



FOR IMMEDIATE RELEASE

January 31, 2025

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2025 Business Outlook Survey Results

OSHKOSH (January 31, 2025) —

What are local business leaders anticipating in Oshkosh for 2025? That is the question we asked local CEOs, business managers, and owners. While it is impossible to predict our economic future with a high degree of specificity, and despite some uncertainty about workforce availability, inflationary pressures, and interest rates, locally, Oshkosh is doing well and has a position of strength in the marketplace.

Employment and Construction

This past year, employment remained strong. According to the Wisconsin Department of Workforce Development (December 2024), the unemployment rate for Oshkosh remains below the national unemployment rate of 3.8 percent at 2.7 percent. This unemployment rate is remarkable when you consider that in April 2020, the Oshkosh unemployment rate was 14.3 percent. Oshkosh-based businesses employ more people than ever, and competition for workers remains strong. 34,216 city residents are working this year, up from 34,087 last year. In 2024, Oshkosh experienced investment in commercial and industrial property of \$30 million, down from \$57.3 million in 2023. However, based on current project construction and announcements, we anticipate over \$100 million in new development to be completed in 2025. Oshkosh experienced significant growth across all sectors in 2024, even with continued inflationary pressures, worker shortages, and higher operating costs. Even with these obstacles, Oshkosh continued to grow and prosper. Oshkosh continued to experience exceptional commercial growth, especially along the Oshkosh Avenue corridor with new hotels, restaurants, and office space. Our industrial sector continued to see numerous expansions, with 4imprint adding a 170,000-square-foot expansion of its distribution center in the Southwest Industrial Park. New multi-family housing growth is booming, with over 1,000 units currently under construction or announced in 2025. We continue to experience robust growth in our downtown and central city area. Furthermore, SmartAsset ranked Oshkosh #10 among the Most Livable Small Cities out of 281 small cities across the Country. As we turn the page to 2025, businesses are focused on igniting the local economy and asserting their competitiveness. With steady interest rates, an election in our rearview mirrors, and strong employment levels, 2025 should include more growth and expansion as businesses continue investing in Oshkosh.



Oshkosh CEO's Confident

The results of the Oshkosh Chamber's Annual Business Outlook Survey, a barometer that we use to gauge the degree of confidence of business leaders, indicated that area CEOs and business owners are confident heading into 2025. Overall, there is a growing degree of optimism among local CEOs and business owners, with 78% of the participating CEOs rating their company's outlook as good to excellent in the next 6 months, 92% rate the next 12 months as good to excellent and 94% rate their outlook as good to excellent in the next 1 – 3 years.

2024 Review

Of the local CEOs and business owners participating in our annual Business Outlook Survey, 70 percent reported that sales increased in 2024 over the previous year, 63 percent indicated that profits were up, and 79 percent increased wages. This past year, 35 percent of reporting companies added staff to their payrolls, while 48 percent said it remained the same. In 2024, 72 percent of the respondents indicated that their companies met or exceeded profitability expectations, up from 59% in 2023. Those

Companies missing the mark on profitability expectations cited higher operating costs, a slowdown in the economy, and sales shortfall as the most significant factors, followed by rising raw materials costs, increased energy costs, increased competition, and a lack of employees as the biggest causes. Some companies indicated some hesitation in orders prior to the election.

2025 Sales Forecast

When asked for their forecasts for 2025, 87 percent believe that sales will outperform the previous year's level. Overall, participating firms expect sales gains, according to 58 percent of the reporting companies, in the first quarter of 2025 compared to the previous quarter, while 21% anticipate no change. Sixty-three percent of these companies expect sales to increase in the first quarter of 2025 compared to the same quarter in 2024, while 26% anticipate no change.

2025 Employment Forecast

50% of area CEOs expect to hire more people in 2025, while 48% anticipate employment levels to remain the same. While this is all excellent news, business leaders report that finding qualified workers remains somewhat of a challenge, with 27 percent indicating they have unfilled job openings. This is down from the 47% reported in 2024, however. Also, 51% reported that they do not have any current job openings. These employers further indicated that recruiting qualified job applicants is getting easier, with only 34% indicating four or fewer job applicants per job opening, compared to 68% in the prior year. Only 3% indicated there were no qualified candidates for job openings, a vast improvement over the 24% from the preceding year.

2025 Raw Materials and Finished Goods Forecast

Manufacturers plan to increase their raw material inventories in the first quarter of 2025 compared to the same quarter one year ago, according to 52 percent of Oshkosh-based manufacturers. Also, in the first quarter of 2025, 67 percent of retailers, wholesalers, and manufacturers anticipate a higher volume of finished goods inventory over 2024 fourth-quarter levels. These are lead indicators of an expected sales volume increase in the coming months.

Perceptions of Oshkosh Region and QOL



In the 2025 Survey, we asked CEOs about their perception of the region and Oshkosh. Overall, CEOs felt very positive about the Quality of Life in the region. Responding companies indicated (Strongly Agreed to Agreed) that the region has excellent community institutions, with 97% indicating the hospitals and health care system are good to excellent, 84% indicating the K-12 education system was performing well, and 89% believed the region has great public safety departments. Additionally, 92% of CEOs felt very optimistic about our post-secondary education schools, and 94% felt there were excellent local resources available for entrepreneurs. 68% thought we have good infrastructure, such as roads, utilities, and internet coverage, but left room for improvement.

Perceptions of Oshkosh Community

When asked about Oshkosh, CEOs again felt very positive (good to excellent) about the community, with 89% indicating that Oshkosh is a great place for raising a family and 84% indicating that Oshkosh is on the right track. Furthermore, 89% believed Oshkosh has a strong, vibrant economy; 84% thought it was business-friendly, with 86% saying it is a great place to start a business. Furthermore, 86 percent of the CEOs feel Oshkosh is an excellent place for young professionals, while 73 percent feel Oshkosh has an exciting downtown. From a shopping perspective, 67% of the CEOs think Oshkosh has ample shopping opportunities, up from 54% last year, while 73% feel Oshkosh has diverse dining opportunities, up from 59% in 2024. This is a very positive trend but still indicates room for continued growth in these areas.

State and National Business Climate

From a business climate perspective, 74 percent feel the State of Wisconsin is heading in the right direction. 78% indicated the US is heading in the right direction regarding the business climate, up significantly from 34% in 2024.

Critical Issues in 2025

Local CEOs stated that some of the most critical issues facing their business in 2025 are labor shortages and uncertainty in the economy, especially concerning the interest rate environment and tariffs. They also said rising prices/inflationary pressures, taxes, fees, rising insurance costs, and an overall economic slowdown remain critical issues.

Summary

CEOs, business managers, and owners are probably the most optimistic personalities. True to form, our survey found Oshkosh business leaders are very confident heading into 2025. Continued labor shortages, inflationary pressures, and uncertainty about interest rate increases and tariffs provide some uncertainty. However, the severity of these threats to growth will play out over several years.



About the Oshkosh Chamber of Commerce

For more than 100 years, the Oshkosh Chamber of Commerce has served as the advocate and guardian of business and industry to support the thriving Oshkosh and northeast Wisconsin region. As a five-star accredited Chamber of Commerce, our non-profit represents over 900 members, from small businesses to international corporations.

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