

21 Take Back Industries (TBIs) – Domestic Manufacturing and IGEs

“A Concept to Help Reclaim American Manufacturing and Jobs”

Issue/Problem

This is a business organization concept to be considered and embraced by the American business community, as well as state to local governments. And if I did not wholeheartedly believe that it has highly viable and practical potential within our economic system, it would not be included for your review.

The clear business goal behind what is called Take Back Industries or **TBIs** is to seed and foster the re-development of much needed domestic manufacturing in America and the various types of jobs it would provide.

The initial product targets would be things such as clothing and the types of items that are used in every American household and possibly by the business community on a fairly regular basis, if not daily!

Addressing the Out-Sourcing Epidemic

Over the last decade or so, a tragic and ridiculous number of America’s manufacturing, Information Technology (IT), and numerous other jobs, if not entire industries have been and are being lost to China, India, Mexico, the Philippines, etc. For the details on this check-out Lou Dobbs at CNN. He does the absolute best job reporting on Out-Sourcing and the IO (Illegal Occupant) issue, as well.

This push really got going in the late 1990’s in particular when the Year 2000 Software Crisis/Boom sent large amounts of IT work off-shore mainly to India for cheaper development costs (often with poor results, too).

Someone once commented to me that all the rhetoric about building the ‘Global Economy’ was really nothing more than the grand search for lower and lower wage workers. That sounds about right.

Our first priority must be to get creative and begin bringing those jobs back to America!

And what may surprise you to read — as a secondary push America along with the nations in North, Central, and South America must work together to bring jobs and industries into the Western Hemisphere and away from China, India, and other Asian and Pacific Rim nations. When you think about it, that concept practically ties into the Population Management and Re-Employment Systems

we reviewed earlier.

The people (IOs) America will be repatriating to other countries in this Hemisphere will need jobs. To that end, the little talked about and fairly useless Organization of American States (OAS) needs to suffer a re-birth and become an entity for commerce and to promote the Common Good of all peoples of the Western Hemisphere. This organized Hemispheric Economy concept has practical possibilities whose time may have come. And I do not mean any more NAFTA agreements, either.

For now we will focus on America's approach to the TBI effort. It will provide a working model that could be utilized elsewhere.

The TBI Concept

The businesses created and/or restructured to fit the TBI model will have the following characteristics:

- They will produce products that are routinely used and/or required by the average American family and/or business. And although it does sound funny at first the two examples I use to make the point are underwear and light bulbs! Two simple examples of products that people have and will continually need to purchase over their lifetime.
- This new business organization model will have them set-up as non-profit, non-stockholder entities – therefore they will not be burdened with the overhead problem of stockholders and their dividend expectations. TBIs will be focused on providing products and/or services at a reasonable price that covers the cost of production, as well as income and benefits for the owner(s) and employees.
- They will not be tax-exempt. Taxes will be paid.
- I also refer to them as **Income Generating Entities or IGEs** meaning that their purpose is to create jobs providing regular income and benefits for American workers and their families.
- These businesses will be initially funded as needed by long-term, low interest bank loans sponsored by federal, state, county, or city sources. Some could be started with grant money and/or donations. These will not be government entities and therefore will not involve civil service jobs.
- They will be private enterprise businesses, and their management should be experienced in running businesses, not total rookies – any 'new' owners will be required to have experienced managers from the start.

- These will be American citizen owned and operated businesses.
- Cost of goods and pricing will be key factors in making this new business practices work for the American consumer and the retail outlets where such products are sold. This runs somewhat against the normal concepts of cost, pricing, and profit, but it is practical for us to consider new methods. The economic world has changed, therefore the thinking and financial mechanics that drives American business must be restructured, as well.

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In the case of *underwear* – such products are currently made outside the U.S. and produced **very** cheaply due to foreign labor rates. Today, reportedly some 96% of our clothing is imported. We must make the 4% share grow, and I mean like yesterday!

Those low foreign labor rates need to be offset to some extent by other factors. For example, such products must be shipped via boat or plane to the US and distributed to retail outlets for sale. Those import shipping expenses will be reduced or eliminated under the domestic TBI model.

That may all sound a bit naive to some, but we must start somewhere. Those with better ideas need to please bring them to the debate.

Also, in the case of cotton or blended products, the material resources used to make such products overseas are “obviously” not grown in the U.S. (and that better be the case), thus decreasing opportunities for our farmers. This will not be the case under the TBI model – Hemp clothing, anyone!

So as you can see there will need to be trade-offs in the cost of production of such products for retail sale within the American retail economy.

The Potential Clincher

And one last hook that could potentially seal some deals. These new IGE business entities will be given multi-year sole-source contracts with American consumer outlets. And we are talking 10-year contract minimums, and probably permanent in some cases. Therefore, the financial models used to establish these enterprises would have that guaranteed market to bank on. Bingo!

So let the U.S. Congress work with state and county governments, the American business, and the pro-American financial communities on that concept for a while.

We are forced to compete in the world market with countries and economies that are not tied to stockholders, the constant annual demand for stockholder dividends or the burdensome cost of “for-profit” medical insurance! Therefore, we must consider approaches such as this in order to reclaim jobs and industries to employ our people. It is called being creative!

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Another thing to consider is where these new businesses would be located. It could be interesting to see how counties, cities, and towns approach the possibility of setting up such businesses in their localities.

There are other positive aspects of the TBI model to be considered, but this should be adequate to get the movement started.

The TBI and IGE concepts present viable options for the American business community to apply.

We can do this...

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This is the end of the four (4) New and Renewal Industry Proposals. As stated, they are the Lighter Side of the American Industry Restructuring Proposals. What comes next is quite the opposite scenario.

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