

# CRAFTSMAN'S CRIBSHEET

NUMBER  
**62**

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## A Cribsheet for 2018

PMPA's Business Trends Report has been reporting an eight percent or more increase in the level of sales and shipments for our industry in 2017. We and our favorite economists see that trend continuing in the first half of 2018.

Here's what I think is in store for 2018:

### New Technology

Yes, we know you can't find the additional people you need to run new machines. That is all the reason you need to try to automate everything you already have, so you can free up your talent to their highest and best use. The highest and best use will be on the new equipment you will need to stay competitive in the strong markets ahead.

Also, reconsider your approaches to tooling and accessories for what you have now. Finding the cheapest cost per tool makes economic sense only in a slow market and a hunker-down economy. When your shop is so busy that you are routinely scheduling overtime and are at the limits of your capacity, tooling and accessories that reduce setup time, operate longer between adjustments and provide additional benefits such as tighter tolerance capability are an investment that leads to maximizing income from the capacity that you have available. Talk to PMPA's tech members to see how their tools, accessories, software, specialty materials and metalworking fluids can help you wring more production out of your current capacity in less time.

### Training, Training, Training

The talent already on your team is your strongest asset. Training them to perform at their highest and best use creates a win-win for them and your shop. The best people in your workforce in five years are probably the people that are already on your team today. Whatever you can do to improve their skills will pay dividends all the way around. PMPA has created an online training program called PMPA MFG to help you upgrade the knowledge and competencies of your new hires as well as existing performers.

Check it out at [mfg-training.com](http://mfg-training.com), or give Sterling Gill, III, a call at PMPA's headquarters to get a personal demonstration.



### Increased Working Capital

If you really intend to take advantage of the strong demand for manufactured products in the next year, you will need to look at your working capital and adjust accordingly. The economists we follow have walked back their "Recession in 2019" forecast and are now talking about a soft landing. This means continuing strength for our shops through the first half for 2018 and a slight slowing in Q3 and Q4. The capital needs of a business in a strong and growing market are much different than those needed when we were all in hunker-down mode in a barely tepid economy. Our business trends show that the market for our products has shifted to a new higher level, and we see that strength continuing in our immediate and actionable future. Plan for success. Talk to your banker.

### Fewer Regulatory Surprises

The current administration's noticeably different approach to regulatory issues has allowed me to focus my attentions to other areas of compliance, improvement and member service. However, we are now on the lookout for trade and tariff storms, which could suddenly disrupt the markets and demand for our components. On the regulatory side, as shop owners, we need to continue to be diligent, train, document and audit our systems for safety and compliance.

All Craftsman's Cribsheets are available for viewing and download at [short.productionmachining.com/cribsheets](http://short.productionmachining.com/cribsheets).