Testimony of Aaron Bagshaw, President of the W.H. Bagshaw Company
Before the U.S. House of Representatives Committee on Small Business
"Made in the USA: Stories of American Manufacturers"
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Good afternoon. I first want to thank Representative Kuster for the invitation to speak to you all today. As a small business owner, it is so encouraging to know that our voices are being heard and that small business, and manufacturing in particular, is such a priority to our delegation. Representative Kuster has been to our factory for two visits now, once as a candidate and more recently with Representative Steny Hoyer.

I am Aaron Bagshaw, President of the W.H. Bagshaw Company in Nashua, NH, a fifth generation pin manufacturing business. After combing through records, I have discovered that we have manufactured and shipped, since our inception 143 years ago, almost 42 million lbs. of pins to happy customers all over the world. Amazingly, this would be enough steel to build the Chrysler Building in New York City.

My Great Great Grandfather started manufacturing pointed pins for the textile industry in 1870. In the 1920's, we were the only and original manufacturer of the Brilliantone Phonograph needles. We still manufacture textile and phonograph pins today, as well as more modern products that are in higher demand. The lifecycle of the pin is baffling. If any engineers are listening I would like to share this information with you. We still manufacture and sell the same product we manufactured 143 years ago. However, over the years we have had to adapt, update and change not only what we sell but how we manufacture it. We're now making complex machined components for high tech applications using advanced machinery.

Our pin making machines are modeled after Leonardo Da Vinci's grinding concept. We are a living, breathing showcase of where the Industrial Revolution meets the Digital Revolution. We have machines that can make millions of pins per week and we have state of the art machines that can make incredibly complex parts. Often in my tours of our facility I will say that our "older" machines can make a lot of pins fast. I liken our story to what Henry Ford described as "you can have any color you want as long as it's black". You can have any pin you want, as long as it looks like one we have manufactured. Textbook Industrial Revolution. Next on our tour, I would show you our computer controlled machines that are making parts unattended. We download a computer program into the machine wirelessly or directly from a laptop. With the setup assistance of an operator, the machine manufactures complex components. Textbook Digital Revolution. All under one roof.

When people learn about our business, after the obvious question “What do you mean, PINS?”, we are asked “How have you managed to stay in business so many years?” Our magic formula seems to be having this incredible legacy and foundation partnered with lots of mojo and a fresh approach to marketing and management. As we like to say, we’re a 143 year old startup. Our core values are: Family, a “Make it Happen” approach, Empowerment, Courage and Perseverance.

The story of our family business truly is one of courage and perseverance. Through the years, we have weathered several wars, a Depression, and the recent Recession. Ten years ago we made the courageous decision to branch out into a new market, investing in CNC machines. CNC stands for Computer Numeric Controls, which means that they’re programmable machines. One operator can run several machines at one time. These machines have allowed us to produce pins that are much more complex for the aerospace and high tech industries. Several years ago, my wife and I made another courageous decision - we purchased a controlling interest in the business to secure the business for future generations.

As with most businesses, we’re concerned about the economy, healthcare and energy costs. But our most important resource is our labor force, and a big challenge for us is access to skilled labor. There is a shortage in our area of machinists who are skilled at running the types of CNC machines that we have in our factory. In some cases, we have been able to bring in entry level employees and train them. We’re working with our local community college to bridge some of the gaps in their skills so we can accelerate their learning. We were excited to learn that a federal grant allowed for a major upgrade to the equipment in their machining lab. Having these partnerships with community colleges will be effective for the continual development of our workforce. While a large corporation can hire someone to focus on workforce development and educational outreach, a small business like ours cannot - tax incentives for these types of partnerships would be quite welcome. We have a huge slate of process improvements we would like to tackle and are always interested in tax incentives that support these measures. . We have taken advantage of Lean Manufacturing courses in our state, NETAAC programs, export assistance through the US Dept of Commerce, and business advising from our NH Small Business Development Center. The Trade Adjustment Assistance for FIRMS has also been very beneficial. Support like this is critical to small businesses like ours.

We often say, “If you think a pin is just a pin, then you don’t get the point.” We have survived for 143 years on grit, determination, fortitude and a bit of luck. From Da Vinci to

Ford to the Digital Revolution we, as a company, need and will continue to need the skills that stem directly from the fields of Science, Technology, Engineering and Math. Our story does not end here. Our continued growth and evolution will rely heavily on the ability of our employees to adapt and grow, and use these technology skills.