

**Remarks in a Roundtable Discussion With Industry Executives and Governors on
Advanced Manufacturing Support Legislation**

March 9, 2022

The President. Hey, team.

Secretary of Commerce Gina M. Raimondo. Hello. How are you doing?

The President. Good. No problems. *[Laughter]* The price of oil came down \$14, so I think we're good. *[Laughter]*

All right. Well, thanks, everybody, for being here. And for my colleagues that are on the screen, thank you for being here.

I'm pleased to be joined by a group of very distinguished people, and particularly by the Governor from Indiana, Eric Holcomb; and my good friend, Gretchen Whitmer, from the State of Michigan; and some of America's world leaders and most important manufacturers in the world and—Cummins, Hewlett-Packard, Medtronic, Micron, Samsung, Whirlpool.

And just last week, in my State of the Union message, I said that we're seeing the revitalization of American manufacturing, especially in the industrial Midwest. Our economy created 432,000 [423,000]* new manufacturing jobs in America since we took office. And today, companies are choosing to build new factories here—here in the United States—when just a few years ago, they would have built them overseas.

What I also said is that companies are ready to do more—a lot more—if Congress passes the bipartisan innovation act. And that's why we're here to today to talk about the bipartisan act. And we have the president and CEO of Micron with us. Sanjay, thanks for being here. Micron is looking to making a multibillion-dollar semiconductor investment here in America if this bill gets passed.

And Dr. Choi, the CEO of Samsung, is also on the screen. Thank you for being here. Samsung has committed \$17 billion—as the largest ever U.S. investment—to build a semiconductor facility in Texas, which I understand is going to create 2,000 good-paying jobs.

Other CEOs that are here are making their own investments in America. But they need Congress to pass the bipartisan innovation bill. And one of the reasons we need to do that is because there is perhaps no production more important than reclaiming America's leadership and owning our future than semiconductors.

You know, these semiconductors that are the size of a fingertip, power about every day—almost everything in our everyday life—smartphones, the internet, appliances, technologies we haven't invented yet. And our Nation—and the semiconductor was invented here in the United States of America. And over 30 years ago, America had 40 percent of the global production of semiconductors.

But since then, something happened. American manufacturing—the backbone of our economy—got hollowed out. Companies moved jobs and production overseas, especially from the industrial Midwest. And the result: Today, we barely produce 10 percent of these computer chips, despite being a leader on chip design and research.

* White House correction.

This puts us at the mercy of shortages and supply chain bottlenecks. But we have an opportunity—we have an opportunity—to reclaim the position of leadership.

I think it's a bipartisan consensus. There's an—there's an innovation bill that—this innovation bill has bipartisan support in both House and Senate now. It includes billions of dollars for new incentives to produce semiconductors here in America.

And the bill is not just about funding semiconductors; it includes an office at the Department of Commerce that will be tasked with monitoring and strengthening critical supply chains. And it expands programs that help manufacturers across the country benefit from our investments, particularly small manufacturers.

It invests in R&D the way we need to so we can invent and make the technologies of the future and in industries like biotechnology, artificial intelligence, telecommunications, and others we can barely imagine today and which we're going to build a foundation for future jobs and prosperity not just here, but around the world.

So today I'm urging the House and Senate to work out the differences between the versions—two versions of this bill and get it to my desk as quickly as you can. Passing this bill will do four important things: First, it will send a message to the world that America is back in the game, open for investment, commitment to creating clean energy economy and competing to win in the 21st century.

Second, we're going to create jobs: good paying, cutting-edge jobs; manufacturing jobs, many that don't require a 4-year college degree.

Third, making it in America is one of the ways we can address our cost and supply chain challenges. When we build a—when we build products we need, we don't have to wait. And we reduce shipping costs. And we can get goods moving faster.

And fourthly, we have—it will be a—it will mean that we aren't overly reliant on other countries from risks like wars and pandemics. And I saw it during the pandemic that when we needed it the most, we were in short supply of masks, gowns, gloves, ventilators, and other essential equipment.

We should never be in that position again. And the bottom line is this bipartisan innovation bill will allow us to stamp more products "Made in America". And it's going to bolster our national security and our economic security. It matters, so let's get it done.

And now, it's my honor to turn this over to the Governors, and then we're going to hear from the CEOs. And so, Governors, I'm sure you agree with the Ohio Senator Sherrod Brown, who said, "It's time to bury the label 'Rust Belt.'" [*Laughter*]

Governor Gretchen E. Whitmer of Michigan. Amen.

The President. Like, the industrial Midwest today, you see something special is happening.

Let me start with you, Governor—Governor Holcomb from Indiana.

Governor Eric J. Holcomb of Indiana. Yes, I—thank you, Mr. President. And, Madam Secretary, great to be back with you again. I would just echo or underscore the point that—points that you've made. And certainly, the Midwest is no longer the Rust Belt; it is a shining buckle on that belt. And we are just open for business, but able to do more.

This innovation bill—ultimate bill that comes together is a key part of our futures. It's a key part of a Midwestern microelectronics corridor, if you will, that has everything to do with economic development and national security.

For a State like Indiana—and you could probably say this about a lot of Midwestern States—but we're heavy intensive in manufacturing—number-one per capita for a State like Indiana. Five auto OEMs, medical devices, the list just goes on and on and on.

And I would just say that it's two things. One, it's been said that speed kills, and in this sense, slow speed kills. We need to get this done. We need to get it on your desk. We need to get it signed so that we cannot just catch up with the competition, but lead.

We know a little something about this in Indiana. We've got the Indy 500, and we like to go fast.

The President. [Inaudible]—going fast. A gallon of gas is down 14 percent today. [Laughter] So I want to make sure they go fast.

Gov. Holcomb. Yes.

The President. And I didn't mean to interrupt you. I'm sorry.

Gov. Holcomb. Yes. No, so, you know, it's speed. We've got to get there, and we've got to get there yesterday. And then also partnerships.

And for us in the Midwest, we have those talent pipelines, Madam Secretary, that we've spent a lot of time talking about: Purdue University, one of the largest engineering schools in the country, top ranked; Rose-Hulman, number-one undergraduate engineering school.

So we've got a community college system that is built—the structure in place—as well as Naval Surface Warfare Center Crane, with the DOD—and all the research that goes into it. So those—the Federal, the private sector, and the State governments that come together—those partnerships are in place right now so that we can get it to your desk and get on with business.

The President. I'll do anything to help if you get me to be able to drive the lead car in the Indy. [Laughter]

Gov. Holcomb. Write that down. [Laughter]

The President. You think I'm kidding. You think I'm kidding. I'm not kidding. [Laughter]

Gov. Whitmer. Oh, we know you're not kidding.

Gov. Holcomb. No.

The President. You know. [Laughter]

Gov. Whitmer. We've seen you drive a lot of cars in Michigan.

The President. I know. Oh, God, I tell you what——

Gov. Holcomb. I think the Secretary is driving the pace car, by the way.

Gov. Whitmer. Yes. [Laughter]

The President. Yes, I know. I don't know, man. I'm ready. Anyway.

Gov.

Gov. Whitmer. Yes, well I'm—I'm really glad to be sitting here next to Eric because, in the Midwest, you know, we are proud of what we do. We work hard. We solve problems. We're not afraid of digging in. And this—I think this act that we're talking about is a huge opportunity for our Nation.

[At this point, Gov. Whitmer continued her remarks, concluding as follows.]

So doing this important advanced manufacturing where we can stamp it "Made in America"—and preferably "Made in Michigan"—is a good thing for our whole Nation. And so that's why I think it's so important that both sides of the aisle—we are here, we are eager to throw our support behind getting this bill to your desk, and recognize that critical importance to the people of our States and our Nation.

So I'm excited to be here and eager to jump in wherever we can be helpful.

The President. You know, we're old friends—you've heard me say many times—you know, that was something my dear mother, God bless her soul, used to say: "Out of everything bad, something good will happen if you look hard enough for it."

And I think we're in a position now—we're in a real inflection point in history—not just America, but across the world. There are going to be changes that are going to—whether—no matter who's in charge, they're going to create fundamental—fundamental change is taking place geographically, politically, economically, technologically.

And you know, one-third of the inflation last year was because of the cost of automobiles, and it was one reason: didn't have the computer chips. Rising prices were—you know, that's one-third of the inflation. And so we can solve a lot of that.

I'd like to, with her permission—Liz, I'd like to go to you a little bit, speaking of Whirlpool. And you announced an \$80 million investment in a manufacturing plant in Ohio and Oklahoma last year, which are going to create about 250 jobs, if I'm not mistaken.

My question is that—

[*The President coughed.*]

—excuse me—why is domestic production of semiconductors important to Whirlpool? And how will this bipartisan initiative, if it passes it and gets to my desk—how that's going to affect you? I think I know the answer, but I think it's important for it to be heard from you. No, I really mean it. I think it's important.

Look, the one thing we've had as we brought in CEOs and VPs and others the last, I don't know, a couple months, right here in this fora, is people go, "Whoa, this is real," when they hear from the companies what they want to do.

And so I'd love to—you to tell me a little bit about how you see it moving, if you would.

Whirlpool Corp. Senior Vice President of Global Strategic Sourcing Elizabeth Door. Well, first of all, thank you, Mr. President, for inviting Whirlpool Corporation to sit here today at this table with all these leaders. We're very, very grateful to be able to be here today.

[*Ms. Door continued her remarks, concluding as follows.*]

So semiconductors are absolutely essential for us. And certainly, if we had all the semiconductors, as Governor Whitmer said, we'd be able to deliver the appliances to all of our customers, which we have been challenged to do so.

But we are absolutely committed to deliver to our consumers every day.

The President. Do you think your customers and/or even maybe some of your employees who have been around a long time really appreciated how critical a semiconductor was for them to make the products and move them?

Ms. Door. Absolutely. I think everyone inside our company—and I even think, you ask consumers—and world leaders are very, very familiar now with semiconductors and how critical

they are to technology, research and development, upskilling the workforce, and STEM education. So, absolutely.

The President. Well, it's interesting. And I think it's been a—unfortunately, a—you know, it's been a reality that the American public realizing that a semiconductor mattered a great deal whether or not your washing machine functioned, or whether your cell phone functioned, or whether your automobile functioned.

And it's not that—I think we—they just took an awful lot for granted; we all did—that this was: "We can do this. It's not a problem."

And the irony of—I keep reminding everybody of the irony is: We actually invented the semiconductor. *[Laughter]* We headed to the Moon. So, we also—I have no parenthesis. We've got to be—start investing a hell of a lot more money in research and development—pure research and development.

We used to do about 2 percent of our GDP; now we're down by 1 percent. And it's—anyway, but I don't want to get off on that and get you going.

Well, thank you. I'd also like Madam President, Jennifer, I—you—at Cummins, you make some pretty big engines. You manufacture—and—now—but now you're making battery electric alternative fuel engines, right?

Cummins Inc. President and Chief Operating Officer Jennifer Rumsey. That's right.

The President. And so how has the chip shortage affected—chip shortage affected your company and your customers? And as we move toward this energy future, how can this innovation act—and it's a shame—you have to know all about this legislation; I mean, you're running a company—but how can this act help companies like yours remain globally competitive, not just here at home?

Ms. Rumsey. Right. Yes. Well, first, Mr. President, thank you so much for the opportunity to speak today and talk about Cummins's support of both the domestic innovation focus of this legislation as well as funding semiconductor manufacturing.

Cummins is a 100-year-old company headquartered in Columbus, Indiana. We employ 25,000 employees in the United States. And our employees are really focused on driving innovation and producing power solutions, engines, and also, as you said, fuel cell and battery-electric power solutions for commercial and industrial equipment. And that—those applications serve some of the world's most demanding and economically vital applications.

I spent time, prior to my current role, as chief technical officer, so I saw firsthand the need for innovation—

The President. *[Inaudible]* *[Laughter]*

Ms. Rumsey. —yes, really—the need for innovation, and the power of Government and private sectors coming together to focus on innovation.

Cummins worked closely for a number of years with the Department of Energy—a 21st-century truck program. And in that program, we were able to advance technology and improve fuel efficiency in trucks by 50 percent—a 50-percent reduction in CO₂. And much of that work has now made its way into trucks that are on the road today and are benefiting society.

[Ms. Rumsey continued her remarks, concluding as follows.]

So we strongly support the CHIPS Act, really focusing on bringing domestic production of semiconductors here, including some for our industry, which, by the way, are different than what we use in our cell phone. You know, because of the durability and harsh environment our

products operate in, we have specific chips that are critical to continue to invest and fund here in the U.S.

And so we look forward to being a part of the conversation as we move this important work forward.

The President. Well, you know, the point you've all made is that as everything changes, there's a fundamental shift to the reality that we can't keep the combustion engine the way it has been. It's even—you see what's happening in locomotives now. You know? And you see what's happening just across the board.

And so—and I think it presents an enormous opportunity—enormous opportunity—to improve the health of the public overall, number one, because we're moving in the direction, and we don't need to propel most of what we have in the future by—with regard to oil products or—and you know, I was really pleased to—and Gina—or Gretchen and I talked about this a lot.

When we met with the CEOs of the automobile companies, particularly Mary Barra—and she had sued the State of California for having a higher mileage standard than the national standard. And we had a long talk. I didn't—I'm not taking credit for her changing her mind, but she ended up calling me and saying that: "We're going to go—we dropped the suit, and we're going to go all electric. We'll get to halfway there within the next"—and then she said a date. And then Ford jumped on and everybody else. And it's a—because it is the future.

And it also creates, really, a hell of a lot of jobs too—good-paying jobs—and increasing the technological breakthroughs.

And so, at any rate, I think what you're doing really matters. And I know we've got a lot to talk about. You saw the team over here. I'm not sure about, you know, anybody but Gina over here on this side, including me. But all kidding aside, we've got a lot to do and I think we can get a lot done. I really do.

And there's a little thing going on in Europe right now, and I'm not going to be able to stay with you the whole time we're here. But that's not going to in any way diminish the content of what we're discussing here.

And, Brian, I'm told that you're going to run this show here.

National Economic Council Director Brian C. Deese. Yes, we'll give you a chance to depart, and the press as well, and then we'll continue on here.

Q. Mr. President——

Q. [*Inaudible*]—get those Polish planes?

NOTE: The President spoke at 2:05 p.m. in the South Court Auditorium of the Dwight D. Eisenhower Executive Office Building. In his remarks, he referred to Enrique Lores, president and chief executive officer, HP Inc.; Geoffrey S. Martha, chairman and chief executive officer, Medtronic; Sanjay Mehrotra, president and chief executive officer, Micron Technology; and Mary T. Barra, chair and chief executive officer of General Motors Co. Joining the discussion virtually were Mr. Lores and Siyoung Choi, president and general manager of the foundry business, Samsung's Device Solutions Division.

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