

**Written Testimony before the
House Committee on Small Business**

Delivered by

**Mr. Mike Mittler, President
Mittler Brothers Machine & Tool**

On behalf of the

National Tooling and Machining Association and Precision Metalforming Association

October 5, 2011

Chairman Graves, Ranking Member Velázquez, members of the Committee, thank you for the opportunity to testify today. My name is Mike Mittler, President of Mittler Brothers Machine and Tool based in Wright City, Missouri. We are members of the National Tooling and Machining Association, which has over 1,500 member companies like ours throughout the country representing the \$40 billion precision machining and tooling industries.

My brother and I founded the company in 1980 in a 2,500 square foot rented facility with just Paul and I as the first and only employees for the first few months. We started with an idea and commitment to hard work and now thirty years later we have 60 employees and a diversified business including a product line of metalworking and fabrication tools serving the auto racing, hot rodding and aviation market. The other side of our business is engineering, design and building of special machines to automate industry. Our customers are leading companies in their industry including building products, energy, automotive and industrial lasers.

We are proud to have over a 5 year record of no loss time accident in our plant which exemplifies our commitment to safety. We have a mix of both senior and junior employees, including Paul's daughter, working in the plant. Our average tenure is over ten years including nine employees with over twenty years of service. We have two other sets of brothers and one husband and wife team working for us making us very much a family operation. We have received many awards and letters of recognition from customers; however we are most proud of the hand written notes from winners of awards we sponsor for local 4H competitions helping ensure a future for our young people.

There are only three very simple rules at Mittler Brothers: safety, quality, and productivity – no exceptions! In thirty years of business, we continue to meet and exceed federal workplace standards. We do this, not because we are forced to by federal regulators, but because as a small business, our employees are part of our family and it is the right thing to do. Just like the millions of small business owners like us, we know that a safe and happy work environment leads to a productive and profitable company.

In the past 31 years, OSHA has come into our shop twice on campaigns aimed at our industry. Both times, when minor infractions were found, we immediately took steps to correct those and worked with the Agency inspector to ensure full compliance.

Historically, manufacturing businesses in our industries maintained good working relationships with inspectors and regulators with the Occupational Safety and Health Administration, National Labor Relations Board, Environmental Protection Agency and others. Our industry trade groups, such as the National Tooling and Machining Association (NTMA) for which I served as Chairman in 2006, for years have worked with various agencies to help set and monitor industry safety standards.

However, over the past few years, we have noticed a significant shift in the way federal regulators approach their relationship with manufacturers. It feels like we have moved from an environment of cooperation and prevention, to one of punitive punishment by agencies with a “gotcha” attitude. We have seen OSHA alliances with trade associations ended and a new line of regulations on small businesses and their employees from the NLRB. In the past, an inspector or auditor would visit our shop and work with us to correct any unintended violations. Today, they fine you first, and take no questions later.

In the last several months, the NLRB issued a string of decisions and complaints with broad implications for the employer-employee relationship. The decision against Boeing Company, where the federal government is targeting a private business for choosing to increase manufacturing employment and production at one of their facilities, is very troubling to employers everywhere. Recently the NLRB expanded a requirement mandating that all private employers must place a poster in their businesses notifying employees of their rights under the NLRA to join a union and conduct organizing activities. It is not clear to me why this poster is necessary to explain a law that has been in effect for decades. Add the poster rule to the new quick election process the NLRB is imposing and you begin to create a more hostile work environment where employers and employees no longer feel they can openly communicate.

In my over thirty years in manufacturing, it continues to astound me when the government seemingly takes the approach that the only way to a better, safer, and happier work environment is to join a union. For small businesses, it is quite the opposite. Employees have the freedom and flexibility to be partners with the owners and get the job done right and get it done fast. In fact, in polling conducted in January 2009, voters and even union households rejected the Employee Free Choice Act, which sought to impose a card check process on employees and institute the quick or “ambush” elections the NLRB is trying to impose, by 74%.

Small manufacturers such as Mittler don’t have the resources to keep up with every new rule and regulation coming out of Washington. Larger companies have full teams to help them navigate the red tape. We feel like we should spend more time manufacturing and creating jobs than deciding whether or not a poster is being clearly displayed. In addition to the direct impact the NLRB has on my company, it has a greater impact on my customers. If those larger manufacturers, for whom my employees manufacturer parts, close their doors due to a hostile environment for manufacturing companies, all the families at Mittler Machine and Tool will suffer.

Regulations and decisions like these coming from Washington do not make for a happy workplace or improve quality of life for manufacturing employees. They are divisive, creating tension within our manufacturing family and driving a wedge between employers and

employees. We are local small businesses who seek local solutions in a tight community where we often have multiple generations working at the same manufacturing plant.

We were hopeful the Administration was taking a new approach to regulations when President Obama in January 2011 issued an Executive Order requiring all agencies to conduct a full review of the impact and effectiveness of new and existing regulations. The President's directives to agencies throughout the government included:

- An agency should only propose or adopt a regulation if its benefits justify its costs;
- Change an agency's enforcement approach to achieving policy objectives, rather than specifying what actions a company must adopt to reach the goal; and
- Agencies must identify and assess available alternatives to direct regulation, including providing economic incentives to encourage the desired behavior.

Since then, we have seen the Administration withdraw new regulations from OSHA requiring businesses to implement new noise canceling equipment if they were "feasible" or "capable of being done" regardless of their effectiveness. They put on hold new EPA regulations. There may yet be some signs that Washington might revert to a culture of cooperation and prevention with employees. Unfortunately, it seems the NLRB missed the President's memo.

I came to Washington today because I want to fight for my employees and my company. I came here today because I thought it was important that policymakers in Washington understand how small businesses work and the excellent relationship the workforce and owners have maintained for generations. Of course, there are always a few bad apples in every walk of life, and in business, that is no different. When there are violations, regardless of who they are, there is a clear role for government. But it appears Washington is taking extreme steps to address an issue that is not as prevalent as some may claim.

At a time when manufacturing is leading the way in our economic recovery, we need the support of Washington to make us more globally competitive, to promote a positive workplace, and to strengthen manufacturing in America. The latest actions by the NLRB do the opposite and will create animosity in the workplace without helping those who they seek to support – the employees.

Thank you for the opportunity to present testimony today. I look forward to continuing to work with this Committee as I have in the past on issues from supporting automotive suppliers and workforce training to the regulatory burden on small businesses. Thank you.

Michael C. Mittler

President, Mittler Bros. Machine & Tool

Mike Mittler is the co-founder and president of Mittler Bros. Machine & Tool, one of the premier organizations in the industry, located outside of St. Louis in Wright City, Mo. He is a graduate of Webster Groves High School, and after attending one and a half years at St. Louis Community College, started his working career at Fran's Chassis Engineering in St. Louis doing race car fabrication.

In 1975, he began work for Astro Engineering, a small job machine shop progressing from trainee to shop manager. Using this experience, Mike, with his brother, Paul, co-founded Mittler Bros. Machine & Tool in 1980. The company employs 60 skilled technicians, owns numerous CNC machines, and offers precision machining, including complete in-house design with CAD/CAM technology. In addition to designing and building special equipment, Mittler Bros. manufactures a proprietary line of products targeted toward the auto racing industry. In January 2004, Mike completed the acquisition of Tanner Racing Products, and relocated the company from Auburn, Washington to Missouri. Mittler Bros. serves customers locally, nationally, and internationally.

An integral part of Mike's life has been auto racing. In the '70s and '80s, his love of the sport lead him to work on the teams propelling both Rusty Wallace and Kenny Wallace to become winners at the American Speed Association (ASA) and NASCAR levels. Racing has been a major catalyst in his career as well, prompting ideas for a number of specialty tools and providing the foundation for his current product line at Mittler Bros. Today, Mike continues his involvement through ownership of MB Motorsports, a race team competing in the NASCAR Craftsman Truck Series. Mike has been instrumental in launching the careers of some of NASCAR's brightest new drivers, such as Jamie McMurray and Carl Edwards.

Mittler credits his racing experience for providing the ability to focus on long-term goals, establish and follow priorities, and endure tough times. According to Mike, "The emotional highs and lows of the racing industry are an excellent training ground for the peaks and valleys that are inevitable from time to time in business."

Mike joined the National Machining & Tooling Association (NTMA) in 1986, is a past president of the St. Louis Chapter and a past chairman of the National Business Management Committee. He has served on the Insurance Committee and served as Team Leader for the Education Team. He was nominated to the Executive Team in October 2002 and served as National Chairman in 2006.

Mike is often featured in trade magazines discussing machining concepts and techniques as they relate to the racing industry. Most recently, quoted in an issue of Performance Racing Industry, he commented on improvements in tool design and manufacturing processes.

Mike is a strong supporter of technical training, and each year, awards the Stephen J. Mittler Memorial Scholarship to a local student pursuing secondary education in a technical field. He has actively recruited new students for Ranken Technical College, a nationally-renowned technical college located in St. Louis, through television advertisements. Mittler also supports his local community, being a member and past president of the Foristell, Missouri Chamber of Commerce and a member of the Wright City Chamber of Commerce.

When asked about his personal philosophies, Mike is quick to mention his belief that, “anything is possible with a positive attitude.” He attributes his success to a combination of hard work, determination, a positive approach to problem solving, and being surrounded by a Winning Team.

Mike lives in St. Peters, Missouri, with his wife, Beverly, and his pets: Kory and Kasey their dogs, and their cats: Jessie, Jamie and Jasper.

Contact Information:

Mittler Bros. Machine & Tool
10 Cooperative Way
Wright City, MO 63390
Office: (636) 745-7757
Fax: (636) 745-2874
E-mail: mcmittler@mittlerbros.com
P.O. Box 110
Foristell, MO 63348