

9 Steps to Revitalize America's Manufacturing Communities

Action 9: Create State Manufacturing Task Forces

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Rationale

When it comes to manufacturing and economic development, state and local governments have focused on the needs of individual factories, providing tax breaks or other economic development incentives, especially targeted to luring factories from other states or countries. These efforts do little to bolster the competitiveness of existing manufacturers through the development of the industrial commons, which Harvard Business School professors Gary Pisano and Willy Shih characterize as the resources and capacities required to sustain and foster innovation and a strong advanced manufacturing base.¹ States serious about a competitive manufacturing economy need to develop a state manufacturing strategy to building up such resources for research and development, access to suppliers and equipment, and a skilled workforce, with a special focus on those manufacturing specialties where the state has a competitive advantage.

Key Actions

- States can appoint a manufacturing task force to develop a next-generation manufacturing strategy. Membership should include business, higher

education institutions, manufacturing extension and assistance programs, and labor leadership alongside representatives from key state agencies, like those responsible for economic development and labor.

- The goal of the task force should be to produce actionable recommendations for state government, including both executive and possible legislative moves. The charge of the commission should include innovation, workforce development and education, retention of the current manufacturing base, financing needs of manufacturing, land use, urban manufacturing, and making ownership and employment in manufacturing more inclusive of women and communities of color.
- State manufacturing task forces should consider holding field hearings and other open public meetings to get input and develop widespread support.

This report can be found online at: <https://tcf.org/content/report/9-steps-revitalize-americas-manufacturing-communities/>

Issues to Remember

- Strategy efforts correctly focus on advanced or next-generation manufacturing; however, task forces should be careful not to limit their efforts to new products like nanotechnology and biomaterials. Instead they should focus on how advanced manufacturing production processes can bolster existing manufacturing strengths as varied as primary and fabricated metals, sewn trades, and papermaking globally competitive.
- The manufacturing strategy should be keenly focused on retention of small and medium manufacturers, who often have the least bandwidth to benefit from publicly supported research and development and workforce programs.
- Workforce development should not be considered a separate part of a state manufacturing strategy. Rather, strategies targeting priorities like manufacturing technologies or supply chain optimization should be designed in ways that maximize good paying jobs for the communities that need them the most.

Recent Progress

- Eight states (California, Colorado, Connecticut, Kansas, Massachusetts, New York, and Pennsylvania) worked with the National Governors Association's Best Practices Academy to develop advanced manufacturing strategies, resulting in new programs like a publicly funded innovation voucher that allowed small and medium manufacturers in Connecticut to work with research institutes.²
- Under Governor Ed Rendell, Pennsylvania developed a Next Generation Manufacturing Strategy, leading to a number of innovative efforts, including the establishment of a state office of fair trade to, among other things, help Pennsylvania companies lodge fair trade complaints.³

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Notes

1 Gary Pisano and Willy Shih, *Producing Prosperity: Why America Needs a Manufacturing Renaissance* (Cambridge, Massachusetts: Harvard Business Press, 2012), <https://hbr.org/product/producing-prosperity-why-america-needs-a-manufactu/an/10345-HBK-ENG>.

2 Erin Sparks and Mary Jo Waits, “Making’ Our Future,” National Governors Association, January 28, 2013, <https://classic.nga.org/cms/home/nga-center-for-best-practices/center-divisions/center-issues/page-ehsw-issues/page-economic-development/col2-content/related-issues/related-publications/content-reference-4@/making-our-future.default.html>.

3 “PA Gov. Outlines Manufacturing Recovery Strategy,” State Science & Technology Institute, January, 2005, <https://ssti.org/blog/pa-gov-outlines-manufacturing-recovery-strategy>.