



STATE OF CONNECTICUT

GOVERNOR DANIEL P. MALLOY

**GOV. MALLOY: STATE MUST CONTINUE TO LEAD IN ADVANCED
MANUFACTURING**

*Announces Signing Of Legislation Creating Connecticut Manufacturing
Innovation Fund*

(NEW BRITAIN) - Governor Dannel P. Malloy, joined by Department of Economic and Community Development Commissioner Catherine Smith and other state and local officials, today visited precision manufacturing company, A-1 Machining Co., which will receive funding through DECD to expand, purchase machinery and equipment and make leasehold improvements at its new facility. The project will allow A-1 to retain 53 jobs and create 10 new full-time jobs for residents within three years of occupancy following its expansion. Governor Malloy also announced that legislation creating his Connecticut Manufacturing Innovation Fund (CMIF) has been signed into law.

“Connecticut is investing heavily in manufacturing – an industry that produces some of the most sophisticated products and serves the most demanding customers around the world,” said Governor Malloy. “Manufacturing is at an important part of our economy and is getting a second wind in the United States. This is the right time for the state to support not just the larger companies, as we are with the UTC agreement approved by the legislature earlier this year, but also the smaller supply chain companies needed to bring their products to market. Our support of these companies, the engine of this industry, will help ensure Connecticut maintains its position as one of the most productive manufacturing states in the nation.”

In January, Governor Malloy introduced legislation to establish the new CMIF to support the growth of Connecticut manufacturers while creating jobs for residents. The \$30 million CMIF will target aerospace, medical device, composite materials, digital manufacturing and other opportunities to innovate commercial products and services and help industry drive enhancement in, or development of, products or services designed to strengthen the competitive position of Connecticut manufacturers. The fund can also be used to obtain matching federal grants or otherwise leverage federal grant funds, and DECD plans to have a new innovation voucher program available later this summer. Experts in universities, nonprofit organizations, and other organizations will be available to provide specialized expertise to voucher recipients to solve engineering, marketing and other challenges.

“With a very solid customer base, a strong aerospace industry here in Connecticut and beyond, and most importantly, an outstanding group of skilled and hardworking employees, A-1 Machining Company is poised to grow, and the financial support of the state is enabling us to do so,” said Tom Daily, President of A-1 Machining Company. “We are looking forward to completing our expansion, and we are optimistic about what lies ahead.”

Recognizing that workforce development is one of the most pressing issues facing the state’s manufacturers, CMIF funding can be directed to both short term training issues and longer-term educational improvements.

“This fund is designed to be very flexible. It can be used to provide financial assistance for research and development, modernizing equipment, attracting new manufacturers to the state, and supporting education and training programs,” said DECD Commissioner Smith “In fact, we are already reaching out to a wide variety of educational and training partners to solicit their support in providing services to the industry through this Fund.”

Another key component of CMIF is to give priority to companies that locate in the forty-two communities that are historic manufacturing hubs in Connecticut, including New Britain. This provision is expected to have a positive impact on local economic development and help lower the high unemployment rates in some of the state’s most distressed communities. DECD will administer the fund with the support of an Advisory Committee composed of experts in the industry.

“Governor Malloy and Commissioner Smith have followed through on their commitment to grow manufacturing jobs in the state,” said State Rep. Betty Boukus (D-22). “A-1 Machining is looking grow and we want to make sure that expansion happens right here in Connecticut.”

A-1 Machining makes parts for turbine engines for commercial airlines, military aircraft, power generation and marine applications. The company, which owns their 35,000-square-foot building at 235 John Downey Drive, plans to lease the building next door at 211 John Downey Drive. Last week, the State Bond Commission approved a \$1.25 million loan to help cover A-1’s total project cost of \$1.86 million, which includes the company’s contribution of \$610,000. DECD will provide the 10-year loan at 2 percent interest, with \$250,000 loan forgiveness if the company meets its job retention and creation targets.

According to the U.S. Bureau of Economic Analysis, Connecticut’s manufacturing industry’s annual output rose 5 percent over the last two years and exceeds \$24 billion or 10.5 percent of the state’s Gross State Product. The manufacturing industry employs 159,200 people, representing nearly 10 percent of the state’s total nonfarm jobs.

Manufacturing industry wages average \$76,108 a year, almost 30 percent higher than annual average wages for all industries statewide.

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