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Honda, Toyota, Nissan meet with Obama about supplier aid pledge

WASHINGTON -- President Barack Obama is enlisting several major U.S. and multinational companies, including auto-makers Honda, Nissan and Toyota, to draw attention to an initiative aimed at helping small businesses expand and hire workers.

The president met Friday with the companies to spotlight their pledge to pay smaller suppliers within 15 days. The speedy payout puts more money in the coffers of smaller firms and helps them invest and hire workers, the president and his aides say.

For the larger companies, the initiative ensures that their own suppliers are robust and “demonstrates a recognition that a healthy supply chain is good for business,” the White House said in a statement.

Rick Schostek, executive vice president of Honda North America Inc., attended the 90-minute meeting along with Billy Vickers, CEO of Ohio-based supplier Modular Assembly Innovations. Honda said it has helped the company, which employs about 250 people, by offering tweaked payment terms, assisting in the purchase



Obama: Aims to help small businesses expand and hire workers.

of expensive components and offering engineering help.

“We recognize that small business suppliers work on tight budgets with capital as a premium,” Schostek said in a statement after the meeting, which Obama attended for about 30 minutes. “These constraints can stifle growth, innovation and efficiency.”

Frustrated by a legislative stalemate with the Republican-led House of Representatives, Obama has vowed to act unilaterally when he can to achieve his agenda, and the announcement Friday is typical of the sorts of modest initiatives the White House has unveiled.

This approach has antagonized congressional Republicans who say the president has overstepped executive branch authority.

House Republicans on Thursday made public a “discussion draft” of legislation to authorize legal action against the president for misusing executive orders and other unilateral actions to advance his agenda.

The supplier initiative is based on a similar program for government contractors. The federal government promises to pay contractors quickly if those companies in turn commit to rapidly pay the smaller firms that supply them.

The White House says that arrangement affected 172,000 small businesses and generated over \$1 billion for them to invest and hire workers since it was launched three years ago. The president was due to renew that program on Friday as well as announcing the public sector initiative.

Other firms attending the White House event include CVS, FedEx, IBM, Lockheed Martin, and Walgreens.

Reuters and Gabe Nelson of Automotive News contributed to this report.



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**Billy Vickers, CEO of
Modular Assembly Innovations,
meets President Obama.**