



# Cleveland, Texas

## Construction Materials Target Profile

This analysis examines the construction materials manufacturing sector as a strategic growth opportunity for Cleveland, Texas. It explores industry trends, growth projections, and specific subsectors with high potential, particularly those that can leverage Cleveland's existing rail infrastructure. The document concludes with actionable marketing and business development recommendations designed to attract investment and stimulate economic growth in the region.

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# Industry Overview and Growth Projections

The construction materials manufacturing sector encompasses a diverse range of products essential to residential, commercial, and infrastructure development. Based on NAICS classification data, several subsectors demonstrate promising growth trajectories that align with Cleveland's economic development goals.

<b>Subsector</b>	<b>Business Growth (2025-30)</b>	<b>Employment Growth (2025-30)</b>
Prefabricated Homes (NAICS 32199)	1.9%	2.5%
Millwork (NAICS 32191)	1.7%	1.3%
Mineral Products (NAICS 32799)	1.0%	1.4%
Office Furniture (NAICS 32721)	0.9%	1.2%
Asphalt Materials (NAICS 32412)	0.6%	0.7%
Wood Kitchen Cabinets (NAICS 33711)	0.5%	1.5%

The data reveals particularly strong employment growth in several sectors despite moderate business growth, suggesting industry consolidation and increasing operational scale. Prefabricated homes stands out with robust projections in both business (1.9%) and employment growth (2.5%), indicating expanding market demand and production capacity requirements.

Notable employment growth is also projected in concrete pipes/blocks (1.9%), precast concrete (1.7%), and wood kitchen cabinets (1.5%), highlighting opportunities for workforce development initiatives to support these industries. These figures suggest Cleveland should prioritize these high-growth subsectors in its economic development strategy, particularly those that align with the region's existing infrastructure advantages.

# Key Construction Materials Subsectors

## Prefabricated Homes (NAICS 32199)

The prefabricated homes sector shows exceptionally strong growth projections (1.9% business growth, 2.5% employment growth), representing a prime opportunity for Cleveland. This sector benefits from growing consumer interest in affordable housing solutions and the shift toward more efficient construction methods. Prefabricated components can be efficiently transported via rail, aligning with Cleveland's infrastructure advantages.

## Millwork (NAICS 32191)

With projected business growth of 1.7% and employment growth of 1.3%, millwork manufacturing provides strong development potential. This sector produces doors, window frames, staircases, and decorative wood products—essential components for both residential and commercial construction. The increasing demand for custom millwork in high-end construction creates additional market opportunities.

## Concrete Products (NAICS 32733, 32739)

While concrete pipes/blocks shows negative business growth (-1.6%), its strong employment growth (1.9%) suggests industry consolidation and scaling of operations. Similarly, precast concrete demonstrates robust employment growth (1.7%) despite modest business growth projections (-0.3%). Both sectors benefit significantly from rail transport for raw materials delivery and finished product distribution.

Other noteworthy subsectors include wood kitchen cabinets (3.5% employment growth 2020-25), gypsum products (2.5% employment growth 2020-25), and mineral products (1.0% business growth 2025-30). Each of these presents specific opportunities for Cleveland's economic development, particularly when considering integration with existing transportation infrastructure and regional supply chains.

# Industry Trends Shaping the Market



## Housing Demand Expansion

The post-pandemic housing market continues to drive demand for construction materials, with Texas experiencing particularly strong population growth and residential development. New housing starts in Texas have exceeded national averages by 12% since 2020, creating sustained demand for construction materials.



## Sustainability Prioritization

Eco-friendly building materials and green construction practices are gaining significant market share. Manufacturers are responding with low-carbon concrete formulations, sustainably harvested wood products, and energy-efficient prefabricated components that reduce construction waste.



## Manufacturing Automation

Increasing labor costs and workforce shortages are accelerating automation in construction materials manufacturing. Advanced robotics, computer-controlled cutting systems, and automated quality control are becoming industry standards, improving consistency while reducing production costs.



## Supply Chain Transformation

Manufacturers are prioritizing transportation efficiency and regional production facilities to mitigate supply chain disruptions. Rail-connected manufacturing sites have seen particular growth, offering cost advantages for bulk materials movement and finished product distribution.

Additional trends include the growing popularity of prefabricated and modular construction methods, which reduce on-site construction time by 30-50% while improving quality control. The integration of advanced materials, such as engineered wood products that offer superior strength-to-weight ratios compared to traditional lumber, is also reshaping material specifications in commercial and residential construction.

These industry shifts create strategic opportunities for Cleveland to position itself as an attractive location for construction materials manufacturing, particularly for operations that can benefit from rail connectivity and proximity to Texas growth markets.

# Texas Market Analysis

Texas represents one of the nation's most robust markets for construction materials, driven by exceptional population growth, business relocations, and infrastructure investment. Between 2020 and 2022, Texas led the nation in population growth with an increase of over 884,000 residents, creating substantial housing demand. The Texas Department of Transportation's \$85 billion, 10-year unified transportation program further fuels demand for infrastructure-related construction materials.



## Commercial Construction Boom

Texas continues to lead the nation in commercial construction, with over 52 million square feet of commercial space under development as of Q2 2023. This development supports demand for structural materials, interior finishes, and specialty products.



## Residential Development

Housing starts in Texas have maintained strong momentum, with over 230,000 new residential units permitted annually. Cleveland's strategic location provides access to growth markets in the Houston metropolitan area and beyond.



## Infrastructure Investment

Federal infrastructure legislation is directing billions toward Texas projects, including \$27 billion for highways and bridges, creating sustained demand for concrete products, asphalt materials, and related construction supplies.

The Texas market also benefits from relatively limited regulatory barriers to development compared to other high-growth states, facilitating faster project approvals and construction timelines. This regulatory environment, combined with the state's business-friendly tax structure, creates advantageous conditions for construction materials manufacturers to establish operations that serve both Texas markets and national distribution.

For Cleveland specifically, the combined growth trends in Houston's expanding metropolitan footprint and the broader East Texas region create a strategic opportunity to position the community as a manufacturing hub for construction materials that can efficiently serve these expanding markets.

# Cleveland's Transportation Advantages for Construction Materials

Cleveland, Texas offers distinct competitive advantages that align particularly well with the needs of construction materials manufacturers. The city's most significant advantage is its transportation infrastructure, particularly its rail connectivity, offering manufacturers efficient inbound transport of raw materials and outbound distribution of finished products. This rail access is especially valuable for heavy construction materials where transportation costs significantly impact overall profitability.

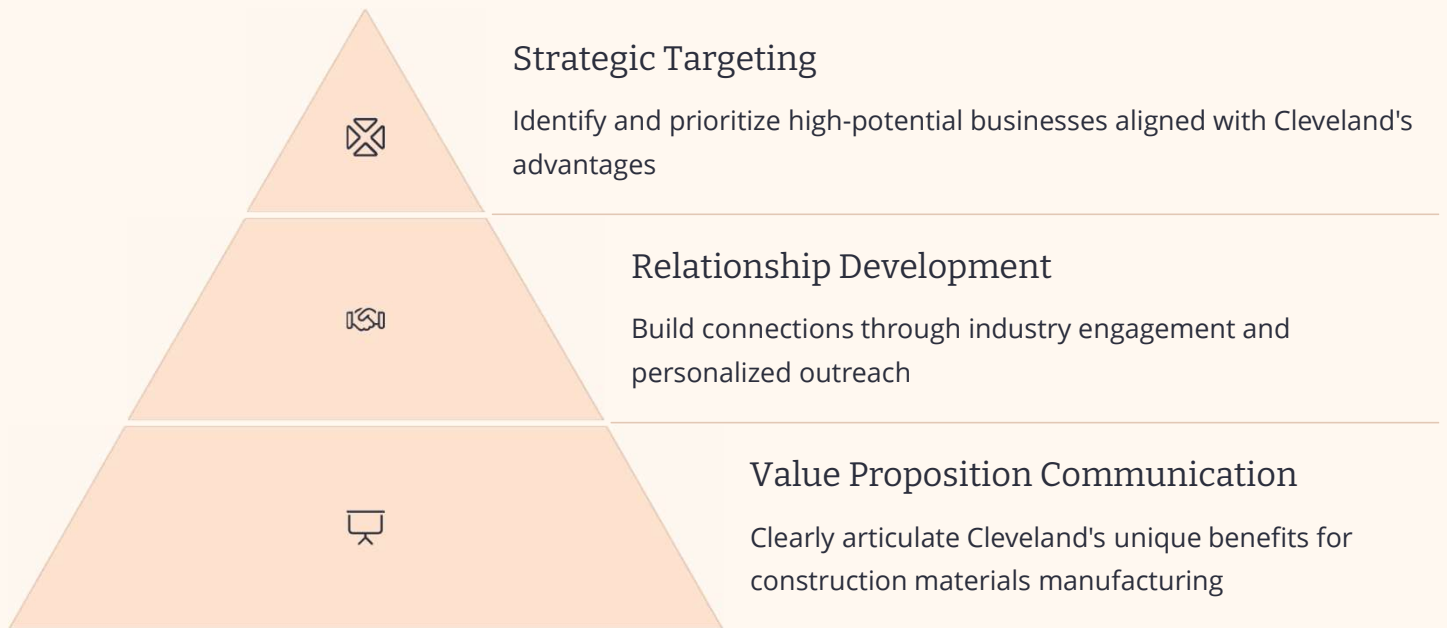


## Rail-Dependent Construction Material Subsectors

Subsector	Rail Utilization Benefits
Concrete Products	Bulk delivery of cement, aggregates; outbound shipment of heavy finished products
Prefabricated Homes	Inbound lumber and components; outbound finished modules
Gypsum Products	Bulk raw material delivery; efficient multi-point distribution
Asphalt Materials	Bulk delivery of petroleum products and aggregates
Engineered Wood	Inbound lumber; outbound finished panels and components

Cleveland also benefits from available industrial land with appropriate zoning, competitive utility rates through the municipal system, and a labor force with relevant manufacturing skills. The community's proximity to timber resources in East Texas provides additional advantages for wood-based construction materials manufacturing, including millwork, engineered wood products, and prefabricated building components.

# Target Marketing Strategy



## Lead Generation Approaches

Developing a targeted lead generation strategy focused on construction materials manufacturers requires a multi-faceted approach. Begin by creating a detailed database of potential target companies within the identified high-growth subsectors, particularly those with existing operations in Texas or neighboring states that might be considering expansion. Utilize industry databases such as D&B to identify companies meeting specific criteria related to size, growth trajectory, and current facility locations.

Partner with site selection consultants who specialize in industrial manufacturing, as these professionals often influence location decisions early in the process. Develop relationships with at least five consultants from leading firms such as Cushman & Wakefield Industrial Practice, JLL, and CBRE's Industrial & Logistics division through regular communication.

### 1 Create Industry-Specific Marketing Materials

Develop a comprehensive digital and print package highlighting Cleveland's specific advantages for construction materials manufacturing, including detailed information on rail connectivity, available sites, utility rates, and workforce characteristics.

### 2 Implement Targeted Digital Campaigns

Utilize LinkedIn and industry-specific digital platforms for targeted advertising campaigns reaching executives and facility planners within the construction materials sector.

### 3 Establish Industry Partnerships

Build relationships with industry associations such as the National Association of Home Builders, Precast/Prestressed Concrete Institute, and the American Wood Council to increase visibility and credibility within specific subsectors.