dole has earned national acclaim with his leadership for budget responsibility, tax reform, a sound social security system, quality and affordable health care, rights for the disadvantaged and persons with disabilities, and for a better future for rural America. Last fall, he succeeded in pushing through a provision in the Tax Technical Corrections Act that prohibits the Treasury from stretching out depreciation lives without congressional approval.



During the second World War, Bob Dole was a platoon leader in the legendary Tenth Mountain Division in Italy. As a result of grave injuries received on the battlefield, he spent thirty-nine months in hospitals fighting for his life, an experience that made him a lifelong advocate for veterans and individuals with disabilities.



4/10 Jim Mack called  
regarding May 18th  
8:00am Breakfast  
L'enfant Plaza  
Honoraria - \$2,000

Speak

May 18  
Thurs.



**CHAIRMAN:**

James A.D. Geier  
Chairman & C.E.O.  
Cincinnati Milacron Inc.

**1st VICE CHAIRMAN:**

Raymond H. Blakeman  
Chairman & C.E.O.  
Met-Coil Systems Corporation

**2nd VICE CHAIRMAN**

Richard P. Bodine, Sr.  
President  
The Bodine Corporation

**TREASURER:**

Morrow B. Garrison  
President  
American Machine & Science Inc.

**SECRETARY:**

George P. Buckley  
Teledyne Landis Machine

**DIRECTORS:**

Anthony M. Cerra  
President  
HZ Clearing, Inc.

William J. Ellison  
Chairman  
Tree Machine Tool Co., Inc.

Howard Fark  
Sr. Vice President  
The Minster Machine Company

James N. Farley  
President  
SpeedFam Corporation

Bruce L. Moore  
President  
H.R. Krueger Machine Tool, Inc.

William Saul  
Chairman  
Remmele Engineering, Inc.

Harold J. Wagner  
Chairman & C.E.O.  
Setco Sales Company

**EX-OFFICIO:**

Charles E. Gilbert, Jr.  
President  
The Cincinnati Gilbert  
Machine Tool Co.

Albert W. Moore  
Executive Vice President,  
Operations  
Gleason Corporation

**STAFF:**

James A. Gray  
President

Joe T. Franklin, Jr.  
Administrative Director

Elwood H. Hasemann  
Exhibition Director

William Atkinson, Jr.  
Safety Director

James H. Mack  
Public Affairs Director

Charles G. Koella  
International Trade Director

James L. Wallbeoff, Jr.  
Training Director

Charles Pollock  
Public Relations Director

John B. Daam  
Technical Director

T. Glyn Finley  
Statistical Director

C. Christopher Kelly  
Controller

January 30, 1989

Honorable Robert J. Dole  
141 Hart Senate Office Building  
Washington, DC 20510-1601

Dear Senator Dole:

On behalf of NMTBA - The Association For Manufacturing Technology, I would like to invite you to meet with the senior management of the machine tool industry at our Spring Meeting here in Washington, and specifically address them at a breakfast meeting beginning at 8:00 a.m. on Thursday, May 18, 1989. It will be of great interest to our members to have your views on the Congressional agenda for the 101st Congress.

The meeting will be held at Loew's L'Enfant Plaza Hotel, 480 L'Enfant Plaza, S.W., Washington, DC.

The audience will be made up of 250-300 top executives from U.S. manufacturing technology companies. It will also include editors and publishers of the metalworking press and principals of machine tool distributor firms.

NMTBA represents some 300 companies that manufacture machine tools and other manufacturing technology in the United States, accounting for about 90% of U.S. production of machine tools.

Should you have any questions about the meeting, please let me know. Additionally, Jim Mack of my staff will be in touch with you concerning final arrangements.

Best wishes for a successful new year.

Sincerely,

James A. Gray  
President

Z-8-89 Interview letter  
JAG:pk

Hon? \$2,000



JIM GEIER, CHAIRMAN, NMMA  
CHMN + CEO, CINCINNATI, MILACRON, CINC, OH

May 18

Jaeger

SPRING MEETING NOTES

<u>Wed. 5/17</u>	Eve	<u>CONGRESSIONAL RECEPTION</u> (Rayburn House Office Building Foyer)
<u>Thurs. 5/18</u>	8:00 am	<u>BREAKFAST</u> - Cong. Lynn Martin (R-IL) to give welcoming address; Sen. Dole (R-KS) -- GOP Congressional Agenda
	9:30 am - 10:00 am	<u>GEIER SPEECH</u> - will introduce Sen.
	10:00 am - 10:45 am	<u>KEYNOTE ADDRESS</u> - Secretary of Commerce Robert Mosbacher
	11:00 am	<u>WAYS AND MEANS COMMITTEE PANEL</u> -- Cong. Barbara Kennelly (D-CT) & Cong. Richard Schulze (R-PA)
	11:45 am	<u>TAX AND TRADE</u> - Sen. Jack Danforth (R-MO)
	12:30 pm	<u>LUNCHEON</u> - Cong. Les Aspin (D-WI), Chairman House Armed Services Committee on DoD Budget/Procurement Reform/Industrial Base Buy America
	2:00 pm - 4:00 pm	<u>PRESENTATIONS</u> by Army, Navy, Air Force on 3 year "needs assessment" major programs which will lead to direct DoD and private sector purchases of machine tools and how to access the system. [Air Force-John S. Srnec; Army-Mr. Griffin; Navy-Capt. Ruppman and DoC John Richards]
	4:00 pm	<u>HILL VISITS</u>
	6:00 pm	<u>TOOLPAC RECEPTION/DINNER</u>
<u>Fri. 5/19</u>	8:00 am	<u>BREAKFAST</u> - The Congressional Agenda: House - Speaker Jim Wright (D-TX)
	9:00 am	Senate - Alan Dixon (D-IL)
	9:30 am - 10:15 am	<u>PRODUCT LIABILITY</u> - Sen. Kasten (R-WI) & Cong. Luken (D-OH)
	10:15 am	<u>COMPETITIVENESS</u> - Sen. Don Riegle (D-MI)
	11:15 am	<u>EXPORT CONTROLS</u> - Dennis Kloske (BXA Undersecretary, Dept. of Commerce)
	11:45 am	<u>MOORE WRAP-UP SPEECH</u>
	12:30 pm	<u>LUNCHEON</u> - Sen. John Heinz (R-PA)



## **LEGISLATIVE UPDATE**

**May, 1989**

### **TOP ADMINISTRATION PRIORITIES**

- o The Administration has successfully completed negotiations with the Taiwanese concerning their shipments of machines to the United States in excess of their 1987 VRA quotas (during the time that Commerce did not have enforcement authority). The Taiwanese admitted the overages and have agreed to schedule their repayment. A total of 701 machines will be deducted from their 1989 through 1991 quotas, to be spread relatively equally across the three years. The U.S. agreed to "forgive" an additional 30 machining centers, which were shipped in excess of the 1987 quotas. The Taiwanese agreed that any overages from 1988 will be deducted over the next three years with no "forgiveness." It appears that approximately 500 machines were shipped from Taiwan in excess of the 1988 quotas -- mostly milling machines and non-NC lathes.
- o The U.S. position in the COCOM list review for machine tools is still undetermined. Commerce is supporting a TAC position relaxing controls on the number of allowable axes, but tightening up on allowable parameters of repeatability and accuracy. The Defense Department is proposing to add items to the control list which were removed 15 or more years ago. The initial U.S. position is to not automatically reject a German proposal, which closely resembles that put forth by the TAC. The ultimate conflict between the Commerce and Defense Departments must still be resolved at the NSC level.
- o Through NMTBA's efforts, the Air Force MANTECH Program issued a PRDA directing \$9.9 million towards specific machine tool R & D projects. The MANTECH PRDA received 84 responses from machine tool builders of which 32 will receive Phase I funding this year. NMTBA is also working with the Army and Navy to determine whether MANTECH funding can be made available from them for additional projects. On the Congressional front, NMTBA is working to assure that FY 1990 funding is available for continuing MANTECH involvement in machine tool industry projects.
- o NMTBA staff is exploring ways that DARPA could fund joint research projects, which would benefit the manufacturing technology industry and its customer base. We are also working with Sens. Glenn (D-OH) and Danforth (R-MO) on proposals to better coordinate federal funding of civilian R & D, so that it better enhances U.S. competitiveness.
- o The Italian Machine Tool Industry thinks they have found a way around the Congressional prohibition against DoD purchases of foreign machine tools for use in DoD facilities. NMTBA is working with several congressional offices to secure a GAO audit of this matter -- both in the interest of two of our members on the specific case and to prevent future abuses.



-2-

#### TOP LEGISLATIVE PRIORITIES

- o Product Liability Reform. A bipartisan bill is about to be introduced in the Senate by Sens. Kasten (R-WI), Inouye (D-HI), Rockefeller (D-WV) and Danforth (R-MO). The House effort will be spearheaded by Cong. Tom Luken (D-OH). The two provisions most important to our industry (subrogation reform and statute-of-repose) are included in both bills. A massive grass roots effort will be needed, once the bills have been introduced.
- o Capital Cost Recovery. This year, NMTBA's principal focus is on repairing the depreciation preference under the alternative minimum tax (AMT), so it does less damage to our members and their customers. Serious problems will arise when the switchover is made to ACE in 1990, unless changes are enacted in 1989. House Ways and Means Committee Chairman Dan Rostenkowski (D-IL) has introduced legislation (H.R. 1761) which ameliorates the immediate ACE conversion problem, but does not attempt to solve the long-range impact of AMT on depreciation.

#### OTHER LEGISLATIVE PRIORITIES

- o R & D Tax Credit. Cong. Jenkins (D-GA) and Sens. Baucus (D-MT) and Danforth (R-MO) have introduced bills extending the credit beyond its 1989 expiration date, and changing its structure so it is more usable by our members.
- o Defense Production Act (DPA). Congress must reauthorize DPA in 1989. NMTBA is are working with Sen. Dixon (D-IL) and Cong. Oakar (D-OH) to explore ways in which DPA can be used to fund specific machine tool projects. In addition, NMTBA is working with Cong. Wyden (D-OR) and the Administration on legislation which will enable our members to establish joint manufacturing facilities. The DPA could be a vehicle for this.
- o Section 89. Cong. LaFalce (D-NY) has introduced legislation repealing Section 89. Chairman Rostenkowski has introduced a bill simplifying the complicated maze of tests, which current law requires to "prove" that employee benefit plans are not discriminatory.



MAY 18, 1989

TALKING POINTS

NATIONAL MACHINE TOOL BUILDERS ASSOCIATION

- O THANK YOU FOR INVITING ME HERE THIS MORNING  
TO DISCUSS OUR REPUBLICAN AGENDA.
- O IF IT SEEMS TO MANY OF YOU THAT CONGRESS IS  
OFF TO A SLOW START, WE ARE. BUT WE DO HAVE  
AN AGENDA. AND WE ARE BEGINNING TO MAKE  
PROGRESS.



-2-

## THE REPUBLICAN AGENDA

- O EVERY TWO YEARS THE CONGRESS STARTS WITH A  
  
CLEAN SLATE AND THE OPPORTUNITY TO RETHINK  
  
ITS AGENDA. THIS CONGRESS IS ALSO THE START OF  
  
A NEW ADMINISTRATION AND PRESIDENT BUSH HAS  
  
REACHED OUT TO BOTH DEMOCRATS AND  
  
REPUBLICANS IN CONGRESS SO THAT WE CAN WORK  
  
TOGETHER TO SOLVE THE DIFFICULT PROBLEMS  
  
CONFRONTING OUR NATION: THE BUDGET DEFICIT;  
  
IMPORTANT SOCIAL



-3-

CONCERNS, SUCH AS RETIREMENT SECURITY,  
HEALTH CARE, EMPLOYEE BENEFITS, CHILD CARE  
AND EDUCATION; AND, NOT LEAST, OUR NATIONAL  
SECURITY.

- O ON OUR FIRST DAY IN SESSION, I JOINED WITH A  
NUMBER OF MY COLLEAGUES TO INTRODUCE  
LEGISLATION MANDATING A BALANCED BUDGET AND  
GRANTING THE PRESIDENT ENHANCED RECISSION  
AUTHORITY TO COMBAT CONGRESSIONAL SPENDING,



-4-

ELIMINATING THE UNFAIR SOCIAL SECURITY  
EARNINGS TEST, IMPOSING SANCTIONS ON  
COMPANIES WHICH AID IN THE SPREAD OF CHEMICAL  
WEAPONS AND PROVIDING FOR CAMPAIGN FINANCE  
REFORM. SINCE THEN I HAVE INTRODUCED  
LEGISLATION TO DEAL WITH THE RURAL HOSPITAL  
CRISIS AND TO IMPLEMENT THE PRESIDENT'S CHILD  
CARE INITIATIVES.



## THE BUDGET AGREEMENT

- O MORE AND MORE OFTEN, HOWEVER, BUDGET DECISIONS ARE SHAPING OUR NATIONAL PRIORITIES. THAT IS WHY I SUPPORTED PRESIDENT BUSH'S EFFORTS TO BEGIN BUDGET NEGOTIATIONS WITH CONGRESSIONAL LEADERS IMMEDIATELY AFTER TAKING OFFICE.
- O AND NOW, AFTER NEGOTIATING FOR WELL OVER A MONTH, THE PRESIDENT AND CONGRESSIONAL LEADERS HAVE AGREED ON A 1990 BUDGET PLAN.



-6-

THIS AGREEMENT IS NOT A BOLD PLAN. MOST  
MEMBERS OF CONGRESS, ON BOTH SIDES OF THE  
AISLE, WISH THAT THIS AGREEMENT HAD GONE  
FARTHER AND THAT IT HAD SAVED MORE ON SMOKE  
AND MIRRORS.



-7-

- O SO PERHAPS THE MOST POSITIVE THING THAT CAME OUT OF THE SUMMIT AGREEMENT WAS THAT THE NEGOTIATORS DECIDED TO BEGIN NEGOTIATING THE FISCAL 1991 BUDGET AS SOON AS THEY FINISH WORK ON THE FISCAL 1990 BUDGET. AND, BELIEVE IT OR NOT, THE "PRE NEGOTIATIONS" ARE SCHEDULED TO BEGIN SHORTLY.



-8-

O I HOPE THE NEGOTIATORS START BY GOING BACK  
AND TAKING A GOOD LOOK AT THE ORIGINAL BUSH  
FREEZE PLAN. I REMEMBER GETTING SOME PRETTY  
STRONG SUPPORT FROM THE AMERICAN PEOPLE  
FOR MY OWN OUTLAY FREEZE PROPOSAL. IT IS THE  
FAIREST AND MOST REASONABLE WAY I'VE SEEN TO  
GET EXCESS SPENDING OUT OF THE BUDGET FAST.



-9-

0 FOR MANY IN WASHINGTON A FREEZE IS A RADICAL  
CONCEPT. THEY BELIEVE FEDERAL SPENDING  
SHOULD GROW WITH INFLATION, WHETHER OR NOT  
WE HAVE THE MONEY TO PAY FOR IT. WELL, AS FAR  
AS I KNOW THERE IS NO RULE THAT SAYS  
GOVERNMENT PROGRAMS SHOULD NEVER BE  
SHRUNK OR ELIMINATED.



-10-

## BUDGET REFORM

O IN ADDITION TO THE BUDGET NUMBERS, I BELIEVE IT IS FINALLY TIME TO INSTITUTE SOME LONG-TERM REFORMS TO FIX OUR BROKEN BUDGET PROCESS. AS I MENTIONED BEFORE, I HAVE INTRODUCED TWO BILLS TO ADDRESS THE PROBLEM OF BUDGET REFORM -- LEGISLATION TO ADD A BALANCED BUDGET AMENDMENT TO THE CONSTITUTION AND LEGISLATION TO ENHANCE THE PRESIDENT'S RECISSION AUTHORITY TO CUT PORK BARREL SPENDING.



-11-

O ANOTHER WAY OF GIVING THE PRESIDENT MORE  
POWER TO ELIMINATE OVERSPENDING IS THE LINE  
ITEM VETO. I HAVE NOT SPONSORED LEGISLATION  
TO GIVE THE PRESIDENT A LINE ITEM VETO, BECAUSE  
I BELIEVE THAT ARTICLE 1, SECTION 7, CLAUSE 8 OF  
THE CONSTITUTION MAY ALREADY GIVE THE  
PRESIDENT THE POWER TO VETO LINE ITEMS IN BILLS  
SENT TO HIM BY CONGRESS. I ENCOURAGE  
PRESIDENT BUSH TO TEST HIS LINE ITEM VETO  
POWER EARLY ON HIS TERM AND LET THE COURTS  
DECIDE WHETHER IT IS CONSTITUTIONAL OR NOT.



-12-

O    WHATEVER WE DO, WE CANNOT ALLOW ANOTHER  
  
YEAR TO SLIP AWAY WITHOUT SERIOUS ACTION. IT'S  
  
A LONG, ROUGH ROAD, BUT WITH LEADERSHIP AND  
  
PERSERVERENCE, WE CAN MAKE THE HARD CHOICES  
  
AND BRING THE BUDGET DEFICIT INTO LINE.



-13-

## TAXES

O NOW, I AGREE WITH THE PRESIDENT THAT TO  
BALANCE THE BUDGET WE NEED TO LOOK AT  
SPENDING CUTS AND NOT NEW TAXES. I DO NOT  
BELIEVE THAT TAX INCREASES ARE A SUBSTITUTE  
FOR SPENDING RESTRAINT TO REDUCE THE FEDERAL  
BUDGET DEFICIT.



-14-

O I ALSO BELIEVE THAT KEEPING THE LOWER RATES  
ENACTED IN 1986 IS VERY IMPORTANT, BOTH AS AN  
ECONOMIC INCENTIVE AND TO CONVINCE  
TAXPAYERS THAT OUR TAX LAWS ARE FAIR. IN 1987,  
FOR EXAMPLE, I INTRODUCED A RESOLUTION --  
LATER ADOPTED BY THE SENATE -- THAT CONGRESS  
SHOULD NOT ATTEMPT TO REDUCE THE DEFICIT BY  
TAMPERING WITH THE TAX RATES.



-15-

## CAPITAL GAINS

- O THE 1990 BUDGET AGREEMENT CALLS FOR ONLY \$5.3  
BILLION IN NEW REVENUES AND AN ADDITIONAL \$500  
MILLION IN INCREASED IRS ENFORCEMENT.  
  
TREASURY ESTIMATES THAT THE PRESIDENT'S  
  
CAPITAL GAINS TAX CUT PROPOSAL WOULD RAISE  
  
\$4.8 BILLION OF THAT NEW REVENUE.



-16-

- O WHILE THE LONG-TERM REVENUE IMPACT OF A  
CAPITAL GAINS TAX CUT IS VERY MUCH IN DISPUTE,  
EVEN CONGRESSIONAL ECONOMISTS ESTIMATE THAT  
THE PRESIDENT'S PROPOSAL RAISES MONEY -- THEY  
SAY \$3.3 BILLION IN THE FIRST YEAR.



-17-

- O WE MAY NOT AGREE ON A CAPITAL GAINS CUT THIS YEAR. THE CHAIRMAN OF THE HOUSE WAYS AND MEANS COMMITTEE HAS INDICATED THAT HE WILL NOT ACCEPT A CAPITAL GAINS TAX DECREASE WITHOUT OTHER TAX INCREASES. THIS IS NOT ACCEPTABLE TO THE PRESIDENT AND IT IS NOT ACCEPTABLE TO MANY MEMBERS OF CONGRESS.



-18-

O    WHATEVER MEANS ARE FOUND TO RAISE THIS  
  
REVENUE -- CAPITAL GAINS CUTS, LOOPHOLE  
  
CLOSING (AND THE PRESIDENT'S BUDGET DIRECTOR  
  
HAS AFFIRMED THAT LOOPHOLES ARE NOT DUCKS),  
  
OR INCREASED COMPLIANCE -- I BELIEVE THE YOU  
  
WILL FIND THAT WHEN THE PRESIDENT SAID "NO NEW  
  
TAXES", HE MEANT IT.



## MINIMUM TAX

- O IN ADDITION TO OUR BUDGET DECISIONS, THE  
TAX-WRITING COMMITTEES ARE FACED WITH A  
NUMBER OF YEAR-END DEADLINES. IF WE DO NOT  
ACT THIS YEAR, A NEW MINIMUM TAX PREFERENCE  
FOR 75% OF ADJUSTED CURRENT EARNINGS, OR  
"ACE", WILL TAKE EFFECT BEGINNING IN 1990. THAT  
PREFERENCE IS GENERALLY ACKNOWLEDGED TO BE  
UNWORKABLE IN ITS PRESENT FORM -- IN FACT, IT



-20-

WAS ENACTED WITH A THREE-YEAR DELAY IN THE  
EFFECTIVE DATE TO GIVE CONGRESS AMPLE TIME TO  
REVIEW AND AMEND IT. AND WHILE IT IS THE  
ELEVENTH HOUR, SOME RESPONSIBILITY FOR OUR  
DELAY RESTS WITH THOSE TAXPAYERS WITH A STAKE  
IN MINIMUM TAX REFORM WHO HAVE WAITED UNTIL  
NOW TO PROVIDE THE NECESSARY INPUT.



-21-

O    HOWEVER, THE REFORM PROCESS HAS NOW  
  
BEGUN. THE CHAIRMAN OF THE WAYS AND MEANS  
  
COMMITTEE HAS INTRODUCED A BILL WHICH  
  
SIMPLIFIES THE ACE PREFERENCE -- BUT AT THE  
  
COSTS OF FAIRNESS TO TAXPAYERS WHO DO NOT  
  
BENEFIT FROM HIS DEPRECIATION REFORM AND,  
  
POSSIBLY, OF REVENUE NEUTRALITY, AS WELL.



-22-

- O NEVERTHELESS, THE SENATE FINANCE COMMITTEE  
  
WILL CERTAINLY TAKE A CAREFUL LOOK AT ANY  
  
HOUSE-PASSED INITIATIVE, AND WE WILL WORK  
  
INDEPENDENTLY TO RESOLVE THIS ISSUE IN THE  
  
INTERESTS OF BOTH FAIRNESS AND SIMPLICITY.

#### EXPIRING PROVISIONS

- O SIMILIARLY, MANY TAX INCENTIVES -- SUCH AS THE  
  
RESEARCH AND DEVELOPMENT TAX CREDIT -- EXPIRE  
  
AT THE END OF 1989. THE ADMINISTRATION



HAS INCLUDED A PERMANENT R&D TAX CREDIT IN ITS  
BUDGET PROPOSALS, AND LEGISLATION HAS BEEN  
INTRODUCED WHICH WOULD BOTH EXTEND AND  
IMPROVE THE CREDIT TO PROVIDE A MORE UNIFORM  
RESEARCH INCENTIVE TO BOTH ESTABLISHED FIRMS  
AND START-UP ENTERPRISES. THAT LEGISLATION  
NOW HAS 30 SENATE COSPONSORS, AND WILL  
CLEARLY RECEIVE CAREFUL ATTENTION IN THE  
FINANCE COMMITTEE.



SECTION 89

O I KNOW THAT YOU ARE ALSO CONCERNED ABOUT  
THE ADMINISTRATIVE BURDENS IMPOSED ON HEALTH  
AND WELFARE BENEFIT PLANS BY SECTION 89 OF  
THE INTERNAL REVENUE CODE. I HAVE RECEIVED  
LETTERS FROM BUSINESSMEN ACROSS THE STATE  
WHO ARE SIMILARLY CONCERNED. IN MOST CASES,  
THESE COMPLAINTS ARE JUSTIFIED.



-25-

O ACCORDINGLY, A MAJORITY OF THE MEMBERS OF  
CONGRESS NOW FAVOR RELIEF FROM SECTION 89.  
EVEN THE DEMOCRATIC CHAIRMAN OF THE HOUSE  
WAYS AND MEANS COMMITTEE, WHO REPEATEDLY  
DEFENDED SECTION 89 IN THE PAST, HAS NOW  
INTRODUCED SIMPLIFICATION LEGISLATION.



-26-

O OBVIOUSLY, THIS MOVE IS IN PART A RECOGNITION  
OF THE POLITICAL REALITIES. DURING DEBATE ON  
THE MINIMUM WAGE LEGISLATION, THE SENATE  
VOTED 98-0 FOR A RESOLUTION CALLING ON THE  
HOUSE TO REPEAL OR SUBSTANTIALLY SIMPLIFY  
SECTION 89.



-27-

- O IN ADDITION, IN RESPONSE TO A LETTER SIGNED BY  
SENATOR SYMMS, MYSELF AND OTHER CONCERNED  
SENATORS, TREASURY HAS DELAYED THE START-UP  
DATE FOR SECTION 89 COMPLIANCE UNTIL OCTOBER  
1 AND HAS PLEDGED TO WORK WITH THE CONGRESS  
TO DEVISE WORKABLE RULES.



-28-

O    INDEED, IN TESTIMONY GIVEN LAST WEEK BEFORE  
  
THE SENATE FINANCE COMMITTEE, TREASURY  
  
REPRESENTATIVES STATED THAT THE STAFF IS  
  
FOCUSING ON THE AVAILABILITY OF COVERAGE AS  
  
ITS BASIC APPROACH TO SECTION 89. IN ADDITION, IT  
  
IS SPECIFICALLY ADDRESSING THE PROBLEMS OF  
  
INADVERTENT OR MINIMAL NONCOMPLIANCE, THE  
  
TREATMENT OF SALARY REDUCTION PLANS AND THE  
  
SPECIAL NEEDS OF SMALL BUSINESSES.



-29-

O THE AIM OF SECTION 89 -- TO DENY A FEDERAL TAX  
SUBSIDY TO DISCRIMINATORY BENEFIT PLANS -- IS  
VALID. HOWEVER, THE PRICE OF THE CURRENT  
RULES IN TERMS OF COMPLEXITY AND BURDENS ON  
AMERICAN BUSINESS IS CLEARLY TOO HIGH.



## PRODUCT LIABILITY

- O I SHARE YOUR CONCERNS ABOUT THE  
  
MUSHROOMING "LIABILITY CRISIS" IN THIS COUNTRY.  
  
THE TREND TOWARD LARGER AND LARGER JURY  
  
AWARDS AND NO FAULT LIABILITY IS RAISING THE  
  
COST OF INSURANCE -- OFTEN TO UNAFFORDABLE  
  
LEVELS -- AND FORCING CUT BACKS IN OPERATIONS  
  
AND JOBS. ALL OF THIS MEANS HIGHER PRICES AND  
  
SCARCITIES OF GOODS AND SERVICES FOR THE  
  
AMERICAN CONSUMER.



-31-

- O MY OWN STATE OF KANSAS HAS TAKEN THE LEAD IN TORT REFORM LEGISLATION, AND GOVERNOR HAYDEN IS NOW ATTEMPTING TO OVERCOME CONSTITUTIONAL HURDLES TO ITS IMPLEMENTATION.
- O FEDERAL TORT REFORM LEGISLATION WILL CERTAINLY COME BEFORE THE SENATE IN THIS CONGRESS AND BE FULLY DEBATED. IN FACT SENATOR McCONNELL WILL INTRODUCE LEGISLATION ESTABLISHING NATIONAL PRODUCT LIABILITY STANDARDS EARLY NEXT MONTH.



-32-

## CONCLUSION

O SO YOU CAN SEE THAT OUR REPUBLICAN AGENDA  
ENCOMPASSES A BROAD SPECTRUM OF ISSUES  
FROM ECONOMIC RESPONSIBILITY AND SPENDING  
RESTRAINT TO LOOKING OUT FOR CHILDREN, THE  
ELDERLY, THE SICK AND THE POOR, FROM INTEGRITY  
AND COMPASSION AT HOME TO STRENGTH ABROAD.



-33-

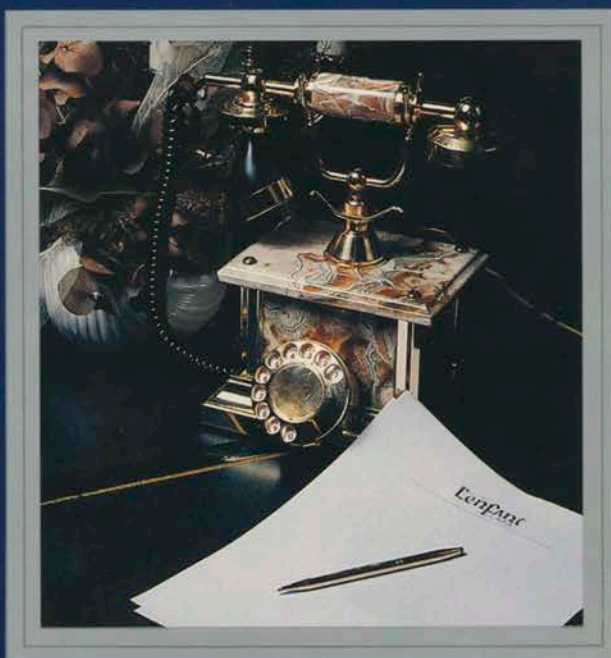
- O AND CLEARLY, WE NEED THE HELP OF THE PRIVATE  
SECTOR -- OF ALL OF YOU -- IN ACCOMPLISHING  
THESE GOALS. YOU HAVE BEEN AN ESSENTIAL PART  
OF OUR SUCCESSES IN THE PAST, AND I HOPE THAT  
YOU WILL CONTINUE TO WORK WITH US IN THE  
FUTURE.
- O THANK YOU.



W A S H I N G T O N , D. C.

LOEWS  
**L'enfant**  
PLAZA

480 L'ENFANT PLAZA, S.W., WASHINGTON, D.C. 20024







**CHAIRMAN:**

**James A.D. Geier**  
Chairman & C.E.O.  
Cincinnati Milacron Inc.

**1st VICE CHAIRMAN:**

**Raymond H. Blakeman**  
Chairman & C.E.O.  
Met-Coil Systems Corporation

**2nd VICE CHAIRMAN**

**Richard P. Bodine, Sr.**  
President  
The Bodine Corporation

**TREASURER:**

**Morrow B. Garrison**  
President  
American Machine & Science Inc.

**SECRETARY:**

**George P. Buckey**  
Teledyne Landis Machine

**DIRECTORS:**

**Anthony M. Cerra**  
President  
HZ Clearing, Inc.

**William J. Ellison**

Chairman  
Tree Machine Tool Co., Inc.

**Howard Fark**

Sr. Vice President  
The Minster Machine Company

**James N. Farley**

Chairman  
SpeedFam Corporation

**Bruce L. Moore**

President  
H.R. Krueger Machine Tool, Inc.

**William Saul**

Chairman  
Remmele Engineering, Inc.

**Harold J. Wagner**

Chairman & C.E.O.  
Setco Sales Company

**EX-OFFICIO:**

**Charles E. Gilbert, Jr.**

President  
The Cincinnati Gilbert  
Machine Tool Co.

**STAFF:**

**Albert W. Moore**

President

**William Atkinson, Jr.**

Safety Director

**John B. Deam**

Technical Director

**T. Glyn Finley**

Statistical Director

**Janie S. Galloway**

Administrator;  
Manager Information Services

**Elwood H. Hasemann**

Exhibition Director

**C. Christopher Kelly**

Controller

**Charles G. Koella**

International Trade Director

**James H. Mack**

Public Affairs Director

**Charles Pollock**

Public Relations Director

**James L. Wallbeoff, Jr.**

Training Director

WELCOME TO WASHINGTON!

Enclosed for your information is a summary of NMTBA's 1989 Government Relations Activities and four "one-pagers," each briefly stating NMTBA's position on a number of issues which are currently hot topics on Capitol Hill.

Please review each of the papers. They should prove useful in your discussions with members of Congress and their staff at NMTBA's Spring Meeting. If you have any questions relating to any of the issues, please feel free to buttonhole NMTBA's Public Affairs Department staff members.

I am delighted you came to Washington!

Sincerely,

Albert W. Moore  
President

AWM/dgk



## LEGISLATIVE UPDATE

May, 1989

### TOP ADMINISTRATION PRIORITIES

- o The Administration has successfully completed negotiations with the Taiwanese concerning their shipments of machines to the United States in excess of their 1987 VRA quotas (during the time that Commerce did not have enforcement authority). The Taiwanese admitted the overages and have agreed to schedule their repayment. A total of 701 machines will be deducted from their 1989 through 1991 quotas, to be spread relatively equally across the three years. The U.S. agreed to "forgive" an additional 30 machining centers, which were shipped in excess of the 1987 quotas. The Taiwanese agreed that any overages from 1988 will be deducted over the next three years with no "forgiveness." It appears that approximately 500 machines were shipped from Taiwan in excess of the 1988 quotas -- mostly milling machines and non-NC lathes.
- o The U.S. position in the COCOM list review for machine tools is still undetermined. Commerce is supporting a TAC position relaxing controls on the number of allowable axes, but tightening up on allowable parameters of repeatability and accuracy. The Defense Department is proposing to add items to the control list which were removed 15 or more years ago. The initial U.S. position is to not automatically reject a German proposal, which closely resembles that put forth by the TAC. The ultimate conflict between the Commerce and Defense Departments must still be resolved at the NSC level.
- o Through NMTBA's efforts, the Air Force MANTECH Program issued a PRDA directing \$9.9 million towards specific machine tool R & D projects. The MANTECH PRDA received 84 responses from machine tool builders of which 32 will receive Phase I funding this year. NMTBA is also working with the Army and Navy to determine whether MANTECH funding can be made available from them for additional projects. On the Congressional front, NMTBA is working to assure that FY 1990 funding is available for continuing MANTECH involvement in machine tool industry projects.
- o NMTBA staff is exploring ways that DARPA could fund joint research projects, which would benefit the manufacturing technology industry and its customer base. We are also working with Sens. Glenn (D-OH) and Danforth (R-MO) on proposals to better coordinate federal funding of civilian R & D, so that it better enhances U.S. competitiveness.
- o The Italian Machine Tool Industry thinks they have found a way around the Congressional prohibition against DoD purchases of foreign machine tools for use in DoD facilities. NMTBA is working with several congressional offices to secure a GAO audit of this matter -- both in the interest of two of our members on the specific case and to prevent future abuses.



-2-

#### TOP LEGISLATIVE PRIORITIES

- o Product Liability Reform. A bipartisan bill is about to be introduced in the Senate by Sens. Kasten (R-WI), Inouye (D-HI), Rockefeller (D-WV) and Danforth (R-MO). The House effort will be spearheaded by Cong. Tom Luken (D-OH). The two provisions most important to our industry (subrogation reform and statute-of-repose) are included in both bills. A massive grass roots effort will be needed, once the bills have been introduced.
- o Capital Cost Recovery. This year, NMTBA's principal focus is on repairing the depreciation preference under the alternative minimum tax (AMT), so it does less damage to our members and their customers. Serious problems will arise when the switchover is made to ACE in 1990, unless changes are enacted in 1989. House Ways and Means Committee Chairman Dan Rostenkowski (D-IL) has introduced legislation (H.R. 1761) which ameliorates the immediate ACE conversion problem, but does not attempt to solve the long-range impact of AMT on depreciation.

#### OTHER LEGISLATIVE PRIORITIES

- o R & D Tax Credit. Cong. Jenkins (D-GA) and Sens. Baucus (D-MT) and Danforth (R-MO) have introduced bills extending the credit beyond its 1989 expiration date, and changing its structure so it is more usable by our members.
- o Defense Production Act (DPA). Congress must reauthorize DPA in 1989. NMTBA is are working with Sen. Dixon (D-IL) and Cong. Oakar (D-OH) to explore ways in which DPA can be used to fund specific machine tool projects. In addition, NMTBA is working with Cong. Wyden (D-OR) and the Administration on legislation which will enable our members to establish joint manufacturing facilities. The DPA could be a vehicle for this.
- o Section 89. Cong. LaFalce (D-NY) has introduced legislation repealing Section 89. Chairman Rostenkowski has introduced a bill simplifying the complicated maze of tests, which current law requires to "prove" that employee benefit plans are not discriminatory.



## AMERICA'S NATIONAL SECURITY AND ECONOMIC SECURITY REQUIRE STRENGTHENED R&D BY AMERICA'S MANUFACTURING TECHNOLOGY INDUSTRY

The health of the United States manufacturing technology industry affects America's national and economic security. Research and development are vital to maintaining the industry's competitive edge both domestically and abroad.

The manufacturing technology industry is perhaps the most essential element within our defense readiness system. It builds the equipment that supports and sustains American defense requirements in peacetime and in times of conflict. One of the keys to the industry's maintenance of national security is a strong, national commitment to research and development.

The U.S. manufacturing technology industry has been substantially affected by rapid advances in technology and in manufacturing processes -- particularly with regard to computer-assisted design and manufacturing. Thus, expenditures for research and development are the lifeblood of the industry. In order to compete effectively in the global marketplace, the industry must retain the ability to continue and increase its R&D expenditures. Without it, the industry cannot survive, and national security will be threatened.

The state of the manufacturing technology industry not only affects this country's national security, but it affects our economic security as well. Its products are the very essence of the industrial manufacturing process -- the "master tools of production." If this industry is put at a technological disadvantage and America becomes dependent upon foreign sources, the ultimate loser will be America's entire manufacturing sector. Should the U.S. manufacturing industry become dependent upon foreign sources of manufacturing technology, America will be held hostage to the levels of manufacturing technology foreigners choose to sell to the United States. The latest in foreign manufacturing technology will be sold to foreign manufacturing firms. American firms will be sold yesterday's manufacturing technology. The result will be a permanently less productive and less competitive American manufacturing base.

Research and development expenditures in the manufacturing technology industry should be viewed as an investment in the future. The best manufacturing technologies must be developed in America, if the United States is going to compete in the global market.

3/31/89



March 21, 1989

### Congress Should Revise The ACE Depreciation Adjustment

Beginning in 1990, a corporation's alternative minimum taxable income (AMTI) will be increased by 75% of the excess of adjusted current earnings (ACE) over AMTI. For purposes of determining ACE, a taxpayer will compute its depreciation allowance using the straight-line method over an asset's ADR midpoint (or using the taxpayer's book method if it yields a lower present value of depreciation deductions).

#### 1. A Bomb About to Blow Up

The ACE depreciation system is inordinately complex. As a result of the new ACE depreciation system, corporations will have different tax bases, different gains and losses, and even different costs of goods sold for ACE purposes than they have for book, regular tax or AMTI purposes. The present value rule is almost impossible, if not impossible, to apply in certain circumstances.

The complexity of the ACE rules and taxpayers' uncertainty as to amounts of future profits and investments make it difficult for taxpayers to estimate the impact of ACE. But when they see the ACE depreciation in operation and the magnitude of the adjustments resulting from the problems discussed below, we are likely to see a blowup similar to the one over autologs.

#### 2. Retroactivity

Under the ACE depreciation system, taxpayers must recover their remaining bases on pre-1990 vintage assets over a new straight-line recovery period. This is a radical departure from the traditional rule that cutbacks in depreciation are applied only prospectively to new vintages of property. The traditional rule prevented a sudden decline in total depreciation allowances as a result of the deceleration of depreciation methods. The traditional rule should be followed unless the bases of pre-1980 property are restated as if ACE had always applied.

#### 3. Major Cutback in Depreciation

The movement to straight-line depreciation over the ADR midpoint (or longer) is a cutback in depreciation to levels below those which have been permitted since the Internal Revenue Code of 1954 was adopted. There is general agreement that depreciation of most assets occurs more rapidly than on a straight-line basis. Thus, there can be little rationale for



requiring straight-line depreciation. This is a depreciation issue. For many taxpayers the minimum tax is the corporate tax particularly if the ACE rules are not modified. If corporate profits decline (because of a recession or otherwise), it will be the tax system for many more taxpayers.

This cutback comes on the heels of the major cutbacks in 1986. Operating together, the cutbacks provide taxpayers with substantially less depreciation in 1990-1994 than they would be able to claim if they had always used the same depreciation system.

#### 4. Revenue Consideration

Because of structural problems with the ACE depreciation adjustment and similar problems with other ACE adjustments, ACE is likely to raise substantially more money than was anticipated in 1986 and more money than the BURP adjustment would raise. While this revenue "windfall" will become part of the budget baseline and the Joint Committee on Taxation is likely to assign revenue loss figures for repairing ACE, revenue losses that reduce the windfall should be viewed qualitatively different from other revenue losses and should be more tolerable.



THE CURRENT PRODUCT LIABILITY SYSTEM:  
A SERIOUS IMPEDIMENT TO THE PRODUCTIVITY  
AND COMPETITIVENESS OF U.S. MACHINE TOOL MANUFACTURERS

Last year, a bipartisan 30-12 majority of the House Energy and Commerce Committee approved a compromise product liability reform bill. This marked the first time ever that a product liability bill was voted favorably out of a House committee. In 1986, 84 U.S. Senators voted to consider liability reform, but the Bill was withdrawn because of an end-of-the-session filibuster. This year, product liability reform legislation will be introduced in both the House and the Senate similar to that introduced in the 99th and 100th Congresses. They will be fair and balanced bills, which, if adopted, will stabilize insurance rates and substantially reduce transaction costs -- a development which, unquestionably, will allow domestic manufacturers to compete more effectively in this country and abroad.

The fact is that by 1992, when Europe adopts a truly integrated economic system, the product liability law of Italy will be closer to the law of France than the law of Ohio will be to the law of Michigan. A uniform federal product liability law will enable U.S. manufacturers to know the rules, so they will be able to make their products safer.

The current product liability system fosters confusion, unfairness, and wasteful transaction costs; serves as a cruel lottery for both claimants and manufacturers, providing high rewards for some and economic deprivation for others, depending more upon geography than justice; and as a general rule, provides disproportionate enrichment for lawyers on both sides of the counsel table.

This is primarily due to the fact that the rules determining the liability of product sellers for product-related injuries have been developed almost exclusively by state court judges on a case-by-case basis. As a result, the litigation process is characterized by uncertainty. Courts adopt new -- and often conflicting -- rules virtually on a daily basis.

How does all of this affect the machine tool industry's ability to compete in the international marketplace? Part of a machine tool manufacturer's cost is product liability insurance -- and, along with any other cost of doing business, it is reflected in the price of the finished product. The retroactive and arbitrary creation of new law creates a totally unstable insurance environment which has resulted in a genuine and severe crisis for U.S. manufacturers. Results of NMTBA's 14th Annual Product Liability Survey indicate that 21% of our members have no product liability insurance and that they and/or their insurers could reduce their product liability costs by two-thirds, through the adoption of a federal liability containing subrogation reform and a 25-year statute-of-repose.

Spiraling product liability costs have put U.S. manufacturers at a competitive disadvantage, because the United States is only a partial market for most foreign machine tool builders, and because product liability rules in foreign countries are much less cumbersome and significantly more uniform and defense-oriented than in the United States. As a result, the product liability costs of foreign machine tool builders are substantially less than those of their domestic counterparts.



Perhaps more importantly, our product liability insurance costs are significantly affected by our older products. Under product liability law today in the majority of states, our potential liability for products is endless -- literally "forever." Machine tools that are decades old have been the subject of product liability lawsuits!

While NMTBA members almost always win these lawsuits, the litigation nevertheless results in unnecessarily high legal and transaction costs. Insurers know this, and factor it into our premiums.

Foreign machine tool manufacturers, on the other hand, do not have product liability exposure on their older products, because their penetration into the U.S. market has been relatively recent. Therefore, their product liability insurance costs often are much lower than ours.

Product liability reform would provide a 25-year statute-of-repose for machine tools and other capital goods which cause traumatic injuries to claimants eligible for workers' compensation. Over 40% of our industry's claims, which today result in untold defense costs, would be eliminated by a 25-year statute-of-repose.

Another element of the current system fosters unfairness and unsafe workplaces. In most states, employers are able to shift their workers' compensation costs onto the manufacturers or workplace products -- even when the injury was caused by the employer's own negligence. This is unfair to manufacturers and -- most importantly -- provides little incentive for safer workplaces. Product liability reform eliminates this cost-shifting and assures that the responsibility for the safe operation of industrial equipment falls on employers, who are in the best position to prevent most industrial accidents.

Defense costs account for a considerable portion of the insurance-differential burden borne by U.S. manufacturers. For example, general liability defense costs alone were \$2.7 billion in 1984 -- an amount higher than the entire 1987 production of the U.S. machine tool industry! In other words, American industry is forced to spend more on lawyers each year than it spends on new machine tools to improve productivity and competitiveness.

Moreover, the most recent Insurance Services Office (ISO) closed claims study that for every \$6 paid out to claimants by insurance companies for product liability, another \$7 is paid for lawyers and other transaction costs.

Enactment of a federal product liability statute would eliminate much of the uncertainty which currently surrounds product liability law and which leads to much costly litigation. Courts would no longer be able to impose liability in cases where risks were unknowable at the time of manufacture or where there was no feasible way to make useful products safer. Damages occasioned by alteration or misuse would be reduced proportionately. The "deep pocket" effect of joint and several liability would be made more fair. The punitive damages system would be made more rational by adopting a tough standard of liability and by establishing separate proceedings for determining liability and the amount of punitive damages.



DoD Manufacturing Technology Program

RDT&E Portion of Program Element 7.8011F  
(Industrial Preparedness)

The productivity and responsiveness of our defense industrial base is a key element of our national security and military posture. Our industrial base serves both as a deterrent to aggression and if that deterrent fails, provides the material necessary to fight and win a war. The U.S. industrial base has experienced alarming deterioration over the last six or seven years and increased dependence on foreign suppliers for defense equipment endangers the nation's ability to sustain a military conflict.

The DoD Manufacturing Technology program has a proven track record of creation of new manufacturing technologies that have provided major increases in the productivity, quality, competitiveness and responsiveness of the U.S. industrial base. The program is conducted by direct contracts with prime contractors, subcontractors, vendors, universities and independent research institutions to assure the broadest possible base of development.

The "MANTECH" program has had a series of success stories over the years. The most significant is the development of numerically controlled machine tools. This development has saved the Defense Department billions of dollars in metal removal costs over the last 20 years, and has made possible the manufacture of many of our most advanced weapon systems. This technology has also been transferred to the nations non-defense manufacturing industries. Other significant accomplishments are the development of the first automated equipment for manufacturing new generations of composite materials, it stimulated the nation's awareness of the importance of reducing the cost of the "non-touch" portions of manufacturing and it provided the first implementations of flexible automation in U.S. factories. The program also provided for the development of an advanced nondestructive inspection technique for turbine engine components that is calculated to save the Air Force approximately \$1 billion. Recognizing the importance of this program and its record of cost savings, a knowledgeable panel of members of the Defense Science Board that was performing a study on "Industrial Responsiveness," recommended increased emphasis on the DoD Manufacturing Technology program and that it be funded at 1% of the DoD procurement budget, or approximately \$1 billion per year. In recent years, the total program has been funded in the range of \$150-\$190 million.

For reasons of national security, President Reagan directed the Department of Defense to execute a plan to help revitalize the U.S. machine tool industry which is recognized as the keystone element of our manufacturing base. As a result of the Presidential directive, a major "thrust area," or major area of focus, for machine tool development has been established within the Air Force Manufacturing Technology program. The Air Force has been designated as the "lead service" for this major area of focus. The objective of this major area of focus is to identify, define and prioritize those



-2-

research, development and implementation tasks which will be performed by the machine tool industry and its customers -- the manufacturing industries of the United States. The ultimate objective of this program is to develop new and improved machine tools, manufacturing processes and techniques that will permit manufacture of defense systems "quicker, better and cheaper." It is also expected that much of this advanced manufacturing technology can be transferred to the commercial sector of our industrial base and will help improve its competitiveness in the international marketplace. This effort is considered to be of vital importance to the revitalization of the U.S. machine tool industry and to improve the productivity and responsiveness of the defense industrial base.

To initiate this directed program, the Air Force on June 24, 1988 published in the Commerce Business Daily, a program Research and Development Announcement (PRDA) that basically requested proposals to develop and produce new and improved "next generation" machine tools, manufacturing processes and production equipment.

Industry responded with 85 proposals. After careful evaluation, approximately 50 of these proposals were selected to be funded subject to the availability of appropriations. The present available funds (\$9.9 million) could provide money to fund all phases of approximately 12 of these projects or Phase I (the highest risk phase) of about 30 of them. If additional appropriations are not provided in FY 90/91, the remaining proposals will not be funded and additional PRDAs cannot be initiated as planned by the Air Force.

The Air Force portion of the FY 90 RDT&E budget request for program element 7.8011F (Industrial Preparedness), which will provide funding for the Air Force Manufacturing Technology program, has been decreased to \$71 million. This reduction is a \$26 million decrease from the FY 89 appropriation for the program -- this sharp reduction in the Air Force program will not permit continuation of the directed machine tool revitalization effort.

Considering the vital importance of revitalization of the U.S. machine tool industry to the defense industrial base and to national security, it is strongly recommended the FY 90 Air Force Manufacturing Technology funding be increased to a minimum of \$95 million for FY 90 to permit continuation of the machine tool program.

It is recognized that it will be necessary to reduce or eliminate many Defense programs as a result of major reductions in the Defense budget. However, the DoD Manufacturing Technology program has demonstrated over the years an auditable payback of 5 to 1 in the reduction of the manufacturing costs of defense weapon systems. It, therefore, appears logical that programs that have shown they can reduce defense manufacturing costs should be increased not decreased during periods of reduced defense funding.





## MACHINE TOOLPAC SILENT AUCTION

1989  
SOLICITATION  
CAMPAIGN

### OFFICERS:

#### CHAIRMAN

Albert W. Moore  
President  
NMTBA - The Association  
For Manufacturing Technology

#### TREASURER

James H. Mack  
Public Affairs Director  
NMTBA - The Association  
For Manufacturing Technology

#### ASSISTANT TREASURER

C. Christopher Kelly  
Controller  
NMTBA - The Association  
For Manufacturing Technology

#### STEERING COMMITTEE:

R.E. Agan  
President & C.E.O.  
Hardinge Brothers, Inc.

Richard P. Bodine, Sr.  
President  
The Bodine Corporation

William Bournias  
President  
Machining & Assembly Systems  
Litton Industrial Automation

W. J. Ellison  
Chairman  
Tree Machine Tool Co., Inc.

Howard Fark  
Senior Vice President  
The Minster Machine Company

John W. Fedor  
President  
Masco Machine, Inc.

Morrow B. Garrison  
President  
American Machine & Science Inc.

James A. D. Geier  
Chairman of the Board & C.E.O.  
Cincinnati Milacron Inc.

Charles E. Gilbert, Jr.  
President  
The Cincinnati Gilbert  
Machine Tool Company

S. E. Huffman  
President  
S. E. Huffman Corporation

James L. Koontz  
President & C.E.O.  
Kingsbury Machine Tool  
Corporation

Marlow V. Marrs  
Chairman & C.E.O.  
L & F Industries

Bruce L. Moore  
President  
H. R. Krueger Machine Tool, Inc.

Wayne R. Moore  
Chairman, President & C.E.O.  
Moore Special Tool Co., Inc.

John E. Reed  
President  
Cooper-Weymouth, Peterson  
Division of Mestek, Inc.

Lawrence J. Rhoades  
President  
Extrude Hone Corporation

Henry D. Sharpe, Jr.  
Chairman  
Brown & Sharpe Manufacturing Co.

Kenneth L. Slawson  
President  
Strippit, Inc.

Harold J. Wagner  
Chairman & C.E.O.  
Setco Sales Company

Spring is finally here and so is NMTBA's 87th Spring Meeting. We are pleased you could join us in the Nation's Capitol for a very interesting program of events.

One of them will include your Association's Political Action Committee's silent auction to be held from 6:00 - 7:00 p.m. on the evening of Thursday, May 18, 1989.

Here is how the auction works. Your initial \$100 pledge to MACHINE TOOLPAC will "buy" \$1,000 in play money. You will also receive a "grab bag" envelope containing an additional amount of play money -- anywhere from \$5 to \$1,000. Each additional \$50 pledge to MACHINE TOOLPAC "buys" you another \$1,000 in play money and another envelope from the "grab bag." You then use the play money to bid on as many prizes as you wish in the Silent Auction.

Take a moment to look over the following list of prizes that will be at the auction. You may bid on as few or as many as you like. There is no limit.

In the interest of saving time, if you have not already given approval for MACHINE TOOLPAC to solicit you and your company executives, you may wish to fill out the attached approval form before arriving at the auction. Come ready to win!!

We look forward to seeing you at this and all the other functions!

\* \* \* \* \*

### DESCRIPTION OF PRIZES

#### Item Number and Description

1. Two round trip tickets on United Airlines to anywhere in the continental United States

[Restrictions include the following: Must be used before December 18, 1989; non-refundable; non-transferrable; non-extendible; non-changeable; purchaser responsible for taxes; no mileage plus credit; cannot be used with other discount coupons; blackout dates are major holidays.]

2. A Steuben favorite since 1940, the "Apple" is not only a celebrated presentation piece, but a traditional gift of love. (Height 4"; Width 3-1/2")



-2-

3. Canvas Tote Bag with Congressional Seal
4. Business Cardcase with Congressional Seal
5. Brass Key Chain
6. Business Card Holder with Congressional Seal
7. U.S. Congress Junior Legal Binder
8. U.S. Congress Portfolio
9. Cloth Congressional Coasters, Set of 4
10. U.S. Congress Coasters, Set of 6
11. Blue & Gold Highball Glasses with Congressional Seal, Set of 6
12. Key Chain with Congressional Seal
13. Congressional Book Marker
14. Gold & White Coffee Mug with Congressional Seal
15. Imprinted Mug with Eagle
16. Bicentennial Napkins, Set of 4
17. Blue-Striped Congressional Tie
18. Red-Striped Congressional Tie
19. Trivet with Congressional Seal
20. Image Mirror with Congressional Seal
21. Candy Dish with Congressional Seal
22. Candy Jar with Congressional Seal
23. U.S. Congress Bicentennial Mug
24. Tie Tac with Eagle
25. Coaster with Congressional Seal
26. Congressional Letter Opener
27. Letter Opener with Congressional Seal
28. Round Cufflinks with Congressional Seal
29. Square Cufflinks with Congressional Seal





1989  
SOLICITATION  
CAMPAIGN

OFFICERS:

CHAIRMAN

Albert W. Moore  
President  
NMTBA - The Association  
For Manufacturing Technology

TREASURER

James H. Mack  
Public Affairs Director  
NMTBA - The Association  
For Manufacturing Technology

ASSISTANT TREASURER

C. Christopher Kelly  
Controller  
NMTBA - The Association  
For Manufacturing Technology

STEERING COMMITTEE:

R.E. Agan  
President & C.E.O.  
Hardinge Brothers, Inc.

Richard P. Bodine, Sr.  
President  
The Bodine Corporation

William Bournias  
President  
Machining & Assembly Systems  
Litton Industrial Automation

W. J. Ellison  
Chairman  
Tree Machine Tool Co., Inc.

Howard Fark  
Senior Vice President  
The Minster Machine Company

John W. Fedor  
President  
Masco Machine, Inc.

Morrow B. Garrison  
President  
American Machine & Science Inc.

James A. D. Geier  
Chairman of the Board & C.E.O.  
Cincinnati Milacron Inc.

Charles E. Gilbert, Jr.  
President  
The Cincinnati Gilbert  
Machine Tool Company

S. E. Huffman  
President  
S. E. Huffman Corporation

James L. Koontz  
President & C.E.O.  
Kingsbury Machine Tool  
Corporation

Marlow V. Marrs  
Chairman & C.E.O.  
L & F Industries

Bruce L. Moore  
President  
H. R. Krueger Machine Tool, Inc.

Wayne R. Moore  
Chairman, President & C.E.O.  
Moore Special Tool Co., Inc.

John E. Reed  
President  
Cooper-Weymouth, Peterson  
Division of Mestek, Inc.

Lawrence J. Rhoades  
President  
Extrude Hone Corporation

Henry D. Sharpe, Jr.  
Chairman  
Brown & Sharpe Manufacturing Co.

Kenneth L. Slawson  
President  
Strippit, Inc.

Harold J. Wagner  
Chairman & C.E.O.  
Setco Sales Company

## MACHINE TOOLPAC SOLICITATION AUTHORIZATION

This is to authorize MACHINE TOOLPAC to solicit the  
Executives and/or Shareholders of my company during:

\_\_\_\_\_ 1989 and 1990

OR

\_\_\_\_\_ 1989 only.

NAME

TITLE

COMPANY

DATE



*Fine Dining*  
*in*  
*Washington, DC*

To enhance your stay in Washington, D.C., attached is a listing of fine restaurants to meet your palate and your pocketbook.

The list below features some "local" restaurants near the hotel recommended by the hotel concierge:

French Bistro

La Colline  
40 North Capitol Street, NW  
Washington, D.C.

Telephone: 737-0400  
Reservations Required  
Business Attire  
Moderately Priced

Seafood

Tony & Joes Seafood Restaurant  
3000 K Street, NW  
Washington, D.C.

Telephone: 944-4545  
Reservations Suggested  
Casual Attire  
Moderately Priced

Irish Pub

The Dubliner Restaurant & Pub  
520 North Capitol St., NW  
Washington, D.C.

Telephone: 737-3773  
Reservations Suggested  
Casual Attire  
Moderately Priced

*Other Information:*

There is a new cafeteria in the Smithsonian Air and Space Museum for those of you who want a convenient, inexpensive way to dine while exploring the arts. The "Flight Line Cafeteria" is located on the first floor of that building.



## *THE CAPITOL HILL CLUB*

Mr. James Mack, Director of the NMTBA Public Affairs Department, has made arrangements for conference attendees to dine at the historical Capitol Hill Club if they desire.

Should you wish to have breakfast, lunch or dinner at the Club, call for reservations at the number listed below. When you arrive at the Club, go to the Front Desk and ask the desk clerk to issue a Guest Pass for that meal. Be prepared to offer some form of identification showing you are with the NMTBA Conference. Your badge or a copy of the program will suffice.

The Capitol Hill Club  
300 1st Street, S.E.  
Washington, D.C.

(within walking distance of Rayburn House Office Building)

Telephone: 484-4590

Breakfast: 7:30 am - 9:30 am  
Lunch: 11:30 am - 2:30 pm  
Dinner: 6:00 pm - 10:00 pm

Cash or American Express accepted for payment

***RESERVATIONS REQUIRED***



# The 50 Best at a Glance

RESTAURANT	RATING	CUISINE	PRICE RANGE
<b>L'Auberge Chez François</b> (332 Springvale Rd., Great Falls; 759-3800)	★★★	French	\$\$
<b>Bacchus</b> (1827 Jefferson Pl., NW; 785-0734)	★★	Lebanese	\$
<b>Bacchus-Bethesda</b> (7945 Norfolk Ave., Bethesda; 657-1722)	★★	Lebanese	\$
<b>Bamiyan</b> (3320 M St., NW; 338-1896)	★	Afghan	\$
<b>Bamiyan II</b> (300 King St., Alexandria; 548-9006)	★	Afghan	\$
<b>Bangkok Gourmet</b> (523 S. 23rd St., Arlington; 521-1305)	★★	Thai	\$
<b>Bombay Palace</b> (1835 K St., NW; 331-0111)	★★	Indian	\$\$
<b>Le Caprice</b> (2348 Wisconsin Ave., NW; 337-3394)	★★★	French	\$\$
<b>La Chaumière</b> (2813 M St., NW; 338-1784)	★★★	French	\$\$
<b>China Coral</b> (6900 Wisconsin Ave., Bethesda; 656-1203)	★★	Chinese	\$
<b>China Inn</b> (631 H St., NW; 842-0909)	★★★	Chinese	C
<b>La Colline</b> (400 N. Capitol St., NW; 737-0400)	★★★★	French	\$\$
<b>Crisfield</b> (8012 Georgia Ave., Silver Spring; 589-1306)	★★★	Seafood	\$
<b>Dar Es Salam</b> (3056 M St., NW; 342-1925)	★★	Moroccan	\$\$
<b>Enriqueta's-Georgetown</b> (2811 M St., NW; 338-7772)	★★	Mexican	\$
<b>Galileo</b> (2014 P St., NW; 293-7191)	★★	Italian	\$\$\$
<b>Le Gaulois</b> (2133 Pennsylvania Ave., NW; 466-3232)	★★★	French	\$\$
<b>Hisago</b> (3050 K St., NW; 944-4181)	★★	Japanese	\$\$\$
<b>Hunan Chinatown</b> (624 H St., NW; 783-5858)	★★	Chinese	\$
<b>Japan Inn</b> (1715 Wisconsin Ave., NW; 337-3400)	★	Japanese	\$
<b>Katmandu</b> (1800 Connecticut Ave., NW; 483-6470)	★	Nepali/Kashmiri	\$
<b>Le Lion d'Or</b> (1150 Connecticut Ave., NW; 296-7972)	★★★★	French	\$\$\$
<b>Madurai</b> (3318 M St., NW; 333-0997)	★	Vegetarian	C
<b>Mel Krupin's</b> (1120 Connecticut Ave., NW; 331-7000)	★★★	American	\$\$\$
<b>Meskerem</b> (2434 18th St., NW; 462-4100)	★	Ethiopian	C
<b>Mixtec</b> (1792 Columbia Rd., NW; 332-1011)	★	Mexican	C
<b>Morton's of Chicago</b> (3251 Prospect St., NW; 342-6258)	★★★	American	\$\$\$
<b>New Orleans Emporium</b> (2477 18th St., NW; 328-3421)	★★	Cajun	\$\$
<b>Nizam's</b> (523 Maple Ave. W., Vienna; 938-8948)	★	Turkish	\$
<b>O'Brien's Pit Barbecue</b> (1314 E. Gude Dr., Rockville; 340-8596)	★	Texas barbecue	C
<b>O'Brien's-Bethesda</b> (7305 Waverly St., Bethesda; 654-9004)	★	Texas barbecue	C
<b>O'Brien's-Springfield</b> (6820 Commerce St., Springfield; 569-7801)	★	Texas barbecue	C
<b>Occidental</b> (1475 Pennsylvania Ave., NW; 783-1475)	★★	American	\$\$
<b>Occidental Grill</b> (1475 Pennsylvania Ave., NW; 783-1475)	★★	American	\$
<b>Old Ebbitt Grill</b> (675 15th St., NW; 347-4800)	★	American	\$\$
<b>Omega</b> (1858 Columbia Rd., NW; 745-9158)	★★	Cuban	C
<b>Las Pampas</b> (3291 M St., NW; 333-5151)	★★	Argentine	\$
<b>Le Pavillon</b> (1050 Connecticut Ave., NW; 833-3846)	★★★★	French	\$\$\$
<b>Prime Rib</b> (2020 K St., NW; 466-8811)	★	American	\$\$\$
<b>Primi Piatti</b> (2013 I St., NW; 223-3600)	★★	Italian	\$\$
<b>Queen Bee</b> (3181 Wilson Blvd., Arlington; 527-3444)	★	Vietnamese	C
<b>Red Sea</b> (2463 18th St., NW; 483-5000)	★	Ethiopian	C
<b>Soraya</b> (1639 Wisconsin Ave., NW; 333-7538)	★	Cambodian	C
<b>Sushi-Ko</b> (2309 Wisconsin Ave., NW; 333-4187)	★★	Japanese	\$
<b>Szechuan</b> (615 I St., NW; 393-0130)	★★★★	Chinese	C
<b>Szechuan Gallery</b> (617 H St., NW; 898-1180)	★	Chinese	C
<b>Tandoor-Georgetown</b> (3316 M St., NW; 333-3376)	★	Indian	\$
<b>Thai Taste</b> (2606 Connecticut Ave., NW; 387-8876)	★	Thai	C
<b>Tony Cheng's Mongolian Restaurant</b> (619 H St., NW; 842-8669)	★★	Chinese	C
<b>Vincenzo</b> (1606 20th St., NW; 667-0047)	★★★	Italian seafood	\$\$\$

Quality: ★★★★★ excellent; ★★★ superior; ★★ very good; ★ good. Price range: \$\$\$ very expensive; \$\$ expensive; \$ moderate; C inexpensive.



# SPEAK UP!

Please complete this form before you leave and return  
to the NMTBA Registration Desk

or

Mail to NMTBA Meetings Department



# NMTBA'S 87TH SPRING MEETING

## BUSINESS PROGRAM SPEAK UP!

May 17-19, 1989

Washington, D.C.

Please circle your rating  
for the following:

Exc.			Avg.		Poor
<u>5</u>	<u>4</u>	<u>3</u>	<u>2</u>	<u>1</u>	

### BUSINESS PROGRAM

Thursday, May 18, 1989

#### Breakfast:

Food & Beverage.....	5	4	3	2	1
Welcoming Address Cong. Lynn Martin (R-IL).....	5	4	3	2	1
GOP Congressional Agenda Senator Bob Dole (R-KS).....	5	4	3	2	1

#### First General Session:

Opening Ceremonies.....	5	4	3	2	1
Call to Order and Report of the Chairman James A. D. Geier.....	5	4	3	2	1
Keynote Address Robert Mosbacher..... Secretary of Commerce	5	4	3	2	1
Ways & Means Committee Panel Cong. Barbara Kennelly (D-CT) Cong. Richard Schulze (R-PA)....	5	4	3	2	1
Tax, Trade & Competitiveness Issues Senator Jack Danforth (R-MO).....	5	4	3	2	1

#### Luncheon:

Food & Beverage.....	5	4	3	2	1
Address by Chairman, House Armed Services Committee Cong. Les Aspin (D-WI).....	5	4	3	2	1



- 2 -

	Exc. <u>5</u>	<u>4</u>	Avg. <u>3</u>	<u>2</u>	Poor <u>1</u>
<b>First General Session: (cont'd)</b>					
Machine Tool Domestic Action Plan					
Edward Levy.....	5	4	3	2	1
Section 232, Program Manager					
Industrial Resources Administration					
Department of Commerce					
Army Needs Assessment					
Darold L. Griffin.....	5	4	3	2	1
Deputy Chief of Staff for					
Production					
Army Material Command					
Navy Needs Assessment					
Captain H. O. Ruppman, USN.....	5	4	3	2	1
Naval Regional Contracting Office					
Washington Naval Yard					
Air Force Needs Assessment					
John S. Srnec.....	5	4	3	2	1
Maintenance Deputy for Quality					
and Industrial Equipment					
Air Force Logistics Command					

Friday, May 19, 1989

**Breakfast:**

Food & Beverage.....	5	4	3	2	1
House Democratic Agenda					
Honorable Jim Wright.....	5	4	3	2	1
Speaker, U.S. House of					
Representatives (D-TX)					

**Second General Session:**

Senate Democratic Agenda					
Senator Alan Dixon (D-IL).....	5	4	3	2	1
Product Liability					
Senator Bob Kasten (R-WI).....	5	4	3	2	1
Cong. Thomas A. Luken (D-OH).....	5	4	3	2	1
Competitiveness					
Senator Don Riegle (D-MI).....	5	4	3	2	1



- 3 -

	Exc. <u>5</u>	<u>4</u>	Avg. <u>3</u>	<u>2</u>	Poor <u>1</u>
Export Controls					
Dennis Kloske.....	5	4	3	2	1
Undersecretary of Commerce- Designate for Export Administration					
Report of the President					
Albert W. Moore.....	5	4	3	2	1
<b>Luncheon:</b>					
Food & Beverage.....	5	4	3	2	1
Where Do We Go From Here? Senator John Heinz (R-PA).....	5	4	3	2	1

## SOCIAL EVENTS

### Wednesday, May 17, 1989

Welcoming Reception					
Food & Beverage.....	5	4	3	2	1
Entertainment.....	5	4	3	2	1

### Thursday, May 18, 1989

MACHINE TOOLPAC Silent Auction.....	5	4	3	2	1
Reception					
Food & Beverage.....	5	4	3	2	1
Dinner/Dance					
Food & Beverage.....	5	4	3	2	1
Special Presentation & Music..	5	4	3	2	1



- 4 -

Exc.		Avg.		Poor
<u>5</u>	<u>4</u>	<u>3</u>	<u>2</u>	<u>1</u>

LOEWS L'ENFANT PLAZA HOTEL

Hotel Facilities.....	5	4	3	2	1
Hotel Service.....	5	4	3	2	1
Hotel Food/Beverages.....	5	4	3	2	1

GENERAL COMMENTS: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

WHAT WAS THE BEST PART OF THE MEETING? \_\_\_\_\_

\_\_\_\_\_

WHAT SUBJECT(S) WOULD YOU LIKE DISCUSSED AT FUTURE MEETINGS? \_\_\_\_\_

\_\_\_\_\_

WHAT SPEAKER(S) WOULD YOU RECOMMEND FOR A FUTURE MEETING? (INDICATE  
GENERAL SUBJECT AREA) \_\_\_\_\_

\_\_\_\_\_

WHERE WOULD YOU LIKE FUTURE NMTBA MEETINGS HELD? \_\_\_\_\_

\_\_\_\_\_

NAME: \_\_\_\_\_ COMPANY: \_\_\_\_\_

RETURN TO THE NMTBA REGISTRATION DESK

OR

MAIL TO: Meetings Department  
NMTBA - The Association For  
Manufacturing Technology  
7901 Westpark Drive  
McLean, VA 22102-4269



## **NMTBA'S 87TH SPRING MEETING**

**Loews L'Enfant Plaza Hotel  
Washington, DC**

**May 17-19, 1989**

## **ADVANCE REGISTRATION LIST**



**MEMBERS**

**Acme-Cleveland Corp.**

See: National Acme

**Acme Manufacturing Company**

Madison Heights, MI

Don F. Carlson

Vice President

**Advanced Assembly Automation, Inc.**

Dayton, OH

John F. Logan

President

**Agie USA - Elox Corporation**

Davidson, NC

David M. Yarborough (Allie)

President

**American Machine & Science**

See: CRL, Inc.

**Anocut, Inc.**

Elk Grove, IL

Donald Ball

President

**Armstrong-Blum Mfg. Co.**

Mount Prospect, IL

Stanley A. Woleben (Sandy)

Executive Vice President

**Automatic Feed Co.**

Napoleon, OH

Kim W. Beck (Carol)

President

**Autospin, Inc.**

Carson, CA

Robert Hudson

Vice President

**Bardons & Oliver, Inc.**

Cleveland, OH

Heath Oliver

President

**Bayer Industries, Inc.**

Phoenix, AZ

Walter J. Breitkopf (Andrea)

Vice President

**Belden Incorporated**

Broadview, IL

Perry M. Sainati

Chief Executive Officer

**The Bodine Corporation**

Bridgeport, CT

Richard P. Bodine, Sr. (Barbara)

President

**Boston Digital Corp.**

**BostoMatic**

Milford, MA

Ara Aykanian (Ann)

President



**Bridgeport Machines, Inc.**

Bridgeport, CT

Michael S. LaMonica  
V.P. Marketing & Sales

Philadelphia Service Center  
Bristol, PA

Richard F. Vogel (JoAnn)  
Account Manager, Federal  
& Educational Market

**Brown & Sharpe Manufacturing Co.**

North Kingstown, RI

Donald A. Roach (Nancy)  
President & CEO

Henry D. Sharpe, Jr.  
Chairman of the Board

**Bryant Grinder Corporation**

Springfield, VT

Chester P. Scott, Jr. (Willo)  
V.P. & General Manager

**Buffalo Forge Company**

Buffalo, NY

George Barnes  
Sales & Marketing Administrator

**CRL, Inc.**

Des Plaines, IL

Morrow B. Garrison  
Vice Chairman

**Cargill Detroit Corporation**

Clawson, MI

David L. Brown  
V.P. & General Manager

John S. Cargill (Terry)  
Vice President

**The Cincinnati Gilbert**

**Machine Tool Co.**

Cincinnati, OH

Charles E. Gilbert, Jr.  
President

**Cincinnati Milacron Inc.**

Arlington, VA

Lawrence E. Bustle (Edie)  
Director Government Relations

**Cincinnati Milacron Inc.**

Cincinnati, OH

James A.D. Geier (Chris)  
Chairman & CEO

Charles C. Hudson (Mary)  
V.P. Sales & Service  
North America

Daniel J. Meyer  
President

James W. Wray  
Corp. Director, Personnel Dev./  
Benefits/Compensation

**Cincinnati Milacron Marketing Co.**

Cincinnati, OH

Edward F. Schloss (Sis)  
Vice President  
Executive Sales

**Clausing Industrial, Inc.**

**600 Group, Inc.**

Kalamazoo, MI

Albert C. Schauer (Phyllis)  
President

**Cone-Blanchard Machine Co.**

Windsor, VT

George T. Caccavaro, Jr. (Gail)  
President & COO



**Cooper-Weymouth, Peterson**  
**Division of Mestek Inc.**  
Clinton, ME

Maynard S. Northup (Ginny)  
V.P. & General Manager

**Crankshaft Machine Company**  
Jackson, MI

Thomas L. Jewett (Mickey)  
President/CEO

**Cross & Trecker Corporation**  
Bloomfield Hills, MI

Walter J. Aspatore  
President

Norman J. Ryker  
Vice Chairman & CEO

**The Cyril Bath Co.**  
See: Fairfield Machine

**D & H Machinery Inc.**  
Toledo, OH

Joseph Donofrio (Marian)  
Sales Manager

**Danly Machine**  
Cicero, IL

Joseph F. Flies (Cris)  
President

Robert B. Stirling  
Director of Marketing

**Dayton Machine Tool Company**  
Dayton, OH

David H. Montgomery (Judy)  
President

**DeHoff Inc.**  
Cranston, RI

Lewis B. Arnold  
President

**DeVlieg/Sundstrand**  
Belvidere, IL

Klaus M. Harig  
President

**DoAll Baltimore Co.**  
Baltimore, MD

Michael A. Brickman (Ann)  
Sales Engineer

**The Dunham Tool Co., Inc.**  
New Fairfield, CT

Matthew T. Mandeville (Olivia)  
President

**Dynetics**  
Woburn, MA

John Stackhouse (Linda)  
Executive Vice President

**Ekstrom, Carlson & Company**  
Rockford, IL

James H. Nelson (Sue)  
Vice President

**Elb-Florida, Inc.**  
Ft. Lauderdale, FL

R. David Tice  
Sales Manager

**Elox Corporation**  
See: Agie USA



**Erie Press Systems**

Erie, PA

Gary E. Lunger (Christine)  
President

**GTE Valenite**

Troy, MI

Roger Nelson  
Director-Strategic Planning  
& Business Development

**Extrude Hone Corporation**

Irwin, PA

Lawrence J. Rhoades (Nancy)  
President

**Gallmeyer & Livingston Co.**

Grand Rapids, MI

Charles C. Gallmeyer  
President

**FERRANTI Sciaky, Inc.**

Chicago, IL

John A. Kasuba  
President

**The Gleason Works**

Rochester, NY

Richard J. Bonnie  
President

**Fairfield Machine Co., Inc.**

Columbiana, OH

Alex Shashaty (Millie)  
President

**Gould & Eberhardt Corp.**

Webster, MA

Gerd E. Reinig (Karola)  
President

**The Cyril Bath Company**  
Monroe, NC

Robert C. McFarland (Marianne)  
President

**Grinding Technology Inc.**

Shelton, CT

Ronald F. Wegrzyn (Pat)  
Vice President Finance

**Ferguson Machine Company**

St. Louis, MO

Robert L. Harris (Dorothy)  
President

**Grotnes Metalforming Sys., Inc.**

Chicago, IL

C.H. Stettler (Ans)  
Chairman of the Board

**Foster-Miller, Inc.**

Waltham, MA

Edward J. Goldman (Benita)  
Vice President

**HZ Clearing, Inc.**

Chicago, IL

A. M. Cerra (Gloria)  
President

**GE Fanuc Automation**

**North America, Inc.**

Charlottesville, VA

Larry M. Sweet  
Manager, Machine Tool  
Marketing & Sales

**Hammond Machinery Inc.**

Kalamazoo, MI

William C. Johnson  
Vice President



**Hardinge Brothers, Inc.**

Elmira, NY

Thomas R. Eckler (Kathy)  
Corporate Marketing Manager

**Harper Company**

Meriden, CT

Thomas C. Andrew (Ann)  
Executive Vice President

**Hegenscheidt Corporation**

Troy, MI

Werner H. Wodtke (Irmgard)  
V.P. & General Manager

**Hitachi Seiki USA, Inc.**

Congers, NY

James J. Bushong (Penny)  
General Manager, Sales Promotion

**P.R. Hoffman Machine Products**

Carlisle, PA

Harry W. Albee  
President

**Hoglund Corporation**

Berkeley Heights, NJ

Carl F. Hoglund (Grace)  
President

**S.E. Huffman Corporation**

Clover, SC

Stanley E. Huffman (Win)  
President

**Ingersoll-Rand Company**

**Automated Production Systems Div.**

Farmington Hills, MI

Jack McPhail  
Marketing & Sales Manager

Robert J. Seccombe  
V.P. & General Manager

**Jarvis Products Corporation**

Middletown, CT

Vincent R. Volpe (Madeline)  
President

**Kinefac Corporation**

Worcester, MA

Howard A. Greis (Ginnie)  
President

**H.R. Krueger Machine Tool, Inc.**

Farmington, MI

Bruce L. Moore (Barbara)  
President & CEO

**L & F Industries**

Huntington Park, CA

Marlow V. Marrs (Herrad)  
CEO

**Lamb Technicon**

See: Litton Industrial Automation

**Landis Grinding Machines**

See: Litton Industrial Automation

**LeBlond Makino Machine Tool Co.**

Cincinnati, OH

Daniel W. LeBlond  
Chairman



**K. O. Lee Company**

Aberdeen, SD

Karl Lee  
President

Robert Spaulding  
Marketing Manager

**MHP Machines, Inc.**

Buffalo, NY

Michael Mortimer  
President

**Manufacturing Technology, Inc.**

Mishawaka, IN

Kevin J. Paczkowski (Donna)  
Controller

**Leland-Gifford, Inc.**

Akron, OH

Robert L. Hartford (Suzanne)  
President

**Masco Machine, Inc.**

Cleveland, OH

John W. Fedor (Annette)  
President

**Litton Industrial Automation Systems**

Warren, MI

William Bournias (Connie)  
President/Machine & Assembly  
Systems

Stephen E. Fedor  
Executive Coordinator

**Lamb Technicon**

Warren, MI

John D. Borseth (Barbara)  
V.P. Sales & Marketing

**Master Chemical Corp.**

Perrysburg, OH

George L. Hoobler (Betsy)  
V.P. Corporate Services

**Landis Grinding Machines**

Waynesboro, PA

Lee H. Happel (Olivia Michener)  
V.P. International Sales

**Mestek Inc.**

See: Cooper-Weymouth,  
Peterson

Douglas E. Harmon (Lori)  
V.P. Operations

**Met-Coil Systems Corp.**

Cedar Rapids, IA

Ray Blakeman  
Chairman

**New Britain Machine**

New Britain, CT

Henry J. Fingerhut  
Marketing Manager

**The Minster Machine Company**

Minster, OH

Dennis T. Casey (Patricia)  
Exec. V.P. & General Manager

**Lodge & Shipley Div.**

**Manuflex Corp.**

Cincinnati, OH

Harvey W. Rohmiller  
Vice President

Howard H. Fark (Sally)  
Senior Vice President



**Monarch Machine Tool Co.**

Sidney, Ohio

Robert J. Siewert  
President

**Nook Industries**

Cleveland, OH

Ronald C. Domeck  
President

**Motch Corporation**

Cleveland, OH

Klaus Eberius  
President & CEO

**Okuma Machine Tools Inc.**

Charlotte, NC

Robert M. Miller (Joanne)  
Director

**NATCO, Inc.**

Richmond, IN

Ralph T. Lamkin (Sue)  
Executive Vice President

**Okuma Machinery, Inc.**

Charlotte, NC

John D. Hendrick (Betty)  
President

Rodger L. McQuate (Kay)  
Product Sales Manager

H.F. Schwartz (Sandy)  
President

**Oliver Instrument Co.**

Adrian, MI

Robert G. Sack (Audrey)  
Vice President

**National Acme**

**Acme-Cleveland Corp.**

Cleveland, OH

Joe L. Menger (Val)  
V.P. & General Manager

**Oliver Machinery**

Grand Rapids, MI

Robert C. Stewart  
General Manager/CEO

**National Machinery Company**

Tiffin, OH

Paul N. Aley  
President

**Olofsson Corporation**

Lansing, MI

John L. Hobey  
President

**New Britain Machine**

See: Litton Industrial Automation

**Onsrud Machine Corporation**

Wheeling, IL

Lawrence D. Levine  
President

**Newcor, Inc.**

Troy, MI

Kenneth B. Hollidge (Karen)  
Group Vice President  
Mfg. Systems Group

**P/A Industries Inc.**

Bloomfield, CT

Jerome Finn  
President



**PMC Industries, Inc.**

Wickliffe, OH

John F. Roche  
President & CEO

**Pacific Press & Shear, Inc.**

Mt. Carmel, IL

Robert L. Hurd  
President

**Parker-Majestic Inc.**

Detroit, MI

Thomas J. Maurer  
President

**Phillips Corporation**

Columbia, MD

Bernard M. Matter  
Vice President Sales

Alan M. Phillips  
Executive Vice President

Albert Phillips  
President

**Process Equipment Company**

Tipp City, OH

Allen B. Hauberg  
Vice President Engineering

**The Producto Machine Company**

Bridgeport, CT

William R. Jahnke (Audrey)  
V.P. & General Manager

**Redin Corporation**

Rockford, IL

Bruce E. Horst (Patricia)  
President

**Remmele Engineering, Inc.**

St. Paul, MN

William J. Saul (Martha)  
Chairman

**Roberts Machine Corp.**

Grand Island, NY

William A. Roberts (Denise)  
Vice President

**Royal Master Grinders, Inc.**

Oakland, NJ

John R. Memmelaar  
President

**600 Group, Inc.**

See: Clausing Industrial, Inc.

**S-P Manufacturing**

Solon, OH

Mike Antochow (Nancy)  
Dir. of Marketing & Engineering

**Saginaw Machine Systems, Inc.**

Saginaw, MI

Jeffrey A. Clevenger  
President

**Schuler Incorporated**

Columbus, OH

Bill B. Price  
Office Manager, Sales

**Scotchman Industries, Inc.**

Philip, SD

Arthur A. Kroetch  
President & CEO

**Setco**

See: TBM-Setco



**Siber Hegner North America Inc.**

Stamford, CT

Ursula M. Guzzardi  
Division Manager Exports

**South Bend Lathe, Inc.**

South Bend, IN

John N. Van Otterloo  
President & CEO

**SpeedFam Corporation**

Des Plaines, IL

James N. Farley (Nancy)  
Chairman

**Sweco, Inc.**

Florence, KY

Dennis J. Reinersman  
Sales Manager

**TBM - Setco**

Cincinnati, OH

Harold J. Wagner (Stella)  
Chairman & CEO

**TRUMPF Inc.**

Farmington, CT

Mark W. Lowell (Jackie)  
President

**Teledyne Landis Machine**

**Teledyne Inc.**

Waynesboro, PA

George P. Buckey (Marty)  
  
Bren W. Kindelsperger  
President

**Tenco Industries, Inc.**

Elk Grove, IL

Irving L. Opsahl (Martha)  
President & CEO

**Textron North American**

**Machine Tool Div.**

Walled Lake, MI

James F. Horgan  
President

**Thielenhaus Microfinish Corp.**

Novi, MI

Curtis R. Nichols (Marilyn)  
President & CEO

**The Torrington Company**

**Fafnir Bearings Division**

Torrington, CT

Paul D. Jamerson  
Industry Manager-Machine Tool

**Toyoda Machinery USA**

Arlington Heights, IL

Peter R. Eelman  
Director of Marketing

**Transmares Corp.**

Carteret, NJ

Ronald F. Schildge  
President

**Tree Machinery Co., Inc.**

Santa Fe Springs, CA

W.J. Ellison  
Chairman



**Truxton Machinery, Inc.**

Hudson, NY

James J. Ebert (Margie)  
National Sales Manager

**Walter Grinders, Inc.**

Fredericksburg, VA

Rick Martin  
Engineering Manager

Dietmar Weselin  
President

**The U.S. Baird Corporation**

Stratford, CT

Durwood A. Blaisdell (Marilynn)  
President

**Weldon Machine Tool, Inc.**

York, PA

James D. Flinchbaugh (Wendy)  
President

**U.S. Drill Head Co.**

Cincinnati, OH

Jerome H. Nymberg (Pat)  
President & CEO

**Whitton Spindle Division**

**GMN**

Farmington, CT

Lanny E. Remillard  
President

**Unison Corporation**

Ferndale, MI

Fred McDonald  
President

Frank A. Stratton (Madge)  
Consultant

**Universal-Automatic Corp.**

Des Plaines, IL

Adolph V. Klancnik (Angie)  
President

**Zagar, Inc.**

Cleveland, OH

Frank G. Zagar (Marie)  
CEO Emeritus

**Vulcan Tool Company**

Dayton, OH

William R. Jenkins (Jeanne)  
Chief Operating Officer

**O.S. Walker Company**

Worcester, MA

Dominic Pignataro  
Senior Product Manager

Charles Alesi  
CEO

Knud E. Engelsted  
V.P. Investment Planning



GUESTS

AMTDA

Rockville, MD

Robert A. Gale  
President

Ben F. Bregi

St. Clair Shores, MI

Ben F. Bregi (Marion)

R.O. Deaderick Co.

Norcross, GA

John W. Peppers, III  
President

Fauver Co.

Madison Heights, MI

Frank J. Brayton  
President

J. Lee Hackett Co.

Farmington, MI

J. Lee Juett (Jane)  
President

Nathaniel S. Howe

Farmington, CT

Nathaniel S. Howe (Alison)  
Independent Consultant

National Center for Mfg. Sciences

Ann Arbor, MI

Edward A. Miller  
President

Rudel Machinery Co., Inc.

Greenwich, CT

Robert W. Gunn (Nicole)  
President

John K. Wendt  
Executive Vice President

Society of Mfg. Engineers

Dearborn, MI

Thomas J. Drozda  
Publisher and Director  
of Publications

George E. Viereck

McLean, VA

George E. Viereck  
(Mary Louise Newman)

Christopher Volpe

Middletown, CT

Christopher Volpe



**PRESS**

**American Machinist**  
**Penton Publishing Company**  
Cleveland, OH

Joseph M. DiFranco  
Publisher

**American Machinist/Industry Week**  
**Penton Publishing Company**  
Cleveland, OH

James K. Gillam  
Executive Vice President

**American Machinist**  
New York, NY

Joseph Jablonowski  
Editor-in-Chief

**Automation Magazine**  
**Penton Publishing Company**  
Cleveland, OH

George A. Weimer  
Editor

**The Fabricator**  
Rockford, IL

John P. Nandzik  
President & CEO

**Hitchcock Publishing Company**  
Carol Stream, IL

Neil Mahoney  
V.P. & Group Publisher

**Industry Week**  
**Penton Publishing**  
Spring House, PA

James M. Netter  
Regional Manager

**Machine & Tool Blue Book**  
Carol Stream, IL

James R. Koelsch  
Editor

Raymond H. Spiotta  
Editorial Director

**Metalworking Digest**  
**Gordon Publications, Inc.**  
Morris Plains, NJ

Thomas J. Morgan (Linda)  
Publisher

**Metalworking News**  
**Fairchild Publications**  
Radnor, PA

Eugene C. Beaudet  
Associate Publisher

**Metalworking News**  
New York, NY

Edwin A. Cowen, Jr.  
National Sales Manager

Thomas A. Fowler  
Publisher

**Modern Machine Shop**  
Cincinnati, OH

Ken M. Gettelman  
Editor

Richard G. Kline  
President/Publisher

**Production Magazine**  
Birmingham, MI

Robert F. Huber  
Editor-in-Chief



**Production Magazine**

Cincinnati, OH

Steven R. Kline

Vice President/Publisher

**Tooling & Production Magazine**

Solon, OH

Richard G. Green

Editor in Chief



NMTBA STAFF

Albert W. Moore  
President

William Atkinson  
Safety Director

Lee Blom  
Communications Manager

Ed Chandler  
Legislative Representative

John B. Deam  
Technical Director

Charles Downer  
Industrial Preparedness  
Representative

T. Glyn Finley  
Statistical Director

Janie Galloway  
Administrator

Nell Greene  
Manager, Information Resource  
Center

James A. Gray  
Consultant

Elwood H. Hasemann  
Exhibition Director

Pam Hydrick  
Public Affairs Department

Leslie H. Johnson  
Membership Services Manager

Diane G. Keen  
Manager, Meetings & Conferences

C. Christopher Kelly  
Controller

Charles G. Koella  
International Trade Director

Richard W. Kuba  
International Marketing Director

Darlene Long  
Public Relations Manager

James H. Mack  
Public Affairs Director

Kathy Manzella  
Public Relations Coordinator

Amber Parson  
Legislative Analyst

Charles C. Pollock  
Public Relations Director

Mary Simokaitis  
Meetings Department

Tom Snyder  
Assistant Print Shop Manager

James Wallbeoff, Jr.  
Training Director

Tracy Williams  
Information Resource Center

Eugene Zeiszler  
Industrial Preparedness Representative