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MARCH 2026 | INDUSTRIAL

Manufacturing Pulse

A quarterly read on shifts across the project pipeline

RESEARCH

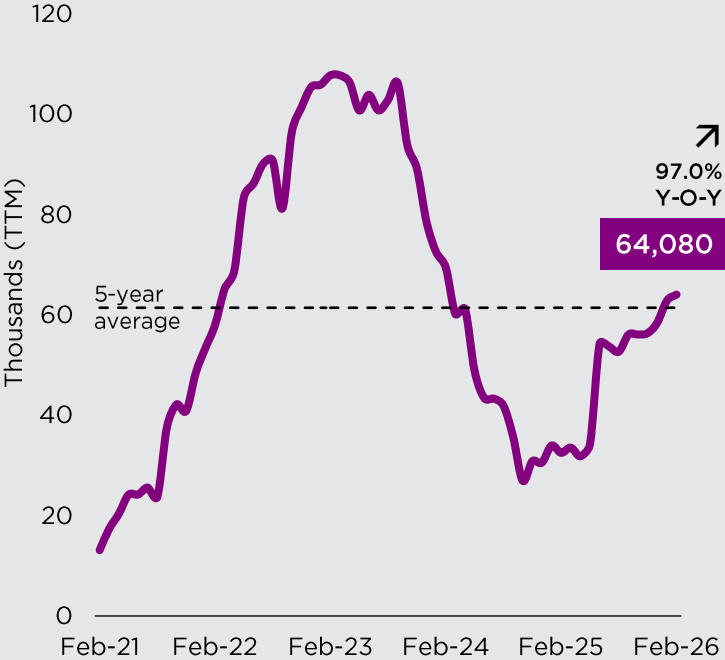
Project pipeline strengthens into 2026 as industry demand broadens

Momentum in U.S. manufacturing has strengthened over the past year, with job announcements and capital investment rising while the share of stalled or canceled projects has declined sharply.

Over the trailing 12 months (TTM) ending in February, 64,080 new jobs were announced—nearly double the prior year—alongside \$60.0 billion in capital investment. While this remains below the \$254.1 billion peak in 2022 driven by large semiconductor projects, today’s growth reflects a broader industry mix.

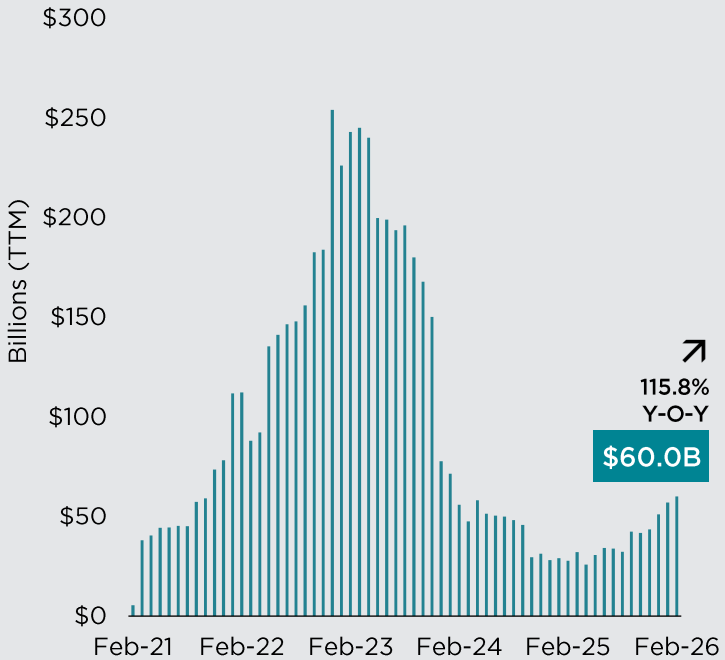
Job announcements now exceed the five-year average, signaling a sector moving past its reliance on electric vehicle (EV) battery projects toward more diversified growth, led by aerospace and defense. Following the U.S. military intervention in Venezuela and ongoing conflict with Iran, and with warfare technology advancing, activity in this sector is expected to continue supporting manufacturing demand.

JOBS ANNOUNCED

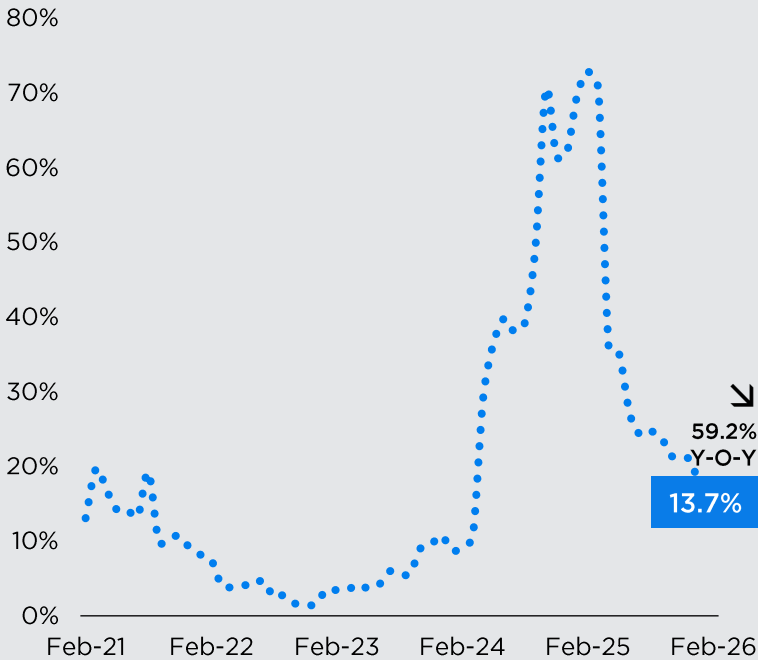


Source: Savills Research, U.S. manufacturing announcements (500+ jobs)

CAPITAL INVESTMENT



STALL RATE*



*Stall rate reflects jobs in projects on hold or canceled as a share of announced jobs (TTM).

Autonomous defense platforms lead recent standout projects

The past three months were defined by several blockbuster announcements, led by Anduril Industries' planned \$1.0 billion, 5,500-job facility in Long Beach, California. The project will support advanced manufacturing, engineering and R&D tied to defense technologies, including drones and AI-driven systems, following a major \$20 billion U.S. Army contract.

Momentum extended across the aerospace and defense sector, with notable projects from Saronic Technologies in Louisiana and Avio USA in Virginia, focused on autonomous vessels and rocket motors. At the same time, large-scale investments also emerged in pharmaceuticals, alongside MP Materials' \$1.3 billion rare earth magnet facility supporting applications across energy, EVs and defense.

Notably, activity was split between new greenfield developments and major expansions, underscoring both new market entry and continued investment in existing locations.

TOP NEW ANNOUNCEMENTS

Dec 2025 - Feb 2026

Company	City	State	Products	Jobs	Capital investment	Year open
Anduril Industries	Long Beach	CA	Autonomous defense systems	5,500	\$1.0B	2027
MP Materials	Northlake	TX	Rare earth magnets	1,500	\$1.3B	2028
Saronic Technologies	Franklin	LA	Autonomous vessels	1,500	\$300M*	2027
Avio USA	Hurt	VA	Solid-propellant rocket motors	1,000	\$500M	2028
INCOG BioPharma	Fishers	IN	Injectable pharmaceuticals	1,000	\$200M*	2030
T.RAD North America	Clarksville	TN	Automotive heat exchangers	928	\$90M	2030
Stryker	Salt Lake City	UT	Surgical medical devices	862	\$616M*	n/a
Eli Lilly and Company	Fogelsville	PA	Injectable medicines	850	\$3.5B	2031

*Expansion

Aerospace and AI anchor a widening manufacturing industry mix

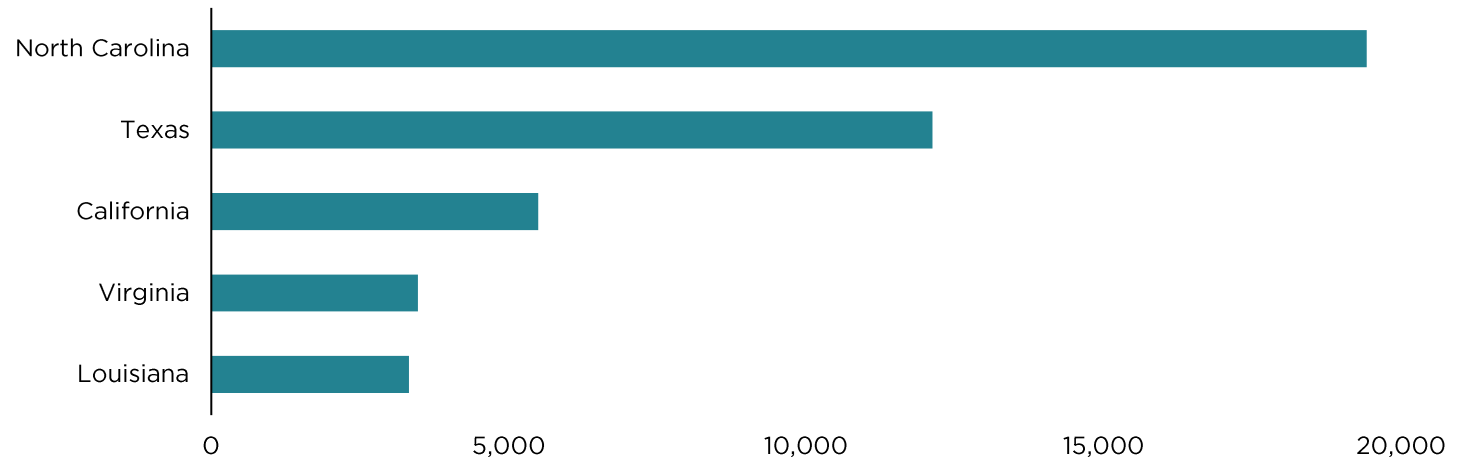
Geographically, activity remains centered in familiar hubs, with some notable outliers. North Carolina captured the largest share of job announcements over the past 12 months, driven by JetZero's 14,500-job project announced last June. California also ranked among the top states—an uncommon position in recent years—due to Anduril's recent investment.

By industry, demand is increasingly concentrated in defense and AI-related sectors. Aerospace and defense accounted for 41% of job announcements over the past year, while digital infrastructure and grid and energy—linked to the data center buildout—made up a combined 30%. Biopharmaceuticals represented another 13%, supported by reshoring and growth in segments like injectables.

This marks a shift from 2021–2024, when EV battery projects made up roughly one-third of announcements. Many have since stalled amid softer demand and changing policy support, with some repurposed toward energy storage for data centers.

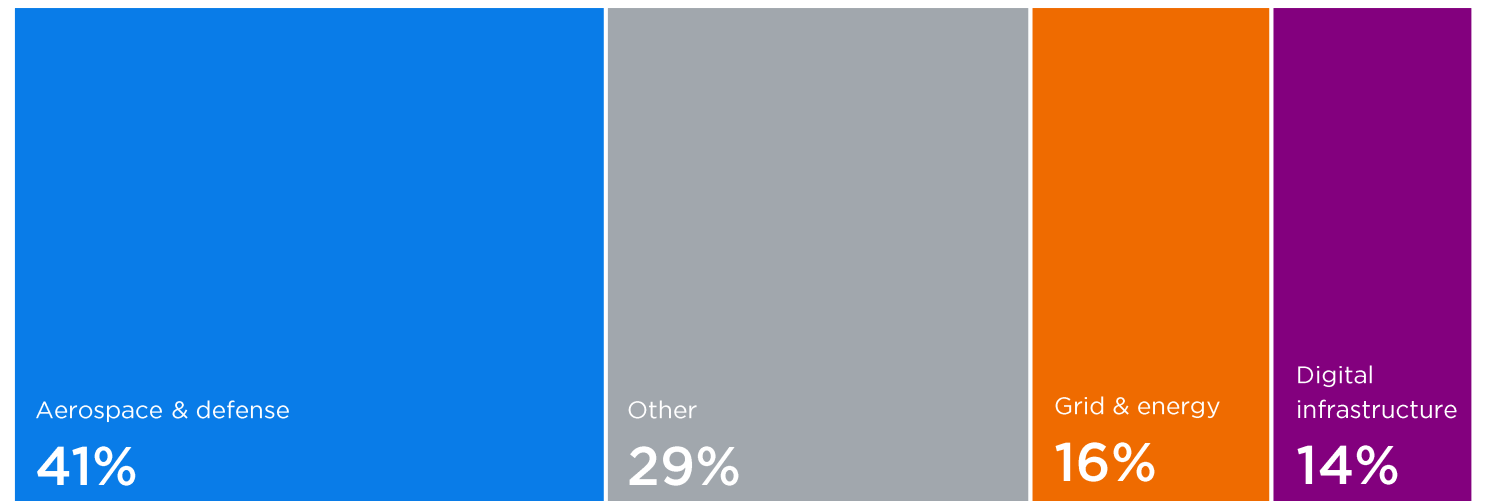
TOP STATES: JOBS ANNOUNCED

As of Feb 2026 (TTM)



LEADING INDUSTRY VERTICALS: JOBS ANNOUNCED

As of Feb 2026 (TTM)



Source: Savills Research, U.S. manufacturing announcements (500+ jobs)

EV battery projects continue to face delays and repositioning

NOTABLE PROJECT UPDATES

Dec 2025 – Feb 2026

Company	State	Status	Notes
AESC	SC	Resumed	After a six-month pause in 2025, AESC restarted construction on its \$3.1 billion Florence EV battery plant, with 2,700 jobs anticipated by 2027.
Applied Optoelectronics	TX	Revised	Construction began in February at the Sugar Land, Texas facility as investment doubled to \$300 million, with the project on track for 2027 completion.
Epsilon Advanced Materials	NC	On hold	The 1.5 million square foot (msf) graphite facility is fully permitted but on hold as the company reevaluates timing amid policy and EV market uncertainty.
Ford/SK	KY	Revised	The Glendale, KY battery plant shut down months after opening, with Ford assuming control from SK On and pivoting to energy storage, targeting 2,100 jobs by 2027.
Gotion	IL	Completed	The \$2.0 billion, 1.5 msf battery plant is operational with 450 employees, featuring flexible production lines as it ramps toward 2,600 permanent jobs at full capacity.
Lyten	NV	On hold	Lyten has paused this project, stating that opportunities to acquire overseas battery manufacturing assets have emerged. The Reno Gigafactory was set to bring 1,000 jobs to the area.
Tesla	NV	Completed	Tesla completed its Reno Semi factory, with Class 8 electric truck production ramping at the massive facility as it scales toward 3,000 permanent jobs.
Ultium Cells	MI	On hold	The \$2.6 billion Lansing, MI battery plant is on hold again after restarting in late 2024 under LG Energy Solution following GM's exit, with work paused in January 2026.

Methodology note: Savills Research only counts projects formalized for a specific location, tracking each through its full life cycle from announcement to completion, including whether it is revised, delayed or canceled.



RESEARCH

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