

Article published May 9, 2008

Licking County shines in economic development Study finds business better here than Midwest, national norms

By KENT MALLETT

Advocate Reporter

NEWARK -- A study of economic development in Licking County turned out so positive that a national researcher at first questioned its accuracy.

Eric Canada, of Blane Canada Research, explained his assessment Thursday to a large crowd of Licking County officials at the Career and Technology Education Centers of Licking County.

The assessment, based on interviews of 79 business executives by the Licking County Business Retention Team, showed area companies in a superior economic position to that of others in the rest of the Midwest and the nation.

Canada compared Licking County's responses in a standardized interview with those from 11,127 individuals in 676 communities and 18 states from 2002 to 2006.

"I thought it was skewed at first," Canada told local leaders. "It is a very positive picture. Unless they're not telling us the whole story, things are looking very, very good."

The picture is so good that potential capital investment could reach almost \$300 billion on 2.2 million square feet of space, and add 1,000 jobs, based on forecasts revealed in the interviews.

The total capital investment and economic impact of all the possible expansions could approach \$800 billion, according to the study.

"Companies in your community are doing very well in terms of their sales," Canada said. "Plans to expand are above the Midwest and national averages."

"Most companies are high growth and high value. That differential is a huge competitive advantage. A lot of communities in the U.S. and the Midwest would like to be in that position."

The study shows Licking County has a significant competitive advantage over more than 80 percent of the communities covered in Canada's 2007 North American Data Study.

Strengths identified in the study include sales, expansion plans, new product introduction, work force training, investment and market share by key product.

Weaknesses included unfilled positions, work force recruitment and land availability/cost.

Rob Klinger, the Licking County economic development manager, said Canada's presentation will help the county prepare for future needs.

"By comparing on a national basis, we were able to see where we stand," Klinger said. "We're able to see where we're in good shape and where we have to confront challenges."

Unfilled positions in the work force was one weakness, although the county's strengths include worker availability and worker training.

One possible explanation why available workers are not filling open positions is that an estimated 26,000 Licking Countians travel to jobs in Franklin County.

"That's a resource every day we have leaving our community," said John Fisher, director of the Licking County Department of Job and Family Services. "We have to identify what skills are leaving and is there a need in our community for those skills."

The interviews with local business leaders already have produced benefits, such as helping Screen Machine get water and sewer service to an Etna Township site, preventing the company from moving to West Virginia in 2005.

"Many, many meetings went on (in 2004) and I said in nine months I had to be breaking ground somewhere," Screen machine owner Steve Cohen said. "If no water and sewer, we'd have a 130,000-square-foot building with no occupancy permit."

Klinger said 66 organizations were involved in getting water under Interstate 70 to the Screen Machine site, saving 40-plus jobs. The company's current goal is to eventually double its size.

"Every time there was a stumbling block, there was an organization in the county willing to help," Cohen said. "I had no idea so many organizations were in the background putting this together until it was finished. Now I know where our tax dollars go."

Another example of the county retention and expansion interviews having an impact was with American Electric Power.

"AEP needed linemen and we told C-TEC and they started a linemen program," Klinger said. "There's a shortage throughout the U.S. for linemen, and there's a training facility out in Pataskala."

"We have to confront the challenges and help companies, and that's where the whole (Retention and Expansion) team does this."