

VÄLENCE

Bring Production Home Toolkit: A Guide to Reshoring

Strategic insights and resources for companies considering reshoring.





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Introduction

Businesses across the United States are reassessing their production strategies on the global stage in response to shifting market conditions, supply chain disruptions, and increased import costs. For many, reshoring has emerged as a potential opportunity to reach their long-term goals of a competitive advantage and long-term growth right here in the United States.

However, reshoring is not an overnight operation and requires several things you must plan and consider before making a decision. It requires a thoughtful planning process across topics like workforce readiness, suppliers, and available networks. This guide is built to help organizations explore that path with confidence.

Inside, you will find practical resources, checklists, and insights to help your team:

- Assess internal readiness for reshoring
- Analyze regional labor availability and training resources
- Plan for a phased relocation and supply chain transition
- Identify key factors for a successful transition

Reshoring is more than a supply chain adjustment; it's an investment in your business, quality control, and operational agility as markets continue to evolve. It also creates new opportunities for domestic suppliers to support companies transitioning operations closer to home.



The Reshoring Landscape

Reshoring refers to bringing manufacturing and supply chain operations back to the country where your company operates. What started as a response to global disruptions has become a strategic priority for businesses seeking greater control, reduced risk, and faster response times to customer needs.

Several Factors are Driving Interest:



SUPPLY CHAIN DISRUPTIONS:

From port congestion to material shortages, businesses are facing delays and rising costs. Reshoring helps reduce dependence on long-distance logistics, cutting out the middleman and keeping your focus at home.



RISING TRANSPORTATION AND IMPORT COSTS:

Increased freight rates, fuel costs, customs-related expenses, and tariff impacts are a focus, especially for time-sensitive or high-value goods.



LEAD TIMES:

Domestic production allows companies to respond faster to customer demands and feedback, giving domestic companies a competitive edge in the markets at home.



RISK MANAGEMENT:

Geopolitical instability, new trade policies, and unexpected global events have made risk mitigation a top priority for many.

Industries Leading Reshoring Efforts

Several industries are spearheading reshoring activity in the U.S., reshaping the manufacturing landscape with significant investments and commitments to job creation.

SEMICONDUCTORS

According to the [Manufacturing Alliance](#), between October 2024 and April 2025, semiconductor projects represented nearly 5% of all reshoring announcements and accounted for \$102.6 billion in capital investments. These investments are expected to create over 17,600 new jobs from companies like Taiwan Semiconductor Manufacturing, Samsung South Korea, and ASML of the Netherlands, who are establishing operations in the U.S. to serve their U.S. market.

INDUSTRIAL EQUIPMENT

According to [data from the Financial Times' FDI database](#), between January 2022 and April 2025, nearly 200 reshoring investment projects were announced in the industrial equipment sector.

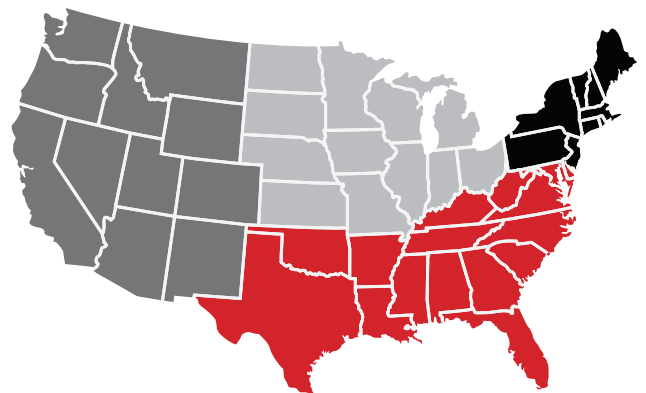
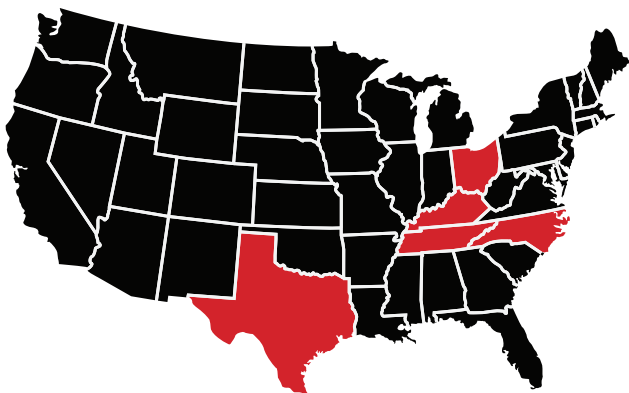
These projects have included:

- Machine shops and parts fabrication
- Robotics, automation, and CNC equipment
- Furnaces, heat treatment systems, and tooling
- Assembly and distribution facilities

WHERE WE ARE SEEING GROWTH (STATES & REGIONS)

Top states (2024, jobs announced): Texas, Kentucky, North Carolina, Tennessee, and Ohio lead the nation, with Texas leading the charge, creating 24,722 jobs.

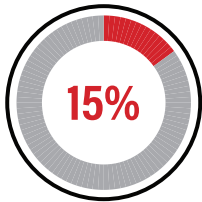
By U.S. region (2024): South 60%, Midwest 21%, West 11%, Northeast 8% of announced jobs.



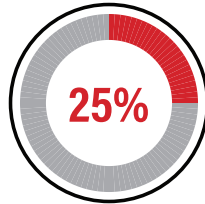
MOMENTUM & INTENT (WHAT CEOS SAY)

The [Kearney Reshoring Index](#) survey, conducted in March 2025, reveals a notable spike in reshoring interest, reinforcing that the desire to build or expand operations in the US is far from fading.

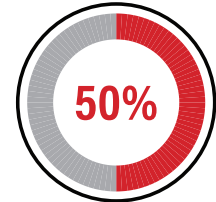
KEY STATISTICAL FINDINGS:



The percentage of CEOs planning to reshore part of their operations within the next three years rose by 15 percent compared to the 2024 survey



Nearly 25 percent of CEOs ranked labor cost as the top challenge to reshoring and nearshoring, identifying it as their primary barrier



Approximately a 50 percent increase in CEOs citing geopolitical tensions as a motivator for reshoring, highlighting how executive uncertainty is reshaping priorities

Sources:

[*Reshoring Reality: What's Fueling the Manufacturing Revival*](#)
[*Reshoring Initiative® 2024 Annual Report*](#)
[*The Great Reality Check 2025 Reshoring Index*](#)

Feasibility Assessment

Deciding whether reshoring is right for your business requires a comprehensive assessment across several areas.

FEASIBILITY ASSESSMENT AND TOTAL COST OF OWNERSHIP (TCO)

Many reshoring strategies don't work when companies focus solely on direct labor or facility costs. A Total Cost of Ownership (TCO) analysis captures the full economic impact by accounting for hidden and indirect costs, such as:

- Transportation and logistics
- Tariffs and customs duties
- Inventory carrying costs
- Quality assurance and defect rates
- Supply chain risk factors (e.g., geopolitical instability, port congestion)

The Reshoring Initiative's [TCO Estimator](https://reshorenow.org/tco-estimator) (reshorenow.org/tco-estimator) is a publicly available tool designed to help manufacturers run side-by-side comparisons of offshore and domestic scenarios. It incorporates hidden costs, risk factors, and performance metrics that traditional cost analysis methods might overlook.

Source:

[*Total Cost of Ownership Estimator®*](#)

Labor and Workforce Analysis

Labor and workforce readiness are among the most critical factors when considering reshoring. Even with the most modern facilities and supply chain plans, the success of an operation focuses on securing skilled employees who can efficiently operate modern equipment.

EVALUATE YOUR WORKFORCE NEEDS

Before moving production, clearly define the skillsets and roles essential for your operation. This list can include positions like:

- Skilled trades such as CNC machinists, welders, and equipment technicians
- Advanced manufacturing roles, including robotics programmers, quality control specialists, and automation technicians
- Support functions like supply chain coordinators and production supervisors



Tip: Develop a workforce competency list that maps required roles, skill levels, and expected headcount needed for your operation to begin working.

EVALUATE REGIONAL LABOR AVAILABILITY

Workforce availability varies significantly by region. To make an informed decision on where you want to reshore, you must consider:

- Research labor market data on employment levels, unemployment rates, and wage benchmarks.
- Identify the presence of trade schools, community colleges, and technical training centers that can serve as a pipeline for students to join your workforce.
- Assess regional workforce trends such as aging demographics or high turnover rates.



CONSIDER OUTSOURCING TO A CONTRACT MANUFACTURER

When internal workforce capacity is limited or manufacturing skills aren't as widely available in your potential new location, partnering with a contract manufacturer can provide an effective pathway for reshoring. Here are the key advantages this approach offers:



Access immediate workforce capacity:

Contract manufacturers provide immediate relief during labor shortages or workforce unpredictability, deploying their trained teams on your behalf without the time and expense of recruiting, hiring, and training new employees.



Gain flexibility and scalability:

Contract manufacturers enable quick production volume scaling up or down without sacrificing quality, allowing you to respond to market demands without the burden of hiring additional staff.



Focus resources on core business:

Partnering with a contract manufacturer allows you to allocate time and resources toward strategic planning, business development, and customer satisfaction rather than managing workforce challenges.

PARTNER WITH VALENCE INDUSTRIAL

When evaluating contract manufacturing options, [Valence Industrial](#) offers a strategic solution for companies reshoring to the Midwest. Located in Ohio and Kentucky — two key manufacturing regions — we provide the workforce expertise and manufacturing capabilities you need.

By partnering with Valence, you can access immediate production capacity while your leadership team focuses on strategic growth and market positioning, ensuring a smoother path to successful domestic manufacturing.

Sources:

[*The Top 8 Manufacturing Trends for 2023*](#)

[*Taking charge: Manufacturers support growth with active workforce strategies*](#)

[*Why Businesses Outsource to Contract Manufacturers*](#)

Supply Chain Evaluation

Bringing production back home requires more than just shifting your labor force and facilities; it requires planning of your entire supply chain to ensure operational continuity, cost efficiency, and responsiveness. Supply chain planning is important to manage risks, minimize disruptions, and set the stage for continuous manufacturing as you grow in the United States.

ASSESS YOUR CURRENT SUPPLY CHAIN FOOTPRINT

The first step is mapping your existing supply chain footprint and understanding how each component supports your production processes. This includes items such as raw materials, component suppliers, and transportation routes.

What to Consider:



Identify suppliers that can be replaced with domestic alternatives



Evaluate supplier reliability, capacity, and quality



Analyzing logistics costs and lead times for inbound materials and outbound finished goods



Evaluate U.S. regulatory or compliance requirements that can affect sourcing and distribution

SUPPLIER QUALIFICATION EVALUATION

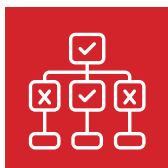
Supplier qualification is a systematic process of evaluating, selecting, and approving suppliers to ensure they meet predefined quality, regulatory, operational, and business requirements. This comprehensive approach helps verify that potential suppliers can consistently deliver materials or services that align with your operational standards.

A structured qualification process should include the following key evaluation areas:



IDENTIFY AND PRE-SCREEN SUPPLIERS:

Identify, assess, and evaluate potential suppliers based on industry requirements, business needs, and internal quality standards.



CLASSIFY SUPPLIERS BASED ON IMPACT:

Classify each supplier as either quality-critical or standard based on their potential impact on product quality and regulatory compliance.



GATHER PRELIMINARY DOCUMENTATION:

Collect essential documents such as certifications, regulatory approvals, and compliance records to verify the supplier's credibility.



REQUEST INFORMATION AND PROPOSALS:

Assess supplier capabilities, pricing, and terms through Request for Information (RFI) and Request for Proposal (RFP).



CONDUCT RISK ASSESSMENTS:

Analyze supplier risks, including financial stability, operational reliability, and quality control measures.



Tip: Classify each supplier as either quality-critical or standard based on their potential impact on product quality and regulatory compliance to allocate appropriate resources for qualification and ongoing monitoring activities.

Sources:

[*Risk, Resilience, and Rebalancing in Global Value Chains*](#)
[*Supplier Qualification: Definition, Process, and Guidelines*](#)
[*TCO Estimator*](#)

Phased Relocation Planning

The reshoring process benefits from a phased, step-by-step approach rather than an abrupt transition. A phased relocation plan helps minimize operational disruptions, manage risk, and provide flexibility to adjust as challenges arise during the transition.

KEY ELEMENTS OF A PHASED RELOCATION PLAN:

- **Define Milestones and Timelines:** Establish specific, measurable milestones tied to critical activities such as site preparation, equipment installation, workforce hiring, and pilot production runs.
- **Start with Pilot or Partial Production:** Begin reshoring with limited or pilot production runs. This “soft launch” approach provides valuable insights into operational performance, supply chain coordination, and quality control without risking full-scale disruptions.
- **Plan Inventory Buffers:** Maintain sufficient inventory buffers both at the outgoing offshore sites and at the new domestic facility to ensure uninterrupted supply to customers during the transition.
- **Synchronize Supplier and Logistics:** Coordinate closely with your domestic suppliers and logistics partners to ramp up their capacity and capabilities in alignment with your production schedule.
- **Incorporate Flexibility In Your Plans:** Build flexibility into your plan to accommodate unforeseen challenges such as labor shortages, equipment delays, or regulatory hurdles.

WORK WITH MEP CENTERS

To support your phased relocation plan, partnering with the Manufacturing Extension Partnership (MEP) Center provides you with a partner to begin shaping and executing your reshoring supply chain strategy. MEP Centers specialize in connecting manufacturers with domestic suppliers, identifying any gaps in sourcing capacity, and offering hands-on support through the transition.

Sources:

[*The MEP National Network's Supply Chain Optimization and Intelligence Network: Helping Manufacturers Bridge Gaps*](#)

[*How U.S. Manufacturers Can Take Advantage of Reshoring*](#)

Reshoring Checklist

Reshoring isn't a simple process that can be done overnight; it requires careful planning around multiple areas of a business. The following checklist covers the essential ideas businesses must consider when evaluating the opportunity for reshoring:

☐ **STEP 1: FEASIBILITY ASSESSMENT**

Conduct a comprehensive Total Cost of Ownership (TCO) analysis that goes beyond direct labor costs to include transportation, tariffs, inventory carrying costs, quality assurance, and supply chain risk factors.

☐ **STEP 2: WORKFORCE ANALYSIS AND PLANNING**

Start your workforce analysis and planning list to evaluate regional labor availability, skill requirements, and training infrastructure to ensure you can build and maintain a qualified workforce for your operations.

☐ **STEP 3: SUPPLY CHAIN AND INFRASTRUCTURE EVALUATION**

Map your current supply chain footprint and identify domestic alternatives for key suppliers, while assessing logistics costs, lead times, and regulatory requirements for both inbound materials and outbound finished goods.

☐ **STEP 4: LOCATION AND SITE SELECTION**

Research potential locations, considering factors like transportation access, utility costs, regulatory environment, and proximity to suppliers and customers.

☐ **STEP 5: PHASED IMPLEMENTATION PLANNING**

Start by developing a step-by-step relocation plan with defined milestones, pilot production phases, inventory buffers, and flexibility to accommodate unforeseen challenges.

Sources:

[*What Is Reshoring?*](#)

Partnering With Valence Industrial

The right manufacturing partner makes all the difference between smooth transitions and costly operational disruptions. Valence Industrial is your one-stop contract manufacturer, ready to provide the capabilities many companies struggle to establish quickly during reshoring.

WHY VALENCE INDUSTRIAL?

From single customized components to complex mid-run requirements, we engineer and manufacture fully customized solutions backed by complete bills of materials. Our 79,000 square feet of manufacturing space across Lexington, Kentucky, and Sidney, Ohio, gives you the flexibility and capacity you need.

OUR CORE CAPABILITIES:



Manufacturing Capabilities

We deliver end-to-end services, including laser/plasma cutting, CNC machining and turning, welding and soldering, forming, assembly, and painting.



Engineered-to-Order Solutions

From tailored automation systems to unique fabricated solutions, we build products engineered for efficiency, durability, and seamless workflow integration.



Supply Chain Solutions

We look at the total cost of the supply chain and quality. We will work to understand your product and processes then make suggestions to lower the overall cost of the final product.

CONTACT VALENCE INDUSTRIAL

Your reshoring journey doesn't have to be a solo mission. While you're evaluating the strategies in this toolkit, we're ready to roll up our sleeves and show you exactly how Valence can eliminate roadblocks and fast-track your success. Contact us to learn how we can support your transition.



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