

Building Partnerships for Reshoring Success—An Innovative Model

- ▶ UNICOR Federal Prison Industries

UNICOR

Federal Prison Industries

- ▶ Robert Grieser, Chief
- ▶ Marketing, Research, & Corporate Support

Discover

The Unicor logo features the word "unicor" in a bold, black, lowercase sans-serif font. A green, curved line arches over the letters "i" and "c", ending in a small red dot above the "r".

unicor

Federal Prison Industries

- ▶ Trade name: UNICOR
- ▶ Component of the U.S. Dept. of Justice
- ▶ Critical correctional program
- ▶ Mission: protect society and reduce crime by preparing inmates for successful reentry through job training.



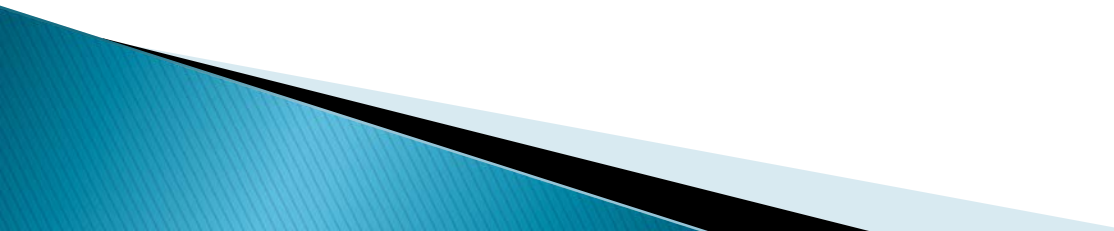
UNICOR: A Creative Source for Reshoring

- ▶ EDOs and MEPs can connect companies looking to re-shore or expand with:
 - readily available factory space
 - an expandable and reliable U.S. labor force with manufacturing and technical expertise

Who We Are

- ▶ Created in 1934
- ▶ Mission to employ & train inmates
- ▶ Presidentially-appointed Bd. of Directors
- ▶ Self-sustaining- receive no congressionally appropriated funds
- ▶ Employ Approximately 18,000 inmates annually
- ▶ 67 operations nationwide / 53 locations
- ▶ \$498 million in Sales in FY 2016

EDOs and MEPs can connect companies to UNICOR:

- ▶ UNICOR can:
 - Serve as a business incubator or manufacturing extension for operations
 - Provide space and labor for companies that lack capital to build new/additional U.S. factories
 - UNICOR inmate workers trained in technical work can provide a skilled labor force in the community upon their release
- 

Where We Are

UNICOR/Federal Prison Industries Factory Locations

Western

Atwater, CA
Dublin, CA
Lompoc, CA
Phoenix, AZ
Safford, AZ
Sheridan, OR
Victorville, CA

North Central

Englewood, CO
Greenville, IL
Leavenworth, KS
Marion, IL
Milan, MI
Pekin, IL
Sandstone, MN
Terre Haute, IN
Waseca, MN

South Central

Bastrop, TX
Beaumont, TX
Bryan, TX
El Reno, OK
Forrest City, AR
La Tuna, TX
Oakdale, LA
Pollock, LA
Seagoville, TX
Texarkana, TX

Northeast

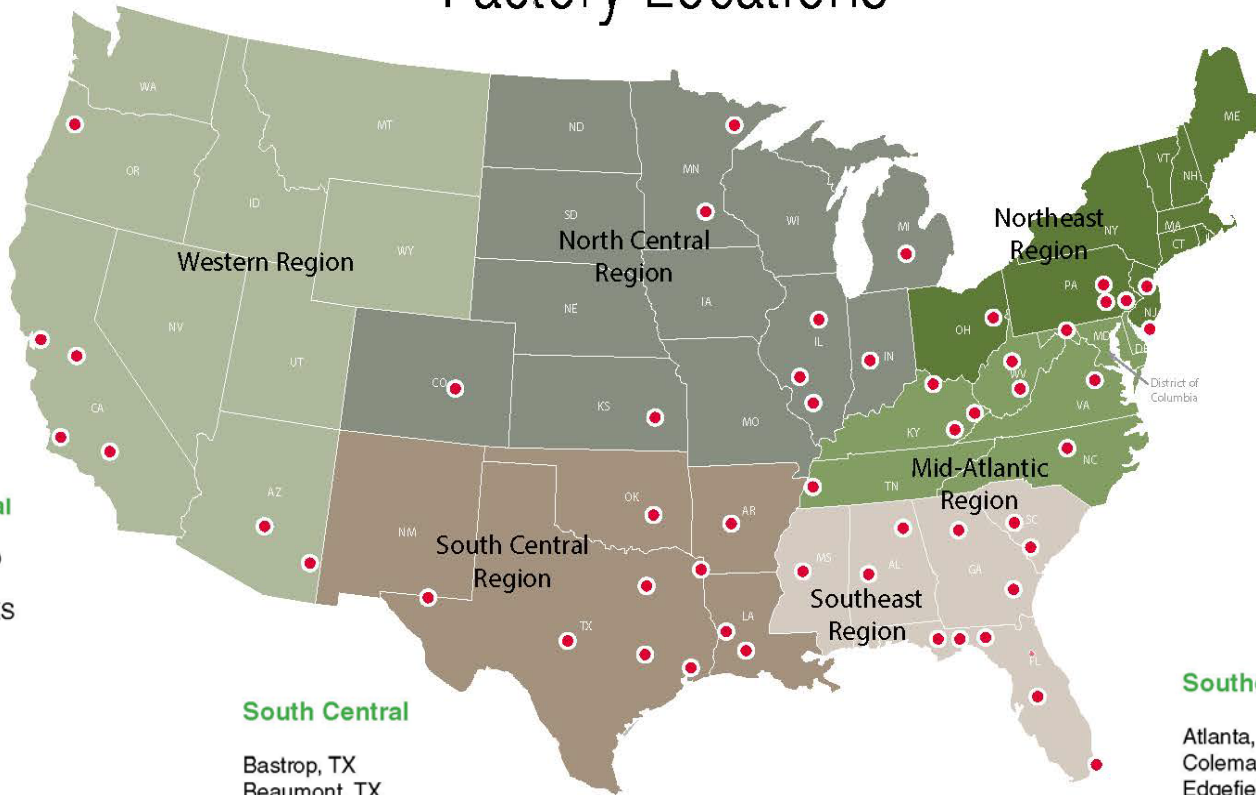
Allenwood, PA
Elkton, OH
Fairton, NJ
Fort Dix, NJ
Lewisburg, PA
Schuylkill, PA

Mid-Atlantic

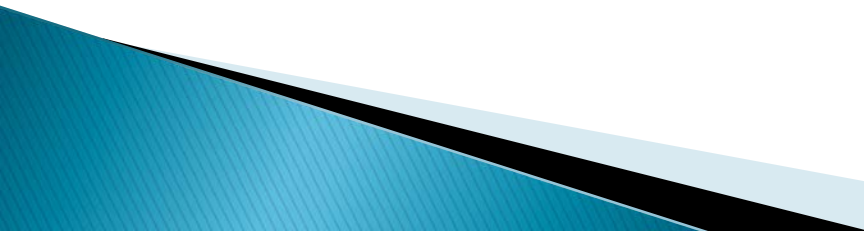
Ashland, KY
Beckley, WV
Butner, NC
Cumberland, MD
Gilmer, WV
Lexington, KY
Manchester, KY
Memphis, TN
Petersburg, VA

Southeast

Atlanta, GA
Coleman, FL
Edgefield, SC
Eglin, FL
Estill, SC
Jesup, GA
Marianna, FL
Maxwell, AL
Miami, FL
Talladega, AL
Tallahassee, FL
Yazoo City, MS



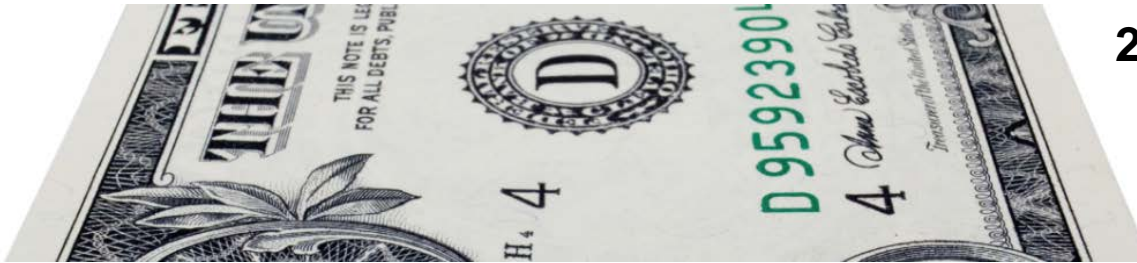
UNICOR's Positive Impact on Local Economies

- ▶ Companies working with UNICOR often purchase equipment, material, and services from businesses in the surrounding region
 - ▶ Approx. 72% of UNICOR's revenues return to the economy from local procurement
 - ▶ Nearly 50% percent of purchases are from small businesses, including businesses owned by women, minorities, and disadvantaged.
 - ▶ Companies that manufacture with UNICOR can grow; then rent or build their own factories in the state, adding jobs and local tax revenue
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FPI benefits the U.S. economy



**72 cents – Raw Materials,
Equipment, Trucking, &
Service Industries**
(Approx. 50% to small business)



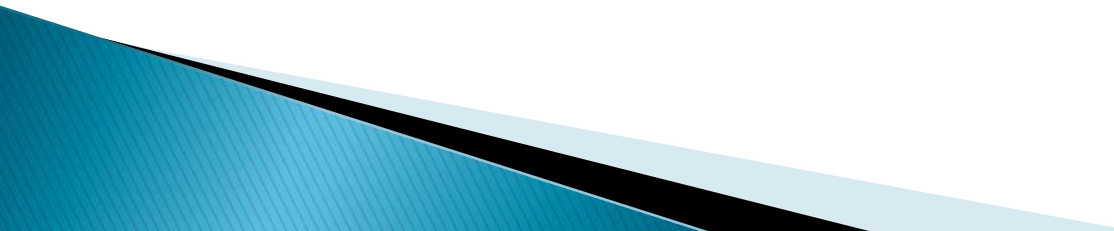
23 cents – Staff Salaries



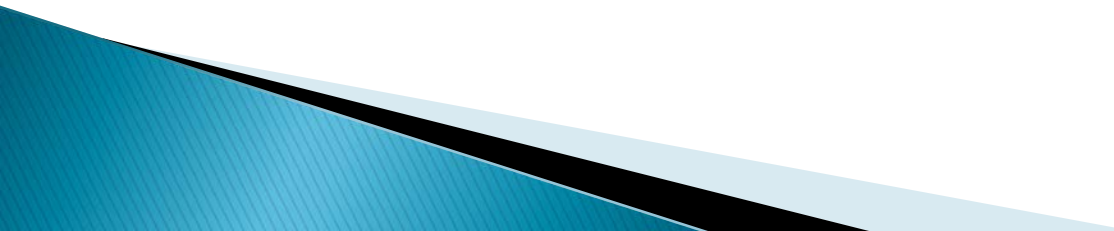
5 cents – Inmate Pay
(\$1 million to families,
victim restitution, etc.)

Customers

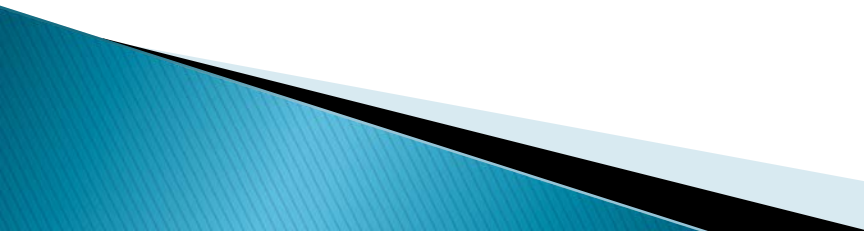
UNICOR's primary customers are Federal government agencies including:

- ▶ Department of Defense,
 - ▶ Department of Homeland Security,
 - ▶ Department of Justice,
 - ▶ General Services Administration,
 - ▶ Veterans Affairs, and
 - ▶ United States Postal Service
- 

UNICOR's Two Authorities to Work with Private Companies

- ▶ Authorized by Congress in 2012
 - ▶ Allow commercial companies to have their manufacturing/service work performed by UNICOR
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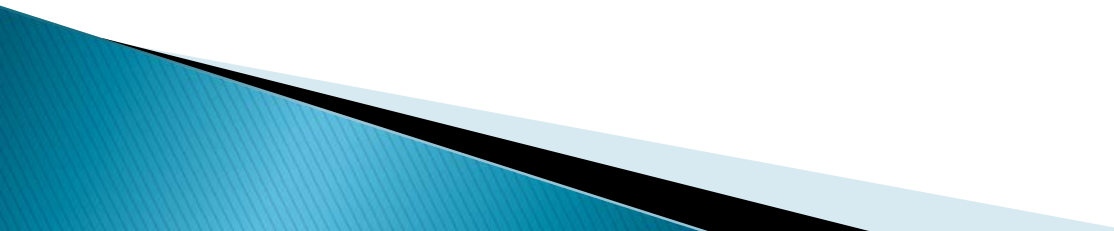
1. Repatriation (reshoring) authority

- ▶ 18 U.S.C. §1761(d)
 - ▶ UNICOR can work with companies to produce or assemble products that are currently produced, or that would otherwise be produced, outside the U.S.
 - ▶ UNICOR has experience as a contract manufacturer for over 30 companies
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2. Prison Industry Enhancement Certification Program (PIECP)

- ▶ 18 U.S.C. §1761(c)
- ▶ Gives UNICOR the authority to produce any commercial product for the private sector, when
 - inmates are paid the local prevailing wage
 - the work performed will not displace employed private sector workers;
- ▶ Companies can immediately move into a modern facility and manage their own operation without the capital expense of building their own factory

Commercial market services

- ▶ Examples: Call centers, data entry, sorting, distribution, and CAD/drafting services for the private sector
 - ▶ Requirement: UNICOR inmates do not displace local workers
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Tax Benefits

- ▶ **Domestic Production Activities Deduction (DPAD) (IRC § 199):** Companies may be eligible for a 9% federal income tax deduction
- ▶ **Work Opportunity Tax Credit:** Federal tax credit available to employers who hire individuals from certain target groups, including ex-offenders, who face significant barriers to employment

UNICOR's Product Groups

- ▶ Clothing & Textiles
- ▶ Office Furniture
- ▶ Electronics
- ▶ Fleet
- ▶ Recycling
- ▶ Services



Production Capabilities



- ▶ Proven expertise in:
 - metals
 - wood
 - textiles
 - electronics
 - wire and plastics
 - vehicular repair/
remanufacturing
 - services
 - recycling
 - product packaging
 - energy conservation
operations
 - many other fields

UNICOR has provided products/components for the top DOD Contractors:



- ▶ Military uniforms and ballistic vests
- ▶ Cable and wiring harnesses for military weapon systems (Examples: HAWK, Patriot, TOW Missile)
- ▶ Military vehicular, both tracked and wheeled vehicles (Example: Bradley fighting vehicle, HMMWV)
- ▶ Military aerospace (Example: F-15 and F-16)
- ▶ Tactical Communications Systems (VIS, SINCGARS)

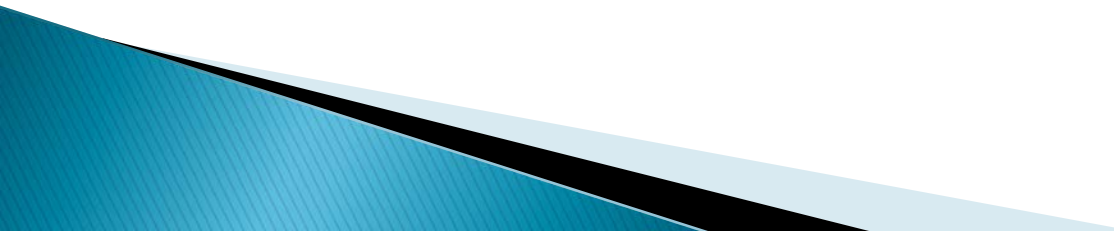


UNICOR manufactures mission-critical DoD items



- ~ Army Combat Uniforms
- ~ Physical fitness uniforms
- ~ Extreme Cold Weather trousers
- ~ Body Armor
- ~ Ammo cases

Financial & Production Benefits for Companies Working with UNICOR

- ▶ Save on transportation, freight, and fuel costs
 - ▶ Avoid language barriers/time zone differences with overseas production facilities
 - ▶ Avoid logistics challenges, import duties, and hidden charges imposed by foreign governments
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Additional Benefits

- ▶ Made, produced, or assembled in the USA marketing advantage, subject to labeling requirements
- ▶ Manufacturing and labor surge capacity to meet cyclical markets



High Quality Products



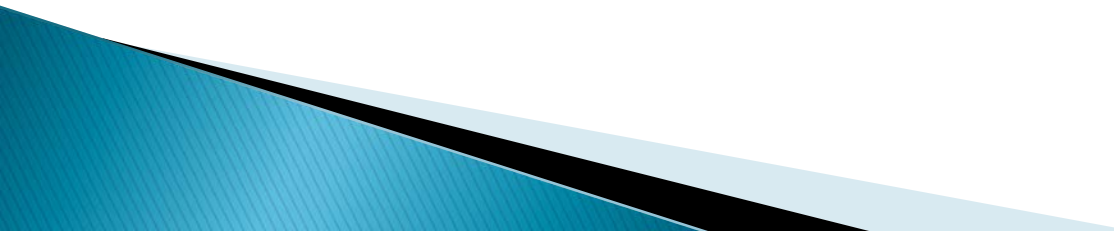
- ▶ Meet same performance standards/ testing as private sector
- ▶ Compliance with industry best practices, requirements, and regulations
 - Examples: ISO Certifications, DOD Military Specifications, *Lean Six Sigma* processes
- ▶ Quality consistent with private sector

Environmental commitment

- ▶ Green Inside & Out: Products, Infrastructure, Suppliers, and Culture
- ▶ UNICOR's Approach to Green—
 - Raw Material purchasing
 - Packaging and shippers
 - Low Impact Mfg
 - Industry standards
 - Environmental Stewardship



Business Partners

- ▶ Large Defense Contractors – electronics
 - ▶ Industries for the Blind
 - ▶ Data Services Subcontractor on U.S. Government Patent Work
 - ▶ Call Center contracts
 - ▶ Reverse Logistics
 - ▶ Cable companies
 - ▶ Apparel & Textiles cos.
 - ▶ 2nd tier subcontract work
 - ▶ Recycling & sorting operations
- 

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UNICOR DELIVERS

Personal attention, competitive prices, durable products, and professionally delivered services! Explore our diverse offerings in more than 80 different Federal Supply Classes, and purchase with full confidence!

[Read more...](#)

Schedule of Products



Apparel and Accessories



Awards and Plaques



Contact Center and Help Desk Services



Data Services



Distribution and Warehousing Logistics



Electronics Recycling



Electronics and Components



Energy Efficient and Green Products



Facilities and Warehouse Storage Solutions



Food Service Items



Interior and Exterior Signage



Mattresses, Linens and Draperies



Office Furniture, Seating and Accessories



Prescription and Safety Eyewear



Printing and Bindery Services



Training Range Solutions



Vehicle Upfit, Remanufacturing and Fleet Services

Benefits to Society

- ▶ ***to inmates*** – UNICOR benefits approximately 18,000 inmate workers annually
 - Opportunity to learn marketable skill and valuable work experience that enhances their ability to reintegrate into society.
 - Teaches inmates pro-social values including the value of work, responsibility, and the need to work with others.
 - Upon release, those who participate in the program are 24% less likely to recidivate and 14% more likely to find employment, compared to individuals who did not participate.
 - Results in more productive, law-abiding citizens, intact families, and safer communities



Benefits to Society (continued)

- ▶ *to taxpayers* – A Washington State Institute for Public Policy study concluded that correctional industries programs like UNICOR generate significant savings of taxpayer dollars.
 - For every \$1.00 spent on correctional industry programs, \$4.77 is saved in future criminal justice costs (arrests, conviction, incarceration, post-release supervision, and crime victimization) due to the reduction in recidivism among inmates who work in these programs.
- ▶ UNICOR is self-sustaining and receives no taxpayer funds for its operations


Benefits to Society (continued)

- ▶ *to the courts, crime victims and families*
 - Through wage deductions, victims are compensated and inmates' families are supported
 - In FY 2016 UNICOR inmates contributed nearly \$1 million—up to 50% of their earnings, toward meeting financial obligations, e.g., court-ordered fines, child support, and/or restitution. Inmates also contribute to their families by sending home a portion of their earnings.

Benefits to Society (continued)

- ▶ *to the Bureau of Prisons* – UNICOR contributes to the safety and security of Federal correctional facilities by keeping inmates constructively occupied. Inmates participating in FPI are less likely to engage in institutional misconduct, thereby enhancing both staff and inmate safety.
- ▶ *to veterans* – approximately 7% of the inmates employed by UNICOR are veterans. More than 200,000 veterans are incarcerated in the nation's prisons and jails.

Typical inmate skills

- ▶ Certified welder
 - ▶ ASE Certified mechanic
 - ▶ CDL operator
 - ▶ OSHA–certified fork lift operator
 - ▶ Quality Control Tech
 - ▶ SAP
 - ▶ ISO
 - ▶ CAD
 - ▶ Safety
 - ▶ DOL Apprenticeships
 - ▶ Lean Six Yellow Belt
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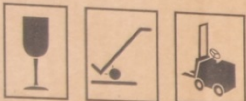






LIFT HERE

NO DROPS



ATTENTION RECEIVER
Fragile to transport. Handle with care. Do not use mechanical lifting devices.
Cargos sensibles. Manutencional com cuidado. Não utilize dispositivos mecânicos para levantamento.
Attention Receiver

À L'ATTENTION DU RÉCEPTIONNAIRE
Ce colis est sensible. Manipulez avec précaution. Ne pas utiliser de dispositifs mécaniques pour le levage.
Cargos sensibles. Manutencional com cuidado. Não utilize dispositivos mecânicos para levantamento.

ATENCIÓN RECEPTOR
Este paquete es delicado. Manutencional con cuidado. No utilizar dispositivos mecánicos para el levantamiento.
Cargos sensibles. Manutencional com cuidado. Não utilize dispositivos mecânicos para levantamento.



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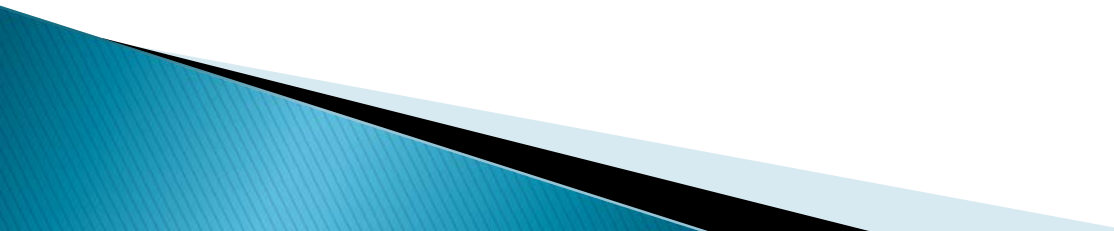
How You Can Participate

- ▶ Encourage EDOs, MEPs, companies, and other entities to contact us directly
- ▶ Individual companies can establish a non-disclosure agreement and negotiate contractual terms with us

Various Models

- ▶ Who supplies raw materials
 - ▶ Who furnishes equipment
- 

Summary

- ▶ Nationwide factory network, a proven history and a diverse range of production capabilities
 - ▶ Capacity, flexibility, stability, quality, and business acumen to meet companies' small-to-large scale operations needs, and to create economic growth in communities across the U.S.
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Second Chances



Contact Information

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- ▶ Visit our website: www.unicor.gov