



PRESS RELEASE

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

FINAL PART IN SERIES THAT DOCUMENTS STATE OF URBAN MANUFACTURING ACROSS U.S.

FOR IMMEDIATE RELEASE

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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 Cincinnati. The research, called the *State of Urban Manufacturing: Cincinnati City Snapshot*, is the final part 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. UMA partnered with the Federal Reserve Bank of Cleveland and Cincinnati Made to perform this research.

[Click here for more information on the June 27 release event.](#)

The Cincinnati metropolitan area's manufacturing profile has shifted over the past decade, but the sector is still a vital part of the local economy. Manufacturing paid \$8.10 billion to workers in the region in 2016, making it the top sector in the economy by total wages. With 114,370 jobs, manufacturing is also the second-largest employment sector in the region.

The *State of Urban Manufacturing: Cincinnati City Snapshot* research, which is based on interviews and surveys of more than 100 local manufacturers, reveals that **Cincinnati is rich with a new generation of growth-minded manufacturers of all sizes.**

The median year of founding for companies that participated in the *State of Urban Manufacturing: Cincinnati City Snapshot* was 2013—the second youngest median age among all six of the *State of Urban Manufacturing* cities. (Detroit had the youngest median age.)

Seventy-nine percent of participating firms in Cincinnati that provided revenue data experienced revenue growth between 2014 and 2016. Eighty-four percent of sole proprietors, or companies run by the owner without employee help, said they planned on adding employees in the next two years. Overall, 96 percent of firms said they expected to be a bigger company in two years time.



However, nearly three-fifths of firms said that reaching new customers, and accessing more capital, were two key challenges that could stunt their growth. Fifty-three percent of firms said that they needed additional capital to grow, but only eight percent were actually able to obtain additional capital. Of the 83 companies founded in Cincinnati since 2007, 93 percent said they relied on their own money to get started, and 40 percent said they relied on financial help from friends and families.

Additionally, thirty-eight percent of respondents said that they struggled to find qualified workers. Together, each one of these barriers is impacting Cincinnati manufacturers today: nearly 56 percent of all business said they forewent sales or business opportunities in the past twelve months because of limited production capacity.

The *State of Urban Manufacturing: Cincinnati City Snapshot* outlines specific findings to help manufacturers overcome these challenges going forward. With small-scale and large manufacturers alike working to bring new products and employee opportunities to Cincinnati, this new report captures what these entrepreneurs need today to stay within the city.

This series will culminate in Summer 2018 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 identified those manufacturers that are not documented in traditional data sources, but have the potential to bring jobs and new types of innovation to Cincinnati communities," says **Katy Stanton, Program Director of the Urban Manufacturing Alliance**. "The *State of Urban Manufacturing: Cincinnati Snapshot* offers new data that could be used to support collaborations in the business community, local nonprofits, and public agencies with the goal of helping these companies further along."

"We're pleased to support this research series by the Urban Manufacturing Alliance, which paints a picture of what urban manufacturers need to thrive in Cincinnati," said **David Hummel, Senior Vice President and Market Manager at Bank of America Merrill Lynch**. "By interviewing manufacturers of all sizes, and the local support organizations helping them grow, the *State of Urban Manufacturing* is founded in previously untapped data that can help the city better support this important sector."

"The entrepreneurs that drive our manufacturing economy are helping bring new tiers of innovation, and fresh new products, to the Greater Cincinnati region," said **Eric Avner, CEO at People's Liberty and Vice President and Senior Program Manager of Community Development at the Haile Foundation**. "The *State of Urban Manufacturing* research helps us understand just how important this new generation of manufacturers is to the area, and how we can be there for them to elevate their success."



“We are pleased to partner with the Urban Manufacturing Alliance on this research,” said **Lisa Nelson, Community Development Research Manager at the Federal Reserve Bank of Cleveland**. “This research explores on-the-ground perspectives, shedding light on the challenges and opportunities for manufacturers and makers in Cincinnati. The report identifies key steps local leaders and service providers can take to strengthen support for these small firms as they expand their operations.”

“The connection between small business entrepreneurs and economic development is an essential ingredient for success and we’re happy to support this effort,” said **Dwen Chester, Vice President and Community Development Consultant for PNC Bank**. “We are committed to doing our part to make sure that communities become economically vibrant. When small businesses succeed, we all succeed.”

“The Cincinnati region’s legacy of manufacturing and growth trajectory are the foundation for our industrial revitalization strategy of putting underutilized industrial land in Hamilton County back to work, facilitating job growth,” said **Laura N. Brunner, President & CEO, Greater Cincinnati Redevelopment Authority**. “Understanding the small-scale manufacturing ecosystem and the needs of entrepreneurs, through this study, will help us support them and facilitate the expansion of their enterprises near our urban core.”

“Cincinnati Made began as a grass-roots efforts to bring small manufacturing companies together to exchange knowledge and learn from each other’s experiences. Our participation in the Urban Manufacturing Alliance has helped inform and guide the growth of our First Batch accelerator program, as well as provided access to practitioners in other cities who continue to inform our growth into the exciting multi-faceted CO|MADE project, which will be a center of manufacturing activity and community impact,” said **Matt Anthony, Director of Cincinnati Made**. “We are excited to participate in the *State of Urban Manufacturing* study to help demonstrate the impact of the growing number of smaller companies who make things, which often goes overlooked. We believe the health of Cincinnati’s manufacturing ecosystem requires us to understand how to support and grow these companies into sustaining employers who can create new well paying and equitable jobs.”

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 The Federal Reserve Bank of Cleveland

<https://www.clevelandfed.org/>

The Federal Reserve Bank of Cleveland is one of 12 regional Reserve Banks that along with the Board of Governors in Washington DC comprise the Federal Reserve System. With branches in Cincinnati and Pittsburgh, the Bank serves an area that comprises Ohio, western Pennsylvania, eastern Kentucky, and the northern panhandle of West Virginia.

The Cleveland Fed's Community Development department conducts applied research and analyses focused on workforce development challenges, small business concerns, and fair and impartial access to credit, in order to better understand the issues that affect the development of strong communities. The department's economists, analysts, and advisors support the Federal Reserve's economic growth objectives through quantitative and qualitative research that provides credible, evidence-based support and solutions.

About Cincinnati Made

<http://www.cincinnatiemade.org>

Cincinnati Made is a non-profit effort to promote, connect, and scale the small batch manufacturing community in Cincinnati. Its flagship program has been the First Batch accelerator—the first business accelerator to focus on scaling physical products using local manufacturing. After deep research into successful manufacturing ecosystems, Cincinnati Made started a plan to create a bold new manufacturing center concept that brings together workforce, economic, and neighborhood development, called CO|MADE.