



Minnesota's Water Technology Industry

We pioneered open heart surgery and supercomputing, invented hearing aids and the pacemaker, and are the birthplace of the concrete grain elevator, post-it notes, and waterskiing. We have a long history of building things that change the global economy for the better. We're a state unlike any other.

Our state is home to more than 5.5 million Minnesotans, and our diversity of culture, environment and economic landscape means that we're telling the honest truth when we say there's something for everyone here. Most importantly, if you start a business here, it has a very good chance of surviving and thriving.

Welcome to Minnesota, the problem-solving capital of America. Minnesota's expanding water technology industry is uniquely positioned to meet the growing global need for products and services that can provide clean water and address resource constraints and environmental compliance.

Businesses in this flourishing industry operate at more than 1,400 locations in the state – manufacturing water-related products, providing water-related services, and developing new water technologies. The water technology industry covers four core segments: water treatment, water infrastructure, water conservation and other water applications.

The state ranks highly among other states for its supportive business climate, its innovation and its skilled workforce.

INDUSTRY STRENGTH

- 1,400+ business locations across the state
- 19,500+ people employed water tech statewide
- 6% growth in industry employment (2016 to 2022) – faster than overall state employment growth
- 8% increase in industry location quotient (2018-2022)
- Sizeable well-trained water tech labor force
- Contributed \$3.4 billion to state output

- Water tech industry segments with highly concentrated employment in Minnesota (location quotients over 1.50) include:

Industry	Location Quotient
Hydroelectric Power Generation	3.80
Measuring, Dispensing, Other Pumping Equipment	3.55
Fluid Power Pumps and Motors	2.49
Plastic Pipes and Pipe Fitting	2.07
Metal Tanks (Heavy Gauge)	1.89
Industrial Valves	1.85

Minnesota is committed to developing, building and promoting sustainable solutions

#1
Fortune 500 Companies Per Capita (large metro areas)

#2
Best Overall State in America

#2
Best State for Economic Opportunity

#6
Technology and Innovation

Top 10
Top States for Business

CONTINUOUS INNOVATION

- 2nd in water treatment patents per capita (2021)
- 4th in water purification patents per capita (2021)
- 6th in total water treatment patents (2021)
- 7th in total water purification patents (2021)
- 7th in overall patents per capita (2021)

SKILLED WORKFORCE

- Skilled workforce with STEM and water tech expertise
- 7th in Technology and Science Workforce (2022)
- 5th in the nation, with 94.1% of people holding a high school degree or higher (2021)
- 12th in the nation, with 38.9% with a bachelor's degree or higher (2021)
- 29% of higher education degrees conferred are in science and engineering (2019)

CONVENIENT LOCATION

- **Easy access to markets** with a north-central location



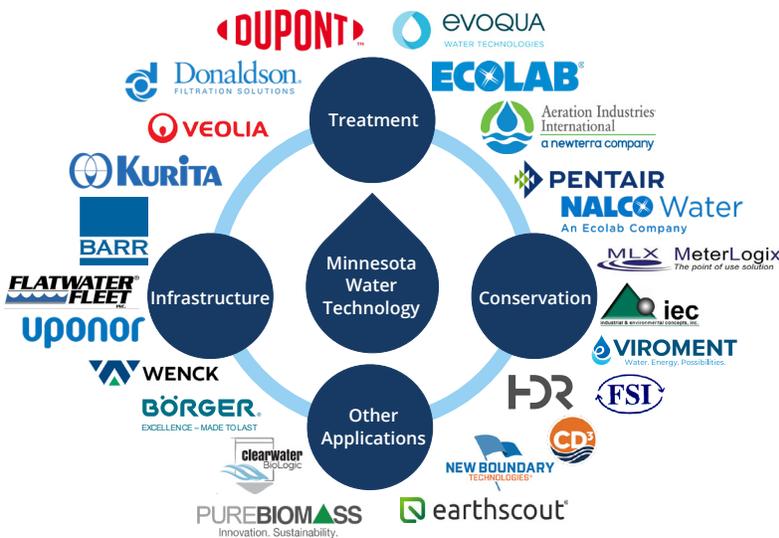
- **MSP is the best airport** of its size in North America
- **4th in infrastructure** (utilities, transportation, broadband)

EXPORTS

- Over \$1.1 billion in exports of water tech goods (2021)
- 4th per capita, and 7th overall, in water tech goods exports
- China, Canada, Mexico, Taiwan, and Belgium accounted for 55% of exports in 2021.
- Major exports include filtering or purifying machines and parts; miscellaneous plastic products; taps, cocks, valves; parts for measuring instruments; and R&D and engineering consulting services.

RICH LANDSCAPE OF FIRMS

- Minnesota's water tech companies range from water tech giants to innovative start-ups.



SUPPORTIVE PUBLIC POLICY

- The 2022 Bipartisan Infrastructure Law provided for \$55 billion in Clean Water and Drinking Water State Revolving Funds (SRFs). Minnesota is expected to receive about \$119 million that will support over 1,800 jobs.
- The Environmental Quality Board's 2020 State Water Plan helps to guide state and local government policy and programs.
- The Metropolitan Council's 2040 Water Resources Policy Plan guides the management of water resources in the Twin Cities.
- Minnesota's groundwater protection laws address pollution from cropland and in public and private wells.

PLENTIFUL BUSINESSES RESOURCES

Minnesota's water technology companies are assisted by a robust ecosystem with:

- Business assistance and financing
- A supportive network of policies and laws
- Natural resources organizations and utilities
- University research linked to industry
- Active industry associations
- Supporting and complementary industries.

Notes: Data available as of December 2022. Sources include Airports Council International, Lightcast, Milken Institute, U.S. Bureau of Labor Statistics, U.S. Census Bureau, U.S. Department of Commerce & Trade Data Monitor, U.S. Environmental Protection Agency and U.S. Patent and Trademark Office (and DEED analysis of patents data).