

**Legislative Economic Briefing  
March 4, 2022**

**Manufacturing Sector Overview  
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- **Most manufacturers in the state have been operating since the beginning of the pandemic; we did not close our shops**
- **To quote Charles Dickens, “It was the best of times, it was the worst of times.”**
  - **Although many manufactures went through tough periods during the past two years, they did not do it as the same time**
  - **Many manufacturers are now seeing record orders and backlogs**
    - **My company, Graphicast, has seen a 60% increase in new orders in the past year**
    - **Our lead times are out to 26 weeks**
    - **We are booking production hours for January 2023.**
- **Supply chain issues are not all the same**
  - **Some companies are suffering from material shortages or delivery delays**
  - **Some companies are suffering from labor shortages**
  - **Some are suffering from both**
  - **Many of the small shops in the state are vendors for larger companies and the supply chain issues for New Hampshire manufacturers have made these companies part of the supply chain problem for their customers**
  - **The economy will grow at about 4% in 2022, keeping supply chain issues alive**
- **Manufacturers are moving toward:**
  - **More automation as part of the workforce shortage solution**
  - **More use of data analytics and artificial intelligence to improve operations, reduce energy, and improve sustainability**