

2026

State of New Jersey
Manufacturing

Industry Report



Celebrating 30 Years of Supporting New Jersey Manufacturing

As NJMEP celebrates 30 years of service, we are proud to continue standing alongside New Jersey's manufacturing community through periods of growth and change. Since our inception, our mission has remained centered on helping small- and medium-sized manufacturers strengthen operations and adapt to an evolving industrial landscape.

Over the past three decades, manufacturing in New Jersey has continued to transform through technological advancement, workforce shifts, global disruptions, and changing market demands. Through each stage of that evolution, NJMEP has remained committed to providing manufacturers with strategic support and industry-driven resources designed to help businesses succeed.

Thank you to New Jersey's manufacturing community for placing its trust in us over the past 30 years.

As we look ahead, that commitment remains stronger than ever. We are honored to continue supporting New Jersey manufacturers as they navigate new challenges, embrace innovation, and build the next generation of manufacturing success in New Jersey.



Helping New Jersey Manufacture Success





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ABOUT NEW JERSEY MANUFACTURING EXTENSION PROGRAM (NJMEP)

OUR MISSION: YOUR RESOURCE

The New Jersey Manufacturing Extension Program has been the State's premier training and consulting provider for over 20 years, offering the latest innovations in technology, standards, and practices. Our mission is to help New Jersey's small to medium-sized manufacturing businesses access the resources and develop the skills they need to grow, innovate, and expand. Our network, tailored solutions, and engineering know-how give manufacturers the resources they need to stay competitive in a rapidly evolving market.

We offer a full range of consulting and training services that help evolve your organization into an innovative, market-driven, and more cost-effective operation. These services allow you to reduce costs, increase revenue, and maximize your employees' full potential.

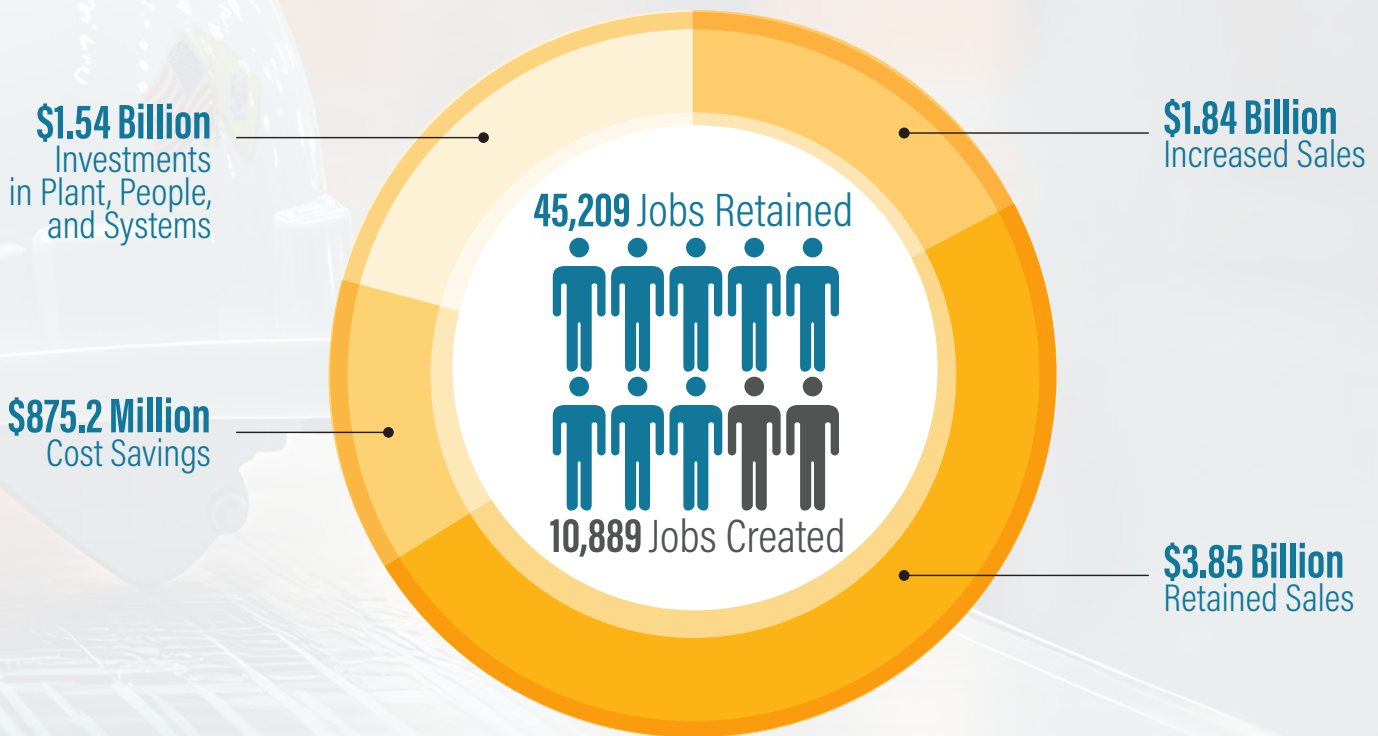
SEAMLESS INTEGRATION

When you enlist our services, NJMEP will manage your project from beginning to completion by coordinating our dedicated team and our expansive network of expert resources, while ensuring the project meets your expectations. Our team provides opportunities for your input, regular updates on your project's status, and measurable results throughout the project lifecycle. We work directly with you and your team to ensure your complete satisfaction.

MEASURABLE IMPACT

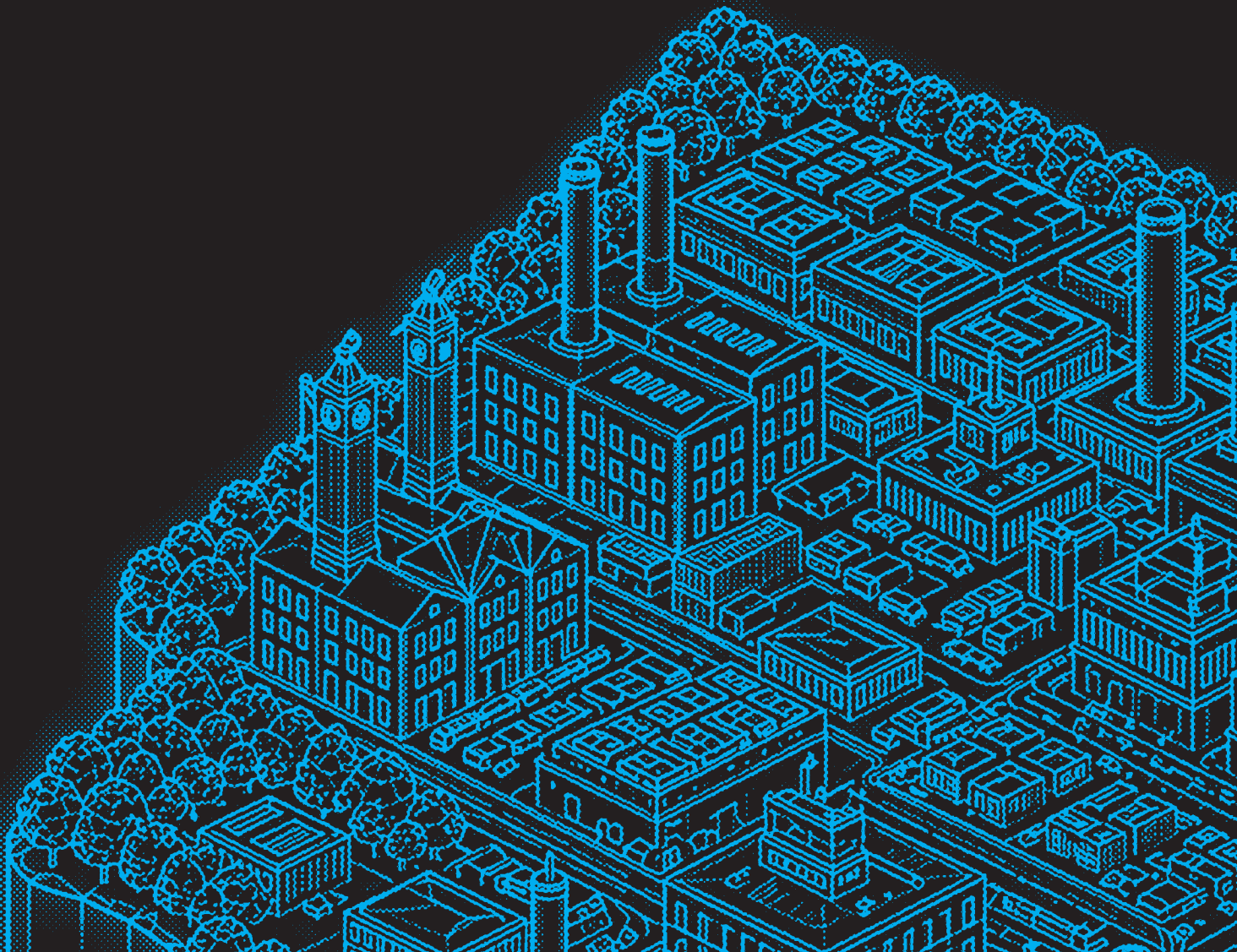
For over twenty years, NJMEP has helped manufacturers become more productive, profitable, and globally competitive. NJMEP's impact is measured by an independent, third-party entity that collects your feedback once a project is completed. Since 2000, NJMEP has helped clients realize over \$8 billion in value.

Since 2000, NJMEP has helped manufacturers realize more than **\$8.11 billion** realized value



State of New Jersey

Manufacturing Observations





OBSERVATIONS

As manufacturers reflect on the past year and prepare for what's ahead, one theme stands out: uncertainty is part of the operating environment. Trade volatility and shifting tariff policies continue to reshape sourcing strategies, pushing more manufacturers to accelerate reshoring efforts and reinvest in domestic capacity. These decisions are no longer simply reactions to disruption; they represent a broader shift toward control, resilience, and long-term competitiveness across supply chains and production operations.

At the same time, technological adoption is entering a more mature phase. Artificial intelligence and automation are moving beyond early experimentation and into day-to-day operations, helping manufacturers drive measurable gains in efficiency, quality, and decision-making. Supporting this shift is a growing recognition that data—how it's captured, structured, and used—is becoming core infrastructure for modern manufacturing.

Workforce pressures also continue to shape the industry. Labor shortages, policy-driven labor challenges, and an ongoing need for specialized skills are forcing manufacturers to rethink how they attract and retain talent. In response, many companies are investing in more flexible, hands-on pathways to build a sustainable workforce. At the same time, cybersecurity and compliance requirements are intensifying, with evolving standards and insurance expectations directly impacting operations and contract eligibility.

Meanwhile, clean energy initiatives and domestic supply chain investments are creating new opportunities across key sectors, even as broader economic conditions continue to demand caution. The manufacturing landscape in 2026 is defined by both risk and opportunity—requiring manufacturers to stay agile, invest strategically, and build resilience across every aspect of their operations.

9 TRENDS WITH A DIRECT IMPACT ON NEW JERSEY MANUFACTURING

Manufacturing has never been a sector that rewards standing still—and 2026 is making that clearer than ever. The forces reshaping the industry are no longer on the horizon; they are on the shop floor, in the supply chain, and embedded in every hiring decision. New Jersey manufacturers who spent recent years adapting to post-pandemic disruption and absorbing the first wave of tariff volatility now face a more complex challenge: a landscape where policy swings faster than production lines can pivot, where artificial intelligence is moving from pilot program to operational backbone, and where the workforce equation is being rewritten by demographic shifts and federal immigration policy alike. The opportunities are real—greenfield investment is building, clean energy supply chains are opening, and state-level incentives are stronger than they’ve been in years. But so are the risks. In 2026, the manufacturers positioned to lead are those who treat uncertainty not as a disruption to endure, but as a condition to build around. The nine trends ahead define exactly what that means for New Jersey’s industrial ecosystem.



Trade Policy, Tariffs & Global Volatility

Still the defining policy headache, but the landscape has shifted. 2025 was the Year of the Tariff—and the legal battle over it is no longer hypothetical. The Supreme Court struck down IEEPA-based tariffs, and the Trump administration has pivoted to reciprocal tariffs under alternative statutory tools—exactly the scenario manufacturers were bracing for, now underway. Many manufacturers are looking for areas they can control, accelerating friendshoring—building supply chains around politically and economically aligned nations—alongside nearshoring and reshoring to reduce single-country exposure. NJ businesses are actively diversifying sourcing away from volatile trade partners, with some shifting to domestic and regional alternatives to stabilize costs and operations.

Reshoring & Domestic Capacity Expansion

Reshoring efforts are beginning to move into the execution phase, as manufacturers focus on filling recently built facilities with equipment, production, and skilled labor. This shift is creating second-order effects across the supply chain, with increased demand for localized suppliers and support services. At the same time, the possibility of new greenfield manufacturing investment remains a major area of focus. Continued investment in productivity and efficiency may help drive the next wave of expansion. In New Jersey, initiatives like the Next New Jersey Manufacturing Program are designed to accelerate this growth, offering tax incentives to manufacturers that commit capital and job creation to in-state operations. Together, these forces signal a broader push toward strengthening domestic manufacturing capacity.

Economic Conditions: Cautious Optimism with Persistent Risk

Manufacturing activity showed renewed momentum entering 2026, with both the S&P Global Manufacturing PMI and ISM PMI reporting continued expansion. However, much of the recent increase has been driven by defensive stockpiling as manufacturers work to stay ahead of supply disruptions, rising material costs, and ongoing geopolitical instability. On top of this, elevated borrowing costs, tariff uncertainty, and continued labor constraints are keeping many manufacturers cautious about long-term investment and hiring decisions. While production activity has improved, cost pressures remain high and manufacturing employment continues to face challenges. In New Jersey, state-level initiatives and bipartisan support for manufacturing investment are helping strengthen long-term confidence. Still, manufacturers are preparing for a wide range of economic scenarios as uncertainty continues to shape planning and operations.



AI, Automation & the Rise of Physical AI

Artificial intelligence is rapidly moving beyond experimentation and into real-world manufacturing operations. The next phase of adoption includes “physical AI” systems—including more autonomous robotics and intelligent machines capable of navigating production environments, transporting materials, and supporting complex workflows with minimal intervention. For manufacturers, the challenge in 2026 is no longer whether to explore AI, but how to implement it effectively at scale. Cost, workforce readiness, data infrastructure, and operational integration are becoming critical considerations as companies work to translate pilot programs into measurable results. In New Jersey, initiatives such as Governor Murphy’s AI Moonshot are helping position

the state as a growing hub for AI innovation by connecting manufacturers with leading research institutions and emerging technologies.

Data Strategy as Manufacturing Infrastructure

Modern manufacturing operations are generating enormous amounts of data through connected machines, sensors, robotics, and production systems. As factories become increasingly automated and intelligent, manufacturers are recognizing that a strong data strategy is no longer just an IT function; it is core operational infrastructure. The ability to collect, organize, and translate data into actionable insights is becoming essential for improving efficiency, forecasting maintenance needs, and supporting AI-driven decision-making. Manufacturers that cannot effectively connect operational data across their systems risk falling behind as digital capabilities continue to advance. As investment in automation and AI accelerates, data readiness is emerging as one of the most important competitive differentiators shaping the future of manufacturing.

Cybersecurity & CMMC Compliance Pressures

Cybersecurity requirements are becoming increasingly tied to business continuity, contract eligibility, and supply chain participation. With the CMMC Final Rule now in effect, manufacturers operating within the defense industrial base are facing heightened pressure to demonstrate compliance with evolving cybersecurity standards. For many manufacturers, cybersecurity has become a competitive requirement. Failure to meet compliance expectations can result in lost contract opportunities, increased insurance challenges, and exclusion from critical supply chains. In New Jersey, manufacturers across the defense sector are actively advancing CMMC readiness efforts as compliance expectations continue to tighten. As cyber threats and regulatory demands evolve, manufacturers that invest in stronger security frameworks will be better positioned to protect operations and remain competitive in high-value markets.



Workforce Challenges & Policy-Driven Labor Pressure

Workforce challenges continue to place pressure on manufacturers as labor shortages, evolving skill demands and shifting immigration policies further tighten the available talent pool. At the same time, manufacturers are adapting to digital production environments shaped by AI, automation, and data-driven operations. New Jersey's manufacturing employment remained volatile entering 2026, reinforcing the need for stronger workforce development and retention strategies. Manufacturers are placing greater emphasis on upskilling, cross-training, and building long-term talent pipelines as competition for skilled labor intensifies. Programs such as the NJMEP and the NJEDA's Future Makers & Creators Tour are helping bridge the awareness gap by bringing hands-on manufacturing technologies and career exploration opportunities directly into schools across all 21 counties.



Clean Energy Supply Chain Buildout

Clean energy investment has created new opportunities across New Jersey's manufacturing sector, particularly within the supply chain supporting renewable energy technologies and infrastructure. Increasing demand for components tied to solar, energy storage, and energy efficiency projects is generating new opportunities for manufacturers positioned to support the growing clean energy economy. Programs such as the Next New Jersey Manufacturing Program are helping accelerate this momentum by prioritizing clean energy manufacturers for investment support and tax incentives. For small and mid-sized manufacturers, the opportunity extends beyond individual projects and into long-term supplier relationships that could shape the next phase of industrial growth in New Jersey.

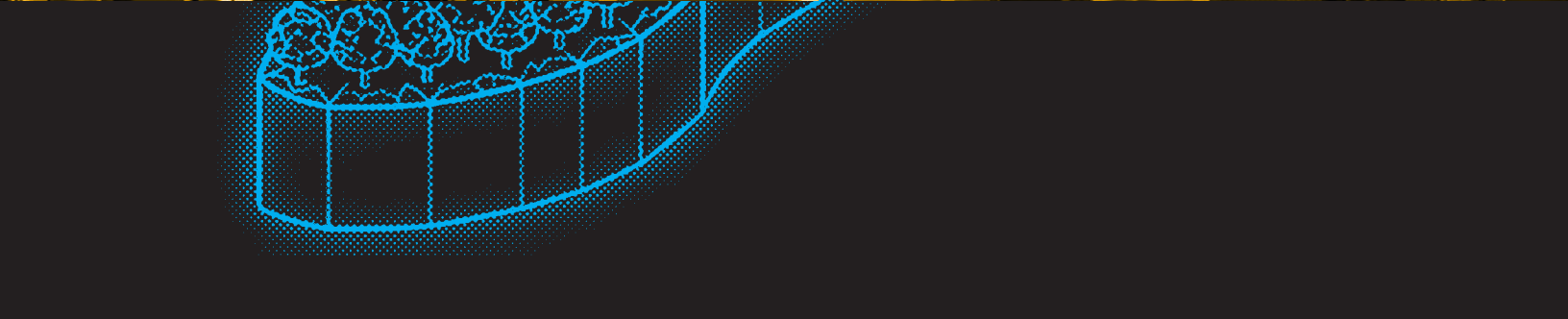
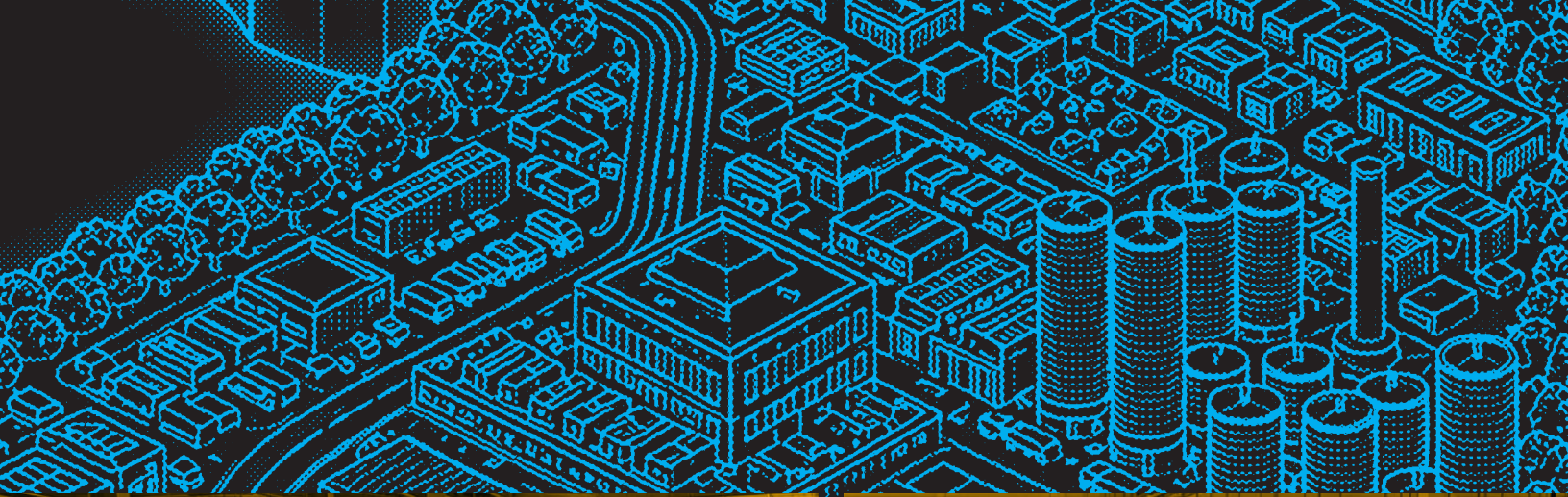


Operational Safety & Workforce Readiness

Safety remains a foundational priority across the manufacturing industry, particularly as production environments become more advanced and technology-driven. As manufacturers adopt automation, robotics, and connected systems, the need for ongoing workforce training and operational readiness continues to grow. Across New Jersey, manufacturers are investing in hands-on training programs designed to reinforce both foundational safety practices and modern technical skills. Resources such as NJMEP's Workforce Training Center and mobile training initiatives are helping expand access to practical, real-world instruction without significantly disrupting operations. Alongside these efforts, workforce development partnerships and grant-supported training programs are helping manufacturers strengthen safety culture, improve preparedness, and maintain high operational standards in an increasingly complex manufacturing environment.

SOURCES:

- 1 <https://www.forvismazars.us/forsights/2026/02/manufacturing-modernization-four-trends-to-watch-in-2026>
- 2 <https://www.americanmanufacturing.org/blog/five-factory-trends-to-watch-in-2026/>
- 3 <https://www.leecontracting.com/5-trends-reshaping-us-manufacturing-2026/>
- 4 <https://aimultiple.com/manufacturing-ai-solutions>
- 5 <https://dodcio.defense.gov/CMMC/About/>
- 6 <https://www.njmep.org/cmmc/>
- 7 <https://whyj.org/articles/new-jersey-business-outlook-2026/>
- 8 https://www.nj.gov/labor/lwdhome/press/2026/20260430_jobs.shtml
- 9 <https://www.njeda.gov/hextrjmtg/>
- 10 <https://www.njmep.org/makersandcreators/>



New Jersey Manufacturing Impacts by Cluster

MANUFACTURING ¹

Employees

253,000

GDP

\$70.9B

Average Wage

\$99,500

LIFE SCIENCES ²

Employees

85,100

GDP

N/A

Average Wage

\$188,400

STEM/TECHNOLOGY ³

Employees

202,900

GDP

N/A

Average Wage

\$165,500

TRANSPORTATION, LOGISTICS & DISTRIBUTION (TLD) ⁴

Employees

447,500

GDP

\$69B*

Average Wage

\$88,000

¹ [https://www.nj.gov/labor/labormarketinformation/assets/PDFs/pub/empecon/Manufacturing%202025%20\(Updated%20with%202024%20data\).pdf](https://www.nj.gov/labor/labormarketinformation/assets/PDFs/pub/empecon/Manufacturing%202025%20(Updated%20with%202024%20data).pdf)

² NJ DOL Custom Employment Data Report for NIMEP - Provided by Jason Timian, Bureau Chief, Labor Market Information, to author, Spring 2026

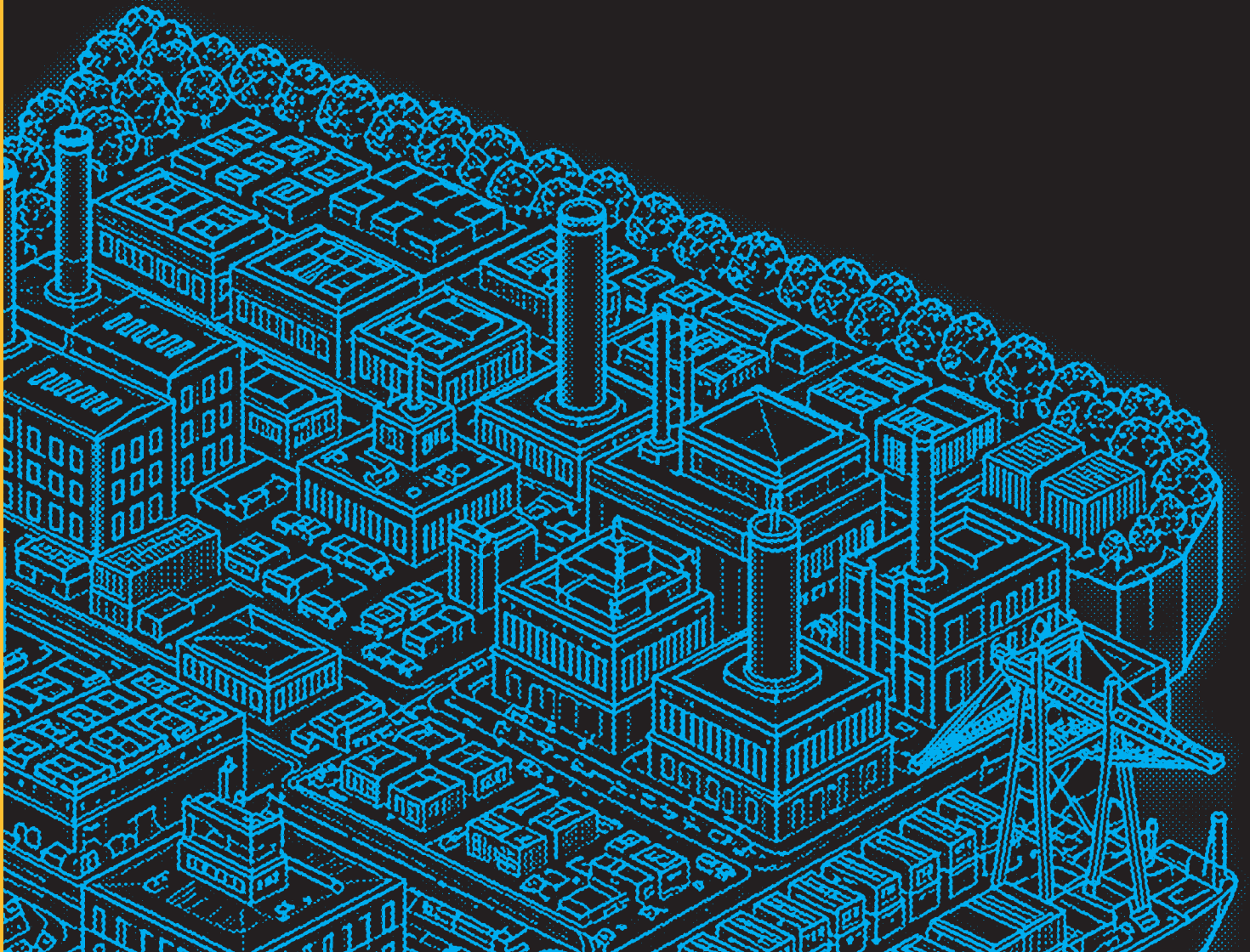
³ NJ DOL Custom Employment Data Report for NIMEP - Provided by Jason Timian, Bureau Chief, Labor Market Information, to author, Spring 2026

⁴ NJ DOL Custom Employment Data Report for NIMEP - Provided by Jason Timian, Bureau Chief, Labor Market Information, to author, Spring 2026

This report is compiled using data provided by the NJ DOL, NJMEP and NJ DOL worked together to provide the most complete report available on the New Jersey manufacturing industry.

State of New Jersey

Manufacturing in New Jersey

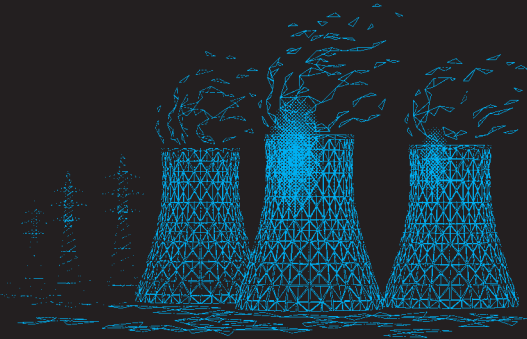


NEW JERSEY MANUFACTURERS BY FEDERAL DISTRICT

District	Senate	House	Counties	Employees-EST
State	Andy Kim			
State	Cory Booker			
1		Donald Norcross	Camden, Gloucester, Burlington	54,789
2		Jeff Van Drew	Atlantic, Cape May, Cumberland, Gloucester, Salem, Ocean	38,766
3		Herbert Conaway	Burlington, Mercer, Monmouth	50,524
4		Christopher Smith	Ocean, Monmouth	23,816
5		Josh Gottheimer	Sussex, Passaic, Bergen	73,491
6		Frank Pallone	Monmouth, Middlesex, Atlantic	66,127
7		Thomas Kean Jr.	Hunterdon, Morris, Warren, Somerset, Sussex, Union	71,924
8		Robert Menendez Jr.	Essex, Hudson, Union	44,227
9		Nellie Pou	Bergen, Hudson, Passaic	82,317
10		LaMonica McIver	Union, Essex, Hudson	44,227
11		Analilia Mejia	Essex, Morris, Passaic	79,147
12		Bonnie Watson Coleman	Middlesex, Mercer, Somerset, Union	92,440
Direct Employment*				403,229

Source: NJ DOL Custom Employment Data Report for NJMEP - Provided by Jason Timian, Bureau Chief, Labor Market Information, to author, Spring 2026 - Total Manufacturing Employment is a combination of manufacturing, food manufacturing, chemical, computer and electronic product manufacturing, fabricated metal products, and medical device.

District employee totals are minimums. QCEW suppresses sector-level data in 19 of 21 counties to protect employer confidentiality—only Essex and Monmouth report fully. Suppressed sectors by county: Atlantic (C/E, Med); Bergen, Middlesex, Morris, Ocean (Med); Burlington (C/E); Camden, Mercer (Chem); Cumberland, Hudson (Chem, C/E, Med); Gloucester, Passaic (C/E, Med); Hunterdon (Chem, Fab Metal, Med); Salem (Fab Metal, C/E, Med); Somerset, Warren (Food, Med); Sussex (Food, Chem, C/E, Med); Union (Total Mfg, Chem); Cape May (all sectors). **Statewide total (403,229) reflects all workers; county and district figures do not.**



Nuclear Energy Re-Enters New Jersey's Long-Term Energy Strategy

In 2026, New Jersey signaled a major shift in its long-term energy strategy with Governor Mikie Sherrill signing legislation that removes the state's decades-long barrier to new nuclear energy development.¹ The move reflects a broader effort to strengthen energy reliability, expand domestic power generation, and support the state's growing electricity demands as manufacturing, AI infrastructure, data centers, and electrification continue to increase pressure on the grid.

While renewable energy remains a major component of New Jersey's clean energy goals, the state is increasingly embracing a more diversified "all-of-the-above" energy strategy that includes nuclear, solar, storage, and grid modernization efforts.¹ Existing facilities such as the Salem and Hope Creek nuclear generating stations already provide more than 40% of New Jersey's electricity and roughly 80% of the state's carbon-free power generation, reinforcing nuclear energy's role as a stable, large-scale source of clean electricity.³⁴

The legislation also opens the door for future next-generation nuclear technologies, including smaller and more advanced reactor designs that could support long-term energy resilience and industrial growth.¹ Alongside the bill signing, the state launched a Nuclear Task Force focused on evaluating future nuclear development opportunities, workforce needs, infrastructure readiness, and energy supply planning.¹

For manufacturers, this evolving energy strategy carries significant long-term implications. Reliable and scalable energy generation remains essential to supporting advanced manufacturing, automation, AI-driven operations, and domestic industrial expansion.² As New Jersey continues modernizing its energy portfolio, manufacturers may see growing opportunities tied to infrastructure development, supply chain participation, specialized manufacturing, and workforce demand connected to the state's expanding clean energy ecosystem.

- <https://www.nj.gov/governor/news/2026/approved/20260408a.shtml>
- <https://njbiz.com/sherrill-nuclear-energy-bill-new-jersey/>
- <https://6abc.com/post/new-jersey-lifts-nuclear-power-moratorium/18859715/>
- <https://www.eia.gov/state/analysis.php?sid=NJ>

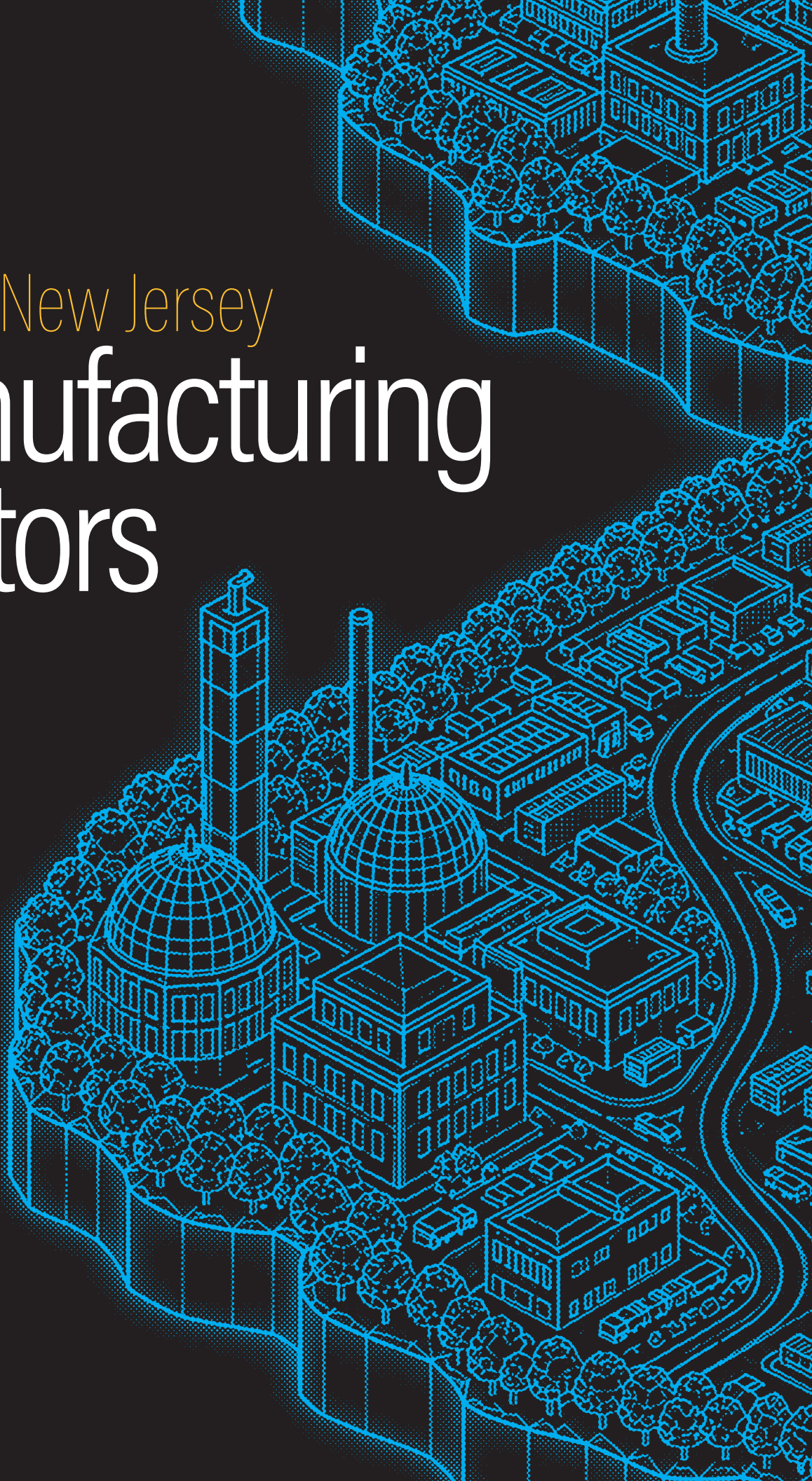
NEW JERSEY MANUFACTURERS BY STATE DISTRICT

District	Senate	Assembly	Assembly	Counties	Employers EST Per District*	Employees-EST Per District
1	Michael L. Testa Jr.	Antwan McClellan	Erik K. Simonsen	Atlantic, Cape May, Cumberland	453	14,510
2	Vince J. Polistina	Claire Swift	Donald A. Guardian	Atlantic	186	3,063
3	John Burzichelli	Heather Simmons	Dave Bailey	Cumberland, Gloucester, Salem	655	26,547
4	Paul Moriarty	Dan Hutchinson	Cody Miller	Atlantic, Camden and Gloucester	1,161	34,606
5	Nilsa I. Cruz-Perez	William F. Moen Jr.	William W. Spearman	Camden, Gloucester	975	31,543
6	James Beach	Louis D. Greenwald	Melinda Kane	Burlington, Camden	1,161	41,608
7	Troy Singleton	Balvir Singh	Carol A. Murphy	Burlington	544	23,246
8	Latham Tiver	Anthony Angelozzi	Andrea Katz	Atlantic and Burlington	730	26,309
9	Carmen Amato	Gregory Myhre	Brian E. Rumpf	Ocean	499	8,858
10	James W. Holzapfel	Paul Kanitra	Gregory P. McGuckin	Monmouth and Ocean	1283	23,816
11	Vin Gopal	Margie Donlon	Luanne Peterpaul	Monmouth	784	14,958
12	Owen Henry	Robert D. Clifton	Alex Sauickie	Burlington, Middlesex, Monmouth, Ocean	3,095	95,168
13	Declan J. O'Scanlon	Victoria A. Flynn	Gerard Scharfenberger	Monmouth	784	14,958
14	Linda R. Greenstein	Tennille McCoy	Wayne P. DeAngelo	Mercer, Middlesex	1,712	60,426
15	Shirley K. Turner	Verlina Reynolds-Jackson	Anthony S. Verrelli	Hunterdon, Mercer	619	15,650
16	Andrew Zwicker	Roy Freiman	Mitchelle Drulis	Hunterdon, Mercer, Middlesex, Somerset	2,368	88,948
17	Bob Smith	Joseph Danielsen	Kevin Egan	Middlesex, Somerset	1,749	73,298
18	Patrick J. Diegnan Jr.	Robert J. Karabinchak	Sterley S. Stanley	Middlesex	1,268	48,106
19	Joseph F. Vitale	Craig J. Coughlin	Yvonne Lopez	Middlesex	1,268	48,106
20	Joseph P. Cryan	Ed Rodriguez	Annette Quijano	Union	255	6,822
21	Jon M. Bramnick	Vincent Kearney	Andrew Macurdy	Middlesex, Morris, Somerset, Union	2,905	108,373
22	Nicholas P. Scutari	Linda S. Carter	James J. Kennedy	Somerset and Union	736	32,014
23	Doug Steinhardt	John DiMaio	Erik Peterson	Hunterdon, Somerset, Warren	829	33,533
24	Parker Space	Dawn Fantasia	Michael Inganamort	Morris, Sussex, Warren	1,221	36,580
25	Anthony M. Bucco	Marisa Sweeney	Arua K. Dunn	Morris, Passaic	1,831	53,884
26	Joseph Pennacchio	Brian Bergen	Jay Webber	Morris, Passaic	1,831	53,884
27	John McKeon	Alixon Collazos-Gil	Rosy Bagolie	Essex, Passaic	1,942	50,894
28	Renee C. Burgess	Chigozie Onyema	Cleopatra G. Tucker	Essex, Union	1,267	32,085
29	M. Teresa Ruiz	Eliana Pintor Marin	Shanique Speight	Essex, Hudson	1,546	37,405
30	Robert W. Singer	Sean T. Kean	Alexander Schnall	Monmouth, Ocean	1283	23,816
31	Angela McKnight	William B. Sampson IV	Jerry Walker	Hudson	534	12,142
32	Raj Mukherji	Ravinder Bhalla	Katie Brennan	Hudson	534	12,142
33	Brian P. Stack	Gabriel Rodriguez	Larry Wainstein	Hudson	534	12,142
34	Britnee Timberlake	Michael Venezia	Carmen Morales	Essex	1012	25,263
35	Benjie Wimberly	Kenyatta Stewart	Al Abdelaziz	Bergen, Passaic	2,682	70,175
36	Paul A. Sarlo	Clinton Calabrese	Gary S. Schaer	Bergen, Passaic	2,682	70,175
37	Gordon M. Johnson	Ellen J. Park	Shama A. Haider	Bergen	1,752	44,544
38	Joseph A. Lagana	Lisa Swain	P. Christopher Tully	Bergen	1,752	44,544
39	Holly T. Schepisi	Robert Auth	John Azzariti	Bergen	1,752	44,544
40	Kristin M. Corrado	Christopher P. DePhillips	Al Barlas	Bergen, Essex, Passaic	3,694	95,438
					11,385	403,229

Source: NJ DOL Custom Employment Data Report for NJMEP - Provided by Jason Timian, Bureau Chief, Labor Market Information, to author, Spring 2026 - Employment numbers are a combination of manufacturing, food manufacturing, chemical manufacturing, computer and electronic product manufacturing, fabricated metal product manufacturing, and medical device manufacturing as outlined in the latest report available by the NJDoL. **District employee totals are minimums.** QCEW suppresses sector-level data in 19 of 21 counties to protect employer confidentiality—only Essex and Monmouth report fully. Suppressed sectors by county: Atlantic (C/E, Med); Bergen, Middlesex, Morris, Ocean (Med); Burlington (C/E); Camden, Mercer (Chem); Cumberland, Hudson (Chem, C/E, Med); Gloucester, Passaic (C/E, Med); Hunterdon (Chem, Fab Metal, Med); Salem (Fab Metal, C/E, Med); Somerset, Warren (Food, Med); Sussex (Food, Chem, C/E, Med); Union (Total Mfg, Chem); Cape May (all sectors). **Statewide total (403,229) reflects all workers; county and district figures do not.**

State of New Jersey

Manufacturing Sectors





Advanced Manufacturing

Advanced manufacturing in 2026 is being shaped less by large-scale technological overhauls and more by practical, targeted adoption. Manufacturers across New Jersey are increasingly implementing technologies that strengthen decision-making and address persistent workforce and supply chain challenges, all while remaining scalable enough for small- and mid-sized operations.

Artificial intelligence has quickly emerged as one of the most discussed and rapidly evolving technologies within the sector. While early conversations focused heavily on experimentation, manufacturers are now beginning to identify practical applications for AI in areas such as predictive maintenance, production scheduling, inventory management, and quality assurance¹. Rather than replacing workers, many of these systems are being used to support leaner, more informed operations.

At the same time, automation continues to become more accessible. Collaborative robots (cobots), modular automation systems, and retrofitted smart equipment are allowing manufacturers to modernize incrementally without fully replacing existing infrastructure².

Cybersecurity and digital infrastructure have also become increasingly tied to advanced manufacturing conversations. As more equipment, systems, and operational data become interconnected, manufacturers are placing greater emphasis on protecting sensitive information—particularly within regulated industries such as defense, pharmaceuticals, and medical devices³.

As adoption barriers continue to decline, advanced manufacturing is becoming less of a long-term aspiration and more of an operational necessity for companies looking to remain competitive in an increasingly technology-driven marketplace.

1. <https://www.nist.gov/artificial-intelligence>

2. <https://ifr.org/ifr-press-releases/news/how-robots-work-alongside-humans>

3. <https://www.cisa.gov/topics/critical-infrastructure-security-and-resilience/critical-infrastructure-sectors/critical-manufacturing-sector>

New Jersey's manufacturing industry is a critical driver of the state's economy, continuing to generate substantial output while adapting to shifting market dynamics. As illustrated in the top graph, total GDP from New Jersey's manufacturing sector has remained relatively stable over time, with expected declines during major economic disruptions such as the Great Recession and the COVID-19 pandemic. In recent years, however, the industry has demonstrated renewed momentum, supported by growth across several manufacturing segments.

Between 2016 and 2024, a number of sectors have emerged as clear leaders in driving that growth:

Food manufacturing added approximately \$8.5 billion in GDP, making it the fastest-growing segment over this period and reinforcing New Jersey's strength in food production and processing.¹

Chemical manufacturing followed with \$6.4 billion in growth, maintaining its position as a cornerstone of the state's manufacturing economy.¹

Computer and electronic products manufacturing contributed \$3.3 billion in growth, reflecting continued expansion in advanced and high-tech manufacturing.¹

Beverage and tobacco products added \$2.4 billion, further highlighting the diversification within New Jersey's manufacturing base.¹

On the employment side, manufacturing continues to provide broad-based opportunities across the state. In 2024, employment distribution shows:

Chemical manufacturing accounts for (20%) of total manufacturing employment, underscoring its dual role as both an economic and workforce anchor.²

Food manufacturing represents (17%) employment, aligning with its strong GDP growth and continued demand.²

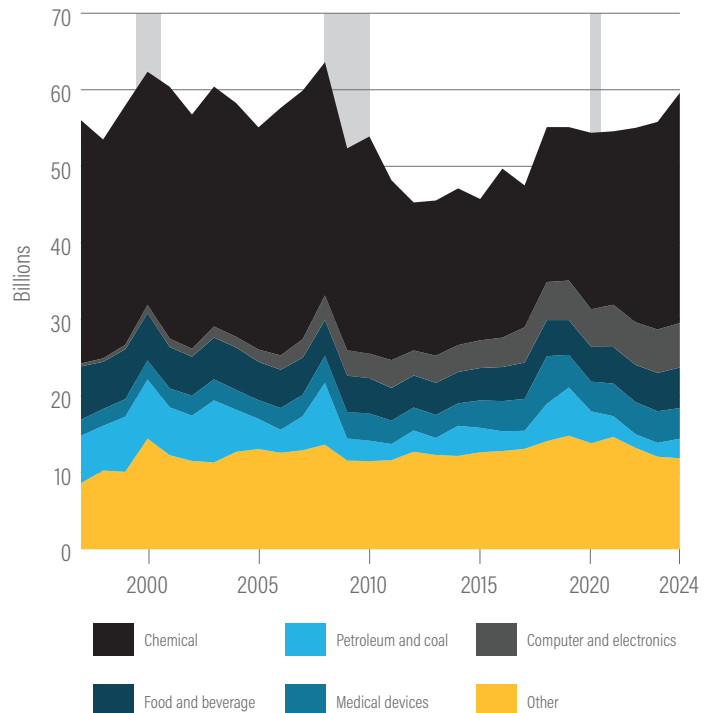
Computer and electronic products make up (10%) of the workforce, demonstrating the sector's growing presence despite its more specialized labor needs.²

Fabricated metal products account for (8%), supporting a wide range of downstream industries.²

Together, these trends point to a manufacturing sector that is not only stable, but increasingly diversified and resilient. Growth in both traditional industries like food and chemicals, alongside continued expansion in advanced manufacturing, reflects New Jersey's ability to adapt to evolving markets.

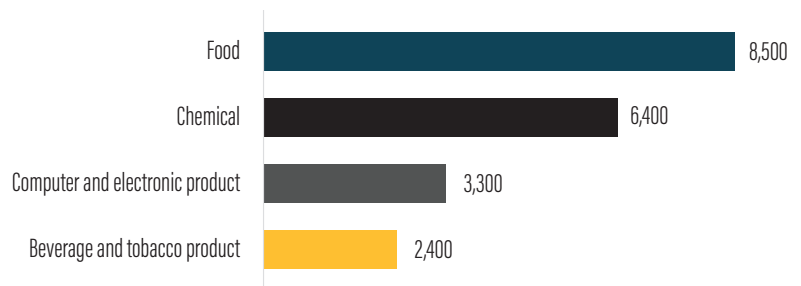
1. [https://www.nj.gov/labor/labormarketinformation/assets/PDFs/pub/empecon/Manufacturing%202025%20\(Updated%20with%202024%20data\).pdf](https://www.nj.gov/labor/labormarketinformation/assets/PDFs/pub/empecon/Manufacturing%202025%20(Updated%20with%202024%20data).pdf)
 2. <https://www.nj.gov/labor/labormarketinformation/tools-resources/publications-reports/industrysectorfocus.shtml>

**GROSS DOMESTIC PRODUCT BY MANUFACTURING SEGMENT
NEW JERSEY: 1997-2024**

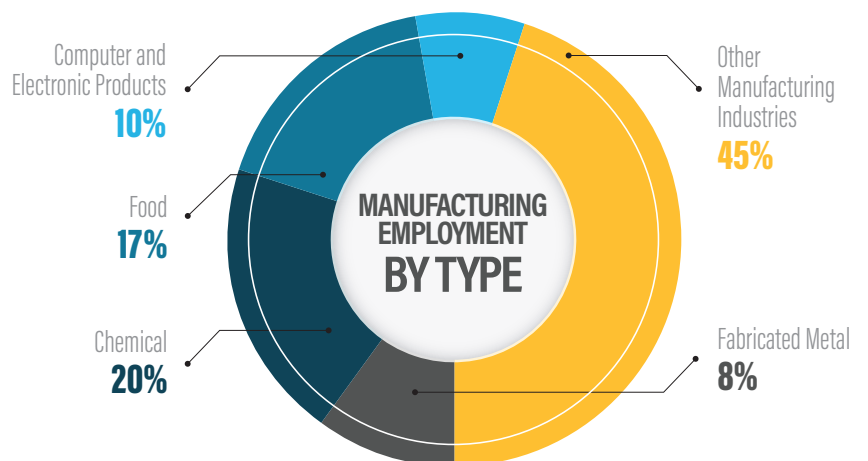


Gray area denotes U.S. economic recession as defined by the National Bureau of Economic Research (NBER)

MANUFACTURING SEGMENTS: FASTEST GROWING FROM 2016-2024



MANUFACTURING EMPLOYMENT BY TYPE: 2024



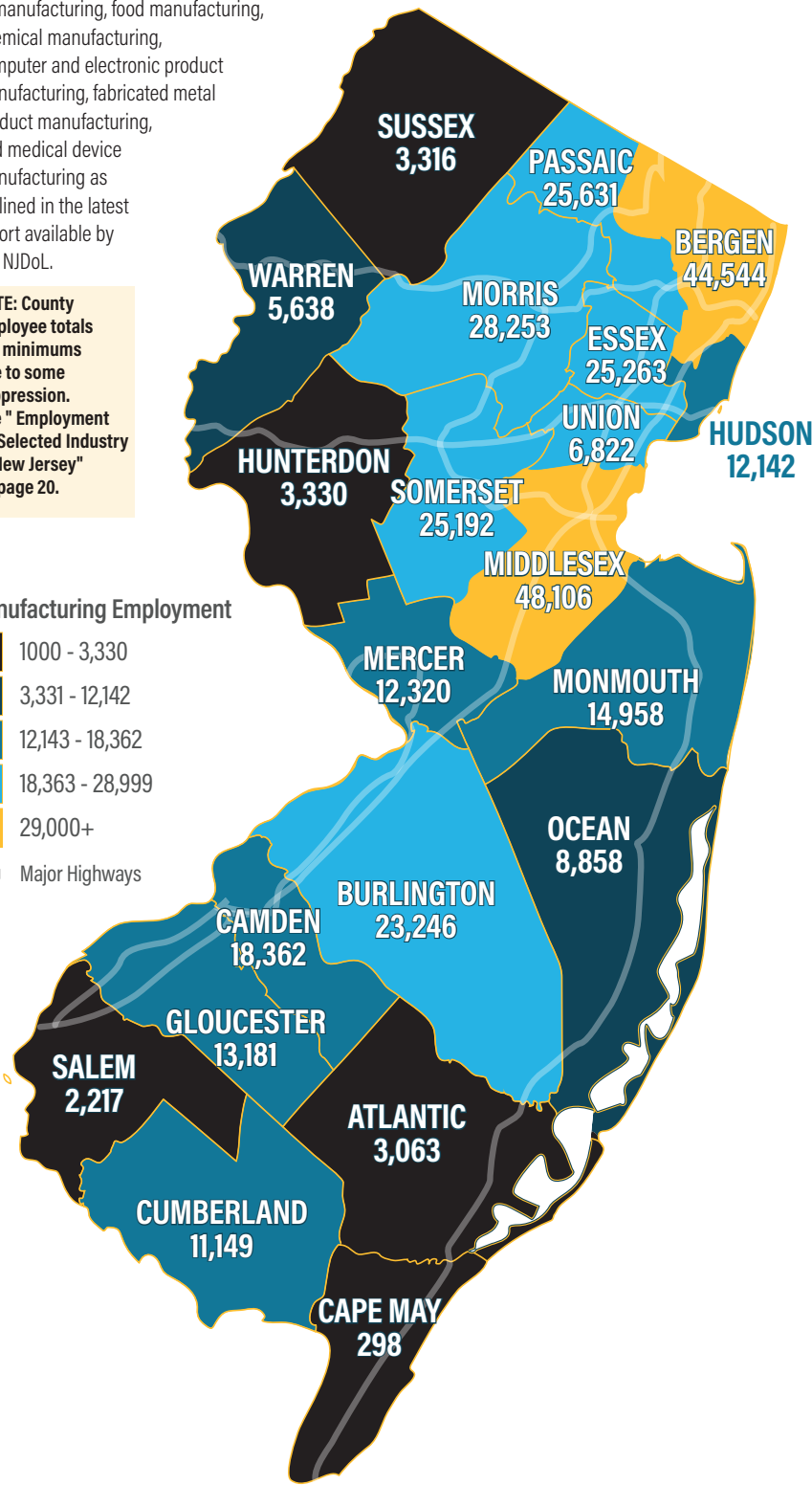
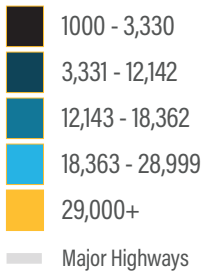
Source: NJ DOL Custom Employment Data Report for NJMEP - Provided by Jason Timian, Bureau Chief, Labor Market Information, to author, Spring 2026

MANUFACTURING EMPLOYMENT NEW JERSEY, 2024

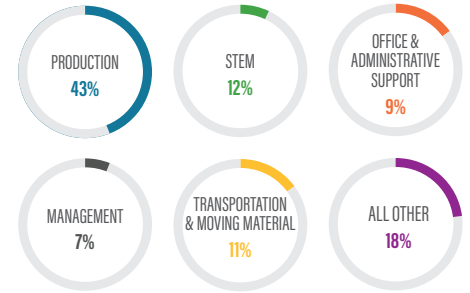
Employment numbers are a combination of manufacturing, food manufacturing, chemical manufacturing, computer and electronic product manufacturing, fabricated metal product manufacturing, and medical device manufacturing as outlined in the latest report available by the NJDoL.

NOTE: County employee totals are minimums due to some suppression. See "Employment By Selected Industry In New Jersey" on page 20.

Manufacturing Employment



BREAKDOWN OF MAJOR OCCUPATIONAL GROUPS WITHIN THE MANUFACTURING INDUSTRY NEW JERSEY, 2024



Manufacturing employment across New Jersey reflects a workforce that is both geographically distributed and functionally diverse, supporting a wide range of industries across the state. Rather than being concentrated in a single region, employment levels show a network of counties contributing at different scales—each playing a distinct role in the broader manufacturing ecosystem.

Middlesex County continues to lead the state with (47,312) manufacturing jobs, followed by Bergen County (43,896) and Morris County (31,136¹). These counties represent some of the most established manufacturing environments in New Jersey, where infrastructure and access to talent have enabled sustained employment levels over time. Nearby counties such as Somerset (27,351), Union (26,475), and Essex (24,217) further reinforce the strength of Central and North Jersey as key employment centers¹.

At the same time, mid-sized and smaller counties contribute meaningfully to the state's manufacturing footprint. Burlington County (23,638) and Camden County (18,230) highlight South Jersey's growing role, while counties like Monmouth (15,559) and Gloucester (13,015) demonstrate consistent employment across a mix of industries¹.

Even in counties with smaller totals—such as Sussex (3,331), Hunterdon (3,150), and Salem (2,305)—manufacturing remains an important source of local employment and economic activity¹.

This statewide distribution is supported by several structural advantages that continue to strengthen manufacturing employment:

- A strong presence in advanced manufacturing supports higher wages and more employment opportunities¹.
- New Jersey ranks among the top states for educational attainment, providing manufacturers with access to a skilled talent pool².
- Proximity to leading research institutions and technology hubs enables faster adoption of advanced processes¹.

1. <https://www.nj.gov/labor/labormarketinformation/employment-wages/quarterly-census/>
2. <https://www.census.gov/quickfacts/NJ>

Source: NJ DoL Custom Employment Data Report for NJMEP - Provided by Jason Timian, Bureau Chief, Labor Market Information, to author, Spring 2026—
County employee totals are minimums. QCEW suppresses sector-level data in 19 of 21 counties to protect employer confidentiality—only Essex and Monmouth report fully. Suppressed sectors by county: Atlantic (C/E, Med); Bergen, Middlesex, Morris, Ocean (Med); Burlington (C/E); Camden, Mercer (Chem); Cumberland, Hudson (Chem, C/E, Med); Gloucester, Passaic (C/E, Med); Hunterdon (Chem, Fab Metal, Med); Salem (Fab Metal, C/E, Med); Somerset, Warren (Food, Med); Sussex (Food, Chem, C/E, Med); Union (Total Mfg, Chem); Cape May (all sectors).

SUBSECTOR DETAILS OF ADVANCED MANUFACTURING ESTABLISHMENTS AND EMPLOYMENT

Between 2019 and 2024, several of New Jersey's core manufacturing sectors continued to evolve alongside changing production models and workforce demands¹.

Food manufacturing added 195 establishments and more than 4,800 jobs statewide, with strong growth concentrated in Bergen, Camden, and Middlesex Counties where distribution access and consumer markets support continued expansion¹.

While employment increased, average employees per establishment declined slightly from 30 to 29, reflecting growth among smaller and mid-sized producers.

Chemical manufacturing saw the largest employment gain, adding 5,634 jobs and 240 establishments statewide¹. Growth is heavily concentrated in Middlesex, Somerset, and Union Counties, where pharmaceutical and specialty chemical production continue to anchor regional manufacturing activity. Average employment per establishment declined from 52 to 46 workers, signaling continued expansion of smaller, specialized operations.

Computer and electronic product manufacturing added 88 establishments and more than 1,800 jobs, particularly across Bergen, Morris, and Camden Counties, reinforcing New Jersey's role in advanced manufacturing and technology-driven production¹.

Meanwhile, **fabricated metal product manufacturing** remained relatively stable despite slight declines in establishments and employment¹. **Medical device manufacturing** added 37 establishments but lost more than 1,100 jobs statewide, though Bergen County continues to be a major hub for the sector¹.

1. <https://www.nj.gov/labor/labormarketinformation/employment-wages/quarterly-census/>

	Establishments	Employment	Employment Per Establishment
Food Manufacturing			
2019	1,251	36,982	30
2024	1,446	41,802	29
Change	+195	+4,820	-1
Chemical Manufacturing			
2019	855	44,560	52
2024	1,095	50,194	46
Change	+240	+5,634	-6
Fabricated Metal Product Manufacturing			
2019	1,146	22,332	19
2024	1,119	21,441	19
Change	-27	-891	0
Computer and Electronic Product Manufacturing			
2019	695	24,353	35
2024	783	26,185	33
Change	+88	1,832	-2
Medical Device Manufacturing			
2019	359	12,710	33
2024	396	10,553	27
Change	+37	-1,154	-6

TOP TEN OCCUPATIONS WITHIN MANUFACTURING IN NEW JERSEY, 2024

OCCUPATION	2024 EMPLOYMENT	SHARE OF INDUSTRY	2024 AVERAGE SALARY	MINIMUM EDUCATION
Total, All Manufacturing Occupations	245,510	100.0%	\$72,580	
Top 10 Occupations	73,999	30.2%		
Miscellaneous Assemblers and Fabricators	9,980	4.0%	\$43,740	High school diploma or equivalent
Supervisors of Production and Operating Workers	9,690	3.9%	\$83,900	High school diploma or equivalent
Laborers of Freight and Stock	9,650	3.9%	\$43,570	No formal educational credential
Chemical Equipment Operators and Tenders	8,190	3.3%	\$54,050	High school diploma or equivalent
Inspectors, Testers, Sorters, Samplers, and Weighers	7,100	2.9%	\$53,190	High school diploma or equivalent
Packaging and Filling Machine Operators and Tenders	7,050	2.8%	\$44,950	High school diploma or equivalent
Packers and Packagers, Hand	6,680	2.7%	\$37,060	No formal educational credential
Electrical/Electronic Assemblers	6,180	2.5%	\$45,580	High school diploma or equivalent
Wholesale Sales Representatives	4,789	1.9%	\$93,480	High school diploma or equivalent
Shipping, Receiving, and Inventory Clerks	4,690	1.9%	\$49,080	High school diploma or equivalent

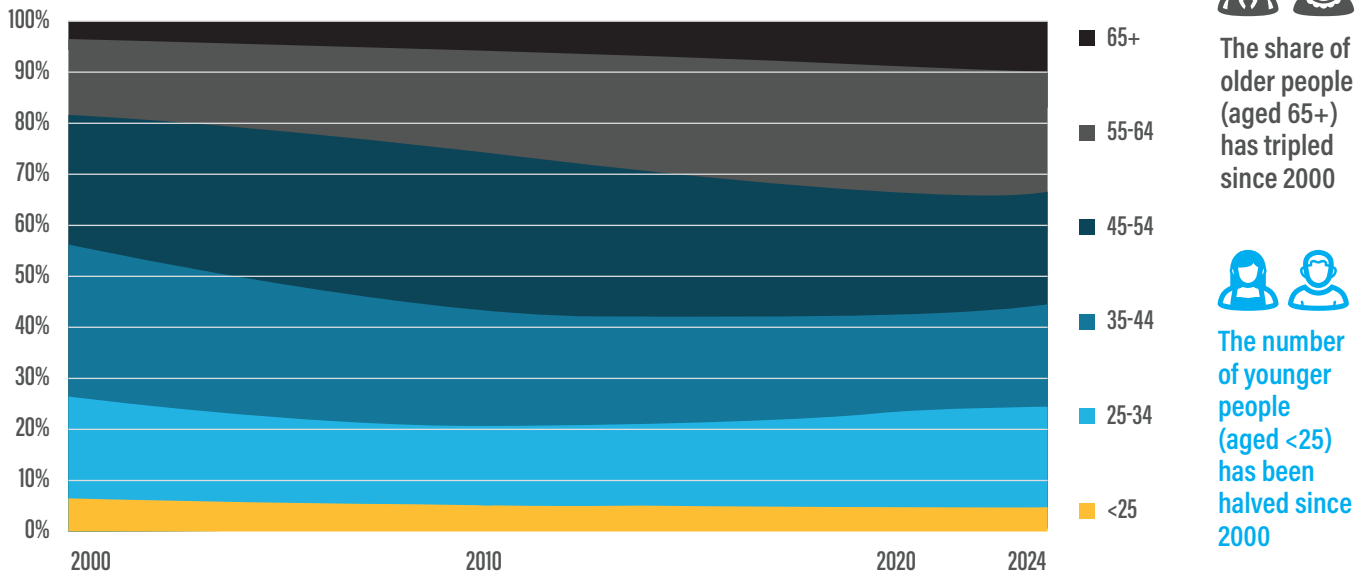
Source: NJ DOL Custom Employment Data Report for NIMEP - Provided by Jason Timian, Bureau Chief, Labor Market Information, to author, Spring 2026

EMPLOYMENT BY SELECTED INDUSTRY IN NEW JERSEY, 2024

MANUFACTURING SECTOR	GENERAL	FOOD	CHEMICAL	FABRICATED METAL PRODUCT	COMPUTER AND ELECTRONICS	MEDICAL EQUIPMENT AND SUPPLIES	TOTALS
STATEWIDE TOTAL	253,054	41,802	50,194	21,441	26,185	10,553	403,229
Atlantic	2,391	399	112	161	ND	ND	3,063
Bergen	29,613	6,250	3,241	2,749	2,691	ND	44,544
Burlington	18,332	2,906	568	1,379	ND	61	23,246
Camden	12,654	2,567	ND	1,290	1,432	419	18,362
Cape May	ND	298	ND	ND	ND	ND	298
Cumberland	8,268	2,484	ND	397	ND	ND	11,149
Essex	16,495	3,199	2,598	1,874	921	176	25,263
Gloucester	9,033	3,283	519	346	ND	ND	13,181
Hudson	9,793	1,849	ND	500	ND	ND	12,142
Hunterdon	2,931	287	ND	ND	112	ND	3,330
Mercer	10,064	723	ND	432	1,005	96	12,320
Middlesex	30,862	4,320	9,277	2,313	1,334	ND	48,106
Monmouth	9,343	1,676	1,002	762	1,286	889	14,958
Morris	18,144	1,059	4,225	1,753	3,072	ND	28,253
Ocean	5,973	1,014	1,375	358	138	ND	8,858
Passaic	18,323	4,591	1,079	1,638	ND	ND	25,631
Salem	1,346	255	616	ND	ND	ND	2,217
Somerset	15,556	ND	7,473	1,101	1,062	ND	25,192
Sussex	2,888	ND	ND	428	ND	ND	3,316
Union	ND	3,671	ND	2,728	313	110	6,822
Warren	3,317	ND	801	679	214	ND	5,011

DEMOGRAPHIC PROFILES OF NEW JERSEY RESIDENTS WORKING IN ADVANCED MANUFACTURING

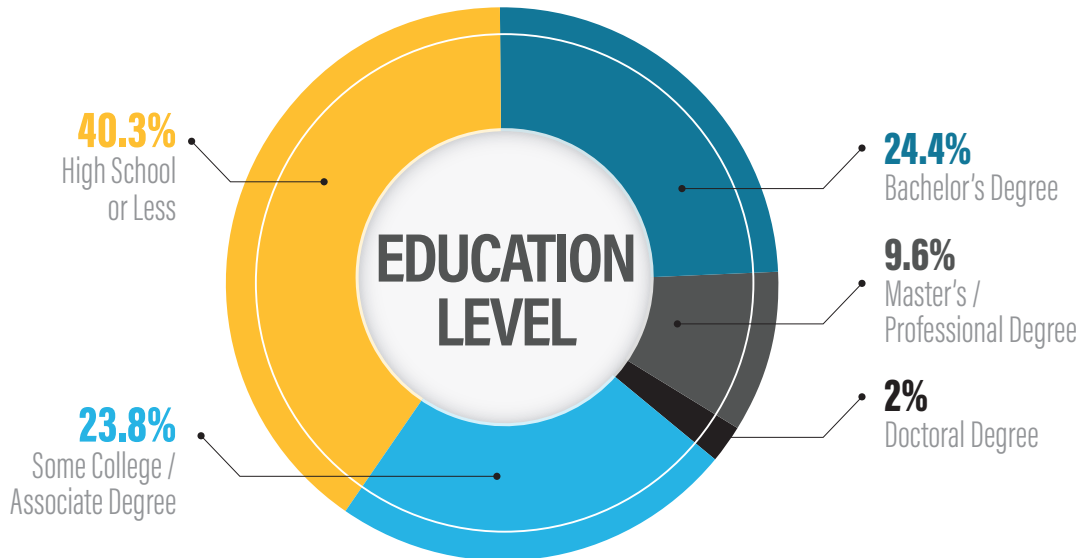
AGE OF MANUFACTURING WORKFORCE IN NEW JERSEY: 2000-2024



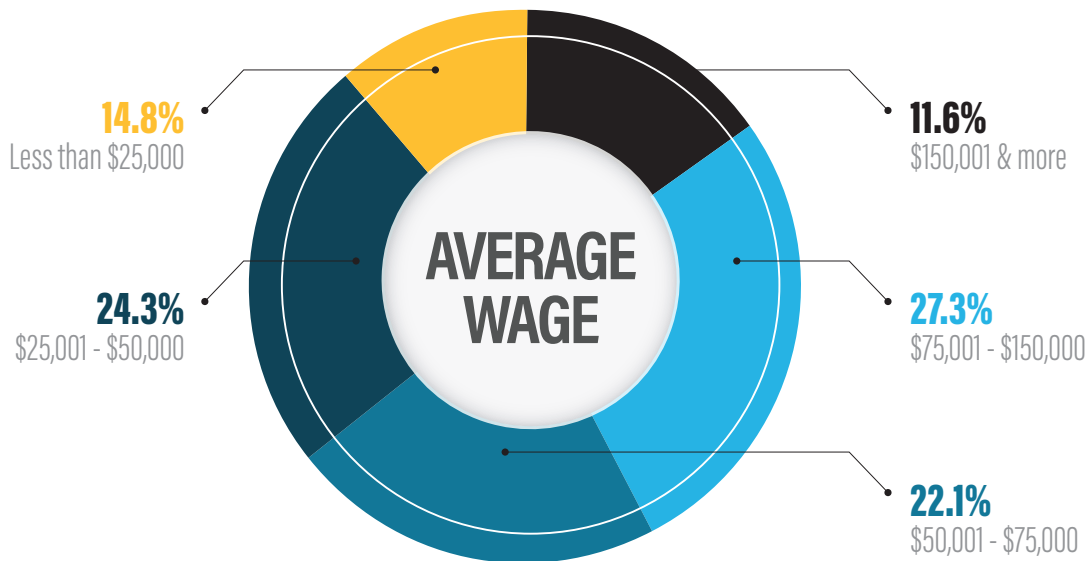
Source: NJ DOL Custom Employment Data Report for NJMEP - Provided by Jason Timian, Bureau Chief, Labor Market Information, to author, Spring 2026 - Source: Quarterly Census of Employment and Wages

EDUCATIONAL ATTAINMENT AND AVERAGE WAGE OF NJ RESIDENTS IN THE MANUFACTURING WORKFORCE

MORE THAN ONE-THIRD OF THE WORKFORCE REPORTED THAT THEY HAVE EARNED AT LEAST A BACHELOR'S DEGREE



NEARLY 40% OF THE WORKFORCE CLAIMED TO HAVE EARNED WAGES ABOVE \$75,000



Source: NJ DOL Custom Employment Data Report for NIMEP - Provided by Jason Timian, Bureau Chief, Labor Market Information, to author, Spring 2026



Veterans in Manufacturing

Veterans continue to represent one of the most experienced and workforce-ready talent pools in New Jersey, bringing leadership, technical training, adaptability, and problem-solving skills that align closely with the demands of modern manufacturing environments. Yet despite these strengths, economic disparities for veterans in the state remain a growing concern.

In 2024, New Jersey's veteran unemployment rate reached 6.0%—double the national veteran unemployment rate of 3.0%¹. At the same time, New Jersey veteran households earned a median annual income of approximately \$90,143, roughly 10.2% below the statewide median household income². Together, these figures point to broader challenges around workforce transition, career placement, and long-term economic mobility for veterans returning to civilian life.

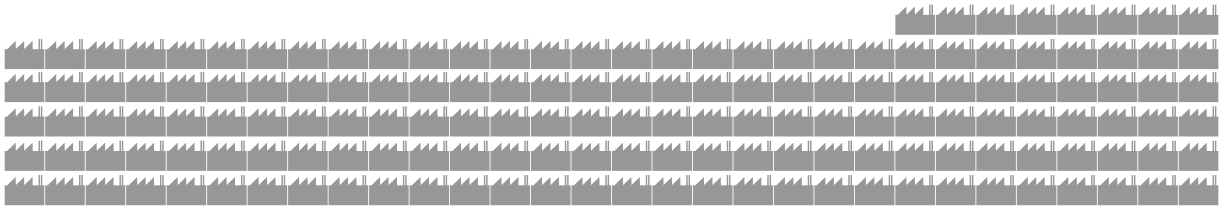
Manufacturing continues to offer a strong pathway forward. As manufacturers across New Jersey face ongoing labor shortages in technical, operational, and supervisory positions, veterans are uniquely positioned to succeed within the industry. Skills developed through military service—including systems operation, logistics coordination, maintenance, leadership, and teamwork—translate naturally into modern manufacturing roles that increasingly rely on precision, accountability, and advanced technology.

As workforce development continues to be a critical issue statewide, strengthening pathways between military service and manufacturing careers presents an opportunity not only to support veterans, but also to help address the long-term workforce needs of New Jersey's manufacturing sector.

1. <https://www.bls.gov/news.release/vet.nr0.htm>

2. <https://veteransdata.info>

NJDMCC PARTICIPATION STATISTICS, 2024

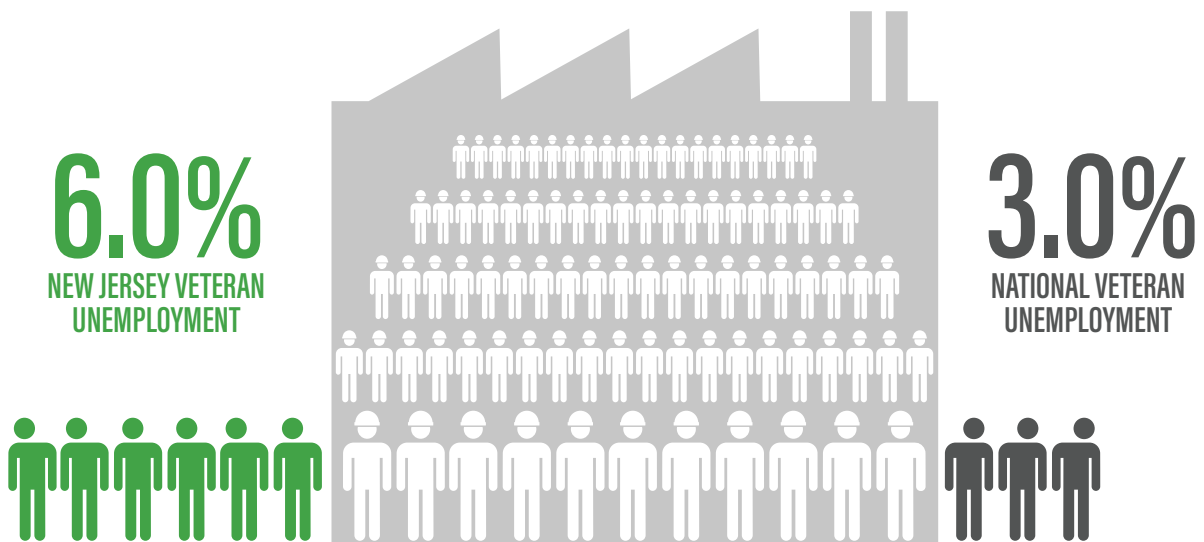


158 COMPANIES IN NEW JERSEY
IN THE NJDMCC AS OF 2024

248 VETERANS, SOON-TO-BE-VETERANS, AND VETERAN FAMILY MEMBERS
ARE PART OF THE COMMUNITY, RECEIVING TRAINING FROM NJMEP

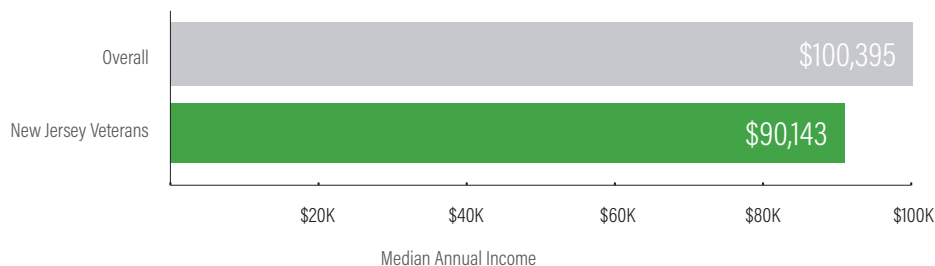


NEW JERSEY VS NATIONAL VETERAN UNEMPLOYMENT RATE, 2024



BLS Table 6A, 2024 annual averages — released March 2025

IN NEW JERSEY VETERANS EARNED 10.2% LESS THAN THE MEDIAN ANNUAL HOUSEHOLD INCOME IN NEW JERSEY



Source: Housing Assistance Council tabulations of the 2019-2023 ACS



Food Manufacturing

Food manufacturing continues to be one of New Jersey's largest and most economically significant manufacturing sectors, supporting more than 41,800 jobs across approximately 1,448 establishments statewide in 2024¹. Ranked among the top 10 states nationally for food processing, New Jersey's industry benefits from dense population centers, regional distribution access, and proximity to some of the country's largest consumer markets¹.

In recent years, the sector has also emerged as one of the fastest-growing areas of manufacturing in the state, adding roughly 8,500 jobs between 2016 and 2024¹. Much of this growth has been driven by bakery production, specialty food manufacturing, and consumer demand for locally processed and diversified food products.

At the same time, the industry is entering a period of increasing operational pressure. Food manufacturing wages in New Jersey average approximately \$62,853 annually—about 25% below the statewide private-sector average—leaving many producers with limited flexibility to absorb rising costs². As tariffs continue to impact imported ingredients, packaging materials, and specialty goods, manufacturers are navigating a more complex cost environment while also facing rising energy and operational expenses².

Despite these challenges, New Jersey's food manufacturing sector is still highly resilient. Its combination of established infrastructure, workforce scale, and proximity to major supply chains continues to position the state as a national leader in food production and processing.

1. <https://www.nj.gov/labor/labormarketinformation/employment-wages/quarterly-census/>

2. <https://dafre.rutgers.edu/2025/04/23/new-tariffs-and-their-impact-on-the-u-s-food-industry-a-closer-look-at-produce-and-wine-in-new-jersey/>

New Jersey's food manufacturing sector

continues to stand as one of the state's most important and resilient manufacturing industries, supported by strong consumer demand, strategic location advantages, and an increasingly diverse production base. Ranked among the top 10 food processing states nationally, New Jersey's industry benefits from direct access to major East Coast population centers, allowing manufacturers to move products quickly through regional and national supply chains¹.

Between 2016 and 2024, food manufacturing added approximately 8,500 jobs statewide, making it the fastest-growing manufacturing segment in New Jersey during that period¹.

The sector now represents roughly 16.5% of all manufacturing employment in the state, second only to chemical manufacturing¹. Growth has been fueled not only by large-scale food processors, but also by rising consumer demand for specialty, ethnic, and locally-produced food products—areas where many New Jersey manufacturers have continued to expand operations².

Bakery and tortilla manufacturing is the sector's largest subsector, employing more than 15,700 workers and accounting for nearly 38% of total food manufacturing employment statewide¹. Other specialty food manufacturing operations employ an additional 13,277 workers, reflecting the state's diverse consumer markets and concentration of small- and mid-sized producers¹.

At the same time, the industry is entering a more challenging operating environment. Food manufacturing wages in New Jersey average approximately \$62,853 annually—about 25% below the statewide private-sector average and 37% below the state's overall manufacturing average¹. Combined with rising costs tied to imported ingredients, packaging materials, utilities, and transportation, many producers are operating with increasingly narrow margins³.

Tariff-related pressures have added to that strain. New Jersey imported approximately \$13 billion in food and beverage products in 2023—the second-highest total among all U.S. states—making the sector especially exposed to fluctuations in global trade and import pricing². Manufacturers across bakery, beverage, and specialty food production are now navigating higher ingredient and packaging costs while consumers simultaneously shift toward more cost-conscious purchasing behavior^{3,4}.

Even with these pressures, the sector continues to show long-term strength. Food manufacturing remains deeply embedded within New Jersey's economy, supported by established infrastructure, workforce density, and proximity to one of the largest consumer markets in the world.

1. <https://www.nj.gov/labor/labormarketinformation/employment-wages/quarterly-census/>

2. <https://dafre.rutgers.edu/2025/04/23/new-tariffs-and-their-impact-on-the-u-s-food-industry-a-closer-look-at-produce-and-wine-in-new-jersey/>

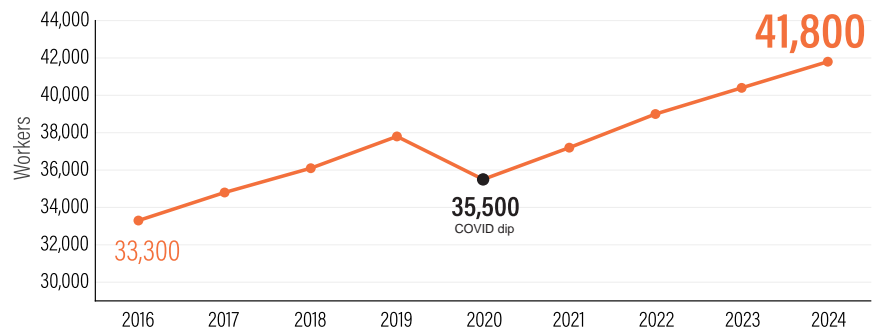
3. <https://budgetlab.yale.edu/research/where-we-stand-fiscal-economic-and-distributional-effects-all-us-tariffs-enacted-2025-through-april>

4. <https://www.pastrystar.com/pastry-and-bakery-trends/the-impact-of-2025-tariffs-on-the-u-s-food-and-beverage-industry/>

FOOD MANUFACTURING

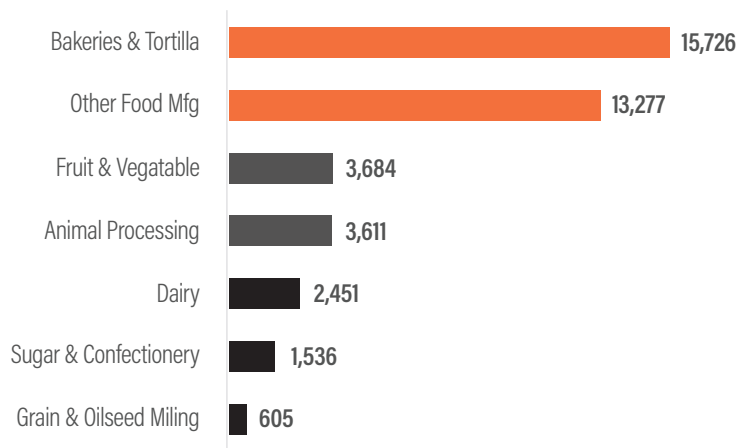
Establishments **1,448** Employees **41,800** GDP **\$2.6B** Average Wage **\$62,853**

NJ FOOD MANUFACTURING EMPLOYMENT TREND, 2016-2024



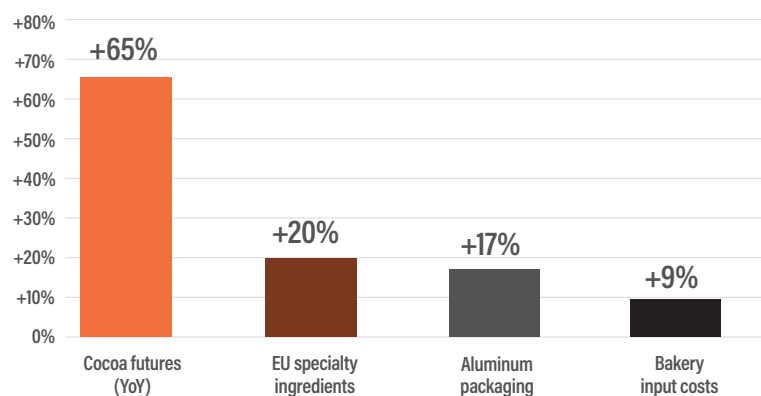
Source: NJDOL QCEW 2024 annual averages; Rutgers DAFRE, April 2025 (import figure), NJDOL 2025 Manufacturing Sector Report; NJDOL QCEW 2024. 2016 and 2024 are confirmed QCEW endpoints; intermediate years are estimated trend.

NEW JERSEY FOOD MANUFACTURING EMPLOYMENT BY SUBSECTOR, 2024



Source: NJDOL QCEW 2024, food manufacturing subsector employment by NAICS code. Seven listed subsectors sum to ~40,890; remaining ~910 workers are in additional specialty sub-industries not listed separately.

TARIFF-DRIVEN INPUT COST INCREASES. 2025



Source: NJDOL QCEW 2024 annual averages; Rutgers DAFRE, April 2025 (import figure)



Energy in Manufacturing

Energy is rapidly becoming one of the defining operational challenges for manufacturers in New Jersey. Beyond labor, materials, and supply chain pressures, manufacturers are now navigating an increasingly volatile utility environment where energy costs have become more difficult to predict, manage, and absorb.

Unlike many other business expenses, energy consumption in manufacturing is deeply tied to physical production processes. From process heat and steam generation to machinery, refrigeration, compressed air, and climate-controlled production environments, energy is embedded into nearly every stage of manufacturing operations. For many companies, particularly in industries such as food processing, chemicals, pharmaceuticals, and advanced manufacturing, reducing consumption is often far more complex than simply using less power.

This challenge has intensified as electricity prices across the region continue to rise. In 2025, New Jersey manufacturers experienced utility rate increases as high as 20% following sharp increases in regional grid capacity pricing¹. At the same time, growing demand from data centers, electrification initiatives, and broader infrastructure constraints are placing additional pressure on the energy grid throughout the Northeast².

Yet despite these challenges, New Jersey manufacturers are among the most energy-efficient in the country, producing high levels of economic output relative to overall energy consumption. That efficiency has become both a competitive advantage and a growing necessity as manufacturers look for new ways to stay productive, resilient, and cost-competitive in an increasingly energy-sensitive economy.

1. <https://www.nj.gov/bpu/about/divisions/energy/bgs.html>

2. <https://www.pjm.com/-/media/DotCom/markets-ops/rpm/rpm-auction-info/2025-2026/2025-2026-base-residual-auction-report.pdf>

Natural gas and electricity together account for more than half of all manufacturing energy use, supporting critical production functions such as process heat, steam generation, machinery, refrigeration, and compressed air systems¹. In industries like chemicals, pharmaceuticals, food manufacturing, and advanced materials, these systems are deeply embedded into day-to-day operations, making rapid energy transitions both technically and financially difficult¹.

At the same time, electricity prices in New Jersey continue to outpace much of the country. Industrial electricity rates reached approximately 13.95 cents per kilowatt-hour in late 2025—roughly 75% above the national industrial average². That gap widened further following the June 2025 utility rate increases, which impacted manufacturers across all utility territories statewide³.

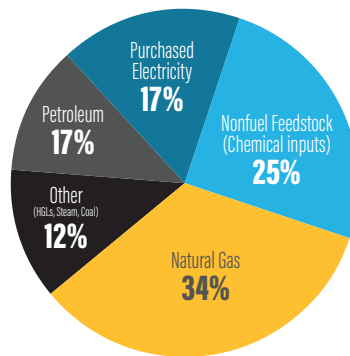
The primary driver behind those increases was a dramatic spike in PJM capacity auction pricing. Between the 2023/24 and 2024/25 auction cycles, wholesale capacity prices surged from approximately \$29/MW-day to nearly \$270/MW-day—an increase of more than 800%⁴. Growing electricity demand from data centers and regional infrastructure constraints continue to place pressure on the grid, with PSE&G interconnection requests reportedly increasing from 400 MW to 4,700 MW within a single year³.

Despite these pressures, New Jersey manufacturers continue to generate high levels of economic output relative to their energy consumption. The industrial sector accounts for just 13% of total statewide energy use, while chemical manufacturing alone contributes approximately \$29 billion to New Jersey's GDP⁶.

This efficiency profile has become one of the state's strongest competitive advantages—particularly as manufacturers explore onsite solar, combined heat and power systems, demand response programs, and other cost-mitigation strategies now becoming increasingly viable in New Jersey's high-cost energy environment⁵⁶.

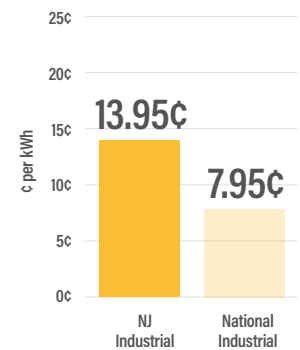
- <https://www.eia.gov/consumption/manufacturing/>
- https://www.eia.gov/electricity/monthly/epm_table_grapher.php?t=epmt_5_6_a
- <https://www.nj.gov/bpu/newsroom/2024/approved/20250212.html>
- <https://www.pjm.com/-/media/DotCom/markets-ops/rpm/rpm-auction-info/2025-2026/2025-2026-base-residual-auction-report.pdf>
- <https://dep.nj.gov/cleanenergy/technologies/solar/>
- <https://nj.gov/emp/energy/>

NEW JERSEY MANUFACTURING ENERGY CONSUMPTION BY FUEL, 2022



Source: EIA Manufacturing Energy Consumption Survey (MECS) 2022 —national data; best available proxy for NJ. NJ-specific manufacturing fuel mix not published separately. Switching findings: EIA MECS 2022 Release 1-3.

NEW JERSEY INDUSTRIAL ELECTRICITY RATES VS NATIONAL INDUSTRIAL, 2025/2026



Source: EIA Electric Power Monthly Dec 2025; NJBPU BGS Auction Press Releases Feb 2025 & Feb 2026; electricityrates.com Feb 2026

THE ROOT CAUSE OF NJ RATES INCREASES

Timeframe	Development	Implication for NJ Manufacturers
2023/24 PJM auction	Capacity price: ~\$29/MW-day	Stable baseline; underpinned the pre-June 2025 rate environment
2024/25 PJM auction	Capacity price: ~\$270/MW-day (+831%)	Direct driver of June 2025 NJ rate hike; costs passed fully to ratepayers
June 1, 2025	BGS rates +17-20% across all four NJ EDCs	Immediate cost shock to all commercial and industrial ratepayers
2025–2026	PSE&G data center interconnection requests: 400 MW → 4,700 MW	Structural demand imbalance; new supply not keeping pace
Jan 2026	Gov. Sherrill: utility cost state of emergency (EO No. 1)	Rates acknowledged as unsustainable at state level
2025/26 PJM auction (July 2025)	Cleared near price collar ceiling at \$329.17/MW-day (collar cap: ~\$325/MW-day)	Collar limited further escalation; imbalance not resolved
June 2026	BGS auction: mixed minor changes by EDC (<2%)	Temporary stabilization — underlying demand pressure continues
By 2030	Data centers projected at 4.6–9.1% of U.S. electricity generation	NJ's density of data centers means disproportionate grid pressure

Source: PJM RPM Base Residual Auction results; RPA Regional Grid Analysis Dec 2025; NJBPU BGS Auction Press Releases Feb 2025 & Feb 2026; U.S. DOE Data Center Load Growth Report Dec 2024

NJ MANUFACTURING ENERGY EFFICIENCY, 2024

Indicator	NJ Value	National Context
Manufacturing share of NJ GDP	8.7%	U.S. average: 10.1%
Industrial sector share of state energy use	13%	Below national median; transportation sector is largest at 33%
Energy intensity ranking	Bottom 20% of states	Among the 10 most energy-efficient manufacturing states nationally
Industrial share of NJ natural gas use	12%	Modest share; transportation and residential use more
Chemical mfg GDP output, 2024	\$29B	56% of total NJ manufacturing GDP
NJ per capita energy consumption, 2022	<75% of U.S. average	Among the lowest in the nation

Source: EIA State Energy Profile NJ 2022/2023; BEA GDP by State 2024; NJDOL 2025 Manufacturing Sector Report



Life Sciences Manufacturing

New Jersey's life sciences manufacturing sector continued to reinforce its position as one of the most influential and concentrated innovation hubs in the nation throughout 2026. Anchored by global leaders such as Johnson & Johnson, Merck, and Bristol Myers Squibb, alongside a rapidly expanding ecosystem of biotechnology, medical device, and cell and gene therapy companies, the sector is a major driver of economic activity, research, and advanced manufacturing employment across the state.¹ With one of the highest concentrations of scientists, engineers, and research professionals in the country, New Jersey continued to attract investment and talent in high-value therapeutic development and production.²

The sector also continued to stand out for its high-quality career opportunities and wage competitiveness. Approximately 70% of employees within New Jersey's life sciences manufacturing sector earned more than \$75,000 annually, with nearly 34% earning over \$150,000 per year. At the same time, another 36.8% of the workforce earned between \$75,001 and \$200,000, reinforcing the industry's reputation as one of the state's strongest sources of high-skilled, high-paying careers.

As supply chain resilience, domestic pharmaceutical manufacturing, and emerging technologies continue to be central national priorities, organizations like HealthCare Institute of New Jersey continued playing a critical role in representing and strengthening the industry statewide.³ Through advocacy, collaboration, and workforce-focused initiatives, HINJ worked closely with manufacturers, policymakers, and stakeholders to support innovation, expand industry resources, and ensure New Jersey remained at the forefront of the life sciences sector.

1. <https://www.bls.gov/cew/>

2. <https://choosenj.com/key-industries/life-sciences/>

3. <https://www.hinj.org>

New Jersey continued to solidify its position as one of the nation's most concentrated and influential life sciences hubs in 2026, supported by a dense network of pharmaceutical, biotechnology, medical device, and research-focused manufacturers throughout the state.

The sector supported approximately 83,000 employees statewide and continued generating billions in annual economic activity through advanced manufacturing, research, therapeutics, and medical innovation.¹ Employment remained heavily concentrated across Central and Northern New Jersey, where long-standing investment in biopharma infrastructure, research institutions, and advanced manufacturing continued driving industry growth and innovation.

Several counties once again led the state in total life sciences employment. Union County reported the highest concentration with (12,585) employees, followed closely by Somerset County with (11,737), Middlesex County with (11,273), Mercer County with (11,063), and Morris County with (9,875).¹ Essex County also maintained a significant footprint with (2,442) employees, while Bergen County supported (3,101) life sciences workers across a dense network of facilities and suppliers. Collectively, these core counties accounted for the majority of New Jersey's life sciences workforce and continued benefiting from proximity to major transportation corridors, STEM talent pipelines, and the presence of global pharmaceutical headquarters and research campuses.

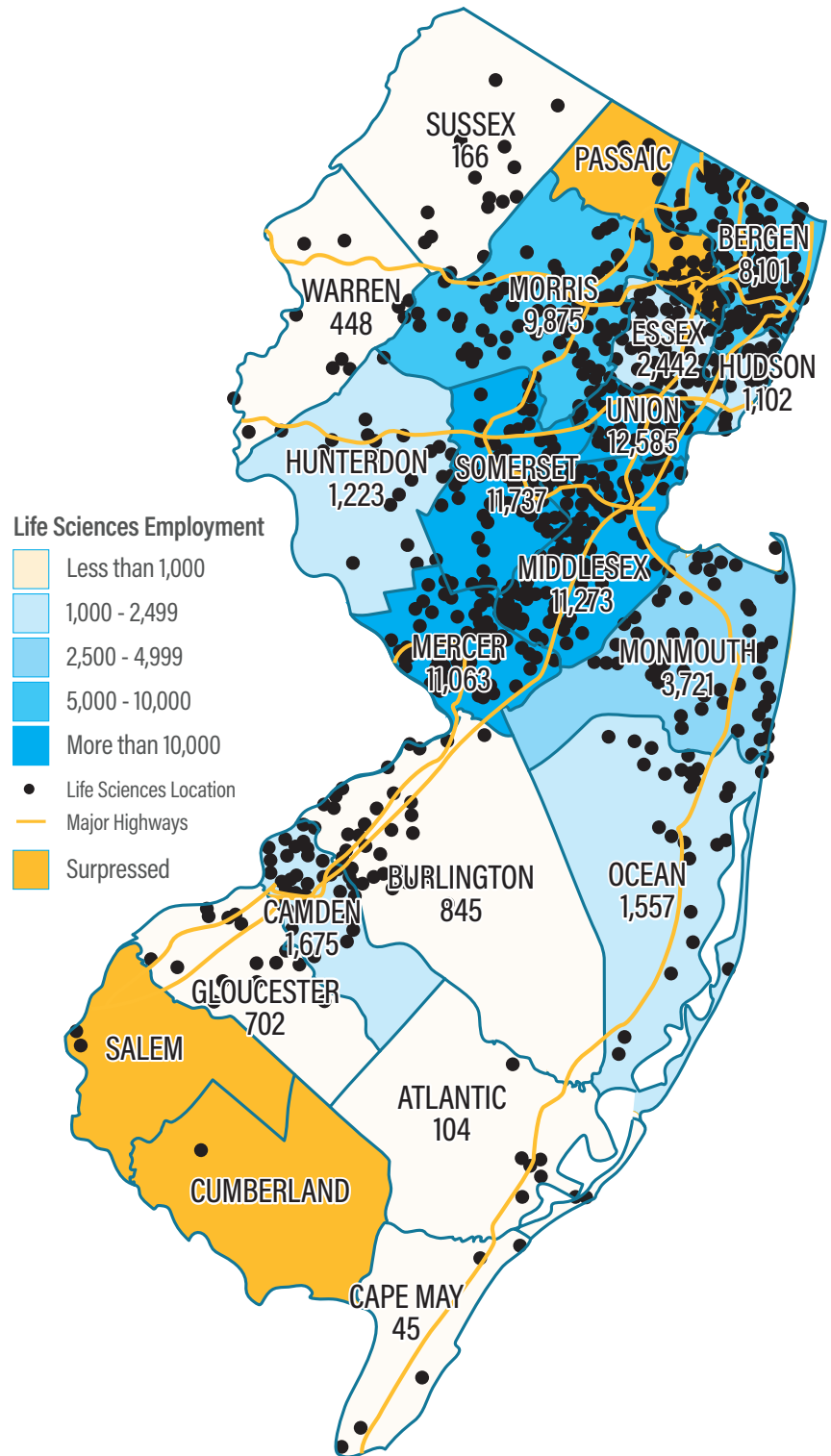
The map also highlights how life sciences activity extends well beyond the state's traditional innovation corridor. Counties such as Monmouth (3,721), Ocean (1,557), Hunterdon (1,223), Burlington (845), Camden (675), and Gloucester (702) continued supporting a growing number of smaller manufacturers, laboratories, suppliers, and specialized service providers tied to the broader life sciences ecosystem. Even counties with lower employment totals maintained a visible presence of life sciences establishments, reinforcing the sector's statewide economic impact and continued geographic expansion.

New Jersey remained:

- **#1 in life sciences manufacturing employees per square mile**
- **#2 in total FDA-registered life sciences facilities**
- **#3 in the nation for employed biochemists and biophysicists²**

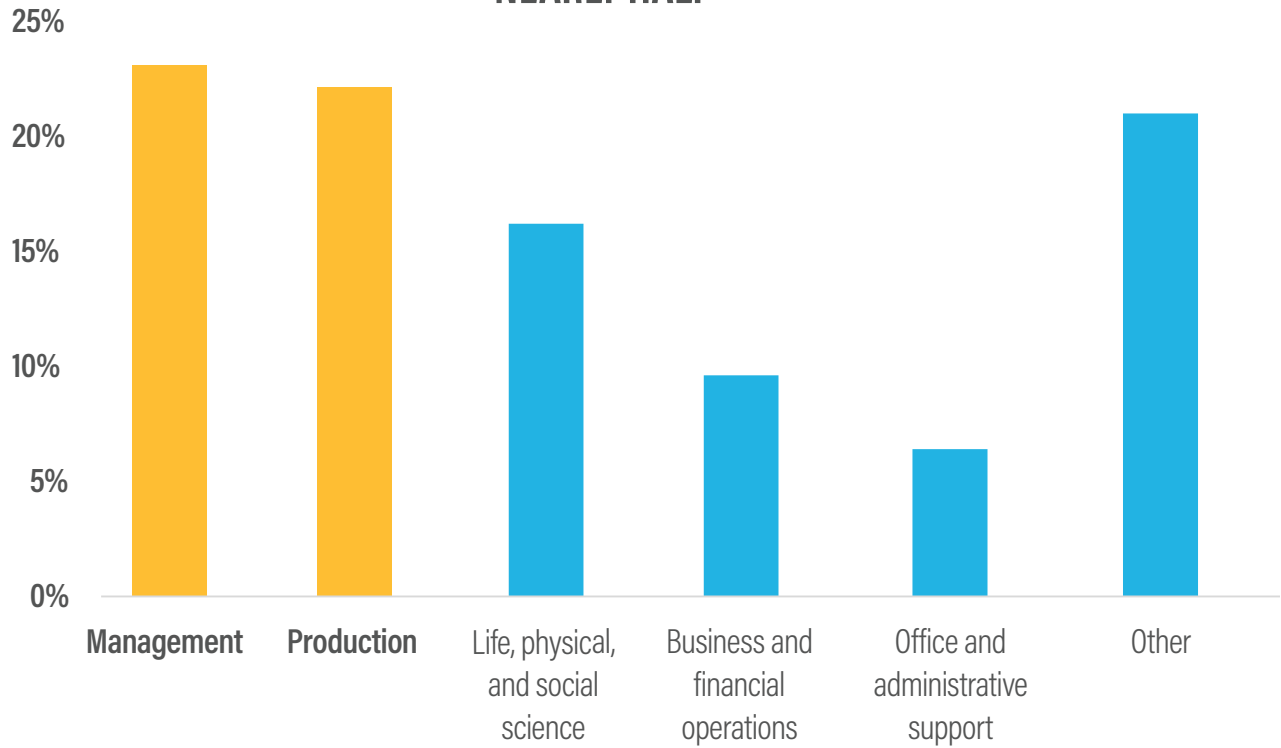
1. https://www.nj.gov/labor/labormarketinformation/assets/PDFs/pub/emecon/short/Life%20Sciences%20Report_9-30-2025.pdf
 2. <https://chosenj.com/key-industries/life-sciences/>

LIFE SCIENCES EMPLOYMENT AND ESTABLISHMENT LOCATIONS BY COUNTY, 2024



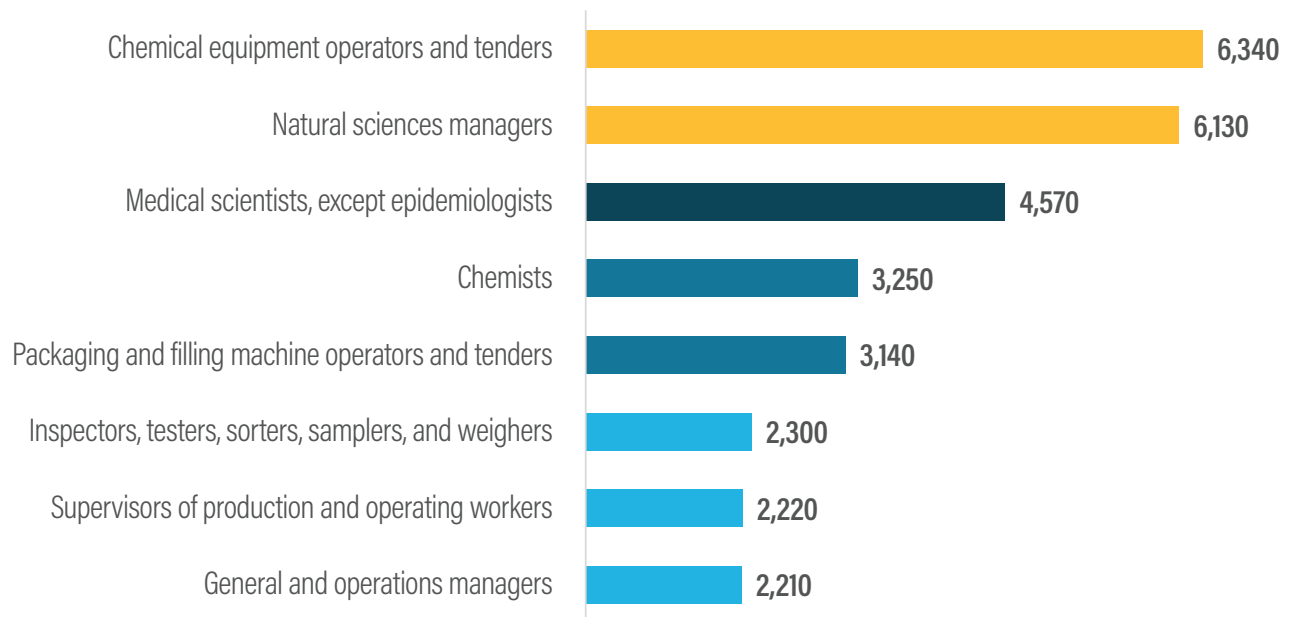
Source: NJ DOL Custom Employment Data Report for NJMEP - Provided by Jason Timian, Bureau Chief, Labor Market Information to author, Spring 2026

MANAGEMENT AND PRODUCTION OCCUPATIONS ACCOUNT FOR **NEARLY HALF** OF ALL EMPLOYMENT



"Other" consists of sales occupations, legal occupations, material movement occupations and more

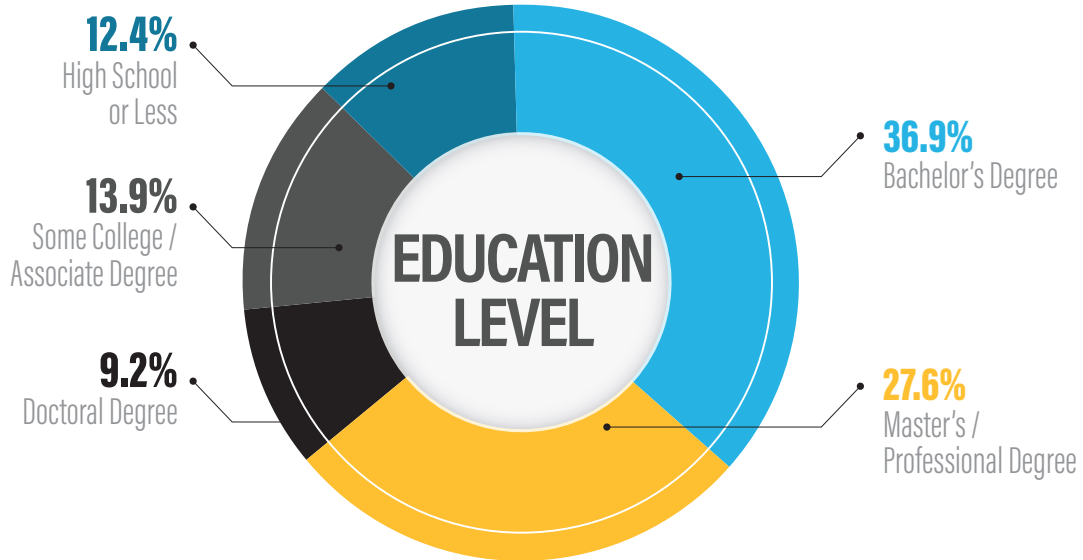
TOP TEN OCCUPATIONS IN LIFE SCIENCES WITH THE MOST EMPLOYMENT



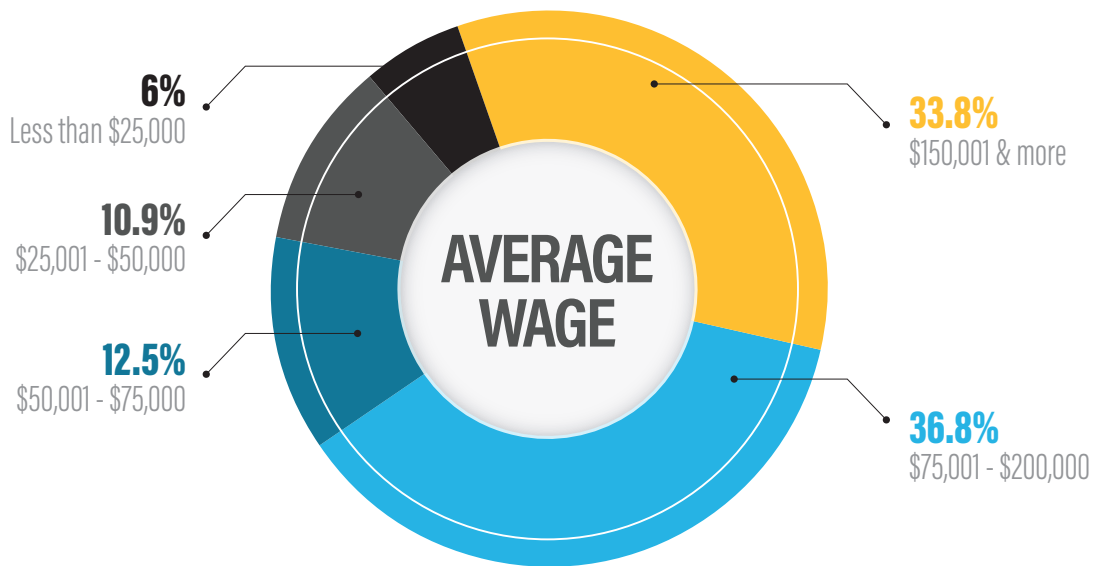
Source: NJ DOL Custom Employment Data Report for NIMEP - Provided by Jason Timian, Bureau Chief, Labor Market Information to author, Spring 2026

EDUCATIONAL ATTAINMENT AND AVERAGE WAGE OF NJ RESIDENTS IN THE LIFE SCIENCES SECTOR

74% OF THE WORKFORCE HAS ATTAINED A BACHELOR'S DEGREE OR HIGHER



70% IN THIS SECTOR EARNED OVER \$75,000



Source: NJ DOL Custom Employment Data Report for NJMEP - Provided by Jason Timian, Bureau Chief, Labor Market Information to author, Spring 2026



Transportation, Logistics, and Distribution

New Jersey's transportation, logistics, and distribution sector is one of the most strategically important components of the state's manufacturing economy. As manufacturers continued navigating supply chain volatility, shifting trade policies, and growing pressure to shorten delivery timelines, efficient logistics operations became increasingly critical to maintaining competitiveness. New Jersey's geographic location and dense infrastructure network continued providing manufacturers with direct access to one of the largest consumer markets in the world, while also supporting rapid movement of goods throughout the Northeast corridor.

The Port of New York and New Jersey remained one of the busiest cargo gateways in the nation, continuing to handle millions of containers annually through its network of marine terminals, freight rail systems, highways, and distribution centers¹. At the same time, warehousing and fulfillment operations throughout the state continued expanding to meet growing demand tied to e-commerce, reshoring efforts, and regionalized supply chains. Manufacturers increasingly prioritized domestic sourcing strategies and localized inventory management to reduce exposure to overseas disruptions, tariff volatility, and rising international shipping costs.

Technology also continued reshaping logistics operations across New Jersey. Manufacturers and distributors invested heavily in automation, real-time inventory visibility, predictive analytics, and AI-assisted supply chain management tools to improve efficiency and responsiveness. However, infrastructure congestion, transportation costs, labor shortages, and freight capacity challenges are ongoing concerns for many businesses operating within the sector.

As supply chains continue evolving toward resilience and speed, New Jersey's transportation and logistics network is a major competitive advantage for manufacturers across the state. Companies capable of adapting quickly, modernizing operations, and strengthening regional distribution strategies will be best positioned to compete in an increasingly dynamic global marketplace.

1. <https://www.panynj.gov/port/en/our-port/facts-and-figures.html>

New Jersey's transportation, logistics, and distribution (TLD) sector continued serving as one of the state's most important economic engines throughout 2026, fueled by strategic access to ports, interstate highways, rail infrastructure, and major population centers. Employment is heavily concentrated throughout the northeastern corridor of the state, particularly in counties surrounding the ports of Newark and Elizabeth. Middlesex County alone accounted for approximately (17.8%) of statewide TLD employment, followed by Bergen (11.1%), Essex (10.5%), Hudson (8.1%), and Union (6.2%).¹ Together, these five counties represented more than half of New Jersey's total TLD workforce, highlighting the continued importance of port-adjacent warehousing, freight movement, and distribution operations.

Middlesex County is one of the state's most dominant logistics hubs due to its direct access to the New Jersey Turnpike, major freight corridors, and large-scale warehousing infrastructure supporting both domestic and international distribution. Bergen, Essex, and Hudson Counties continued benefiting from proximity to dense consumer markets, intermodal freight systems, and last-mile delivery networks that are essential to e-commerce and regional supply chain activity.

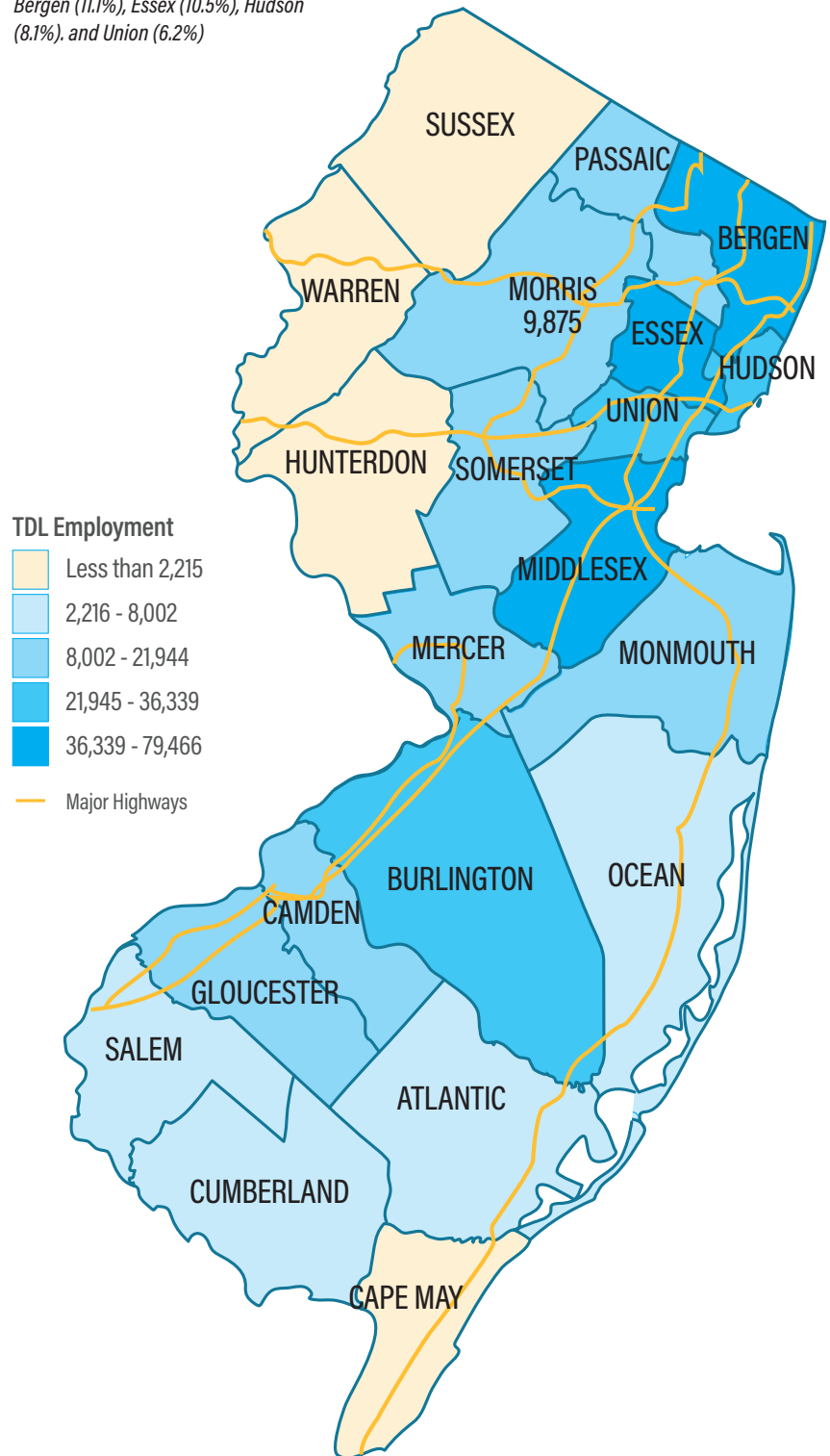
At the same time, Southern and Central New Jersey continued attracting warehousing and fulfillment growth as companies sought additional space and operational flexibility outside of the state's most congested regions. Burlington, Camden, Gloucester, and Ocean Counties maintained strong TLD employment bases supported by access to Interstate 295, the Atlantic City Expressway, and regional port infrastructure. Mercer County also continued to emerge as a strategic midpoint between New York City and Philadelphia, further strengthening its role within the Northeast logistics corridor.

The continued clustering of employment and facilities along New Jersey's freight and highway infrastructure reinforces the state's long-standing role as one of the nation's premier logistics and distribution centers. As reshoring efforts, e-commerce demand, and supply chain modernization continue shaping the industry, New Jersey is uniquely positioned to support rapid and efficient movement of goods throughout the region and beyond.

1. <https://www.nj.gov/labor/labormarketinformation/employment-wages/quarterly-census/>

TLD EMPLOYMENT AND ESTABLISHMENT LOCATIONS BY COUNTY, 2024

Five counties surrounding the ports of Newark and Elizabeth accounted for more than half of TLD jobs: **Middlesex (17.8%), Bergen (11.1%), Essex (10.5%), Hudson (8.1%), and Union (6.2%)**

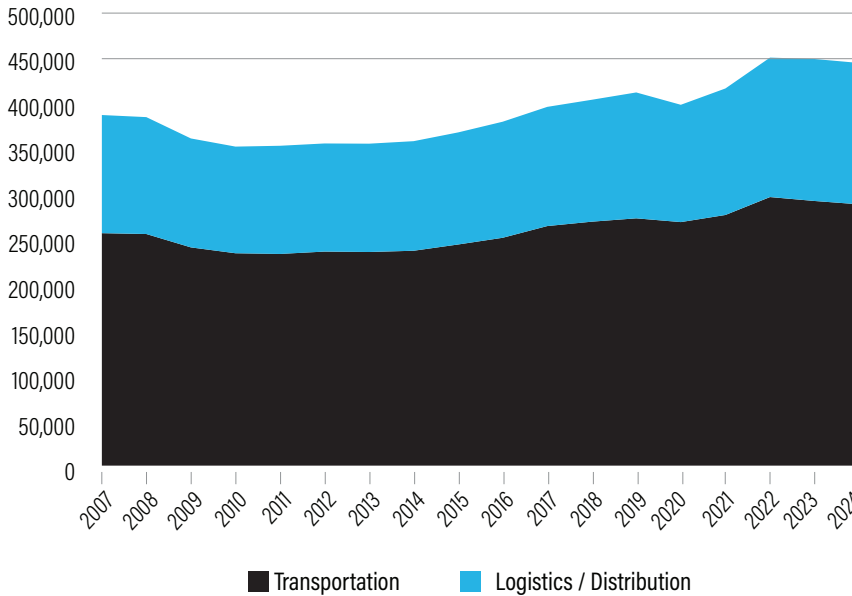


Source: NJ DOL Custom Employment Data Report for NJMEP - Provided by Jason Timian, Bureau Chief, Labor Market Information to author, Spring 2026

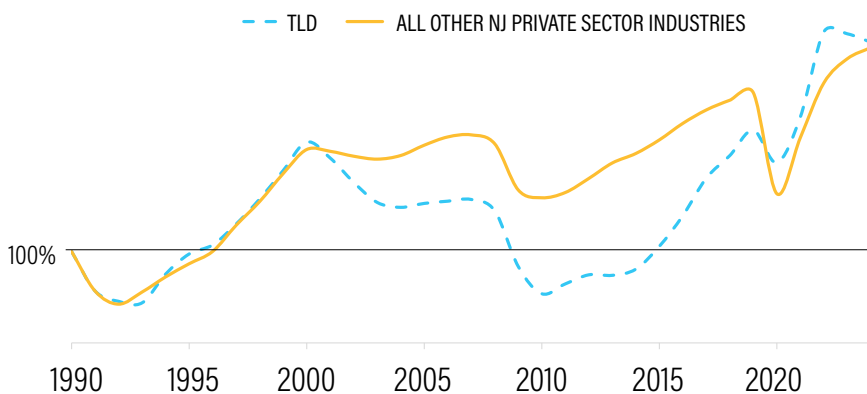
The Transportation, Logistics & Distribution (TLD) cluster consists of two major components

The transportation, logistics, and distribution industry cluster consists of industries within the wholesale trade, transportation, and warehousing sectors. For the sake of analysis, these industries can be further grouped by those related to **transportation** and those related to **logistics and distribution**.

NEW JERSEY'S TLD SECTOR EMPLOYMENT (PRIVATE SECTOR) 2007-2024



TLD EMPLOYMENT HAS GROWN RAPIDLY SINCE 2014



New Jersey's Transportation, Logistics, and Distribution (TLD) sector continued strengthening its role as a backbone of the state's economy throughout 2026, driven by expanding warehousing activity, strategic infrastructure investment, and continued demand for fast, regionalized supply chains. Private-sector TLD employment steadily climbed between 2007 and 2024, with the most significant growth occurring in logistics and distribution operations following 2020.¹ By 2024, total private-sector TLD employment approached 450,000 workers statewide, reflecting New Jersey's continued importance as one of the nation's premier freight, warehousing, and fulfillment corridors.

As e-commerce demand, reshoring efforts, and domestic inventory management strategies continued evolving, New Jersey remained uniquely positioned to support rapid movement of goods throughout the Northeast and Mid-Atlantic regions. The state's extensive highway network, intermodal rail systems, and port infrastructure allow businesses to reach more than 100 million consumers within a day's drive.²

Infrastructure: Sea



The Port of New York and New Jersey is one of the most critical cargo gateways in the United States and continued serving as the busiest port on the East Coast. The port's marine terminals, freight rail systems, and distribution infrastructure supported millions of container movements annually while driving significant economic activity throughout New Jersey.³ The continued expansion of warehousing and fulfillment operations surrounding the port reinforced the region's importance within both domestic and international supply chains.

In South Jersey, the Ports of Camden, Paulsboro, and Salem continued strengthening their role within regional logistics, heavy cargo handling, and offshore wind development. The Port of Camden remained a major center for port-related commerce and industrial activity, while Paulsboro continued positioning itself as a strategic offshore wind manufacturing and staging hub tied to East Coast energy infrastructure projects. Salem also maintained its importance within specialized maritime operations and regional freight activity supporting southern New Jersey manufacturers and suppliers.

Infrastructure: Land



New Jersey's transportation advantage also extends well beyond its ports. The state's network of interstate highways, freight rail systems, bridges, and warehousing corridors remained essential to the movement of goods throughout the Northeast. Major roadways including the New Jersey Turnpike, Interstate 295, Interstate 78, and Interstate 80 continued supporting one of the nation's most concentrated logistics ecosystems. Combined with more than 1,000 miles of freight rail infrastructure and direct access to neighboring metropolitan markets, New Jersey's land transportation network remained a foundational asset supporting manufacturing, distribution, and economic growth statewide.⁴

1. <https://www.nj.gov/labor/labormarketinformation/assets/PDFs/pub/empecon/TDL%20Winter%202026.pdf>

2. <https://choosenj.com/key-industries/logistics/>

3. <https://www.panynj.gov/port/en/our-port/facts-and-figures.html>

4. <https://www.nj.gov/transportation/freight/plan/stateplan23.shtm>

3 <https://www.panynj.gov/port/en/our-port.html>

4 <https://www.state.nj.us/transportation/freight/>

Infrastructure: Air



New Jersey's airport infrastructure continued serves as a critical component of the state's transportation, logistics, and distribution ecosystem. Beyond passenger travel, the state's airports remain deeply integrated into domestic and international cargo movement, supporting time-sensitive freight operations, regional business connectivity, and billions in annual economic activity. As manufacturers and distributors increasingly prioritize speed, flexibility, and regional fulfillment capabilities, air transportation continues playing a major role in strengthening New Jersey's broader supply chain network.

Newark Liberty International Airport remained one of the nation's busiest and most strategically important aviation hubs. In 2024, the airport handled approximately 710,000 tons of air cargo while serving nearly 48.9 million passengers.¹ Newark Liberty also continued generating substantial regional economic impact, supporting approximately 21,700 on-airport jobs and contributing more than \$24.8 billion in annual economic activity across the New York/New Jersey metropolitan region. The airport's operations supported an estimated 105,000 total jobs and more than \$10.4 billion in annual wages regionally.¹ Its direct access to the Port of New York and New Jersey, interstate freight corridors, and warehousing infrastructure continues making Newark Liberty a critical link within domestic and international supply chains.

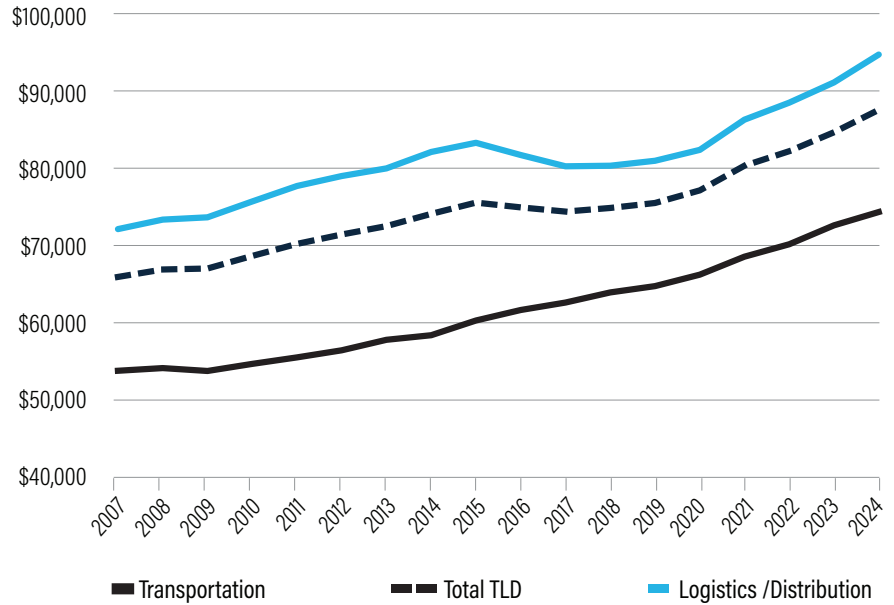
Teterboro Airport continued serving as one of the nation's busiest general aviation and corporate aviation airports, supporting the broader business and logistics environment throughout Northern New Jersey and New York City. The airport remained especially important for executive travel, pharmaceutical and financial sector operations, and specialized aviation services. Teterboro supports more than 5,000 jobs, generates approximately \$362 million in annual wages, and contributes nearly \$1.2 billion in annual economic activity.² Its continued strategic importance reinforces New Jersey's role within the larger Northeast business corridor.

In South Jersey, Atlantic City International Airport continued supporting both commercial aviation and advanced aerospace operations. The airport remains home to the William J. Hughes Technical Center, the Federal Aviation Administration's premier research, development, testing, and evaluation facility. The Technical Center supports approximately 4,500 direct federal and contractor jobs and generates an estimated \$1.5 billion in economic activity across South Jersey.³ Continued investment in aerospace innovation and aviation technology research throughout the region further strengthened Atlantic County's growing role within the aerospace and aviation sectors.⁴

Together, New Jersey's airport infrastructure continues reinforcing the state's position as one of the nation's most connected and strategically located logistics environments—supporting manufacturing, commerce, business travel, advanced aerospace research, and high-value cargo movement across domestic and international markets.

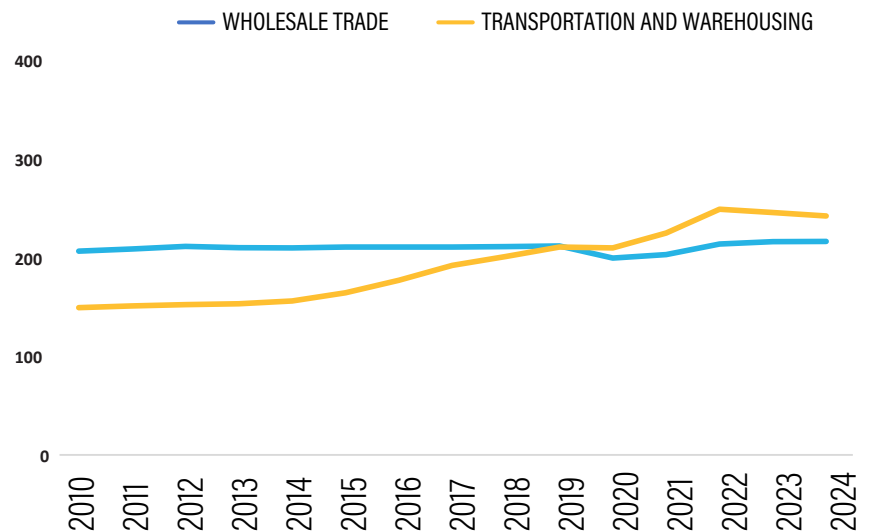
1. https://www.panynj.gov/content/dam/airports/statistics/statistics-general-info/annual-atr/ATR_2024.pdf
 2. <https://metroairportnews.com/beyond-the-hub/>
 3. <https://www.acchamber.com/member-spotlight-faa-william-j-hughes-technical-center-for-advanced-aerospace/>
 4. <https://www.njeda.gov/njeda-board-approves-8-6m-to-launch-aerospace-innovation-center-in-atlantic-county/>

TLD SECTOR: ANNUAL AVERAGE WAGE ANALYSIS 2007-2024



Overall, total TLD wages increased at an average of 2% year-to-year. Annual wages in distribution/logistics industries have been significantly higher than those in transportation, however rates in transportation have grown faster (2.5% vs 2.0%)

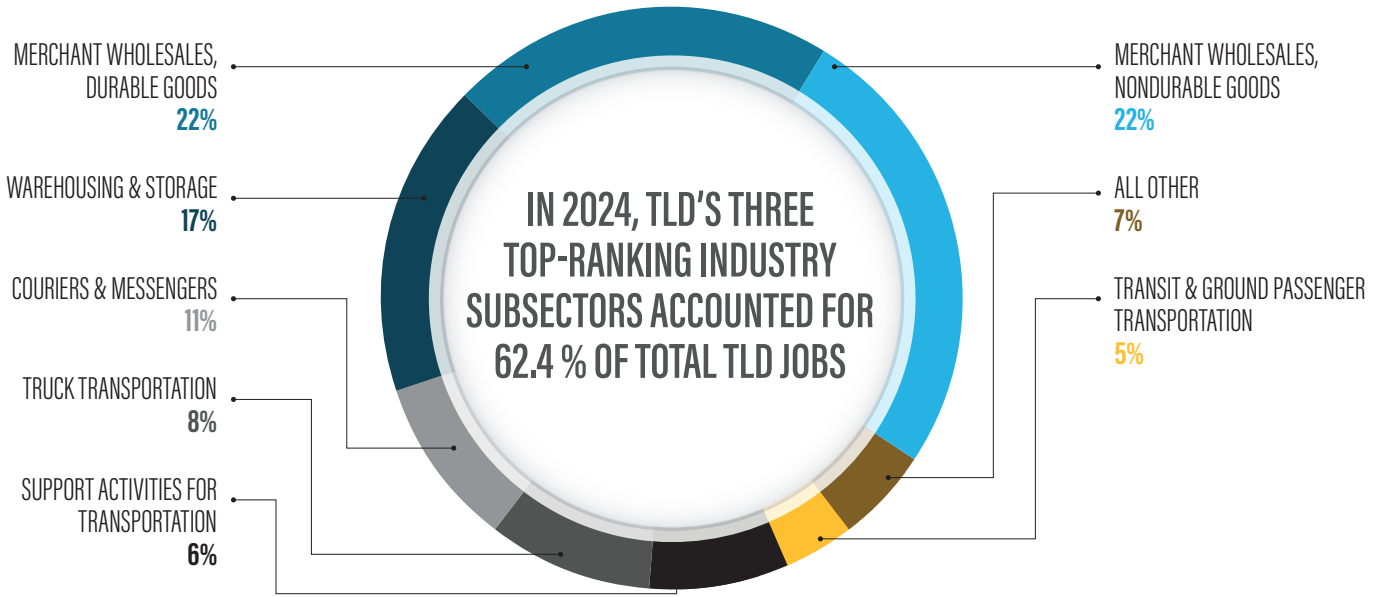
IN 2019, TRANSPORTATION AND WAREHOUSING SURPASSED WHOLESALE TRADE AS THE LARGER COMPONENT OF TDL EMPLOYMENT



Source: NJ DOL Custom Employment Data Report for NJMEP - Provided by Jason Timian, Bureau Chief, Labor Market Information to author, Spring 2026

TLD SECTOR: OCCUPATIONAL ANALYSIS

TLD SUBSECTORS BY EMPLOYMENT, PRIVATE 2024



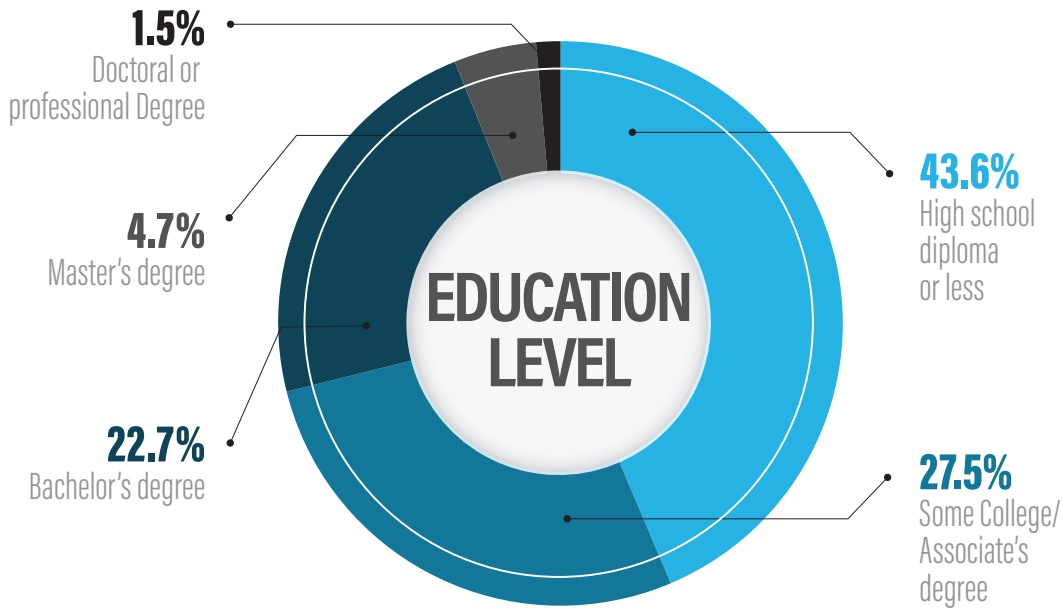
FOUR OCCUPATIONS ACCOUNT FOR 35% OF TLD EMPLOYMENT



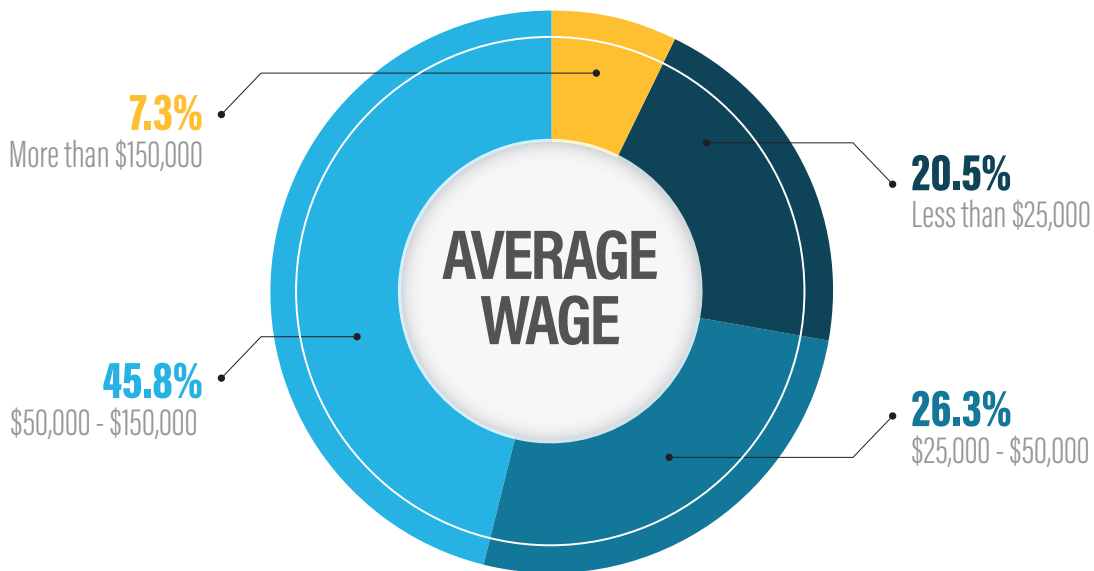
Source: NJ DOL Custom Employment Data Report for NIMEP - Provided by Jason Timian, Bureau Chief, Labor Market Information to author, Spring 2026

EDUCATIONAL ATTAINMENT AND AVERAGE WAGE OF NJ RESIDENTS IN THE TLD SECTOR

MORE THAN 40% OF OCCUPATIONS WITHIN TLD INDUSTRY CLUSTER REQUIRE NO FURTHER THAN HIGH SCHOOL.



A MAJORITY OF NEW JERSEY'S TLD WORKERS EARN MORE THAN \$50,000



Source: NJ DOL Custom Employment Data Report for NJMEP - Provided by Jason Timian, Bureau Chief, Labor Market Information to author, Spring 2026



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