

Common Questions and Answers About Industrial Extension Service

Q. What is Industrial Extension Service (IES)?

A. The Industrial Extension Service of NC State University provides education and technical assistance to business and industries across the state. IES works one-on-one with small and medium sized manufacturers to help them stay competitive and in the process save jobs and increase profits. The IES staff help those companies with improvements, the use of modern practices, and new technology.

Q. Why are small manufacturers important?

A. Small manufacturers provide most of the country's manufacturing output. There are about 370,000 manufacturing firms with less than 500 employees in the United States, which represents 90% of manufacturing establishments. The small firms contribute more than 50% of the total value added in manufacturing and account for 75% of new jobs in manufacturing. In North Carolina, roughly 12,000 manufacturing firms employ almost 800,000 people.

Q. Why do small manufacturers need help?

A. Small manufacturers generally have difficulty obtaining high quality unbiased information about changing technologies, production techniques, and management practices. They are often isolated or have limited interaction with other manufacturers. The small manufacturer often faces difficulty obtaining capital and investment funds. Private consultants typically concentrate on larger, wealthier companies. Owners of small companies usually wear several hats on the job and are busy with day-to-day operations. As a result, they have not had time to keep up with the latest innovations and technology.

Q. Are public funds used to support the Industrial Extension Service?

A. Yes. Public funds are used to support IES. Both state and federal governments are partners in funding IES. In addition, a modest fee for service is charged to IES clients.

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Q. If public funds are used, does this mean the government is setting industrial policy?

A. No, of course not. The Industrial Extension Service is the extension outreach of the College of Engineering at North Carolina State University. Typically, IES specialists come from industry, and rather than telling businesses what to do, they provide technical expertise and hands-on assistance to help companies assess and address their individual needs.

Q. Who works at the Industrial Extension Service?

A. Most are engineers with extensive backgrounds in private manufacturing. In addition, the IES advisory board represents many sectors of manufacturing.

Q. Doesn't IES compete with private consultants?

A. No. In fact, IES relies on private consultants with some projects. A recent survey by Dun and Bradstreet revealed 70% of companies assisted by manufacturing extension centers nationwide believe that the services provided complement the work of private consultants. The Industrial Extension Service is generally able to provide up front sales function for many consultants who previously had ignored the small to medium size company because the market is so spread out and so isolated that the typical contract is too small to offset their cost of sales.

Q. How does IES measure result?

A. IES is mandated to regularly report results of its work with clients to its federal partner, the Manufacturing Extension Partnership, part of the National Institute of Standards and Technology in the US Department of Commerce. These reports focus on the bottom line results of IES projects as measured by the clients served. Results can be measured in sales, capital spending, capital avoidance, inventory reductions, labor and material savings and jobs created or saved. In the 2001 – 2002 fiscal year, IES clients reported an economic impact of \$93 million.

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