The Alliance’s 10th Annual Northeast Wisconsin Manufacturing Vitality Index found the manufacturing sector (23% of the region’s employment base) remained strong over the past year. The survey was administered in October and November 2019 by the University of Wisconsin-Oshkosh’s Center for Customized Research Services.

- Survey sample drawn from 601 manufacturers in NE Wisconsin ($3 million or more in annual revenue and 25+ employees).
- 108 companies completed either a telephone or online survey (27 percent response rate).
- Responses are at a 95% confidence level.
Manufacturers’ plans in 2020 for sales growth and capital investments remain strong, positive indicators of the vitality of manufacturing in the NEW North.

98% of respondents said they expect their company’s financial health in the next 6-12 months to be healthy or quite healthy.
The survey points to sustained industry growth in 2020. Over 51% of respondents reported increased sales in 2019.

Over 60% of manufacturers expect increased sales in 2020.

61% expect to add customers in 2020. They also foresee increases in quotes or requests for their products or services.
Over the past 10 years of the study, expansions and modernization plans have significantly increased.

Plant Expansion & Modernization Planned in 12-24 mos.

**EXPANSION**

<table>
<thead>
<tr>
<th>Year</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>32%</td>
<td>68%</td>
</tr>
<tr>
<td>2014</td>
<td>23%</td>
<td>77%</td>
</tr>
<tr>
<td>2011</td>
<td>29%</td>
<td>88%</td>
</tr>
</tbody>
</table>

**MODERNIZATION**

<table>
<thead>
<tr>
<th>Year</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>32%</td>
<td>68%</td>
</tr>
<tr>
<td>2014</td>
<td>46%</td>
<td>54%</td>
</tr>
<tr>
<td>2011</td>
<td>48%</td>
<td>52%</td>
</tr>
</tbody>
</table>
DIFFICULTY FINDING TALENT

- Three out of four companies are experiencing difficulty finding talent.

WHAT HAS BEEN YOUR MOST SUCCESSFUL TALENT RECRUITMENT TACTIC OVER THE PAST YEAR?

- Employee Referrals
- External Job Sites Like Indeed

Yes  No

<table>
<thead>
<tr>
<th>Year</th>
<th>Referrals</th>
<th>Job Sites</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>19.4%</td>
<td>80.6%</td>
</tr>
<tr>
<td>2019</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td>2018</td>
<td>10%</td>
<td>90%</td>
</tr>
<tr>
<td>2017</td>
<td>19%</td>
<td>81%</td>
</tr>
<tr>
<td>2016</td>
<td>21%</td>
<td>79%</td>
</tr>
<tr>
<td>2015</td>
<td>26%</td>
<td>74%</td>
</tr>
<tr>
<td>2014</td>
<td>37%</td>
<td>63%</td>
</tr>
<tr>
<td>2013</td>
<td>46%</td>
<td>54%</td>
</tr>
<tr>
<td>2012</td>
<td>45%</td>
<td>55%</td>
</tr>
<tr>
<td>2011</td>
<td>29%</td>
<td>71%</td>
</tr>
</tbody>
</table>
Companies are having difficulty finding Machinists and CNC Machinists, which has been among the most difficult-to-fill position every year the study asked this question.

Most of the occupations going unfilled require post-secondary education, although most do not require a four-year degree.
SKILLS HIGHEST IN DEMAND

- Many employers are finding the workforce deficient in “soft skills” – non-technical skills.

- Communication skills and attendance accounted for over half of the responses.
46% of respondents anticipate hiring new personnel in the first quarter of 2020.

There are over 35% of manufacturers planning to hire in each quarter throughout the year.

The trend for 2020 of hiring should continue throughout the year.
For the **tenth year** in a row, companies responding to the survey verify the strength of the manufacturing sector in Northeast Wisconsin. **More than half** the manufacturers surveyed said they are investing in facilities. However, this financial optimism is tempered by another recurring finding – skilled workers are in high demand, but there are not enough qualified candidates to fill numerous job openings.

**The Alliance is one part of the solution**, providing a unified voice to advocate for the region’s manufacturing needs and communicating that the industry offers many lucrative careers. However, individual manufacturers can and must contribute to creating and retaining a dynamic, skilled workforce that will sustain and grow the region’s manufacturing base, today and into the future.

Jeffrey Sachse, Director of Research produced the report. The NEW Manufacturing Alliance is a partnership of over 300 manufacturers, educational institutions, workforce development, chambers of commerce, and economic development in the 18-county New North region. For more information, see www.newmfgalliance.org and/or contact Ann Franz at (920) 498-5587 or ann.franz@nwtc.edu.