



# NEWSLETTER



## The Peaks and Valleys of Colorado Manufacturing

Think Colorado is all about skiing and craft beer? Think again! Beyond the stunning landscapes and breweries, a vital engine is humming behind the scenes: the manufacturing sector. This industry is a cornerstone of our state's economy, constantly evolving and adapting to a dynamic global landscape.

### Small Business Success Stories

While the general health of Colorado's manufacturing sector remains robust, it's also experiencing some significant shifts. Like any high-altitude adventure, there are peaks and valleys to navigate. In 2024, we saw a slight dip in manufacturing jobs. This was a natural reaction to several factors:

Number 1: Rising Raw Material Costs: Everything from steel to semiconductors saw price increases, which squeezed profit margins and made companies hesitant to expand.



### Number 2: A Cooling Housing Market

A slowdown in the housing market directly impacted the demand for manufactured goods like appliances and building materials.



### Number 3: Increased Automation

While a long-term benefit, the investment in automation to boost efficiency and address labor shortages led to short-term adjustments in workforce numbers.

However, it's crucial to look beyond a single year's snapshot. The outlook for 2025 paints a more optimistic picture, with forecasts for modest job growth in the manufacturing sector. This suggests that the recent slowdown is more of a recalibration than a sustained decline. Colorado's manufacturers are resilient, adapting to challenges, and strategically positioning themselves for future expansion

