108 Years of Service

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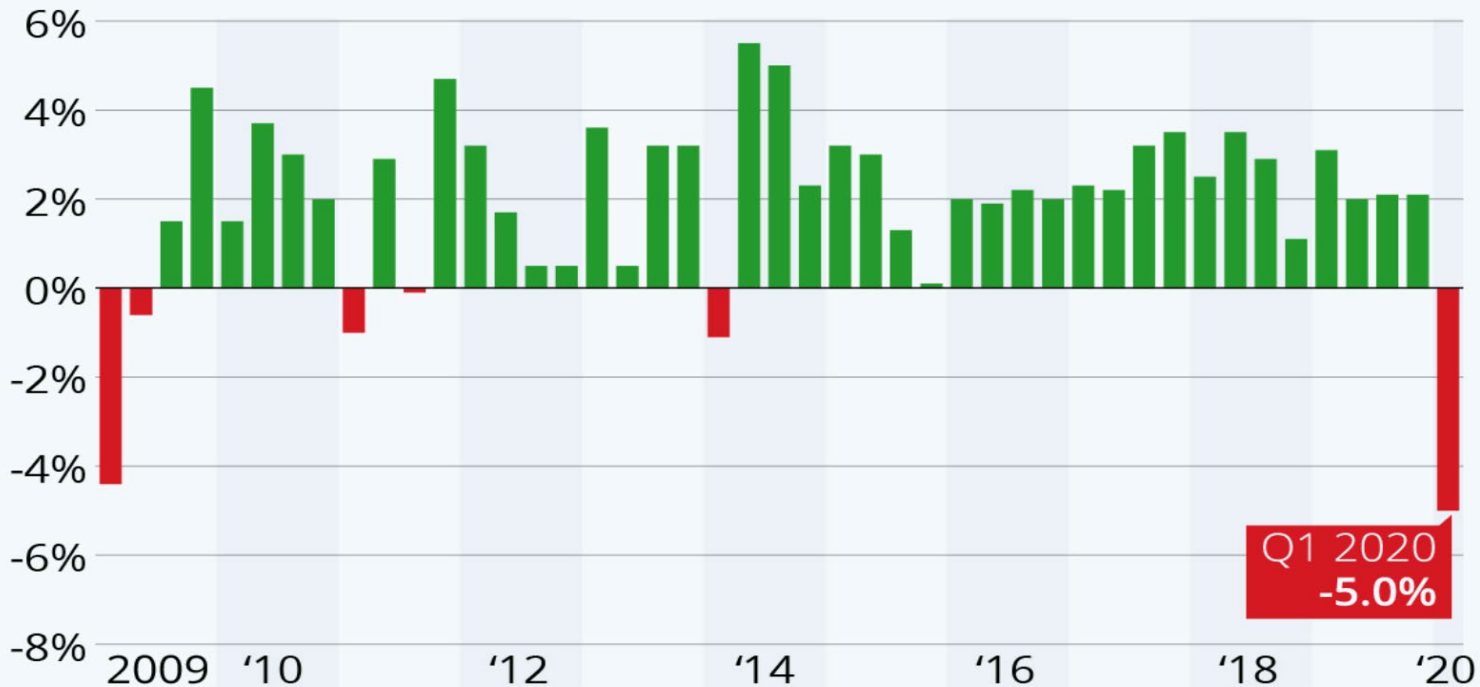
MANUFACTURERS ALLIANCE of New York

The longest economic expansion in U.S. history followed by largest unemployment since the Great Depression

U.S. Economy Sees Sharp Downturn Amid COVID-19 Crisis

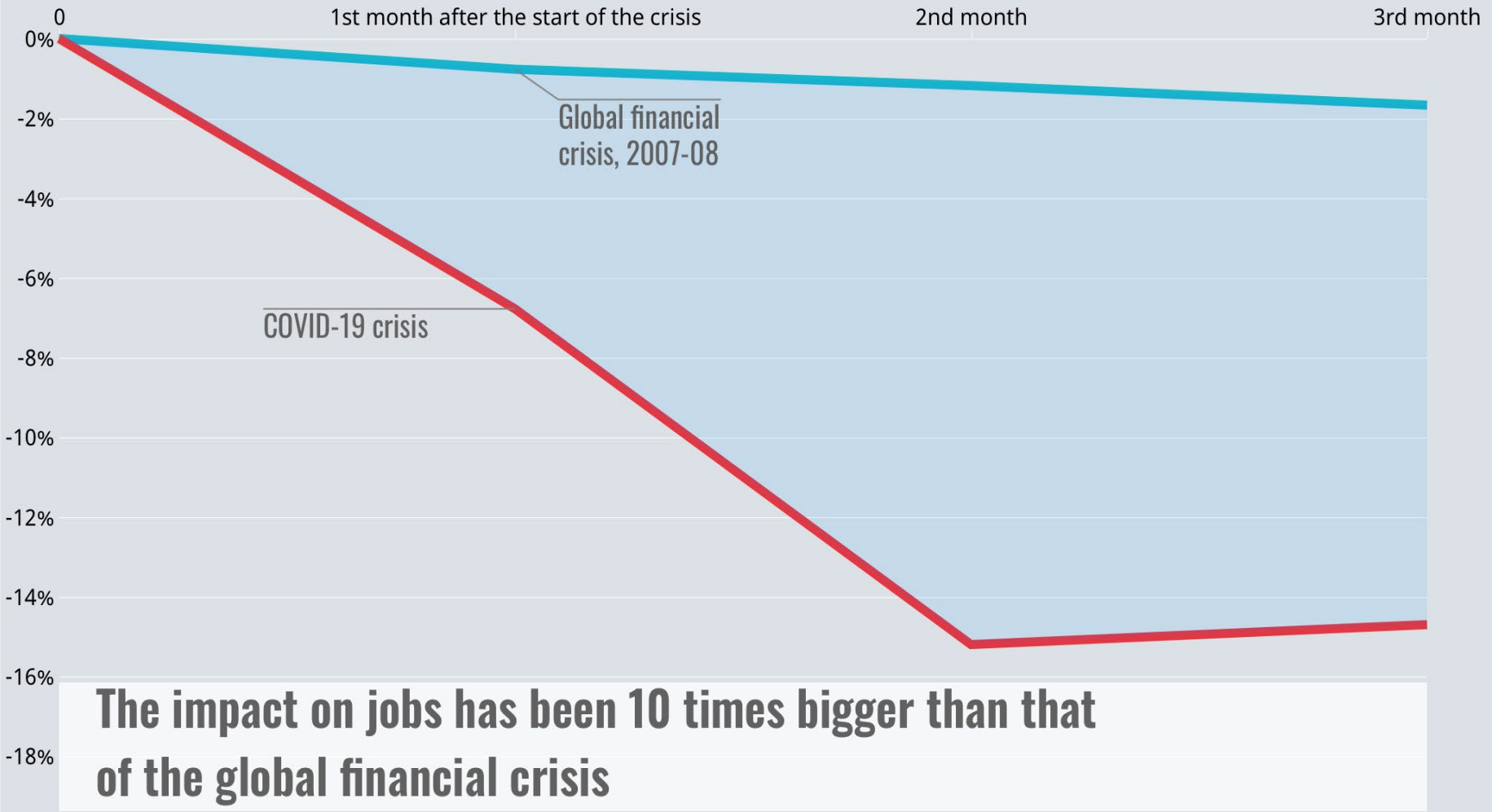
Quarterly real GDP growth in the United States*



* percent change from preceding quarter; seasonally adjusted at annual rates

Source: U.S. Bureau of Economic Analysis

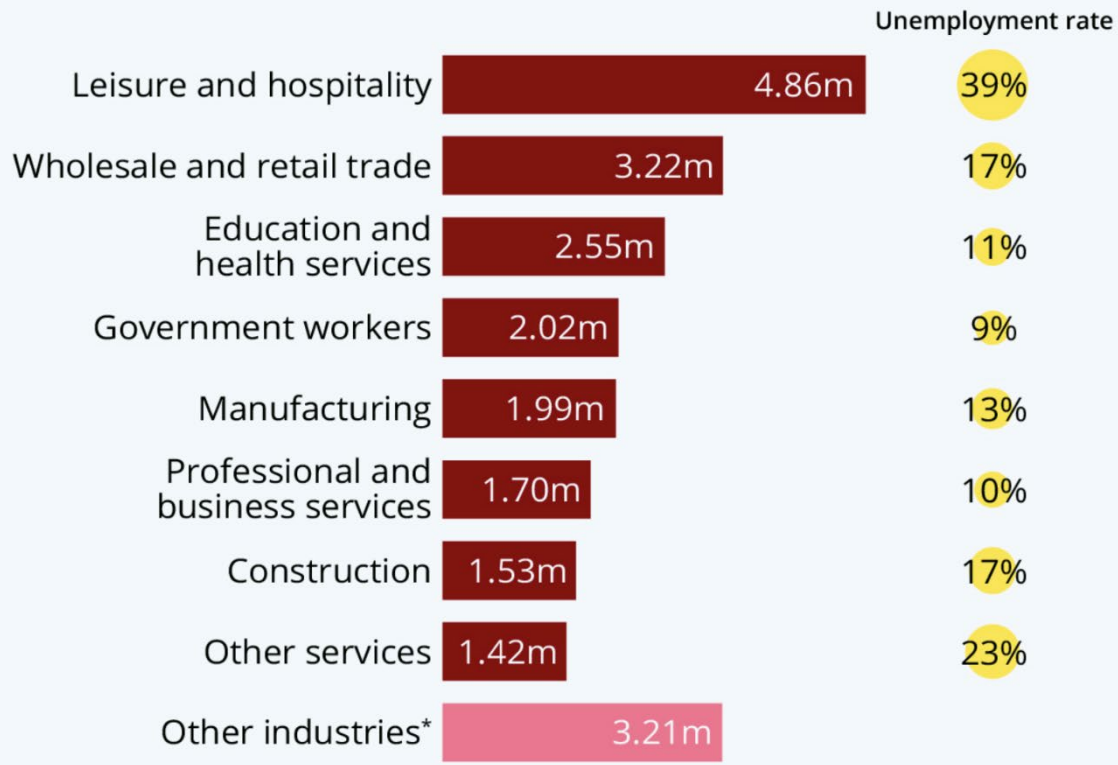
Collapse in the number of hours people work



Source: OECD (2020), OECD Employment Outlook 2020: Worker Security and the COVID-19 Crisis, OECD Publishing, Paris.
Note: Average of selected countries: Australia, Canada, Japan, Korea, Sweden, US.

The Industries Worst Affected by the COVID-19 Job Crisis

Number of unemployed persons aged 16 and over in the U.S. in April 2020, by industry



* incl. persons with no previous work experience and persons whose last job was in the U.S. Armed Forces

Source: Bureau of Labor Statistics

Global economy

Firms in distress

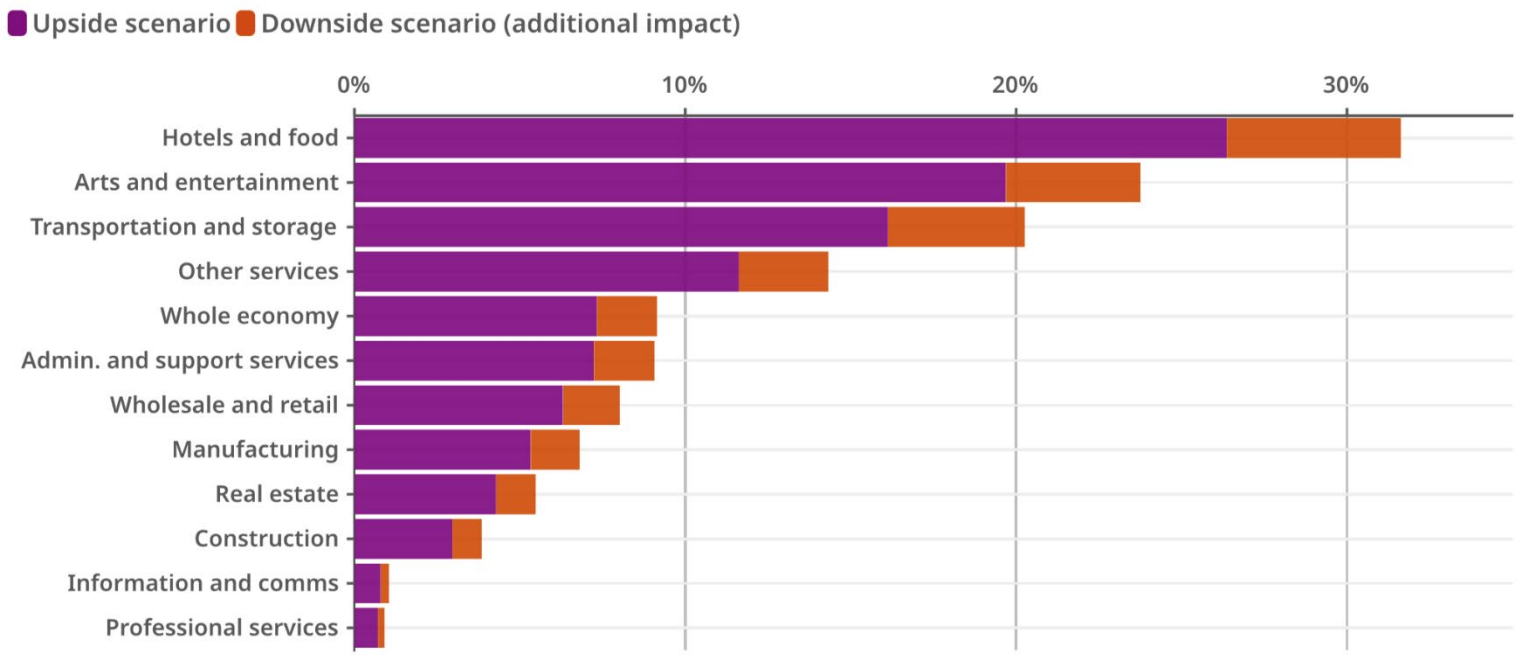
30/08/2021

PNG

Financially distressed firms

% expected (2021)

By sector | By age | By size



The figure shows the percentage of distressed firms in the upside (yellow bars) and downside (orange bars) scenarios: by one-digit NACE Rev.2 sectoral classification. Firms are defined as distressed if their book value of equity is predicted to be negative one year after the implementation of confinement measures. Note that the sample is restricted ex-ante to firms having both positive profits and book value of equity in the 2018 reference year. For the sake of exposition, the y-axis scale varies among panels. • Source: OECD (2021), Strengthening Economic Resilience Following the COVID-19 Crisis : A Firm and Industry Perspective.

OECD

Polling Question

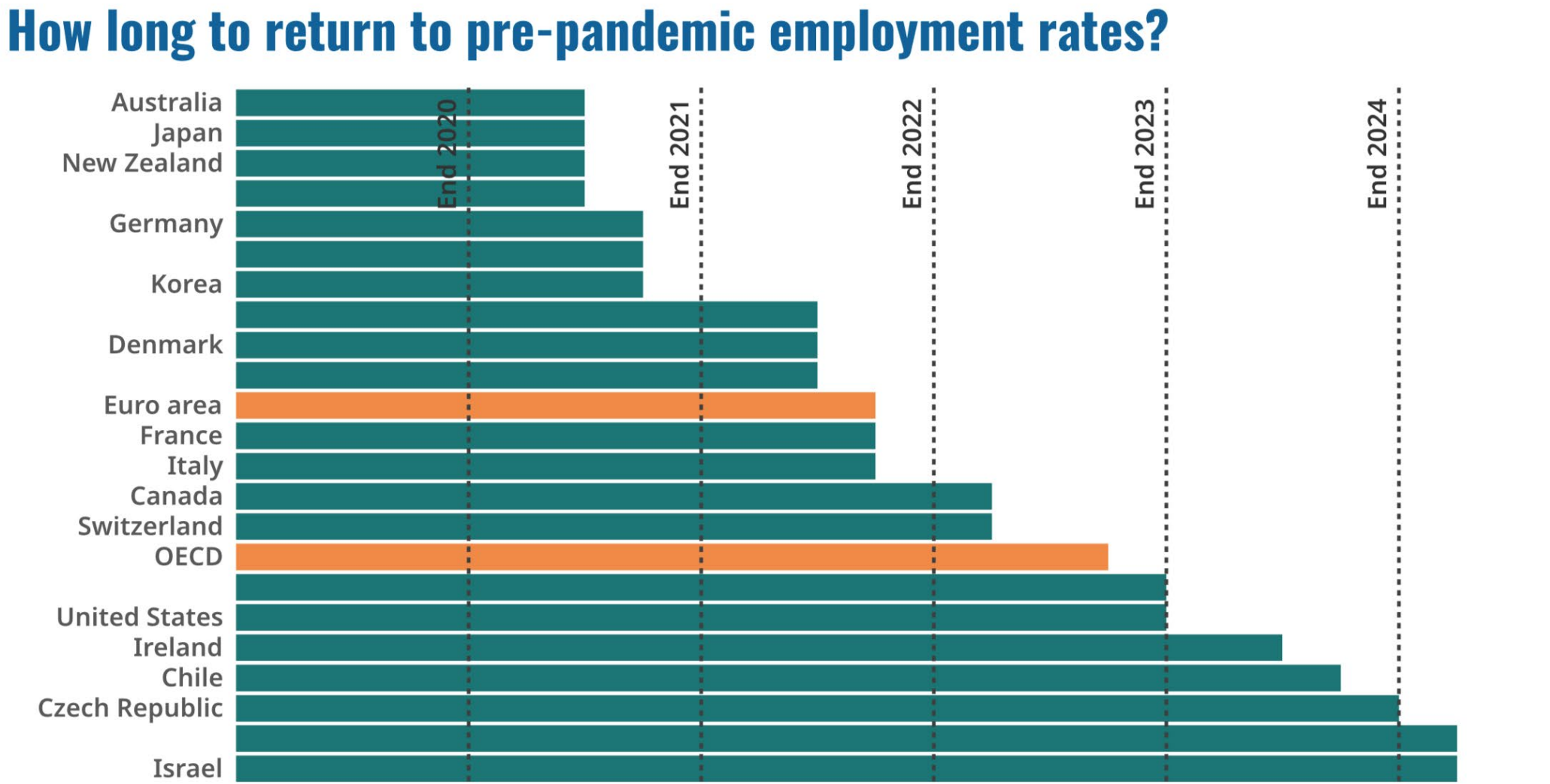
When do you think the U.S. is expected to return to pre-pandemic employment rates?

A. The end of 2021
B. The end of 2022
C. The end of 2023

Jobs: a slow rebound

07/07/2021

PNG



"Recovery to pre-pandemic level" refers to a sustained increase in employment level above its Q4 2019 level. • Source: OECD (2021), OECD Employment Outlook 2021

NAM MANUFACTURERS' OUTLOOK SURVEY
THIRD QUARTER 2021
SEPT. 9, 2021

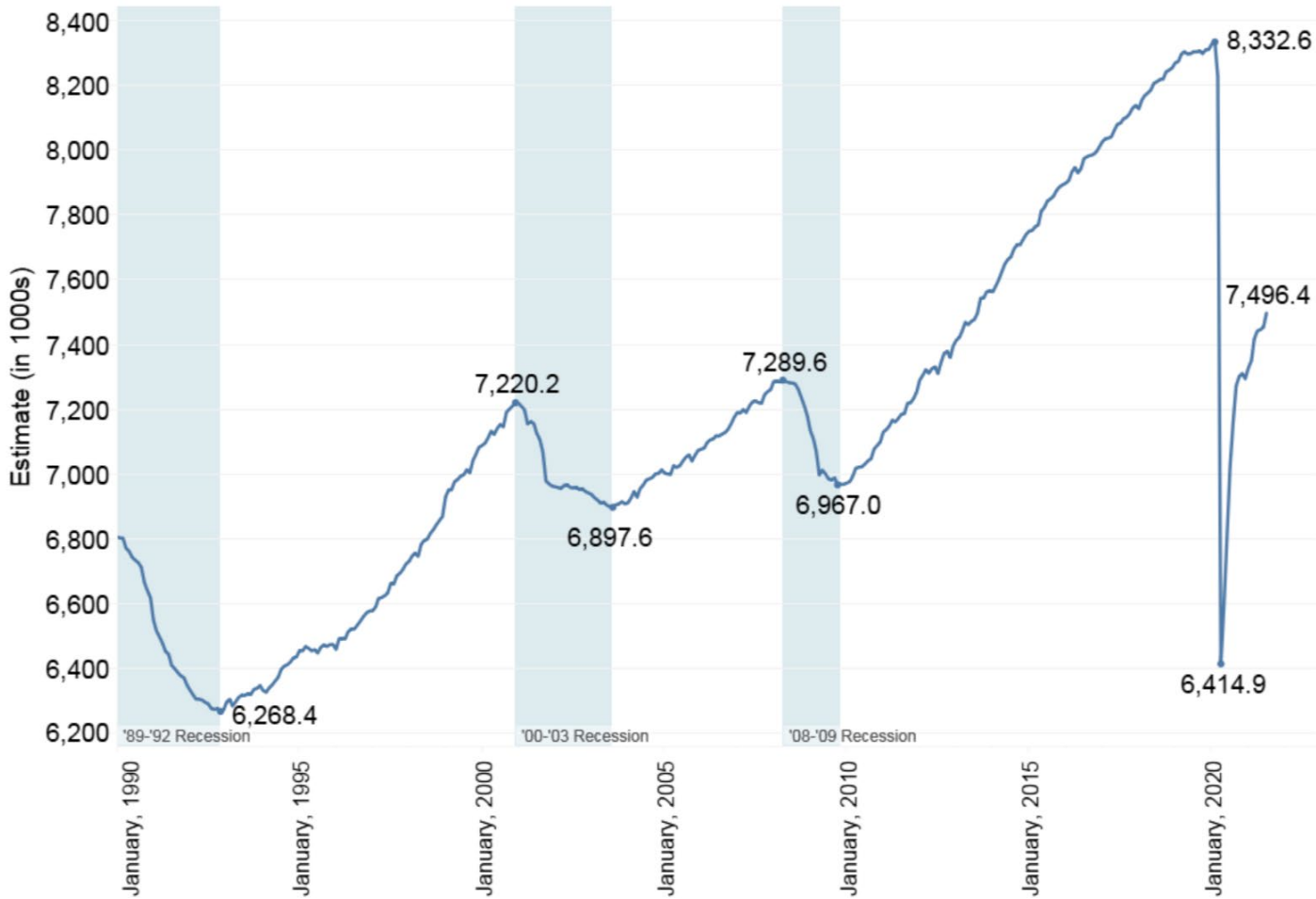
Percentage of Respondents Positive About Their Own Company's Outlook **87.5%** *(June: 90.1% – Highest Since 2018:3)* Small Manufacturers: **83.1%** – *Highest Since 2019:2* *(June: 80.2%)* Medium-Sized Manufacturers: **88.6%** *(June: 91.1% – Highest Since 2018:3)* Large Manufacturers: **88.1%** *(June: 96.5% – Record High)*	**Overall Facts About the Survey** Number of Responses: 453 In the Field: Aug. 19–30, 2021 Small Manufacturers: 83 responses (18.3%) Medium-Sized Manufacturers: 219 responses (48.3%) Large Manufacturers: 151 responses (33.3%) **NAM Manufacturing Outlook Index[1]** **58.4** *(June: 60.2 – Revised)*
Expected Growth Rate for SALES Over the Next 12 Months **↑ 5.6%** *(June: ↑ 6.1% – Record High)*	**Expected Growth Rate for PRODUCTION Over the Next 12 Months** **↑ 5.4%** *(June: ↑ 5.9% – Record High)*
Expected Growth Rate for FULL-TIME EMPLOYMENT Over the Next 12 Months **↑ 3.8% – Record High** **(Dating to First Survey, 1997:4)** *(June: ↑ 3.7%)*	**Expected Growth Rate for EMPLOYEE WAGES Over the Next 12 Months** **↑ 3.5% – Record High** **(Dating to First Survey, 1997:4)** *(June: ↑ 3.3% – Highest Since 2000:2)*
Expected Growth Rate for CAPITAL INVESTMENTS Over the Next 12 Months **↑ 3.6% – Highest Since 2018:2** *(June: ↑ 3.3%)*	**Expected Growth Rate for EXPORTS Over the Next 12 Months** **↑ 1.1%** *(June: ↑ 1.2% – Highest Since 2018:2)*
Expected Growth Rate for PRICES OF COMPANY'S PRODUCTS Over the Next 12 Months **↑ 5.4%** *(June: ↑ 5.6% – Record High)*	**Expected Growth Rate for RAW MATERIAL PRICES AND OTHER INPUT COSTS Over the Next 12 Months** **↑ 6.5%** *(June: ↑ 7.5% – Record High)*
Expected Growth Rate for INVENTORIES Over the Next 12 Months **↑ 2.7%** *(June: ↑ 2.8% – Record High)*	**Expected Growth Rate for HEALTH INSURANCE COSTS Over the Next 12 Months** **↑ 7.7% – Highest Since 2018:2** *(June: ↑ 7.6%)*

WE ARE YOUR DOL

NEW YORK STATE OF OPPORTUNITY. Department of Labor

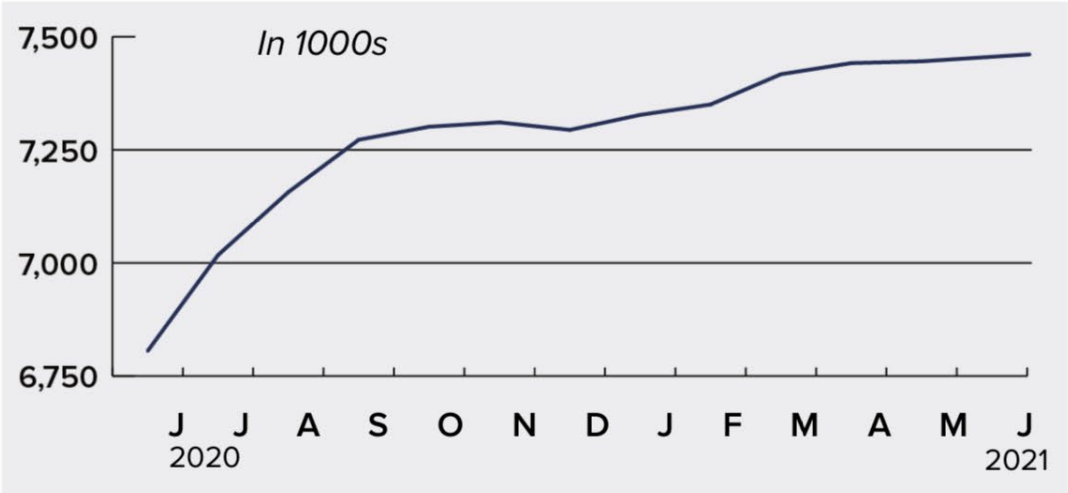
The number of private sector jobs in New York State increased by 0.6% over the month in July 2021

Private sector jobs (seasonally adjusted) January 1990-July 2021

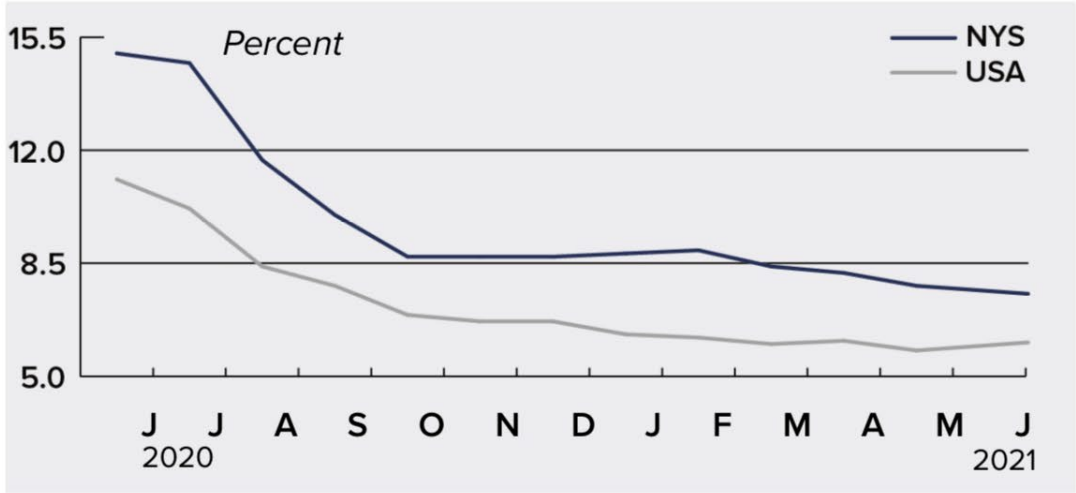


IN JUNE 2021...

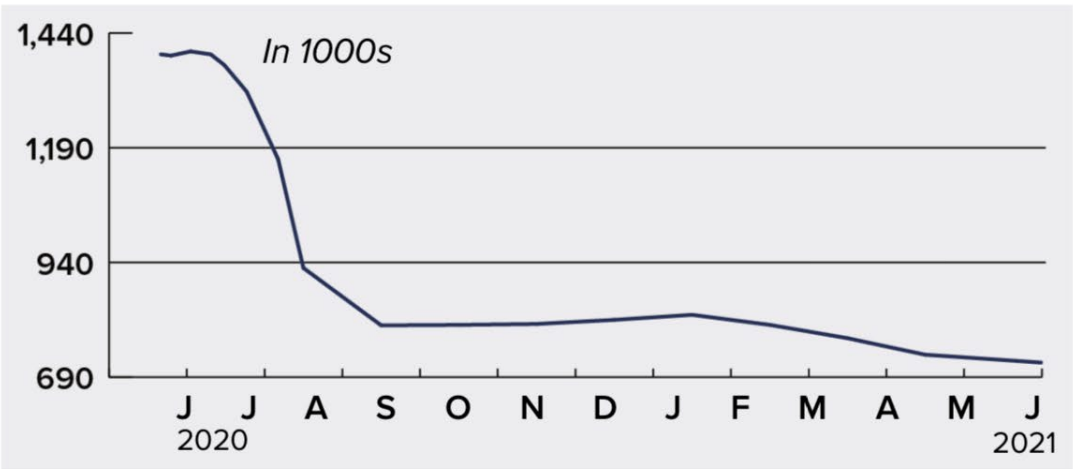
NYS PRIVATE SECTOR JOBS* | INCREASED



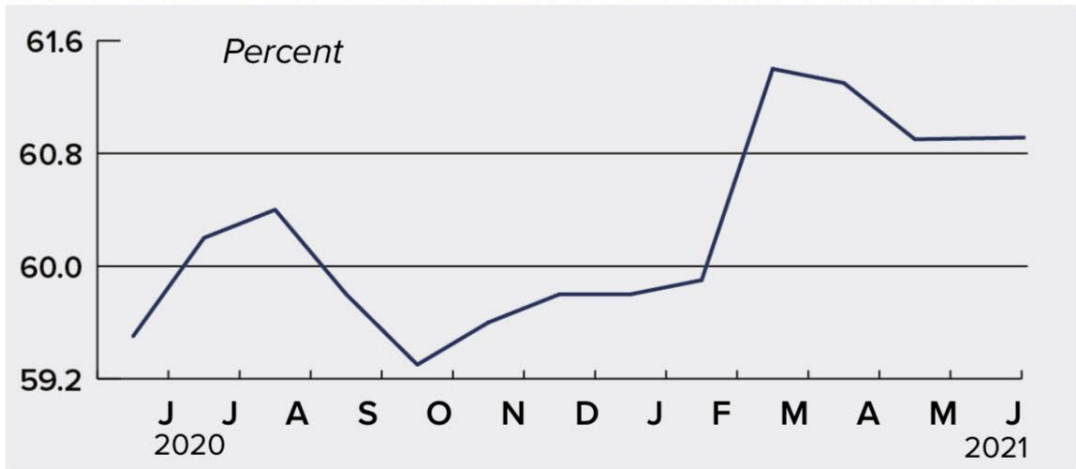
NYS UNEMPLOYMENT RATE* | DECREASED



NYS UNEMPLOYMENT* | DECREASED



NYS LABOR FORCE PARTICIPATION RATE* | UNCHANGED



*Seasonally adjusted

UNEMPLOYMENT RATES IN NEW YORK STATE

UNEMPLOYMENT RATES IN NEW YORK STATE

Data Not Seasonally Adjusted

	JUN '20	JUN '21
New York State	**14.8**	**7.3**
Capital	**10.4**	**4.7**
Albany	10.5	4.8
Columbia	8.6	4.0
Greene	11.3	5.3
Rensselaer	9.8	4.8
Saratoga	10.0	4.2
Schenectady	11.6	5.4
Warren	11.5	4.8
Washington	9.5	4.7
Central New York	**11.4**	**5.4**
Cayuga	10.5	5.0
Cortland	10.2	5.5
Madison	10.2	4.9
Onondaga	11.8	5.4
Oswego	11.4	6.0
Southern Tier	**10.6**	**5.1**
Broome	11.6	5.6
Chemung	12.3	5.6
Chenango	8.3	4.6
Delaware	9.1	4.9
Schuyler	11.1	4.9
Steuben	11.0	5.3
Tioga	10.5	4.7
Tompkins	9.2	4.3

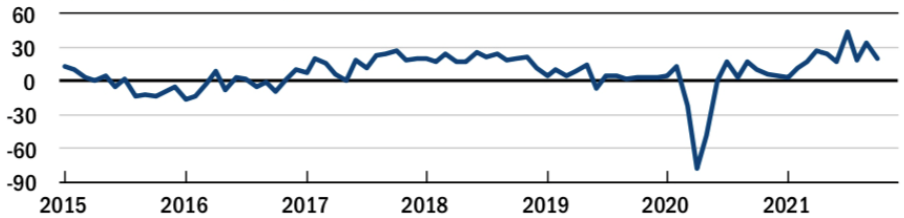
	JUN '20	JUN '21
Hudson Valley	**12.3**	**5.1**
Dutchess	11.4	4.9
Orange	12.6	5.2
Putnam	11.1	4.7
Rockland	12.3	4.8
Sullivan	13.0	5.3
Ulster	11.6	5.0
Westchester	12.6	5.2
Mohawk Valley	**10.5**	**5.5**
Fulton	11.0	5.9
Herkimer	9.7	6.0
Montgomery	11.2	6.1
Oneida	10.9	5.5
Otsego	9.4	4.9
Schoharie	9.1	4.8
North Country	**10.5**	**5.2**
Clinton	10.4	5.0
Essex	10.3	4.9
Franklin	11.2	5.1
Hamilton	8.1	3.9
Jefferson	10.7	5.1
Lewis	8.8	4.8
St. Lawrence	10.7	5.7

	JUN '20	JUN '21
Finger Lakes	**11.1**	**5.3**
Genesee	9.5	4.5
Livingston	9.3	4.6
Monroe	11.9	5.6
Ontario	10.0	4.6
Orleans	10.8	5.5
Seneca	11.4	5.1
Wayne	9.6	4.7
Wyoming	8.8	4.6
Yates	8.3	3.9
Western New York	**13.5**	**5.7**
Allegany	10.6	5.3
Cattaraugus	13.5	5.6
Chautauqua	11.6	5.7
Erie	13.5	5.7
Niagara	14.6	5.9
Long Island	**12.9**	**5.0**
Nassau	13.0	5.0
Suffolk	12.9	5.0
New York City	**18.7**	**10.1**
Bronx	23.1	13.7
Kings	18.9	10.3
New York	14.4	7.8
Queens	19.7	9.9
Richmond	16.3	8.9

Current Indicators

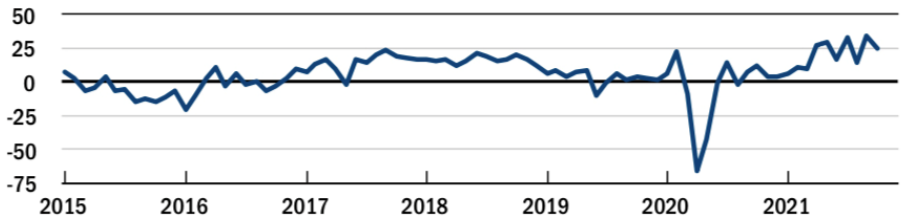
Change from Preceding Month

General Business Conditions



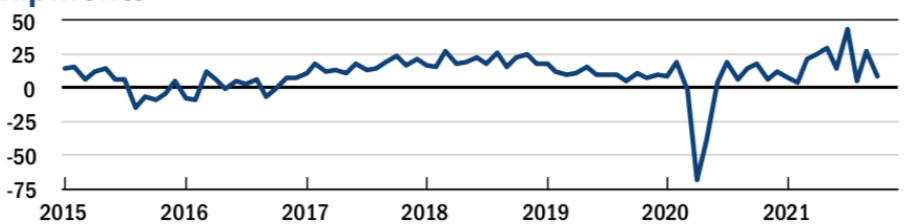
	Percent Reporting		
	Higher	Lower	Index
Sep	45.9	11.6	34.3
Oct	39.4	19.5	19.8
Change			-14.5

New Orders



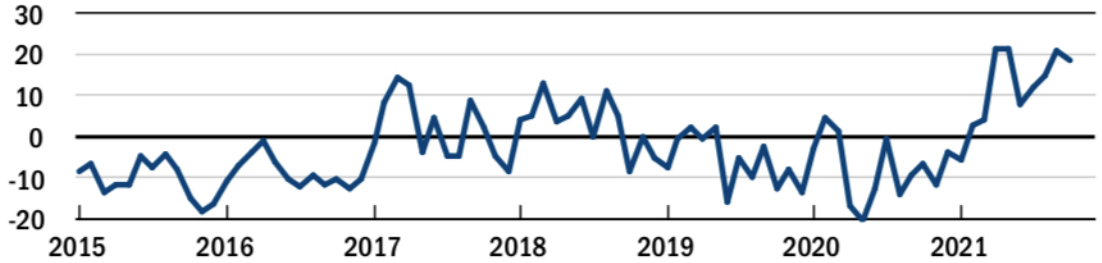
	Percent Reporting		
	Higher	Lower	Index
Sep	46.5	12.9	33.7
Oct	42.7	18.4	24.3
Change			-9.4

Shipments



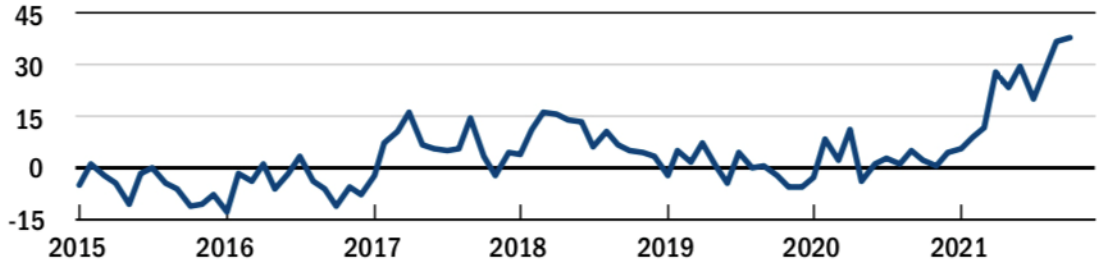
	Percent Reporting		
	Higher	Lower	Index
Sep	42.0	15.2	26.9
Oct	30.6	21.7	8.9
Change			-18.0

Unfilled Orders



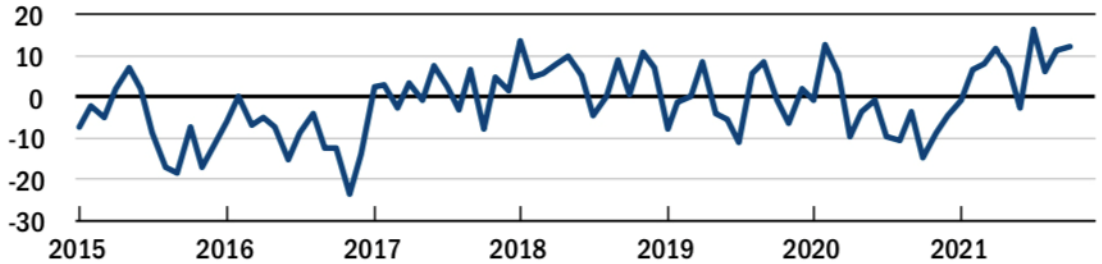
	Percent Reporting		
	Higher	Lower	Index
Sep	38.3	17.4	20.9
Oct	34.3	15.7	18.5
Change			-2.4

Delivery Time



	Percent Reporting		
	Higher	Lower	Index
Sep	43.5	7.0	36.5
Oct	44.4	6.5	38.0
Change			1.5

Inventories

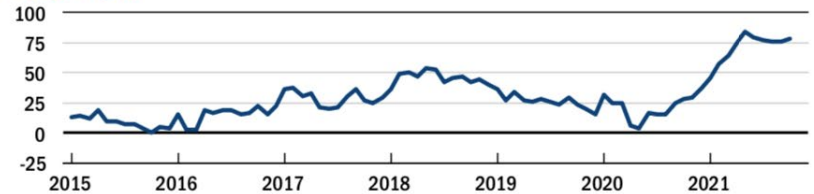


	Percent Reporting		
	Higher	Lower	Index
Sep	29.6	18.3	11.3
Oct	27.8	15.7	12.0
Change			0.7

Current Indicators, *continued*

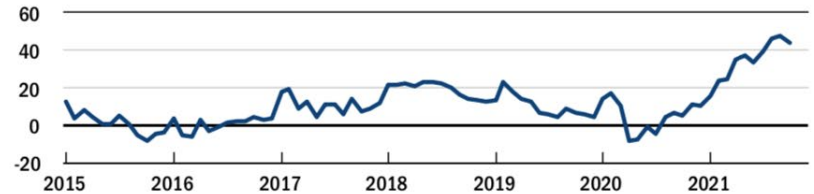
Change from Preceding Month

Prices Paid



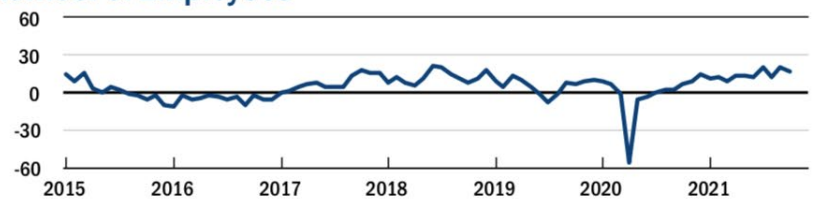
	Percent Reporting		
	Higher	Lower	Index
Sep	76.5	0.9	75.7
Oct	80.6	1.9	78.7
Change			3.0

Prices Received



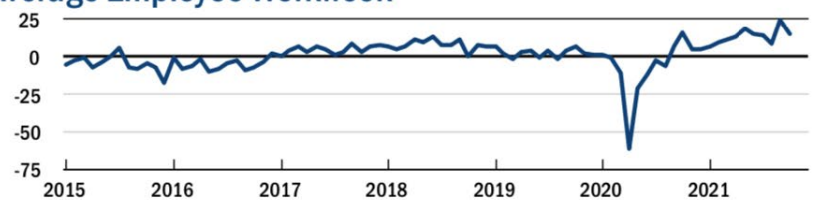
	Percent Reporting		
	Higher	Lower	Index
Sep	50.4	2.6	47.8
Oct	46.3	2.8	43.5
Change			-4.3

Number of Employees



	Percent Reporting		
	Higher	Lower	Index
Sep	26.1	5.5	20.5
Oct	23.6	6.5	17.1
Change			-3.4

Average Employee Workweek

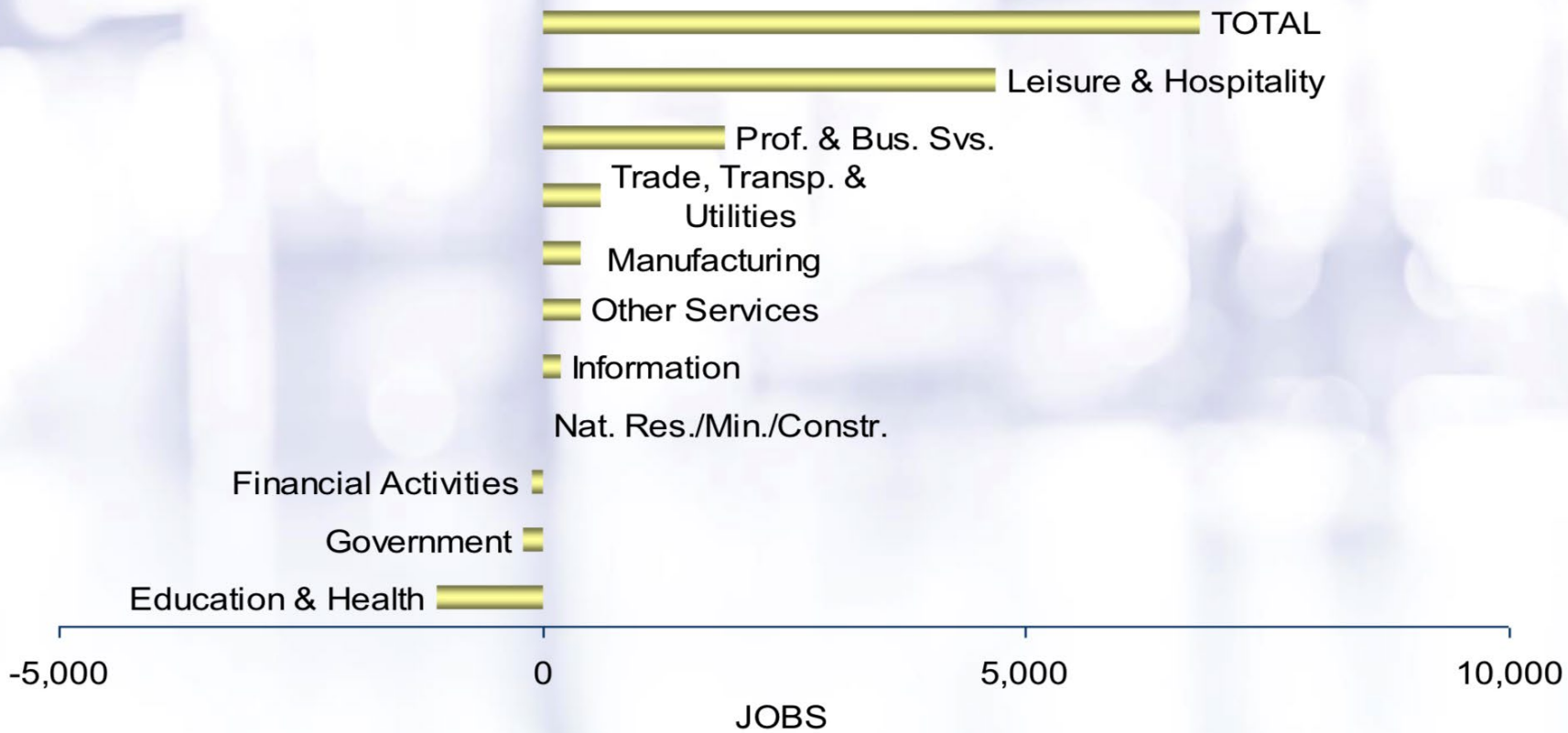


	Percent Reporting		
	Higher	Lower	Index
Sep	24.9	0.7	24.3
Oct	19.9	4.6	15.3
Change			-9.0

Note: Data are seasonally adjusted.

*Syracuse MSA**

Jobs Gained or Lost, August 2021 vs. August 2020



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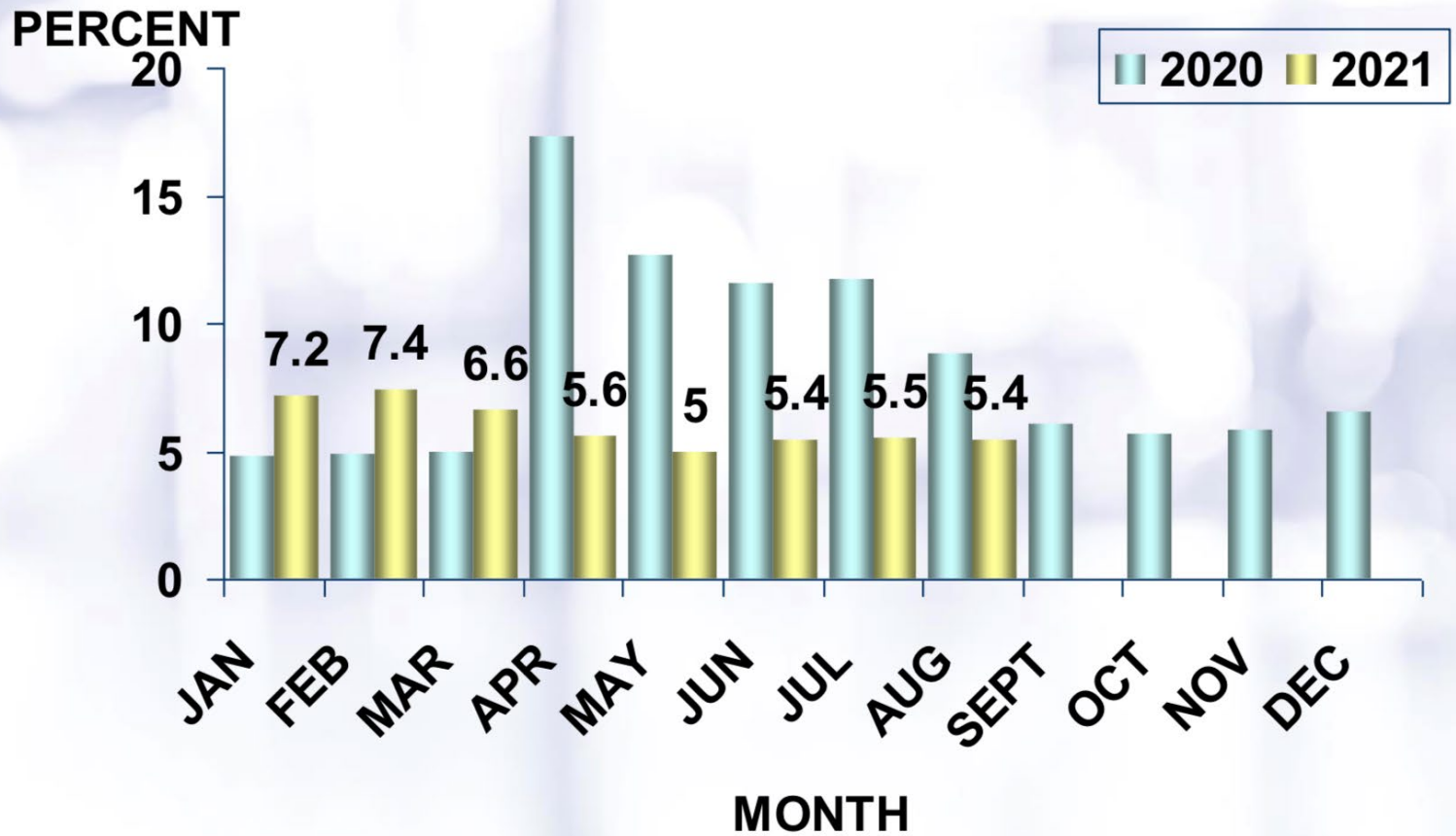
NEW YORK STATE OF OPPORTUNITY. Department of Labor

*The Syracuse MSA includes Onondaga, Madison & Oswego counties.

*Syracuse Metropolitan Statistical Area (MSA)

*Syracuse MSA **

Unemployment Rates, 2020 - 2021



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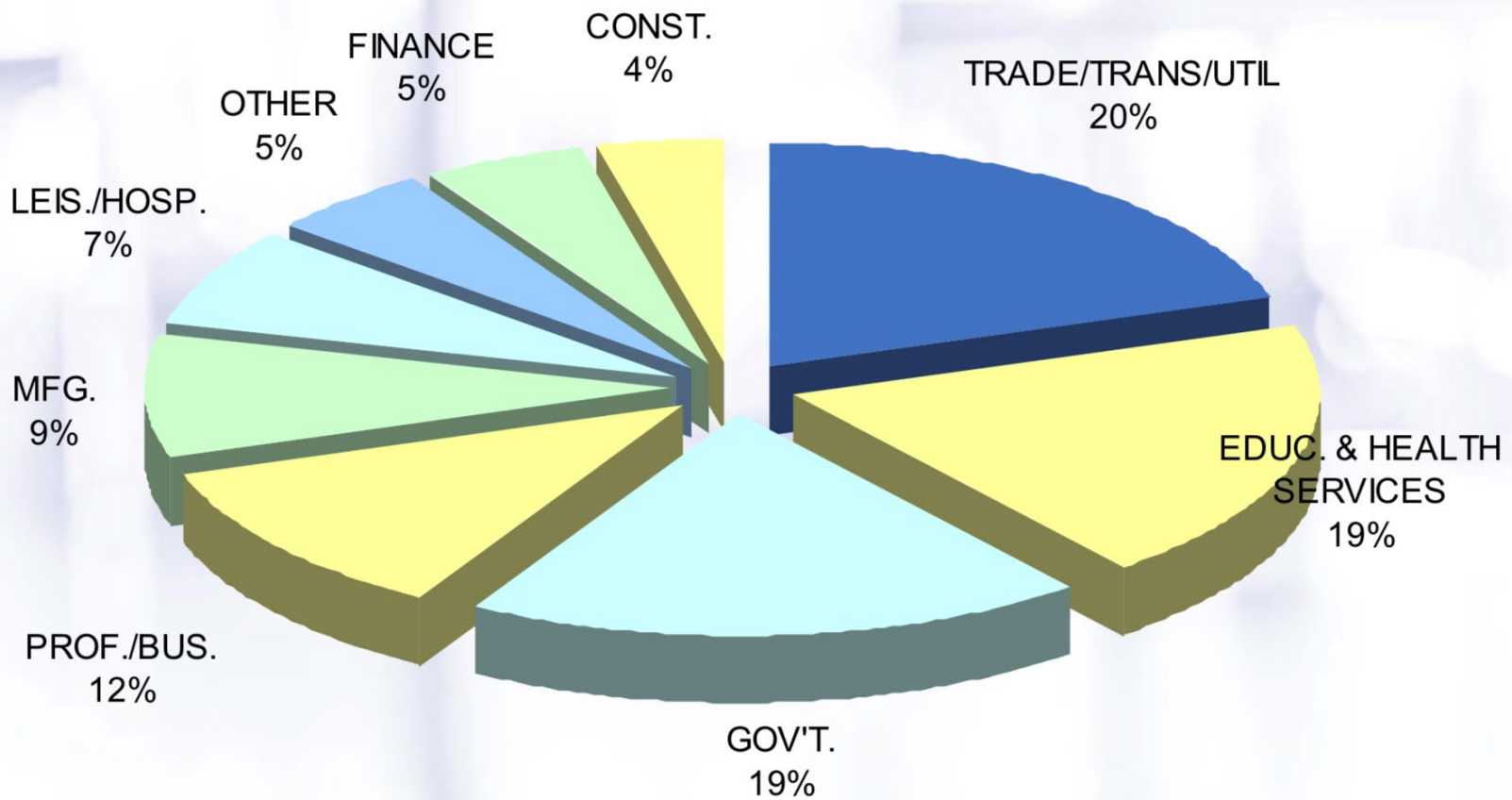
NEW YORK STATE OF OPPORTUNITY. Department of Labor

* The Syracuse MSA includes Onondaga, Madison & Oswego counties.

*Syracuse MSA **

Employment by Industry
1st Quarter 2021



Source: QCEW

* The Syracuse MSA includes Onondaga, Madison & Oswego counties.

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NEW YORK STATE OF OPPORTUNITY. Department of Labor

Table 2. Number of Nonfarm Jobs by Industry
New York State
(in Thousands, Not Seasonally Adjusted)

Industry	July 2020*	July 2021	Over-the-Year Change Net	Percent
Total Nonfarm	8,368.6	8,963.4	594.8	7.1%
Total Private	7,049.5	7,542.7	493.2	7.0%
Goods Producing	778.2	796.2	18.0	2.3%
Natural Resources & Mining	5.3	5.9	0.6	11.3%
Construction	377.0	377.3	0.3	0.1%
Manufacturing	395.9	413.0	17.1	4.3%
Durable Goods	229.3	235.7	6.4	2.8%
Non-Durable Goods	166.6	177.3	10.7	6.4%
Service-Providing	7,590.4	8,167.2	576.8	7.6%
Trade, Transportation & Utilities	1,319.3	1,391.4	72.1	5.5%
Wholesale Trade	286.2	291.5	5.3	1.9%
Retail Trade	785.9	833.2	47.3	6.0%
Transportation, Warehousing & Utilities	247.2	266.7	19.5	6.3%
Information	253.3	275.2	21.9	8.6%
Financial Activities	705.1	692.9	-12.2	-1.7%
Professional & Business Services	1,215.0	1,284.9	69.9	5.8%
Educational & Health Services	1,889.2	1,988.6	99.4	5.3%
Leisure & Hospitality	565.3	764.5	199.2	35.2%
Other Services	324.1	349.0	24.9	7.7%
Government	1,319.1	1,420.7	101.6	7.7%

*Revised. Note: Data are subject to revision. Net and % changes based on rounded data.
Source: New York State Department of Labor, Division of Research and Statistics, 518-457-3800

The Future Exists Now -

It’s Just Not Widely Distributed

Polling Question

How do you foresee the working model at your company post pandemic?

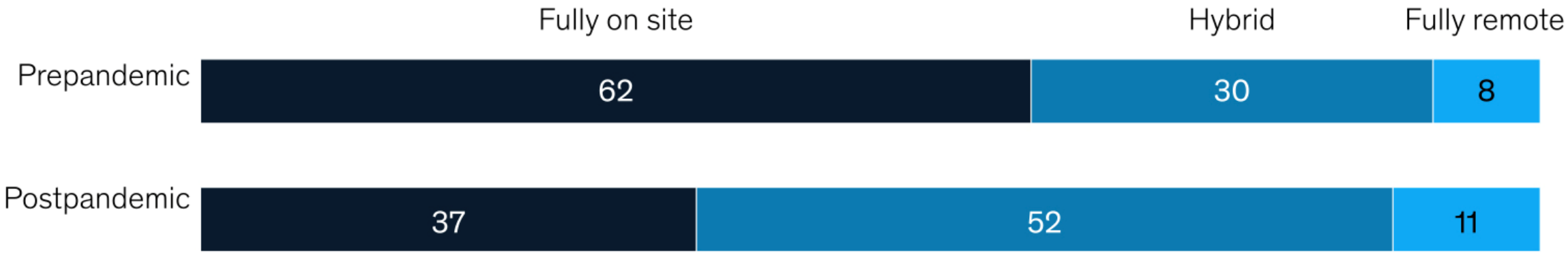
A. Fully on site

B. Fully remote

C. Hybrid

Most employees report preferring a more flexible working model in the future.

Working model before COVID-19 pandemic and desired working model after COVID-19 pandemic,
% of employee respondents (n = 5,043)

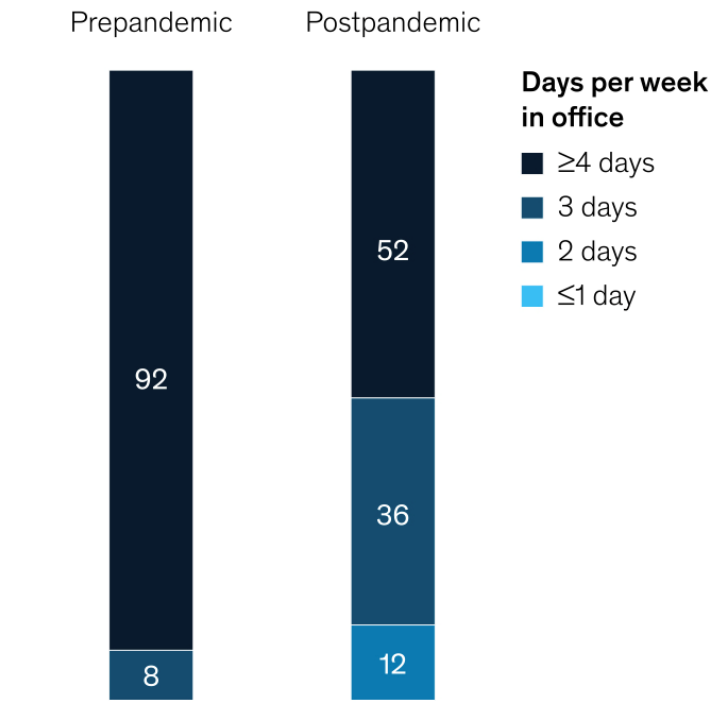


Source: McKinsey Reimagine Work: Employee Survey, January 2021

McKinsey & Company

Most C-suite executives report believing that the primary center for work will be the office.

Average share of workdays in office reported before and expected after COVID-19 pandemic, % of C-suite respondents (n = 504)[1]



[1]Based on responses from 504 C-suite executives.
Source: McKinsey CxO Survey on Return to Workplace, May 2021

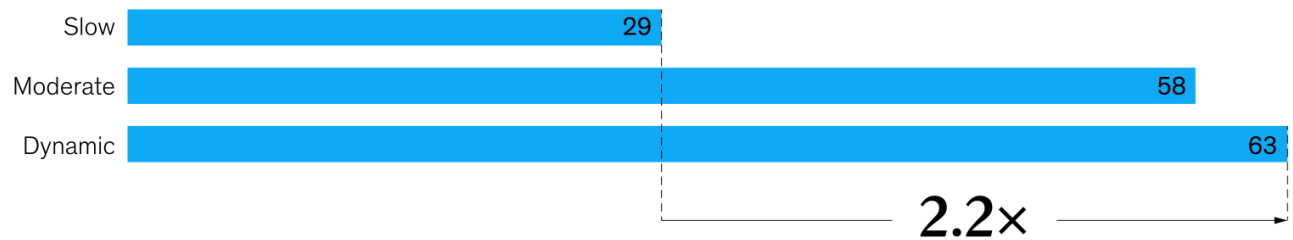
McKinsey & Company

In the wake of COVID-19, a top priority for many companies has been to address talent questions, including how to optimize hybrid teams, attract and retain workers with needed capabilities, and make the most of scarce skills. Forward-looking organizations are choosing flow-to-work operating models, which create pools of resources that can be deployed flexibly and on demand. These pools are formed based on similarity of skills, rather than similarity of business functions, making it easier for organizations to access the right skills when they need them (exhibit).

Exhibit

Dynamic talent allocation increases the odds of success.

Share of respondents reporting total returns to shareholders higher than competitors, by speed of talent allocation,[1] %

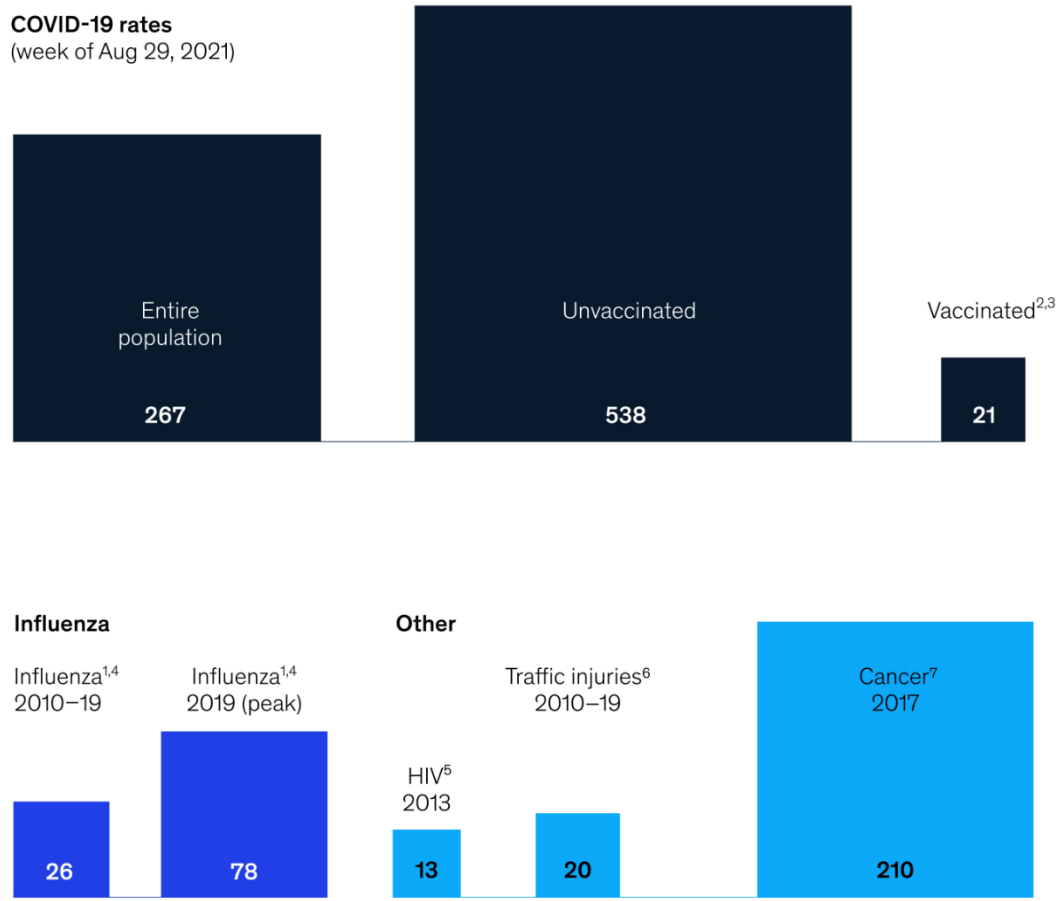


[1]Respondents were asked about their organization's current total returns to shareholders and speed of talent allocation. Slow = "very slow" (1) or "slow" (2); moderate = "neither slow nor fast" (3); dynamic = "fast" (4) or "very fast" (5).
Source: *McKinsey Quarterly* Winning with Talent Survey (n = 628)

McKinsey & Company

US COVID-19 hospitalizations among the vaccinated are about the same as historical admissions for influenza.

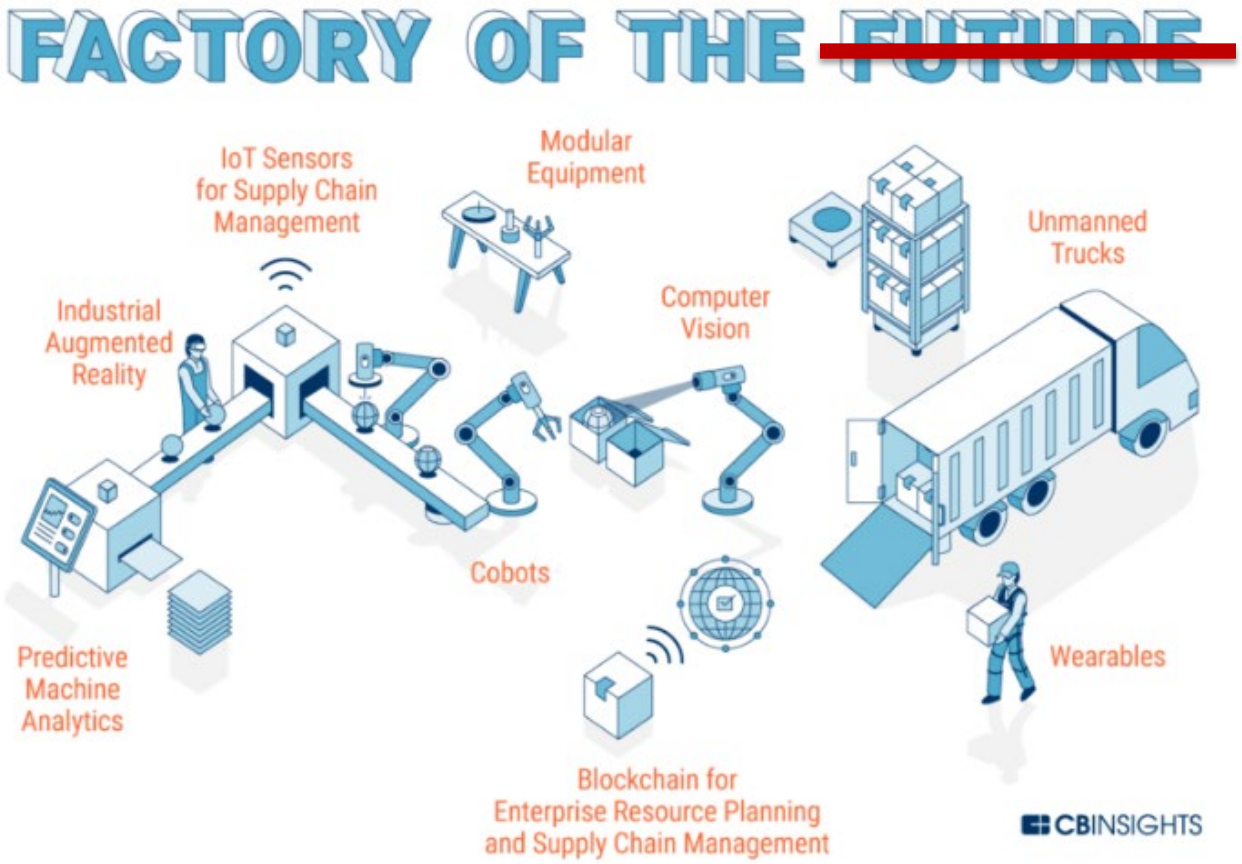
US hospitalizations for COVID-19 and other public-health threats, number per million people



[1]Estimates for recent influenza seasons are preliminary and may change as data are finalized. [2]At ~50% fully vaccinated and vaccine effectiveness rates of 87%, 96%, and 96% at preventing symptomatic infection, hospitalization, and death. [3]Following CDC methodology: rate in unvaccinated = combined rate / ([1 - fully vaccinated coverage] + [1 - vaccine effectiveness] * fully vaccinated coverage); rate in fully vaccinated = (1 - vaccine effectiveness) * rate in unvaccinated. [4]Influenza incidence rates are based on data from 2010–2019 for the US; peak rates assume that all cases, hospitalizations, and deaths occur over a 4-month time period. [5]HIV hospitalization rates for 2013. [6]2010–2019. [7]Hospitalization data for adults 18+. Includes primary and secondary diagnoses.
Source: CDC; NHS Digital; OWID; Public Health England; Stowe et al.; USAFacts

McKinsey & Company

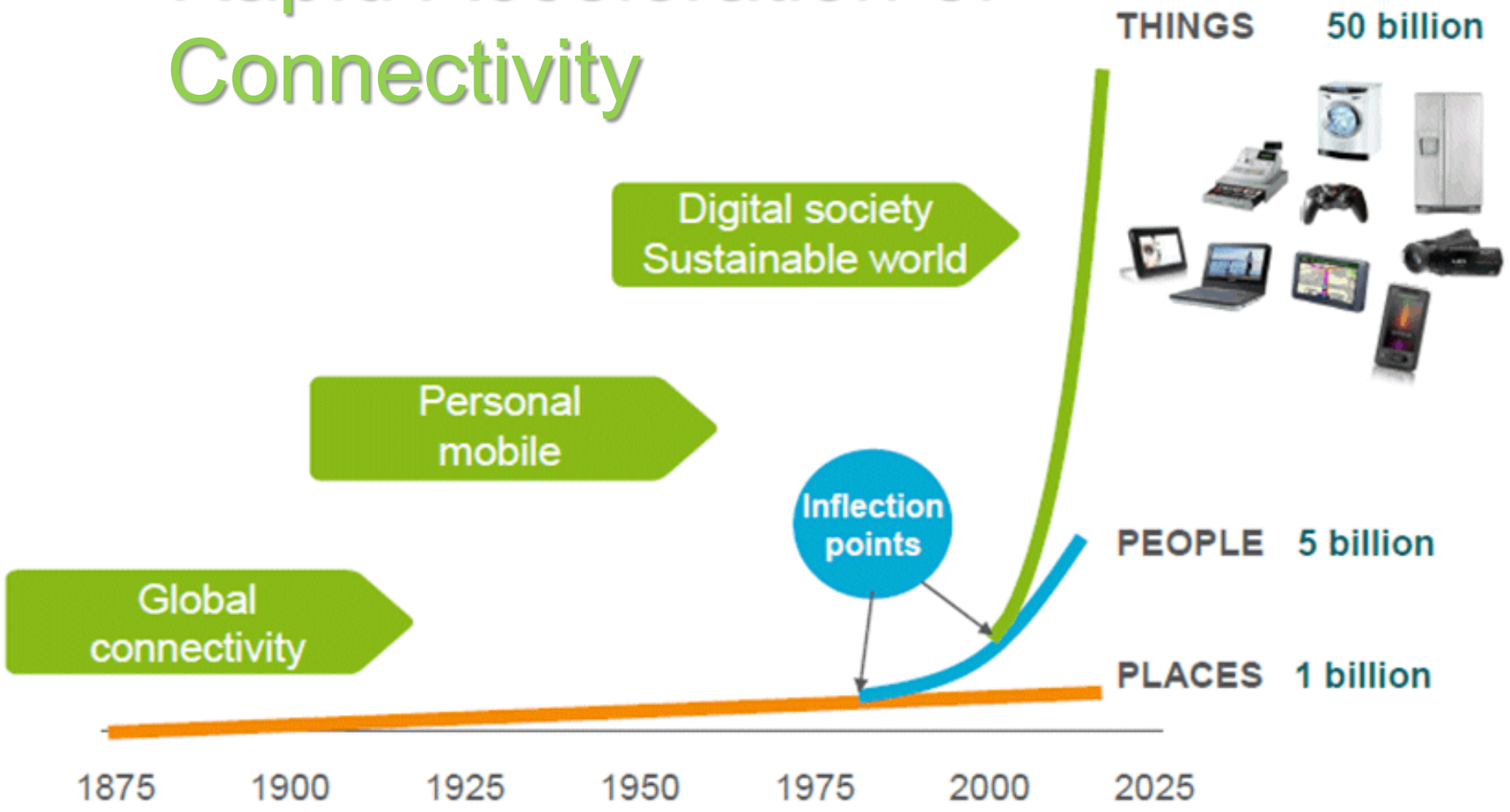
Today!


FACTORY OF THE FUTURE
IoT Sensors for Supply Chain Management
Modular Equipment
Unmanned Trucks
Industrial Augmented Reality
Computer Vision
Cobots
Predictive Machine Analytics
Blockchain for Enterprise Resource Planning and Supply Chain Management
Wearables
CBINSIGHTS

Top Ten Trends in Manufacturing

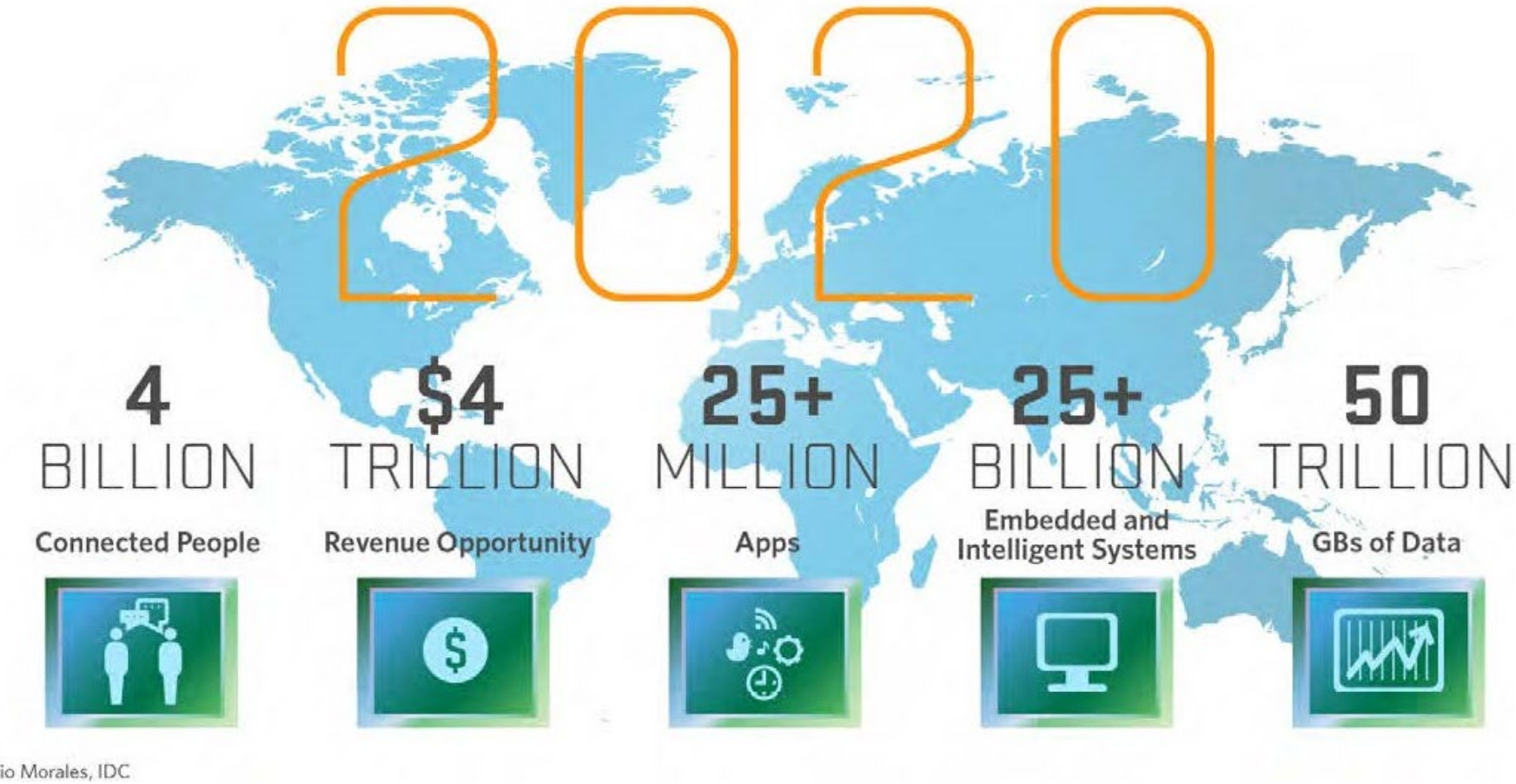
- Workforce is Tech Savy and Diverse
- Manufacturing as Service
- IoT Explosion and 5G Assimilation
- Cyber Security
- Industry-University Collaboration
- Supply Chain Leveraging and Blockchain
- AR and VR Growth
- Data Analytics, AI and Machine Learning
- Shifting Focus from B2B to B2B2C
- Reshoring and Increase in Made in USA

Rapid Acceleration of Connectivity



Source: Ericsson AB, "Infrastructure Innovation - Can the Challenge be met?," Sept 2010

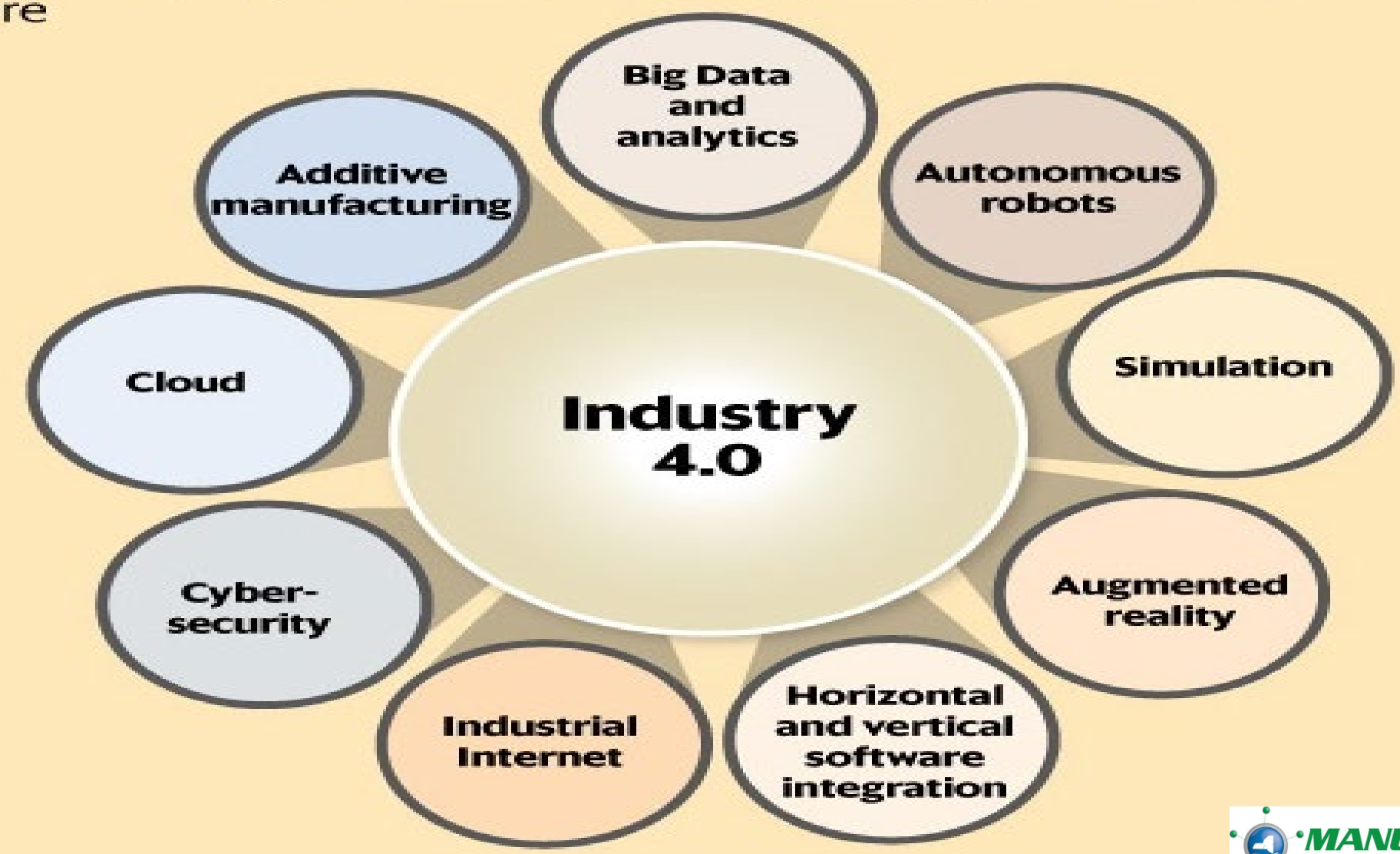
Internet of Things (IoT)



Source: Mario Morales, IDC

New-age production

The nine technologies that will collectively drive production in the future

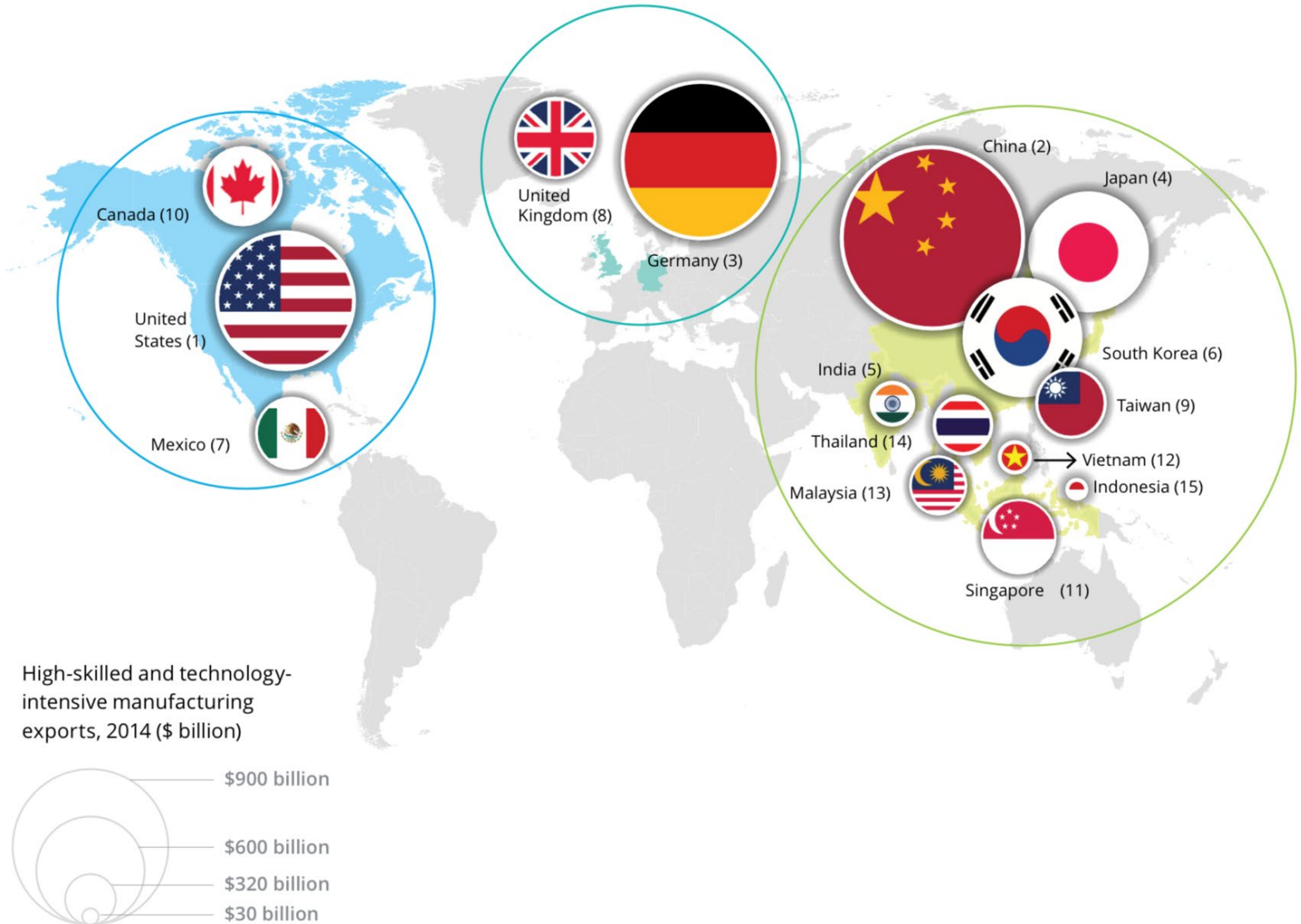


Polling Question

To what degree is global manufacturing competitiveness effecting your company?

A. Not effecting
B. Somewhat effecting
C. Causing a major effect on company

Figure 5. A look at the global manufacturing competitiveness landscape: Top 15 nations projected to be the most competitive in manufacturing by 2020

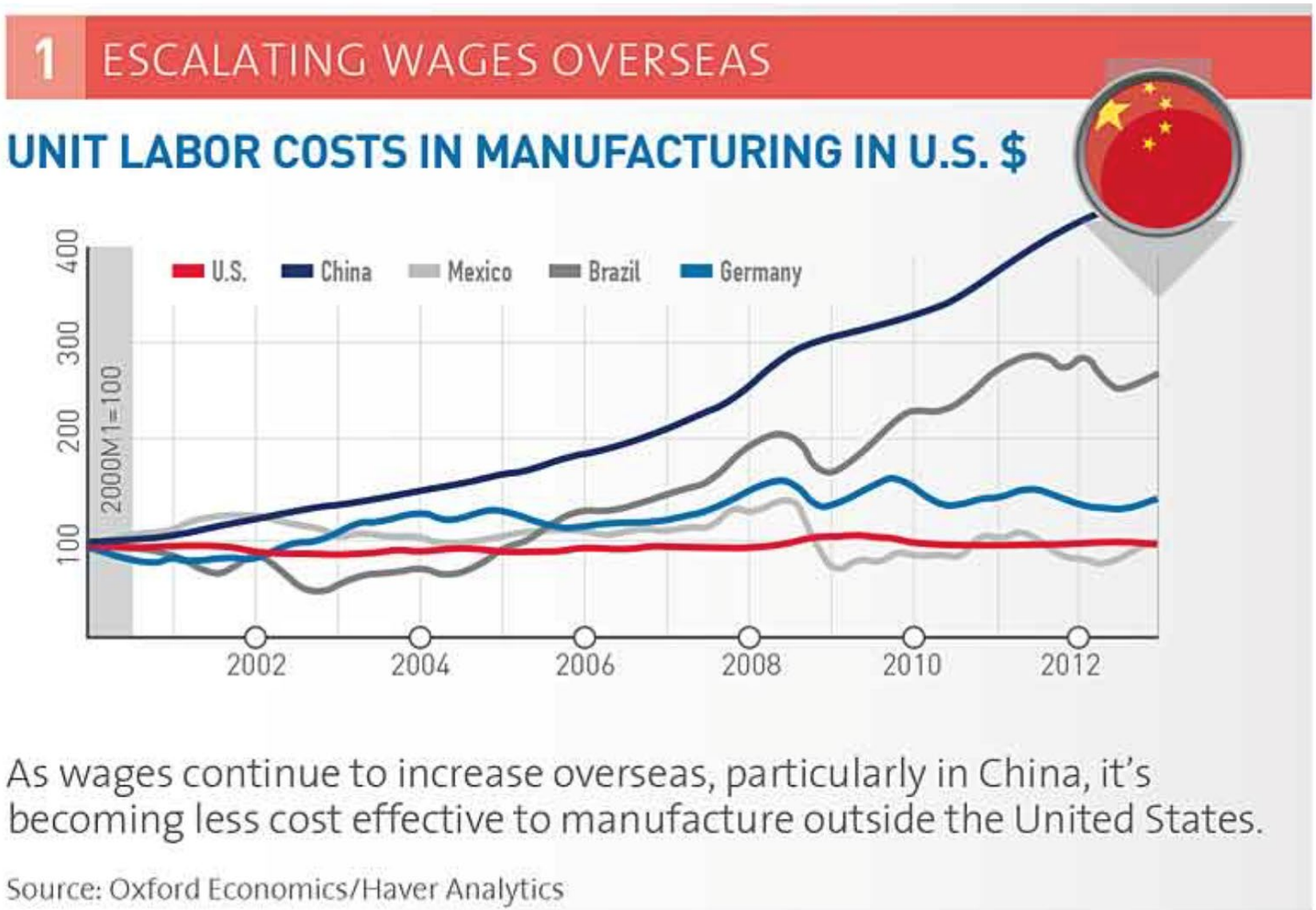


Note: Figures in parentheses represent the projected 2020 GMCI rank by CEOs

Source: Deloitte Touche Tohmatsu Limited and US Council on Competitiveness, *2016 Global Manufacturing Competitiveness Index*

The Case for Reshoring

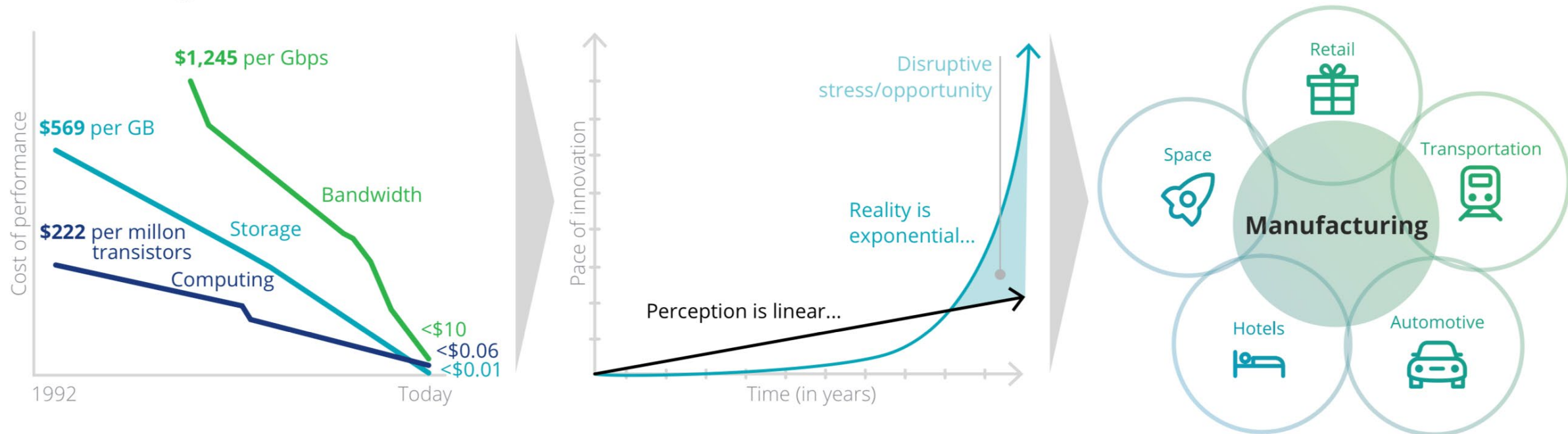
It’s time to bring more quality manufacturing jobs back to the U.S.



The Case for Reshoring

It’s time to bring more quality manufacturing jobs back to the U.S.

Figure 2. The pace of change is exponential, and manufacturers are not immune



Sources: Deloitte Insights, *The rise of the digital supply network: Industry 4.0 enables the digital transformation of supply chains*; Based on The Law of Accelerating Returns by Ray Kurzweil, *The Age of Spiritual Machines*

Polling Question

Are you experiencing a talent shortage within your company?

A. Yes

B. No

C. Unsure

A persistent talent shortage is a major hurdle to the sustainability and growth of manufacturing companies. What are the reasons behind the shortage in manufacturing?

Increasing Baby Boomer retirements: 2.7 million Baby Boomers in the US manufacturing industry are expected to retire during 2015-2025.[8]

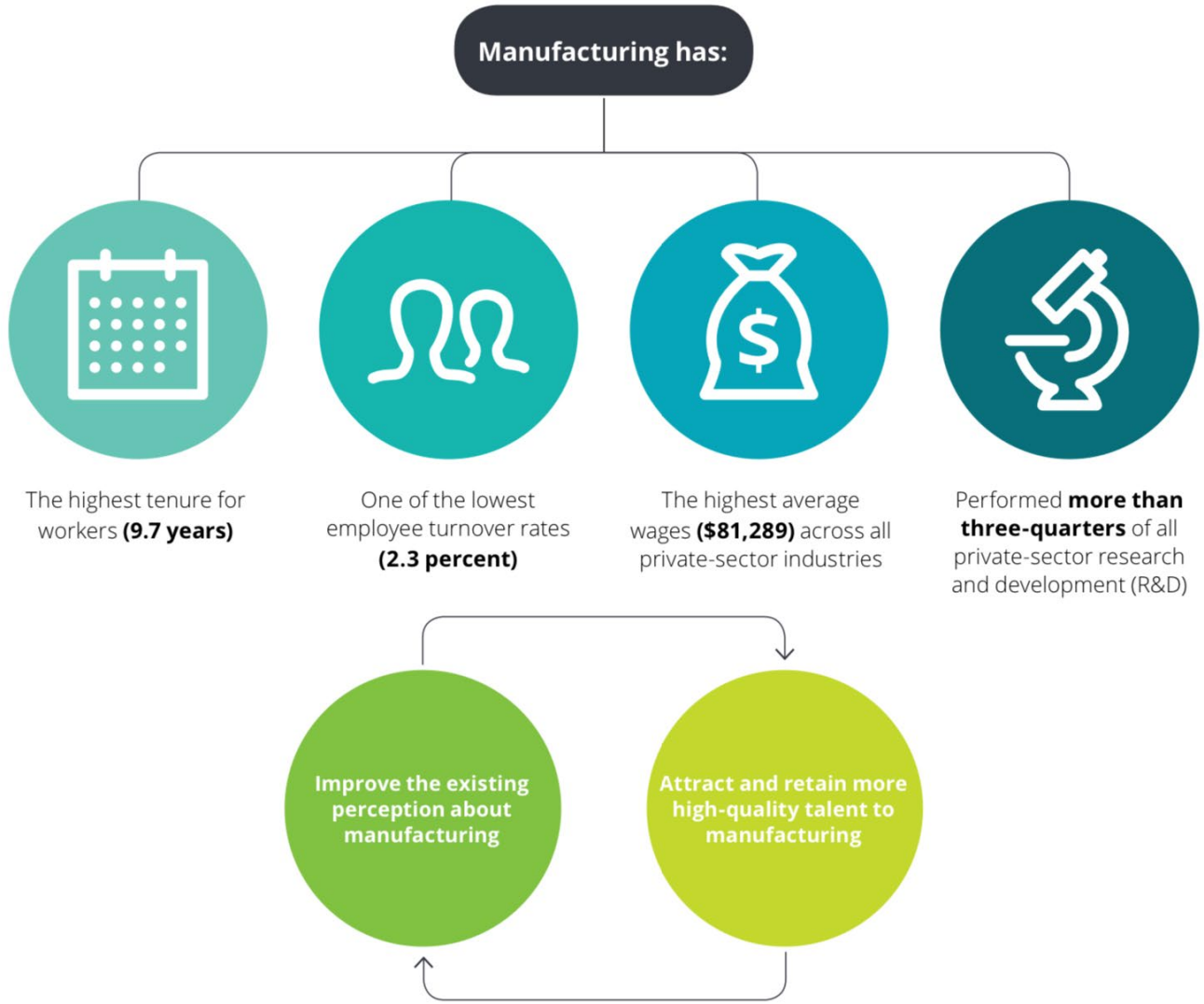
Shortage of qualified labor: People in skilled trades, technicians, and engineers are the most difficult to recruit in the United States.[9]

Changing skill sets needed for advanced manufacturing: Companies are increasingly looking at workers with STEM skills—software engineers, process engineers, automated systems engineers, and supply chain engineers are a few key manufacturing job roles with a future.[10]

Perceived attractiveness of manufacturing among public: While the US public believe manufacturing is vital to the economy and the standard of living, many Americans are reluctant to choose careers in manufacturing.[11]

Many opportunities exist to attract and retain the best and brightest in manufacturing, especially with the dawn of Industry 4.0. Interviewed executives say that highlighting the future skill set that manufacturing will require, training and/or mentoring through new forms of apprenticeship and training models, and tapping into a more tech-savvy workforce and culture will help the industry become a destination of choice for top talent.

Figure 12. Addressing the manufacturing skills gap: Sharing the good news to attract and retain top talent



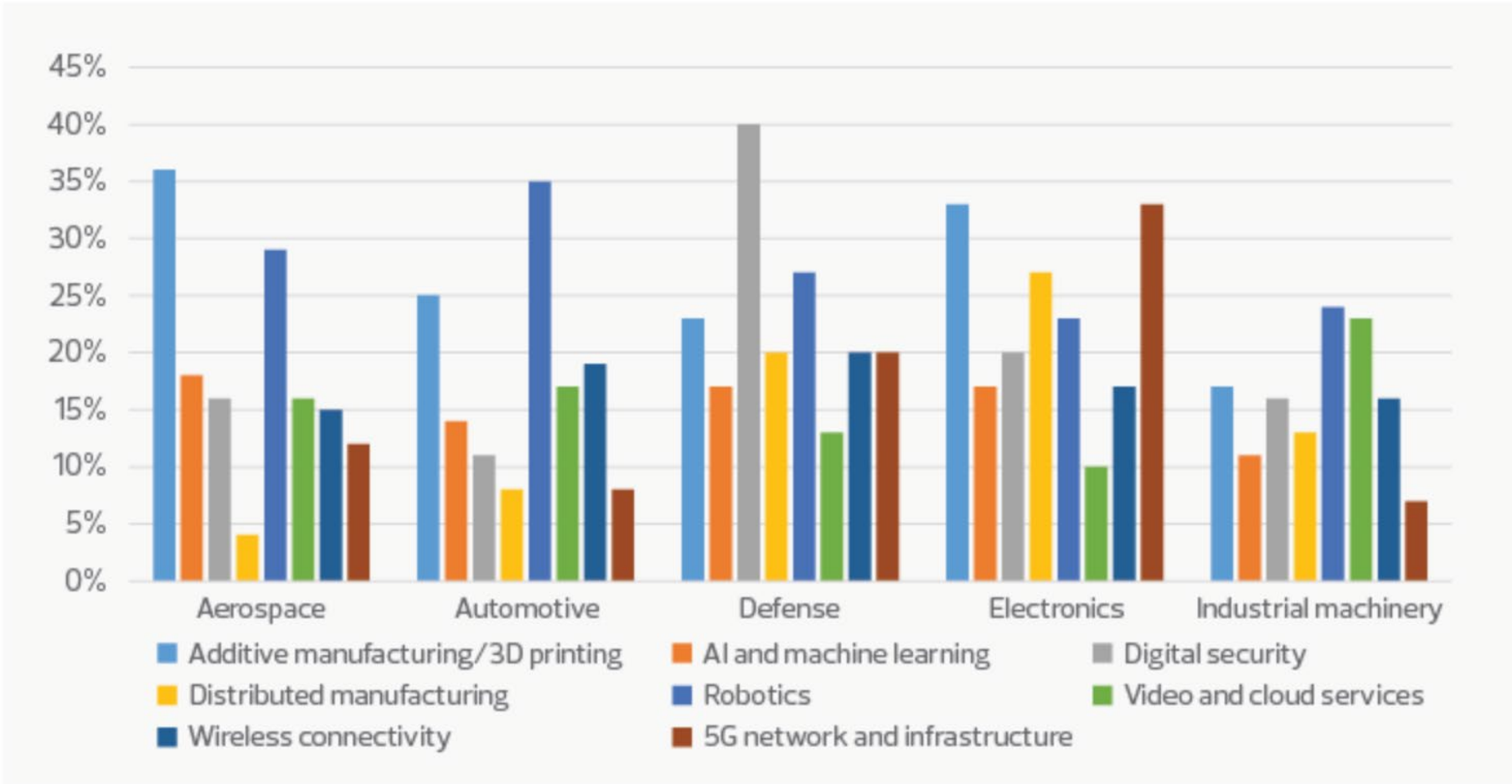
The virtuous cycle of improving the existing image and recruiting the best talent can help reshape the US manufacturing industry and better enable it to compete in these fast-paced, innovative, and transformative times.

Source: Deloitte and the Manufacturing Insitute, *A look ahead: How modern manufacturers can create positive perceptions with the US public*

Industry Leaders Are Investing In

- Customer Connectivity
- Supply Chain Reinvention
- Talent and Culture
- Digital Assimilation
- Big Data and Analytics
- Enterprise Protection

Investments that companies plan to make post-pandemic



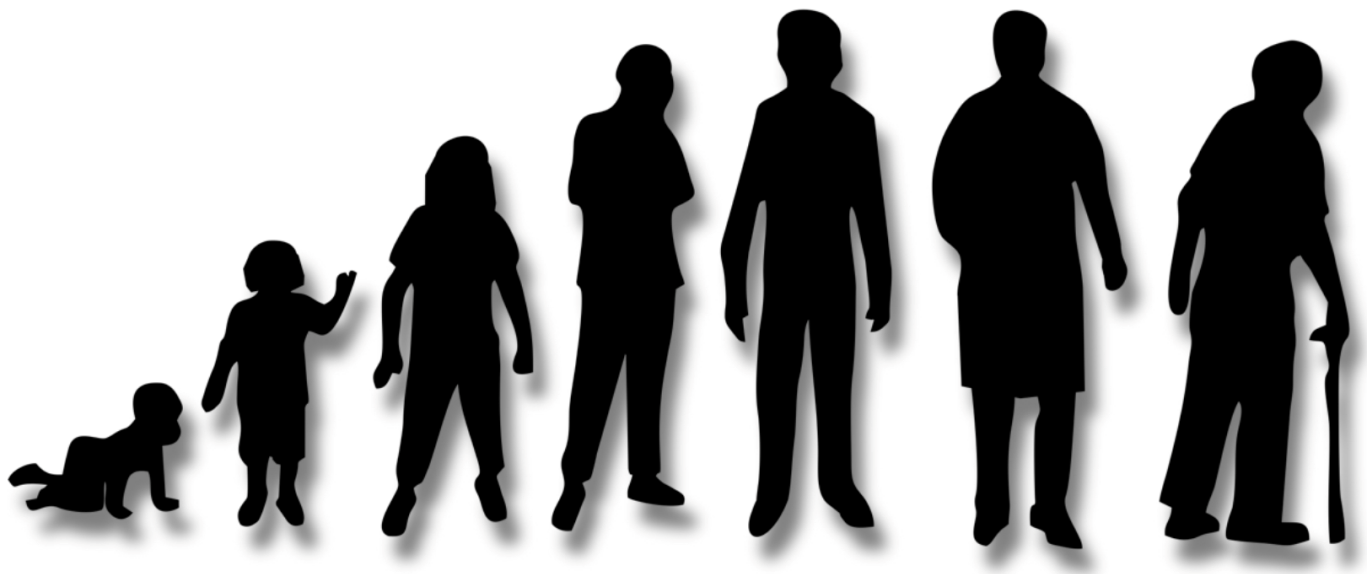
Source: SME; RSM US LLP

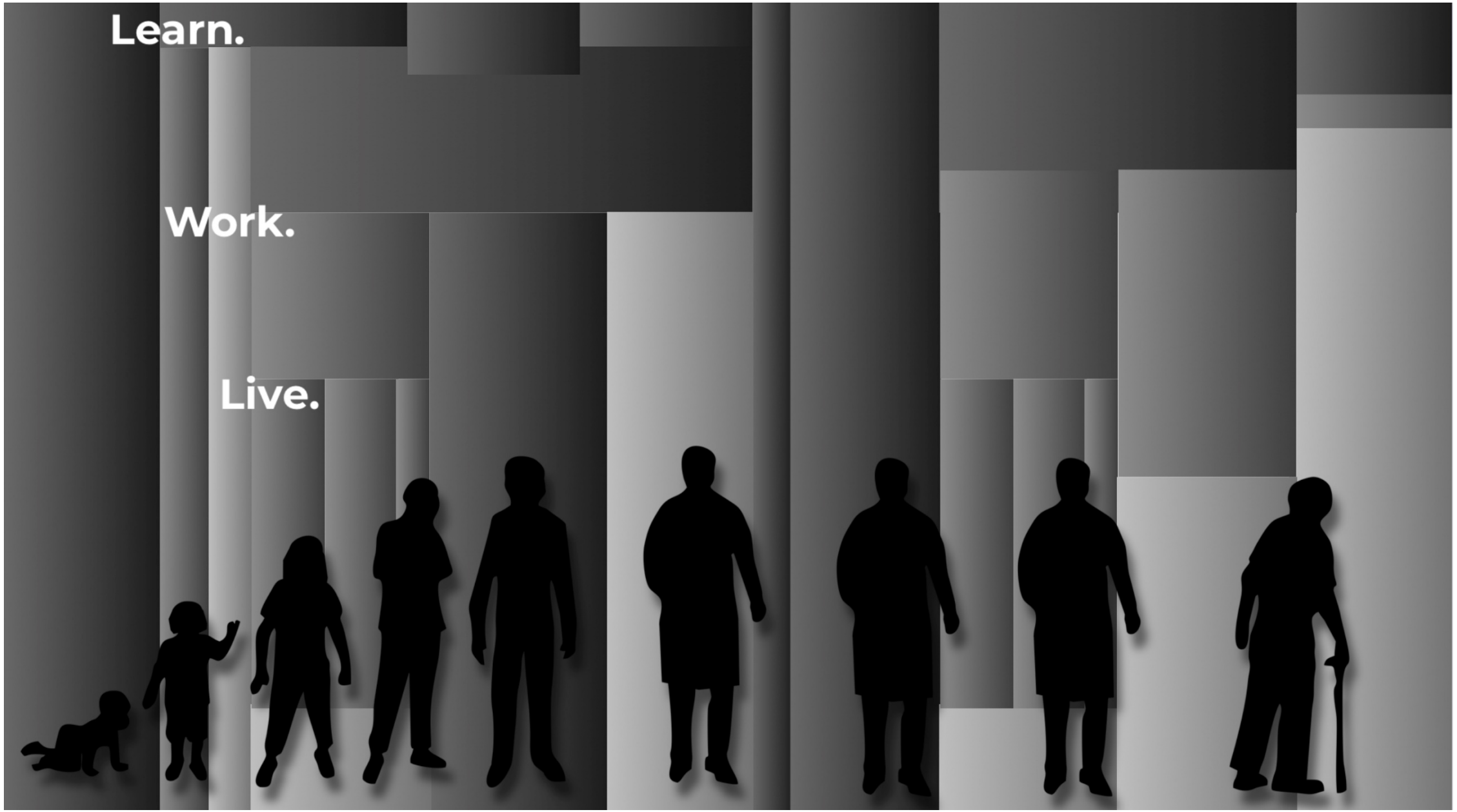
Every Job is Changing!

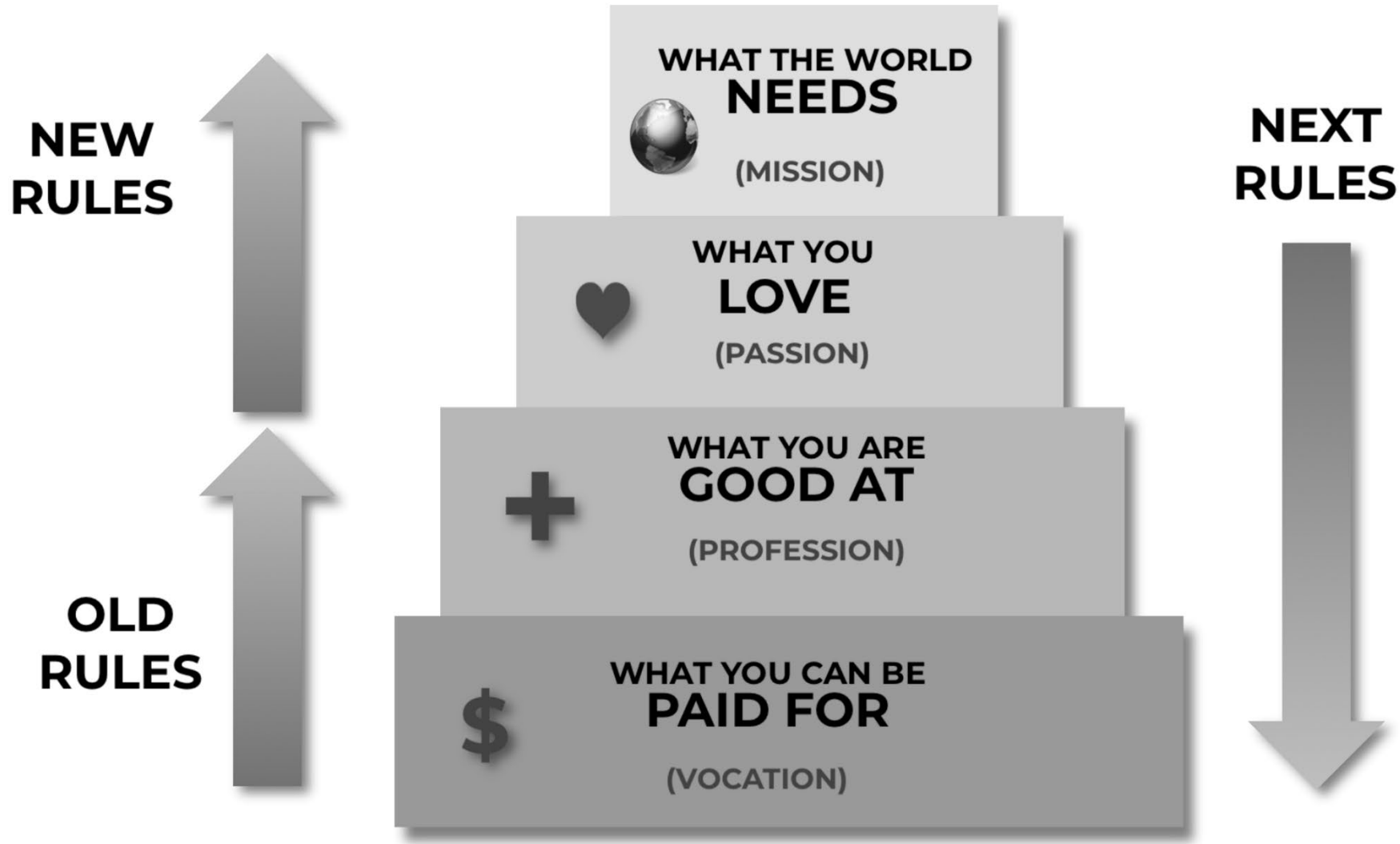
Learn.

Work.

Live.







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- Leader Learning & Services
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- Workforce Solutions & Partnerships
- Apprenticeships & Pre-Apprenticeships
- Statewide Advocacy & Service Networks

Our Pathways approach…

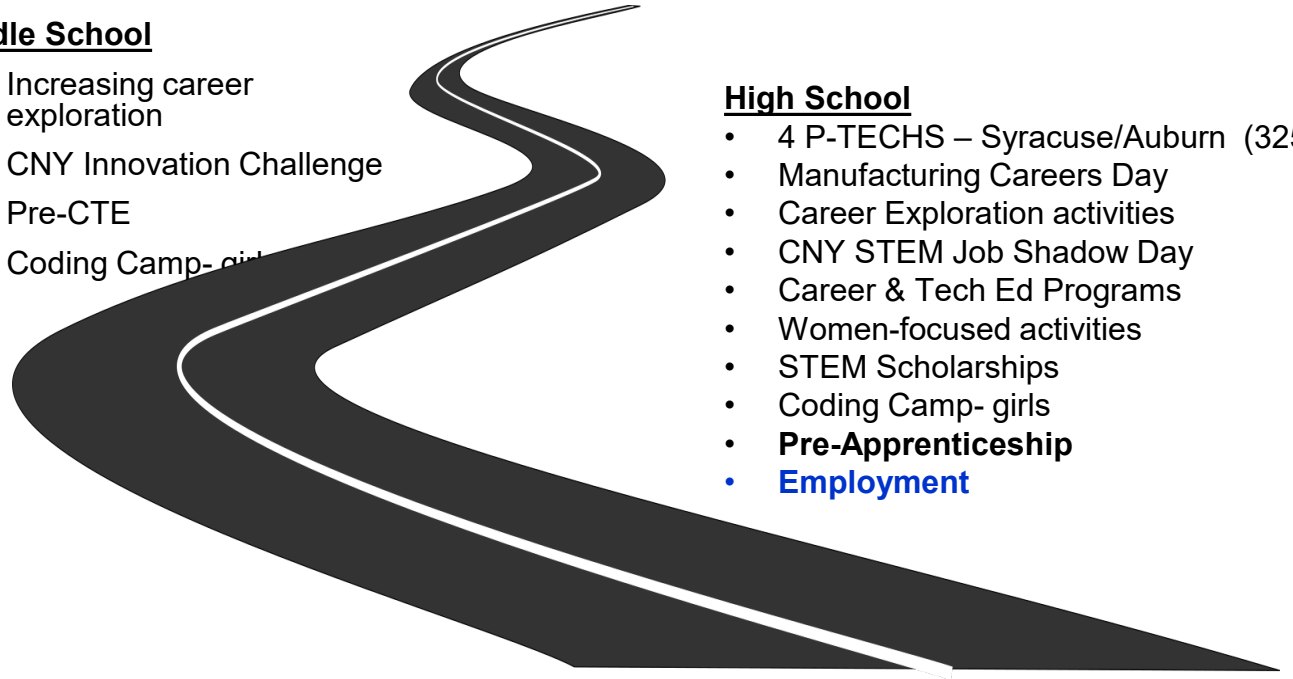
Middle School

» Increasing career exploration

» CNY Innovation Challenge

» Pre-CTE

» Coding Camp- girl



High School

- 4 P-TECHS – Syracuse/Auburn (325)
- Manufacturing Careers Day
- Career Exploration activities
- CNY STEM Job Shadow Day
- Career & Tech Ed Programs
- Women-focused activities
- STEM Scholarships
- Coding Camp- girls
- **Pre-Apprenticeship**
- **Employment**

Supports

- Annual Awards Program- June 12
- MACNY Newsletter/Website
- CNY STEM Hub/CNY Tech Sector
- Mentoring/Career Coaching at all levels

Post-secondary/Career

- STEM Scholars Connection
- Internships
- **Employment- JOB SIGNING DAY**
- Apprenticeships

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