

Manufacturing in Montana

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Montana Manufacturing:

- **27,400 workers**
- **\$1.2 billion in labor income**
- **\$8 billion + in annual output**
- **20-25 % of state's economic base**



Manufacturing is:

**Adding value through the
mechanical or chemical
transformation of
substances or materials
into new products.**

Montana Manufacturing

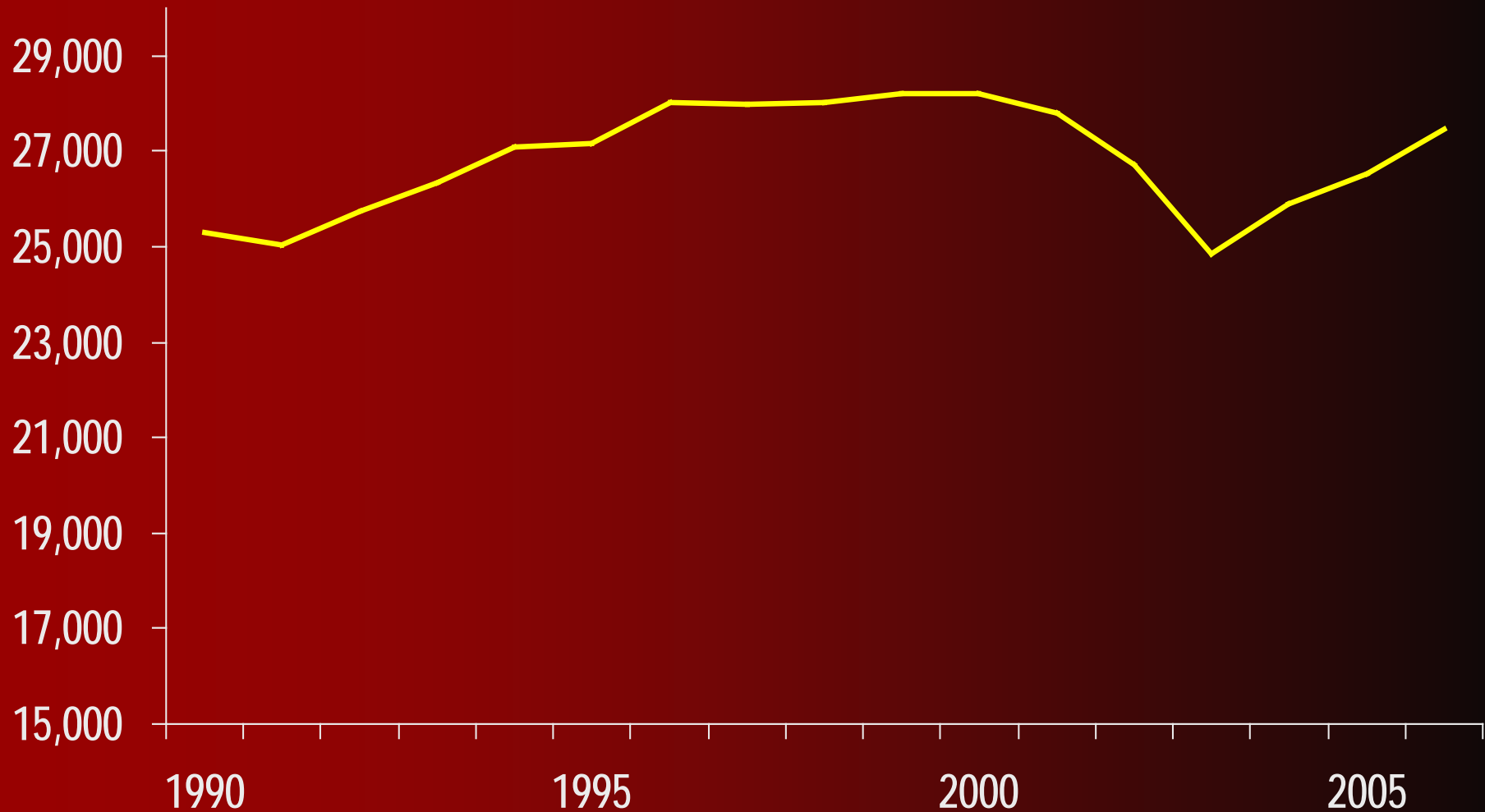
2006 Estimated Labor Income Distribution

Total Labor Income:
\$1.2 billion
Total Employment:
27,400

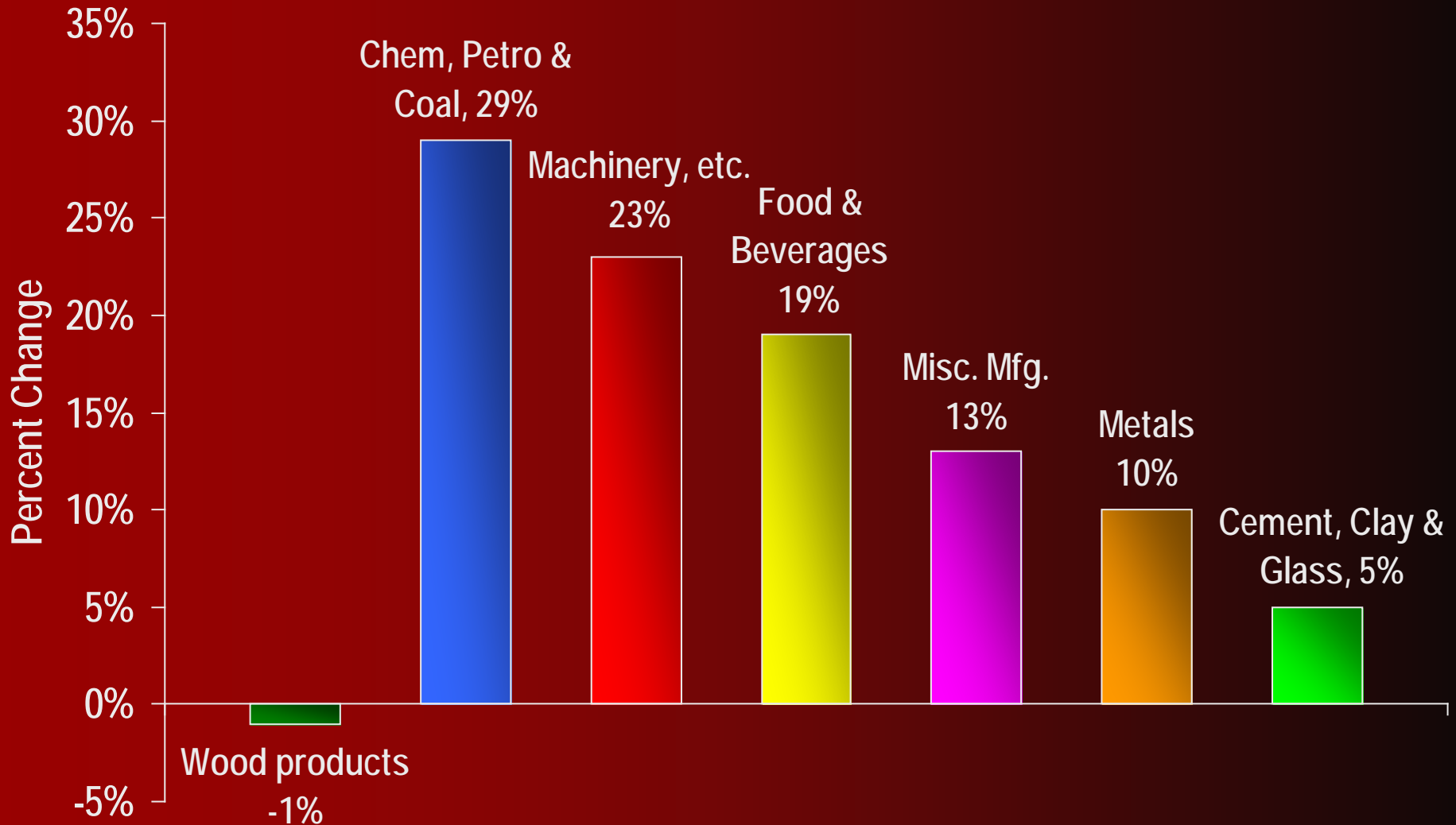


Montana Manufacturing Employment, 1990-2006

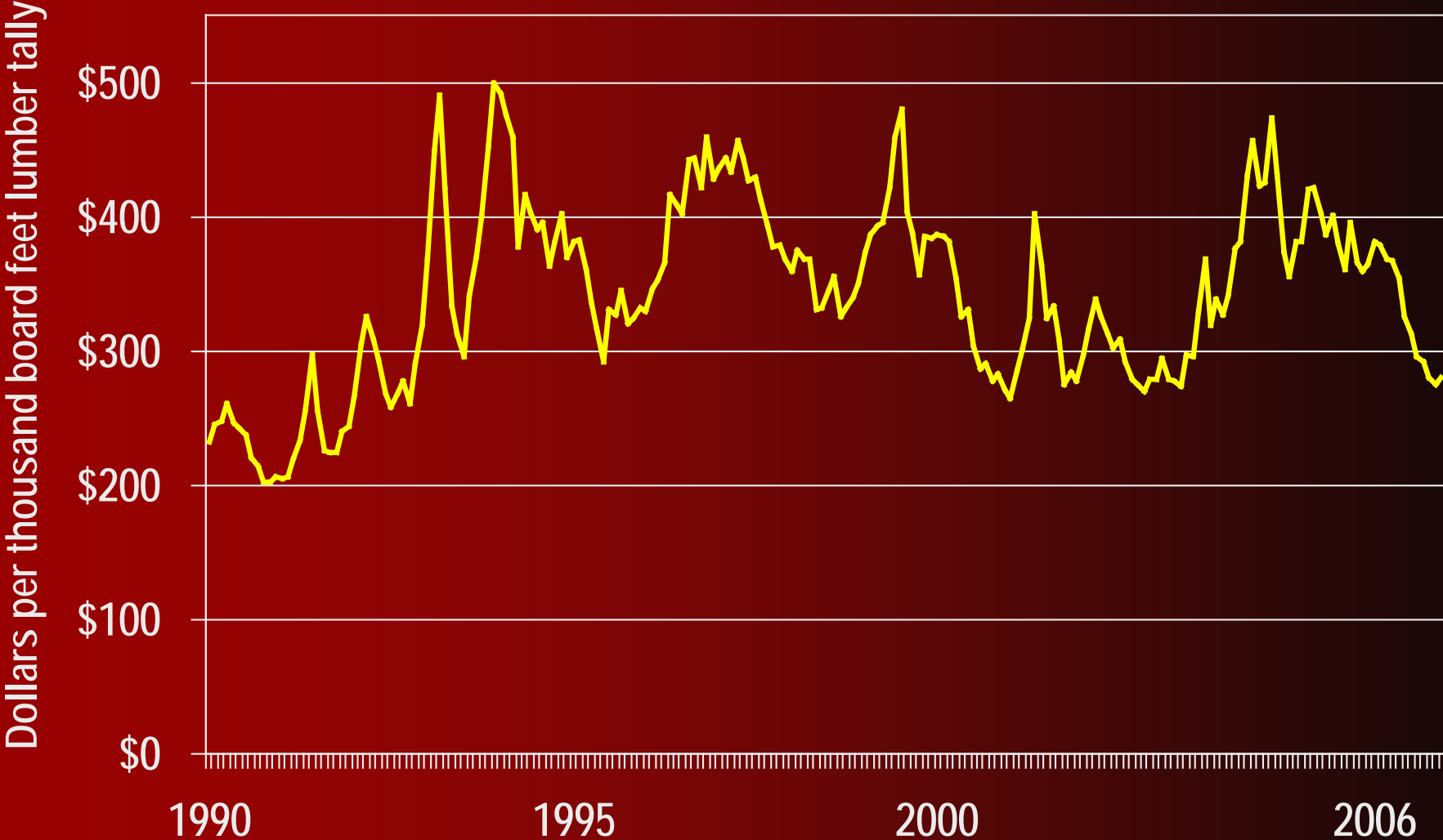
Number of Workers



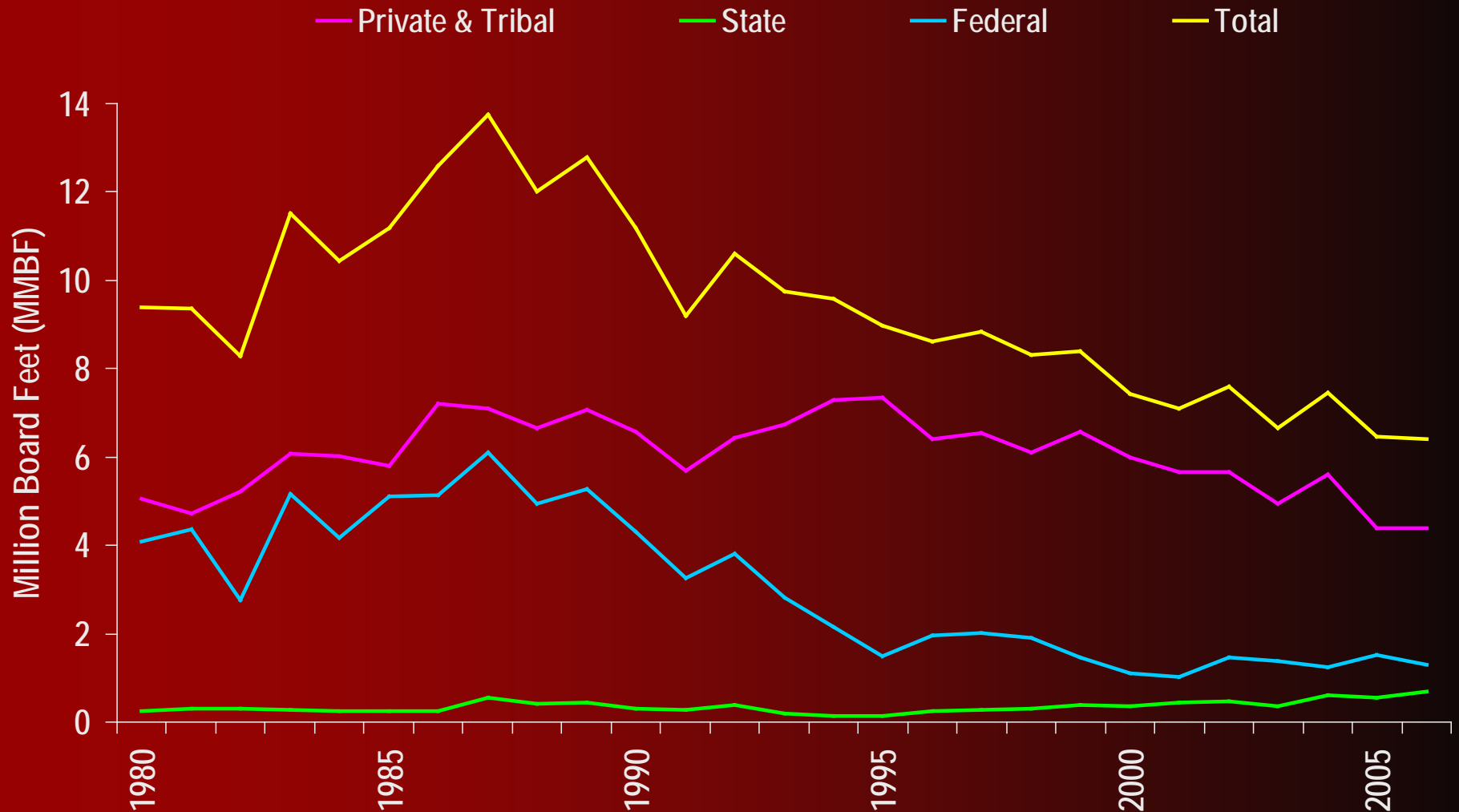
Percent Changes in Manufacturing Labor Income by Sector 2003-2006



National Composite Lumber Prices 1990-2006 (Monthly)

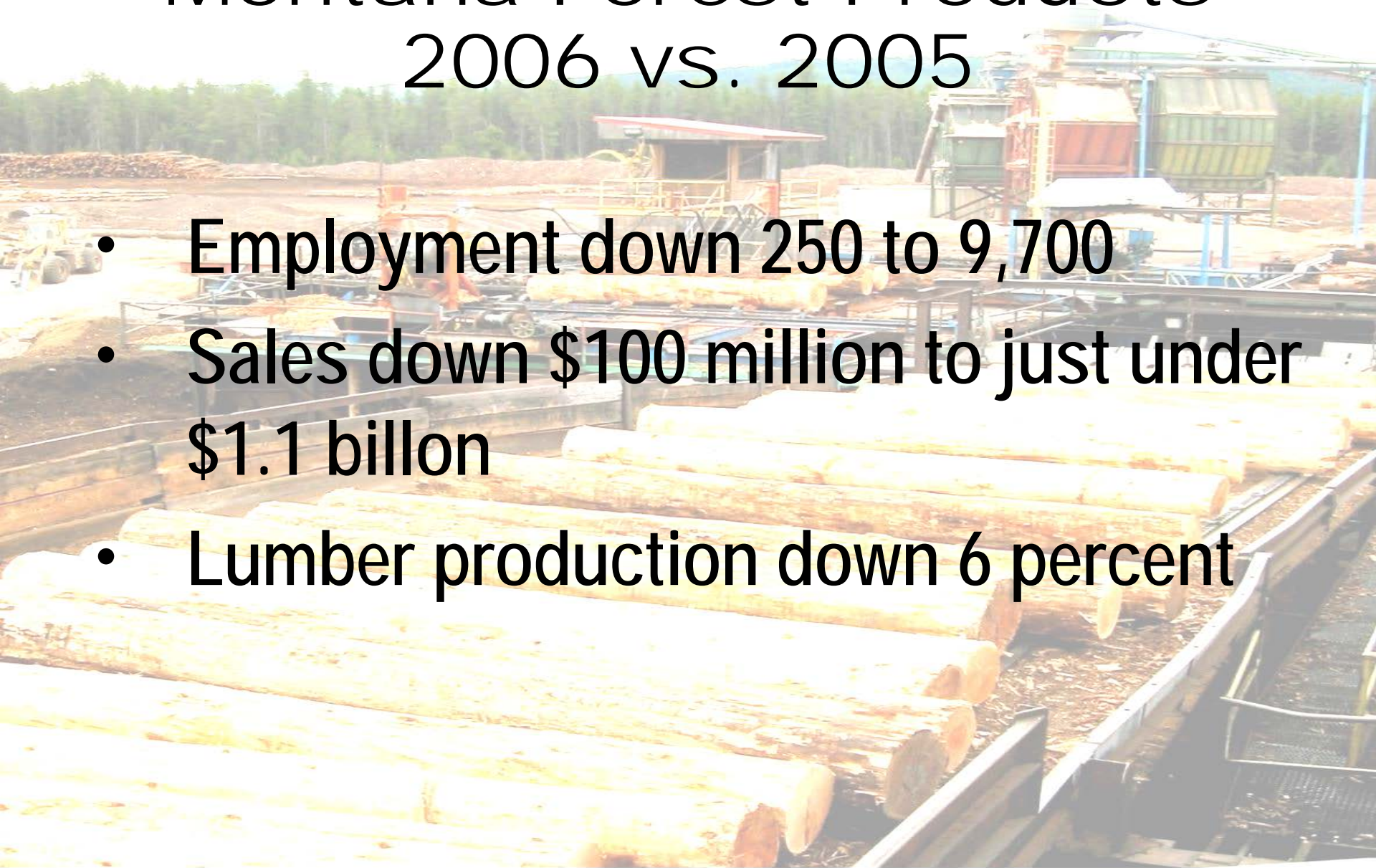


Montana Annual Timber Harvest 1980-2006



Montana Forest Products 2006 vs. 2005

- Employment down 250 to 9,700
- Sales down \$100 million to just under \$1.1 billion
- Lumber production down 6 percent



Flathead County Manufacturing

2006 Estimated Labor Income Distribution

Total Labor Income:
\$201 million
Total Employment:
4,200

**Metals &
Related**
10%

**Hi-Tech,
Other**
34%

**Lumber &
Wood**
56%



2006-2007 Montana Manufacturers Survey

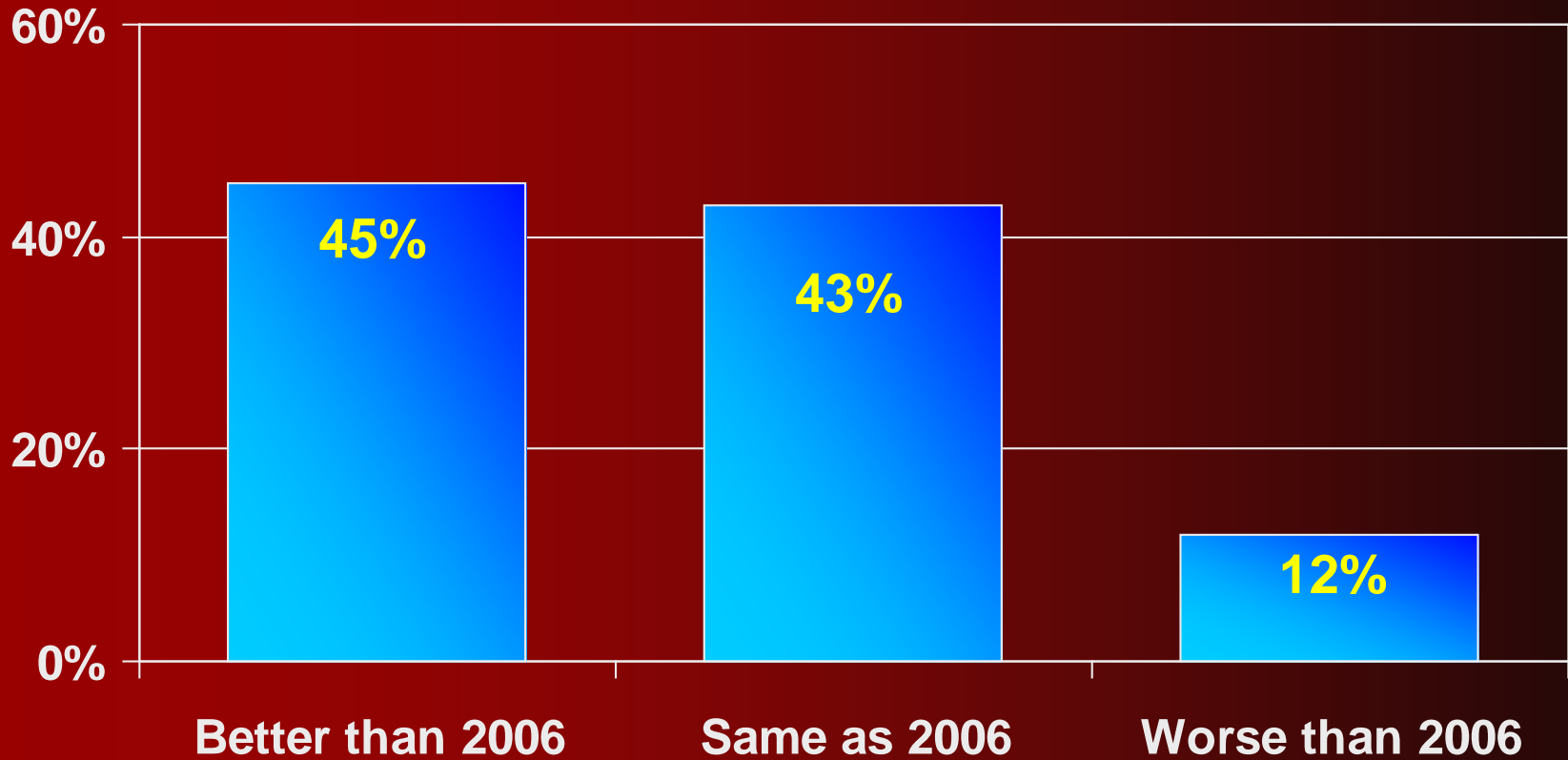
Annual survey of Montana's
largest manufacturers:

- 213 manufacturers surveyed
- conducted in Nov/Dec 2006
- response rate about 80%



Overall Outlook for CY 2007 (compared to CY 2006)

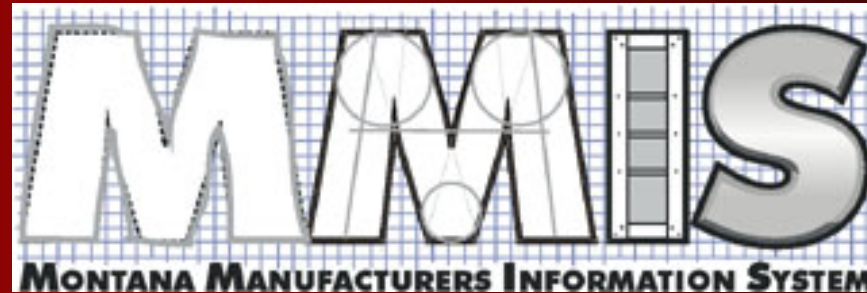
Percent of Firms



Manufacturing Industry Economic Outlook

- Fourth year of growth in 2007
 - Slowing economies in U.S., Japan, Europe, but...
 - China/India support global activity
 - Weaker U.S. dollar
 - Lower interest rates & energy prices
- Forest Products—largest downside risk
 - Housing weakness/Low lumber prices
 - Long-run timber availability

Montana Manufacturers Information System



The BBER and Montana Business Connections website for collecting and disseminating information about Montana manufacturers.

mmis.umt.edu