

MANUFACTURING IN ALASKA

Manufacturing is to make a product suitable for use. The manufacturing process uses knowledge, skill, and equipment to add value to satisfy ever-expanding, diverse and global markets. Manufacturing supports and strengthens key Alaskan industries such as oil & gas, construction and services.

Manufacturing and goods producing sectors employ more than 38,700 people in Alaska, as determined by the State Department of Labor and Workforce Development. This impact is felt at a greater rate as imports are substituted for locally made products, driving sustainable manufacturing development activities.

Manufacturing Benefits to Alaska

Economic development connects resource extraction and global markets by maximizing value to the customer and maximizing Return on Investment (ROI) to Alaska:

- New jobs, wider variety of career options, vocational education alternatives to college track, high-tech, high-paying wages.
- Skills are transferable to construction and resource extraction, cushioning boom/bust cycles and building a stable local skilled workforce;
- Creates additional jobs in rural Alaska close to the resources. This helps alleviate the problem of a stranded labor pool in rural Alaska.

Why AMEP

Partnerships with economic development entities in Alaska, private industry, the State of Alaska and NIST MEP, along with state and federal funding enable the Alaska Manufacturing Extension Partnership, Inc. (AMEP) to be the authority for intellectual property, manufacturing, and business development resources. This enables AMEP to serve the diverse needs of Alaska manufacturers by providing U.S. Department of Commerce and State of Alaska investments for clients.

The Alaska Manufacturing Extension Partnership, Inc. (AMEP) is **one of 59 centers** located in all 50 states and Puerto Rico. Each center was **created by** the US Department of Commerce, **National Institute of Standards and Technology Manufacturing Extension Partnership** (NIST MEP).

This unique affiliation provides access to over 1,500 industrial engineers and business advisors that help Alaska businesses succeed and grow. AMEP receives \$806,401 in federal funds annually that must be matched by the state on a 1:1 basis.

AMEP provides a nationally recognized platform for workforce investment and incumbent worker training. AMEP also attracts manufacturers, manufacturing investment and highly skilled labor to the state. AMEP works one-on-one with fee-paying clients on a long-term basis.

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Manufacturing in Alaska Cont.

Leveraging Federal Funds, Partnerships, Performance Metrics

AMEP's federal investment is linked directly to client profits, guaranteeing accountability and local economic development impact. AMEP enters into long-term relationships with clients to achieve success.

AMEP must help clients and meet federal requirements to get federal funding:

- \$3.4 million in new investment by clients;
- \$4.2 - \$28 million in client bottom line impact (cost reductions and/or new sales);
- 30 clients reported a financial benefit from receiving AMEP services;
- 200 clients received some type of service from AMEP.

If our clients don't make more money and grow, AMEP's federal funds are reduced. Additionally, the federal investment requires a one-to-one match by the state, plus an additional one-to-one match in client fees and local match. This partnership requirement aligns federal, state and local investments for the highest client benefit and local economic impact.

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