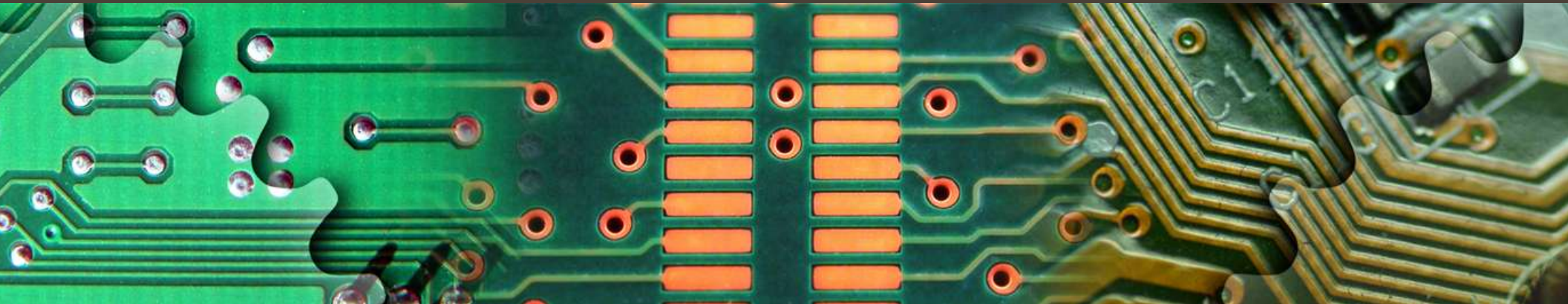


CALIFORNIA MANUFACTURERS & TECHNOLOGY ASSOCIATION



WORKING FOR MANUFACTURERS



Lobbying **the state legislature**

Informing **manufacturers**

Monitoring **the business climate**

**California Manufacturers
& Technology Association**

980 Ninth Street, Suite 2200
Sacramento, California 95814
877.904.2682
www.cmta.net

CMTA advocates for a strong business climate for California's 30,000 manufacturers, processors and technology-based companies. For more than 85 years, CMTA has lobbied state government to develop balanced laws, regulations and policies that stimulate economic growth and create jobs while safeguarding the state's environmental resources.

CMTA ADVOCACY

○ Taxes and Budget

California's tax policies should be comparable to tax laws in competing jurisdictions, encourage investment and employment in the manufacturing sector, lead to the expansion of the economy sufficient to fund essential government services and provide for balanced state and local budgets.

○ Employment

State labor laws, wage and hour rules, safety regulations and benefit mandates should be fair to employees and permit California employers to remain competitive with employers in competing jurisdictions.

○ Workforce Development

The education and workforce development systems should hold teachers, administrators and workforce training agencies accountable through performance measures to provide California manufacturers a literate, skilled and trained workforce.

○ Energy

Energy infrastructure and adequate electricity and natural gas supplies should be available to California manufacturers at reasonable prices through cost-based utility rates and competitive market choices.

PUBLIC POLICY PRINCIPLES

Full list at www.cmta.net

○ Corporate Liability

California's legal system should discourage use of the court system for harassment purposes or to pursue repetitive or frivolous claims, provide for penalties, fines and costs that are proportionate to the level of harm, and encourage the use of alternative dispute resolution where appropriate.

○ Environment

Environmental policies should be cost effective, justified by sound scientific principles, coordinated with federal programs, allow for compliance through performance-based standards and demonstrate measurable and meaningful improvement to public health and the environment.

○ Infrastructure

California should have a long-term plan with broad-based funding for adequate highways, alternative forms of transportation, streets, roads, ports, bridges, dams, water systems, sewers, hospitals, schools, housing, parks, power plants, electric transmission lines, gas transportation lines and communications networks.



CMTA's website provides daily news clips, capitol updates, breaking news and featured stories concerning the legislative, regulatory and political issues affecting California's manufacturing community. Our online grassroots program allows members to track their local representatives' voting records and contact them on specific issues.

CMTA.NET CONNECTS EMPLOYERS

Legislative Watch

- All bills important to manufacturers are monitored and prioritized

Grassroots Program

- Customized grassroots activity and convenient sample letters make it easy for our members to contact their legislators on important legislation
- E-mail alerts are triggered when critical legislation moves through committees or approaches a vote

The screenshot shows a registration form with three steps. Step One: Select the legislators you want to receive your letter. It includes a table with columns for Senator, Assemblymember, and Office. Step Two: Your name and company information. Fields include Name, Email, and Company. Step Three: Customize the letter below. There is a checkbox for 'My business is suffering from worker's comp insurance and other onerous regulations...' and a 'GO' button.

Turning California Around

- What companies need to know about California's business climate and what CMTA is doing to improve it

The screenshot shows the homepage of the California Manufacturers & Technology Association. It features a navigation menu with links like 'Capitol Updates', 'Press Releases', and 'Grassroots'. A central banner advertises the 'California Manufacturers & Technology Association Summit & MOY Home' and 'CMTA's 2004 Legislative Campaign Turning California Around'. A featured article titled 'CMTA begins push for 5 cent sales tax exemption on the purchase of manufacturing equipment' includes a bar chart showing job creation over 10 years. The chart shows a positive trend in job creation, with a significant peak in Year 10. A sidebar on the left contains a 'BILL SEARCH' section and 'Directories' for the CA Senate and CA Assembly.

Latest Updates & What's Hot

- Up-to-the minute information about what's going on in the capitol and the state's manufacturing and technology sector

The screenshot shows the 'Latest Updates & What's Hot' section. It includes an 'Opinion' piece by Jack Stewart titled 'It's Going to Cost Cell Phone Users', a 'Political Punditry' piece by Dr. Tony Quinn titled 'The Real Election this Year', and a '2004 Energy Conference: Registration' link. Below these are 'Recent business casualties' and 'Moved jobs elsewhere' links. A section titled 'NEWS FROM THE FRONT - June 14' features an article '400 manufacturing jobs gained in May' from the Employment Development Department. A 'Capitol updates' section lists recent legislative actions like 'Gov Signs PG&E Bankruptcy Financing Bill' and 'Corporate Tax Return Disclosure Bill Amended'. A 'Daily news clips' section includes 'State news - June 14' with a link to 'Power bill may allow big users to shop' and 'State budget expected ahead of last deadline'.

News from the Front

- CMTA insiders post to our weblog when news breaks

Capitol Updates

- CMTA's latest legislative and regulatory updates
- E-mail sent to members and government leaders around the state

Daily News Clips

- Available on the website and e-mailed every weekday to more than 3,000 subscribers

Directories

- Every state legislator has a web page packed with data, including a vote history, committee membership, recent news and a biography
- Demographic and voting trends of each district

To better educate policy makers on California's business climate,
CMTA gathers economic data and builds dynamic visual presentations.

At meetings around the state, we share this information
with those who need it most: legislators, business leaders and the media.

CMTA TRACKS THE BUSINESS CLIMATE

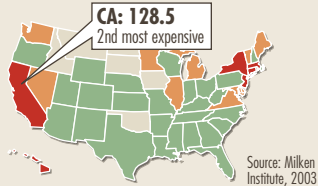
○ Economic Studies

Research by the Milken Institute evaluates the cost of manufacturing in California and what manufacturing jobs mean to the economy. Among the many valuable statistics revealed is a comparison of business costs among U.S. states.

2003 business cost index

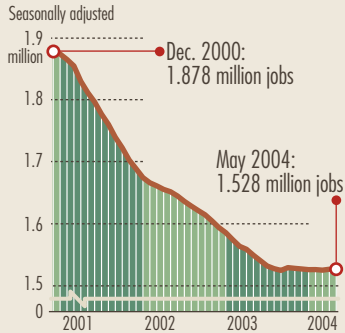
U.S. index average = 100

More than 115 85 to 100
100 to 115 Less than 85



Manufacturing employment

Each month, CMTA charts manufacturing employment figures.



○ Surveys

In one 2003 survey, CMTA asked employers how workers' compensation was impacting their business. Roughly 120 companies shared their concerns and personal stories.

Rate increase in the last three years

Increase	Companies
0 to 50%	23.3%
50 to 75%	15.8%
75 to 100%	14.2%
100 to 150%	20.0%
150 to 200%	6.6%
More than 200%	17.5%

Actions taken to address rising rates

Layoff workers	28.3%
Reduce/eliminate health benefits	25.8%
Reduce workers' hours	25.8%
Reduce/eliminate retirement program	10.8%
Other	45.8%

Rates force consideration of move out of state

Yes	45.0%
No	50.0%

○ Presentations

CMTA's economic slide show uses charts to explain challenges facing California employers.



CMTA brings manufacturers
together by celebrating
innovation and growth
in our industry.

CMTA CELEBRATES ACHIEVEMENT

○ Manufacturers of the Year

- 2004 Baxter BioScience
- 2003 Raytheon
- 2001 Agouron, a Pfizer company
- 2000 Chevron, Del Monte Foods, Intel, Northrop Grumman
- 1999 Solar Turbines Inc.
- 1998 Toyota Motor Corporation
- 1997 U.S. Borax
- 1995-96 Lockheed Martin Corporation
- 1994 Intel Corporation
- 1993 CMA's 75th Anniversary
- 1992 Owens-Illinois, Inc.
- 1991 Anheuser-Busch Companies
- 1990 Rockwell International Corporation
- 1989 Ford Motor Corporation
- 1988 ARCO
- 1987 Chevron Corporation
- 1986 Northrop Grumman Corporation
- 1985 Hewlett-Packard Company
- 1984 Lockheed Corporation
- 1983 Kaiser Aluminum & Chemical Corporation
- 1982 Cubic Corporation
- 1981 R.J. Reynolds Industries Inc.
- 1980 Hughes Aircraft Company
- 1979 Beckham Instruments Inc.
- 1978 The Clorox Company
- 1977 Union Oil Company
- 1976 Kaiser Industries
- 1975 Dart Industries
- 1974 Varian Associates
- 1973 Fibreboard Corporation
- 1972 Rohr Industries
- 1970 Avery Products
- 1969 Hewlett-Packard Company
- 1968 Norris Industries
- 1967 Standard Oil Company of California
- 1966 Cutter Laboratories
- 1965 Douglass Aircraft Company
- 1964 FMC Corporation

CMTA Board of Directors

As of June 2004

- Joe Krkaska **The Dow Chemical Company**
- Jewel Barton **Hewlett-Packard**
- Ed Berry **General Motors**
- Bill Birtcil **Honeywell**
- Bryan Broderick **Goodrich Corporation**
- Kerwin Brown **Sony Electronics**
- Paul Calvert **Temple-Inland**
- Steve Chaudet **Lockheed Martin**
- Jack Coffey **Chevron Products Company**
- Steve Cortner **Vulcan Materials Company**
- Rich Crawford **OI California Containers**
- Henry Dominguez **Anheuser-Busch**
- Scott Folwarkow **Valero Energy Corporation**
- Brett Guge **California Steel Industries, Inc.**
- Richard Hall **Intel**
- Michael Jackson **The Boeing Company**
- Vera Janushkowsky **Pfizer Inc.**
- Craig Johnson **Solar Turbines**
- Scott Kaltrider **Praxair**
- Paul Kaufmann **Applied Process Technology**
- Kevin Kinnaw **Toyota**
- Barbara Kornlyo **Shell Oil Company**
- Marsha Kwalwasser **Northrop Grumman Corporation**
- Tom Markin **BP**
- Jacob Mater **Sanofi-Aventis**
- Eric McAfee **Berg McAfee Companies**
- James Morgan **Novartis Pharmaceuticals**
- David Morris **PPG Aerospace**
- Edward Munoz **Raytheon**
- Derek Naten **Bayer Corporation**
- Michael Phillips **RJ Reynolds**
- Patricia Salas Pineda **NUMMI**
- Kathy Procida **Johnson & Johnson**
- Robert Rhodes **Campbell Soup**
- Dan Roberts **Georgia-Pacific Corporation**
- Carlyn Solomon **Baxter Healthcare Corporation**
- Dirk Thomas **Hitachi Global Storage Technologies**
- David Tovar **Altria Corporate Services, Inc.**
- Karl Turner **DST Output**
- Gary Wilson **ExxonMobil Corporation**
- David Withycombe **Del Monte Foods**
- Tracy Woodard **Nissan North America**
- Jack Stewart **CMTA President**