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Trump's Budget Eliminates the Manufacturing Extension Partnership

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The Trump administration recently released its first full budget, and while overall spending remains relatively unchanged, it's clear the administration is looking to reduce spending in areas that contain overlap with work being done by private and not-for-profit sectors. Some of the proposed cuts appear to be contradicting promises made by Trump during the election, including cuts that would negatively impact the manufacturing industry.

The proposed budget would completely eliminate Federal funding of the Manufacturing Extension Partnership (MEP), which has a current budget around \$124 million. MEP has been around since 1988 and has focused on strengthening U.S. manufacturing through its dedication to small and medium-sized manufacturing firms. The program currently has approximately 600 offices and centers located in all 50 states and Puerto Rico that provide a number of services such as training and research and development opportunities aimed at increasing sales, creating jobs, and increasing efficiencies for companies. In addition, the program offers connections for companies to other partners such as state and local governments, universities, trade associations, professional societies, economic development organizations and more that may otherwise be difficult barriers for these companies. A recent study of the program by W.E. Upjohn Institute for Employment Research found that the program generated approximately 82,000 jobs in 2016. It's expected that various states in the Midwest and South that helped Trump win the election will feel the greatest burden of this cut.

Small to medium-sized manufacturing companies are critical to growth, and the proposed cut would leave the MEP program searching for alternative funding and result in lost jobs for a number of states, including Ohio and Pennsylvania.

To learn more about President Trump's budget or the Manufacturing Extension Partnership, contact us.

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