



2025

# The Manufacturing Renaissance Begins

For Big and Small Companies Alike In Response to "Whole of Government" Focus

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# The Manufacturing Renaissance

## National Security, Tariffs and Technology: Today's Manufacturing

The U.S. manufacturing sector contributes nearly \$2.9 trillion to the U.S. economy, employs nearly 13 million American workers, and accounts for 10.3 percent of the nation's GDP. The importance of manufacturing goes far beyond these "top line" statistics, as each dollar invested in manufacturing spills out widely to the overall economy.

- Including indirect and induced impacts, **for every \$1.00 spent** in manufacturing, there is a **total impact of \$2.64 to the overall U.S. economy**.
- **For every one worker** in manufacturing, **4.8 workers are added** in the overall U.S. economy
- **Manufacturing employees earned \$102,629** on average in 2023, including pay and benefits, and **93% were eligible for health insurance**.

Including indirect and induced impacts, and for every \$1.00 earned in direct labor income in the manufacturing sector, \$3.92 in labor income earned is added to the overall U.S. economy. (Source: NAM calculations using 2023 IMPLAN data)

**Even with the uncertainty of tariffs and taxes, the outlook for manufacturing is surprisingly optimistic, according to recent surveys conducted by the National Association of Manufacturers (NAM).**

Of 18 manufacturing sectors, 16 anticipate growth in the 1 to 4% range in 2025. The Federal Reserve Bank of Minnesota surveyed 487 manufacturers who collectively anticipated growth in every business indicator in the year to come, and in particular for demand. Nearly half of respondents said they expect orders to increase. Outlooks for productivity, profits, and production levels were also quite strong, and investment was expected to increase as well. Other surveys confirm this favorable outlook.

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The success of our manufacturing sector is closely related to the ongoing tariff negotiations (and the US-UK trade deal) in that the desired end game is a relative reduction in tariffs paid by US exporters and the elimination of non-tariff barriers around the globe for the benefit of manufacturing firms operating within the US.

**Now more than ever, manufacturing is also closely linked with technology in general and AI in particular.**

Investment in artificial intelligence (AI) for manufacturing is expected to grow by 57% by 2026, from \$1.1 billion in 2020 to \$16.7 billion by 2026.

**With machines mimicking aspects of human intelligence and automating complicated tasks, revenues should rise and costs should be lowered while reducing risk and transforming all manufacturing.**

According to the National Institute of Standards and Technology (NIST), the U.S. manufacturing industry will be transformed by AI, automation, and the need for resilient domestic supply chains. For small manufacturers, this is both a challenge and an opportunity. The key to staying competitive will be embracing these changes early, integrating new technologies, and investing in cybersecurity and workforce development.

The NIST predictions for manufacturing during 2025 include:

- Reshoring and Stronger Domestic Supply Chains.
- Empowering the Workforce and Production with AI and Automation.
- The Rise of 3D Printing in Customization and Innovation.
- Technology-Driven Quality Control and Compliance.
- The Growing Role of Cybersecurity in Manufacturing.

Advances in areas like robotics, 3D printing, industrial Internet of Things (IoT) and quantum computing have already helped power innovations across all industries — whether it is the autonomous vehicle or a prosthetic limb that uses electrodes to simulate the sensation of touch. But more and more, it's become clear that the biggest driving force of Industry 4.0 is artificial intelligence.

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## The Big Players

The expansion of our manufacturing base has long been a key area of concern for President Trump. While he has taken concrete steps to elevate this topic in the public discourse, the national press has chiefly reported on “mega-corporations” in discussing this push to expand the US manufacturing base including the following announced investments\*:

### Project Stargate

led by Japan-based Softbank and U.S.-based OpenAI and Oracle, announced a **\$500 billion private investment** in U.S.-based artificial intelligence infrastructure.

### Apple

announced a **\$500 billion investment** in U.S. manufacturing and training.

### NVIDIA

a global chipmaking giant, announced it will invest **\$500 billion** in U.S.-based AI infrastructure over the next four years amid its pledge to manufacture AI supercomputers entirely in the U.S. for the first time.

### IBM

announced a **\$150 billion investment** over the next five years in its U.S.-based growth and manufacturing operations.

### Taiwan Semiconductor Manufacturing Company

(TSMC) announced a **\$100 billion investment** in U.S.-based chips manufacturing.

### Johnson & Johnson

announced a **\$55 billion investment** over the next four years in manufacturing, research and development, and technology.

### Clarios

has unveiled a **\$6 billion plan to expand U.S. manufacturing and accelerate American innovation**, emphasizing energy and critical mineral independence.

### Hyundai Motor Group

has announced a **\$5.8 billion investment** to establish its first North American steel manufacturing facility in Donaldsonville, Louisiana (with over **\$21 billion** pledged overall).

These and dozens of other major investments do not even include the monumental and unprecedented magnitude of investments pledged by foreign countries:

- **United Arab Emirates** announced a \$1.4 trillion investment in the U.S. over the next decade.
- **Saudi Arabia** announced it intends to invest \$600 billion in the U.S. over the next four years.
- **Japan** announced a \$1 trillion investment in the U.S.
- **Taiwan** announced a pledge to boost its U.S.-based investment.



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## The Importance of Smaller Companies

There are even more stories linked to smaller but collectively important players in the US economy. In only 3 months time, American manufacturers are seeing a surge in demand as President Donald Trump's tariffs force companies to reconsider doing business in China in the face of tariffs as high as 145%.

**The majority of manufacturing firms in the United States are considered small. In 2022, there were 239,265 firms in the manufacturing sector, with all but 4,177 firms considered small (i.e., having fewer than 500 employees).**

Approximately three-quarters of these firms have fewer than 20 employees, and 93.1% have fewer than 100 employees. Nonetheless, most employment comes from larger firms, with 59.1% of all employees in the sector working for firms with 500 or more employees. (Last Updated: 5/6/25; Source: U.S. Census Bureau, Statistics of U.S. Businesses)

**The majority of manufacturing firms in the United States are considered small. In 2022, there were 239,265 firms in the manufacturing sector, with all but 4,177 firms considered small (i.e., having fewer than 500 employees).**

The country gained 10,000 manufacturing jobs during President Trump's first full month in office after losing more than 111,000 under President Biden in 2024. A simultaneous surge in manufacturing loans during the first 90 days has also unfolded (rising by 74% compared to same period in Biden admin).

Jergens Inc., a midwestern toolmaker with less than 500 employees, says it's "going like gangbusters" trying to keep up with demand, The Wall Street Journal reported. They are seeing an influx of orders from customers trying to avoid import tariffs, along with steady defense-related demand.

"We are running 24 hours a day, seven days a week" said Jergens president Jack Schron, according to the Journal. "We are swamped."

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Grand River Rubber & Plastics, a plastics and rubber manufacturer in Ohio, says customers that once offshored to China are reversing course, the Journal noted. Two buyers who left years ago returned within days of each other and two new oil filter manufacturers have already placed orders. The company's new business could amount to \$5 million annually, roughly 10% of Grand River's revenue.

The spike in new business reported by many American manufacturers coincides with a sharp decrease in Chinese manufacturing. When Trump announced the tariffs last month, he predicted American businesses and consumers would both benefit.

## Whole of Government Focus

Consistent with other Trump policies, there is a "whole of government" focus on expanding the manufacturing sector in the US. For example, manufacturing is an investment priority for the U.S. Economic Development Administration (EDA).

In addition to helping transition communities to new economic futures through manufacturing, EDA is helping America's regions evolve to meet the ever-changing manufacturing needs ahead.

**Beyond the jobs that manufacturing provides, the sector is a major source of innovation for the United States.**

The ability to create goods and services—and the quality jobs they power—continues to be a driving force in growing the nation's competitiveness on a global stage while eliminating the exposure to foreign dependence for strategic goods that was magnified by the COVID-19 tragedy.

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## Example: Semiconductors

The dangers of our historical strategic dependence on other nations for manufacturing capabilities became increasingly obvious from the perspective of national security during the pandemic with respect to the semiconductor or chip industry. These devices power tools as simple as a light switch and as complex as a fighter jet or a smartphone.

Semiconductors power our consumer electronics, automobiles, data centers, critical infrastructure, and virtually all military systems. They are also essential building blocks of the technologies that will shape our future, including artificial intelligence, biotechnology, and clean energy.

While the United States remained a global leader in semiconductor design and R&D, it has fallen behind in manufacturing and now accounts for only about 10 percent of global commercial production. Today, none of the most advanced logic and memory chips—the chips that power PCs, smartphones, and supercomputers—are manufactured at commercial scale in the United States. In addition, many elements of the semiconductor supply chain are geographically concentrated, leaving them vulnerable to disruption and endangering the global economy and U.S. national security.

As part of the National Institute of Standards and Technology (NIST), the CHIPS and Science Act of 2021 ([CHIPS for America](#)) encompassed two offices responsible for implementing the law: The CHIPS Research and Development Office is investing \$11 billion into developing a robust domestic R&D ecosystem, while the CHIPS Program Office is dedicating \$39 billion to provide incentives for investment in facilities and equipment in the United States.

NIST coordinates the [Manufacturing USA](#) (link is external) national network comprised of 17 institutes, their sponsoring agencies from the U.S. Departments of Commerce, Energy and Defense, and six partner agencies.

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## Example: Pharmaceuticals

The pandemic also heightened national security concerns with respect to the lack of domestic capabilities related to manufacturing of antibiotics, PPE and other essential drugs. On May 5th, 2025, Trump signed an Executive Order to facilitate the restoration of a robust domestic manufacturing base for prescription drugs, including key ingredients and materials necessary to manufacture prescription drugs.

**The Order directs the U.S. Food and Drug Administration (FDA) to reduce the amount of time it takes to approve domestic pharmaceutical manufacturing plants by eliminating duplicative and unnecessary requirements, streamlining reviews, and working with domestic manufacturers to provide early support before facilities come online.**

It also directs the FDA to increase fees for and inspections of foreign manufacturing plants. President Trump is directing the FDA to improve enforcement of active pharmaceutical ingredient source reporting by foreign drug producers and consider publicly displaying a list of facilities that do not comply.

Finally, the Order directs the Environmental Protection Agency (EPA) to accelerate the construction of facilities (including a single point-of-contact to coordinate permit applications) designed to manufacture prescription drugs, active pharmaceutical ingredients, and other necessary raw materials.

## Made in America Manufacturing Initiative (SBA)

The SBA's "Made in America Manufacturing Initiative" helps smaller firms. Looking beyond the mega corporations and foreign governments referenced earlier, the SBA's new SOP 50-10 8 (rulebook for SBA loans) is consistent with the "Made in America Manufacturing Initiative", which commits to a deeper collaboration and coordination of federal agency resources designed to:



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- Increase access to capital
- Improve opportunities for public and private investments in support of manufacturing in America, e.g. promote a skilled workforce
- Help small businesses export their products on a global scale, e.g. cut up to \$100 billion in red tape

The SBA's Office of Advocacy is supporting manufacturers across America by:

- Connecting directly with small manufacturers across the nation to ensure your voices are heard in the regulatory process
- Advocating to reduce the red tape that has placed an unnecessary burden on your manufacturing business

As SBA's office for the support of small business international trade development, the Office of Manufacturing and Trade works in cooperation with other federal agencies and public- and private-sector groups to encourage small business exports and to assist small businesses seeking to export.

Through U.S. Export Assistance Centers, SBA district offices and a variety of service-provider partners, we direct and coordinate SBA's ongoing export initiatives in an effort to encourage small businesses going global.

## Manufacturing On the Rebound, But Best is Yet to Come

Manufacturing has been on the rebound since President Trump took office, boosted by his pro-business agenda – including tax cuts, deregulation, energy independence and tariffs. The country gained 10,000 manufacturing jobs during President Trump's first full month in office after losing more than 111,000 under President Biden in 2024.

**As part of the "Made in America Manufacturing Initiative", agency leaders have met with more than 150 small manufacturers across the country – holding roundtables and site tours on its Made in America Roadshow.**

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The importance of workforce development is highlighted by the new "Empower to Grow" (E2G) Manufacturing in America Grant designed to provide workforce development in key manufacturing industries, such as timber, energy, aluminum, steel, digital, and automotive. SBA is looking for organizations that will provide technical proficiency and essential skills, including operating machinery, quality control, welding, utilizing industrial software, and workplace safety.

## Concluding Remarks

Despite the negative news cycles and the uncertainty that comes with change, there are many reasons to be optimistic about the future of the US economy and its growing focus on the manufacturing sector. As noted, the "multiplier" effect of investments into manufacturing are among the highest of any sector and the combined investments of the largest companies in the world will spill over economy-wide as the "velocity" of each dollar spent continues to arouse the "animal spirits" of all business owners - including the vast number of "small" companies which employ millions of Americans.

# List of Manufacturing-Oriented Investments into US

Here is a non-comprehensive running list of new U.S.-based investments in President Trump's second term:

## Project Stargate

led by Japan-based Softbank and U.S.-based OpenAI and Oracle, announced a \$500 billion private investment in U.S.-based artificial intelligence infrastructure.

## Apple

announced a \$500 billion investment in U.S. manufacturing and training.

## NVIDIA

a global chipmaking giant, announced it will invest \$500 billion in U.S.-based AI infrastructure over the next four years amid its pledge to manufacture AI supercomputers entirely in the U.S. for the first time.

## IBM

announced a \$150 billion investment over the next five years in its U.S.-based growth and manufacturing operations.

## Taiwan Semiconductor Manufacturing Company (TSMC)

announced a \$100 billion investment in U.S.-based chips manufacturing.

## Roche

a Swiss drug and diagnostics company, announced a \$50 billion investment in U.S.-based manufacturing and research and development, which is expected to create more than 1,000 full-time jobs and more than 12,000 jobs including construction.

## Johnson & Johnson

announced a \$55 billion investment over the next four years in manufacturing, research and development, and technology.

## Bristol Myers Squibb

announced a \$40 billion investment over the next five years in its research, development, technology, and U.S.-based manufacturing operations.

## Eli Lilly and Company

announced a \$27 billion investment to more than double its domestic manufacturing capacity.

## ADQ

United Arab Emirates-based ADQ and U.S.-based Energy Capital Partners announced a \$25 billion investment in U.S. data centers and energy infrastructure.

## Novartis

a Swiss drugmaker, announced a \$23 billion investment to build or expand ten manufacturing facilities across the U.S., which will create 4,000 new jobs.

## Hyundai

announced a \$21 billion U.S.-based investment — including \$5.8 billion for a new steel plant in Louisiana, which will create nearly 1,500 jobs.

- Hyundai also secured an equity investment and agreement from Posco Holdings, South Korea's top steel maker.

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## DAMAC Properties

United Arab Emirates-based DAMAC Properties announced a \$20 billion investment in new U.S.-based data centers.

## CMA CGM

France-based CMA CGM, a global shipping giant, announced a \$20 billion investment in U.S. shipping and logistics, creating 10,000 new jobs.

## Venture Global LNG

announced an \$18 billion investment at its liquefied natural gas facility in Louisiana.

## Gilead Sciences

announced an \$11 billion boost to its planned U.S.-based manufacturing investment.

## AbbVie

announced a \$10 billion investment over the next ten years to support volume growth and add four new manufacturing plants to its network.

## Pratt Industries

announced a \$5 billion investment to create 5,000 new manufacturing jobs in Ohio, Michigan, Pennsylvania, and Arizona.

## Thermo Fisher Scientific

announced it will invest an additional \$2 billion over the next four years to enhance and expand its U.S. manufacturing operations and strengthen its innovation efforts.

## Clarios

announced a \$6 billion plan to expand its domestic manufacturing operations.

## Merck & Co.

announced it will invest a total of \$9 billion in the U.S. over the next several years after opening a new \$1 billion North Carolina manufacturing facility — including in a new state-of-the-art biologics manufacturing plant in Delaware, which will create at least 500 new jobs.

## Stellantis

announced a \$5 billion investment in its U.S. manufacturing network, including re-opening its Belvidere, Illinois, manufacturing plant.

## Amazon

In addition to its overall investments, Amazon announced it is investing \$4 billion in small towns across America, creating more than 100,000 new jobs and driving opportunities across the country.

## Regeneron Pharmaceuticals

a leader in biotechnology, announced a \$3 billion agreement with Fujifilm Diosynth Biotechnologies to produce drugs at its North Carolina manufacturing facility.

## NorthMark Strategies

a multi-strategy investment firm, announced a \$2.8 billion investment to build a supercomputing facility in South Carolina.

## Kimberly-Clark

announced a \$2 billion investment to expand its U.S. manufacturing operations, including a new advanced manufacturing facility in Warren, Ohio, an expansion of its Beech Island, South Carolina, facility, and other upgrades to its supply chain network.



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## Chobani

a Greek yogurt giant, announced \$1.7 billion to expand its U.S. operations.

- \$1.2 billion to build its third U.S. dairy processing plant in New York, which is expected to create more than 1,000 new full-time jobs.
- \$500 million to expand its Idaho manufacturing plant.

## Corning

announced it is expanding its Michigan manufacturing facility investment to \$1.5 billion, adding 400 new high-paying advanced manufacturing jobs for a total of 1,500 new jobs.

## GE Aerospace

announced a \$1 billion investment in manufacturing across 16 states — creating 5,000 new jobs.

## Anduril Industries

announced a \$1 billion investment for a new autonomous weapon system facility in Ohio.

## Amgen

announced a \$900 million investment in its Ohio-based manufacturing operation.

## Merck Animal Health

announced an \$895 million investment to expand their manufacturing operations in Kansas.

## Schneider Electric

announced it will invest \$700 million over the next four years in U.S. energy infrastructure.

## GE Vernova

announced it will invest nearly \$600 million in U.S. manufacturing over the next two years, which will create more than 1,500 new jobs.

## Abbott Laboratories

announced a \$500 million investment in its Illinois and Texas facilities.

## AIP Management

a European infrastructure investor, announced a \$500 million investment to solar developer Silicon Ranch.

## Diageo

London-based Diageo announced a \$415 million investment in a new Alabama manufacturing facility.

## Eaton Corporation

Dublin-based Eaton Corporation announced a \$340 million investment in a new South Carolina-based manufacturing facility for its three-phase transformers.

## Siemens

Germany-based Siemens announced a \$285 million investment in U.S. manufacturing and AI data centers, which will create more than 900 new skilled manufacturing jobs.

## The Bel Group

announced a \$350 million investment to expand its U.S.-based production, including at its South Dakota, Idaho and Wisconsin facilities — which will create 250 new jobs.

# List of Manufacturing-Oriented Investments into US

## Clasen Quality Chocolate

announced a \$230 million investment to build a new production facility in Virginia, which will create 250 new jobs.

## Fiserv, Inc.

a financial technology provider, announced a \$175 million investment to open a new strategic fintech hub in Kansas, which is expected to create 2,000 new high-paying jobs.

## Paris Baguette

announced a \$160 million investment to construct a manufacturing plant in Texas.

## TS Conductor

announced a \$134 million investment to build an advanced conductor manufacturing facility in South Carolina, which will create nearly 500 new jobs.

## ABB

Switzerland-based ABB announced a \$120 million investment to expand production of its low-voltage electrification products in Tennessee and Mississippi.

## Saica Group

a Spain-based corrugated packaging maker, announced plans to build a \$110 million new manufacturing facility in Anderson, Indiana.

## Hotpack

a Dubai-based maker of food packaging materials and related products, announced a \$100 million investment to establish its first U.S. manufacturing facility in Edison, New Jersey.

## Charms, LLC

a subsidiary of candymaker Tootsie Roll Industries, announced a \$97.7 million investment to expand its production plant and distribution center in Tennessee.

## Toyota Motor Corporation

announced an \$88 million investment to boost hybrid vehicle production at its West Virginia factory, securing employment for the 2,000 workers at the factory.

## AeroVironment

a defense contractor, announced a \$42.3 million investment to build a new manufacturing facility in Utah.

## Saint-Gobain

Paris-based Saint-Gobain announced a new \$40 million NorPro manufacturing facility in Wheatfield, New York.

## Sygene

India-based Sygene International announced a \$36.5 million acquisition of a Baltimore biologics manufacturing facility.

## Asahi Group Holdings

one of the largest Japanese beverage makers, announced a \$35 million investment to boost production at its Wisconsin plant.

## Cyclic Materials

a Canadian advanced recycling company for rare earth elements, announced a \$20 million investment in its first U.S.-based commercial facility, located in Mesa, Arizona.

# List of Manufacturing-Oriented Investments into US

## **Guardian Bikes**

announced a \$19 million investment to build the first U.S.-based large-scale bicycle frame manufacturing operation in Indiana.

## **AMG Critical Minerals**

Amsterdam-based AMG Critical Minerals announced a \$15 million investment to build a chrome manufacturing facility in Pennsylvania.

## **NOVONIX Limited**

an Australia-based battery technology company, announced a \$4.6 million investment to build a synthetic graphite manufacturing facility in Tennessee.

## **LGM Pharma**

announced a \$6 million investment to expand its manufacturing facility in Rosenberg, Texas.

## **ViDARR**

a defense optical equipment manufacturer, announced a \$2.69 million investment to open a new facility in Virginia.

## **United Arab Emirates**

announced a \$1.4 trillion investment in the U.S. over the next decade.

## **Saudi Arabia**

announced it intends to invest \$600 billion in the U.S. over the next four years.

## **Japan**

announced a \$1 trillion investment in the U.S.

## **Taiwan**

announced a pledge to boost its U.S.-based investment.