

Global Project Strategy (011) (603) 862-3374

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We need more manufacturing and that will bring more manufacturing projects.

What Can We Learn From the Oil Spill

The oil spill was an accident. Whether or not it could have been prevented and whether or not Horizon and BP should have engaged in a project to study the range of possible failures and how the risk could have been mitigated and how to respond once a risk event occurred, can be argued forever, but it happened.

Stopping the oil spill is a project of enormous proportions. Not only because we have had no

experience with a project like this, not only because it pushes the frontier of undersea knowledge, but also because it may bring down an important energy producing company, which if lost could have significant implications on the balance of energy power in the world. But it is also significant because it has also had significant political implications.

So, one might imagine that with all of this attention there would be a

more coherent plan to stop the leak.

And perhaps the most significant factor is who is in charge. The president of BP has certainly lost the confidence of the US. If he is the "Project Manager" then in most other situations he would have been fired. Not because he has done a bad job, which might be the case, but because those affected by the spill need to see movement at the top.

Is the US Government Responsible for Turning Projects Away?

Bloomberg's Business week tells of how a California company, Bridgelux, made every effort to obtain financing in the US to manufacture electronic lights that use light-emitting diodes to replace not only incandescent but fluorescent bulbs. The owner Bill Watkins, has made every effort to interest investors in the US to finance a manufacturing plant. But he has failed.

Here is the hard part. Watkins has been forced

to move to other countries like China, Malaysia and India to get his company off the ground. Not because labor costs are too high here in the US but because he has been offered contracts to retrofit office buildings and streetlights in those countries. One country, Bloomberg reported, "offered to pay 80 percent of his workers salaries for the next decade, along with tax breaks, low-interest loans, and free land for the plant"

Last month I reported on

an article by Andy Grove, former CEO of Intel, in which he said that the time is now for the US government to become actively involved in helping companies set up manufacturing plants in the US. \Yes our wage rates do not compare with those in China, but how do you explain that all Cooper Mini cars are made in Oxford, England and then shipped all over the world.

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