ILLINOIS MANUFACTURERS' ASSOCIATION

ANNUAL REPORT



MANUFACTURING STRONG

We will remember 2020 as one of the most challenging and rewarding years in the long 128-year history of the Illinois Manufacturers' Association. Our 2020 Annual Report highlights a year that was upended by a global pandemic but showcased amazing innovation and resiliency by our state's manufacturers.

Manufacturers responded to our nation's call in overwhelming fashion! Our members produced life-saving medicine, equipped first responders and health care workers, stocked grocery stores with safe and nutritious food, built our infrastructure, strengthened communication systems, powered our homes and businesses, and transported people and products around the world. Manufacturers are providing hope – battling the virus and leading our nation's economic and health recovery.

The IMA team responded immediately as a trusted and respected leader providing timely and accurate information for Illinois' manufacturing sector. We wrote the "essential manufacturing" language in the Governor's Executive Order allowing companies to operate while creating a Workplace Safety Guide and Healthy Manufacturing Certificate to make sure that companies operated safely during the pandemic.

Governor Pritzker asked the IMA to co-chair an Equipment Task Force while Chicago Mayor Lori Lightfoot named the IMA to chair her B2B Team writing reopening guidelines for manufacturing, transportation & distribution, construction, and utilities.

We were honored to be named as "One of 100 Associations Saving the World" by the American Society of Association Executives for our response.

Our team worked from the White House to the State House to City Hall to effect public policy decisions including state and federal stimulus legislation. The IMA hosted nearly one hundred programs on a variety of topics from the CARES Act and PPP to safety protocols and liability. The IMA was a one-stop shop for our state's manufacturers.

While the pandemic was focal point of 2020, the IMA celebrated manufacturing including the launch of a wildly successful Makers Madness contest. More than 300,000 votes were cast for our inaugural contest naming The Coolest Thing Made in Illinois! We launched a Made in Illinois campaign to showcase great products made here in Illinois while the Makers Hiring campaign highlighted great career opportunities available in manufacturing.

At the Capitol, we successfully championed legislation that will hold businesses harmless from workers' compensation and unemployment insurance claims related to the virus. We also stood and fought to protect manufacturers when necessary. The IMA successfully sued the Governor in court to block illegal workers' compensation rules and were part of a coalition that helped defeat the multi-billion dollar income tax increase on the November ballot.

Time and treasure are precious commodities and we value your investment in the Illinois Manufacturers' Association. I'm very proud that the IMA is evolving and standing by your side every single day. We are **BOLDLY MOVING MAKERS FORWARD**.



Best,

Mark Denzler President & CEO

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2020 MANUFACTURER OF THE YEAR: ABBVIE



At the IMA's 2020 Virtual Annual Luncheon, we proudly announced the 2020 Barry L. MacLean Manufacturer of the Year has been awarded to AbbVie. "AbbVie is a high-focused, research-based company that is taking on the toughest health care challenges and making a remarkable impact on people's lives. I'm so proud to recognize AbbVie as the 2020 Barry L. MacLean Manufacturer of the Year in Illinois," said Mark Denzler, IMA President & CEO. "During the current pandemic, AbbVie's amazing team of scientists, researchers, and manufacturing specialists stepped up to answer our nation's call by producing critical products needed for testing while adhering to the highest standards in quality. AbbVie's innovation, integrity, and investment in our communities is making the world a better place every single day." The IMA's annual award recognizes a company for their leadership in six core areas:

1. Manufacturing Advocacy: Serves as a strong voice for the manufacturing industry at the local, state, or national level.

2. Operational Excellence: Creates a profound and lasting impact on stakeholders, companies, markets, and suppliers within the manufacturing sector with a strong entrepreneurial spirit.

Innovation & Technology: Committed to innovation, Research & Development, transformative product development, or technological advances.
Workforce Development & Diversity: Focused on building the next generation of leaders through support of education and workforce development programs.

5. Community Engagement: Demonstrates long-term commitment to local community, charitable, and philanthropic efforts.

6. Sustainability: Supports sustainable methods of production and elimination of non-value added activities from operations.

ADVOCACY

MANUFACTURING IS ESSENTIAL



In the early days of the pandemic, Governor Pritzker issued a "stay at home" order that shuttered thousands of businesses across Illinois. **Manufacturers continued operating because the IMA drafted language**

contained in the Executive Order deeming manufacturing as essential. The Illinois language became a model for the nation and was **adopted by more than a dozen states**. Later, the IMA successfully stopped efforts to impose workforce capacity limits or reduce operating hours at manufacturing facilities. Manufacturers were able to continue making life-saving medicine, equip first responders and health care workers, and stock our grocery stores while they continued to operate safely.



Chicago Guidelines

The IMA was named by Chicago Mayor Lori Lightfoot to lead her B2B Team that wrote the reopening guidelines for manufacturing, transportation & warehousing, construction, and utilities once the economy started to reopen in late spring. These common-sense guidelines **allowed all manufacturers to operate in Chicago** and continue producing important products to move the economy forward.



Graduated Income Tax Defeated

The Illinois Manufacturers' Association and a large coalition of business organizations and taxpayer advocates successfully **defeated a \$3.5 billion graduated income tax hike** in the November election. Voters overwhelmingly opposed the income tax after an expensive campaign. Illinois leaders need to focus on structural reforms and restrain spending before asking taxpayers to pay more of their hard-earned money.

WORKERS' COMPENSATION IMA LITIGATION



In the early days of the pandemic, Governor Pritzker and the Workers' Compensation Commission filed illegal rules that created an automatic presumption that an employer's workplace caused COVID-19 or simply exposure to the virus. Potentially costing more than \$4 billion, these rules did not even require that a worker be diagnosed with the virus and treated the home as a workplace. When the Governor refused to back down, the Illinois Manufacturers' Association and Illinois Retail Merchants Association filed a lawsuit. In less than a week, the IMA won a temporary restraining order in court and the rules were withdrawn.

Subsequently, the IMA negotiated a fair workers' compensation law that allows employers to defend claims if they followed CDC or public health guidance. The home is not considered the workplace and employees must be diagnosed or test positive. Manufacturers will not see their experience rating increase for virus-related claims.

The IMA's advocacy saved Illinois businesses hundreds of millions, or even billions of dollars.

EQUIPMENT TASK FORCE



In March, Governor Pritzker asked Mark Denzler, President & CEO of the Illinois Manufacturers' Association to co-chair an Equipment Task Force with John Conrad, President & CEO of iBIO. This new task force led Illinois' efforts to ramp up production of respirators, ventilators, masks and gowns, food, medicine, testing kits, and other essential products while aiding companies looking to reconfigure production or needing help with regulatory hurdles.

The IMA-led Task Force met daily and devised a plan to meet Illinois' needs. More than 1,000 manufacturers stepped up in a wartime like effort to increase production, retool factories, and answer the call. Throughout the year, the Task Force has adapted its mission and is now engaged in helping to meet the needs of a vaccine distribution.

IMA NAMED ONE OF 100 ASSOCIATIONS SAVING THE WORLD



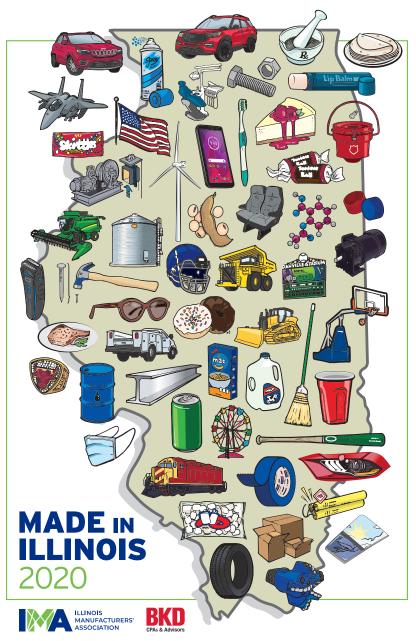
Named one of **"100 Associations That Will Save The World"** by the American Society of Association Executives (ASAE).



Associations Now - Summer 2020 Special ASAE Centennial Edition 🕅 🛪 asae

One of the proudest moments of the year for the IMA was learning that we were named as "One of 100 Associations Saving the World" by the American Society of Association Executives for our efforts during the pandemic. The IMA is proud to accept on behalf of our members - the manufacturers who are doing the real work to move our nation forward.

MADE IN ILLINOIS



In partnership with BKD CPAs & Advisors, the IMA launched "Made in Illinois," a fun promotion showcasing great companies and products made right here at home, with our first poster in a series featuring nearly 60 diverse products from across the entire state.

MANUFACTURING STRONG



STRONG

The IMA also created "Manufacturing Strong" tee shirts with proceeds benefiting our Education Foundation, highlighting the products produced by our members in response to the COVID-19 pandemic.

IMA ELECTION CENTER

This year, Illinois voters faced one of the most important elections in decades and responded by voting early and by mail in record numbers. Nearly 700,000 more people voted in Illinois in 2020 than in 2016. Illinoisans casted their ballots to help determine a Presidential election, control of Congress and the State House, and to overwhelmingly reject a \$3.5 billion income tax increase that would have impacted countless of employers across the state.

In order to help IMA members have the information they needed before casting their ballots, the IMA launched the 2020 Election Center that featured information for IMA members and their employees about how to register and vote, candidates and issues on the ballot, legislator rankings based off voting records, and tools that employers could use to inform and distribute accurate information to employees and voters concerned about manufacturing and its future in Illinois. Above all, the IMA Election Center and corresponding communications continued to educate members and their employees on the graduated income tax constitutional amendment that would have raised taxes without reforms or a clear path forward for Illinois.



One of the most important tools available as part of the Election Center, was the IMA's Legislative Report Card. This document showcased the state lawmakers that have been supportive of Illinois' manufacturing economy and those that have voted against job creators. We often hear political rhetoric from legislators who claim to support jobs and investment but then their actions don't

back their words. It was important then that the IMA provide a document that highlighted legislators who stood up for manufacturing. In total, the IMA recognized 17 Illinois Senators and 47 Illinois Representatives as "Champions of Manufacturing". Of those running for re-election and identified as champions, over 96 percent were re-elected.

The IMA Election Center was well received and a trusted source of information for both members and the general public. The weekly emails that guided readers to the Election Center while providing critical election content were also very popular among recipients.

DC FLY-IN



In October, the IMA hosted our second Annual DC Fly-In, virtually, so members could meet with US Senators Dick Durbin and Tammy Duckworth, Jay Timmons, President & CEO of the National Association of Manufacturers, and several members of Congress including Mike Bost, Rodney Davis, Darin LaHood, and John Shimkus.



Senator Dick Durbin

Senator Tammy Duckworth

GROWTH MAKERS MADNESS



In February, the IMA launched a brand-new Makers Madness contest where Illinoisans cast ballots to determine "The Coolest Thing Made in Illinois." More than **260 products were nominated** with nearly **300,000 total votes cast** to identify these top four products: "The Clipper" from Wahl Clipper Corporation, BEER NUTS Bar Mix, Thera-Solutions' Functional Hand, and Caterpillar's 797F Large Mining Machine. In the end, standing 23 feet tall, on six 13-foot tires, **Caterpillar's 797F Large Mining Truck** was our inaugural champion and is officially "The Coolest Thing Made in Illinois" in 2020.



MANUFACTURING TRAINING ACADEMIES





The IMA achieved a goal this year when the Governor announced **\$15 million in funding** to jump start two Manufacturing Training Academies that will be located on downstate community college campuses. This exciting announcement will allow Illinois to continue growing and developing a world-class workforce for jobs of the future.

These innovative academies will utilize a collaborative approach

with K-12 school districts, industry partners, and economic development organizations. This IMA initiative will expand opportunities for skills training and credentials and attract manufacturing investment by creating a best-in-class workforce.

WORKFORCE AND ECONOMIC RECOVERY

Makers Hiring

This summer, with unemployment peaking statewide, the IMA announced a new public education campaign aimed at matching Illinoisans with open jobs in the manufacturing sector. Illinois manufacturers employ 555,000 women and men on factory floors in good, high-paying jobs, and this ongoing project has featured more than 60 companies and 1,000 total open positions.



Economic Recovery Dashboard

The COVID-19 crisis has impacted our economy nationally and here in Illinois in unprecedented ways. As the pandemic shifts from urgent public health crisis to economic regrowth and recovery, the IMA created an Economic Recovery Dashboard and monthly email update to continue to provide you with timely, trusted data and critical current and historical information about the Illinois economy.

> COVID-19 Economic Recovery Dashboard



COMMUNICATIONS AND ENGAGEMENT



IMA Email Communications

144 COVID-19 updates since March 1,050 total emails since March 2,000,000 total individual emails delivered Open rates more than double the industry average



Facebook

Grew to 1,823 followers Added 369 followers since January (20% increase) Average 55 posts per month



Twitter

Grew to 1,616 followers Added 255 followers since January (15% increase) Average 138 posts per month Consistent impressions average over 54.8k/month



LinkedIn

Grew to 3,202 followers Added 1,431 followers since January (44.5% increase) Average 56 posts per month



Helping Out

This summer, Mark Denzler and Illinois Representative Rodney Davis delivered PPE to nursing homes and first responders in Springfield and Taylorville. The face shields were manufactured and donated by John Deere, which altered its production lines in Moline to produce over 500,000 shields.

INNOVATION

IMA 2020 ANNUAL LUNCHEON

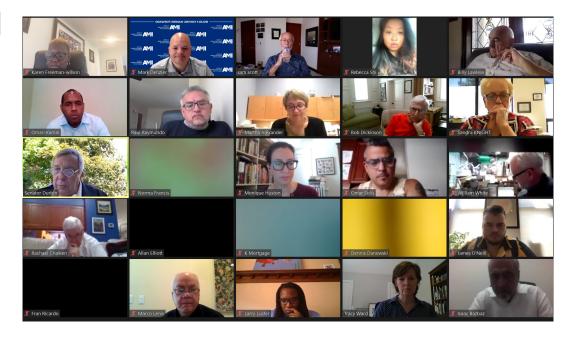


The IMA's Annual Luncheon was celebrated virtually for the first time in 128 years. Though the event was hosted virtually, attendance was at an all-time high with a 300% increase in attendees compared to prior years. Attendees who tuned in learned about the incredible work being done by Illinois manufacturers in 2020 and heard an inspiring message from our dynamic Chairwoman, Linda McGill-Boasmond of Cedar Concepts Corporation.

Michael G. Vale, Executive Vice President of the 3M Corporation, was the Keynote Speaker of the event and held a fascinating conversation about 3M's role in battling the pandemic using lessons learned from the last outbreak of the flu in 1918. Mike leads 3M's Safety & Industrial Business Group that includes the production and distribution of N95 masks.

AbbVie was honored as the 2020 Barry L. MacLean Manufacturer of the Year and fourteen IMA members were honored for milestone anniversaries.

PROGRAMMING



It's no surprise the IMA's program offerings had to adjust to a virtual environment for most of the year. This was a new experience for us as well as our members. While the virtual platform may not allow for more engaging conversations and relationship building, we were able to respond very quickly to changing conditions, new COVID-19 mitigations and legislative updates during this unpredictable time. We are all looking forward to live programming in the coming year but are proud of the outreach and education we were able to conduct through virtual methods.

The IMA was able to provide Anti-Harassment Training resources for members to implement throughout their companies. This allowed them to successfully meet the State mandate by the end of 2020.

- 90 programs offered to 11,000 participants
- 32% increase in program offerings
- Participation increased 10-fold

SAFETY

Healthy Manufacturing Certificate

In partnership with IMEC, the IMA created and offered an exclusive, new Healthy Manufacturing Certificate Program to train employees on operating safely during the pandemic providing assurance to employees, vendors, customers, and the public. **So far, 64 companies have earned the Certificate.**



Safety and Reopening Guide

Working with our partners at FTI, the IMA released a Safety and Reopening Guide for manufacturers outlining health and safety procedures designed to protect employees and their community.



SAFETY AND REOPENING GUIDE



EDUCATION FOUNDATION



The Foundation's two largest efforts, Manufacturing Month and the biennial Smartforce Student Summit, held in conjunction with the International Manufacturing Technology Show (IMTS), were essentially canceled by virtue of two decisions:

1) The decision of school districts across the state to prohibit field trips

2) Outright cancellation of the IMTS show in July

Nevertheless, the Foundation encouraged IMA member companies to create videos of their companies to hold virtual events online. In addition, working with the Illinois Department of Commerce and Economic Opportunity, weekly live Webinars featuring Latinas in Manufacturing, a review of how Manufacturers Respond to the (COVID-19) Call, Manufacturing Apprenticeships in Illinois & the ICATT Apprenticeship Program, and others were offered to the virtual classrooms across the state. In the coming year, the Foundation will be engaged in removing barriers that dissuade underrepresented populations, particularly women and persons of color, from pursuing manufacturing careers.

JIM NELSON SCHOLARSHIP



Jim Nelson, the IMA's Vice President of Education & Workforce Development, and head of the IMA Education Foundation, announced his retirement after nearly two decades of service to manufacturers. A nationally-recognized expert, Jim played a key role in education policy including creation of a new apprenticeship tax credit last year.

To honor Jim and his passion, the IMA Education Foundation created a new "Jim Nelson Scholarship" that will be awarded annually to a winner of the Celebrating High School Innovators program which is a "Shark Tank" program for young innovators and entrepreneurs.

Jim Nelson Schelarship presented by EDUCATION FOUNDATION

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THANK YOU, SPONSORS

Business Day

Abbott Bison Gear & Engineering Crop BlueCross BlueShield of Illinois Caterpillar Constellation Deere & Company ExxonMobil EY Falex Corp Ice Miller LLP The Inland Real Estate Group

Annual Luncheon

Abbott American Airlines Archer Daniels Midland Co AT&T Aurora Metals Division, LLC Bank of America BDO USA, LLP BKD Blistex Inc. BlueCross BlueShield of Illinois вмо **BNSF** Railway bopi C. Cretors and Company Caterpillar Cedar Concepts Corporation Coca-Cola Company Comcast Commonwealth Edison Constellation CSL Behring Deere & Company Diageo Enbridge, Inc. Equitable ExxonMobil

Programming

AM Transport Assurance Agency Bank of America Barnes & Thornburg **BDG** International BDO USA BKD **BMO Harris Bank** BP Bronswick Benjamin CPAs & Advisors Caterpillar Safety Clark Hill CNA Conn Maciel Carey ConnectFood Constellation CSL Behring Cushman Wakefield Fauitable Federal Reserve Bank of Chicago Georgia-Pacific Greensfelder, Hemker & Gale, P.C. HeplerBroom Husch Blackwell

- Falex Corp Ford Motor Company FLSmidth Inc FTI Consulting Gilster-Mary Lee Corporation Hunting Works for Illinois iBIO Illinois Retail Merchants Association IMAEF / ICATT IMEC Ingredion International Paper Leaders Bank Motorola Solutions Onken's Inc State Farm The Boeing Company The Inland Real Estate Group United Airlines United Scrap Metal Vistra Energy Weber-Stephen Products, LLC
- IceMiller IMEC Inaredion International Trade Association of Greater Chicago Johnson & Johnson KRD Accountants Lake County Partners Leaders Bank Miller Canfield Newport Group Philippi-Hagenbuch, Inc. Pioneer Service, Inc Presidio Rockford Area Economic Development Corporation RSM US LLP Sanofi SBA SIEU SBDC SmithAmundsen The ROC Group . The Will Group United Scrap Metal WSI Digital Group

BOLDLY MOVING MAKERS

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