2026 Reshoring Survey Report

THE SECOND ANNUAL STUDY OF U.S. MANUFACTURING RESHORING

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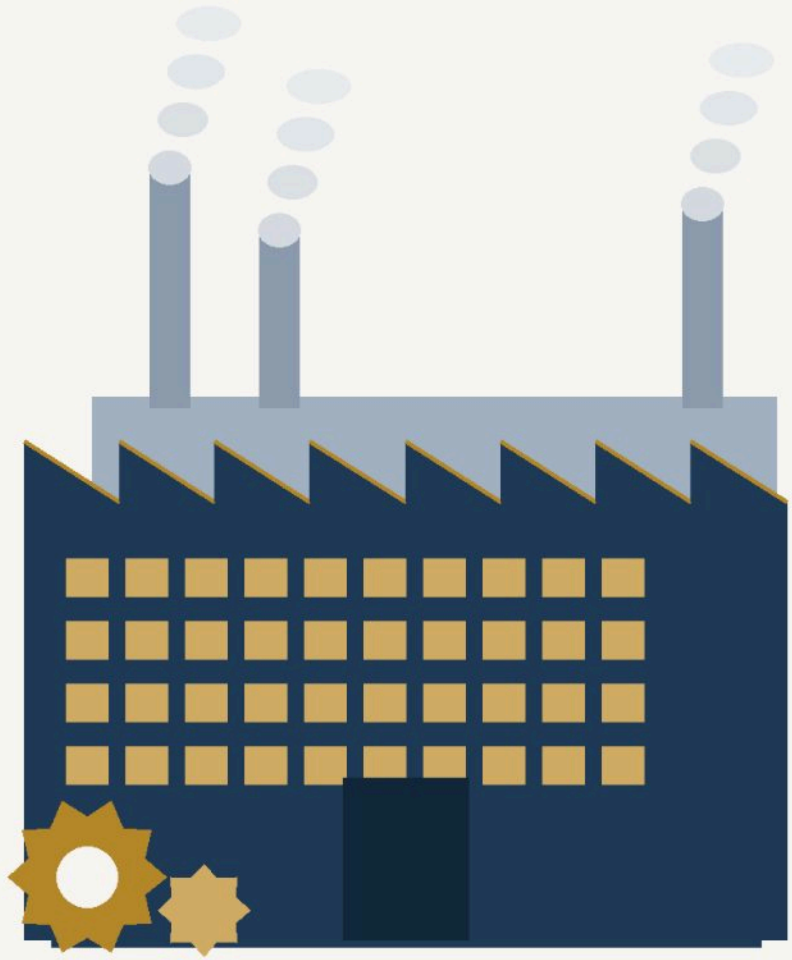
> *"The strategies the country implements now will shape American manufacturing for decades to come."*
>
> — HARRY MOSER



Rebuilding the U.S. Manufacturing Base

Reshoring Initiative® Bringing Manufacturing Back Home

REGIONSRECRUITING® PROVEN TRUSTED TALENT ACQUISITION™

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2026 USA Reshoring Survey

Conducted by the Reshoring Initiative® and Regions Recruiting®. 249 respondents: 118 OEMs and 131 Contract Manufacturers.

SECTION 01

About This Report

Reshoring is about reversing the decades-old trend of offshoring to low-cost countries and rebuilding the U.S. manufacturing base. Original Equipment Manufacturers ("OEMs") are the principal drivers of reshoring, moving factories and/or some portion of their supplier base back to the U.S.

The 2026 USA Reshoring Survey was conducted by the Reshoring Initiative® and Regions Recruiting® to track how U.S. OEMs and Contract Manufacturers ("CMs") are responding to the call for reshoring, one year after the initial wave of President Trump's federal policy changes. This is the second year of the survey, allowing a perspective on what has shifted.

Responses this year were almost evenly split between OEMs and Contract Manufacturers. Of the 249 respondents, 118 identified as OEMs and 131 were Contract Manufacturers. We believe this to be a representative survey of the U.S. manufacturing base due to this unique mix that other surveys do not offer. Similarly, respondents were well balanced between the C-Suite and operational management, as well as by company size.

249	118	131
RESPONDENTS	OEMs	CONTRACT MANUFACTURERS

SECTION 02

Executive Summary: 2025 vs. 2026 at a Glance

The manufacturing climate strengthened between the two survey years, significantly because of reshoring of chips and pharma and the material and power required for data centers. These themes define this year's Reshoring Survey results:

Headwinds

OEM reshoring activity is up. Despite the uncertainty of the tariffs, more OEMs report having reshored or being actively engaged in reshoring in 2026 than in 2025.

Improved speed to market and on-time delivery had the highest actual operational impact ratings. The speed of local production is a great advantage given the AI, automation and same day delivery trends.

Geopolitical risk has caught up to tariffs as a reshoring driver. In 2026, geopolitical risk is the #1 driver for CMs and #2 for OEMs, higher for both than in 2025. This trend is consistent with China's stated objective to be capable of successfully invading Taiwan by 2027.

U.S. capital investments are on the horizon through 2027. Sixty-three percent of OEM respondents indicated they would be making U.S. capital investments to support reshoring or other domestic expansion.

Contract Manufacturers have more reshoring work in the pipeline. The share of CMs currently quoting reshoring projects roughly doubled year over year (16%→32%), even as competition from imports intensified (CMs now compete against imports on 38% of quotes, up from ~31% in 2025).

TCO adoption is rising. 40% of OEMs now use Total Cost of Ownership to compare offshore vs. domestic options, up from 30% in 2025 — the clearest, most direct win for the Reshoring Initiative's core message regarding “apples to apples” cost comparisons. The 60% still not using it is an opportunity for additional reshoring.

Tailwinds

Policy uncertainty is the dominant concern. 57% of all respondents identified policy uncertainty (for instance, tariffs changing with little notice) as their primary challenge — far above any other single factor.

Workforce remains the binding constraint on how much reshoring can happen. Employers report the most acute hiring difficulty in skilled trades (technicians, maintenance/repair) and lean most heavily on internal upskilling and trade/vocational schools to fill roles.

OEM satisfaction with reshoring results has softened. 65% of OEMs that have reshored or are in the process of reshoring report being satisfied with the results in 2026, down from 96% in 2025.

OEMs remain skeptical that technology will close the cost gap between domestics and imports — only 33% believe advances in AI and automation will make U.S. manufacturing competitive enough to cut imports by 50% by 2040.

Steel and aluminum tariffs created a net drag on CM competitiveness — roughly 57% of CMs report a negative impact on their ability to compete against imports.

China/Taiwan de-risking: engagement is broad but not deep. 60% of CMs report their typical customers who import from the China/Taiwan region are at least discussing de-risking but only 19% say customers are actively transitioning away.

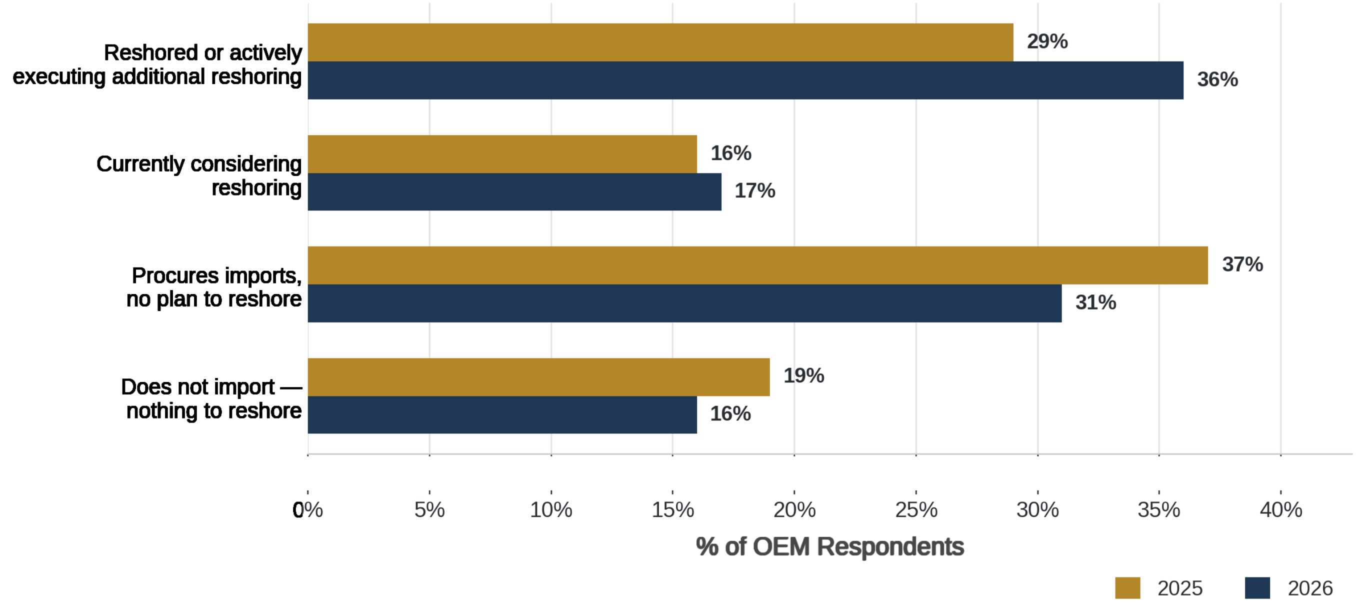
STAKEHOLDER AUDIENCE · 01

Original Equipment Manufacturers (OEMs)

What OEM respondents told us this year, and how it compares to 2025.

Reshoring is trending up

EXHIBIT 1 Reshoring Status

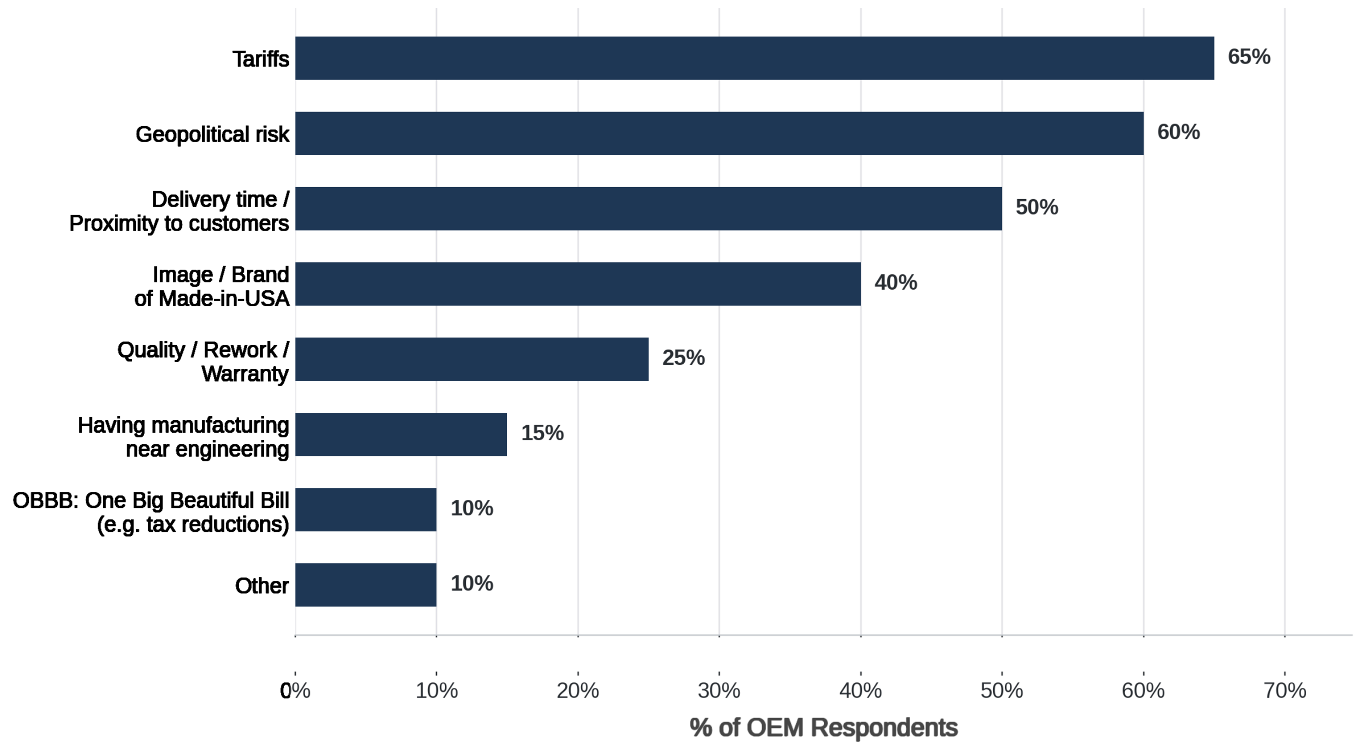


Despite policy uncertainty, more OEMs report having reshored or being actively engaged in reshoring in 2026 than in 2025. Fewer of those who import have no plan to reshore.

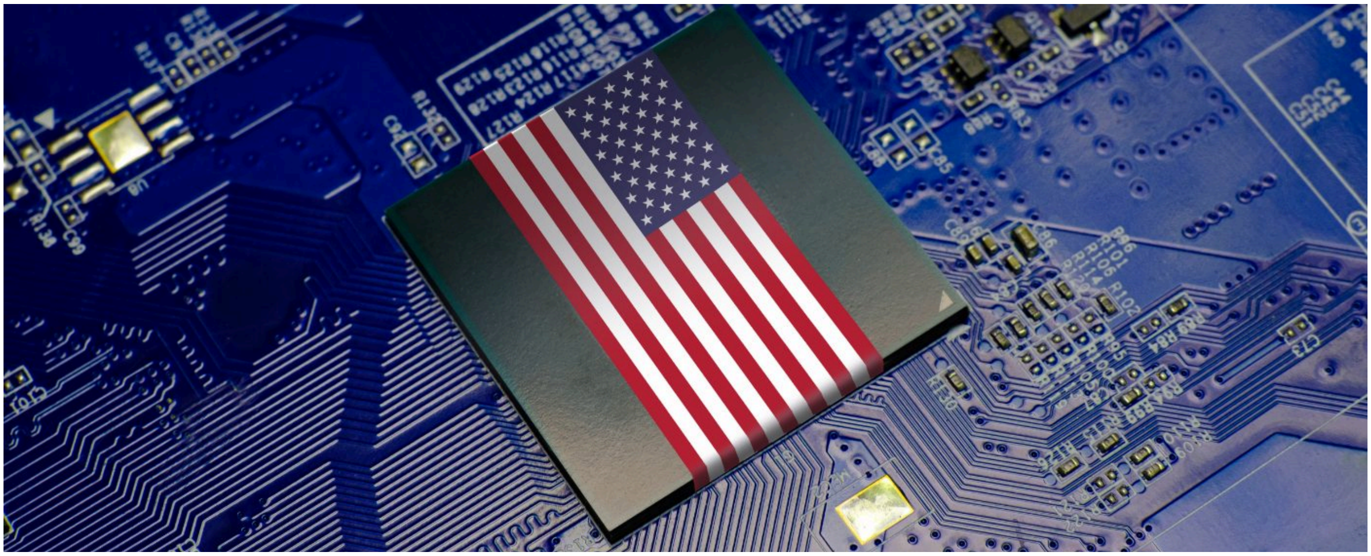
Why OEMs are reshoring

EXHIBIT 2 Top Reasons OEMs Are Reshoring Since January 2025

Please select the top reasons that your customer reshored to you since January 1, 2025. (Select up to THREE)

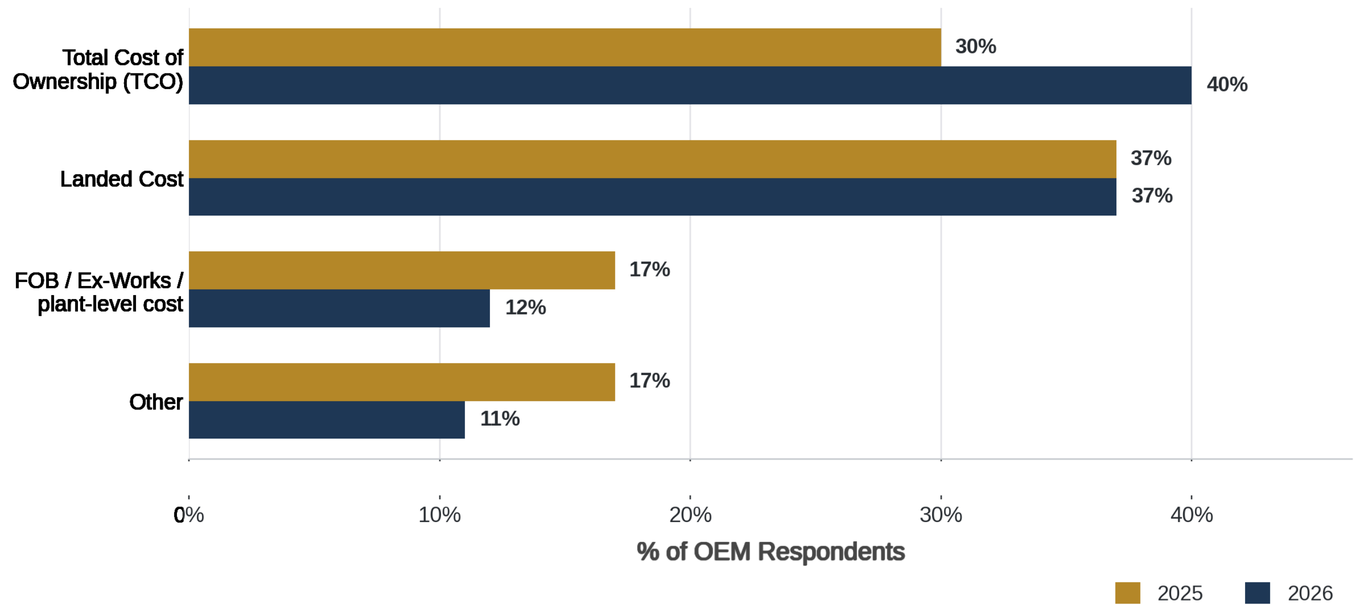


Among OEMs that reshored since January 1, 2025, the top reasons cited were tariffs, geopolitical risks, and delivery times/proximity to customers.



Costing methodology: TCO adoption is the standout shift

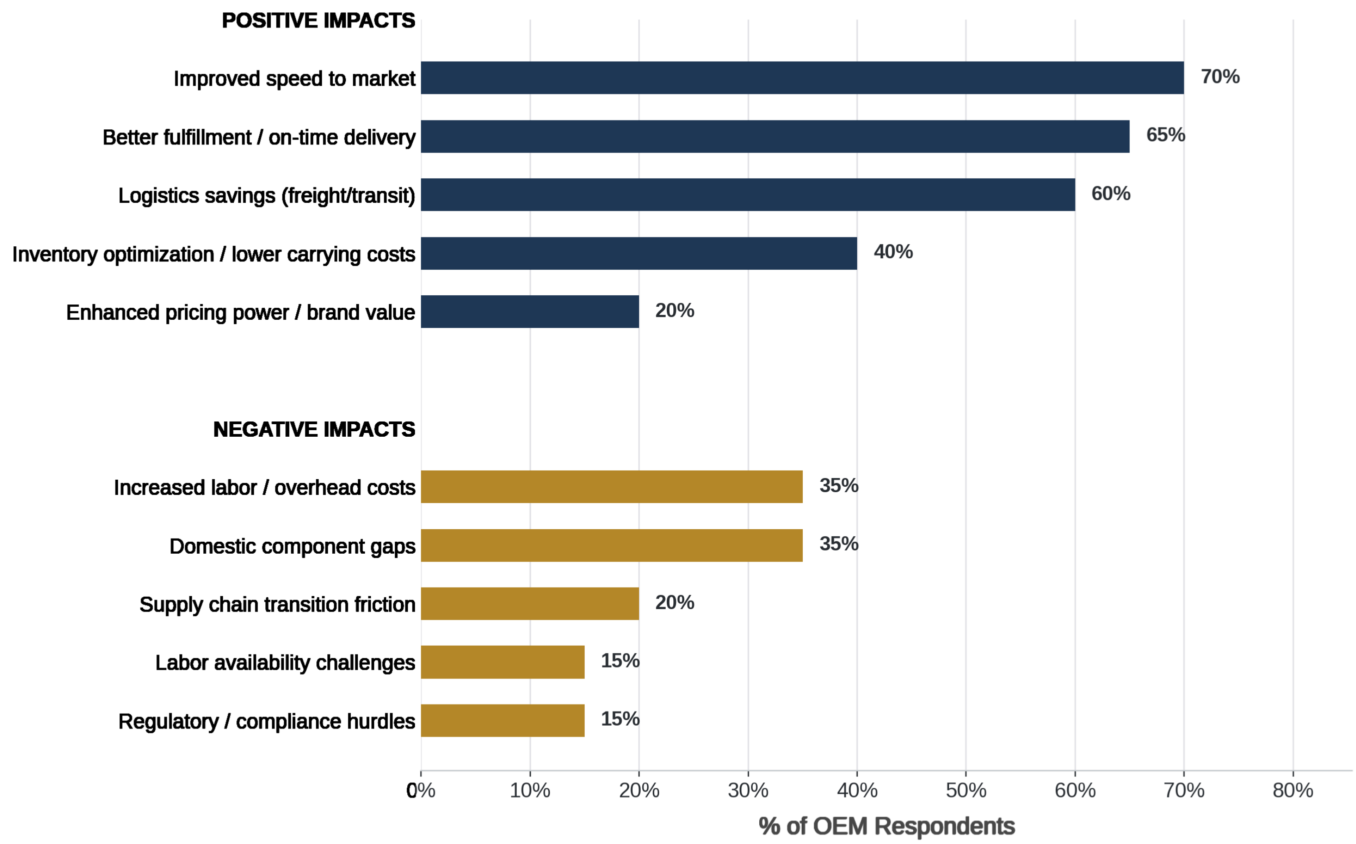
EXHIBIT 3 Costing Methodology — TCO Adoption, 2025 vs. 2026



This is the single clearest win in the dataset for the Reshoring Initiative's core advocacy message: a full ten-point swing away from incomplete costing methods and toward TCO in a single year.

Actual operational impact of reshoring: positives' %s averaged 2X the negatives

EXHIBIT 4 Actual Operational Impact of Reshoring



In their own words

"Onshoring has moved manufacturing to a location with better cycle time which has improved our speed to market and on-time delivery. The additional work has increased our labor cost."

— GENERAL MFG. (OEM)

"Inventory optimization is huge for our customers. Previously we had to front 3-4 months worth of inventory at once. Now our customers can order on demand and have a much lower capital outlay."

— CONSUMER GOODS (OEM)

"By moving our procurement of glass doors from Taiwan to Kentucky or Texas we have been impacted mostly by labor shortages."

— REFRIGERATION/COLD STORAGE (OEM)

"Speed to market — we can make a product and ship it the same day."

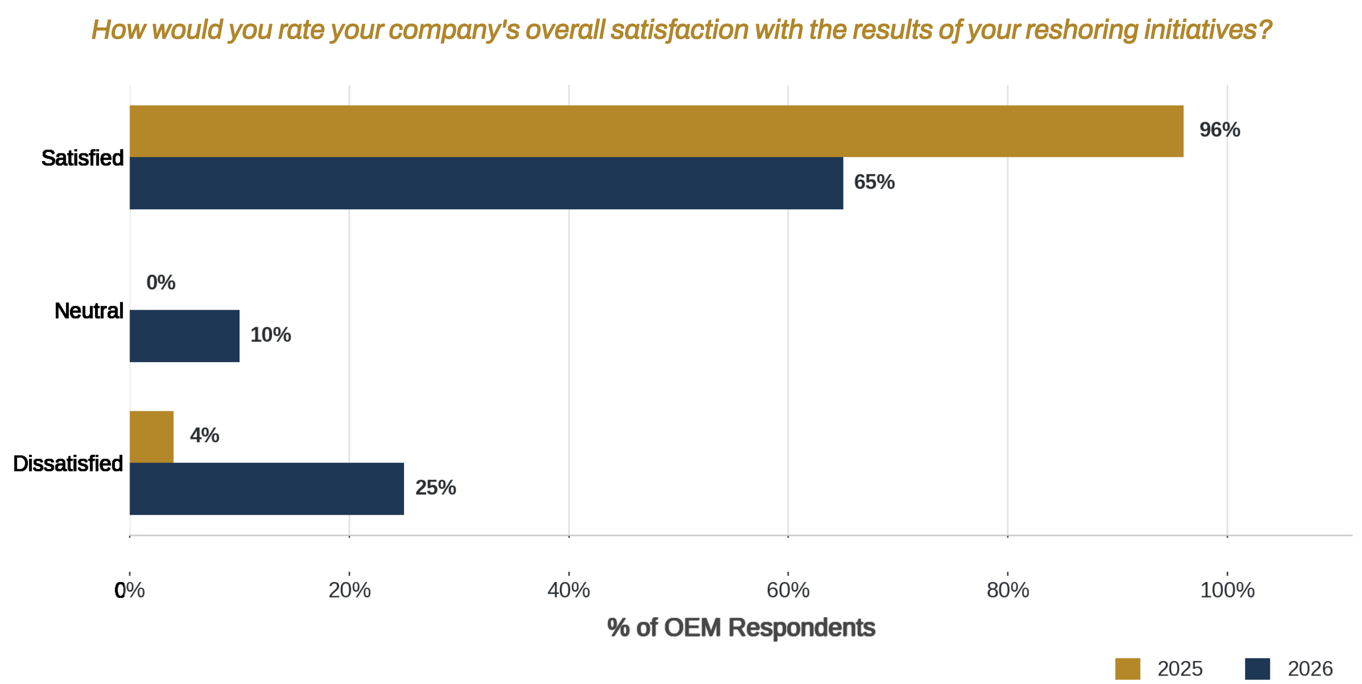
— GENERAL MFG. (OEM)

"Difficult to find equivalent vendors, lesser quality, higher price, poor customer service."

— (OEM)

Satisfaction with results: still positive, but less than 2025

EXHIBIT 5 Satisfaction with Reshoring Results, 2025 vs. 2026

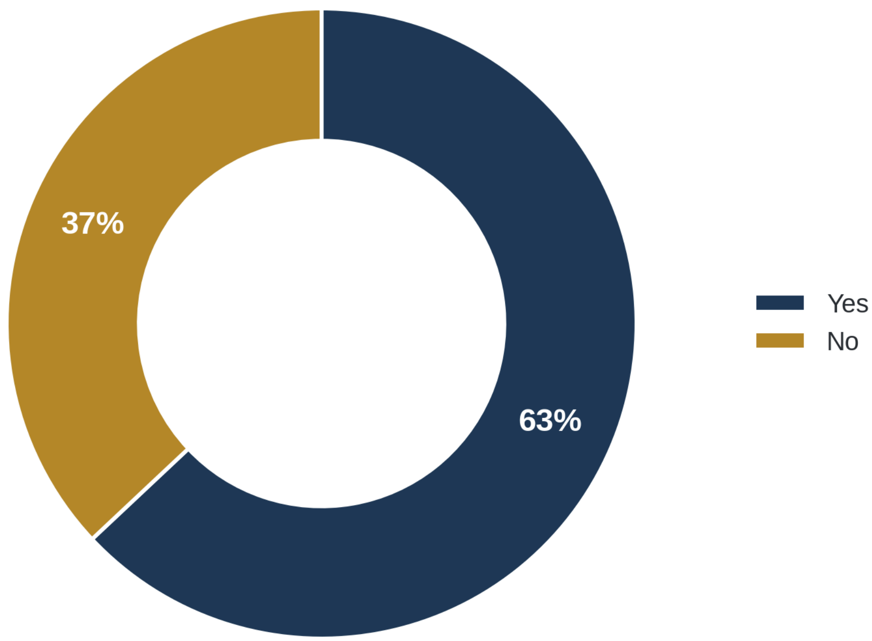


Satisfaction remains net positive, but the swing is significant: 65% of OEMs report being satisfied with reshoring results in 2026, down from 96% in 2025, with dissatisfaction rising to 25% from just 4%. This doesn't suggest reshoring itself is failing because the operational impact data (Exhibit 4) still shows positives outweighing negatives 2-to-1. It does suggest, however, that first-year results are running into challenges: labor costs, vendor gaps, inflation, and general implementation and adjustment pains.

Capital investment: still moving forward

EXHIBIT 6 **Planned 2026–2027 U.S. Capital Expenditures**

Are you planning on 2026 or 2027 US capital expenditures to support your reshoring or other domestic expansion?



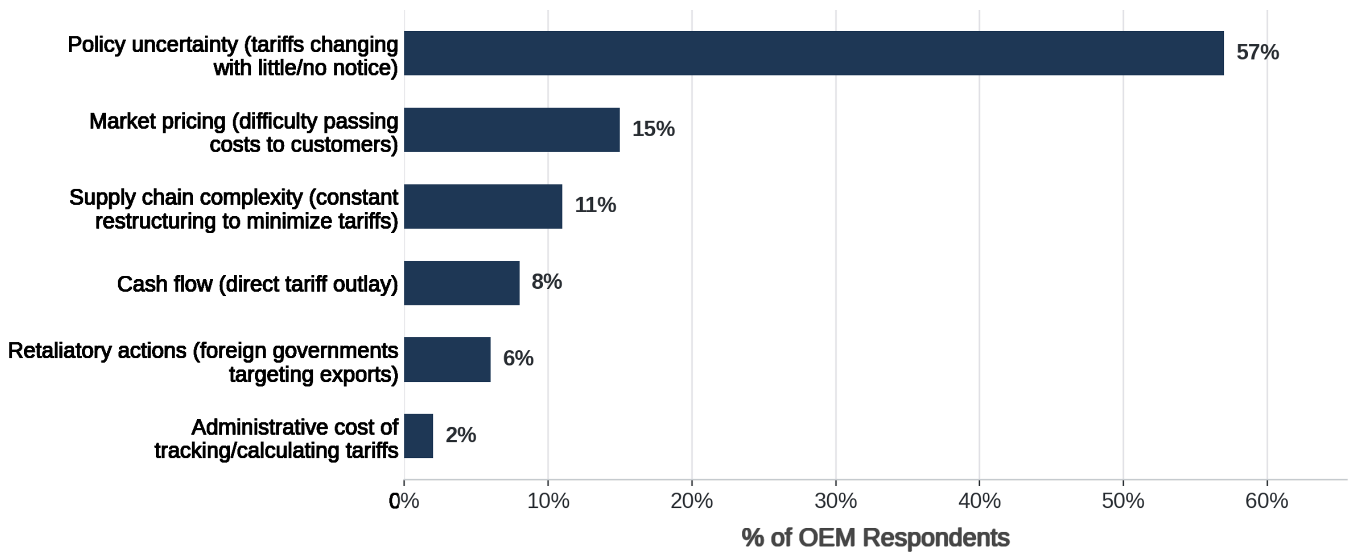
Sixty-three percent of OEM respondents indicated they would be making U.S. capital investments to support reshoring or other domestic expansion. Roughly two-thirds of OEM respondents across both the “considering reshoring” and “not yet reshored” cohorts said they are planning 2026 or 2027 U.S. capital expenditures to support reshoring or domestic expansion — a meaningfully positive signal given their concerns about uncertainty reported elsewhere in the survey.

Asked how much of a US manufacturing cost reduction would be needed to reshore 30% of current imports under today's tariff regime, responses were split, but a notable share (roughly 30-40% depending on cohort) said they were simply unsure, which in and of itself is a data point about how difficult it is to underwrite a reshoring business case in the current environment. Among those who could estimate, a 21-50% cost reduction was the most commonly cited threshold. These figures are consistent with our data on price differentials vs. most offshore countries, especially China, and with the majority of respondents still not using TCO.

Uncertainty, not the policy itself, is the dominant burden

EXHIBIT 7 Primary Challenge in Managing US Trade Policy

Which of the following represents your company's primary challenge in managing the current landscape of US trade policies?



Asked to name their single primary challenge in managing the current trade-policy landscape, OEM respondents were unambiguous:

This is the clearest single finding in the policy section of the survey: manufacturers are not primarily asking for a specific tariff level — they are asking for stability they can plan around.

Currency, regulation, and carbon: minor impacts this year

Three questions produced limited responses and are included briefly for completeness rather than as findings to build strategy around:

- **US dollar depreciation:** 41% of OEMs report no measurable competitiveness impact from the dollar's ~10% pullback from its 2025 peak — likely because the decline has not been sustained long enough to register operationally.
- **Carbon footprint:** 51% of OEMs assign it low priority (compliance only); only 2% call it a major strategic priority. 18% have evaluated reshoring specifically as a CO_2-reduction strategy.
- **AI and automation:** 33% of OEMs believe automation will make US manufacturing competitive enough by 2040 to cut imports 50%; 67% do not (see Workforce section for a more detailed picture).

WHAT IT MEANS FOR OEMS

Policy uncertainty is the dominant challenge OEMs are contending with.

Geopolitical risk has become a first-order reshoring justification. It belongs in the same conversation as tariffs when building an internal business case.

The TCO shift is real — OEMs still using FOB or Landed Cost alone are underpricing risk and costs that a growing share of peers have already priced in.

STAKEHOLDER AUDIENCE · 02

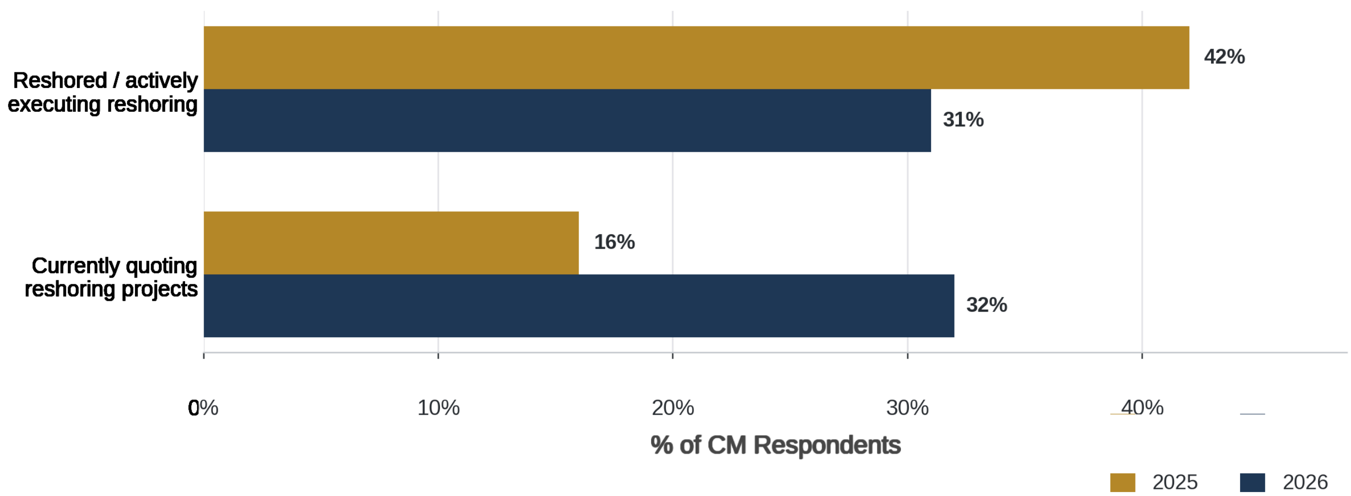
Contract Manufacturers (CMs)

What contract manufacturing respondents told us this year, and how it compares to 2025.

Note: CM responses skew toward Fabricated Metal Products manufacturers, reflecting our strong outreach through metals-industry associations and publications; this concentration should be kept in mind when generalizing findings across all CM sectors.

Customer reshoring activity: the pipeline is building

EXHIBIT 8 **Reshoring Status for Customers, 2025 vs. 2026**

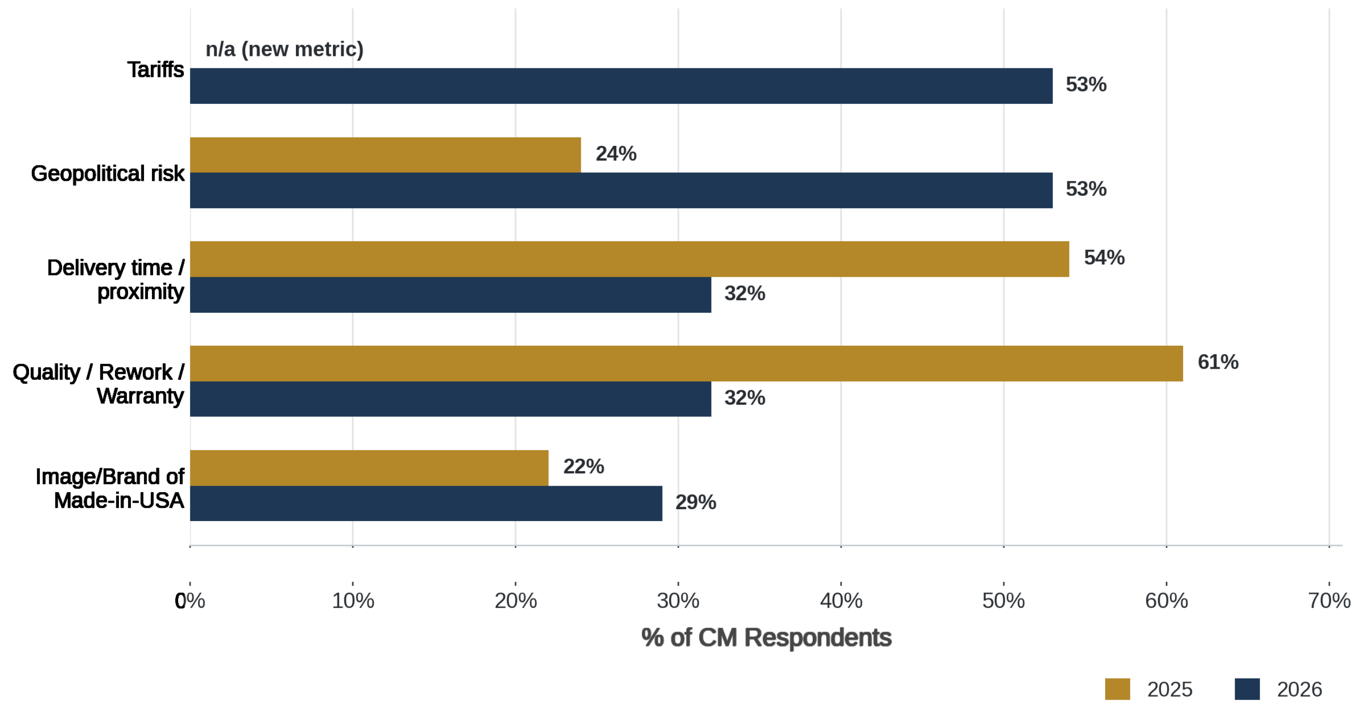


More CMs report having reshored, being actively engaged in reshoring or quoting reshoring in 2026 than in 2025.

The share of CMs currently quoting reshoring work roughly doubled year over year — a strong forward indicator even though completed/active reshoring pulled back from last year. 79% of CMs report at least some customers have raised reshoring with them in the last 12 months.

Why customers are reshoring to domestic CMs

EXHIBIT 9 Why Customers Are Reshoring to Domestic CMs



In 2026, tariffs and geopolitical risk are the leading reasons cited for reshoring. This is a useful reframe for CM sales conversations: lead with tariff/risk exposure, then win the business with quality, delivery, and Made-in-USA.

Satisfaction: CMs trail OEMs this year

45% of CMs report being satisfied with reshoring results in 2026 (12% extremely, 33% somewhat), compared to 65% of OEMs. This reverses the assumption that CMs — who typically gain volume from reshoring — would be more satisfied than the OEMs bearing the cost and risk. It may reflect the intensifying price competition CMs report facing even as reshoring activity increases, due to material inflation along with inflationary pressure on wages.

In their own words

> *"Poor quality offshore work brought us more business. Several customers have seen how paying for offshored parts then reworking to fix quality issues can cost as much or more than just ordering them here and getting the job done right the first time."*
>
> — **GENERAL MFG. (CM)**

> *"We have had better quality which is helping assembly even though we have higher cost and lead times."*
>
> — **GENERAL MFG. (CM)**

> *"Majority of mold components are produced in China. Tariffs only increased our cost to make in-house and did not make us more competitive. The tariffs imposed by the current administration have hurt our industry, not improved it."*
>
> — **INJECTION MOLDING (CM)**

> *"We won back work that we'd lost."*
>
> — **GENERAL MFG. (CM)**

> *"It has brought us opportunities for customer expansion."*
>
> — **GENERAL MFG. (CM)**

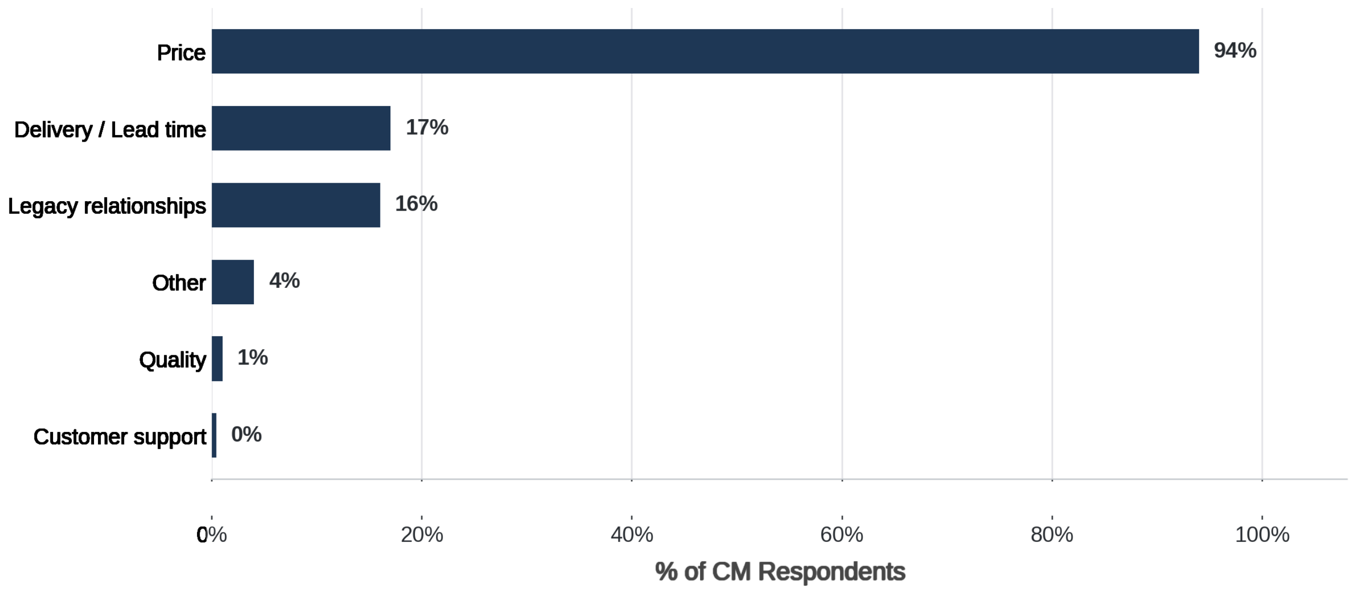
> *"For the couple jobs were reshored, it's great revenue for us."*
>
> — **SHEET METAL FABRICATOR (CM)**

> *"We are receiving quoting activity that had been gone for 5-7 years and is coming back. Hit ratio is VERY high. Very rare that a requoted job is not won. Regained jobs helping contribution margin."*
>
> — **PRECISION MACHINING (CM)**

Competitive pressure from imports is intensifying

EXHIBIT 10 Primary Drivers of Lost Orders to Imports

When you lose orders to an import, which of these factors are the primary drivers of that loss? (Select up to TWO)



> CMs report competing against imports on an average of 38% of quotes in the last two years, up from 31% in 2025.

> When CMs lose orders to imports, price is cited as the primary driver 94% of the time (91% in 2025) — the single most consistent finding across both survey years.

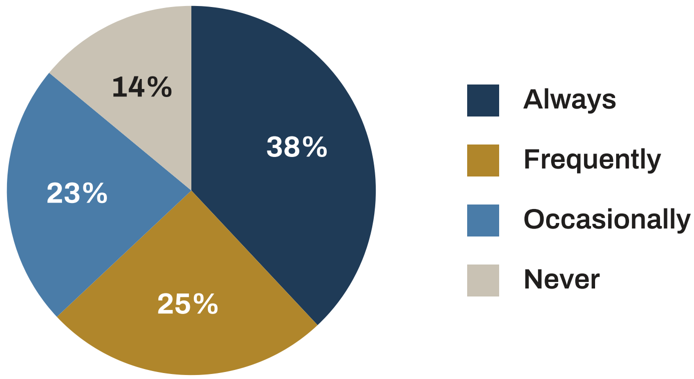
> Where CMs lose on price, the losing gap is often steep: 50% of CMs who lost orders say the winning import FOB/Ex-Works price was 30% or more below their own.

TCO as a sales tool — powerful tool still underused

36% of CMs say they always or frequently use Total Cost of Ownership as a sales tool when quoting against foreign competitors; 38% say they never do. Getting the “always” usage rate to 100% is the clearest opportunity area for CMs: TCO is the argument that most directly counters a pure price comparison, and most CMs are not yet consistently using it.

EXHIBIT 11 TCO Use as a Sales Tool (CMs only)

How often do you use Total Cost of Ownership as a sales tool when quoting against foreign competitors?

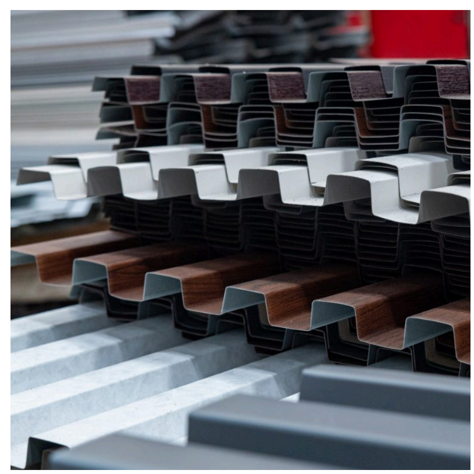


Regulatory cost is a secondary, not primary, factor in lost bids

Asked what share of bids lost to foreign competitors they attribute primarily to the cost of US regulations (OSHA, EPA/environmental), 35% of CMs estimate more than 10%, while 21% say regulations are never a deciding factor and 17% are unsure.

Sector concentration this year

This year roughly 45-55% of CM respondents are in Fabricated Metal Products, reflecting strong survey response through metals-industry associations and publications. Primary Metal and Computer/Electronic/Semiconductor manufacturing were the next-largest sectors, with the remainder spread across Machinery, Plastics/Rubber, Aerospace, and other categories.



Supply chain growing faster than assembly

69% of CM reshoring cases in the 2026 survey involve a customer switching component sourcing only (with assembly already in the U.S.); 31% involve the customer reshoring both assembly and sourcing together — nearly identical to the 2025 survey (66% / 34%).

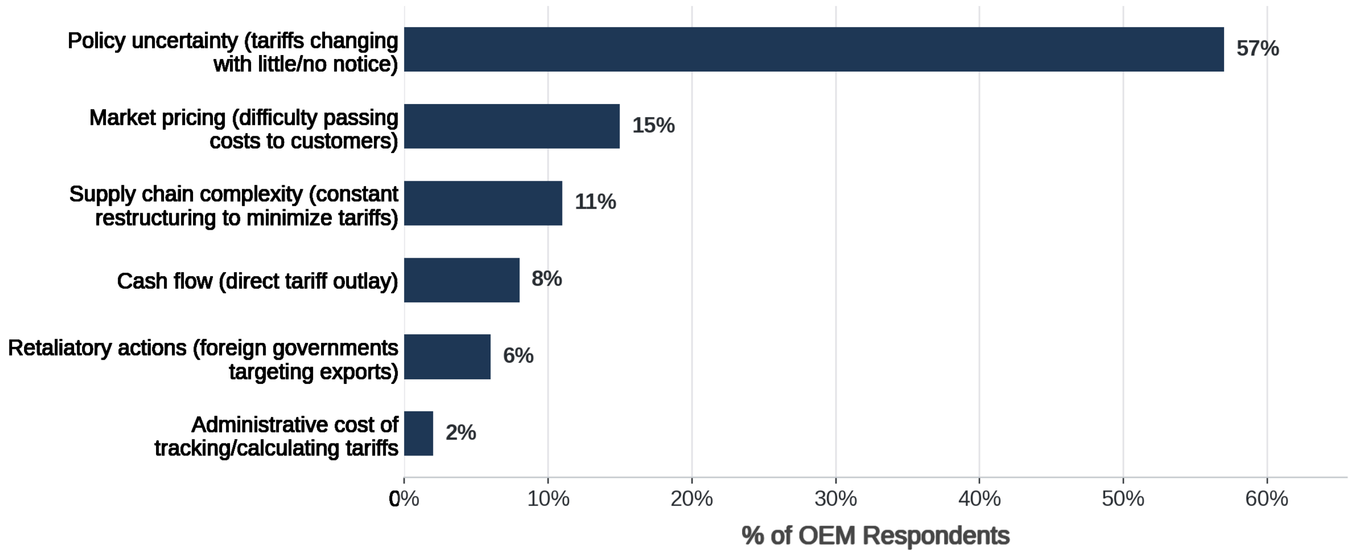
STAKEHOLDER AUDIENCE · 03

Federal Policymakers

What the data suggests about 2025–2026 federal industrial policies' impact on reshoring.

EXHIBIT 12 Primary Challenge in Managing US Trade Policy

Which of the following represents your company's primary challenge in managing the current landscape of US trade policies?



This mirrors Exhibit 7 from the OEM section, repeated here for the policymaker audience: policy uncertainty (57%) dwarfs every other challenge, including market pricing (15%) and supply chain complexity (11%). The message for policy-makers is that manufacturers are asking for a predictable framework they can plan multi-year capital investment around.

USMCA renewal: non-renewal a net moderate negative (OEM respondents)

> 56% say their supply chain is flexible enough to handle a failure to renew USMCA long-term.

> 26% would delay new North American investment until clarity returns.

> 10% would shift sourcing away from Canada/Mexico toward US suppliers.

> 8% would shift sourcing away from North America entirely.

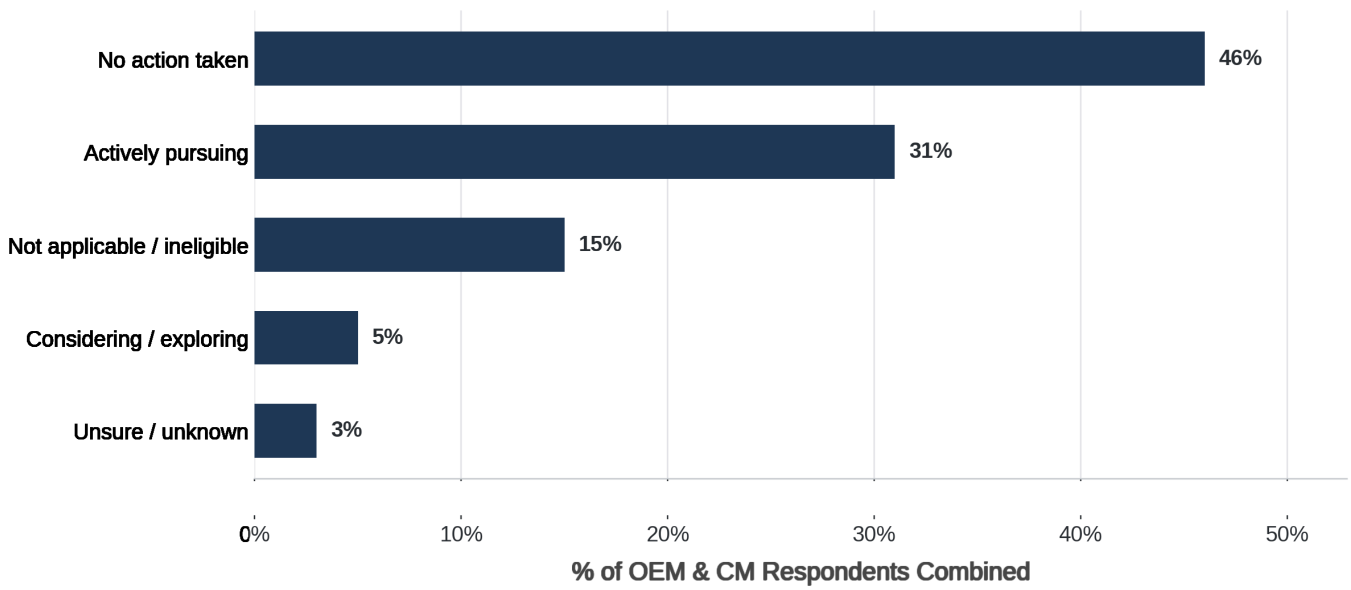
Read together, roughly half of respondents would change behavior in some way if USMCA renewal fails — split between delaying investment and actively shifting sourcing.

Steel and aluminum tariffs: net negative for competitiveness

57% of CM respondents say the 2025 increase in steel and aluminum tariffs has hurt their ability to compete against imports (30% major negative, 27% slight negative), versus 15% who report a positive effect.

The Supreme Court tariff-refund ruling has not yet moved investment

EXHIBIT 13 Company Actions to Pursue Tariff Refunds



Asked how the February 20, 2026 Supreme Court ruling ending IEEPA tariffs has affected the timeline for new factory construction, facility expansion, and supply chain reshoring, 64% of respondents report “no change” across all three categories — the ruling has registered as a legal development, not yet an investment catalyst. The Administration has already made some moves to mitigate the impact of steel and aluminum tariffs.

Combined, ~61% of respondents are either taking no action or structurally can't (ineligible/not applicable) — reinforcing the finding that the SCOTUS ruling has had limited practical follow-through so far.

Key qualitative themes

> **Eligibility confusion is a real barrier, not just apathy** — several respondents said they paid tariffs but can't recover them because they weren't the importer of record, bought through a distributor, or were charged a blended rate.

> **Resource constraints show up repeatedly among smaller companies** — a few explicitly said pursuing refunds isn't worth the time/effort relative to the payoff.

> **Skepticism is notable:** multiple respondents volunteered that they expect to see none of the refund money, or that intermediaries/vendors “above” them will absorb it.

> **Among the actively pursuing group,** actions cluster around three concrete steps: filing directly (customs broker, CAPE*, legal counsel), coordinating with logistics/supply-chain partners, and industry-association-led filings (one CM referenced PLASTICS Industry Association guidance).

**CAPE refers to CBP’s Consolidated Administration and Processing of Entries system — the electronic portal (launched April 2026) that importers and their customs brokers use to file IEEPA tariff refund claims.*

In their own words: pursuing tariff refunds

These quotes are representative of the inherent complexity of using tariffs to overcome price differences.

"We are unable [to pursue a refund] as we are not the importer of record. I expect much of the tariff refunds to go to 3rd parties and not to the ones who ultimately paid the tariffs. It is frustrating."

— (OEM)

"No action. General confusion on situation makes it difficult to allocate resources to this with low understanding of what would be the return on time investment."

— (CM)

"We buy through distribution and cannot qualify for refunds even though we paid the tariffs indirectly."

— AEROSPACE MFR. (CM)

"None, this is too complicated for a contract manufacturer to isolate and identify exact cost impact."

— GENERAL MFG. (CM)

"We have struggled to compete with Asian prices due to raw material costs. Our customers are paying prices for finished products that are lower than our raw material costs."

— METAL COMPONENT MFG. (CM)

"We are requesting refunds through both our suppliers and through our customs broker wherever needed."

— GENERAL MFG. (OEM)

"Working with carriers to get a refund."

— CONSUMER GOODS MFR. (OEM)

"We will look for refunds for our major purchases (machines and machine parts)."

— CUTTING TOOLS MFR. (OEM)

"Even though we were charged tariffs it was at a blended rate and we were not the importer of record so there is NO recovery process."

— PRECISION MACHINING (CM)

China/Taiwan de-risking: engagement is real but far from universal

60% of CMs report their typical customers who import from the China/Taiwan region are at least discussing de-risking — 19% say customers are actively transitioning away, another 22% say customers are planning ahead, and 19% describe informal discussion only. 39% report the topic has not been raised at all. This is a softer measure than the direct yes/no framing used in 2025 (when 77% of both OEMs and CMs said they or their customers were "concerned" about a Taiwan-related disruption), but it tells a consistent story: concern is broad, concrete action is not.

De minimis exemption elimination: limited reported impact so far

76% of respondents report the elimination of the de minimis duty-free exemption having no impact on the competitiveness of their U.S. manufacturing; 12% report a favorable impact (less low-value import price competition) and 12% report an unfavorable impact (higher input costs). (Figures reflect OEM respondents only.)

WHAT IT ALL MEANS FOR POLICYMAKERS

The strongest, most consistent ask embedded in this data is predictability. A stable multi-year tariff framework would likely do more to unlock reshoring decisions than incremental changes to the tariff rate itself.

Tariff-refund eligibility rules that exclude non-importers-of-record are creating a credibility gap — companies that materially bore tariff costs report they cannot recover any of it.

USMCA renewal carries real behavioral consequences: roughly half of manufacturers say they would change sourcing or delay investment if long-term renewal fails.

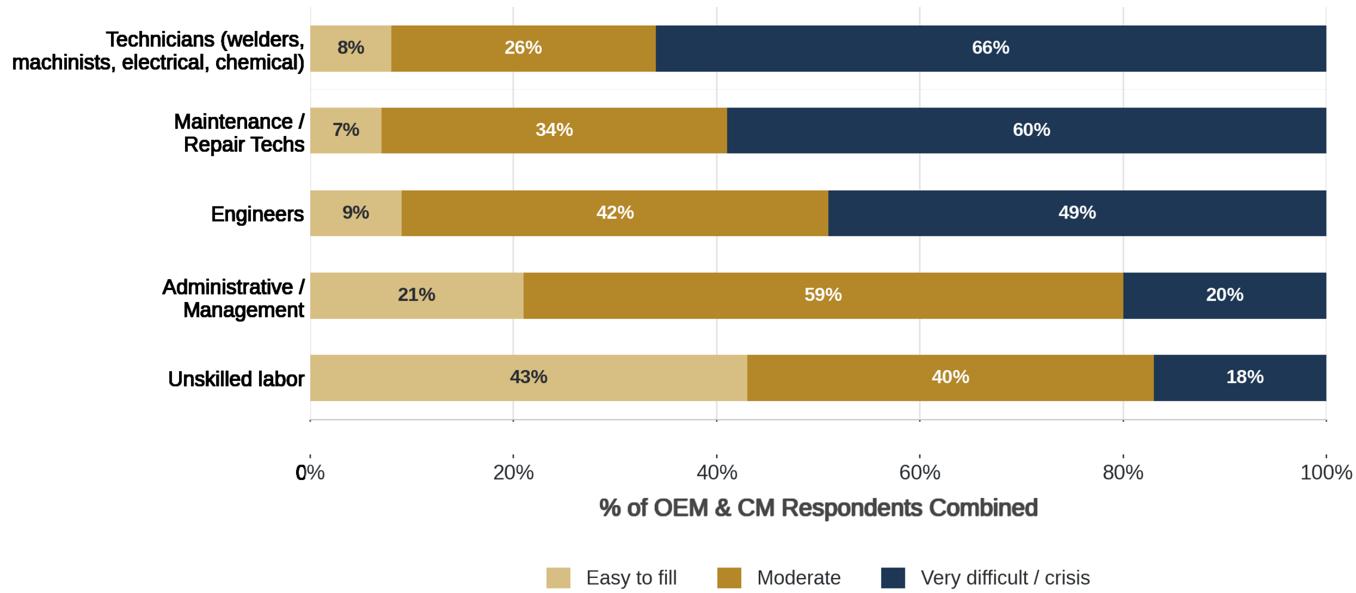
STAKEHOLDER AUDIENCE · 04

Economic Development & Workforce

What manufacturers report about hiring difficulty, the channels they're actually using to fill roles, and where automation may — or may not — relieve the pressure.

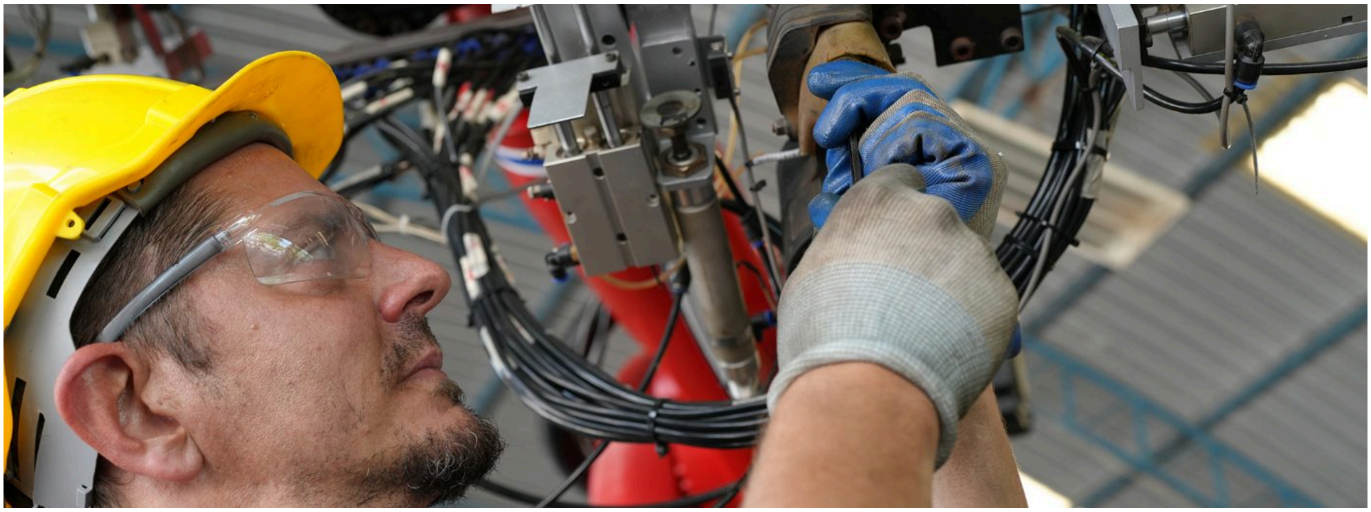
Hiring difficulty is concentrated in the skilled trades, not entry-level or administrative roles

EXHIBIT 14 Hiring Difficulty by Role



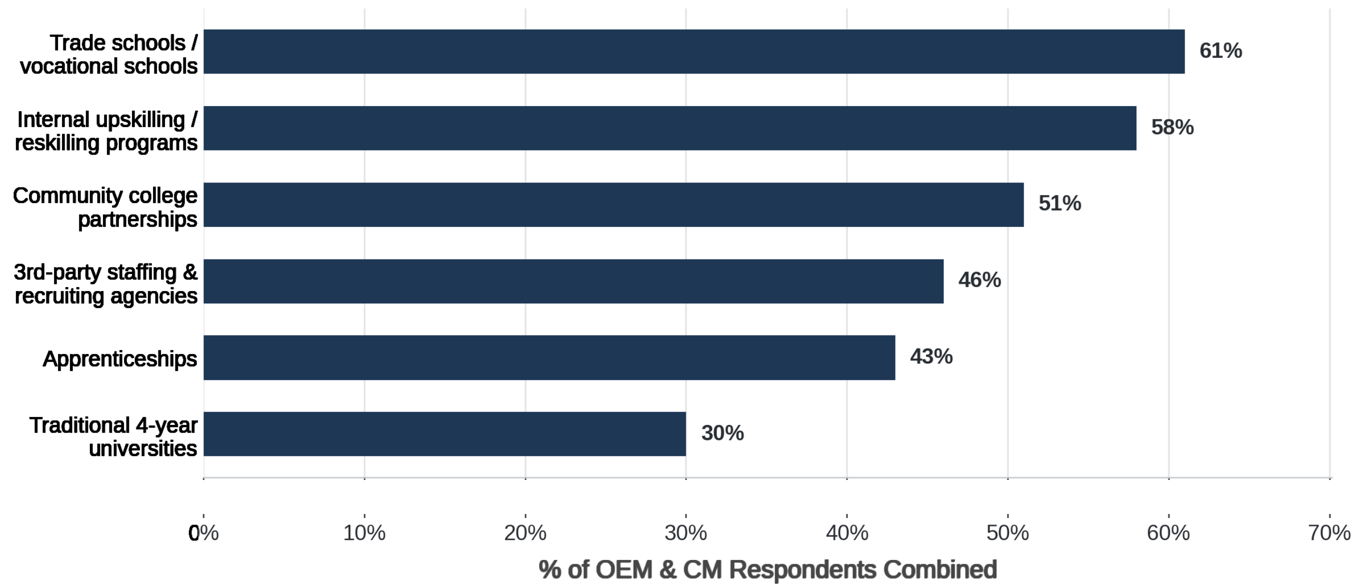
Pertains to: 2026 Survey Q74 (OEM & CM respondents combined)

Technicians and maintenance/repair roles are in the most acute crisis — roughly two-thirds of respondents rate hiring for these roles very difficult or worse. Unskilled labor, by contrast, remains comparatively easy to fill. This is the clearest, most fundable signal in the entire survey for training institutions: the shortfall is concentrated in skilled-trades roles that require sustained technical training, not general labor supply.



Employers are already engaged with training pipelines

EXHIBIT 15 Workforce Resources Engaged to Fill Roles Selected up to 3



Pertains to: 2026 Survey Q75

Trade schools, community colleges, and internal upskilling are already the top three channels manufacturers use to fill roles — ahead of 4-year universities. This validates continued (and likely expanded) investment in vocational and community-college partnerships over four-year degree pipelines for manufacturing roles.

Deportation-driven labor disruption is real, but concentrated

Among CM respondents, 64% report at least some difficulty recruiting or retaining workers over the last 12 months as a result of deportations, including 31% reporting significant or extreme difficulty. This should be read alongside the workforce-availability findings above as a compounding pressure on an already-tight skilled-trades labor pool.

Automation is expected to help — but most don't expect it to close the gap alone

33% of respondents believe advances in AI and automation will make U.S. manufacturing competitive enough by 2040 to reduce imports by 50%; 67% do not. We suspect respondents' confidence would be higher if they believed the workforce problem would be solved and tariffs or lower USD would help to level the cost playing field.

WHAT IT MEANS FOR WORKFORCE AND EDUCATION PARTNERS

Prioritize technician and maintenance/repair-tech pipelines — these show the widest gap between demand and available talent.

Trade schools and community colleges are already the preferred partner channel for manufacturers; formalizing and scaling those partnerships provides the highest-leverage next step.

Make training investments now, to hedge against projected talent shortfalls in the future (namely, the technical skills required for automation and digitization).

SYNTHESIS

Key Takeaways

Themes that cut across every stakeholder audience and connect the year-over-year story.

ON RESHORING MOMENTUM

OEM reshoring activity is up. Despite the uncertainty of the tariffs, more OEMs report having reshored or being actively engaged in reshoring in 2026 than in 2025.

ON RISK

Geopolitical risk has risen to parity with tariffs as a reshoring driver for OEMs and has become the second most-cited reason CMs' customers give for reshoring to them (53%, up from 24% in 2025).

ON POLICY

The dominant policy complaint is uncertainty (57%), not the underlying tariff level. Manufacturers can plan around a known cost; they cannot plan around a moving target. For instance, roughly half would change sourcing or delay investment if USMCA renewal fails.

ON COSTING AND COMPETITIVENESS

Total Cost of Ownership (TCO) adoption is rising among OEMs (30%→40%) but underused as a CM sales tool (36% regular use). Price remains the single most-cited reason CMs lose orders to imports (94%), with import prices often 30%+ below domestic bids. Closing this gap requires both sides to adopt the same complete-cost framework — OEMs to compare accurately, CMs to sell effectively. CM sales messaging should shift emphasis toward tariff exposure and geopolitical risk alongside quick delivery and speed to market, mirroring what OEM customers say is actually driving their decisions this year.

ON WORKFORCE

The skilled-trades gap — concentrated in technicians and maintenance/repair roles — is the most acute and most fundable constraint in the dataset. Manufacturers are already using trade schools and community colleges as their top external channel; the opportunity is to scale existing partnerships.

SECTION 08

About the Survey

The 2026 USA Reshoring Survey was conducted by the Reshoring Initiative® in collaboration with Regions Recruiting® to determine where U.S. manufacturers stand on reshoring one year into the second Trump Administration's trade and industrial policy agenda. The questionnaire again differentiated Original Equipment Manufacturers (OEMs) from Contract Manufacturers (CMs), and this year added new questions on USMCA renewal, steel and aluminum tariffs, the elimination of the de minimis exemption, the February 2026 Supreme Court tariff-refund ruling, and the anticipated role of AI and automation.

Figures in this report are rounded to the nearest whole percent and may not sum to 100% due to rounding or questions permitting multiple selections.

ABOUT THE RESHORING INITIATIVE®

The Reshoring Initiative, founded in 2010, assists companies in accurately deciding what to source and produce domestically vs. offshore. Its mission is to help balance the U.S. goods trade deficit.

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