

2026 EVALUATION AND IMPACTS OF THE **MONTANA MANUFACTURING EXTENSION CENTER**



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Table of Contents

Executive Summary	2
The Montana Manufacturing Extension Center	3
Overall Satisfaction	3
Why Choose MMEC?	4
Client Comments	5
Future Challenges	6
Quantitative Estimates of MMEC Visit Outcomes	7
Economic Impacts of MMEC Visits and Services	8
Return on Investment and Fees	8

Executive Summary

The 2026 evaluation of the Montana Manufacturing Extension Center (MMEC) highlights the Center's critical role in supporting Montana's manufacturers through expert technical assistance, workforce development, and operational improvements. Based on an independent survey of 94 clients, this report documents the measurable economic impact of and continued high satisfaction with MMEC services.

Nearly all respondents, 97 percent, said they would recommend MMEC to others, with a Net Promoter Score of 86.4, an excellent score. Manufacturers year after year cite the Center's staff expertise, sector-specific knowledge, and track record of results as key reasons for engagement.

In 2025, MMEC-assisted firms reported:

- 391 jobs created or retained (including a 66% increase in job creation per respondent)
- \$55 million in increased or retained sales
- \$6.7 million in cost savings and \$3.3 million in avoided unnecessary investments
- \$14.2 million in total investment, with a 54% increase in human capital investments per respondent

These direct impacts supported an estimated 1,209 total jobs statewide and \$88 million in labor income. The IMPLAN-based employment multiplier of 3.09 indicates that each manufacturing job supported over two additional jobs elsewhere in the economy. These gains generated \$2.4 million in additional personal income tax revenue for the state.

Return-on-investment metrics underscore MMEC's value:

- In 2025, the ROI to the Montana taxpayer was \$2.13 for every \$1 invested
- The ROI for MMEC clients was \$29.18 per \$1 in project fees

As manufacturers continue to navigate workforce shortages, cost pressures, and shifting markets, MMEC remains a trusted and high-impact resource, according to the survey. The 2026 evaluation confirms that MMEC delivers measurable value to both its clients and the broader Montana economy.

The Montana Manufacturing Extension Center

The Montana Manufacturing Extension Center (MMEC) is a statewide manufacturing outreach and assistance center staffed by full-time professionals with extensive experience in manufacturing and business in a variety of industries. MMEC's mission is to grow Montana's economy by helping manufacturers succeed.

MMEC serves the manufacturers of Montana by helping them assess and improve their manufacturing operations, providing training and workforce development, and leveraging research and technological developments to keep manufacturing competitive in the state.

Established in 1996, MMEC is housed in the Norm Asbjornson College of Engineering at Montana State University in Bozeman, with remote offices in Billings, Missoula, Kalispell, Great Falls, and Butte. The Center's staff has a combined experience of hundreds of years in manufacturing and offers expertise on a broad range of topics.

MMEC is also part of the National Institute of Standards and Technology's Manufacturing Extension Partnership (MEP) National Network. NIST is a non-regulatory agency of the U.S. Department of Commerce that promotes U.S. innovation and industrial competitiveness. The MEP National Network is a unique public-private partnership with centers in all 50 states and Puerto Rico dedicated to serving only small- and medium-sized manufacturers that pay fees for services provided.

Since 2000, MMEC's clients have reported project impacts on their businesses through an independent third-party survey. Results of these surveys show that MMEC has strengthened Montana's manufacturing economy between 2000 and 2025 by generating:

- **\$458 million** in new investment
- **\$1,662 million** in new and retained sales
- **8,765** new and retained jobs
- **\$234 million** in cost savings

The MMEC evaluation process follows guidelines developed by NIST as part of its management information reporting procedures. NIST specifies the timing of the evaluation and provides a standardized questionnaire distributed to manufacturing firms served by MMEC. The analysis of the surveys and a written report are provided by the Bureau of Business and Economic Research (BBER) at the University of Montana.

Manufacturing clients are asked to evaluate the effectiveness of MMEC's services and to quantify the economic impact of MMEC's activities on their businesses and the broader Montana economy. Surveys are conducted six months after the project's completion and include questions about client satisfaction as well as specific economic outcomes tied to the engagement. For the 2025 evaluation period, MMEC provided the independent analysts at BBER with copies of the completed questionnaires. A total of 94 clients responded.

Overall Satisfaction

Montana manufacturers continue to express strong satisfaction with MMEC's services. In 2025, 38.6% of respondents reported using external providers for business performance services, consistent with the slightly more than one-third of respondents observed since 2022. This upward trend suggests a growing openness to outside support, with MMEC remaining a trusted partner among those who seek external expertise. Six respondents did not answer this question.

Table 1: Have you used any external providers for business performance services?

	<i>Frequency</i>	<i>Percent</i>
<i>Yes</i>	34	38.6%
<i>No</i>	54	61.4%

When asked whether they would recommend MMEC to others, nearly all respondents said they would. In 2025, 96.7% rated their likelihood of recommending MMEC between 8 and 10 on a 10-point scale. The Net Promoter Score (NPS), a key indicator of client loyalty and satisfaction, was 86.4; anything above 70 is considered exceptional. While it has fallen from the high 90s reached in recent years, it remains higher than both the 2020 and 2021 evaluations, reflecting MMEC's ongoing strong reputation and the confidence of Montana's manufacturers, despite lower optimism generally expressed among Montana's manufacturers over the past year.

Table 2: Would You Recommend MMEC to Other Companies?

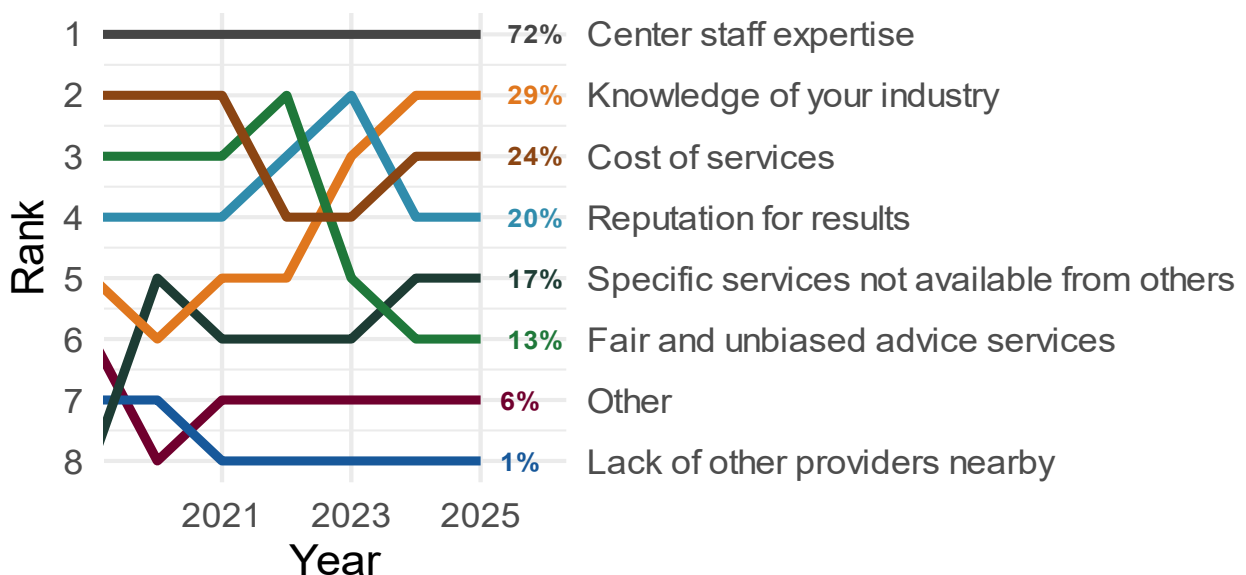
<i>Score (0 – 10)</i>	<i>Frequency</i>	<i>Percent</i>
10	76	86.4%
9	2	2.3%
8	7	8.0%
7	1	1.1%
5	2	2.3%

This exceptional level of satisfaction raises an important question: What makes MMEC the preferred choice among Montana manufacturers? The following section explores the specific factors that drive firms to seek out MMEC's support.

Why Choose MMEC?

Over the past five years, the reasons manufacturers choose to work with MMEC have shifted, with several clear results emerging. The most consistently cited factor is staff expertise, which remains the leading reason firms engage with MMEC. In 2025, more than 72 percent of respondents identified it as a key reason for choosing the center.

Figure 1: Important factors for your firm choosing MMEC, 2010 to 2025



Client Comments

The NIST questionnaire provides several opportunities for Montana manufacturers to provide suggestions and comments to MMEC. These responses were edited slightly to preserve anonymity and grouped by topic. These comments provide insight into the many ways manufacturers benefit from MMEC services. Most of the comments are highly positive and detailed. As in the past, respondents made several specific suggestions concerning ways in which MMEC may further tailor its services in the future.

Expertise, Impact, and Trusted Support

"[MMEC staff members] have been invaluable. They have provided very specific expertise—from an unbiased and noncompetitive perspective—and have also helped us make further industry connections. With their help we anticipate 5x our current business in the next three years."

"Staff are excellent to work with. Very supportive and responsive to our needs. Always working to bring us additional opportunities and services."

"MMEC has been great to work with and always helps us find creative solutions to our current issues. Thank you so much!"

"The operational excellence and lean best practices along with risk measurement and mitigation has allowed us to survive a downward trend in our market while continuing to make careful investments. MMEC has been instrumental in our continued business improvements."

"MMEC has been a tremendous resource for [MMEC Client] as we continue our Lean Journey toward becoming a more efficient and disciplined manufacturing company. [MMEC staff member] in particular has been a great help—their positive approach and insightful guidance are always appreciated."

"This has allowed us to more than double our revenue and opened up contract opportunities that would have otherwise been out of reach."

"We would never want to see this organization go away. There are too many valuable services provided to us. I do not always know of everything that MEP offers so that would be a good start."

"Continue full funding! [MMEC staff member's] MEP is a truly valuable service provider who has provided tangible benefits to our business."

Suggestions for MMEC

"I would have loved to receive more education on the necessary equipment for my project. I suspect that information was beyond the scope."

"Improved communication and project timeliness."

"Not sure. I think it is hard to quantify ROI."

"We needed more full time help and a private company that could support more man hours. We needed more help than initially assumed."

"Have [MMEC Staff member] bring cookies"

The second most frequently cited reason is MMEC's knowledge of individual industries, which has grown in importance over time. In 2025, 29% of respondents cited this as a primary reason, more than double the share five years ago. This suggests that beyond general technical expertise, MMEC's familiarity with the specific needs and dynamics of different manufacturing sectors has become an asset for clients.

Cost of services and reputation for results round out the next most frequently cited factors. Both reflect the importance of returns on investment for manufacturers: firms are not only looking for expertise but also for high-value services at reasonable costs. These two factors have been consistently important over the years, underscoring MMEC's ability to deliver measurable outcomes in a cost-effective manner. Cost of services declined from one-third of respondents in 2020 to a quarter in 2025. Reputation for results has been consistently cited by about a quarter of respondents.

Less frequently cited reasons include access to unique services not available elsewhere, cited by about 1 in 5 respondents. Other infrequently cited reasons include the impartiality of MMEC's advice and the lack of other nearby providers, which remain relevant for a decreasing subset of firms since 2019.

Overall, the 2025 survey reflects continued strong confidence in MMEC's staff and their ability to deliver industry-specific, high-impact support. As manufacturers face increasingly complex challenges, MMEC's blend of general expertise and sector-specific knowledge continues to be a key driver of engagement.

Future Challenges

Survey data from the NIST questionnaire highlight how manufacturers' concerns have evolved in response to both ongoing industry trends and major disruptions such as the COVID-19 pandemic, supply chain instability, and shifting economic conditions.

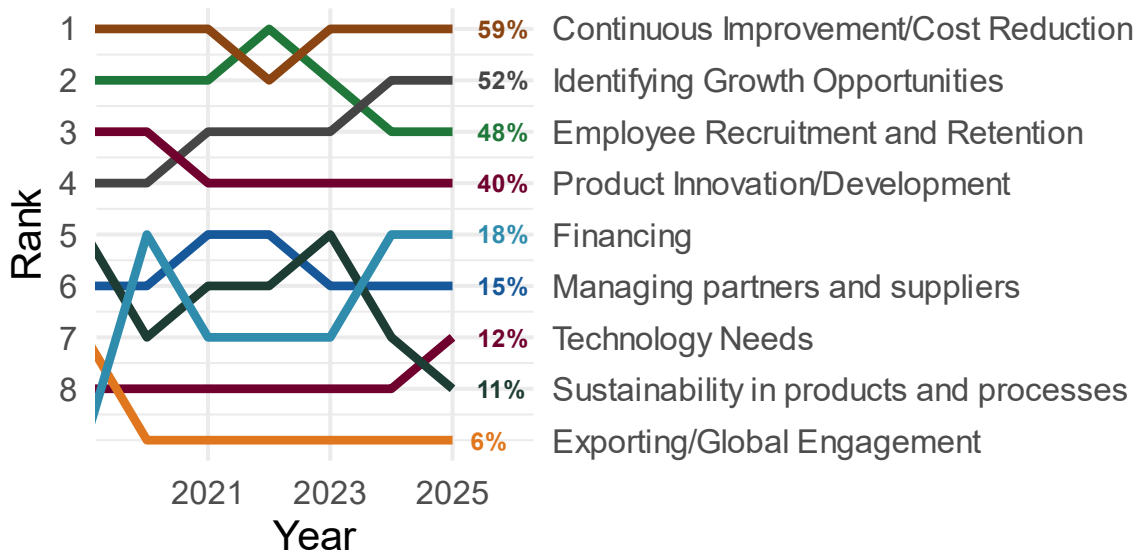
Cost control and process optimization—captured under “ongoing continuous improvement and cost reduction strategies” has been the leading concern since at least 2020 and remains prominent in 2025. Despite a modest decline in the percent of responses since 2020, it underscores manufacturers' continued need to improve efficiency amid rising input costs and competitive pressure.

Identifying growth opportunities has become an increasingly important focus. This concern rose to over half of respondents in 2025, signaling renewed attention to market expansion, diversification, and innovation in uncertain economic conditions.

Workforce issues, particularly employee recruitment and retention, remain one of the most pressing challenges. While the share of respondents citing this issue peaked at 60% in 2022 it nearly half reported it in 2025, reflecting persistent difficulties in attracting and keeping skilled labor but declining importance relative to optimization and growth challenges.

Product innovation and development have consistently been a common concern, ranking fourth in recent years, with 40% of manufacturers citing it in 2025. This suggests ongoing needs to develop new products, but the primary focus remains on cost reductions, growth opportunities and workforce.

Figure 2: Important future challenges facing your business



Supply chain challenges, reflected in the "managing partners and suppliers" category, spiked in 2021–2022 at the height of global disruptions. While these concerns have eased somewhat, with just under 15% identifying them as a challenge in 2025, they remain a notable consideration for many firms.

Two areas that have seen significant shifts are financing and sustainability. Financing, the least-cited issue in 2019, rose to the fifth most-cited challenge in 2025, driven by tighter credit conditions and higher interest rates. Sustainability in products and processes peaked in 2023 but has since declined, suggesting that while environmental concerns remain relevant, they are less urgent than other operational or financial issues for most respondents.

Consistently, the fewest respondents have mentioned technological needs, exporting, and global engagement. This pattern indicates that most Montana manufacturers focus on domestic markets and internal operations rather than expanding internationally or investing in advanced technologies. While fluctuations have occurred, technological needs remain in the 10 to 12% range, reaching a low of 7% last year. Undoubtedly, technological needs could fit within the often-cited concern of continuous improvement and cost reduction.

Taken together, the data reveals how manufacturers are shifting priorities in response to persistent concerns like workforce retention and financing toward cost control and growth.

Quantitative Estimates of MMEC Visit Outcomes

The 2025 survey results provide a detailed look at the measurable impacts of MMEC's work with Montana manufacturers. While the 21% decrease in survey participation would naturally contribute to lower total values, Table 3 shows that 7 of the 11 outcomes questioned rose more than expected, indicating meaningful growth in MMEC's service outcomes despite lower participation. Additionally, some clients noted the challenge of capturing long-term benefits, especially from shorter engagements, within a single survey window, suggesting that the reported figures may understate MMEC's overall impact.

Job-related outcomes remain a key indicator of MMEC's effectiveness. In 2025, MMEC-assisted manufacturers reported a total of 391 jobs retained or created, including 287 retained jobs, a 26% increase over expectations. Manufacturing employment has declined somewhat nationally, and while Montana's growth since the pandemic was impressive, it was short-lived. Montana's manufacturing sector has since converged toward the slower broader national trends. Despite slow employment growth in the sector, MMEC clients retained about five jobs and created nearly two additional jobs above expectations. This strong growth in job creation highlights MMEC's role in helping firms address the most persistent challenges cited by Montana manufacturers over the past two years: continuous improvement and growth amid broad workforce challenges.

Sales outcomes are continually the highest quantifiable impacts, maintaining the meaningful gains seen last year. Total increased and retained sales was nearly \$55 million in 2025, up from \$46 million two years ago despite a lower response rate. The bulk of this growth came from retained sales, which remained in the high 30 to low 40 million range, with an additional \$17 million in new sales. These figures are substantially higher when adjusted for the lower response rate. While broader economic headwinds and inflation may be slowing overall market value and expansion, these results suggest MMEC continues to help firms protect existing market share or grow revenue.

Investment declined. Total investment fell 24 percent below expectations, led by sharp drops in "other areas" and in new product or equipment investment. Human capital fell too, down a quarter million dollars overall, but it was the only subcategory to rise on a per-respondent basis, increasing more than 50 percent. The pattern suggests a shift toward short-term staffing over capital projects, historically the weakest driver of impacts. There is a slight signal that MMEC and manufacturers are shifting focus toward short-term, staffing-heavy investments, one of the weakest impact categories in 2023 to 2024. If investment remains subdued in the sector, MMEC impacts would reflect that as well.

Overall, the 2025 survey reflects a strong return on MMEC's services, especially in areas that directly affect growth. Total sales and jobs were the largest areas of quantifiable impact, helping Montana manufacturers build resilience and bolster their revenue and workforce in an increasingly uncertain environment.

Table 3: Total sales, costs, investments, and jobs earned or saved, 2024 and 2025

<i>Q</i>	<i>Category</i>	<i>2025</i>	<i>2024 Per Respondent</i>	<i>2025 Per Respondent</i>	<i>% Change Per Respondent</i>
	Total jobs	391	5.35	6.74	+26%
5	Retained jobs	287	4.27	4.95	+21%
7	Created jobs	104	1.08	1.79	+66%
	Total sales	\$54,743,109	\$506,552	\$943,847	+86%
4	Increased sales	\$16,737,583	\$158,279	\$288,579	+82%
6	Retained sales	\$38,005,526	\$348,273	\$655,268	+88%
	Total Investment	\$14,277,518	\$325,019	\$246,164	-24%
12	New products	\$3,745,740	\$91,371	\$64,582	-29%
9c	Human capital	\$750,960	\$8,394	\$12,948	+54%
9a	Plant or equipment	\$8,528,600	\$194,020	\$147,045	-24%
9b	Information	\$522,218	\$10,053	\$9,004	-10%
9d	Other areas	\$730,000	\$21,181	\$12,586	-41%
10	Avoid unnecessary	\$3,306,860	\$67,726	\$57,015	-16%
8	Cost savings amount	\$6,747,330	\$122,730	\$116,333	-5%

Economic Impacts of MMEC Visits and Services

MMEC questioned clients about the number of new jobs created and the number of jobs retained due to MMEC services. The 2025 respondents reported 104 new jobs created and 287 jobs retained for a total of 391 jobs.

The preliminary data suggests that average wages for Montana manufacturing jobs were about \$77,300 in 2025, compared to the state average wage of \$57,000. Total wages associated with the new and retained jobs were approximately \$30.2 million.

BBER's economic impact model, IMPLAN, estimates that the 391 new and retained manufacturing jobs due to MMEC services supported a total of 1,209 jobs statewide in 2025. This includes 818 additional jobs in other sectors of the economy driven by supply chain purchases and household spending. The implied employment multiplier is 3.09, meaning that each manufacturing job supports roughly two additional jobs elsewhere in the economy.

Table 4: Economic impacts of MMEC services, 2025

<i>Sector</i>	<i>Jobs</i>	<i>Wages</i>	<i>Income taxes</i>
Manufacturing	391	\$32,377,076	\$850,648
Other industries	818	\$55,352,107	\$1,499,612
Total	1,209	\$87,729,183	\$2,350,260

Altogether, these jobs generated an estimated \$87.7 million in wages and contributed approximately \$2.4 million in personal income tax revenue to the State of Montana.

Return on Investment and Fees

In 2025, the Montana Manufacturing Extension Center (MMEC) continued its crucial role in supporting the state's manufacturing sector with significant public and private funding. In this year, MMEC was awarded \$839,900 from the National Institute of Standards and Technology, with the same requirement to match those federal funds. MMEC matched the federal award with \$750,000 in funding from the state of Montana and an additional \$514,581 in project fees paid by Montana manufacturers who utilized MMEC's services.

In 2025,

- MMEC's ROI to the Montana taxpayer was **\$2.13 to 1**.
- ROI for MMEC clients was **\$29.18 to 1**.

To assess the effectiveness of these investments in 2025, we can calculate the Return on Investment (ROI) for both the state of Montana and MMEC clients based on the economic impact they realized through these funds.

ROI for the State of Montana

The ROI for the state of Montana is calculated by comparing the increase in Montana individual income taxes generated from jobs created or retained due to MMEC's efforts, to the state's contribution to MMEC. In 2025, MMEC's activities generated approximately \$2.4 million in Montana individual income taxes from both direct and indirect jobs related to their work.

Using the ROI formula:

$$ROI = \frac{\text{Benefits from Investment} - \text{Cost of Investment}}{\text{Cost of Investment}} = \frac{\$2,350,260 - \$750,000}{\$750,000} = \$2.13 \text{ to } \$1$$

This means that for every dollar Montana invested in MMEC in 2025, the state gained \$2.13 in additional individual income tax revenue.

ROI for MMEC Clients

The calculation for MMEC clients' ROI remains the same as previously explained, based on the cost savings, avoided unnecessary investments, and gross margin from new or retained sales.

Benefits to MMEC Clients:

- Cost savings: \$6,747,330
- Avoided unnecessary investments: \$3,306,860
- New or retained sales: \$60,786,248, with a 10% gross margin resulting in \$5,474,311.

Total benefits for MMEC clients:

$$\text{Total benefits} = \$6,747,330 + \$3,306,860 + \$5,474,311 = \$15,528,501$$

The cost of investment for MMEC clients in 2025 is \$514,581 in project fees.

Using the ROI formula:

$$ROI = \frac{\text{Benefits from Investment} - \text{Cost of Investment}}{\text{Cost of Investment}} = \frac{\$15,528,501 - \$514,581}{\$514,581} = \$29.18 \text{ to } \$1$$

This means that for every dollar MMEC clients paid in project fees to MMEC in 2025, they received \$29.18 in value.