

**Congressional Committee Meeting (Education & the Workforce)**

"Reviving our Economy: The Role of Higher Education in Job Growth and Development"

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Ladies and Gentlemen of the Congressional Delegation, Good Afternoon.

I have been working with BMW for 23 years, 13 of which have been dedicated to HR matters at our South Carolina Plant.

I am pleased to be speaking with you today about BMW's workforce recruitment and higher education partnerships. Workforce development was one of the primary factors in BMW's decision where to locate its first plant outside of Germany. A strong, technical college infrastructure, as well as a skilled manufacturing workforce was essential to BMW's 1992 announcement that guaranteed 2,000 jobs.

The upstate of South Carolina offered a workforce that had deep roots in manufacturing. While they had never built automobiles, the existing technical college system ensured that the right training could be arranged and deployed.

Now, here we are, almost 2 decades and nearly 2 million vehicles later. With a workforce of more than 7,000 people and state-wide education

partnerships that have consistently delivered sustainable solutions, we are guaranteeing that BMW in South Carolina is well-prepared for the future.

All along the way, our partnerships with 2-year technical and 4-year engineering colleges and universities have been outstanding.

In the early days, BMW Manufacturing was a new organization that still relied heavily on Germany for support. The plant partnered with local, technical colleges for support of recruitment and onboarding training. At that time, the central process of recruiting and training production associates on automobile manufacturing fundamentals was our main priority. While that basic need remains, we have proven ourselves as a major contributor to the world-wide BMW Group production network. We have evolved into an economic force for the automotive industry in the Southeast and find ourselves with a great opportunity to develop unique programs that integrate the academic world with workplace functions.

Currently, we are involved with several recruiting partnerships that deliver 2-year, 4-year and graduate school employment candidates. To start with, we recently announced a brand new partnership with Spartanburg Community College, Greenville Technical College and Tri-County Technical College. We call it the BMW Scholars program. For students enrolled in various 2 year career paths related to manufacturing technology, it offers the workplace benefits of a traditional apprentice program that you would find in Germany with the additional advantage of tuition and book assistance. We believe this is a great example of how collaboration between the educational and manufacturing sector can lead

to employment and far better outcomes and opportunities for our next generation.

Similarly, we have used collaboration models to partner with UTI, Universal Technical Institute, and AMTEC, Automotive Manufacturing Technical Education Collaborative. The real beauty of these partnerships is that they enable us to extract the modules of their programs that most benefit our recruitment requirements. We leverage UTI for our BMW Service Technician Program to develop the highest-quality service technicians to support our BMW Centers or Dealerships in North America. We leverage AMTEC's services as they deliver flexible options for additional training to support advancement of our maintenance workforce. To summarize, programs like Scholars, UTI and AMTEC are vital to our goal of supplementing education theory with real-world workplace application. Of course, our most public partnership was announced in 2004, when BMW pledged 10 million dollars to provide endowments for professors at this facility (Clemson University's International Center for Automotive Research (CU-ICAR)). This program, a partnership with the state of South Carolina and Clemson University, celebrated their first automotive engineering graduates in 2009. Today, this is an active partnership with three main objectives: continued post-graduate curriculum development, collaboration on research projects, and recruitment of graduates. Students from across the U.S. and from abroad are now enrolled in Clemson's graduate engineering program. BMW has hired several of their graduates and many have been placed within our supplier network. Success for these kinds of programs requires that higher education institutions across the nation continue to receive the proper investment to enable viable research.

Ensuring flexibility in curriculum development to effectively respond to the needs of the employers is equally as important.

Other successful programs include our Engineering and Operations Management Development Program. This program was formulated in conjunction with several 4-year universities to develop a pipeline to recruit the best and brightest engineering and business graduates from around the nation. The goal is to establish a pool of broadly skilled specialists beyond their specific field of study. To support the professional recruitment, we make domestic and International Intern and Co-op positions available to highly-skilled students who have demonstrated an interest in international careers in automotive manufacturing. Several significant opportunities exist for these programs: 1) we need for our national, public school system to support manufacturing as a viable career option beginning at the high-school level and earlier, and 2) we must begin to invest in aspects of education that foster an International mindset in terms of culture and secondary language development. Many qualified students find their way into our organization; however it takes another 2-3 years to teach them another language (in our case: German). Our objective is to build a channel to find engineering and management prospects with these qualifications within the existing marketplace of graduates.

BMW's plant here in South Carolina can look back on twenty years of experience in developing diverse solutions around sustainable recruitment and training partnerships. All the programs mentioned today are critically needed to ensure we guarantee a skilled, automotive engineering and

manufacturing workforce now and for the future. What we should all focus on is the importance of collaboration between academia and industry to guarantee that the course of study - in terms of mindset, knowledge and skills – meets industry needs and is effectively transferred to the workplace. As our plant in South Carolina becomes an even greater contributor to the global automotive manufacturing industry, these requirements become even more necessary to maintain a sustainable organization.

Thank you for taking the time to explore such an important topic for our state, our nation and for our industry.