THE COMPETITIVE ADVANTAGE
FOR U.S. MOLD BUILDERS.

2025 BUSINESS FORECAST SNEAK PEEK

Q1 2025

AMBA.org

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Created by the AMBA Benchmarking Team

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Profitability and Gross Margins

Current Business Environment

At the beginning of 2024, U.S. mold manufacturers reported challenging conditions. Over 40 percent of respondents cited in the *2024 Business Forecast Report* were barely profitable, citing conditions that were “Bad” or “Poor,” while shipping, backlog and quoting conditions were at all-time lows when compared with the prior three months.

Tough conditions have continued for today’s U.S. mold manufacturers as they head into 2025. For example, the percentage of respondents reporting “Good” or “Excellent” business conditions is still near a record low of 54 percent - 13 percent below the average respondent percentage for the same conditions from 2017 - 2023. In fact, the only other time conditions like these were last illustrated in this survey’s data was in 2020 in the months preceding the Covid-19 pandemic.

These poor conditions continue to be reflected in other respondent data, such as current profitability and gross margin measurements. Although two-thirds of this survey’s respondents reported gross margins of over five percent, holding steady from last year’s data, those reporting “Unacceptable” profitability (gross margins of under two percent) rose to 17 percent, an increase of nearly 10 percent from 2024.*

Despite currently poor business conditions for U.S. mold manufacturers, other key indicators, such as current shipping, backlog and quoting - are all up when compared to the prior quarter. Additionally, respondents did indicate some optimism when asked for views related to particular market segments, while others are directing their attention in 2025 to continuous improvement initiatives, capital expenditures, workforce efforts and other areas.

**Current profitability is illustrated on pg. 6 in this report*

Market Optimism:

Market Segments and Comments

As profitability flags and business conditions continue to challenge many U.S. mold manufacturers, the industry is looking towards 2025 opportunities and challenges.

On the following pages, market optimism and pessimism are illustrated by market segment. Respondents also were able to submit comments regarding market optimism; these comments have been summarized by market segment and by optimism versus pessimism.

Market Optimism

Summarized Respondent Comments

U.S. mold manufacturers are optimistic about various markets, driven by specific factors related to growth, customer feedback and emerging opportunities. Below are market-specific comments submitted by survey respondets.

Aerospace/Aircraft: Optimism stems from an increase in demand, driven by industry growth over the past four years. Positive customer feedback and a booming market have led to higher order volumes, positioning aerospace as a promising sector for U.S. manufacturers.

Agriculture: The agriculture market remains a steady and crucial segment, with farmers facing financial strain. This encourages them to repair rather than replace equipment, which can boost demand for parts.

Appliance: Manufacturers are hopeful due to new models being introduced in the appliance sector, with expectations for a reduction in government opposition to natural gas appliances. Additionally, the depletion of existing inventories offers opportunities for more production.

Automotive: The automotive industry is set to recover as delayed projects begin to move forward in 2025, with expectations for new vehicle models launching in 2026-27. The return of internal combustion engine (ICE) vehicle programs and ongoing electric vehicle (EV) research and development will continue to drive demand for mold tooling. Many projects that were postponed are expected to be revived, leading to a surge in new work.

Caps and Closures/Consumer Products/Sporting Goods: There is strong optimism here, with many new bottle designs and customers focusing on new tooling for upcoming product releases. Expectations of tariffs

Economic Conditions and Opportunities

Quote Success, Capacity and Sales Improvement

Quote Success

Win Rate, Q4 2024 Dollars Won and Trending Data

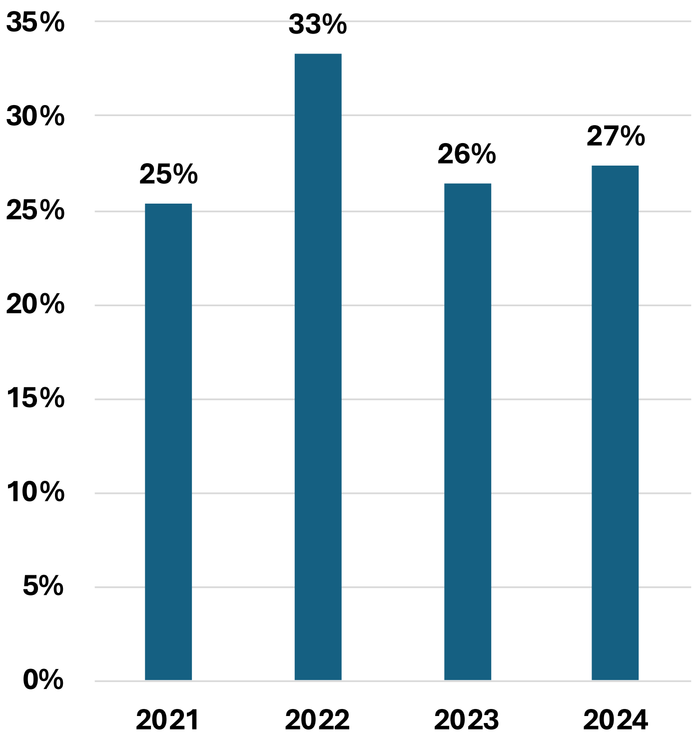
In 2024, U.S. mold manufacturers quoted a total of $912K in the Q4 2024 and won approximately $246K of that business. On average, this represented a win rate percentage of approximately 27 percent (similar to 2024 data).

When broken down by annual sales revenue, companies with the highest win rate tended to be below five million in annual sales revenue.

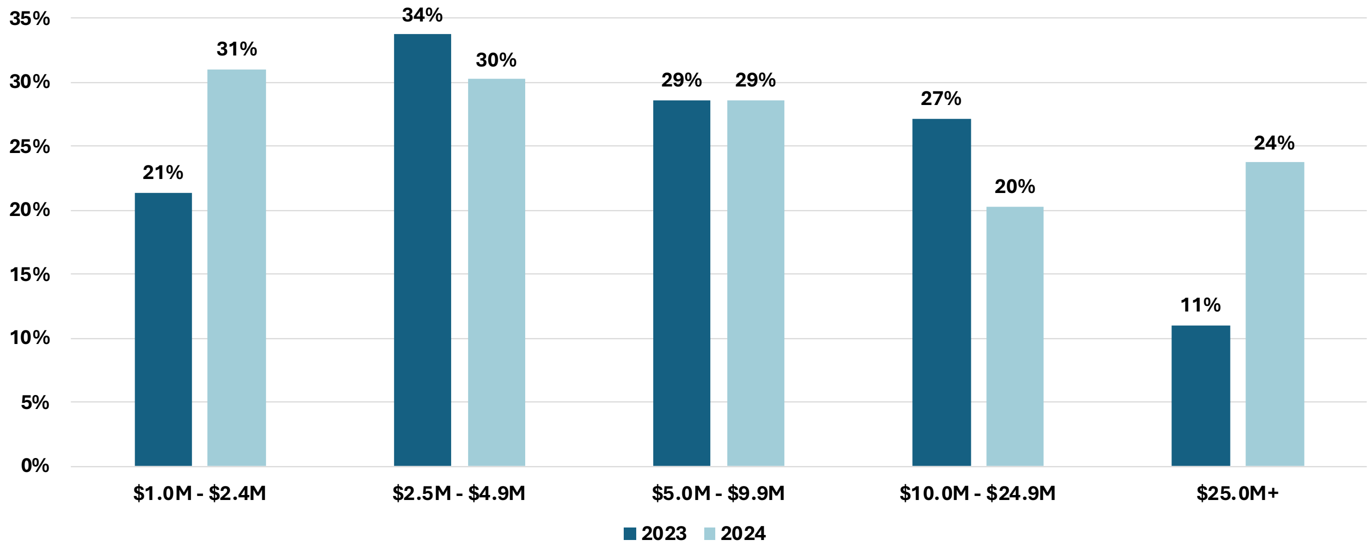
The most notable changes were for companies above $25M+ or below $2.5M; these companies both saw their win rate rise by 13 percent and 10 percent, respectively.

For more information on quoting activity, visit pg. 30 in this report's Appendix.

Trend: % of Q4 Job Dollars Won vs. Quoted



YoY Trend: % of Job Dollars Won by Quoted (by Annual Sales Revenue)



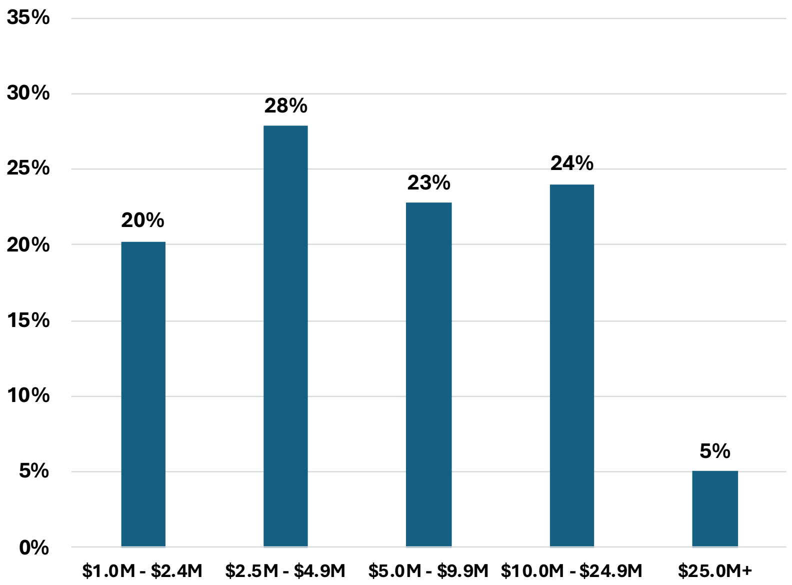
Appendix

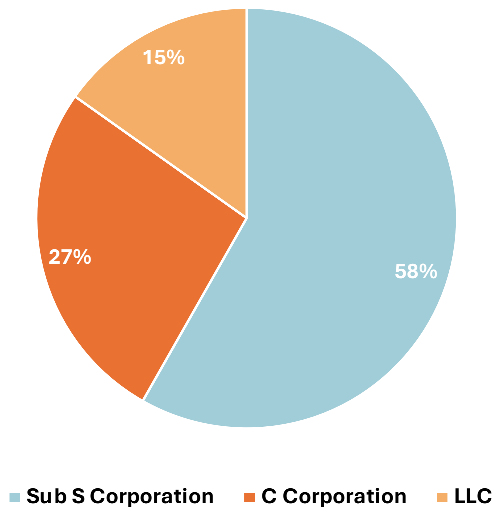
Demographics

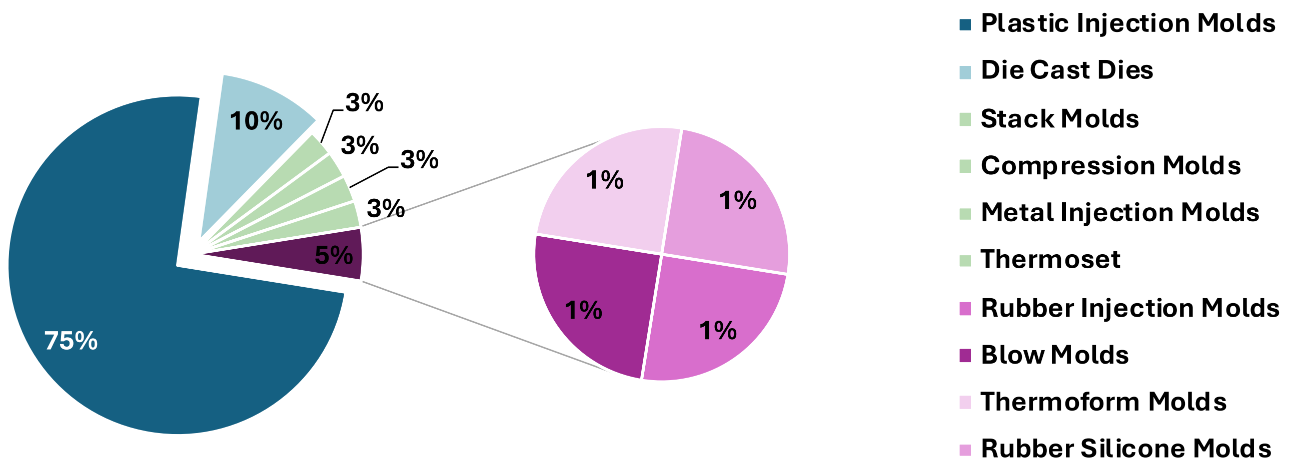
Annual Sales Revenue, Primary Business Activity and Company Classification

This year, 79 U.S. mold manufacturers participated in the 2025 Business Forecast Survey. Of those respondents, 48 percent reported annual sales revenues under five million. Seventy-five percent primarily produce plastic injection molds, followed by another 10 percent that produce die cast dies. Another 15 percent specialize in other business activities (indicated below).

Of those participating in the survey, the slight majority- 58 percent - are classified as Sub S Corporations, followed by another 27 percent who are C Corporations.







Capital Expenditures

Anticipated Change, Planned Expenditures and Open Responses

Capital Expenditures

As a Percent of Revenue and Planned Expenditures