

HB0622/SB0906 Industry 4.0 Technology Grant Program - Position: SUPPORT

Esteemed Members of the Ways & Means Committee:

I am Antoine Hutchinson, owner of Fabpro Technologies, a precision metal manufacturer serving clients in the defense and cybersecurity industries here in Maryland. The precision components we manufacture are integral to advanced systems, including those that keep our soldiers safe and our infrastructure secure. To produce mission-critical parts with a high level of accuracy is not easy and does not just happen because we will it to: it requires advanced technology and people to operate it. However, small and medium-sized manufacturers with slim margins are often priced out of making investments in advanced technology - even those with access to capital - and face challenges appealing to workers. If we want Maryland manufacturers to win contracts in a global marketplace and if we want to entice the workforce of the future to choose jobs in manufacturing, we need to help manufacturers access the technology necessary to stay competitive.

I encourage the passage of HB0622, which would establish an Industry 4.0 Technology Grant program for small and medium sized manufacturers in Maryland. Doing so will provide Maryland manufacturers with last-mile funding to invest in critical technology upgrades, leveling the playing field for manufacturers and workers alike.

Last year we participated in the Industry 4.0 Grant pilot program which HB0622 seeks to fully fund. I cannot emphasize enough how critical the pilot program funds were to getting us to the finish line on a significant purchase that changed the trajectory of my business. With the \$50,000 in grant funds from the pilot program, coupled with our own line of credit from our bank, we were able to bridge the funding gap and invest approximately \$200,000 in an advanced piece of equipment which rapidly bends sheet metal into complex radii at essentially the click of a button. Because of this technology, we were able to reshore an entire cybersecurity manufacturing supply chain from Taiwan to Maryland and expedite a technically-difficult. mission-critical component for the defense industry which no other manufacturer had the capability to create. Our ability to perform on these contracts has opened the door to almost \$1m in additional purchasing in 2023 alone. As you can see, investing in technology pays off.

In addition to the contract wins this project provided, it was essential to securing the future of our workforce. Unlike old equipment being phased out by vendors, the new technology comes with training, allowing anyone with a good head on their shoulders and a desire to learn the opportunity to become an operator. Technology is the ultimate equalizer. It allowed me to provide a career pathway for four formerly entry-level workers; in just a few days they were trained to run the advanced bending equipment, increasing their value to the company, increasing their wages, and increasing their job security. Investing in technology does not replace workers – it allows us to hire more workers, and to offer long-term, career-oriented positions at a higher wage.

This one project however does not end our need for investment. There remains a huge capabilities deficit in Maryland. Investing in additional technologies will help bridge that gap. If we do not fill that void here in Maryland, companies elsewhere will. Please support HB0622 to support the competitiveness of Maryland manufacturers.

Antoine Hutchinson CEO, Fabpro Technologies andow Dr