

## Manufacturing Future Economic Growth and Job Creation

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- World Economic Forum report highlights the manufacturing sector as a critical driver of growth, prosperity and innovation
- Input from more than 70 CEOs and senior executives from the manufacturing sector; case studies from developed and emerging economy countries
- Read the full report at <http://www.weforum.org/reports/manufacturing-growth>
- Watch the video at <http://www.youtube.com/watch?v=g0o2roalitU>

New York, USA, 2 May 2013 – The manufacturing sector has a fundamental role to play in global economic growth and job creation for emerging economies and developed markets, says a new report released today by the World Economic Forum, in collaboration with Deloitte Touche Tohmatsu Limited.

According to *Manufacturing for Growth – Strategies for Driving Growth and Employment*, key drivers behind a successful advanced manufacturing strategy include a competitive tax system, free and fair trade, education and talent development, energy efficiency, and technology and innovation.

“ Our report reflects the broad support – from business and government – that is necessary and exists today to create a progressive, innovative enabling environment for manufacturing, ” said <sup>Andrew Liveris</sup>, Chairman and Chief Executive Officer of The Dow Chemical Company and Global CEO Champion of the World Economic Forum ’ s Manufacturing for Growth project. “ Manufacturing adds value, creating more jobs than any other sector, driving innovation throughout every segment of our society and delivering consumer solutions – all of which are the keys to long-term, sustainable economic growth. ”

Based on discussions with more than 70 chief executives and other senior executives, as well as workshops with industry, academic and policy leaders held over the course of 2012, the report offers policy recommendations for six countries: Germany, Japan, the United States, Brazil, China and India.

While the recommendations vary based on industry sector and the unique circumstances of each country, several common and recurring themes have emerged regarding what constitutes effective public policy to drive growth from manufacturing industries: competitiveness, fairness, stakeholder collaboration, institutional legitimacy, credibility and market confidence, financial prudence, and consistency, stability and certainty.

“ Countries are now thinking more strategically about how to develop an integrated portfolio of public policies that enhance the overall innovation capability of the nation to design, develop and manufacture a wide variety of sophisticated products. That is, how to foster an advanced manufacturing ecosystem ”, said <sup>John Moavenzadeh</sup>, Senior Director and Head of the World Economic Forum ’ s Mobility Industries Team. “ As global value chains of design and production of goods are becoming more complex, businesses, government, labour organizations and academia need to collaborate in making strategic choices about how to develop and sustain the knowledge and capabilities necessary to be leaders in the advanced manufacturing economy. ”

“ Our research highlights that today ’ s manufacturing value chains are global, highly interconnected and rapidly changing, ” added <sup>Greg Giffi</sup>, Vice-Chairman and Consumer & Industrial Products Industry Leader at Deloitte. “ It further shows that innovation of manufactured products and manufacturing processes are among the most critical drivers

of economic growth and prosperity. Our hope is that this work will inform the dialogue between business and government leaders as they debate policy that will foster the advancement of manufacturing and creation of high value jobs. ”

The report showcases examples of leading public-private partnership organizations established to foster collaboration to drive the talent and innovation agendas for the manufacturing sector, such as Germany ’ s Fraunhofer Institute, the United States ’ Manufacturing Institute and Japan ’ s Innovative Network Corporation.

These organizations share a common set of best practices and approach to collaboration. They are: demand-driven and highly responsive to specific needs of industry and society; offer a differentiated value proposition that transcends traditional business barriers; have a long-term horizon and flexible in measuring success; and seek revenue streams beyond government or public funding and they have core structural integrity.

Through three demonstrative case studies focusing on the increasing complexity of global value chains in the aerospace, automotive and chemical industry sectors, the report also highlights fresh perspectives to understanding the dynamics of global value chains in the manufacturing sector.

Notes to Editors

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