

Cincinnati USA Partnership Regional Growth Report

OHIO KENTUCKY INDIANA

Boone Bracken Brown Butler Campbell Clermont Dearborn Franklin Gallatin Grant Hamilton Kenton Ohio Pendleton Warren

The Power of Partnership Creates Jobs, Wages, and

Prosperity

In 2004, the Cincinnati USA region experienced substantial growth throughout its 15 counties in Southwest Ohio, Northern Kentucky and Southeast Indiana. The Cincinnati USA Partnership identified 195 “Cincinnati USA Growth Businesses” in 2004.

According to research, these growth businesses generated a total economic impact of \$3.14 billion. The economic boost created by business investment and employment supported 28,088 jobs in the Cincinnati USA region, creating wages of \$901 million.

Hospital expansion was a significant factor in business investment during 2004, along with the manufacturing and office sectors. In 2004, 32 percent of investment occurred in the office/service industry, 27 percent in the manufacturing industry, 22 percent in the hospital industry, 11 percent in the distribution industry and 4 percent in the hotel industry. In addition, 4 percent of total investment occurred in the important arena of research and development.

Leading the way in 2004: Hamilton County with \$522 million in new investment, Butler County with \$365 million, Warren County with \$250 million and

Boone County with \$180 million. The northern suburban counties of Butler and Warren both achieved substantial increases in investment during 2004 over the previous year.

Success like this does not occur in a vacuum. It takes a concentrated, collaborative effort on the part of industry and government. It takes time and resources. It takes a sustained commitment to grow our economy. Our region has that commitment.

This Cincinnati USA Regional Growth Report was prepared by the University of Cincinnati Economics Center for Education and Research for the Cincinnati USA Partnership, the regional economic development initiative supported by the Greater Cincinnati Chamber of Commerce. It analyzes our record of growth, detailing capital investments by industry, by state and by county. For more information, visit CincinnatiUSA.org.

Although the report is about numbers, the real story is about people working in partnership...dedicated partners who work together to help Cincinnati USA capture its place as one of the world's favorite American business centers.

Summary

This report contains an analysis of the results from the Cincinnati USA Partnership's 2004 Capital Investment Survey. The analysis was performed by the Economics Center for Education & Research (Economics Center), located in the College of Business at the University of Cincinnati.

Sections A and B describe how "Cincinnati USA Growth Businesses" are defined, present the 2004 survey findings, and compare 2004's economic impact results with the 2003 report results. Section C presents the economic impact results of the capital investment survey by business type, state and county. The key assumptions used in this analysis are explained on page nine of the report.

A. Cincinnati USA Growth Businesses

The Cincinnati USA Partnership surveyed businesses in the Cincinnati USA¹ region to determine total business investment in the region during 2004 and the new and retained jobs associated with this investment. The following analysis examines the results of businesses that added or retained jobs, added investment or added square footage in 2004. This group of 195 businesses is referred to as Cincinnati USA's Growth Businesses.

B. 2004 Survey Results

The Cincinnati USA Partnership identified 195 "Cincinnati USA Growth Businesses" that added or retained jobs, added investment or added square footage in 2004.

Hospital expansion was a significant factor in business investment during 2004, along with the manufacturing and office sectors. The northern suburban counties of Butler and Warren both achieved substantial increases in investment during 2004 compared with 2003.

In 2004, investment by Cincinnati USA's Growth Businesses totaled \$1.36 billion and directly accounted for 23,183 new and retained jobs. One job was either created or retained for every \$58,781 in investment spending by the Growth Businesses.

The total economic impact of 2004 capital investment by Cincinnati USA Growth Businesses is \$3.14 billion. Of this, \$901 million will enter the homes of Cincinnati USA workers in the form of wages. The economic boost created by business investment and employment will support 28,088 jobs in the Cincinnati USA region.²

In 2004, 32 percent of investment occurred in the office/service industry, 27 percent in the manufacturing industry, 22 percent in the hospital industry, 11 percent in the distribution industry and 4 percent in the hotel industry. In addition, 4 percent of total investment occurred in research and development.

¹ Cincinnati USA, sometimes referred to as Greater Cincinnati, is the 15-county Metropolitan Statistical Area (MSA) designated by the Office of Management and Budget. (See Assumption 1 on p. 9.)

² The total economic impact of Cincinnati USA's Growth Businesses' investment includes the direct impact and the multiplier effects of the investment spending, and the direct impact and multiplier effects of the employees' earnings whose jobs were created or retained due to the investments.

Summary

2 According to the survey of Growth Businesses, a total of 9,186 new jobs resulted directly from investment and 13,997 jobs were retained. Of the total 23,183 jobs that were created or retained, 41 percent were in the office/service area, 39 percent were in manufacturing, 10 percent were in distribution, 6 percent were in the hospital industry, 3 percent were in research and development and less than 1 percent was in hotels. These jobs paid \$962 million in household earnings to Cincinnati USA workers.

The four counties with at least \$25 million of investment in 2004 were Hamilton County with \$522 million in new investment, Butler County with \$365 million, Warren County with \$250 million and Boone County with \$180 million in new investment. Eighty-five percent of the new investment in 2004 originated from Ohio businesses, and 15 percent was produced by Kentucky businesses; there were no projects reported for Indiana businesses in 2004.

C. Investment and Employment Trends in Cincinnati USA

The total economic impact of 2004 capital investment in Cincinnati USA was \$3.14 billion. This was 40 percent greater than the \$2.24 billion capital investment impact of 2003. This reflects improvements in both regional and national economic conditions. The impact on jobs increased similarly, as total jobs increased to 23,183 from 14,635 in 2003. The economic impact of employee earnings increased to \$901 million from \$662 million in 2003.

Overall, the level of investment from Cincinnati USA Growth Businesses increased by 31 percent between 2003 and 2004, from \$1.04 billion in 2003 to \$1.36 billion in 2004. Investment increased by 14 percent in 2003, which was preceded by three years of suppressed levels of investment. **Figure 1** shows investment trends in Cincinnati USA over the 2000 to 2004 period.



Two counties showed dramatic growth in their levels of business investment. Business investment in Butler County increased from \$109 million in 2003 to \$365 million in 2004. The investment in Warren County also increased significantly from 26 million in 2003 to \$250 million in 2004.

The office/service sector proved to be an important sector of the local economy, accounting for 32 percent of all investment by growth businesses in 2004.

Figure 2 shows trends in the levels of investment by business type in Cincinnati USA, from 2000 to 2004.

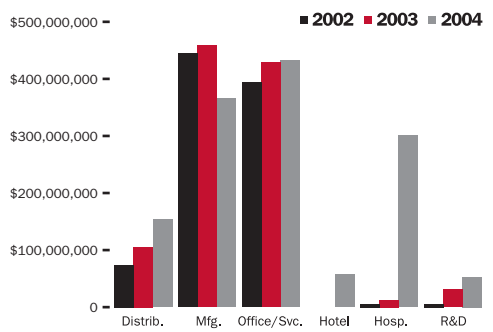


Figure 2: Levels of Investment by Business Type, 2002-2004

The amount of investment spending associated with a new or retained job was \$58,781 in 2004, a slight reduction from recent years. **Figure 3** shows average annual investment for a new or retained job from 2000 through 2004. The lower figure of investment dollars per job may be the result of businesses placing a greater weight on retaining or expanding their workforces in 2004, as opposed to earlier years, when there appears to have been more of a focus on fixed investment.

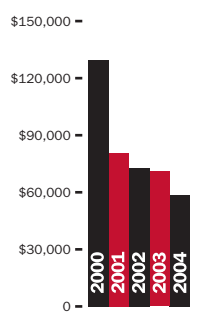


Figure 3: Average Annual Investment Spending for a New or Retained Job in Cincinnati USA's Growth Businesses, 2000-2004

In 2004, Growth Businesses created a total of 9,186 new jobs resulting directly from investment and retained 13,997 jobs. In 2003, Growth Businesses created a total of 6,607 new jobs resulting directly from investment and retained 8,028 jobs. Overall, jobs created and retained with 2004 capital investment were 58 percent above the 2003 level.

Of the total 9,186 new jobs linked with 2004 investment, 37 percent were in office/service, 24 percent were in manufacturing, 16 percent were in the hospital industry and 15 percent were in distribution. Another 7 percent of new jobs were created in R&D facilities, and 1 percent in the hotel industry. **Figure 4** displays these results.

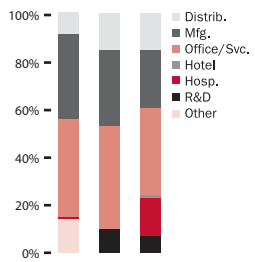


Figure 4: Comparison of New Jobs by Business Type, 2002-2004

In the distribution of retained jobs linked to 2004 investment (not pictured), 50 percent were in manufacturing, 44 percent in office/service industries, and 6 percent in distribution.

Analysis by Business Type

Table 1: Capital and Construction Investment by Business Type, 2004

	Total Investment	Construction Investment	Non-construction Investment	Local Investment
Distribution	\$153,338,500	\$61,335,400	\$92,003,100	\$98,136,640
Manufacturing	\$365,723,250	\$146,289,300	\$219,433,950	\$234,062,880
Office	\$432,469,000	\$172,987,600	\$259,481,400	\$276,780,160
Hotel	\$57,375,000	\$22,950,000	\$34,425,000	\$36,720,000
Hospital	\$300,721,559	\$120,288,624	\$180,432,935	\$192,461,798
R&D	\$53,102,000	\$21,240,800	\$31,861,200	\$33,985,280
Other	N/A	N/A	N/A	N/A
Total	\$1,362,729,309	\$545,091,724	\$817,637,585	\$872,146,758

Table 2: Economic Impact of Investment by Business Type, 2004

	Business Sales	Household Earnings	Jobs
Distribution	\$213,953,617	\$62,843,256	1,798
Manufacturing	\$510,294,623	\$149,885,644	4,289
Office	\$603,425,145	\$177,240,289	5,072
Hotel	\$80,055,490	\$23,514,198	673
Hospital	\$419,597,591	\$123,245,773	3,527
R&D	\$74,093,362	\$21,762,979	623
Other	N/A	N/A	N/A
Total	\$1,901,419,827	\$558,492,139	15,983

Table 3: Employment and Earnings by Business Type, 2004

	New Jobs	Retained Jobs	Total Jobs	Total Earnings
Distribution	1,411	831	2,242	\$76,564,095
Manufacturing	2,173	6,980	9,153	\$453,949,236
Office	3,376	6,122	9,498	\$340,452,876
Hotel	96	7	103	\$1,155,872
Hospital	1,503	N/A	1,503	\$53,036,137
R&D	627	57	684	\$37,326,137
Other	N/A	N/A	N/A	N/A
Total	9,186	13,997	23,183	\$962,484,353

Table 4: Economic Impact of Employment and Earnings by Business Type, 2004

	Business Sales	Household Earnings	Jobs
Distribution	\$98,660,493	\$27,233,849	963
Manufacturing	\$584,958,986	\$161,469,743	5,709
Office	\$438,707,576	\$121,099,088	4,282
Hotel	\$1,489,456	\$411,144	15
Hospital	\$68,342,366	\$18,864,954	667
R&D	\$48,098,461	\$13,276,907	469
Other	N/A	N/A	N/A
Total	\$1,240,257,338	\$342,355,685	12,105

Table 5: Total Economic Impact by Business Type, 2004

	Business Sales	Household Earnings	Jobs
Distribution	\$312,614,110	\$90,077,105	2,761
Manufacturing	\$1,095,253,608	\$311,355,387	9,999
Office	\$1,042,132,721	\$298,339,377	9,354
Hotel	\$81,544,946	\$23,925,341	687
Hospital	\$487,939,957	\$142,110,727	4,194
R&D	\$122,191,822	\$35,039,886	1,092
Other	N/A	N/A	N/A
Total	\$3,141,677,165	\$900,847,824	28,088

Analysis by State

Table 6: Capital and Construction Investment by State, 2004

	Total Investment	Construction Investment	Non-construction Investment	Local Investment
Indiana	N/A	N/A	N/A	N/A
Kentucky	\$205,723,000	\$82,289,200	\$123,433,800	\$131,662,720
Ohio	\$1,157,006,309	\$462,802,524	\$694,203,785	\$740,484,038
Total	\$1,362,729,309	\$545,091,724	\$817,637,585	\$872,146,758

Table 7: Economic Impact of Investment by State, 2004

	Business Sales	Household Earnings	Jobs
Indiana	N/A	N/A	N/A
Kentucky	\$287,045,849	\$84,312,180	2,449
Ohio	\$1,614,373,978	\$474,179,960	13,534
Total	\$1,901,419,827	\$558,492,139	15,983

Table 8: Employment and Earnings by State, 2004

	New Jobs	Retained Jobs	Total Jobs	Total Earnings
Indiana	N/A	N/A	N/A	N/A
Kentucky	1,594	3,455	5,049	\$207,001,963
Ohio	7,592	10,542	18,134	\$755,482,390
Total	9,186	13,997	23,183	\$962,484,353

Table 9: Economic Impact of Employment and Earnings by State, 2004

	Business Sales	Household Earnings	Jobs
Indiana	N/A	N/A	N/A
Kentucky	\$266,742,730	\$73,630,598	2,603
Ohio	\$973,514,608	\$268,725,086	9,502
Total	\$1,240,257,338	\$342,355,685	12,105

Table 10: Total Economic Impact by State, 2004

	Business Sales	Household Earnings	Jobs
Indiana	N/A	N/A	N/A
Kentucky	\$553,788,579	\$157,942,778	5,052
Ohio	\$2,587,888,586	\$742,905,046	23,036
Total	\$3,141,677,165	\$900,847,824	28,088

Analysis by County

Table 11: Capital and Construction Investment by County, 2004

	Total Investment	Construction Investment	Non-construction Investment	Local Investment
Boone	\$180,464,500	\$72,185,800	\$108,278,700	\$115,497,280
Brown	\$200,000	\$80,000	\$120,000	\$128,000
Butler	\$365,122,309	\$146,048,924	\$219,073,385	\$233,678,278
Campbell	\$12,500,000	\$5,000,000	\$7,500,000	\$8,000,000
Clermont	\$20,286,000	\$8,114,400	\$12,171,600	\$12,983,040
Gallatin	\$1,000,000	\$400,000	\$600,000	\$640,000
Hamilton	\$521,828,500	\$208,731,400	\$313,097,100	\$333,970,240
Kenton	\$11,758,500	\$4,703,400	\$7,055,100	\$7,525,440
Warren	\$249,569,500	\$99,827,800	\$149,741,700	\$159,724,480
Total	\$1,362,729,309	\$545,091,724	\$817,637,585	\$872,146,758

Analysis by County

Table 12: Economic Impact of Investment by County, 2004

	Business Sales	Household Earnings	Jobs
Boone	\$251,802,597	\$73,960,400	2,111
Brown	\$279,061	\$81,967	2
Butler	\$509,456,128	\$149,639,358	4,271
Campbell	\$17,441,283	\$5,122,919	186
Clermont	\$28,305,110	\$8,313,883	237
Gallatin	\$1,395,303	\$409,834	15
Hamilton	\$728,108,693	\$213,862,807	6,104
Kenton	\$16,406,666	\$4,819,027	138
Warren	\$348,224,987	\$102,281,945	2,919
Total	\$1,901,419,827	\$558,492,139	15,983

6 Table 13: Employment and Earnings by County, 2004

	New Jobs	Retained Jobs	Total Jobs	Total Earnings
Boone	1,308	3,054	4,362	\$182,370,121
Brown	3	N/A	3	\$72,679
Butler	3,115	6,123	9,238	\$388,950,216
Campbell	N/A	163	163	\$6,847,754
Clermont	208	309	517	\$18,729,072
Gallatin	10	N/A	10	\$650,296
Hamilton	2,984	3,097	6,081	\$251,116,495
Kenton	276	238	514	\$17,133,793
Warren	1,282	1,013	2,295	\$96,613,928
Total	9,186	13,997	23,183	\$962,484,353

Table 14: Economic Impact of Employment and Earnings by County, 2004

	Business Sales	Household Earnings	Jobs
Boone	\$235,002,138	\$64,869,052	2,294
Brown	\$93,655	\$25,852	1
Butler	\$501,201,248	\$138,349,592	4,892
Campbell	\$8,824,015	\$2,435,746	86
Clermont	\$24,134,282	\$6,661,931	236
Gallatin	\$837,971	\$231,310	8
Hamilton	\$323,588,716	\$89,322,137	3,158
Kenton	\$22,078,605	\$6,094,490	215
Warren	\$124,496,708	\$34,365,574	1,215
Total	\$1,240,257,338	\$342,355,685	12,105

Table 15: Total Economic Impact by County, 2004

	Business Sales	Household Earnings	Jobs
Boone	\$486,804,735	\$138,829,452	4,405
Brown	\$372,715	\$107,819	3
Butler	\$1,010,657,376	\$287,988,950	9,163
Campbell	\$26,265,299	\$7,558,665	272
Clermont	\$52,439,392	\$14,975,813	473
Gallatin	\$2,233,274	\$641,144	23
Hamilton	\$1,051,697,409	\$303,184,944	9,262
Kenton	\$38,485,272	\$10,913,517	353
Warren	\$472,721,694	\$136,647,519	4,134
Total	\$3,141,677,165	\$900,847,824	28,088

Note: The following counties did not report any projects to the Cincinnati USA Partnership: Bracken, Grant, and Pendleton Counties in Kentucky, and Dearborn, Franklin, and Ohio Counties in Indiana.

Growth Companies

Table 16: New Jobs, Retained Jobs, and Investment by Firm, 2004

Boone Company	New Jobs	Retained Jobs	Investment
Aristech Acrylics LLC	22	335	\$7,000,000
The C.W. Zumbiel Company	150	435	\$42,000,000
Chas. Seligman Distributing Co.	0	100	\$12,000,000
Cincinnati Bell Technology Solutions	20	0	\$5,000,000
Cincinnati Extrusion	10	0	\$696,000
Confidential Display & Packaging Co.	42	145	\$1,000,000
Fuji Autotech USA LLC	100	0	\$22,142,000
Givaudan Flavors Seasonings Plant	44	47	\$2,000,000
ImagePoint	50	161	\$424,500
Insight Kentucky Partners	0	250	\$1,000,000
Integra Bank & Headquarters	0	0	\$3,000,000
Meyer Tool, Inc.	22	75	\$1,800,000
Qualis Automotive	0	60	\$9,500,000
Saalfeld Distribution	180	0	\$22,000,000
Schwan Food Manufacturing	10	1,131	\$7,000,000
Shire US	0	0	\$6,000,000
St. Luke Hospital	150	0	\$6,000,000
Stonehouse Building Products	185	0	\$3,029,000
Taylor & Francis Group	75	0	\$7,000,000
UPS Supply Chain Solutions, Inc.	0	0	\$1,000,000
Wild Flavors, Inc.	98	280	\$15,000,000
Xanodyne Pharmcal	150	35	\$5,873,000

Brown Company	New Jobs	Retained Jobs	Investment
Brown County General Hospital	3	0	\$200,000

Butler Company	New Jobs	Retained Jobs	Investment
Advanced Drainage Systems	22	195	\$5,400,000
AK Steel Corp.	0	1,000	\$65,000,000
Allied Building Products	4	10	\$3,898,000
Beckett Towne Center	50	40	\$12,000,000
Bits & Chips Machining Company	0	0	\$750,000
Carington Health Systems	0	40	\$1,600,000
Chappell Crossing	30	0	\$4,119,000
Charter Cup Enterprises (Trakloc Intl.)	16	0	\$1,120,000
Cincinnati Financial Corporation	500	2,923	\$88,000,000
Consolidated Logistics	0	9	\$9,971,000
Cornerstone Brands Inc.	60	0	\$2,310,000
Dayton Technologies	30	320	\$7,000,000
Dealer Specialties	75	0	\$1,500,000
Dell Products Corp.	665	0	\$31,000,000
DNA Diagnostics	0	200	\$1,200,000
Ellenbee Leggett	34	109	\$3,000,000
Ft. Hamilton Hospital	185	0	\$18,000,000
Granger Plastics Company	25	30	\$5,215,000
Hampton Inn	20	0	\$3,000,000
Heritage Spring Healthcare Center	42	0	\$8,700,000

Butler Company	New Jobs	Retained Jobs	Investment
Indiana Wesleyan University	12	0	\$5,200,000
Jack of All Games	50	110	\$17,300,000
Kenker Box Company	0	15	\$75,000
Koch Meats Company	40	204	\$3,100,000
Mercantile Block	45	0	\$4,500,000
Mercy Hospital Fairfield	100	0	\$4,521,559
MMI Products	5	0	\$1,688,000
Muller Industries, Inc., Propipe Group	21	94	\$1,380,000
NuWaves, Inc.	15	0	\$2,000,000
O'Gara-Hess & Eisenhardt	200	200	\$0
O'Gara-Hess & Eisenhardt Armoring Co.	60	0	\$1,200,000
OKI Systems Limited Corp. Office	0	200	\$10,000,000
Pacific Manufacturing Ohio	250	150	\$25,750
Penco	151	0	\$7,213,000
Peoples Community Bank	2	35	\$3,300,000
Pipe Products	0	0	\$2,424,000
Pole/Zero Corporation	130	160	\$725,000
Posey Property	4	10	\$2,947,000
Precise Forms	10	0	\$1,458,000
Presto Foods	80	0	\$2,450,000
Reading Rock	0	0	\$257,000
Redox Brands	3	13	\$9,418,000
Rite Track, Inc.	50	0	\$1,500,000
Stardust Corporation	55	0	\$1,000,000
T.R. Gear Landscaping, Inc.	38	56	\$800,000
US Bank Financial Centre	29	0	\$7,000,000
Ventilex USA Inc	2	0	\$118,000
Watson Coatings	5	0	\$739,000

Campbell Company	New Jobs	Retained Jobs	Investment
LaFarge North America	0	140	\$12,000,000
Thompson Enamel, Inc.	0	23	\$500,000

Clermont Company	New Jobs	Retained Jobs	Investment
Amerihost Inn	15	0	\$2,000,000
Deimling/Jeliho Plastics	9	94	\$1,400,000
Fifth Third Bank	0	0	\$880,000
Homewood Suites	45	0	\$6,500,000
Interior Packaging Design Mfg.	0	0	\$300,000
Kamphaus, Henning & Hood, CPA, Inc.	2	22	\$1,070,000
Loveland Excavating, Inc.	0	35	\$954,000
Melink Corporation	15	0	\$2,600,000
Mobilized Systems, Inc.	0	0	\$693,000
Stewart Filmscreen Corporation	0	41	\$1,541,000
Total Quality Logistics	122	117	\$2,348,000

Gallatin Company	New Jobs	Retained Jobs	Investment
R & B, Inc.	10	0	\$1,000,000

Note: Investment numbers in *italic* are estimates provided by the Economics Center using employment and square footage data, on the basis of investment in similar projects.

Growth Companies

Hamilton Company	New Jobs	Jobs Retained	Investment
Aero Pointe Medical	0	0	\$4,000,000
Al Neyer, Inc.	0	65	\$1,882,000
All Occasions Event Rental	3	25	\$4,702,500
Amantea	33	0	\$5,000,000
Ameritek Custom Homes	0	0	\$700,000
Ashland Oil Valvoline Division	0	0	\$10,000,000
Aska Engineering	5	0	\$50,000
Atlas Dowel & Wood Products	0	15	\$1,000,000
Bridge Worldwide	31	50	\$325,000
CBS Personnel	62	130	\$1,280,000
C H C Fabricating	0	33	\$1,400,000
Chesapeake Group	0	20	\$897,000
Children's Hospital Medical Center	160	0	\$115,000,000
Cincinnati Ballet	0	0	\$1,700,000
City Dash Expansion	20	145	\$1,400,000
Comfort Suites	1	7	\$2,375,000
Conceptomec U.S. Sales & Svc. Office	1	0	\$100,000
CTI Clinical Trial Services Inc.	45	55	\$325,000
DBS Trading	-	-	-
Department of Energy	100	0	\$5,000,000
Deters, Benzinger & Lavelle	0	8	\$672,000
Dirigo, Inc.	40	0	\$0
ECM Transport	15	0	\$588,000
Empower Media Marketing	130	100	\$4,101,000
Ford Motor Company	0	231	\$31,400,000
Formica Headquarters	21	0	\$3,000,000
Good Samaritan Hospital	830	0	\$122,000,000
Grant Thornton LLC	0	100	\$981,000
Group Health Associates	0	75	\$1,121,000
Grubb & Ellis	0	35	\$200,000
Heidelberg Distributing	0	0	\$1,075,000
H H Gregg Appliances, Inc.	0	0	\$500,000
Hilton Hotels	0	0	\$1,500,000
Honda - General Electric	12	0	\$1,499,000
HQ Global Workplace	0	7	\$1,600,000
Hyperquake LLC	0	10	\$400,000
Interior Supply Company	0	0	\$320,000
lpop.com	1	0	\$0
Jackson, Rolfes, Spurgeon & Co.	0	35	\$1,200,000
Jim Beam Brands	25	123	\$3,290,000
K4 Architecture	0	50	\$3,434,000
K Z F, Inc.	0	0	\$1,351,000
Lab One, Inc.	500	562	\$18,400,000
Lambda Technologies	20	29	\$1,942,000
LanVision Systems, Inc.	0	75	\$4,000,000
Lincoln Financial Advisors Corp.	0	119	\$2,800,000
Lockwood Green Engineers	0	150	\$2,004,000
Loud & Clear, Inc.	4	0	\$700,000

Hamilton Company	New Jobs	Jobs Retained	Investment
Mar-Test, Inc.	7	28	\$1,260,000
Marriott Hotel	15	0	\$2,000,000
Medical Reimbursement, Inc.	0	22	\$2,102,000
Mitsui Sumitomo Marine Mgmt., Inc.	0	150	\$5,000,000
Modern Office Methods	0	70	\$0
Mount Vernon Nazarene University	15	0	\$2,000,000
National College of Business and Tech.	40	0	\$4,500,000
National Starch & Chemical Co.	0	0	\$300,000
Neace Lukens	0	40	\$1,900,000
Next Hotel	0	0	\$30,000,000
Neyer Construction, Inc.	0	40	\$1,042,000
Nilpeter USA, Inc.	25	55	\$1,500,000
North Star Navigators	0	3	\$0
PAC National, Inc.	0	40	\$3,419,000
Physicians HealthSource, Inc.	8	17	\$970,000
The Port Group	50	0	\$6,577,000
Premier Food Management	3	10	\$640,000
Procter & Gamble	0	0	\$5,000,000
Ramada Inn	0	0	\$1,000,000
Riverfront Steel	0	0	\$406,000
Salomon Smith Barney	0	65	\$401,000
Sara Lee Foods	3	0	\$500,000
Sekuworks LLC	77	0	\$9,500,000
Sheraton Hotel	0	0	\$9,000,000
SigmaTEK Corporation	15	0	\$2,000,000
Standard Textile Co., Inc.	4	246	\$1,830,000
SunLife Assurance of Canada	5	0	\$534,000
Sunny Delight Beverages Company	35	17	\$1,200,000
Think3	10	0	\$0
ThinkVine, LLC	0	4	\$308,000
Trentec, Inc.	5	0	\$1,000,000
Ulmer & Berne, LLP	8	0	\$4,625,000
Ultimus Fund Solutions	0	30	\$3,200,000
Univ. of Cincinnati Med. Sciences Bldg.	600	0	\$49,900,000
Weyerhaeuser	0	0	\$1,000,000
Wordsworth Public Relations	0	6	\$0

Kenton Company	New Jobs	Jobs Retained	Investment
Club Chef	0	50	\$8,500,000
Hahn Automation, Inc.	20	7	\$0
Krupps Conveyor Systems	15	2	\$1,193,500
Omnicare, Inc.	241	170	\$1,000,000
One Force Staffing	0	9	\$565,000
Penske Truck Leasing	0	0	\$500,000

Warren Company	New Jobs Retained	Jobs	Investment
Basco Manufacturing Co.	35	205	\$4,230,000
The Ellison Group	0	20	\$1,000,000
Fecon, Inc.	0	30	\$2,200,000
Flint Ink	0	0	\$1,000,000
Great Lakes Companies, Inc.	400	0	\$85,000,000
Harvest Info	30	0	\$1,800,000
International Paper	0	0	\$900,000
JBS Industries, Inc.	3	0	\$1,044,000
Jonathan Scott International	30	0	\$2,500,000
Luxtotta Group	200	0	\$15,000,000
MTP, Inc.	36	68	\$13,500,000
Outsourcing Solutions, Inc.	15	0	\$2,665,000

Warren Company	New Jobs Retained	Jobs	Investment
Peoples Community Bank	100	0	\$25,000,000
Seapine Software	20	0	\$1,307,000
Sleepcare Diagnostics	37	0	\$1,295,000
Sumco Expansion	260	340	\$51,000,000
Support Air Inc.	10	0	\$500,000
Tipton Office Center	16	0	\$1,600,000
TriHealth Bethesda North	75	0	\$35,000,000
Wilcon Corporation	15	0	\$1,200,000
WS Packaging Group, Inc.	0	350	\$1,828,500
TOTAL NEW JOBS		9,186	
TOTAL JOBS RETAINED		13,997	
TOTAL INVESTMENT			\$1,362,729,309

Key Assumptions

The Economics Center used the following assumptions to determine the economic impact of Cincinnati USA's investment spending:

1. Cincinnati USA, sometimes referred to as Greater Cincinnati, is the 15-county Metropolitan Statistical Area (MSA) designated by the Office of Management and Budget, which includes the following counties: Butler, Brown, Clermont, Hamilton, and Warren Counties in Ohio; Boone, Bracken, Campbell, Gallatin, Grant, Kenton, and Pendleton Counties in Kentucky; and Dearborn, Franklin, and Ohio Counties in Indiana.
2. Total investment includes both construction and non-construction investment. It is assumed that construction accounts for 40 percent of total investment and non-construction 60 percent.
3. The portion of investment that is spent locally generates an economic impact to Cincinnati USA. All expenditures on construction investment are assumed to stay within the Cincinnati region, and 40 percent of the non-construction expenditures are spent locally.
4. Non-construction expenditures are assumed to comprise industrial machinery and equipment (40 percent), electronic equipment (40 percent), and business services (20 percent).
5. Total earnings for new and retained jobs were based on county-level covered employment and payroll data for the second quarter of 2004 (the most recent available.) Average annual earnings are calculated by county and by industry. Some data was obtained from the [Quarterly Census of Employment and Wages, U.S. Department of Labor, Bureau of Labor Statistics, Second Quarter 2004](#). An additional source for Ohio data is [Ohio Labor Market Information: Covered Employment and Payroll, Ohio Bureau of Employment Services, Second Quarter 2004](#). An additional source for Kentucky data is [Total Wages and Employment Covered by Kentucky Unemployment Insurance Law, Workforce Development Cabinet and Department for Employment Services, Second Quarter 2004](#).

6. For each industry sector analyzed in this report, the Economics Center employed the wage rate for the encompassing NAICS industry sector(s). The following table shows the links between growth industry sectors and NAICS sectors.

Growth Industry Sector	NAICS Sector(s)
Distribution	Transportation and Warehousing
Manufacturing	Manufacturing
Office/Service	Finance and Insurance; Real Estate, Rental and Leasing
Hotel	Accommodation and Food services
Hospital	Health care and Social assistance
Research & Development	Information; Professional and Technical Services

7. The total economic impact refers to the economic impact of the investment spending along with the impact generated from the earnings associated with the new and retained jobs that were supported by the investment.
8. The economic impacts are reported in terms of business sales, household earnings and employment.

Business Sales: The total business sales impact includes all of the local spending on investment and payroll in addition to the indirect impact that this spending creates on business sales. The indirect impact represents the value of additional local business activity that is indirectly linked to the direct investment.

Household Earnings: The economic impact is also represented in terms of household earnings. This reflects the additional business activity that is directly attributed to wages for Cincinnati USA workers. Additional household earnings are generated from both the direct expenditures of the investment and payroll and the indirect effects this has on other businesses and industries in the area.

Employment: The economic impact is reported in terms of the number of full and part-time jobs that the investment will directly and indirectly support.

The Cincinnati USA Partnership is the best first contact for businesses interested in relocating or expanding in Cincinnati USA. Our economic development professionals work in partnership with more than 150 other local public and private economic development teams, providing a unified response to business growth needs. To learn more, please call us at 513.579.3120 or visit our Web site at CincinnatiUSA.org.



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