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2025 Connecticut Manufacturing Report

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Connecticut Manufacturing's Economic Power

EMPLOYEES

153,600
Manufacturing employees (as of August 2025)

MANUFACTURERS

4,591
Manufacturing companies (2024)

WAGES

$15.67 BILLION
Total manufacturing salaries (2024)

$100,745
Average manufacturing salary (2024)

TAXES

$184 MILLION
State corporate taxes paid (2022)

$312 MILLION
State sales and use taxes paid (2024)

MULTIPLIERS

5 ADDITIONAL JOBS
What each manufacturing job creates in other parts of the economy

$34.21 BILLION
Manufacturing represented 11.6% of the state's GDP in 2024

$2.60
Amount generated in additional activity for every $1 spent in manufacturing

EXPORTS

$17.4 BILLION
Total manufacturing exports in 2024

DEFENSE

$26.6 BILLION
Connecticut manufacturing defense contract spending (2024)

Sources: U.S. Bureau of Labor Statistics, Connecticut Department of Revenue Services, Connecticut Department of Labor, National Association of Manufacturers, and the International Trade Administration.

Introduction

The 2025 Connecticut Manufacturing Report is produced by CBIA and affiliates CONNSTEP and ReadyCT and made possible again this year through the generous support of RSM.

Connecticut's long-standing reputation for manufacturing ingenuity and innovation remains central to the state's economy. From the invention of the helicopter and the submarine to breakthroughs like anesthesia, the Polaroid camera, and household names like the Frisbee and Wiffle Ball, the state has a long history of shaping industry sectors and everyday life.

Today, manufacturing ranks as Connecticut's second-largest industry sector—just behind finance and insurance—and nationally, the state is recognized as the most productive and geographically concentrated advanced manufacturing hub (Lightcast, 2023).

This legacy is sustained by 4,591 manufacturers and a highly skilled workforce driving critical advancements in defense, aerospace, healthcare, transportation, and energy. In 2024, Connecticut manufacturing generated 11.4% of the state's GDP, employed 153,600 people (as of August 2025), and provided $15.67 billion in wages, with an average annual salary of $100,745.

Manufacturers exported $17.4 billion in goods last year and secured $26.6 billion in defense contracts, while also contributing $184 million in corporate taxes and $312 million in sales and use taxes annually, underscoring the sector's economic reach and importance to the state.

Across the U.S., manufacturers continue to navigate elevated input costs, a tight labor market, higher capital costs, supply chain shifts, and policy uncertainty. Connecticut is not immune. The post-pandemic years have reshaped technologies, business models, consumer behavior, and career expectations—creating both pressure and opportunity.

Looking forward, the state's Make It Here 2030 plan sets an ambitious course—focusing on talent pipelines, barrier removal, and productivity gains through technology. The plan sets two primary goals: raising manufacturing's share of Connecticut's GDP to at least 20% within five years and achieving full employment across the sector.

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The central question for 2025 is one of execution: can Connecticut translate strong demand and world-class capabilities into faster growth, broader adoption of productivity-enhancing technologies, and sustained competitiveness—while addressing cost and workforce constraints?

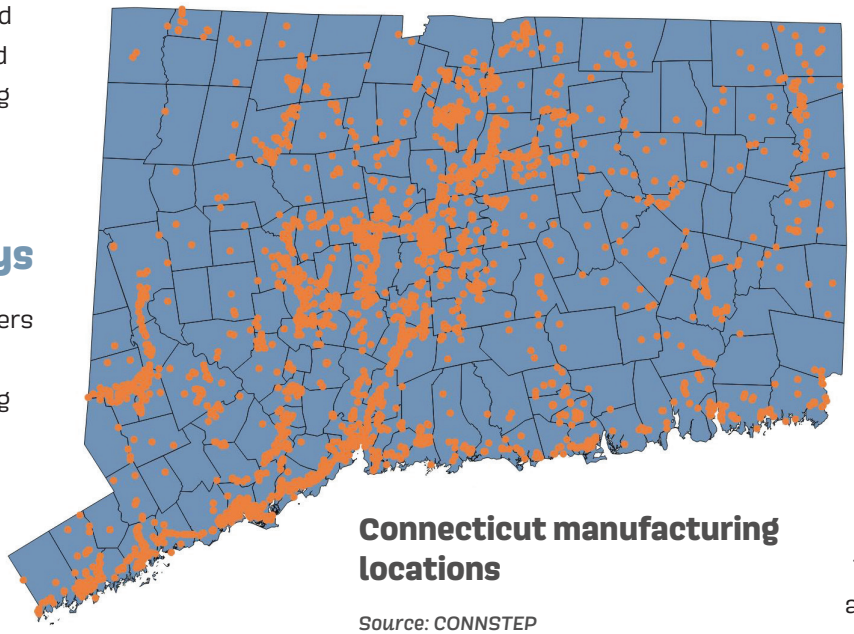
This report draws on a comprehensive June 3-July 17 CBIA survey of Connecticut manufacturers, data from numerous state and federal agencies, and interviews with industry and policy leaders to provide critical insights into the sector's trajectory and the opportunities—and responsibilities—facing policymakers.

Key Takeaways

- 82% of manufacturers report difficulty finding and retaining workers, with skills gaps the top barrier
- 95% say the cost of doing business is rising, driven by labor, healthcare, and energy expenses
- 70% of firms were profitable in 2024, while 14% broke even and 16% reported losses
- Exports rose to $17.4 billion in 2024, and defense contract spending reached $26.6 billion
- Property and facilities remain the largest investment priority
- Only 27% have integrated artificial intelligence technologies
- 45% of manufacturing leaders view the state's business climate as declining, 43% say it is static, and 12% see improvement

Made in Connecticut

From submarines to satellites, jet engines to life-saving medical devices, and helicopters to non-alcoholic beer, Connecticut-made products are models of ingenuity and innovation.



Connecticut manufacturing locations

Source: CONNSTEP

The state's 4,591 manufacturers and highly skilled workforce are at the heart of this innovation, producing critical components for defense, aerospace, healthcare, transportation, and energy systems. While deeply rooted in centuries of manufacturing excellence, today's firms are shaping a new era—one fueled by advanced technology, global demand, and a shared commitment to competitiveness.

Most Connecticut manufacturing companies are small businesses—61% employ fewer than 50 people, 21% employ 50 to 99, and 18% have between 100 and 500 employees.

Seventeen percent of survey respondents have operated for more than a century, with the average company in business for 65 years.

Connecticut's manufacturing community reflects a diverse range of business structures. Twenty-eight percent are S-corporations, 19% are C-corporations, 14% are privately held, and 6% are limited liability companies. Fourteen percent are family-owned businesses, 6% are women-owned, 2% veteran-owned, and 1% are foreign- or employee-owned.

Nearly all surveyed manufacturers (99%) operate their primary facility in Connecticut, with 89% producing entirely in-state and another 10% locating partial production here.

As of August 2025, the sector employed 153,600 people, accounting for 10.4% of the state's private sector workforce.

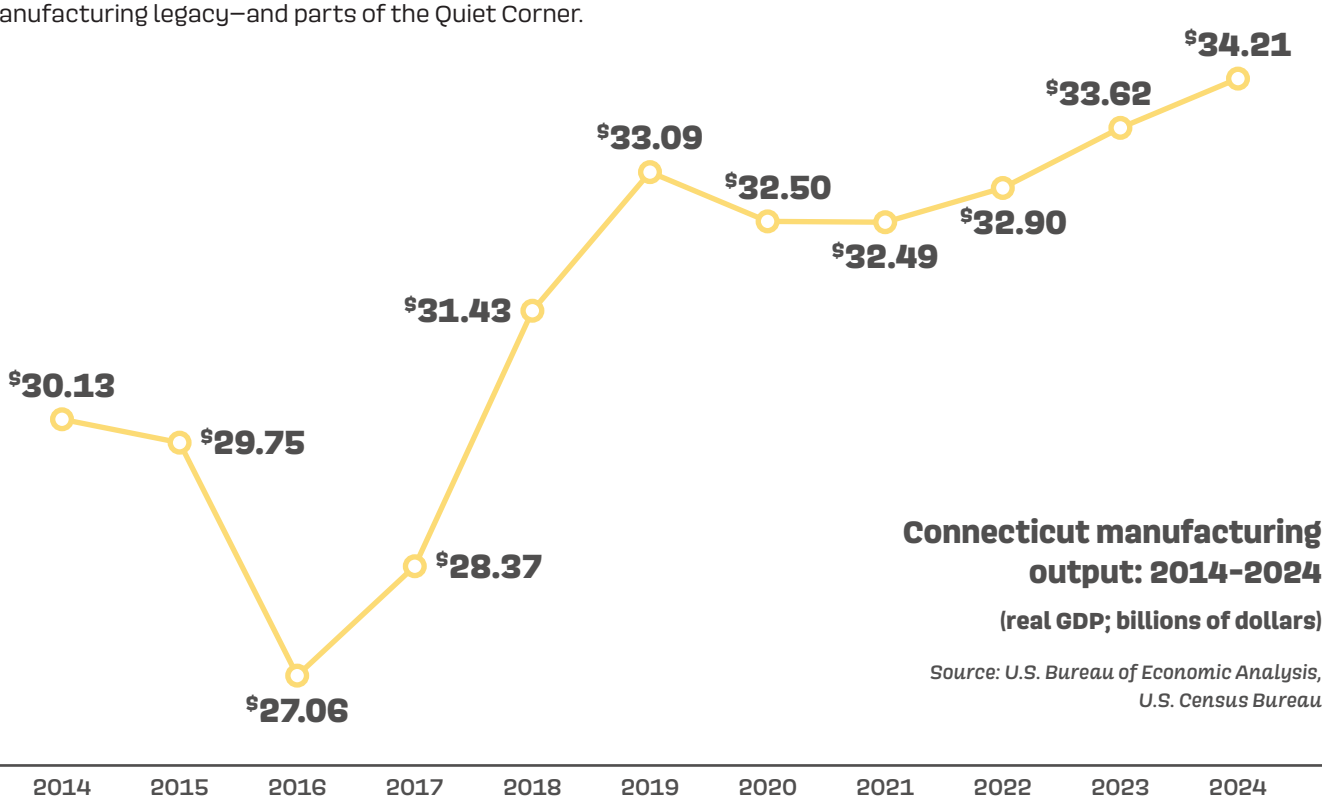
Connecticut's manufacturing facilities are concentrated along the I-95, I-91, and I-84 highway corridors, with smaller clusters throughout the Naugatuck Valley—a key part of the state's manufacturing legacy—and parts of the Quiet Corner.

This distribution reflects Connecticut's diverse manufacturing hubs—from aerospace and defense in Hartford and New Haven to advanced materials and precision components across eastern and western regions.

Connecticut manufacturers pay almost half-a-billion dollars in state corporate and sales and use taxes annually, including the 7.5% corporation business tax, 6.99% pass-through entity tax, and 6.35% sales and use tax—not to mention hundreds of millions of dollars in local property taxes.

The state's annual manufacturing output increased 1.7% to $34.21 billion in 2024, including $17.4 billion in commodity exports.

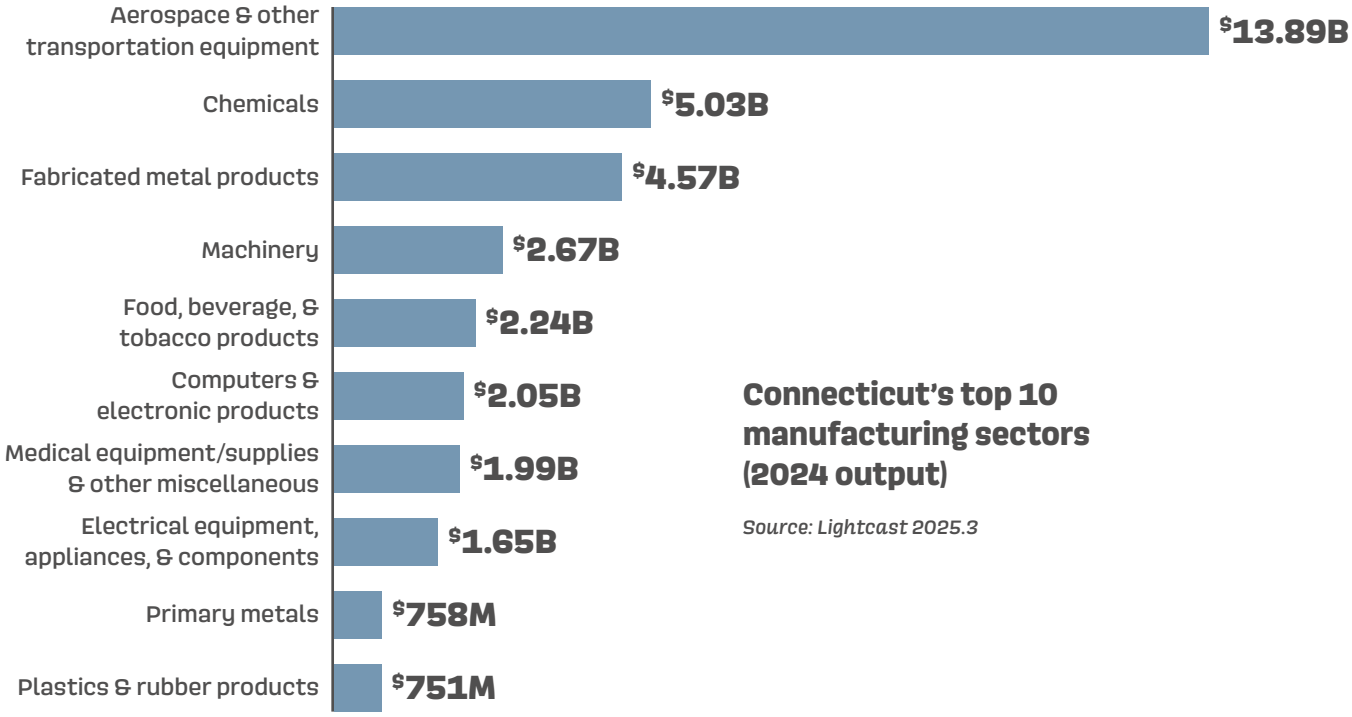
Aerospace and other transportation equipment remains the largest manufacturing subsector in Connecticut, responsible for $13.89 billion in annual output in 2024.



Connecticut manufacturing output: 2014-2024

(real GDP; billions of dollars)

Source: U.S. Bureau of Economic Analysis, U.S. Census Bureau



Connecticut's top 10 manufacturing sectors (2024 output)

Source: Lightcast 2025.3

Chemical manufacturing generated $5.03 billion in output last year, followed by fabricated metal products ($4.57 billion), machinery ($2.67), food, beverage, and tobacco products ($2.24 billion), computers and electronic products ($2.05 billion), medical equipment and supplies ($1.99 billion), electrical equipment, appliances, and components ($1.65 billion), primary metals ($758 million), and plastics and rubber products ($751 million).

Connecticut's economy expanded 2.6% in 2024, 23rd best among all states. The six New England states grew 2.9% last year, with the national economy expanding 2.8%.

Federal trade policies heavily impacted state and national economies in the first two quarters of 2025, with Connecticut navigating a turbulent six months better than most states.

Connecticut's economy grew just 0.3% in the first quarter, 14th among all states. The New England economy grew 1%, with overall U.S. GDP declining 0.6% as businesses imported critical goods ahead of scheduled April tariff hikes, impacting productivity during the quarter.

In the second quarter of 2025, Connecticut's economy was the best performing in the region and the 10th fastest in the country, expanding 4.6%. New England's GDP grew 3.9%, while the U.S. economy expanded 3.8% as businesses drew heavily on built-up inventories.

Manufacturing saw the second strongest growth of any sector in Connecticut in the second quarter, expanding 1.01%, with durable goods output growing 0.64% and nondurable goods increasing 0.37%. Nationally, manufacturing output grew 1.11% in the second quarter, with the sector seeing 0.89% growth in the New England region.

Connecticut commodity exports jumped 9.7% to $17.4 billion in 2024, driven by growth in a number

CBIA Manufacturing Coalition: Building a Vibrant Community

Launched Oct. 2 in partnership with affiliate CONNSTEP, the CBIA Manufacturing Coalition's singular vision is building a vibrant, statewide manufacturing community that drives collaboration and growth through comprehensive training, valuable resources, and strategic networking.

The coalition will actively engage CBIA manufacturing members while expanding the organization's reach across the industry—growing both in depth and breadth.

The cross-collaboration with CONNSTEP will allow for greater sharing of resources and training programs while connecting with more manufacturers across the state.

A steering committee consisting of a diverse group of manufacturing leaders will provide strategic direction for the coalition, offering input and guidance across a broad range of activities and programming:

Alison Carey Lynch, VP of Quality, Carey Manufacturing

Colby Coombs, CFO, Westminster Tool

Chris Dimou, President of the Americas, Roto-Frank

Jaclyn Epstein, COO, Mica Corporation

Jacob Long, President, American Woolen Company

Programming and resource offerings include:

- Quarterly manufacturer-only webinars addressing best practices topics
- Quarterly, in-person roundtables and tours hosted by manufacturing coalition members
- Connect platform: online forum for peer-to-peer communications and discussions
- Learning management system: On-demand training platform powered by CONNSTEP
- Informal social gatherings scheduled quarterly across the state

Learn more at cbia.biz/manufacturing-coalition

of key markets that the Trump administration is now targeting with tariffs.

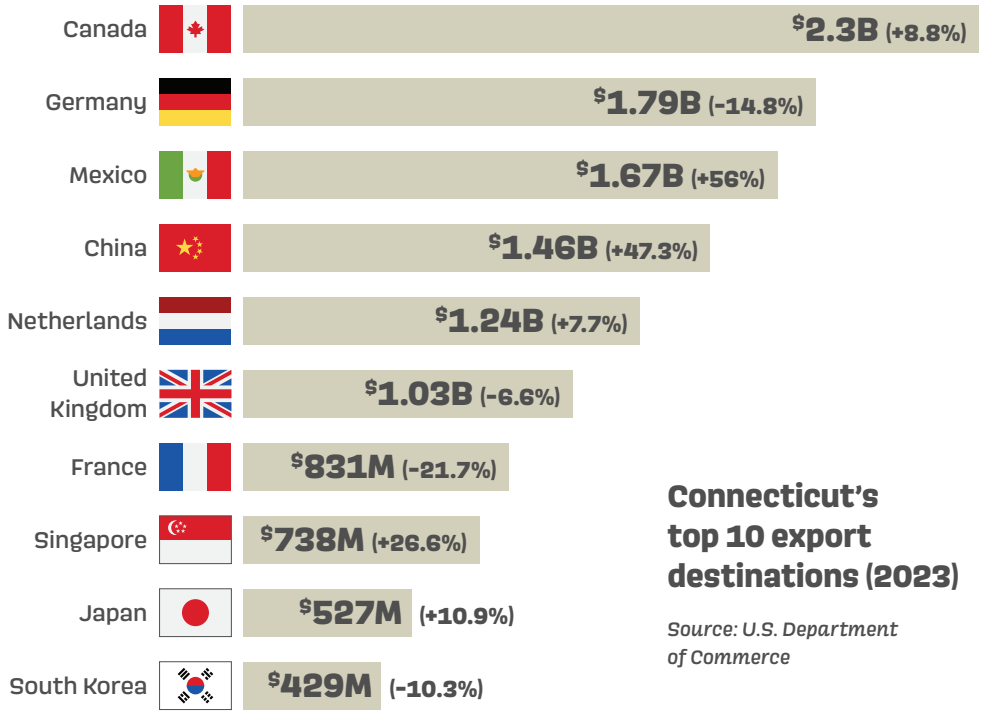
Companies exported $1.55 billion more in goods in 2024, with six of the state's top 10 export markets posting increases. Connecticut exports have now recovered from pandemic disruptions, with 2024 shipments about $1.15 billion (7.1%) above 2019 levels and $21 million less than 2018.

Connecticut experienced notable shifts in trading partners. Canada remained the state's largest export market in 2024, with commodity sales increasing $189 million to $2.30 billion. Germany ranked second at $1.79 billion, followed by Mexico ($1.67 billion) and China ($1.46 billion).

Exports to Germany declined $310 million to $1.79 billion in 2024, while shipments to the Netherlands

rose $92 million to $1.24 billion, overtaking the United Kingdom for fifth place, with U.K. shipments declining $71 million to $1.03 billion.

Shipments to France declined $227 million to $831 million, Singapore, exports increased $155 million, and Japan rose $52 million. South Korea remained in the top 10, although shipments fell by $49 million.



Connecticut's top 10 export destinations (2023)

Source: U.S. Department of Commerce

Canada was also Connecticut's largest trading partner, accounting for $5.74 billion of the $22.74 billion in goods the state imported in 2024. Mexico shipped $3.6 billion in goods to Connecticut last year, followed by Germany ($1.59 billion), the Netherlands ($1.38 billion), and China ($1.34 billion).

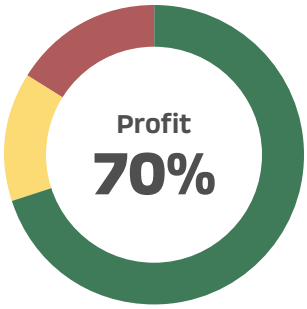
Imports from China have declined $954 million (-41.5%) since 2018, while Canadian imports increased $2.16 billion (60%) and Mexican imports grew $1.11 billion (44%) over the same period.

Commodity exports represent 5.9% of Connecticut's $295.3 billion economy, with the export sector supporting more than 50,000 jobs.

Connecticut's top 10 commodity exports in 2024 were:

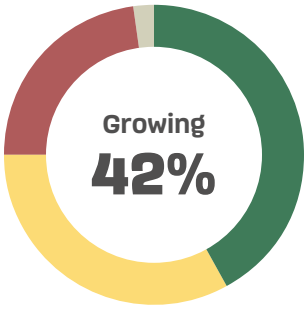
- Transportation equipment: $6.21 billion, up 15.2% from 2023
- Machinery (except electrical): $3.33 billion (+5.4%)
- Computer and electronic products: $1.25 billion (+4.2%)
- Electrical equipment, appliances, and components: $1.17 billion (+11.9%)
- Fabricated metal products: $1.1 billion (+7%)
- Chemicals: $1.06 billion (+7.7%)
- Other special classification provisions: $772 million (+11.4%)
- Miscellaneous manufactured products: $503 million (+5.2%)
- Primary metal products: $362 million (+19.9%)
- Plastics and rubber products: $348 million (4.2%)

Connecticut ranked 27th nationally for exports and second in New England behind Massachusetts ($34.86 billion). New England exports totaled $67.4 billion in 2024, and U.S. exports rose 2.3% to $2.06 trillion, with Canada and Mexico the top destinations, followed by China, the Netherlands, and the U.K.



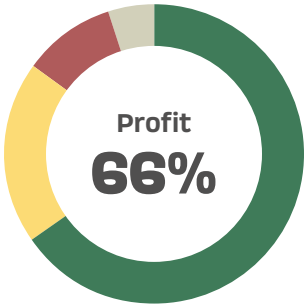
Manufacturing profitability (2024)

- Profit (70%)
- Break even (14%)
- Loss (16%)



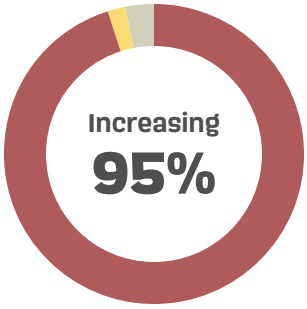
Are your company sales...

- Growing (42%)
- Holding steady (33%)
- Contracting (23%)
- Unsure (2%)



What do you expect for overall financial returns for 2025?

- Profit (66%)
- Break even (20%)
- Loss (10%)
- Unsure (5%)



Is the cost of doing business in Connecticut...

- Increasing (95%)
- Remaining the same (2%)
- Decreasing (0%)
- Unsure (3%)

Source: CBIA June-July 2025 Connecticut manufacturing survey

State of Manufacturing

Connecticut manufacturers have proven their resiliency year after year—no more so than in recent years as they weathered a series of daunting challenges through innovation, persistence, and grit.

In 2022, firms invested $10,016 per employee (ranked 28th nationally), underscoring ongoing commitments to equipment, technology, and workforce capabilities.

Reflecting the continued strength of the state's defense industrial base, Department of Defense contracts totaled $26.6 billion in fiscal 2024.

In 2024, 62% of Connecticut manufacturers projected a profit, 20% expected to break even, and 11% anticipated a loss. Actual results showed 70% profitability, while 14% broke even and 16% posted losses—while more firms were profitable than expected, a larger share also reported losses.

Increased prices, higher sales, operational efficiencies, and Connecticut's strong manufacturing base were the primary profit drivers based on survey responses.

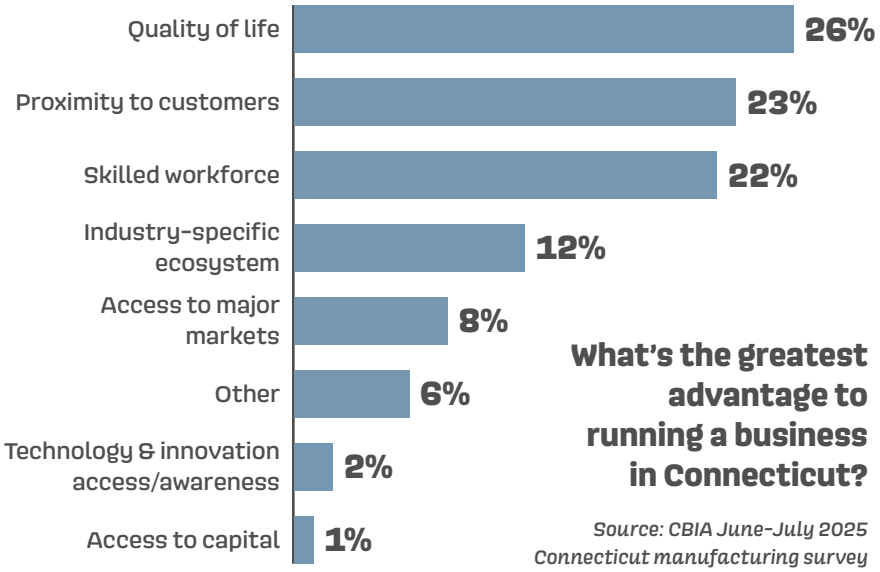
Losses were driven by low sales, high operating costs (including electricity), softer demand, and revenue shortfalls.

One manufacturing executive cited "lost opportunities due to high operating costs," while another reported that "many of our customers have left Connecticut."

Sales performances varied: 42% of manufacturers reported growth, 33% held steady, 23% declined, and 2% were unsure.

Looking ahead to 2025, 66% project profitability, 20% expect to break even, and 10% anticipate a loss—down one point from last year.

Ninety-five percent say the cost of doing business in Connecticut is rising, up eight percentage points from last year.



What's the greatest advantage to running a business in Connecticut?

Source: CBIA June-July 2025 Connecticut manufacturing survey

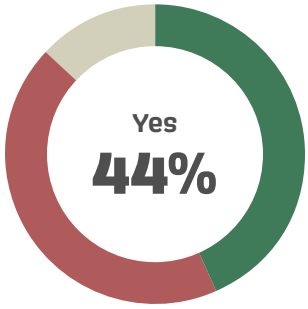
Key cost drivers include labor, healthcare, and energy (16% each), followed by goods and supplies (11%), state mandates (11%), state and local taxes (10%), and compliance costs (9%). The remaining 1% of manufacturers cited housing and workers' compensation costs.

Forty-five percent of manufacturers believe Connecticut's business climate is declining, while 43% say it is static—up two points from last year—and 12% report it is improving.

Twenty-six percent of executives cite quality of life as the greatest advantage to doing business in the state, followed by proximity to customers (23%), skilled workforce (22%), industry-specific ecosystems (12%), access to major markets (8%), technology and innovation access/awareness (2%), and access to capital (1%).

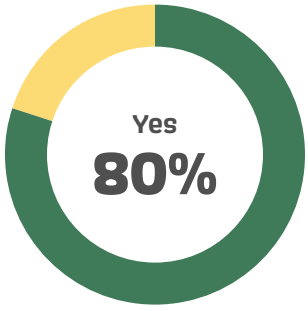
The largest share of employers (30%) report that the lack of skilled job applicants is the top factor hampering growth—a three-point drop from last year—followed by uncertainty in legislative decision-making (12%), energy costs (11%), regulatory compliance costs (9%), higher business taxes (8%), workplace mandates (7%), healthcare costs (6%), the housing shortage (5%), and transportation infrastructure (1%). Another 9% cited the state's high cost of living, labor availability, and businesses leaving the state.

Manufacturers continue to invest to address these challenges. Thirty-nine percent report that property and facilities are their largest investment priority, while 24% are focused on recruitment and retention efforts—a significant 15-point drop from last year. Other investment priorities include marketing and sales to new



Will your company introduce a new product or service over the next 12 months?

- Yes (44%)
- No (44%)
- Unsure (13%)



Will your new products or services be manufactured or supported in Connecticut?

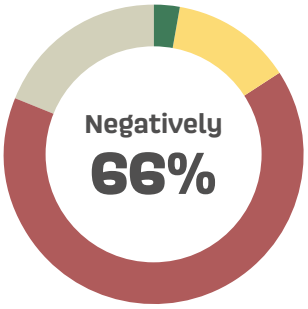
- Yes (80%)
- Partially (20%)
- No (0%)

Source: CBIA June-July 2025 Connecticut manufacturing survey

customers (17%), new technology (13%), and research and development (6%).

Forty-four percent of manufacturers plan to introduce new products or services in the next 12 months, while the same percentage has no plans for new product rollouts, with 12% unsure. Of those introducing new offerings, 80% will be made in Connecticut and 20% will be partially manufactured here.

Companies with production facilities located outside the state cite business regulations (67%), proximity to customers (28%), taxes (22%), and energy costs (11%) as factors for those location decisions. Others noted proximity to employees, labor availability, and competition (6%).



How will the 2025 tariffs impact your business in the next year?

- Positively (3%)
- No impact (13%)
- Negatively (66%)
- Unsure (19%)

Source: CBIA June-July 2025 Connecticut manufacturing survey

The outlook for the next 12 months shows different expectations for the Connecticut and U.S. economies. For Connecticut, 48% expect a static economy, 26% anticipate contraction, 20% expect growth, and 6% are unsure.

For the U.S., 45% expect growth, 27% forecast a static economy, 24% predict a contraction, and 4% are unsure.

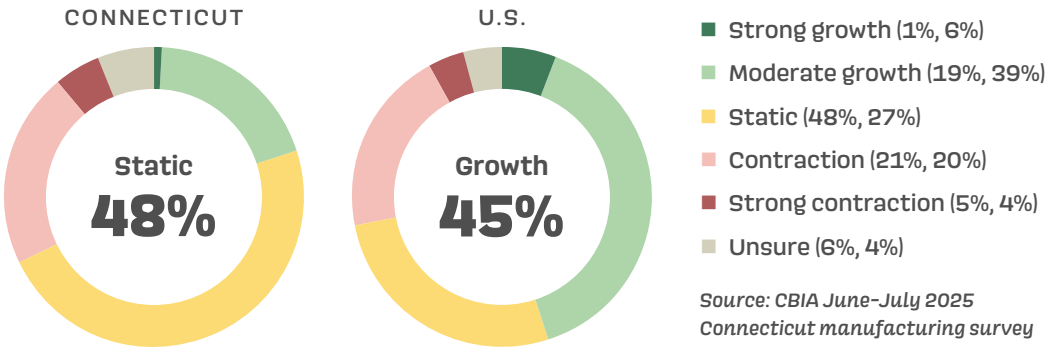
Inflation and tariffs remain key challenges. More than half (53%) of surveyed manufacturers expect inflation to increase in 2026, 12% expect a decrease, 25% anticipate no change, and 6% are unsure.

Almost two-thirds (66%) report that the Trump administration's tariff policies are negatively impacting their operations, 19% are unsure, 13% saw no impact, and 3% anticipate a positive outcome.

Views on the federal budget—the One Big Beautiful Bill—are mixed: 39% are unsure of its effect, 26% expect a negative outcome, and 16% foresee a positive one. Manufacturers noted both potential benefits for aerospace manufacturing from increased defense spending, along with concerns about higher taxes if spending levels remain elevated.

Regarding federal spending cuts, 39% are unsure of the impact, 29% expect no effect, 16% anticipate a positive impact, and 15% predict a negative outcome.

What's your 12-month outlook for the Connecticut and U.S. economies?



Source: CBIA June-July 2025 Connecticut manufacturing survey

Workforce and Hiring

Connecticut's manufacturing workforce is among the best compensated in the nation, with the state ranked fourth in wages per hour for production workers. This earning power reflects the sector's specialized skills, strong productivity, and its critical role in the state's economy—yet employers continue to face persistent labor shortages.

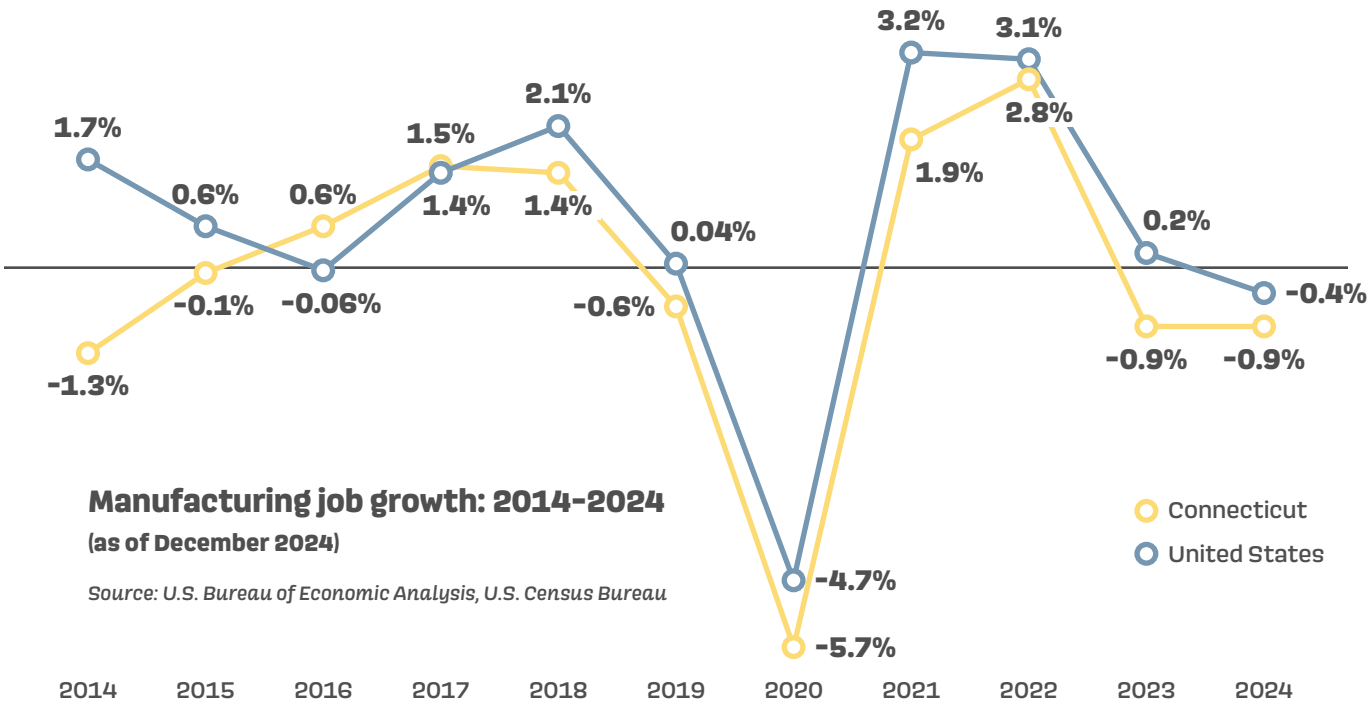
Demand remains strong in defense, aerospace, and transportation. For instance, General Dynamics Electric Boat—already the state's largest manufacturing employer—projects the need to add 5,000 positions annually for the next two decades.

While sector demand remains strong, the supply of labor is not meeting that demand.

In the 12 months through August 2025, manufacturing employment fell by 1,800 jobs, a 1.2% decline, leaving the sector with only 39% of pandemic-era losses recovered. Employment in durable goods manufacturing, which employs 79% of the sector's workforce, declined by 1,400 jobs (-1.1%) and non-durable goods lost 400 jobs (-1.2%). At the same time, manufacturers continue to report about 7,000 open positions.

This challenge reflects broader statewide labor market trends. Connecticut's overall year-over-year job growth was 0.5% in 2024, ranked 41st nationally. While four of the state's 10 major industry sectors—construction, education and health services, professional services, and trade, transportation, and utilities—have fully recovered from pandemic losses, manufacturing remains below pre-2020 employment levels.

Connecticut's labor force—those working or actively seeking work—has grown by just 18,362 people (1%) since February 2020. In contrast, the U.S. labor force has grown 3.9% over the same period, with every other New England state except New Hampshire



Manufacturing job growth: 2014-2024
(as of December 2024)

Source: U.S. Bureau of Economic Analysis, U.S. Census Bureau

Upskilling: Investing in Talent for Tomorrow's Success

A significant and persistent labor shortage in the manufacturing sector is a problem that requires a strategic, proactive solution, which starts with investing in existing talent.

Since January 2025, the U.S. has averaged nearly 430,000 unfilled manufacturing jobs per month, based on data from the Bureau of Labor Statistics.

The rapid advancement in manufacturing technology, from automation to AI, is creating a skills gap that further increases the demand for workers with capabilities beyond their learned trade skills or specific job duties.

The aging out of the manufacturing workforce has given way to a generation of workers who were navigating iPads before they could walk. They weren't building shoebox dioramas for class projects; they were designing video games.

Bridging that skills gap starts with embracing and adapting to technological advancements.

Contrary to the common misconception that automation equals job losses, the reality is that automation fills those gaps, performing tasks that emerging workers do not want to do.

"By implementing automation for repetitive tasks and upskilling workers, companies can redirect employee efforts toward higher-value activities," says CONNSTEP president and CEO Beatriz Gutierrez.

Automation creates the need for a workforce of critical thinkers, capable of maintaining automated systems and analyzing data to diagnose and troubleshoot issues.

Leveraging employee development and training programs to harness the technological capabilities that come naturally to next-generation talent can have a significant positive impact on both employees and organizations.

When employers invest in the professional development of their workforce, employees become more engaged and feel a greater sense of accomplishment.

"If you can boost employee confidence and improve company culture while increasing efficiency and productivity, it's a win for the entire company," said Gutierrez.

Providing employees with the resources to gain skills like robotics, AI-integrated production, and data

(-0.3%) seeing growth. As of August 2025, the state's labor force participation rate stood at 64.6% (16th nationally) with unemployment at 3.8%—five-tenths of a point below the U.S. average.

Labor turnover remains relatively low. The voluntary quits rate in July 2025 was 1.3%, tied with Massachusetts for the lowest in the country, while the total separations rate was 3.1% (12th lowest nationally). Connecticut's hiring rate was 2.9%, tied for 45th among all states and four-tenths of a point lower than the national average.

Eighty-two percent of manufacturers surveyed this year reported difficulty finding and retaining workers, with the lack of required skills or expertise the top challenge for 45%. Employers also cited concerns about work ethic (26%), wage expectations beyond their budgets (19%), and the high cost of living in Connecticut as major barriers.

analytics shifts their focus to higher-value activities.

These skills, acquired through classroom instruction, digital learning platforms, and even "gamified" learning, enable employees to use problem-solving and creativity to drive innovation.

"People know that you have a clear vision for them and you are there to help them grow...that is part of your mission in life as a company and as a person," said Siftex Equipment Company general manager Katty Garcia.

When workers understand and can efficiently execute complex manufacturing processes, it leads to reduced errors, waste, and production downtime.

> **"People know that you have a clear vision for them and you are there to help them grow ... that is part of your mission in life as a company and as a person."**
>
> **Katty Garcia,** Siftex Equipment Company

For the organization, building a culture of continuous learning creates a future-ready workforce, prepared to adapt to inevitable change.

Bridging the skills gap through upskilling and reskilling leads to sustained growth, ensures a steady supply of qualified talent to fill open positions, and demonstrates an organization's dedication and commitment to its people.

"At the end of the day you want a company who's going to have your back," said Garcia.

Creating pathways for employee skill development opens doors to higher salaries, career progression, and can reduce turnover.

It is also a way to attract new talent who see a future with an organization that actively supports the growth of its employees.

For manufacturers, having a skilled workforce is imperative to maintain a competitive edge.

Empowering existing employees through training and skill development programs is one of the most effective ways for an organization to ensure they have the best-equipped team to drive efficiency, productivity, and future success.

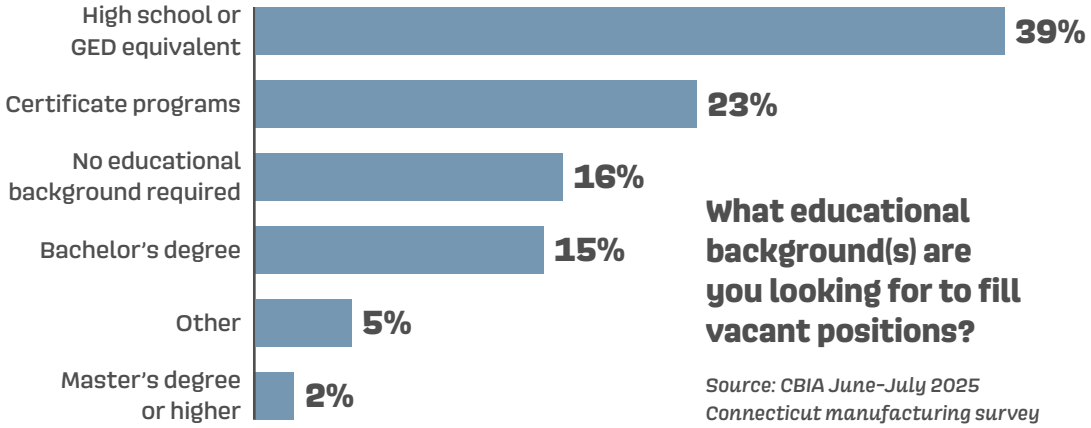
Learn more at connstep.org.

The average annual manufacturing wage in Connecticut reached $100,745 in 2024—a 5.5% increase over the previous year. This continued upward trajectory in wages may help attract more candidates, although addressing the underlying challenges in skills gaps, work ethic, and competitive compensation remains critical for sustaining growth and sector development.

Recruiters are most often seeking candidates with high school or GED equivalent backgrounds (39%).

Certificate programs were preferred by 23% of employers, while 16% required no formal education, 15% sought a bachelor's degree, and just 2% looked for a master's degree.

To address hiring challenges, many manufacturers are making targeted investments in their workforce. Twenty percent reported investing in internships and apprenticeships, while others are adopting policies such as flexible paid time off (16%), flexible



What educational background(s) are you looking for to fill vacant positions?

Source: CBIA June-July 2025 Connecticut manufacturing survey

work schedules (12%), tuition reimbursement (10%), employee engagement and recognition programs (13%), and shifting requirements from education-based to skills-based qualifications (11%). Smaller shares reported offering sign-on or stay-on bonuses (4%), remote or hybrid options (4%), and student loan assistance (1%).

Nearly half of surveyed manufacturers (48%) are actively involved with educational institutions. Among these, 33% partner with vocational technical high schools, 26% with community colleges, 30% with public or private high schools, and 11% with four-year institutions.

Over half of manufacturers (61%) reported offering internship or apprenticeship programs, reflecting a strong commitment to cultivating talent pipelines.

Looking ahead, 47% of respondents expect the size of their workforce to remain stable over the next six months, while 42% anticipate growth. Only 8% foresee a decline, and 2% remain uncertain.

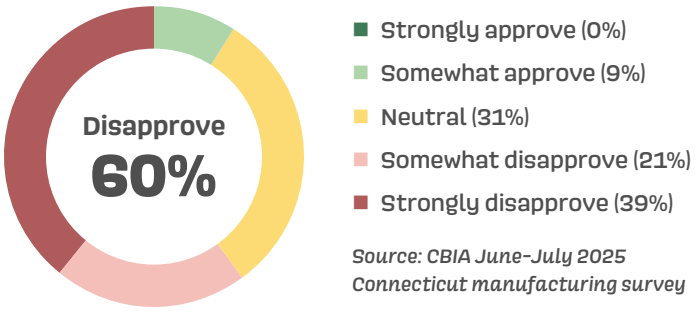
Longer-term expectations are more optimistic: 63% of manufacturing leaders plan to add employees in 2026. Others indicated they would adopt artificial intelligence and automation, reduce headcount, or rely more heavily on part-time or temporary workers.

Manufacturers also shared their perspectives on state workforce initiatives. Thirty percent believe the government is doing enough to support workforce development, up 11 points from last year. By contrast, 37% said the state is not doing enough, while 33% remain unsure.

One respondent stressed the need for greater collaboration: "We still need more coordination of state programs and policies to make it easier for companies to make the most of what is available to them."

State workforce programs remain widely used: 56% of companies reported utilizing or planning to utilize Department of Labor apprenticeships, while 40% plan to engage with programs offered by CBIA

Do you approve of the state legislature's handling of the economy and job creation?



Source: CBIA June-July 2025 Connecticut manufacturing survey

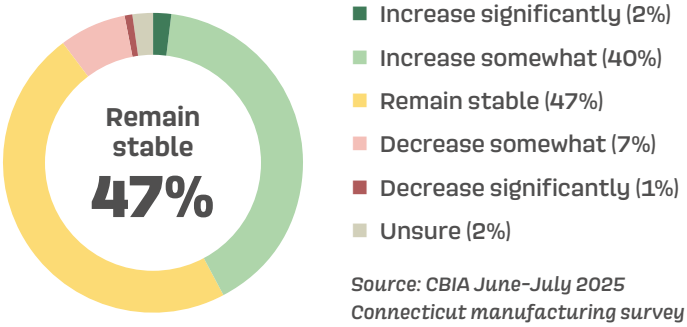
affiliate ReadyCT. Others highlighted Regional Sector Partnerships and the Tech Talent Accelerator as important resources.

Investing in Manufacturing's Future

Nationally, RSM notes that manufacturers face a "perfect storm" of retiring baby boomers, rising wages, and workforce shortages, reinforcing the urgency of workforce transformation strategies. In Connecticut, those pressures are clearly reflected in how firms are prioritizing their investments.

When asked where they make their greatest investments, most manufacturers pointed to property and facilities, including infrastructure and equipment. Other firms are directing resources toward marketing and sales (17%), while 16% cited recruitment and retention as their primary investment, and 13% reported focusing on new technology.

What do you expect to happen to the size of your workforce over the next six months?



Source: CBIA June-July 2025 Connecticut manufacturing survey

Technology adoption, however, remains uneven. Only 27% of manufacturers reported integrating artificial intelligence into their operations, while 73% said they had not. Among those not adopting AI, 80% indicated they were unsure how to incorporate it, 14% expressed concerns about privacy, and 6% cited liability risks.

Energy strategies are another priority. Twenty-six percent of manufacturers are working with third-party suppliers to manage costs, while 23% are pursuing energy consumption reduction initiatives and power purchase agreements. Even so, renewable energy adoption remains limited: half of respondents reported no plans to use renewable energy in the next five years, 39% are unsure, and just 11% expect to adopt it.

Environmental regulations are also an area of uncertainty. Sixty-eight percent of manufacturers were unsure about the immediate impact of the state's new release-based cleanup program, which takes effect in March, 2026. Twenty percent expect no impact on their operations, 10% anticipate a positive impact, and 2% saw a negative one.

As one manufacturer noted, the law "makes it much easier to transfer property that may have been contaminated," underscoring potential benefits for redevelopment and site transfers.

Survey findings highlight that while Connecticut manufacturers remain heavily focused on property and facilities, they face complex decisions around workforce development, technology adoption, energy management, and regulatory compliance.

The ability to balance these investments will play a critical role in shaping the sector's long-term competitiveness.

Connecting Students to Manufacturing: An Early and Often Strategy

ReadyCT—the K-12 workforce development affiliate of CBIA—continues to focus on connecting students with the wide range of exciting career opportunities available in Connecticut manufacturing.

The approach is multi-modal, with an "early and often" emphasis.

"Building a meaningful and lasting manufacturing talent pipeline means we have to avoid the one-and-done approach," says ReadyCT executive director Shannon Marimón.

"Remember, we're talking about young people, so students must first understand the maker sector and then have the chance to see themselves in the world of manufacturing.

"If we want to make things here, we must make the workforce here, too. And we can."

Building the workforce runs through strategic investment, notably from the Connecticut Manufacturing Innovation Fund. With MIF support, last year over 6,200 students were reached through two ReadyCT maker-related efforts alone: robotics and manufacturing career roadshow stops throughout the state.

The key stakeholders—manufacturers, students, and educators—agree that these programs are having the intended impact.

Mary Planeta Fitzgerald, president of Stonington-based Acme Wire Products Co., participated as a roadshow exhibitor and sees the value to manufacturers. The roadshows cater to students as young as 11 all the way up to 18-year-old high school seniors preparing to graduate—and enter the workforce.

"Students are not aware of the opportunities available in manufacturing, and unless they see what is locally available, they may choose other opportunities," Fitzgerald said.

"By continuing to promote the message that careers in manufacturing are available, engaging, and financially rewarding, we hope to expand and enrich our workforce."

Educators, who arrange for students to attend the roadshows, point out that the bus rides back to school are filled with lively conversations as they recount all the things to see and do at a roadshow—from welding simulators to virtual reality headsets to connecting with Connecticut residents who actually make things of interest to youth: cosmetics packaging, airplane engines, chocolate, and soccer nets, just to name a few.

Indeed, educators say that manufacturers are making an impression on attendees.

"Many of our students are unaware that these manufacturing companies and career opportunities exist, so this kind of exposure is incredibly important," said Barbara Beebe, director of guidance for Northwestern Regional High School.

"The hands-on activities are very engaging, and students are eager to try as many different things as possible."

Similarly, educators point out how their students are making the connection between robotics and manufacturing careers.

"Without [robotics], our students would not have the opportunity to realize these career paths exist—let alone view them as viable options," said Mike Merati, supervisor of career and technical education for Waterbury Public Schools.

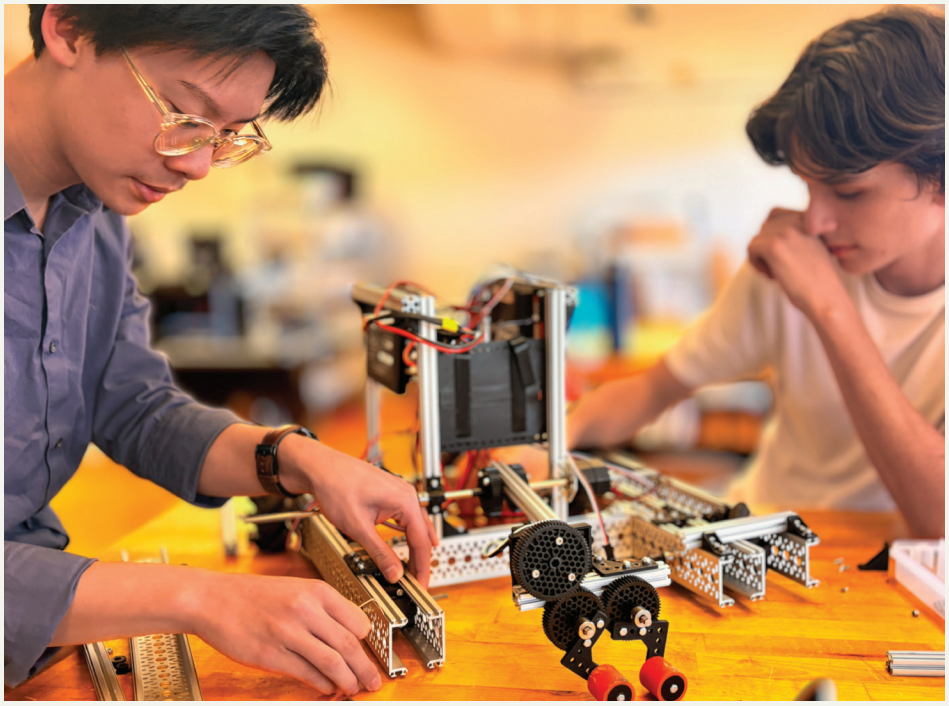
Of course, knowing how students themselves experience these programs is essential to determining whether robotics and manufacturing career roadshows are having the intended effect: generating students' interest in manufacturing careers.

"I wasn't thinking at all about manufacturing before coming today," said Dwayne R., a high school sophomore from New Haven, "but I liked it, and I learned I could have a good income doing it."

Andrew P., an 8th grade student from Southington, said that after attending a roadshow, he wants more math and science classes so that he can work in the manufacturing sector. His one complaint about the roadshow? He would have liked even more companies to explore!

Robotics participation is also helping students see what manufacturing really is, and those a-ha moments are informing their academic and postsecondary decisions.

"I like all the things about robotics," said Olivia R., a senior from Hartford. "I've had five years of robotics, and I'm mentoring the younger kids now. I see myself doing this and building things and helping others build things."



Members of the T-town TetraBots team, a rookie FIRST Tech Challenge team from Torrington High School, build the drive base of their robot. The team was launched when students taking a robotics class asked their teacher to create a competition team.

Alia R., a 9th grade student from Monroe, said she joined robotics because she knew she'd learn things, including teamwork.

"I don't know much about robots," she said, "and I'm new to high school and to working with older kids, but I know I need to know how to do that and I'm going to learn a lot."

From three key populations—manufacturers, teachers, and students—it is clear that these career-connected learning opportunities are creating a new and dynamic appetite for Connecticut manufacturing careers among the state's youth. With sustained partnership, ReadyCT expects to continue connecting students to their manufacturing sector options.

Other ReadyCT efforts—including manufacturing career pathways, paid internship programs, and coding challenges—run concurrently to robotics and roadshow programming.

Learn more at readyct.org.

Road Ahead

This year's report highlights both the enduring strengths and the pressing challenges facing Connecticut manufacturing.

From contributing $34.21 billion to the state's GDP and $17.4 billion in exports, to one of the nation's most competitive wage offerings, the sector remains a powerful engine for economic growth.

At the same time, rising costs, labor shortages, and the uneven adoption of new technologies underscore the headwinds manufacturers face.

Addressing these issues through coordinated workforce strategies, smart investments, and supportive policy will be critical to sustaining momentum and driving long-term competitiveness.

The state's Make It Here 2030 plan charts an ambitious course—aiming to double manufacturing's share of the state economy and achieve full employment by the end of the decade.

Built around four pillars—developing talent, building sustainable companies, driving innovation, and strengthening collaboration—the plan emphasizes that future growth will depend on aligning workforce development with technology adoption and stronger public-private partnerships.

When asked about the greatest advantages to running a business in Connecticut, manufacturers pointed first to quality of life and the proximity to customers, followed by the skilled workforce and industry-specific ecosystems.

Smaller numbers of respondents cited proximity to major markets, access to capital, and technology resources.

> **Addressing these issues through coordinated workforce strategies, smart investments, and supportive policy will be critical to sustaining momentum and driving long-term competitiveness.**

On the regulatory front, over half (51%) of surveyed manufacturers said that requiring any future mandates to include a business cost/time impact study would be the most beneficial solution.

Another 19% highlighted further investment in business retention resources and programs as key for strengthening the environment.

Looking to the future, manufacturers identified energy costs (22%) and healthcare costs/accessibility (21%) as the top policy priorities for the 2026 General Assembly.

Government spending reforms (16%), workforce development (12%), tax reform (10%), and housing (7%) also ranked prominently, underscoring the broad scope of challenges and opportunities shaping sector competitiveness. ■

Kirti Patel Named Chief Manufacturing Officer

Industry veteran Kirti Patel will lead Connecticut's manufacturing efforts as the state's new chief manufacturing officer.

Gov. Ned Lamont announced Patel's appointment Sept. 11, noting his "decades of global experience in manufacturing, product development, and business leadership."

"Manufacturing continues to be the backbone of Connecticut's economy, driving innovation, exports, and good-paying careers for our residents," Lamont said.

"Kirti has led companies through complex transformations, expanded product lines that serve critical industries, and built trusted relationships across stakeholders.

"I am confident that his vision and leadership will strengthen our manufacturing sector and ensure Connecticut remains at the forefront of advanced manufacturing."

Sector Experience

Patel brings more than 25 years of international leadership experience across the life sciences, healthcare imaging, medical devices, and semiconductors.

He most recently served as president and board director at Eppendorf Manufacturing Corporation in Enfield, responsible for North American manufacturing operations.

Patel also led the global Bioprocess Technology Division of Germany-based Eppendorf SE, a global leader in life sciences instrumentation.

Under his leadership, Eppendorf launched multiple new product lines with near 90% growth between 2014 and 2022, and completed a $20 million facilities renovation and manufacturing expansion in Connecticut.

He previously co-founded 3D ultrasound imaging technology company Sensant Corporation, which was later acquired by Siemens Healthcare, where Patel led the global preclinical imaging division.

He began his career at Intel Corporation, working on semiconductor lithography technology and advanced manufacturing process development.

'Strengthen Collaboration'

"Connecticut has a world-class workforce, innovative companies, and strong educational partners," Patel said.

"I look forward to working with manufacturers across the state to strengthen collaboration, build capacity, and ensure our sector remains globally competitive."

Patel currently advises technology start-ups through Yale Ventures and the University of Connecticut's Technology Incubation Program, helping transform research efforts into successful businesses.

CBIA president and CEO Chris DiPentima said Patel "brings an impressive resume" to the position.

"We look forward to being a close partner as he steps into this critical role," DiPentima said.

"CBIA and affiliates CONNSTEP and ReadyCT have had excellent relationships with his predecessors, and we're excited to continue that partnership and further strengthen the state's manufacturing sector."

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Workforce Alliance (South Central Region)

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2025 Manufacturing Innovation Fund Programs

Connecticut's Manufacturing Innovation Fund plays a vital role in driving innovation and growth in the state's advanced manufacturing sector—expanding access to financial resources, technical expertise, and a skilled workforce.

The fund provides loans and grants for a range of programs, including workforce development, technology adoption and awareness, increased connectivity, empowering women in manufacturing, and next-gen.

The fund is administered by the state Department of Economic and Community Development, with input on funding allocations provided by an advisory board.

Consulting and training offerings from CBIA affiliate CONNSTEP are also often eligible for matching grants through the fund.

For more information, visit manufacturing.ct.gov/mif.

CONNECTIVITY

CONNEX CT

CONNEX Connecticut is an online manufacturing platform that connects over 140,000 U.S. manufacturers and suppliers with a single, accurate, and searchable supply-chain solution. The platform helps mitigate supply chain risk; easily identify alternate suppliers; and enhance supply chain diversity, resiliency, and strength.

Administered by CONNSTEP.

ENERGY

GreenGain

GreenGain provides small Connecticut manufacturing companies with training, funding and mentoring support, helping identify simple ways to incorporate sustainability practices while improving economic gains, ensuring businesses stay competitive in a rapidly evolving market and changing climate.

Administered by the Connecticut Sustainable Business Council.

CT SMARTE

This free program connects Connecticut's small and medium-sized manufacturers to the next generation of engineering and manufacturing, with technology partners offering access to transformative programs to advance efficiency and performance and lower energy usage and technology-related emissions.

Administered by CONNSTEP.

TECHNOLOGY AWARENESS & ADOPTION

Additive Voucher Program

The Additive Voucher Program provides companies with matching grants up to $20,000 to assist with the acquisition of additive manufacturing technology, including hardware, software, and related third-party integration services.

Administered by the Connecticut Center for Advanced Technology.

Cybersecurity Adoption Program

Provides grants up to $35,000 for eligible companies to support cybersecurity assessments and CMMC certification. Participating companies must pay half the cost.

Administered by the Connecticut Center for Advanced Technology.

Innovation Voucher Program

Designed to help Connecticut supply chain companies with the adoption and integration of IoT solutions, the program provides matching grants up to $25,000 for digital hardware, sensors, platforms, and related third-party integration services.

Administered by the Connecticut Center for Advanced Technology.

Innovator Accelerator Program

Provides non-dilutive product development grants ranging from $30,000 to $100,000 to eligible Connecticut-based companies to assist within bringing products from physical prototype to commercialization.

Administered by FORGE Connecticut.

Manufacturing Voucher Program

The MVP helps manufacturers invest in new equipment or advanced processes through matching grants. First-time applicants receive up to $100,000 in funding with a 2:1 match, while returning applicants must meet a 3:1 match. Companies must invest at least $25,000 to qualify. Since 2015, it has been one of the most widely used MIF programs.

Administered by the Connecticut Center for Advanced Technology.

Apprenticeship Funding Program

AFP strengthens apprenticeship and pre-apprenticeship programs in manufacturing by subsidizing wages and training costs. An employer with at least four registered apprentices and three registered pre-apprentices may request a maximum of $26,250 every six months or $52,500 annually.

Administered by the Connecticut Center for Advanced Technology.

Careers Roadshow

The Careers Roadshow introduces K–12 students to manufacturing opportunities through early exposure events. The goal is to raise awareness of career paths in manufacturing and align them with regional workforce needs. Events are designed to foster stronger partnerships between manufacturers and local school districts. It helps build interest in the industry from a younger age.

Administered by ReadyCT.

FIRST Robotics

This competition engages high school students in building and programming industrial-size robots under professional mentorship. Teams combine STEM and business skills to solve real-world challenges and compete nationally. Alongside engineering, students learn branding, fundraising, and teamwork. The experience develops practical skills and inspires interest in advanced manufacturing careers.

Administered by ReadyCT.

Incumbent Worker Training

This program helps manufacturers train current employees in advanced technologies and lean practices. It supports competitiveness by ensuring workers are up to date with modern production skills. Funding covers part of the training costs.

Administered by the Connecticut Center for Advanced Technology.

Manufacturing Internship Program

This program supports Connecticut college students pursuing manufacturing careers by connecting them with local manufacturers. Companies with fewer than 300 employees can receive a $3,500 wage subsidy per intern, up to two interns. The funding helps offset summer wages and encourages students to remain in-state after graduation. This initiative aims to address workforce shortages in the manufacturing sector.

Administered by the Connecticut Center for Advanced Technology.

Million Women Mentors

This partnership between the Connecticut chapter of Million Women Mentors and Pod is designed to provide women in STEM with access to mentorship opportunities, career guidance, and robust support networks.

Administered by the Connecticut chapter of Million Women Mentors.

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