

THE NATIONAL FLUID POWER ASSOCIATION

MIDTERM REPORT
2023-24





Tom Hunter
Executive Vice President -
Off Highway Division, Husco
2023-24 Chair of NFPA
Board of Directors

NFPA Continues to Strengthen the Fluid Power Industry

We're halfway through NFPA's 2023-24 membership year and we've seen high performance and success in each of our four areas of strategic focus. These are the action points that are delivering valuable connections and opportunities for our members, and helping to strengthen the overall fluid power industry.

Through our **Effective Forum** initiative, we are bringing our members together in ways that allow them to find new business opportunities and advance their collective interests. Members across the fluid power supply chain are engaging in many of the key networking and education events that we hold throughout the year. Especially noteworthy are our extraordinarily successful Annual Conferences, and our on-going series of smaller Quarterly Technology Conferences, where we are engaging with OEMs and other technology partners to better explore the technology trends that are impacting all of our businesses. To help expand these efforts, we have launched two successful technology task forces that are helping our members stay ahead of electrification, autonomous functions, and other rapidly-advancing technology trends.

Through our **Business Intelligence and Statistics** initiative, we are providing our members with the market data and intelligence to help improve their business decision making. Our user-friendly Stats Dashboard is allowing members to gain quick and actionable information from across our entire portfolio of programs. Many of these data programs are unique and one-of-a-kind, since they are sourced directly from the members. Through our business intelligence program, we have expanded these efforts to include information regarding the pace of new technology adoption in our industry as well as the key regulatory updates.

Through our **Promote Fluid Power** initiative, we are providing our members with opportunities and resources to promote themselves and their technology. Our Fluid Power Forum podcast, where members talk about their products and how they serve core customer needs, continues to see significant growth, spreading the word about key advances in our industry. And, after an extremely successful IFPE trade show in March 2023, we are expanding our education presence at a number of other core customer market trade shows.

Through our **Educated Workforce** initiative, we are increasing the number of fluid power-educated students and connecting them to careers in the industry. We do this primarily through our Fast Track to Fluid Power and University Power Partner programs, where we are expanding to 5 Fast Track Hubs and 7 Power Partner Universities. Through the on-going support of members through our Pascal Giving Society, we are making the plans and investments necessary to continue scaling these key programs to more locations.

This midterm report showcases these and other successes over the past year, as well as highlights some of the new programs we're building for the future. I hope you'll take a few moments to review our work and increase your engagement with our key programs and activities. Thank you for your NFPA membership!

Build Meaningful Connections

NFPA provides an effective forum where its members and OEMs network and advance our collective interests.



Bringing More Members into the Fold

It's never been easier to get more of your employees connected to NFPA benefits. Any employee at an NFPA company is eligible to get access to NFPA's Market Information and attend NFPA events.

In addition to getting more people at existing member companies involved, we have seen growth in membership numbers overall. In addition to several trial members that are trying select benefits before moving on to full membership, the following companies have signed up for membership over the past several months:

Connecting Members to Opportunities

NFPA's success depends on the active involvement of our stakeholders from across the supply chain—both in developing new programs and participating in those that provide the greatest benefits to their organizations.

NFPA is committed to serving our member companies through a menu of services that fits a wide-range of needs and interests, yet also offers individual engagement opportunities.

In 2023, NFPA brought members together in-person at our Industry and Economic Outlook Conference, and the upcoming Annual Conference taking place in February.

Over the past few months, we've also provided opportunities for our members to connect virtually at our Quarterly Technology Conferences and Economic Update Webinar.

- Automated Wire Products
- Bonavista
- Chaparral Artificial Lift
- elobau
- Gemels
- MPI
- Orschlen
- PISCO
- Rotary Power
- RW Screw
- Savik Super Chrome
- Singer Industrial
- Toyo
- Tusker
- York Precision Machining & Hydraulics
- Young Powertech
- Xirro

Know of a company that would benefit from NFPA membership? Refer them for membership and get a free conference registration when they join. Contact *Denise Husenica* at (414) 778-3354 or email dhusenica@nfpa.com for more information.



Visit [NFPAHub.com/Events/](https://nfpa.com/Events/) to take advantage of NFPA networking and learning opportunities.

NFPA offers chances for members to exchange and enhance their expertise with fellow professionals who share similar interests.

Enhancing Leadership Skills Across Member Companies

The 2022-24 cohort of the popular **NFPA Executive Leadership Program** began in July 2022 and will run through June 2024 with seven virtual and six in-person sessions. The program consists of a series of 13 total education sessions over the course of 24 months and is designed to provide a fluid power industry-specific experience that accelerates leadership and fosters long-term connections. Session content is delivered by the Kellogg School of Management at Northwestern University and focuses on both the hard and soft skills needed to create success for participants' organizations and the fluid power industry.

The 2024-26 cohort begins in July 2024. For more information on joining this cohort, contact *Eric Lanke* at elanke@nfpa.com.

NFPA's Leadership Network is a community of established and advancing leaders working together to create the future of the fluid power industry. Members of the NFPA Leadership Network connect with like-minded individuals across the fluid power industry who seek both professional growth and opportunities to shape the future of our industry.

The Network hosts events, thought-provoking seminars, and strategy sessions to help members develop their own leadership skills, their personal network, and their impact on the fluid power industry. Contact *Denise Husenica* at (414) 778-3354 or email dhusenica@nfpa.com for more information.



Continuing to Move Fluid Power Standards Forward

ISO/TC 131 standards development subcommittees and working groups met in-person, October 13th-17th in Milwaukee, WI.

Over 75 fluid power engineers from France, Germany, Turkey, United Kingdom, Japan, China, and the United States came together in meetings focused on terms and symbols, product testing, hydraulic installations and systems, cylinders, sealing devices, treatment of air and pneumatic component reliability.

TC 131 is responsible for 237 published standards, with 24 currently under development. Work continues to ballot, publish, reaffirm, update/revise, or withdraw fluid power standards.

If you would like to join one of the working groups here in the U.S., attend a meeting, and/or learn more about the development of fluid power ISO standards, contact *Allison Forsythe* at (414) 778-3369, or at aforsythe@nfpa.com for more information.

>> Visit [NFPA.com](https://www.nfpa.com) to learn more about these and other committee opportunities.



Understand the Fluid Power Marketplace

NFPA provides its members with timely and accurate industry statistics and business intelligence that supports improved decision-making.

Planning Your Next Move

The **Customer Market File and Trends in Capacity Utilization** reports have been combined to form the **Econ and Market Indicators** report. This report comes in two styles: a raw data file and an interactive online report. Download the raw data file for internal use or view the online report to see graphs, tables, and built-in analysis. This report is useful for understanding your customer markets and anticipating change in the industry.

New fluid power import/export data is also now available! This valuable update will include an interactive report for easier navigation of data.

NFPA's Business Intelligence is an effort to bring valuable information to decision-makers on emerging issues for which formal data programs don't currently exist. Information is drawn largely from surveys of members, but may also include other sources such as relevant weblinks or related 3rd party white papers and survey reports.

- **Compensation Reports:** Compensation benchmark reports are available to all NFPA members. These reports focus on eight important positions in six metro areas. Benchmarks are based on broad surveys of compensation data from the Bureau of Labor Statistics, the Bureau of Economic Analysis, and State Unemployment Insurance Claims.

Providing More Stats Value through Dashboards

The **Stats Dashboard** highlights data from NFPA's wide variety of market reports. This interactive tool includes high level CSS trends, producer price indexes for customer markets, import/export data, and much more! Source reports are linked throughout the dashboard to easily access more information on any graph/table. The Stats Dashboard is updated on a monthly basis and is a great place to start when exploring NFPA's market information.

Dashboard highlights include:

- High Level CCS Trends
- Regional Demand Summary
- Customer Market Trends
- Fluid Power Imports & Exports
- Forecasts

For more information, go to nfpahub.com/stats or email Cecelia Bart at cbart@nfpa.com



Market Reports *and* Data Programs

Participation-based programs: Participation in these programs is needed to receive these reports.



The Confidential Shipments Statistics (CSS) Program presents data on monthly orders and shipments and helps users understand trends and anticipate change in the industry. Data is collected from participating manufacturers, compiled by a third party to maintain confidentiality, and results are then only sent to CSS participants.



The State of the Fluid Power Industry Survey is a quick and easy electronic survey designed to identify monthly industry expectations based on the opinions of participants using multiple choice questions concerning the current and future state of the industry. There is a version for manufacturers and another for distributors. Participants receive results from both surveys.

Non-participation-based programs: Reports are available to all NFPA members.



Econ & Market Indicators Customer Market File is a monthly report containing data and trend graphs for a variety of key U.S. customer markets,

popular economic indicators, producer pricing, and more. The data can be used for your company's internal analysis needs and is easily transferred into analytical tools such as NFPA's Stats Toolkit.



Global Market Reports and Forecasts are a collection of reports covering our global marketplace, from high-level macro data and leading

indicators to very detailed analysis and forecasts of popular customer markets, including specific by-country analyses and forecasts. The report is done by Oxford Economics.



NFPA Forecast: U.S. Customer Markets is a quarterly report by ITR Economics and includes an outlook, trend graph, and commentary on the current year and two

years ahead for fluid power, hydraulics, pneumatics, and 29 customer markets, plus articles and insights into other economic events, topics, overviews, indicators, and questions.



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currently exist. Information is drawn largely from surveys of members, but may also include other sources such as relevant weblinks or related 3rd party white papers and survey reports.



International Trade Data is collected by the U.S. Census Bureau, Foreign Trade Division and is summarized with a particular focus on fluid power products. This report includes by-

country and by-product analysis with interactive tables and charts.



The **U.S. Fluid Power Regional Demand Estimates Report** profiles the geographic distribution of fluid power products to end-use industries by state, including fluid

power sales dollars, sales percentage, and number of establishments.

Insights on Fluid Power Tech

NFPA provides opportunities and resources for its members to promote the unique strengths and inherent advantages offered by modern fluid power technology.



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Providing the Latest Information About Fluid Power Technology

Now more than 36,000 downloads strong, **Fluid Power Forum** is a fluid power industry-focused podcast that highlights the people, technologies, and unique applications that are moving the industry forward. New episodes are released every other Monday and are available on all of your favorite podcast platforms. *Leave us a review to let us know how we're doing, and reach out to Elexus Comyne at ecomyne@nfpa.com if you'd like to be on the podcast.*

>> Visit fluidpowerforward.libsyn.com to listen to our recent episodes.

The NFPA released the updated **Technology Roadmap for Fluid Power** in August 2023. This publication outlines the evolving needs of companies in fluid power's many customer markets, the degree to which fluid power is capable of meeting those needs, and the R&D objectives that will help fluid power meet or better meet those needs in the future.

Additionally, eight Capability Improvements highlight areas for enhancing fluid power systems, such as data utilization, ease of use, energy efficiency, and safety. The Roadmap encourages alignment with specific research areas and targets for industry advancements. *Copies of the NFPA Roadmap can be downloaded at [NFPA.com](https://nfpa.com).*

The NFPA Technology Roadmap identified a number of machine-level technology trends that are actively shaping the future of the fluid power industry. To better understand these trends, and to engage stakeholders across the supply chain in the development of the resources and connections that will be needed to keep fluid power positioned at an actuation technology of choice on all these platforms, NFPA launched two **Technology Task Forces** – one focused on mobile applications, and the second focused on industrial applications.

These task forces held their first meetings in September 2023 – both held virtually and both focused on identifying the critical value points for fluid power, i.e., ideas, content areas, or challenges that represent spaces likely to draw stakeholders from across the value chain together for mutual learning and benefit.

Now, we are actively looking for more OEM engineers from key fluid power customer companies to join these task forces and help develop the value points into programs of interest to the fluid power industry and its customers. NFPA members are encouraged to extend an invitation to their customers to join these task forces, with all referrals directed to Eric Lanke at elanke@nfpa.com for more information and/or confirmation.



NFPA helps increase the number of technical college and university students educated in fluid power and connects them to careers in the fluid power industry.

Impact the Future of the Industry

Getting Industry Donors Involved



The **Pascal Society** is the annual giving society of the NFPA Education and Technology Foundation—a tax-exempt, charitable organization dedicated to meeting the workforce development needs of the U.S. fluid power industry.

So far this year, Pascal Donors have taken part in several opportunities to connect with students through NFPA programs that their donations support. Donors have visited schools and attended educational events both in-person and virtually to talk with students about fluid power careers through NFPA's Fast Track to Fluid Power Program, they have attended Industry Connection events at our Power Partner Universities, and they have volunteered to mentor university teams in the Fluid Power Vehicle Challenge program. As we look forward to April 2024, more Pascal Donors will judge the Vehicle Challenge Midway Reviews and attend the Final Competitions.

Please contact *Stephanie Scaccianoce* at sscaccianoce@nfpa.com to learn more about becoming a Pascal Society Donor.



Thomas Wanke Legacy Fund

Since making the announcement, and thanks to generous donations from Tom's many friends, former students, and colleagues, total donations to the fund at the time of this writing, exceed \$30,000; qualifying the fund for the maximum matching gift of \$25,000 that was pledged by the NFPA – meaning that the fund now has more than \$55,000 to use in supporting fluid power education.

In its first year, three students received \$2,000 Tom Wanke Legacy Fund awards administered through the NFPA Education and Technology Foundation, Tatiyana Timmons, Tony Hicks Jr., and Hannah Shu, to use toward their tuition expenses.

When selecting the awardees of the Tom Wanke Legacy Fund, the judges were looking for students who were:

- Passionate in their academics
- Active in extracurricular activities
- Dedicated to obtaining careers in the fluid power industry



Empowering Educational Pathways



Connecting Local Schools and Industry

NFPA's Fast Track to Fluid Power is a workforce development pathway that partners local technical colleges with industry professionals and middle/high school teachers. These networks create awareness and interest in fluid power, and train students along a path that leads to careers in fluid power at NFPA member companies. The track touches three education levels in the community:

- First is the middle school level with a community-wide Fluid Power Action Challenge event. The Action Challenge serves as an introduction to fluid power and is a competition that tasks students to solve an engineering problem using fluid power
- Second is the high school level by equipping local classrooms with fluid power training equipment, award grants for hands-on activities or supporting their use of pneumatics in robotics competitions.
- Third is the technical school level with a validated fluid power curriculum

The local network of industry partners connecting with teachers, students, and other community members is essential. The Fast Track program would not be successful without local NFPA members getting students excited about fulfilling careers in fluid power and eventually recruiting and hiring them upon graduation.

Right now, we have three established Fast Track communities. They are located at Waukesha County Technical College in Wisconsin, Triton College in Illinois, and Macomb Community College in Michigan. Work is underway in launching more Fast Track communities around the United States where students and the industry will mutually benefit.

Creating Access and Opportunities with Intention

Through our **Fluid Power Connects** initiative, our goal is to connect underrepresented populations to educational opportunities and rewarding career pathways in the fluid power industry.

Currently, that means reaching out to middle and high schools in underserved areas and trying to connect them to our existing Fast Track Hubs. And it means working with multi-cultural and women-based engineering student organizations on the campuses of our Power Partner universities to help introduce their members to the fluid power education and job opportunities in the industry.

Simultaneously, we are working to engage community organizations and extend our programmatic and funding opportunities to align our interests in bringing hands-on fluid power related activities to the diverse student populations they serve.



Visit nfpafoundation.org to learn how you can get involved with Workforce development.



“If I had known about the Fluid Power Vehicle Challenge and what a great opportunity it is for networking and learning, I would have signed up for it my freshman year!”

– Previous Student Participant of the 2023 FPVC



NFPA
Education and
Technology
Foundation

The eighth annual **NFPA Fluid Power Vehicle Challenge** is underway. There are 25 companies involved as hosts, mentors, suppliers, midway review judges and networking mixer attendees. This year’s Vehicle Challenge features 22 universities, including newcomers State University of New York Polytechnic Institute and Minnesota State University Mankato. The final competitions will be hosted by Norgren in Littleton, Colorado on April 10-12, and by Danfoss Power Solutions in Ames, Iowa on April 24-26, 2023.

The **Fluid Power Club** program has seen growth in participation amongst students and universities in the 2023-24 academic year. The program is designed to help university students learn about fluid power technology and get connected to NFPA members to learn about career opportunities in the industry. So far, 19 clubs at universities across the country have 172 students participating in the program.

Engage with Local Students and Schools

NFPA’s **Workforce Engagement Groups** achieved a milestone in November 2023, marking one year of engagement in Illinois, Michigan, and Wisconsin—the locations of our Fast Track hubs.

The groups facilitated recruitment opportunities and youth outreach activities through virtual and in-person meetings at various educational institutions. Activities included middle school **Action Challenge** events, talks with high school and college students to raise awareness of fluid power education and careers, facility tours, and input in shaping recruiting events.

Responding to the growing Power Partner program and demand for collaboration, we’ve launched a new University Workforce Engagement Group this year.

Stay tuned for more updates as we expand our programs and provide valuable, region-specific information on recruiting emerging talent. Join us in our upcoming meetings starting January 2024; contact the Workforce Team at workforce@nfpa.com for details.

Enhancing Fluid Power Education at Universities

This year we have welcomed North Carolina Agricultural and Technical State University (Greensboro, NC) and Cleveland State University (Cleveland, OH) to join our **Power Partner Program**. The program is designed to showcase universities that actively participate in all NFPA fluid power educational programs. They join our previously established Power Partner Universities Iowa State University, Milwaukee School of Engineering, Murray State University, Northern Illinois University, and Purdue University.

This fall, NFPA has supported several speaker and recruitment opportunities on these university campuses with more plans to come in the spring. Through the **Speaker’s Bureau** program, NFPA connects its member volunteers to schools for in-person or virtual classroom presentations. NFPA Educator Partners can request speakers with specific knowledge or in a particular part of the fluid power industry. They have told us that hearing from industry professionals impacts students as they consider various career paths.

To be considered a Power Partner, the university must:

- Participate in the Speaker’s Bureau program
- Participate in the Fluid Power Vehicle Challenge
- Have a Fluid Power Club
- Host a student/industry connection event
- Teach the ten core fluid power competencies



Improve your business and the industry. Getting more out of your NFPA membership is simple.

Get Involved

Grow your network at an NFPA event

>> Visit NFPAHub.com/Events to learn about upcoming events.

Build and share your expertise on an NFPA Committee or as a part of the Leadership Network

>> Visit NFPA.com/Committees to find the right opportunity for you.

Improve your business with NFPA's market information resources

>> Visit NFPAHub.com/Stats to access reports and data.

Keep up with industry trends

>> Visit NFPA.com to check out and share the Fluid Power Forum podcast, Technology Roadmap, Taskforces, and more.

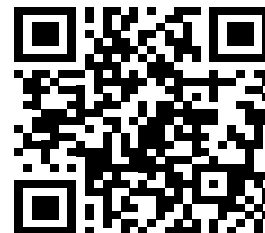


Support the future of the industry by donating money, equipment, time or expertise

>> Visit nfpafoundation.org or contact workforce@nfpa.com to explore donation opportunities and better recruit participating students.

Check out the supplemental resources for more

>> Visit NFPAHub.com/Midterm-2023-24 or scan the QR code for additional resources.



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POWER of **Association**