

Good Morning. My name is Josh Lowrey, Senior Vice President of FORGE USA with a focus on business development and Industry Affairs. Forge USA is an industry leading manufacturer of custom, open-die forgings located in Houston, Texas with nearly 200 employees and over 500,000 square feet of manufacturing space. I am also a partner in a consulting company called Galtway Industries, a role that has allowed me to meet thousands of individuals from across The United States who are both directly and indirectly tied to the Oil and Gas market. It is my passion to be a part of the oil and gas business and specifically, the manufacturing side of the business. ***The topic of American Energy Jobs: Opportunities for American Manufacturing is the sole purpose of my career.*** I feel very honored to speak to you today about this specific topic. American Manufacturing is a uniting force for our country and can be something that our divided nation can rally behind.

Since 1962 my family has been involved with manufacturing and I can point to a single point in my childhood when I recognized that I wanted to be in manufacturing. I toured a Plymouth tube facility in Illinois with my father when I was 10 years old and absolutely fell in love with the machines. My favorite part was meeting the guys on the shop floor. They were dirty, grimy, and loved to show me what they were doing. The pride they had in their jobs was evident, even to a kid. I should stop here and point out that my passion for American Manufacturing is because of the people involved. You are probably aware of the dollars, jobs, direct and indirect impact the energy business has on our country, but the real news is the story behind all of the facts.

The Story of Forge USA is a perfect example of how the last 10+ years have impacted the lives of thousands of people and brought in hundreds of millions of dollars to our economy. The current owners bought FORGE USA out of bankruptcy in the early 2000's from a Canadian family. They renamed it FORGE USA and sought to become the Domestic leader in open-die

forgings with the focus on Oil and Gas. The owners, Jerry and Wade Brouger have a 60 year history with oil and gas and knew that the best days in American manufacturing were in front of them not behind them. In 2006, unconventional resource plays accounted for ZERO percent of the world's global oil production. In the 4th qtr. of 2012 U.S. liquids-rich resource plays accounted for 21 percent of total global oil production and by 2017, it could be higher than 36 percent. FORGE USA is a direct beneficiary of that domestic energy source and will be adding more jobs at extremely good salaries to anyone who wants to work hard. Veterans have been a focal point for FORGE USA and will continue to be as we grow. FORGE USA has grown from 38 employees in 2004 to 200 employees in 2014!

Stanley Machine in Carpentersville, IL is an example of the American Dream for US Manufacturing. Stanley came from a tool and die family in Poland and found work in the early 1960's as a machine operator at AB Dick, at the time the leading manufacturer in the printing industry. Flash forward to 2008, primarily because of the US Oil and Gas business, Stanley Machining added approximately 20,000 square feet to its Carpentersville facility, and purchased a second facility in Hampshire, Illinois with 150,000 square feet. These additions brought Stanley's total capacity to over 280,000 square feet, and over 120 pieces of CNC equipment. This is the American Dream. And it needs to continue. Stanley Machining employs over 100 highly skilled professionals, many of whom are immigrants themselves. This necessary training is to cover the growing and concerning skills gap. These new workers, of all ages, need to be able enter into an environment where manufacturing is recognized as a necessary, lucrative and supported industry that it.

Another beneficiary of our current U.S. Energy boom is Energy Alloys based in The Woodlands, Texas. They are a remarkable story on how to create jobs in scale and add value to an industry

across state lines. With almost 700 employees worldwide and 450 U.S. employees, they have worked hard to become an industry leader in tubular products that are in high demand from fracking and directional drilling companies. Energy Alloys purchased an empty 200,000 sq ft building 24 months ago and revamped it to hold their new facility to heat treat “green” bar. The automobile, industrial and energy business should be thanking Energy Alloys for the addition of a heat treat facility in Conroe, Texas, as it opened capacity at Timken and Nucor steel allowing for even more growth, jobs, and revenue in Ohio and Arkansas. The best part about Energy Alloy’s Heat treat facility is that is powered by the natural gas market it serves allowing it to run economically and create more jobs. It is truly a win-win for everyone.

I could mention so many more companies that you have never heard of doing great things for their community and the people they employ. In fact, my hope for this testimony is that people will continue to recognize that Opportunities for American Manufacturing are abundant in the New American Energy Business. The Steel worker in Pennsylvania doesn’t just work at the mill, he makes the raw material that becomes a blowout preventer. The machinist in Ohio doesn’t just machine precision parts, he makes the Fluid end block for a Frack Pump. The metal stamping company in Kansas isn’t making sheets of metal, but more importantly, the warm, safe cab for drillers to work in on rig sights. The circle is endless. Truly! Truckers, Machinist, Craters, Engineers, Forgings, IT, Software, banking, on and on and on.