



PA Manufacturing Competitiveness

Frequently Asked Questions (FAQ)

What is the Pennsylvania Manufacturing Advisory Council?

The Pennsylvania Manufacturing Advisory Council was formed in January 2021 with support from the PA Department of Community and Economic Development to provide a stronger, more unified state-level voice for manufacturers – to tell the story of what manufacturing in Pennsylvania is and what it can be. Its members include leaders from manufacturing companies, business and industry leaders, and workforce and economic development agency leaders from across Pennsylvania.

How do other states prioritize their manufacturing sector?

Some states have created high-level positions or councils to promote and support manufacturing. Those same states and others have also prioritized manufacturing by making proactive and strategic investments in advanced manufacturing. For example:

- Connecticut created a cabinet-level Chief Manufacturing Officer position to advocate on behalf of the state's existing and prospective manufacturing companies. The Chief Manufacturing Officer coordinates state and private-sector efforts to promote growth in the state's manufacturing sector. In 2021, Connecticut invested \$23.8 million through its Manufacturing Innovation Fund which provides vouchers that help manufacturers defray the significant costs of investing in a wide array of state-of-the-art manufacturing advances from specialized equipment and workforce training to research and development and marketing.
- Massachusetts created the Advanced Manufacturing Collaborative (AMC) to develop, coordinate and oversee the implementation of the state's advanced manufacturing strategy. Part of its role is to make decisions about investments made through the Massachusetts Manufacturing Innovation Initiative (M2I2), which has invested over \$80 million in advanced manufacturing projects in Massachusetts.
- Other states are making big investments in the sectors that will drive the future of manufacturing. Michigan recently announced a statewide strategy to make that state the global leader in automotive mobility and electrification, building on over \$1 billion investments and incentives to support the transformation required to ensure Michigan remains at the cutting edge for future automotive products.

What is Pennsylvania's Manufacturing Competitiveness Playbook?

The Playbook builds on Pennsylvania's historic strengths in manufacturing and captures a vision for Pennsylvania's future as a global leader in advanced manufacturing. It provides a roadmap – a blueprint – for state and local leaders to help return Pennsylvania's manufacturing sector to the national leader it has historically been.



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Why did the PA Manufacturing Advisory Council produce the Playbook?

Manufacturing is the economic engine of Pennsylvania, fueling growth and prosperity for local communities, workers and families. But we are losing ground to other states. That's why the Pennsylvania Manufacturing Advisory Council engaged with manufacturing leaders across the Commonwealth through focus groups and a survey to identify what they see as the sector's greatest challenges and opportunities. Based on in-depth research and input from over 500 manufacturers, the Manufacturing Advisory Council developed Pennsylvania's Manufacturing Competitiveness Playbook, which identifies three game changers and 10 related recommendations to revitalize Pennsylvania's economic performance in manufacturing.

What are the primary challenges facing Pennsylvania manufacturers?

Pennsylvania is missing opportunities for expanded manufacturing activities. The data show that many jobs and plants left Pennsylvania or opted to expand in other states during the past three decades. Additionally, globalization has significantly impacted Pennsylvania's competitive advantage. The Keystone State lost the third-most manufacturing jobs due to offshoring or import competition among all 53 U.S. states and territories between 1994 and 2020. Pennsylvania has also seen manufacturing employment drop by 0.5% between 2009 and 2020 – a period when we should have seen a 7.4% increase in manufacturing employment, had we performed as well as our peers nationally.

The most common challenges raised by Pennsylvania manufacturers are finding, hiring and retaining employees. In addition, many say they face challenges in adopting technology and innovation – most notably integrating those technologies into their current business practices, as well as accessing the necessary capital and training resources to meet the needs of a more advanced manufacturing sector. Manufacturers also seek better and deeper connections with other manufacturers in the state and in their local regions – connections that would help strengthen their businesses with more reliable in-state suppliers.

Manufacturers say they need stronger leadership at the state level to make it easier to succeed, thrive and grow – right here in Pennsylvania.

What are the 'Game Changer' recommendations In the Playbook?

The Playbook recommends three game changers for improving Pennsylvania manufacturing's competitive position:

1. Recapture Pennsylvania's manufacturing competitive advantage by aggressively pursuing manufacturing growth sectors to drive prosperity.
2. Invest in the factory of the future to boost the performance of small and medium-sized companies, improve the quality of manufacturing jobs, and provide better career options for more of Pennsylvania's citizens.
3. Unleash the power of advanced manufacturing to drive regional prosperity through policies and services that are more responsive to the needs of manufacturers.



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What are the 10 related recommendations laid out in the Playbook?

The Playbook lists 10 specific recommendations, all aimed at achieving the goals within the three Game Changers. They are:

1. Make a transformative investment in the ability of advanced manufacturing technologies to solve real-world problems.
2. Connect vulnerable companies to local opportunities to grow more competitive clusters and strengthen supply chains.
3. Make Pennsylvania more attractive for investing in manufacturing facilities.
4. Provide a sustained and unified voice to advise the Governor and legislature on the needs of manufacturers.
5. Accelerate the transition to connected factories.
6. Deliver training in automation to upskill incumbent employees and to attract new employees to manufacturing careers.
7. Support manufacturers as they transition to high-retention work environments.
8. Raise the visibility and impact of regional, private sector-led partnerships.
9. Strengthen regional manufacturing workforce pipelines.
10. Help local leaders better understand how the development process impacts manufacturing investment.

Who can help make these recommendations a reality?

Pennsylvania's manufacturers need strong and decisive statewide leadership to help them compete in an increasingly competitive global economy. Pennsylvania must act NOW to reclaim its place as the nation's powerhouse for making, building and innovating in the new economy. Pennsylvania's greatest strength is its people – the hardworking men and women who make, build and innovate; we must invest in our people today to build the workforce of tomorrow.

How can I help Pennsylvania's manufacturers?

You can make a difference by supporting actions and policies that build up our manufacturing businesses. We can build on Pennsylvania's leadership, lead the nation and WIN THE FUTURE of manufacturing!

Learn more and join the movement at PAManufacturingCouncil.com/Playbook.