Montana Manufacturing:

- 27,400 workers
- $1.2 billion in labor income
- $8 billion + in annual output
- 20-25% of state’s economic base
Manufacturing is:

Adding value through the mechanical or chemical transformation of substances or materials into new products.
Montana Manufacturing
2006 Estimated Labor Income Distribution

Total Labor Income: $1.2 billion
Total Employment: 27,400

- Petroleum, Chem. & Coal: 19%
- Lumber & Wood: 33%
- Metals: 10%
- Machinery, etc.: 9%
- Nonmetallic minerals: 4%
- Misc. light mfg.: 11%
- Printing & related: 3%
- Food & Beverage: 11%
Montana Manufacturing Employment, 1990-2006

Number of Workers


Number of Workers: 15,000 to 29,000
Percent Changes in Manufacturing Labor Income by Sector 2003-2006

- Chem, Petro & Coal, 29%
- Machinery, etc., 23%
- Food & Beverages, 19%
- Misc. Mfg., 13%
- Metals, 10%
- Cement, Clay & Glass, 5%
- Wood products, -1%
Montana Annual Timber Harvest
1980-2006

Million Board Feet (MMBF)

- Private & Tribal
- State
- Federal
- Total
Montana Forest Products 2006 vs. 2005

- Employment down 250 to 9,700
- Sales down $100 million to just under $1.1 billion
- Lumber production down 6 percent
Flathead County Manufacturing
2006 Estimated Labor Income Distribution

Total Labor Income: $201 million
Total Employment: 4,200

- Lumber & Wood: 56%
- Hi-Tech, Other: 34%
- Metals & Related: 10%
Annual survey of Montana’s largest manufacturers:

– 213 manufacturers surveyed
– conducted in Nov/Dec 2006
– response rate about 80%
Overall Outlook for CY 2007
(compared to CY 2006)

Percent of Firms

- Better than 2006: 45%
- Same as 2006: 43%
- Worse than 2006: 12%
Manufacturing Industry Economic Outlook

• Fourth year of growth in 2007
  • Slowing economies in U.S., Japan, Europe, but...
  • China/India support global activity
  • Weaker U.S. dollar
  • Lower interest rates & energy prices

• Forest Products—largest downside risk
  • Housing weakness/Low lumber prices
  • Long-run timber availability
Montana Manufacturers Information System

The BBER and Montana Business Connections website for collecting and disseminating information about Montana manufacturers.

mmis.umt.edu