

# @MANUFACTURING WORKS

Manufacturing matters—for all of us. If North Carolina is to stay competitive in tomorrow's economy, we must seize upon the emerging manufacturing opportunities of today.

## NC MANUFACTURING FACTS

North Carolina is the



largest manufacturing state.

SIZE	JOB	COMPENSATION	IMPACT
<p>Manufacturing remains NC's largest industry sector, contributing more to the state GDP than any other sector.</p>	<p>NC ranks first among southeastern states for manufacturing employment. The sector employs more than 430,000 people.</p>	<p>Average annual compensation for NC's manufacturing jobs is 52% higher than all non-farm jobs.</p>	<p>Manufacturing offers the biggest rate of return for the economy. For every dollar of industry output, it creates \$1.35 of wealth elsewhere in the economy.</p>

## LEADING THE RECOVERY

35%

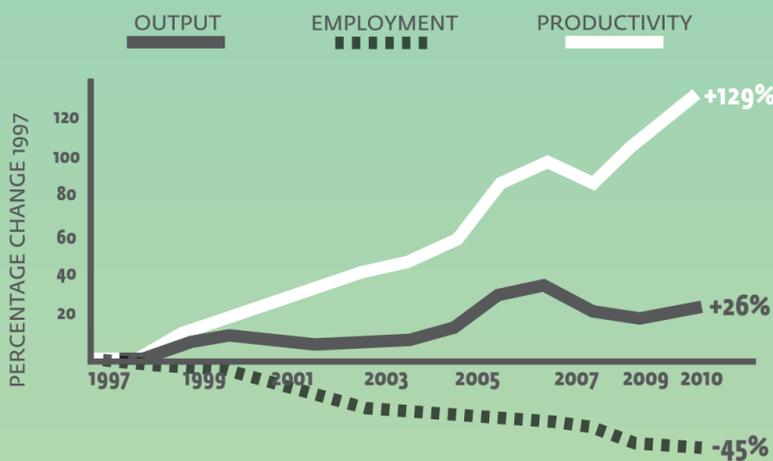
Manufacturing is the largest driver of NC's economic growth coming out of the recession.

7200

net manufacturing jobs were added in NC from March 2010 to March 2012.

## MANUFACTURING IS CHANGING

**North Carolina manufactures more with less.** Many factors contribute to the decline in manufacturing employment, but ranking top among them is the increased use of technology to improve productivity. Today one worker can produce what it took three to do a generation earlier.



**New products are being made.** While substantial production continues in furniture, textiles and tobacco, new areas of strength emerged, including computers and electronics, machinery and chemicals.

## LOCALLY AND GLOBALLY CONNECTED

### RESHORING

When accounting for all factors of production, some firms are finding it more cost-effective to produce in the United States and are reshoring their operations back home.

### EXPORTING

North Carolina exports are on pace to *double* from a decade ago. Manufacturing is leading the way, contributing over 90% of total state exports.

### PROMOTING

Local strategies include promotion of the changing community factors driving today's location decisions. For example, localities increasingly highlight specific workforce skills as a key asset.

### COLLABORATING

Communities are supporting collaborations for basic research and product development, funding and supply chains. Close coordination among educational organizations, local governments and companies is essential.

## DRIVERS OF FUTURE MANUFACTURING



### TECHNOLOGY

New materials and technologies, increased automation and smarter logistics are creating new opportunities to get goods from factory floor to shelf. Many of these technologies offer the added benefit of a lower environmental impact.



### WORKFORCE SKILLS

As technological change accelerates, so must the skill of the workforce that engages with it. Modern manufacturing needs employees with specialized training and technical skills.



### NETWORKS

Modern manufacturing is lean and connected, relying on a host of globally integrated suppliers, outside research and development organizations and other external expertise to remain on the cutting edge.



### INNOVATION

To remain competitive, manufacturers depend on talent-driven innovations, constantly improving products and innovation techniques. Crowdsourced innovation is rising.

### ENTREPRENEURSHIP

As impediments to market entry lessen, manufacturing is open to increasingly smaller firms. "Personal manufacturing and user based innovation could be poised to be the next mega trend" – US Council on Competitiveness