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MANUFACTURING FOCUS

rying to promote a "Buy American" campaign to assist local manufacturers and create jobs is more difficult than you might think.

That's the lesson the state of Minnesota is learning, after it became the first state in the union to apparently mandate specific government purchases - in this case uniforms and safety equipment - be sources from US suppliers if domestically produced goods are available for sale.

Unfortunately, the reality is that local safety agencies are feeling the impact of the recession just as badly as US households and seeing their budgets often reduced substantially - and now complain they can't afford the domestic goods.

In fact, when the bill was proposed in March of 2009 by state representative Tom Rukavina, it was opposed at the time by the Minnesota Police Chiefs Association.

Rukavina was well meaning. He recently told the Minneapolis Star Tribune that a big reason the US "is not recovering from the recession as quickly as some other countries are is because they still make things. When you make things, turn natural resources into things, you also turn them into livable jobs."

Unfortunately, the reality is that most of the made-in-the-USA goods are simply a lot more expensive than the foreign imports - and local safety departments say they can't afford them.

The Star Tribune interviewed Julie Deshler, manager at the Uniforms Unlimited store in Minneapolis, who



cites these price points for goods her store sells to the safety departments:

• Imported Dickies cargo work pants sell for \$22 retail at the store. Pants made in Tennessee by Southeastern Shirt Co. cost \$45.

• An imported Hanes golf shirt with a city logo is \$17. A shirt made in Kansas by King Louie America is \$28.

 An imported Dickies highvisibility shirt is \$17. A shirt made in Chisholm, Minn., by Xtreme Visibility is \$26.

Deschler says a number of the affected product categories seem to have no US manufacture for them.

She adds that "the law is 20 years too late."

Xtreme Visibility produces items such as road crew safety vests. The ones produced in Minnesota retail for about \$45. The company also sells an imported vest that goes for just \$20.

The owner of Xtreme Visibility, Dean Putikka, says that both labor and materials cost more in the United States.

"There are very few that are made in the USA because no one wants to spend the money," he said, adding that 90 percent of his sales are imports. "You don't have a choice but to do imports if you want to stay in business."

The Star Tribune quoted one local police chief who said that he understands the reasons behind the law, but that the price deltas between imports and domestic made goods are just too signifi-

Supply Chain Digest Jan. 26, 2010 Copyright 2010 cant to be practical.

"We're being compelled to comply with something that's out of our control," he said.

The police chiefs association and the Minnesota League of Cities both say they are likely to push the legislature to revise or scrap the law, in part due to the costs, in part due to the fact they believe the details are unclear, meaning many departments might be unknowingly violating the law.

What's your reaction to this attempt in Minnesota to force "buy American?" Do such policies ever make sense? Are they simply unrealistic now given current levels of globalization? Let us know your thoughts at the Feedback button below. Ninnesotä's Xtreme Visibility Still Makes Some Products Domestically, but Now Imports 90% of Its Sales

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