



Industry Trends July 2026

Milwaukee's Growing Water Technology Cluster

150 Years of Industrial Heritage and The Water Council's Mission

Water-Related Companies

250+

Global Water & Wastewater Treatment Market

\$714B

Industrial Heritage

150 yrs



Milwaukee water reclamation facility

Source: MMSD¹

Milwaukee, Wisconsin, USA.

Situated on the western shore of Lake Michigan, Milwaukee has long been known for beer and manufacturing. In recent years, however, it has drawn attention as one of the largest water technology clusters in the U.S., with over 250 water-related companies.² The global water and wastewater treatment market is projected to reach \$590–714 billion by 2030,³ and as demand for industrial water grows worldwide for data center cooling and semiconductor manufacturing, Milwaukee deserves close attention from the industrial machinery sector as a hub of supporting technologies.

In May 2026, we spoke with Karen Frost, Executive Director of The Water Council, the nonprofit at the heart of Milwaukee’s water technology ecosystem.



150 Years of Water-related Industries

Expanding from Brewing to Water Technology

Milwaukee’s water technology traces its origins to “German immigrants who started brewing beer 150 years ago.” In the late 19th century, as water-intensive industries such as brewing and meatpacking took root, suppliers of valves, pumps, meters, piping, and fixtures naturally emerged alongside them. Companies like Kohler, A.O. Smith⁴, and Badger Meter⁵ emerged as suppliers to these water-intensive industries and have since become global leaders in water technology solutions.

During a 2006 meeting, Badger Meter and A.O. Smith CEOs noted the dense concentration of water-related companies that are clustered in the greater Milwaukee area.⁶ This led to the 2009 establishment of The Water Council as an organizing body to consolidate local water businesses and further develop the regional industry. As Frost, the Executive Director of the Council, notes “We didn’t just wake up one day and decide to be a water hub. We leveraged what had been here for over a hundred years.”

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 — Frost

The Water Council as Matchmaker



Frost describes The Water Council as a “matchmaker, connector, and informer.” As a membership-based industry organization, it helps member companies stay abreast of cutting-edge trends in water technology and build connections with relevant institutions. The Council also collaborates with international bodies, serving as a navigator for the U.S. water technology industry.

Three Programs Driving Innovation

From supporting growth-stage companies to open-call technology sourcing and building water management frameworks based on international certification, The Water Council accelerates water technology innovation through integrated programs.

BREW 2.0

A support program connecting growth-stage water companies with major member corporations^{7 8}



Source: The Water Council

Launched in 2013 and revamped in 2021, BREW 2.0 targets global scaleup companies with products on the market that are looking to scale. The program leverages The Water Council’s corporate network to strategically connect participants with major member companies.

Key Features

- Funded by corporate sponsors with no participation fees or equity requirements
- Currently, BREW 2.0’s global scaleup includes 11 companies across North America and Europe
- Notable success stories from previous cohorts include Aquagga (PFAS destruction) and PIA Global, formerly Pipesonic (pipe diagnostics), both also Tech Challenge winners

Tech Challenge

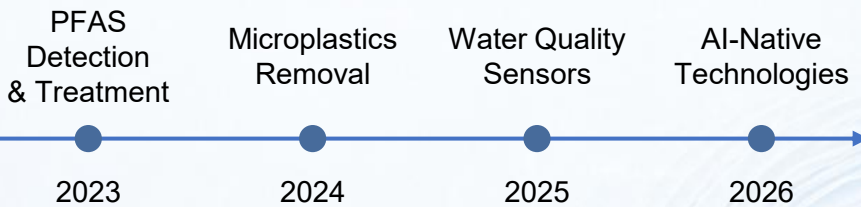
An open call held twice yearly where sponsor companies pose technical challenges and solicit solutions worldwide⁹



Source: The Water Council¹⁰

Sponsored by Badger Meter, Watts Water Technologies, and Xylem. It is open to technologies from prototype to commercial stage. The evolution of challenge themes reflects key technology trends in the water sector.

Theme Evolution



WAVE Assess / WAVE Action

Making corporate water use visible and supporting responsible water stewardship¹¹



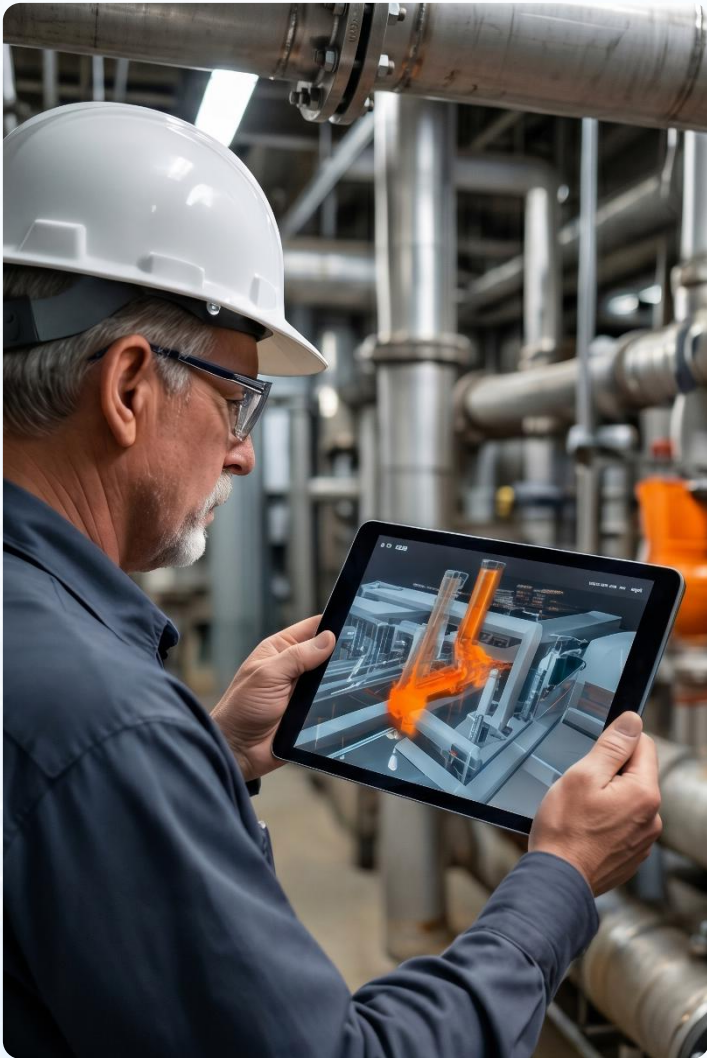
Source: The Water Council¹²

WAVE Assess evaluates corporate water use across an entire enterprise rather than at the facility level. WAVE Action supports the development and execution of improvement strategies based on those results. Both are aligned with Alliance for Water Stewardship (AWS) international certification.

Key Features

- As of 2026, 12 companies across multiple industries have been verified, including Toyota North America, Milo’s Tea, Primo Brands, KPMG, and more
- End-to-end support from water risk assessment through strategy development and execution

Can AI Applications Be Applied to the Water Industry?



The selection of AI as the latest Tech Challenge theme signals a growing interest in AI within the water sector. According to Frost, as AI capabilities are integrated into existing software, near-real-time analytics are possible in infrastructure health assessment, leak detection, and asset management.

A Possible Catalyst for AI Adoption

The water treatment industry is cautious about change, and only a small fraction has actively embraced AI. However, Frost notes the expected mass retirement of veteran technicians—the so-called “gray tsunami”—could be a turning point. Decades of on-the-ground judgment and institutional knowledge risk being lost as these professionals retire. Frost envisions a phased approach to AI adoption. Rather than high-risk applications like autonomous plant operations, capturing veteran expertise and making it accessible to the next generation provides a good starting point. This “entry-level” approach to AI is far more palatable for a cautious industry.

Frost describes the industry’s future as “autonomous-supportive, not fully autonomous.” AI applications are expanding in areas like assessing aging pipes and prioritizing repairs. But fully entrusting machines with safety-critical decisions will require much more time and proven results.

Accelerating AI in Manufacturing

In June 2025, a Microsoft AI Co-Innovation Lab opened within University of Wisconsin-Milwaukee’s (UWM) Connected Systems Institute.¹³ Part of Microsoft’s \$3.3 billion data center investment in Wisconsin, this is the first lab focused on manufacturing. Operated by Microsoft, Wisconsin Economic Development Corporation, TitletownTech, and UWM, the lab has produced use cases including real-time equipment failure detection and multilingual voice assistants for factory floors. While not limited to water technology, as many Milwaukee water companies have manufacturing roots, it could serve as a catalyst for AI adoption.



Microsoft AI Co-Innovation Lab at UWM (manufacturing focus)

Source: LinkedIn¹⁴

Milwaukee's Global Connections

The Water Council also serves as a hub for international collaboration and market access. As reflected in BREW's international participant composition, The Water Council maintains partnerships with water hubs worldwide, sharing programs and knowledge to facilitate the international flow of innovation. For companies looking to establish a presence in Milwaukee, it functions as a foreign direct investment (FDI) partner offering co-working space, local network introductions, and soft-landing support.



A Hub for Global Water Technology Networks

In Europe, The Water Council partners with Catalan Water Partnership (Spain), Water Alliance (Netherlands), British Water (UK), and others, sharing program information and facilitating international innovator mobility.



Hands-On Support for U.S. Market Entry

Beyond co-working space, it provides end-to-end support including distributor and contract manufacturer introductions, plus legal, talent, and market connections. The Council is currently supporting several UK companies entering the U.S. market.



Strong Interest in Collaboration with Japan

Council Executive Director Frost expressed strong interest in exchanging information with Japanese water technology hubs. Working with the Council could be a good first step for Japanese companies exploring the U.S. market. U.S. water conditions vary by region, making The Water Council's assistance in identifying the right market fit for each company's technology invaluable.

Water in the Spotlight

Public interest in water has never been higher. Frost notes that water disasters driven by climate change and emerging contaminants like PFAS and microplastics have "brought water conversations to the dinner table." Rising public awareness is driving corporate interest in water management, fueling demand for new technologies.



Climate Change Adaptation

As rainfall patterns shift and flood/drought risks grow, building resilient water infrastructure is urgent.



Emerging Contaminants

Technologies to address pollutants like PFAS and microplastics, beyond conventional treatment, are in growing demand.



Aging Infrastructure

Pipes and treatment facilities over a century old are reaching end-of-life, making condition assessment and repair prioritization essential.

Key Takeaways

For Japanese companies with advanced water technologies, Milwaukee is a compelling gateway for entering the U.S. water market. What makes this 150-year-old cluster a living ecosystem is the end-to-end circulation of people, companies, and support programs.

Karen Frost

Executive Director, The Water Council

The Water Council, headquartered in Milwaukee, Wisconsin, was established in 2009. It serves as a global hub dedicated to solving the world’s water challenges through freshwater technology innovation and water stewardship.

Frost joined the Council in 2015, eventually rising to Executive Director in June 2025. She currently oversees the entire organization, managing global economic development, partnership development, member relations, and innovation/sustainability programs. In 2023, she was a core member of the NSF Engine Development Award team for Water and Energy Resilience for Manufacturing and Utilities and led execution of two SBA Regional Innovation Cluster grants. She maintains an extensive network across the global water technology ecosystem, project partners, and funding organizations.



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