



Addressing the Issue of Lost
Knowledge
31st CIBO Annual Meeting

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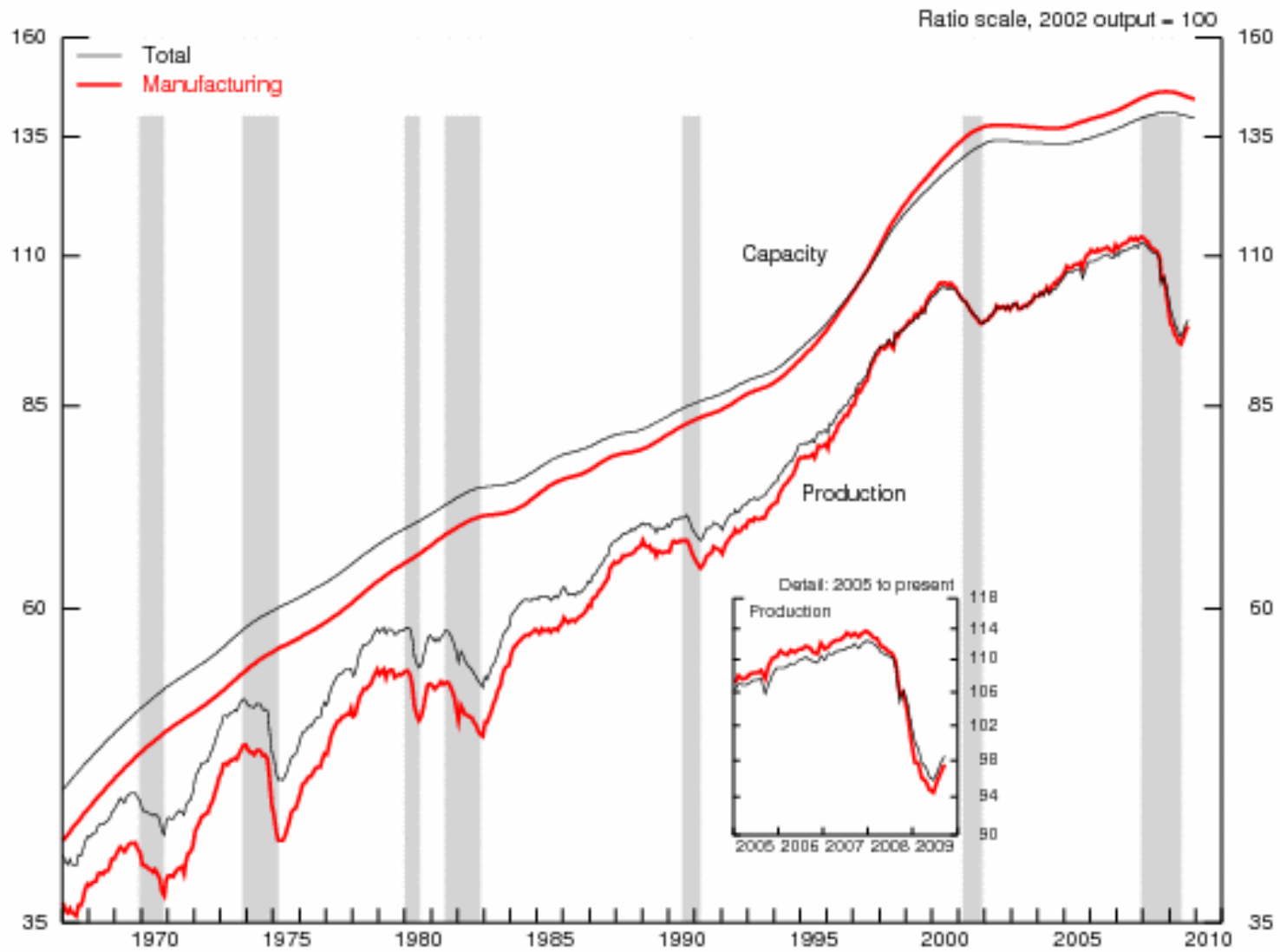
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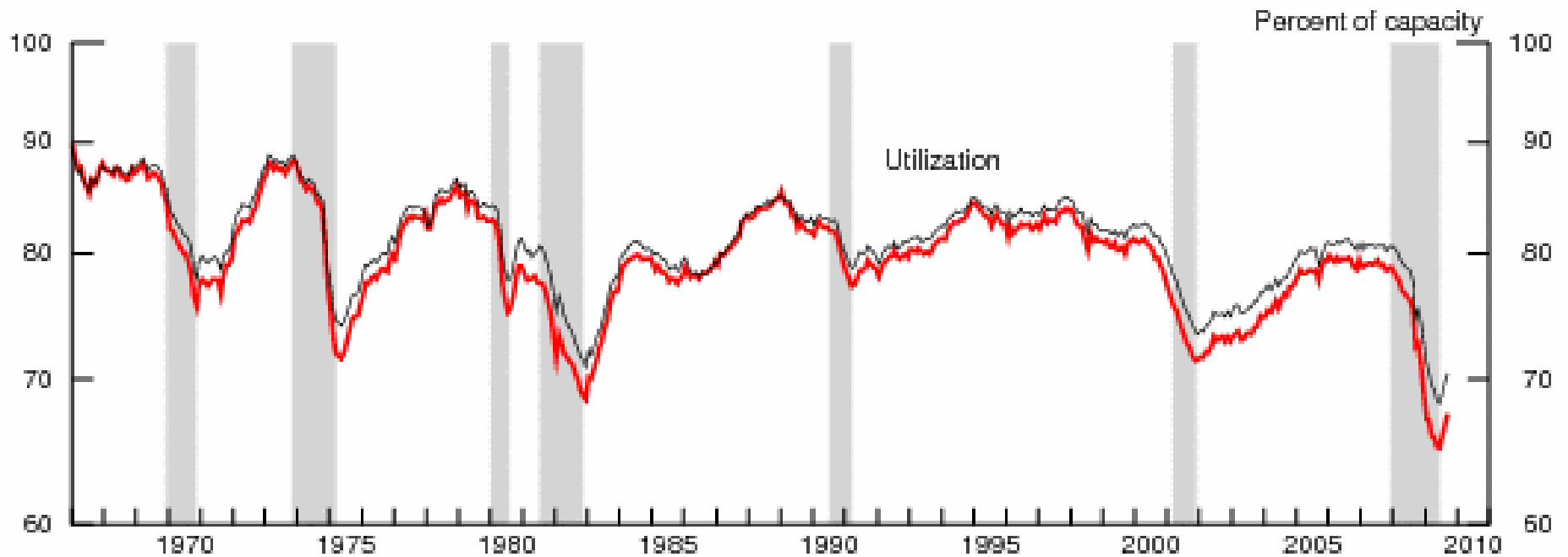


Overview

- Manufacturing has been declining as a percentage of the US economy for many years (more than 40)
- US Industrial Production Index Values (September, 2009)
 - ◆ Total Index – 98.5 (2002 = 100)
 - ◆ Manufacturing – 97.5 (2002 = 100)
 - ◆ Mining – 96.6 (2002 = 100)
 - ◆ Utilities – 103.5 (2002 = 100)
- US Industrial Production Index (excluding selected “high tech” industries (2002 = 100))
 - ◆ September 2009 – 92.5
 - ◆ July 2007 – 108.4 (all time high!!)

1. Industrial production, capacity, and utilization





Notes: The shaded areas are periods of business recession as defined by the National Bureau of Economic Research (NBER). The last shaded area begins with the peak as defined by the NBER and ends at the trough of a 3 month moving average of manufacturing IP.



IP Trend

- ◆ Industrial production rose 0.7 percent in September after an upwardly revised gain of 1.2 percent in August. For the third quarter as a whole, output advanced at an annual rate of 5.2 percent, the first quarterly gain since the first quarter of 2008 and the largest gain since the first quarter of 2005. Production in manufacturing increased 0.9 percent in September, and the index excluding motor vehicles and parts rose 0.5 percent.



Latest NACE Entry Level Salary Data

■ Chemical Eng	\$65,675	\$63,773	3.0%
■ Civil Eng	\$52,287	\$51,780	1.0%
■ Mechanical Eng	\$59,222	\$57,024	3.9%
■ Petroleum Eng	\$85,417	\$75,621	13.0%
■ All Eng	4.2% increase		