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Date: November 19, 2014

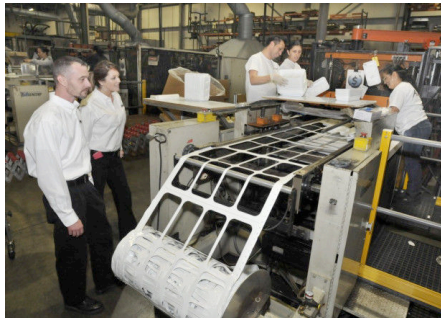
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## **Accutech featured in Attleboro Sun Chronicle Article: *Finally, manufacturing picks up, and 2015 looks even brighter***



*The Accutech plant in Foxboro. Jeff Costa works on a machine that does Hot Stamping on Mailing Bags.*



*To the left, Adam Claflin and Caitlin Levesque, manufacturing managers, look over a tray thermoforming machine at work.*



*Owner, Michael Keneally, with a new Mail Order Packing Machine that Accutech is building.*

BY RICK FOSTER SUN CHRONICLE STAFF

FOXBORO - Mike Keneally, owner of Accutech Packaging, thought he had a watershed year in 2013 when sales at his thermoforming and packaging machinery company jumped 12 percent. The better news: 2014 is shaping up to be at least as good, and future orders for the company's packaging equipment are piling up. "We make a lot of products for the e-commerce industry," Keneally said. "Right now we're booking orders into the first quarter of 2015. We're the farthest ahead we've ever been."

Accutech operates plants in Mansfield and Foxboro and employs 92 workers. But Keneally wants to hire additional workers to meet demand, including skilled machinists, machine assemblers and field service technicians. "We're having trouble finding enough skilled people," Keneally said.

Other local industries, large and small, are also experiencing an upsurge in activity. Attleboro's Sensata Technologies, which employs 120 people in its local manufacturing operation supplying customized switches for military and aerospace customers, is working three shifts to meet demand from aircraft manufacturers, spokeswoman Linda Megathlin said. The company is also looking to hire about 40 engineers and technicians for its business development component.

Medical device maker Smith & Nephew in Mansfield also posted a number of skilled job openings recently because of increased orders stemming from the company's purchase of Texas-based Arthrocare and a boost in sales from emerging markets, vice president Joe Metzger said.

For many area manufacturers, an uplift in demand comes as a welcome change after several years of a fits-and-starts economic recovery.

Steve Fuller, co-owner of Phoenix Inc. of Seekonk, which manufactures giant milling machines used to make products from jet engines to generators, said orders began picking up in earnest halfway through

2014. He expects substantial growth in 2015. "It's finally getting better after seven years that weren't as good," said Fuller, whose company last year delivered the largest industrial machine built in the United States in 50 years. Phoenix's customers include such major manufacturers as Pratt & Whitney, Siemens and BAE systems. Fuller estimated that sales volume for the company's just-completed fiscal year will be up 10 percent to 15 percent, and he projects further growth next year. "We'll be starting 2015 with a good backlog," he said.

Jon Bryan, a management professor at Bridgewater State University, said the rally in manufacturing is underpinned by consumers pulling out their checkbooks for cars, appliances and other purchases. "Consumer confidence is up, and access to credit is good," he said. In addition, consumer borrowing recently hit record levels, he said. "When you see those things, you know consumers are spending more on goods and services."

Altogether, Massachusetts manufacturers made and sold \$45 billion in products in 2013, according to the U.S. Census Bureau. More than half of that - \$25 billion - were exports to other countries. Historically low interest rates have also made it easier for companies to invest in equipment, boosting the bottom line for manufacturers like Accutech and Phoenix. But, Bryan cautions that the resurgence could be affected by major headwinds, including slowing European economies and worries over renewed Russian militarism and instability in the Middle East. The manufacturing recovery, however modest, has been a long time in coming. Massachusetts, like many states, experienced an outflow of manufacturing beginning in the 1990s as many companies sent operations offshore. The recession of 2008-2009 helped to further erode the factory economy.

Currently, about 372,000 people are employed by manufacturing industries in Massachusetts, according to the latest figures from the Massachusetts Manufacturers Register, a statewide database. But lately, manufacturing has been making a comeback, albeit on a smaller scale, said Jack Healey, operations director for the Massachusetts Manufacturing Extension Partnership. "During the last 10 years in all of New England, we lost two-thirds of all manufacturing employers who employ 1,000 people or more," Healey said. "But since 2009, manufacturing has enjoyed some pretty good years." Fastest growth has come from smaller to medium-size companies producing items such as machine parts, instrumentation and processed metals.

Still, things could be better. Illinois-based Manufacturers News reported last month that industrial jobs in the Bay State posted a gain of less than 1 percent from August 2013 to August 2014, compared with a 1.4 percent increase nationally. "Massachusetts' educated labor pool, access to capital and stronghold in innovative technologies, particularly in pharmaceuticals, continue to draw some investment and support industrial growth, said Tom Dubin, president of Manufacturers News. "However, high business costs have kept Massachusetts industry from keeping pace with U.S. growth overall."

Employment gains in the pharmaceuticals, electronics and publishing industries were counterbalanced by losses in medical instruments and industrial machinery. And, manufacturing growth lags behind the Massachusetts economy as a whole. According to the Bureau of Economic Analysis, the state's manufacturing sector grew by 12.5 percent from 2009 to 2013, while statewide gross domestic product increased 16.4 percent. Manufacturing did expand at a faster rate than the economy in the greater Boston area during that period, Healey said, but it declined in Bristol County during the same period.

The Manufacturing Extension Project has just embarked on a study of manufacturing in Bristol County to address barriers to expansion and explore how some processes and products used by local companies might be used to attract new customers.

**About Accutech:** Accutech Packaging produces custom plastic thermoformed packaging, paper mailers and envelopes, and paperboard specialties. We also offer in-house tooling, design and product fulfillment. In addition, Accutech manufactures mail order packaging equipment to automate the outbound shipping process.