



BUSINESS INTELLIGENCE REPORT 2021



Created by **Lakeshore Advantage**

METHODOLOGY

Lakeshore Advantage and partnering organizations interview over 120 local executives each year to understand growth opportunities and obstacles to growth in Allegan, Ottawa and Muskegon counties. This report includes the analysis of interview responses collected during 2021 and other data to show key points about the economic health of area employers and the region as a place to do business.

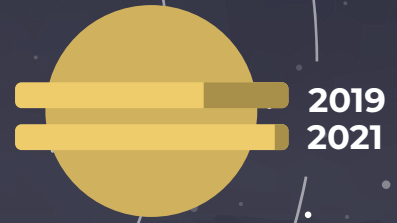


**LAKESHORE
ADVANTAGE**

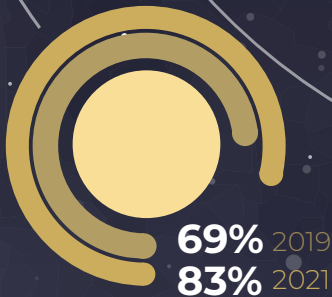
STEADY GROWTH

In spite of COVID-19's effects, our region has remained strong, showing positive growth trends rooted in the strength of our manufacturing industry.

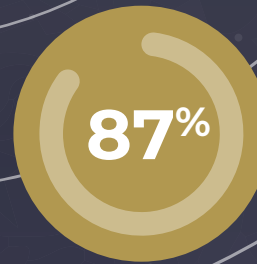
95% of companies reported market share increasing or stable in 2021 compared to 69% in 2019.



MARKET SHARE GROWING



83% reported total company sales were increasing or stable in 2021, compared to 69% in 2019.



87% are introducing new products/services/capabilities.

MANUFACTURING MATTERS

Manufacturing accounts for 44% of 2020 GRP for Allegan and Ottawa County.



70% of employers serve more than one industry

25% have facilities in other countries.

25%

Top 3 International Markets:

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1. Canada
 2. Mexico
 3. Europe

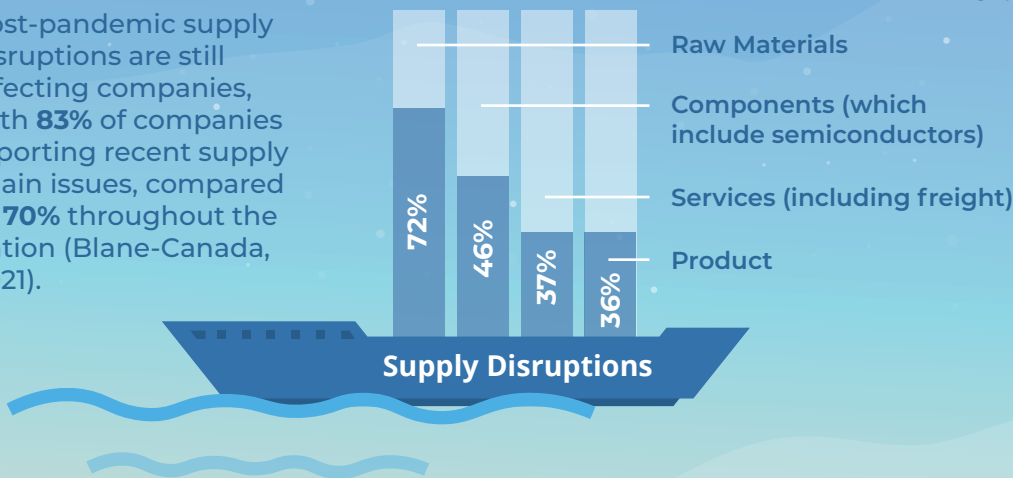


CHALLENGES

In the wake of a global pandemic, labor shortages and supply chain disruptions continued to challenge lakeshore businesses in 2021.

SUPPLY CHAIN ISSUES

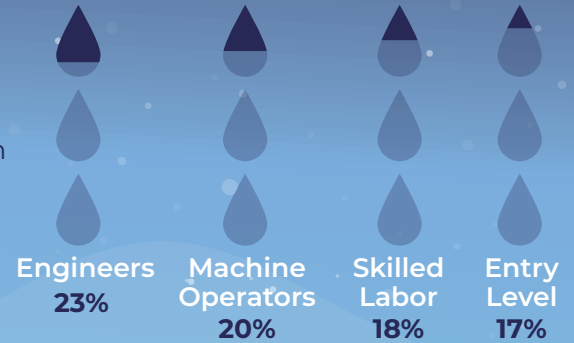
Post-pandemic supply disruptions are still affecting companies, with **83%** of companies reporting recent supply chain issues, compared to **70%** throughout the nation (Blane-Canada, 2021).



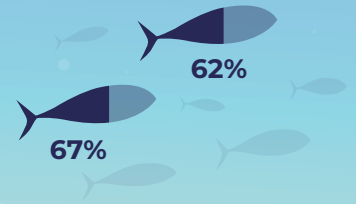
LABOR SHORTAGE

3 out of 4 companies reported recruitment problems (**79%** in 2019).

The top positions experiencing difficulty with recruitment include:

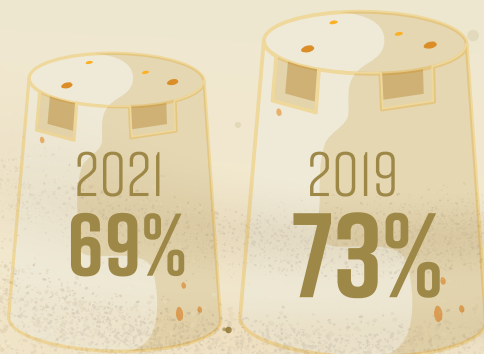


Labor force participation rate was **62%** in 2021 compared to **67%** 5 years ago in 2016.



EXPANSION PLANS

69% of companies reported plans to expand in the next 3 years compared to **73%** in 2019.



3.28%

Q3 2021 West MI Industrial Vacancy Rate was **3.28%** (previously **1.04%** in Q3 2020)

\$12.3 Million

Average capital investment

12

Average net new jobs

49k

Average square feet

FUTURE GROWTH








With a strong manufacturing base serving a wide variety of industries, the West Michigan lakeshore will continue to champion business growth and expansion.

INDUSTRY 4.0

What is Industry 4.0?

Industry 4.0 is a term used to encompass a wide range of technologies that allow businesses to control processes, enable cost savings and capture data to understand their opportunities and risks more fully. Companies mix and match these technologies to help achieve their goals.

Industry 4.0 Technologies Include:

- | | | |
|---|--|--|
|  Cyber Security |  Simulation |  Additive Manufacturing/
3D Printing |
|  Internet of Things |  System Integration |  Big Data |
|  Robotics/Automation |  Augmented &
Virtual Reality |  Cloud Computing |

REPORT ANALYSIS



RESEARCH PARTNERS

