

The Midwestern economy is strongly rooted in manufacturing including automobiles, renewable fuels and food products.

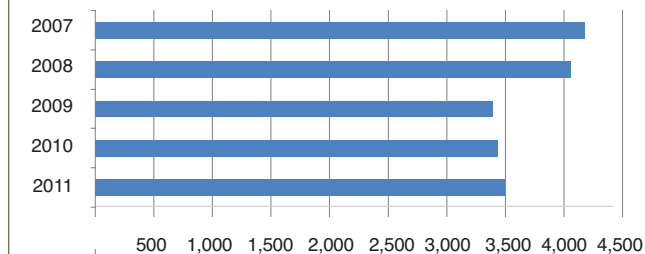
The world relies heavily on goods and resources



produced and manufactured in the Midwest. Manufacturing is a critical part of the region's economy, and advanced manufacturing is emerging as one of the strongest sectors of the U.S. economy. The availability of low-cost energy also provides the Midwest with a competitive advantage in

Since 2003, Illinois' manufacturing exports rose more than three times as fast as the state's overall economy, with manufactured exports supporting 25 percent of the state's manufacturing jobs. Small businesses make up 90 percent of Illinois' exporters.¹

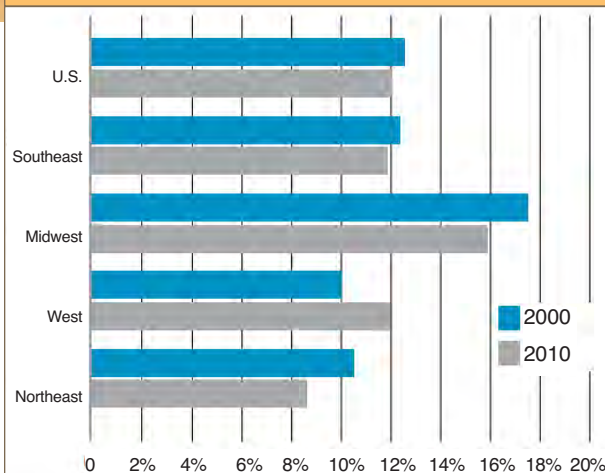
Manufacturing Employment in MGA Region (in thousands)



Source: U.S. Bureau of Labor Statistics

Iowa's central geographic location, its high-quality higher education system and its history of inter-firm collaboration are just a few of the reasons why some of the world's leading companies, such as Rockwell Collins, John Deere, Alcoa, Winnebago and Vermeer, reinforce the state's position as a center for advanced manufacturing and as a leading exporter.

Manufacturing Share of Total GDP, 2000 and 2010



Source: U.S. Bureau of Economic Analysis

manufacturing.

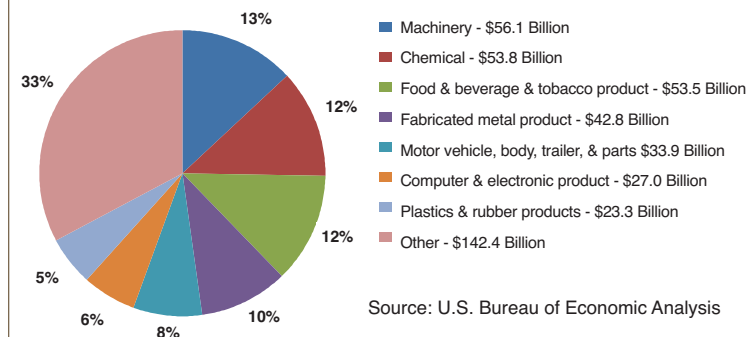
Manufacturing's share of total Midwestern gross domestic product (GDP) outpaces other regions of the

Companies are finding opportunity in the production of everything from medical devices to military hardware and increasingly alternative energy technologies. With nearly 15,000 manufacturing establishments in the state, Michigan's high-quality engineering and skilled manufacturing continue to attract employers in emerging 21st Century industries.²

country. In 2010, the Midwest accounted for 30 percent of total U.S. manufacturing, while the regional manufacturing workforce represented 10 percent of the region's total employment, a higher percentage than any other region.

Of the 19 manufacturing subsectors defined by the U.S. Department of

Leading Manufacturing Sectors GDP Within MGA Region



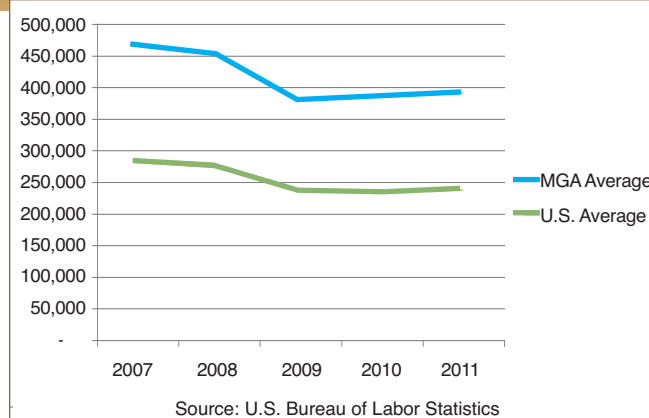
Source: U.S. Bureau of Economic Analysis

Indiana is a leading state in the research, development and manufacturing of next-generation batteries and electric drive vehicles. It is home to a number of established and emerging battery technology companies including Delphi Electronics & Safety, the only U.S. manufacturer of hybrid power converters, controllers and battery packs.³

Commerce, seven of these account for 67 percent of manufacturing GDP in the MGA region. These leading regional subsectors also make up a significant share of the nation's manufacturing GDP for the corresponding subsectors.

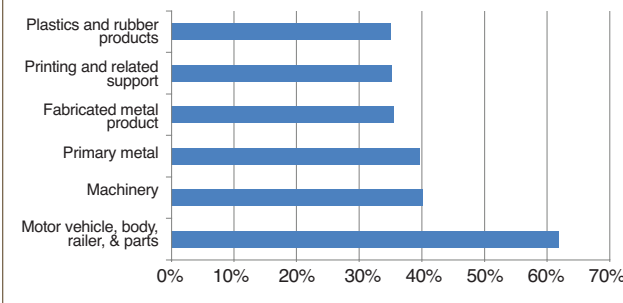
The MGA region's motor vehicle, body, trailer and parts manufacturing contributed 62

Average State Manufacturing Employment



Source: U.S. Bureau of Labor Statistics

Percentage of MGA Regional Share of U.S. Manufacturing GDP by Subsector



Source: U.S. Bureau of Economic Analysis

percent of the nation's total GDP in that subsector.

The region also accounted for 46 percent of U.S. motor vehicle manufacturing jobs. Given the current cross-state supply chains for vehicles, significant opportunities exist for Midwestern states as domestic and

Minnesota ranks second nationwide in the percentage of the population 25 years and older that has a high school diploma (91.5 percent) and 11th in the proportion of people with a bachelors' degree (31.5 percent). Minnesota is also participating in the National Association of Manufacturers' Dream It-Do It campaign that targets individuals 18 to 26 years old to pursue manufacturing careers.⁵

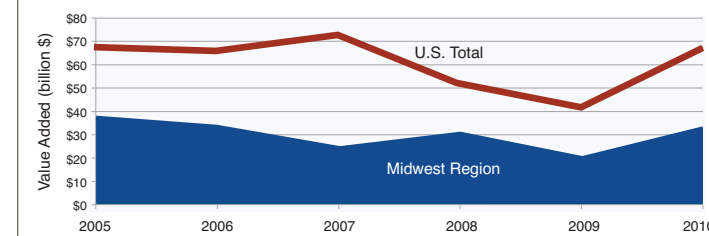
Missouri is proud of its manufacturing heritage with companies like Boeing, Harley-Davidson, Ford and GM leading the way. Abundant, low-cost labor, coupled with low business and energy costs, mean a better bottom line for businesses with operations in the state. Missouri's proximity to major markets via highway, rail, river and air means even greater savings for companies shipping their products outside the state.

Kansas leads the world in aviation manufacturing, with more than 70 percent of the world's embedded aviation fleet manufactured in the state. A unique composites cluster can be found in the south central region of the state, along with specialized plastics and polymer expertise. Whether in the aviation, plastics or agricultural sectors, there is a common thread of advanced techniques used for precision manufacturing that is performed with the newest materials and supported by in-state centers of national prominence.⁴

global markets expand for alternative fuel vehicles, including natural gas and electric.

Increased use of wind energy has helped fuel advanced manufacturing activity in the Midwest, which is currently home to at least 188 companies contributing to the wind energy industry.⁶ These facilities include major wind technology

Motor Vehicle Manufacturing GDP



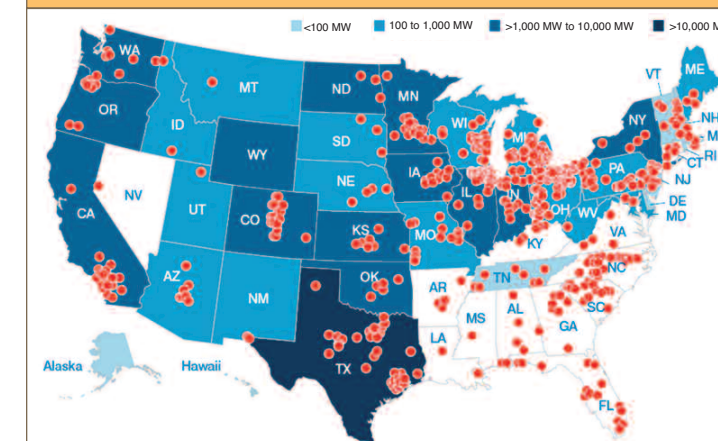
Source: U.S. Census Bureau's Annual Survey of Manufacturers

manufacturers, as well as smaller companies that supply the industry with components necessary for wind turbine development.



Already home to many leading petrochemical plants, Ohio is poised to take advantage of its burgeoning natural gas production and increase the manufacturing of fertilizers, plastics and other products made from natural gas by-products. Ohio's second leading manufacturing sector, fabricated metal products, will also benefit as more petrochemical plants are in Ohio and neighboring states.

Wind Manufacturing Activity in 2011



Source: American Wind Energy Association

While home to many types of manufacturing, such as fabricated metals, machinery and paper, Wisconsin is also a leader in the manufacturing of food products. Wisconsin is home to over 11,000 dairy farms and 1.27 million milk cows. In 2011, Wisconsin produced an estimated 2.6 billion pounds of cheese.

¹ National Association of Manufacturers
² Michigan Economic Development Corporation
³ Indiana Economic Development Corporation
⁴ Kansas Department of Commerce
⁵ Minnesota Department of Employment and Economic Development
⁶ American Wind Energy Association

Cover photo 3 courtesy of Ohio Dept. of Development

Strong Work Ethic,
Entrepreneurial,
Innovative,
Bioscience,
Energy,
Manufacturing,
Transportation Crossroads,
Sensational Standard of Living,
Quality Education,
Skilled Workforce

The **Midwestern Governors Association (MGA)** is a nonprofit, bipartisan organization that brings together the governors of Midwestern states to work cooperatively on public policy issues of significance to the region. The MGA states include Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Ohio and Wisconsin.

For more information on the MGA, visit
www.midwesterngovernors.org

Midwestern Governors Association



America's
Smartland:
GROWING OUR
ADVANCED
MANUFACTURING

Working as a dynamic whole, the MGA region's unique assets are greater than the sum of their parts. The Midwest is the crossroads for much of the nation's economic activity, with a robust freight industry and a rich network of rails, rivers, roads and airports second to none. Here you will find a world-class work ethic and a welcoming climate for business and job growth, as reflected by our diverse mix of industries. Add to this: vibrant cities and towns—both urban and rural—high-quality schools, cutting-edge universities and research institutions, easy access to breathtaking outdoor recreation in all four seasons, cultural amenities that rival any in the world, and you begin to understand how this region became both bread-basket and manufacturer to the world. This enviable standard of living and economic resilience is matched by an uncommon decency among people here, making this an exceptional place to live, raise a family, get an education, start a business, or grow an industry. Beyond its physical and intellectual assets, the Midwest has a cultural tradition of cooperation and a legacy of innovation—based on its pioneer and agricultural heritage—that makes it a natural home for new cutting-edge technologies, whether in advanced manufacturing, the biosciences or energy production.

