

2025 Year-in-Review: Lehigh Valley, Where Companies Can Grow and People Can Build Their Futures

By Paul Muschick

Lehigh Valley - The Lehigh Valley continued to build momentum in 2025, strengthening its position as one of the nation's top mid-sized markets while enhancing the quality of place that continues to attract residents, businesses, and investment.

Manufacturing expansion, community advancement, job growth, and population gains reinforced the region's reputation as a place where companies can grow and people can build their futures.

Here is a look at some of the key events that strengthened the Lehigh Valley in 2025 and readied the region for the new year and beyond.

A Growing, Top Market

In March, Lehigh Valley was ranked as the No. 3 mid-sized market in the U.S. for economic development, by Site Selection magazine, an authority in the field. The ranking is based on the number of projects that invest at least \$1 million or create at least 20,000 square-feet of space, or create at least 20 new jobs.

While updated Gross Domestic Product data has been delayed because of the federal government shutdown, data collected and tracked by Lehigh Valley Economic Development Corporation (LVEDC) shows the region saw significant investment from existing companies through expansions, and from new companies entering the market.

LVEDC □ That's a 50% increase from 2024.

That growth included a diversity of manufacturers, solidifying the Lehigh Valley's reputation as a powerhouse of makers and movers of goods.

In addition, the Lehigh Valley experienced growth in the value of its exports during the first nine months of the year. Exports grew to \$4.5 billion, up from \$4 billion during that same period in 2024, according to the U.S. Census Bureau. The exports have now surpassed those of similar-sized markets in the Northeast, Bridgeport in Connecticut as well as Buffalo and Rochester in New York.

More Manufacturing Muscle

B. Braun announced a \$20 million expansion to its manufacturing center in Hanover Township, Lehigh County, where it makes medical equipment including components for IV treatments. It is the second expansion there in three years and is expected to create 200 new jobs.

Filter King opened a facility to produce HVAC filters for residential, commercial, and industrial use. Located in Bethlehem Township, the investment will create up to 120 jobs.

FLSmidth Cement, which manufactures equipment for cement and other industries, opened a 122,000-square-foot factory in Allen Township that will employ 60.

Kervan USA, a Turkish candy company, br□

Myers Emergency & Power Systems expanded with a new facility in Bethlehem Township to produce battery energy storage systems. About 45 jobs are expected to be created.

Kerry Group, a global food and beverage company based in Ireland, announced plans to open a coffee roasting and extraction operation in Hanover Township, Northampton County, creating 61 jobs.

Bosch Rexroth Corporation broke ground on a \$20 million, 50,000-square-foot logistics center adjacent to its North American hydraulics manufacturing hub in Bethlehem.

Phoenix Tube, a manufacturer of stainless-steel tubing and other products, increased its production operations with a new 75,000-square-foot building adjacent to its previous location in Bethlehem.

Ecopax, which makes food packaging products that are made using energy-efficient processes and eco-conscious materials, announced an expansion of its operations in Bethlehem.

Quality of Place

Lehigh Valley's reputation as a place where people □

The Downtown West neighborhood in Allentown, planned by City Center Group with new apartments and condos, restaurants, office space, the Moxy hotel, and Archer Music Hall, was recognized with an Award for Excellence by the Urban Land Institute for "revitalizing a previously underutilized area into a vibrant hub."

Live entertainment options are growing nationwide and have become an economic asset for regions seeking to attract the creative class, a key driver of the 21st century economy. In the Lehigh Valley, this movement is more pronounced. Emp□

Also in Allentown, Da Vinci Science Center also received an Award for Excellence from the Urban Land Institute, for serving "as a community hub for lifelong learning to foster a vibrant, inclusive, forward-thinking ecosystem in the Lehigh Valley."

For the fifth consecutive year, a Lehigh Valley community made Realtor.com's list of hottest ZIP codes. This year, it was the 18104 ZIP code that includes parts of Allentown and Whitehall, South Whitehall, North Whitehall, Upper Macungie, and Lower Macungie townships.

Also for the fifth consecutive year, Bethlehem was named one of the "Top 100 Best Places to Live" by Livability.com.

Five Lehigh Valley attractions were rated highly by readers of USA Today, winning accolades in the publication's "10 Best" Readers' Choice Awards.

Bethlehem Main Street: No. 1 ranked "Best Main Street"

Historic Hotel Bethlehem: No. 1 ranked "Best Historic Hotel/Resort" (for fifth consecutive year)

Iron Menace at Dorney Park & Wildwater Kingdom: No. 4 ranked "Best New Theme Park Attraction"

Halloween Haunt at Dorney Park & Wildwater Kingdom: No. 7 ranked "Best Theme Park Halloween Event"

Easton Public Market: No. 10 ranked "Best Public Market"

Lehigh Valley International Airport was voted one of the best small airports in the country in Newsweek's Readers' Choice Awards, finishing second (for the second consecutive year). Bethlehem was ranked by Forbes as one of the Best Places to Retire.

Growing Market Attracting Young Adults

Lehigh Valley's population surged past 708,000, and Lehigh and Northampton counties both ranked in the top 8% of all U.S. counties for growth since 2020.

The Lehigh Valley's growth is driven by people who are moving here from other countries and from elsewhere in the U.S. Lehigh County ranks within the top 5% of all counties for net international migration, and Northampton in the top 5% for net domestic migration.

The Lehigh Valley is drawing young people in numbers that few regions can match. Since 2020, the population of residents between ages 18 and 34 has grown □

Record Employment, Household Income

Growth in employment has followed accordingly. There are now 342,488 people employed in the Lehigh Valley, a record high.

With an increase in manufacturing jobs, making and moving goods is now the leading employment sector of the economy, with nearly 74,000 jobs.

Manufacturing employment in the Lehigh Valley has grown three times the national rate since 2010, the start of the rebound from the Great Recession, 28.8% compared to 9.6%.

As the economy grew, so did household income. The median household income for the Lehigh Valley reached a high of \$81,709, exceeding Pennsylvania (\$76,081) and the U.S. (\$78,538).

Supporting Entrepreneurs

The inaugural Lehigh Valley Entrepreneur Summit featured workshops, networking, and opportunities for entrepreneurs to meet with support organizations to learn about the resources they offer, such as funding, training, and incubator space.

About 100 people attended the summit, a vision of veteran entrepreneur Catherine Bailey of SCORE Lehigh Valley. She spearheaded the planning and execution of the event, with the support of members of the Entrepreneurship Council of the Lehigh Valley.

Led by LVEDC, the council is comprised of organizations, agencies, and colleges and universities that work together to improve the region's environment for start-up businesses by identifying services they need and connecting them to a wide range of resource providers.

