2014 Economic Impact Summary

Making an Impact on U.S. Manufacturing
Since 1988, Hollings Manufacturing Extension Partnership (MEP) has been committed to strengthening U.S. manufacturing, continually evolving to meet the changing needs of manufacturers. Through its services and partnerships it has had a profound impact on the growth of well-paying jobs, the development of dynamic manufacturing communities, and the enhancement of American innovation and global competitiveness.

MEP’s strength is in its partnerships. Through its collaborations at the federal, state and local level, MEP puts manufacturers in position to develop new products and customers, expand into global markets, adopt new technology, reshore production, and more. And because of its direct contact with manufacturers, MEP serves as a valuable bridge to other organizations that share a passion for enhancing the manufacturing community.

MEP’s strategic objective is to create value for all manufacturers, with a particular focus on small and mid-sized enterprises (SMEs). SMEs represent nearly 99% of manufacturing firms in the U.S. and form the essential fabric of the U.S. manufacturing infrastructure. MEP is able to provide this support to individual manufacturers through its nationwide network of local centers made up of teams of experts and business professionals.

After more than 26 years, MEP continues to innovate, meeting the challenge of developing new programs, services, and partnerships to help manufacturers flourish in the 21st century. MEP is a part of the National Institute of Standards and Technology (NIST), a U.S. Department of Commerce agency.

What is MEP?

MEP is a nationwide system of more than 1,200 technical experts - located in every state - serving as trusted business advisors, focused on transforming manufacturers to maximize their potential, identify opportunities for growth, and compete globally. Manufacturers have employed the resources of the MEP network to generate significant bottom-line efficiencies. Since 1988, MEP has worked with nearly 80,000 manufacturers, leading to $88 billion in sales and $14 billion in cost savings, and it has helped create more than 729,000 jobs.

MEP leverages over $100 million of federal investment into a nearly $300 million program by partnering with state and local governments and the private sector to provide a wealth of expertise and resources to manufacturers. Each year, manufacturers work with their local MEP Center to solve problems, increase productivity, improve their economic competitiveness, and enhance their technological capabilities. As a result, MEP clients increase their sales, save time and money, invest in physical and human capital, and create and retain thousands of jobs.

MEP, through centers located in every state, accelerates manufacturing growth and provides companies with a consistent set of services, including:

- innovation strategies,
- commercialization,
- lean and process improvements,
- workforce training,
- supply chain optimization,
- supplier scouting,
- exporting, and
- technology scouting & transfer.

The National Network

MEP is built on a nationwide system of centers located in all 50 states and Puerto Rico. Each center is a partnership between the federal government and a variety of public or private entities, including state, university, and nonprofit organizations. This diverse network, with more than 440 service locations, has over 1,200 field staff serving as trusted business advisors and technical experts.

Centers tailor services to small and mid-sized manufacturers’ most critical needs, ranging from process improvement and workforce development to business practices, including supply chain integration, innovation, and technology transfer. And because MEP’s foundation is its partnerships, centers are a hub for manufacturers, connecting them with government agencies, trade associations, universities and research laboratories, state and federal initiatives, and a host of other resources to help them realize goals.

MEP centers have helped thousands of manufacturers reinvent themselves, increase profits, create or maintain jobs, and establish a foundation for long-term business growth and productivity.

As a public/private partnership, MEP delivers a high return on investment to taxpayers. For every one dollar of federal investment, the MEP generates $19 in new sales growth and $21 in new client investment. This translates into $2.2 billion in new sales annually. For every $1,978 of federal investment, MEP creates or retains one manufacturing job.
Each year, the MEP network has helped thousands of manufacturers increase profits, create jobs and establish a foundation for long-term business growth and productivity.

$6.7 Billion
New and Retained Sales

63,954
Total Created and Retained Jobs

$2.7 Billion
New Client Investments

$1.1 Billion
Cost Savings

Managers Challenges

Seven in ten clients cite continuous improvement as their top single challenge in FY 2014.

Growth (53%) and Product development (48%) are ranked second and third respectively. However, taken together over 75 percent of clients cited one or the other, which would make it the top challenge facing clients.

Clients citing workforce needs has doubled in the last five years. In FY 2014, over 40% of clients reported employee recruitment and retention as a challenge compared to 19% in FY 2009.

Product innovation (48%), technology needs (13%), and supply chain needs (14%), have rose and become more important than they were five years ago and have increased.

Why MEP?

Cost of Services & Fairness (64%)

Knowledge and Expertise of Staff (61%)

Reputation (22%)

Results reported by MEP clients receiving services in FY2014. Of the 8,353 clients selected to be surveyed, 6,088 completed the survey. Measures are a conservative snapshot of benefits. Recurring or cumulative benefits may be larger.
Headquartered in Gaithersburg, MD, the National Institute of Standards and Technology’s Hollings Manufacturing Extension Partnership is a public/private partnership that works with small and mid-sized U.S. manufacturers to create and retain jobs, increase profits, save time and money, develop new customers, and expand into new markets.