Factory growth continues, adding jobs

But increasing cost of raw materials a concern for U.S. manufacturers

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U.S. manufacturing activity grew for the 21st consecutive month, adding new jobs and increasing exports.

But the cost of raw materials rose for the fifth consecutive month, a growing concern for many companies.

The Institute for Supply Management, a trade group, said Monday that its index of manufacturing activity dipped to 60.4 in April. That shows a slight slowing in growth from February and March. February was the fastest month for expansion in nearly seven years. A reading above 50 signals growth.

"The basic message is that the factory sector continued to expand at a strong pace in April with 60 plus readings for production, new orders, export orders and employment," said John Silvia, chief economist with Wells Fargo Economics Group. "The headline index has been above 60 for four consecutive months — a string suggesting continued, sustained economic expansion."

The news is a boon for the Upstate, which is heavily dependent on manufacturing.

South Carolina's unemployment rate fell below double digits for the first time in two years when it dipped to 9.9 percent in March.

Staffing companies in the Upstate have said for the past few months that manufacturing facilities have openings and are hiring although some have difficulties finding employees with the skills needed.

Also, announcements of new manufacturing facilities throughout the state are popping up.

For example, Anderson County and economic development officials announced Monday that Allegro Industries plans to locate its new 50,000 square-foot manufacturing facility in the county. It is investing $1.65 million, which will result in the generation of 45 jobs.

The move to Anderson "will allow us to increase our production capacity as well as give us a presence in the Southeastern United States," Thomas Johnston, president of Allegro. Allegro Industries is building a new facility in the Anderson County Upstate Industrial Park on Exit 35 at Interstate 85.

The facility will produce a variety of industrial safety products, including respirators, respirator accessories and ventilator products.