

PRESS RELEASE

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

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

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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 Detroit. The research, called the *State of Urban Manufacturing: Detroit Snapshot*, is the second 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.

The report will be released in partnership with the **Detroit Creative Corridor Center** (DC3) on Thursday, February 1 at the Knight Foundation Gallery in Detroit, during the very first Detroit City of Design Dinner Series.

Click here for more information on the release event.

For the *State of Urban Manufacturing* series, UMA partnered with manufacturing practitioners in Detroit, Baltimore, Philadelphia, Cincinnati, Milwaukee, and Portland, Oregon, to collect local data and profile local manufacturing ecosystems. In Detroit, UMA worked with community-based organizations, held focus group meetings, toured manufacturing facilities, and conducted manufacturing surveys between early 2016 and fall 2017.

"Through this process we identified those manufacturers that are not documented in traditional data sources, but carry the potential to amplify innovation and create jobs for Detroit communities," says **Lee Wellington, Executive Director of the Urban Manufacturing Alliance**. "Whether it's a manufacturer that just graduated out of their home, or a manufacturer that's ready to take on more employees, we hope the *State of Urban Manufacturing* data will create more opportunity for these vital small companies."

The resulting data shows that a new crop of small-scale manufacturers are taking root in Detroit, and they're eager to grow. Nearly half of the firms surveyed for the *Detroit Snapshot* were founded after 2013, and more than a third say they want to add new employees in the coming



years. Two-thirds are interested in setting up shop in larger manufacturing spaces. Nearly every firm said they expected to be running a larger business by 2020.

"It was important to us Detroit be included in this national study because designing and manufacturing is in our community's DNA," said **Olga Stella, Executive Director of DC3**. "With the Detroit City of Design initiative and other efforts underway, now is the right time to focus on this sector."

But the path to a more lucrative enterprise isn't clear for some manufacturers. While Detroit is awash with business support for start-ups and large manufacturers, respondents said there are less support programs for small-scale manufacturers with a few years under their belt that need employees, or help shaping their business strategy. There is also a need for right-sized industrial real estate for small-scale manufacturers in need of more operation space.

Access to capital was another challenge that surfaced during the manufacturing surveys — especially for African-American business owners. While 100 percent of white business owners in Detroit had received bank loans to start their manufacturing business, for example, none of the African-American survey respondents had received bank loans.

The report outlines specific recommendations city officials can heed to help manufacturers overcome these challenges. With more small-scale manufacturers working to bring innovation and local production processes to the city of Detroit, the *State of Urban Manufacturing: Detroit Snapshot* captures what these entrepreneurs need today to grow alongside the city's recovery.

"Small-scale manufacturing—built on a dynamic community of makers and artisans—fills a vital role in incubating businesses, which in turn create jobs and further our creative culture," says Virginia Wilkinson, Director of Strategy and Business Intelligence at the Detroit Economic Growth Corporation. "The State of Urban Manufacturing research will help us understand how to optimize this sector and will be invaluable as we develop an inclusive economy."

"We're pleased to support this research series by the Urban Manufacturing Alliance to learn how urban manufacturing is shifting and evolving in the 21st century," says Jim Carpenter, Senior Vice President and Business Banking Market Manager at Bank of America Merrill Lynch. "By speaking directly with small-scale manufacturers and hearing the types of capital, real estate and workforce development resources they need to grow, we will all be better positioned to support a new era of manufacturing in Detroit."

Snapshots of the remaining four cities will be debuted throughout 2018. They will culminate in a national piece of research, titled *The State of Urban Manufacturing*, that shines a light on the industry's promise in post-recession, urban America.



About UMA

urbanmfg.org

UMA is a coalition of more than 500 members across 120 cities who are sustaining and growing manufacturing in urban centers. Manufacturing matters, and it matters deeply to the health and vitality of cities. A strong urban manufacturing base supports innovation, sustains living-wage jobs that provide a crucial pathway to the middle class, promotes workforce inclusion and increasingly advances environmental sustainability.

About Detroit Creative Corridor Center

detroitc3.com

DC3 is an economic development organization that works to strengthen Detroit's creative economy and connect people to it. DC3 provides services to creative businesses and designers, offers widespread opportunities to engage with Detroit's creative sectors, and champions Detroit's creative economy. DC3 is a partnership between Business Leaders for Michigan and College for Creative Studies.