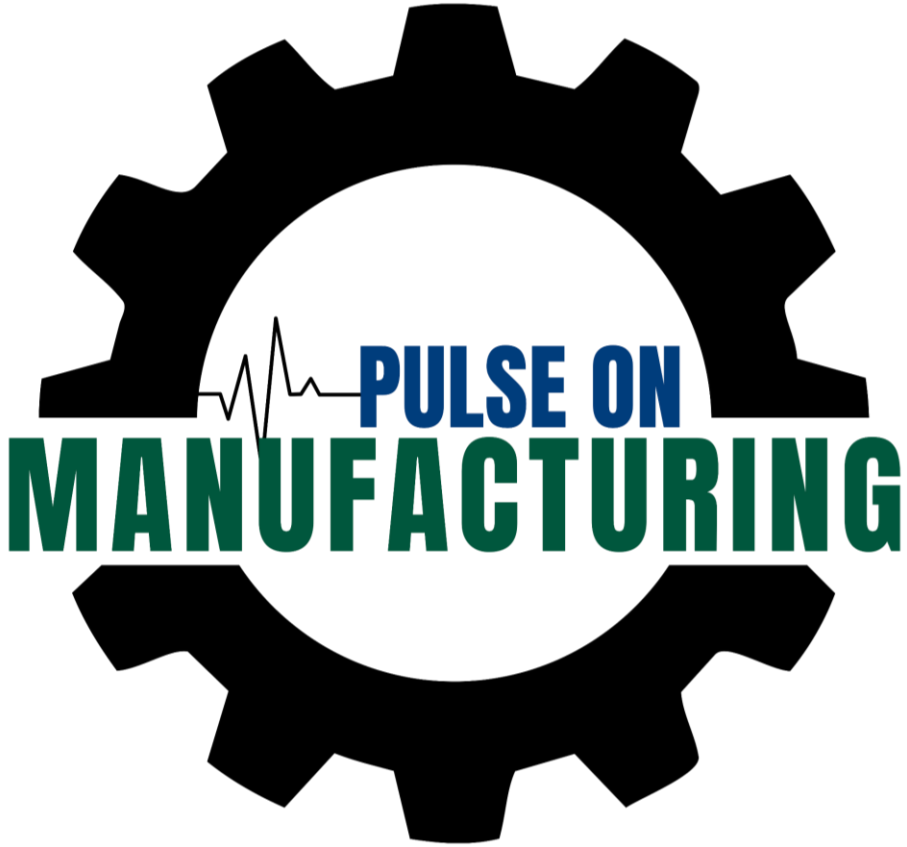
Waukesha County Business Alliance
ADVOCATE / DEVELOP / ENGAGE / GROW



Manufacturing Alliance of Southeast Wisconsin

October 29, 2026

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SIKICH

VJS Construction Services

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A-P-C Alloy Products Corp. Manufacturer of Stainless Steel Pressure Vessels

Associated Bank

BankFirst

Berghammer Construction

Eaton Powering Business Worldwide

HUSCO

Sentry

Sussex Injection Molding

WCTC Waukesha County Technical College Hands-on Higher Ed

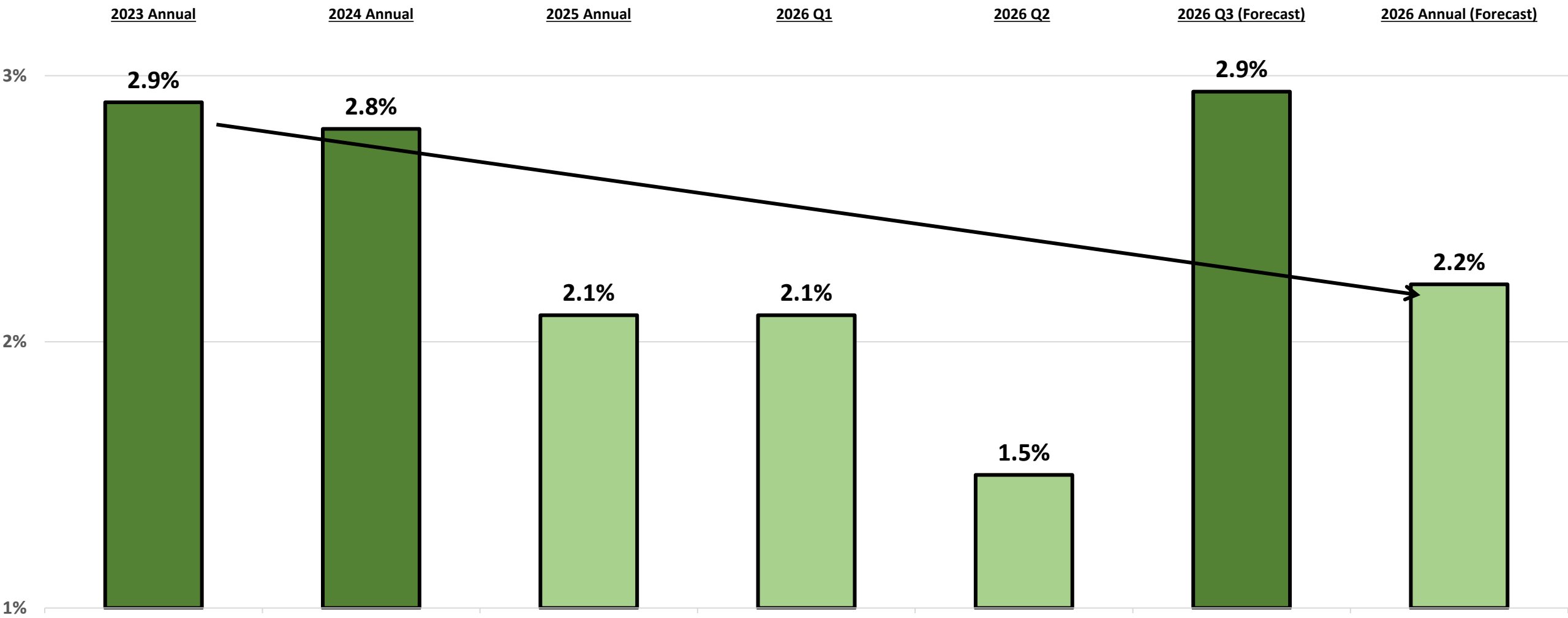
Economic Growth:
What's Next in Federal Policy



U.S. Chamber of Commerce

Growth is Steady at 2%, but could be Stronger

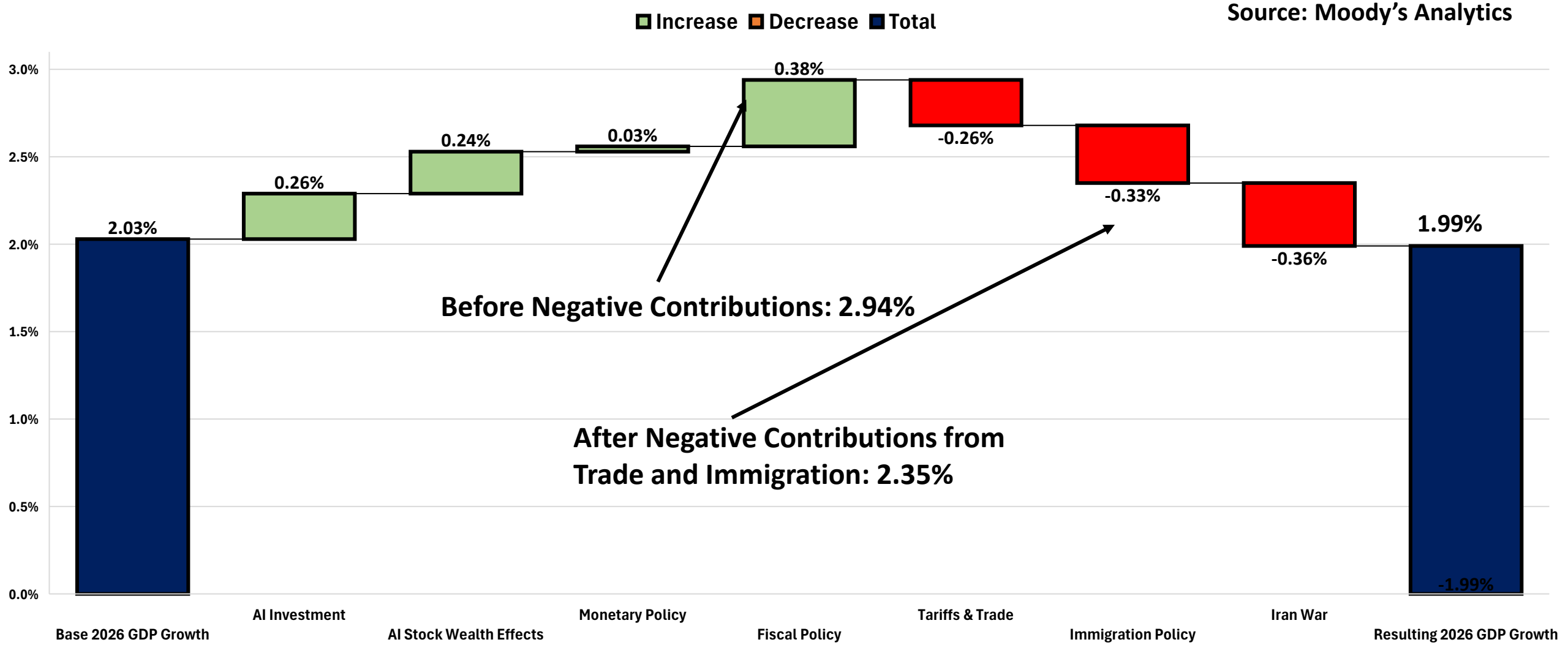
U.S. Chamber of Commerce



Forecast Sources of Change in 2026 Real GDP Growth

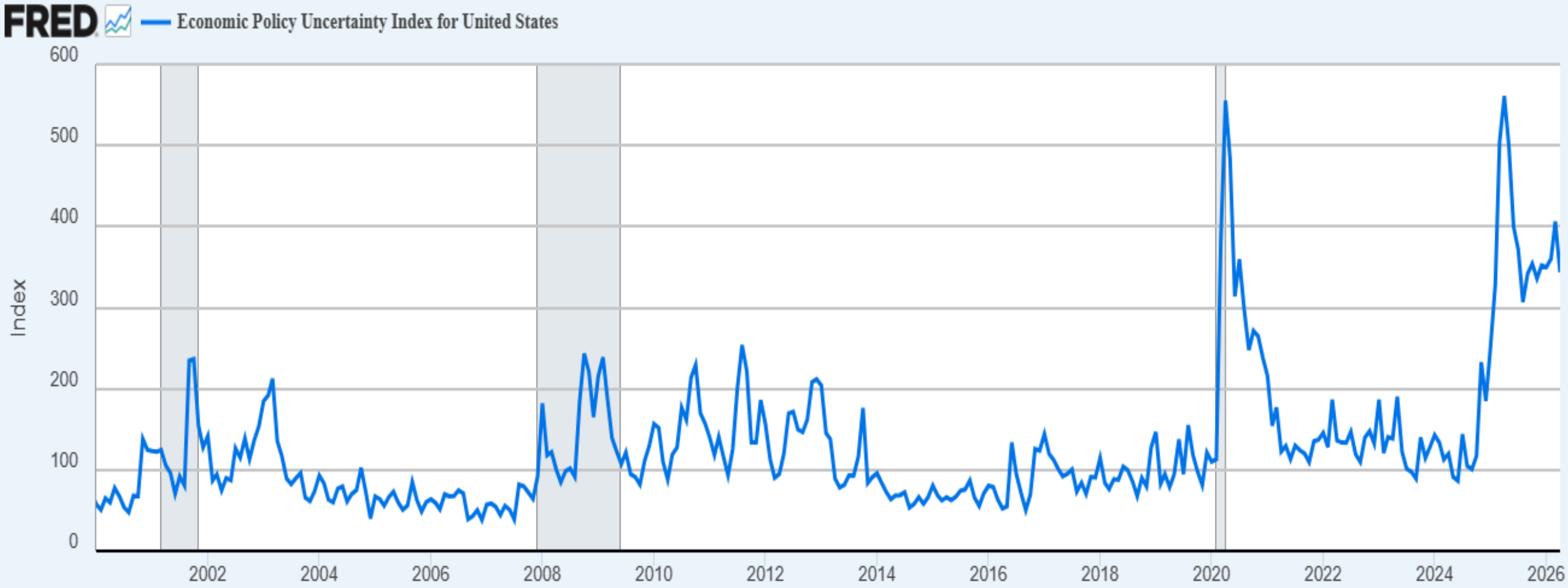
U.S. Chamber of Commerce

Source: Moody's Analytics



Economic Policy Uncertainty at Financial Crisis and Covid Levels

U.S. Chamber of Commerce



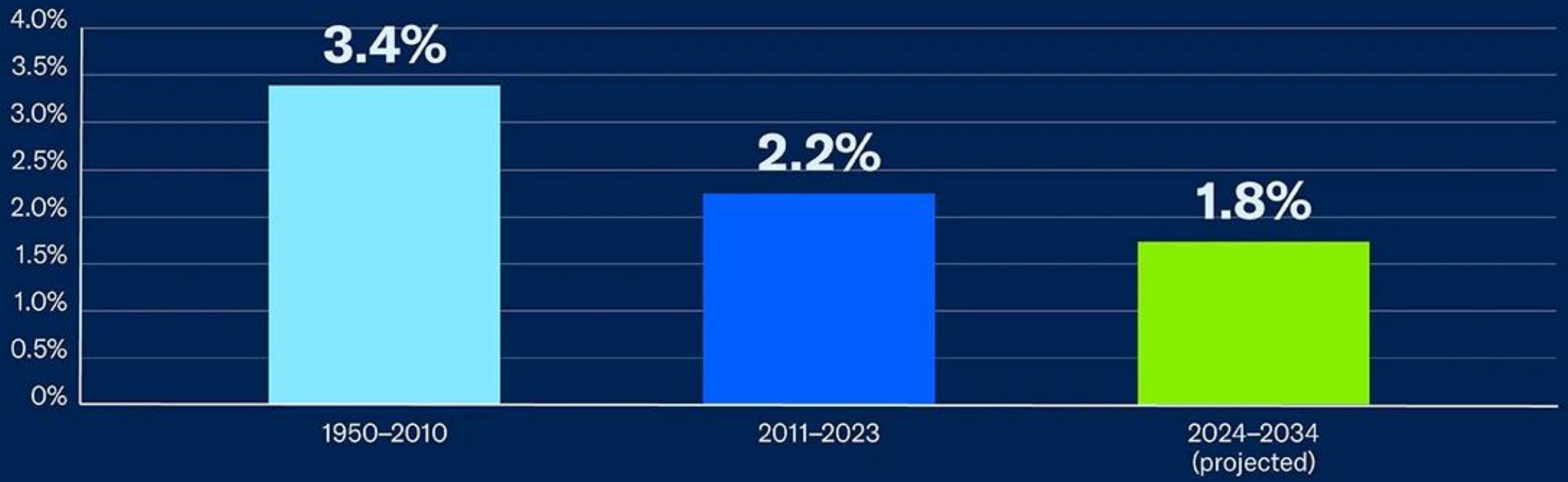
Sources: Baker, Scott R.; Bloom, Nick; Davis, Steven J. via FRED®
Shaded areas indicate U.S. recessions.

fred.stlouisfed.org

Growth and Opportunity Imperative

U.S. Chamber of Commerce

Annual Real Economic Growth



Source: U.S. Bureau of Economic Analysis; Congressional Budget Office

Annual Real Economic Growth

The Slowdown in Economic Growth

- From 1950 to 2010, real economic growth in the United States averaged 3.4% a year, even with recessions.
- As a result, the 2010 economy was seven times larger than the 1950 economy.
- The population of the U.S. also grew during this period, but the economy grew faster. Real per capita GDP was more than three times larger in 2010 than in 1950.

Why Growth Matters

Faster Growth Is Essential to the American Dream

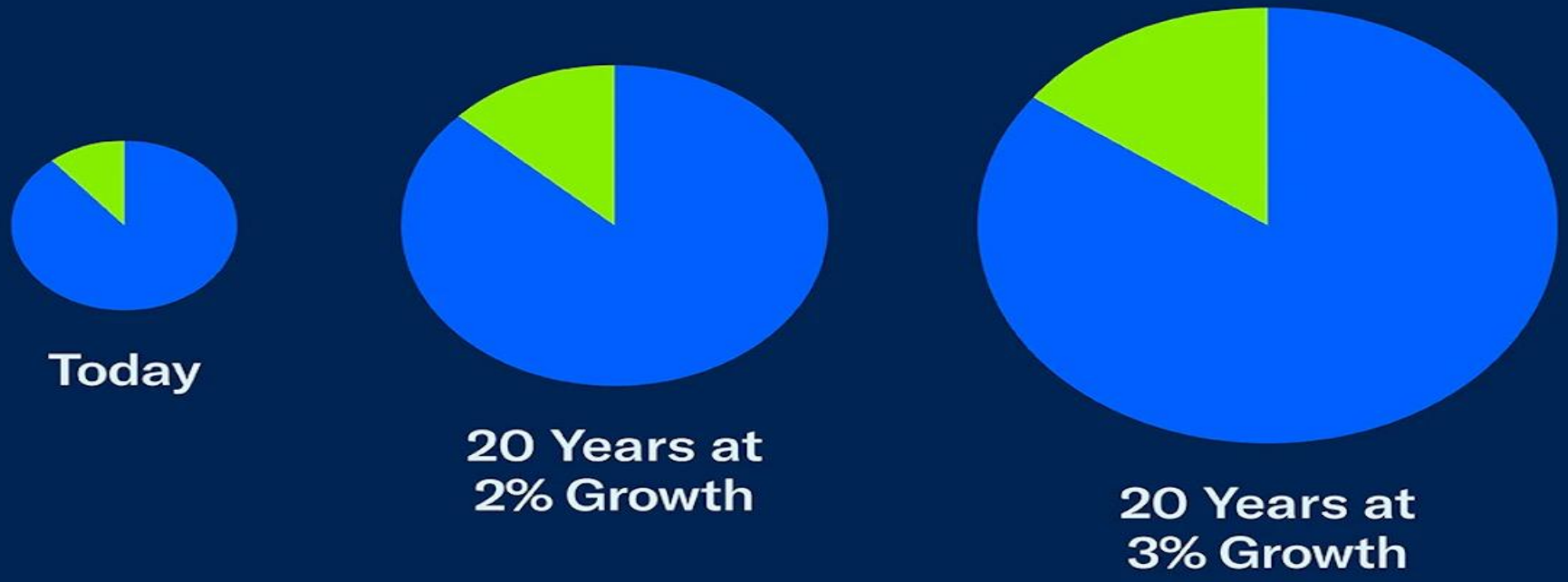
A big part of the American Dream is the idea that our children will be better off than we are, and our grandchildren will be even better off than their parents. Our ability to substantially improve our lives depends, in part, on how quickly the overall economy is growing. It is much easier for our slice of the pie to get bigger when the overall pie is also getting bigger.

Sustained economic growth provides a foundation for broad-based prosperity by expanding opportunities, increasing incomes, fostering innovation, and enhancing the overall quality of life for individuals and families. It is a critical driver in reducing poverty and creating a society where everyone has a chance to thrive.

- When our economy is growing at 3%, someone who is born today will see America's economy double in size by the time they are in their early 20s.
- At 2% growth, it will take until they are in their mid-30s for the economy to double.

Growth and Opportunity Imperative

The Faster the Pie Grows, the Faster Our Slice Grows



U.S. Chamber of Commerce

Faster Growth is Essential to Taming Rising Federal Debt

Persistently high deficits and the growing federal debt are rightfully a concern. While fiscal policies are key to stabilizing our growing debt, economic growth will also play a critical role.

Increasing productivity such that we increase economic growth by just a half a percentage point a year, from 2% to 2.5%, would by itself decrease the federal deficit by $1.2 trillion over the next 10 years.

- The opposite is also true: If productivity is less than expected under current economic assumptions and the economy grows at just 1.5% on average, that by itself would increase the deficit by $1.2 trillion.

The Role of Public Policy and a Pro-Growth Goal

When an economy has strong tailwinds, it can grow rapidly despite bad public policy. When those tailwinds disappear, public policy plays a critical role in maximizing opportunities for growth.

To grow America's economy and create better opportunities for Americans, we need policies that:

- Support a larger and more skilled workforce.
- Support investments in innovation and cutting-edge technology and the private-sector deployment of those innovations to improve productivity.
- Embrace the economy of the future, rather than trying to recreate one of the past, and give the private sector the certainty to plan, invest, and grow.

A Pro-Growth Agenda

- Taxes
- Trade
- Immigration and Workforce
- AI
- Skills
- Regulations
- Antitrust
- Energy
- Federal Debt
- Legal Environment and Rule of Law
- Labor and Workforce
- Permitting
- Capital Markets
- Intellectual Property
- Infrastructure
- Housing
- Maintaining our National Economic Union
- Free Enterprise



U.S. Chamber of Commerce

What's Next:

- Tax
- Trade
- Permitting Reform
- Infrastructure
- Immigration/Workforce
- Politics

“One Big Beautiful Bill”: Three Takeaways:

1. Tax Certainty for Business
2. Support for Investments
3. Help with the Workforce

U.S. Chamber of Commerce

U.S. Chamber of Commerce

Trade Snapshot

International trade supports more than

41 million

American jobs

International companies investing in the U.S. support nearly

8 million

American jobs



More than

97%

of the nearly 300,000 American companies that export are small and medium-sized businesses.

Compensation for jobs tied to trade averages

18%

higher than other jobs



Nearly half of U.S. manufacturing output is exported to customers abroad



U.S. trade agreement partners represent just 6% of the world's population.



Those partners buy nearly half of all U.S. exports.





1 in 4 acres

on American farms is planted to feed hungry customers overseas.

Sources: Trade Partnership Worldwide for Business Roundtable, United States International Trade Commission, U.S. Census Bureau, Centre for Economic Policy Research, Trade Partnership Worldwide, and the U.S. Bureau of Economic Analysis

Tariffs: What Are They Good For?

- Trade Remedies: anti-dumping and countervailing (anti-subsidy) duties
- National Security: e.g., tariffs on Russian aluminum, uranium
- The special case of China

Tariffs by the Numbers

- Largest tax increase in more than 50 years
- A ten-fold increase in tariffs in the year to date, from average of 2.5% to about 25%
- Impacting nearly $3 trillion of imports

Impact of Tariffs

(1) Tariffs are a tax paid by Americans

- ✓ The importing company literally pays them
- ✓ Nearly 100% pass through to U.S. consumers, firms
- ✓ Leaving the typical household ~$4,000 poorer
- ✓ High prices and inflation are the top concern of voters in every poll: The public fears tariffs will bring back the cost-of-living crisis



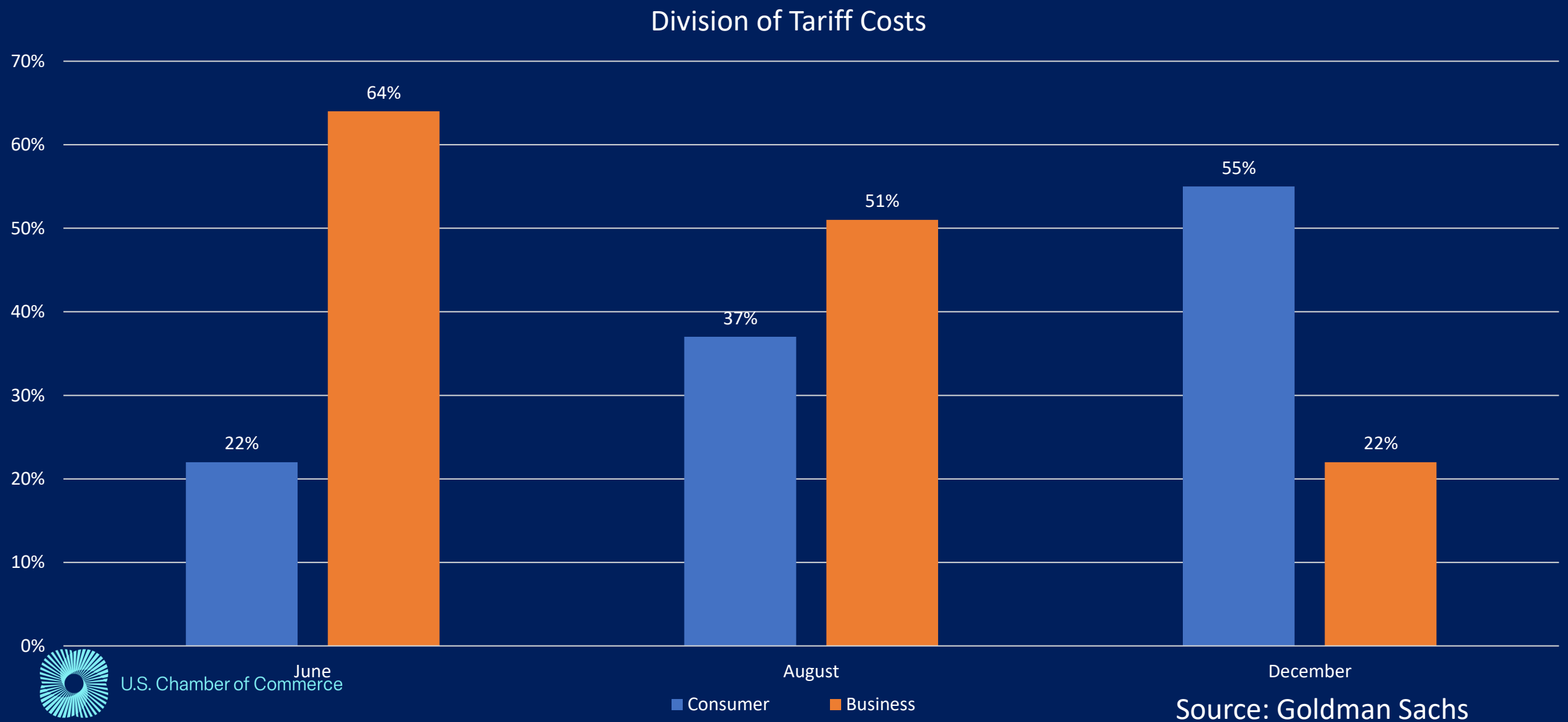
U.S. Chamber of Commerce

Impact of Tariffs

(2) Tariffs hurt U.S. manufacturers

- ✓ Manufacturers' imports of raw materials, parts, and capital goods represent 56% of all imports, so tariffs raise costs
- ✓ U.S. manufacturers "make things together" with Canada, Mexico, and Europe
- ✓ Tariffs hit manufacturing exports

Tariff Costs Continue to Move to Consumers



U.S. Chamber of Commerce

Source: Goldman Sachs

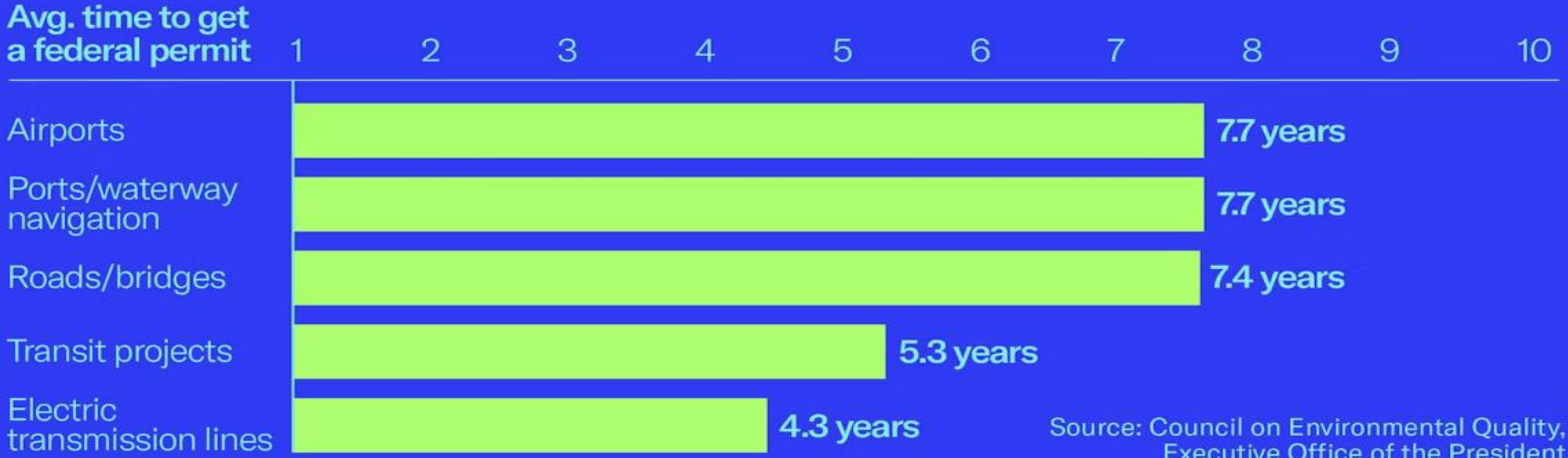
Trade:

- 80% of the world's purchasing power is outside of the US.
- 97% of American exporters are small businesses.
- 10+ years since we've added a new trade deal, meanwhile other countries have inked 100 new trade deals without us.
- US has trade deals with 20 countries. EU: 78, Mexico: 50, China: 35.
- If you are standing still, you're falling behind – we've been standing still for over 10 years.
- Trade also enhances our national security.



U.S. Chamber of Commerce

It takes too long to get a federal permit



Source: Council on Environmental Quality, Executive Office of the President

U.S. Chamber of Commerce

Permitting Reform:

- It should not take longer to get a permit than it does to construct a project.
- Unfinished business of Infrastructure and Jobs Act.
- Big opportunity to unite Republicans and Democrats: oil and gas, renewables, highways, broadband, etc.
- Coalition: business, labor, climate, etc.

U.S. Chamber of Commerce

Infrastructure:

- Modern infrastructure supports efficient commerce.
- Funding certainty enables planning and investment.
- Delays raise costs and slow economic activity.
- Funding: Gas Tax? Electric Vehicles?



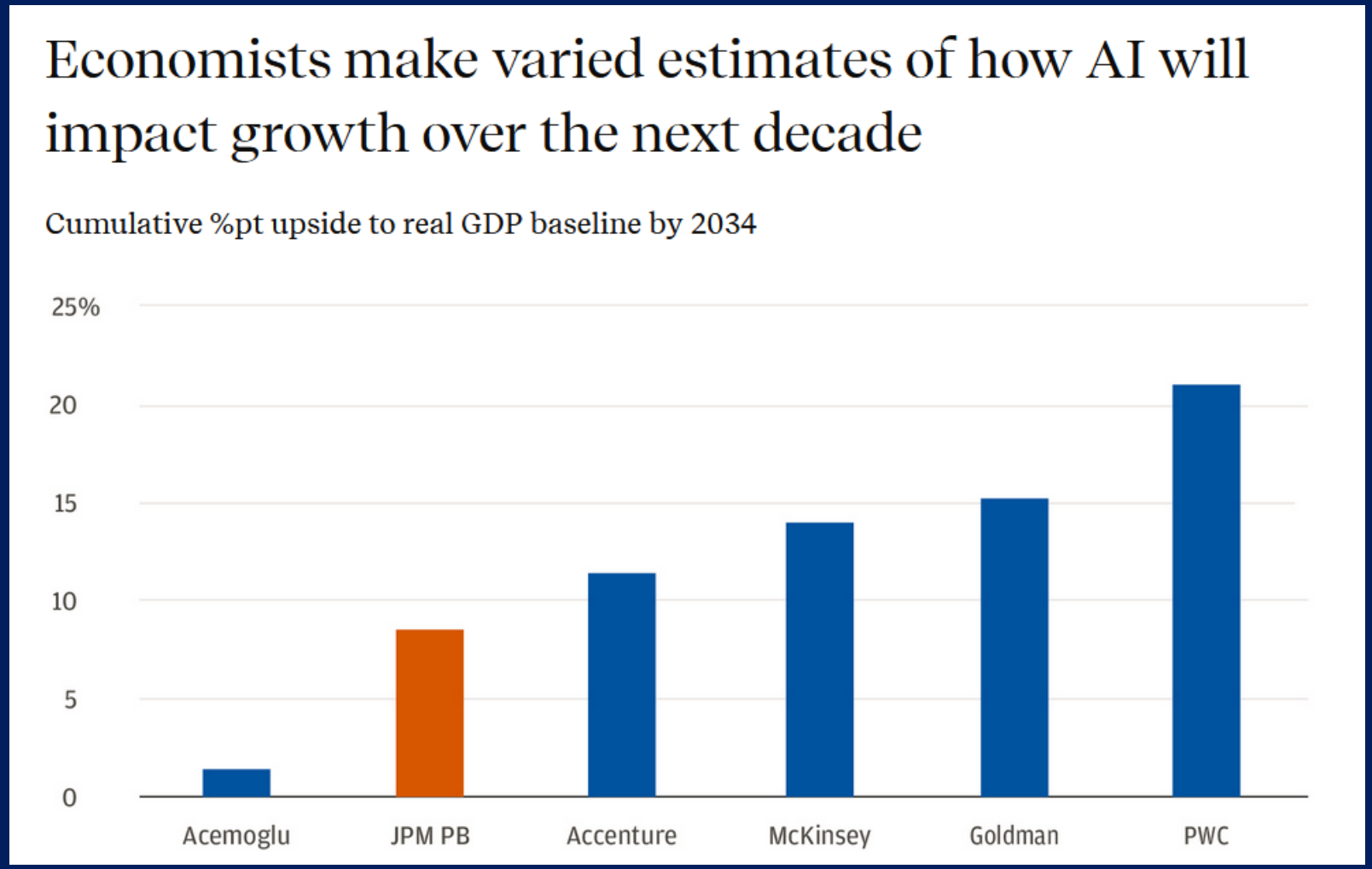
U.S. Chamber of Commerce

Artificial Intelligence:

58% of Small Businesses nationally report using generative AI

- Was 23% nationally in 2023

82% of those using AI increased headcount in the past year



Artificial Intelligence

- AI is projected to increase global economic growth by $13 trillion by the end of the decade, making it vital to establish appropriate protections to manage potential risks while maximizing potential benefits.
- Policymakers and business leaders must work together to determine a roadmap for optimizing AI's many benefits and ensuring its responsible and ethical use.
- Federal regulation/oversight vs 50 states
- Data Centers

Immigration & Workforce:

- The economy faces a worker shortage.
- Legal immigration supports growth and job creation.
- Workforce gaps limit business expansion.
- American Alliance for Workforce and Border Security Coalition

U.S. Chamber of Commerce

Visa applications are far outpacing availability

Visa applications to visa cap ratio

	H-1B	H-2B	Employment based green card
FY 2015	2:1	2:1	2:1
FY 2016	3:1	2:1	2:1
FY 2017	3:1	3:1	2:1
FY 2018	2:1	3:1	2:1
FY 2019	2:1	3:1	2:1
FY 2020	2:1	3:1	2:1
FY 2021	3:1	3:1	3:1
FY 2022	4:1	4:1	
FY 2023	6:1	3:1*	
FY 2024	**9:1**		



Only one person will receive a visa for every nine applications filed

Sources: U.S. Department of Labor, U.S. Department of Homeland Security
*YTD covering Q1, Q2 and Q3.

U.S. Chamber of Commerce

Questions?

John Kirchner, Vice President, Midwest Region

(612) 619-2048

jkirchner@uschamber.com

U.S. Chamber of Commerce

WCCE
WISCONSIN CHAMBER OF COMMERCE EXECUTIVES

WISCONSIN COMPETITIVENESS REPORT



WISCONSIN IS FALLING BEHIND

WMC FOUNDATION

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Wisconsin's Chamber



WISCONSIN COMPETITIVENESS REPORT

WISCONSIN IS FALLING BEHIND

PODCAST

WISCONSIN COMPETITIVENESS REPORT

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Taxes

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WISCONSIN COMPETITIVENESS REPORT

WISCONSIN IS FALLING BEHIND

TAXES

Wisconsin Tax Climate

12th
HIGHEST
Corporate Tax Rate

8th
HIGHEST
Property Taxes

9th
HIGHEST
Individual Income Tax Rate

Source: Experian & Tax Foundation

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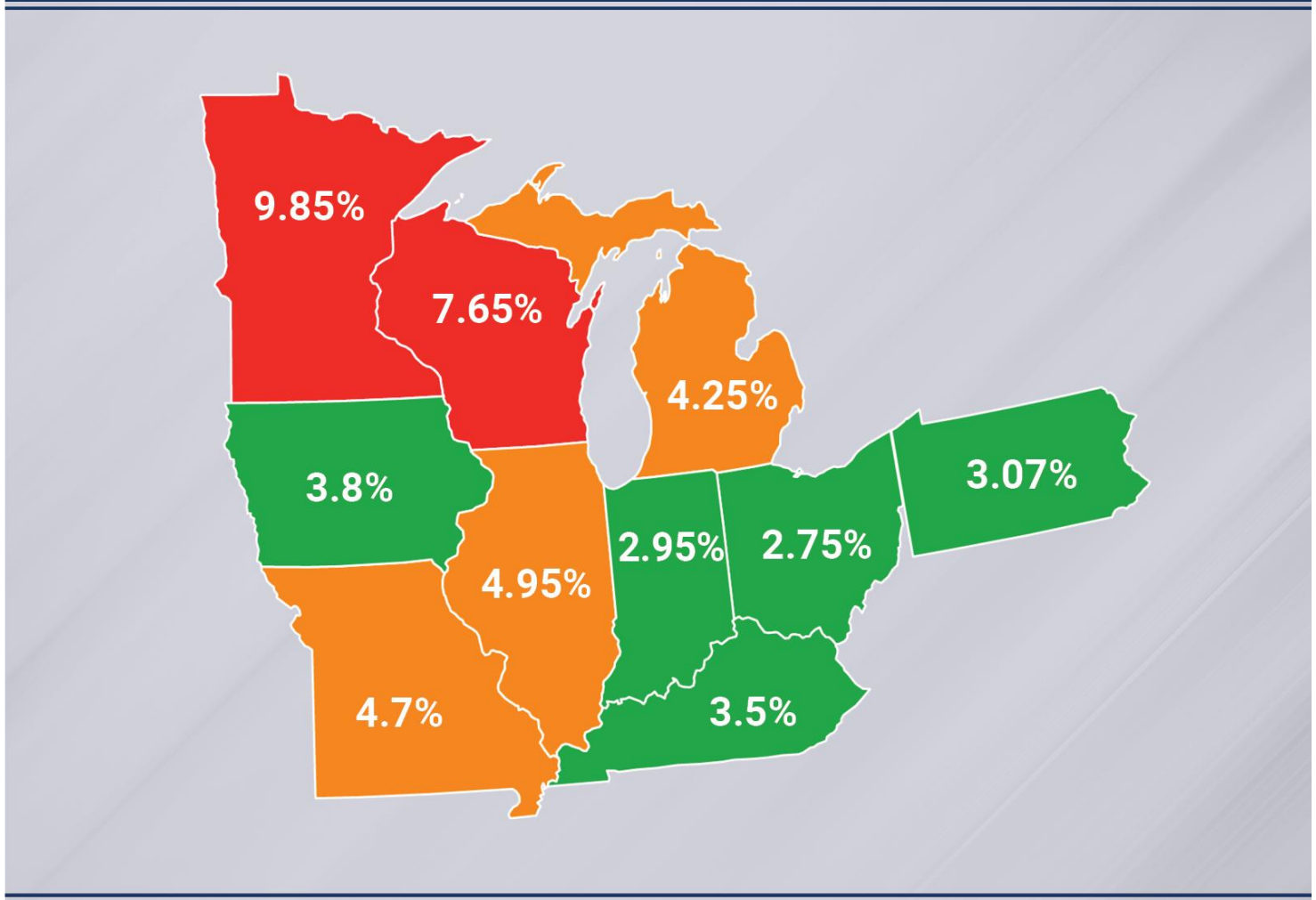

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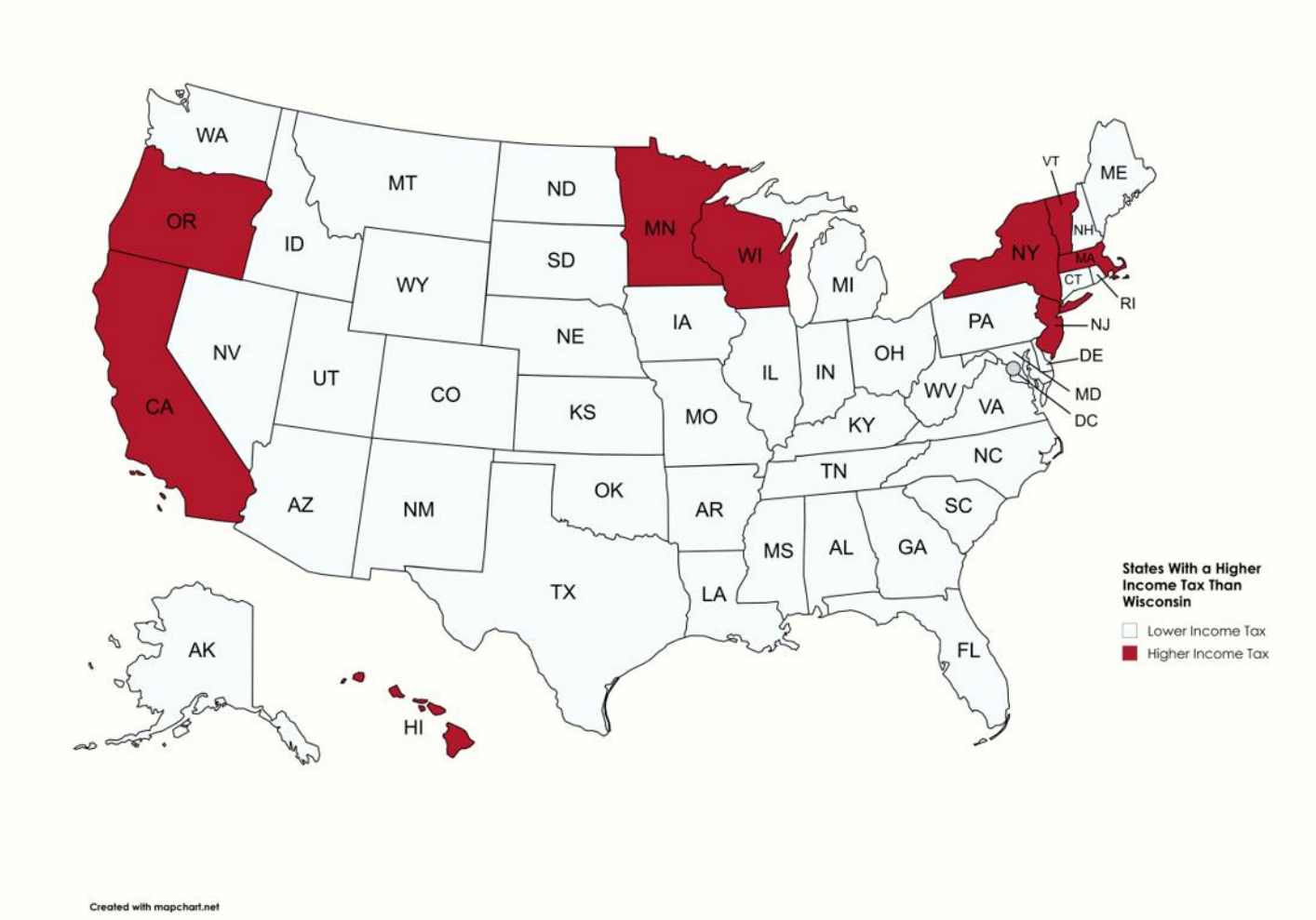
Uncompetitive Income Taxes



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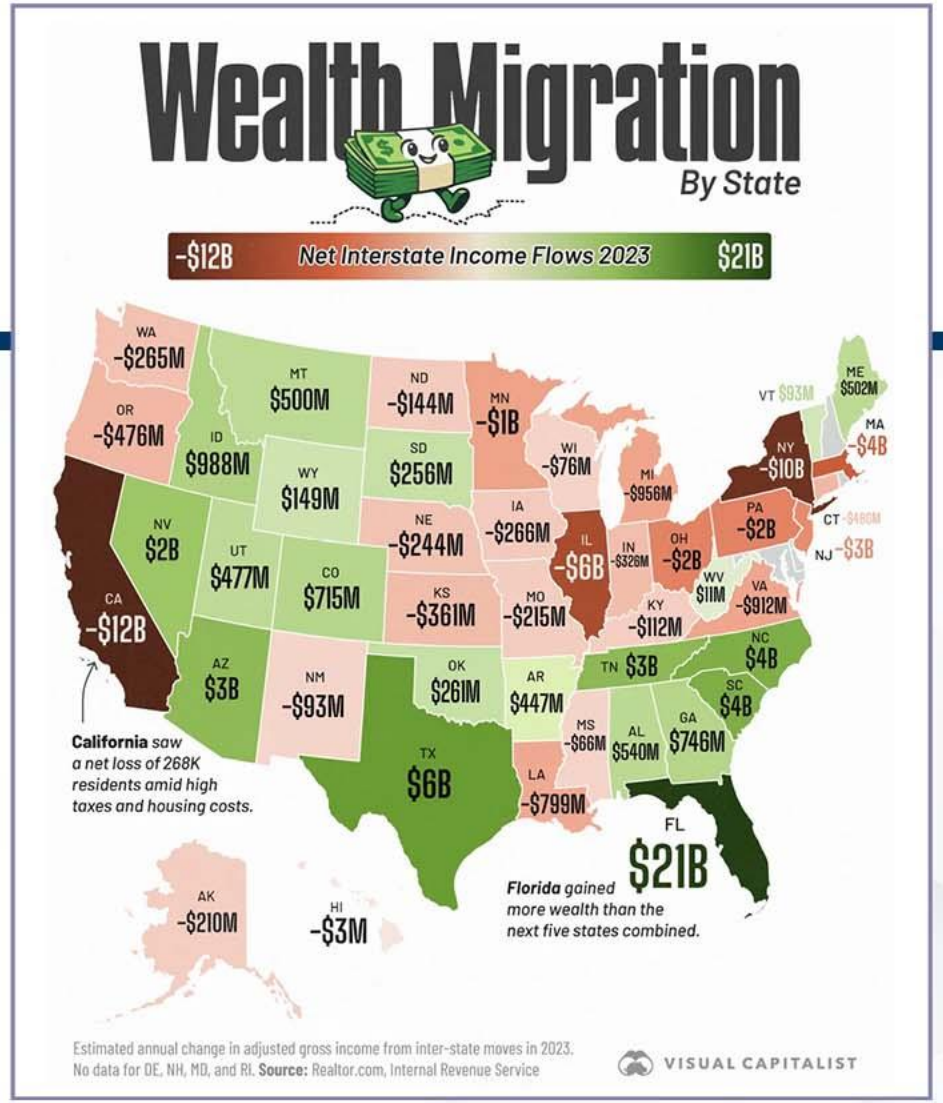
WISCONSIN IS FALLING BEHIND



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WISCONSIN IS FALLING BEHIND

TAXES

Migration Trends (2025)

U-HAUL

STATES PEOPLE ARE LEAVING:	STATES PEOPLE ARE MOVING TO:
1. California	1. Texas
2. Illinois	2. Florida
3. New Jersey	3. North Carolina
4. New York	4. Tennessee
5. Massachusetts	5. South Carolina

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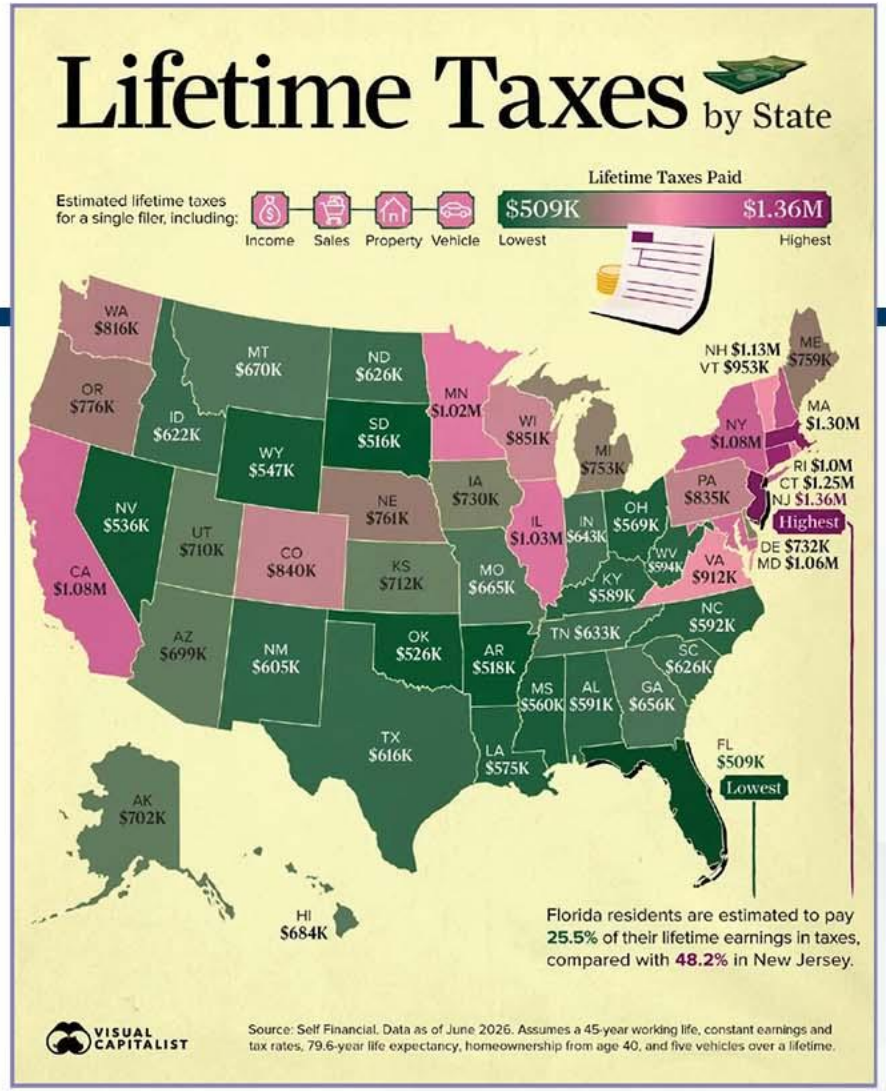

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WISCONSIN IS FALLING BEHIND

TAXES

Interstate Migration Trends In The United States, 2018-2023: Where Are Americans Moving, And Why?

"Tax burden is the most powerful and robust predictor of migration. States with lower taxes attract more people. That result holds even when controlling for housing permits issuance rates, climate, population density and cost of living."

Mercatus Center, George Mason University - July 1, 2026

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TAXES

> ***Over the last 10 years, more than 900,000 filers have left the state, most of them moving to states with a flat or no income tax, taking more than $37 billion in income with them.***

Source: Institute for Reforming Government, Sept. 2026

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WISCONSIN IS FALLING BEHIND

TAXES

> *That [27 billion] lost income means lost tax revenue, too. Wisconsin missed out on more than $400 million in state and local tax revenue in 2023 alone, and more than $3.5 billion over the past decade.*

Source: Institute for Reforming Government, Sept. 2026

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WISCONSIN IS FALLING BEHIND

TAXES

Wisconsin Property Tax Levies See Biggest Jump in Nearly 20 Years

> *Gross property tax levies across Wisconsin collectively grew by 5.8% on December 2025 tax bills, the largest increase in nearly two decades.*

Source: Wisconsin Policy Forum, September 2026

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WISCONSIN IS FALLING BEHIND

TAXES

> *My 400-year veto is here to stay, lawmakers. Just fund our public schools and get over it.*
>
> - Gov. Evers (April 2026)

Source: Milwaukee Journal Sentinel

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EVERS BUDGET

Evers' 2025 Budget Proposal

Tax Hikes

Increase Top Income Tax Rate To 9.8%	= $1.3 Billion
Repeal The MAC For Most Manufacturers	= $792 Million
Capital Gains Tax Increase	= $420 Million
Miscellaneous Business Tax Increases	= $488 Million
TAX HIKE GRAND TOTAL	**= $3 BILLION**

Source: Wisconsin Legislative Fiscal Bureau

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Workforce & Demographics

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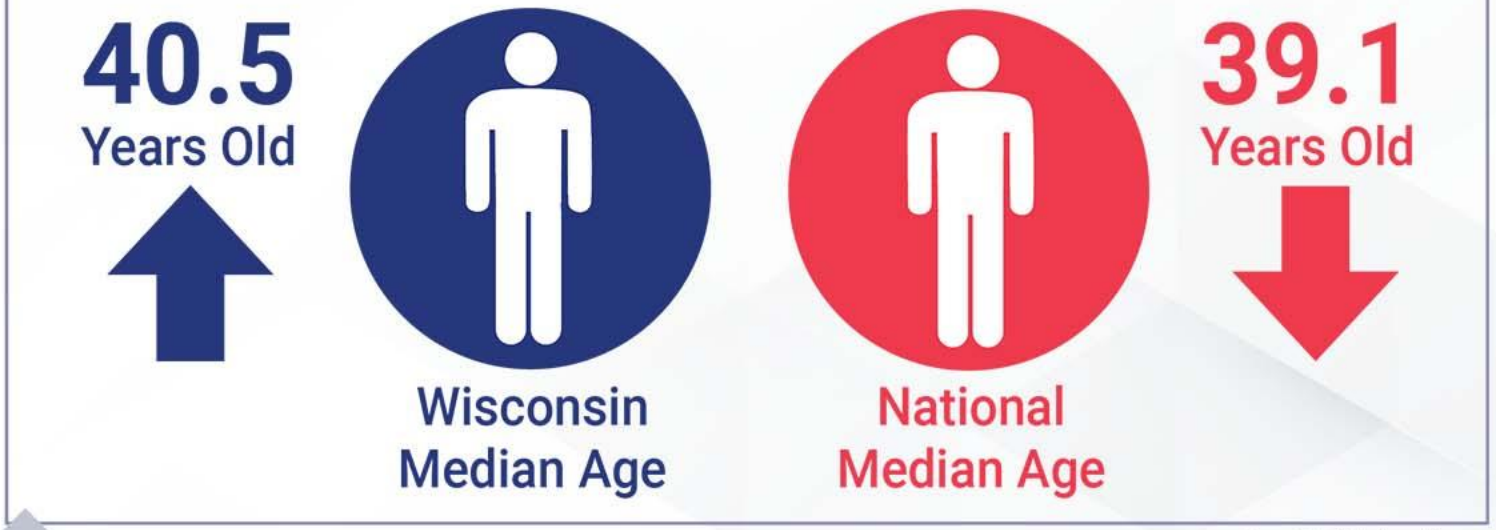
WISCONSIN COMPETITIVENESS REPORT

WISCONSIN IS FALLING BEHIND

DEMOGRAPHICS & WORKFORCE

Wisconsin's Aging Population



Source: United States Census Bureau

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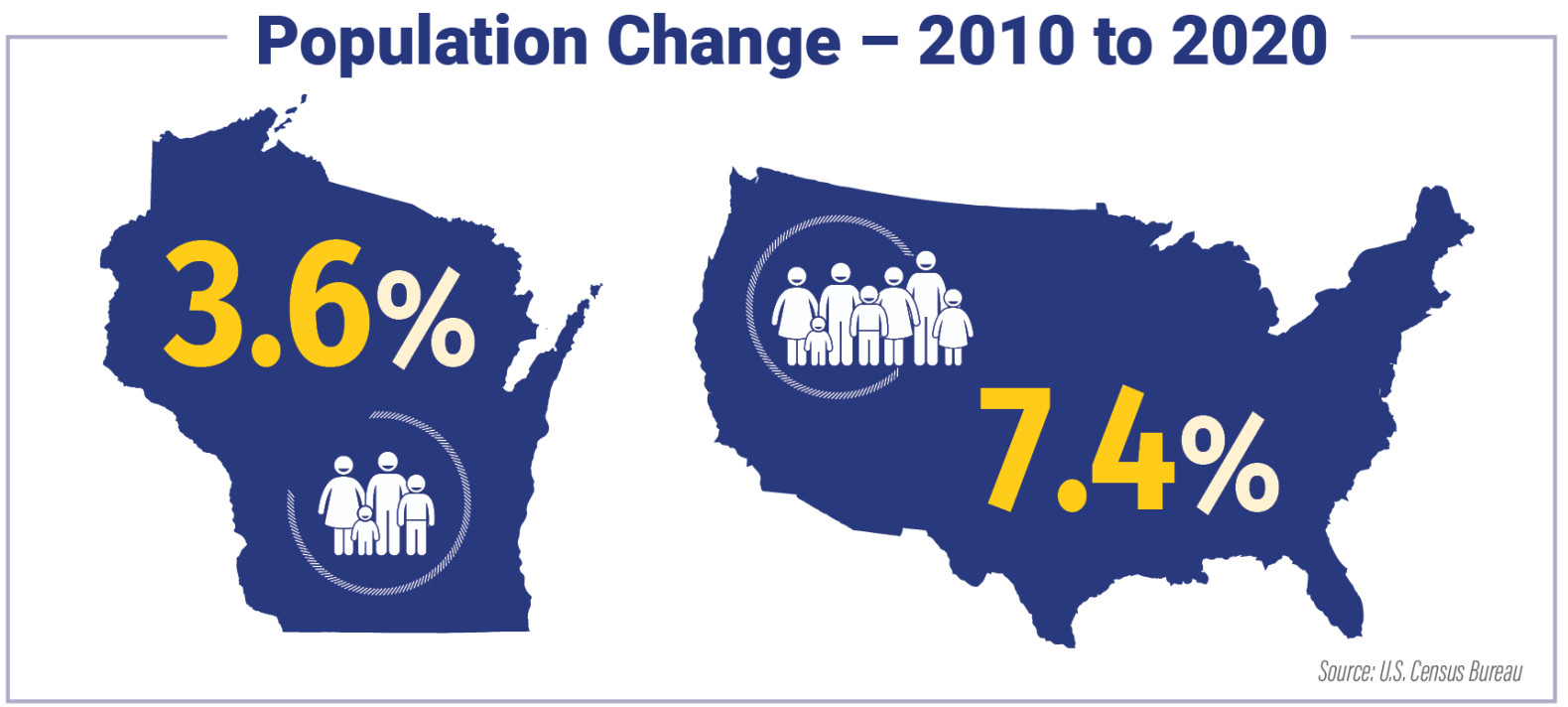
Wisconsin Demographic Challenges



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WISCONSIN IS FALLING BEHIND

DEMOGRAPHICS & WORKFORCE

Shrinking Youth Population



Source: United States Census Bureau

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WISCONSIN IS FALLING BEHIND

DEMOGRAPHICS & WORKFORCE

Shrinking Youth Population



Source: United States Census Bureau

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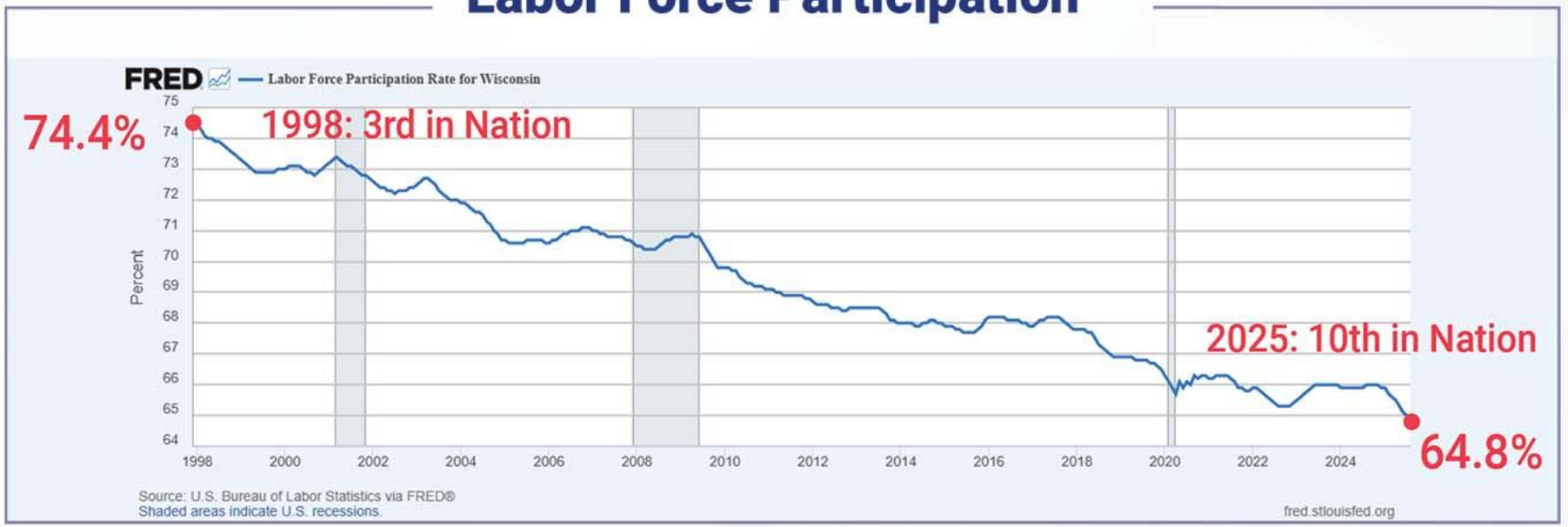
DEMOGRAPHICS & WORKFORCE

Labor Force Participation



Source: United States Census Bureau

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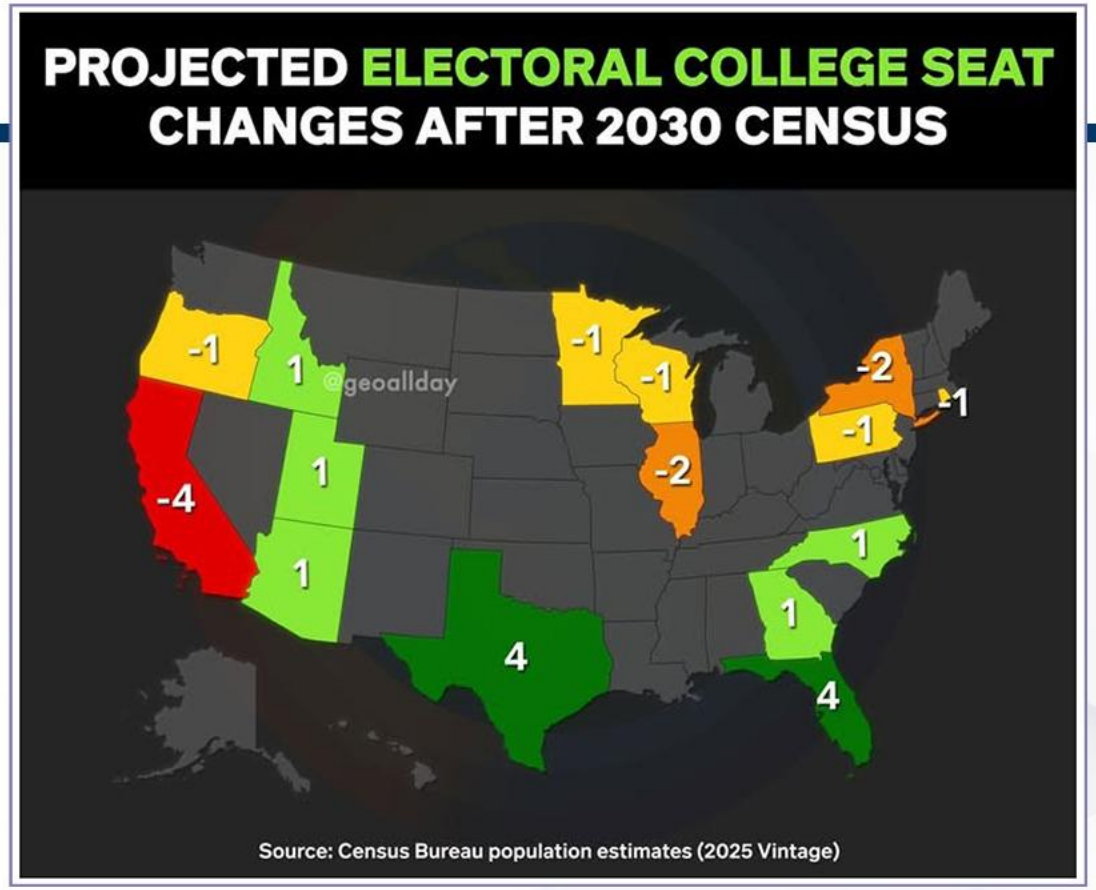

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WISCONSIN IS FALLING BEHIND

Regulation

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WISCONSIN IS FALLING BEHIND

REGULATIONS

Regulatory Climate

13th

MOST
Regulated State

165,000

Regulatory Restrictions

Source: Mercatus Center & WI Administrative Code

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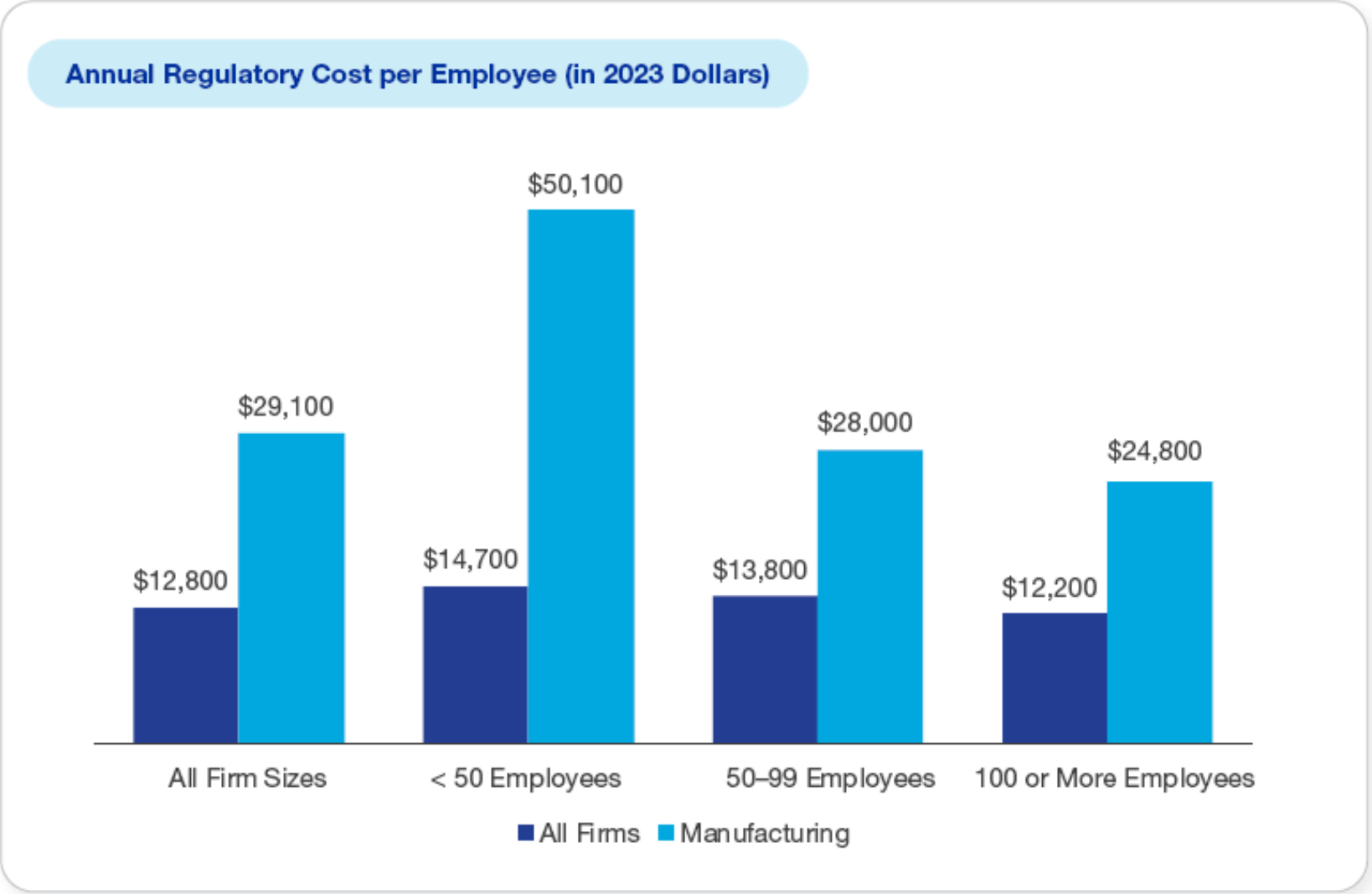
Why Do Regulations Matter?



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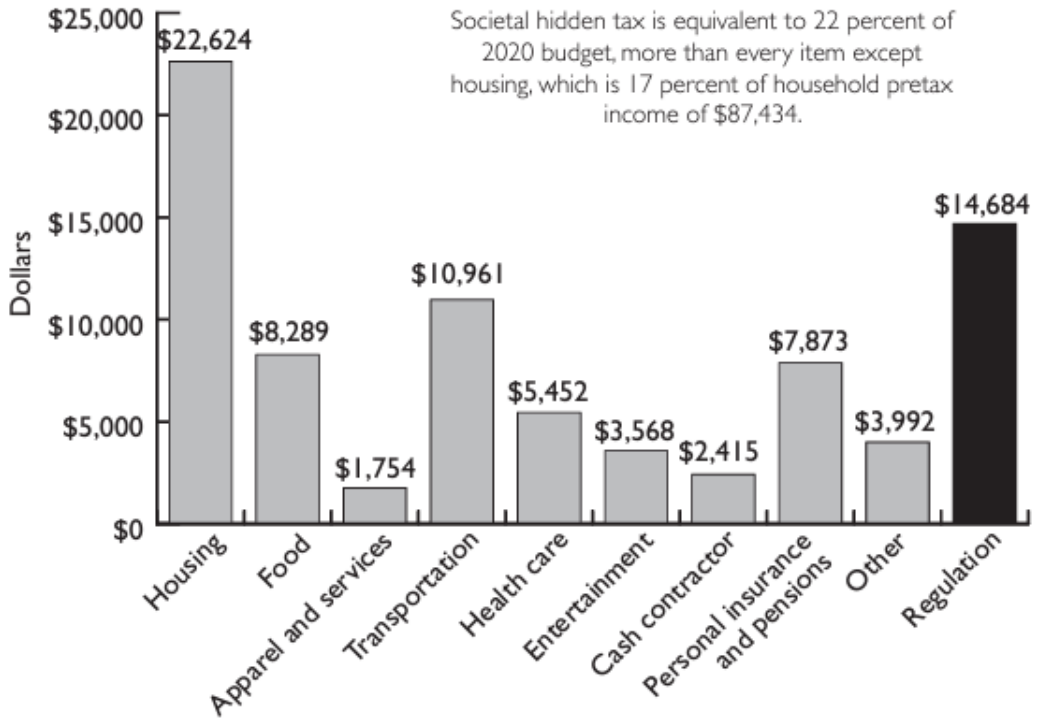
Why Do Regulations Matter?

Figure 7. U.S. Household Expense Budget of $66,928 Compared to Regulatory Costs



Sources: Bureau of Labor Statistics (BLS); author calculations.

Proxy for households here is BLS depiction of 131,234,000 "consumer units," which comprise "families, single persons living alone or sharing a household with others but who are financially independent, or two or more persons living together who share expenses." Other consists of "personal care products and services," "education," and "all other expenditures."

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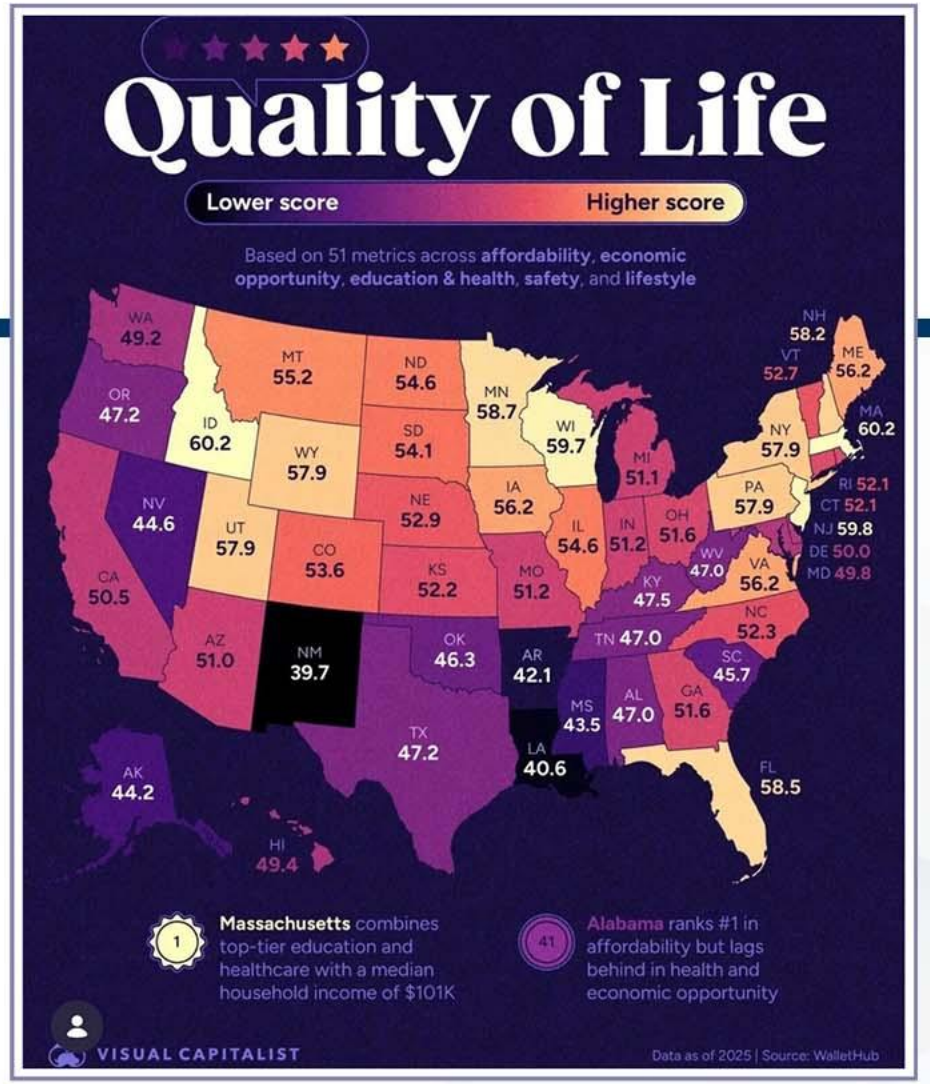
WISCONSIN IS FALLING BEHIND



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WISCONSIN IS FALLING BEHIND

Wisconsin Manufacturing Impact

WMC FOUNDATION

Wisconsin Manufacturing Profile

- Manufacturing is by far the largest sector of our economy, accounting for $82.4B GDP, or about 16% of Wisconsin's economy.
- Wisconsin has the most manufacturing jobs per capita in the United States (460,000 jobs).
- Manufacturing employees in Wisconsin collectively earn $46.6 billion in pay each year, or about $102,000 per worker.
- Small businesses dominate: 75% of Wisconsin manufacturers have fewer than 50 employees.

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Wisconsin Manufacturers & Commerce

Manufacturing & Ag Tax Credit (MAC)

- Since 2013, the MAC allows manufacturers to earn an income tax credit based on the value of goods produced here.
- It has been our most powerful tool to retain and grow manufacturing jobs in our state.
- A new UW-Madison study found that since the MAC was implemented, Wisconsin border counties grew manufacturing jobs by 17% while their counterparts on the other side of the border lost 4% of their manufacturing jobs – a 21-point differential.
- The study also found that Wisconsin border counties grew 12,000 more manufacturing jobs than they would have without the MAC.
- The MAC could be repealed depending upon what happens in the elections on Tuesday!

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Wisconsin Manufacturers & Commerce



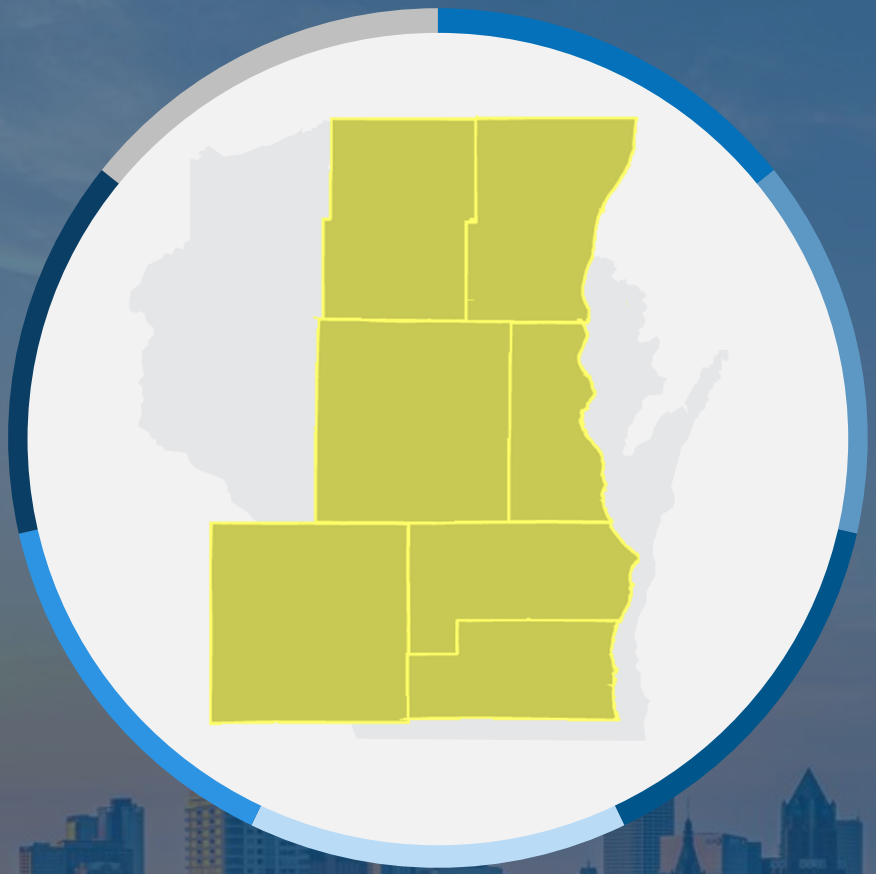
REGIONAL COMPETITIVENESS

MILWAUKEE 7 REGIONAL PARTNERSHIP



MILWAUKEE 7

Regional Partnership



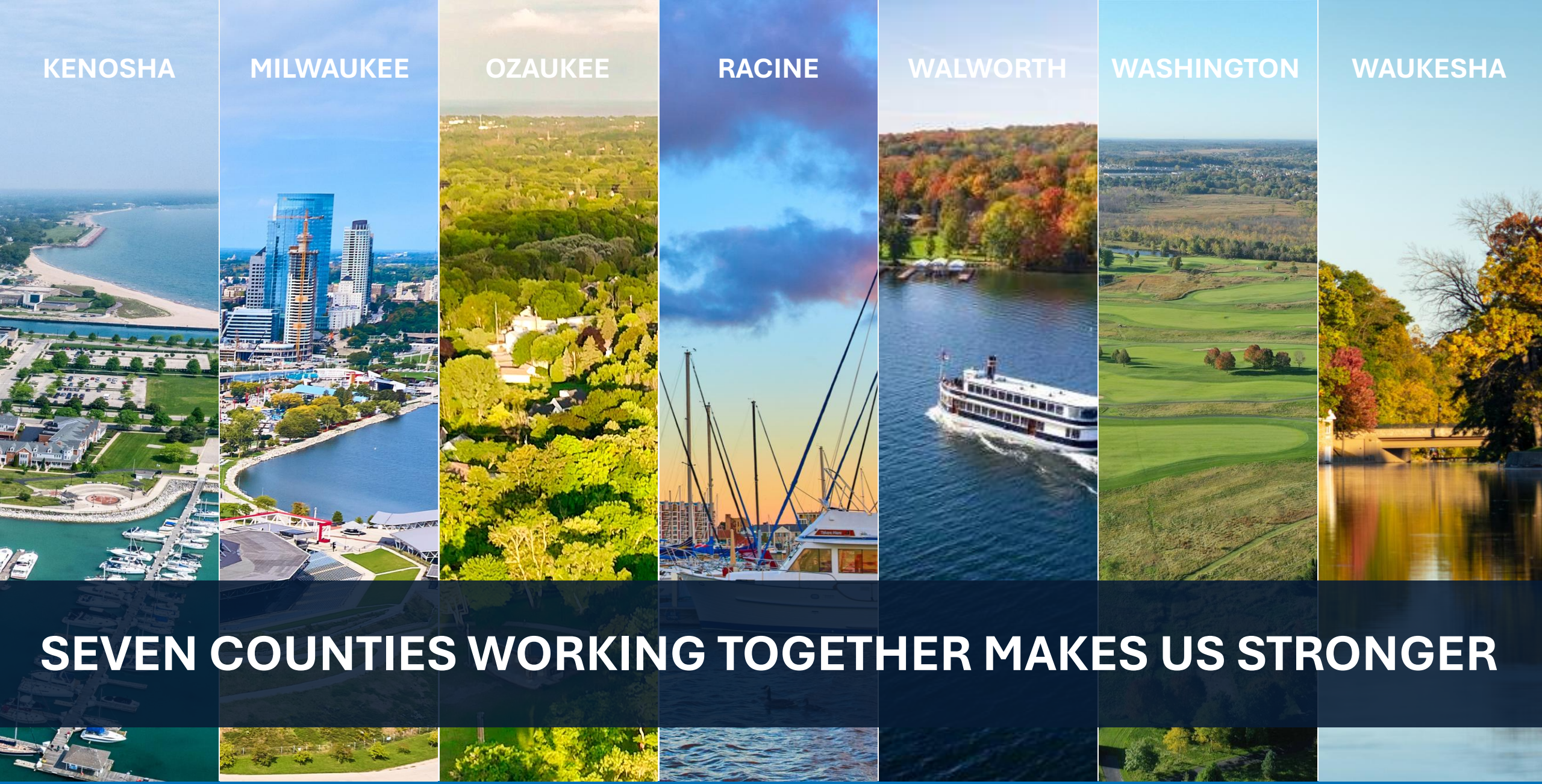
MILWAUKEE 7

Regional Partnership

MISSION

Attract and expand businesses to increase capital investment and drive job growth in the region.

MILWAUKEE 7



SEVEN COUNTIES WORKING TOGETHER MAKES US STRONGER

MILWAUKEE 7
Regional Partnership



MILWAUKEE 7
Regional Partnership

2025 – 29 Campaign Goals

9,700

Jobs created

$677M

Payroll

$4.5B

Capital Investment

2025 – 29 CAPITAL INVESTMENT GOAL



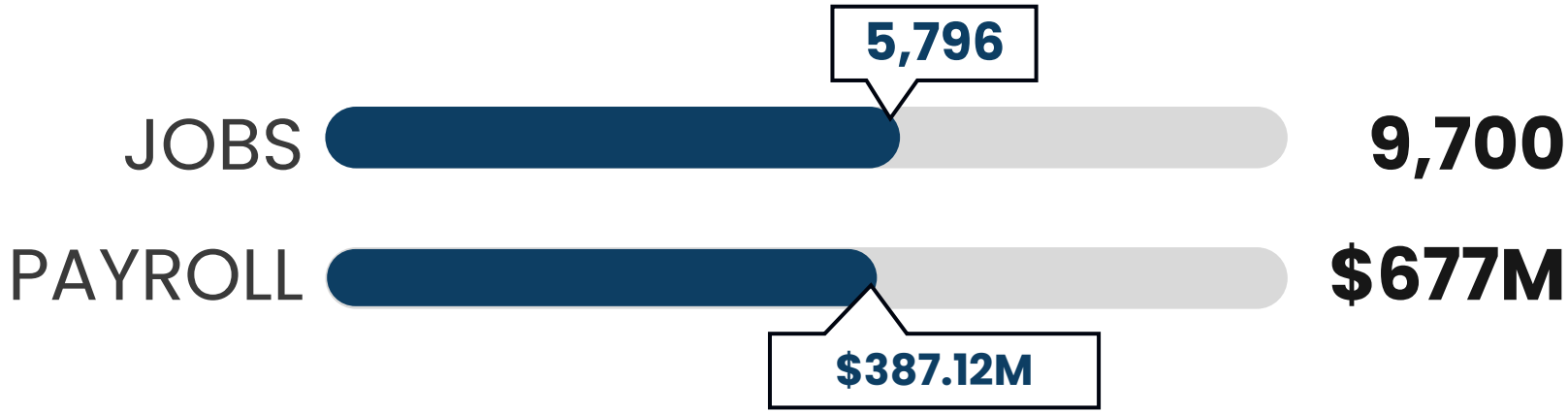
Exceeded the goal by nearly

5x

MILWAUKEE 7 REGIONAL PARTNERSHIP

2025–29 Progress

Reported results on bars, campaign goals at right



$33.08 BILLION INVESTMENT

$2.41 BILLION PAYROLL

37,939 JOBS

156 M7 PROJECTS

MILWAUKEE 7
Regional Partnership

Wins – 5th Campaign (2025 – Present)

Lilly

Microsoft

VANTAGE DATA CENTERS

ORACLE

OpenAI

TEREX

dersē

ALERIS
Science-based Nature

IEA

Rockwell Automation

INNIO

KDL

WAUKEGAN STEEL, LLC

ABET LAMINATI

Fam stumabo

FOXCONN

Milwaukee

Promise to Perform
Industries, Inc.



5 THOUGHTS ON REGIONAL ECONOMIC COMPETITIVENESS



1 Manufacturing Pedigree

THOUGHTS ON REGIONAL ECONOMIC COMPETITIVENESS


Highest concentration
MANUFACTURING EMPLOYMENT
in the USA

Employment Concentration

ADVANCED MANUFACTURING INDUSTRIES

BROOKINGS

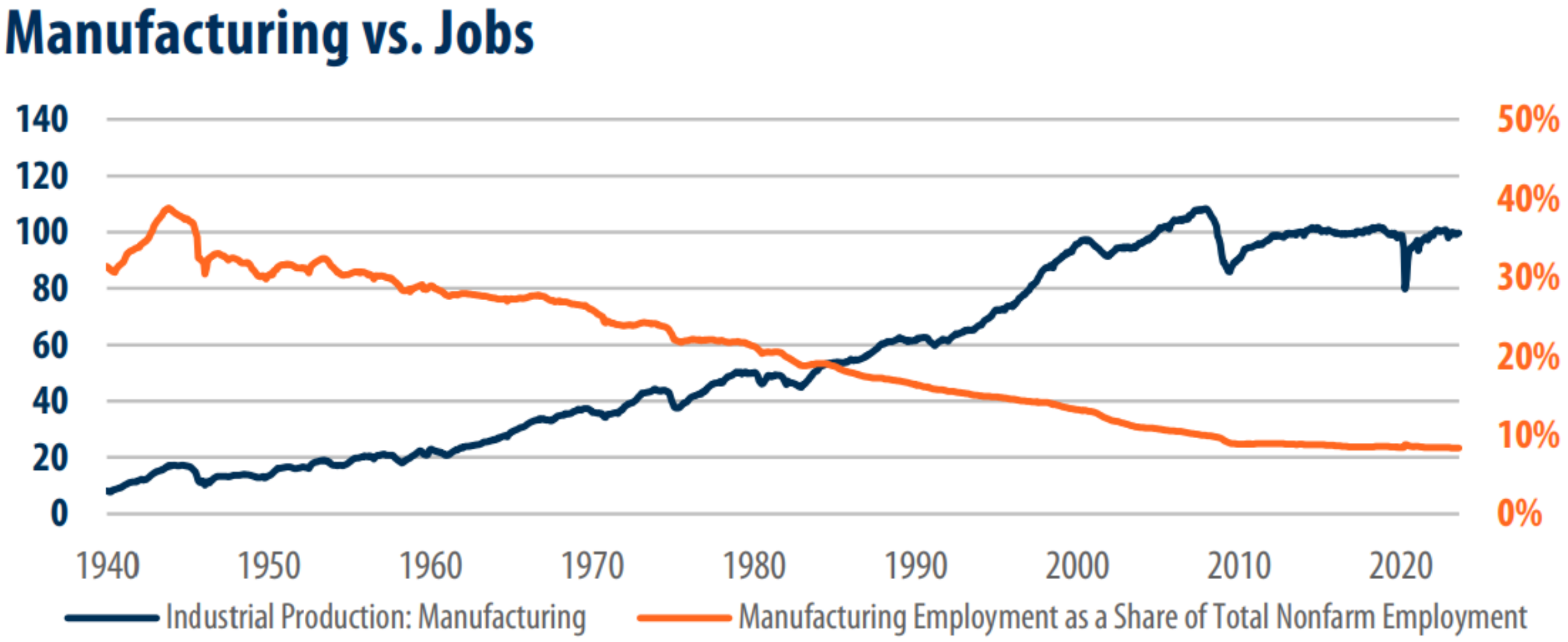
2023

MILWAUKEE

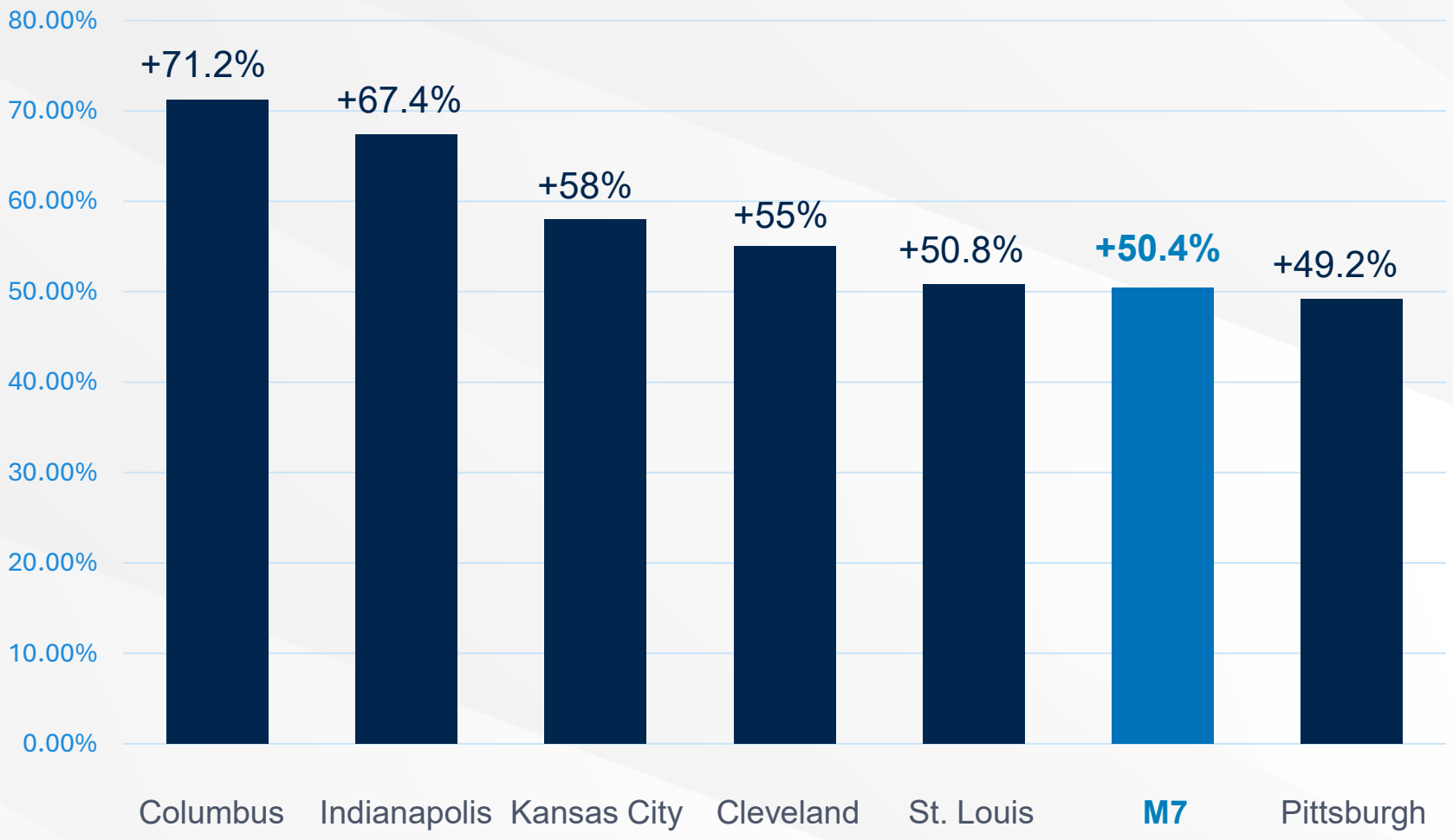
#4

Highest concentration among 50 largest U.S. metros

U.S. MANUFACTURING: 85-YEAR SUMMATION



GDP 2024 | Nominal (Percentage)



Not cost-of-living adjusted

M7 Share of U.S. GDP | 2014–2024

0.64%

OF U.S. GDP
2014

0.60%

OF U.S. GDP
2019

0.57%

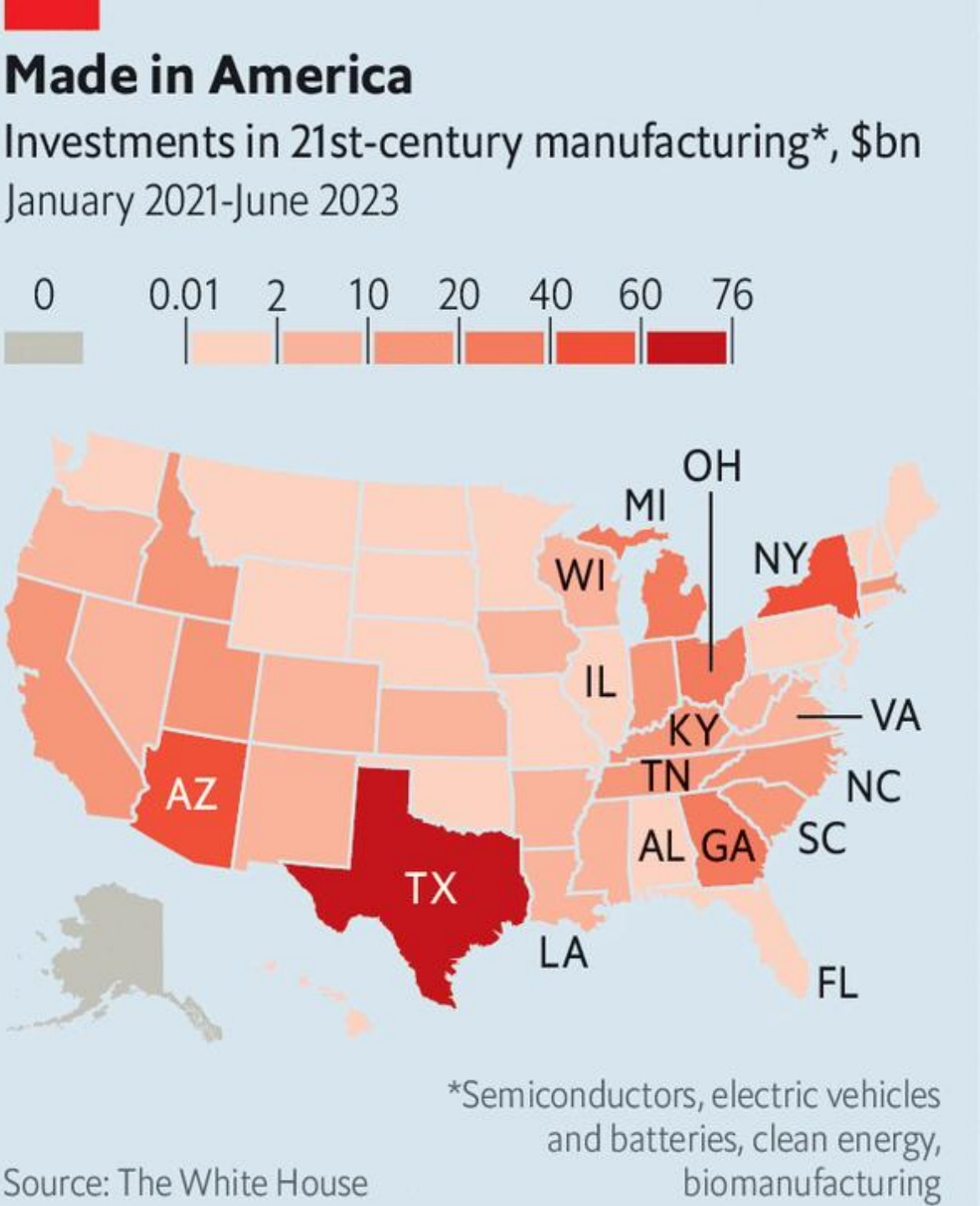
OF U.S. GDP
2024

U.S. Manufacturing Base

TILTING SOUTH

The Economist

June 2023





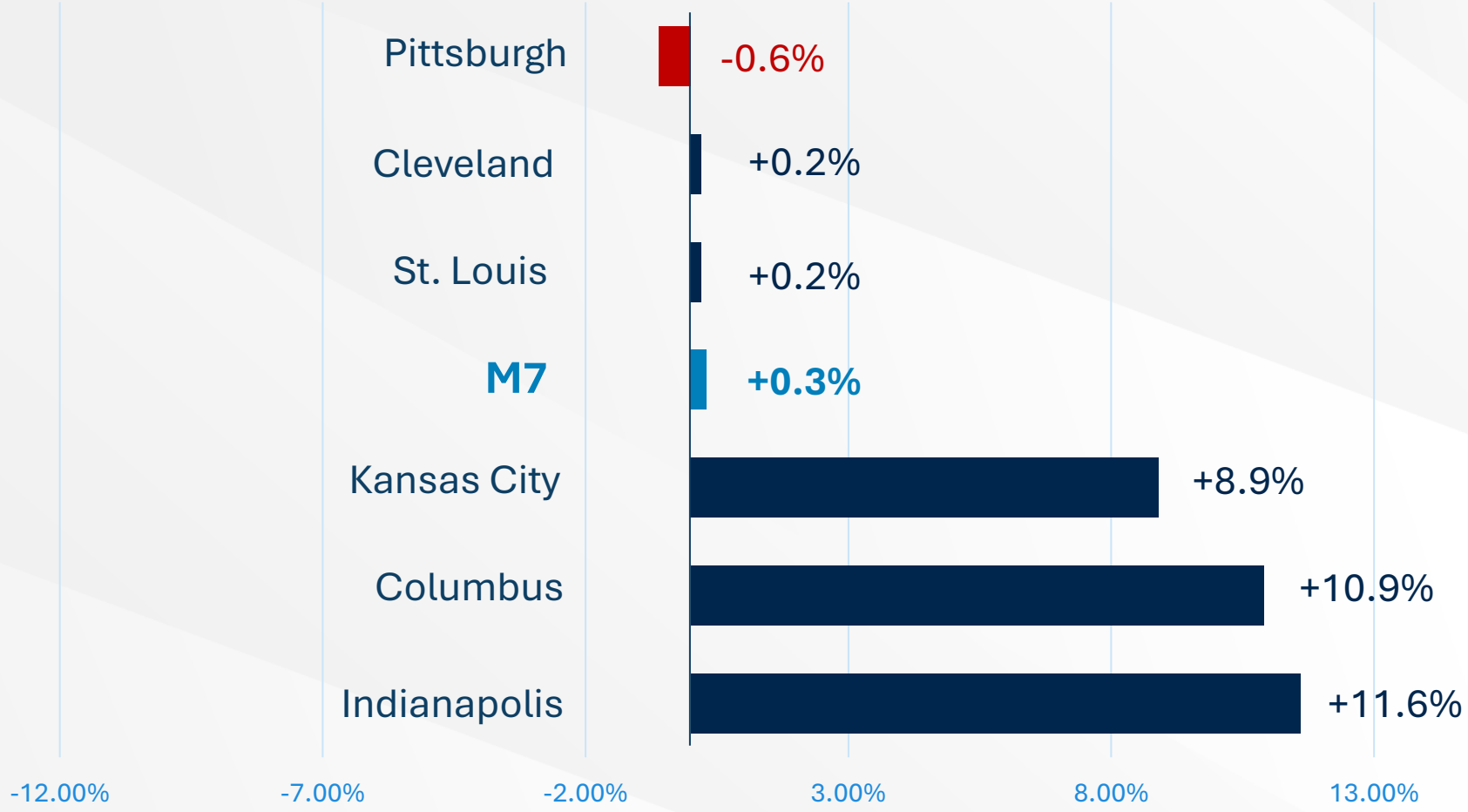
2 Population

THOUGHTS ON REGIONAL ECONOMIC COMPETITIVENESS

A shrinking or slow-growing populace can be both a cause and an effect of weakened economic prospects.

The Pew Charitable Trusts, 2021

Population 2024 | Total, 10-Year Growth | 2014-2024



NET POPULATION MIGRATION: 2016 – 2020



+17,428



+5,983

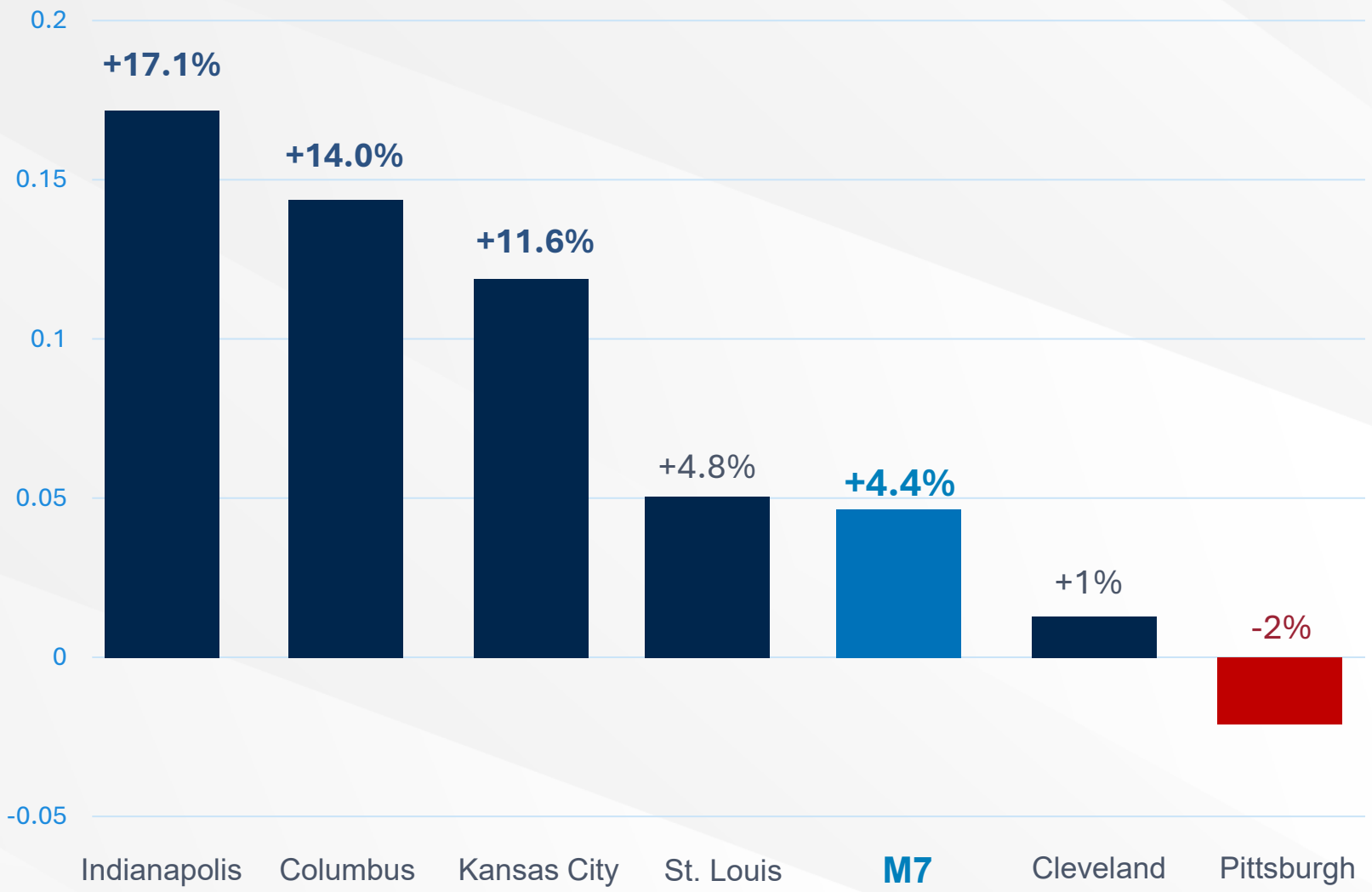
M7



3 Job Growth

THOUGHTS ON REGIONAL ECONOMIC COMPETITIVENESS

Employment Growth from 2014 to 2024



Shift-Share Employment Analysis 2014 → 2024

Jobs M7 actually gained

+42,032

Actual Net Change

Jobs M7 would have gained if it grew at the US rate

+128,546

National Growth Effect

M7 gained far less than its size and sector mix would predict

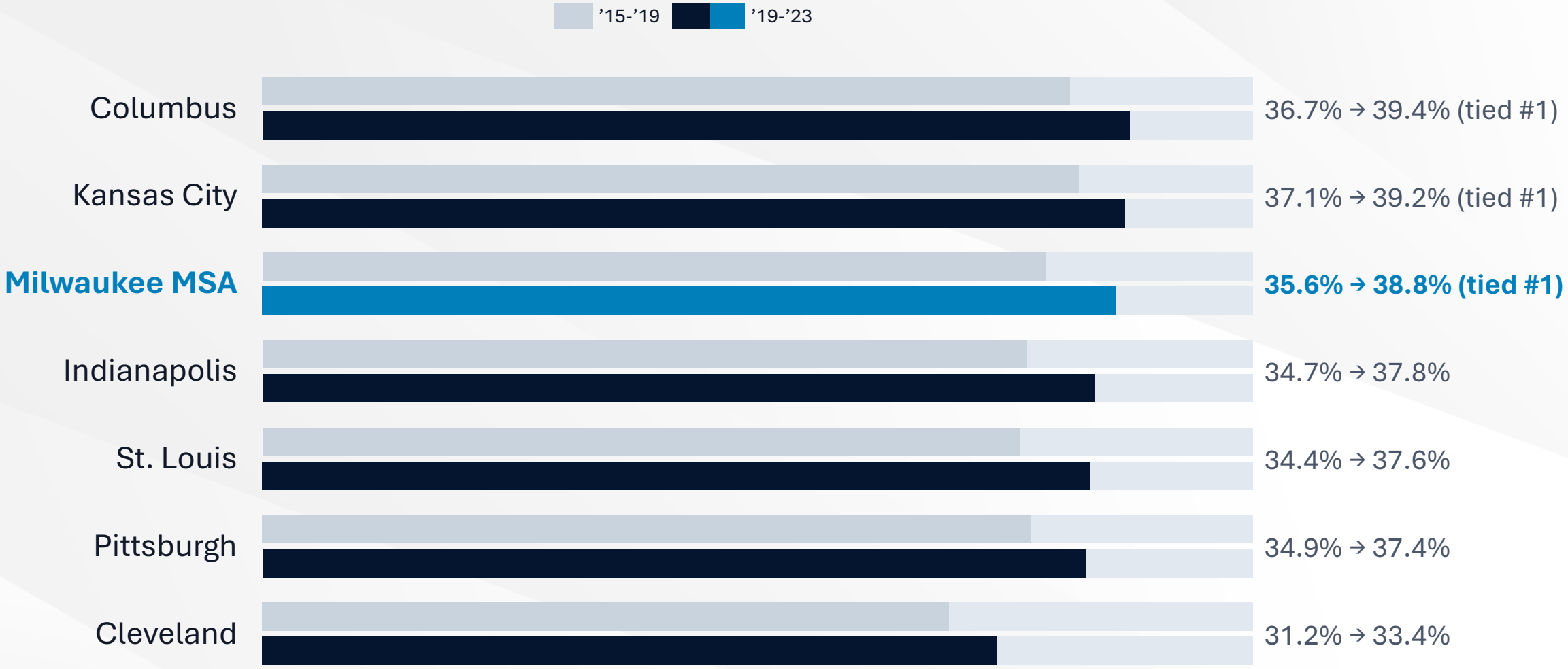


4 Education Attainment

THOUGHTS ON REGIONAL ECONOMIC COMPETITIVENESS

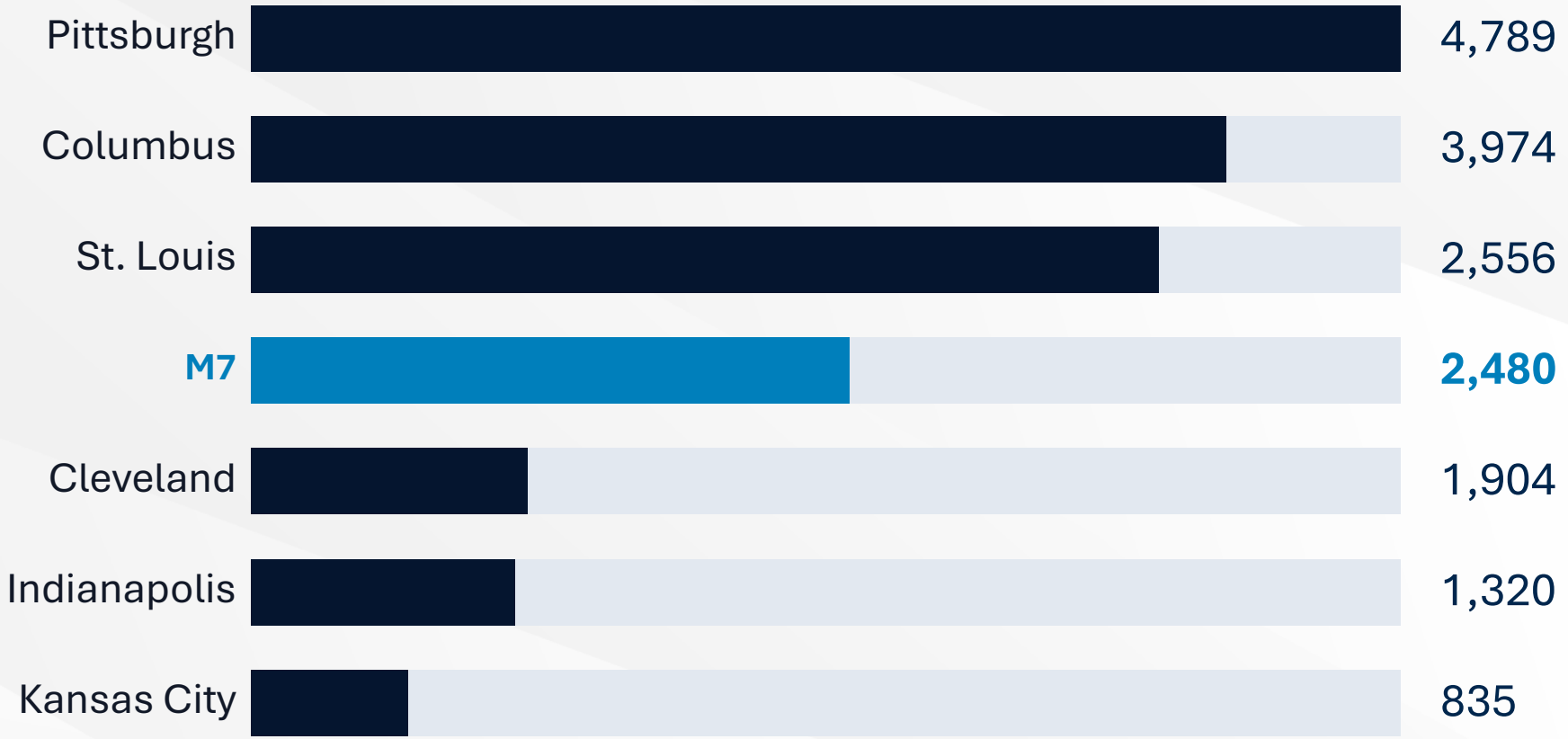
Bachelor's+ Degree Attainment | 5-Yr ACS (’19-’23)

MSA — age 25+



STEM Bachelor's Completions | 2023

Headcount of STEM degrees produced in the region, not attainment of the existing workforce.



Source: NCES IPEDS Completions Survey 2023. Institutions filtered by county location within the 7-county M7 region or peer MSA definition.

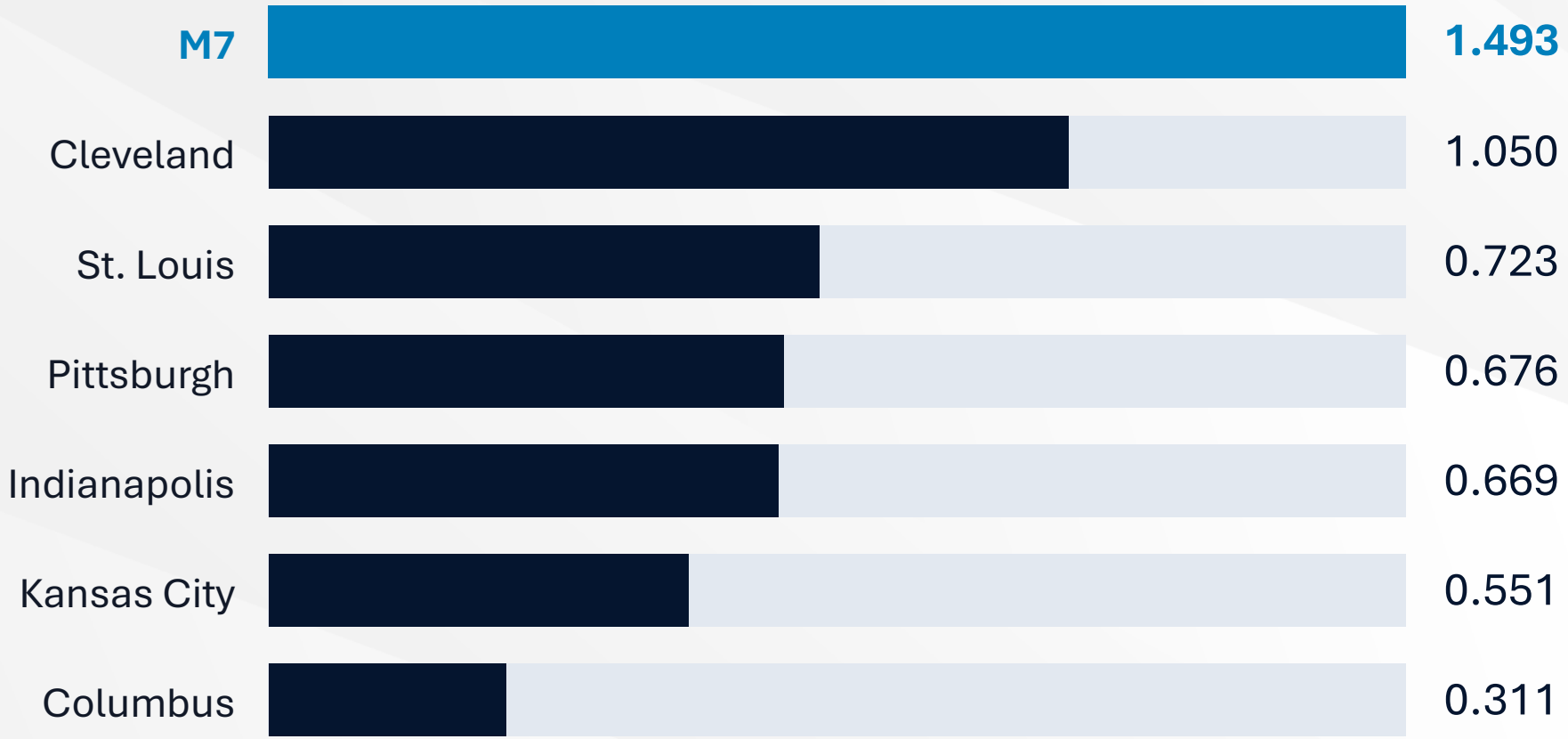


5 Corporate Mix

THOUGHTS ON REGIONAL ECONOMIC COMPETITIVENESS


GE Healthcare
ManpowerGroup
Rockwell Automation
MOLSON COORS beverage company
KOHL'S
WEC Energy Group
HARLEY-DAVIDSON MOTOR CYCLES
Northwestern Mutual
4th
FORTUNE 500 HEADQUARTERS PER CAPITA
fiserv.
Quad
Snap-on
THE BOLD LOOK OF KOHLER
MODINE
Always Innovating. Always Improving.
KOMATSU MINING
Milwaukee
Gardner Denver
GENERAC
ULINE
SC Johnson
A FAMILY COMPANY
Johnson Controls

Patent Intensity | per 1,000 Workers | 2023



Source: USPTO PatentsView, annualized grants 2023. Denominator = QCEW 2024 employment. M7 data: Milwaukee-Waukesha-West Allis MSA. Caution: M7's 2023 count reflects a spike concentrated in 2 assignees with no prior presence, not organic growth

U.S. Metros
Population >1 million

YOUNG FIRM EMPLOYMENT SHARE

HEARTLAND FORWARD
AN INSTITUTE FOR ECONOMIC RENEWAL

MILWAUKEE

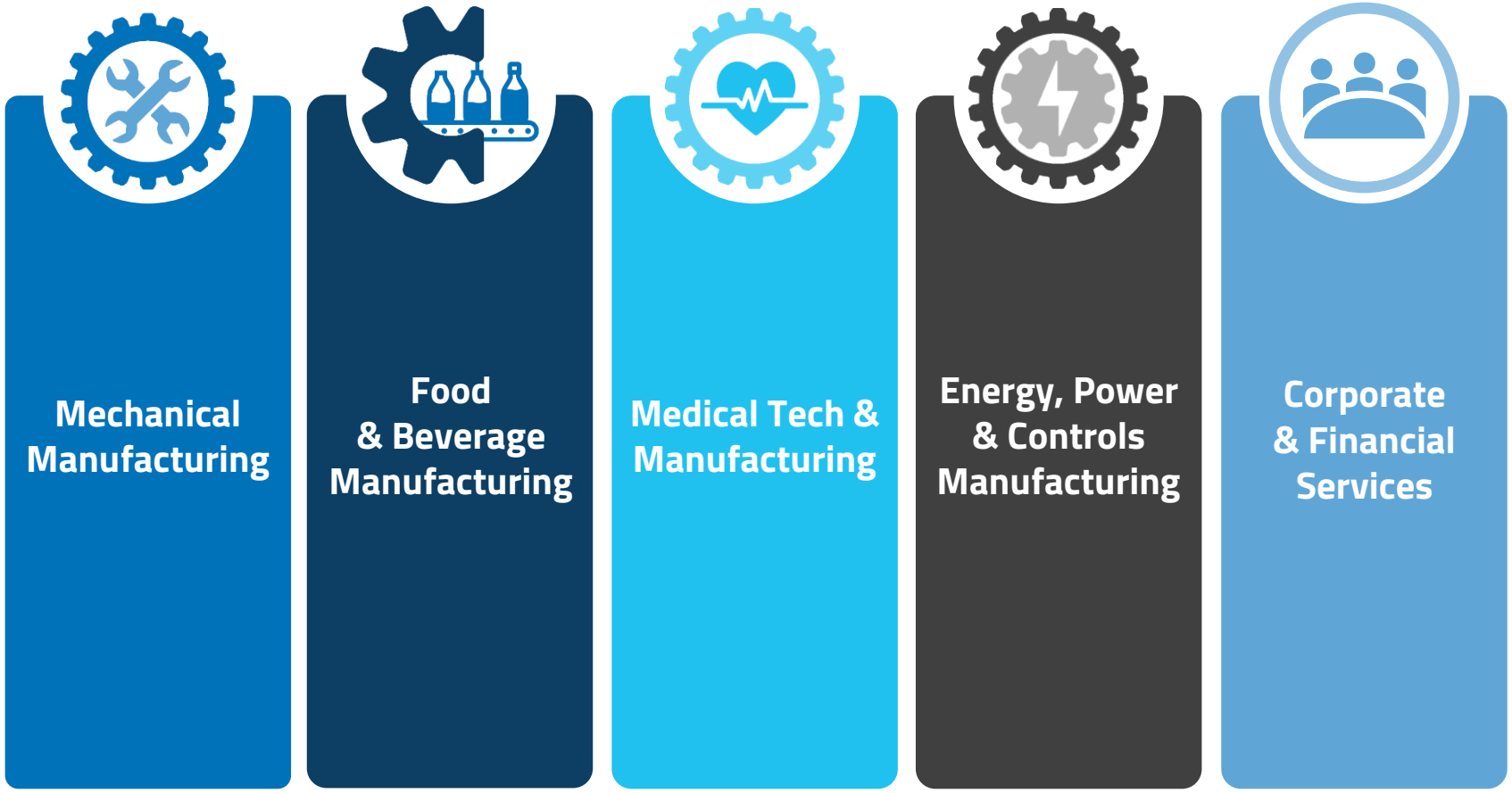
#44

Rank among 55 U.S. metros with 1 million population



What Do We Do Next?

2008 M7 Focus Industries



PROJECT WINS
2005- 2024

23	14	4	25	21

MILWAUKEE 7


Milwaukee
BROOKFIELD | MEN. FALLS | MILWAUKEE | WEST BEND


Microsoft
MOUNT PLEASANT


GENERAC
PEWAUKEE


KOMATSU
MILWAUKEE


HARIBO
HARIBO
PLEASANT PRAIRIE


SUSSEX


NEXUS
PHARMACEUTICALS
Lilly
PLEASANT PRAIRIE


ATI
CUDAHY


fiserv.
MILWAUKEE

2025 Focus Industries



Mechanical Manufacturing



Food & Beverage Manufacturing/ Packaging



BioTech & Manufacturing



Technology & Electronic Manufacturing



Energy & Component Manufacturing



Corporate & Professional Services

Including engineering services

37%

INCREASE
(2014-2024)



Mechanical Manufacturing



Food & Beverage Manufacturing/ Packaging



BioTech & Manufacturing

U.S. Average: 17%



Technology & Electronic Manufacturing



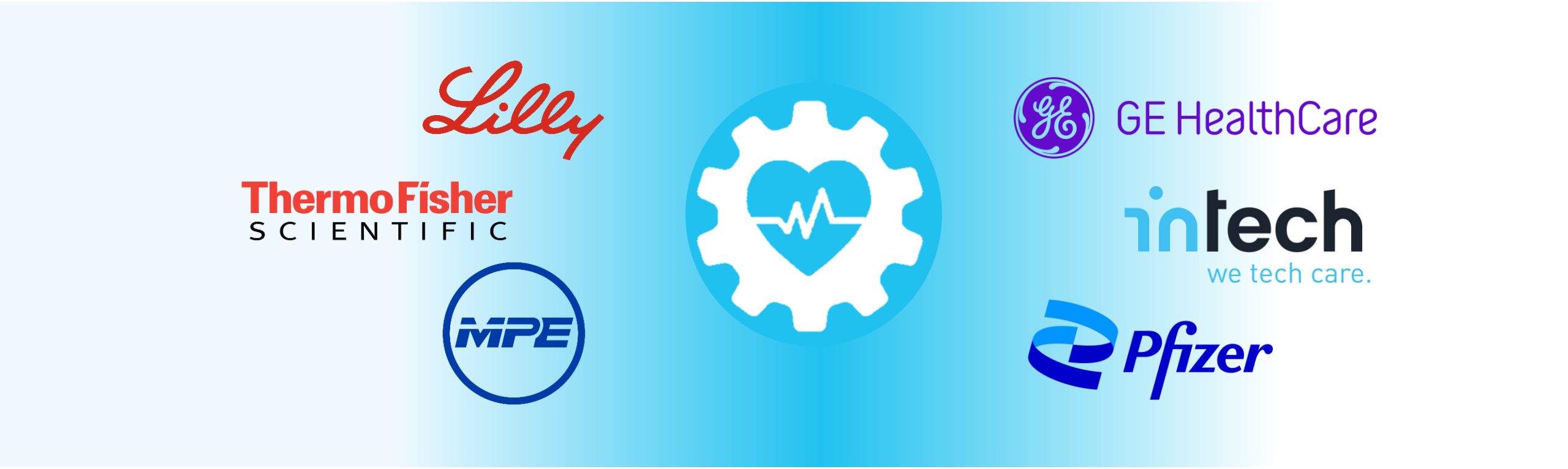
Energy & Component Manufacturing



Corporate & Professional Services

Including engineering services

BioTech & Manufacturing



TOP 5 OCCUPATIONS					
	Packaging and Filling Machine Operators and Tenders	Industrial Engineers	First-Line Supervisors of Production and Operating Workers	Inspectors, Testers, Sorters, Samplers, and Weighers	Chemical Equipment Operators and Tenders

20



Mechanical Manufacturing



Food & Beverage Manufacturing/ Packaging



BioTech & Manufacturing



Technology & Electronic Manufacturing



Energy & Component Manufacturing



Corporate & Professional Services

Including engineering services

Technology & Electronic Manufacturing



TOP 5 OCCUPATIONS					
	Assemblers	Electrical, Electronic and Electromechanical Assembler	Software Developers	Industrial Engineers	Inspectors, Testers, Sorters, Samplers and Weighers

Energy & Component Manufacturing



TOP 5 OCCUPATIONS					
	Electrical, Electronic, and Electromechanical Assemblers	First-Line Supervisors of Production and Operating Workers	Electrical Engineers	Laborers and Freight, Stock, and Material Movers, Hand	Industrial Engineers

2025 Focus Industries



HOME TO INTELLIGENT MANUFACTURING

Packaging




“Thank you for attracting Formlabs.
My son has a final interview there today. Maybe I will keep one of the kids in the region.”
fiserv forum



THANK YOU

MILWAUKEE 7