



PA House of Representatives Republican Policy Committee

414, Main Capitol Building
Harrisburg, PA 17120
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Rep. Joshua D. Kail
Chairman

PA House Republican Policy Committee Hearing “Manufacturing Our Way into the Future”

April 27, 2023, at 1 p.m.

**Hampton Community Center
Great Room A
3101 McCully Rd.
Allison Park, PA 15101**

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| 1:00 p.m. | Welcome and Pledge of Allegiance |
| | Manufacturing into the Future Panel |
| 1:15 p.m. | Matt Blackburn
<i>Senior Manager of Government Relations, Aurora</i> |
| 1:25 p.m. | Bryan Iams
<i>Vice President, Chief Communications and Government Affairs
Officer, PPG</i> |
| 1:35 p.m. | Questions for the Manufacturing into the Future Panel |
| | Preparing for the Jobs of Tomorrow Panel |
| 2:05 p.m. | Brian Kennedy
<i>Senior Vice President, Operations and Government Affairs,
Pittsburgh Technology Council</i> |
| 2:15 p.m. | Eileen Steffan, Ed.D.
<i>Vice President of Academic Affairs, Pittsburgh Technical College</i> |
| 2:25 p.m. | Questions for the Preparing for the Jobs of Tomorrow Panel |
| 2:55 p.m. | Closing Comments and Conclusion |



Testifier Biographies

PA House of Representatives Policy Committee Hearing *"Manufacturing Our Way into the Future"*



Matt Blackburn

Senior Manager of Government Relations, Aurora

Matt joined Aurora as Senior Manager of Government Relations in March 2021, after spending nearly 15 years working in the U.S. Congress. Matt's career on Capitol Hill began in March 2003 when he began working for then-Congressman Pat Toomey in his DC office.

In January of 2005, Matt began working for the late U.S. Senator Tom Coburn M.D. of Oklahoma. Matt supported the Senator's role on the Senate Judiciary Committee, covering topics such as

intellectual property, international trade, and visa and immigration reform.

In 2010, Matt served as the Policy Director for Pat Toomey's successful senate campaign. After the campaign, Matt returned to Pittsburgh to become the Senator's Western PA Director, a post he held for nearly 11 years. During this time, he served as a Senior Advisor to U.S. Senator Toomey on issues including economic development across the Commonwealth, Pittsburgh's unique infrastructure challenges, and oversaw the process for the selection and placement of United States District Judges across Pennsylvania.

Matt is a proud native of Erie, PA, and a graduate of Gannon University. Matt resides with his wife Christy and their three children: Emma, Matthew, and Hannah in Oakmont, PA.

Bryan Iams

Vice President, Chief Communications and Government Affairs Officer, PPG

Bryan joined PPG in October 2012 as vice president, corporate communications and marketing, and he assumed the additional responsibilities for government and community affairs in March 2013. The department name officially changed to Corporate and Government Affairs in August 2013.

Prior to joining PPG, Iams was principal advisor, communications, for FedEx Ground. He previously was head of strategic and external communications for Bayer Corp. and Bayer MaterialScience in North America.



Bryan Iams

Vice President, Chief Communications and Government Affairs Officer, PPG (cont.)

During his more than 10 years with Bayer, Iams advanced through various roles of increasing responsibility where he managed external media, public relations, corporate advertising, social media, crisis management, marketing communications, public affairs and internal communications. He also worked for more than seven years at global public relations agency Burson-Marsteller, now Burson Cohn & Wolfe.

A native of Pittsburgh, Iams earned a bachelor's degree in English from the University of Pittsburgh and a master's degree in public management from Carnegie Mellon University. He currently serves as Board Chair of VisitPittsburgh and was previously Board President of Reading Is Fundamental Pittsburgh. Iams is also a current member of the Arthur Page Society.



Brian Kennedy

Senior Vice President, Operations and Government Affairs, Pittsburgh Technology Council

Brian is the Senior Vice President for Operations and Government Affairs at the Pittsburgh Technology Council. Brian has also served as the Director of Community and Economic Development for the United States Senate, and as a Board Member and Treasurer for the Ben Franklin Technology Development Authority. Brian is a Past Chair of the Local Government Academy and has been a Mentor for the Young Transatlantic Innovative Leaders Initiative at The German Marshall Fund.

Brian earned his Bachelor's of Social Work from Gannon University.

Eileen Steffan, Ed.D.

Vice President of Academic Affairs, Pittsburgh Technical College

Eileen currently serves as the Vice President of Academic Affairs for Pittsburgh Technical College. Previously held roles during her tenure at the Pittsburgh Technical College include Program Director for Business and Computer Programs, Faculty Development Coordinator, Vice President of Faculty Development, and Interim President.

In 2017 Eileen received the 12th Annual Women of Achievement Award for Education presented by the Allegheny County District Attorney Stephen Zappala and Cribs for Kids.

Following her undergraduate business education studies at Indiana University of Pennsylvania, Eileen furthered her education by obtaining a Masters in Instructional Leadership from Robert Morris University and her Doctor of Education from Walden University.





**Testimony of
Matt Blackburn
Senior Manager, Government Relations
Aurora Operations, Inc.**

**Before the Pennsylvania House Republican Policy Committee
Hearing on
“Manufacturing Our Way into the Future”**

Thursday, April 27, 2023

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- Chairman Kail, and distinguished Members of the Committee, good afternoon. My name is Matt Blackburn and I serve as a senior manager at Aurora, handling the Company’s government relations matters here in Pennsylvania.
 - On behalf of Aurora, thank you for the invitation to provide testimony for today’s hearing. I am honored to have the opportunity to speak about the future of manufacturing and the role companies like Aurora can play in creating Jobs of the Future.
 - Aurora was founded in 2017 with a mission to deliver the benefits of self-driving technology safely, quickly, and broadly.
 - We are building the Aurora Driver, a platform that combines hardware, software, and data services to allow vehicles to autonomously move people and goods safely and efficiently through the world.
 - When complete, the Aurora Driver will enable an autonomous transportation ecosystem, bringing together automakers, truck manufacturers, logistics services, mobility services, and fleet

management providers to deliver the benefits of self-driving technology to a wide segment of the population.

- Aurora employs more than 1,700 employees, ranging from hardware and software engineers to commercial drivers and operations specialists, across offices in seven states, with the majority of them based here in Pittsburgh.
- As we all know, manufacturing in the “Steel City” has changed greatly over the past 150 years. From Andrew Carnegie’s steel mills that dotted the landscape of Pittsburgh to the H.J. Heinz factories that provided safe and affordable food for people all over the world, Pittsburgh’s manufacturing has helped change our country and the world.
- In 1989, Carnegie Mellon University (CMU) founded the world’s first doctoral program in robotics. Since then, hundreds of companies and organizations have grown the robotics industry and developed some of the world’s largest commercial centers for autonomous technology – leading to Pittsburgh being known as the robotics capital of the world.
- With two of our three founders being CMU graduates, Aurora is leading Pittsburgh’s effort to change the country and world again - this time with self-driving vehicles.
- While Aurora is not considered a traditional manufacturer like PPG, we are developing a product that has the potential to transform our transportation ecosystem, saving lives, increasing safety and efficiency on our roads, and making it less expensive, more accessible, and generally easier to get around.

- All the while, we are creating the Jobs of the Future. Jobs that are created uniquely to serve this industry. Jobs that would not exist without the advent of self-driving technology. Jobs that will be safer than many existing roles in the freight industry and provide a good, family sustaining income. Jobs that will stay here in Pittsburgh.
- A year and a half ago — with the help of the R.K. Mellon Foundation and the Regional Industrial Development Corporation of Southwestern Pennsylvania — an impact study was conducted in the region to better understand the size and scope of the robotics industry in Pittsburgh. The results of that study were incredible: more than 6,000 jobs in Pittsburgh are directly tied to the Autonomous Vehicle (AV) and Robotics industry and more than 15,000 indirect jobs exist in the region.
- As companies like Aurora continue to grow and scale, the need to hire and grow our workforce expands as well.
- Last year, Aurora launched a program with the Pittsburgh Technical College (PTC): an associate's degree in Science - Robotics & Autonomous Engineering Technology.
- This program, the first of its kind in the country, is an 18-month degree program that provides a terrific opportunity to enter the AV & Robotics industry. The program was developed by Aurora and PTC, but the curriculum is not limited to the AV industry. The program's curriculum is a combination of electronics, mechanical engineering, electrical, and information technology that will prepare students for manufacturing roles in nearly any robotics company in the region.

- Programs like ours are helping to shape what manufacturing looks like in the future. They are programs that connect the digital work of computer science with the physical work of hardware and mechanical design. The connection of these two disciplines — often seen as separate and disconnected — are accelerating the new manufacturing revolution that is happening here in Pittsburgh and across the country.
- It is a common misconception that in order to work in the AV & Robotics industry you need to have a four year degree. That is simply not true. We need talented individuals who can help connect the digital and the physical in a way that ensures that our AVs, both Class 8 semi-trucks and passenger cars, are built, repaired, and maintained properly. We need mechanics of the 21st century, people who can work with their hands and get excited about how you turn a traditional, human-driven vehicle into an autonomous one. It is highly complex and technical work that is rewarding and deeply meaningful.
- The goal of this program is to train workers who can help sustain Pittsburgh's robotics prowess on the technician side. Classes include computer-aided design, blueprint reading, electronics, robotics, technical report writing, and physics, plus a hands-on industry internship.
- Working to create this program was just the beginning — Aurora has helped fund a scholarship to help defray the cost of the program for students and we have committed to continue to do so for at least the next three years.

- The advanced manufacturing that is done here in Pittsburgh — whether it be the assembly of Aurora’s hardware kit made up of cameras, radar, and lidar sensors on the top of PACCAR or Volvo trucks or installing a wiring harness on our Toyota Siennas — is helping to lead the city and Pennsylvania into the future.
- We are developing a product that has the potential to make transportation safer, increase accessibility, and be more reliable and efficient than ever before.
- Now, I would be remiss if I did not mention that so much of what we are able to continue to do in Pennsylvania will be the direct result of the certainty that we received with last year’s passage of HB 2398, now Act 130 of 2022. Many of you were instrumental in the passage of that important bipartisan legislation and I did not want to miss this opportunity to thank you again.
- The ability to test and deploy driverless vehicles in Pennsylvania can only happen because of the hard work that many of you put into ensuring passage of that landmark legislation last year. You have provided Aurora the keys to continue to grow and expand our footprint in Pittsburgh.
- Building the manufacturing workforce of the future is complicated, but the Pittsburgh region is uniquely positioned to have a front row seat to this transformation. Aurora will remain a leader in developing talent and technology. We want the Jobs of the Future to continue to grow in Pennsylvania and we look forward to working with Members of this Committee to ensure that happens.
- Thank you again for the opportunity to provide this testimony and I look forward to answering the Committee's questions.



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Chairman Kail and members of the Republican Policy Committee, good afternoon and thank you for the invitation to speak with you about advanced manufacturing in the Commonwealth of Pennsylvania.

My name is Bryan Iams, and I am vice president of corporate and government affairs at PPG. PPG is a global leader in the paint and coatings industry. We operate in more than 70 countries and employ more than 50,000 people worldwide.

At PPG, our purpose is to protect and beautify the world. That mission began 140 years ago right here in Pennsylvania. Our business portfolio includes paints, coatings, and specialty materials for the architectural, aerospace, automotive OEM and refinish, industrial, protective and marine coatings, and traffic solutions markets.

The story of PPG is deeply connected to innovation and advancement in the manufacturing sector. After all, automotives and airplanes, key parts of our business today, were decades away from being widely adopted at the time of our founding. PPG has succeeded because we have worked to stay at the cutting edge of innovation, developing new coatings and supplying coatings to emerging technologies.

For example, we have just heard about exciting breakthroughs in the autonomous vehicle space. PPG is preparing for an electric and autonomous vehicle future by developing coatings that improve the detectability of a car by the sensors that navigate AVs and coatings for sensor lenses that are easier to clean, improving AV safety.

PPG continues to help lay the groundwork for the future of mobility. In recent years, our acquisition of the former Ennis-Flint, maker of the white and yellow traffic paint you see on roads, helped us increase our capabilities in road markings. PPG's innovations in developing retro reflectivity lidar technology that helps guide AVs will mean that even traffic paint is an area for scientific breakthroughs.

The work PPG has done relating to electric and autonomous vehicles is just one area where we have produced coatings that increase safety, durability, and efficiency.

Another example of PPG innovation involves aerospace coatings. Airlines often opt for lighter colors for their planes to cut down on the absorption of solar energy, which then drive up the plane's temperature and

energy needs to keep the plane cool. Our scientists developed a coating to allow for darker colors by looking to the eggplant for inspiration – recognizing that an eggplant has dark skin, but still remains cool, they developed a coating for airplanes that does not absorb solar energy but instead reflects it.

Like many companies, PPG sought to do our part during the pandemic. We worked steadfastly to bring to market CopperArmor®, an antimicrobial architectural paint line that has a 99.9% kill rate for any viruses that come in contact with it. This technology was a game changer for critical places including daycare centers, nursing care homes, hospitals, college dorms, and so on – anywhere people are in close contact. Not only does it kill COVID-19, but it also kills viruses that live longer on surfaces including flu and the human calicivirus (GI bug).

The innovation and research done at PPG benefits customers around the globe, from U.S. military personnel flying the F-35 fighter jet to families looking to give their homes a fresh coat of paint. But the heart of the company remains here in Pennsylvania.

Our corporate headquarters sits in downtown Pittsburgh. In addition, just a few minutes' drive from here in Allison Park, we have our Coatings Innovation Center, where some 400 scientists and technicians conduct research and development for our operations across the globe and across all of our strategic business units. The CIC is where much of the work takes place to keep our products and operations at the forefront of manufacturing.

More research and development activities take place in Harmar Township and in Monroeville, also the headquarters for PPG's specialty coatings and materials business and more research and development. Cranberry Township is the home of PPG's Architectural Coatings headquarters for the United States and Canada. And Springdale Borough is the site of an industrial coatings manufacturing facility as well as a lab.

On the other side of the state, our facility in Elverson manufactures low-friction and nonstick coatings for industrial applications and consumer products, and Reading is the home of an Architectural Coatings distribution center.

All told, these sites employ about 4,000 people in Pennsylvania and are a critical part of our worldwide operations. Whether in research, in manufacturing, or in corporate roles, the individuals at our Pennsylvania sites help drive advances in technology, from initial creation to delivery to consumers, that improve safety and efficiency.

The public policy choices made in Pennsylvania are crucial to our success in delivering on the promise of advanced manufacturing. I would like to highlight three areas where I believe lawmakers can make a positive difference in the field.

The first is in taxation. The agreement last year to cut Pennsylvania's corporate net income tax is a welcome development that makes the Commonwealth a more competitive place for business. That said, the length of time to phase in the cut postpones the date when manufacturers can take full advantage of the new rate for productivity and investment.

Another aspect of Pennsylvania's tax code that could use improvement is its treatment of net operating losses. The current cap on carrying forward operating losses is stricter than the federal cap and caps in many other states. Bringing the cap on NOLs into line with other states and the federal tax code would provide greater certainty for businesses.

The second policy area is workforce. Like many other businesses in recent years, PPG has faced challenges in recruiting and keeping employees. Resolving this issue will require long-term solutions, such as encouraging educational institutions to prepare for the career fields of tomorrow and more attention to vocational training. I'm proud to say that PPG is doing its part in this area by supporting STEM education, investing over \$9.1 million globally in education last year.

The third policy area is regulation, which can touch on many aspects of manufacturing. When making these rules, I encourage regulators to ground them in sound science with achievable technologies.

By promoting advanced manufacturing, we can make the products that will boost our economy, protect our country, and make life easier for consumers right here in Pennsylvania, while providing quality jobs in the workforce and a significant tax base for state and local government.

I would like to thank you again for the opportunity to offer my remarks today and look forward to taking your questions.