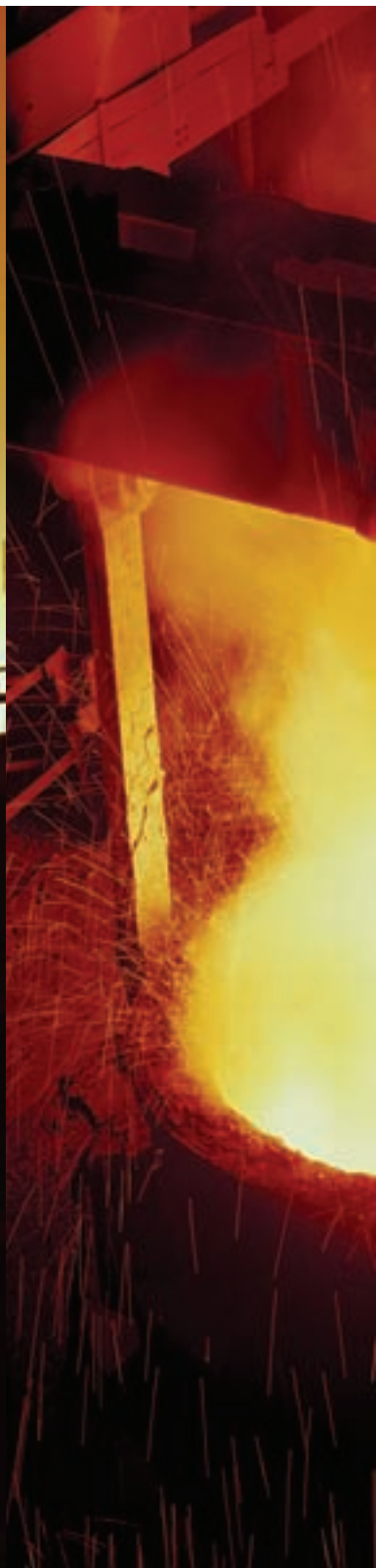


EXCHANGE EXPERTISE

BUILD KNOWLEDGE

ENHANCE COMPETITIVENESS



**MAPI** serves as platform for knowledge sharing. Member executives exchange expertise in leadership, management practices, and the global marketplace. Members look to MAPI as a timely resource for economic intelligence, policy analysis, and targeted benchmarking studies.

Our members are leading global companies in industrial manufacturing, electronics, aerospace, automotive, information technology and software, consumer products, medical technology, precision instruments, pharmaceuticals, chemicals, energy and utilities.

## PRESIDENT'S MESSAGE



**Thomas J. Duesterberg, Ph.D.**  
President and Chief Executive Officer  
Manufacturers Alliance/MAPI

In 2008 the Manufacturers Alliance/MAPI celebrated 75 years of service to members. Originally known as the Machinery and Allied Products Institute, MAPI was formed as a result of the Depression-era National Industrial Recovery Act. Its purpose was to help stabilize the machinery industry at a time of unprecedented stress. Although the original government-driven mandate soon fell by the wayside, industrial leaders had seen the value of working together to address common problems and share insights with their peers. A mandate for executive education and targeted research emerged from the original experience of working to bring industry out of the depths of the most severe recession of modern times.

Seventy-five years later, MAPI retains its original acronym and still is devoted to serving manufacturers through a focused program of economic research, peer learning, and fostering a continuous education environment. We concentrate on the business of manufacturing and on keeping our education programs targeted to and led by senior executives drawn from the more than 500 companies in our membership. Our Council program remains unique in its focus and in the way it serves senior corporate and operations executives. MAPI Councils emphasize peer-to-peer learning and radically limit the participation of third parties. In an era of extremely compressed and stressed executive schedules, our programs are designed to make efficient use of executives' time. Technology increasingly allows us to extend learning and benchmarking opportunities to a year-round basis in addition to the traditional biannual face-to-face meetings which are our long-standing trademark. Thanks to technology, our unique sharing and learning environment is now an electronic one, with problems being solved and questions answered on a daily basis.

Our research program, too, has evolved to adapt to the requirements of 21st century executives operating in a globally competitive environment. Just a few years ago, we began to provide a forecast for the U.S. economy and for 24 separate industrial sectors. Most of our members operate in many parts of the world, so we have begun to provide a proprietary series of regional forecasts, starting with Europe and Latin America and being expanded to the vibrant Asian sector. Our global cost of manufacturing series, too, reflects the needs of our members for accurate data on the state of manufacturing around the world. We have also expanded our research capabilities for benchmarking and finding answers to day-to-day operational questions. Much of this research is driven by our more than 2,200 Council members. Our work is increasingly recognized as cutting-edge by our members and by opinion leaders in the press and in other leadership positions.

MAPI's core mission of executive education and practical economic research has not changed significantly over the last 75 years, but the way it is shaped and delivered has. We are gratified that our core Council program has grown by 50 percent in the last six years and the number of corporate members by about 40 percent in the same time frame. We remain committed to continuous improvement in our member services to keep pace with the ever-changing business environment. We look forward to working with both new and long-time members of the Alliance to learn together, perfect the arts of idea-sharing, and find solutions to common problems and, thus, to help our members meet the global competitive challenges.

## MAPI COUNCIL PROGRAM

MAPI Council members benefit from benchmarking across multiple industries and exchanging peer tested practices in Finance, Legal, Operations, IT, Strategy, and Management. Member executives discuss ways to improve the effectiveness of their businesses, from optimizing new product development to reducing finance transaction costs, and from measuring department performance to identifying emerging market opportunities. Continuous value is delivered through semiannual meetings, electronic discussions (eRoundtable), and member-driven benchmark surveys. Council members take away implementable ideas and practices and identify emerging issues.

MAPI also sponsors annual forums (open to members and non-members) that concentrate on several other areas of interest, including: Benefits, Talent and Leadership Development, and Sales.

**For membership information,  
contact 703-841-9000 or [mapi@mapi.net](mailto:mapi@mapi.net)**

## CORPORATE FINANCE

Executives from the world's leading manufacturers rely on MAPI for benchmarking expertise and intelligence about excellence in financial management and global market conditions. Our team produces a broad spectrum of cutting-edge analysis and research, allowing members to more readily navigate the increasingly complex global marketplace. Members may also earn continuing education credits by attending a MAPI Council session.

### Peer-to-Peer Sharing

- Financial Analysis and Valuation of Acquisitions
- Cash Flow, ROIC and Stock Valuation
- Treasury Function Benchmarks
- Implementing Continuous Controls Monitoring
- Developing and Using "Process Maps" in Financial Shared Services
- Foreign Exchange Exposure Management
- Company Disclosure Policies
- Management of the SOX Compliance Process
- Techniques for Resolving Complex Property Claims
- Prior Period Transfer Pricing Adjustments

### Member Experience

A Council member asked MAPI to **survey members on methodologies** for calculating the return on invested capital (ROIC). Within a week, the 44 responses to the survey were compiled, summarized, and sent out to Council members. According to the member, "the ROIC metric is **an important tool** to measure management's performance and is a driver for our company's long-term incentive plan. The MAPI survey results were useful in helping our finance team **gather best practices** with respect to this metric."

*"MAPI has been the best external activity for networking and benchmarking that I have experienced. The relationships and contacts that I have developed have proved to be invaluable. My executive team participates on a number of MAPI Councils. The costs to participate are minimal and the benefits outweigh these costs by many times over."*

—Timothy K. Pistell, Executive Vice President and Chief Financial Officer, Parker Hannifin Corporation

## COUNCILS

CFO	Treasury
Financial	Tax
Internal Audit	Risk Management
Investor Relations	Administration & Shared Services



## LEGAL

As globally focused executives enter new markets and regions, they have to comply with an ever-growing web of laws and regulations. MAPI helps members keep abreast of changes and forward-looking management practices. Our research supports these programs by providing members with analyses of critical issues, regulatory changes, legislation, and policy developments.

### COUNCILS

- Law
- Product Liability/ Product Safety
- Environmental Management
- Government Contracts
- Ethics & Compliance

#### Peer-to-Peer Sharing

- Ethics & Compliance Training Techniques
- Law Department Performance Metrics
- Effectively Managing the Outside Counsel Relationship
- Product Safety Within an Effective Enterprise Risk Management Program
- Sustainability and Corporate Social Responsibility
- Director Education Programs
- Company Practices for Approval of Capital Expenditures
- Compliance Programs in Joint Ventures
- Corporate Environmental Policies, Metrics & Goals
- Export Controls, the FCPA & New Developments

#### Member Experience

A Council member asked MAPI to **identify management policies** regarding near-miss injury reporting. Within a week, **MAPI conducted a targeted survey** of members and supplied a presentation by a \$4 b energy company from a recent meeting on this very issue. According to the member, “we have long recognized the importance of a near-miss reporting program, but the ability to **benchmark our program with that of our peers** was a valuable exercise that substantiated our beliefs and provided ideas for further improvements.”

*“The MAPI Quality Council is a valuable resource for benchmarking and collaborating with quality leaders from major corporations. The presentations and frank discussions facilitate learning in a non-competitive atmosphere. I greatly enjoy the economic research and forecasts that are provided.”*

—George S. Kalemkarian, Director, Quality Services, Deere & Company

## OPERATIONS & IT

A strong operational toolkit is essential to a successful organization. MAPI enhances members’ key capabilities by facilitating the exchange of proven best practices at Council meetings and supporting that exchange year-round through research and surveys. MAPI provides members with intelligence that is useful and timely.

### COUNCILS

- Manufacturing
- Supply Chain Logistics
- Purchasing
- Quality
- Engineering, Research & Development
- Information Systems Management
- E-Business

#### Peer-to-Peer Sharing

- Effective Organizational Structure for Global Supply Management
- Centralized Sourcing in a Decentralized Company
- Managing R&D at Multiple Locations
- E-Procurement Techniques and Success Factors
- The Development of Global Virtual IT Teams
- Cost of Quality as a Business Performance Metric
- Managing/Hedging Commodity Prices
- Experiences With Third Party Suppliers in China
- Recommend Publishing Tools for ERP System Output
- Experience With the SAP Quality Module

#### Member Experience

A Council member asked MAPI to survey the Purchasing Council to **measure policy and practices** in sourcing travel agency services. The member was particularly interested in whether firms were pursuing consolidated global travel programs. Within a week, MAPI conducted a targeted survey and analyzed the results. The survey and detailed report was sent to each Council member. According to the member, “the survey, with a great summary, **saved us time and resources** we could not spare.”

*“BorgWarner appreciates MAPI’s timely, thoughtful and numerous economic and policy analyses. The powerful Council programs allow our busy executives to benchmark, share perspectives and interact with their peers at top companies. My colleagues and I fully utilize the year-round value we receive from MAPI.”*

—Timothy M. Manganello, Chairman and Chief Executive Officer, BorgWarner Inc.



## STRATEGY & MANAGEMENT

With competitive threats coming from all parts of the globe, the growth mandate has never been more critical than today. We bring together the best and brightest leaders to help each other keep pace in a changing competitive environment. Through our research and Council program, MAPI connects members to peers, resources, and tools to understand current market conditions and identify emerging opportunities.

### COUNCILS

Presidents	Strategic Planning & Development
General Managers	Marketing
Human Resources	

### FORUMS

Talent and Leadership Development	Sales Benefits
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#### Peer-to-Peer Sharing

- Unlocking Brand Value Through Repositioning
- Employee Training and Retention in India
- Making Lean a Sustainable Enterprise Process
- Identifying the Most Meaningful and Useful HR Metrics
- Implementing an Effective Onboarding System for New Employees
- Manufacturing Options in Low-Cost Countries
- Two-Tier Wage and Benefit Structures
- Benchmarking New Product Sales
- Service and Aftermarket Business Metrics
- Process and Guidelines for Acquisition Targeting

#### Member Experience

A Council member approached MAPI for help understanding how her peers manage their aftermarket businesses. Working with the member, MAPI created an in-depth series of questions to **gain insight** into how companies organize and measure their aftermarket organization. In less than a week, the survey received more than 40 responses from a **diverse mix of leading manufacturers**. MAPI produced a white paper which included revenue benchmarks and **key success metrics**. According to the member: "The results of the **MAPI survey truly opened our eyes** to the opportunity of a more substantial aftermarket business. As a result, over the past several months we have created a separate business segment focused on our aftermarket business along with realignment of resources and leadership to support the effort. It's paying off well."

## ECONOMIC ANALYSIS AND FORECASTING PROGRAM

MAPI conducts original analyses on issues critical to the economic performance of the private sector. The research program uses the latest data and forecasts for global manufacturing and the macroeconomic environment, public policy commentary, and targeted benchmarking. MAPI also selectively shares its research with opinion leaders and policymakers regarding what members need to innovate, improve productivity, and stimulate economic growth and prosperity.

**Survey on the Business Outlook** is a quarterly survey that offers a near-term indicator of business prospects in the manufacturing sector.

**Economic Forecast** is a set of quarterly forecasts for the U.S. economy; includes GDP, industrial production, labor markets, consumer spending, business investment, and exports.

**Quarterly U.S. Industrial Outlook** reviews the performance of industry by looking at its 27 most important subsectors; including economic forecasts for 24 separate industries over a two-year window.

**European Industrial Outlook** identifies the cyclical position of 21 manufacturing, construction, and related industries in Western Europe and Central and Eastern Europe.

**Asian Industrial Outlook**, to be inaugurated by MAPI in 2009, is a biannual industrial outlook for Asia, focusing on China, Japan, India, and Southeast Asia.

**Latin American Industrial Outlook** provides forecasts of production activity in 14 manufacturing industries in Brazil, Mexico, and Argentina for the current and next year.

**Review of the Canadian Economy** offers both an annual analysis of previous performance and a one-year outlook for Canada.

**Monthly Economic Update** closely follows the changing pace and structure of U.S. and global economic activity—searching for and monitoring turning points or trends.

**Quarterly Forecast of U.S. Exports, Global Growth, and the Dollar** provides a look forward into the world economy, including both industrialized and developing nations.



## GLOBAL COST OF MANUFACTURING STUDIES

MAPI engages consultants who specialize in global site location analyses to model the cost of manufacturing in selected countries. The models compare operating costs, discover hidden costs, and analyze the business environment across countries in the same region and benchmark them against the United States. MAPI deliverables save busy executives time and scarce resources in evaluating location options.

- The Cost of Manufacturing in Central and Eastern Europe
- The Cost of Manufacturing in Southeast Asia
- The Cost of Manufacturing in China
- Future Studies: India

## SELECT LEGAL & POLICY ANALYSES

- Contractor Code of Business Ethics and Conduct
- Mexico's New Tax Law Will Impact U.S. Manufacturers
- Foreign Corrupt Practices Act: Effectively Managing Risk
- China's New Antitrust Law: Legal Implications and Protectionism Concerns
- EU REACH Chemicals Regulation
- Enforceable Core Labor Standards
- Global Warming Shareholder Resolutions Place Manufacturers in the Hot Seat

## ON-SITE VISITS

MAPI senior staff experts frequently make presentations at member companies' management meetings and industry conferences on the global manufacturing and economic outlook. MAPI economists are available to present research or benchmarking work at member headquarters, division locations, or electronic briefings.

## SELECT SURVEYS & BOOKS

- Survey on Insurance Coverage Limits
- The Cost of SOX and the Compliance Process
- Benchmarking Aftermarket Management Practices
- Survey of Corporate Tax Departments, 5th Edition
- Survey of the Product Safety and Regulatory Compliance Functions
- Survey of the Corporate Internal Audit Function
- Integrating Voice of the Customer Into New Product Development
- India and China: An Advanced Technology Race and How the United States Should Respond
- The Escalating Cost Crisis
- I Pay, You Pay, We All Pay (Tort/Civil Justice System)

## MAPI IN THE MEDIA

MAPI has earned a reputation as a fact-based, research-driven resource for information and analyses. As evidence, leading media outlets often request comment from MAPI experts. Citings appear in *Business Week*, *The Boston Globe*, *Chicago Tribune*, *Financial Times*, *Industry Week*, *The New York Times*, *USA Today*, and *The Wall Street Journal*, among others, as well as on-camera appearances on such broadcast outlets as *Bloomberg Television* to discuss economic indicators and hot topic issues affecting the manufacturing landscape.

Through these outreach efforts, MAPI and our members are able to achieve a greater awareness of the importance of manufacturing and a broader understanding of what business needs to flourish in an increasingly challenging domestic and global environment.

For media inquiries, contact Jim Engelhardt at 703-647-5126 or [jengelhardt@mapi.net](mailto:jengelhardt@mapi.net)



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**mapinet**

The Machinery and Allied Products Institute was established in 1933 as MAPI. While our name has evolved along with the global marketplace, MAPI is still the recognized source of trusted knowledge for senior executives.