



Salina Community Economic Development Organization

Economic Development Strategic Plan-Final

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STRATEGY MATTERS

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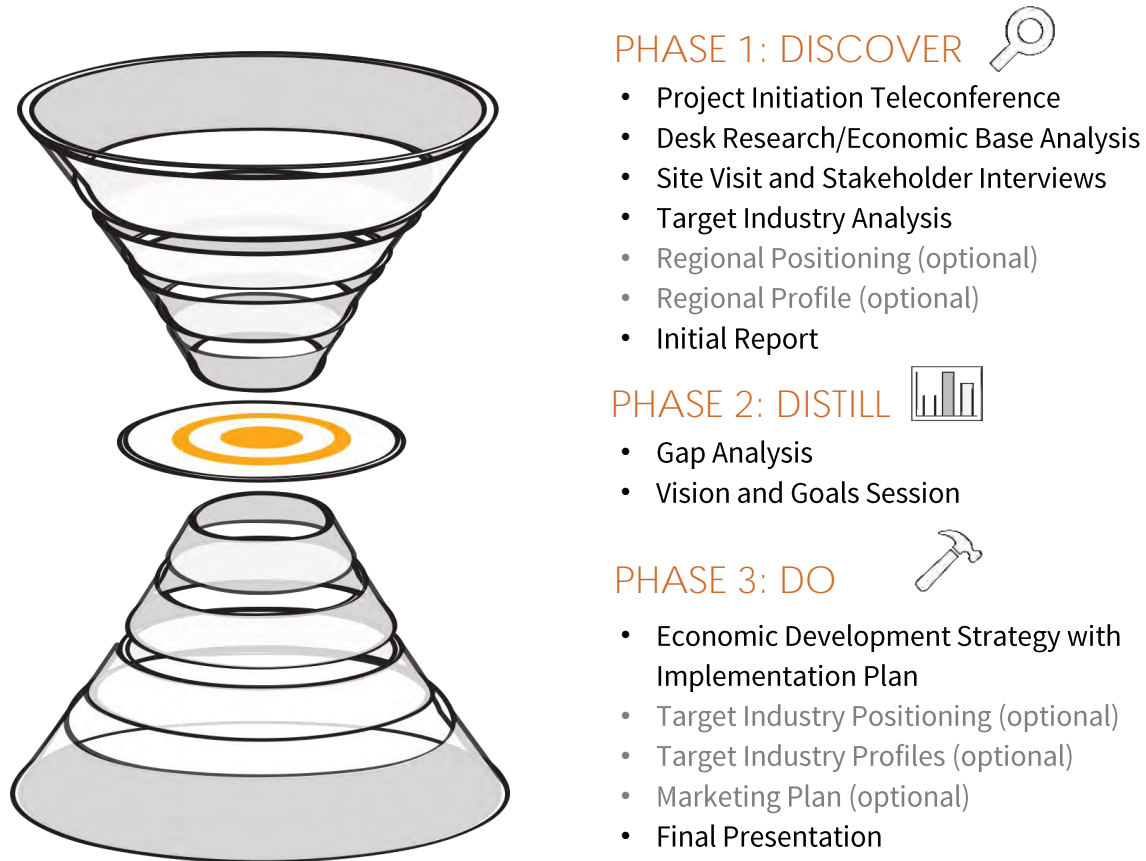
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SECTION 1: EXECUTIVE SUMMARY



Executive Summary

Ady Advantage was retained by Salina Community Economic Development Organization (SCEDO) to create an economic development strategic plan. The following graphic shows the various elements to this project.



This process consisted of on-site qualitative research with stakeholders and employers, desk research on the Salina area economy and target industries, and the creation of tailored goals and strategies supported by an implementation map. The following pages serve as a summary of these findings.

Executive Summary

STAKEHOLDER AND EMPLOYER INPUT

During the on-site visit Ady Advantage conducted interviews and focus groups with a variety of stakeholders to gain input. The stakeholders included a mix of local businesses, economic development partner organizations, educational institutions and young professionals, etc. These individuals provided input on strengths, weaknesses, opportunities and threats in the region. The following key themes emerged:

- Positive perceptions of the county revolve around quality of place and quality of life. Employers discussed the strong work ethic of the employees along with the good working relationship of the county and the city. Stakeholders noted a unique focus on philanthropic based activities within the community. Additionally, Salina's arts and culture environment is strong in the community and well-supported.
- Talent is currently one of the biggest challenges for local employers. Availability, retention, and longevity are all foreseeable challenges. Identifying and sourcing qualified employees is increasingly difficult. Once employees have been brought on board, keeping these individuals for the long-term has proven difficult. Finally, the current workforce is aging and a significant gap will develop as the existing workforce retires and takes their knowledge and experience with them
- Stakeholders also noted the challenges in finding a qualified and reliable workforce. However, the next major challenge noted was lack of affordable housing. These issues are both linked. Affordable housing lends itself to providing workforce housing stock. To a lesser extent, lack of child care was also noted by stakeholders, which also can add to a workforce challenge.
- The biggest opportunities that stakeholders see for the area include diversifying the economy to include a larger variety of industries. Additionally, leveraging the aviation focused assets within the area including K-State and the airport and the airport business park. Furthermore, the area has additional assets around bulk solids and can use these to further diversify the economic base.

Executive Summary

SALINA AREA'S REGIONAL POSITIONING

The following asset maps depict key business costs and conditions and their importance in a business location decision, as well as how well the Salina area does on each factor. The assets in the upper right hand quadrant become the county's positioning and the assets in the upper left hand quadrant become the gaps that need to be improved, provided these gaps can be influenced by local stakeholders.

GENERAL BUSINESS COSTS ASSET MAP



GENERAL CONDITIONS ASSET MAP



Executive Summary

TARGET INDUSTRY ANALYSIS

In order to determine which specific industries drive the Salina area, a 6-digit NAICS code analysis was conducted on a number of industry groups. After analyzing and screening these industries, we came up with the following recommended target industries for SCEDO to focus their business attraction efforts:

Target Industry	Subsectors of Focus	Comments
Agribusiness and Supply Chain	<ul style="list-style-type: none"> • Crop Production (NAICS 111000) • Animal Production and Aquaculture (NAICS 112000) • Other Animal Food Manufacturing (NAICS 311119) • Animal (except Poultry) Slaughtering (NAICS 311611) • Farm Machinery and Equipment Manufacturing (NAICS 333111) • Farm and Garden Machinery and Equipment Merchant Wholesalers (NAICS 423820) • Grain and Field Bean Merchant Wholesalers (NAICS 424510) • Livestock Merchant Wholesalers (NAICS 424520) • Farm Supplies Merchant Wholesalers (NAICS 424910) 	<p>Companies in these industries would benefit from the strong agriculture and manufacturing history in the region, as well as the availability of water. Additionally, Salina's proximity to Western Kansas is highly advantageous.</p> <p>Food manufacturers who are looking to have a regional presence with access to markets, such as Denver, Salt Lake City, Oklahoma City, etc. would benefit from the location and distribution assets of the region. Moreover, the presence of the Bulk Solids Research Center may provide value to this industry. The center can offer strategic partnerships with industries focused in the bulk solid industry or related supply chain.</p>
Aerospace	<ul style="list-style-type: none"> • Aircraft Manufacturing (NAICS 336411)* • Aircraft Engine and Engine Parts Manufacturing (NAICS 336412) • Other Aircraft Parts and Auxiliary Equipment Manufacturing (NAICS 336413) • Other Support Activities for Air Transportation (NAICS 488190) • Other Airport Operations (NAICS 488119) <p><i>*Note: Aircraft Manufacturing includes the manufacturing of drones.</i></p>	<p>Although this industry did not show up strongly through the NAICS code analysis, Salina has a number of assets to support this industry, including good highway access, an under-leveraged airport, and a strong aerospace program at Kansas State Polytechnic.</p> <p>More specific aerospace industries are included in the identified subsectors. This includes areas of focus like aircraft interior manufacturing, avionics, maintenance repair operations, etc.</p>
Distribution	<ul style="list-style-type: none"> • Distribution related to any of the identified target industries • Aircraft Merchant Wholesalers (NAICS 423860) 	<p>Saline County sits on two Interstates, I-70 and I-135, and within a 500 mile radius, companies in Salina can reach large regional markets, including Dallas, St. Louis, Denver, Oklahoma City, and Kansas City, among others.</p>

Executive Summary

GOALS AND VISIONING

The goals for the future were determined and thoroughly discussed during a Goals and Visioning work session on Thursday, January 11, 2018. These goals serve as the basis for the Economic Development Strategies that follow.



Executive Summary

ECONOMIC DEVELOPMENT STRATEGIES

The following strategies were developed to help SCEDO meet its five goals, as outlined on the previous page. The strategies fall into the categories of alignment/regionalism, readiness and marketing/differentiation. Tactics within each strategy can be found in the final section of this report – Implementation Map and attached as a separate electronic document.

Alignment/Regionalism					
	Goal #1: Grow the City of Salina's economy through greater site and building readiness, targeted business attraction, and supported growth for existing businesses.	Goal # 2: Elevate Salina's talent competitiveness by focusing on growing wages, supply of talent, and skills of talent.	Goal #3: Increase community alignment to create and leverage greater synergies.	Goal #4: Develop an innovative and entrepreneurial culture within the City of Salina.	Goal #5: Collaborate with the city and other partners on ways to improve and develop the City of Salina's housing stock by creating greater diversity and affordability.
Roles and Responsibilities					
Define and Identify the role SCEDO, the Chamber, the City, the County, and other groups have in economic development.	XXX	XX	XXX	X	XX
Develop an understanding of the types of economic development projects that Salina wants and how these will be incented.	XXX	XX	X	X	
Develop a communication protocol for prospects and businesses.	XXX	X	XXX		
Create a platform to share information on economic development activities.	XXX	X	XXX	X	
XXX: Primary effect on goal XX: Direct effect on goal X: Indirect effect on goal					

Executive Summary

Readiness					
	Goal #1: Grow the City of Salina's economy through greater site and building readiness, targeted business attraction, and supported growth for existing businesses.	Goal # 2: Elevate Salina's talent competitiveness by focusing on growing wages, supply of talent, and skills of talent.	Goal #3: Increase community alignment to create and leverage greater synergies.	Goal #4: Develop an innovative and entrepreneurial culture within the City of Salina.	Goal #5: Collaborate with the city and other partners on ways to improve and develop the City of Salina's housing stock by creating greater diversity and affordability.
Product Readiness					
Create an inventory of all sites and buildings available, getting and maintaining up-to-date information	XXX			X	
Prioritize sites and buildings based on target industries identified in this report.	XXX			X	
Develop and understand the product pipeline.	XXX			X	
Talent Readiness					
Identify existing and planned initiatives from all relevant groups.	X	XXX	XX	X	
Determine talent needs from existing employers.	XX	XXX	X	X	X
Build a talent strategy around existing and future needs for talent.	XX	XXX		X	X

XXX: Primary effect on goal

XX: Direct effect on goal

X: Indirect effect on goal

Executive Summary

Readiness (cont'd)					
	Goal #1: Grow the City of Salina's economy through greater site and building readiness, targeted business attraction, and supported growth for existing businesses.	Goal # 2: Elevate Salina's talent competitiveness by focusing on growing wages, supply of talent, and skills of talent.	Goal #3: Increase community alignment to create and leverage greater synergies.	Goal #4: Develop an innovative and entrepreneurial culture within the City of Salina.	Goal #5: Collaborate with the city and other partners on ways to improve and develop the City of Salina's housing stock by creating greater diversity and affordability.
Community Readiness					
Work with city and other partners to identify and define current housing stock.	X	X	XX		XXX
Work with city and other partners to determine future housing need.	X	X	XX	X	XXX
Innovation Readiness					
Identify and define current resources available for start-ups	X	X	X	XXX	
Create awareness around current resources.	X	X	X	XXX	
Determine need and interest in incubator, co-working space, and other related entrepreneurial services.	X		X	XXX	

XXX: Primary effect on goal

XX: Direct effect on goal

X: Indirect effect on goal

Executive Summary

Marketing/Differentiation					
	Goal #1: Grow the City of Salina's economy through greater site and building readiness, targeted business attraction, and supported growth for existing businesses.	Goal # 2: Elevate Salina's talent competitiveness by focusing on growing wages, supply of talent, and skills of talent.	Goal #3: Increase community alignment to create and leverage greater synergies.	Goal #4: Develop an innovative and entrepreneurial culture within the City of Salina.	Goal #5: Collaborate with the city and other partners on ways to improve and develop the City of Salina's housing stock by creating greater diversity and affordability.
All Audiences					
Use primary data from economic development plan to identify points of differentiation and develop marketing collateral to support this.	XXX	X	X	X	
Communicate a consistent economic development brand to all audiences.	XX		X	X	
Communicate points of differentiation and area benefits to internal stakeholders first, then partners and then external stakeholders.	XX	X	X	X	
Developers/Real Estate Brokers					
Use unified brand messaging to build awareness on suitable projects for Salina, including the available infrastructure, product, and assets that can support it.	XXX			X	X

XXX: Primary effect on goal

XX: Direct effect on goal

X: Indirect effect on goal

Executive Summary

Marketing/Differentiation (cont'd)					
	Goal #1: Grow the City of Salina's economy through greater site and building readiness, targeted business attraction, and supported growth for existing businesses.	Goal # 2: Elevate Salina's talent competitiveness by focusing on growing wages, supply of talent, and skills of talent.	Goal #3: Increase community alignment to create and leverage greater synergies.	Goal #4: Develop an innovative and entrepreneurial culture within the City of Salina.	Goal #5: Collaborate with the city and other partners on ways to improve and develop the City of Salina's housing stock by creating greater diversity and affordability.
Site Selectors					
Develop targeted campaigns using variable marketing collateral and techniques (videos, social media, professional associations, trade shows, familiarization tours, and relationship building) to build awareness of Salina's assets to siting decision-makers.	XXX	X			
Target Industries					
Develop marketing collateral based on each target industry and be available for inbound marketing activity.	XXX			X	
Use specific tactics to identify and reach out to companies within your target industries.	XXX			X	

XXX: Primary effect on goal

XX: Direct effect on goal

X: Indirect effect on goal

SECTION 2: INTRODUCTION



Introduction – Background

BACKGROUND

Salina, Kansas is the county seat for Saline County and has a population of roughly 48,000 people. The area is one of the largest wheat producing regions in the world. Along with agriculture and agriculture transportation, the region is also home to aviation and advanced manufacturing businesses, particularly metal fabrication and bulk solids.

The Salina region is home to four higher education institutions, including Kansas State Polytech, Kansas Wesleyan University and the University of Kansas School of Medicine. The cost of living in Salina is lower than the national average making it a competitive place to attract talent. Additionally, Salina has recently seen new investment of over \$155M in the downtown area, with plan for additional development.

Salina Community Economic Development Organization is a new organization that is housed in the Chamber of Commerce and supported by the Chamber, the airport, the city of Salina and Saline County. Currently SCEDO is preparing a website and branding strategy. Along with this, SCEDO is looking to create a strategic plan for economic development.

OBJECTIVES

The objectives of this project are to:

- Gain a clear and objective understanding of Salina's economic assets and talent picture
- Gain an understanding of the city's future goals
- Develop strategies and an implementation plan that sets up Salina's economy for a successful future

SECTION 3: THE SALINE COUNTY REGIONAL ECONOMY



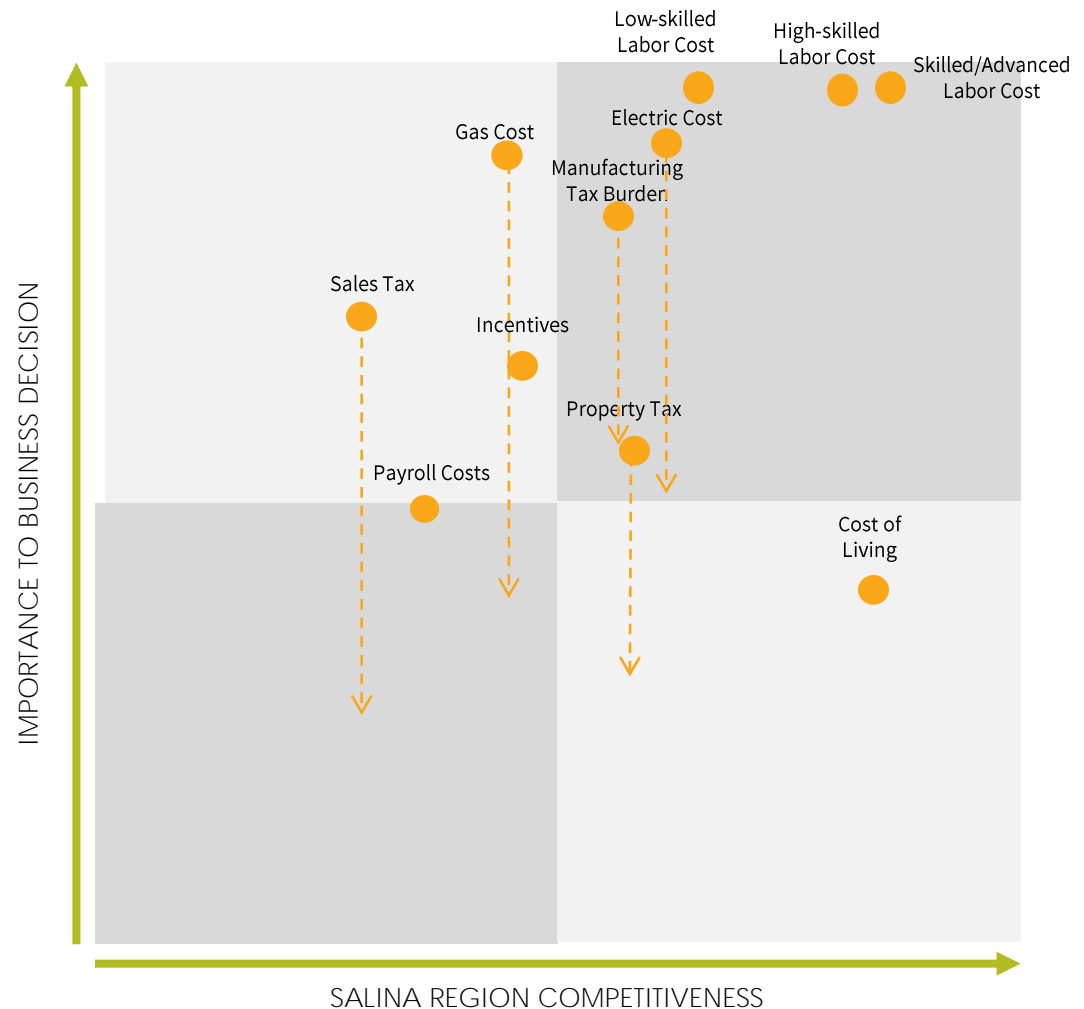
Core Economic Assets

GENERAL BUSINESS COSTS ASSET MAP COMMENTS

The asset map to the right depicts Saline County region's competitiveness compared to the state of Kansas, surrounding states, as well as the United States as a whole.

- Labor costs in the Saline County region are lower than average for all professions compared to the state of Kansas and the U.S. average. They are significantly lower in both the high-skilled level and skilled/advanced level, with wages 25% less than the national average. These lower wages can give the region a competitive advantage in labor costs for these professions.
- Out of all the surrounding states, Kansas ranks the best for the tax burden for new capital intensive manufacturing, and 2nd best in the nation. Kansas also ranks in the top 10 for new labor intensive manufacturing (6th). It ranks average to poor on mature capital intensive manufacturing and mature labor intensive manufacturing however, (30th and 40th respectively).
- Kansas has the highest sales tax of the surrounding states (6.50%), and Saline County charges an additional sales tax on top of the state totaling 8.75%. However, Kansas has the lowest individual income tax (4.60%). It has the second highest corporate income tax (7.00%), after Nebraska.
- Industrial electricity costs in Kansas are middling relative to the surrounding states, and slightly above the national average. Industrial gas costs are close to the national average, however much lower than all the surrounding states which are considerably higher than the national average.
- Kansas has an average unemployment tax rate (0.20-7.60%) relative to the surrounding states. Kansas also has very low workers compensation costs (41st), lower than all of the surrounding states.
- The cost of living in Kansas is 14% lower than the national average, and the cost of living in Saline County is on par with that at 15% lower. The cost of living in Kansas is lower than that of all the surrounding states with the exception of Oklahoma, which is 2% lower.

GENERAL BUSINESS COSTS ASSET MAP



Core Economic Assets (continued)

Table 4.3: Select Supporting Data for Business Costs Asset Map	Saline County, KS	Kansas	Colorado	Missouri	Oklahoma	Nebraska	United States
Avg. Low-Skilled Labor Costs ¹	\$35,830*	\$38,320	\$37,980	\$35,990	\$36,980	\$35,980	\$37,190
Avg. Skilled/Advanced Labor Costs ¹	\$74,280*	\$87,935	\$108,275	\$91,730	\$86,785	\$85,290	\$101,160
Avg. Professional Technical Labor Cost ¹	\$62,335*	\$75,360	\$93,310	\$78,125	\$79,105	\$77,075	\$92,570
Tax Burden Ranking – Mature Labor Intensive Manufacturing ²		40	32	6	29	5	
Tax Burden Ranking – New Labor Intensive Manufacturing ²		6	47	5	7	2	
Tax Burden Ranking – Mature Capital Intensive Manufacturing ²		30	41	12	29	11	
Tax Burden Ranking – New Capital Intensive Manufacturing ²		2	47	21	11	3	
Sales Tax ²	8.75%	6.50%	2.90%	4.23%	4.50%	5.50%	
Individual Income Tax ²		4.60%	4.63%	6.00%	5.00%	6.84%	
Corporate Income Tax ²		7.00%	4.63%	6.25%	6.00%	7.81%	
Payroll Costs – Unemployment Tax ³ (New Employer Base Payroll Base)		0.20-7.60% \$14,000	0.77-10.10% \$12,500	0.0-9.0% \$13,000	0.1-5.5% \$17,700	0.0-5.4% \$9,000	
Payroll Costs – Workers Comp. ⁴ (State Rank Avg. Rate per \$100 of payroll)		41 \$1.41	35 \$1.56	20 \$1.92	8 \$2.23	32 \$1.67	
Cost of Living ⁵	85	86	117	90	84	88	100
Average Industrial Electric Costs (Cents per Kilowatt-hour) ⁶		7.60	7.55	8.15	5.43	7.99	7.25
Average Industrial Gas Costs (Dollars per Thousand Cubic Feet) ⁶		3.91	6.35	6.53	8.53	4.46	3.96

Sources:

1. Bureau of Labor Statistics, May 2016 – *Northeast Kansas nonmetropolitan area was used for Saline County wage analysis*
2. Tax Foundation
3. ADP 2017 Payroll Tax Rates by State, 2017
4. Oregon Workers' Compensation Premium Rate Ranking Summary, 2016 (ranked from 1=highest to 51=lowest)
5. Sperling's Best Places, 2016
6. EIA.gov, November 2016

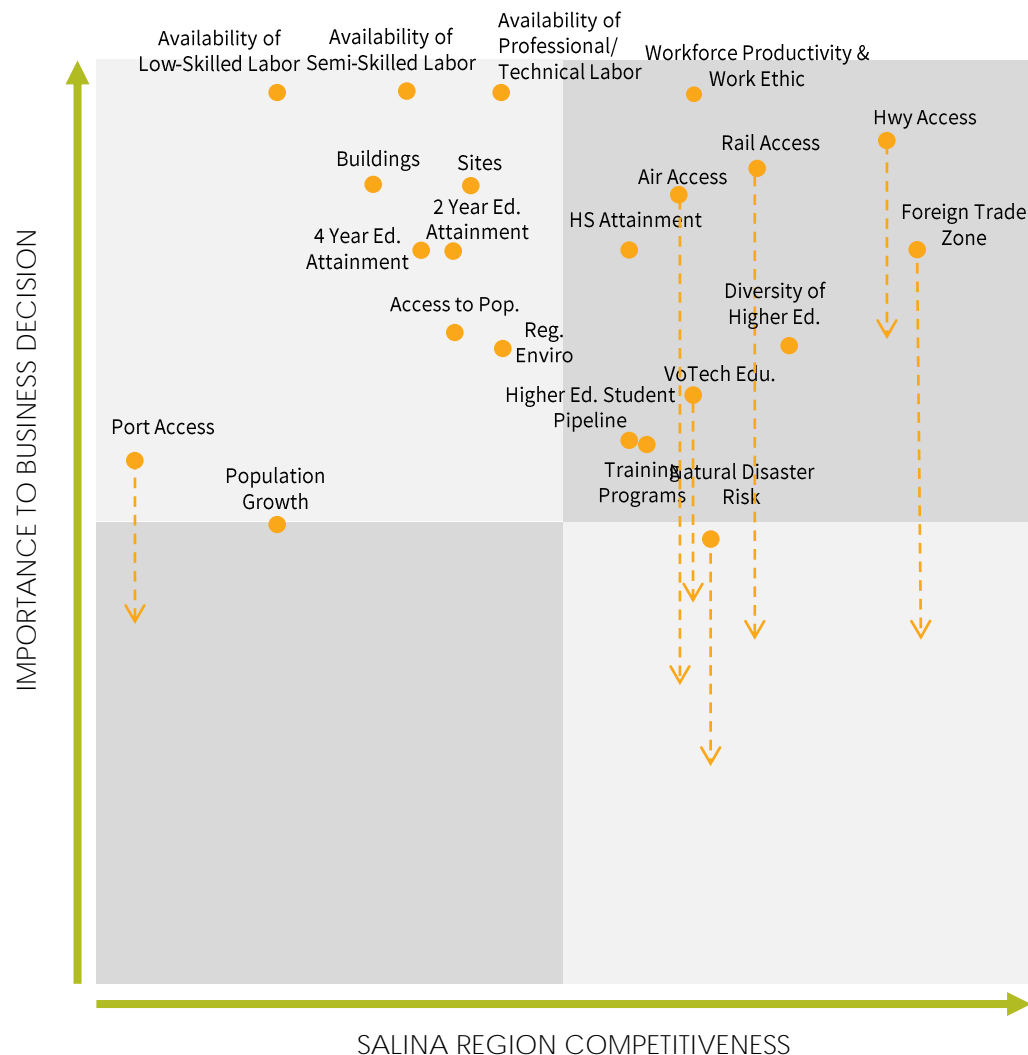
Core Economic Assets (continued)

GENERAL BUSINESS CONDITIONS ASSET MAP COMMENTS

The asset map to the right depicts Saline County region's competitiveness compared to the state of Kansas, surrounding states, as well as the United States as a whole.

- The population growth in the region has been negative, with Saline County experiencing negative growth of -0.80% since 2010. The state of Kansas also has had very weak population growth of only 1.69% since 2010, compared to the national average 4.45%.
- Saline County has access to the Salina Regional Airport, which has the capacity to serve freight as well one of the longest runways in the country. The airport only has one airline carrier however, and is currently underutilized.
- Saline County's average educational attainment rates are lower than that of the average of Kansas at all levels. When compared to the national average, Saline County's education level rates are mostly comparable with the exception of 4-year degree attainment, where it is significantly lower.
- In addition to negative population growth, growth in labor force has been anemic in Saline County at 0.20%. Of the surrounding states, Kansas is the only state to have had negative labor force growth over the past 5-year period, at -0.48%.
- Availability of labor was cited by employers across the board as challenging, however it seemed that the availability of low skilled labor was the greatest challenge in the region, as the local education institutions helped alleviate the semi-skilled and professional skilled shortages to some degree.
- Employers noted the city as being challenging to work with on permitting issues regarding building and demolition.
- Saline County has access to a great diversity of higher education pipeline opportunities for a community its size, with 4-year degrees available from Kansas Wesleyan University, as well as specialized trade skills training from Salina Tech and Kansas State Polytechnic. The Polytechnic college is especially unique in the aviation programs it offers.
- Work ethic was cited by employers to be somewhat of an issue in the region. Many employers specified that their long-term workforce was of a good quality, however many of the unemployed people looking for work were of poor quality and lacked the soft skills necessary, especially in regards to attendance.

GENERAL CONDITIONS ASSET MAP



Core Economic Assets (continued)

Table 4.4: Select Supporting Data for Business Conditions Asset Map	Saline County, KS	Kansas	Colorado	Missouri	Oklahoma	Nebraska	United States
Population ¹ (county-level)	55,142	2,907,289	5,540,545	6,093,000	2,907,289	1,907,116	323,127,513
Labor Availability ¹ (county-level)	30,819	1,484,001	2,891,046	3,111,517	1,828,415	1,011,041	
Population Growth (Since 2010) ¹	-0.80%	1.69%	9.74%	1.62%	4.36%	4.21%	4.45%
Labor Force Growth (2011-2015) ¹ (county-level)	0.20%	-0.48%	5.66%	2.09%	3.14%	0.78%	
Access to Population ¹ (Population within 500 Miles of Saline County)	46,906,490						
Population with High School Degree ²	89.2%	90.0%	90.4%	88.0%	86.7%	90.5%	86.3%
Population with 2-Year Degree ²	6.8%	7.8%	8.2%	7.2%	7.1%	9.7%	7.9%
Population with 4-Year Degree ²	24.5%	30.7%	37.5%	26.7%	23.8%	29.0%	29.3%
Population with Graduate Degree ²	8.8%	10.8%	13.7%	10.0%	7.9%	9.4%	7.8%

Sources:

1. Stats America, United States Census Bureau
2. Sperling's Best Places, 2016

Business Environment

LABOR AND TALENT

Availability of Low-Skilled Labor



Saline County is facing a shortage of low-skilled labor, and this seems to be the biggest labor challenge in the region due to the high concentration of production related positions. Employers also noted a difficulty in retaining this level of labor, as reliability and attendance are serious issues when recruiting new employees.

Availability of Semi-Skilled/Skilled Labor



Similarly to low skilled labor, Saline County is experiencing a shortage of semi-skilled/skilled labor. There are some programs in place with local technical skills that offer development and produce some degree of this labor level in the region.

Availability of Professional/Technical Labor



As with the other levels of labor, Saline County has a shortage of professional/technical labor, however there is much less demand for this level of labor in the region. In addition, employers like the local hospitals have partnerships in place with the 4-year education institutions in the region that have created some degree of a pipeline for this level of labor.

Training Programs

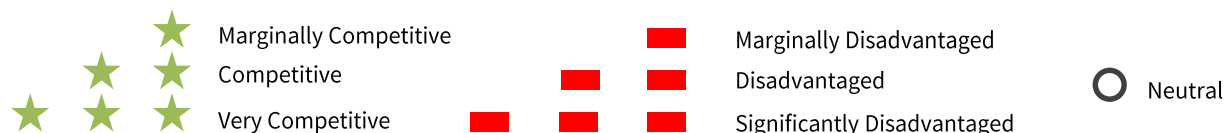


Saline County has access to a strong pipeline of talent, given the community's size. Kansas Wesleyan University provides 4-year degrees. Salina Tech offers programs in automotive, machine tools, welding, electrical, construction and commercial truck driving. Salina Tech also offers employability certifications as part of an adult workforce re-entry program. Kansas State Polytechnic is based in Salina and provides specialized training in aviation and engineering, and is an invaluable asset to the region. K-12 schools have also been working with local industry partners to incorporate career pathways into their curriculum.

Education



Saline County's average educational attainment rates are lower at all levels than the state average. They are most significantly lower in 4-year degree attainment. In addition, they are lower in almost all levels when compared to the surrounding states, with the exception of Oklahoma.



Business Environment (continued)

INFRASTRUCTURE

Highway



Saline County sits on two Interstates, I-70 and I-35 (the portion running through the County is I-135, which merges into I-35 to the south). I-70 runs east-west, from Baltimore to Cove Fort, Utah. I-35 runs north-south from Duluth to the American-Mexican border. Kansas Highway 4 and 140 also run through the County. Via highway, Saline County has access to nearly 47 million people within a day's drive, including the major metros of Dallas, Denver and St. Louis.

Rail



Saline County is served by Union Pacific and several other short-line railroads. Some available sites do have access to rail with rail spurs equipped.

Air



Saline County has access to the Salina Regional Airport, a public general aviation airport with regional jet air service by SkyWest Airlines d/b/a United Express with flights to both Denver and Chicago. The airport has a primary runway of 12,300 ft.

Port

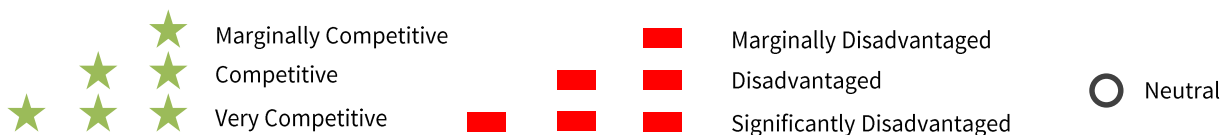


Saline County is entirely landlocked, with no major lakes or oceans within a days drive of it, and thus no access to any ports.

Utilities



Water costs were noted by employers to be very high, due to the lack of water in Western Kansas. Other utility costs were considered average by employers.



Business Environment (continued)

REGULATION AND INCENTIVES

State Regulatory and Permitting



No employers noted any significant issues in regards to the regulatory environment of working in Kansas.

Local Regulatory and Permitting



Employers generally did not have regulatory burdens at a local level, however some did cite the city as being challenging to work with on permitting issues regarding building and demolition.

State Incentives



Kansas offers a variety of incentives, however most employers stated their understanding that most of the incentives only applied in practicality to companies in metro areas and their surrounding suburbs. Kansas does offer ROZ (Rural Opportunity Zone) Program, which is most often used for student loan repayments.

Local Incentives

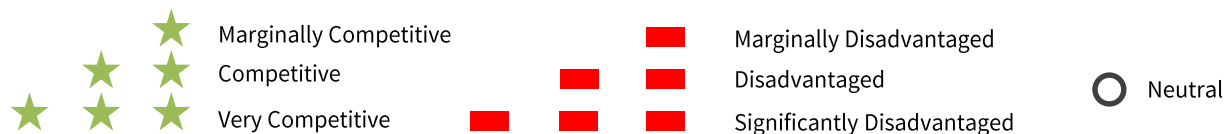


Saline County offers the standard mix of tax increment financing and abatements commonly offered at the local level. Saline County is a designed service area of the Sedgwick County Foreign Trade Zone (FTZ #161).

State Business Climate



Kansas has struggled under massive budget deficits as a result of the tax structure adopted under Governor Brownback. Kansas ranks 29th on “Forbes Best States for Business”, and ranks highly on new manufacturing tax burdens but poorly on mature. Overall, the state relationship with local economic partners is not well developed, especially the more rural ones.



Business Environment (continued)

KEY STATEWIDE INCENTIVES (from Kansas Department of Commerce)

- **Kansas Certified Development Companies (CDC):** Helps businesses access the numerous loan programs available from a variety of sources. These loan packages match the business' financial need with the source of funds, providing small business customers the best combination of rates and terms possible.
- **High Performance Incentive Program (HPIP):** The High Performance Incentive Program provides tax incentives to employers that pay above-average wages and have a strong commitment to skills development for their workers. This program recognizes the need for Kansas companies to remain competitive and encourages capital investment in facilities, technology and continued employee training and education. A substantial investment tax credit for new capital investment in Kansas and a related sales tax exemption are the primary benefits of this program.
- **Kansas Industrial Retraining (KIR):** The Kansas Industrial Retraining program is a job retention tool that helps employees of restructuring companies who are likely to be displaced because of obsolete or inadequate job skills and knowledge. Eligible industries include basic enterprises that are restructuring operations through incorporation of new technology, diversification of production or the development and implementation of new production activities. At least one current employee must be trained to qualify for assistance.
- **Kansas Industrial Training (KIT):** The KIT program may be used to assist firms involved in job creation. Training can include pre-employment, classroom and on-the-training by in-house instructors or vendors. Pre-employment training may be used to allow the company and prospective employees an opportunity to evaluate one another before making employment commitments. Prospective employees are given the knowledge and specific skills necessary for job entry. Trainees may receive instruction on the company's own production equipment on the plant floor or on similar machinery in a classroom setting.
- **Promoting Employment Across Kansas (PEAK) Program:** PEAK is intended to encourage economic development in Kansas by incenting companies to relocate, locate or expand business operations and jobs in Kansas. The Secretary of Commerce has discretion to approve applications of qualified companies and determine the PEAK benefit. During the benefit term, participating PEAK companies may receive 95 percent (95%) of the Kansas withholding tax of PEAK-Eligible employees/jobs that are paid at or above the county median wage where the PEAK business facility is located. Depending on the number of PEAK jobs/employees to be hired over a five-year period and their wage levels, the Secretary can approve a PEAK benefit for up to 10 years. PEAK requires the qualified company to commit to creating five new jobs in non-metropolitan counties or ten (10) new jobs in the metropolitan counties of Shawnee, Douglas, Wyandotte, Johnson, Leavenworth and Sedgwick within a two-year period. The qualified company must also pay wages to the PEAK jobs/employees, that when aggregated, meet or exceed the county median wage or North American Industry Classification System (NAICS) average wage for their industry.

Business Environment (continued)

KEY STATEWIDE INCENTIVES (from Kansas Department of Commerce)

- **Rural Opportunity Zones (ROZ):** Rural Opportunity Zones are 77 counties that have been authorized to offer one or both of the following financial incentives to new full-time residents: Kansas income tax waivers for up to five years, and/or, student loan repayments up to \$15,000.
- **Sales Tax Revenue (STAR) Bonds:** Sales Tax Revenue (STAR) Bonds provide Kansas municipalities the opportunity to issue bonds to finance the development of major commercial, entertainment and tourism areas and use the sales tax revenue generated by the development to pay off the bonds.
- **Kansas Capital Multiplier Loan Fund:** Under the Kansas Capital Multiplier Loan Fund, businesses can apply for matching loans up to 9% of the private capital invested. Private capital invested includes the amount of the loans provided by financial institutions, certified development companies and other sources of private lending. Private capital also includes the entrepreneurs' investment and funds provided by angel investors and angel investor groups. The minimum loan from the Kansas Capital Multiplier Loan Fund is \$25,000, with a maximum loan of \$500,000.
- **Kansas Capital Multiplier Venture Fund:** Under the Kansas Capital Multiplier Venture Fund, businesses can apply for matching equity up to 9% of the private equity invested. Private equity invested includes funds invested by private equity firms and angel investors. Businesses eligible include technology and biosciences companies working with a state entrepreneurial center, University Center of Excellence, and/or the Kansas Bioscience Authority (KBA). Rural businesses or businesses in distressed areas of urban communities that meet critical community needs; are growth businesses with local angel investors; or are larger businesses with less than 500 employees that have local angel investors and significant private equity investment may also qualify. The minimum equity investment contribution from the Kansas Capital Multiplier Venture Fund is \$25,000, with a maximum equity investment contribution of \$250,000.

Business Environment (continued)

KEY COUNTY/LOCAL INCENTIVES (from SCEDO)

- **Tax Increment Financing (TIF) Districts & Industrial Revenue Bonds (IRB):** Helps finance land acquisition and construction of a new facility.
- **Property Tax Abatements:** For qualifying new facilities that can result in up to 100 percent abatement over a ten-year period
- **Salina Economic Development Incentive Council (SEDIC) Grants:** For training and qualified capital investment purchases.
- **Sedgwick County Foreign Trade Zone (FTZ #161):** Offers benefits for businesses seeking to import and export. Saline County is one of seven counties designated as a service area.

SECTION 4: COMMUNITY AND EMPLOYER INPUT AND ANALYSIS



Section 4: Community and Employer Input and Analysis

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Employer Interviews



Employer Interviews

Ady Advantage conducted confidential interviews of the following five individuals from four companies in Salina that represent and impact the region's economy. All participants were very forth coming and willing to participate in these interviews. Given the small size and discrete nature of the industries, responses have been aggregated into themes related to the questions. These interviews were conducted during our on-site visit to Salina from September 28-29.

Company	Name	Title	Industry	Total Employees
Salina Regional Health Center	Mike Terry	CEO	Healthcare	>2,000
Salina Regional Health Center	Joel Phelps	COO	Healthcare	>2,000
Schwan's	Todd Clark	Senior Director of Manufacturing	Food Processing	>1,000
Triad Manufacturing	Barb Young	President	Office Furniture Manufacturing	<10
Champion Automotive	Brian Francis	Owner	Automotive Detail	<10

Employer Interviews

How long has your company had operations here? Where else do you have locations?

Most of the companies have been operating in Salina for over 20 years. Some have locations outside of Saline County or throughout a regional footprint. However, some of the businesses do not have a need to expand beyond their local market.

How did you choose to locate here? / Why are you located here? If a legacy site: Have you or would you consider leaving?

Companies cited a variety of reasons for locating in Salina. For most, the proximity to larger metro areas and access to markets were key reasons. In particular, businesses cited its location at the intersection of two major thoroughfares, I-70 and I-135.

Other businesses indicated personal and social connections for locating their business in Salina. Family or friends were living in Salina and being close or near by was an important decision in choosing where to locate.

Finally, some had existing assets in the region, which were consolidated and used to rebuild and expand to its current size and iteration.

Employer Interviews

What is your biggest opportunity in your business right now?

There were several key opportunities mentioned. First, locating and leveraging new distribution channels along with sourcing new labor markets. Second, respondents highlighted future opportunities for expansion and/or acquisition. In the case of acquisition, this would provide access to an existing market, but growing market for customers. The acquisition would involve very little need to expand no need to relocate any part of operations.

In the case of expansion, opportunities are present locally to open additional locations. Once again this is largely because of Salina's location at the intersection of two major thoroughfares. Other businesses noted expansion as a way to serve and reach a greater customer market.

Finally, respondents directed the need to leverage existing assets in and around technology. In the last five years, the business has made major investments in building a state-of-the-art facility that will provide better opportunities to server their clients.

Employer Interviews

What is your biggest challenge in your business right now or what do you think is the #1 thing that is holding you back? Why?

Every employer indicated the workforce as the biggest challenge they are currently faced with. However, the types of workforce issues varied employer to employer.

Availability: *Sourcing qualified candidates has been increasingly challenging. Not only are their more specialized positions difficult to recruit, but entry level staff are as well.*

Retention: *Once qualified employees have been hired, employers find it challenging to retain employees. This is largely afflicting more entry level employees.*

Longevity: *Some employers noted the growing trend of an aging workforce. They have enjoyed significant loyalty from their workforce, but realize that many are reaching retirement age. However, given the specialized nature of their work, it will be increasingly difficult to find qualified replacements.*

Is your company's primary market: local, regional, national or international?

The orientation of markets for the companies interviewed were skewed locally. However, many of the employers did receive a sizeable share of business from a regional market as well. A small number were operating in international markets.

Employer Interviews

Employee Profile

Ady Advantage was able to interview companies ranging in size from less than 10 to greater than 2,000 employees, with a fairly even split of large and small employers.

Union

None of the companies interviewed had a union presence or indicated a strong general union presence in the region.

Average Commuting Distance

A portion of employees do come from the immediate area; however, a majority of employees that work at these Salina companies are commuting from outside the city and within the greater regional area of Saline County, with some commuting from Junction City, McPherson, and Abilene . Some commute up to an one hour each way .

- Our employees commute as far away as McPherson, Junction City, and Abilene.
- Most are 45 minutes to an hour away with some locally
- Two-thirds commute from somewhere within in Saline County

Employer Interviews

Average Educational Level

For most companies that Ady Advantage interviewed, the average educational level is a high school degree. Certain positions that require some sort of higher education include nurses, clinical workers, social workers, electricians, management and office positions, maintenance and technicians, etc.

For those needing some sort of higher education, there is a great effort to source most of these locally first. Some of the employers have created relationships with higher education facilities to cultivate the kind of talent needed locally. So far, employers feel like they have been successful at hiring a majority of their educated workforce locally.

Employer Interviews

How would you rate the availability of workers in this area, on a scale from 1 to 5, with 5 being the best?

Nearly all the employers interviewed cited the difficulty of recruiting and keeping employees.

- 2 – aging workforce, younger talent have different goals professionally.
- 3
- 1-*respondent indicated a -1 on availability
- 2-3-we're are just now catching up

Employer Interviews

What are the hardest jobs for you to fill? Which positions will you need even more of in the future?

Many of the positions that are open range in level of skill. However, employers cited difficulty in recruiting for nearly all positions. It has been less challenging to retain the positions that require more skill once it has been recruited.

Entry level positions are challenging to both fill and retain. Many of the employers questions whether the available labor supply in the region even had employees that would be quality enough to meet the needs of their open entry level positions. It has been challenging to hire employees with the motivation to even show up to work with enough regularity and timeliness.

Jobs with high skill or that required education are filled less by local talent and are recruited from outside the region. The greatest difficulty has been in recruiting candidates with families that are willing to relocate to region, citing the perception of Kansas as a barrier.

Describe your recruitment process. How easy is it to recruit employees from outside the region? Why? How do you recruit from outside of the region?

All of the employees use some local channel to recruit, including print and radio. However, some of the employers regularly use temp hiring services to fill vacant positions.

Few of the employers relied on human resource personnel to hire. However, one employer has created a team internally to focus on hiring highly educated and specialized positions.

Others have created formal relationships with Salina Tech and reached out to other higher education facilities in the region to cultivate local talent streams.

Employer Interviews

How would you rate the productivity of your employees, on a scale from 1 to 5, with 5 being the best?

Overall, the employers rated the productivity of their workforce higher.

- Great employees
- 2.5
- 5
- 4.5

How would you rate the work ethic of your employees, on a scale from 1 to 5, with 5 being the best?

The work ethic varied, but was skewed slightly higher than average.

- Great employees
- 1
- 4.5
- 3.5- there are opportunities here

How would you rate the stability of your employees, on a scale from 1 to 5, with 5 being the best? Do you have any issues with turnover, absenteeism rates?

Overall, the employers scored stability lower with some having significant challenges in retention. However, some have seen major changes in their turnover rates by implementing changes to reduce the rate and have seen success.

- Turnover was 37-48% now its 7-9%
- 1
- 4
- 3-our turnover is 15%

Employer Interviews

Do you currently work with any local educational institutions on training programs or do you primarily train in-house?

Most of the employers have either created formalized relationships with area higher education institutions or have reached out to offer internship opportunities to students. The more formal relationships include employer led efforts to create specific training programs for positions they need.

The Salina School District has also worked with area employers to create a new Career Pathways program that provides opportunities for students in K-12 education to explore a variety of career focuses during their secondary education.

Do you have current training needs that are unavailable locally?

None of the employers interviewed specified any training needs that the region was not able to provide, with many highlighting the good work Salina Tech does.

Employer Interviews

Below is a word cloud depicting the positive perceptions of the community, as identified by employers. The size of the words in the word cloud represents the frequency of that response. Hyphens between words are used to keep phrases together when generating the word cloud.

During the course of the employer interviews, each brought a different perceptions. However, each of the perceptions speak to a broader theme of quality of life and place live and work.

POSITIVE PERCEPTIONS OF THE COMMUNITY



Employer Interviews

Below is a word clouds depicting the negative perceptions of the community, as identified by employers. The size of the words in the word cloud represents the frequency of that response. Hyphens between words are used to keep phrases together when generating the word cloud.

Employers noted a variety of negative perceptions. Limited retail was mentioned consistently by respondents. Additionally, some form of negative housing perceptions was also mentioned by several respondents.

NEGATIVE PERCEPTIONS OF THE COMMUNITY:



Employer Interviews

Costs of Doing Business in the Region

In general, costs in Salina seem to be competitive-to-high. Costs of labor were noted to be competitive, but utilities were mixed. Natural gas and electric were unreactive, but water costs were noted as very high. Taxes were noted as primarily high. Several respondents noted the increase in the sales tax. Overall, costs skewed slightly higher in Salina with the exception of labor.

Labor

- We tend to pay higher than the market for our jobs.
- Wages are low
- We pay competitive wages
- Recently looked at wages and made them more competitive

Utilities

- Recently changed to natural gas and is inexpensive.
- Water costs are very high.

Taxes

- Right now, my taxes are low, but I expect them to go up.
- High sales tax.
- High property tax.

Occupancy

- A little higher

Distribution

- No issues

General

- Housing is very expensive. The wages don't support the cost of a one bedroom apartment hardly.

Employer Interviews

Have you had any regulatory or permitting issues at the state-level?

Most employers had no complaints about state-level regulatory issues. However, some employers stated their industry is very heavily regulated at the federal level and the extent to which the state enforces those. All of the employers cited no concern or issue with the regulatory climate in the state.

Have you had any regulatory or permitting issues at the local-level?

Once more, the businesses cited no huge regulatory burden at the local level. However, respondents did indicate the challenge of working with the city on permitting issues especially in building and demolition.

Do you know of or have you taken advantage of any state incentives?

Companies were generally aware that the state likely has incentives or programs, but has not made use of any.

Do you know of or have you taken advantage of any local incentives?

Companies were generally not aware of local incentives, but wondered if any existed for workforce development.

Employer Interviews

What industry, types of businesses or specific companies do you think would be a good fit for the region? Why?

Manufacturing was the predominant industry that was mentioned by employers. However, many mentioned different variations, including agriculture and food processing. Several employers mentioned industries related to science, technology, and math (STEM). Drawing on the strategic location of Saline near I-70 and I-135, employers cited opportunities in the distribution and logistics industry.



A word cloud of various industries mentioned by employers. The words are arranged in a cluster, with 'distribution-or-logistics' being the largest and most prominent. Other large words include 'food-processing', 'STEM', 'manufacturing', 'aviation', 'ag-manufacturing', 'geriatric-care', 'bio-defense', and 'retail'. The words are in various colors including orange, green, purple, and yellow.

retail food-processing
bio-defense distribution-or-logistics
ag-manufacturing STEM
geriatric-care manufacturing
aviation

Employer Interviews

If the region could do one thing different to help existing businesses, what would it be?

As many employers indicated the shortage of labor and challenges in sourcing qualified candidates, many of the respondents asked what the region could do about talent and what if any initiatives are available that they could take advantage of. One employer discussed the need to create programs or initiatives around at-risk individuals. Specifically, the program design would help those individuals who have some form of criminal history get trained and find a permanent position in the area.

Employers also discussed the relationship they have with the city and the challenges they have experienced while working with it. Several examples were provided related to delays in building and renovation along with difficulties in demolition. One respondent stated, “you don’t have to help us; just don’t work against us.” The business communities working relationship regularly came up and was typically described as “difficult”.

Community Input Interviews



Community Input

Overview

Ady Advantage conducted interviews from September 28-29, 2017. The purpose of these interviews was to gain input on a number of topics related to living and working in Salina and the region. Each interview was conducted confidentially with a member of the Ady Advantage team. Individuals were asked a variety of questions. The following questions were captured with responses analyzed on the following pages.

1. What are Saline County's greatest economic assets?
2. What are the positive perceptions of the county?
3. What are the negative perceptions of the county?
4. What are the biggest challenges currently facing Salina?
5. What industries or clusters do you think Saline County is, or could be competitive in?

Community Input

Attendees

Name	Role	Organization
Roy Applequist	Owner/Founder	Great Plains Manufacturing
Fred Iutzi	President	The Land Institute
Don Weiser	President	Salina Chamber of Commerce
Jeff Maes	Broker	CompPro Realty
Barb Young	Board President	North Salina
Mark Freel	Business Manager	Westar
Dr. James Hardy	Superintendent	Salina Public Schools USD 305
Kurt Barnhart, Ph.D.	Associate Dean	Kansas State Polytechnic
Verna Fitzsimmons	CEO	Kansas State Polytechnic
Matthew Thompson, Ph.D.	President	Kansas Wesleyan University
Routable Discussion	Members	Salina Young Professionals

Community Input

What are Saline County's greatest economic assets?

Community respondents most frequently cited factors related to proximity and access to markets. Location largely represented Salina's location next to or near major intestates, which provides access to other markets along with major metro areas. Secondarily, aspects of infrastructure were mentioned. Overwhelmingly, respondents cited the airport as a major asset, however, schools and other education facilities were identified.



Note: The size of the words in the word cloud represents the frequency of that response. Hyphens between words are used to keep phrases together when generating the word cloud.

Community Input

What are the positive perceptions of the county?

Community respondents identified several themes that create positive perceptions. Key among these is the idea of community and philanthropy. The generosity of residents within Salina was regularly mentioned. Additionally, respondents noted the work that is being done to revitalize the downtown area and the link generosity has played in these efforts. Finally, respondents cited the exceptional work ethic found in Salina.



Note: The size of the words in the word cloud represents the frequency of that response. Hyphens between words are used to keep phrases together when generating the word cloud.

Community Input

What are the negative perceptions of the county?

Community respondents overwhelmingly cited the city and its working relationship with businesses as an impediment to growth. Negative perceptions also center around the rural nature of the state. This leads to negative perceptions around education, talent, and multiculturalism. Importantly, several respondents indicated a lack of housing and development and linked these to challenges with the city.



Note: The size of the words in the word cloud represents the frequency of that response. Hyphens between words are used to keep phrases together when generating the word cloud.

Community Input

What are the biggest challenges currently facing Salina?

Three critical challenges were identified by community respondents, lack of affordable housing, workforce, and the working relationship with the city. Lack of affordable housing was presented in two forms, either no housing at all or the housing available is priced out of reach. Workforce issues are rooted in availability and supply. The available talent pool is unattractive to employers and there is not enough of quality employees in the region. Finally, the working relationship with the city was cited as stifling growth and cumbersome to work with, making progress difficult to achieve.



Note: The size of the words in the word cloud represents the frequency of that response. Hyphens between words are used to keep phrases together when generating the word cloud.

Community Input

What industries or clusters do you think Saline County is, or could be competitive in?

Community respondents noted industries that leverage the economic assets noted earlier. Aviation was mentioned more than most. While most respondents did not cite specific examples of the aviation industry they understood the role the airport and Kansas State Polytechnic plays in building this kind of industry. Secondly, respondents recognized the location of Salina near major thoroughfares and its proximity to large metro areas, citing distribution and/or logistics as a clear user of these assets. Finally, manufacturing in various forms was also recognized as a key industry that would be successful in the region.



Note: The size of the words in the word cloud represents the frequency of that response. Hyphens between words are used to keep phrases together when generating the word cloud.

SECTION 5: TARGET INDUSTRY ANALYSIS



SECTION 5: TARGET INDUSTRY ANALYSIS

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Economic Base Analysis



Economic Base Analysis

Introduction

In order to gain some background knowledge on Salina's current industry and occupation make-up, Ady Advantage conducted analysis at both the 2-digit NAICS code level (industry) and the 2-digit SOC code level (occupation). The data that we look at in the following section for both industry and occupation include:

- Number of employees
- Concentration (location quotient)
- Wages
- Past five-year growth
- Future expected five-year growth

The data found on the following pages was obtained through SCEDO's license with EMSI. Note that while EMSI provides information on industries and their impact on the local economy, it does not include identities of specific firms. Additional information about EMSI's data and how its used for economic development are provided below.

- EMSI Information on Data Descriptions and Sources: <http://www.economicmodeling.com/data/usa-data/>
- EMSI for Economic Development: <http://www.economicmodeling.com/our-clients/emsi-for-economic-developers/>

Economic Base Analysis

Results Presented on Graphs

The various bubble charts, shown on the following pages, graphically show this first-level industry analysis for Saline County, as well as for the greater region. The core region is defined as Saline County. The greater region is defined as including the following counties: Dickinson, Ellsworth, McPherson, Ottawa and Saline. The same analytical and graphical approach is used throughout this target industry analysis to help visually show the various industries at increasingly granular levels of analysis (e.g., from a 2-digit level potentially up to and including a 6-digit analysis).

In each graph, the X-axis is the historic growth or contraction by industry over time; the Y-axis identifies the industry location quotient, and the size of the industry cluster circle represents the number of employees in the region.

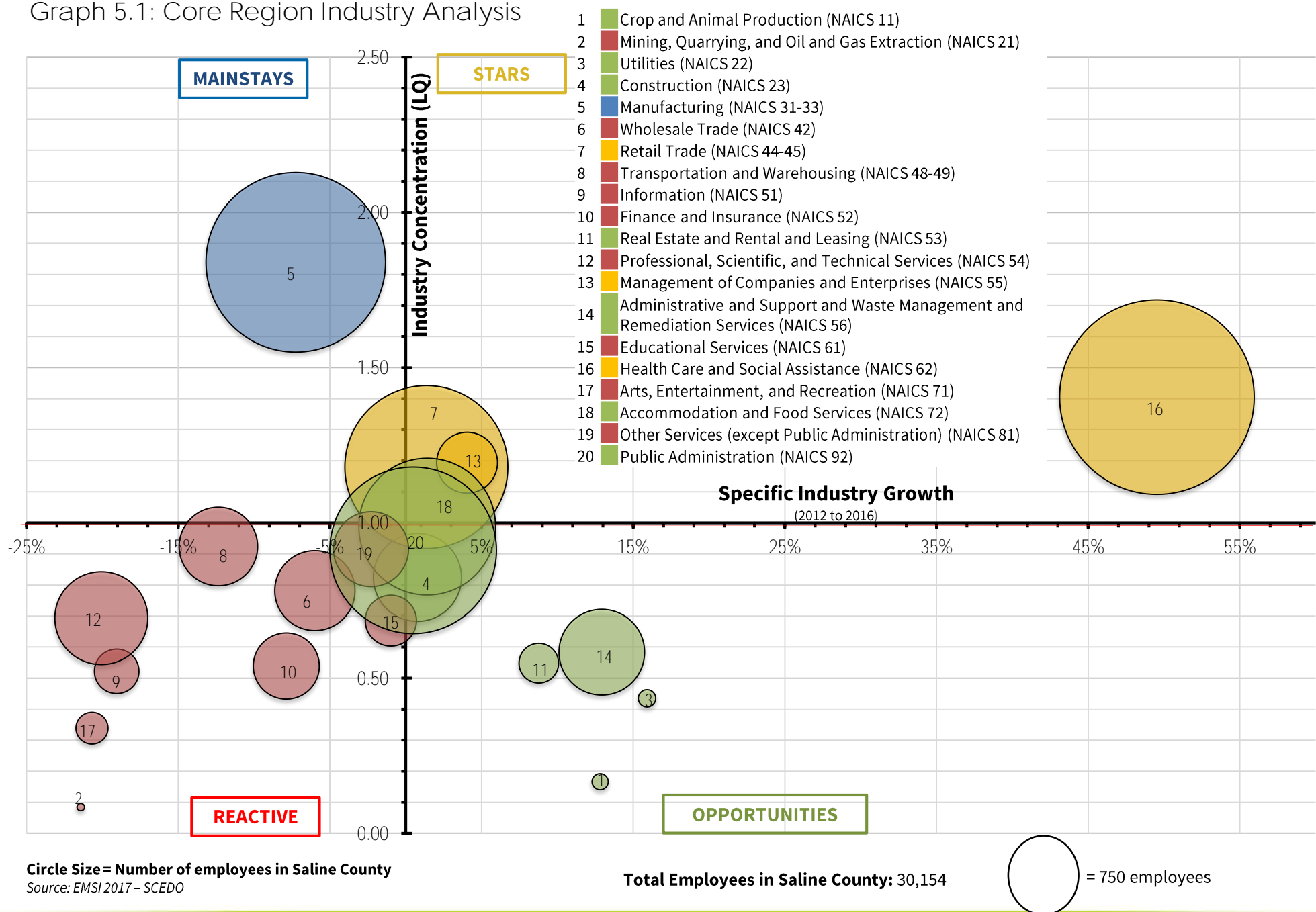
The graph breaks into four quadrants, split by industries above and below 0% growth, and those above and below average concentration (LQ = 1.0). The four quadrants reflect four general approaches to the industries, which we use as a starting point and then adjust based on the specific dynamics within a client's region as well as our experience in conducting similar analyses in many diverse regions.

The general approaches to each of the four quadrants are as follows:

- *Stars (Gold)*: Positive Growth / Above Average Concentration: Industries that currently drive the economy. They have been positive contributors to economic growth and there is a high-level of existing specialization and economic infrastructure; therefore, the region is likely competitive in those industries. These industries are often ideal targets for growing existing industry and attracting new industry.
- *Mainstays (Blue)*: Negative Growth / Above Average Concentration: These industries represent a very important part of the economy, but they have not been contributing to growth, and may in fact be contributing to job loss. It is important that these industries be aggressively supported through retention efforts to ensure they can continue to play a significant role in the economy.
- *Opportunities (Green)*: Positive Growth / Below Average Concentration: These industries have been growing, but are not currently well represented in the regional economy. If the regional economic infrastructure is able to support the operational requirements of these businesses, there is the opportunity to develop future stars. To foster such opportunities, economic development organizations need to develop needed infrastructure and be engaged in attraction.
- *Reactive (Red)*: Negative Growth / Below Average Concentration: These industries are not well represented in the region and have not been growing. As such, they should only be targeted in reaction to some need or opportunity, as such need or opportunity arises.

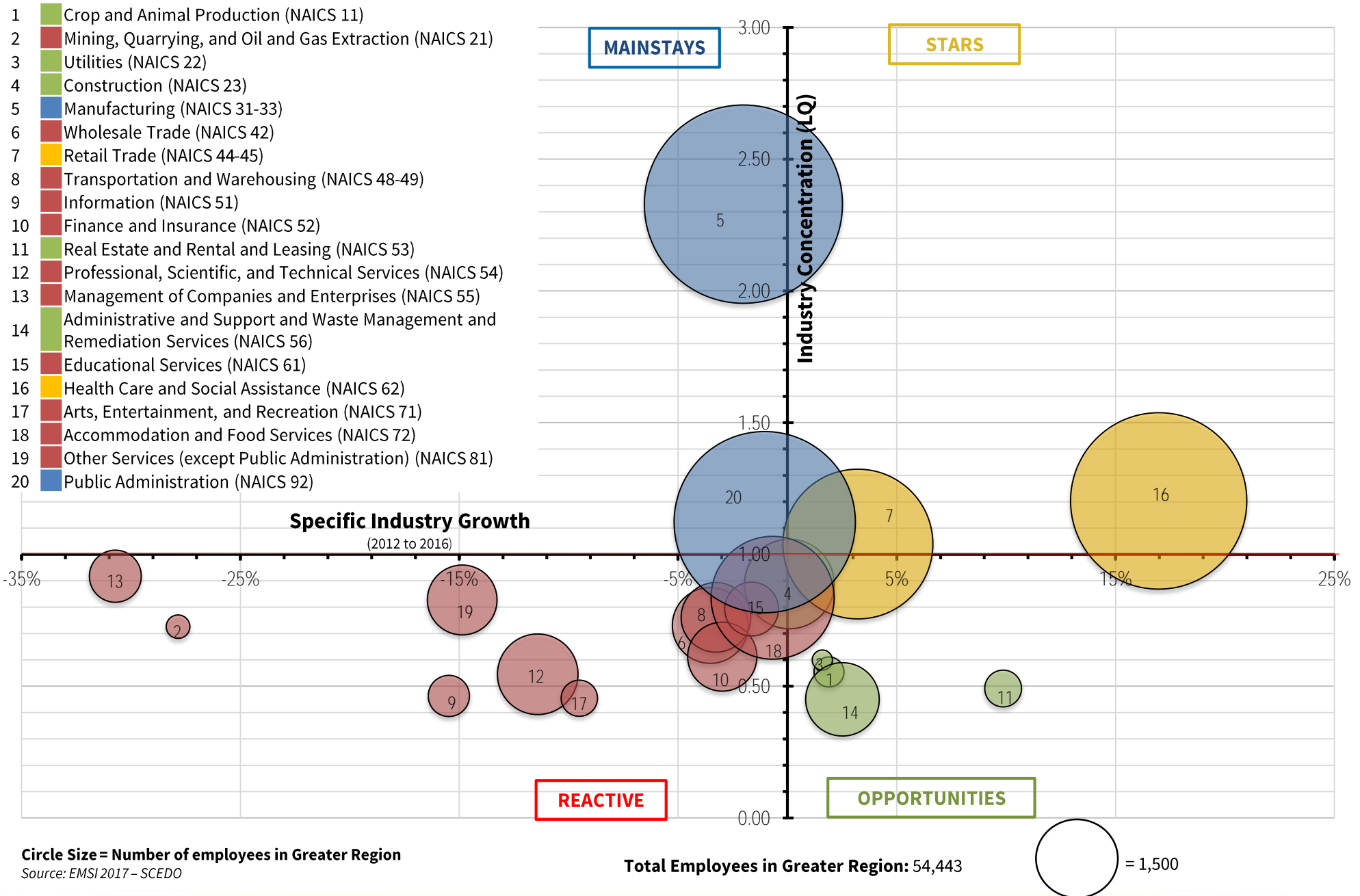
Economic Base Analysis: Saline County

Graph 5.1: Core Region Industry Analysis



Economic Base Analysis: Greater Region

Graph 5.2: Greater Region Industry Analysis



Economic Base Analysis : Comparisons

Comparison of Industry Concentration

There are some marked differences in concentration between the core region and the greater region. It is instructive to examine these differences because it helps indicate how Saline County may fit within the larger region. Note: clusters where the core region is more highly concentrated are highlighted in green.

Health Care and Social Assistance (NAICS 62) is the only industry in which the core region has a significantly higher concentration (>0.2) than that of the state of the greater region, with an location quotient (LQ) of 1.40. Other industries in which the core region has a significantly high concentration (>1.0) include Manufacturing (NAICS 31-33), Retail Trade (NAICS 44-45) and Management of Companies and Enterprises (NAICS 55)

It should be noted that the greater region has a significantly higher concentration (>0.2) than the core region in the following industries:

- Crop and Animal Production (NAICS 11)
- Mining, Quarrying, and Oil and Gas Extraction (NAICS 21)
- Manufacturing (NAICS 31-33)

Economic Base Analysis: Comparisons

Table 5.2.A: Existing Industry Concentration Comparison	Core Region Total Employment	Greater Region Total Employment	Core Region Location Quotient	Greater Region Location Quotient
Total All Industries	30,154	54,443	-	-
Crop and Animal Production (NAICS 11)	44	268	0.17	0.53
Mining, Quarrying, and Oil and Gas Extraction (NAICS 21)	11	171	0.08	0.72
Utilities (NAICS 22)	51	127	0.43	0.55
Construction (NAICS 23)	1,171	2,278	0.82	0.99
Manufacturing (NAICS 31-33)	4,807	10,991	1.84	2.28
Wholesale Trade (NAICS 42)	973	1,643	0.78	0.73
Retail Trade (NAICS 44-45)	3,967	6,312	1.18	1.00
Transportation and Warehousing (NAICS 48-49)	936	1,391	0.92	0.84
Information (NAICS 51)	310	497	0.52	0.53
Finance and Insurance (NAICS 52)	667	1,368	0.54	0.61
Real Estate and Rental and Leasing (NAICS 53)	248	401	0.55	0.45
Professional, Scientific, and Technical Services (NAICS 54)	1,302	1,848	0.69	0.64
Management of Companies and Enterprises (NAICS 55)	566	785	1.19	1.37
Administrative and Support and Waste Management and Remediation Services (NAICS 56)	1,110	1,546	0.58	0.46
Educational Services (NAICS 61)	403	841	0.69	0.79
Health Care and Social Assistance (NAICS 62)	5,639	8,719	1.40	1.07
Arts, Entertainment, and Recreation (NAICS 71)	161	390	0.34	0.53
Accommodation and Food Services (NAICS 72)	2,797	4,270	0.99	0.88
Other Services (except Public Administration) (NAICS 81)	853	1,392	0.92	0.87
Public Administration (NAICS 92)	4,138	9,205	0.91	1.07

Source: EMSI 2017 – SCEDO

Core Region LQ > than Greater Region (by ≥ 0.2)

Core Region LQ < than Greater Region (by ≥ 0.2)

Core Region LQ and Greater Region LQ are not significantly different

Economic Base Analysis: Comparisons

Comparison of Industry Wages

For a majority of industries, the core region's wages are lower when compared to the greater region, the Kansas average and the national average (*highlighted in green*).

There are three industries in which the core region's wages are higher than two of the three following comparison regions (*highlighted in red*):

- Accommodation and Food Services (NAICS 72)
- Other Services (except Public Administration) (NAICS 81)
- Public Administration (NAICS 92)

There may be opportunities in those industries in which the core region is on par or has lower wages in comparison. Lower wages can be used to attract new businesses, which in theory creates more demand for those workers resulting in increased wages over time.

Economic Base Analysis: Comparisons

Table 5.2.B: Existing Industry Wage Comparison	Core Region Average Cluster Wage (Annual)	Greater Region Average Cluster Wage (Annual)	Kansas Average Cluster Wage (Annual)	U.S. Average Cluster Wage (Annual)
Total Industry (Average Wage)	\$37,410	\$37,754	\$44,148	\$53,611
Crop and Animal Production (NAICS 11)	\$35,400	\$31,611	\$38,977	\$33,309
Mining, Quarrying, and Oil and Gas Extraction (NAICS 21)	\$39,989	\$48,528	\$54,477	\$102,901
Utilities (NAICS 22)	\$50,289	\$65,312	\$88,480	\$102,871
Construction (NAICS 23)	\$48,092	\$48,389	\$51,601	\$58,643
Manufacturing (NAICS 31-33)	\$47,419	\$52,187	\$56,044	\$64,860
Wholesale Trade (NAICS 42)	\$47,303	\$49,227	\$64,999	\$73,707
Retail Trade (NAICS 44-45)	\$23,530	\$23,022	\$26,281	\$30,297
Transportation and Warehousing (NAICS 48-49)	\$43,225	\$47,986	\$43,808	\$50,443
Information (NAICS 51)	\$38,892	\$45,849	\$61,559	\$98,475
Finance and Insurance (NAICS 52)	\$54,254	\$48,791	\$71,517	\$101,180
Real Estate and Rental and Leasing (NAICS 53)	\$27,744	\$28,858	\$40,173	\$54,959
Professional, Scientific, and Technical Services (NAICS 54)	\$47,113	\$47,470	\$68,006	\$90,950
Management of Companies and Enterprises (NAICS 55)	\$93,581	\$86,362	\$96,004	\$115,102
Administrative and Support and Waste Management and Remediation Services (NAICS 56)	\$24,899	\$29,598	\$35,861	\$38,001
Educational Services (NAICS 61)	\$32,124	\$30,699	\$33,937	\$48,762
Health Care and Social Assistance (NAICS 62)	\$42,285	\$37,231	\$40,874	\$47,955
Arts, Entertainment, and Recreation (NAICS 71)	\$19,516	\$16,119	\$18,258	\$36,727
Accommodation and Food Services (NAICS 72)	\$14,138	\$13,659	\$15,411	\$20,028
Other Services (except Public Administration) (NAICS 81)	\$29,121	\$28,091	\$32,542	\$35,923
Public Administration (NAICS 92)	\$34,657	\$32,276	\$41,160	\$54,222

Source: EMSI 2017 – SCEDO

Core Region wages < Greater Region, Kansas and U.S. wages
 Core Region wages > Two of three of the comparison region. wages
 Core Region wages < Two of three of the comparison region wages

Economic Base Analysis: Comparisons

Comparison of Industry Growth

Looking at growth by industry cluster provides some indication of potential strengths of an industry in the region, at the state level, as well as at the national level. Growth was examined by looking at both the previous five-year period (2012-2016), as well as the projected five-year growth (2016-2020). In order to see where the growth is happening, the cells of the table were highlighted green where growth was greater than or equal to five percent in the respective period and was highlighted red where growth was less than or equal to negative five percent.

One industry has that has experienced and will experience growth of over five percent in all regions include (*whole row highlighted green*): Health Care and Social Assistance (NAICS 62). Two additional industries have experienced growth and will experience growth of over five percent in all regions and all time periods but one (*7 out of 8 columns highlighted green*): Real Estate and Rental and Leasing (NAICS 53) and Administrative and Support and Waste Management and Remediation Services (NAICS 56).

There are four industries that have experienced a significant decline in the core region over the past 5-year period as well as are projected to continue experience a significant decline over the next 5-year period:

- Manufacturing (NAICS 31-33)
- Transportation and Warehousing (NAICS 48-49)
- Information (NAICS 51)
- Finance and Insurance (NAICS 52)

Economic Base Analysis: Comparisons

Table 5.2.C: Existing Industry Growth Comparison	Core Region 5-year Growth (2012 - 2016)	Core Region 5-year Projected Growth (2016 - 2020)	Greater Region 5-year Growth (2012-2016)	Greater Region 5-year Projected Growth (2016-2020)	Kansas 5-year Growth (2012 - 2016)	Kansas 5-year Projected Growth (2016 - 2020)	U.S. 5-year Growth (2012 - 2016)	U.S. 5-year Projected Growth (2016 - 2020)
Total All Industries	4%	2%	0%	3%	4%	4%	8%	6%
Crop and Animal Production (NAICS 11)	13%	0%	2%	1%	14%	7%	6%	3%
Mining, Quarrying, and Oil and Gas Extraction (NAICS 21)	(21%)	Insf. Data	(28%)	(6%)	(31%)	(3%)	(23%)	5%
Utilities (NAICS 22)	16%	41%	2%	31%	(16%)	4%	1%	2%
Construction (NAICS 23)	1%	(4%)	0%	6%	12%	6%	20%	7%
Manufacturing (NAICS 31-33)	(7%)	(7%)	(2%)	0%	(1%)	1%	3%	1%
Wholesale Trade (NAICS 42)	(6%)	(0%)	(4%)	(2%)	1%	4%	4%	5%
Retail Trade (NAICS 44-45)	1%	(1%)	3%	2%	5%	4%	6%	4%
Transportation and Warehousing (NAICS 48-49)	(12%)	(10%)	(3%)	(4%)	11%	5%	15%	6%
Information (NAICS 51)	(19%)	(7%)	(15%)	(5%)	(26%)	(4%)	4%	2%
Finance and Insurance (NAICS 52)	(8%)	(10%)	(3%)	(4%)	4%	5%	5%	5%
Real Estate and Rental and Leasing (NAICS 53)	9%	2%	10%	5%	12%	6%	9%	5%
Professional, Scientific, and Technical Services (NAICS 54)	(20%)	(0%)	(11%)	4%	17%	11%	12%	9%
Management of Companies and Enterprises (NAICS 55)	4%	13%	(31%)	2%	77%	27%	11%	6%
Administrative and Support and Waste Management and Remediation Services (NAICS 56)	13%	10%	3%	12%	5%	7%	12%	7%
Educational Services (NAICS 61)	(1%)	6%	(2%)	7%	4%	8%	6%	8%
Health Care and Social Assistance (NAICS 62)	50%	19%	17%	14%	6%	8%	12%	11%
Arts, Entertainment, and Recreation (NAICS 71)	(21%)	7%	(10%)	3%	9%	8%	13%	7%
Accommodation and Food Services (NAICS 72)	1%	(0%)	(1%)	(2%)	6%	2%	13%	7%
Other Services (except Public Administration) (NAICS 81)	(2%)	(2%)	(15%)	(5%)	(2%)	2%	(4%)	4%
Public Administration (NAICS 92)	0%	(0%)	(1%)	(0%)	(1%)	0%	1%	2%

Source: EMSI 2017 – SCEDO

Industry growth greater than or equal to five percent in the respective region and time frame.

Industry growth is less than or equal to negative five percent in the respective region and time frame.

Economic Base Analysis: Comparisons

In order to narrow down the list of industries for further analysis at the two-digit level, we created a screening process. This process takes into account the growth and concentration (chart quadrant), the stakeholder input from the on-site visit. The industries highlighted in green will be explored further in the following section.

Industry	Saline County Chart Quadrant	Greater Region Chart Quadrant	Stakeholder Input	Include in further analysis? Comments
Crop and Animal Production (NAICS 11)	Opportunity	Opportunity	Yes	Yes. There is not currently a strong concentration in the region; however, it has experienced positive growth across all regions and that growth is expected to continue.
Mining, Quarrying, and Oil and Gas Extraction (NAICS 21)*	Reactive	Reactive	No	No. This industry has experienced a decline and is an extremely small industry in the County, employing only 11 people.
Utilities (NAICS 22)	Opportunity	Opportunity	No	No. This is not typically an industry to recruit.
Construction (NAICS 23)	Opportunity	Opportunity	No	No. This industry tends to lag/follow the economy.
Manufacturing (NAICS 31-33)	Mainstay	Mainstay	Yes	Yes. Although manufacturing has experienced a decline over the past five years, it is projected to grow in the state and the U.S. over the next five years. Many stakeholders mentioned this as an opportunity, specifically citing food processing, ag manufacturing and aviation as opportunities within this industry.
Wholesale Trade (NAICS 42)	Reactive	Reactive	Yes (distribution)	Yes. Although this is a small industry that has seen a decline in the region, it is expected to grow at the state and national level. It will be analyzed for distribution opportunities, which was mentioned by several stakeholders.
Retail Trade (NAICS 44-45)	Star	Star	Yes	No. This industry is not a focus of this research. These subsectors tend to follow the economy and are consumer-driven.
Transportation and Warehousing (NAICS 48-49)	Reactive	Reactive	Yes (distribution)	Yes. Despite this industry experiencing a significant decline in the county, there are significant distribution opportunities that can be tied into other target industries, as was also mentioned by several stakeholders.
Information (NAICS 51)	Reactive	Reactive	No	No. This is an extremely small industry in the county, with the largest subsector being Newspaper Publishers.

Economic Base Analysis: Comparisons

Industry	Saline County Chart Quadrant	Greater Region Chart Quadrant	Stakeholder Input	Include in further analysis? Comments
Finance and Insurance (NAICS 52)	Reactive	Reactive	No	No. This industry is limited to commercial banks and insurance agencies in the region, which tend to follow the economy.
Real Estate and Rental and Leasing (NAICS 53)	Opportunity	Opportunity	No	No. These subsectors tend to follow the economy and are consumer-driven.
Professional, Scientific, and Technical Services (NAICS 54)	Reactive	Reactive	No	No. There are only a few subsectors that make up the majority of this industry and they tend to be consumer-driven, such as Offices of Lawyers and Offices of Certified Public Accountants.
Management of Companies and Enterprises (NAICS 55)	Star	Reactive	No	No. This is an extremely small industry in the region. These types of companies will likely be located in larger metro areas.
Administrative and Support and Waste Management and Remediation Services (NAICS 56)	Opportunity	Opportunity	No	Yes. There are several subsectors that have experienced extremely high growth in the county. Analyzing this industry may show opportunities for back office/call center operations.
Educational Services (NAICS 61)	Reactive	Reactive	No	No. This is not an industry to recruit, but rather, support.
Health Care and Social Assistance (NAICS 62)	Star	Star	Yes	No. This industry is not a focus of this research. These subsectors tend to follow the economy and are consumer-driven.
Arts, Entertainment, and Recreation (NAICS 71)	Reactive	Reactive	No	No. This industry is not a focus of this research. These subsectors tend to follow the economy and are consumer-driven.
Accommodation and Food Services (NAICS 72)	Opportunity	Reactive	No	No. This industry is not a focus of this research. These subsectors tend to follow the economy and are consumer-driven.
Other Services (except Public Administration) (NAICS 81)	Reactive	Reactive	No	No. The subsectors within this industry are consumer-customer driven and will follow the economy.
Public Administration (NAICS 92)	Opportunity	Mainstay	No	No. This is not an industry to recruit, but rather, support.

Target Industry Identification Analysis



Target Industry Analysis - Overview

Overview

The following target industry analysis follows the same format as the analysis in the previous section. However, this section focuses on the industries identified in the screening of the 2-digit NAICS code industry analysis. In order to determine which specific industries drive the greater region's economy, a 6-digit NAICS code analysis was conducted on the following industries.

- Crop and Animal Production (NAICS 11)
- Manufacturing (NAICS 31-33)
- Wholesale (NAICS 42)
- Transportation and Warehousing (NAICS 48-49)
- Management of Companies and Enterprises (NAICS 55)
- Administrative and Support and Waste Management and Remediation Services (NAICS 56)

As stated above, this analysis will show, for example, which sub-industries within manufacturing are driving the overall industry, which are growing opportunities, and which are declining. This exercise helps provide a deeper understanding of the region and identify possible niche markets, allowing us to more accurately recommend the industries that are the best fit for Saline County, Kansas.

Target Industry Analysis - Methodology

Methodology and Purpose

To identify the region's economic drivers, data on industry concentration and historic growth were gathered for several specific industry clusters; the data covered two regions. The greater region is defined as including the following counties: Dickinson, Ellsworth, McPherson, Ottawa and Saline. This region is used throughout the target industry analysis to identify opportunities that may not currently exist in the immediate county, but are strong and growing.

The clusters are defined by the North American Industry Classification System (NAICS) and the data for this analysis was licensed from SCEDO's EMSI account. Note that while EMSI provides information on industries and their impact on the local economy, it does not include identities of specific firms.

Our methodology focuses on industry size (measured by number of employees), industry growth or contraction (measured by historic change in employment from 2012 to 2016), industry concentration, as well as wages by industry. We used the most recent five-year period for the historical analysis.

Industry concentration is measured using a location quotient methodology. A location quotient measures the presence of industry employment within a specific region compared to national averages. For example, if a region has a location quotient of 1.25 this means the industry's share of regional employment is 25% higher than would be expected based on the industry's share of national employment.

Target Industry Analysis - Methodology

Results Presented on Graphs

The various bubble charts, shown on the following pages, graphically show this first-level industry analysis for the core region. The same analytical and graphical approach is used throughout this target industry analysis to help visually show the various industries at increasingly granular levels of analysis (e.g., from a 2-digit level up to and including a 6-digit analysis).

In each graph, the X-axis is the historic growth or contraction by industry over time; the Y-axis identifies the industry location quotient, and the size of the industry cluster circle represents the number of employees in the region.

The graph breaks into four quadrants, split by industries above and below 0% growth, and those above and below average concentration (LQ = 1.0. The four quadrants reflect four general approaches to the industries, which we use as a starting point and then adjust based on the specific dynamics within a client's region as well as our experience in conducting similar analyses in many diverse regions.

The general approaches to each of the four quadrants are as follows:

- Stars (Gold): Positive Growth / Above Average Concentration: Industries that currently drive the economy. They have been positive contributors to economic growth and there is a high-level of existing specialization and economic infrastructure; therefore, the region is likely competitive in those industries. These industries are often ideal targets for growing existing industry and attracting new industry.
- Mainstays (Blue): Negative Growth / Above Average Concentration: These industries represent a very important part of the economy, but they have not been contributing to growth, and may in fact be contributing to job loss. It is important that these industries be aggressively supported through retention efforts to ensure they can continue to play a significant role in the economy.
- Opportunities (Green): Positive Growth / Below Average Concentration: These industries have been growing, but are not currently well represented in the regional economy. If the regional economic infrastructure is able to support the operational requirements of these businesses, there is the opportunity to develop future stars. To foster such opportunities, economic development organizations need to develop needed infrastructure and be engaged in attraction.
- Reactive (Red): Negative Growth / Below Average Concentration: These industries are not well represented in the region and have not been growing. As such, they should only be targeted in reaction to some need or opportunity, as such need or opportunity arises.

Target Industry Identification Analysis: Crop and Animal Production

Target Industry Analysis – Crop and Animal Production (NAICS 111-115)

SUMMARY OF CROP AND ANIMAL PRODUCTION

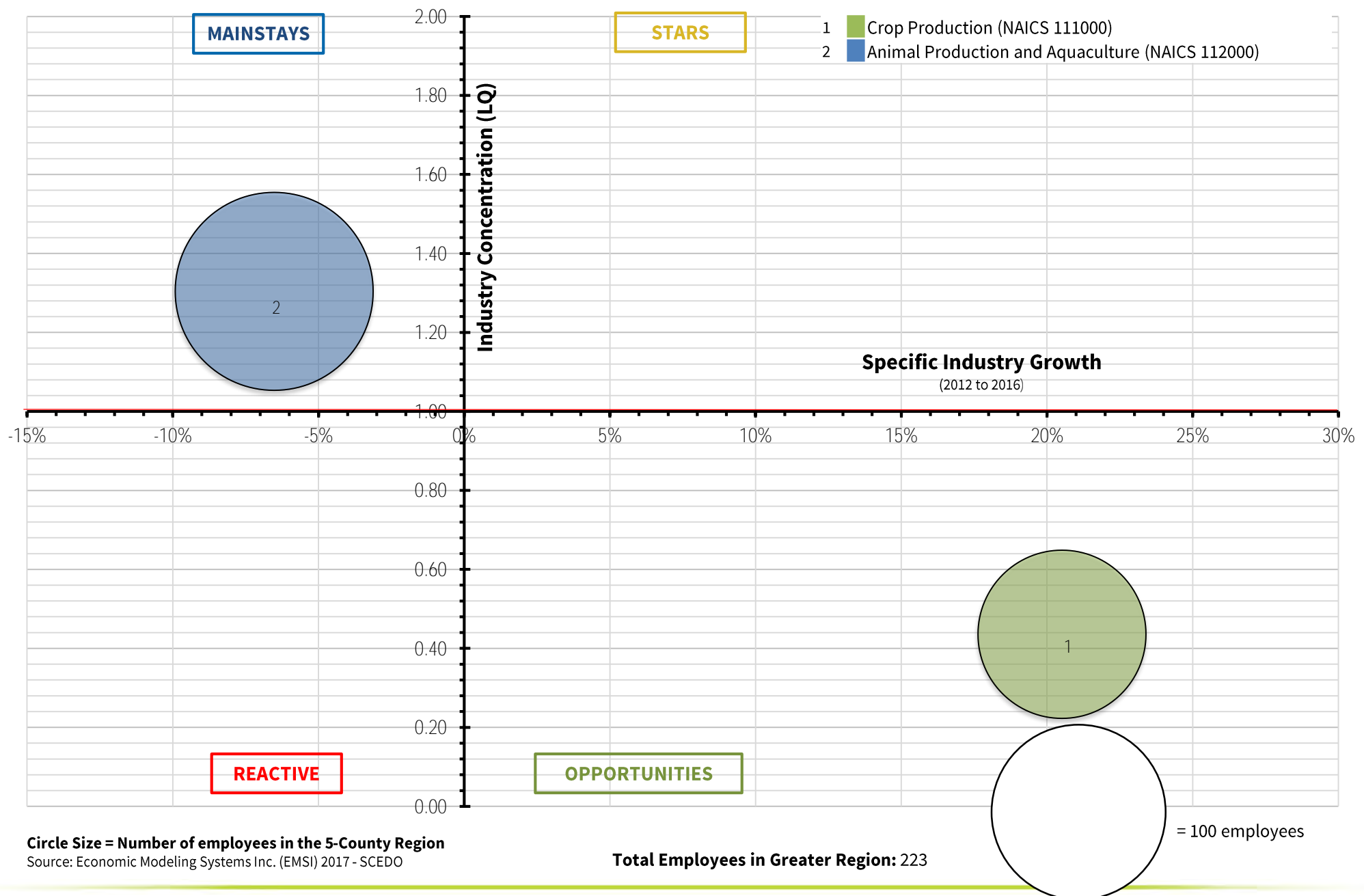
This industry employs over 220 people in the greater region, however only two subsectors had a high enough concentration of employment to be captured in this analysis: Crop Production (NAICS 111000) and Animal Production and Aquaculture (NAICS 112000).

Wages are lower in both subsectors in the greater region than that of the state of Kansas. Kansas has a higher concentration in the Animal Production and Aquaculture (NAICS 112000) subsector however.

There has been significant growth in the past 5-year period and the projected 5-year period in both the greater region and the state of Kansas in the Crop Production (NAICS 111000) subsector. Animal Production and Aquaculture (NAICS 112000) has only experienced this in the state of Kansas, not within the greater region.

Target Industry Analysis – Crop and Animal Production (NAICS 111-115)

Graph 5.3: Crop and Animal Production



Target Industry Analysis – Crop and Animal Production (NAICS 111-115)

Table 5.3.A: Existing Industry Concentration Comparison	Greater Region Total Employment	Kansas Total Employment	Greater Region Location Quotient	Kansas Location Quotient
Crop Production (NAICS 111000)	94	3,996	0.44	0.74
Animal Production and Aquaculture (NAICS 112000)	129	6,984	1.30	2.79

Source: Economic Modeling Systems Inc. (EMSI) 2017- SCEDO

Greater Region LQ > than Kansas (by ≥ 1.0)	
Greater Region LQ < than Kansas (by ≥ 1.0)	
Greater Region LQ and Kansas LQ are not significantly different	

Target Industry Analysis – Crop and Animal Production (NAICS 111-115)

Table 5.3.B: Existing Industry Wage Comparison	Greater Region Average Cluster Wage (Annual)	Kansas Average Cluster Wage (Annual)	U.S. Average Cluster Wage (Annual)
Crop Production (NAICS 111000)	\$34,014	\$35,445	\$31,615
Animal Production and Aquaculture (NAICS 112000)	\$27,743	\$40,755	\$36,303

Source: Economic Modeling Systems Inc. (EMSI) 2017- SCEDO

Greater Region wages < Greater Region, Kansas and U.S. wages

Greater Region wages > Greater Region, Kansas and U.S. wages

Greater Region wages > Kansas Wages only

Target Industry Analysis – Crop and Animal Production (NAICS 111-115)

Table 5.3.C: Existing Industry Growth Comparison	Greater Region 5-year Growth (2012 - 2016)	Greater Region 5-year Projected Growth (2016 - 2020)	Kansas Region 5-year Growth (2012 - 2016)	Kansas Region 5-year Projected Growth (2016 - 2020)	U.S. 5-year Growth (2012 - 2016)	U.S. 5-year Projected Growth (2016 - 2020)
Crop Production (NAICS 111000)	21%	12%	22%	11%	3%	(0%)
Animal Production and Aquaculture (NAICS 112000)	(7%)	(9%)	10%	3%	9%	3%

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Industry growth greater than or equal to 10 percent in the respective region and time frame.

Industry growth is less than or equal to negative 10 percent in the respective region and time frame.

Target Industry Analysis – Crop and Animal Production (NAICS 111-115)

Rank	Table 5.3.D Ranked by Number of Jobs, 5-Year Growth and Cluster Concentration	Regional Number of Jobs (2016)	Regional 5-year Growth	Regional Cluster Concentration (LQ)
1	Animal Production and Aquaculture (NAICS 112000)	129	(7%)	1.30
2	Crop Production (NAICS 111000)	94	21%	0.44

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Top one (1) in each (# Jobs, Growth, LQ)

Target Industry Identification Analysis: Manufacturing



Target Industry Analysis – Food Manufacturing (NAICS 331)

SUMMARY OF FOOD MANUFACTURING

This industry employs over 1,900 people in the greater region, with Frozen Specialty Food Manufacturing (NAICS 311412) being the largest source of employment in the industry, accounting for more than half the total. The greater region has a significantly higher concentration than the state in the following subsectors:

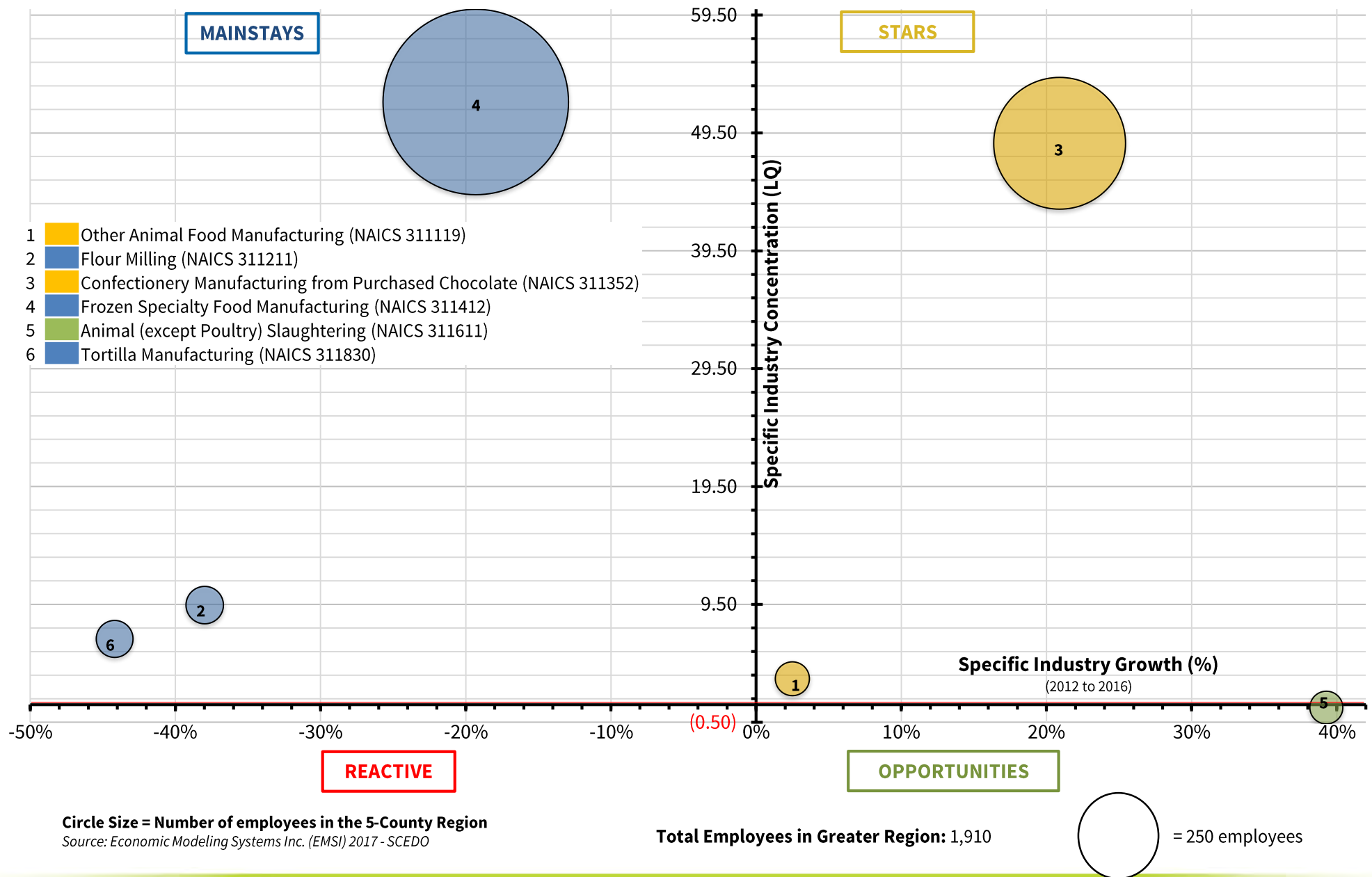
- Flour Milling (NAICS 311211)
- Confectionery Manufacturing from Purchased Chocolate (NAICS 311352)
- Frozen Specialty Food Manufacturing (NAICS 311412)
- Tortilla Manufacturing (NAICS 311830)

Wages are not generally competitive in the greater region in this industry, with half of the subsectors paying high wages than the state average and the national average. Wages are lower than those comparison regions in two subsectors: Other Animal Food Manufacturing (NAICS 311119) and Frozen Specialty Food Manufacturing (NAICS 311412).

There has not been growth in the majority of subsectors of this industry over the past 5-year period, nor is there projected to be growth going forward over the next 5-year period. Animal (except Poultry) Slaughtering (NAICS 311611) is the sole exception within the greater region. Two subsectors have experienced significant negative growth over the past 5-year period and projected future 5-year period in both the greater region and the state: Frozen Specialty Food Manufacturing (NAICS 311412) and Tortilla Manufacturing (NAICS 311830).

Target Industry Analysis – Food Manufacturing (NAICS 331)

Graph 5.4: Food Manufacturing



Target Industry Analysis – Food Manufacturing (NAICS 331)

Table 5.4.A: Existing Industry Concentration Comparison	Greater Region Total Employment	Kansas Total Employment	Greater Region Location Quotient	Kansas Location Quotient
Other Animal Food Manufacturing (NAICS 311119)	41	1,257	3.19	3.89
Flour Milling (NAICS 311211)	49	907	9.44	6.89
Confectionery Manufacturing from Purchased Chocolate (NAICS 311352)	584	1,080	48.63	3.57
Frozen Specialty Food Manufacturing (NAICS 311412)	1,149	1,210	52.13	2.18
Animal (except Poultry) Slaughtering (NAICS 311611)	39	10,529	0.75	8.09
Tortilla Manufacturing (NAICS 311830)	48	111	6.57	0.60

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Greater Region LQ > than Kansas (by ≥ 1.0)	
Greater Region LQ < than Kansas (by ≥ 1.0)	
Greater Region LQ and Kansas LQ are not significantly different	

Target Industry Analysis – Food Manufacturing (NAICS 331)

Table 5.4.B: Existing Industry Wage Comparison	Greater Region Average Cluster Wage (Annual)	Kansas Average Cluster Wage (Annual)	U.S. Average Cluster Wage (Annual)
Other Animal Food Manufacturing (NAICS 311119)	\$37,469	\$76,180	\$56,436
Flour Milling (NAICS 311211)	\$93,296	\$69,674	\$68,705
Confectionery Manufacturing from Purchased Chocolate (NAICS 311352)	\$34,730	\$31,656	\$40,751
Frozen Specialty Food Manufacturing (NAICS 311412)	\$28,154	\$29,540	\$44,375
Animal (except Poultry) Slaughtering (NAICS 311611)	\$111,231	\$42,079	\$41,282
Tortilla Manufacturing (NAICS 311830)	\$43,739	\$34,932	\$36,632

Source: Economic Modeling Systems Inc. (EMSI) 2017- SCEDO

Greater Region wages < Kansas and U.S. wages

Greater Region wages > Kansas and U.S. wages

Greater Region wages > Kansas Wages only

Target Industry Analysis – Food Manufacturing (NAICS 331)

Table 5.4.C: Existing Industry Growth Comparison	Greater Region 5-year Growth (2012 - 2016)	Greater Region 5-year Projected Growth (2016 - 2020)	Kansas Region 5-year Growth (2012 - 2016)	Kansas Region 5-year Projected Growth (2016 - 2020)	U.S. 5-year Growth (2012 - 2016)	U.S. 5-year Projected Growth (2016 - 2020)
Other Animal Food Manufacturing (NAICS 311119)	3%	5%	6%	4%	7%	4%
Flour Milling (NAICS 311211)	(38%)	22%	6%	8%	4%	4%
Confectionery Manufacturing from Purchased Chocolate (NAICS 311352)	21%	1%	13%	0%	(0%)	(2%)
Frozen Specialty Food Manufacturing (NAICS 311412)	(19%)	(23%)	(20%)	(21%)	2%	3%
Animal (except Poultry) Slaughtering (NAICS 311611)	39%	13%	(26%)	(2%)	(5%)	1%
Tortilla Manufacturing (NAICS 311830)	(44%)	(46%)	(31%)	(10%)	6%	4%

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Industry growth greater than or equal to 10 percent in the respective region and time frame.

Industry growth is less than or equal to negative 10 percent in the respective region and time frame.

Target Industry Analysis – Food Manufacturing (NAICS 331)

Rank	Table 5.4.D Ranked by Number of Jobs, 5-Year Growth and Cluster Concentration	Regional Number of Jobs (2016)	Regional 5-year Growth	Regional Cluster Concentration (LQ)
1	Frozen Specialty Food Manufacturing (NAICS 311412)	1,149 (1)	(19%)	52.13 (1)
2	Confectionery Manufacturing from Purchased Chocolate (NAICS 311352)	584 (2)	21% (2)	48.63 (2)
3	Flour Milling (NAICS 311211)	49 (3)	(38%)	9.44 (3)
4	Tortilla Manufacturing (NAICS 311830)	48	(44%)	6.57
5	Other Animal Food Manufacturing (NAICS 311119)	41	3% (3)	3.19
6	Animal (except Poultry) Slaughtering (NAICS 311611)	39	39% (1)	0.75

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Top three (3) in each (# Jobs, Growth, LQ)

Target Industry Analysis – Chemicals, Plastics, Nonmetallic Minerals and Metal Manufacturing (NAICS 324-332)

SUMMARY OF CHEMICALS, PLASTICS, NONMETALLIC MINERALS AND METAL MANUFACTURING

This industry employs over 4,300 people in the greater region, with Pharmaceutical Preparation Manufacturing (NAICS 325412) being the largest subsector of employment. The greater region has a significantly higher concentration than the state in the following subsectors:

- Petroleum Refineries (NAICS 324110)
- Pharmaceutical Preparation Manufacturing (NAICS 325412)
- Polish and Other Sanitation Good Manufacturing (NAICS 325612)
- Plastics Pipe and Pipe Fitting Manufacturing (NAICS 326122)
- Clay Building Material and Refractories Manufacturing (NAICS 327120)
- Mineral Wool Manufacturing (NAICS 327993)
- Iron Foundries (NAICS 331511)
- Fabricated Structural Metal Manufacturing (NAICS 332312)
- Ornamental and Architectural Metal Work Manufacturing (NAICS 332323)
- Machine Shops (NAICS 332710)
- Electroplating, Plating, Polishing, Anodizing, and Coloring (NAICS 332813)
- Industrial Valve Manufacturing (NAICS 332911)
- Ball and Roller Bearing Manufacturing (NAICS 332991)
- Fabricated Pipe and Pipe Fitting Manufacturing (NAICS 332996)
- All Other Miscellaneous Fabricated Metal Product Manufacturing (NAICS 332999)

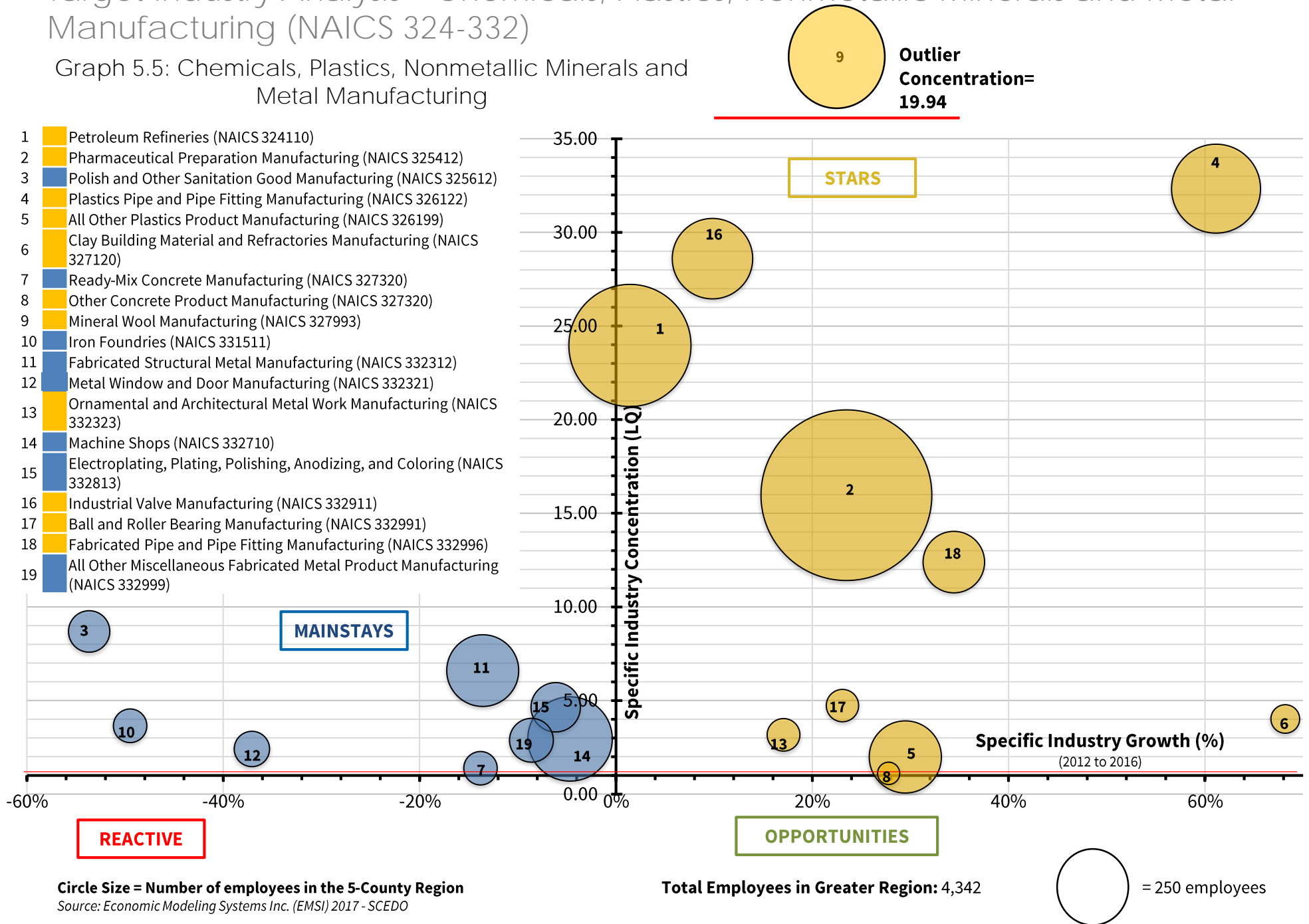
Wages are average to competitive in the greater region compared to the state average and the national average, lower than one or both in about half the subsectors.

The majority of subsectors within this industry have growth over the past 5-year period, however only about half are projected to have significant growth over the next 5-year period. Three subsectors have experienced significant past 5-year and projected 5-year growth in both the greater region and the state (*at least first four columns highlighted green*):

- Pharmaceutical Preparation Manufacturing (NAICS 325412)
- Ornamental and Architectural Metal Work Manufacturing (NAICS 332323)
- Fabricated Pipe and Pipe Fitting Manufacturing (NAICS 332996)

Target Industry Analysis – Chemicals, Plastics, Nonmetallic Minerals and Metal Manufacturing (NAICS 324-332)

Graph 5.5: Chemicals, Plastics, Nonmetallic Minerals and Metal Manufacturing



Target Industry Analysis – Chemicals, Plastics, Nonmetallic Minerals and Metal Manufacturing (NAICS 324-332)

Table 5.5.A: Existing Industry Concentration Comparison	Greater Region Total Employment	Kansas Total Employment	Greater Region Location Quotient	Kansas Location Quotient
Petroleum Refineries (NAICS 324110)	636	1,492	23.97	2.23
Pharmaceutical Preparation Manufacturing (NAICS 325412)	1,236	1,631	15.97	0.84
Polish and Other Sanitation Good Manufacturing (NAICS 325612)	76	259	8.69	1.17
Plastics Pipe and Pipe Fitting Manufacturing (NAICS 326122)	340	797	32.33	3.01
All Other Plastics Product Manufacturing (NAICS 326199)	224	3,590	1.99	1.26
Clay Building Material and Refractories Manufacturing (NAICS 327120)	37	261	4.01	1.12
Ready-Mix Concrete Manufacturing (NAICS 327320)	50	1,417	1.39	1.55
Other Concrete Product Manufacturing (NAICS 327320)	23	643	1.11	1.22
Mineral Wool Manufacturing (NAICS 327993)	353	770	54.80	4.75
Iron Foundries (NAICS 331511)	50	661	3.65	1.90
Fabricated Structural Metal Manufacturing (NAICS 332312)	223	1,345	6.60	1.58
Metal Window and Door Manufacturing (NAICS 332321)	56	1,895	2.41	3.22
Ornamental and Architectural Metal Work Manufacturing (NAICS 332323)	48	425	3.17	1.11
Machine Shops (NAICS 332710)	306	2,920	2.95	1.12
Electroplating, Plating, Polishing, Anodizing, and Coloring (NAICS 332813)	107	1,027	4.64	1.77
Industrial Valve Manufacturing (NAICS 332911)	279	415	28.60	1.69
Ball and Roller Bearing Manufacturing (NAICS 332991)	48	108	4.73	0.43
Fabricated Pipe and Pipe Fitting Manufacturing (NAICS 332996)	164	493	12.39	1.48
All Other Miscellaneous Fabricated Metal Product Manufacturing (NAICS 332999)	85	646	2.88	0.87

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Greater Region LQ > than Kansas (by ≥ 1.0)	
Greater Region LQ < than Kansas (by ≥ 1.0)	
Greater Region LQ and Kansas LQ are not significantly different	

Target Industry Analysis – Chemicals, Plastics, Nonmetallic Minerals and Metal Manufacturing (NAICS 324-332)

Table 5.5.B: Existing Industry Wage Comparison	Greater Region Average Cluster Wage (Annual)	Kansas Average Cluster Wage (Annual)	U.S. Average Cluster Wage (Annual)
Petroleum Refineries (NAICS 324110)	\$104,941	\$103,683	\$134,605
Pharmaceutical Preparation Manufacturing (NAICS 325412)	\$61,871	\$66,836	\$120,282
Polish and Other Sanitation Good Manufacturing (NAICS 325612)	\$42,044	\$45,490	\$77,658
Plastics Pipe and Pipe Fitting Manufacturing (NAICS 326122)	\$38,833	\$40,823	\$53,693
All Other Plastics Product Manufacturing (NAICS 326199)	\$56,305	\$46,744	\$48,439
Clay Building Material and Refractories Manufacturing (NAICS 327120)	\$56,432	\$42,687	\$54,310
Ready-Mix Concrete Manufacturing (NAICS 327320)	\$31,414	\$48,477	\$56,969
Other Concrete Product Manufacturing (NAICS 327320)	\$26,861	\$41,140	\$49,953
Mineral Wool Manufacturing (NAICS 327993)	\$57,672	\$74,149	\$64,350
Iron Foundries (NAICS 331511)	\$48,879	\$53,560	\$59,697
Fabricated Structural Metal Manufacturing (NAICS 332312)	\$36,966	\$50,122	\$55,643
Metal Window and Door Manufacturing (NAICS 332321)	\$44,197	\$39,469	\$46,394
Ornamental and Architectural Metal Work Manufacturing (NAICS 332323)	\$55,633	\$44,546	\$50,967
Machine Shops (NAICS 332710)	\$49,344	\$48,477	\$51,650
Electroplating, Plating, Polishing, Anodizing, and Coloring (NAICS 332813)	\$40,409	\$39,368	\$45,405
Industrial Valve Manufacturing (NAICS 332911)	\$48,666	\$53,130	\$67,664
Ball and Roller Bearing Manufacturing (NAICS 332991)	\$36,977	\$38,248	\$59,418
Fabricated Pipe and Pipe Fitting Manufacturing (NAICS 332996)	\$55,370	\$50,282	\$60,501
All Other Miscellaneous Fabricated Metal Product Manufacturing (NAICS 332999)	\$52,096	\$44,998	\$53,187

Source: Economic Modeling Systems Inc. (EMSI) 2017- SCEDO

Greater Region wages < Kansas and U.S. wages

Greater Region wages > Kansas and U.S. wages

Greater Region wages > Kansas Wages only

Target Industry Analysis – Chemicals, Plastics, Nonmetallic Minerals and Metal Manufacturing (NAICS 324-332)

Table 5.5.C: Existing Industry Growth Comparison	Greater Region 5-year Growth (2012 - 2016)	Greater Region 5-year Projected Growth (2016 - 2020)	Kansas Region 5-year Growth (2012 - 2016)	Kansas Region 5-year Projected Growth (2016 - 2020)	U.S. 5-year Growth (2012 - 2016)	U.S. 5-year Projected Growth (2016 - 2020)
Petroleum Refineries (NAICS 324110)	1%	6%	5%	0%	(3%)	(2%)
Pharmaceutical Preparation Manufacturing (NAICS 325412)	23%	25%	25%	20%	(1%)	(0%)
Polish and Other Sanitation Good Manufacturing (NAICS 325612)	(54%)	(21%)	1%	(6%)	(1%)	(1%)
Plastics Pipe and Pipe Fitting Manufacturing (NAICS 326122)	61%	(1%)	(14%)	(5%)	2%	1%
All Other Plastics Product Manufacturing (NAICS 326199)	29%	(8%)	24%	8%	10%	(3%)
Clay Building Material and Refractories Manufacturing (NAICS 327120)	68%	0%	0%	(12%)	(0%)	(5%)
Ready-Mix Concrete Manufacturing (NAICS 327320)	(14%)	12%	19%	3%	16%	0%
Other Concrete Product Manufacturing (NAICS 327320)	28%	22%	4%	1%	16%	3%
Mineral Wool Manufacturing (NAICS 327993)	23%	1%	11%	(14%)	8%	2%
Iron Foundries (NAICS 331511)	(49%)	(46%)	(24%)	(7%)	(15%)	(11%)
Fabricated Structural Metal Manufacturing (NAICS 332312)	(14%)	16%	10%	12%	5%	4%
Metal Window and Door Manufacturing (NAICS 332321)	(37%)	(16%)	45%	12%	22%	3%
Ornamental and Architectural Metal Work Manufacturing (NAICS 332323)	17%	10%	25%	17%	17%	8%
Machine Shops (NAICS 332710)	(5%)	(3%)	23%	14%	(4%)	3%
Electroplating, Plating, Polishing, Anodizing, and Coloring (NAICS 332813)	(6%)	(18%)	16%	13%	(4%)	(3%)
Industrial Valve Manufacturing (NAICS 332911)	10%	3%	30%	10%	(4%)	4%
Ball and Roller Bearing Manufacturing (NAICS 332991)	23%	8%	96%	25%	(11%)	(5%)
Fabricated Pipe and Pipe Fitting Manufacturing (NAICS 332996)	34%	27%	26%	26%	3%	11%
All Other Miscellaneous Fabricated Metal Product Manufacturing (NAICS 332999)	(9%)	12%	6%	6%	3%	3%

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Industry growth greater than or equal to 10 percent in the respective region and time frame.
 Industry growth is less than or equal to negative 10 percent in the respective region and time frame.

Target Industry Analysis – Chemicals, Plastics, Nonmetallic Minerals and Metal Manufacturing (NAICS 324-332)

Rank	Table 5.5.D Ranked by Number of Jobs, 5-Year Growth and Cluster Concentration	Regional Number of Jobs (2016)	Regional 5-year Growth	Regional Cluster Concentration (LQ)
1	Pharmaceutical Preparation Manufacturing (NAICS 325412)	1,236 (1)	23% (6/7/8)	15.97 (5)
2	Petroleum Refineries (NAICS 324110)	636 (2)	1%	23.97 (4)
3	Mineral Wool Manufacturing (NAICS 327993)	353 (3)	23% (6/7/8)	54.80 (1)
4	Plastics Pipe and Pipe Fitting Manufacturing (NAICS 326122)	340 (4)	61% (2)	32.33 (2)
5	Machine Shops (NAICS 332710)	306 (5)	(5%)	2.95
6	Industrial Valve Manufacturing (NAICS 332911)	279 (6)	10% (10)	28.60 (3)
7	All Other Plastics Product Manufacturing (NAICS 326199)	224 (7)	29% (4)	1.99
8	Fabricated Structural Metal Manufacturing (NAICS 332312)	223 (8)	(14%)	6.60 (8)
9	Fabricated Pipe and Pipe Fitting Manufacturing (NAICS 332996)	164 (9)	34% (3)	12.39 (6)
10	Electroplating, Plating, Polishing, Anodizing, and Coloring (NAICS 332813)	107 (10)	(6%)	4.64 (10)
11	All Other Miscellaneous Fabricated Metal Product Manufacturing (NAICS 332999)	85	(9%)	2.88
12	Polish and Other Sanitation Good Manufacturing (NAICS 325612)	76	(54%)	8.69 (7)
13	Metal Window and Door Manufacturing (NAICS 332321)	56	(37%)	2.41
14	Iron Foundries (NAICS 331511)	50	(49%)	3.65
15	Ready-Mix Concrete Manufacturing (NAICS 327320)	50	(14%)	1.39
16	Ornamental and Architectural Metal Work Manufacturing (NAICS 332323)	48	17% (9)	3.17
17	Ball and Roller Bearing Manufacturing (NAICS 332991)	48	23% (6/7/8)	4.73 (9)
18	Clay Building Material and Refractories Manufacturing (NAICS 327120)	37	68% (1)	4.01
19	Other Concrete Product Manufacturing (NAICS 327390)	23	28% (5)	1.11

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Top ten (10) in each (# Jobs, Growth, LQ)

Target Industry Analysis – Machinery Manufacturing (NAICS 333)

SUMMARY OF MACHINERY MANUFACTURING

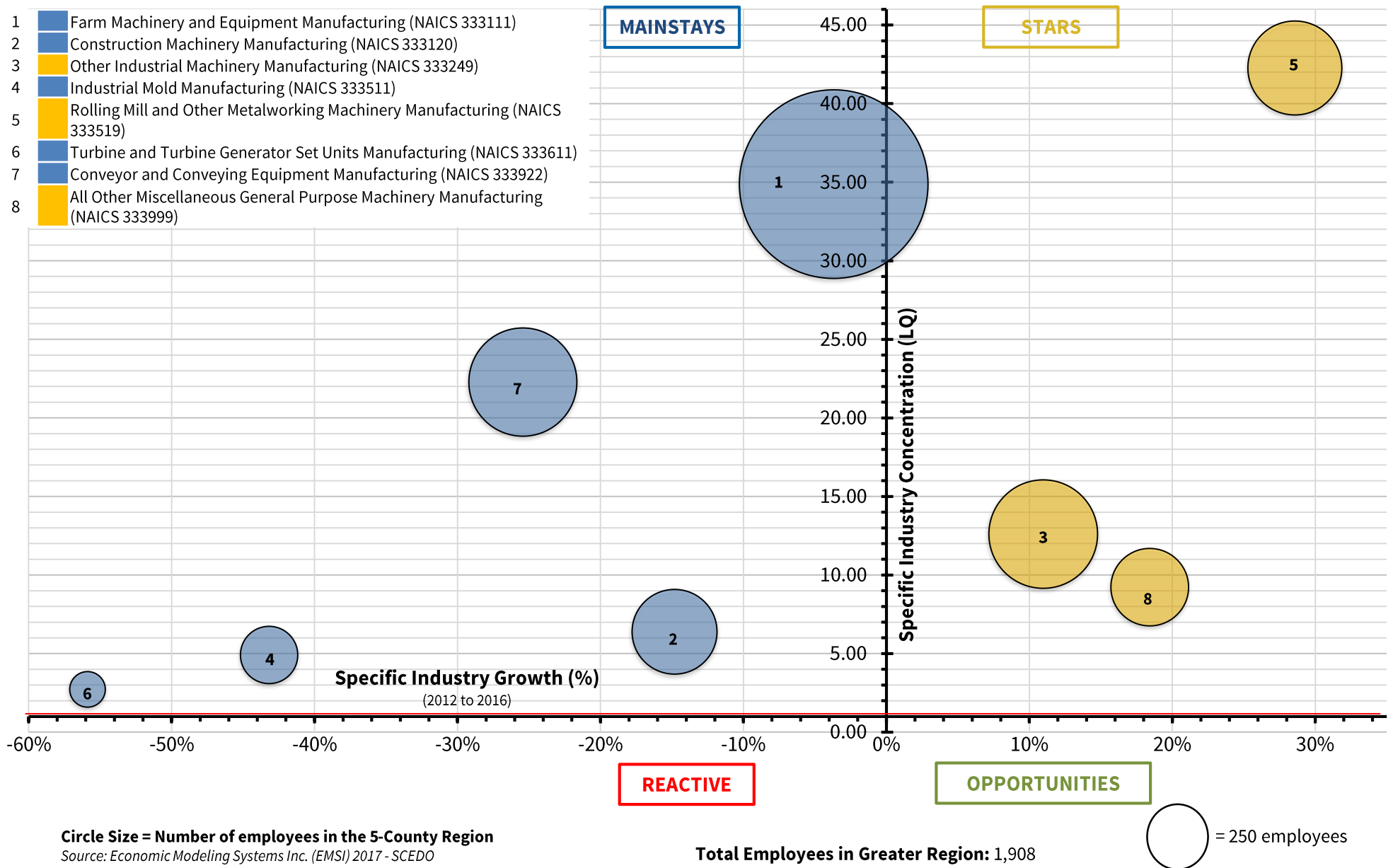
This industry employs over 1,900 people in the greater region, with Farm Machinery and Equipment Manufacturing (NAICS 333111) being the largest subsector of employment. The greater region has a significantly higher concentration than the state in every single subsector of this industry.

Wages are average in the greater region compared to the state average and the national average in this industry, with the majority of subsectors featuring lower wages than either both comparative regions or Kansas alone. In only one industry are wages higher than both: Industrial Mold Manufacturing (NAICS 333511).

The majority of subsectors within this industry have not experienced significant growth over the past 5-year period, and in fact, about half of them have experienced significant negative growth. There are two industries in which the greater region has experienced significant past growth and projected growth (*at least first two columns highlighted green*): Other Industrial Machinery Manufacturing (NAICS 333249) and All Other Miscellaneous General Purpose Machinery Manufacturing (NAICS 333999).

Target Industry Analysis – Machinery Manufacturing (NAICS 333)

Graph 5.6: Machinery Manufacturing



Target Industry Analysis – Machinery Manufacturing (NAICS 333)

Table 5.6.A: Existing Industry Concentration Comparison	Greater Region Total Employment	Kansas Total Employment	Greater Region Location Quotient	Kansas Location Quotient
Farm Machinery and Equipment Manufacturing (NAICS 333111)	785	5,348	34.88	9.44
Construction Machinery Manufacturing (NAICS 333120)	161	1,538	6.39	2.42
Other Industrial Machinery Manufacturing (NAICS 333249)	263	1,226	12.60	2.33
Industrial Mold Manufacturing (NAICS 333511)	75	190	4.91	0.50
Rolling Mill and Other Metalworking Machinery Manufacturing (NAICS 333519)	198	265	42.27	2.25
Turbine and Turbine Generator Set Units Manufacturing (NAICS 333611)	30	36	2.72	0.13
Conveyor and Conveying Equipment Manufacturing (NAICS 333922)	261	1,154	22.28	3.91
All Other Miscellaneous General Purpose Machinery Manufacturing (NAICS 333999)	135	458	9.23	1.24

Source: Economic Modeling Systems Inc. (EMS) 2017 - SCEDO

Greater Region LQ > than Kansas (by ≥ 1.0)	
Greater Region LQ < than Kansas (by ≥ 1.0)	
Greater Region LQ and Kansas LQ are not significantly different	

Target Industry Analysis – Machinery Manufacturing (NAICS 333)

Table 5.6.B: Existing Industry Wage Comparison	Greater Region Average Cluster Wage (Annual)	Kansas Average Cluster Wage (Annual)	U.S. Average Cluster Wage (Annual)
Farm Machinery and Equipment Manufacturing (NAICS 333111)	\$55,808	\$52,234	\$57,854
Construction Machinery Manufacturing (NAICS 333120)	\$70,689	\$58,894	\$75,544
Other Industrial Machinery Manufacturing (NAICS 333249)	\$59,988	\$58,738	\$66,523
Industrial Mold Manufacturing (NAICS 333511)	\$82,581	\$57,697	\$55,273
Rolling Mill and Other Metalworking Machinery Manufacturing (NAICS 333519)	\$45,856	\$45,910	\$66,938
Turbine and Turbine Generator Set Units Manufacturing (NAICS 333611)	\$34,931	\$33,539	\$85,264
Conveyor and Conveying Equipment Manufacturing (NAICS 333922)	\$49,475	\$53,802	\$62,782
All Other Miscellaneous General Purpose Machinery Manufacturing (NAICS 333999)	\$44,729	\$63,175	\$63,805

Source: Economic Modeling Systems Inc. (EMSI) 2017- SCEDO

Greater Region wages < Kansas and U.S. wages

Greater Region wages > Kansas and U.S. wages

Greater Region wages > Kansas Wages only

Target Industry Analysis – Machinery Manufacturing (NAICS 333)

Table 5.6.C: Existing Industry Growth Comparison	Greater Region 5-year Growth (2012 - 2016)	Greater Region 5-year Projected Growth (2016 - 2020)	Kansas Region 5-year Growth (2012 - 2016)	Kansas Region 5-year Projected Growth (2016 - 2020)	U.S. 5-year Growth (2012 - 2016)	U.S. 5-year Projected Growth (2016 - 2020)
Farm Machinery and Equipment Manufacturing (NAICS 333111)	(4%)	7%	(5%)	5%	(9%)	5%
Construction Machinery Manufacturing (NAICS 333120)	(15%)	6%	1%	8%	(10%)	2%
Other Industrial Machinery Manufacturing (NAICS 333249)	11%	10%	22%	8%	9%	3%
Industrial Mold Manufacturing (NAICS 333511)	(43%)	(1%)	(12%)	8%	10%	4%
Rolling Mill and Other Metalworking Machinery Manufacturing (NAICS 333519)	29%	(13%)	37%	(1%)	(3%)	1%
Turbine and Turbine Generator Set Units Manufacturing (NAICS 333611)	(56%)	(47%)	(74%)	(42%)	(2%)	9%
Conveyor and Conveying Equipment Manufacturing (NAICS 333922)	(25%)	(23%)	7%	7%	5%	5%
All Other Miscellaneous General Purpose Machinery Manufacturing (NAICS 333999)	18%	27%	39%	19%	(2%)	2%

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Industry growth greater than or equal to 10 percent in the respective region and time frame.

Industry growth is less than or equal to negative 10 percent in the respective region and time frame.

Target Industry Analysis – Machinery Manufacturing (NAICS 333)

Rank	Table 5.6.D Ranked by Number of Jobs, 5-Year Growth and Cluster Concentration	Regional Number of Jobs (2016)	Regional 5-year Growth	Regional Cluster Concentration (LQ)
1	Farm Machinery and Equipment Manufacturing (NAICS 333111)	785 (1)	(4%)	34.88 (2)
2	Other Industrial Machinery Manufacturing (NAICS 333249)	263 (2)	11% (3)	12.60
3	Conveyor and Conveying Equipment Manufacturing (NAICS 333922)	261 (3)	(25%)	22.28 (3)
4	Rolling Mill and Other Metalworking Machinery Manufacturing (NAICS 333519)	198	29% (1)	42.27 (1)
5	Construction Machinery Manufacturing (NAICS 333120)	161	(15%)	6.39
6	All Other Miscellaneous General Purpose Machinery Manufacturing (NAICS 333999)	135	18% (2)	9.23
7	Industrial Mold Manufacturing (NAICS 333511)	75	(43%)	4.91
8	Turbine and Turbine Generator Set Units Manufacturing (NAICS 333611)	30	(56%)	2.72

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Top three (3) in each (# Jobs, Growth, LQ)

Target Industry Analysis – Computer and Electronic Manufacturing (NAICS 334-335)

SUMMARY OF COMPUTER AND ELECTRONIC MANUFACTURING

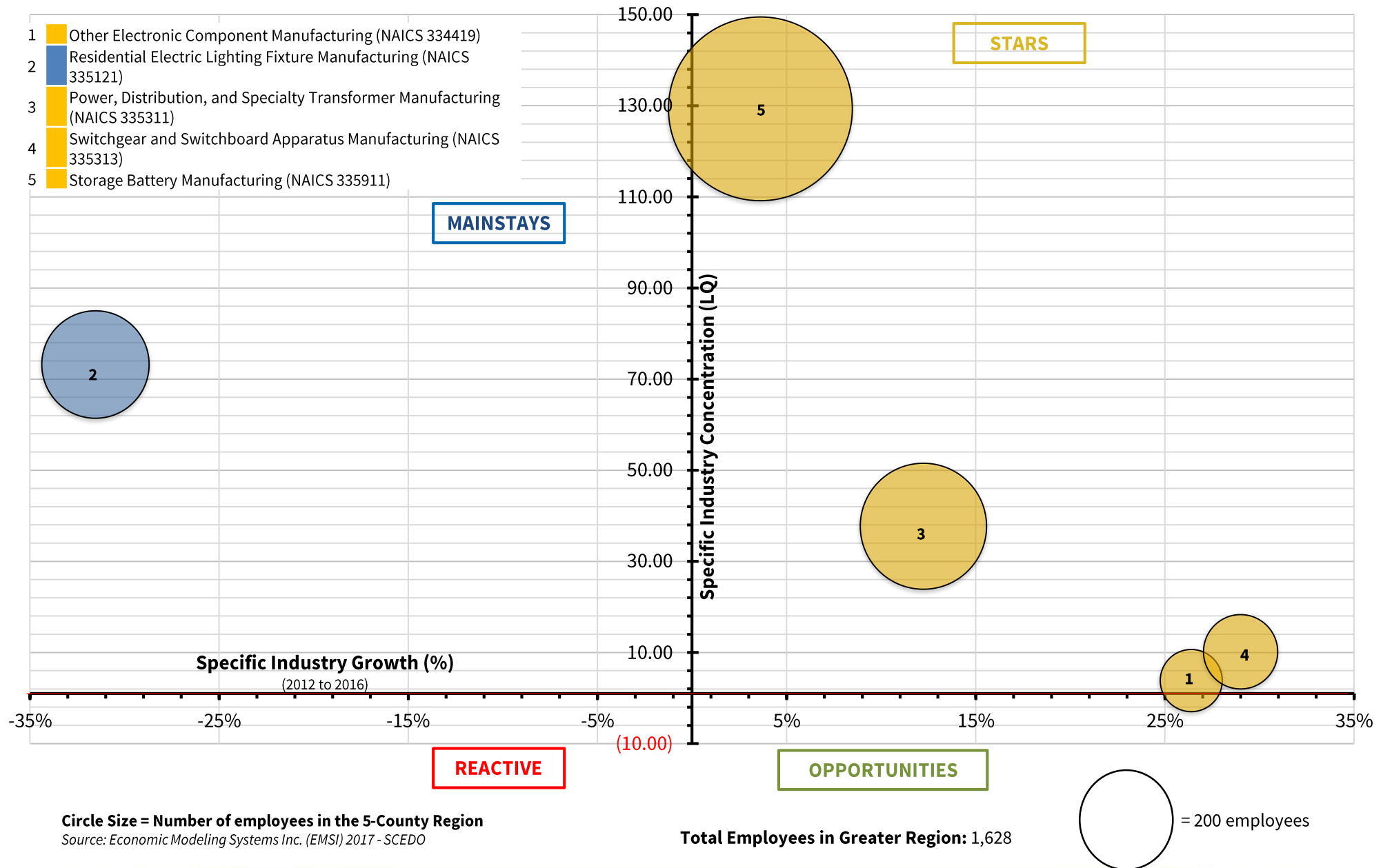
This industry employs over 1,600 people in the greater region, with Storage Battery Manufacturing (NAICS 335911) being the largest subsector of employment. The greater region again has a significantly higher concentration than the state in all subsectors of this industry.

Wages are competitive in the greater region compared to the both the state average and the national average in the majority of subsectors of this industry. In one subsector, wages in the greater region are lower than that of only the state average: Other Electronic Component Manufacturing (NAICS 334419)

The majority of subsectors within this industry have experienced significant growth over the past 5-year period in the greater region, but in only one is there projected to be significant future 5-year growth: Other Electronic Component Manufacturing (NAICS 334419). Residential Electric Lighting Fixture Manufacturing (NAICS 335121) has experienced significant negative 5-year growth and has projected negative future 5-year growth in both the greater region and the state.

Target Industry Analysis – Computer and Electronic Manufacturing (NAICS 334-335)

Graph 5.7: Computer and Electronic Manufacturing



Target Industry Analysis – Computer and Electronic Manufacturing (NAICS 334-335)

Table 5.7.A: Existing Industry Concentration Comparison	Greater Region Total Employment	Kansas Total Employment	Greater Region Location Quotient	Kansas Location Quotient
Other Electronic Component Manufacturing (NAICS 334419)	91	462	3.85	0.78
Residential Electric Lighting Fixture Manufacturing (NAICS 335121)	267	268	73.20	2.93
Power, Distribution, and Specialty Transformer Manufacturing (NAICS 335311)	367	441	37.70	1.80
Switchgear and Switchboard Apparatus Manufacturing (NAICS 335313)	129	364	10.15	1.13
Storage Battery Manufacturing (NAICS 335911)	775	1,117	129.31	7.40

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Greater Region LQ > than Kansas (by ≥ 1.0)	
Greater Region LQ < than Kansas (by ≥ 1.0)	
Greater Region LQ and Kansas LQ are not significantly different	

Target Industry Analysis – Computer and Electronic Manufacturing (NAICS 334-335)

Table 5.7.B: Existing Industry Wage Comparison	Greater Region Average Cluster Wage (Annual)	Kansas Average Cluster Wage (Annual)	U.S. Average Cluster Wage (Annual)
Other Electronic Component Manufacturing (NAICS 334419)	\$41,220	\$35,820	\$70,086
Residential Electric Lighting Fixture Manufacturing (NAICS 335121)	\$44,419	\$44,565	\$53,719
Power, Distribution, and Specialty Transformer Manufacturing (NAICS 335311)	\$45,852	\$51,816	\$65,912
Switchgear and Switchboard Apparatus Manufacturing (NAICS 335313)	\$81,585	\$51,745	\$68,244
Storage Battery Manufacturing (NAICS 335911)	\$55,497	\$57,831	\$63,162

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Greater Region wages < Kansas and U.S. wages

Greater Region wages > Kansas and U.S. wages

Greater Region wages > Kansas Wages only

Target Industry Analysis – Computer and Electronic Manufacturing (NAICS 334-335)

Table 5.7.C: Existing Industry Growth Comparison	Greater Region 5-year Growth (2012 - 2016)	Greater Region 5-year Projected Growth (2016 - 2020)	Kansas Region 5-year Growth (2012 - 2016)	Kansas Region 5-year Projected Growth (2016 - 2020)	U.S. 5-year Growth (2012 - 2016)	U.S. 5-year Projected Growth (2016 - 2020)
Other Electronic Component Manufacturing (NAICS 334419)	26%	21%	(26%)	27%	(8%)	(1%)
Residential Electric Lighting Fixture Manufacturing (NAICS 335121)	(32%)	(33%)	(32%)	(32%)	14%	2%
Power, Distribution, and Specialty Transformer Manufacturing (NAICS 335311)	12%	1%	29%	7%	1%	4%
Switchgear and Switchboard Apparatus Manufacturing (NAICS 335313)	29%	(16%)	(17%)	8%	8%	6%
Storage Battery Manufacturing (NAICS 335911)	4%	(9%)	1%	(7%)	9%	4%

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Industry growth greater than or equal to 10 percent in the respective region and time frame.

Industry growth is less than or equal to negative 10 percent in the respective region and time frame.

Target Industry Analysis – Computer and Electronic Manufacturing (NAICS 334-335)

Rank	Table 5.7.D Ranked by Number of Jobs, 5-Year Growth and Cluster Concentration	Regional Number of Jobs (2016)	Regional 5-year Growth	Regional Cluster Concentration (LQ)
1	Storage Battery Manufacturing (NAICS 335911)	775 (1)	4%	129.31 (1)
2	Power, Distribution, and Specialty Transformer Manufacturing (NAICS 335311)	367 (2)	12% (3)	37.70 (3)
3	Residential Electric Lighting Fixture Manufacturing (NAICS 335121)	267 (3)	(32%)	73.20 (2)
4	Switchgear and Switchboard Apparatus Manufacturing (NAICS 335313)	129	29% (1)	10.15
5	Other Electronic Component Manufacturing (NAICS 334419)	91	26% (2)	3.85

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Top three (3) in each (# Jobs, Growth, LQ)

Target Industry Analysis – Other Miscellaneous Manufacturing (NAICS 314, 321, 323, 336, 337, 339)

SUMMARY OF OTHER MISCELLANEOUS MANUFACTURING

This industry employs over 900 people in the greater region, with Motor Vehicle Body Manufacturing) being the largest subsector of employment. The greater region has a significantly higher concentration than the state in the following subsectors:

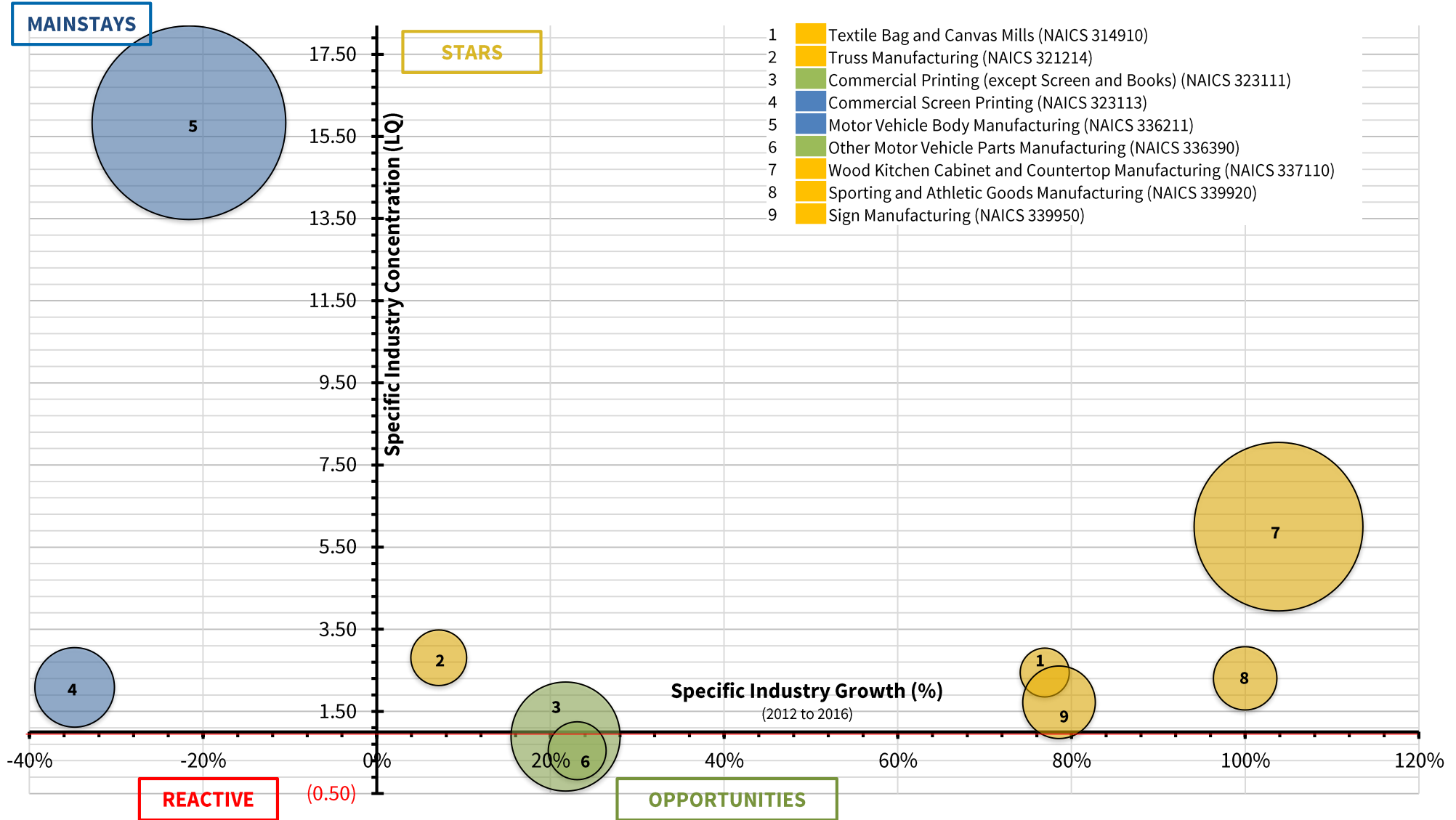
- Truss Manufacturing (NAICS 321214)
- Motor Vehicle Body Manufacturing (NAICS 336211)
- Wood Kitchen Cabinet and Countertop Manufacturing (NAICS 337110)

Wages are competitive in the greater region compared to the state average and the national average, lower than both in the majority of subsectors of this industry.

The majority of subsectors within this industry have experienced significant growth over the past 5-year period and are projecting to continue experiencing significant growth over the next 5-year period within the greater region. Two subsectors have experienced significant growth and projected growth in both the greater region and the state (*at least first four columns highlighted green*): Commercial Screen Printing (NAICS 323113) and Sign Manufacturing (NAICS 339950).

Target Industry Analysis – Other Miscellaneous Manufacturing (NAICS 314, 321, 323, 336, 337, 339)

Graph 5.8: Other Miscellaneous Manufacturing



Circle Size = Number of employees in the 5-County Region
Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Total Employees in Greater Region: 958

○ = 50 employees

Target Industry Analysis – Other Miscellaneous Manufacturing (NAICS 314, 321, 323, 336, 337, 339)

Table 5.8.A: Existing Industry Concentration Comparison	Greater Region Total Employment	Kansas Total Employment	Greater Region Location Quotient	Kansas Location Quotient
Textile Bag and Canvas Mills (NAICS 314910)	23	464	2.44	1.95
Truss Manufacturing (NAICS 321214)	30	209	2.81	0.78
Commercial Printing (except Screen and Books) (NAICS 323111)	112	4,797	0.89	1.52
Commercial Screen Printing (NAICS 323113)	60	1,686	2.09	2.33
Motor Vehicle Body Manufacturing (NAICS 336211)	348	733	15.83	1.32
Other Motor Vehicle Parts Manufacturing (NAICS 336390)	32	902	0.54	0.60
Wood Kitchen Cabinet and Countertop Manufacturing (NAICS 337110)	265	2,426	6.00	2.18
Sporting and Athletic Goods Manufacturing (NAICS 339920)	38	696	2.31	1.67
Sign Manufacturing (NAICS 339950)	50	911	1.72	1.25

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Greater Region LQ > than Kansas (by ≥ 1.0)

Greater Region LQ < than Kansas (by ≥ 1.0)

Greater Region LQ and Kansas LQ are not significantly different

Target Industry Analysis – Other Miscellaneous Manufacturing (NAICS 314, 321, 323, 336, 337, 339)

Table 5.8.B: Existing Industry Wage Comparison	Greater Region Average Cluster Wage (Annual)	Kansas Average Cluster Wage (Annual)	U.S. Average Cluster Wage (Annual)
Textile Bag and Canvas Mills (NAICS 314910)	\$25,277	\$34,175	\$39,962
Truss Manufacturing (NAICS 321214)	\$38,713	\$35,446	\$39,834
Commercial Printing (except Screen and Books) (NAICS 323111)	\$34,193	\$43,924	\$50,548
Commercial Screen Printing (NAICS 323113)	\$32,003	\$36,672	\$35,768
Motor Vehicle Body Manufacturing (NAICS 336211)	\$53,827	\$48,895	\$52,262
Other Motor Vehicle Parts Manufacturing (NAICS 336390)	\$107,632	\$50,938	\$53,319
Wood Kitchen Cabinet and Countertop Manufacturing (NAICS 337110)	\$37,596	\$33,526	\$40,072
Sporting and Athletic Goods Manufacturing (NAICS 339920)	\$38,563	\$52,717	\$53,377
Sign Manufacturing (NAICS 339950)	\$35,512	\$43,209	\$47,825

Source: Economic Modeling Systems Inc. (EMSI) 2017- SCEDO

Greater Region wages < Kansas and U.S. wages

Greater Region wages > Kansas and U.S. wages

Greater Region wages > Kansas Wages only

Target Industry Analysis – Other Miscellaneous Manufacturing (NAICS 314, 321, 323, 336, 337, 339)

Table 5.8.C: Existing Industry Growth Comparison	Greater Region 5-year Growth (2012 - 2016)	Greater Region 5-year Projected Growth (2016 - 2020)	Kansas Region 5-year Growth (2012 - 2016)	Kansas Region 5-year Projected Growth (2016 - 2020)	U.S. 5-year Growth (2012 - 2016)	U.S. 5-year Projected Growth (2016 - 2020)
Textile Bag and Canvas Mills (NAICS 314910)	77%	13%	7%	(8%)	(1%)	(3%)
Truss Manufacturing (NAICS 321214)	7%	27%	12%	6%	52%	6%
Commercial Printing (except Screen and Books) (NAICS 323111)	22%	8%	(12%)	(12%)	(5%)	(12%)
Commercial Screen Printing (NAICS 323113)	(35%)	13%	34%	10%	15%	9%
Motor Vehicle Body Manufacturing (NAICS 336211)	(22%)	(11%)	(3%)	(1%)	13%	4%
Other Motor Vehicle Parts Manufacturing (NAICS 336390)	23%	19%	54%	2%	17%	3%
Wood Kitchen Cabinet and Countertop Manufacturing (NAICS 337110)	104%	15%	25%	4%	20%	3%
Sporting and Athletic Goods Manufacturing (NAICS 339920)	100%	32%	(8%)	(21%)	4%	(4%)
Sign Manufacturing (NAICS 339950)	79%	14%	42%	10%	15%	(0%)

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Industry growth greater than or equal to 10 percent in the respective region and time frame.

Industry growth is less than or equal to negative 10 percent in the respective region and time frame.

Target Industry Analysis – Other Miscellaneous Manufacturing (NAICS 314, 321, 323, 336, 337, 339)

Rank	Table 5.8.D Ranked by Number of Jobs, 5-Year Growth and Cluster Concentration	Regional Number of Jobs (2016)	Regional 5-year Growth	Regional Cluster Concentration (LQ)
1	Motor Vehicle Body Manufacturing	348 (1)	(22%)	15.83 (1)
2	Wood Kitchen Cabinet and Countertop Manufacturing	265 (2)	104% (1)	6.00 (2)
3	Commercial Printing (except Screen and Books)	112 (3)	22%	0.89
4	Commercial Screen Printing	60 (4)	(35%)	2.09
5	Sign Manufacturing	50 (5)	79% (3)	1.72
6	Sporting and Athletic Goods Manufacturing	38	100% (2)	2.31 (5)
7	Other Motor Vehicle Parts Manufacturing	32	23% (5)	0.54
8	Truss Manufacturing	30	7%	2.81 (3)
9	Textile Bag and Canvas Mills	23	77% (4)	2.44 (4)

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Top five (5) in each (# Jobs, Growth, LQ)

Target Industry Identification Analysis: Wholesale



Target Industry Analysis – Wholesale (NAICS 42)

SUMMARY OF WHOLESALE

This industry employs over 1,500 people in the greater region, with Grain and Field Bean Merchant Wholesalers (NAICS 424510) being the largest subsector of employment. The greater region has a significantly higher concentration than the state in the following subsectors:

- Automobile and Other Motor Vehicle Merchant Wholesalers (NAICS 423110)
- Confectionery Merchant Wholesalers (NAICS 424450)
- Grain and Field Bean Merchant Wholesalers (NAICS 424510)

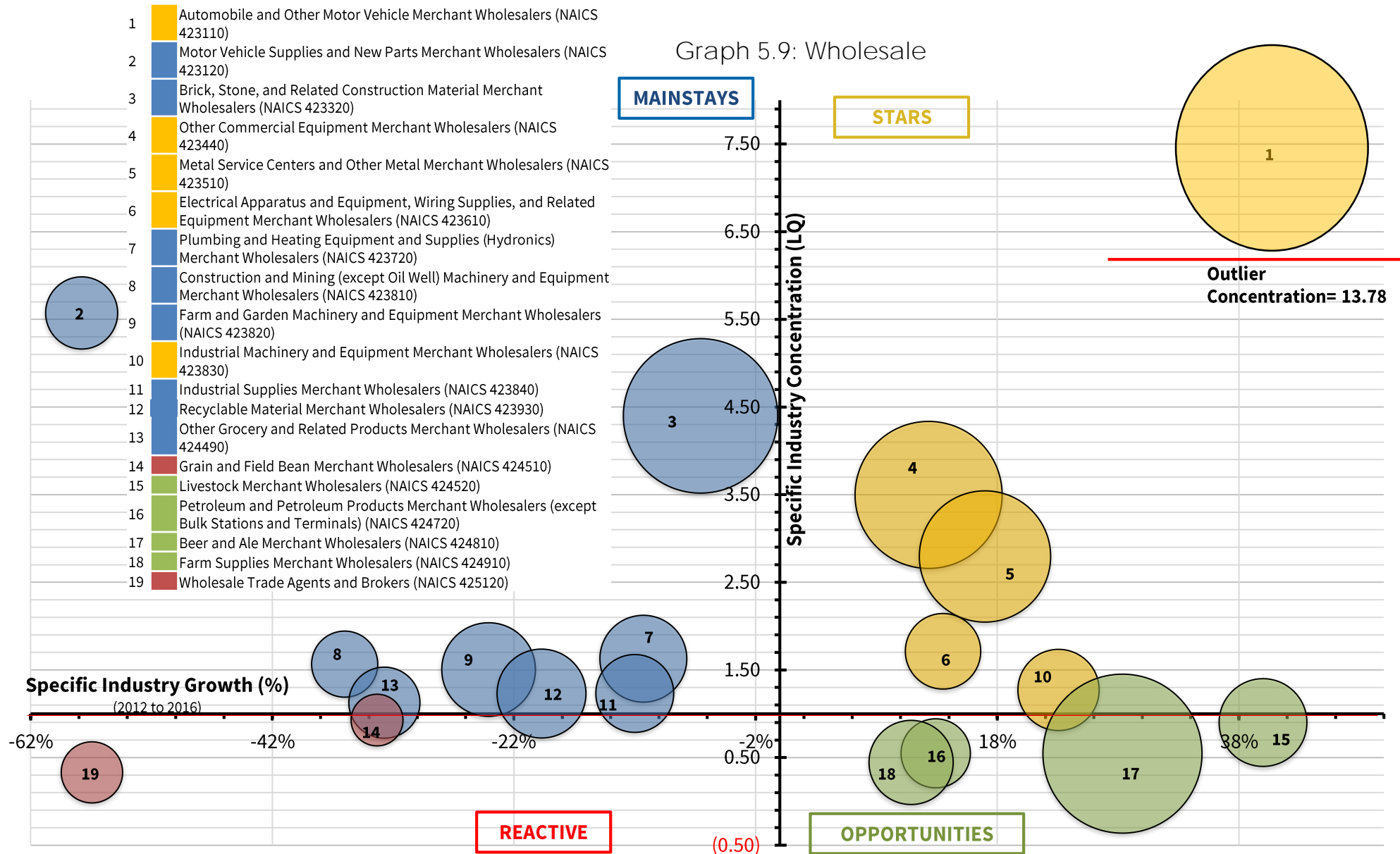
Wages are competitive in the greater region compared to the both the state average and the national average, with lower wages in over three quarters of the subsectors of the wholesale industry. Wages are only higher than both in two subsectors: Brick, Stone, and Related Construction Material Merchant Wholesalers (NAICS 423320) and Beer and Ale Merchant Wholesalers (NAICS 424810).

Growth has been mixed in the wholesale industry, with almost exactly half of the subsectors experiencing significant growth over the past 5-year period and the other half experiencing significant negative growth. The majority of industries are projected to experience significant negative growth over the next 5-year period in the greater region however. Three subsectors that have experienced significant positive growth and projected future 5-year growth in the greater region (*at least first two columns highlighted green*):

- Automobile and Other Motor Vehicle Merchant Wholesalers (NAICS 423110)
- Electrical Apparatus and Equipment, Wiring Supplies, and Related Equipment Merchant Wholesalers (NAICS 423610)
- Recyclable Material Merchant Wholesalers (NAICS 423930)

Target Industry Analysis – Wholesale (NAICS 42)

Graph 5.9: Wholesale



Circle Size = Number of employees in the 5-County Region
Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Total Employees in Greater Region: 1,537

○ = 250 employees

Target Industry Analysis – Wholesale (NAICS 42)

Table 5.9.A: Existing Industry Concentration Comparison	Greater Region Total Employment	Kansas Total Employment	Greater Region Location Quotient	Kansas Location Quotient
Automobile and Other Motor Vehicle Merchant Wholesalers (NAICS 423110)	124	1,071	2.79	0.96
Motor Vehicle Supplies and New Parts Merchant Wholesalers (NAICS 423120)	35	1,845	0.55	1.15
Brick, Stone, and Related Construction Material Merchant Wholesalers (NAICS 423320)	20	527	0.93	0.98
Other Commercial Equipment Merchant Wholesalers (NAICS 423440)	32	410	1.57	0.80
Metal Service Centers and Other Metal Merchant Wholesalers (NAICS 423510)	57	1,094	1.23	0.93
Electrical Apparatus and Equipment, Wiring Supplies, and Related Equipment Merchant Wholesalers (NAICS 423610)	56	1,272	0.90	0.81
Plumbing and Heating Equipment and Supplies (Hydronics) Merchant Wholesalers (NAICS 423720)	44	769	1.23	0.85
Construction and Mining (except Oil Well) Machinery and Equipment Merchant Wholesalers (NAICS 423810)	37	941	1.13	1.14
Farm and Garden Machinery and Equipment Merchant Wholesalers (NAICS 423820)	171	3,485	4.40	3.56
Industrial Machinery and Equipment Merchant Wholesalers (NAICS 423830)	51	3,359	0.45	1.16
Industrial Supplies Merchant Wholesalers (NAICS 423840)	55	990	1.63	1.17
Recyclable Material Merchant Wholesalers (NAICS 423930)	48	719	1.27	0.76
Confectionery Merchant Wholesalers (NAICS 424450)	48	441	2.29	0.84
Other Grocery and Related Products Merchant Wholesalers (NAICS 424490)	28	1,441	0.33	0.69
Grain and Field Bean Merchant Wholesalers (NAICS 424510)	252	4,066	13.78	8.82
Livestock Merchant Wholesalers (NAICS 424520)	38	1,621	5.57	9.44
Petroleum and Petroleum Products Merchant Wholesalers (except Bulk Stations and Terminals) (NAICS 424720)	42	1,204	1.71	1.97
Beer and Ale Merchant Wholesalers (NAICS 424810)	63	929	1.50	0.88
Farm Supplies Merchant Wholesalers (NAICS 424910)	155	2,573	3.50	2.30
Wholesale Trade Agents and Brokers (NAICS 425120)	181	10,271	0.54	1.23

Source: Economic Modeling Systems Inc. (EMSI) 2017- SCEDO

Greater Region LQ > than Kansas (by ≥ 1.0)	
Greater Region LQ < than Kansas (by ≥ 1.0)	
Greater Region LQ and Kansas LQ are not significantly different	

Target Industry Analysis – Wholesale (NAICS 42)

Table 5.9.B: Existing Industry Wage Comparison	Greater Region Average Cluster Wage (Annual)	Kansas Average Cluster Wage (Annual)	U.S. Average Cluster Wage (Annual)
Automobile and Other Motor Vehicle Merchant Wholesalers (NAICS 423110)	\$40,772	\$46,939	\$62,891
Motor Vehicle Supplies and New Parts Merchant Wholesalers (NAICS 423120)	\$32,175	\$42,950	\$53,384
Brick, Stone, and Related Construction Material Merchant Wholesalers (NAICS 423320)	\$63,914	\$52,632	\$56,966
Other Commercial Equipment Merchant Wholesalers (NAICS 423440)	\$37,437	\$60,685	\$60,883
Metal Service Centers and Other Metal Merchant Wholesalers (NAICS 423510)	\$40,679	\$56,242	\$65,080
Electrical Apparatus and Equipment, Wiring Supplies, and Related Equipment Merchant Wholesalers (NAICS 423610)	\$45,803	\$61,626	\$76,747
Plumbing and Heating Equipment and Supplies (Hydronics) Merchant Wholesalers (NAICS 423720)	\$45,668	\$57,454	\$63,720
Construction and Mining (except Oil Well) Machinery and Equipment Merchant Wholesalers (NAICS 423810)	\$43,997	\$59,689	\$70,860
Farm and Garden Machinery and Equipment Merchant Wholesalers (NAICS 423820)	\$53,407	\$56,013	\$54,424
Industrial Machinery and Equipment Merchant Wholesalers (NAICS 423830)	\$44,137	\$58,632	\$72,363
Industrial Supplies Merchant Wholesalers (NAICS 423840)	\$61,733	\$58,711	\$68,497
Recyclable Material Merchant Wholesalers (NAICS 423930)	\$33,775	\$42,356	\$47,749
Confectionery Merchant Wholesalers (NAICS 424450)	\$48,870	\$48,680	\$57,862
Other Grocery and Related Products Merchant Wholesalers (NAICS 424490)	\$35,767	\$44,897	\$56,399
Grain and Field Bean Merchant Wholesalers (NAICS 424510)	\$48,176	\$49,207	\$60,629
Livestock Merchant Wholesalers (NAICS 424520)	\$10,856	\$33,679	\$21,916
Petroleum and Petroleum Products Merchant Wholesalers (except Bulk Stations and Terminals) (NAICS 424720)	\$31,707	\$83,380	\$77,239
Beer and Ale Merchant Wholesalers (NAICS 424810)	\$56,698	\$49,099	\$55,328
Farm Supplies Merchant Wholesalers (NAICS 424910)	\$53,434	\$58,584	\$58,336
Wholesale Trade Agents and Brokers (NAICS 425120)	\$73,416	\$94,008	\$96,976

Source: Economic Modeling Systems Inc. (EMSI) 2017- SCEDO

Greater Region wages < Kansas and U.S. wages

Greater Region wages > Kansas and U.S. wages

Greater Region wages > Kansas Wages only

Target Industry Analysis – Wholesale (NAICS 42)

Table 5.9.C: Existing Industry Growth Comparison	Greater Region 5-year Growth (2012 - 2016)	Greater Region 5-year Projected Growth (2016 - 2020)	Kansas Region 5-year Growth (2012 - 2016)	Kansas Region 5-year Projected Growth (2016 - 2020)	U.S. 5-year Growth (2012 - 2016)	U.S. 5-year Projected Growth (2016 - 2020)
Automobile and Other Motor Vehicle Merchant Wholesalers (NAICS 423110)	17%	27%	22%	18%	5%	3%
Motor Vehicle Supplies and New Parts Merchant Wholesalers (NAICS 423120)	13%	9%	8%	5%	3%	4%
Brick, Stone, and Related Construction Material Merchant Wholesalers (NAICS 423320)	(33%)	0%	(12%)	(9%)	23%	8%
Other Commercial Equipment Merchant Wholesalers (NAICS 423440)	(36%)	(38%)	(7%)	(1%)	10%	6%
Metal Service Centers and Other Metal Merchant Wholesalers (NAICS 423510)	(20%)	(14%)	18%	5%	2%	4%
Electrical Apparatus and Equipment, Wiring Supplies, and Related Equipment Merchant Wholesalers (NAICS 423610)	40%	20%	15%	8%	13%	5%
Plumbing and Heating Equipment and Supplies (Hydronics) Merchant Wholesalers (NAICS 423720)	(12%)	(16%)	19%	4%	14%	3%
Construction and Mining (except Oil Well) Machinery and Equipment Merchant Wholesalers (NAICS 423810)	(33%)	(35%)	(25%)	(7%)	8%	4%
Farm and Garden Machinery and Equipment Merchant Wholesalers (NAICS 423820)	(7%)	3%	(2%)	3%	2%	5%
Industrial Machinery and Equipment Merchant Wholesalers (NAICS 423830)	11%	(4%)	(1%)	(0%)	1%	1%
Industrial Supplies Merchant Wholesalers (NAICS 423840)	(11%)	5%	(11%)	5%	9%	9%
Recyclable Material Merchant Wholesalers (NAICS 423930)	23%	19%	(17%)	2%	(19%)	1%
Confectionery Merchant Wholesalers (NAICS 424450)	Insf. Data	40%	90%	14%	6%	8%
Other Grocery and Related Products Merchant Wholesalers (NAICS 424490)	(57%)	(46%)	(12%)	(17%)	1%	2%
Grain and Field Bean Merchant Wholesalers (NAICS 424510)	41%	(7%)	5%	1%	3%	6%
Livestock Merchant Wholesalers (NAICS 424520)	(58%)	(47%)	3%	11%	(4%)	3%
Petroleum and Petroleum Products Merchant Wholesalers (except Bulk Stations and Terminals) (NAICS 424720)	14%	5%	26%	8%	(0%)	2%
Beer and Ale Merchant Wholesalers (NAICS 424810)	(24%)	(10%)	1%	6%	11%	8%
Farm Supplies Merchant Wholesalers (NAICS 424910)	12%	7%	5%	5%	5%	2%
Wholesale Trade Agents and Brokers (NAICS 425120)	28%	(19%)	1%	7%	3%	12%

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Industry growth greater than or equal to 10 percent in the respective region and time frame.

Industry growth is less than or equal to negative 10 percent in the respective region and time frame.

Target Industry Analysis – Wholesale (NAICS 42)

Rank	Table 5.9.D Ranked by Number of Jobs, 5-Year Growth and Cluster Concentration	Regional Number of Jobs (2016)	Regional 5-year Growth	Regional Cluster Concentration (LQ)
1	Grain and Field Bean Merchant Wholesalers (NAICS 424510)	252 (1)	41% (1)	13.78 (1)
2	Wholesale Trade Agents and Brokers (NAICS 425120)	181 (2)	28% (3)	0.54
3	Farm and Garden Machinery and Equipment Merchant Wholesalers (NAICS 423820)	171 (3)	(7%) (10)	4.40 (3)
4	Farm Supplies Merchant Wholesalers (NAICS 424910)	155 (4)	12% (8)	3.50 (4)
5	Automobile and Other Motor Vehicle Merchant Wholesalers (NAICS 423110)	124 (5)	17% (5)	2.79 (5)
6	Beer and Ale Merchant Wholesalers (NAICS 424810)	63 (6)	(24%)	1.50 (10)
7	Metal Service Centers and Other Metal Merchant Wholesalers (NAICS 423510)	57 (7)	(20%)	1.23
8	Electrical Apparatus and Equipment, Wiring Supplies, and Related Equipment Merchant Wholesalers (NAICS 423610)	56 (8)	40% (2)	0.90
9	Industrial Supplies Merchant Wholesalers (NAICS 423840)	55 (9)	(11%)	1.63 (8)
10	Industrial Machinery and Equipment Merchant Wholesalers (NAICS 423830)	51 (10)	11% (9)	0.45
11	Recyclable Material Merchant Wholesalers (NAICS 423930)	48	23% (4)	1.27
12	Confectionery Merchant Wholesalers (NAICS 424450)	48	Insf. Data	2.29 (6)
13	Plumbing and Heating Equipment and Supplies (Hydronics) Merchant Wholesalers (NAICS 423720)	44	(12%)	1.23
14	Petroleum and Petroleum Products Merchant Wholesalers (except Bulk Stations and Terminals) (NAICS 424720)	42	14% (6)	1.71 (7)
15	Livestock Merchant Wholesalers (NAICS 424520)	38	(58%)	5.57 (2)
16	Construction and Mining (except Oil Well) Machinery and Equipment Merchant Wholesalers (NAICS 423810)	37	(33%)	1.13
17	Motor Vehicle Supplies and New Parts Merchant Wholesalers (NAICS 423120)	35	13% (7)	0.55
18	Other Commercial Equipment Merchant Wholesalers (NAICS 423440)	32	(36%)	1.57 (9)
19	Other Grocery and Related Products Merchant Wholesalers (NAICS 424490)	28	(57%)	0.33
20	Brick, Stone, and Related Construction Material Merchant Wholesalers (NAICS 423320)	20	(33%)	0.93

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Top ten (10) in each (# Jobs, Growth, LQ)

Target Industry Identification Analysis: Transportation and Warehousing (NAICS 48-49)



Target Industry Analysis – Transportation and Warehousing (NAICS 48-49)

SUMMARY OF TRANSPORTATION AND WAREHOUSING

This industry employs over 1,300 people in the greater region, with Couriers and Express Delivery Services (NAICS 492110) and General Freight Trucking, Long-Distance, Truckload (NAICS 484121) being the largest subsectors of employment. The greater region has a significantly higher concentration than the state in the following subsectors:

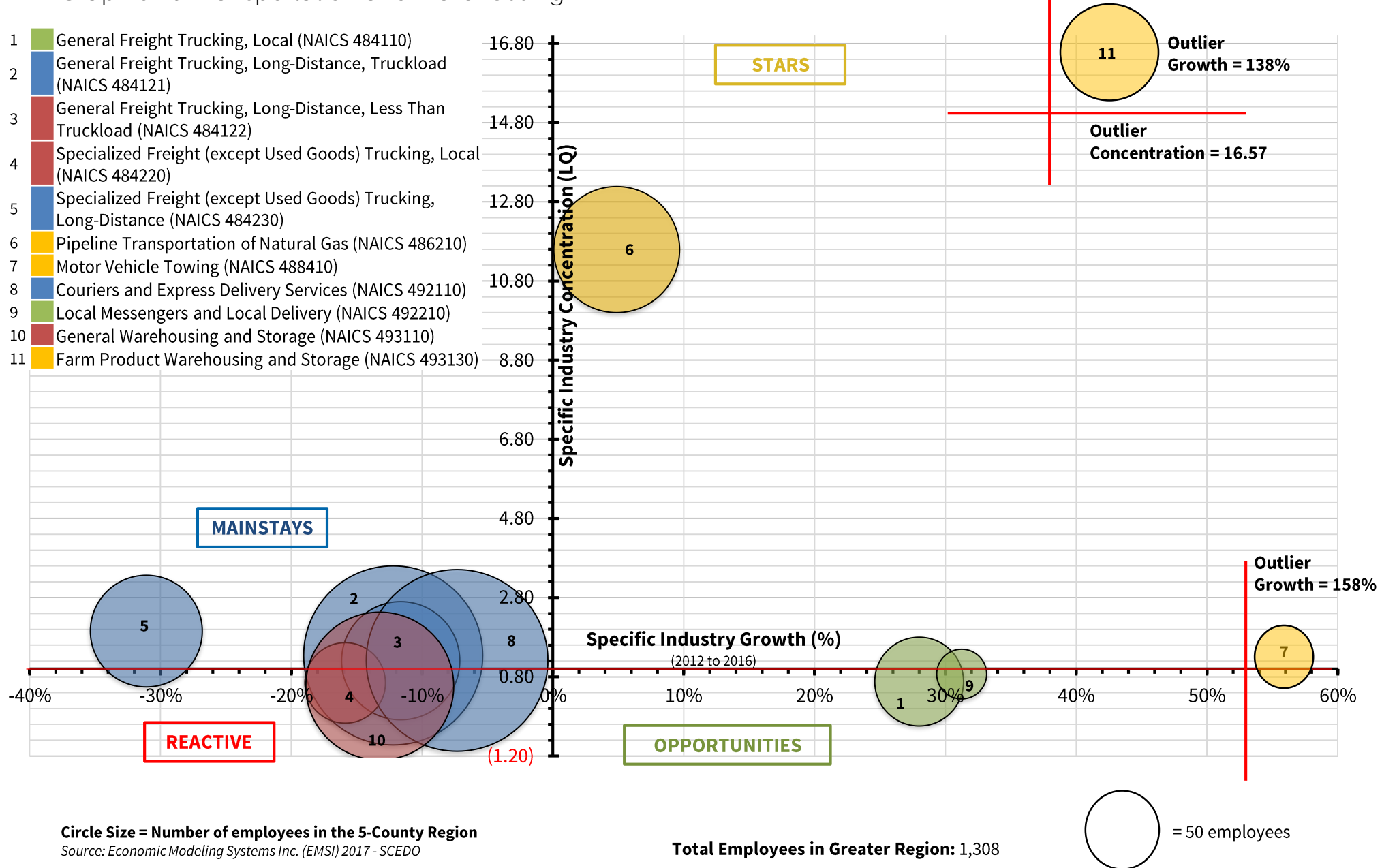
- Pipeline Transportation of Natural Gas (NAICS 486210)
- Farm Product Warehousing and Storage (NAICS 493130)

Wages are competitive in about half of the subsectors of this industry in the greater region compared to the state average and the national average.

The majority of subsectors within this industry have experienced significant negative growth over the past 5-year period within the greater region. Two subsectors have experienced significant growth in all regions and all time periods (*entire row highlighted green*): Motor Vehicle Towing (NAICS 488410) and Farm Product Warehousing and Storage (NAICS 493130).

Target Industry Analysis – Transportation and Warehousing (NAICS 48-49)

Graph 5.10: Transportation and Warehousing



Target Industry Analysis – Transportation and Warehousing (NAICS 48-49)

Table 5.10.A: Existing Industry Concentration Comparison	Greater Region Total Employment	Kansas Total Employment	Greater Region Location Quotient	Kansas Location Quotient
General Freight Trucking, Local (NAICS 484110)	64	1,341	0.68	0.56
General Freight Trucking, Long-Distance, Truckload (NAICS 484121)	259	7,440	1.34	1.53
General Freight Trucking, Long-Distance, Less Than Truckload (NAICS 484122)	114	3,156	1.20	1.33
Specialized Freight (except Used Goods) Trucking, Local (NAICS 484220)	53	2,316	0.65	1.12
Specialized Freight (except Used Goods) Trucking, Long-Distance (NAICS 484230)	102	2,296	1.96	1.75
Pipeline Transportation of Natural Gas (NAICS 486210)	129	717	11.59	2.56
Support Activities for Rail Transportation (NAICS 488210)	23	841	1.83	2.65
Motor Vehicle Towing (NAICS 488410)	31	457	1.33	0.77
Couriers and Express Delivery Services (NAICS 492110)	266	6,714	1.21	1.22
Local Messengers and Local Delivery (NAICS 492210)	21	672	0.87	1.12
General Warehousing and Storage (NAICS 493110)	177	8,853	0.57	1.13
Farm Product Warehousing and Storage (NAICS 493130)	69	604	16.57	5.77

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Greater Region LQ > than Kansas (by ≥ 1.0)

Greater Region LQ < than Kansas (by ≥ 1.0)

Greater Region LQ and Kansas LQ are not significantly different

Target Industry Analysis – Transportation and Warehousing (NAICS 48-49)

Table 5.10.B: Existing Industry Wage Comparison	Greater Region Average Cluster Wage (Annual)	Kansas Average Cluster Wage (Annual)	U.S. Average Cluster Wage (Annual)
General Freight Trucking, Local (NAICS 484110)	\$39,091	\$41,564	\$46,136
General Freight Trucking, Long-Distance, Truckload (NAICS 484121)	\$50,194	\$46,249	\$47,214
General Freight Trucking, Long-Distance, Less Than Truckload (NAICS 484122)	\$55,699	\$58,756	\$55,677
Specialized Freight (except Used Goods) Trucking, Local (NAICS 484220)	\$41,561	\$40,212	\$48,527
Specialized Freight (except Used Goods) Trucking, Long-Distance (NAICS 484230)	\$38,905	\$52,466	\$53,764
Pipeline Transportation of Natural Gas (NAICS 486210)	\$86,057	\$89,370	\$129,912
Support Activities for Rail Transportation (NAICS 488210)	\$44,489	\$52,083	\$50,399
Motor Vehicle Towing (NAICS 488410)	\$39,545	\$38,223	\$36,810
Couriers and Express Delivery Services (NAICS 492110)	\$45,501	\$41,226	\$46,593
Local Messengers and Local Delivery (NAICS 492210)	\$23,764	\$32,281	\$34,002
General Warehousing and Storage (NAICS 493110)	\$35,738	\$39,817	\$41,483
Farm Product Warehousing and Storage (NAICS 493130)	\$66,420	\$45,594	\$46,291

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Greater Region wages < Kansas and U.S. wages

Greater Region wages > Kansas and U.S. wages

Greater Region wages > Kansas Wages only

Target Industry Analysis – Transportation and Warehousing (NAICS 48-49)

Table 5.10.C: Existing Industry Growth Comparison	Greater Region 5-year Growth (2012 - 2016)	Greater Region 5-year Projected Growth (2016 - 2020)	Kansas Region 5-year Growth (2012 - 2016)	Kansas Region 5-year Projected Growth (2016 - 2020)	U.S. 5-year Growth (2012 - 2016)	U.S. 5-year Projected Growth (2016 - 2020)
General Freight Trucking, Local (NAICS 484110)	28%	(2%)	(3%)	(12%)	13%	6%
General Freight Trucking, Long-Distance, Truckload (NAICS 484121)	(12%)	(29%)	14%	3%	3%	1%
General Freight Trucking, Long-Distance, Less Than Truckload (NAICS 484122)	(12%)	7%	7%	6%	15%	9%
Specialized Freight (except Used Goods) Trucking, Local (NAICS 484220)	(16%)	(4%)	(2%)	(0%)	2%	4%
Specialized Freight (except Used Goods) Trucking, Long-Distance (NAICS 484230)	(31%)	0%	4%	9%	14%	10%
Pipeline Transportation of Natural Gas (NAICS 486210)	5%	18%	50%	15%	5%	6%
Support Activities for Rail Transportation (NAICS 488210)	Insf. Data	26%	(7%)	13%	25%	12%
Motor Vehicle Towing (NAICS 488410)	158%	29%	31%	17%	18%	10%
Couriers and Express Delivery Services (NAICS 492110)	(7%)	(4%)	14%	2%	20%	4%
Local Messengers and Local Delivery (NAICS 492210)	31%	0%	(13%)	6%	29%	9%
General Warehousing and Storage (NAICS 493110)	(13%)	(25%)	37%	9%	42%	11%
Farm Product Warehousing and Storage (NAICS 493130)	138%	32%	29%	20%	10%	12%

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Industry growth greater than or equal to 10 percent in the respective region and time frame.
 Industry growth is less than or equal to negative 10 percent in the respective region and time frame.

Target Industry Analysis – Transportation and Warehousing (NAICS 48-49)

Rank	Table 5.10.D Ranked by Number of Jobs, 5-Year Growth and Cluster Concentration	Regional Number of Jobs (2016)	Regional 5-year Growth	Regional Cluster Concentration (LQ)
1	Couriers and Express Delivery Services (NAICS 492110)	266 (1)	(7%)	1.21
2	General Freight Trucking, Long-Distance, Truckload (NAICS 484121)	259 (2)	(12%)	1.34 (5)
3	General Warehousing and Storage (NAICS 493110)	177 (3)	(13%)	0.57
4	Pipeline Transportation of Natural Gas (NAICS 486210)	129 (4)	5% (5)	11.59 (2)
5	General Freight Trucking, Long-Distance, Less Than Truckload (NAICS 484122)	114 (5)	(12%)	1.20
6	Specialized Freight (except Used Goods) Trucking, Long-Distance (NAICS 484230)	102	(31%)	1.96 (3)
7	Farm Product Warehousing and Storage (NAICS 493130)	69	138% (2)	16.57 (1)
8	General Freight Trucking, Local (NAICS 484110)	64	28% (4)	0.68
9	Specialized Freight (except Used Goods) Trucking, Local (NAICS 484220)	53	(16%)	0.65
10	Motor Vehicle Towing (NAICS 488410)	31	158% (1)	1.33
11	Support Activities for Rail Transportation (NAICS 488210)	23	Insf. Data	1.83 (4)
12	Local Messengers and Local Delivery (NAICS 492210)	21	31% (3)	0.87

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Top five (5) in each (# Jobs, Growth, LQ)

Target Industry Identification Analysis: Administrative and Support
and Waste Management and Remediation Services (NAICS 56)



Target Industry Analysis – Administrative and Support and Waste Management and Remediation Services (NAICS 56)

SUMMARY OF ADMINISTRATIVE AND SUPPORT AND WASTE MANAGEMENT AND REMEDIATION SERVICES

This industry employs over 1,400 people in the greater region, with Office Administrative Services (NAICS 561110) and Temporary Help Services (NAICS 561320) both nearly evenly tied being the largest subsector of employment. The greater region has no subsectors in which it is significantly more concentrated than the state of Kansas. It does have a significant concentration (>1.0) in two subsectors however: Office Administrative Services (NAICS 561110) and Exterminating and Pest Control Services (NAICS 561710)

Wages are competitive in the greater region compared to the state average and the national average, with lower wages than both in the majority of the subsectors of this industry.

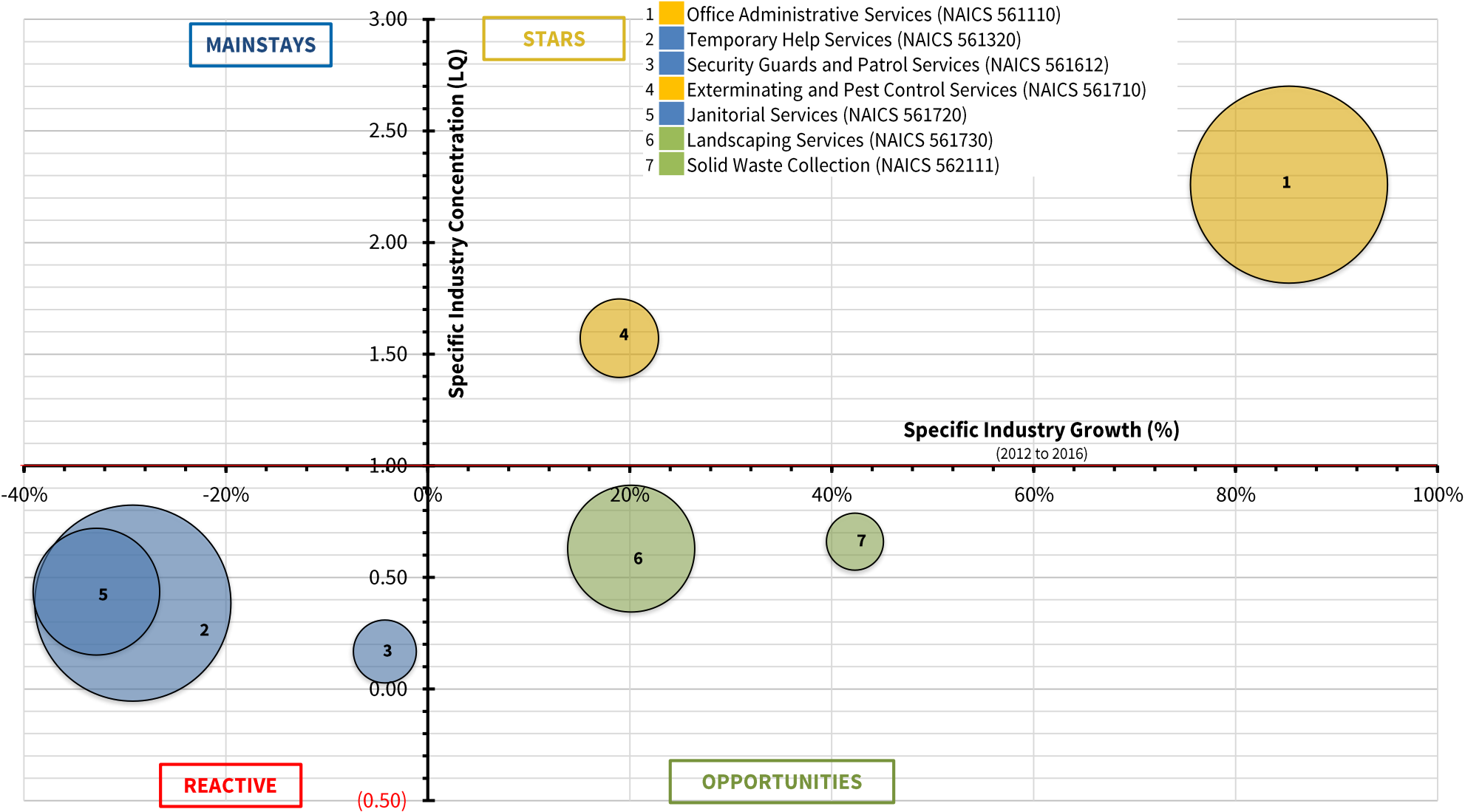
About half of subsectors within this industry have experienced significant growth over the past 5-year period or are projected to experience growth over the next 5-year period. Solid Waste Collection (NAICS 562111) has had significant growth in all regions and all time periods (*entire row highlighted green*).

Three subsectors lacked sufficient data in the greater region to analysis past 5-year growth in:

- Facilities Support Services (NAICS 561210)
- Security Systems Services (except Locksmiths) (NAICS 561621)
- All Other Support Services (NAICS 561990)

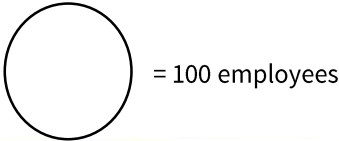
Target Industry Analysis – Administrative and Support and Waste Management and Remediation Services (NAICS 56)

Graph 5.11: Administrative and Support and Waste Management and Remediation Services



Circle Size = Number of employees in the 5-County Region
Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Total Employees in Greater Region: 1,456



Target Industry Analysis – Administrative and Support and Waste Management and Remediation Services (NAICS 56)

Table 5.11.A: Existing Industry Concentration Comparison	Greater Region Total Employment	Kansas Total Employment	Greater Region Location Quotient	Kansas Location Quotient
Office Administrative Services (NAICS 561110)	428	9,749	2.26	2.04
Facilities Support Services (NAICS 561210)	34	1,958	0.61	1.41
Temporary Help Services (NAICS 561320)	424	24,937	0.38	0.90
Security Guards and Patrol Services (NAICS 561612)	45	3,145	0.17	0.47
Security Systems Services (except Locksmiths) (NAICS 561621)	29	1,316	0.63	1.12
Exterminating and Pest Control Services (NAICS 561710)	69	1,058	1.57	0.95
Janitorial Services (NAICS 561720)	178	9,218	0.44	0.90
Landscaping Services (NAICS 561730)	179	6,681	0.63	0.93
All Other Support Services (NAICS 561990)	31	1,516	0.41	0.78
Solid Waste Collection (NAICS 562111)	37	1,393	0.66	0.99

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Greater Region LQ > than Kansas (by ≥ 1.0)

Greater Region LQ < than Kansas (by ≥ 1.0)

Greater Region LQ and Kansas LQ are not significantly different

Target Industry Analysis – Administrative and Support and Waste Management and Remediation Services (NAICS 56)

Table 5.11.B: Existing Industry Wage Comparison	Greater Region Average Cluster Wage (Annual)	Kansas Average Cluster Wage (Annual)	U.S. Average Cluster Wage (Annual)
Office Administrative Services (NAICS 561110)	\$37,785	\$72,418	\$82,873
Facilities Support Services (NAICS 561210)	\$27,545	\$31,674	\$48,402
Temporary Help Services (NAICS 561320)	\$23,384	\$26,823	\$31,295
Security Guards and Patrol Services (NAICS 561612)	\$14,327	\$22,403	\$26,129
Security Systems Services (except Locksmiths) (NAICS 561621)	\$29,368	\$44,524	\$59,874
Exterminating and Pest Control Services (NAICS 561710)	\$46,115	\$39,229	\$43,220
Janitorial Services (NAICS 561720)	\$19,196	\$21,070	\$21,873
Landscaping Services (NAICS 561730)	\$24,308	\$33,610	\$33,876
All Other Support Services (NAICS 561990)	\$59,391	\$33,634	\$43,817
Solid Waste Collection (NAICS 562111)	\$47,512	\$47,282	\$51,415

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Greater Region wages < Kansas and U.S. wages

Greater Region wages > Kansas and U.S. wages

Greater Region wages > Kansas Wages only

Target Industry Analysis – Administrative and Support and Waste Management and Remediation Services (NAICS 56)

Table 5.11.C: Existing Industry Growth Comparison	Greater Region 5-year Growth (2012 - 2016)	Greater Region 5-year Projected Growth (2016 - 2020)	Kansas Region 5-year Growth (2012 - 2016)	Kansas Region 5-year Projected Growth (2016 - 2020)	U.S. 5-year Growth (2012 - 2016)	U.S. 5-year Projected Growth (2016 - 2020)
Office Administrative Services (NAICS 561110)	85%	35%	(13%)	3%	15%	11%
Facilities Support Services (NAICS 561210)	Insf. Data	50%	45%	24%	14%	14%
Temporary Help Services (NAICS 561320)	(29%)	0%	13%	11%	16%	10%
Security Guards and Patrol Services (NAICS 561612)	(4%)	4%	6%	7%	11%	7%
Security Systems Services (except Locksmiths) (NAICS 561621)	Insf. Data	7%	16%	(2%)	15%	8%
Exterminating and Pest Control Services (NAICS 561710)	19%	6%	37%	2%	18%	5%
Janitorial Services (NAICS 561720)	(33%)	(22%)	5%	4%	9%	5%
Landscaping Services (NAICS 561730)	20%	8%	25%	9%	19%	7%
All Other Support Services (NAICS 561990)	Insf. Data	65%	(17%)	0%	3%	5%
Solid Waste Collection (NAICS 562111)	42%	14%	65%	22%	14%	11%

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Industry growth greater than or equal to 10 percent in the respective region and time frame.

Industry growth is less than or equal to negative 10 percent in the respective region and time frame.

Target Industry Analysis – Administrative and Support and Waste Management and Remediation Services (NAICS 56)

Rank	Table 5.11.D Ranked by Number of Jobs, 5-Year Growth and Cluster Concentration	Regional Number of Jobs (2016)	Regional 5-year Growth	Regional Cluster Concentration (LQ)
1	Office Administrative Services (NAICS 561110)	428 (1)	85% (1)	2.26 (1)
2	Temporary Help Services (NAICS 561320)	424 (2)	(29%)	0.38
3	Landscaping Services (NAICS 561730)	179 (3)	20% (3)	0.63 (4/5)
4	Janitorial Services (NAICS 561720)	178 (4)	(33%)	0.44
5	Exterminating and Pest Control Services (NAICS 561710)	69 (5)	19% (4)	1.57 (2)
6	Security Guards and Patrol Services (NAICS 561612)	45	(4%) (5)	0.17
7	Solid Waste Collection (NAICS 562111)	37	42% (2)	0.66 (3)
8	Facilities Support Services (NAICS 561210)	34	Insf. Data	0.61
9	All Other Support Services (NAICS 561990)	31	Insf. Data	0.41
10	Security Systems Services (except Locksmiths) (NAICS 561621)	29	Insf. Data	0.63 (4/5)

Source: Economic Modeling Systems Inc. (EMSI) 2017 - SCEDO

Top five (5) in each (# Jobs, Growth, LQ)

Target Industry Screening



Target Industry Screening

The following section narrows down the target industries by looking at current concentration, past five year growth in the region, and projected U.S. growth, as well as stakeholder input. Industries from the previous section are included in this screening if they are a “star” or “opportunity” on the regional bubble chart and/or are projected to grow on a national level by at least two percent over the next five years.

Industry	Chart Quadrant	Projected U.S. Growth	Stakeholder Input	Include as a target industry? Comments
Crop and Animal Production				
Crop Production (NAICS 111000)	Opportunity	0%	Yes	Yes. These types of facilities tend to be located further west in Kansas, however, there may be processing/value-add opportunities in Salina.
Animal Production and Aquaculture (NAICS 112000)	Mainstay	3%		
Food Processing				
Other Animal Food Manufacturing (NAICS 311119)	Star	4%	Yes	Yes. Agribusiness supply chain and value-add is a good fit for Salina.
Animal (except Poultry) Slaughtering (NAICS 311611)	Opportunity	1%		
Flour Milling (NAICS 311211)	Mainstay	4%		No. Focus should be on supporting large, existing businesses in this industry, not attracting competitors.
Confectionery Manufacturing from Purchased Chocolate (NAICS 311352)	Star	(2%)		
Frozen Specialty Food Manufacturing (NAICS 311412)	Mainstay	3%		
Tortilla Manufacturing (NAICS 311830)	Mainstay	4%		

Target Industry Screening

Industry	Chart Quadrant	Projected U.S. Growth	Stakeholder Input	Include as a target industry? Comments
Chemicals Manufacturing				
Petroleum Refineries (NAICS 324110)	Star	(2%)	No	No. These industries are projected to decline, and while there is a reliable access to water in the region, there are concerns about water costs.
Pharmaceutical Preparation Manufacturing (NAICS 325412)	Star	(0%)		
Plastics Manufacturing				
Plastics Pipe and Pipe Fitting Manufacturing (NAICS 326122)	Star	1%	No	No. These industries tend to require a lot of water, and while there is a reliable access to water in the region, there are concerns about water costs.
All Other Plastics Product Manufacturing (NAICS 326199)	Star	(3%)		
Nonmetallic Mineral Manufacturing				
Clay Building Material and Refractories Manufacturing (NAICS 327120)	Star	(5%)	No	No. These are lower-value industries and do not present many opportunities for value-add. Focus should be on supporting the existing companies within this industry.
Other Concrete Product Manufacturing (NAICS 327320)	Star	3%		
Mineral Wool Manufacturing (NAICS 327993)	Star	2%		

Target Industry Screening

Industry	Chart Quadrant	Projected U.S. Growth	Stakeholder Input	Include as a target industry? Comments
Metals Manufacturing				
Fabricated Structural Metal Manufacturing (NAICS 332312)	Mainstay	4%	No	No. Metal manufacturing should not be a recruitment target, unless it relates to the other identified target industries. Focus should be on retaining current companies within this industry and helping them grow.
Metal Window and Door Manufacturing (NAICS 332321)	Mainstay	3%		
Ornamental and Architectural Metal Work Manufacturing (NAICS 332323)	Star	8%		
Machine Shops (NAICS 332710)	Mainstay	3%		
Industrial Valve Manufacturing (NAICS 332911)	Star	4%		
Ball and Roller Bearing Manufacturing (NAICS 332991)	Star	(5%)		
Fabricated Pipe and Pipe Fitting Manufacturing (NAICS 332996)	Star	11%		
All Other Miscellaneous Fabricated Metal Product Manufacturing (NAICS 332999)	Mainstay	3%		

Target Industry Screening

Industry	Chart Quadrant	Projected U.S. Growth	Stakeholder Input	Include as a target industry? Comments
Machinery Manufacturing				
Farm Machinery and Equipment Manufacturing (NAICS 333111)	Mainstay	5%	No	Yes, as it related to the agribusiness supply chain.
Other Industrial Machinery Manufacturing (NAICS 333249)	Star	3%		
Turbine and Turbine Generator Set Units Manufacturing (NAICS 333611)	Mainstay	9%		Maybe. This could be a potential industry to recruit given Salina's location on the highway and central location in the U.S.
Construction Machinery Manufacturing (NAICS 333120)	Mainstay	2%		No. Many of these are mainstays in the region, which means they are large, but have been declining. Focus should be on retaining these companies and helping them grow.
Industrial Mold Manufacturing (NAICS 333511)	Mainstay	4%		
Rolling Mill and Other Metalworking Machinery Manufacturing (NAICS 333519)	Star	1%		
Conveyor and Conveying Equipment Manufacturing (NAICS 333922)	Mainstay	5%		
All Other Miscellaneous General Purpose Machinery Manufacturing (NAICS 333999)	Star	2%		

Target Industry Screening

Industry	Chart Quadrant	Projected U.S. Growth	Stakeholder Input	Include as a target industry? Comments
Computer and Electronic Component Manufacturing				
Other Electronic Component Manufacturing (NAICS 334419)	Star	(1%)	No	Maybe. Salina does have some existing industries in this cluster and is not as highly concentrated as others, making it more amenable to competition.
Residential Electric Lighting Fixture Manufacturing (NAICS 335121)	Mainstay	2%		
Power, Distribution, and Specialty Transformer Manufacturing (NAICS 335311)	Star	4%		
Switchgear and Switchboard Apparatus Manufacturing (NAICS 335313)	Star	6%		
Storage Battery Manufacturing (NAICS 335911)	Star	4%		
Other Miscellaneous Manufacturing				
Textile Bag and Canvas Mills (NAICS 314910)	Star	(3%)	No	No. Other miscellaneous manufacturing should not be a recruitment target, unless it relates to the other identified target industries. Focus should be on retaining current companies within this industry and helping them grow.
Truss Manufacturing (NAICS 321214)	Star	6%		
Commercial Printing (except Screen and Books) (NAICS 323111)	Opportunity	(12%)		
Commercial Screen Printing (NAICS 323113)	Mainstay	9%		
Motor Vehicle Body Manufacturing (NAICS 336211)	Mainstay	4%		
Other Motor Vehicle Parts Manufacturing (NAICS 336390)	Opportunity	3%		
Wood Kitchen Cabinet and Countertop Manufacturing (NAICS 337110)	Star	3%		
Sporting and Athletic Goods Manufacturing (NAICS 339920)	Star	(4%)		
Sign Manufacturing (NAICS 339950)	Star	(0%)		

Target Industry Screening

Industry	Chart Quadrant	Projected U.S. Growth	Stakeholder Input	Include as a target industry? Comments
Wholesale				
Automobile and Other Motor Vehicle Merchant Wholesalers (NAICS 423110)	Star	3%	Yes (distribution)	We analyzed the wholesale industry to determine any manufacturing or distribution opportunities that may exist in the region. There are several that show up in this analysis that can support the region's target industries (aerospace, agribusiness, etc.). These are in bold on the left hand side.
Motor Vehicle Supplies and New Parts Merchant Wholesalers (NAICS 423120)	Mainstay	4%		
Brick, Stone, and Related Construction Material Merchant Wholesalers (NAICS 423320)	Mainstay	8%		
Other Commercial Equipment Merchant Wholesalers (NAICS 423440)	Star	6%		
Metal Service Centers and Other Metal Merchant Wholesalers (NAICS 423510)	Star	4%		
Electrical Apparatus and Equipment, Wiring Supplies, and Related Equipment Merchant Wholesalers (NAICS 423610)	Star	5%		
Plumbing and Heating Equipment and Supplies (Hydronics) Merchant Wholesalers (NAICS 423720)	Mainstay	3%		
Construction and Mining (except Oil Well) Machinery and Equipment Merchant Wholesalers (NAICS 423810)	Mainstay	4%		
Farm and Garden Machinery and Equipment Merchant Wholesalers (NAICS 423820)	Mainstay	5%		
Industrial Machinery and Equipment Merchant Wholesalers (NAICS 423830)	Star	1%		
Industrial Supplies Merchant Wholesalers (NAICS 423840)	Mainstay	9%		

Target Industry Screening

Industry	Chart Quadrant	Projected U.S. Growth	Stakeholder Input	Include as a target industry? Comments
Wholesale (continued)				
Confectionery Merchant Wholesalers (NAICS 424450)	N/A	8%	Yes (distribution)	We analyzed the wholesale industry to determine any manufacturing or distribution opportunities that may exist in the region. There are several that show up in this analysis that can support the region's target industries (aerospace, agribusiness, etc.). These are in bold on the left hand side.
Other Grocery and Related Products Merchant Wholesalers (NAICS 424490)	Mainstay	2%		
Grain and Field Bean Merchant Wholesalers (NAICS 424510)	Reactive	6%		
Livestock Merchant Wholesalers (NAICS 424520)	Opportunity	3%		
Petroleum and Petroleum Products Merchant Wholesalers (except Bulk Stations and Terminals) (NAICS 424720)	Opportunity	2%		
Beer and Ale Merchant Wholesalers (NAICS 424810)	Opportunity	8%		
Farm Supplies Merchant Wholesalers (NAICS 424910)	Opportunity	2%		
Wholesale Trade Agents and Brokers (NAICS 425120)	Reactive	12%		

Target Industry Screening

Industry	Chart Quadrant	Projected U.S. Growth	Stakeholder Input	Include as a target industry? Comments
Transportation and Warehousing				
General Freight Trucking, Local (NAICS 484110)	Opportunity	6%	Yes (transportation and distribution)	Yes. Salina's access to interstates and highways, as well as its central location in the U.S. makes it a good location for transportation and distribution, especially as it relates to the other identified target industries.
General Freight Trucking, Long-Distance, Less Than Truckload (NAICS 484122)	Reactive	9%		
Specialized Freight (except Used Goods) Trucking, Local (NAICS 484220)	Reactive	4%		
Specialized Freight (except Used Goods) Trucking, Long-Distance (NAICS 484230)	Mainstay	10%		
Support Activities for Rail Transportation (NAICS 488210)	N/A	12%		
General Warehousing and Storage (NAICS 493110)	Reactive	11%		
Farm Product Warehousing and Storage (NAICS 493130)	Star	12%		
Pipeline Transportation of Natural Gas (NAICS 486210)	Star	6%	No	No. Access and availability of talent along with national regulatory challenges in this industry make it difficult for Salina to be competitive.
Motor Vehicle Towing (NAICS 488410)	Star	10%	No	No. These industries tend to be driven by consumers.
Couriers and Express Delivery Services (NAICS 492110)	Mainstay	4%		
Local Messengers and Local Delivery (NAICS 492210)	Opportunity	9%		

Target Industry Screening

Industry	Chart Quadrant	Projected U.S. Growth	Stakeholder Input	Include as a target industry? Comments
Administrative and Support and Waste Management and Remediation Services				
Office Administrative Services (NAICS 561110)	Star	11%		Maybe. There may be an opportunity to house regional offices in Salina to provide jobs for college graduates.
Facilities Support Services (NAICS 561210)	N/A	14%		
Temporary Help Services (NAICS 561320)	Mainstay	10%		No. These services will follow the needs of industry and consumers in the region.
Security Guards and Patrol Services (NAICS 561612)	Mainstay	7%		
Security Systems Services (except Locksmiths) (NAICS 561621)	N/A	8%		
Exterminating and Pest Control Services (NAICS 561710)	Star	5%		
Janitorial Services (NAICS 561720)	Mainstay	5%		
Landscaping Services (NAICS 561730)	Opportunity	7%		
All Other Support Services (NAICS 561990)	N/A	5%		
Solid Waste Collection (NAICS 562111)	Opportunity	11%		

Recommended Target Industries

Based on the analysis in this section, we recommend the following industries as targets for Salina. Each target industry will have a specific strategy, as well as a set of key competitive advantages of the region.

Target Industry	Subsectors of Focus	Comments
Agribusiness and Supply Chain	<ul style="list-style-type: none"> • Crop Production (NAICS 111000) • Animal Production and Aquaculture (NAICS 112000) • Other Animal Food Manufacturing (NAICS 311119) • Animal (except Poultry) Slaughtering (NAICS 311611) • Farm Machinery and Equipment Manufacturing (NAICS 333111) • Farm and Garden Machinery and Equipment Merchant Wholesalers (NAICS 423820) • Grain and Field Bean Merchant Wholesalers (NAICS 424510) • Livestock Merchant Wholesalers (NAICS 424520) • Farm Supplies Merchant Wholesalers (NAICS 424910) 	<p>Companies in these industries would benefit from the strong agriculture and manufacturing history in the region, as well as the availability of water. Additionally, Salina's proximity to Western Kansas is highly advantageous.</p> <p>Food manufacturers who are looking to have a regional presence with access to markets, such as Denver, Salt Lake City, Oklahoma City, etc. would benefit from the location and distribution assets of the region. Moreover, the presence of the Bulk Solids Research Center may provide value to this industry. The center can offer strategic partnerships with industries focused in the bulk solid industry or related supply chain.</p>
Aerospace	<ul style="list-style-type: none"> • Aircraft Manufacturing (NAICS 336411)* • Aircraft Engine and Engine Parts Manufacturing (NAICS 336412) • Other Aircraft Parts and Auxiliary Equipment Manufacturing (NAICS 336413) • Other Support Activities for Air Transportation (NAICS 488190) • Other Airport Operations (NAICS 488119) <p><i>*Note: Aircraft Manufacturing includes the manufacturing of drones.</i></p>	<p>Although this industry did not show up strongly through the NAICS code analysis, Salina has a number of assets to support this industry, including good highway access, an under-leveraged airport, and a strong aerospace program at Kansas State Polytechnic.</p> <p>More specific aerospace industries are included in the identified subsectors. This includes areas of focus like aircraft interior manufacturing, avionics, maintenance repair operations, etc.</p>
Distribution	<ul style="list-style-type: none"> • Distribution related to any of the identified target industries • Aircraft Merchant Wholesalers (NAICS 423860) 	<p>Saline County sits on two Interstates, I-70 and I-135, and within a 500 mile radius, companies in Salina can reach large regional markets, including Dallas, St. Louis, Denver, Oklahoma City, and Kansas City, among others.</p>

SECTION 6: GOALS FOR THE FUTURE

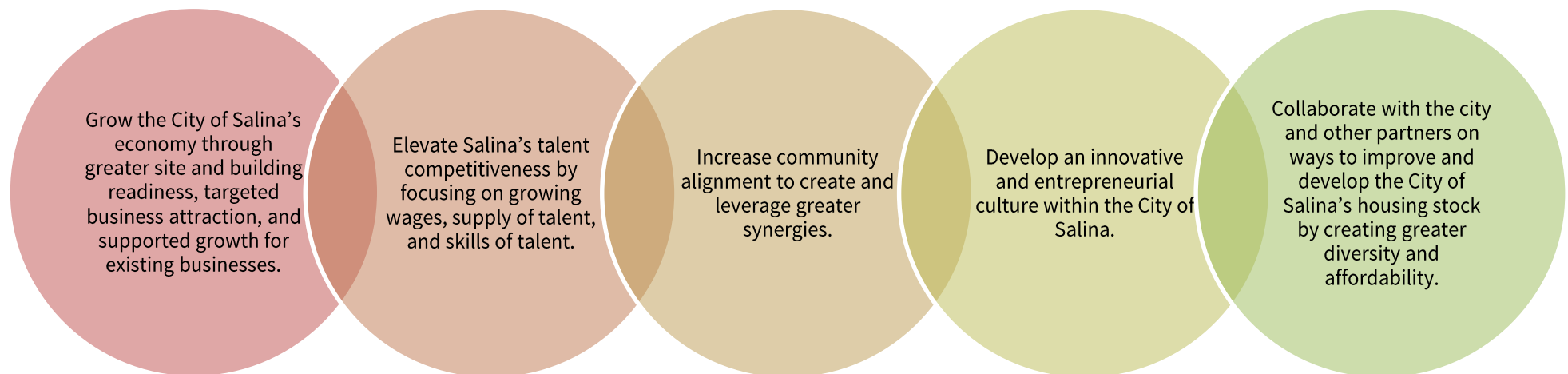


Goals for the Future

The overarching vision for the Salina area is to realize the potential of its unique economic and cultural assets. The goals on the following pages are in no particular order. All are considered equally high in importance.

The goals for the future were determined and thoroughly discussed during an on-site Goals and Visioning work session on Thursday, January 11, 2018.

During the work session, we discussed certain gaps identified in the three main categories of alignment/regionalism, readiness, and marketing/differentiation. Those gaps then drove the discussion on what goals the Salina area would like to achieve in the near future. These goals will be discussed further in the following pages and will serve as the basis for the Economic Development Strategic Plan in the last section of this report.



Goals for the Future

Introduction

The following pages provide each articulated goal along with discussion that was captured during the goals and visioning workshop. The discussion components represent the comments and insights shared by attendees. Whenever attendees shared overwhelmingly similar viewpoints these were reported collectively and aggregated into one point. This section serves to showcase, more generally, the feedback from attendees and how they were organized and fit into each of the five goals.

The Goal

Grow the City of Salina's economy through greater site and building readiness, targeted business attraction, and supported growth for existing businesses.

Discussion

- The location of Salina is great for distribution, warehousing, and transportation. A spec building can provide additional readiness for a potential business.
- Existing businesses are just as important as attracting new businesses. Focus on growing and developing Salina's current businesses. One pathway is to create more flexibility for these businesses to grow and expand.
- Salina is home to very unique aerospace assets. These can be leveraged to attract new businesses focused around the aerospace industry. One way this can be achieved is through developing niche training programs in aerospace.
- Use and promote Salina's assets to promote the city for new attraction opportunities. The location, educational institutions, and military connection can all be used to attract new business.
- More targeted and narrowed efforts around attraction. These should include face-to-face interactions with prospects, greater engagement with the Department of Commerce, and leads developed from existing businesses and stakeholders in the community.

Goals for the Future

The Goal

Elevate Salina's talent competitiveness by focusing on growing wages, supply of talent, and skills of talent.

Discussion

- Retaining talent in the community is important. Jobs are here, but there needs to be greater effort at promoting this within the community.
- Developing a more skilled talent base is important. Working with existing organizations in the community like the school district and post-secondary education institutions can help develop greater depth of skills.
- Focus more efforts around attracting people to move to Salina and work here. This is especially needed for younger people.

Goals for the Future

The Goal

Increase community alignment to create and leverage greater synergies.

Discussion

- Local organizations that support the community need to work together and understand what other groups are working on.
- Greater effort on identifying local opportunities to invest public and private resources.
- City and county can be more aligned on how to create more flexibility in working with businesses.

Goals for the Future

The Goal

Develop an innovative and entrepreneurial culture within the City of Salina.

Discussion

- Create a community that supports the growth of entrepreneurs. This includes making innovation a part of the community.
- Support the growth of entrepreneurs by developing and growing resources that can be accessed by start-ups to support their business growth. This includes physical spaces start-ups can house their business, resources that will help facilitate growth at various stages, and more niche resources that can help specific industry, like UAS/UAV, entrepreneurs come to and grow in Salina.

Goals for the Future

The Goal

Collaborate with the city and other partners on ways to improve and develop the City of Salina's housing stock by creating greater diversity and affordability.

Discussion

- Housing is really important to attracting and retaining talent. Right now, Salina does not have enough housing diversity to be able to focus on attracting new talent.
- It is difficult to find affordable good housing in Salina. The current stock does not have much in the mid-range housing supply. This makes it difficult for those in entry housing to move up.
- The community needs to be more intentional and purposeful in its housing growth. This needs to be especially focused around affordable and quality housing for families.

SECTION 7: ECONOMIC DEVELOPMENT STRATEGIC PLAN



SECTION 8: ECONOMIC DEVELOPMENT STRATEGIC PLAN

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Economic Development Strategies

Introduction

Within this section are the main strategies for Salina. Strategies are defined as items necessary to fulfill one or more of the strategic goals identified in Section 6. They are more detailed than goals but not as detailed as specific tasks.

As you will see on the following pages, each of the strategies has a specific effect on one or multiple goals; however the effect the strategy has on the particular goal varies from primary effect to direct effect to indirect effect.

These strategies will be broken down further into specific tactics within each strategy in the following section.

Also of note, the marketing strategies are broken down by various audiences. Those audiences and details about each are listed below:

- All audiences: There will be a number of marketing tactics that will be applicable for all audiences.
- Site Selectors: This is a group of professionals who help companies make site location decisions.
- Developers/Real Estate Brokers: This group will include both local and regional developers and real estate brokers.
- Target industries:
 - Agribusiness and Supply Chain
 - Aerospace
 - Distribution

Economic Development Strategies

Key Performance Indicators

Key performance indicators are specific criteria identified that are designed to measure the success or progress of the economic development growth plan. Therefore these indicators are measurable, based on the goals determined by SCEDO, and can be realistically improved upon over time based on specific actions outlined within the strategic plan. These are divided into those over which the SCEDO has direct control, and those outcomes in the county that its efforts are intended to ameliorate.

SCEDO's key performance indicators (measures that SCEDO can impact directly) include:

- Number of BRE interviews conducted annually
- Increased reach and engagement, as measured by analytic data, of business attraction marketing tools
- Number of sites/total acreage available for investment and competitive/ready for desired uses
- Number of projects for which SCEDO provided project support or oversight (BRE or attraction)
- Number of RFI/RFPs received, fit of projects responded to relative to SCEDO's goals, number that result in a site visit, number of project wins

Success indicators in the Salina area economy (measures that SCEDO cannot impact directly) include:

- Number of existing companies, jobs, and/or investment retained and grown in the Salina area
- Alignment among SCEDO and partners involved in the area's economic development – degree of coordination, information sharing, clarity of roles, etc.
- Level and percent increase in average wages
- Diversity and growth of employer base
- Employment retention/growth relative to index (i.e., whether Salina area is maintaining or growing market share in a specific target industry at a level equal or above the national average)
- Awareness and perceptions of SCEDO and the Salina area.
- Time required and business-friendliness to get through permitting, zoning, and incentives approvals
- Improved ability to recruit employees locally – measured qualitatively from existing employers
- Increased housing capacity – measured by net increase in building permits for residential housing
- Number of new start-ups and success rate

Economic Development Strategies

Alignment/Regionalism					
	Goal #1: Grow the City of Salina's economy through greater site and building readiness, targeted business attraction, and supported growth for existing businesses.	Goal # 2: Elevate Salina's talent competitiveness by focusing on growing wages, supply of talent, and skills of talent.	Goal #3: Increase community alignment to create and leverage greater synergies.	Goal #4: Develop an innovative and entrepreneurial culture within the City of Salina.	Goal #5: Collaborate with the city and other partners on ways to improve and develop the City of Salina's housing stock by creating greater diversity and affordability.
Roles and Responsibilities					
Define and Identify the role SCEDO, the Chamber, the City, the County, and other groups have in economic development.	XXX	XX	XXX	X	XX
Develop an understanding of the types of economic development projects that Salina wants and how these will be incented.	XXX	XX	X	X	
Develop a communication protocol for prospects and businesses.	XXX	X	XXX		
Create a platform to share information on economic development activities.	XXX	X	XXX	X	

XXX: Primary effect on goal

XX: Direct effect on goal

X: Indirect effect on goal

Economic Development Strategies

Readiness					
	Goal #1: Grow the City of Salina's economy through greater site and building readiness, targeted business attraction, and supported growth for existing businesses.	Goal # 2: Elevate Salina's talent competitiveness by focusing on growing wages, supply of talent, and skills of talent.	Goal #3: Increase community alignment to create and leverage greater synergies.	Goal #4: Develop an innovative and entrepreneurial culture within the City of Salina.	Goal #5: Collaborate with the city and other partners on ways to improve and develop the City of Salina's housing stock by creating greater diversity and affordability.
Product Readiness					
Create an inventory of all sites and buildings available, getting and maintaining up-to-date information	XXX			X	
Prioritize sites and buildings based on target industries identified in this report.	XXX			X	
Develop and understand the product pipeline.	XXX			X	
Talent Readiness					
Identify existing and planned initiatives from all relevant groups.	X	XXX	XX	X	
Determine talent needs from existing employers.	XX	XXX	X	X	X
Build a talent strategy around existing and future needs for talent.	XX	XXX		X	X

XXX: Primary effect on goal

XX: Direct effect on goal

X: Indirect effect on goal

Economic Development Strategies

Readiness (cont'd)					
	Goal #1: Grow the City of Salina's economy through greater site and building readiness, targeted business attraction, and supported growth for existing businesses.	Goal # 2: Elevate Salina's talent competitiveness by focusing on growing wages, supply of talent, and skills of talent.	Goal #3: Increase community alignment to create and leverage greater synergies.	Goal #4: Develop an innovative and entrepreneurial culture within the City of Salina.	Goal #5: Collaborate with the city and other partners on ways to improve and develop the City of Salina's housing stock by creating greater diversity and affordability.
Community Readiness					
Work with city and other partners to identify and define current housing stock.	X	X	XX		XXX
Work with city and other partners to determine future housing need.	X	X	XX	X	XXX
Innovation Readiness					
Identify and define current resources available for start-ups	X	X	X	XXX	
Create awareness around current resources.	X	X	X	XXX	
Determine need and interest in incubator, co-working space, and other related entrepreneurial services.	X		X	XXX	

XXX: Primary effect on goal

XX: Direct effect on goal

X: Indirect effect on goal

Economic Development Strategies

Marketing/Differentiation					
	Goal #1: Grow the City of Salina's economy through greater site and building readiness, targeted business attraction, and supported growth for existing businesses.	Goal # 2: Elevate Salina's talent competitiveness by focusing on growing wages, supply of talent, and skills of talent.	Goal #3: Increase community alignment to create and leverage greater synergies.	Goal #4: Develop an innovative and entrepreneurial culture within the City of Salina.	Goal #5: Collaborate with the city and other partners on ways to improve and develop the City of Salina's housing stock by creating greater diversity and affordability.
All Audiences					
Use primary data from economic development plan to identify points of differentiation and develop marketing collateral to support this.	XXX	X	X	X	
Communicate a consistent economic development brand to all audiences.	XX		X	X	
Communicate points of differentiation and area benefits to internal stakeholders first, then partners and then external stakeholders.	XX	X	X	X	
Developers/Real Estate Brokers					
Use unified brand messaging to build awareness on suitable projects for Salina, including the available infrastructure, product, and assets that can support it.	XXX			X	X

XXX: Primary effect on goal

XX: Direct effect on goal

X: Indirect effect on goal

Economic Development Strategies

Marketing/Differentiation (cont'd)					
	Goal #1: Grow the City of Salina's economy through greater site and building readiness, targeted business attraction, and supported growth for existing businesses.	Goal # 2: Elevate Salina's talent competitiveness by focusing on growing wages, supply of talent, and skills of talent.	Goal #3: Increase community alignment to create and leverage greater synergies.	Goal #4: Develop an innovative and entrepreneurial culture within the City of Salina.	Goal #5: Collaborate with the city and other partners on ways to improve and develop the City of Salina's housing stock by creating greater diversity and affordability.
Site Selectors					
Develop targeted campaigns using variable marketing collateral and techniques (videos, social media, professional associations, trade shows, familiarization tours, and relationship building) to build awareness of Salina's assets to siting decision-makers.	XXX	X			
Target Industries					
Develop marketing collateral based on each target industry and be available for inbound marketing activity.	XXX			X	
Use specific tactics to identify and reach out to companies within your target industries.	XXX			X	

XXX: Primary effect on goal

XX: Direct effect on goal

X: Indirect effect on goal

Implementation Map

Introduction

The implementation plan builds off of the same strategies found on the previous pages by including additional tasks identified to accomplish each strategy. Again, these strategies are key to achieving the Salina area's goals. The strategies from the previous section are highlighted in gray in each of the tables, and then broken down further into actionable tactics.

Through various discussions and experience, we have articulated the following for each task:

- Responsible party
- Priority
- Timeline
- Budget Estimate

These criteria will help determine which of these tasks should be accomplished first and who should be responsible for the completion of each.

Economic Development Ecosystems are built on strong and collaborative partnerships. A strong foundation in economic development partners creates greater alignment and tends to foster better readiness and regional thinking, culminating in stronger points of differentiation. For the implementation of SCEDO's strategic plan, the following partners have been identified:

- City of Salina
- County of Saline
- Salina Chamber of Commerce
- Salina Airport Authority
- K-State Polytechnic

Implementation Map

The following is a sample of the implementation map. The full implementation map, which includes all of the strategies and tactics, is provided as a separate document. The map can be edited and customized to tailor SCEDO's priorities for each strategy. The implementation map provides a mechanism for tracking progress as well as guidance prioritization, timing, budget impact, and accountable groups.

Alignment/Regionalism				
	Responsible Party	Priority	Timeline	Budget
Define and Identify the role SCEDO, the Chamber, the City, the County, and other groups have in economic development.				
Facilitate a work session to bring together all economic development partners to review and clarify the roles and responsibilities of each organization. Topics should include incentives, marketing activities, lead coordination, talent strategies, positioning of the city within the region, BRE coordination, etc. Determine what partners are essential to economic development activities and highlight these as key strategic partners.	SCEDO and Partners	High	Q1 2018	Staff Time
Develop an understanding of the types of economic development projects that Salina wants and how these will be incented.				
Facilitate a work session that identifies the types of projects that incentives should be given. The session should identify high, medium, and low priority projects. Consider types of jobs being created, wages, type and negative externalities of industries, etc.	SCEDO and Partners	High	Q2 2018/Ongoing	Staff Time
Create a planning/zoning approval framework that outlines the timing and approval conditions and process for related priorities. Determine process efficiencies for high priority projects that could shorten approval timelines.	SCEDO and Partners	Medium	Q4 2018/Ongoing	Staff Time

About Ady Advantage

Published by Ady Advantage, a comprehensive and integrated economic development market research, site selection, and marketing consulting firm. Our experience on both sides of the economic development equation is unique. It gives us important insight into the perspectives, challenges, and sensitivities of both manufacturers and economic development organizations, bringing added value to both. And we're the only such firm that not only makes marketing recommendations, but also helps you build your website, market to prospective businesses, and use social media as a competitive advantage. Our corporate services focus on helping manufacturers, utilities and other sectors grow their businesses through an integrated solution set that includes research, competitive positioning, marketing strategy, integrated communications, and facility expansion.

Contact us today for more information or if you have any questions on this report.

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