

# W.E. UPJOHN INSTITUTE FOR EMPLOYMENT RESEARCH

300 South Westnedge Avenue • Kalamazoo, Michigan 49007 • 269-343-5541 • [www.upjohn.org](http://www.upjohn.org)

FOR IMMEDIATE RELEASE: MAY 17, 2019

CONTACT: JUSTIN CARINCI

[carinci@upjohn.org](mailto:carinci@upjohn.org)

269-385-0431

## Study finds more than 14:1 return on Manufacturing Extension Partnership program

Program effects extend to jobs in manufacturing, supply chain and beyond

KALAMAZOO, Mich.— A new study by the W.E. Upjohn Institute finds that the National Institute of Standards and Technology's (NIST) Hollings Manufacturing Extension Partnership (MEP) Program generates a substantial economic and financial return of nearly 14.4:1 for the \$140 million annually invested by the federal government. The NIST MEP program is a public-private partnership created in 1988 to improve the global competitiveness and productivity of America's small- and medium-sized manufacturers.

Using the national REMI® model, along with the results from the FY2018 NIST MEP client impact survey conducted by Fors Marsh, LLC., the W.E. Upjohn Institute study finds that economic returns are robust. The study uses a conservative approach in estimating the broader economic impacts of the program by examining the competitive interactions between firms. NIST MEP contracted with Upjohn to create a study which estimates the broader national impacts of the NIST MEP program. The study, [The National-Level Economic Impact of the Manufacturing Extension Partnership \(MEP\): Estimates for Fiscal Year 2018](#), and its [2017 predecessor](#), are posted here.

### A Positive Return on Investment

The Upjohn study reports that the \$140 million invested in MEP during FY2018 generated nearly a 14.4:1 increase in federal personal income tax (\$2.02B/\$140M federal investment). The study only looks at personal income tax and not business taxes. In addition, the analysis provides a conservative estimate of broader impacts as they are based only on completed surveys and do not include estimates of additional impacts of center activities for nonrespondents.

### The MEP Program Generates Additional Jobs for the U.S.

The study finds that total employment in the U.S. is nearly 238,000 higher because of MEP center projects. This estimate includes both 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.

### Other Positive Impacts of the MEP Program

The Upjohn study examines additional areas of economic impact not previously reported by the MEP Program. It finds: (1) personal income is \$15.0 billion higher, and (2) GDP is \$24.9 billion larger. This translates into an increase of \$2.02 billion in personal income tax revenue to the federal government.

### About the MEP Program.

[MEP](#) has Centers in all 50 states and Puerto Rico that are dedicated to serving small- and medium-sized manufacturers (SMMs) with over 1,300 Trusted Advisors who work with local SMMs to provide services that help create and retain jobs, increase sales, and improve local economies.

### **About the W.E. Upjohn Institute for Employment Research.**

The W.E. Upjohn Institute for Employment Research is an activity of the W.E. Upjohn Unemployment Trustee Corporation and was established in 1932 to address issues of unemployment during the Great Depression. The Upjohn Institute is a private, nonprofit, nonpartisan, independent research organization devoted to investigating the causes and effects of unemployment, to identifying feasible methods of insuring against unemployment, and to devising ways and means of alleviating the distress and hardship caused by unemployment. Upjohn's broad objectives are to: (1) link scholarship and experimentation with issues of public and private employment and unemployment policy; (2) bring new knowledge to the attention of policy makers and decision makers; and (3) make knowledge and scholarship relevant and useful in their applications to the solutions of employment and unemployment problems. Click for more information about the [Upjohn Institute](#) and the [full study](#).

The W.E. Upjohn Institute for Employment Research is a nonprofit, nonpartisan research organization devoted to finding and promoting solutions to employment-related problems. Visit us at [www.upjohn.org](http://www.upjohn.org).