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Republican American

Focused on 'Buy American' in Naugatuck

by Harrison Connery,
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U.S. Sen. Christopher Murphy, right, speaks with an employee during a visit to Palco Connector's manufacturing facility in Naugatuck on May 11.

NAUGATUCK — Michael Machura, chief executive officer of The Phoenix Company of Chicago, grew up working in the company founded in 1969 by his father, Ben Machura.

Last Friday, Palco Connector, the Phoenix Company subsidiary out of which Machura works, had the eyes and ears of U.S. Sen. Christopher Murphy, for its work supplying the military with cable assemblies and blind mate and military circular connectors. Company President John Slesinski took advantage of the opportunity to ask Murphy about the military outsourcing the kinds of contracts the company depends on.

"You did mention the [Buy American Act] and it seems that one of the biggest problems happens to be ourselves, we're looking for

loopholes rather than looking for the company. So, how do you plan on fixing that, it's pretty much policing ourselves," Slesinski said.

Murphy has been championing the Buy American Act since 2009 when he represented the 5th Congressional District in Congress.

The legislation would tighten loopholes in laws requiring the military to buy materials from American manufacturers.

Machura said half the company's revenue is from military contracts.

Murphy said the solution to ensuring work stays with local companies is to convince his colleagues and the Department of Defense that saving a small amount of money by shopping overseas costs more in the long run.

"The problem is the Navy is not responsible for seeing the whole picture, we're responsible for seeing the whole picture," he said. "When that contract goes to the overseas company and the company that used to make it in the United States goes out of business, then all those people get laid off, they file for unemployment, they go on Medicaid, they stop paying taxes, the company stops paying taxes, and all of a sudden that 10 percent savings that the Navy got the benefit of disappears."

Palco Connector, which began in Bristol in 1978 and moved to Naugatuck in 1990, occupies a 25,000-square-foot facility in the borough's industrial park. It employs about 50 people there, about 25 percent of the 200 workers The Phoenix Company employs in its home plant in Chicago and in a second satellite division in China.

Machura said Palco was established in Connecticut because the raw materials and sub-suppliers were located here when the Naugatuck Valley had a robust manufacturing economy. He said Palco still sources most of their materials locally.

The company is working on developing components for quantum computers, something Machura and Slesinski hope will pay big dividends in the coming years.

"Come back in one-and-a-half, two years and see how we've changed, we're doing great things," said Machura, who presented Murphy with a Palco connector used in radios made for the Army and Special Forces.

"We hope that in the future when you look at this you'll think about the spirit of the American worker and also the great talent of the people in Connecticut," he said.