



PRESS RELEASE – FOR IMMEDIATE RELEASE – APRIL 25, 2017

Contact: Buckley Brinkman (608) 729-4160; Brinkman@WiCMP.org

MEP Program Shows Nearly 9 to 1 Return to the Federal Treasury

WASHINGTON, D.C. – A recent study by the W.E. Upjohn Institute found the National Institute of Standards and Technology’s (NIST) Manufacturing Extension Partnership (MEP) Program generates a substantial economic and financial return of nearly 9:1 for the \$130 million annually invested by the federal government.

The Manufacturing Extension Partnership (MEP) is a federal public-private partnership that provides small- and medium-sized manufacturers (SMMs) technology-based services they need to thrive in today’s economy and create well-paying manufacturing jobs. The MEP program is managed by NIST and the U.S. Department of Commerce and implemented through a network of centers located in every state. MEP centers are not-for-profit organizations that employ a network of more than 1,300 industry experts who work directly with manufacturers in the field to improve productivity and enhance competitiveness.

Using the national REMI model, along with the results from the FY2016 NIST MEP client impact survey conducted by Fors Marsh, the W.E. Upjohn Institute for Employment Research study finds that economic returns are substantially higher than previously reported by the MEP program due to broader economic effects. Each year, an independent firm surveys manufacturers regarding the impact they achieved from MEP Center services. In 2016, MEP clients reported \$9.4 billion new and retained sales of which \$2.3 billion is new sales providing an economic stimulus of 17 to 1 (based on the \$130 million federal investment) and the creation or retention of 86,602 jobs. The Upjohn study reports that the \$130 million invested in MEP during FY2016 generated an 8.7 to 1 increase in federal personal income tax (\$1.13B/\$130M federal investment). The study looked solely at personal income tax and not business taxes, and provides a conservative estimate of the return.

In addition, the Upjohn study finds more jobs were generated by the MEP program than directly reported by its clients. The study finds that more than 142,000 additional jobs existed in the U.S because of MEP center projects last year than would have without the program. This estimate includes direct, indirect, and induced jobs generated by MEP projects. These jobs support additional manufacturing jobs critical to U.S. supply chains and jobs outside of manufacturing. Lastly, the Upjohn study also examined additional areas of economic impact not previously reported by the MEP Program; personal income is \$8.44 billion higher and GDP is \$15.4 billion larger, translating to an increase of \$1.13 billion in personal income tax revenue to the federal government than would be reported without the program.

“We’re proud of the impact the MEP system generates – year-after-year – for more than two decades,” said Buckley Brinkman, the executive director/CEO of the Wisconsin Center for Manufacturing and Productivity. “All of us in the system take our stewardship very seriously and

it's gratifying when economic experts confirm what we already know: The MEP is a terrific investment."

To view the study in its entirety, please visit: <http://research.upjohn.org/reports/226/>

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The **American Small Manufacturers Coalition (ASMC)** is a trade association of manufacturing extension centers that work to improve the innovation and productivity of America's manufacturing community. ASMC advocates for legislative and programmatic resources that allow our small manufacturing clients to better compete in the global marketplace. The Coalition and its members do this by increasing awareness of the importance of American small manufacturers, the challenges which they face, and the federal legislation and programs that affect them.

www.smallmanufacturers.org

The **Wisconsin Center for Manufacturing & Productivity (WCMP)** is a private-public partnership supporting the Wisconsin manufacturing ecosystem and the people making it a vibrant part of the state's economy. The WCMP is a key strategic partner of the Wisconsin Economic Development Corporation and a member of the NIST Hollings Manufacturing Extension Partnership network, connecting manufacturers with the resources necessary to thrive in the world economy. For more information visit: www.WiCMP.org.