

Fueling America's Manufacturing Engine — The Role of Business Funding and Commercial Financing and How Funded Business Capital Funds The Growth and Expansion of Manufacturing Businesses

Introduction

- Brief snapshot of the U.S. manufacturing industry today.
- Introducing Funded Business Capital as a trusted growth partner—providing business funding and commercial financing to manufacturing businesses to foster growth and expansion.

Chapter 1: The Fabric of U.S. Manufacturing – 2020 to Today

- Contribution to economy: manufacturing's value-added in 2024 was approximately \$2.91
 trillion, making it the eighth-largest "economy" globally. NAM
- Employment: over 12 million workers employed (2024), though modest decline to ~11.4 million in 2025. NAMIBISWorld
- Businesses: about 605,000 manufacturing businesses in 2024, down slightly from prior years. IBISWorld
- Economic multiplier: every \$1 in manufacturing yields \$2.64 to the broader U.S. economy, and every manufacturing worker supports 4.8 additional jobs. NAM

Chapter 2: Industry Segments - Who Makes What

- Breakdown by workers:
 - Transportation equipment (~1.8M workers)
 - Food manufacturing (~1.7M)
 - Fabricated metal products (~1.4M)
 - Machinery (~1.1M) <u>Vertical IQ</u>
- Global leadership: aerospace, automotive, chemicals, pharmaceuticals, semiconductors, food.
- Advanced sectors:
 - In 2023, smart manufacturing in the U.S. valued at ~\$62B-\$75B, projected to reach ~\$152B-\$161B by 2030. CAGR approx. 11.9%-13.2%. <u>Grand View</u> <u>Research+1Fortune Business Insights</u>

Chapter 3: Growth Drivers & Future Outlook (2020–2030)

- Resilience post-pandemic:
 - Manufacturing output grew ~3% in 2021. ZipDo
- Investment surge:
 - Construction spending: \$201 billion in 2023, up 70% YoY. ~200 new clean-tech facilities, \$88B investment, 75,000 jobs. <u>Deloitte</u>
- Smart manufacturing:
 - Expected to reach ~\$160–161B by 2030, with high adoption of AI, IoT, robotics, analytics. <u>Grand View Research</u>
- Technology modernization and digital transformation essential for competitiveness.
 Deloitte

Chapter 4: The Financing Gap — Challenges in Access to Capital

- Traditional bank pullback; private credit fills gap:
 - Private-credit-backed firms employ 811,000 workers, pay \$87B wages, add
 \$145B GDP supporting 2.5M jobs and \$370B in economic output. Default rates remained under 2% during pandemic. <u>Jacksonville Journal-Courier</u>
- Skills shortages and job vacancies:
 - By 2033, 3.8 million new manufacturing jobs needed; 1.9 million may go unfilled. Chief causes: retirements, growth, and funding-aided expansion. NAM
- Supply chain disruptions, aging plants, and need for modernization (also underpin the demand for capital). <u>Gitnux</u>

Chapter 5: The Role of Public Funding & Policy Support

- Key federal initiatives:
 - IIJA, CHIPS and Science Act, IRA collectively spurred massive investment:
 - As of Jan 2025, these prompted \$1 trillion in private investment, and over \$756B in public spending. <u>WikipediaDeloitte</u>
 - In finance: over \$200B in semiconductor/clean-tech investment, 100,000+ jobs. <u>WikipediaDeloitte</u>
- Tax incentives ("One Big, Beautiful Bill"):
 - 100% immediate deduction for qualified property, enhanced R&D credits, semiconductor production credit to 35%. Supports factories, equipment, reshoring. Investopedia
- State-level support, e.g., Connecticut's grant of \$2.5M to Trumpf Inc. for expansion and job creation. <u>CT Insider</u>

Chapter 6: Business Funding & Commercial Financing – Why It Matters

- Private credit's benefits: speed, flexibility, operational support beyond money.
 Jacksonville Journal-Courier
- Critical minerals push: nearly \$1B proposed for mining, processing, semiconductors to home-shore supply chains. Reuters+1
- Reshoring investments:
 - GE Appliances: \$3B investment, 1,000+ jobs, automation, modernization. <u>AP</u> <u>News</u>
 - Anheuser-Busch: \$15M to support U.S. brewery and expand manufacturing.
 Reuters

Chapter 7: Introducing Funded Business Capital — Your Growth Partner

- Positioning:
 - Funded Business Capital as a reliable provider of business funding and commercial financing tailored to manufacturing companies' needs.
 - Emphasis: funding that scales with production needs, modernizes plants, supports workforce investment, and helps seize reshoring or smart-tech opportunities.
- Value proposition:
 - Flexible financing vs. rigid traditional lending.
 - Expertise in manufacturing sector.
 - Enabling equipment upgrades, smoothing cash flow, backing expansion.
- Trust & credibility:
 - Frame Funded Business Capital as part of the private credit ecosystem that's already shown to back tens of thousands of manufacturers through growth cycles. <u>Jacksonville Journal-Courier</u>
 - Complementary to public programs—ability to co-finance or bridge interim gaps.

Chapter 8: Use Cases & Success Narratives

- Hypothetical or anonymized stories:
 - A small metal-fabrication shop invests in automation via funding—boosts output, meets demand.
 - An electronics parts manufacturer leverages financing to obtain parts from CHIPS-Act-supported suppliers.
 - A clean-tech component maker joins the 200+ clean facilities spurred by IRA; funded for machinery layout.

Chapter 9: Future Opportunities — 2025 to 2030 and Beyond

- Smart manufacturing growth to ~\$160B.
- Continued digital transformation, clean energy component manufacturing, reshoring momentum.
- Workforce development and equipment financing needs—all prime territory for business funding companies like Funded Business Capital.
- Policy tailwinds: tax incentives and grants continue.

Conclusion

- Recap of manufacturing size and importance.
- Financing as a lever of growth: how private financing, public programs, and strategic partners collaborate.
- Funded Business Capital as a growth enabler—trusted, sector-focused, flexible.



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