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Testimony of Andrea Hogan President and CEO, Merchants Metals LLC Senate Homeland Security & Governmental Affairs Committee "Governing Through Goal Setting: Enhancing the Economic and National Security of America" June 17, 2015

Thank you Mr. Tisch – and thank you, Chairman Johnson, and members of the Committee for the invitation to participate in this important discussion. It is an honor to be part of this distinguished panel and to testify before you today.

I am the President and CEO of Merchants Metals, an Atlanta-headquartered company that is one of the largest manufacturers and distributors of fence systems in the country. While I am relatively new to No Labels, I share the resolve of Senator Lieberman, Governor Huntsman and Chairman Tisch in urging the adoption of a *National Strategic Agenda*.

As Mr. Tisch stated, for those of us privileged to lead great organizations, it is inconceivable that you could run an enterprise successfully without first establishing and communicating the key goals and objectives.

I know of no business that can succeed long-term without a clear vision of what success looks like – a shared, goal-driven agenda of strategic imperatives – and a defined set of tactics aimed at achieving the organization's goals.

And yet, remarkably, the largest 'enterprise' in the world; the United States of America – all \$17 trillion of it in economic output terms – operates precisely this way today.

We can't allow this to be the case anymore.

We are inspired and encouraged by the growing number of committed problem-solvers in Congress willing to acknowledge our shared challenges – and pursue bipartisan solutions. But our message today should be unambiguous – the gridlock in Washington has made it much harder for businesses such as Merchants Metals to execute against our most basic needs – finding qualified workers, developing cost effective ways to get products to market, and accessing credit.

Mr. Tisch provided a few facts to illustrate the serious problems facing our nation. At Merchants, we refer to this as a "burning platform," a set of circumstances that, if left unaddressed, will severely damage and in some cases, destroy an organization.

When presented with a "burning platform" problem, our first order of business is to find out what can be known and to organize the facts in a way that makes sense.

A useful framework we use is a SWOT analysis: Strengths, Weaknesses, Opportunities, and Threats.

Once these elements are defined, a strategy can be developed to leverage strengths, eliminate or neutralize weaknesses, capture the top opportunities, and mitigate threats. This is precisely what the *National Strategic Agenda* is designed to do.

From here, we create a plan, and move to execution and accountability. Organizations, both large and small, can accomplish great things with a great plan.

Having been a part of teams with a great plan and those with no plan, I can tell you that the former get results. The latter do not.

Employers across the country see firsthand each day weaknesses and threats to our shared enterprise – an economy that just does not work well enough for enough people, and a fiscal situation so uncertain it dampens the entrepreneurial spirit that once made the U.S. the global pacesetter in virtually every critical industry.

The *National Strategic Agenda* provides a path to address those weaknesses and threats, and that alone is good reason to adopt it.

But the Agenda can also build on our strengths and empower us to seize opportunities.

Take just one of the goals in the Agenda: creating 25 million jobs over the next decade.

This is a goal we all surely embrace – but success requires the federal government to make meaningful progress in a number of policy areas, from creating a simpler, more competitive tax code, to reforming our immigration laws and investing in our public infrastructure.

On Tuesday, I sat with one of my top customers in Dallas. I asked him what I could do to help him grow his business. He said "you can find me some qualified workers, we've had 5 openings for over a year and while most of the folks we've interviewed can do the work, we haven't found anyone who can fulfill the state and federal requirements." Figuring out a way to fill those jobs will help my customer grow his business and in turn will help me grow mine. Remember, it's not a job until someone is in it.

By adopting the *National Strategic Agenda* and executing against these policy initiatives, Congress would enable us to capitalize on this nation's unmatched strengths: our abundant natural resources, the world's most entrepreneurial workforce and deep capital markets – just to name a few. And it would allow us to seize new opportunities.

Our economy is still not humming -- but we've navigated the post-crisis era better than most countries; a testament to our resilience as a people ---and our strength as a nation.

But we need a plan.

A federal government that adopts a plan – and demonstrates progress towards its goals – instills confidence in the population and, in turn, fuels new innovation, risk taking, and growth.

Absent that firm foundation, we wait, we postpone, we take the safer path, or we take no path at all.

The fence industry employs thousands of hardworking people, from manufacturing through installation. Our products provide two things that people value: privacy and security.

But our industry has been reluctant to innovate because of scars from the Great Recession, seemingly uncontrollable healthcare, insurance, and transportation costs, and very low confidence in the current political environment.

There is so much untapped potential at Merchants Metals and thousands of businesses like ours that can be unleashed by our government re-building a sturdy economic foundation and renewing confidence in a functioning federal government. If you do your job here, I can guarantee you, American business leaders will do ours.

The National Strategic Agenda provides a common sense path forward. It is time to get started.

Thank you.