IMPLAN

case study

How the Alliance for Automotive Innovation Uses IMPLAN to Power Economic Analysis

The Alliance for Automotive Innovation represents the full spectrum of automakers, suppliers, and technology companies driving the future of mobility in America. Its members range from the manufacturers producing most vehicles sold in the United States to autonomous vehicle innovators to equipment suppliers, battery producers and semiconductor makers.

Together, their mission is to advance automotive innovation through advocacy, education, and research. To support this mission, the Alliance relies on rigorous data analysis to demonstrate the industry's economic footprint across every Congressional District in the United States.

ALLIANCE FOR AUTOMOTIVE INNOVATION

Economic impact analysis is a powerful tool for the Alliance for Automotive Innovation because it helps the organization quantify and communicate the industry's broad contributions to the U.S. economy. By using this type of analysis, the Alliance can illustrate how automakers, suppliers, and technology partners drive job creation, wages, tax revenues, and investment across the nation. These insights strengthen the Alliance's advocacy efforts by providing policymakers, media, and the public with credible, data-driven evidence of the automotive industry's significance. Additionally, economic impact analysis enables the Alliance to assess the potential effects of emerging technologies, policy changes, and market shifts, supporting informed decision-making and helping shape strategies that promote innovation, competitiveness, and sustainable growth in the automotive sector.

At the center of this effort is Tricia Cauley, Senior Director of Research & Communications, who leads the organization's data strategy, market and economic analysis, and annual reporting initiatives. With over 15 years of experience in research and public affairs, Cauley has transformed how the Alliance uses data to communicate its impact to policymakers, stakeholders, and the public.

Tricia Cauley
Senior Director of Research & Communications
Alliance for Automotive Innovation

The Challenge: Expensive, Static Economic Reports

Before turning to IMPLAN, the Alliance depended on external consultants who used REMI to produce large-scale economic impact studies. However, there were major problems with this approach. It was costly due to REMI's complexity, proprietary nature, and the specialized expertise required to operate it effectively. REMI's software licenses and data subscriptions are expensive, and the consultants the Alliance hired to use it on their behalf charged premium rates to cover these costs, as well as the extensive time needed to set up, calibrate, and interpret results. Additionally, because REMI's assumptions and inputs are not fully transparent, the Association had to rely on the consultant for every update or adjustment, further increasing project expenses.

"We used to pay a consultant nearly a quarter of a million dollars a year for our economic reports," Cauley explains. "The output was static. If something changed, we couldn't easily update or customize the analysis."

As the automotive landscape evolved rapidly (especially with the rise of electric vehicles) Cauley recognized the need for a faster, more adaptable, and cost-effective solution to generate district-level insights.

The Solution: Bringing Economic Modeling In-House with IMPLAN

In 2018, Cauley introduced IMPLAN into the Alliance's analytical toolkit. She immediately saw its potential to perform in-depth, customizable economic analyses – and how its ease of use would enable her to stop relying on external consultants.

Today, Cauley uses IMPLAN every year to create hundreds of district-level reports that quantify the automotive industry's contributions to jobs, wages, and GDP.

"It's basically 'economic impact analysis for dummies,'" Cauley jokes. "IMPLAN makes it simple to take large quantities of data and translate them into something clear and powerful for communications and policy work."

By leveraging IMPLAN's Construction & Operations and Industry Contribution Guides, Cauley runs more than 485 reports in about a week – a process that once took months and substantial consulting fees.

The Process: From Data to Policy-Ready Insights

Using IMPLAN, Cauley and her team can:

- Perform economic analyses at national, state, and local levels
- Create district-level snapshots that show policymakers the role of automaking in their regions
- Support advocacy and communications with quantifiable data
- Update and refresh analyses annually with ease

Cauley integrates IMPLAN results into the Alliance's annual report, *Data Driven: Navigating the Road Ahead*. The most recent edition of Data Driven showed that the automotive ecosystem adds more than $1.2 trillion annually to the national economy – about 4.8% of U.S. GDP – and supports approximately 10.1 million jobs generating over $730 billion in wages.

The industry also produces more than $340 billion in federal, state, and local tax revenues each year. Every $1 added in vehicle manufacturing creates an additional $4.23 in economic activity across related industries, demonstrating the sector's extensive ripple effects. In 2023 alone, Americans purchased 15.2 million new light vehicles, with light trucks accounting for over 80% of sales. The report also highlights automakers' and battery partners' investments of more than $124 billion in U.S. EV and battery facilities since 2019 – creating over 113,000 jobs – while underscoring the continued need to strengthen domestic capacity for key EV battery components to support future growth.

"Legislators and policymakers can now see the true landscape of electric vehicles and the automotive industry in their territory," Cauley says. "We can show, with hard data, why automaking matters to their constituents."

The Results: Accuracy, Efficiency, and Cost Savings

Since adopting IMPLAN, the Alliance has:

- Eliminated $250,000 in annual consulting costs
- Reduced turnaround time for economic reports from months to weeks
- Increased flexibility to update analyses annually or as policy questions arise
- Enhanced communication impact, making data more accessible to non-technical audiences

The data-driven insights produced with IMPLAN now underpin the Alliance's policy advocacy, stakeholder engagement, and strategic communications, demonstrating that the automotive industry represents 5% of U.S. GDP and remains a vital engine of the national economy.

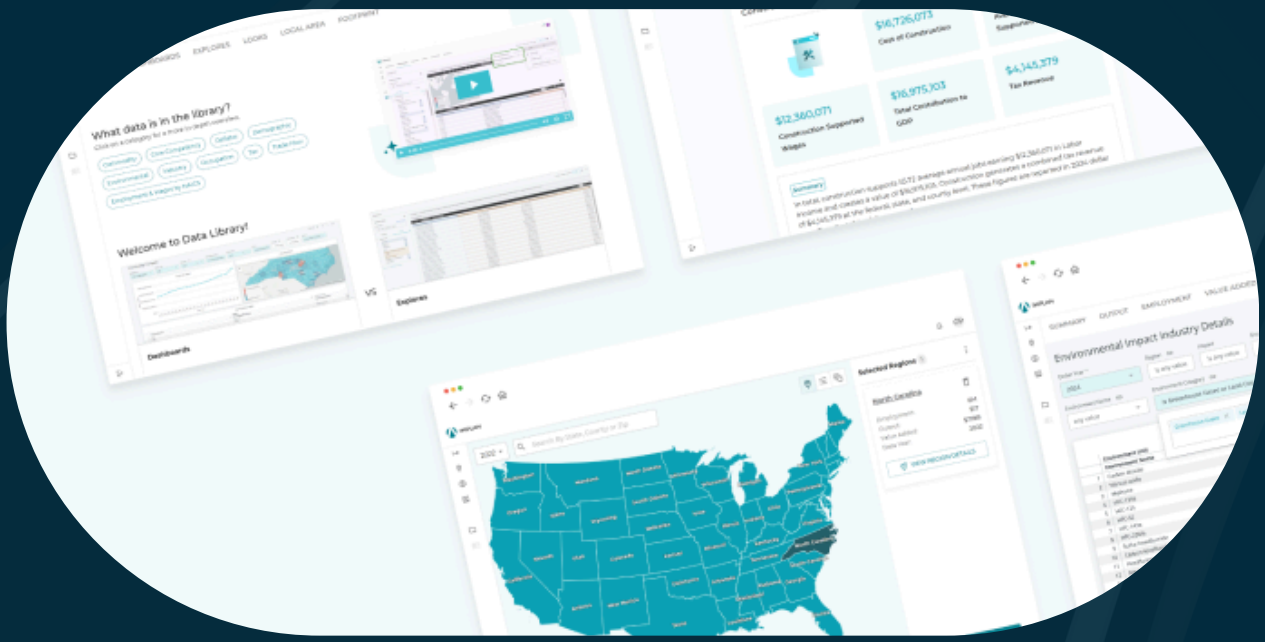
A Data Partner for the Road Ahead

Looking ahead, Cauley sees a wide range of opportunities to leverage IMPLAN for even more impactful analyses. From comparative policy evaluations to crafting richer, data-driven narratives about the automotive industry, she anticipates using the tool to uncover insights that were previously difficult to quantify.

"IMPLAN empowers us to show, not just tell, why our industry is so important," she says. "It gives us credibility, efficiency, and control over our own data."

For Cauley, IMPLAN is a strategic partner that enables the Alliance to communicate its economic significance with confidence and clarity. When asked how she'd describe IMPLAN to a colleague, Cauley doesn't hesitate: "It's worth every penny."

With IMPLAN, the Alliance is able to turn complex data into compelling stories, making the case for the industry's value in ways that resonate with policymakers, media, and stakeholders alike.



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