

PRESS RELEASE

NEW RESEARCH SPOTLIGHTS THE PROMISE OF SMALL-SCALE MANUFACTURING IN BALTIMORE

FIFTH OF SIX-PART SERIES THAT DOCUMENTS STATE OF URBAN MANUFACTURING ACROSS U.S.

FOR IMMEDIATE RELEASE June 20, 2018

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A new piece of research from the **Urban Manufacturing Alliance** (UMA) highlights the growth potential of manufacturing in the city of Baltimore. The research, called the *State of Urban Manufacturing: Baltimore City Snapshot*, is the fifth of a six-city series produced by UMA that will provide first-of-its-kind data on city-based manufacturing across the country, with an emphasis on makers and small-scale manufacturers.

Click <u>here</u> for more information on the **June 21 release event**.

Baltimore's manufacturing profile has changed dramatically over the past century, but the sector is still a vital part of the local economy. Manufacturing contributed \$5.96 million in wages to Baltimore employees in 2016, making it the eighth-highest paying sector in the city.

The State of Urban Manufacturing: Baltimore City Snapshot research, which is based on interviews and surveys of more than 100 local manufacturers, reveals that Baltimore is rich with a new generation of small-scale makers that are eager to grow.

About four out of every five firms surveyed for the *State of Urban Manufacturing: Baltimore City Snapshot* said their business revenue grew in 2016. More than 90 percent of firms said they were hoping to keep growing over the next two years. Of all the firms that participated in the research, two-thirds were founded since 2000.

But access to capital remains a significant hurdle for Baltimore manufacturers, large and small. Thirty percent of surveyed companies had pursued financial support like loans to start their businesses, though three-fourths of those companies actually succeeded in acquiring financial support. Among the 70 percent that did not pursue financial support, one-fourth said they didn't do so because they thought they would be turned down.

Finding the right real estate, and finding qualified workers, were other major hurdles. While survey respondents said small start-up spaces (under 1,500 square feet) and larger industrial



spaces (over 30,000 square feet) were relatively easy to come by, small companies looking to grow into spaces between those two sizes reported a harder time finding appropriate space.

Regarding the labor pool, larger companies said that an aging, retiring production workforce posed risks to employee counts in the near future. Manufacturers of all sizes said they were competing with giant employers like Amazon and Under Armour for production employees. Companies also said that local public transit doesn't provide frequent service to the industrial or non-residential areas where they are based. That makes it difficult for employees to commute to work.

The State of Urban Manufacturing: Baltimore City Snapshot outlines specific recommendations city officials and local stakeholders can heed to help manufacturers overcome these challenges going forward. With small-scale and large manufacturers adding to the innovative fabric of Baltimore's economy, this new report captures what these entrepreneurs need today to stay within the city.

The final snapshot will be released in June 2018. This series will culminate in a national piece of research, titled *The State of Urban Manufacturing*, that will look at the industry's promise in post-recession, urban America.

Quotes

"For this research we listening to those manufacturers that aren't often documented in traditional data sources, but have the potential to bring jobs and new types of innovation to Baltimore communities," says **Katy Stanton, Program Director of the Urban Manufacturing Alliance**. "The *State of Urban Manufacturing: Baltimore Snapshot* captures just how eager these firms are to grow, and provides the data needed for new collaborations among the business community, local nonprofits, and public agencies with the goal of helping these companies along."

"Supporting local manufacturers creates living wage job opportunities for Baltimoreans who may not have had access to higher education," said **Tom Stosur, Director of Baltimore City's Planning Department**. "It also helps these businesses reach a point of scale where they can reinhabit some of our long-vacant industrial buildings, thereby increasing the tax base and adding vibrancy to our neighborhoods."

"Our new sustainability plan will include a focus on supporting local small businesses and buying local," said **Lisa McNeilly, Director of Baltimore's Office of Sustainability**. "Doing so helps build community wealth by keeping our dollars circulating in the city. It also reduces our carbon footprint by shortening shipping distances, and ensuring the products we buy are produced according to American standards of environmental health."

"We're pleased to support this research series by the Urban Manufacturing Alliance, which provides interesting and timely data on manufacturing in cities today," said Sabina Kelly,



Market Executive, Bank of America Merrill Lynch and Market President, Bank of America. "From the makers and manufacturers who call Baltimore home to the local organizations providing them resources to grow, the State of Urban Manufacturing provides data that can help city stakeholders expand the impact of their business assistance."

"Made In Baltimore is excited to be a part of the first in-depth examination of Baltimore's 'maker economy'," said **Andy Cook, Sustainable Economic Development Coordinator for the Baltimore City Planning Department** and **Campaign Director for Made in Baltimore**. "We plan to use the findings from this report to guide our work in the coming years, and to serve as a baseline for tracking the progress of light-manufacturing in Baltimore City."

About UMA/The State of Urban Manufacturing

urbanmfg.org

The Urban Manufacturing Alliance is a coalition of more than 600 members across 150 cities that are building manufacturing economies fit for the 21st century. UMA shares and amplifies what works from city to city, and supports the implementation of local, regional, and national policies that encourage the development of environmentally sustainable, diverse, innovative, and equitable manufacturing in urban settings. We envision a future where urban manufacturing is thriving in our cities; creating dense, vibrant networks of businesses, talent, communities, and consumers; and reflecting the diverse communities in which it is located through the ownership and employment opportunities it offers.

For the *State of Urban Manufacturing* series, UMA partnered with manufacturing practitioners in Milwaukee, Detroit, Baltimore, Philadelphia, Cincinnati, and Portland, Oregon, to collect local data and profile local manufacturing ecosystems in each city. In Milwaukee, UMA worked with community-based organizations to tour manufacturing facilities, hold focus group meetings, and conduct surveys with more than 100 manufacturers between 2016 and 2017.

About Made in Baltimore

Made In Baltimore (MIB) aims to spur re-investment in Baltimore City by growing the market for locally-produced goods and by supporting local maker and manufacturers through our local-brand certification program, promotion and marketing events, and business development services. Made In Baltimore believes there is pride in production, and aims to support a growing number of goods-producing jobs that Baltimoreans can be proud of. By helping to grow companies that make high-quality products in our city, MIB support living-wage livelihoods that are accessible to all, walkable communities rich in economic opportunity, and a diverse array of products that put the charm in Charm City.