





# 2026
# BUSINESS INSIGHTS REPORT
## Allegan & Ottawa Counties, Michigan

LAKESHORE ADVANTAGE



# Lakeshore Region Business Insights

At Lakeshore Advantage, we keep a close pulse on the economy by meeting directly with primary employers—companies that sell goods and services beyond the Lakeshore region and bring new dollars into the local economy. These conversations are the foundation of our business retention program, helping us understand each company's opportunities, challenges, and needs.

**This year, Lakeshore Advantage interviewed a strategic sample of 140 business executives representing the region's approximately 700 primary employers.**

Small employers are central to Lakeshore Advantage's retention work and the regional economy. Half of surveyed companies have fewer than 50 full-time employees. Lakeshore Advantage is dedicated to retaining and supporting businesses of all sizes.

This Business Insights Report offers a snapshot of what we heard, highlighting regional employers' outlook and guiding action to support growth, innovation, and opportunity across Allegan and Ottawa Counties.

The data in this report represent interviews conducted by Lakeshore Advantage team members between July 1, 2025, and June 30, 2026.



# Lakeshore Region Profile



POPULATION (2026)

**433,477**[1]

TOTAL EMPLOYMENT

**194,062**[2]

FIVE-YEAR EMPLOYMENT GROWTH[2] (2021-2026)

| | |
|---|---|
| Lakeshore region | 8.9% |
| Michigan | 7.3% |
| U.S. | 9.4% |

FIVE -YEAR GDP GROWTH*[2] (2020-2025) *INFLATION ADJUSTED

| | |
|---|---|
| Lakeshore region | 15.8% |
| Michigan | 14.0% |
| U.S. | 18.5% |

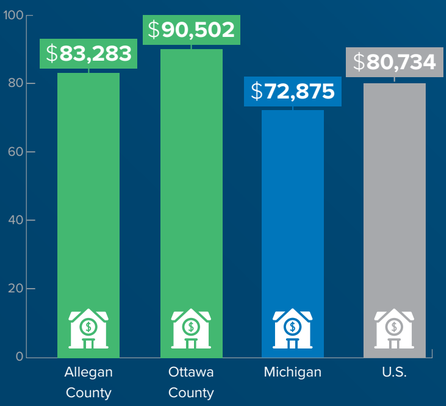
EDUCATIONAL ATTAINMENT: (BACHELOR'S DEGREE OR HIGHER)[1]

| | |
|---|---|
| 28.5% Allegan County | 41.7% Ottawa County |
| 33.3% Michigan | 36.9% U.S. |

LARGEST MANUFACTURING COMPANIES BY EMPLOYMENT

| | Company | Industry | Largest Facility Location |
|---|---|---|---|
| 1 | Gentex Corporation | Automotive Manufacturing | City of Zeeland |
| 2 | MillerKnoll | Furniture + Related Product Mfg. | City of Zeeland |
| 3 | Perrigo | Pharmaceutical Mfg. | City of Allegan |
| 4 | Haworth, Inc. | Furniture + Related Product Mfg. | City of Holland |
| 5 | Shape Corp. | Fabricated Metal Product Mfg. | City of Grand Haven |
| 6 | LG Energy Solution | Battery Manufacturing | City of Holland |
| 7 | JBS USA, LLC | Food Processing | Gun Plain Charter Twp. |
| 8 | Magna International (Mirror & Glass) | Automotive Manufacturing | Holland Charter Twp. |
| 9 | Tyson Foods | Food Processing | Olive Township |
| 10 | Request Foods, Inc. | Food Processing | Holland Charter Twp. |
| 11 | Yanfeng Automotive Interior Systems | Automotive Manufacturing | City of Holland |
| 12 | Royal Technologies | Plastic + Rubber Products Mfg. | Jamestown Charter Twp. |
| 13 | JR Automation | Industrial Automation | Holland Charter Twp. |
| 14 | Tiara Yachts | Transportation Equipment Mfg. | City of Holland |
| 15 | Boar's Head Provisions | Food Processing | Holland Charter Twp. |

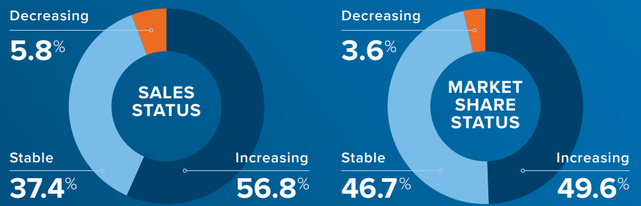
MEDIAN HOUSEHOLD INCOME[1]




1. U.S. Census Bureau 2. Lightcast

# A Region with Momentum

## POSITIVE SIGNS IN SALES AND MARKET SHARE




### KEY POINTS:

**56.8%** of companies reported increasing sales, up from **48.5%** last year.

The share of companies that reported declining sales fell significantly, from **15.4%** last year to just **5.8%**. this year.

Companies that reported increasing market share rose from **46.0%** last year to **49.6%** this year.

## EXPANSION OUTLOOK EDGES UP

**35.5%** **of companies reported plans to expand in the next three years.**

### PREVIOUS YEARS:

**48.1**% in 2023 | **37.6**% in 2024 | **32.8**% in 2025

Expansion plans reflect the region's potential for continued investment, job creation, and economic growth.

In line with regional and national trends, project activity saw a sudden uptick in 2022 and 2023, with activity leveling off in subsequent years. This year's modest increase in companies that reported plans to expand marks a positive shift.

## MORE COMPANIES ARE MAKING INVESTMENTS IN R&D

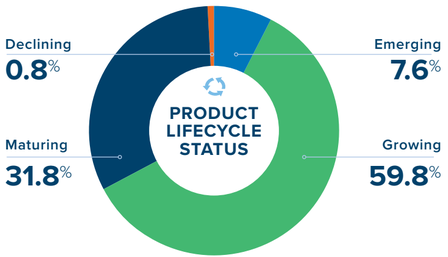
Based on the latest insights, **19.8% of companies report spending 6% or more of sales on research and development**—nearly double the 10.3% reported in 2025.

### TOP INDUSTRIES SPENDING MORE ON R&D:

- Professional, Scientific and Technical Services
- Electrical Equipment Manufacturing
- Beverage and Tobacco
- Machinery Manufacturing
- Furniture Manufacturing

## PRODUCT LIFE CYCLE SIGNALS CONTINUED MARKET STRENGTH

The region's current product base appears strong. **Nearly 60% of companies reported their top product or service is in a growth stage**, and another 31.8% in maturity.

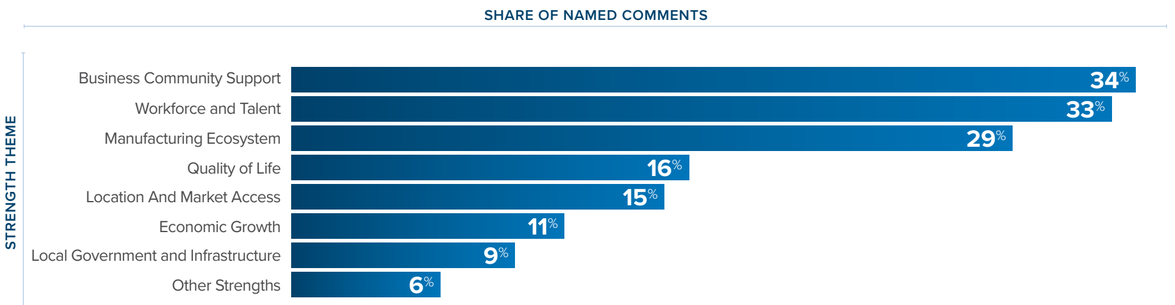



## REGIONAL STRENGTHS DRIVING MOMENTUM

One of the region's **greatest strengths is its ability to build deep, trusted business relationships and to support one another through collaboration**. Together, those relationships, an experienced workforce, and a robust manufacturing ecosystem create a business environment where companies can connect, solve problems, and grow.



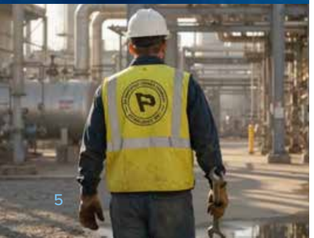
## TOP STRENGTHS IDENTIFIED BY COMPANIES











# Signals to Watch for Long-Term Competitiveness

## DIVERSIFICATION AND INNOVATION

A steady pipeline of new products, services, and capabilities is essential to long-term competitiveness. **Current launch and diversification trends do not signal distress**, but they are important indicators to monitor as the region aims to sustain future growth.

**69.8%** companies reported launching new products, services, or capabilities in the last three years.

- **PREVIOUS YEARS:** **82.9**% in 2024 | **75.6**% in 2025

**23.1%** plan to diversify into additional industries.

- **PREVIOUS YEARS:** **50.8**% in 2024 | **30.4**% in 2025

## INDUSTRY AND GEOGRAPHIC DIVERSIFICATION

Based on the data collected, **46.4% of businesses serve three or more customer industries** and 53.0% reported international sales.

### TOP CUSTOMER INDUSTRIES:

- Automotive Manufacturing
- Consumer Goods Producer
- Food Production
- Furniture & Related Product Manufacturing
- Aerospace & Defense

### TOP EXPORT DESTINATIONS:

Mexico, Canada, European Union

The region's manufacturing capabilities are **transferable across industry sectors and global markets, broadening growth opportunities**. However, reliance on major international trading partners also exposes the region to tariff risks, currency fluctuations, border disruptions, and shifts in global demand.

## WORKFORCE: A COMPETITIVE ADVANTAGE UNDER PRESSURE

### COMPANIES THAT REPORTED RECRUITMENT CHALLENGES

The quality of the workforce is an advantage, but the availability is a challenge.

| | | |
|---|---|---|
| Report facing workforce challenges | 2022 | **68.8**% |
| | 2023 | **65.2**% |
| | 2024 | **53.7**% |
| | 2025 | **39.7**% |
| | 2026 | **45.5**% |

Of those who reported recruitment challenges, **73.0**% reported demand for skilled labor.

### MOST CITED POSITIONS IN DEMAND:

- Engineering and automation
- Maintenance technicians
- Logistics and material handling
- Machining
- Business operations
- Skilled trades

Demand for even more specialized talent signals the need to keep strengthening career pathways, training partnerships, and recruitment strategies. **More than half of the companies surveyed (60.7%) offer apprenticeships, internships, tuition reimbursement, or other career development support, a positive signal for the region's talent pipeline.**

**Best Practice Spotlight:**

ADAC

## INNOVATION-LED DIVERSIFICATION

In 2025, ADAC Automotive, a Tier 1 automotive original equipment manufacturer specializing in engineering and manufacturing exterior and interior vehicle components, acquired Holland-based EBW Electronics in a strategic acquisition. The acquisition is a strong example of regional diversification. EBW's advanced electronics capabilities strengthen ADAC's technology platform and position the company to serve a broader mix of markets, reflecting how innovation can help regional manufacturers build resilience and long-term competitiveness.



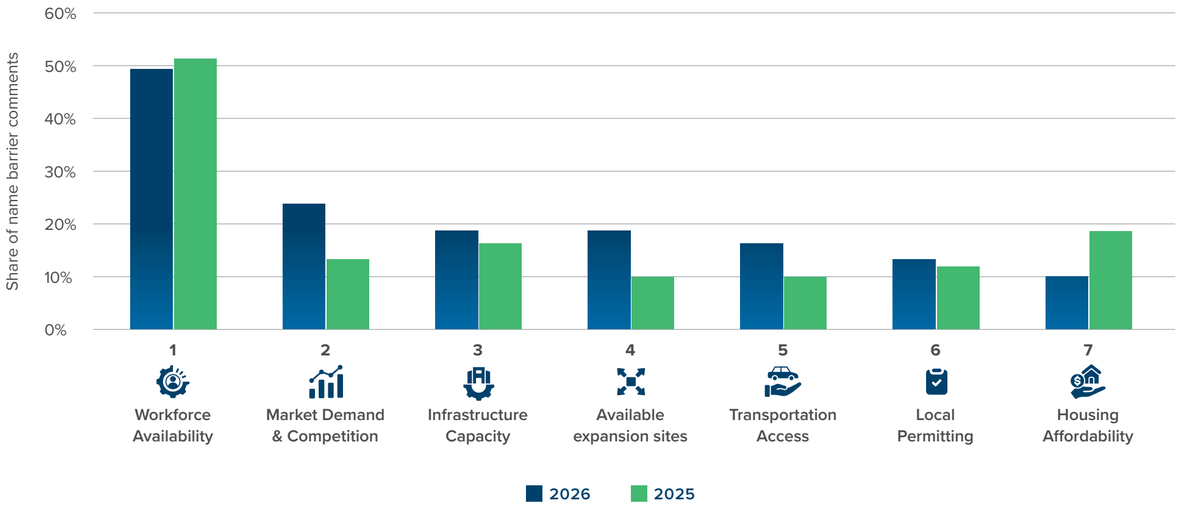


# Barriers to Growth

**Workforce availability is by far the region's most frequently cited growth barrier**, appearing in 50.0% of 2026 comments. **The second-ranked concern, market demand and competition**, indicates that some businesses face a limited local customer base, competition from larger markets, and pressure as customers and industries shift to other regions.



## TOP CITED BARRIERS TO GROWTH













Best Practice Spotlight:

MEERA

### BUILDING A WORKFORCE FOR THE FUTURE

A new educational program brings modern manufacturing directly into the classroom through hands-on labs, industry relevant equipment, competency-based curriculum, and teacher training to help students see themselves in manufacturing careers. Manufacturing and Engineering Education Reimagined for All (MEERA) exposes students to advanced technical fields, building awareness and skills before they choose a career pathway.

In the Lakeshore region, several school districts are early adopters. Students are being introduced to these career opportunities at the elementary, middle, and high school levels, creating one of the most visible and comprehensive manufacturing career awareness efforts in the country. For a region where manufacturing accounts for more than 40% of economic output, MEERA connects classroom learning to the careers that power the local economy.

# Emerging and Growing Industry Clusters

## SMART MANUFACTURING

**$4.4 BILLION**
in annual Gross Regional Product.

More than **27,000** regional jobs.

Specialized talent; market size and competitive pressure; and site availability are top growth constraints.

- This high-value smart manufacturing base combines workforce strengths with talent pipeline opportunities to sustain growth.

## FOOD PRODUCTION & AGRIBUSINESS

**$1 BILLION**
in annual Gross Regional Product.

Approximately **4,500** regional jobs.

Market demand, competition, and workforce availablity are growth constraints.

- A strong food production and agribusiness base is supported by business and community relationships, location, quality of life, and regional amenities.

## ADVANCED ENERGY STORAGE

**$331 MILLION**
in annual Gross Regional Product.

Approximately **1,700** regional jobs.

Workforce availability, labor cost, housing affordability and market pressure are growth constraints.

- Advanced energy storage is an emerging growth opportunity backed by advanced manufacturing expertise and workforce capabilities.



# Turning Insights into Action

**The region has a strong economic foundation**, with a diverse business base and a manufacturing sector that continues to contribute to the region's overall health.

At the same time, **businesses tell us that growth isn't without its challenges**. After a difficult 2025, companies have adapted, but workforce pressures, housing availability, industrial sites, and the capacity and reliability of water and energy infrastructure remain key factors to watch.

The region has much to build on, and continued **investment in the infrastructure, workforce, and resources that support business growth will help ensure the Lakeshore region remains competitive**.



| WHAT WE LEARNED | WHAT WE ARE DOING |
|---|---|
| **The economy is healthy, but the future is not guaranteed.** | Business Intelligence keeps us close to employers, tracks change early, and guides strategy with investors, staff and board. |
| **Workforce is the region's strongest asset and greatest potential.** | Talent pipeline and workforce housing work support recruiting, retention, training pathways, and housing solutions tied to employer needs. |
| **R&D investment is rising, but slower launch and diversification activity are signals to watch.** | Supporting entrepreneurship and innovation work prepares the next generation of primary employers and connects companies to ideas, partners and markets that help launch new products, services, and capabilities. |
| **Trusted relationships move business forward.** | Business retention work builds the trusted employer relationships and partner alignment needed to solve problems, connect resources, and move opportunities forward. |
| **Long-term competitiveness depends on site readiness, infrastructure, and diversification.** | Our three-year strategy prioritizes shovel-ready sites, infrastructure partnerships, and targeted diversification opportunities that position the region for future investment. |

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