

**SNOWE SAYS ADDITIONAL FUNDING FOR MANUFACTURING EXTENSION PARTNERSHIP
CENTERS CRITICAL
*HARVARD ANNOUNCEMENT CONFIRMS MEP's VALUE***

(Washington) – Reiterating her call to boost funding for the Manufacturing Extension Partnership (MEP), U.S. Senator Olympia J. Snowe (R-Maine), Chair of the Senate Committee on Small Business and Entrepreneurship, today said a projected shortfall in funding threatens the MEP, which has been recognized as a finalist for the ‘Innovations in American Government Award’ from Harvard University’s Kennedy School of Government.

"The selection of the MEP as a finalist for the respected ‘Innovations in American Government Award’ speaks to this program’s value to our nation’s manufacturers and reiterates the need to provide necessary funds to keep these centers across the country open," Snowe said Thursday. "Manufacturing firms assisted by locally-managed MEP centers produce high wage jobs and generate revenues that continue to power our rising standard of living. I believe this program is now more critical than ever to help stimulate growth in the economy."

For Fiscal Year 2004, Congress provided only \$39.6 million for the MEP, which is an insufficient amount to maintain its existing network of centers. On July 1, 2004, two-thirds of the centers are due for funding renewal, meaning that many could lose all federal funding, resulting in closures across the nation.

The shortfall would have a direct impact on the Maine MEP and its MEP Management Services Incorporated, which assists six states with their MEP programs. Additionally, without immediate additional funding, many small manufacturers would be left without the MEP’s technical and business assistance critical to help them remain competitive in the global marketplace.

Each MEP center is a partnership involving federal, state and local governments; industry; educational institutions; and other sources of expertise, information, and funding support. Maine's Manufacturing Extension Partnership operates from six offices throughout the state. In 2002, Maine’s program helped 455 clients. Between 1995 and 2001, employers assisted by the Maine MEP created or retained 990 jobs. In all, the MEP estimates that there are more than 1,800 manufacturers throughout Maine which are eligible to benefit for services at its centers.

Snowe has been a staunch advocate of boosting MEP funding and has led a number of bipartisan initiatives to encourage support for the program. On April 21, Senator Snowe, Senator Jack Reed (D- RI), Senator Herb Kohl (D-WI), Senator Arlen Specter (R-PA), Senator Joe Lieberman (D-CT), and Senator Mike DeWine (R-OH) initiated a bipartisan effort in the Senate to gather support for a letter to the Commerce Department requesting that it reprogram and transfer its funds to help sustain the MEP through the remainder of Fiscal Year 2004.

Additionally, last month Snowe and Lieberman, Co-Chairs of the Senate Task Force on Manufacturing, led a group of 53 Senators in requesting \$106.6 million for the MEP for Fiscal Year 2005 from the Senate Committee on Appropriations.

MEP’s selection as a finalist for the ‘Innovations in American Government Award’ was announced yesterday by the Ash Institute for Democratic Governance and Innovation at Harvard University’s Kennedy School of Government. In making the announcement, Gowher Rizvi, Director of the Ash Institute said: "When it comes to vision, creativity and usefulness, these programs represent the very best in the nation."

The Innovations in American Government Award is given to draw attention to exemplary achievements in government problem solving. The Award is evaluated according to criteria such as a program’s novelty, effectiveness, significance and transferability. The MEP has been chosen as a finalist because of its success at using public and private funds and services fees to help small manufacturers compete effectively with their larger counterparts.

The MEP and fourteen other finalists were selected from a pool of nearly 1,000 applicants at the federal, state and local levels.