

2023 Annual Report



**Department of
Development**

Manufacturing Extension Partnership



A note to readers...



Dear Friends,

It's been two years since the launch of the Manufacturing Blueprint for Northeast Ohio, MAGNET and more than a hundred area companies continue to work tirelessly to bring the vision – to make our region a global leader in smart manufacturing – to life. This report for FY 2023 (July 2022-June 2023) shares a few of MAGNET's efforts to drive the four pillars needed for success: Talent, Transformation, Innovation and Leadership.

Manufacturers across Northeast Ohio have added more than 10,000 new jobs. Our region has seen double digit increases in entry-level wages, an 80% increase in people of color in supervisory and management roles, and an 80% increase in technology adoption.

MAGNET worked with 200+ companies on a wide variety of consulting projects, including streamlining plant layouts, marketing strategy planning and execution, and engineering of new equipment that resulted in a reported 1,500+ jobs created or retained. We also engaged with many more companies in various educational settings. Our Manufacturing Innovation, Technology and Job Center opened in October 2022 and the response has been beyond our wildest expectations. By July 2023, 3,500+ students had already been exposed to manufacturing pathways and 550+ individuals placed into careers.

We are extraordinarily grateful for the support of our philanthropic and community partners who make this all possible, and look forward to continued growth in the year ahead.

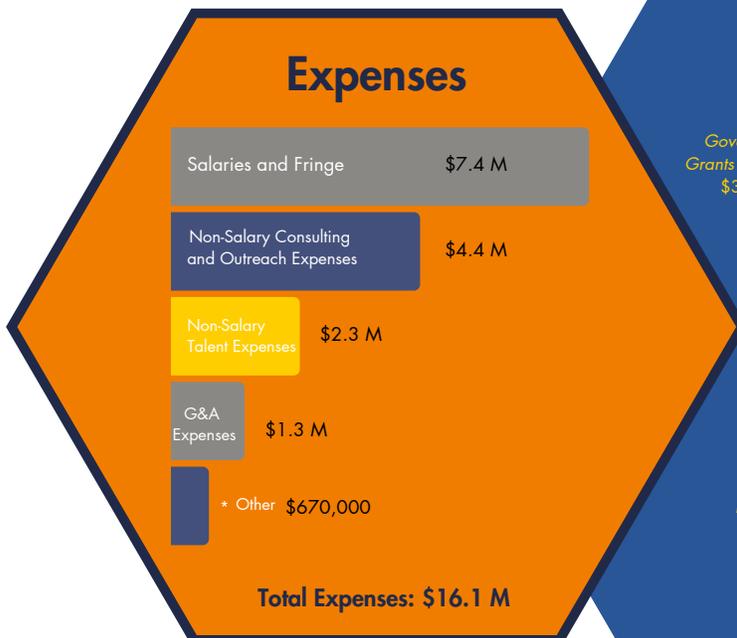
With gratitude,

Ethan Karp, PhD, President and CEO

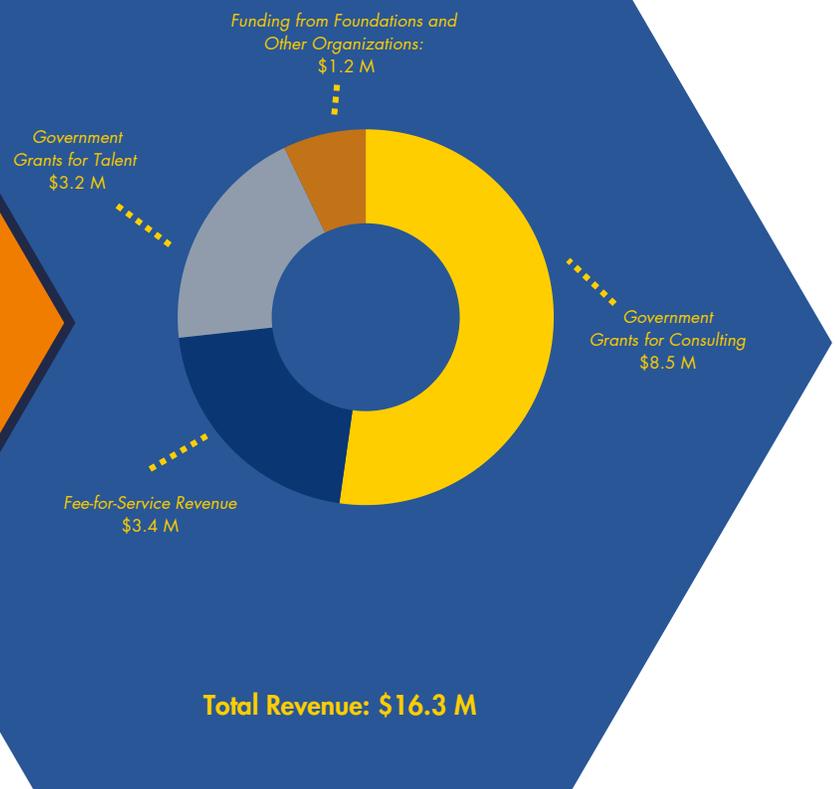
Stephen Lovass, MAGNET Board Chair and EVP, Nordson Corporation

Operating Budget

For the year ended June 30, 2023



Total Revenue



Note: actual GAAP revenue in audited financials is \$18,653,900 which includes non-operating expenses such as donated rent, one-time moving expenses, capital campaign collection, and more

*Other operating expenses include interest payments, building repair reserve, bad debt, and government relations

MAGNET

By the numbers



3,520

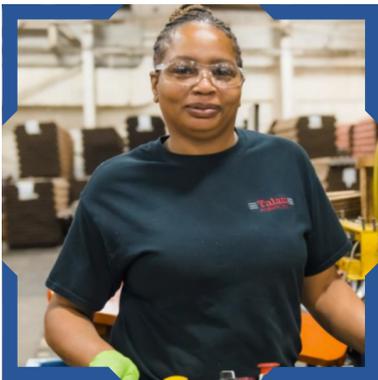
Students

MAGNET made manufacturing awareness presentations to **1,741** students in school, plus another **1,779** students and summer campers experienced manufacturing and its careers during hands-on visits to MAGNET during FY23.

\$712M+

Sales

Northeast Ohio manufacturers attribute **\$712M+** in new and retained sales to their work with MAGNET since 2018.



5,248

Jobs

Since 2018, MAGNET has helped Northeast Ohio companies create or retain more than 5,000 manufacturing positions.

550+

Employees Placed

In FY23, MAGNET helped place 550+ employees in a wide variety of manufacturing careers.



\$1.7M

Investments

The Advanced Manufacturing Fund invested \$1.7M into startups throughout Northern Ohio. Investors provided an additional \$630,000 in funding to companies across a range of industries from energy to automated machinery.

296

Meetings and Clients

Nearly 300 meetings and events were held by outside organizations in the Manufacturing Innovation, Technology and Job Center between October 2022 and June 2023.



Make It Happen: Turning the Blueprint Vision into Reality

The vision set forward by The Blueprint for Manufacturing in Northeast Ohio inspires all of MAGNET's work. The Blueprint identifies four pillars: Talent, Innovation, Transformation and Leadership.

Talent

MAGNET brings together the resources, development opportunities and leadership needed to launch people in manufacturing careers. Our expert Talent Team works directly with partner manufacturers to build a dedicated talent pipeline through various professional awareness-building and training programs that qualify people for well-paying, growth-oriented manufacturing jobs. In the end, the gap is bridged between jobseekers and job fillers.

MAGNET's Early College, Early Career (ECEC) program provides experiential learning opportunities to high school students from populations traditionally underrepresented in manufacturing, including students of color and females, while also building the talent pipeline for local manufacturers. In the past five years, ECEC has graduated **119** students (including 82% people of color and 18% female); and 86% of graduates have gone into manufacturing jobs, college, or both.



"Even if I don't go to college, I'm in a great position to better myself. Everyone is very proud of me."
-Lynda Wilson



In May 2023, ECEC graduated its largest class to-date with **27** students! 47 seniors are currently in the program, and 68 juniors will begin in January 2024!



The efforts dedicated to building ECEC and MAGNET's other talent development programs have garnered national attention, including the [Associated Press](#) and [Chronicle of Philanthropy](#).



"ECEC can help anyone, give them a brand new opportunity at a career that they can carry on for the rest of their lives."
-Musaiq Bailey

Two of ECEC's recent graduates, Musaiq Bailey (Ginn Academy, Class of 2023) and Lynda Wilson (Shaw High School, Class of 2023) both landed full-time jobs at Lincoln Electric, where they interned during the ECEC program.

MAGNET's ACCESS to Manufacturing Careers program, operated by Towards Employment, is a paid three-week, 120-hour, employer-designed program for adults 18+ that includes: (1) training on basic technical skills, ending in certification; (2) support for job readiness and workplace skills; and (3) ongoing coaching for a year after placement. Since launching in June 2020, the ACCESS program has now graduated more than **230** individuals – over 80% of whom are people of color and 65% of whom are individuals returning from the criminal justice system.





Since graduating from [ACCESS to Manufacturing Careers](#) in March of 2022, not only did Mario Gross find a career as a CNC Machinist, but he was promoted and established a 401k and now contributes to his savings regularly. "These are things I've only dreamed of," Gross said. "I'm in a position now to have a career, not just a job."

Transformation

From engineering products and machines to enhancing strategy and cybersecurity, our manufacturing experts partner with companies to help them reach new levels of success. The Operational Excellence, Strategy, Marketing and Sales, Technology and Engineering, and New Ventures teams help manufacturing businesses grow locally and compete globally. For nearly four decades, MAGNET has leveraged the combined experiences of its highly experienced team of industry-specific advisors to guide the success of a variety of manufacturing projects in Northeast Ohio.

Lighthouse Tours

In July 2022, MAGNET kicked off the first of our "lighthouse" manufacturer tours – opportunities for area manufacturers who have adopted Industry 4.0 technology to open their doors to other manufacturers to help explain the use of the new equipment or system. This concept is to guide manufacturers who may need to see things like cobots or Internet of Things sensors in action to best understand how they could be applied to their own business.

Lighthouse Tours this fiscal year included visits to Alloy Precision Technologies, Haltec and Bowden. Tours have continued through the fall.



Haltec hosted an FY23 Lighthouse Tour



Automation is a key component of Industry 4.0

Innovation



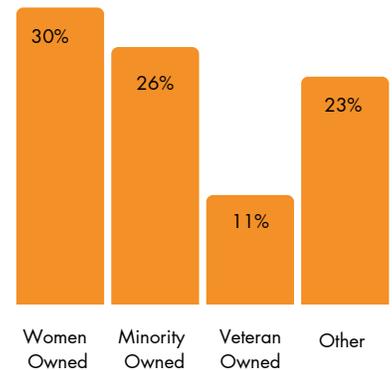
MAGNET helps entrepreneurs and established companies build a working prototype, construct a persuasive pitch, develop a manufacturing process, or design a go-to-market plan. MAGNET's New Ventures team works with physical product and hard tech startup companies to transform ideas into businesses. By asking innovators fundamental product development questions, our team can ensure customers will get solutions they need.

MAGNET's New Ventures team hosts Mspire, Northeast Ohio's premier annual pitch competition exclusively for manufacturing-focused, physical product entrepreneurs. The seventh annual Mspire was held on July 26, 2022 at MAGNET. In total, 40 applications were received, 20 were reviewed in the semifinals, nine finalists presented in-person at the competition, and five winners were named. Prizes were adapted to meet the needs of the winning companies/products, and ranged from cash awards to consulting on sales, marketing, engineering, and operations to booth space at Industry Week's Manufacturing & Technology Show.



2022 Mspire award winners Aaron Wallace from Onedrus and Sarah Jordan from Skuld.

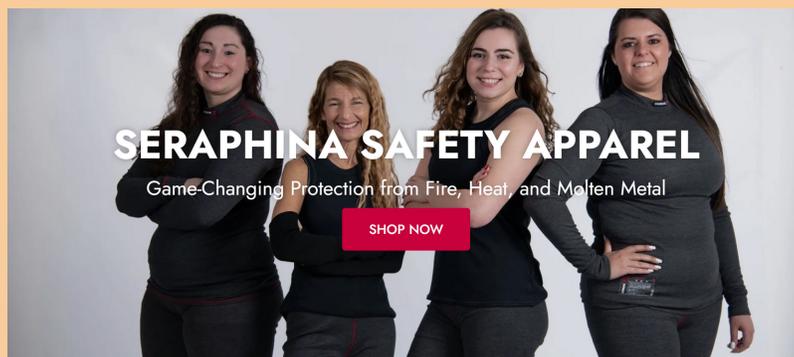
New Ventures Startup Demographics

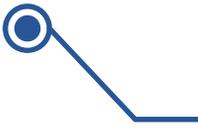


2022 Mspire Win Key to Successful Launch for Seraphina Safety

Seraphina Safety, the maker of "flame-resistant base-layer clothing for women working in industrial occupations and motorsports," received a \$10,000 marketing prize at the **2022 Mspire** event. Founder and CEO Kelly Franko has used the services of MAGNET's Strategy, Marketing, Sales (SMS) group to deliver the new website which will better serve her target customers.

In addition, the New Ventures team helped Kelly research her addressable market. Kelly faced pushback during a pitch for funding because the group of judges did not understand the full product benefits and therefore, did not place significant value on the design (which includes a utility patent) of the product. The New Ventures team helped Kelly re-work her pitch deck to better communicate the unique value the product brings to the women's safety apparel market.





Leadership



MAGNET is a servant leader. We champion systems and investments that drive manufacturing growth in Northeast Ohio to lead the world in smart manufacturing. We need bold leadership at every level to lead the world in smart manufacturing.

Community Gives New Building Warm Welcome

On October 27 and 28, 2022, friends, family, supporters and clients celebrated the Manufacturing Innovation, Technology and Job Center’s grand opening. The event garnered nearly 1,500 visitors who shared genuine enthusiasm and gratitude for the new life of the former Cleveland Metropolitan School District building, and looked forward to the future the opportunities MAGNET’s new headquarters will bring their family, friends and neighbors. Scan the QR code below to view a highlight video, where event guests shared their sentiments about the future of manufacturing and their community.



Cutting the ribbon on the Manufacturing Innovation, Technology and Job Center



Scan to view Building Opening Video



MAGNET employees and community members enjoy the new space at the building’s Grand Opening in October 2022.



1800 E. 63rd St. Cleveland, OH 44103



SAVE THE DATE!

The Future of Manufacturing is NOW!
March 5, 2024
Corporate College East. Register today
manufacturingsuccess.org/manufacturingconference.

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Thank you to the donors who have made this fiscal year possible. Please scan the QR code below to view the full donor listing.



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