

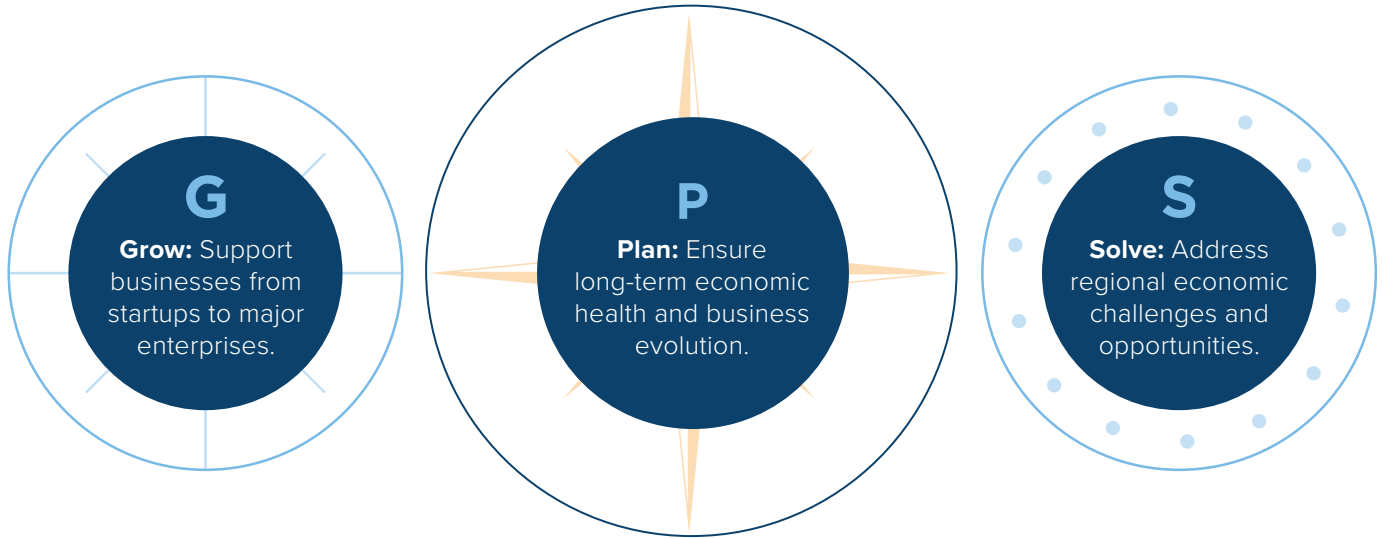


LAKESHORE ADVANTAGE

2024 Industry Trends Report
Allegan and Ottawa Counties, Michigan



The Economic GPS for West Michigan's **Allegan and Ottawa Counties**



We aim for West Michigan's Lakeshore region to be a business and talent magnet.

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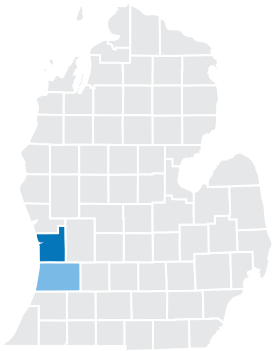
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Lakeshore Region Demographics



Population: 426,398 (2023)

The population grew by **19,683 (4.8%)** over the last five years and is projected to grow by **15,793 (3.7%)** over the next five.*

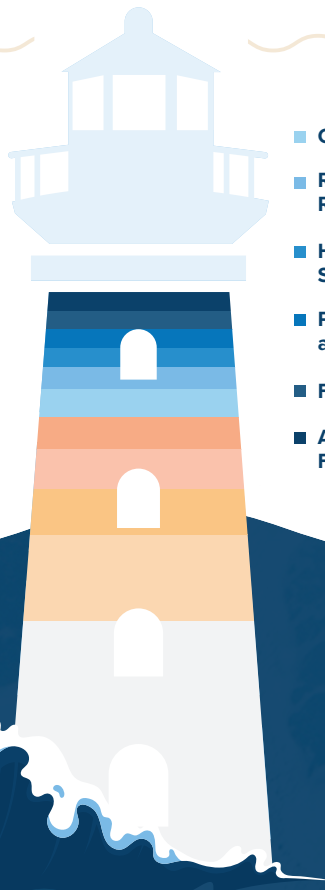
Employment: 195,048

Jobs grew by **8,270 (4.4%)** over the last five years and are projected to grow by **8,771** over the next five.*

Manufacturing: Our Economic Foundation

2023 Gross Regional Product

- Manufacturing 40%
- Other 16%
- Wholesale Trade 8%
- Government 7%
- Retail Trade 6%



- Construction 5%
- Real Estate and Rental and Leasing 4%
- Health Care and Social Assistance 4%
- Professional, Scientific, and Technical Services 4%
- Finance and Insurance 3%
- Agriculture, Forestry, Fishing and Hunting 3%

We focus on retaining and attracting businesses that export goods and services outside the region, bringing good jobs and investments. These businesses range in size, from startups to global corporations, and lay the foundation for our thriving communities.

Manufacturing jobs pay **22% higher wages** than average jobs in the region.*

\$88.7K - average manufacturing earnings per worker (2023)*

\$72.9K – average earnings per worker across all jobs (2023)*

Our Unique Assets

- * A welcoming business climate.
- * High-density of engineers, innovators, and problem-solvers with solid work ethic.
- * Unmatched quality of life.

A Renowned Manufacturing Base:

Largest Manufacturing Employers (as of December 2023)

Gentex (advanced technology, automotive)

MillerKnoll (office furniture)

Perrigo (pharmaceutical)

Shape Corporation (automotive)

Magna International (automotive)

JBS USA, LLC (food processing)

Haworth (office furniture)

Tyson Foods (food processing)

Request Foods (food processing)

JR Automation (automation)

Our Growing Industry Clusters:

Industry clusters are geographic concentrations of interconnected businesses, suppliers, and associated institutions in a particular field. A cluster involves closely linked companies that collaborate and compete, driving innovation and productivity within the region.



Advanced Energy Storage

Nearly 40 businesses in the region



Agribusiness & Food Processing

Nearly 150 businesses in the region



Smart Manufacturing

Over 50 businesses in the region

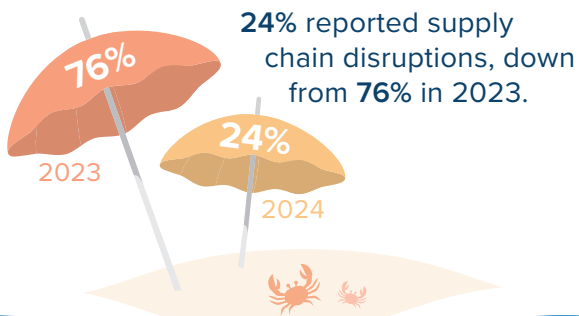
Lakeshore Region Business Trends

Lakeshore Advantage interviews 120+ local executives annually to assess regional growth opportunities and challenges. This report analyzes responses from June 2023 through June 2024, supplemented by data highlighting the region's business assets. **Of those interviewed:**

Growth & Sales Trends

89% reported stable or increased sales.

96% reported increased or stable market share for key products.

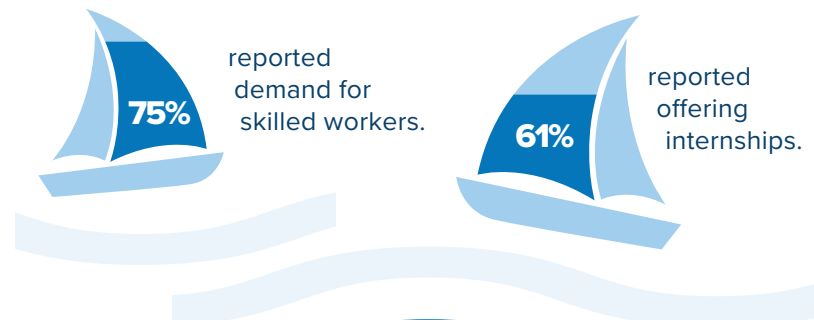


Talent Retention & Recruitment

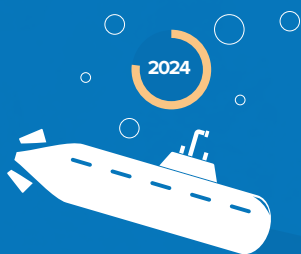
54% reported experiencing recruitment issues, down from **65%** in 2023.

Skilled labor positions were reported as the hardest to fill.

- * mechanical, electrical, and chemical engineering
- * machinists, CNC operators, production operators

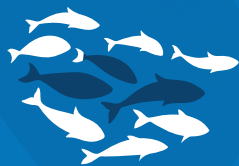


We are Makers AND Innovators



77% reported plans to introduce new products or capabilities in the next two years.

28% reported spending over 6% of sales on research and development (R&D).



45% of those with R&D efforts reported a focus on new product development, while others split efforts between new product development, product improvement, and operational improvement.

Maintaining our Competitive Edge

65% reported feeling prepared to adopt smart manufacturing technologies, up slightly from **63%** last year.

- * The biggest barrier to implementing new technologies continues to be cost, followed by a lack of staff expertise.
- * This year, cybersecurity topped the list for most-utilized technology, followed by robotics and automation which topped the list last year.

Competing Beyond Our Region

West Michigan competes nationally for business investment and talent. One-quarter of the businesses interviewed have facilities in other states. Of those, 41% plan to expand in the next three years and must decide where they will grow—here or elsewhere.

Our employers have choices

On average, expansion plans are anticipated to:



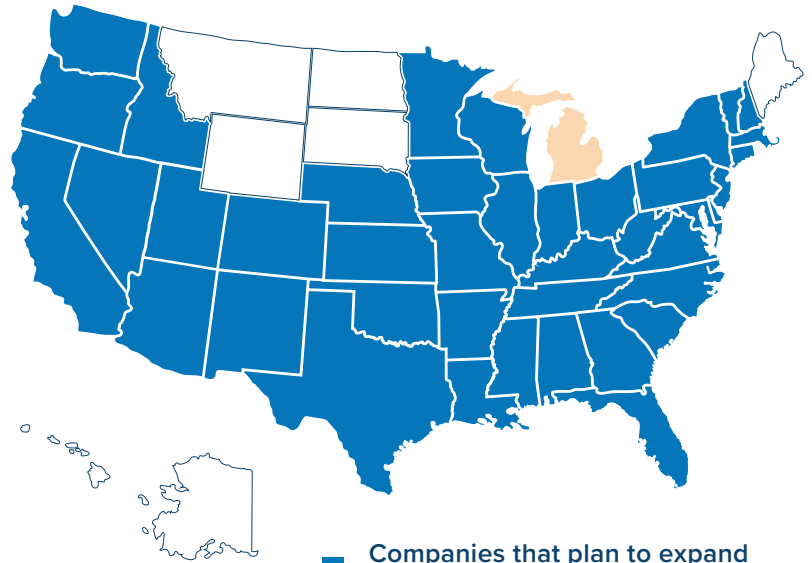
Generate: **\$18.7M**
in capital investment



Add: **9** new jobs



Add: **31,454 SF**



Barriers to Business Growth

* Labor shortage

Businesses consistently report difficulty finding skilled workers, especially for specialized trade positions. The competitive job market and challenges in attracting talent, particularly in engineering and skilled trades, significantly hinder growth.

* Housing scarcity

The lack of affordable housing directly impacts businesses' ability to attract and retain employees.

* Limited industrial space

The scarcity of industrial land and buildings constrains existing employers' expansion capabilities.

* Rising costs

Respondents cite inflationary pressures and high construction costs as factors impeding business growth.





**LAKESHORE
ADVANTAGE**

Are you ready to grow or need our support?

Get in touch:

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Want to join our network?

Invest in the Lakeshore region:

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