

ACKNOWLEDGEMENTS

Thank you to all of the CRTS and MFG businesses who participated in this year's survey. Your time and input is invaluable; your investments and your commitment make a difference to the economy of Jo Daviess County!

Thank you to the CEDS Committee for their vision and their commitment to economic development in its many facets.

Thank you to Theresa Wittenauer at Blackhawk Hills RC&D for her assistance and technical expertise and to Michelle Miller at TCEDA for her input and business savvy.

Thank you to the Development & Planning Committee and the Jo Daviess County Board who saw the need and supported the program; and who make commitment to developing the local economy a conscious and continuous effort.

And finally, a HUGE thank you to Commonwealth Edison and Ed Sitar, Economic Development Manager, for guidance and support in using the Synchronist software tool and for allowing us to survey the entire county.

JO DAVIESS COUNTY

Business: Alive and Well

Business Retention and Expansion Report



JO DAVIESS COUNTY OFFICE of ECONOMIC DEVELOPMENT

300 North West Street
Elizabeth Illinois 61028

815.858.2036

economicdevelopment@jodaviess.org
www.jodaviess.org/economicdevelopment

JO DAVIESS COUNTY CEDS COMMITTEE

Dave Jansen (Chair), Galena
Nathan Greiner, Elizabeth
Vince Hasken, East Dubuque
Pat Keleher, Scales Mound
Doug Riedl, Apple River
Bridgette Stocks, Apple River
Helen Schamberger, Stockton
Bill Wolter, Hanover

November 2009

What A Year!

- Local businesses remain optimistic and growth-oriented
- Local companies look to expand
- Tech-based business opportunities abound.

The purpose of the Business Retention and Expansion Survey is two-fold: to provide an opportunity to get to know our business community, and to craft future development goals around the needs and challenges our businesses face today. Over the course of a year, the Economic Development Director, with the support and assistance of the CEDS Committee, conducted interviews within the county's business community using complete and far-reaching survey tools. We visited over 50 businesses across the entire county, spanning the range of business types, from retail to restaurant, service to manufacturing, in each of nine communities. The reports defined within reveal the responses from both survey tools, the Convention, Retail, Service & Tourism (CRST) and the Industrial (MFG) which broke down into these categories***:

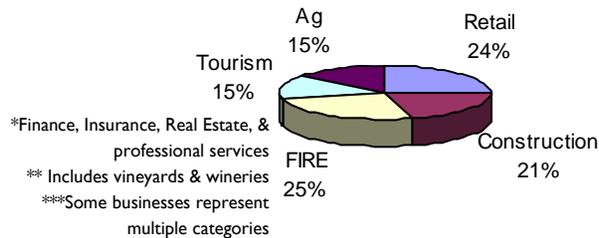
CRTS:

- Retail (12)
- Construction (10)
- FIRE* (12)
- Tourism (7)
- Agri-Business** (7)

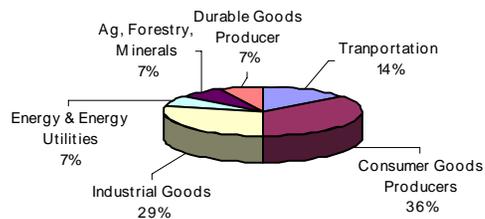
MFG:

- Transportation (2)
- Consumer Goods (5)
- Industrial Goods (4)
- Durable Goods (1)
- Energy /Utilities (1)
- Ag/Forestry/Minerals (1)

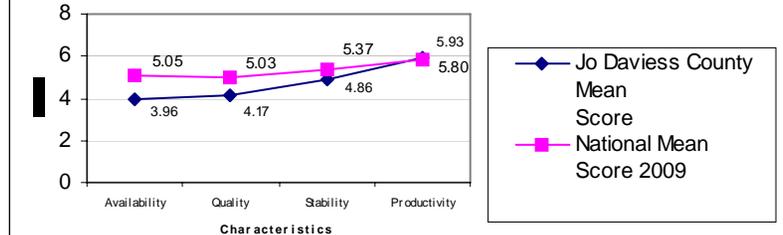
Types of CRTS Businesses Evaluated



Types of Industries Evaluated



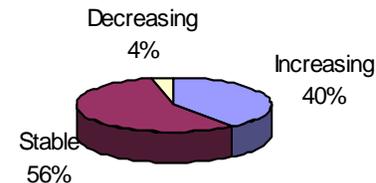
2009 Workforce Comparison



Based upon BRE surveys conducted nation-wide, Jo Daviess County rates its workforce slightly lower in comparison to the rest of the nation. When combining CRST and Industrial scores, the county mean, while lower, ranks close to companies throughout the U.S. Of more concern is the availability, quality and stability scores which rank considerably lower than national scores. The perception of low availability is likely a combination of factors, including the challenges posed by attracting professional/technical workers to a rural area, and a lack of workers noted industry-wide in certain fields. Some positions particularly difficult to fill include:

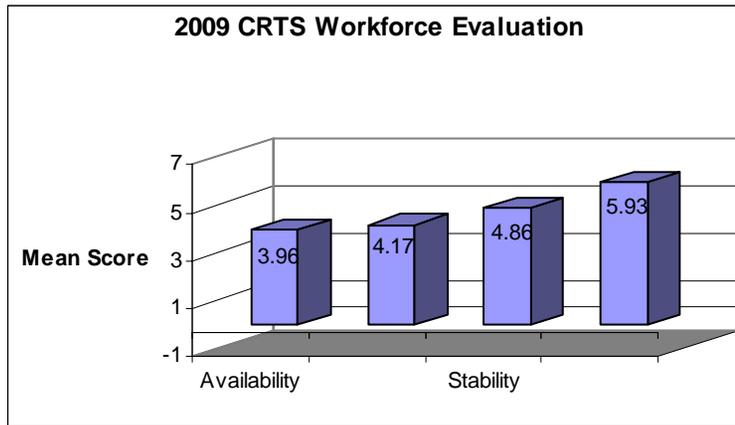
- Heavy equipment/machine operators
- AutoCAD/Architects/Engineers
- IT and technical people
- Sales & Marketing
- Agricultural Mechanics
- Executive/Senior Management
- Production Managers
- Commercial Financial Managers
- Third Shift/Night Workers

Projected CRST Employment Needs



A full 40% of CRST respondents indicate an increasing need for workers.

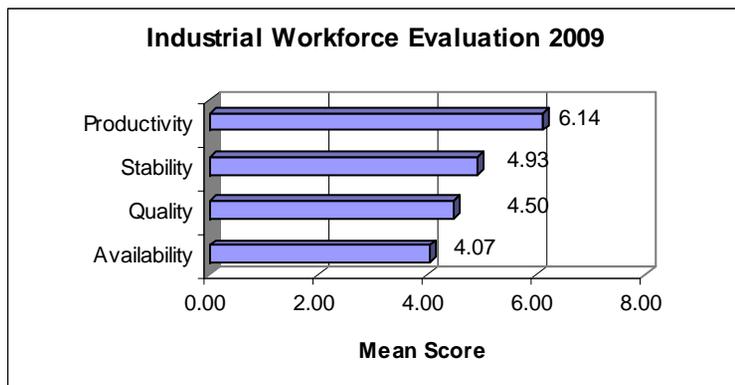
EMPLOYMENT AND WORKFORCE



CRTS & Industrial Workforce

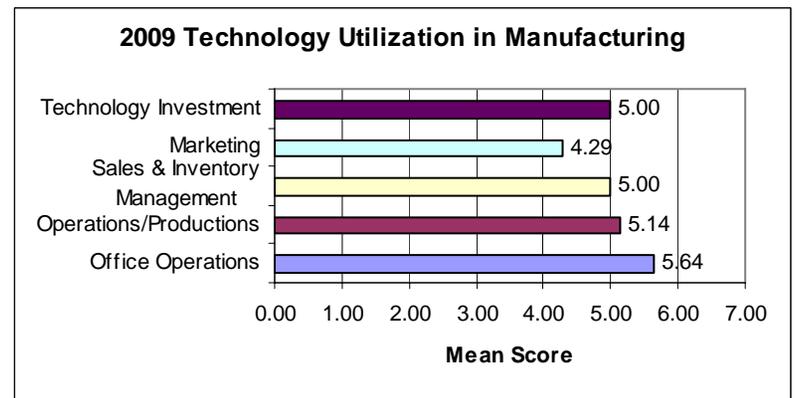
Respondents in both CRTS & MFG rate their own workforce highly when it comes to productivity. Both availability and quality of the local workforce, however, are rated rather low.

- Lack of “soft skills”
- Lack of “drive” and ambition
- Lack of professional/technical training
- Inability to retain and attract young, educated workforce

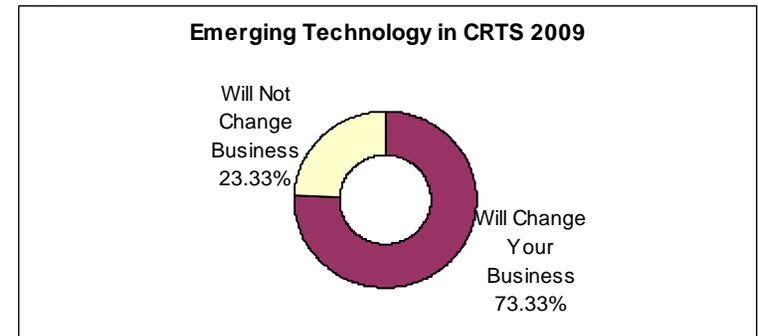


TECHNOLOGY

Companies across the board agreed that technology is both key to growth and increasing in its usage and in its potential. Effective, high-speed, redundant internet broadband service throughout the county is a high priority for global competitiveness.



73% of those responding to the CRTS survey indicate that Emerging Technology will substantially change their business, while 90% suggest that they are facing technological change in their business. Among our manufacturers, it's a 50/50 split for business change. Half of the manufacturers stated that the community's technology infrastructure is adequate for their current needs.



The flip side of the increasing need for technology within the business community is that many CRTS & MFG companies express concern that IT services and technology services such as electronic marketing & data base development, are the most difficult business services to access in the county.

Based on the CRTS and MFG Surveys, Jo Daviess County and our communities are generally well regarded.

Key Strengths of the County:

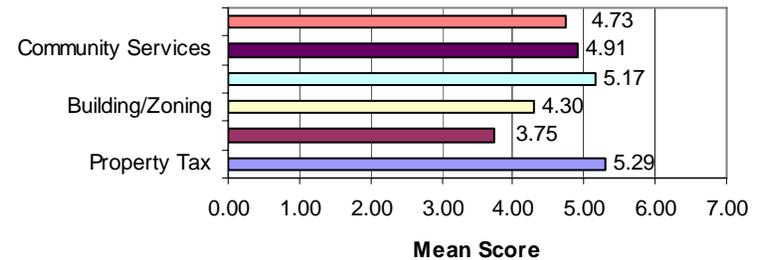
- *Quality of Life*, including the natural beauty, history and architecture of the region
- *Small Town Rural America*, which means strong values, and caring communities
- *Community Leadership* tends to be positive and hard-working.
- *Strong Business Community* which provides for basic and expanded goods and services.
- *Great People*, including generally strong work force, multi-generational traditions

Despite being held in generally high regard for our rural nature, strong Mid-western values, and natural beauty, respondents noted some challenges as well.

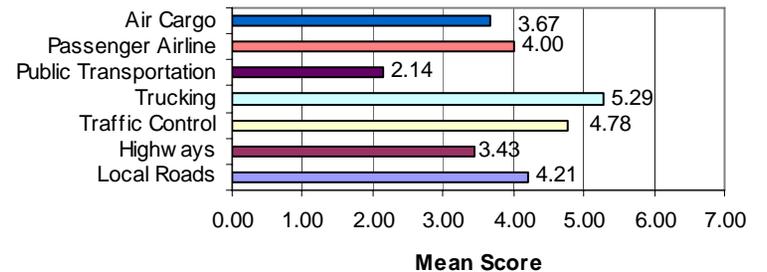
Barriers to doing business in Jo Daviess County:

- *Highway 20*; the lack of 4-lane access continues to be a frustration to business
 - *Zoning*, in both the county and communities seems to pose problems to many
 - *Infrastructure*, including cellular and phone services and internet along with roads & bridges
 - *Workforce*; our shrinking and aging population adds stress to the already small labor pool; training and education as well as attraction of new young workers is key
 - *Rural Nature*, certainly a plus but also seen as a barrier in terms of workforce attraction and movement of goods & services
 - *“Anti-Growth” Attitude* is harmful and increasing
- CRTS-specific concerns:
- *Health Care* access
 - *Child Care* Services are lacking
 - *Housing Quality* is low
 - *Property Taxes* are too high and always increasing

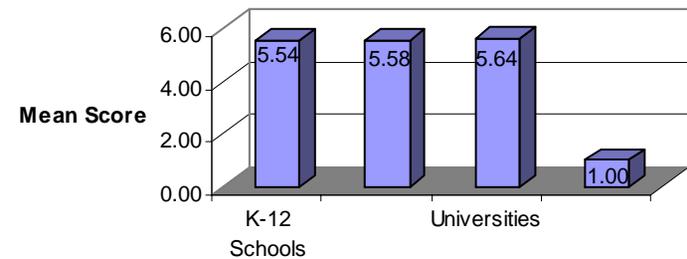
2009 Regulatory Ratings for Manufacturing



2009 Transportation Ratings for Manufacturing

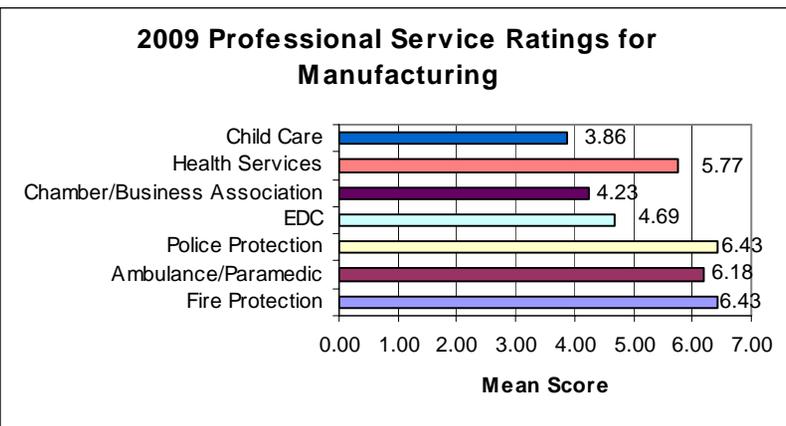
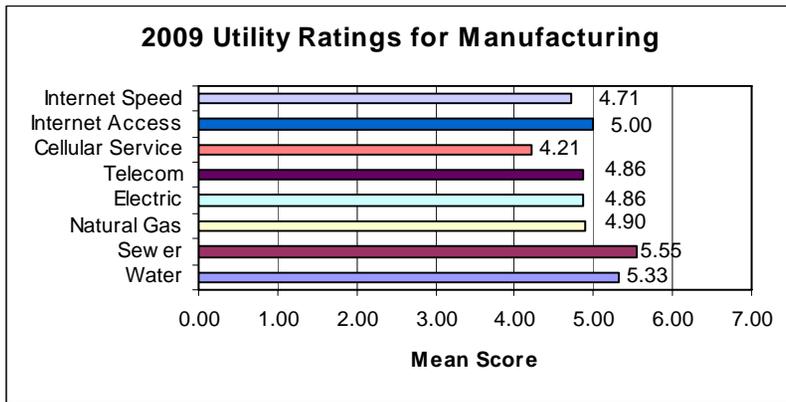


2009 Educational Ratings for Manufacturing



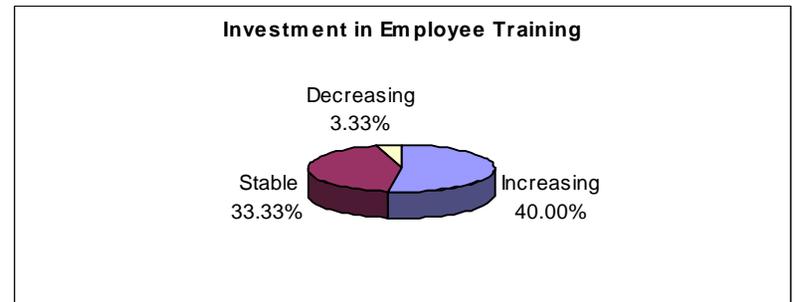
Services as viewed by MFG respondents

Manufacturing executives rated county and community services using the same scale of 1 low to 7 high.

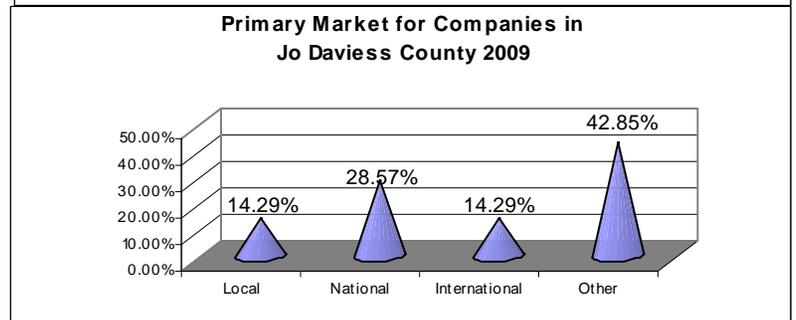
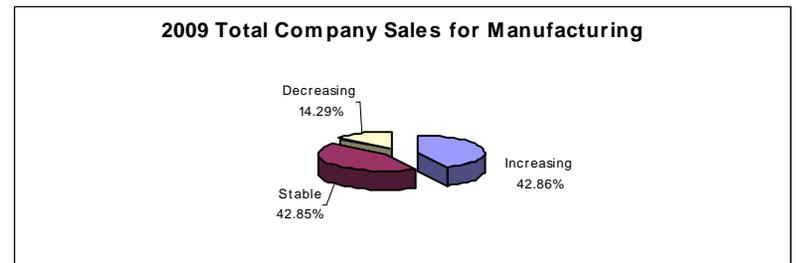


Business Continues to Grow

30% of the CRTS respondents indicate plans for expansion within the next three years. Those expansions are projected to include capital investments of over \$4.6 million and an additional 28 jobs. 18 of 29 CRST respondents (62%) indicated an increase in sales in the last year, with 17 of respondents indicating an increase in the average value of individual sales. CRST respondents also indicate an increase in their investment in employee training.



MFG respondents also report general increases with nearly 43% showing an increase and another almost 43% showing stable sales. The market for the goods produced in the County shows a low percentage (just over 14%) of international trade, with the majority selling on a national scale.



Services as viewed by CRTS respondents

The CRTS company executives were asked their opinions of various community services. Based on a scale of 1 low to 7, the graphs below outline the level of satisfaction with services.

