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May 1, 2013

Opportunity Lynchburg

Lynchburg's Strategy for Jobs & Competitiveness

Prepared for the Lynchburg Economic Development Authority

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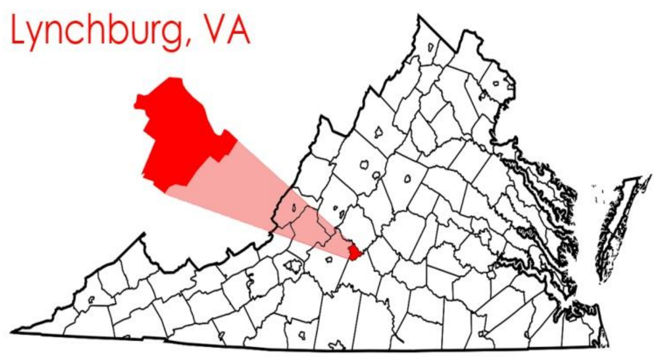
INTRODUCTION AND METHODOLOGY



The City of Lynchburg, through the efforts of many, recognizes that, in order to be globally competitive, a community must never accept the status quo. Taking that mantra to heart in economic development activities, the City has worked diligently through its economic development authority (EDA) to be globally competitive.

Understanding that more needs to be done to ensure that Lynchburg continues to be a dynamic, vibrant economy where there are economic opportunities for all, the City and its EDA recognized that it must develop a holistic economic development strategy. The end goal of the strategy is to provide a framework through which the Authority can help the City of Lynchburg adapt to global economic development realities.

To that end, in September of 2012, the Authority retained Garner Economics LLC of Atlanta to conduct an economic development strategy for the City. The focus of this engagement was for the Authority to understand economic growth opportunities facing the City. The goal was then to use that knowledge to develop a road map to fully leverage those opportunities and exploit the City's assets. With this information, the Authority would be poised to strengthen Lynchburg's competitive position as a place where the world's most innovative companies and talent want to locate and live.

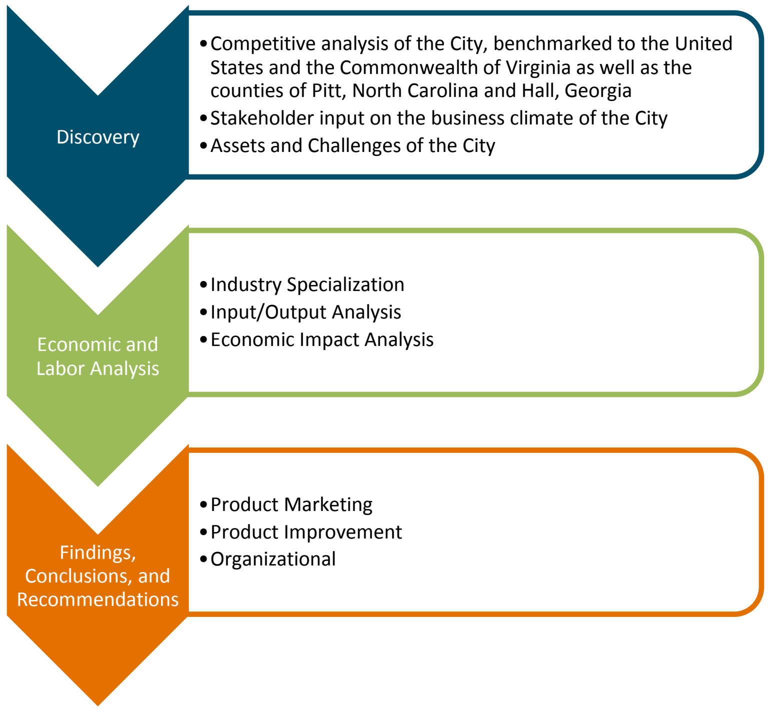
The resulting report, *Opportunity Lynchburg: Lynchburg's Strategy for Jobs & Competitiveness,* and the process that yielded it are intended to be the start of an even broader collaboration to enhance the City's economic future. The recommendations in this strategy serve as a framework within which the City can define its economic development priorities and undertake an integrated and unified agenda for growth. In some areas, the EDA will be the lead specific effort; in others, it will need to work with the appropriate City Departments and other organizations engaged in economic development to accomplish the particular goal. The strategy is designed to be a fact-based, pragmatic, and actionable document that benefits not just one, but all sections of society in the City.

Inherent in the approach is the understanding that Lynchburg's fundamentals—safe streets and neighborhoods, strong schools, and a sound financial position—are vital ingredients to its economic development success. Without these, any community would have difficulty growing, attracting, and retaining the types of business activity that will ensure continued economic competitiveness. This plan recognizes that the City of Lynchburg is part of a dynamic metropolitan region. While Lynchburg is the core, the City depends on the other jurisdictions in the region for its continued vitality, just as those jurisdictions rely on Lynchburg to remain the strong center of the region. As such, several of the recommendations within this report transcend governmental jurisdictions and apply to the entire region. In areas where the City of Lynchburg can differentiate itself from its neighbors in the region, city-centric recommendations are offered.

Approach

To develop the strategy and help the EDA diversify, market, and grow Lynchburg's economy and attain long-term competitiveness, Garner Economics executed a scope of services for the City that included:

(1) Analyzing the local and regional economy,
(2) Conducting an Assets and Challenges Assessment of the City from the eyes of a site location consultant who facilitates investment decisions,
(3) Recommending industry clusters and business targets suitable for the City based on our research and analysis, and finally,
(4) Providing a set of implementable recommendations that the stakeholders in the City can utilize to enhance the economic well-being of the area.



The ***Competitive Realities Report*** **(CRR)** was the first of two reports provided to the Authority. It documents the work of the first two elements of the project scope. This final report integrates the CRR with business target recommendations along with conclusions and recommendations of how the City can enhance its global competitiveness.

Our approach to create the CRR began with Garner Economics conducting an **Assets and Challenges Assessment** of the City.

Garner Economics has conducted hundreds of Assets and Challenges Assessments (also referred to as a SWOT analysis) on behalf of our economic development and corporate clients throughout the United States and abroad. Our assessment, which follows in this report, is both an objective and subjective evaluation of the region from the eyes of a site location consultant. We apply many of the same criteria to assess a community that we use when engaged by a corporate client to evaluate communities for possible investment. This Assets and Challenges Assessment allows us to document the problems that exist in the City that constitute barriers for successful economic development to occur and for achieving the City's leadership's vision of enhancing the economic vitality of Lynchburg.

The objectives of this assessment for the Authority are to:

- Identify key strengths to emphasize in economic development marketing efforts.

- Identify key weaknesses that may limit investment in the region so that remediation of these local challenges may occur.

Representatives of the Authority provided a one-day **windshield tour** to review a set list of criteria to evaluate the City from a site-selection perspective. This research will supplement the economic analysis to be conducted in the business targeting scope element.

Concurrent with the Assets and Challenges Assessment, Garner Economics facilitated four **focus groups** in November 2012. A total of 44 people participated in the focus groups. A summary of the stakeholder input is included further in this report.

Finally, as it relates to the completion of the *Competitive Realities Report*, we evaluated key **demographic and economic indicators** for the City and compared them to both statewide and national trends as well as the benchmark counties of Pitt (Greenville), North Carolina and Hall (Gainesville), Georgia. The Authority selected these two benchmarks.

Chapter 1: Business Climate and Economic Competitiveness Survey

Executive Summary

In November 2012, Garner Economics held four focus group sessions with Lynchburg stakeholders in order to solicit their perceptions and opinions of Lynchburg's business climate and economic competitiveness.

A total of 44 people participated in the four groups. The focus groups were organized into the following categories: large employers (more than 500 employees), medium and small employers (less than 250 employees), entrepreneurs, and academia (K-12 and higher education). Invitations to participate in one of the focus groups were distributed by the City of Lynchburg. A detailed report of the focus groups' input and a list of participants are included in Appendix A.

Below is a summary of the responses to the questions posed. Note: These are comments from focus group participants. They may not necessarily be statements of fact, but may represent opinions or perceptions.

KEY THEMES

Among the focus groups, some key themes emerged:

- **Quality of Place:** In response to several questions, focus group respondents noted the beautiful surroundings of the City, the family-friendly atmosphere, good schools (both K-12 and higher education), the relatively low cost of living, the proximity to major cities and the natural environment (mountains, lake, and beaches) as strengths to attract talent to the region.
- **Lack of Connections:** There was also consensus among all the groups that the "remoteness" of the region is a detriment. In addition to noting the lack of multiple air carriers and multiple destinations at Lynchburg Regional Airport, participants stated that Lynchburg is the largest city that is not on a federal interstate and the shortcomings of the local, city road structure. (Point of fact by Garner Economics: Fresno, CA is actually the largest city that is not on a federal interstate system.)
- **Aging or Insufficient Infrastructure:** Related to the above, participants noted the aging infrastructure (e.g. road and sewer) as a disadvantage—especially as it relates to federal regulations to update them. Broadband Internet was noted as another infrastructure element that is lacking.

- **Workforce:** All groups noted the lack of highly skilled workers in the region (except in limited pockets) and expressed concern over the work ethic of many in the labor force—especially those in entry-level or lower-wage jobs.
- **Lack of Amenities:** Two of the groups noted the success of revitalizing the downtown CBD as a positive trend, but all four groups noted the lack of amenities as a hindrance to the City. In addition to lack of retail and dining options, most of the groups also noted the lack of entertainment options for young, single people in the region.
- **Business Climate:** The groups were mixed in their assessment of the City's business climate. (The question was not posed to the educators group). On a whole, the groups gave the business climate a score of 3.49 on a scale of 1-5, with 1 being the lowest score. The individual rankings ranged from 2.0 to 5.0. Those giving lower scores noted that there are increased regulations, over which the City has no control, that are placed on the city by outside governing bodies. Those giving higher scores noted the excellent customer service received and the sense that the City is always looking for ways to help them or address a given issue.
- **Tax Structure:** For both businesses and citizens, focus group participants suggested that the City's tax structure places it at a disadvantage to surrounding jurisdictions. They noted that the business licensing structure and the industry classifications it uses are antiquated.
- **Industry Foundations:** To differing degrees, the focus group recognized that Lynchburg has a number of industries around which it has strength and around which it can build. For example, several of the groups noted the strong nuclear energy presence in the region, while another group noted the strength of aviation and aeronautical mechanics.
- **Economic Development Delivery:** Reviews of the different economic development organizations were mixed, however, most groups agreed that economic development is disjointed and lacks coordination. Two groups noted that Region 2000 was established to better coordinate efforts but suggested that the goal has not been met.

Focus Group Responses

The table below summarizes the responses to specific questions posed during the focus group. A more detailed summary is included in Appendix A.

Question	Response
1. What are several words or phrases that describe the City of Lynchburg and the Lynchburg region?	The groups were mostly positive in their assessment of the region. Among the attributes noted were: • Family-friendliness • Beauty (both historic and natural) • Diversity of people and industries • Educational assets (both K-12 and higher education) • Great potential/growing On the less positive side, they noted: • Difficulty in getting to the region • Lack of amenities (e.g., shopping and restaurants and an under-developed riverfront) • Lack of activities for young, single residents • Conservative culture
2. What do you think are some of the biggest obstacles that inhibit Lynchburg in its ability to attract, expand, or retain businesses and investment?	Participants believe that the lack of multiple air carriers and multiple destinations from the Lynchburg Regional Airport are major inhibitors to attracting business to the region. Other inhibitors noted include: • Lack of a federal interstate • The overall availability of skilled workers • High poverty rate • Lack of a concentration of large corporations • Perceptions of the City as being religious

Question	Response
3. On a scale of 1 to 5 with five being best, how would you rate the business climate of Lynchburg?	As noted above, not counting the higher education group, the group as a whole gave the City of Lynchburg a score of 3.49 on a scale of 1-5, with 1 being the lowest score. There was a variance among the individual scores, with one participant giving a score of 2 and another a score of 5. Participants noted the excellent customer service, but also noted that fixed costs could be managed more effectively and that the business licensing structure and the industry classifications it uses are antiquated.
4. What challenges do <u>businesses</u> face within the City?	• Talent—attracting and keeping it • Lack of infrastructure • Tax structure • Logistics concerns • Lack of large parcels to attract industry
5. What challenges do <u>citizens</u> face within the City?	• High poverty rate • High personal property taxes compared to other jurisdictions • Parking issues • Lack of amenities (especially acute for single, young professionals)
6. What do you see as the City's strengths?	• Family-friendliness • Cost of living • Access to healthcare • Proximity to other larger metropolitan areas • Initiatives still underway—revitalization of Downtown and efforts to keep more college graduates in the City
7. How do you see the current labor situation in the area (both quality and employee attraction and availability)?	Focus group respondents reiterated that there is a lack of skilled labor in the area, and there is a need for more technical and leadership training. They also noted the relationship/effect of the high poverty rate on worker quality and work ethic (especially absenteeism).

Question	Response
8. What infrastructure is missing or unsatisfactory in the City?	• Lack of connectivity of the Lynchburg Regional Airport • No interstate • Lack of redundancy in power sources • Lack of a convention center • Downtown parking
9. What would you work to change about the community, not worried about money or politics?	The most noted suggestions were: • Better air service • Improve local road system • A separate entertainment and shopping area • Convention center or arena
10. What types of companies do you think would be a good fit for the area?	The most noted were: • Energy-related companies (nuclear) • Call centers/processing centers • Electronics or high-tech manufacturing • Communications • Healthcare
11. Are there any suppliers/businesses/operations that would complement yours?	• Resin companies • Control systems • Medical services and devices
12. What are your past experiences with, and current perceptions of, the various economic development efforts by group(s) involved in investment attraction, retention, and assisting entrepreneurs? How could these efforts or groups be improved?	Comments on the ED groups included: • Coordination among the groups could be improved • Economic development efforts tend to be geared towards large operations • Not enough attention paid to entrepreneurs • Need to look for ways to engage the younger population • Individual responsibilities of each group should be clearly defined so that businesses know where to go for a given need • Communications as a whole by each of the groups and the groups together could be increased.
13. Are there any other issues of concern to you?	Comments centered on: pay for teachers, the need to support innovation, branding efforts, unfunded mandates, and the need to attract venture capital to support organic business growth.

Chapter 2: Assets and Challenges Assessment

Lynchburg, Virginia offers a unique mix of assets for companies that are contemplating relocation or expansion. Our approach in conducting the Assets and Challenges Assessment is to use the same criteria and methodology as we do when we conduct a community evaluation for our corporate clients when exploring locations for investment. By understanding the City's assets and challenges from a location strategy perspective, we believe that it will be better positioned to compete more effectively and to resolve area challenges that are likely inhibitors to investment projects. By recognizing and understanding the City's strengths and opportunities, the Authority will ultimately be able to determine the proper target audience of companies to which it should effectively communicate the area's assets.

Garner Economics analyzed 64 community and regional factors as part of the assessment. Ratings were identified by evaluating the City's position for each of the factors against the Commonwealth of Virginia and the United States. We define a Neutral rating as normal in the realm of economic development opportunity and competitiveness. An Asset rating indicates a positive feature of the area that would be evaluated and rated as a competitive strength versus the benchmark locations. A Challenge rating identifies a factor that is considered as a relative deficiency compared to other locations, which should be addressed for future remediation and may be an impediment for economic development if not resolved over time.

Of the 64 variables analyzed, 16 are considered an Asset and 26 a Challenge (22 rated as Neutral). While the City has a significant number of advantages, the combined number of Challenges and Neutral scores indicates that there are still many areas in which the City could consider further differentiating itself.

To offer readers a summary overview of the report's main findings, a set of dashboard icons is presented. Each finding has an accompanying icon to assist with interpretation. Readers are encouraged to review the supporting data to gain a more complete understanding of those areas of interest in the full report.

REPORT DASHBOARD

- Indicates the City is better (more positive) compared to a majority of the benchmark geographies, or points to a positive trend or asset within the area.
- Indicates the City is neutral, neither positive nor negative. Indicator may represent an observation or be in the middle of the benchmark geographies.
- Indicates the City is worse compared to a majority of the benchmark geographies, or points to a negative trend or challenge within the area.

Access To Markets	Rating
Centrally located for major regional market	⊖
Centrally located for national market	⊖ [1]
Well positioned to serve international markets	↓
Interstate highways	↓
Rail service	↑ [2]
Port facilities	↓
Within 1 hour of commercial air passenger service	⊖
General aviation airport capable of handling corporate aircraft	↑
Broadband access	⊖ [3]

ACCESS TO MARKETS. The City of Lynchburg is within an eight-hour drive of 81.9 million people, or 26.2% of the total US population. It is served by both the CSX and Norfolk Southern railroads, as well as Amtrak passenger service. Lynchburg Regional Airport has direct service to Charlotte. However, the City is more than 20 miles to the closest interstate highway. With no interstate transportation network, some companies may eliminate the City during the initial screening process for viable locations, if transportation access is a key variable in the search (it typically is).

Labor	Rating
Availability of skilled industrial workers	[4]
Availability of skilled clerical workers	
Availability of technicians and scientists	[5]
Availability of managerial personnel	[6]
Cost of labor	[7]
Quality of labor-management relations	[8]
Availability/quality of postsecondary vocational training	[9]
Within $^1/_2$ hour of major university/college	[10]
Availability of engineering program	[11]

LABOR. Liberty University, located in Lynchburg, has faculty who are scientists and technicians, or who are engaged in STEM fields. However, employers have expressed frustration in finding or retaining workers with advanced technical degrees. The cost of labor in the City is significantly below the state and US averages. But as a challenge, many local employers expressed difficulties in finding skilled labor, though this problem is not unique to Lynchburg.

ACCESS TO RESOURCES. The City is a producer of goods and in research (energy). Regional manufacturing employment is 13% compared to the US average at 9%. The cost of electricity from AEP is a positive and water/sewer capacity from the City also puts Lynchburg in a competitive position.

Access to Resources	Rating
Availability of forest products	
Availability of agricultural products for food processing	
Availability of minerals	
Availability of intermediate manufactured goods and supplies	
Availability of manufacturing processes	[12]
Availability of high value business and professional services	[13]
Cost of electricity for industrial use	[14]
Availability of uninterruptible natural gas	
Availability of water/cost of water/sewer	[15]

LOCAL ECONOMIC DEVELOPMENT PROGRAM	RATING
Adequate level of professional staff	
Involvement of both public and private sectors	
Local economic development organization has a strategic plan	
Level of leadership support of economic development program	
Level of cooperation between various organizations involved in economic development activity	
Level of awareness of community regarding economic development	[16]
Level of funding for local economic development program	[17]

LOCAL ECONOMIC DEVELOPMENT PROGRAM. In spite of the fact that the City's economic development budget is less than $385K, and will be reduced in the 2014 budget, the current staff of the City's economic development department receives high marks from nearly all focus groups attendees representing employers and other constituents of the City.

ACCESS TO SPACE. The biggest challenge facing the City's desire to grow its economic base is the lack of quality, shovel-ready sites or speculative buildings that would be conducive for quality development. Limited inventory of available sites and buildings may cause Lynchburg to be eliminated quickly during the initial review process by either consultants or companies.

ACCESS TO SPACE	RATING
Availability of fully served and attractive industrial sites	
Availability of fully served and attractive office sites	
Reasonably priced sites	
Availability of suitable industrial space	
Availability of suitable office space	

Access to Capital	Rating
Availability of tax-exempt financing for new industrial facilities	
Availability of low-interest loans for small business	
Availability of venture capital from local sources for business startups	

ACCESS TO CAPITAL. Lynchburg offers a number of grant and loan options for small businesses through the City's department of economic development. However, there is a lack of venture capital for business startups.

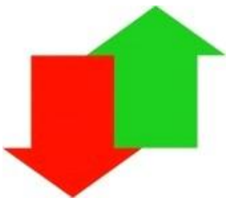
GOVERNMENT IMPACT. Water and sewer capacity are assets for Lynchburg. However, based on road construction during the review of Lynchburg for this assessment, both the condition of the roads and the capacity of the local streets to carry traffic are considered a challenge.

Government Impact on Business	Rating
Availability of adequate wastewater treatment capacity	
Availability of adequate water and sewer lines to industrial sites	
Condition and maintenance of local streets	
Level of traffic-carrying capacity of local streets and highways	
Availability of tax incentives	
Quality of local elementary and secondary education	[18]
Quality of postsecondary education	
Business permitting procedures and costs	[19]
Local property taxes	[20]

QUALITY OF PLACE	RATING
Availability of executive-level housing	↓ [21]
Availability of moderate-cost housing	↓
Availability of apartments	−
Cost of housing	↑ [22]
Level of crime	− [23]
Level of cultural activity	↑
Availability of recreational opportunities	↑
General appearance of the community	−
Availability of major shopping facilities	↓
Availability of adequate medical facilities	↑
Availability of first-class hotels, motels, and resorts	−
Quality of local restaurants	↑
Appearance of the Central Business District	↑

QUALITY OF PLACE. The cost of housing, based on the ACCRA Cost of Living Index, is a positive, as is the level of cultural and recreational opportunities, quality medical services, the appearance of the central business district, and the quality of local restaurants. Focus groups respondents expressed frustration over the availability of executive-level and moderate-cost housing, and the availability of diverse shopping options.

Chapter 3: Dashboard Indicators Summary



The following analysis examines the economic position and competitiveness of the City of Lynchburg, Virginia. For context, this report compares the City to itself over time, the nation, the Commonwealth of Virginia, and two benchmark communities: Hall County, GA and Pitt County, NC.

This analysis relies heavily on raw objective data collected by governmental or impartial third-party agencies. In all cases, the original and most current available data as of January 2013 is used. All unique calculations and computations from the original data were conducted by Garner Economics, who will gladly share methodology with clients upon request.

Demographic & Labor Dynamics

- Over the last decade, population in Lynchburg increased 15.7 percent, or 10,262 more residents—a growth rate above the nation and state, but below both benchmark communities.
- Over the last decade, net domestic in-migration was responsible for 65.4 percent of the total population growth in Lynchburg. Compared to the state and both benchmark communities, Lynchburg experienced a larger proportion of growth due to domestic in-migration.
- At 30.7 years, the median age in Lynchburg is less than the state, the nation, and both benchmark communities.
- Age groups 15-24 and 70+ comprise a greater proportion of Lynchburg's population than in the state, the nation, and both benchmark communities.
- In 2011, Lynchburg had a violent crime rate below the nation, but above the state and both benchmark communities. Lynchburg's property crime rate is above the nation, the state, and both benchmark communities.
- The percentage of Lynchburg's population that has attained a *Bachelor's* or *Graduate* degree is slightly greater than in both benchmark communities and the nation.
- At 1475, Lynchburg's 2012 SAT total scores are above both benchmark communities but below the state and nation.
- Lynchburg had 246 STEM degree completions in 2011, more than Hall County's 37, but below Pitt County's 888.
- In 2011, Lynchburg had no postsecondary *Master's* or *Doctor's* degree completions in STEM fields.
- Lynchburg's strongest annual STEM *Associate's* degree completions are in *Engineering Technologies* (47 in 2011) and the strongest *Bachelor's degree completions are* in *Biological & Biomedical Sciences* (88 in 2011).
- Annually, 23.1 percent of the population ages 15 and over are *Enrolled in a Private or Public College or Graduate School* in Lynchburg—significantly above the state, the nation, and Hall County; while several points above Pitt County.
- Among new residents ages 25 and over, Lynchburg attracts a higher proportion of new residents that have earned *Some college or associate's degree* compared to the state, the nation, and both benchmark communities.
- In 2010, 72.2 percent of employment in Lynchburg was from those living outside the area (in-commuters).

Over the last eight years, the number and proportion of workers who both live and work in Lynchburg has declined by 36.7 percent, or 7,253 fewer workers.

In 2010, the total observed rate of unionization in Lynchburg was 1.0 percent—below the statewide rate of 4.6 percent and national rate of 11.9 percent.

Economic Dynamics

In 2011, the average wage per job for the City of Lynchburg equaled $39,294. The figure is 22.3 percent below the nation, 28.9 percent below the state.

Over the last ten years, real values for the average wage per job in City of Lynchburg have decreased by 1.2 percent (-$363) and are down 2.2 percent (-$695) over the last five years.

In 2011, Campbell County and Lynchburg's combined per capita income equaled $32,008. The figure is 29.8 percent below the nation and 44 percent below the state.

Over the last ten years, real values for per capita income in Campbell County and Lynchburg have increased 0.6 percent or $157 and, in the last five years, declined by 2.9 percent or -$749. The rates are below the state and nation.

Compared to the nation, the state, and both benchmark communities, Lynchburg has a greater share of total income from *personal government transfers* and a smaller portion from *earnings*.

Ten percent of total employment in Campbell County and Lynchburg were nonfarm proprietors in 2011. The proportion is below the state, nation, and both benchmark communities.

Over the last five years, nonfarm proprietor employment has increased by 6.4 percent in Campbell County and Lynchburg, below the pace experienced in the state, the nation, and both benchmark communities.

Through the second quarter of 2012, total employment in Lynchburg is up, on average, 0.2 percent, or 99 more jobs, over the year. The pace is below the nation, the state, and both benchmark communities.

The 2012 average unemployment rate through November is 7.5 percent in Lynchburg, representing 2,691 persons unable to find jobs. The average rate is below the nation and Pitt County.

Compared to the state, the nation, and both benchmark communities, Lynchburg has a higher relative proportion of total employment in three major industry sectors: *Financial Activities*, *Health Care and Social Assistance*, and *Retail Trade*.

At 92.1, the 2011-2012 3Q annual average composite Cost-of-Living Index score in the Lynchburg metro is below the national index of 100 and the Greenville metro score of 95.4.

Among 3,233 US counties and territories, Lynchburg earns an average rank of 508 in broadband categories measuring access and capacity.

Local Specialization, Competitiveness & Growth

Below are general observations from an in-depth analysis of industry sectors, occupational groups, and industry clusters in Lynchburg. This information is not benchmarked to the nation, the state, or benchmark communities:

- ✓ Over the last five years, the largest absolute industry jobs gains in Lynchburg came from *Professional, Scientific & Technical Services*, up 1,633 jobs or 76 percent. Other significant gains were made in *Private Educational Services* (up 1,554 jobs or 26 percent) and *Health Care & Social Assistance*.
- ✓ The greatest industry job losses have come from the *Manufacturing* sector, down 4,289 jobs or 40 percent. Also experiencing significant losses were *Administrative & Support Services* (down 921 jobs or 28 percent) and *Construction* (down 522 or 23 percent).
- ✓ Lynchburg's industrial average earnings are below the national same-industry average in all major industries except *Professional, Scientific & Technical Services*, which is 15 percent higher and *Health Care & Social Assistance*, which is 0.4 percent higher.
- ✓ Over the last five years, the largest absolute occupational gains in Lynchburg came *from Personal Care & Service*, up 521 jobs or 28 percent. Other significant occupational gains were made in *Architecture & Engineering* (up 514 jobs or 46 percent) and *Healthcare Support* (up 384 jobs or 18 percent).
- ✓ The greatest job losses have come from the *Production* group, down 2,489 jobs or 34 percent. Other major remaining losses came from *Construction & Extraction* (down 695 or 29 percent) and *Transportation & Material Moving* (down 382 jobs or 11 percent).
- ✓ Two occupational groups have earnings above the national same-occupation averages: *Architecture & Engineering* and *Management*.
- ✓ The *Education & Knowledge Creation* cluster is the largest single cluster in Lynchburg. It has experienced growth over the last five years and has the highest degree of local specialization at 4.98. The *Chemicals & Chemical Based Products* cluster has the second highest degree of local specialization at 2.46. The *Business & Financial Services* cluster experienced the greatest absolute growth, adding 1,940 jobs.
- ✓ The *Business & Financial Services and Education & Knowledge Creation* clusters exhibit a strong local competitive effect, meaning the cluster's local growth is greater than what industry-wide trends would predict.
- ✓ Among occupations, the *Architecture & Engineering* group has the highest degree of local specialization in Lynchburg at 1.73 followed by *Healthcare Support* at 1.49.

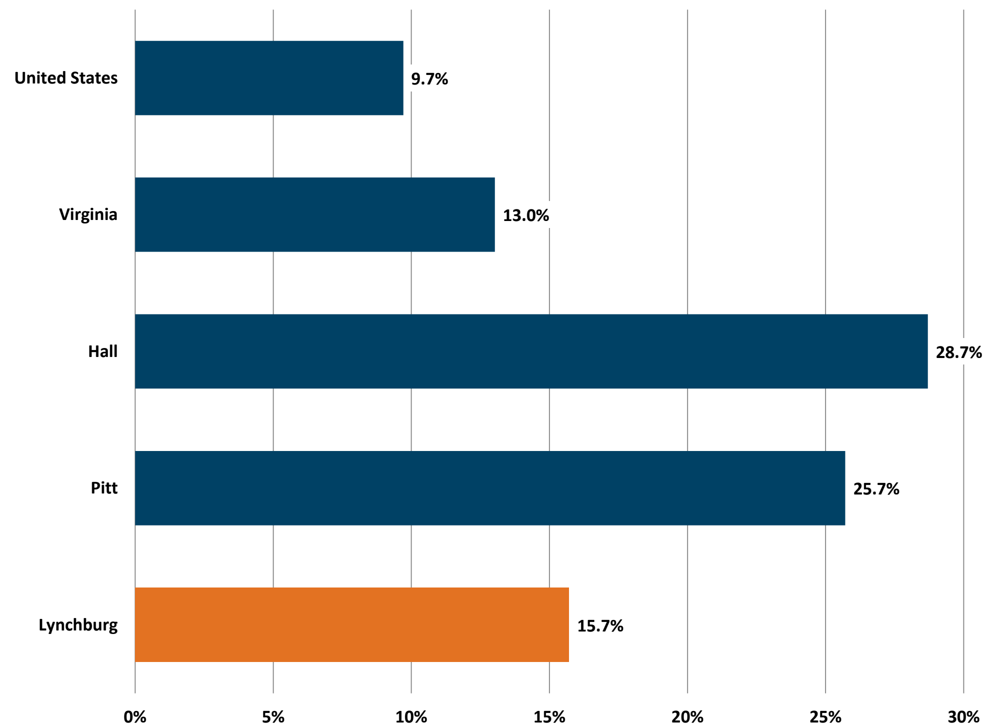
Chapter 4: Demographic & Labor Dynamics

Population Growth

The rate of population growth can be a significant factor in local economic health and is often a key consideration in business expansion and site-selection decisions. Most firms are wary of areas with population declines, very slow growth rates, or significant amounts of domestic out-migration

According to 2010 Census figures, the total population of Lynchburg equals 75,568. This marks an increase of 15.7 percent or 10,262 more residents over the last decade; the rate is above the nation and state, but lags behind both benchmark communities (Figure 1 and Table 1).

Figure 1
2000-2010 Population Change (%)



Source: US Census Bureau, Garner Economics

Table 1
2000-2010 Population Change

	2000	2010	10-Year Change	10-Year Percent Change
Lynchburg	65,306	75,568	10,262	15.7%
Hall	139,615	179,684	40,069	28.7%
Pitt	133,759	168,148	34,389	25.7%
Virginia	7,079,057	8,001,024	921,967	13.0%
United States	281,424,600	308,745,538	27,320,938	9.7%

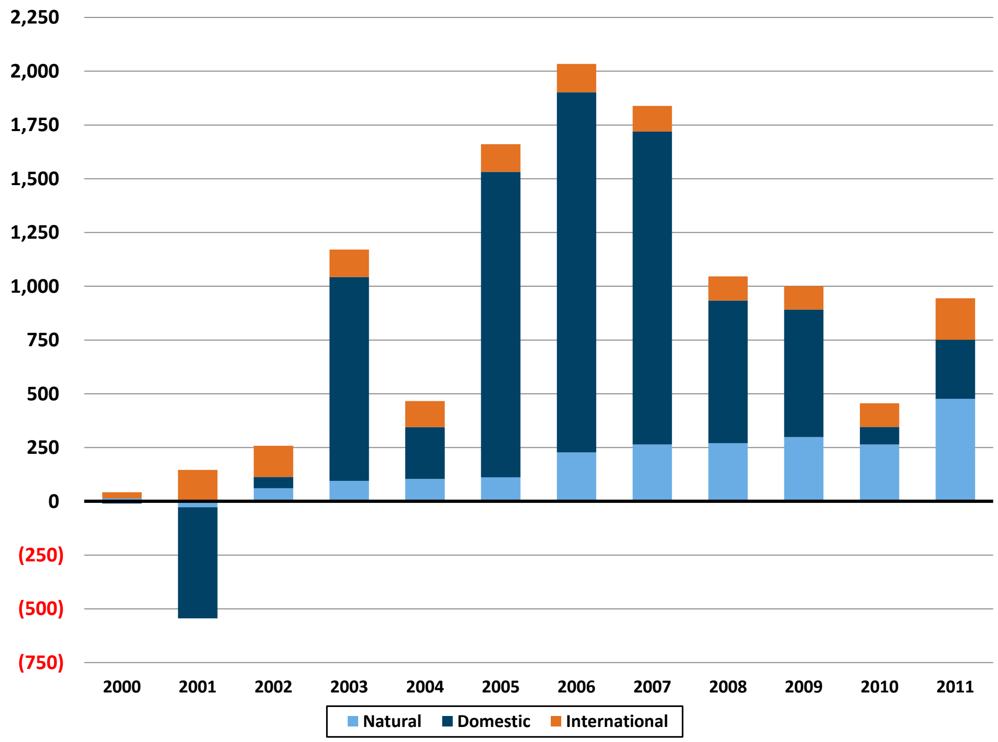
Source: US Census Bureau, Garner Economics

Sources of Population Change

Population change has three major sources: 1) natural (births minus deaths), 2) domestic migration, and 3) international migration. In general, from the perspective of a firm, growth dominated by natural or international sources may signal a population less likely to satisfy immediate workforce demands. Other firms, depending on their workforce composition or global reach, may seek communities with strong international growth. In all cases, net domestic out-migration (out-migration exceeding in-migration) is a cause for concern.

Over the entire period of 2000-2011, net domestic in-migration was responsible for 65.4 percent of the total population growth in Lynchburg, while natural growth accounted for an estimated 20.6 percent of net new residents and net international in-migration for the remaining 14 percent (Figure 2, Figure 3, Table 2, and Table 3). Compared to the state and both benchmark communities, Lynchburg experienced a larger proportion of population growth due to domestic in-migration.

Figure 2
Lynchburg
2000-2011 Estimated Annual Sources of Population Change



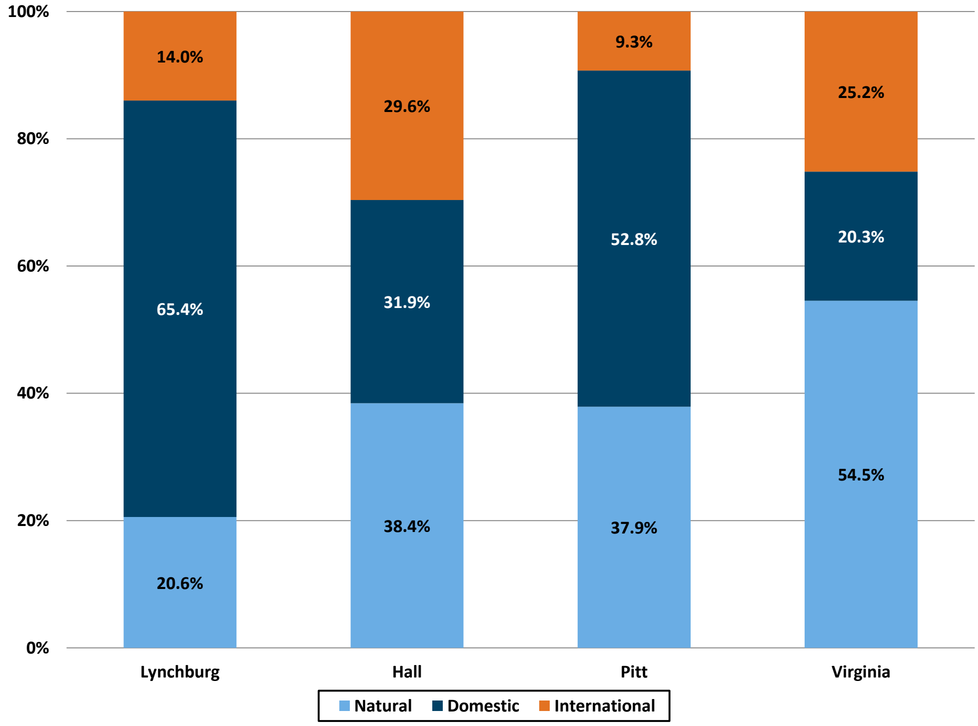
Source: US Census Bureau, Garner Economics

Table 2
Lynchburg
2000-2011 Estimated Annual Sources of Population Change

Year	Natural	International	Domestic
2000	14	-10	28
2001	-27	-517	146
2002	61	52	145
2003	95	948	128
2004	104	241	121
2005	112	1,420	129
2006	228	1,674	132
2007	264	1,456	119
2008	270	664	112
2009	299	593	108
2010	264	82	110
2011	477	274	193

Source: US Census Bureau, Garner Economics

Figure 3
2000-2011 Estimated Sources of Population Change



Source: US Census Bureau, Garner Economics

Table 3
2000-2011 Estimated Sources of Population Change

	Natural	Domestic	International
Lynchburg	20.6%	65.4%	14.0%
Hall	38.4%	31.9%	29.6%
Pitt	37.9%	52.8%	9.3%

Source: US Census Bureau, Garner Economics

Population by Race and Hispanic Origin

By itself, racial diversity is not a determinant factor in local economic competitiveness, although some firms may prefer higher rates of diversity in order to attract and retain certain workers. This is particularly true for multinational firms looking to attract workers from outside the United States.

Relative to the benchmark communities, the state, and the nation, Lynchburg has no major variances in racial composition. The *Hispanic* population makes up a lower relative proportion of total population, as does *American Indian/Alaska Native*, and *Native Hawaiian & Other Pacific Islander* (Table 4).

Table 4
2009-2011 3-Year Estimate
Race & Hispanic Origin by Percent of Total Population
(Highest Relative Figure Shaded)

	Lynchburg		Hall	Pitt	Virginia	United States
	#	%				
White	49,811	65.7%	82.5%	59.6%	69.6%	74.2%
Black or African American	21,991	29.0%	7.7%	33.8%	19.5%	12.6%
American Indian/Alaska Native	118	0.2%	0.4%	0.3%	0.3%	0.8%
Asian	1,987	2.6%	1.8%	1.6%	5.5%	4.8%
Native Hawaiian & Other Pacific Islander	0	0.0%	0.0%	0.0%	0.1%	0.2%
Some Other Race	314	0.4%	6.1%	2.4%	2.3%	4.8%
Two or More Races	1,565	2.1%	1.5%	2.3%	2.7%	2.7%
Hispanic or Latino (of any race)	2,210	3.0%	25.9%	5.3%	7.6%	16.1%

Source: US Census Bureau, Garner Economics

Age

The age composition of a local population can be an important determinant in business decisions and competitiveness. The lack or underrepresentation of younger workers may deter firms from considering some communities for their long-term plans. Low proportions of middle-age workers may prevent firms from initiating expansions requiring quick startup operations. A high proportion of older workers may indicate certain incumbent skills or the need to replace soon-to-retire workers.

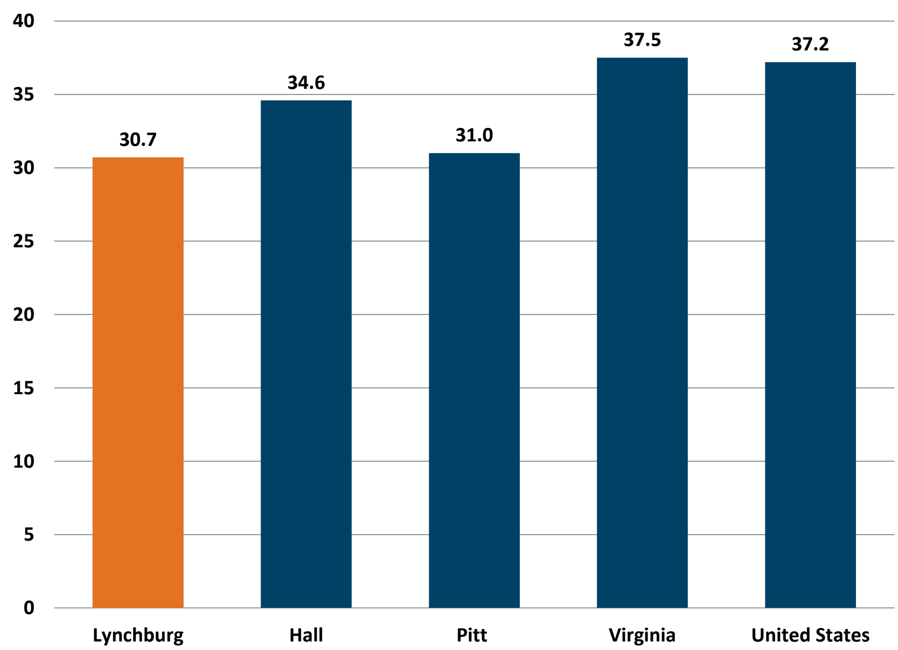
Median Age

At 30.7 years, the median age in Lynchburg is less than the state, the nation, and both benchmark communities (Figure 4 and Table 5).

Age Group Composition

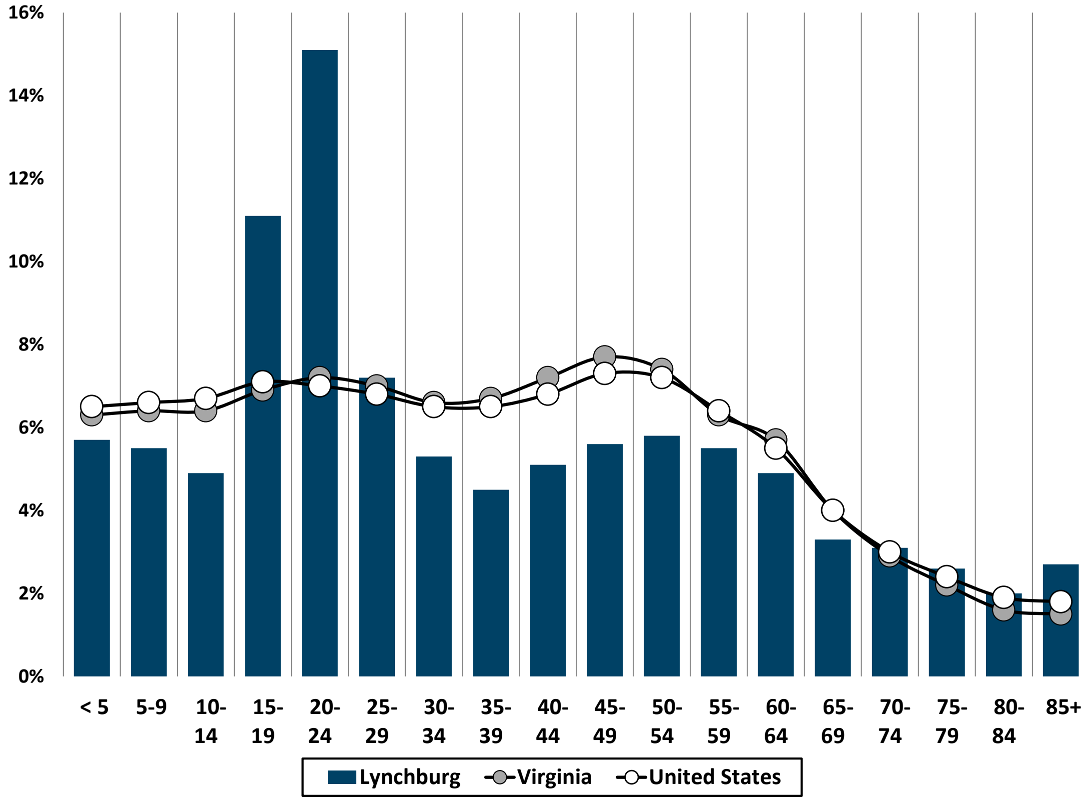
Age groups 15-24 and 70+ comprise a greater proportion of Lynchburg's population than in the state, the nation, and both benchmark communities (Figure 5, Figure 6, and Table 5). Conversely, ages 30-59 and 65-69 make up a smaller relative share of total population.

Figure 4
Median Age
2009-2011 3-Year Estimates



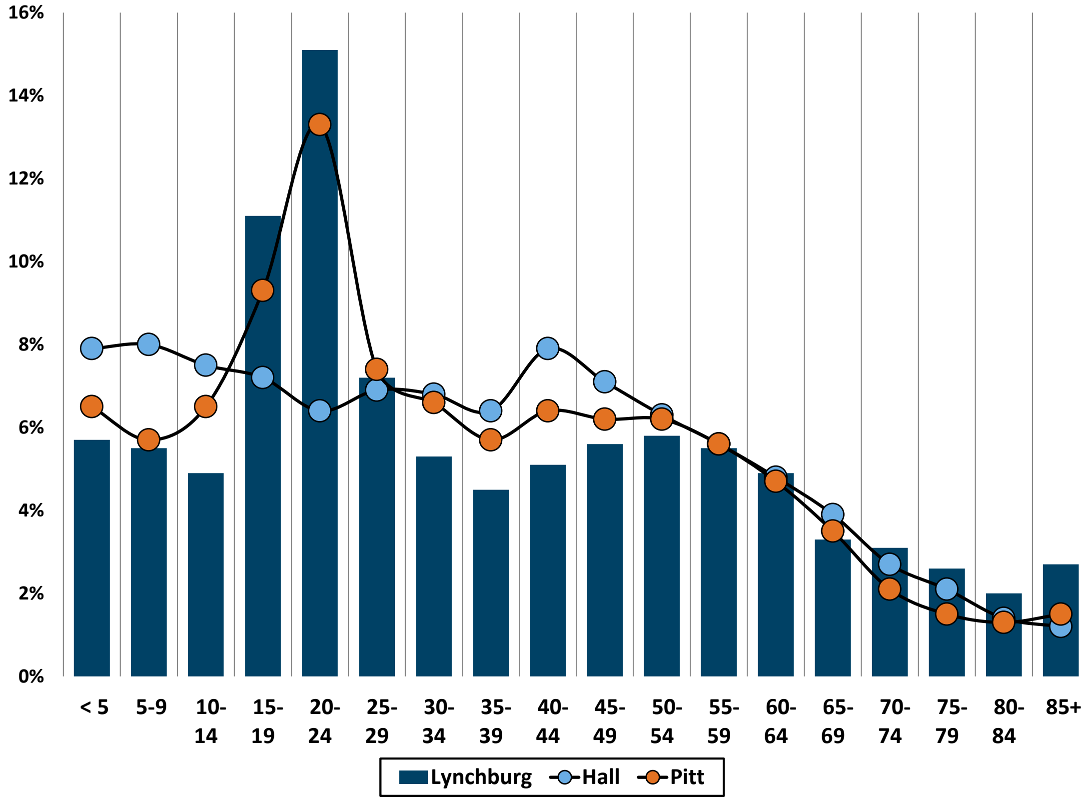
Source: US Census Bureau, Garner Economics

Figure 5
Age Groups by Percent of Total Population
2009-2011 3-Year Estimate



Source: US Census Bureau, Garner Economics

Figure 6
Age Groups by Percent of Total Population
2009-2011 3-Year Estimate



Source: US Census Bureau, Garner Economics

Table 5
Age Groups by Percent of Total Population
2009-2011 3-Year Estimate
(Highest Relative Figure Shaded)

	Lynchburg		Hall	Pitt	Virginia	United States
	#	%				
Median Age	30.7	-	34.6	31.0	37.5	37.2
< 5	4,320	5.7%	7.9%	6.5%	6.3%	6.5%
5 - 9	4,168	5.5%	8.0%	5.7%	6.4%	6.6%
10 - 14	3,714	4.9%	7.5%	6.5%	6.4%	6.7%
15 - 19	8,412	11.1%	7.2%	9.3%	6.9%	7.1%
20 - 24	11,444	15.1%	6.4%	13.3%	7.2%	7.0%
25 - 29	5,457	7.2%	6.9%	7.4%	7.0%	6.8%
30 - 34	4,017	5.3%	6.8%	6.6%	6.6%	6.5%
35 - 39	3,410	4.5%	6.4%	5.7%	6.7%	6.5%
40 - 44	3,865	5.1%	7.9%	6.4%	7.2%	6.8%
45 - 49	4,244	5.6%	7.1%	6.2%	7.7%	7.3%
50 - 54	4,396	5.8%	6.3%	6.2%	7.4%	7.2%
55 - 59	4,168	5.5%	5.6%	5.6%	6.3%	6.4%
60 - 64	3,714	4.9%	4.8%	4.7%	5.7%	5.5%
65 - 69	2,501	3.3%	3.9%	3.5%	4.0%	4.0%
70 - 74	2,349	3.1%	2.7%	2.1%	2.9%	3.0%
75 - 79	1,970	2.6%	2.1%	1.5%	2.2%	2.4%
80 - 84	1,516	2.0%	1.4%	1.3%	1.6%	1.9%
>85	2,046	2.7%	1.2%	1.5%	1.5%	1.8%

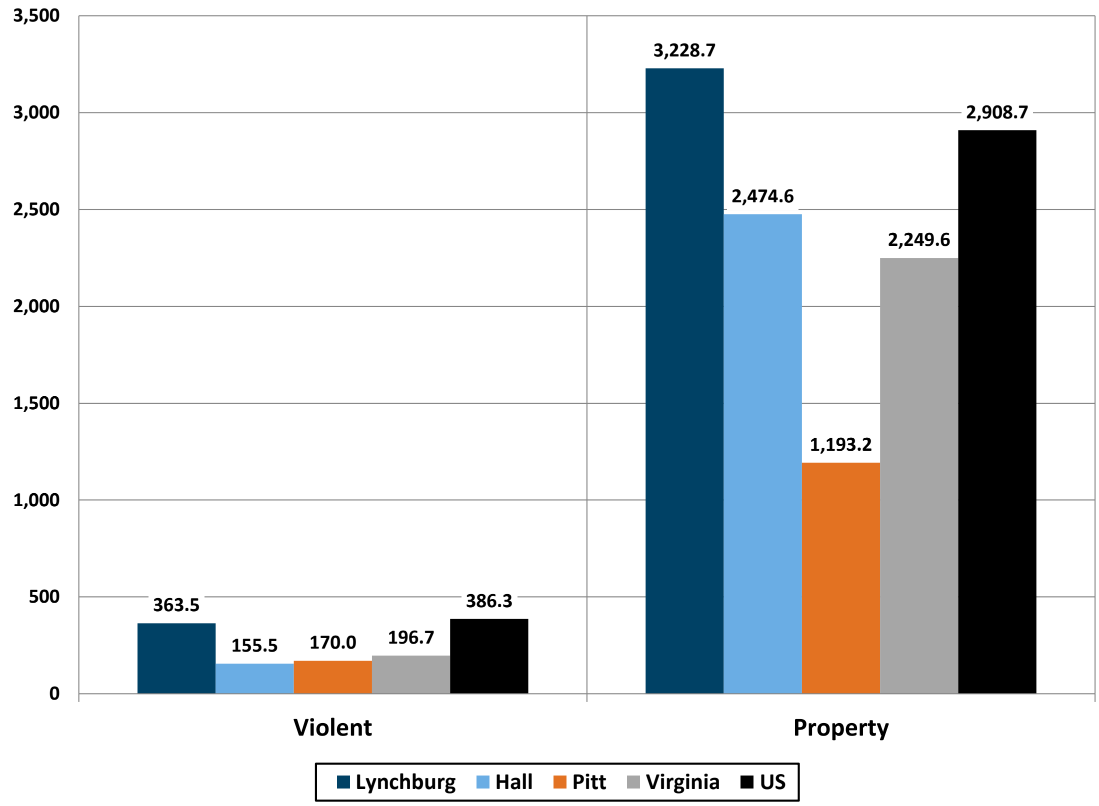
Source: US Census Bureau, Garner Economics

Crime

Crime rates may seem outside the typical measures of economic competitiveness, but they represent a widely accepted objective gauge used by firms. Crime rates generally reflect underlying economic conditions and may signal deeper systemic problems better than standard economic measures.

In 2011, Lynchburg had a violent crime rate below the nation but above the state and both benchmark communities. Lynchburg's property crime rate is above all geographies examined (Figure 7 and Table 6). As crime rates generally rise with population density, some consideration should be given to the fact that at 1,538.2 persons per square mile, Lynchburg's population density ranges from 3 to 17 times greater than the other geographies.[1]

Figure 7
Crime Rates per 100,000 Residents
2011



Source: Federal Bureau of Investigation, Garner Economics

[1] According to the 2010 Decennial Census, persons per square mile in Lynchburg equaled 1,538.2, Pitt County 257.9, Hall County 457.5, Virginia 202.6, and nationwide 87.4.

Table 6
Crime Rate per 100,000 Residents, 2011
(Highest Relative Figure Shaded)

	Violent	Property
Lynchburg	363.5	3,228.7
Hall	155.5	2,474.6
Pitt	170.0	1,193.2
Virginia	196.7	2,249.6
US	386.3	2,908.7

Source: Federal Bureau of Investigation, Garner Economics

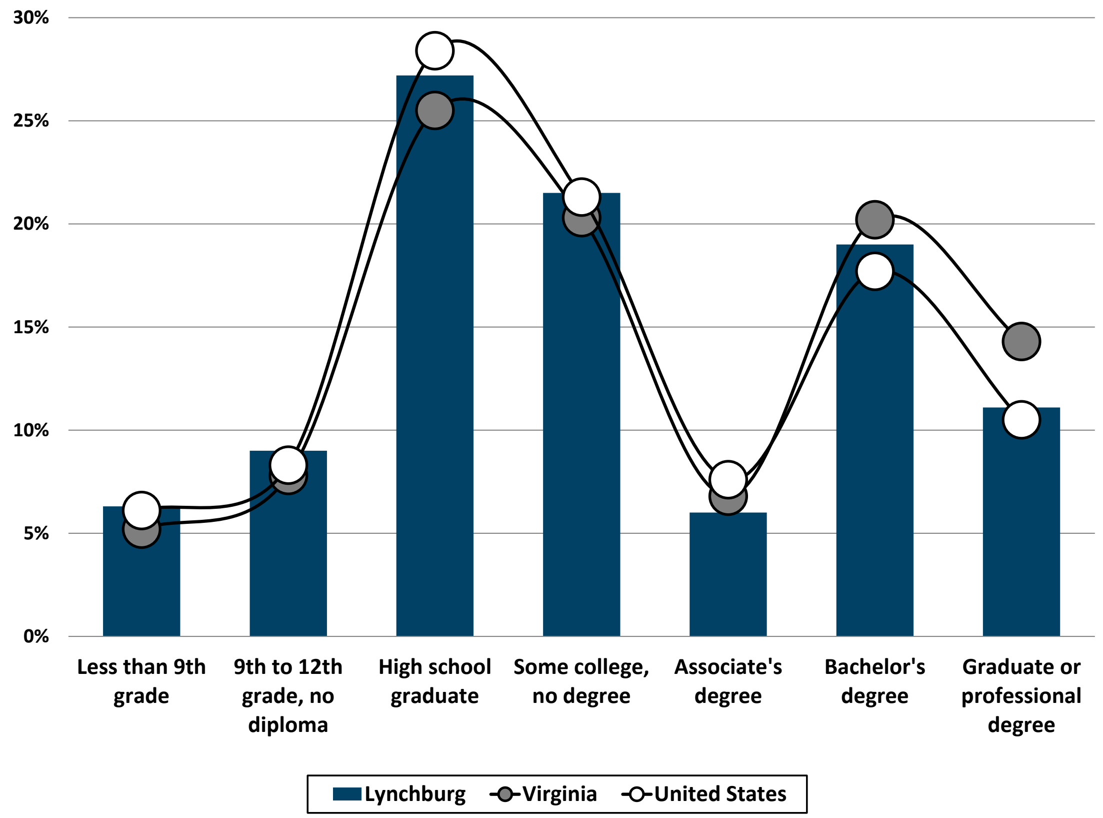
Education

Increasingly, the level of education attainment of a communities' population is becoming a decisive factor in economic competitiveness. Firms understand the need to operate in economies that offer a sufficient supply of workers that meet or exceed their demands. They also know that the lack of an educated workforce can significantly affect business performance.

Educational Attainment

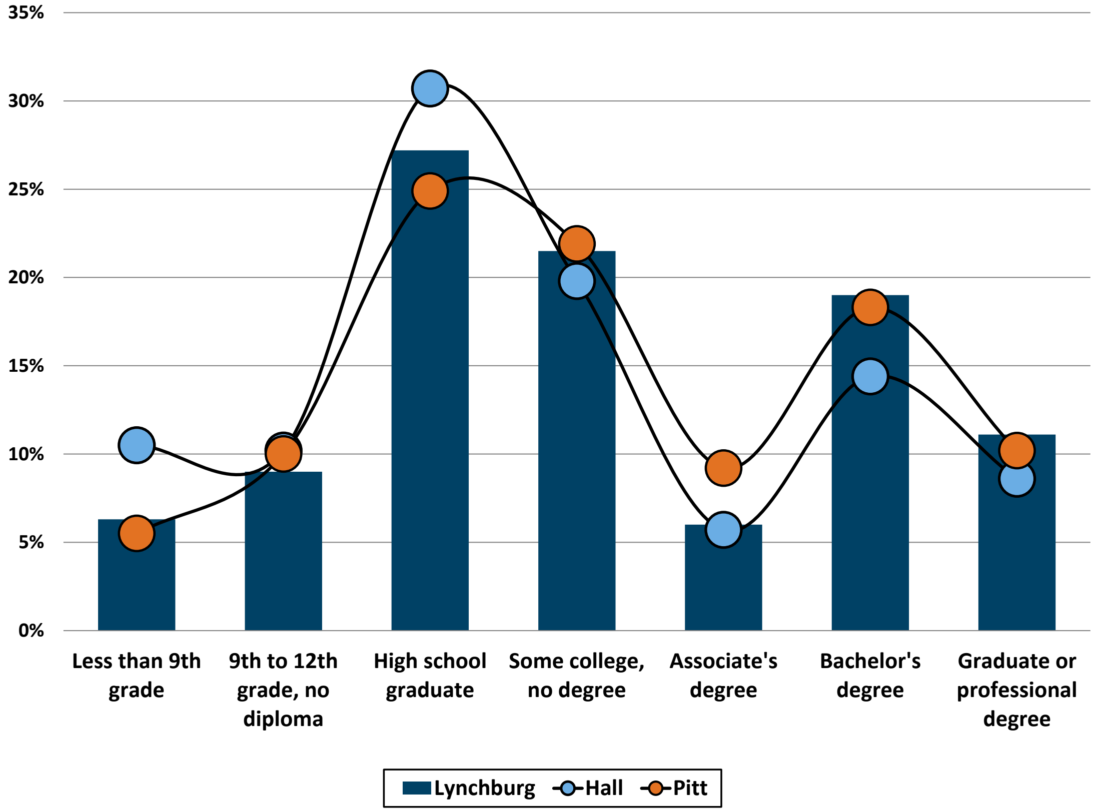
Educational attainment among Lynchburg's population ages 25+ is neither significantly higher nor lower in any category compared to the state, the nation, or benchmark communities (Figure 8, Figure 9, and Table 7). The percentage of Lynchburg's population that has attained a *Bachelor's or Graduate degree* is slightly greater than in both benchmark communities and in the nation.

Figure 8
Educational Attainment Percentage, Total Population Ages 25+
2009-2011 3-Year Estimates



Source: US Census Bureau, Garner Economics

Figure 9
Educational Attainment Percentage, Total Population Ages 25+
2009-2011 3-Year Estimates



Source: US Census Bureau, Garner Economics

Table 7
Educational Attainment Percentage, Total Population Ages 25+
2009-2011 3-Year Estimates
(Highest Relative Figure Shaded)

	Lynchburg #	Lynchburg %	Hall	Pitt	Virginia	United States
Less than 9th grade	2,757	6.3%	10.5%	5.5%	5.2%	6.1%
9th to 12th grade, no diploma	3,939	9.0%	10.2%	10.0%	7.8%	8.3%
High school graduate	11,905	27.2%	30.7%	24.9%	25.5%	28.4%
Some college, no degree	9,410	21.5%	19.8%	21.9%	20.3%	21.3%
Associate's degree	2,626	6.0%	5.7%	9.2%	6.8%	7.6%
Bachelor's degree	8,316	19.0%	14.4%	18.3%	20.2%	17.7%
Graduate or professional degree	4,858	11.1%	8.6%	10.2%	14.3%	10.5%

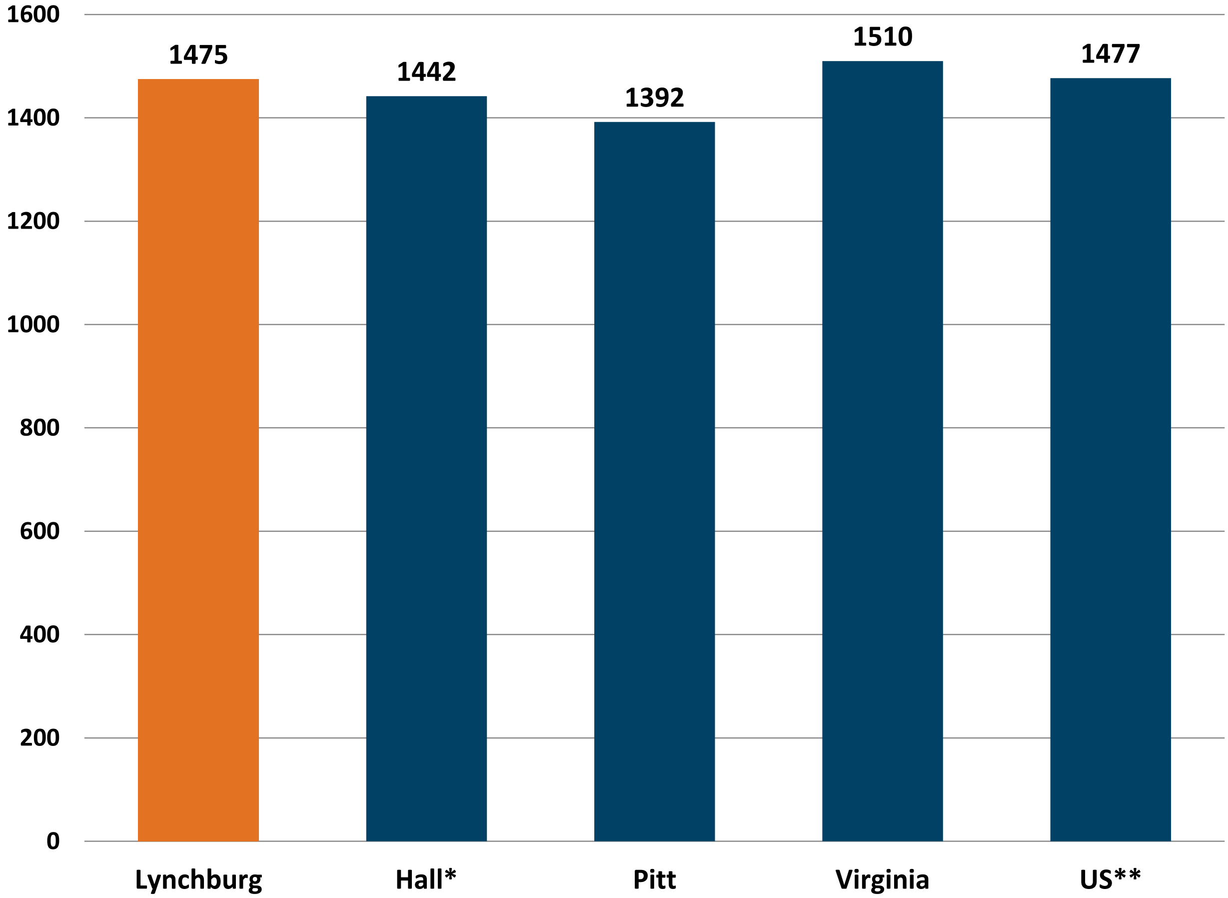
Source: US Census Bureau, Garner Economics

SAT Scores

The SAT (Scholastic Assessment Test) exam is a standardized test for college admissions in the United States and a widely accepted measure of education quality. SAT scores are especially relevant to businesses because they provide a measure of the "final product" of public schools and the educational quality of those entering the workforce.

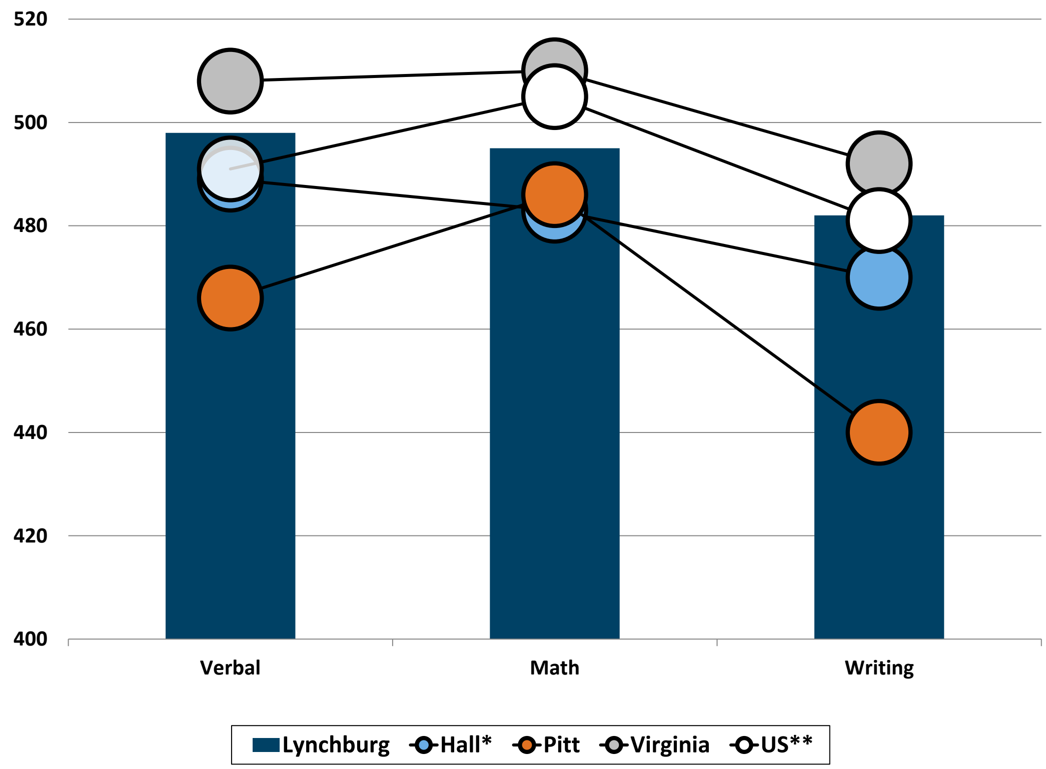
At 1475, Lynchburg's 2012 SAT total scores are above both benchmark communities and below both the state and nation (Figure 10, figure 11, and Table 8). In all subject areas, Lynchburg scored higher than both benchmark communities.

Figure 10
2012 SAT Total Scores



**2011 Hall County Scores, **US Public Schools Only*
Source: North Carolina Department of Public Education, Georgia Department of Education, The College Board, Garner Economics

Figure 11
2012 SAT Subject Scores



**2011 Hall County Scores, **US Public Schools Only*
Source: North Carolina Department of Public Education, Georgia Department of Education, The College Board, Garner Economics

Table 8
2012 SAT Scores
(Highest Score Shaded)

	Verbal	Math	Writing	Total
Lynchburg	498	495	482	1475
Hall*	489	483	470	1442
Pitt	466	486	440	1392
Virginia	508	510	492	1510
US**	491	505	481	1477

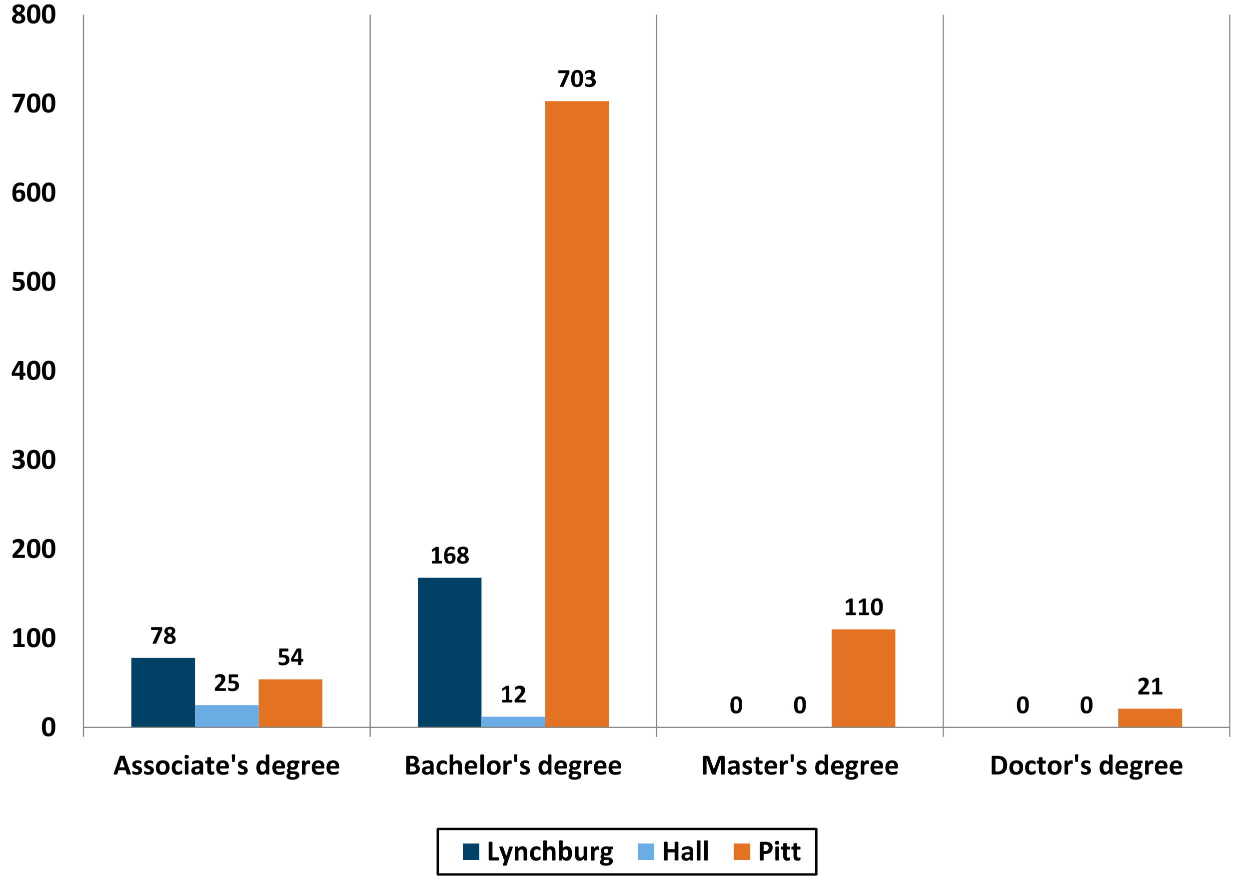
**2011 Hall County Scores, **US Public Schools Only*
Source: North Carolina Department of Public Education, Georgia Department of Education, The College Board, Garner Economics

STEM Degree Completions

Degree completions in STEM fields (Science, Technology, Engineering, and Mathematics) are an important indicator of regional competitiveness and economic potential. STEM-related careers are among some of the best-paying jobs, and they typically have excellent potential for future growth.

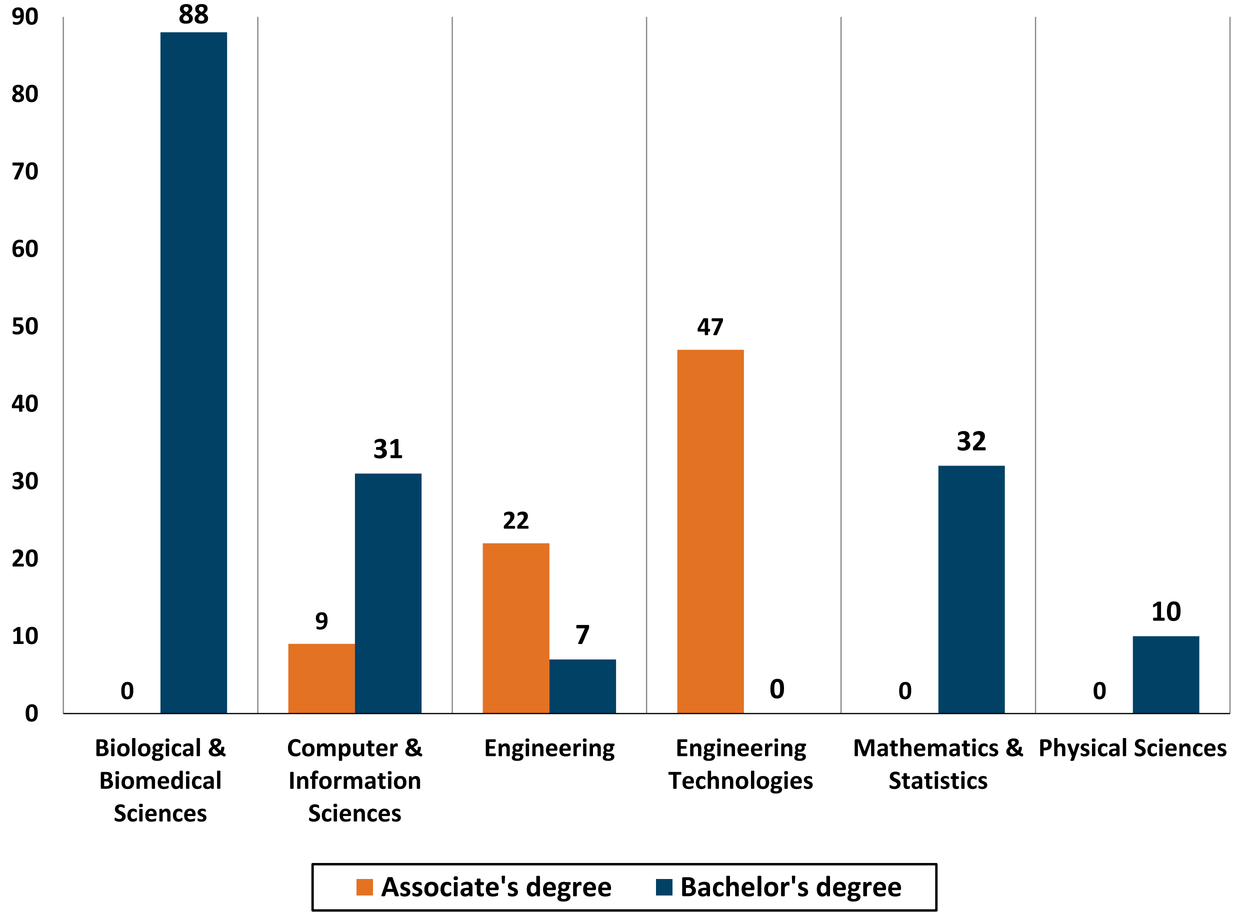
Lynchburg had 246 STEM degree completions in 2011, more than Hall County's 37, but below Pitt County's 888 (Figure 12 and Table 9). Lynchburg did not have any *Master's* or *Doctor's* STEM degree completions in 2011, nor did Hall County. Lynchburg's strongest STEM *Associate's* degree completions are in *Engineering Technologies* (47 in 2011), and its strongest *Bachelor's degree completions are* in *Biological & Biomedical Sciences* (88 in 2011) (Figure 13 and Table 10).

Figure 12
Annual STEM Completions
2011



Source: National Center for Education Statistics, Garner Economics

Figure 13
Annual STEM Completions
Lynchburg
2011



Source: National Center for Education Statistics, Garner Economics

Table 9
Annual STEM, 2011

	Associate's	Bachelor's	Master's	Doctor's	Total
Lynchburg	78	168	0	0	**246**
Hall	25	12	0	0	**37**
Pitt	54	703	110	21	**888**

Source: National Center for Education Statistics, Garner Economics

Table 10
Annual STEM Completions
Lynchburg, 2011

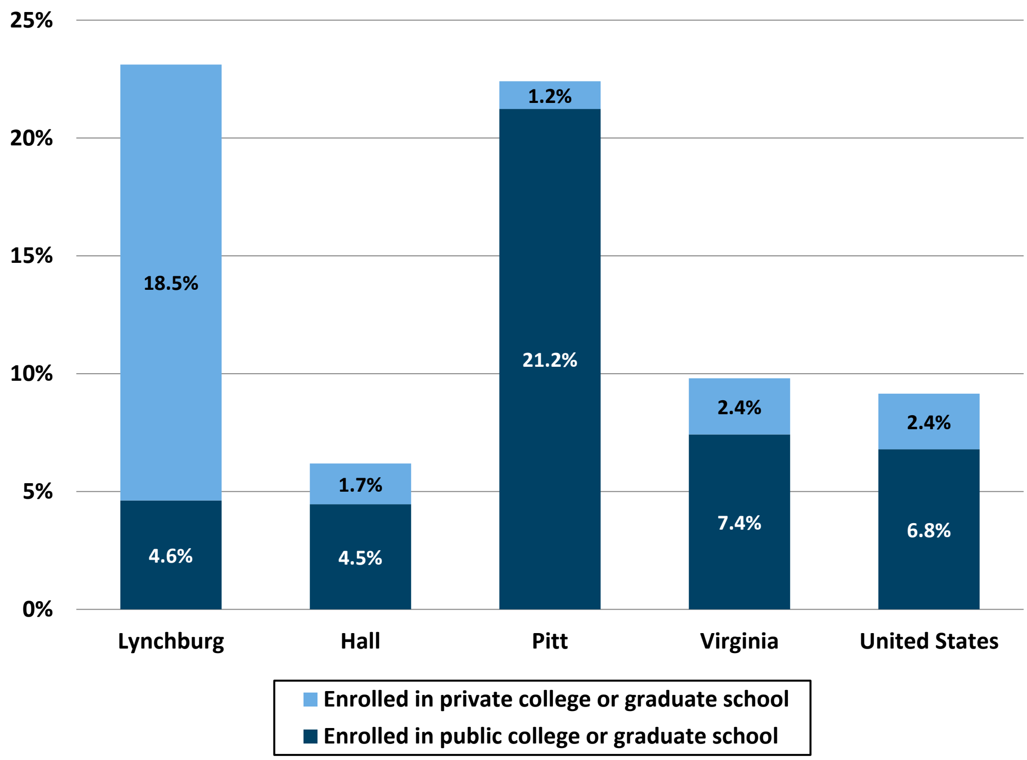
	Associate's	Bachelor's	Master's	Doctor's	Total
Biological & Biomedical Sciences.	0	88	0	0	**88**
Computer & Information Sciences	9	31	0	0	**40**
Engineering	22	7	0	0	**29**
Engineering Technologies	47	0	0	0	**47**
Mathematics & Statistics	0	32	0	0	**32**
Physical Sciences	0	10	0	0	**10**
Non-STEM	868	4,957	4,290	531	**10,646**

Source: National Center for Education Statistics, Garner Economics

College or Graduate School Enrollment

Annually, 23.1 percent of the population ages 15 and over are *Enrolled in a Private or Public College or Graduate School* in Lynchburg, significantly above the state, the nation, and Hall County and several points above Pitt County (Figure 14 and Table 11).

Figure 14
Percentage of Population Enrolled in College or Graduate School
Ages 15 and Over
2007-2011 Annual Estimate



Source: US Census Bureau, Garner Economics

Table 11
Percentage of Population Enrolled in College or Graduate School
Ages 15 and Over
2007-2011 Annual Estimate
(Highest Percentages Shaded)

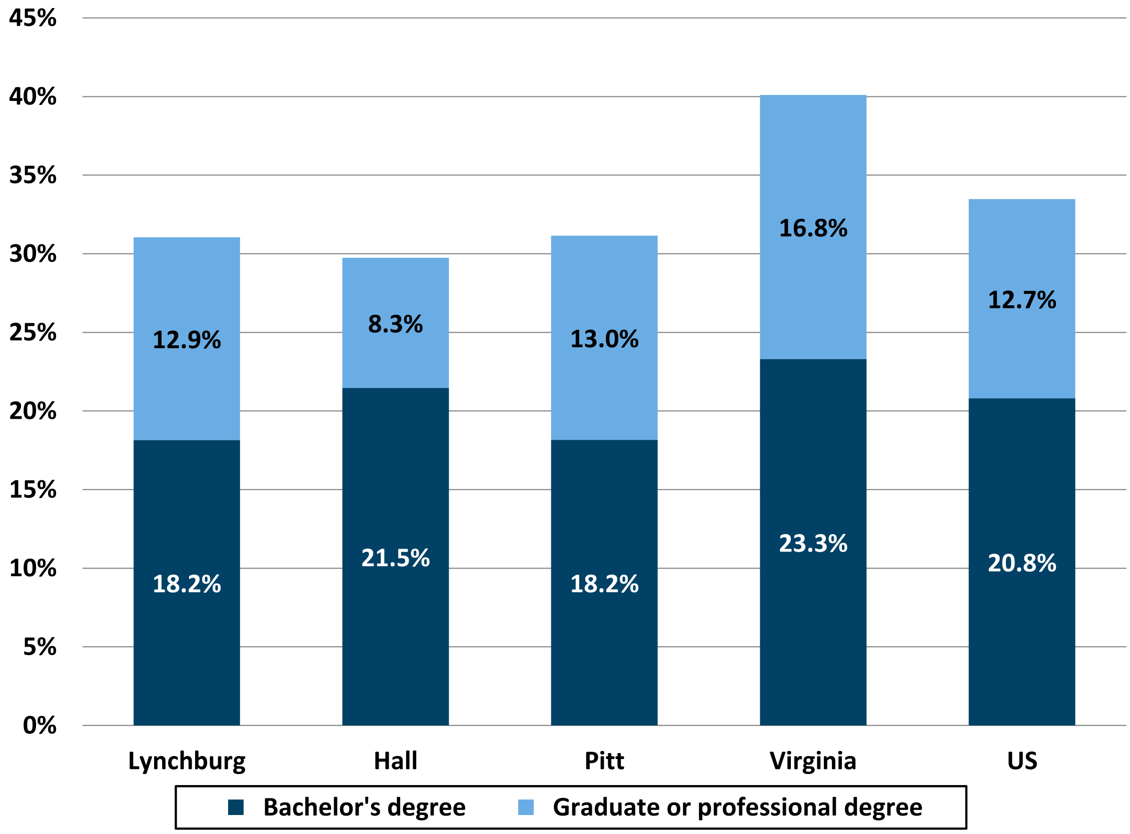
	Lynchburg		Hall	Pitt	Virginia	United States
	#	%				
Public	2,895	4.6%	4.5%	21.2%	7.4%	6.8%
Private	11,579	18.5%	1.7%	1.2%	2.4%	2.4%

Source: US Census Bureau, Garner Economics

Population In-Migration by Educational Attainment

Among new residents ages 25 and over, Lynchburg attracts a higher proportion of new residents that have earned *Some College or Associate's* degree as compared to the state, the nation, and both benchmark communities (Figure 15 and Table 12). The area attracts a lower relative proportion of new residents whose highest level of educational attainment is *Less Than High School Graduate*. The proportion of new residents who have a *Bachelor's degree or above* is similar to both benchmark communities and slightly below the nation.

Figure 15
Educational Attainment by Percentage of In-Migration Population
Ages 25 and over
2007-2011 5-Year Annual Estimates



Source: US Census Bureau, Garner Economics

Table 12
Educational Attainment by Percentage of In-Migration Population
Ages 25 and over
2007-2011 5-Year Annual Estimates
(Highest Percentages Shaded)

	Lynchburg		Hall	Pitt	Virginia	United States
	#	%				
Less than high school graduate	1,036	9.9%	16.6%	14.1%	11.5%	14.0%
High school graduate	1,620	24.5%	26.0%	24.4%	21.6%	24.1%
Some college or associate's degree	1,714	34.5%	27.6%	30.3%	26.8%	28.5%
Bachelor's degree	1,335	18.2%	21.5%	18.2%	23.3%	20.8%
Graduate or professional degree	515	12.9%	8.3%	13.0%	16.8%	12.7%

Source: US Census Bureau, Garner Economics

Worker Flows

Worker flows help define the size of a local economy's labor draw, and trends help describe attraction and regional competition. Worker flows represent both daily commuters and short-term away-from-home assignments (major construction projects, onsite-consulting, etc.).

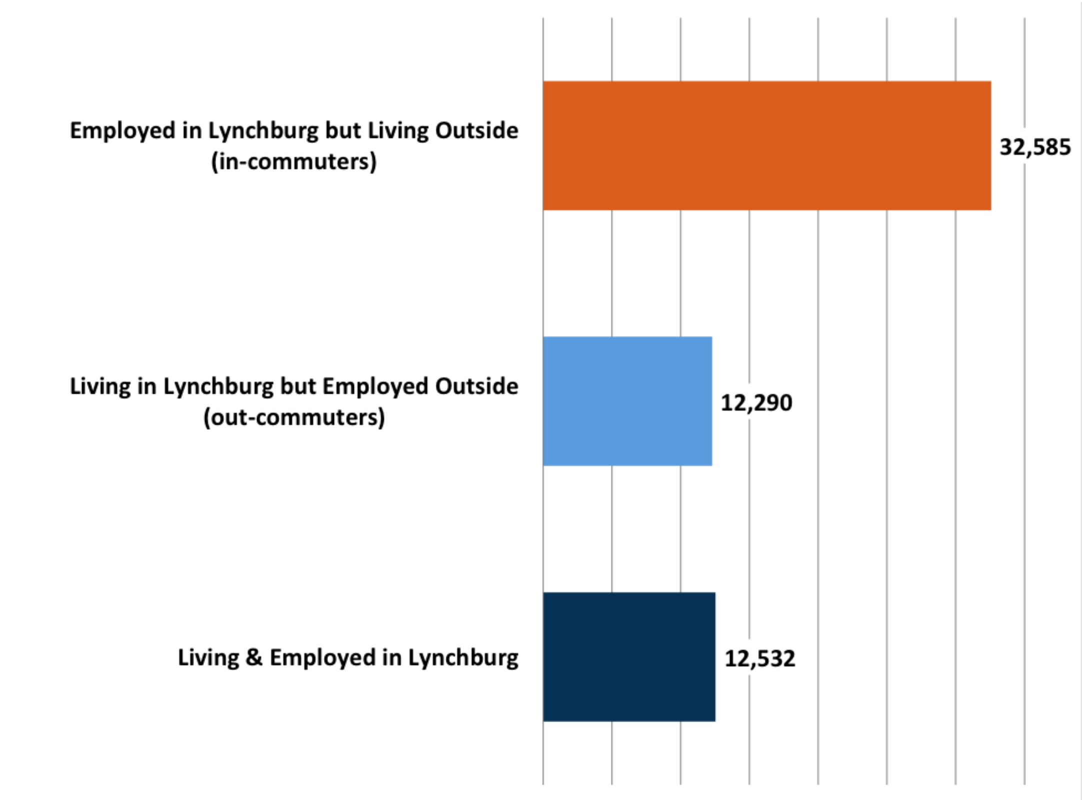
In 2010, of those working in Lynchburg, 12,532 or 27.8 percent also lived in Lynchburg. More significantly, 32,585 or the remaining 72.2 percent of employment in Lynchburg is from those living outside the area (in-commuters). Another 12,290 of those living in Lynchburg travel outside the area for employment (out-commuters) (Figure 16).

Over the last eight years, the number and proportion of workers who both live and work in Lynchburg has declined by 36.7 percent or 7,253 fewer workers (Figure 17 and Table 13). Over the same period, the number of workers "*Employed in Lynchburg but Living Outside (in-commuters)*" increased by 22.1 percent or 5,902. Additionally, the number of workers "*Living in Lynchburg but Employed Outside (out-commuters)*" has also increased, up 2.1 percent or 254 more workers.

Bedford County, VA attracts the highest number of out-commuters from Lynchburg, accounting for 2,120 or 8.5 percent of total resident workers (Table 14).

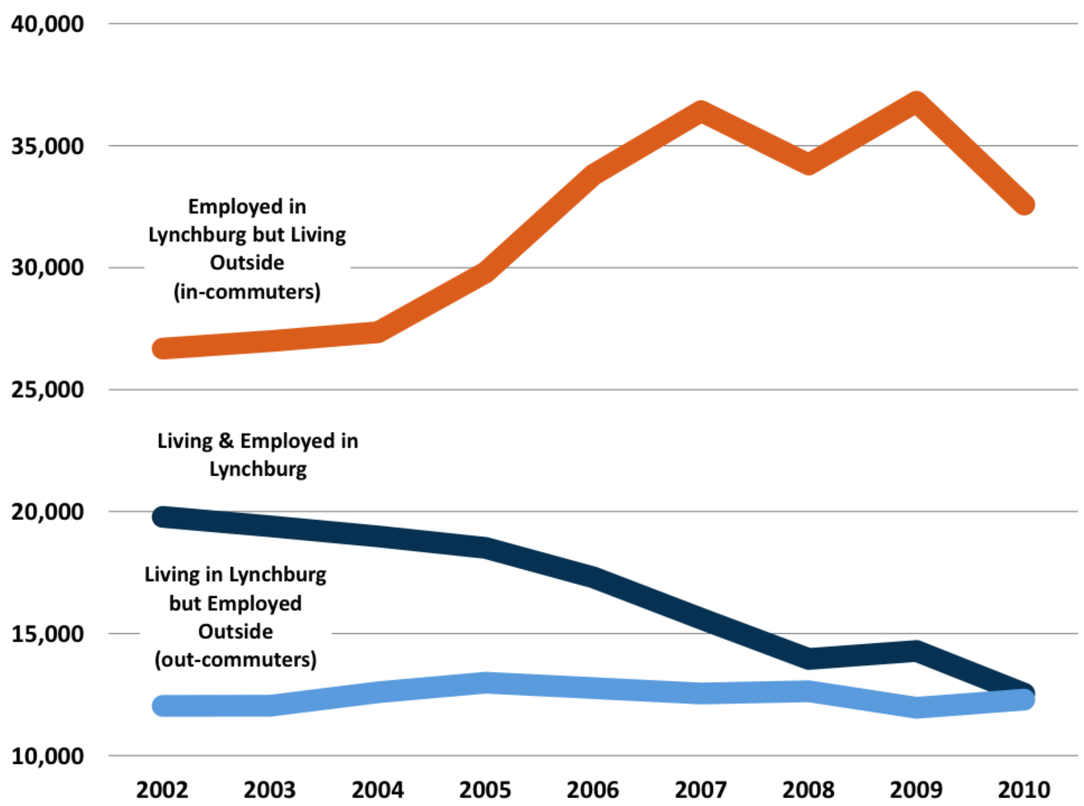
Campbell County, VA is the source of the highest number of in-commuters, supplying 17.2 percent or 7,749 workers (Table 15).

Figure 16
Lynchburg
*2010 Worker Flows**



*The Census Bureau counts one *primary* job per worker.
Source: US Census Bureau, Garner Economics

Figure 17
*Lynchburg Worker Flows**



**The Census Bureau counts one* primary *job per worker.*
Source: US Census Bureau, Garner Economics

Table 13
*Lynchburg Worker Flows**

	2010	2002-2010 Change	
Living & Employed in Lynchburg	12,532	-7,253	-36.7%
Living in Lynchburg but Employed Outside (out-commuters)	12,290	254	2.1%
Employed in Lynchburg but Living Outside (in-commuters)	32,585	5,902	22.1%

**The Census Bureau counts one* primary *job per worker.*
Source: US Census Bureau, Garner Economics

Table 14
Where Workers Who Live in Lynchburg are Employed
Top Ten Counties, 2010

County	Number	Percent
Lynchburg, VA	12,532	50.5%
Bedford, VA	2,120	8.5%
Campbell, VA	1,718	6.9%
Amherst, VA	1,224	4.9%
Roanoke, VA	748	3.0%
Henrico, VA	406	1.6%
Roanoke, VA	401	1.6%
Bedford, VA	364	1.5%
Fairfax, VA	279	1.1%
Salem, VA	211	0.9%

Source: US Census Bureau, Garner Economics

Table 15
Where Workers Who are Employed in Lynchburg Live
Top Ten Counties, 2010

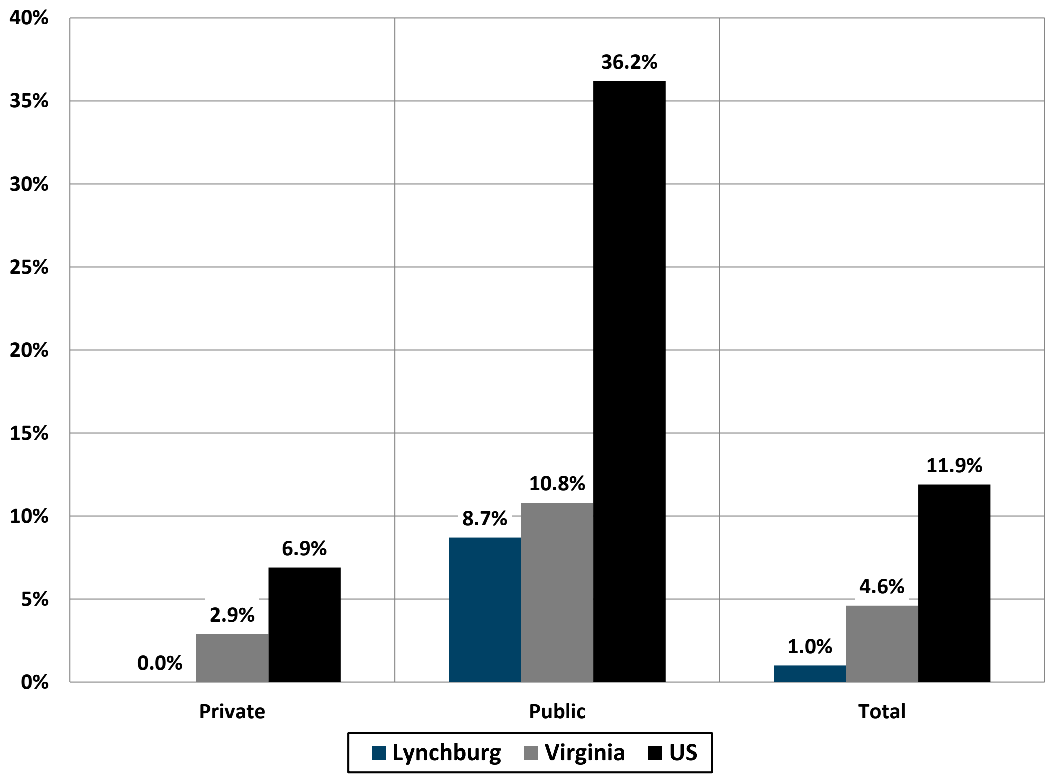
County	Number	Percent
Lynchburg, VA	12,532	27.8%
Campbell, VA	7,749	17.2%
Bedford, VA	6,041	13.4%
Amherst, VA	4,337	9.6%
Appomattox, VA	1,424	3.2%
Pittsylvania, VA	763	1.7%
Danville, VA	539	1.2%
Roanoke, VA	529	1.2%
Henrico, VA	425	0.9%
Henry, VA	414	0.9%

Source: US Census Bureau, Garner Economics

Unionization

Utilizing observations from the Bureau of Labor Statistics' Current Population Survey, an estimate of the rate of unionization at the metropolitan level can be constructed. No private firm unionization was observed for the Lynchburg metro in the 2010 survey, while public employment showed a unionization rate of 8.7 percent. The combined rate is 1.0 percent (Figure 18 and Table 16). The estimate does not mean there is no private firm unionization anywhere in the metro, but does indicate a very low rate. Nationally, total unionization is 11.9 percent and statewide unionization is 4.6 percent.

Figure 18
Unionization Rate Estimate
*2010**



**No data available for Hall and Pitt Counties.*
Source: © 2010 by Barry T. Hirsch and David A. Macpherson, Garner Economics

Table 16
*Unionization Rate Estimate, 2010**

	Private	Public	Total
Lynchburg	0.0%	8.7%	1.0%
Virginia	2.9%	10.8%	4.6%
US	6.9%	36.2%	11.9%

**No data available for Hall and Pitt Counties.*
Source: © 2010 by Barry T. Hirsch and David A. Macpherson, Garner Economics

CHAPTER 5: ECONOMIC DYNAMICS

Average Wage Per Job

In 2011, the average wage per job for the City of Lynchburg equaled $39,294.[2] The figure is 22.3 percent below the nation and 28.9 percent below the state (Figure 19 and Table 17). Among benchmark communities, the figure is 1.2 percent below Hall County and 3.2 percent above Pitt County. Over the last ten years, the nominal (unadjusted for inflation) average wage per job in the City of Lynchburg has increased by 26.1 percent; that is less than the pace experienced in the nation, the state, and both benchmark communities. Over the five most recent years, the rate of growth is 8.3 percent—again, below the nation and both benchmarks.

Correcting growth in the average wage per job to *real values* (adjusting for inflation) provides a more realistic view of the actual spending value of wage dollars. Over the last ten years, real values for the average wage per job in the City of Lynchburg have decreased by 1.2 percent (-$363) and are down 2.2 percent (-$695) over the last five years (Figure 20 and Table 17). The City of Lynchburg experienced the only net declines compared to the nation, the state, and both benchmark communities.

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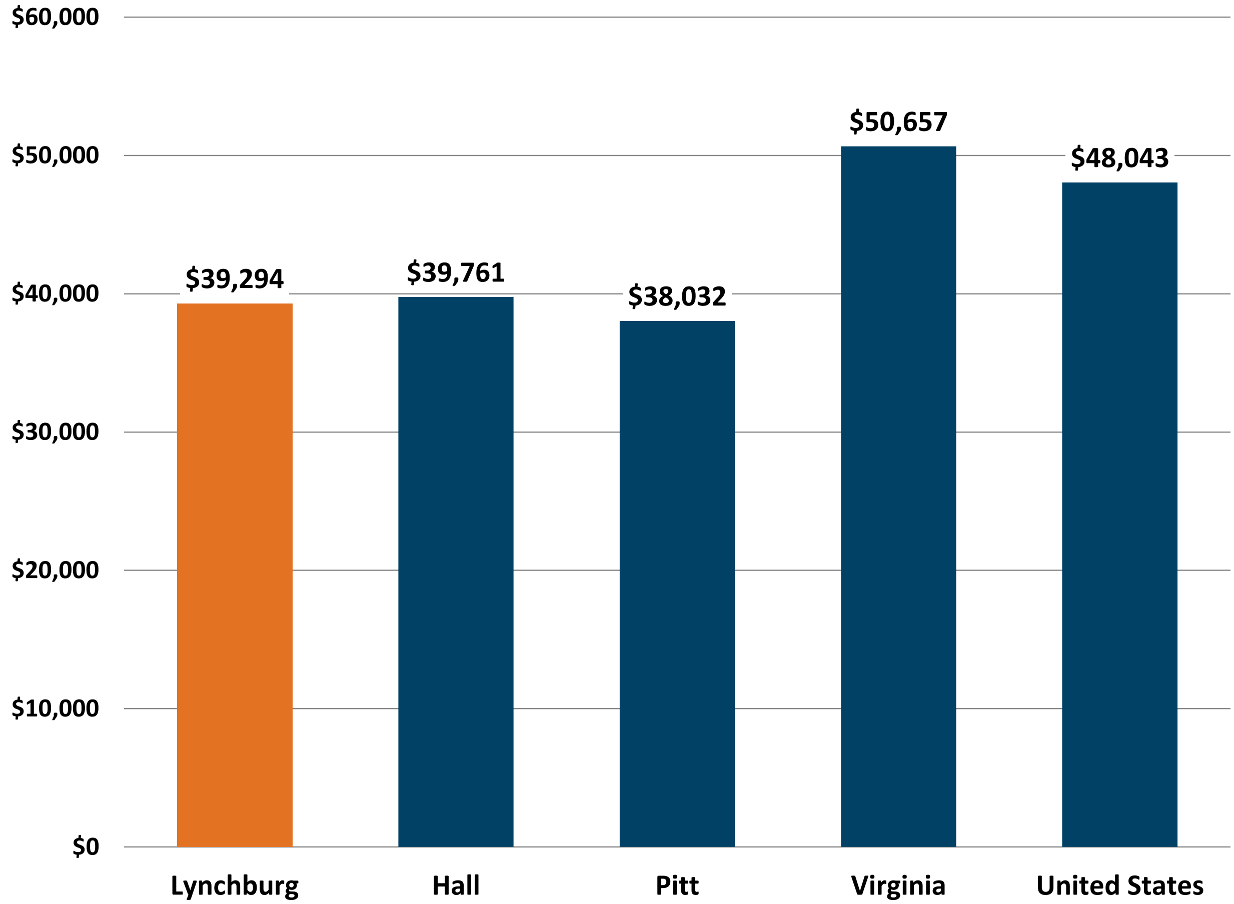
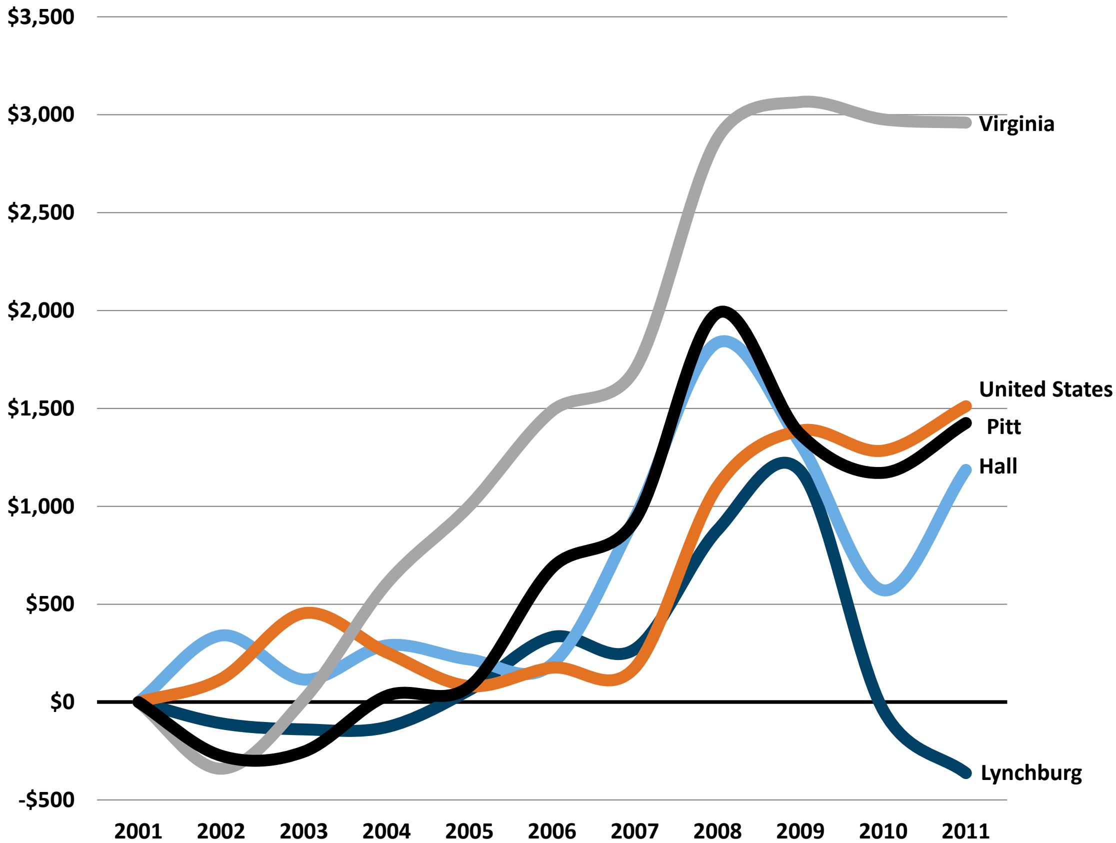
[2] Average wage per job equals wage and salary disbursements divided by the number of wage and salary jobs (total wage and salary employment). Wage and salary disbursements consist of the monetary remuneration of employees, including the compensation of corporate officers; commissions, tips, and bonuses; and receipts in-kind, or pay-in-kind, such as the meals furnished to the employees of restaurants.

Figure 19
Average Wage Per Job
2011



Source: US Bureau of Labor Statistics, Garner Economics

Figure 20
Ten-Year Change in Average Wage per Job
Adjusted for Inflation (year 2001 = 0)



Source: US Bureau of Labor Statistics, Garner Economics

Table 17
Average Wage Per Job
Highest Relative Number Shaded

	2011	10-Year Change Unadjusted $	10-Year Change Unadjusted %	10-Year Change Inflation Adjusted $	10-Year Change Inflation Adjusted %	5-Year Change Unadjusted $	5-Year Change Unadjusted %	5-Year Change Inflation Adjusted $	5-Year Change Inflation Adjusted %
Lynchburg	$39,294	$8,142	26.1%	-$363	-1.2%	$3,007	8.3%	-$695	-2.2%
Hall	$39,761	$9,792	32.7%	$1,186	4.0%	$4,996	14.4%	$991	3.3%
Pitt	$38,032	$9,743	34.4%	$1,511	5.3%	$5,225	15.9%	$1,335	4.7%
Virginia	$50,657	$13,924	37.9%	$2,960	8.1%	$6,606	15.0%	$1,472	3.9%
United States	$48,043	$11,824	32.6%	$1,425	3.9%	$5,508	12.9%	$739	2.0%

Source: US Bureau of Labor Statistics, Garner Economics

Per Capita Income

Besides being a broader measure of wealth than average wage per job, *per capita income* is calculated for a residential location as opposed to an employment location. Thus, per capita income figures for Campbell County and Lynchburg[3] are only for residents of the area, regardless of where they actually work. According to the US Bureau of Economic Analysis, in 2011, Campbell County and Lynchburg's per capita income equaled $32,008[4]. The figure is 29.8 percent below the nation and 44 percent below the state (Figure 21 and Table 18). Compared to the benchmark communities, per capita income is 2.6 percent below Pitt County and on par with Hall County.

Over the last ten years, the nominal (unadjusted for inflation) per capita income in Campbell County and Lynchburg has increased by 27.8 percent, below the national pace of 33.4 percent and statewide pace of 38.7 percent. Over the five most recent years, per capita income has increased by 8.4 percent or $2,469—again, at a rate below the nation and state.

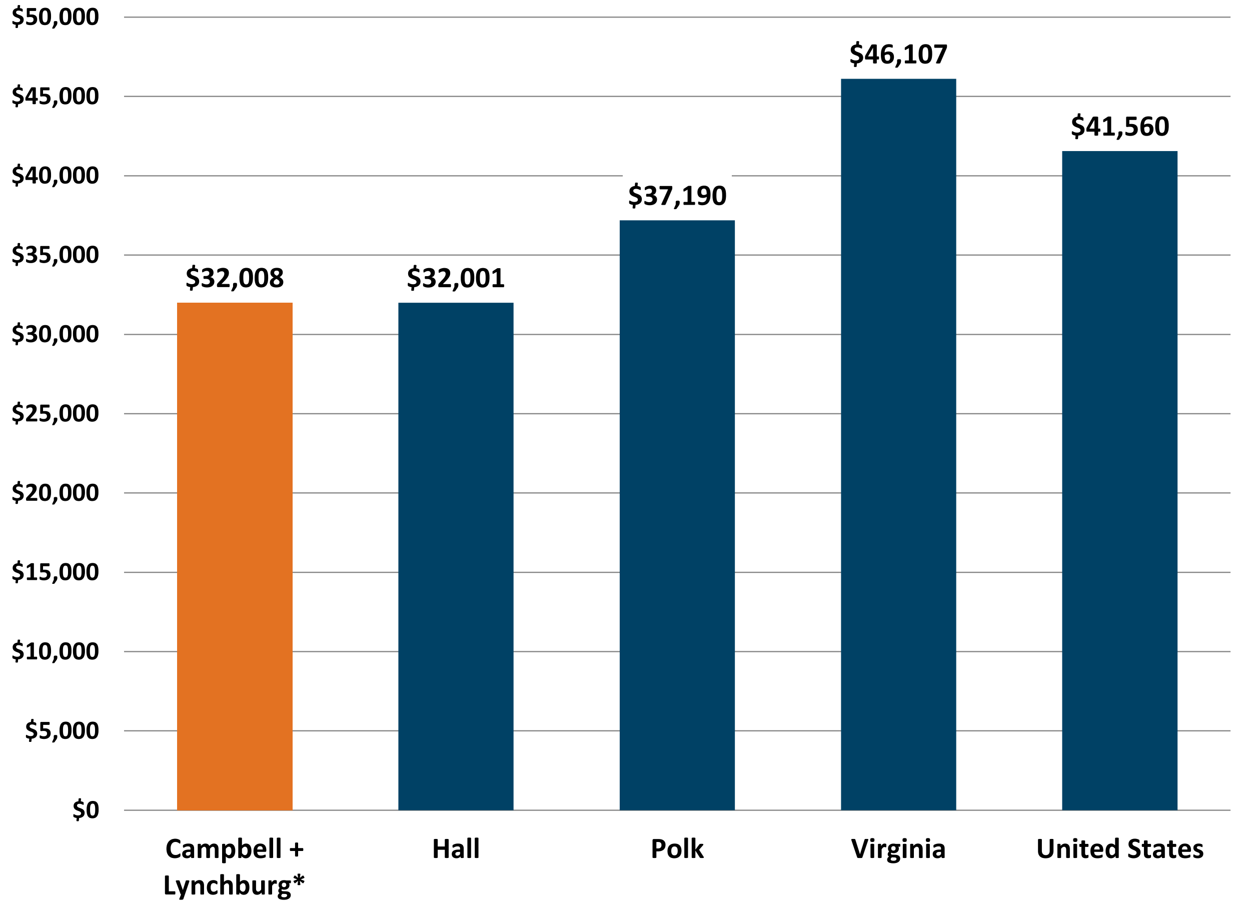
Correcting the growth in per capita income to real values (adjusting for inflation) provides a more realistic view of the actual change in the spending value of income dollars. Over the last ten years, real values for the per capita income in Campbell County and Lynchburg have increased 0.6 percent or $157 and, in the last five years, declined by 2.9 percent or -$749 (Figure 22 and Table 18). The rates are below the state and the nation.

Growth in the per capita income statewide outpaced all geographies for both nominal and real values over both the ten- and five-year periods.

[3] The US Bureau of Economic Analysis does not report per capita income data on the City of Lynchburg separately but combines it with Campbell County, VA.

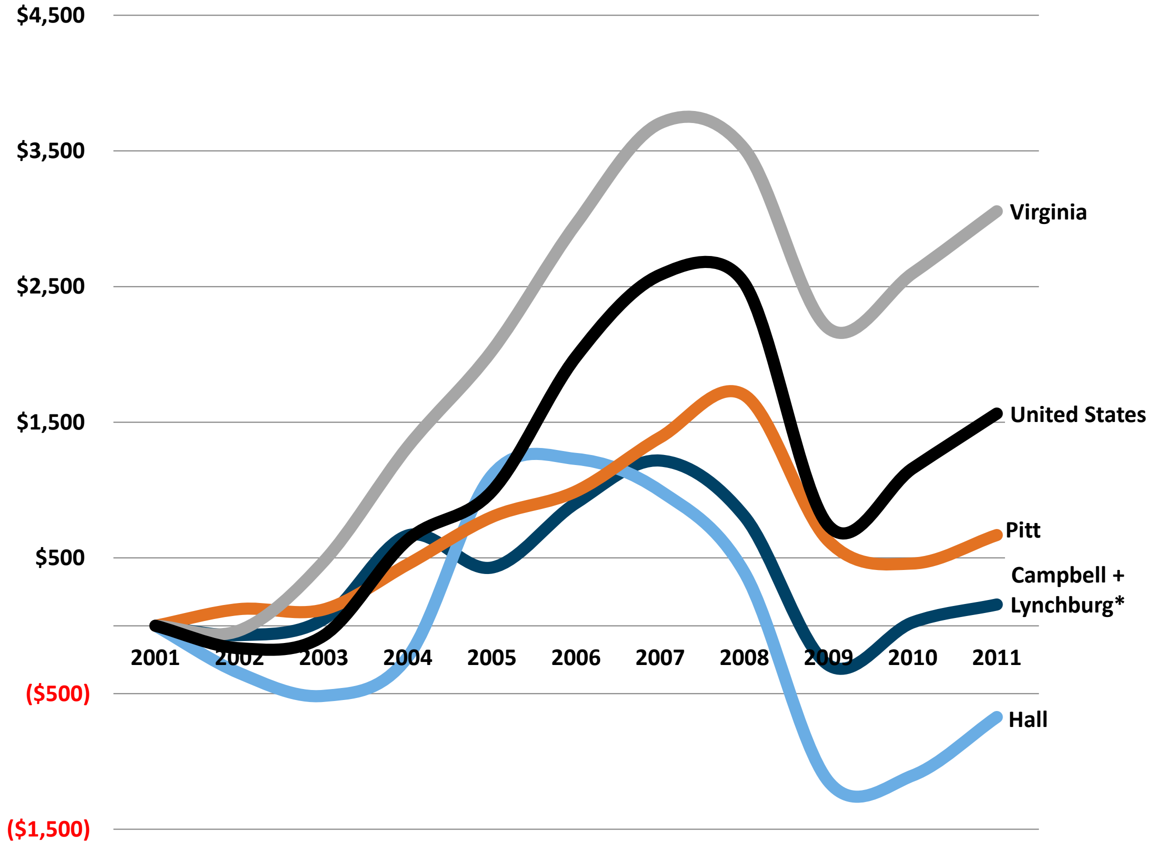
[4] Per capita income is the income that is received by persons from all sources. It is calculated as the sum of wage and salary disbursements, supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts, less contributions for government social insurance. This measure of income is calculated as the personal income of the residents of a given area divided by the resident population of the area.

Figure 21
Per Capita Income
2011



**Data only available for the combined Campbell + Lynchburg area.*
Source: US Bureau of Economic Analysis, Garner Economics

Figure 22
Ten-Year Change in Per Capita Income
Adjusted for Inflation (year 2001 = 0)



*Data only available for the combined Campbell + Lynchburg area.
Source: US Bureau of Economic Analysis, Garner Economics

Table 18
Per Capita Income
Highest Relative Number Shaded

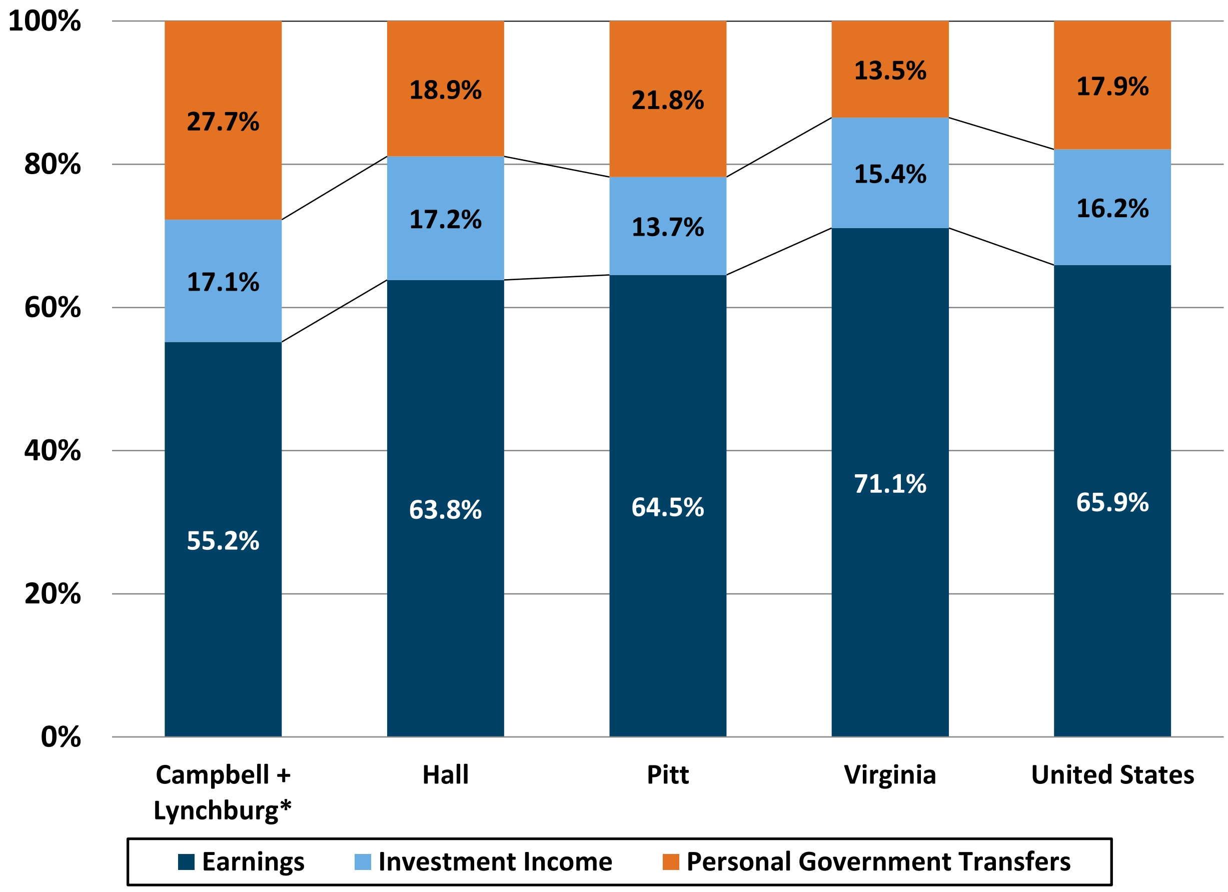
	2011	10-Year Change Unadjusted $	10-Year Change Unadjusted %	10-Year Change Inflation Adjusted $	10-Year Change Inflation Adjusted %	5-Year Change Unadjusted $	5-Year Change Unadjusted %	5-Year Change Inflation Adjusted $	5-Year Change Inflation Adjusted %
Campbell + Lynchburg*	$32,008	$6,964	27.8%	$157	0.6%	$2,469	8.4%	-$749	-2.9%
Hall	$32,001	$6,133	23.7%	-$673	-2.6%	$1,155	3.7%	-$1,902	-7.0%
Pitt	$32,841	$7,653	30.4%	$669	2.7%	$3,040	10.2%	-$323	-1.2%
Virginia	$46,107	$12,861	38.7%	$3,055	9.2%	$4,889	11.9%	$92	0.3%
United States	$41,560	$10,403	33.4%	$1,564	5.0%	$3,835	10.2%	-$419	-1.3%

**Data only available for the combined Campbell + Lynchburg area.*
Source: US Bureau of Economic Analysis, Garner Economics

Components of Per Capita Income

Per capita income is the total of three main income sources divided by the resident population: 1) earnings, 2) investment income, and 3) personal government transfers.[5] In 2011, earnings made up 55.2 percent of Campbell County and Lynchburg's income, investment income was 17.1 percent of the total, and personal government transfers accounted for the remaining 27.7 percent (Figure 23 and Table 19). Compared to the nation, the state, and both benchmark communities, Campbell County and Lynchburg together have a greater share of income from personal government transfers and a smaller portion from earnings.

Figure 23
Components of Per Capita Income
2011



**Data only available for the combined Campbell + Lynchburg area.*
Source: US Bureau of Economic Analysis, Garner Economics

[5] This component of personal income is: payments to persons for which no current services are performed. It consists primarily of payments to individuals by federal, state, and local governments. Government payments to individuals include retirement and disability insurance benefits, medical benefits (mainly Medicare and Medicaid), income maintenance benefits, unemployment insurance compensation, veteran's benefits, and federal education and training assistance.

Table 19
Components of Per Capita Income, 2011
Highest Relative Percentage Shaded

	Personal Government Transfers	Investment Income	Earnings
Campbell + Lynchburg*	27.7%	17.1%	55.2%
Hall	18.9%	17.2%	63.8%
Pitt	21.8%	13.7%	64.5%
Virginia	13.5%	15.4%	71.1%
United States	17.9%	16.2%	65.9%

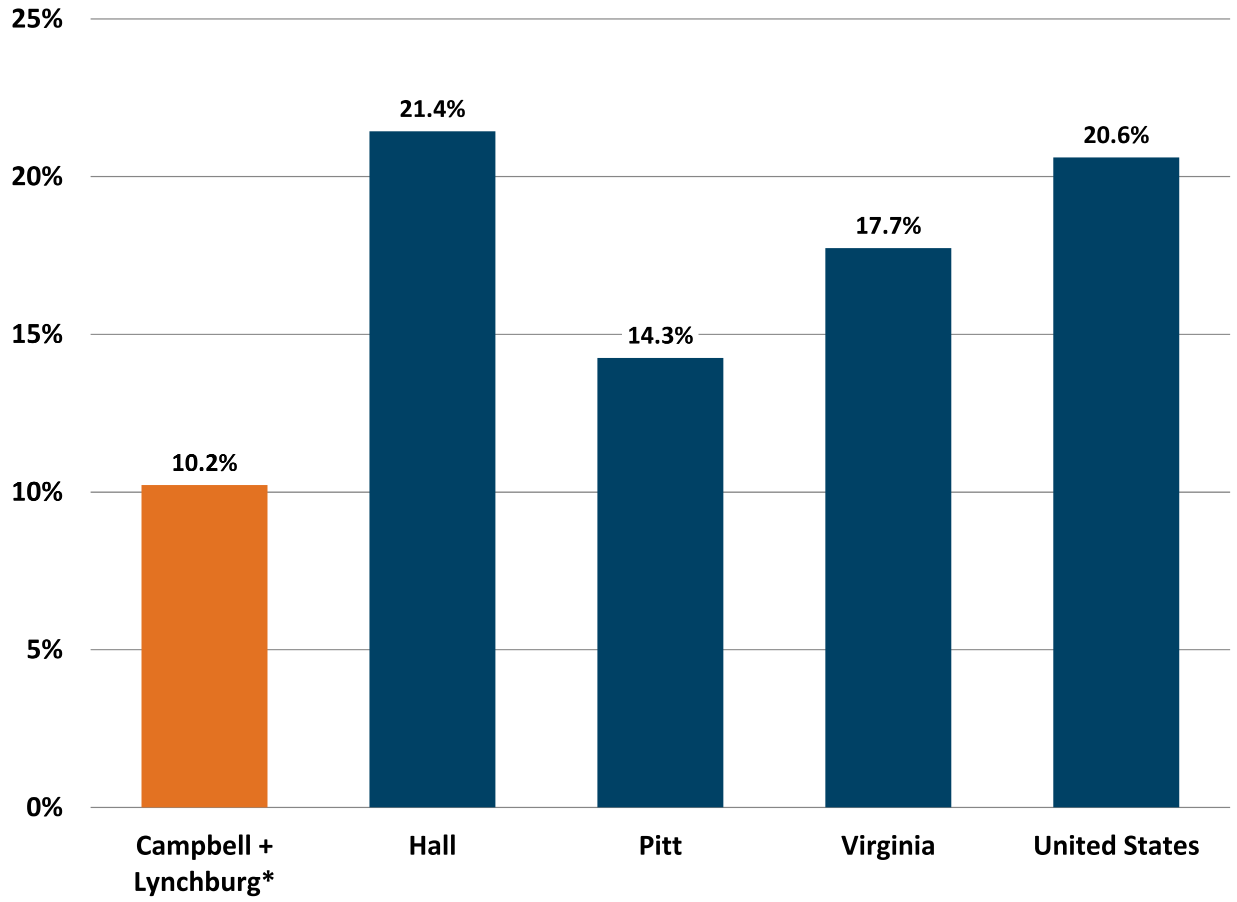
*Data only available for the combined Campbell + Lynchburg area.
Source: US Bureau of Economic Analysis, Garner Economics

Self-Employment

Measuring the relative proportion of persons who are proprietors is a rough means to gauge entrepreneurial activity, which, in turn, can provide a view of local risk-taking and dynamism. According to the US Bureau of Economic Analysis, 10.2 percent of total employment in Campbell County and Lynchburg were nonfarm proprietors in 2011 (Figure 24 and Table 20). The proportion is below the state, the nation, and both benchmark communities.

According to the Bureau of Economic Analysis, over the last five years, nonfarm proprietor employment has increased by 6.4 percent or 501 in Campbell County and Lynchburg. This is below the pace experienced in the state, the nation, and both benchmark communities (Figure 25 and Table 21).

Figure 24
Nonfarm Proprietors as Percent of Total Employment
2011



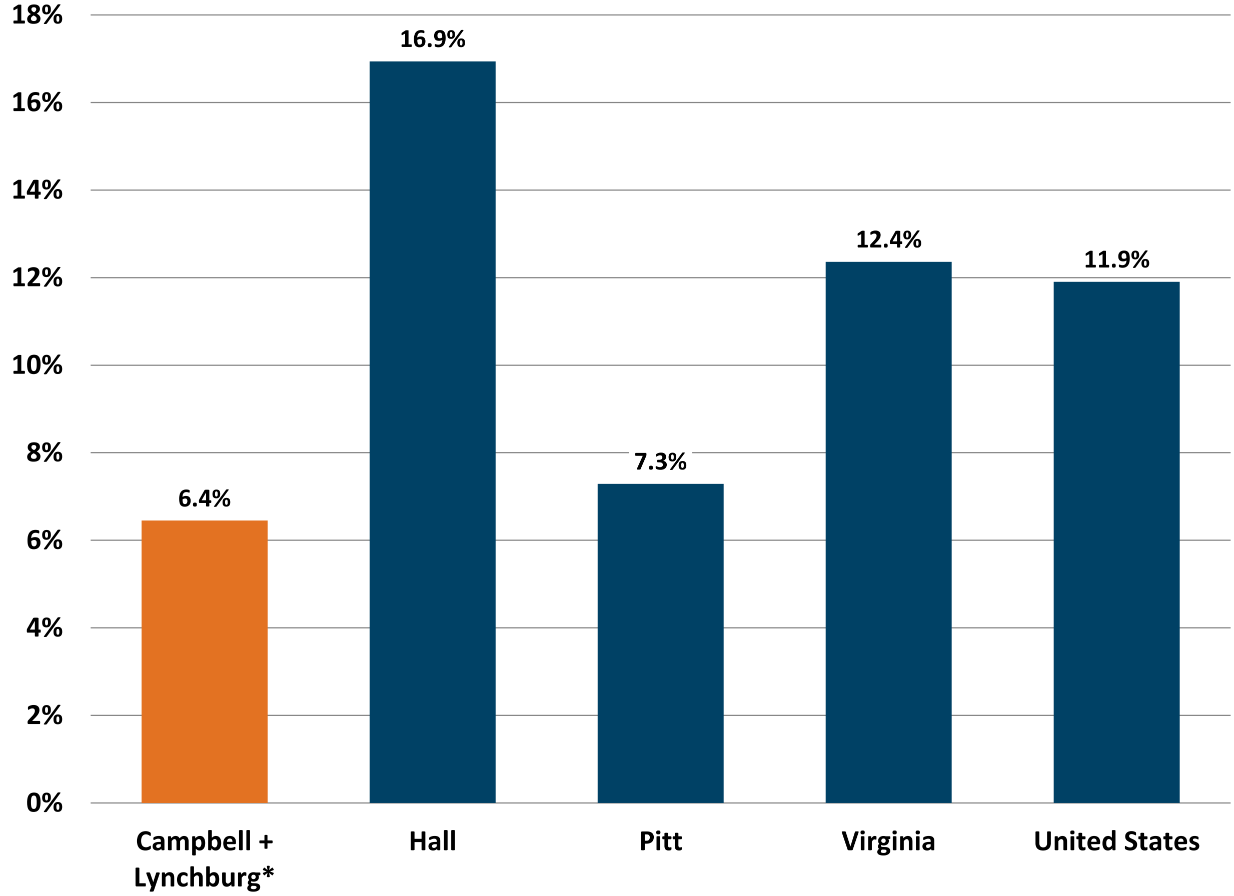
**Data only available for the combined Campbell + Lynchburg area.*
Source: US Bureau of Economic Analysis, Garner Economics

Table 20
Nonfarm Proprietors as Percent of Total Employment, 2011

Campbell + Lynchburg*		Hall	Pitt	Virginia	United States
Number	Percent				
8,274	10.2%	21.4%	14.3%	17.7%	20.6%

**Data only available for the combined Campbell + Lynchburg area.*
Source: US Bureau of Economic Analysis, Garner Economics

Figure 25
Nonfarm Proprietor Employment
Five-Year Percent Change (2006-2011)



*Data only available for the combined Campbell + Lynchburg area.
Source: US Bureau of Economic Analysis, Garner Economics

Table 21
Nonfarm Proprietor Employment
Five-Year Percent Change (2006-2011)

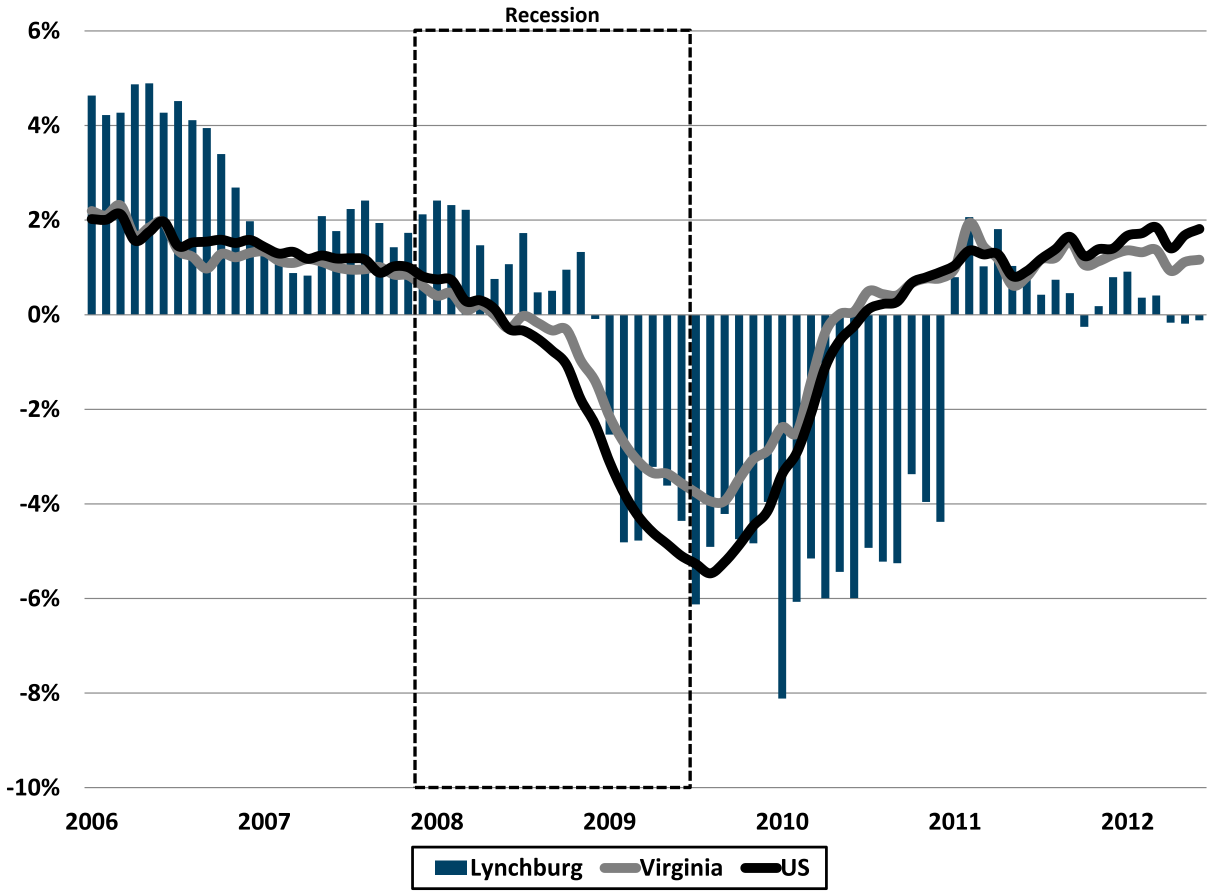
Campbell + Lynchburg*		Hall	Pitt	Virginia	United States
Number	Percent				
501	6.4%	16.9%	7.3%	12.4%	11.9%

**Data only available for the combined Campbell + Lynchburg area.*
Source: US Bureau of Economic Analysis, Garner Economics

Total Employment Trends

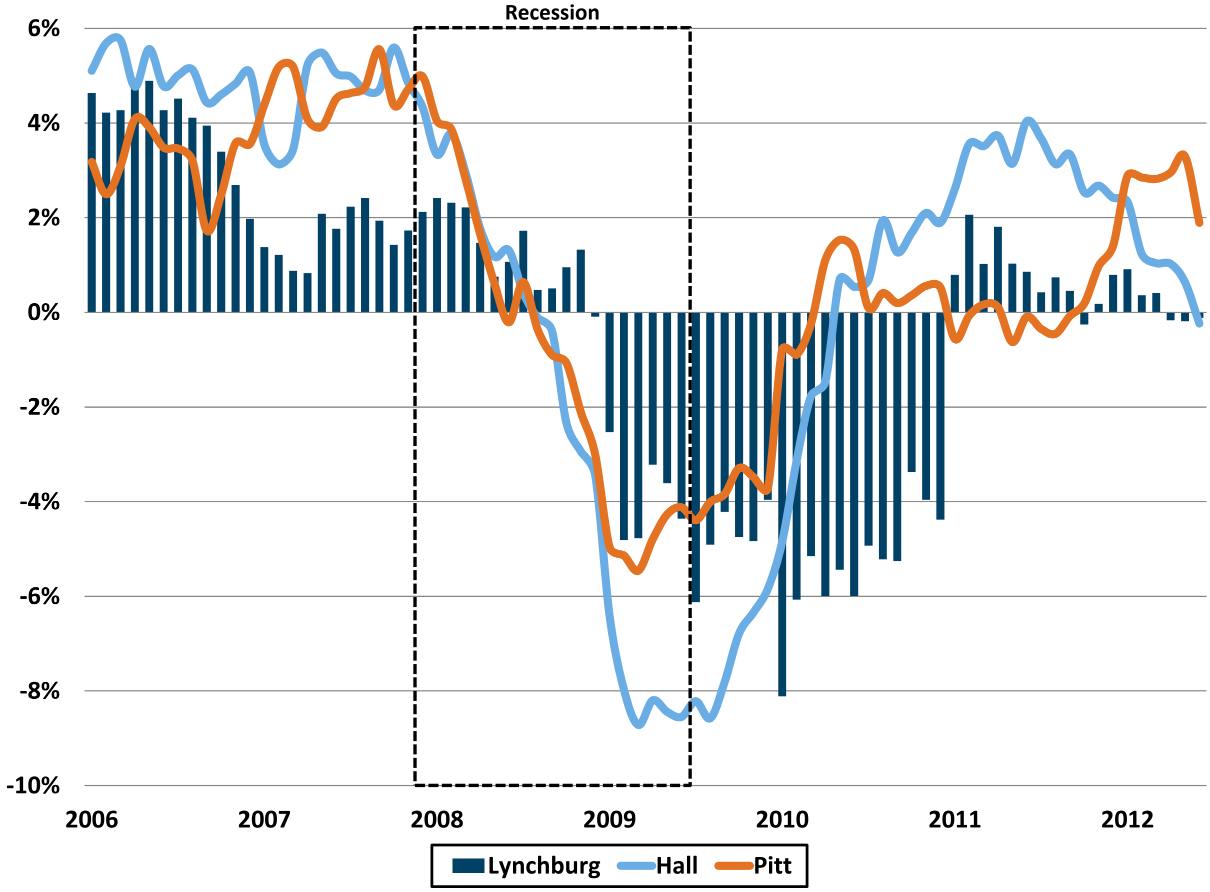
Through the second quarter of 2012, total employment in Lynchburg is up on average 0.2 percent or 99 more jobs over the year (Figure 26, Figure 27 and Table 22). The pace is below the nation, the state, and both benchmark communities. Over the last 6 years, Lynchburg has experienced a maximum annual job loss of 8.1 percent (-4,342) and a peak annual growth rate of 4.9 percent (+2,500).

Figure 26
Total Employment
12-Month Percent Change



Source: US Bureau of Labor Statistics, Garner Economics

Figure 27
Total Employment
12-Month Percent Change



Source: US Bureau of Labor Statistics, Garner Economics

Table 22
2006-2012 2Q
Employment Annual Change Rates
Highest relative rates shaded

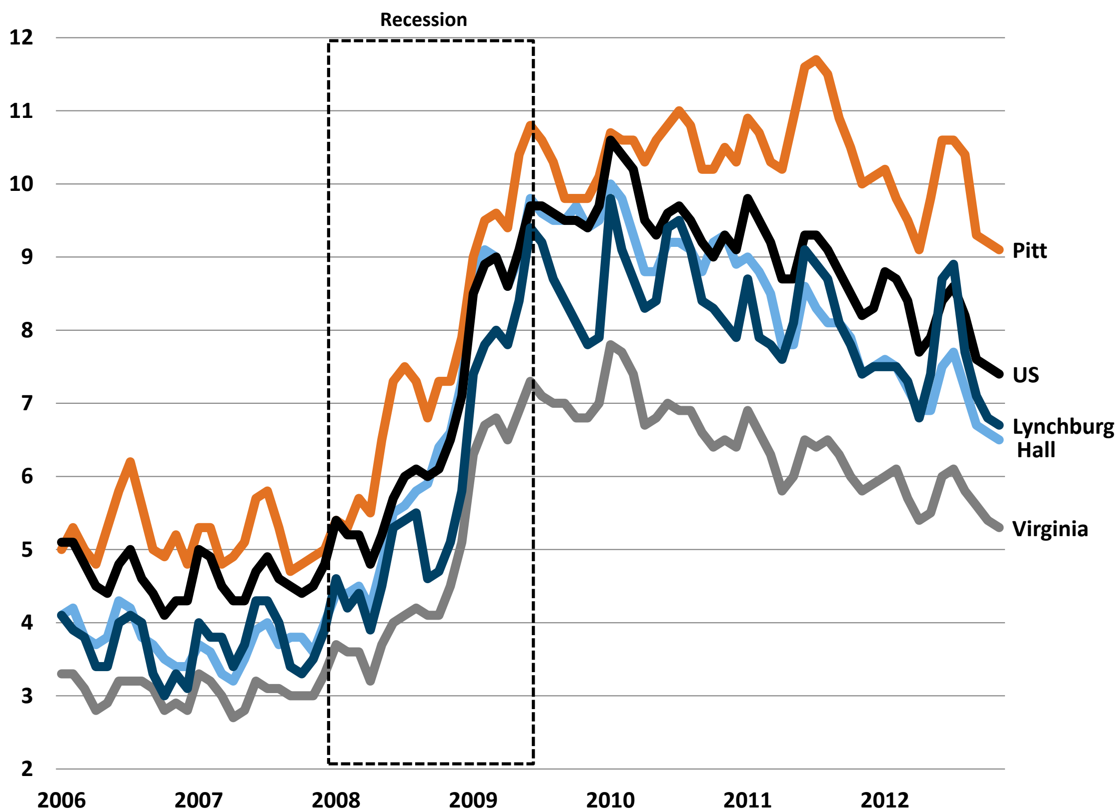
	Lynchburg #	Lynchburg %	Hall	Pitt	Virginia	US
2012 (1-2Q) Average Job Growth Rate	+99	0.2%	1.0%	2.8%	1.2%	1.7%
Greatest Percentage Job Loss	-4,342	-8.1%	-8.7%	-5.5%	-3.9%	-5-5%
Highest Job Growth Rate	+2,500	4.9	5.8%	5.6%	2.3%	2.3%

Source: US Bureau of Labor Statistics, Garner Economics

Unemployment Trends

The 2012 average unemployment rate through November is 7.5 percent in Lynchburg, representing 2,691 persons unable to find jobs. The average rate is below the nation and Pitt County (Figure 28 and Table 23). Since 2006, Lynchburg has experienced an unemployment rate range between 9.8 and 3.0 percent.

Figure 28
Unemployment Rate (%)



Source: US Bureau of Labor Statistics, Garner Economics

Table 23
2006-2012 (November)
Unemployment Trends (%)
Highest relative rates shaded

	Lynchburg #	Lynchburg %	Hall	Pitt	Virginia	US
2012 (Jan-Nov) Average Rate	2,691	7.5%	7.1%	9.8%	5.7%	8.1%
Lowest Rate	962	3.0%	3.2%	4.7%	2.7%	4.1%
Highest Rate	3,498	9.8%	10.0%	11.7%	7.8%	10.6%

Source: US Bureau of Labor Statistics, Garner Economics

Major Industry Sector Composition

A comparison of major industry employment composition provides a broad relative assessment of differences among economies and may help indicate areas of uniqueness. Lynchburg has a higher relative proportion of total employment in three major industry sectors: *Financial Activities*, *Health Care and Social Assistance*, and *Retail Trade* (Table 24). Conversely, the area has a lower relative proportion of total employment in *Construction* as well as *State* and *Local Government*. A detailed analysis of Lynchburg's industrial, occupational, and cluster specializations relative to the nation can be found in Chapter 6: Local Specialization, Competitiveness & Growth and in the Appendix.

Table 24
Major Industry Sector Composition- 2012 2Q
Percentage of Total Employment
Highest Relative Percentages Shaded

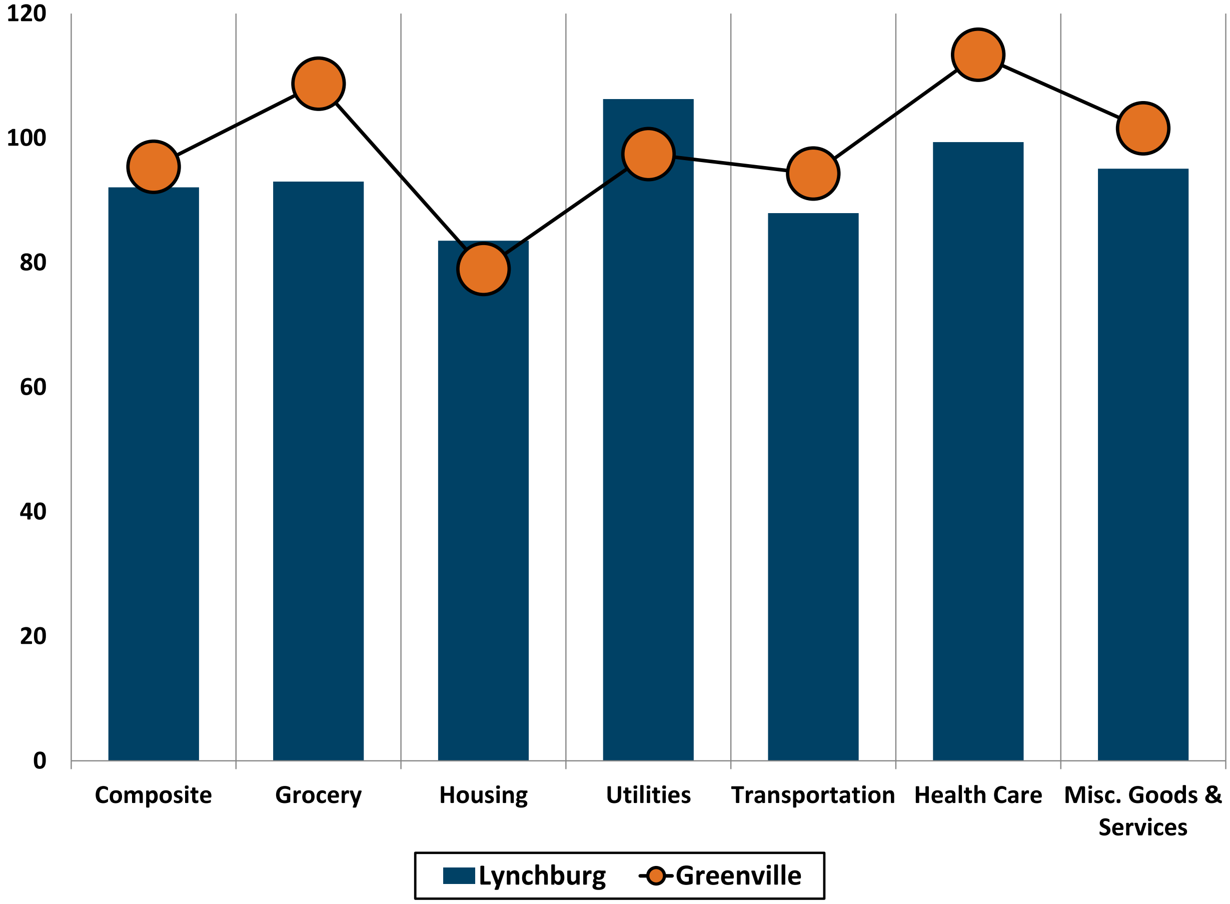
	Lynchburg	Hall	Pitt	Virginia	US
Federal Government	0.8%	0.7%	0.6%	4.8%	2.1%
State Government	2.4%	2.9%	10.7%	3.9%	3.4%
Local Government	6.9%	10.0%	18.1%	10.5%	10.4%
Total Private	89.9%	86.5%	70.6%	80.7%	84.1%
Private Industry					
Construction	2.7%	3.9%	3.6%	4.9%	4.3%
Educational Services	3.5%	1.6%	0.7%	10.0%	1.9%
Financial Activities	5.9%	3.2%	3.6%	4.9%	5.7%
Health Care and Social Assistance	18.1%	14.2%	12.8%	12.2%	12.6%
Information	1.0%	0.8%	1.3%	2.0%	2.0%
Leisure and Hospitality	10.2%	8.1%	11.4%	10.4%	10.8%
Manufacturing	13.0%	22.8%	9.3%	6.3%	9.0%
Professional and Business Services	13.2%	9.6%	9.9%	18.5%	13.5%
Retail Trade	14.2%	10.7%	11.6%	11.2%	11.2%
Transportation and Warehousing	1.9%	3.0%	1.1%	3.3%	3.1%

Source: US Bureau of Labor Statistics, Virginia Workforce Connection, Georgia Department of Labor, North Carolina Employment Commission, Garner Economics

Cost of Living

At 92.1, the 2011-2012 3Q annual average composite *Cost-of-Living Index* score in the Lynchburg metro is below the national index of 100. The Lynchburg metro is also lower than average in all individual residential spending categories except utilities (Figure 29 and Table 25). The composite index is also below the Greenville, NC metro (includes Pitt County).

Figure 29
*Metro-Level Cost of Living Index**
2011 3Q – 2012 3Q Annual Average



**Hall County does not participate.*
Source: ACCRA, Garner Economics

Table 25
*Metro-Level Cost of Living Index**
2011 3Q – 2012 3Q Annual Average

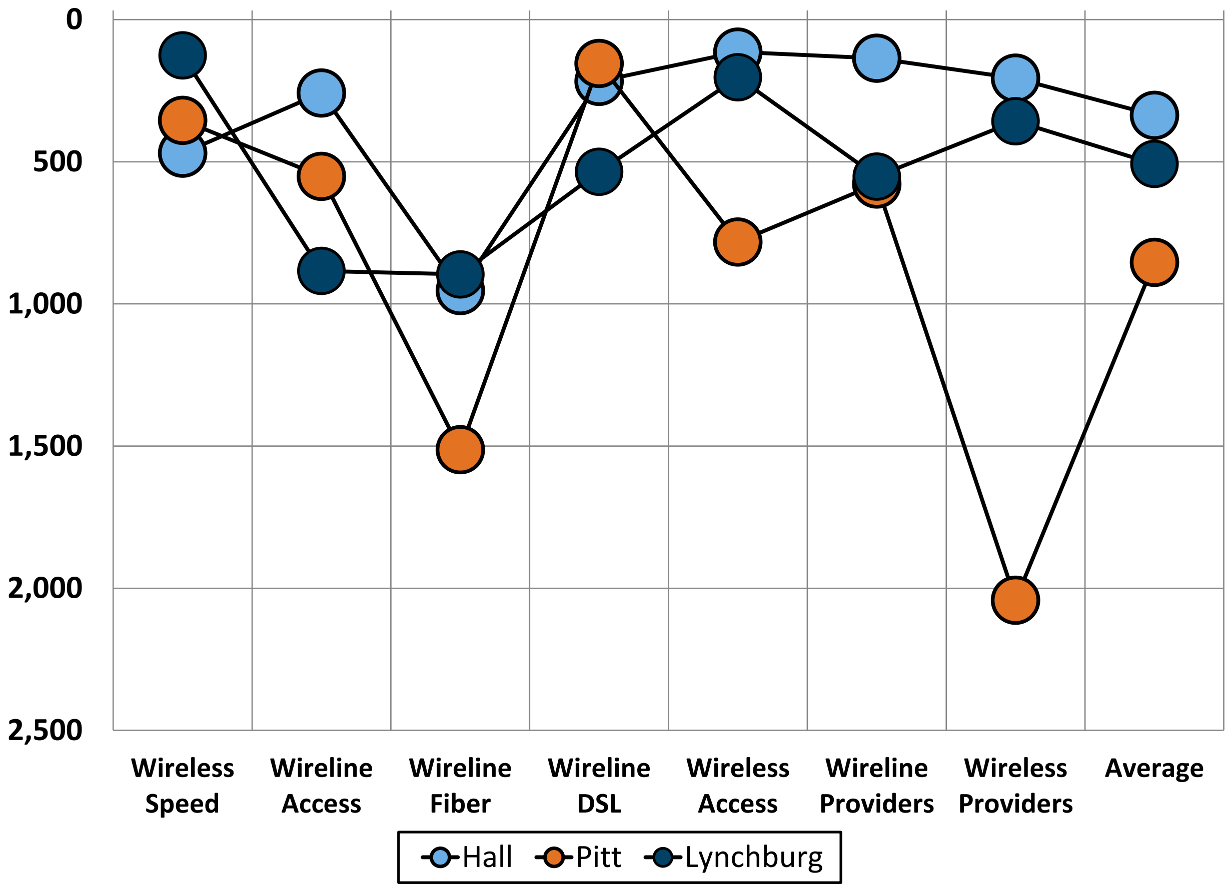
	Composite	Grocery	Housing	Utilities	Transportation	Health Care	Misc. Goods & Services
Lynchburg	92.1	93.0	83.5	106.3	88.0	99.3	95.1
Greenville	95.4	108.7	79.0	97.4	94.3	113.4	101.6

**Hall County does not participate.*
Source: ACCRA, Garner Economics

Broadband

Among 3,233 US counties and territories, Lynchburg earns an average rank of 508 in broadband categories measuring access and capacity (Figure 30 and Table 26). This places the City in the top fifth of all areas ranked. Hall County ranks higher at 336 and Pitt County lower at 853.

Figure 30
Broadband Rankings 2011
(a lower number is better)



Source: National Telecommunications and Information Administration

Table 26
Broadband Rankings, 2011
(a lower number is better)
Lowest Ranking Shaded

	AVG Rank	Wireless Speed	Wireline Access	Wireline Fiber	Wireline DSL	Wireless Access	Wireline Providers	Wireless Providers
Lynchburg	508	126	884	896	535	203	552	357
Hall	336	470	258	953	217	114	136	206
Pitt	853	354	551	1513	154	782	578	2,042

Source: National Telecommunications and Information Administration

Airport Statistics

The Lynchburg Regional Airport/Preston Glenn Field ranks 228 for passenger arrivals among all 847 US airports and 311 for the weight of Freight/Mail transported (Table 27). Hall County does not have a commercial airport.

Table 27
2012 Key Airport Statistics

	Passengers Arrivals		Freight/Mail (lb.)	
	Number	Rank*	Lbs.	Rank*
Lynchburg Regional/Preston Glenn Field (LYH)	78,000	228	17,000	311
Pitt Greenville (PGV)	61,000	248	56,000	522

** Among 847 US airports, 12 months ending August 2012*
Source: US Department of Transportation, Garner Economics

Chapter 6: Local Specialization, Competitiveness & Growth

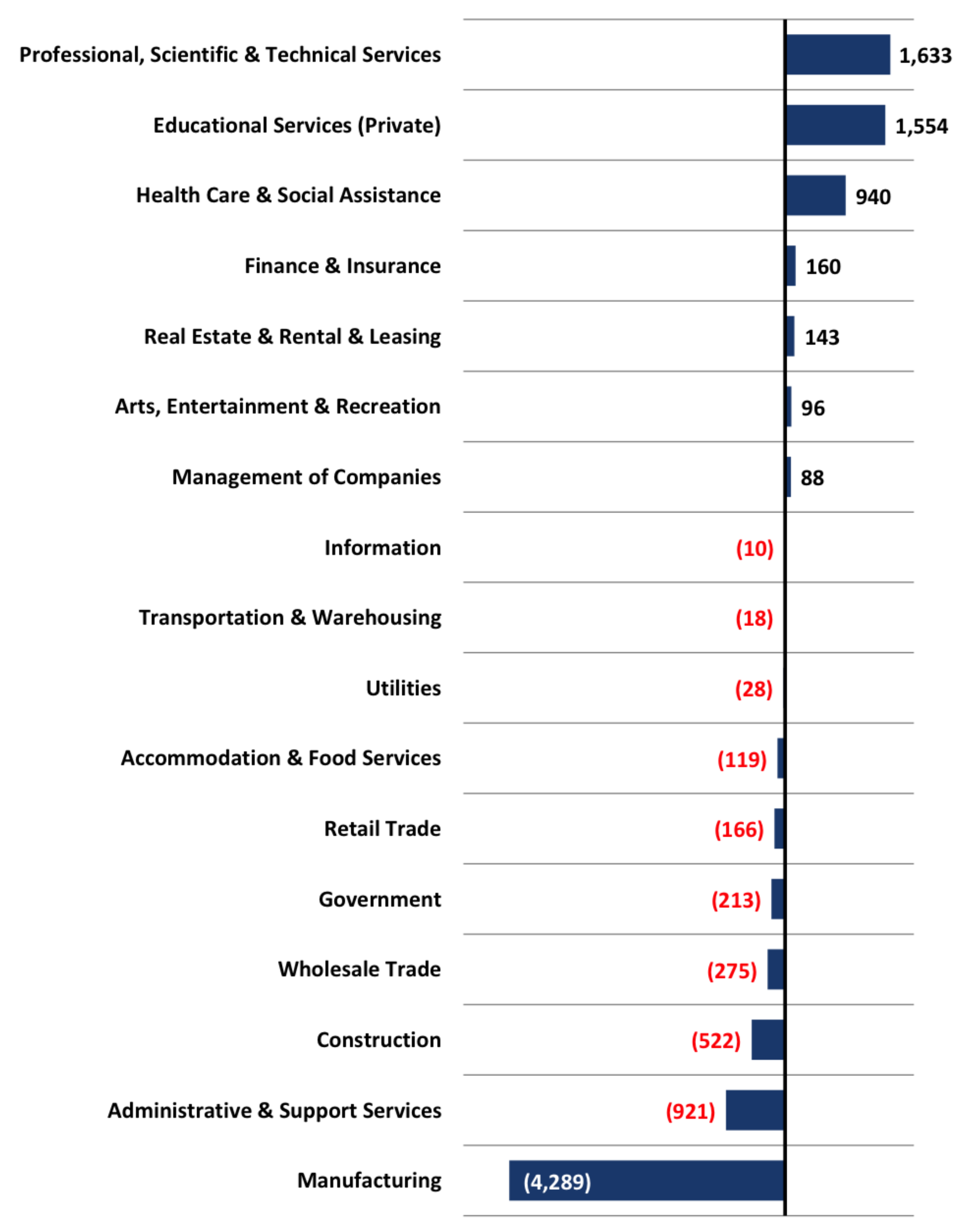
The following section provides a more detailed and in-depth assessment of Lynchburg's economy. The analysis examines the local economy from several different perspectives, each adding a supporting layer of information. The assessment's main goals are to provide historic context, reveal areas of unique specialization, gauge competitiveness, and help uncover emerging trends and opportunities.

The three main areas of analysis are: **major industries**, **occupations,** and **industry clusters**. For each area, there are relative measures of specialization, growth, local competitiveness, and earnings.

Major Industry Sector Change

Over the last five years, the largest absolute industry jobs gains in Lynchburg came from *Professional, Scientific & Technical Services*, up 1,633 jobs or 76 percent (Figure 31 and Table 28). Other significant gains were made in *Private Educational Services* (up 1,554 jobs or 26 percent) and *Health Care & Social Assistance* (up 940 jobs or 11 percent). The greatest industry job losses have come from the *Manufacturing* sector, down 4,289 jobs or 40 percent. Also experiencing significant losses were *Administrative & Support Services* (down 921 jobs or 28 percent) and *Construction* (down 522 or 23 percent).

Figure 31
Lynchburg
Employment Change by Major Industry
2007-2012



Source: Economic Modeling Specialist, Garner Economics

Table 28
Lynchburg
Employment Change by Major Industry
2007-2012
Ranked by Absolute Change

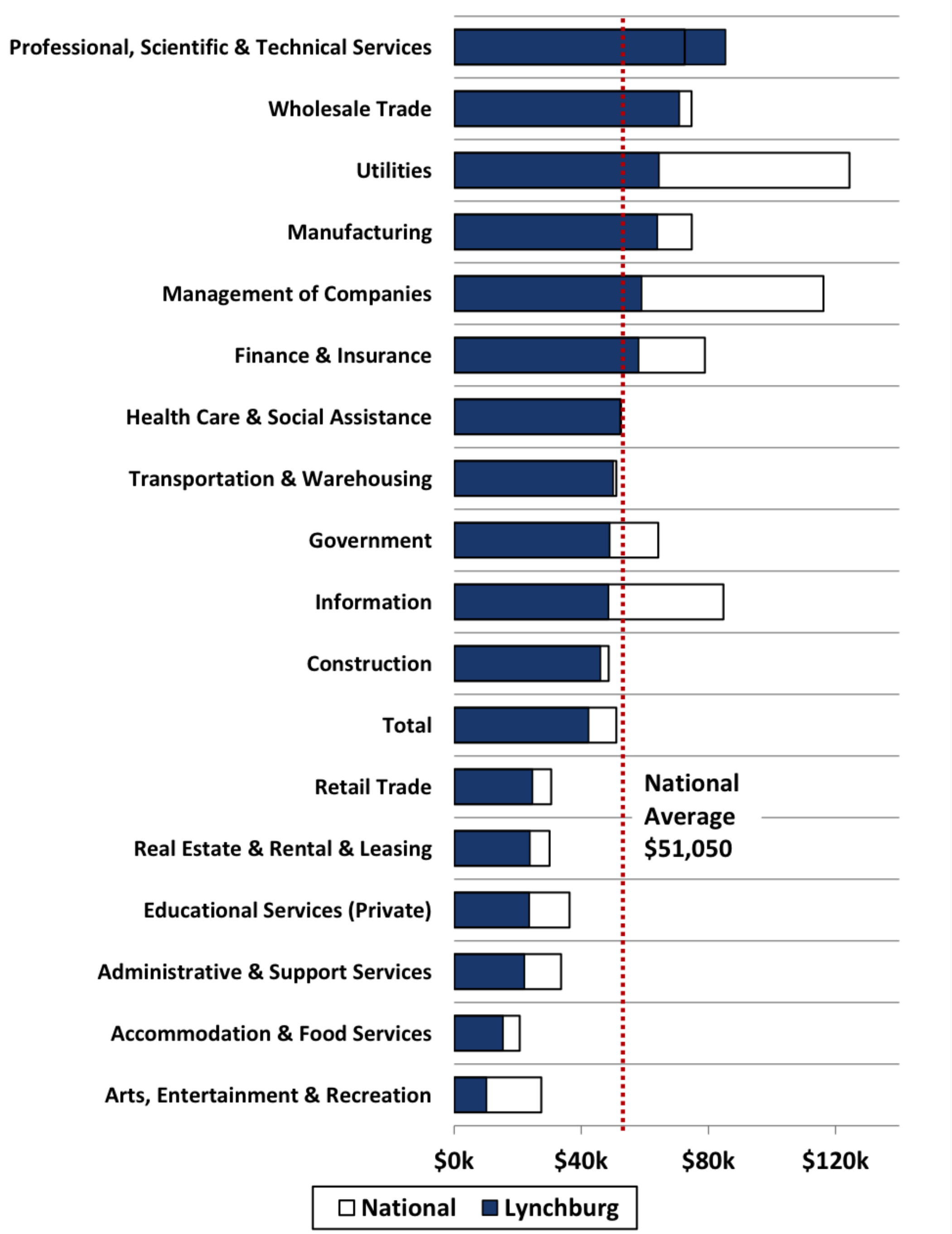
Major Industry Sector	2012 Jobs	Employment Change #	Employment Change %
Professional, Scientific & Technical Services	3,768	1,633	76%
Educational Services (Private)	7,602	1,554	26%
Health Care & Social Assistance	9,862	940	11%
Finance & Insurance	3,246	160	5%
Real Estate & Rental & Leasing	1,880	143	8%
Arts, Entertainment & Recreation	672	96	17%
Management of Companies	1,657	88	6%
Information	591	(10)	-2%
Transportation & Warehousing	1,134	(18)	-2%
Utilities	76	(28)	-27%
Accommodation & Food Services	4,997	(119)	-2%
Retail Trade	7,763	(166)	-2%
Government	5,622	(213)	-4%
Wholesale Trade	1,551	(275)	-15%
Construction	1,725	(522)	-23%
Administrative & Support Services	2,422	(921)	-28%
Manufacturing	6,423	(4,289)	-40%

Source: Economic Modeling Specialist, Garner Economics

Industry Earnings

A comparison of Lynchburg's average industry earnings to national averages may offer insights into areas of unique expertise or cost-saving opportunities. Lynchburg's industrial average earnings are below the national same-industry average in all major industries except *Professional, Scientific & Technical Services*, which is 15 percent higher and *Health Care & Social Assistance*, which is 0.4 percent higher (Figure 32 and Table 29). Seven major industry sectors in Lynchburg have annual earnings that are greater than the overall total national average of $51,050.

Figure 32
Average Annual Industry Earnings Comparison
Lynchburg, 2012



Source: Economic Modeling Specialist, Garner Economics

Table 29
Average Annual Industry Earnings Comparison, 2012

	Lynchburg	US	Percent

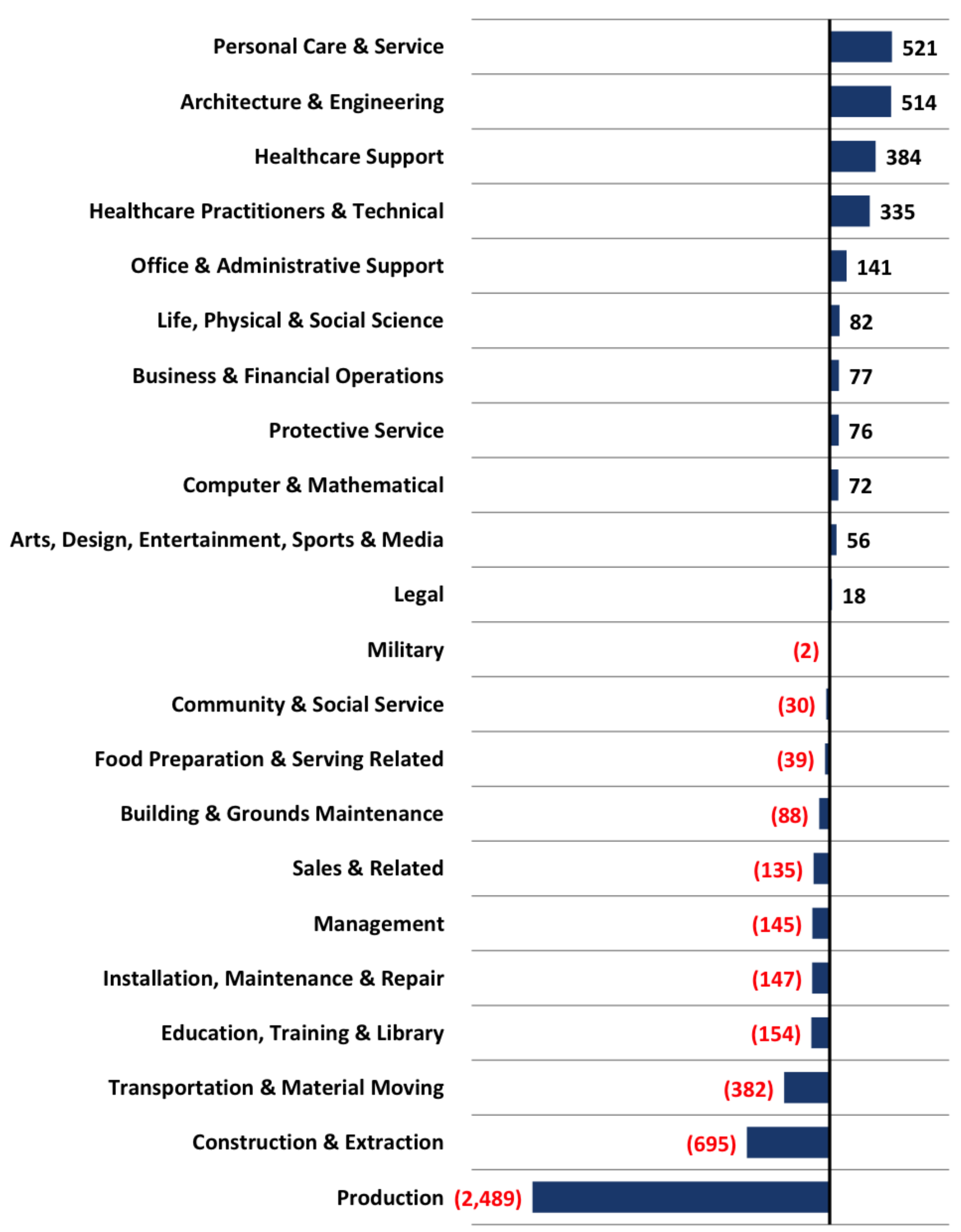
			Difference
Professional, Scientific & Technical Services	$85,365	$72,542	15.0%
Wholesale Trade	$70,830	$74,658	-5.4%
Utilities	$64,377	$124,380	-93.2%
Manufacturing	$63,883	$74,739	-17.0%
Management of Companies	$58,973	$116,197	-97.0%
Finance & Insurance	$57,991	$78,852	-36.0%
Health Care & Social Assistance	$52,530	$52,296	0.4%
Transportation & Warehousing	$49,986	$51,007	-2.0%
Government	$48,943	$64,227	-31.2%
Information	$48,521	$84,688	-74.5%
Construction	$45,980	$48,607	-5.7%
Total	**$42,275**	**$51,050**	**-20.8%**
Retail Trade	$24,643	$30,536	-23.9%
Real Estate & Rental & Leasing	$23,789	$30,015	-26.2%
Educational Services (Private)	$23,648	$36,307	-53.5%
Administrative & Support Services	$22,078	$33,640	-52.4%
Accommodation & Food Services	$15,356	$20,610	-34.2%
Arts, Entertainment & Recreation	$10,170	$27,452	-169.9%

Source: Economic Modeling Specialist, Garner Economics

Major Occupational Change

Over the last five years, the largest absolute occupational gains in Lynchburg came from *Personal Care & Service,* up 521 jobs or 28 percent (Figure 33 and Table 30). Other significant occupational gains were made in *Architecture & Engineering* (up 514 jobs or 46 percent) and *Healthcare Support* (up 384 jobs or 18 percent). The greatest job losses have come from the *Production* group, down 2,489 jobs or 34 percent. Other major remaining losses came from *Construction & Extraction* (down 695 or 29 percent) and *Transportation & Material Moving* (down 382 jobs or 11 percent).

Figure 33
Lynchburg
Employment Change by Major Occupational Groups
2007-2012



Source: Economic Modeling Specialist, Garner Economics

Table 30
Lynchburg
Employment Change by Major Occupational Groups
2007-2012 Ranked by Absolute Change

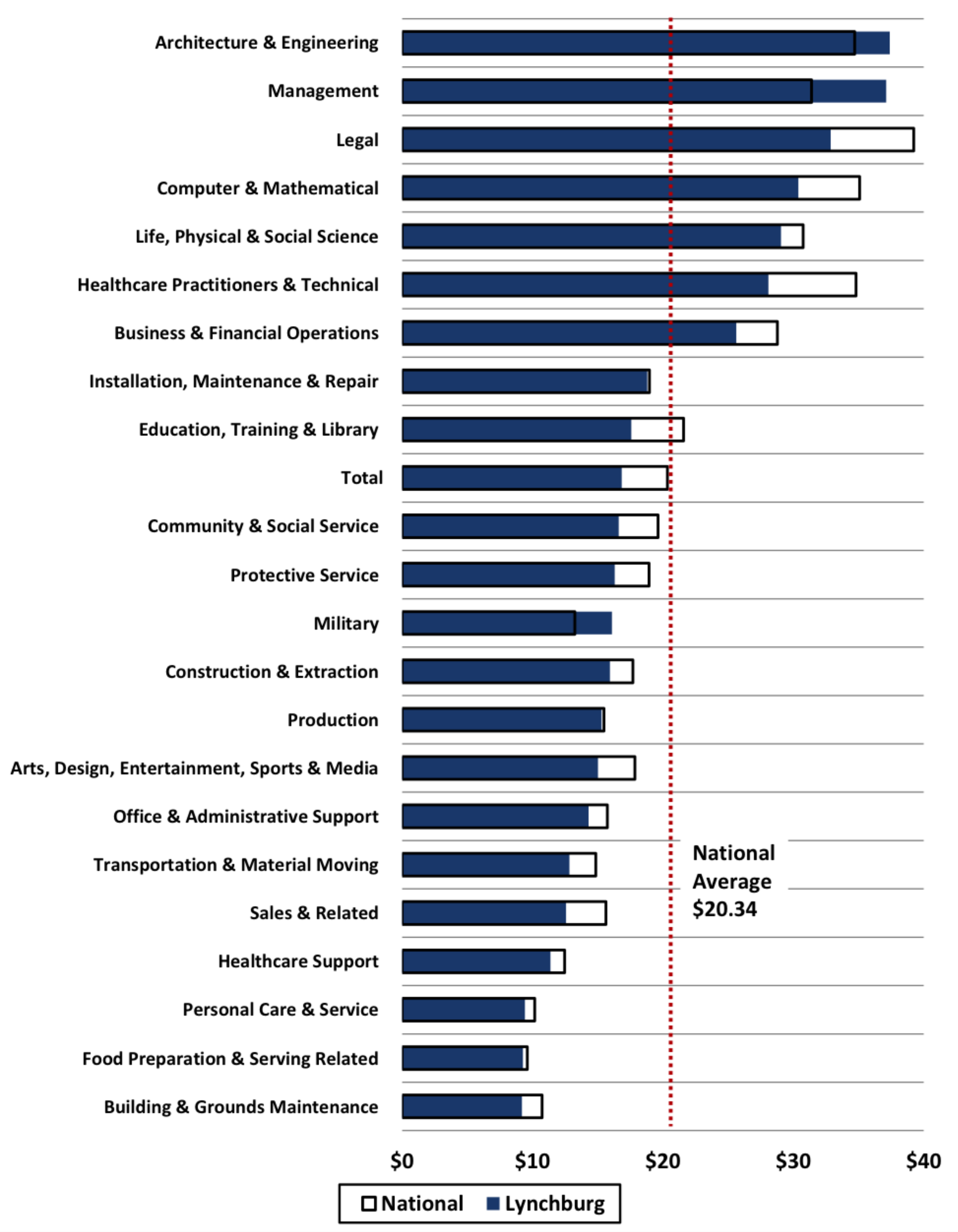
Major Occupational Groups	2012 Jobs	Employment Change #	Employment Change %
Personal Care & Service	2,361	521	28%
Architecture & Engineering	1,640	514	46%
Healthcare Support	2,496	384	18%
Healthcare Practitioners & Technical	4,232	335	9%
Office & Administrative Support	11,866	141	1%
Life, Physical & Social Science	510	82	19%
Business & Financial Operations	2,538	77	3%
Protective Service	1,201	76	7%
Computer & Mathematical	891	72	9%
Arts, Design, Entertainment, Sports & Media	976	56	6%
Legal	312	18	6%
Military	377	(2)	(1%)
Community & Social Service	1,232	(30)	(2%)
Food Preparation & Serving Related	5,319	(39)	(1%)
Building & Grounds Maintenance	2,538	(88)	(3%)
Sales & Related	7,965	(135)	(2%)
Management	2,329	(145)	(6%)
Installation, Maintenance & Repair	2,360	(147)	(6%)
Education, Training & Library	2,956	(154)	(5%)
Transportation & Material Moving	3,132	(382)	(11%)
Construction & Extraction	1,690	(695)	(29%)
Production	4,753	(2,489)	(34%)

Source: Economic Modeling Specialist, Garner Economics

Occupational Earnings

A comparison of Lynchburg’s same-occupation average hourly earnings to national averages may offer insights into areas of unique expertise or cost-saving opportunities. Two groups have earnings above the national same-occupation averages: *Architecture & Engineering* and *Management* (Figure 34 and Table 31). Seven occupational groups in Lynchburg have average hourly earnings that exceed the total national average of $20.34.

Figure 34
Median Hourly Occupational Earnings Comparison
2012



Source: Economic Modeling Specialist, Garner Economics

Table 31
Average Hourly Occupational
Earnings Comparison
2012

Major Occupational Groups	Lynchburg	US	Percent Difference
Architecture & Engineering	$37.40	$34.71	7.2%
Management	$37.12	$31.40	15.4%
Legal	$32.86	$39.23	-19.4%
Computer & Mathematical	$30.39	$35.09	-15.5%
Life, Physical & Social Science	$29.06	$30.75	-5.8%
Healthcare Practitioners & Technical	$28.09	$34.81	-23.9%
Business & Financial Operations	$25.62	$28.78	-12.3%
Installation, Maintenance & Repair	$18.79	$18.96	-0.9%
Education, Training & Library	$17.57	$21.59	-22.9%
Total	**$16.84**	**$20.34**	**-20.8%**
Community & Social Service	$16.61	$19.62	-18.1%
Protective Service	$16.30	$18.94	-16.2%
Military	$16.08	$13.24	17.7%
Construction & Extraction	$15.94	$17.69	-11.0%
Production	$15.29	$15.48	-1.2%
Arts, Design, Entertainment, Sports & Media	$15.01	$17.85	-18.9%
Office & Administrative Support	$14.30	$15.73	-10.0%
Transportation & Material Moving	$12.83	$14.84	-15.7%
Sales & Related	$12.56	$15.62	-24.4%
Healthcare Support	$11.37	$12.45	-9.5%
Personal Care & Service	$9.41	$10.16	-8.0%
Food Preparation & Serving Related	$9.26	$9.59	-3.6%
Building & Grounds Maintenance	$9.18	$10.73	-16.9%

Source: Economic Modeling Specialist, Garner Economics

The following assessment tools include a series of bubble/scatter charts and tables. Axis and quadrant labels should be read only as general guides resulting from purely quantitative analysis, not definitive conclusions. Each chart and table is meant as only one piece of a multiple part analysis. To assist the reader in interpreting the bubble charts, each axis and quadrant is labeled with broad descriptives.

Chart axis definitions:

- **Specialization:** measured using location quotient (LQ). [6] Reflects the level of relative concentration of a particular occupation/industry/cluster in Lynchburg to the nation. In simple terms, a high LQ (above 1.2) indicates what a local economy is good at doing and implies there are unique skills, institutions, raw materials, etc. that support this position.
- **Industry Effect:** The portion of growth/decline attributed to a particular industry or cluster nationwide. For example, if hospital employment grew by 5 percent nationwide in 2011, we would expect to see the same percentage increase locally, assuming that the forces driving nationwide growth would have a similar local impact.
- **Local Effect:** The proportion of growth/decline not captured by the industry effect, indicating unique local performance. It measures local activity outside the expected nationwide trend. A consistent positive local competitive effect signals superior local performance.

Chart quadrant label definitions:

- **At-Risk:** Locally specialized and recent local job losses.
- **Competitive:** Locally specialized and recent local job gains.
- **Declining**: Not locally specialized and recent local job losses.
- **Emerging:** Not locally specialized and recent local job gains.
- **Local Decline/National Growth:** Industry or occupation gains nationwide and local losses or gains below nationwide trend.
- **Local Growth/National Growth:** Industry or occupation gains nationwide and positive local gains or losses less than nationwide trend.
- **Local Growth/National Decline:** Industry or occupation losses nationwide and positive local gains or losses less than nationwide trend.
- **Local Decline/National Decline:** Industry or occupation losses nationwide and local losses or gains below nationwide trend.

Detailed occupational and industry information for Lynchburg can be found in the **Appendices**.

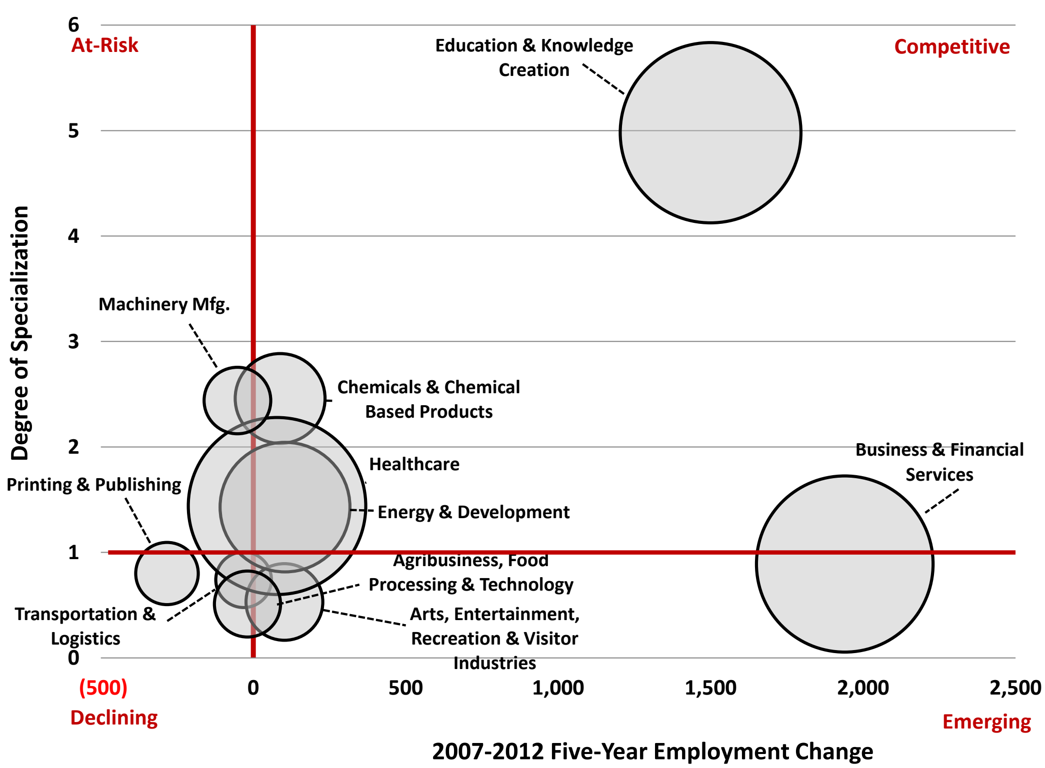
[6] To measure local specialization, location quotients (LQs) for each occupation, industry, or cluster are derived. LQs are ratios of an area's distribution of employment for a specific occupation/industry/cluster compared to a reference or base area's distribution. In this analysis, the reference area is the United States. If an LQ is equal to 1, then the industry has the same share of its area employment as it does in the reference area. An LQ greater than 1 indicates an industry with a greater share of the local area employment than is the case in the reference area and implies local specialization. LQs are calculated by first dividing local industry employment by the all industry total of local employment. Second, reference area industry employment is divided by the all industry total for the reference area. Finally, the local ratio is divided by the reference area ratio.

Industry Cluster Specialization & Growth

Industry clusters are geographic concentrations of interconnected businesses, suppliers, and associated institutions in a particular field. Clusters are considered to increase the productivity with which companies can compete nationally and globally. For the analysis, we start with cluster definitions developed by the Purdue Center for Regional Development and the Indiana Business Research Center at Indiana University's Kelley School of Business through work funded by the US Commerce Department's Economic Development Administration. Garner Economics adjusts cluster components to better match each unique location and particular economic situation.

Observations: The *Education & Knowledge Creation* cluster is the largest single cluster in Lynchburg. It experienced growth over the last five years and has the highest degree of local specialization at 4.98 (Figure 35 and Table 32). The *Chemicals & Chemical Based Products* cluster has the second highest degree of local specialization at 2.46. The *Business & Financial Services* cluster experienced the greatest absolute growth, adding 1,940 jobs.

Figure 35
Lynchburg
Cluster Specialization & Growth



Size of the bubble represents total employment.
Clusters are not exclusive; industries may be in more than one cluster.
Source: Economic Modeling Specialist, Garner Economics

Table 32
Lynchburg
Cluster Specialization & Growth

Cluster	Five-Year Job Change	Location Quotient	2012 Jobs
Competitive			
Education & Knowledge Creation	1,500	4.98	7,343
Chemicals & Chemical Based Products	88	2.46	1,820
Healthcare	78	1.44	7,074
Energy & Development	104	1.43	3,796
Emerging			
Business & Financial Services	1,940	0.89	7,014
Arts, Entertainment, Recreation & Visitor Industries	102	0.53	1,329
At-Risk			
Machinery Manufacturing	(52)	2.44	995
Declining			
Printing & Publishing	(283)	0.8	878
Agribusiness, Food Processing & Technology	(32)	0.74	696
Transportation & Logistics	(19)	0.51	983

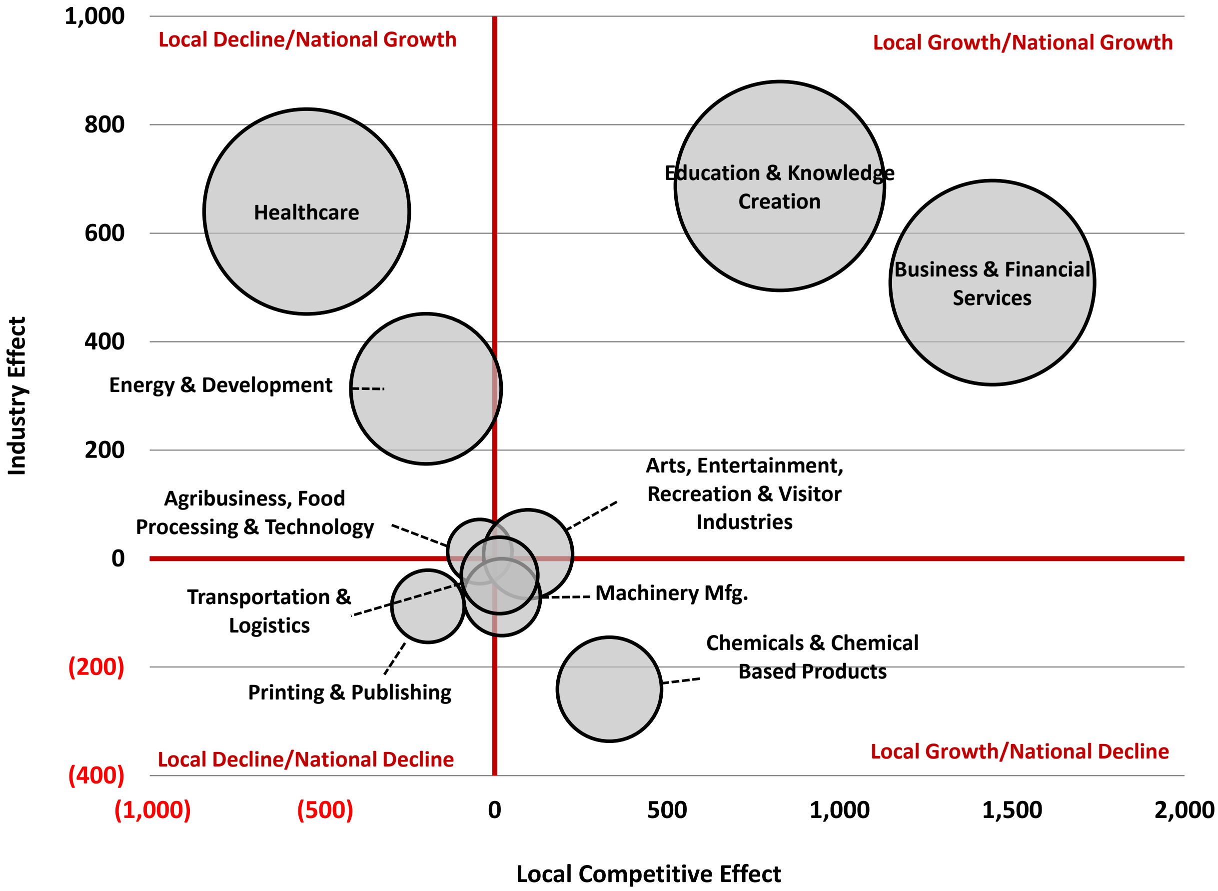
Clusters are not exclusive; industries may be in more than one cluster.
Source: Economic Modeling Specialist, Garner Economics

Industry Cluster Competitiveness

The Competitiveness screen seeks to reveal local competitive advantages (i.e. unique growth beyond what industry trends would achieve).

Observations: A strong local competitive effect is exhibited by the *Business & Financial Services* and *Education & Knowledge Creation* clusters, meaning the cluster's local growth is greater than what industry-wide trends would predict. To a lesser amount, the *Arts, Entertainment, Recreation & Visitor Industries* cluster also experienced growth indicating a local competitive advantage in Lynchburg (Figure 36 and Table 33).

Figure 36
Lynchburg
Cluster Relative Components of Growth
2007-2012



Size of the bubble represents total employment.
Clusters are not exclusive; industries may be in more than one cluster.
Source: Economic Modeling Specialist, Garner Economics

Table 33
Lynchburg
Cluster Relative Components of Growth
2007-2012 3Q

Cluster	Local Competitive Effect	Industry Effect	2012 Jobs
Local Growth/National Growth			
Business & Financial Services	1,443	509	7,014
Education & Knowledge Creation	827	687	7,343
Arts, Entertainment, Recreation & Visitor Industries	97	8	1,329
Local Growth/National Decline			
Chemicals & Chemical Based Products	333	(241)	1,820
Machinery Mfg.	21	(71)	995
Transportation & Logistics	14	(31)	983
Local Decline/National Growth			
Healthcare	(545)	640	7,074
Energy & Development	(199)	313	3,796
Agribusiness, Food Processing & Technology	(43)	13	696
Local Decline/National Decline			
Printing & Publishing	(193)	(88)	878

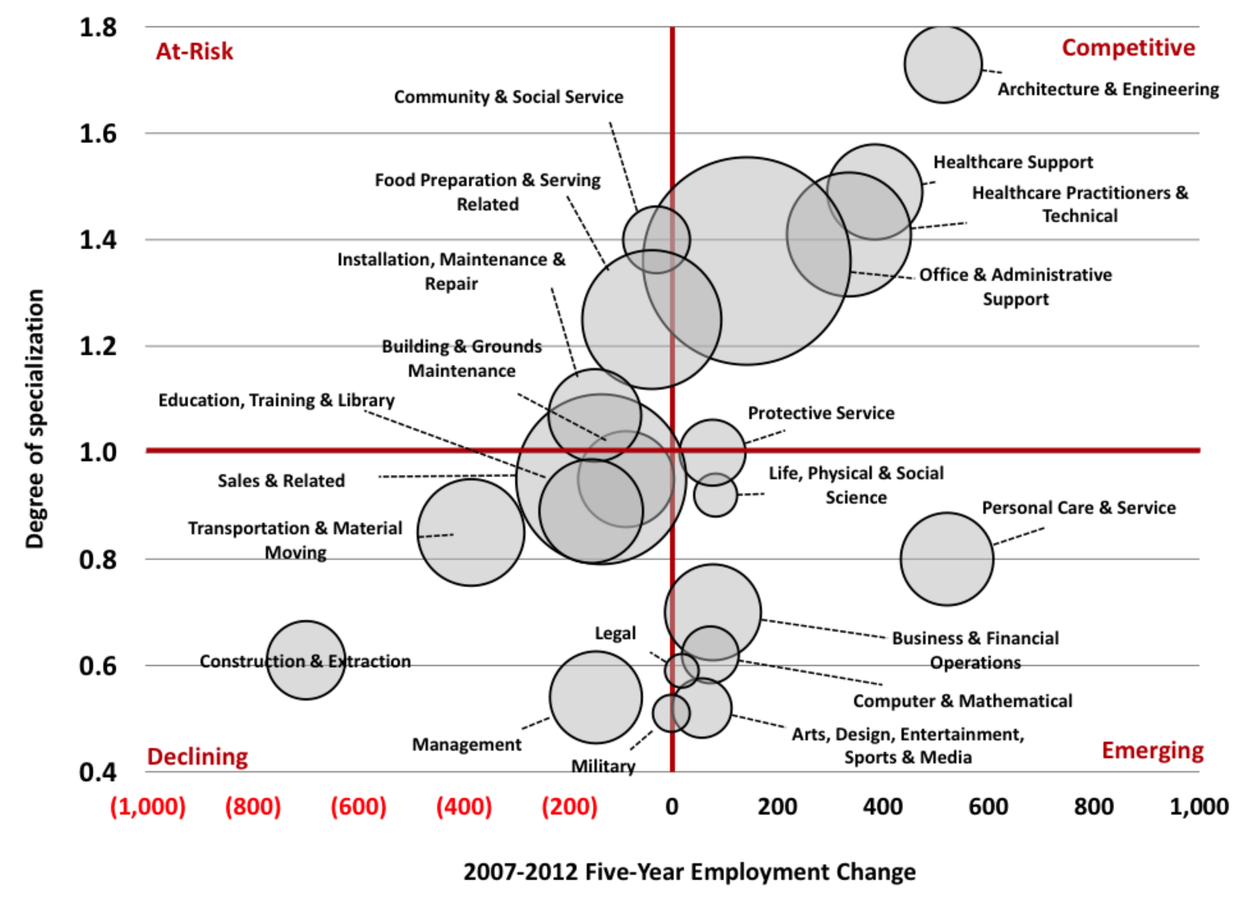
Clusters are not exclusive; industries may be in more than one cluster.
Source: Economic Modeling Specialist, Garner Economics

Occupational Specialization & Growth

Occupational groupings represent similar skills and educational qualifications. The groupings do not necessarily reflect any specific industrial sector or clusters.

Observations: Over the last five years, four occupational groups have experienced growth and exhibited high relative local specialization in Lynchburg (Figure 37 and Table 34). The *Architecture & Engineering* group has the highest degree of local specialization at 1.73, followed by *Healthcare Support* at 1.49.

Figure 37
Lynchburg
*Occupational Specialization & Growth**



**Production occupations not shown due to chart distortion. See table below for details.*
Size of the bubble represents total employment.
Source: Economic Modeling Specialist, Garner Economics

Table 34
Lynchburg
Occupational Specialization & Growth
2007-2012

Occupational Group	Five Year Change	Location Quotient	2012 Jobs
Competitive			
Architecture & Engineering	514	1.73	1,640
Healthcare Support	384	1.49	2,496
Healthcare Practitioners & Technical	335	1.41	4,232
Office & Administrative Support	141	1.36	11,866
Emerging			
Personal Care & Service	521	0.80	2,361
Life, Physical & Social Science	82	0.92	510
Business & Financial Operations	77	0.70	2,538
Protective Service	76	1.00	1,201
Computer & Mathematical	72	0.62	891
Arts, Design, Entertainment, Sports & Media	56	0.52	976
Legal	18	0.59	312
At-Risk			
Production	(2,489)	1.41	4,753
Community & Social Service	(30)	1.40	1,232
Food Preparation & Serving Related	(39)	1.25	5,319
Installation, Maintenance & Repair	(147)	1.07	2,360
Declining			
Building & Grounds Maintenance	(88)	0.95	2,538
Sales & Related	(135)	0.95	7,965
Education, Training & Library	(154)	0.89	2,956
Transportation & Material Moving	(382)	0.85	3,132
Construction & Extraction	(695)	0.61	1,690
Management	(145)	0.54	2,329
Military	(2)	0.51	377

Source: Economic Modeling Specialist, Garner Economics

Chapter 7: Optimal Targets For The City Of Lynchburg

The optimal industry target selection is based on the site-specific characteristics of the City of Lynchburg's economy. Using results from the previously completed *Competitive Realities Report*, the Assets and Challenges Assessment, focus groups, and field visit, four industry targets were chosen that best match the unique competitive advantages in the area to the needs of particular industry sectors. Each sector selected has a record of above-average wages, projected growth, and participation in commercial activities that will create wealth in the City of Lynchburg,[7] both in the short- and long-term.

Because economies are dynamic and impossible to precisely predict, these four optimal targets offer opportunities across several non-competing sectors, affording a means to diversify economic development strategies and avoid risky overconcentration.

Prospects are particularly interested in an established and skilled workforce, plus the region's capacity to supply newly trained workers, especially among higher-skilled occupations. So, special efforts were made to link demanded occupations and training to the region's available workforce and supply pipeline.

The target information is presented in a practical and workable format, avoiding complex analysis and extensive projections of future outcomes. Instead, the justifications for the targets should be clearly apparent and make sense to the average practitioner. Under each major target sector, a list of individual subsectors is provided with accompanying NAICS classifications. A full description for each subsector target can be found in Table 46. Detailed subsector targets help to bridge the gap from broad economic concepts to a workable means for identifying specific prospective industries and firms.

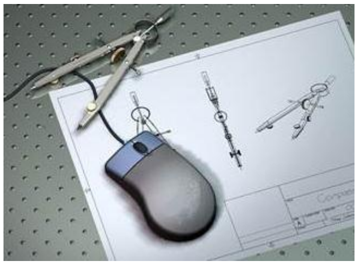
For each target, a bulleted list of rationales is presented and identified as appealing to the needs of prospects (**P**) or the community (**C**). This material can be used in marketing and community support efforts or to help economic development personnel prioritize targeting efforts.

[7] Local wealth creation is driven by exporting value-added products and services or by importing outside dollars via activities such as tourism. All other activities, which primarily serve the local market, such as retail, would not be considered as viable industry targets for recruitment or expansion.

OPTIMAL TARGETS FOR THE CITY OF LYNCHBURG

Engineering & Specialized Services	Advanced Materials	Niche Headquarters & Association Management	Aircraft Modification & Repair
Subsectors			
• Engineering Services • Geophysical Surveying and Mapping Services • Industrial Design Services • Environmental Consulting Services • Other Scientific and Technical Consulting Services • Research and Development in Physical and Engineering Sciences	• Pharmaceutical Preparation Mfg. • In-Vitro Diagnostic Substance Mfg. • Biological Product Mfg. • Plastics Bag and Pouch Mfg. • Plastics Packaging Film and Sheet Mfg.	• Small Corporate, Subsidiary, and Regional Managing Offices • Business Associations • Professional Organizations • Grantmaking Foundations • Environment, Conservation, and Wildlife Organizations	• Aircraft Overhaul & Conversion • Aircraft Engine Rebuild & Overhaul • Aircraft Inspection

ENGINEERING & SPECIALIZED SERVICES



The City of Lynchburg economy is ideally suited for attraction or expansion of its existing specialization in *Engineering & Specialized Services*. The City has already demonstrated its ability to support these industries, and this target builds on upon that success.

The *Engineering & Specialized Services* target consists of firms operating with engineering as the core area of specialization and those offering closely related services (Table 35). These industries share high relative wages and outstanding growth forecasts. Major forces driving future growth include: 1) shift to renewables or more efficient sources of energy, 2) increasing demand for energy efficient buildings, 3) increasingly complex federal or state environmental regulations, and 4) overall rising demand for energy and rise in construction of new facilities.

Rationales

- Lynchburg's strongest annual STEM Associate's degree completions are in *Engineering Technologies* (47 completions in 2011). (**P**)
- Presence of Babcock & Wilcox Technical Services, Areva NP, Hurt & Proffitt, and Wiley|Wilson (**P**)
- Over the last five years, the largest absolute industry jobs gains in Lynchburg came from *Professional, Scientific & Technical Services*, up 1,633 jobs or 76 percent. (**P**)
- High relative broadband rank, measuring access and capacity (**P**)
- Among occupations, the *Architecture & Engineering* group has the highest degree of local specialization in Lynchburg at 1.73. (**C**, **P**)
- Average target subsector 2012 national earnings of $78,713 (**C**)
- Average target subsector five-year forecasted growth of 17% (**C**)
- 147 annual postsecondary completions in critical fields from Lynchburg Colleges and Universities (Table 36) (**C**, **P**)
- Strong existing pool of high-demand occupations in Lynchburg (Table 37) (**P**)
- Quality of Place assets: Low cost of housing, high relative levels of cultural and recreational activities, good quality of local restaurants, and attractive Central Business District (**P**)

Table 35
Engineering & Specialized Services
Subsectors

NAICS	Description	Five-Year Forecast	2012 National Earnings
541330	Engineering Services	13.6%	$94,453
541360	Geophysical Surveying and Mapping Services	9.3%	$73,726
541420	Industrial Design Services	21.0%	$60,457
541620	Environmental Consulting Services	15.7%	$62,397
541690	Other Scientific and Technical Consulting Services	32.7%	$63,462
541712	Research and Development in the Physical and Engineering Sciences	9.5%	$117,782

Source: Economic Modeling Specialist, Garner Economics

Table 36
Engineering & Specialized Services
Lynchburg Annual Postsecondary Completions in Critical Fields, 2011

	Annual Completions	Institution
Associate's Degrees & Certificates		
Engineering, General	22	Central Virginia Community College
Industrial Technology/Technician	43	Central Virginia Community College
CAD/CADD Drafting and/or Design Technology Tech	1	Central Virginia Community College
Computer and Information Sciences	9	Central Virginia Community College
Bachelor's degrees		
Computer Software Engineering	2	Liberty University
Electrical and Electronics Engineering	4	Liberty University
Industrial Engineering	1	Liberty University
Mathematics	34	Liberty University, Randolph College, Lynchburg College
Information Technology	12	Liberty University
Computer and Information Sciences	19	Liberty University, Lynchburg College

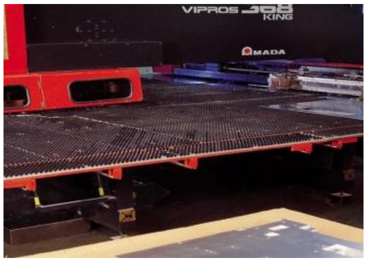
Source: National Center for Education Statistics, Garner Economics

Table 37
Engineering & Specialized Services
Existing Labor Pool of High Demand Occupations, 2012

Occupation	Employed in Lynchburg
Electrical Engineers	182
Mechanical Engineers	122
Electrical and Electronics Engineering Technicians	121
Civil Engineers	114
Management Analysts	105
Architectural and Engineering Managers	66
Surveying and Mapping Technicians	57
Computer Systems Analysts	46
Mechanical Engineering Technicians	46
Environmental Engineers	40
Industrial Engineers	39
Computer Support Specialists	38
Market Research Analysts and Marketing Specialists	37
Software Developers, Applications	34
Electronics Engineers, Except Computer	30
Architectural and Civil Drafters	28
Civil Engineering Technicians	27
Engineers, All Other	25

Source: Economic Modeling Specialist, Garner Economics

Advanced Materials Manufacturing



The Advanced Materials Manufacturing target broadly encompasses the application of new innovative technologies or product applications in both plastics and chemical manufacturing (Table 38). Existing local specialization, high relative wages, and the opportunity to re-employ local production workers all indicate an ideal target for expansion and attraction. Major drivers include: 1) move towards biodegradable plastics, 2) development and application of nanocomposites, 3) growing demand for cost-effective healthcare products due to an aging population and cost constraints, and 4) demand for efficient packaging to reduce transportation costs.

Rationales

- Low rate of unionization (**P**)
- High local specialization of local *Chemicals & Chemical Based Products* cluster (**P**)
- Presence of Tri Tech Labs, C.B. Fleet, Harrington Corporation (HARCO) (**P**)
- Average target subsector 2012 national earnings of $101,898 (**C**)
- Average target subsector five-year forecasted growth of 19.9% (**C**)
- Low relative cost of electricity for industrial use (**P**)
- Low relative cost of labor (**P**)
- 77 annual postsecondary completions in critical fields from Lynchburg Colleges and Universities (Table 39) (**P**)
- *Production* occupational group has a high degree of local specialization in Lynchburg (**C**, **P**)
- Strong existing pool of high-demand occupations in Lynchburg region area (Table 40) (**P**)
- Most in-demand occupations match the area's leading level of educational attainment (high school graduate). (**C**, **P**)
- Quality of Place assets: Low cost of housing, high relative levels of cultural and recreational activities, good quality of local restaurants, and attractive Central Business District (**P**)

Table 38
Advanced materials Manufacturing
Subsectors

NAICS	Description	5 Year Forecast	National Earnings
325412	Pharmaceutical Preparation Manufacturing	3.9%	$142,765
325413	In-Vitro Diagnostic Substance Manufacturing	21.9%	$117,169
325414	Biological Product Manufacturing	9.6%	$124,224
326111	Plastics Bag and Pouch Manufacturing	23.0%	$56,277
326112	Plastics Packaging Film and Sheet Manufacturing	41.3%	$69,053

Source: Economic Modeling Specialist, Garner Economics

Table 39
Advanced Materials Manufacturing
Lynchburg Annual Postsecondary Completions in Critical Fields, 2011

	Annual Completions	Institution
Associate's Degrees & Certificates		
Engineering, General	22	Central Virginia Community College
Industrial Technology/Technician	43	Central Virginia Community College
Industrial Electronics Technology/Technician	3	Central Virginia Community College
Bachelor's Degrees		
Industrial Engineering	1	Liberty University
Chemistry	8	Lynchburg College, Randolph College

Source: National Center for Education Statistics, Garner Economics

Table 40
Advanced Materials Manufacturing
Existing Labor Pool of High Demand Occupations, 2012

Occupation	Employed in Lynchburg
Packaging and Filling Machine Operators and Tenders	186
Inspectors, Testers, Sorters, Samplers, and Weighers	98
Chemical Equipment Operators and Tenders	71
First-Line Supervisors of Production and Operating Workers	68
Extruding, Forming, Pressing, and Compacting Machine Setters, Operators, and Tenders	57
Extruding and Drawing Machine Setters, Operators, and Tenders, Metal and Plastic	50
Industrial Machinery Mechanics	47
Molding, Coremaking, and Casting Machine Setters, Operators, and Tenders, Metal and Plastic	39
Industrial Truck and Tractor Operators	37
Chemists	26
Cutting, Punching, and Press Machine Setters, Operators, and Tenders, Metal and Plastic	24
Chemical Technicians	23
Industrial Engineers	20
General and Operations Managers	20
Industrial Production Managers	13

Source: Economic Modeling Specialist, Garner Economics

NICHE HEADQUARTERS & ASSOCIATION MANAGEMENT

Lynchburg has a unique position to attract *Niche Headquarters* (small corporate, subsidiary, and regional managing offices) and firms involved in *Association Management* (Table 41). *Quality of Place* and a relatively central location to major metropolitan areas are important site factors for this target. The optimal location of *small corporate offices* and *association management organizations* (many that are nonprofit) often rely on the opportunity to operate in an attractive business district, have a supply of workers with business administrative skills, and have access to young talent and creative energy from nearby colleges and universities. Because these types of firms are often overlooked in traditional economic development recruiting and marketing activities, Lynchburg can gain a distinct competitive value in targeting this group.

Rationales

- Significant university and college presence (**P**)
- Low relative cost of labor (**P**)
- High relative broadband rank, measuring access and capacity (**P**)
- Average target subsector 2012 national earnings of $74,746 (**C**)
- Average target subsector five-year forecasted growth of 11.9% (**C**)
- 1,886 annual postsecondary completions in critical fields from Lynchburg Colleges and Universities (Table 42) (**P**)
- Strong existing pool of high-demand occupations in Lynchburg (Table 43) (**P**)
- Quality of Place assets: Low cost of housing, high relative levels of cultural and recreational activities, good quality of local restaurants, and attractive Central Business District (**P**)

Table 41
Niche Headquarters & Association Management
Subsectors

NAICS	Description	5 Year Forecast	National Earnings
551114	Small Corporate, Subsidiary, and Regional Managing Offices	6.9%	$113,960
813211	Grantmaking Foundations	18.0%	$63,576
813312	Environment, Conservation, and Wildlife Organizations	26.8%	$42,127
813910	Business Associations	1.1%	$71,187
813920	Professional Organizations	6.5%	$82,880

Source: Economic Modeling Specialist, Garner Economics

Table 42
Niche Headquarters & Association Management
Lynchburg Annual Postsecondary Completions in Critical Fields, 2011

	Annual Completions	Institution
Associate's Degrees		
Business/Commerce, General	61	Liberty University
Accounting	19	Liberty University
General Office Occupations and Clerical Services	4	Miller-Motte Technical College-Lynchburg
Management Information Systems	12	Liberty University
Bachelor's Degrees		
Economics	18	Lynchburg College, Randolph College
International Relations and Affairs	20	Liberty University, Lynchburg College, Randolph College
Political Science and Government	73	Liberty University, Lynchburg College, Randolph College
Business/Commerce	582	Liberty University, Randolph College
Business Administration	39	Lynchburg College
Accounting	154	Liberty University, Lynchburg College
Master's Degrees		
Business Administration	661	Liberty University, Lynchburg College
Accounting	153	Liberty University
Doctor's Degrees - professional practice		
Law	90	Liberty University

Source: National Center for Education Statistics, Garner Economics

Table 43
Niche Headquarters & Association Management
Existing Labor Pool of High Demand Occupations, 2012

Occupation	Employed in Lynchburg
Bookkeeping, Accounting, and Auditing Clerks	114
Office Clerks, General	113
General and Operations Managers	82
Secretaries and Administrative Assistants	78
Customer Service Representatives	74
Accountants and Auditors	65
First-Line Supervisors of Office and Administrative Support Workers	65
Executive Secretaries and Executive Administrative Assistants	43
Management Analysts	41
Human Resources, Training, and Labor Relations Specialists	40
Financial Managers	34
Market Research Analysts and Marketing Specialists	27
Computer Support Specialists	26
Computer Systems Analysts	26
Financial Analysts	26
Training and Development Specialists	21
Compliance Officers	20
Network and Computer Systems Administrators	18
Chief Executives	16
Public Relations Specialists	16

Source: Economic Modeling Specialist, Garner Economics

AIRCRAFT MODIFICATION & REPAIR

The *Aircraft Modification & Repair* target builds from the unique presence of the *Aviation Maintenance Technician Program* at Liberty University. The target represents a relatively narrow set of industries under the aircraft maintenance repair and overhaul (MRO) heading, which share specialty-trained workers as their most significant optimal site factor (Table 44). Current upheaval and expected growth in the MRO industry is opening new opportunities. Significant factors include: 1) cash-strapped airlines continuing to consolidate and outsource maintenance facilities to cut costs, 2) recent weakening of some domestic MRO firms and resulting expected reorganization, 3) expanding of the global fleet of commercial aircraft expecting to reach nearly 30,000 units by 2021, thus increasing the global demand for commercial aircraft MRO, and 4) many foreign MRO companies' inability to keep up with demand, creating opportunities for American firms.

Rationales

- General aviation airport capable of handling corporate aircraft (**P**)
- *Aviation Maintenance Technician Program* at Liberty University (**C**, **P**)
- Low relative cost of labor (**P**)
- The percentage of Lynchburg's population that has attained a Bachelor's or Graduate degree is slightly greater than in the nation. (**P**)
- Average target subsector 2012 national earnings of $96,916 (**C**)
- 104 annual postsecondary completions in critical fields from Lynchburg Colleges and Universities (Table 45) (**P**)
- Quality of Place assets: Low cost of housing, high relative levels of cultural and recreational activities, good quality of local restaurants, and attractive Central Business District (**P**)

Table 44
Aircraft Modification & Repair
Subsectors

NAICS	Description	5Y Forecast	National Earnings
336411	Aircraft overhaul & conversion	2.7%	$120,562
336412	Aircraft engine rebuild & overhaul	-7.3%	$104,600
488190	Inspection services, aircraft	15.4%	$65,585

Source: Economic Modeling Specialist, Garner Economics

Table 45
Aircraft Modification & Repair
Lynchburg Annual Postsecondary Completions in Critical Fields, 2011

	Annual Completions	Institution
Associate's/Bachelor's Degrees		
Aviation Maintenance Technician Program*	31	Liberty University
Associate's Degrees		
Engineering, General	22	Central Virginia Community College
Industrial Technology/Technician	43	Central Virginia Community College
Industrial Electronics Technology/Technician	3	Central Virginia Community College
Bachelor's Degrees		
Electrical and Electronics Engineering	4	Liberty University
Industrial Engineering	1	Liberty University

The National Center for Education Statistics classifies degrees under this program as* ***Aeronautics/Aviation/Aerospace Science and Technology* *and shows 2 Associate and 29 Bachelor's degree completions in 2011.*
Source: National Center for Education Statistics, Garner Economics

Table 46
Industry Descriptions

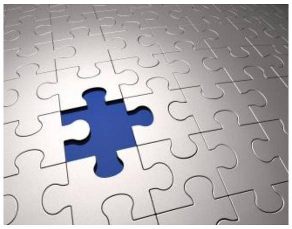
Engineering Services & Specialized Services	
NAICS 541330	**Engineering Services**
This industry comprises establishments primarily engaged in applying physical laws and principles of engineering in the design, development, and utilization of machines, materials, instruments, structures, processes, and systems. The assignments undertaken by these establishments may involve any of the following activities: provision of advice, preparation of feasibility studies, preparation of preliminary and final plans and designs, provision of technical services during the construction or installation phase, inspection and evaluation of engineering projects, and related services.	
NAICS 541360	**Geophysical Surveying and Mapping Services**
This industry comprises establishments primarily engaged in gathering, interpreting, and mapping geophysical data. Establishments in this industry often specialize in locating and measuring the extent of subsurface resources, such as oil, gas, and minerals, but they may also conduct surveys for engineering purposes. Establishments in this industry use a variety of surveying techniques depending on the purpose of the survey, including magnetic surveys, gravity surveys, seismic surveys, or electrical and electromagnetic surveys.	
NAICS 541420	**Industrial Design Services**
This industry comprises establishments primarily engaged in creating and developing designs and specifications that optimize the use, value, and appearance of their products. These services can include the determination of the materials, construction, mechanisms, shape, color, and surface finishes of the product, taking into consideration human characteristics and needs, safety, market appeal, and efficiency in production, distribution, use, and maintenance. Establishments providing automobile or furniture industrial design services or industrial design consulting services are included in this industry.	
NAICS 541620	**Environmental Consulting Services**
This industry comprises establishments primarily engaged in providing advice and assistance to businesses and other organizations on environmental issues, such as the control of environmental contamination from pollutants, toxic substances, and hazardous materials. These establishments identify problems (e.g., inspect buildings for hazardous materials), measure and evaluate risks, and recommend solutions. They employ a multidisciplined staff of scientists, engineers, and other technicians with expertise in areas, such as air and water quality, asbestos contamination, remediation, and environmental law.	

NAICS 541690	**Other Scientific and Technical Consulting Services**
This industry comprises establishments primarily engaged in providing advice and assistance to businesses and other organizations on scientific and technical issues (except environmental).	
NAICS 541712	**Research & Development in the Physical & Engineering Sciences**
This industry comprises establishments primarily engaged in conducting research and experimental development (except biotechnology research and experimental development) in the physical, engineering, and life sciences, such as agriculture, electronics, environmental, biology, botany, computers, chemistry, food, fisheries, forests, geology, health, mathematics, medicine, oceanography, pharmacy, physics, veterinary, and other allied subjects.	
Plastics & Chemicals Manufacturing	
NAICS 325412	**Pharmaceutical Preparation Manufacturing**
This industry comprises establishments primarily engaged in manufacturing in-vivo diagnostic substances and pharmaceutical preparations (except biological) intended for internal and external consumption in dose forms, such as ampoules, tablets, capsules, vials, ointments, powders, solutions, and suspensions.	
NAICS 325413	**In-Vitro Diagnostic Substance Manufacturing**
This industry comprises establishments primarily engaged in manufacturing in-vitro (i.e., not taken internally) diagnostic substances, such as chemical, biological, or radioactive substances. The substances are used for diagnostic tests that are performed in test tubes, petri dishes, machines, and other diagnostic test-type devices.	
NAICS 325414	**Biological Product Manufacturing**
This industry comprises establishments primarily engaged in manufacturing vaccines, toxoids, blood fractions, and culture media of plant or animal origin (except diagnostic).	
NAICS 326111	**Plastics Bag and Pouch Manufacturing**
This industry comprises establishments primarily engaged in: (1) converting plastics resins into plastics bags or pouches and/or (2) forming, coating, or laminating plastics film or sheet into single web or multi-web plastics bags or pouches. Establishments in this industry may print on the bags or pouches they manufacture.	
NAICS 326112	**Plastics Packaging Film and Sheet Manufacturing**
This industry comprises establishments primarily engaged in converting plastics resins into plastics packaging (flexible) film and packaging sheet.	
Niche Headquarters & Association Management	
NAICS 551114	**Small Corporate, Subsidiary & Regional Managing Offices**
This industry comprises establishments (except government establishments) primarily engaged in administering, overseeing, and managing other establishments of the company or enterprise. These establishments normally undertake the strategic or organizational planning and decision-making role of the company or enterprise. Establishments in this industry may hold the securities of the company or enterprise.	
NAICS 813211	**Grantmaking Foundations**
This US industry comprises establishments known as grantmaking foundations or charitable trusts. Establishments in this industry award grants from trust funds based on a competitive selection process or the preferences of the foundation managers and grantors, or fund a single entity, such as a museum or university.	
NAICS 813312	**Environment, Conservation and Wildlife Organizations**
This US industry comprises establishments primarily engaged in promoting the preservation and protection of the environment and wildlife. Establishments in this industry address issues, such as clean air and water; global warming; conserving and developing natural resources, including land, plant, water, and energy resources; and protecting and preserving wildlife and endangered species. These organizations may solicit contributions and offer memberships to support these causes.	
NAICS 813910	**Business Associations**
This industry comprises establishments primarily engaged in promoting the business interests of their members. These establishments may conduct research on new products and services; develop market statistics; sponsor quality and certification standards; lobby public officials; or publish newsletters, books, or periodicals for distribution to their members.	

NAICS 813920	**Professional Organizations**
This industry comprises establishments primarily engaged in promoting the professional interests of their members and the profession as a whole. These establishments may conduct research; develop statistics; sponsor quality and certification standards; lobby public officials; or publish newsletters, books, or periodicals, for distribution to their members.	
Aircraft Modification & Repair	
NAICS 336411	**Aircraft overhaul & conversion**
This industry comprises establishments primarily engaged in the following: (1) aircraft conversion (i.e., major modifications to systems) or (2) complete aircraft overhaul and rebuilding (i.e., periodic restoration of aircraft to original design specifications).	
NAICS 336412	**Aircraft engine rebuild & overhaul**
This industry comprises establishments primarily engaged in one of the following: (1) aircraft propulsion system conversion (i.e., major modifications to systems) or (2) aircraft propulsion systems overhaul and rebuilding (i.e., periodic restoration of aircraft propulsion system to original design specifications).	
NAICS 488190	**Inspection services, aircraft**
This industry comprises establishments primarily engaged in providing specialized services for air transportation (except air traffic control and other airport operations) such as Aircraft inspection services or Aircraft testing services.	

Source: US Census Bureau, Garner Economics

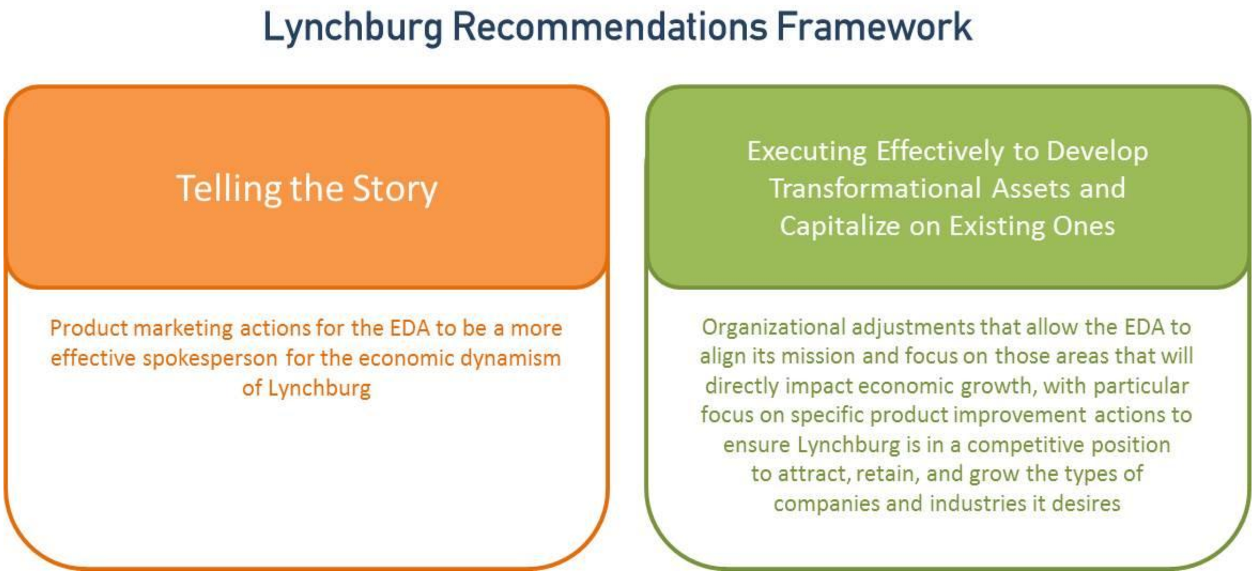
Chapter 8: Recommendations



To ensure that there are sufficient economic opportunities for its residents and that Lynchburg can attract high-quality talent and jobs, the City must be proactive in shaping Lynchburg's economic future. The following observations and recommendations are based on data and feedback collected during Phase I and the targets identified in Chapter 7.

Garner Economics developed the following recommendations from a site-selector perspective to suggest ways that the EDA and other organizations involved in economic development initiatives can work to increase economic opportunities in the City. The recommendations are designed to go beyond traditional recruitment, expansion, and retention activities by looking at ways to better connect and leverage the area's talent and workforce, entrepreneurship, infrastructure, and business climate. Within the strategy, there will be some actions that the City can take independently and other actions that will need to be taken in collaboration with others. In some instances, the City/EDA may serve as the catalyst or facilitator; in others, it may be a partner. The level of engagement and leadership by the City in the recommendations is calibrated to its specific role.

Recommendations for action are categorized under two areas of opportunity: *Product Marketing (Telling the Story) and Product Improvement/Organizational (Executing Effectively to Develop Transformational Assets and Capitalize on Existing Ones)*



Executing Effectively to Develop Transformational Assets and Capitalize on Existing Ones (Product Improvement & Organizational)

(Product improvement is defined as the City having the necessary infrastructure—including a favorable business climate—that attracts, retains, and grows investment in the community. Product improvement is the foundation that allows product marketing to succeed. Items reviewed for consideration include sites and buildings, transportation infrastructure, utility infrastructure, workforce development, leadership, and incentives.

Organizational recommendations include staffing, budget, governance, and other related items that allow for the effective service delivery of economic development in Lynchburg.)

1. **Develop a hangar for the Aircraft Modification and Repair/Aircraft Assembly target:** The Aircraft Modification & Repair target builds from the unique presence of the Aviation Maintenance Technician Program at Liberty University. The target represents a relatively narrow set of industries under the aircraft maintenance repair and overhaul (MRO) heading, which share specialty-trained workers as their most significant optimal site factor (see page 89 for more information on this target.)

   Leverage Liberty's Aviation Maintenance Technician Program and develop a hangar for aircraft modification and repair

   As such, the City should develop a hangar facility large enough to attract potential users from either the MRO target or from aircraft assembly, whether it's from Liberty University or other potential users. With Liberty University graduating more than 30 FAA certified aircraft and power plant technicians a year, this target has the potential to be a transformational industry sector for Lynchburg. A market analysis should be undertaken to determine what the ideal size hangar should be, based on demand from the end-user.

2. **Community visioning effort:** the City EDA should spearhead an impartial, citywide visioning effort engaging a large cross-section of the community and using an outside facilitator. Many communities throughout the country recognize that a long-term community vision is important in order for them to succeed. Based on comments in focus groups as well as our own observations, a true citywide community vision does not exist. A community vision leads to a more focused community-wide strategic plan.

   Best practice example: Wichita, KS and *Visioneering Wichita*
   http://www.lukevision.com/PDFs/2009Vision_document_May_2009.pdf

3. **One-stop permitting:** In the focus groups conducted to gauge the business climate of the region, there was discussion that the permitting process in Lynchburg is inconsistent and subjective. The creation of a "one-stop permitting" office along with customer service training for permitting officials would be a positive influence on the business climate of the City.

   The creation of a 'one-stop permitting' office, along with customer service training for permitting officials, would be a positive influence on the business climate of the City.

   Typically, a one-stop review center to streamline the permit system provides citizens with a central reviewing agency located in one office. At a one-stop center, a single permit for construction can be issued for building, landscaping, zoning, environmental resources, drainage, public safety (fire), and driveways, etc.

   Best practice example: Brevard County, FL http://brevardcounty.us/onestop/home/

4. **Free wireless in the CBD and Regional Airport:** The City of Lynchburg should install free wireless broadband in the central business district, at the airport, and, eventually, citywide. Access to broadband infrastructure is critical to the development of distressed areas and is an enabling platform for rapidly growing business sectors such as interactive media, e-commerce, social networking, online education, and delivery of public services

   This largely symbolic effort Downtown and at the airport will show mobile entrepreneurs, companies, and business travelers that the community has embraced technology and supports a mobile and technology-driven workforce. By working with the appropriate vendors to create an area in Downtown that has access to free, high-speed wireless Internet connections, the City will not only create an amenity that will draw activity to the area, but will also provide an added utility and asset to some of the economically disadvantaged populations noted above. The Wi-Fi zone could be publicly sponsored or be supported by a corporate entity.

   Best practice example: Alexandria, VA http://wirelessalexandria.com/

The following five US cities are considered as the best in providing open Wi-Fi service and coverage. All are sponsored by the city noted.

- Denver: http://www.downtowndenver.com/Life/WhattoDo/Shopping/16thStreetMall/DowntownDenverWiFiZone/tabid/320/Default.aspx
- Houston: http://www.wecanhouston.org/
- Minneapolis: http://www.minneapolismn.gov/wireless/index.htm
- Raleigh: http://www.godowntownraleigh.com/about/downtown-raleigh-free-wifi
- Seattle: http://www.seattlecenter.com/wifi/

5. **Develop a real estate portfolio of additional sites for industrial development:** As noted earlier in the *Competitive Realities Report*, the biggest challenge facing the City's desire to grow its economic base is the lack of quality, shovel-ready sites or speculative buildings that would be conducive for quality development. Limited inventory of available sites and buildings may cause Lynchburg to be eliminated quickly during the initial review process by either consultants or companies.

   In our review of the existing sites and parks available for development in the City of Lynchburg, and based on the geographic constraints of the City, the City EDA should partner with a neighboring county to develop a joint industrial park that shares in cost development and revenue from the tenants. A market analysis should be done before any funds are appropriated on any potential site to determine its capacity to meet the needs of the funders and potential clients.

   Best practice example: Stanton Springs Industrial Park http://stantonsprings.com/

6. **Airline subsidy:** The most realistic way for Lynchburg to enhance its air service is by subsidizing an airline (revenue guarantee), for example: Panama City, FL and Wichita, KS with Southwest Airlines. As federal subsidies for airlines may diminish over the next years, it will be incumbent upon local communities who desire enhanced airline service to subsidize the airline if early ridership does not make it feasible for the airline to operate profitably. This is an expensive tool to attract an airline and there is no guarantee to keep an airline after the subsidy timeframe has expired.

While an expensive option, the EDA could help enhance air service in Lynchburg by subsidizing an airline for greater access

7. **Grow the talent pipeline:** Nurture and grow the talent pipelines to support sustainable growth in the region's identified clusters. The utilization of career academies or career pathways in middle and high school, coupled with a curriculum that meets the needs of businesses in the identified clusters will help sustain and grow the talent pipeline.

The utilization of career academies or career pathways in middle and high school, coupled with a curriculum that meets the needs of businesses in the identified clusters will help sustain and grow the talent pipeline.

   a. **Promote the Early College High School initiative.** Engage the K-12 school system, CVCC, and the four-year institutions in the area to work with local high schools so that each high school student has the ability and option to graduate from high school with an Associate Arts degree from an area community college or two years of credit hours from a four-year university. http://www.earlycolleges.org/

   b. **Create career awareness of cluster occupations through internships**. In our focus groups with employers, a concern they identified was a lack of awareness of existing firms and specific job openings within the region. The various employment organizations need to feature these companies and employment opportunities with students, graduates, and educators. A best practice example is the Intern to Earn program sponsored by HIRE, an alliance of colleges and universities in the Louisville, KY region. It is a program for identifying internship opportunities. The program works to improve the talent pool of workers and young talent in the Louisville area by recognizing that interns tend to return to the communities in which they interned, if they leave the area in the first place. The program is sponsored by the Greater Louisville Chamber of Commerce.

   http://www.greaterlouisville.com/InternToEarn/

8. **Entrepreneurship:** Almost all new jobs in the United States are created by entrepreneurial and innovative firms of all sizes that are 10 - 25 years old, on average. Economic growth of a community typically drives small business startups. However, new business startups have a high failure rate. The reality is that most small-business owners are not entrepreneurial and are likely to remain small, so it's imperative that any entrepreneurial program be focused on those companies and individuals that have the greatest chance of being economic generators for the community and exporting goods and services, which is a wealth generator.

   Organizations such as the EDA and ancillary organizations that are involved in economic development such as CVCC, the area four-year colleges, the area K-12 public school systems, and other groups should all engage entrepreneurship as a conduit to economic sustainability for the Lynchburg region. All of the above named entities (and other applicable ones) should incorporate some or all of the following as part of their short-term business plan and long-term strategic vision.

Recommendations related to Entrepreneurship:

- Develop a base of early-stage capital options
- Support angel investors
- Put regulatory and licensing processes online
- Use one-stop business and licensing models noted above in a prior recommendation

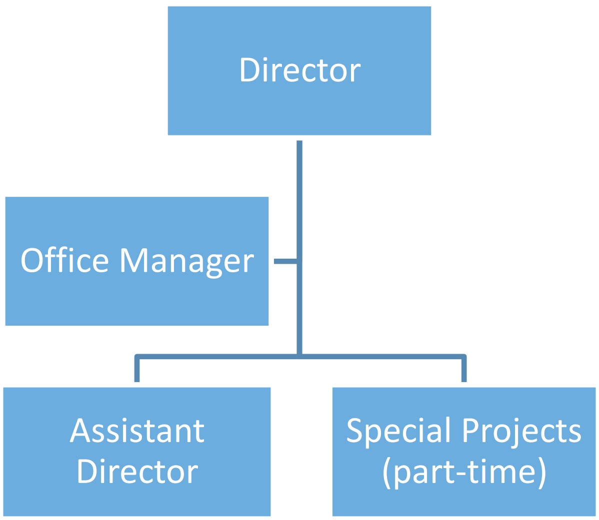
9. **Work with immigration lawyers and the US Immigration Service to expand and promote the EB-5 visa for immigrant workers in the Lynchburg region:** This initiative can help drive entrepreneurial activity and investment to the City. The immigrant investor or EB-5 program is a highly beneficial permanent residence option for the wealthy individual. Since there is no quota waiting list in this preference category, it enables a foreign national to obtain permanent residence status more expeditiously than with most other options.

   The EB-5 category requires an investment of $1 million (or $500,000 in a high unemployment or rural area) in a commercial enterprise that will employ 10 full-time US workers. Although the investor's role cannot be completely passive, he or she does not have to be involved in any way in the day-to-day management of the business unless he or she wants to do so.

10. **Promote performing and visuals arts in Lynchburg**: The central business district of Lynchburg is an asset for the City. It differentiates Lynchburg compared to many other municipalities in the United States, showing vibrancy with diversity in dining, shopping, residential living and work venues. An anchor to this revitalization effort is the Academy of the Fine Arts. The goal of the Academy is to create a model for community-designed and administered programs in arts education, training, theatrical performance, business and social interaction. As such, we encourage the leadership of the City and region to not take the project for granted, but rather continue its support of its efforts to obtain funding and complete the revitalization of the facility as a showplace for the visual and performing arts.

Organizational

11. **Staff, and compensate accordingly, the appropriate number of economic development personnel**: Based on the current and future workload of the City's department of economic development (EDA), and potential new projects from the execution of this economic development strategy, the most effective organizational structure would be a staff of four (one part-time and three full-time employees). A wage benchmark analysis should be undertaken with other similar economic development organizations (EDO's) both in Virginia and out of state to make sure salaries are in-line with other best practice EDO's. The organization chart is below. This structure allows for the execution of programs in business recruitment, business retention, entrepreneurship, and product improvement initiatives:



12. **Fully fund the City's economic development office by limiting outside contributions to other organizations:** The City currently contributes approximately $80,000 per year to Region 2000 for regional economic development initiatives as they relate to business development. Based on feedback from the City and our own due diligence, Region 2000 shows little to no impact in being a "deal flow" entity, meaning little to no leads are provided to the City from Region 2000 for business development purposes. We firmly believe that the City/EDA needs to control its own destiny and rely on its own efforts to be proactive in the economic development arena by using this money for its own initiatives. Recommendations related to marketing are provided in the next section on Product Marketing.

13. **Incentive policy:** The City of Lynchburg should have a published incentive policy so that both companies and location advisors know what the rules related to incentives are from the outset. Incentives are typically based on job creation, capital investment, and wage structure for the investment. Claw back provisions are used when the company does not meet the promise or obligation of the incentive agreement.

    Best practice example: Wichita and Sedgwick County, KS
    http://www.sedgwickcounty.org/ecodevo/gwedc.asp

14. **Sustainable funding for economic development infrastructure and programs:** The City should create a sustainable funding source for economic development that will benefit the City as a whole. If enacted or developed, Lynchburg will be able to differentiate itself as an innovator by creating a funding source for deal closing, entrepreneurial development, venture capital or early stage investment funding, product improvement (infrastructure), and marketing (with limitations). In 1979, the Texas Legislature decentralized economic development by giving cities and counties more control over their destiny and allowing each to vote on a sales tax for those items described above. No other state has created the Texas model of economic development funding. However, a number of municipalities in other states have used the model for their own local initiatives. Topeka, Kansas is a community that has emulated the Texas example on a local level.

    The City should create a sustainable funding source for economic development that will enable Lynchburg to differentiate itself as an innovator in deal closing, entrepreneurial development, venture capital, product improvement, and marketing.

    Best practice example: Topeka, KS http://www.topeka.org/jedo/index.shtml

Product Improvement & Organizational Recommendations Summary

Recommendation	Responsible Organization	Schedule	Estimated Cost
1. Develop a hangar for the aircraft modification and repair/aircraft assembly target	City of Lynchburg; Liberty University	2014	NA
2. Community visioning effort	City of Lynchburg	2014-2015	$125,000
3. One-stop permitting	City of Lynchburg	2014	NA
4. Free wireless in the CBD and Regional Airport	City of Lynchburg; potential sponsors	2014-2015	Should be financed through private sponsors
5. Develop a real estate portfolio of additional sites for industrial development	Lynchburg EDA	Ongoing	NA
6. Airline subsidy	City of Lynchburg	2013-2014	NA
7a. Promote the Early College High School Initiative	Area school systems	2014-2015	Grants
7b. Create career awareness of cluster occupations through internships	Area school systems, existing industries, community college, workforce investment boards	2014-2015	Financed by existing businesses
8. Entrepreneurship	EDA and ancillary organizations that are involved in economic development such as CVCC, area four-year colleges and K-12 public school systems	2014-ongoing	NA

Recommendation	Responsible Organization	Schedule	Estimated Cost
9. Work with immigration lawyers and the US Immigration Service to expand and promote the EB-5 visa for immigrant workers in the Lynchburg area	City of Lynchburg	2014-2015	NA
10. Promote performing and visuals arts in Lynchburg	All interested parties	Ongoing	NA
11. Staff, and compensate accordingly, the appropriate number of economic development personnel	City of Lynchburg	2013-onoging	$500,000 (estimated)
12. Fully fund the City's economic development office by limiting outside contributions	City of Lynchburg	2014-ongoing	$80,000+
13. Incentive policy	City of Lynchburg	2013	NA
14. Sustainable funding for economic development infrastructure and programs	City of Lynchburg	2014	NA

Telling the Story (Product Marketing)

The EDA has the opportunity to tell the City's story more effectively and to be a better spokesperson for the economic dynamism of the area.

1. **Image Survey:** The Lynchburg MSA has had a long and successful history of being a center for manufacturing and healthcare. Today, regional manufacturing employment is 15.2% compared to the US average at 7%. Healthcare employs 12.3%, but most potential investors would not know where to place the Lynchburg region on a map.

   As such, the EDA should conduct a brand identity and image survey of the region with site location consultants, companies within the targeted industry recommendations and clusters, and large existing employers. The result of this effort will help the EDA craft brand messaging based on the assets and challenges of the City/region as perceived by the customer and potential client. This should be done in partnership with other external organizations involved in economic development such as other local economic development organizations, the CVB, and any other ancillary group that markets the region externally for investment. The EDA will need to engage a firm that specializes in brand analysis and recommendations, and work to communicate and analyze the opinion of the region's many customers as to how the area is perceived.

2. **Unified Brand:** Groups that have some form of external marketing effort, led by the EDA, should create a unified external brand identity for the region based on the feedback noted above. Using a unified message and graphic identity will help in global brand awareness and encourage pooling of marketing dollars and efforts. The region will need to brand itself effectively with an external moniker to leverage marketing opportunities.

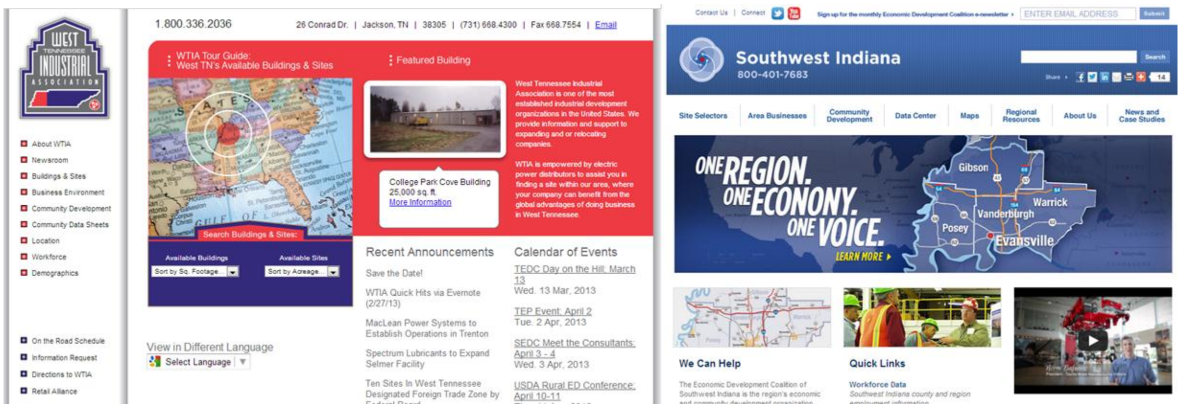
   Best practice example: Team NEO (Northeast Ohio of Cleveland, Akron, Canton and Youngstown http://www.clevelandplusbusiness.com/).

3. **Enhance the EDA/City website:** A community's/region's website is the most important marketing tool and, as such, needs to be designed to offer the resources that meet your specific audience's needs. The EDA's web site is well-designed and practical. Garner Economics offers a few suggestions to enhance its functionality:

   - Integrate optimized, branded, thematic maps throughout the site to orient and inform your audience as they read related text.
   - Have navigation to better serve your audiences, especially for recruitment. Consider orienting navigation by audience type, such as site selectors, and for each of the four industry targets.
   - Use a PDF creator so your visitors can customize documents on the fly.

- Include social media applications in your web strategy.
- Translate a community overview and local statistical data via a PDF into Japanese, Chinese, Korean, German, Spanish, and any other languages from countries that have an influx or interest in the region.

Best practice examples: West Tennessee Industrial Association http://www.wtia.org/ and the Economic Development Coaliton of Southwest Indiana http://www.southwestindiana.org/.



4. **Lead Generation and Business Target Profiling:** In order to offer the region the best opportunities for investment within the region, the EDA should engage a firm that will target the companies that comprise the industry targets and sub-targets noted in Chapter 7. Garner Economics can provide a list of target marketing firms that are qualified to conduct this work upon request.

   Done correctly, the targeting process should be scientific in nature, evaluating key metrics including: sales, employment, growth, number of locations, and other relevant factors. Company activities and events that indicate expansion or consolidation—such as mergers and acquisitions, executive changes, technology development, and overall industry trends—are layered on top of the numbers to identify the target companies that have the means and the predictive corporate behavior. This will allow the EDA to conduct its marketing efforts in a very focused and direct manner.

5. **Familiarization (FAM) events**: Once a year, the EDA should contract with the Site Selectors Guild to conduct a tour of the City/region. Site location consultants typically handle 30% of all location advisory work in the United States. The Site Selectors Guild consists of some of the best site location advisors on the globe. Successful FAM events are predicated on having some sort of draw that will attract high quality consultants.

   http://siteselectorsguild.com/customfamtours.php.

6. **Develop marketing collateral, media, and public relations efforts for the region:**

- Develop targeted marketing materials for talent recruitment efforts.
- Create a monthly e-newsletter for external audiences that communicates newsworthy items of interest for potential corporate investors, site location consultants, and economic development allies.
- Develop a branded Power Point template and slide library that can be drawn from when creating custom sales presentations.
- Produce a regional overview brochure highlighting the region's key business-competitiveness advantages and resources.
- Create target audience datasheets highlighting the City's assets specifically to the profiled sectors.
- Acquire software and online tools to facilitate contact and prospect management.
- Contract with top public relations (PR) firm or individual to promote the City in the local, state, and national press.

7. **Communicate**: The City/EDA should create an electronic quarterly newsletter to send to targeted businesses and site location consultants with relevant news of the City. This effort should tout the region's value proposition noted as part of the Assets from the Assets and Challenges Assessment, and express the rationale behind the selection of the business sectors that were deemed optimal targets.

8. **Establish target industry working groups for each of the four focused targets:** (Engineering and Specialized Services, Advanced Materials, Niche Headquarters and Association Management, and Aircraft Modification and Repair). The EDA should create task forces or working groups that seek input into the knowledge of other business leaders within these clusters and business targets. These business experts can help the EDA craft specific messages and marketing activities related to the clusters and the related targeted industries.

Product Marketing Recommendations summary

Recommendation	Responsible Organization	Schedule	Estimated Cost
1. Image survey	City of Lynchburg; those organizations involved in external marketing of the city	2014	$10,000
2. Unified brand	Same as above	2014	$25,000
3. Enhance the EDA/City website	City of Lynchburg	2013	$15,000
4. Lead generation and business target profiling	City of Lynchburg	2014	$35,000
5. Familiarization (FAM) events	City of Lynchburg	2014	$25,000
6. Develop marketing collateral, media, and public relations efforts for the region	City of Lynchburg	2013-2014	$25,000
7. Communicate	City of Lynchburg	2013-ongoing	$3,000
8. Establish target industry working groups	City of Lynchburg	2013-2014	NA

CHAPTER 9: PERFORMANCE METRICS AND BENCHMARKS

An important component of this strategy's implementation is a plan to evaluate performance. By committing to the strategy, the EDA/City will be joining the ranks of other high-performing, "best of class" economic development organizations across the country that have developed successful benchmarking systems to monitor their economic performance. The performance measurements proposed in this plan provide the EDA, its staff, and governing board of directors an opportunity to demonstrate the positive results of their efforts and build confidence among the constituents they serve.

The following local economic development metrics can shed some light on the City's strengths and weaknesses in the competition to attract and retain high-value employers and create wealth-generating entrepreneurs and, in turn, grow the region's economy.

**Denotes those items that Lynchburg would have direct influence over.*

Performance Metric	How to Measure the Metric
Job Creation	• New direct jobs created • New indirect jobs created • Retained jobs (as it relates to potential employers moving and jobs being reduced/eliminated)
Net Employment	• Total number employed per year vs. state average and compared to the previous year
Business Incubation Services	• Number of services used per year • Number of exits from incubators
New Private Investment	• Total amount of new investment per year
Incentives	• Dollar value of tax incentives per year • Number of transactions • Economic impact analysis of the investment related to the incentive/inducement
Average Wage	• Percent of county average wage
Gross Regional Product	• Annual dollars
Tax Revenue Generated	• Annual revenue stream
***Amount of non-paid publicity**	• Column inches generated • Social media mentions
***Suspect and prospect inquiries and visits**	• Number of inquiries about the region from potential investors (suspect) • Number of company or potential visits to the region (prospect) • Number of media or personal promotions, e.g. direct mail, phone calls, consultant visits, trade show participation

Conclusion

By focusing its efforts on the strategies noted in previous chapters, the City of Lynchburg and its EDA will be able to proactively generate leads and prospects. In order to create a competitive advantage, however, the City will need to do things differently and with courage. It will need to take the lead in proposing state legislation for a sustainable economic development funding mechanism.

A hangar would be developed to attract high paying jobs within the aircraft modification and repair sector. A one-stop shop for permitting should be developed to expedite the permitting process. These are a few of the themes that we have heard and observed. Now we challenge the City to move forward.

Garner Economics would like to thank the Lynchburg EDA and its staff and volunteers for the support and assistance given during this process.

About Our Company

Garner Economics, LLC provides innovative economic and community development solutions in a competitive global market. We offer site selection, analytical research, industry targeting, strategic planning, and organizational development with a wealth of expertise to companies, communities, and organizations globally. Garner Economics is based in Atlanta, GA, and has representative offices in both Europe and Asia.

Since 2003, our team has been headed by Jay Garner, a 30+ year internationally recognized expert of the economic development, chamber of commerce and site location consulting professions, and rounded out by talented experts with CEcD, CCE, CFRE designations and a nationally known research economist.

Tom Tveidt, research economist for Garner Economics, served as the author of the economic and labor analysis. Tina Valdecanas, Senior Associate and Strategist for Garner Economics led the focus groups summary and analysis.

Appendices

A. Focus Group: Specific Responses and Participants

The following pages summarize the specific responses to the questions posed in the focus groups. Responses repeated in multiple groups are identified with the number of occurrences in parenthesis (e.g. (3) denotes that this comment was mentioned in three of the focus groups). An asterisk (*) indicates that multiple participants in the same focus group repeated the response. As noted above, what follows is a summary of comments from focus group respondents; they may not necessarily be statements of fact, but may represent opinion or perceptions.

1. What are several words or phrases that describe the City of Lynchburg and the Lynchburg region?

For the most part, the groups were very positive in their assessment of the region. They noted the family-friendly nature of the region, its beauty (both historic and natural), the diversity of people and industries, and educational assets (both K-12 and higher education). In addition, several groups noted that the community has great potential and seems to be growing. On the less positive side, they noted that the region is remote and difficult to get to. They believe the region also suffers from a lack of amenities (e.g., shopping and restaurants and an under-developed riverfront); the lack of activities for young, single residents; and its reputation as being conservative. Specifically, focus group respondents noted:

- Good schools: K-20 (3)
- Varied/Diverse* (3)
- Beautiful City (3)
- Conservative (2)
- Very giving—philanthropic
- College town
- Great healthcare
- Business friendly
- Restaurants
- “Lot of churches”
- Aging demographic
- Historic (2)
- Hard to get to (2)
- Lots of potential (2)
- Family friendly (2)
- Hard to maneuver
- Small town feel
- Captive
- Underdeveloped riverfront
- Limited shopping
- Evolving—as far as growth
- Steeped in tradition

2. **What do you think are some of the biggest obstacles that inhibit Lynchburg in its ability to attract, expand, or retain businesses and investment?**

   By far, participants believe that the lack of multiple air carriers and multiple destinations from the Lynchburg Regional Airport is a major inhibitor to attracting business to the region. Additionally, participants noted that the lack of a federal interstate through the region hurts its competitive position.

   They also noted that while there are "pockets" of skills in the region, overall, the availability of skilled workers is a challenge. Other obstacles noted include the region's high poverty rate; the lack of a concentration of large corporations, which leads to limited career options; and the perception of the City as being religious. Specifically, focus group respondents noted:

   - Number one issue = lack of access from airport (3)
   - Largest city not on a federal interstate (3) (Author's *note: this is an incorrect statement.)*
   - Career options limited—for spouses, too; people have to move after 2-4 years; having more large corporations would help.* (2)
   - Economically challenged/burden of demographics—small percentage pays for large group (3)
   - Few skill sets available (3)
   - Limited opportunities for younger people (college graduates or skilled workers)* (2)
   - Overemphasis on what church you belong to* (2)
   - City is landlocked, therefore it is limited in the types of companies it can attract.
   - "Great place to raise a family" is somewhat limiting—if you don't have a family, it's not a great place.
   - CSO projects are very disruptive/costly to the City
   - Lacks a global workforce culture
   - Availability of R&D
   - No "support" companies; there isn't the type of/huge selection that there would be in another metro area.
   - Limited revenues
   - Proximity to state-supported higher education institutions
   - Curb appeal: lack of parks, lack of urban dwelling settings
   - Some tax and permit structures

3. On a scale of 1 to 5 with five being best, how would you rate the business climate of Lynchburg?[24]

As noted above, the group as a whole (not counting the higher education group to which the question was not posed) gave the City of Lynchburg a score of 3.49 on a scale of 1-5, with 1 being the lowest score. The three groups varied in their assessment, with one group giving an average score of 3.0 and another an average score of 3.86.

When asked to describe why they ranked the City's business climate as they did, participants noted the excellent customer service they have received from the City. Other comments also included that the City could manage its fixed costs more effectively, that there are sometimes mixed messages from the City regarding what is allowed (especially in terms of what is allowed Downtown versus what is allowed elsewhere in the City), and that the business licensing structure and the industry classifications it uses are antiquated. Specifically, participants commented that:

- The City always supports the companies, great for professional services, City is user friendly and welcoming * (3)
- Business licensing is restrictive (e.g. based on gross rather than net revenue). In Bedford County, the tax doesn't exist; classifications used are antiquated. *
- Mixed signals on what is allowed—City hasn't done a good job of communications. *
- Business climate is not good—mostly because of the laws. CSO project is putting a strain on the City, making businesses do stuff they don't want to or can't do.
- City utilities don't encourage efficiency; once companies get more efficient, they have to pay more.
- Opportunity for the City to manage fixed costs more efficiently. It seems there is redundant oversight.
- City has been very helpful in identifying facilities and improving those facilities to keep companies in the City (EDO).
- Embracing downtown master plan in 2000 and actually implementing it has been a huge game changer.
- Departmental subjectivity—no uniformity across departments
- The business license tax is a detriment—enough nonprofits now doing the same work as for-profits, but independent businesses need to bear the tax burden of a lot of companies—nonprofits not taxed under it.

4. What challenges do businesses face within the City?

Talent—attracting and keeping it, as well as using what already exists in the City—as the most noted challenge for businesses. Related to question #3, participants also noted the lack of infrastructure, the tax structure, and logistics concerns—including the fact that the City is landlocked and does not have large parcels to attract industry.

- Limited talent pool, challenge of bringing people into the community, hard for them to integrate into the community (4)
- Lack of skilled/technical talent (3)
- Some of the infrastructure; e.g., lack of alternative, secondary sources of energy or a second fiber provider
- Regulations—being able to work through the bureaucracy
- Landlocked and, therefore, can't develop for industry; can't use it as an incentive for big industry

5. What challenges do citizens face within the City?

Participants noted the high poverty rate and the complications such a situation creates (e.g. lack of child care), as well as high personal property taxes compared to other jurisdictions, parking issues, and the lack of amenities as major challenges for citizens in the City. Groups noted that the lack of amenities is especially acute for single, young professionals.

- Personal property tax on personal property is expensive, lack of services does not help (2)
- Younger people do not have things to do. (2)
- Parking (2)
- Lack of public transportation (2)
- City often makes immigrants feel like an "Outsider," City still very socially stratified*
- Lack of childcare
- Discrepancy between market values and wages—makes it hard to attract the best and brightest for a lot of different jobs

6. What do you see as the City's strengths?

Many of the responses to this question reflected the positive sentiments provided in Question #1, including the family friendliness of the area, cost of living, access to healthcare, and proximity to other larger metropolitan areas. Respondents also echoed the positive comments of the City's business climate, including remarking that "Marjette is one of the best assets Lynchburg has..."

Finally, the groups gave the City credit for initiatives still under way, including the revitalization of Downtown and efforts to keep more college graduates in the City. Specific comments included:

- Truly centrally located—3 hours to Charlotte; 3 hours to DC; 3 hours to skiing, beaches* (4)
- Blue Ridge Mountains/Outdoor living* (2)
- Low cost of living/labor* (2)
- Educational strength/opportunities* (2)
- Safety* (2)
- Downtown revitalization (2)
- Access to good healthcare (2)
- Rail access/Amtrak is a huge plus (2)
- Good place to raise a family
- Diverse and attractive housing
- Real estate taxes are lower
- Vibrant younger/college crowd—with higher education
- Business friendly climate—"Marjette is one of the best assets Lynchburg has…"
- Diverse manufacturing base
- Moderate climate
- Numerous institutions of higher learning
- Lots of efforts being made to keep college grads in the City
- Cultural amenities—Opera, lots of quality theater*
- Lots of restaurants, hotels

7. **How do you see the current labor situation in the area (both quality and employee attraction and availability)?**

Focus group respondents reiterated their concern that, except in some pockets, there is a lack of skilled labor in the area. All three of the groups (the question was not posed to the higher education group) noted the relationship/effect of the high poverty rate on worker quality and ethic (especially absenteeism). Participants noted the need for more technical and leadership training and noted that the area is at a disadvantage since the universities tend to be "destination schools" and that graduates tend to return to their homes after graduating. Specific comments included:

- Can't find people to hire; more difficult to attract them to Lynchburg than other areas (3)
- Community college and technical college do a good job in training workers (2)
- Tardiness and absenteeism is a problem. (2) *
- Schools do not teach children how to apply for a job and what is needed; education system abandons people who do not want to be highly skilled* (2)
- Worker ethic is average at best—problem with criminal records (2)
- Lynchburg lacks leadership talent
- There are some pockets (e.g. skilled machinist and craftsmen) in which Lynchburg does well
- Hunting season—big deterrent to working—not specific to area
- Need a technical high school in Lynchburg
- For jobs requiring no skills, lots of applications
- Hard to retain young talent from outside
- Pretty good engineering resources nearby
- Construction is difficult

8. What infrastructure is missing or unsatisfactory in the City?

Reflecting many of the concerns voiced in Question #2, respondents noted the lack of connectivity of the Lynchburg Regional Airport and not being on an interstate as being very limiting to the City. Some participants noted the lack of redundancy in power sources as well as the condition of local and regional roads as other areas of infrastructure that are lacking. Other participants noted the lack of a convention center and Downtown parking.

- Access to a federal interstate and regional road system* (4)
- Second air carrier—second connecting city—everything goes through Charlotte (2)
- Completing bypass around Charlottesville and the two miles north of the city (2)
- No civic center (2)
- No professional sports team—or place to play (2)
- Lynchburg's age—puts a lot of pressure on the tax structure to modernize infrastructure (e.g. Water)*
- Broadband is good
- Region needs more technical schools
- Lack of shopping and amenities
- Broadband Internet—only one provider and it's limited
- Park system needs to be upgraded
- Need to figure out how to take control of the riverfront and build amenities around it
- Downtown parking
- Cell phone towers
- Train going in both directions

9. What would you work to change about the community, not worried about money or politics?

Responses to this question related to improving the capacity of the airport, building more amenities in the City, and programs to address high poverty rate and its effects.

- Better air services—that would be the silver bullet—being able to get better connecting flights and another carrier* (3)
- Improve local road system (3)
- Create a separate entertainment and shopping area (2)
- Convention center or arena that would accommodate large groups, concerts, etc. (2)
- Define a third industry that the region's skill set could accommodate and work to attract it—that would help increase employment and talent attraction*
- Affordable, mid-range, single-family homes rather than apartment complexes; Neighborhoods where living wage people would be proud to live*
- Build a technical high school
- Broadband Wi-Fi Downtown (City-sponsored/free)
- Better public transportation
- Finish the Academy of Arts
- World-class whitewater kayak course on the south side of Percival's island
- Every citizen makes a living wage
- PROMISE city—every single child would be afforded a higher education opportunity at no cost
- City that attracts African American families of wealth
- Create a top heart and cancer clinic and serve military retirees
- Complete Downtown revitalization

10. What types of companies do you think would be a good fit for the area?

Participants responded that Lynchburg should attract more energy-related companies (to build on the region's expertise in nuclear), electronics or high-tech manufacturing, aviation and aeronautical, and toolmaking, as well as healthcare and communications companies. Among the groups, there was disagreement as to whether more call/processing centers are needed. One group noted the ability of the region's workforce to do the task; another group urged the City to look at more high-skill/high-wage jobs. Specifically, they noted:

- Energy-related companies; nuclear (4)
- Call centers/processing centers (2)—but with mixed feeling
- Electronics or high-tech manufacturing (2)
- Communications (2)
- Healthcare (2)
- Retail—to service college kids
- Toolmaking
- Bigger brewery for boutique beers, e.g. Asheville's recent success
- Downtown movie theater
- Move away from headcount as a metric to quality of jobs
- Jobs that will eliminate brain drain—have a lot of kids who leave and never come back
- Aviation
- Financial services
- Go down the supply chain and figure out what will work best

11. Are there any suppliers/businesses/operations that would complement yours?

Respondents suggested that the City should look to attract more resin companies, industries that complement existing manufacturing companies already in the region, control systems, and medical services and devices. Specifically, they noted:

- More in resins—people making things out of plastic
- "We don't have an Ericsson"
- Automation (e.g. a blow molder)
- Control systems, instrumentation support
- Third-party, quality QA
- None

- Medical services and devices—for the new medical school at Liberty

12. **What are your past experiences with, and current perceptions of, the various economic development efforts by group(s) involved in investment attraction, retention, and assisting entrepreneurs? How could these efforts or groups be improved?**

    Focus group participants noted that the various economic development groups in the region are helpful, but suggested that the coordination among the groups could be improved. There were also a few comments that economic development efforts tend to be geared towards large operations, and there is not enough attention paid to entrepreneurs. Although Region 2000 was mandated to coordinate efforts—and was credited by some of the focus groups with success in attracting certain industries and looking for ways to engage the younger population—all groups believed that more can be done. Members of one group suggested that such efforts should fall under one agency since the shared resources and distributed responsibilities are confusing. Another group believed that economic development should be dispersed so that not one entity has the power/control. Several groups noted that the individual responsibilities of each group should be clearly defined so that businesses know where to go for a given need. Finally, several comments suggested that communications as a whole by each of the groups and the groups together could be increased.

- Efforts are uncoordinated—"The word 'dysfunctional' comes to mind." ED should be coordinated under one entity. * (3)
- At times, there are a lot of organizations doing the same thing and it gets confusing. Businesses often do not know whom to call. (2)
- Not sure what the different entities do; define role of each so they are accountable for performance or lack thereof (2)
- All have been helpful over the years—but not sure of level of coordination among them
- No "go-to" regional group
- Region 2000 is a fairly effective organization; City is supporter and player
- Tourism efforts run by the Chamber are good overall; have good metrics on how they are using their monies—always a point of contention with the City Council
- Pretty good luck bringing in technical talent through the community college system, however the program lost support, but is being built up again. The community college has been good to work with.
- Incubator program in the City should be supported more
- Good success working with ED group on incentives for increasing capacity—always there for you—goes back to Marjette
- One of the challenges is making sure the incentive funds are available from the Commonwealth
- Expanded enterprise zone helped companies

- Region 2000: has been of little utility, same with the Chamber
- At one time, business development group was very active; doesn't seem to have the same vitality anymore—wondering where that entity is headed
- Currently there are both shared and individual resources through Region 2000—leads to confusion and in-fighting
- We need one entity—but made up and representative of all of the different counties—rather than putting together too much power in one place.
- Commonwealth makes it difficult with independent City/county structure—all accountable for their budget
- Limited in what they can offer/help small business and entrepreneurs; seems that they do the most for the larger companies
- Need a clear vision for the whole City; perception is that if you want to do something Downtown, people are backing the ideas, but in other places of the City it is not as clear. One wonders if there is enough effort in developing other parts of the City. It may be a perception or it may be real.
- Have heard, at different points, there's something hot and then it goes away—"Economic development du jour."

13. Are there any other issues of concern to you?

The other comments provided by participants centered on a number of topics, including pay for teachers, the need to support innovation, branding efforts, and unfunded mandates. Participants also noted the need to attract venture capital and to support organic business growth. Specifically, comments included:

- Lynchburg is missing out on leveraging the intellectual property of Virginia in energy and nuclear technologies. Lynchburg could compete in this area on a global scale. The City is missing out on taking advantage of being a hub for energy and energy technologies.*
- We need to pay our teachers. Lynchburg teachers haven't had a raise in 5-6 years.
- Use Region 2000 to support programs that encourage innovation (e.g. Have an extension of the R&D programs at the Commonwealth level at local colleges).
- Does Lynchburg have a branding effort? City should market to specific clusters.
- Lynchburg's size hinders the community.
- The increasing burden on localities is stressing the localities. Many cannot stay abreast of capital needs as well as operating needs.
- City could do a better job of keeping money in the local economy—government procurement should be done locally.

- Lots of people in the city and associated ED orgs are looking to make home runs—large technology companies. They seem unwilling or unable to support and sustain organic growth—"Always swinging for the fences, not willing to see singles and doubles."

Additionally, the following question was posed to the Higher Education group:

What are you doing at your institution that is differentiating you and enabling your institution to provide added value to students and, ultimately, the people who may hire them?

Responses included:

- Early college program in high school starting this year; high number of AP programs and large well developed career-tech programs
- CVCC—has respected career-technical health programs. It is the second largest EMS program in the Commonwealth and is attracting students as far as Roanoke.
- Randolph College provides an intimate education that is well regarded nationally by multiple sources—with extremely large diversity.
- Lynchburg College is a booming sector of higher education. Some examples include the physician assistant program.
- The colleges/universities are working on transfers and allowing students to go between institutions.
- Liberty has a unique market; mission is that they train champions for Christ. They welcome people of all faiths and are Division I. Liberty University recently broke ground on school of medicine (DO).

Focus Group Participants

Employers (500+)
Scott Adams, Pepsi
Tina Brightwell, RR Donnelley
Sean Huyett, Westminster Canterbury
John Keith, J. Crew
Paul Kopack , Nationwide
Doug Lee, B&W
Mike Lee, Genworth
Tim Plogger, Kroger
Blake Nyland, Harris Corporation
Tom Sherrier, Fleet
Ben Wilkinson, Southern Air

Employers (250 or less)
Dan Ashwell, Wegmann
Robert Brooks, American National
Karen Dyer, First Citizens Bank
Todd Hall, First National Bank
Steve Jones, Delta Star
John Kenney, Trax
Kevin Kessigner, Tessy Plastics
James Lowe, Griffin Pipe
Ed Melton, Rock Tenn
Mike Syrek, Bank of the James
Linda Wilkinson, StarTek
Dave Wilt, SunTrust
Mike Zeilstra, Griffin Pipe

Entrepreneurs
David Barney, Scott Insurance
Marcus Calloway, Cal-Tek
Chris Coffey, L&R Precision
Hal Craddock, Craddock Cunningham
Eric Giavedoni, Grove Software
Darryl Glass, Glass & Associates
Todd Irby, IWT Wireless
Linda Jones, Dominion Seven Architects
Dennis Knight, Wiley Wilson
Pat McNamara, MaxPlayFit, LLC
Hawk Rockhow, Novatech
Karen Simonton, Orthopaedic Center of Central Virginia
Mark Sisson, Kitestring
Byron Steward, Business Development Centre

Education
Steve Arnold, Lynchburg College
Al Coleman, Lynchburg City Schools
Wesley R. Fugate, Ph.D., Randolph College
Amy Hudson, Lynchburg City Schools
Dr. James Lemons, CVCC
Dr. Barry Moore, Liberty University

Lynchburg Industry Sector Details – 2012

Highly specialized industries (location quotient greater than 1.2), and high relative earnings (above $51,050, the National average earnings per worker) are highlighted in green.

Industry	2012 Jobs	5-Year Change	Location Quotient	Avg. Annual Earnings	2012 Firms
Agriculture, Forestry, Fishing & Hunting	**22**	**(33)**	**0.02**	**$15,576**	**2**
Utilities	**76**	**(28)**	**0.36**	**$64,377**	**2**
Utilities	**76**	**(28)**	**0.36**	**$64,377**	**2**
Electric Power Generation, Transmission & Distribution	40	(28)	0.27	$53,078	1
Natural Gas Distribution	36	0	0.89	$77,494	1
Construction	**1,725**	**(522)**	**0.55**	**$45,980**	**160**
Construction of Buildings	**393**	**(174)**	**0.58**	**$41,523**	**58**
Residential Building Construction	269	(131)	0.66	$37,419	48
Nonresidential Building Construction	125	(42)	0.46	$50,347	10
Heavy & Civil Engineering Construction	**242**	**75**	**0.66**	**$79,732**	**11**
Utility System Construction	220	87	1.35	$77,686	6
L& Subdivision	14	(5)	0.43	$135,414	2
Specialty Trade Contractors	**1,089**	**(424)**	**0.52**	**$40,093**	**92**
Foundation, Structure & Building Exterior Contractors	109	(58)	0.29	$24,791	16
Building Equipment Contractors	671	(172)	0.90	$50,411	33
Building Finishing Contractors	164	(160)	0.31	$20,094	29
Other Specialty Trade Contractors	145	(33)	0.33	$26,548	15
Mfg.	**6,423**	**(4,289)**	**1.44**	**$63,883**	**96**
Food Mfg.	**677**	**(47)**	**1.25**	**$57,980**	**7**
Dairy Product Mfg.	55	19	1.16	$82,524	1
Bakeries & Tortilla Mfg.	234	118	2.16	$45,029	4
Other Food Mfg.	388	(182)	5.95	$62,336	2
Beverage & Tobacco Product Mfg.	**19**	**19**	**0.25**	**$103,719**	**1**
Beverage Mfg.	19	19	0.27	$103,719	1
Leather & Allied Product Mfg.	**131**	**0**	**9.95**	**$22,611**	**1**
Footwear Mfg.	128	(3)	26.97	$22,832	1
Wood Product Mfg.	**11**	**(2)**	**0.08**	**$47,004**	**1**
Other Wood Product Mfg.	11	(1)	0.14	$47,004	1
Paper Mfg.	**233**	**23**	**1.69**	**$66,463**	**3**
Pulp, Paper & Paperboard Mills	157	(25)	4.06	$73,056	1
Converted Paper Product Mfg.	76	48	0.76	$52,792	2
Printing & Related Support Activities	**484**	**(111)**	**2.56**	**$54,785**	**13**
Chemical Mfg.	**995**	**170**	**3.44**	**$61,612**	**4**
Pharmaceutical & Medicine Mfg.	351	(92)	3.61	$85,529	1
Paint, Coating & Adhesive Mfg.	41	9	1.89	$67,368	2
Soap, Cleaning Compound & Toilet Preparation Mfg.	603	375	15.37	$47,315	1
Plastics & Rubber Products Mfg.	**664**	**(61)**	**2.85**	**$58,470**	**5**
Plastics Product Mfg.	622	(1)	3.33	$57,905	3
Rubber Product Mfg.	42	(60)	0.90	$66,910	2
Nonmetallic Mineral Product Mfg.	**94**	**(24)**	**0.69**	**$54,329**	**6**
Cement & Concrete Product Mfg.	92	(26)	1.55	$54,367	5
Primary Metal Mfg.	**236**	**(279)**	**1.60**	**$65,490**	**2**

Industry	2012 Jobs	5-Year Change	Location Quotient	Avg. Annual Earnings	2012 Firms
Foundries	227	(288)	4.80	$63,748	1
Fabricated Metal Product Mfg.	**884**	**(3,927)**	**1.71**	**$74,317**	**22**
Architectural & Structural Metals Mfg.	358	(2,074)	2.85	$90,815	5
Boiler, Tank & Shipping Container Mfg.	241	(1,718)	7.22	$56,972	1
Machine Shops; Turned Product & Screw, Nut & Bolt Mfg.	249	17	1.82	$70,201	12
Coating, Engraving, Heat Treating & Allied Activities	21	(86)	0.43	$50,623	1
Machinery Mfg.	**995**	**(52)**	**2.44**	**$82,970**	**11**
Industrial Machinery Mfg.	148	6	3.66	$80,008	3
Metalworking Machinery Mfg.	186	(63)	2.76	$99,012	3
Other General Purpose Machinery Mfg.	640	(15)	6.90	$81,516	5
Computer & Electronic Product Mfg.	**211**	**(96)**	**0.53**	**$55,026**	**7**
Computer & Peripheral Equipment Mfg.	130	101	2.20	$55,067	3
Semiconductor & Other Electronic Component Mfg.	81	(97)	0.58	$54,820	3
Electrical Equipment, Appliance, & Component Mfg.	**275**	**122**	**2.02**	**$75,315**	**3**
Electrical Equipment Mfg.	264	132	5.06	$76,090	1
Transportation Equipment Mfg.	**32**	**10**	**0.06**	**$64,247**	**1**
Motor Vehicle Body & Trailer Mfg.	31	16	0.66	$63,302	1
Furniture & Related Product Mfg.	**273**	**(85)**	**2.01**	**$35,797**	**5**
Household & Institutional Furniture & Kitchen Cabinet Mfg.	251	(34)	2.91	$34,434	4
Office Furniture (including Fixtures) Mfg.	23	(50)	0.62	$50,926	1
Miscellaneous Mfg.	**201**	**52**	**0.81**	**$50,654**	**4**
Other Miscellaneous Mfg.	195	52	1.45	$50,893	3
Wholesale Trade	**1,551**	**(275)**	**0.70**	**$70,830**	**97**
Merchant Wholesalers, Durable Goods	**1,182**	**(158)**	**1.08**	**$77,077**	**62**
Motor Vehicle & Motor Vehicle Parts & Supplies Merchant Wholesalers	37	(36)	0.31	$47,353	3
Furniture & Home Furnishing Merchant Wholesalers	59	(4)	1.49	$46,914	2
Lumber & Other Construction Materials Merchant Wholesalers	15	(7)	0.22	$52,972	3
Professional & Commercial Equipment & Supplies Merchant Wholesalers	214	(92)	0.94	$42,382	16
Metal & Mineral (except Petroleum) Merchant Wholesalers	162	100	3.69	$40,025	2
Electrical & Electronic Goods Merchant Wholesalers	398	(33)	3.36	$135,098	8
Hardware, & Plumbing & Heating Equipment & Supplies Merchant Wholesalers	42	(13)	0.52	$52,358	9
Machinery, Equipment & Supplies Merchant Wholesalers	212	(75)	0.89	$60,220	16
Miscellaneous Durable Goods Merchant Wholesalers	43	2	0.27	$34,977	3
Merchant Wholesalers, Nondurable Goods	**335**	**(3)**	**0.43**	**$50,286**	**19**
Apparel, Piece Goods & Notions Merchant Wholesalers	15	3	0.24	$16,658	3
Grocery & Related Product Merchant Wholesalers	64	(11)	0.24	$54,787	4
Petroleum & Petroleum Products Merchant Wholesalers	63	(2)	1.79	$44,820	3
Beer, Wine & Distilled Alcoholic Beverage Merchant Wholesalers	101	(4)	1.59	$62,073	1
Miscellaneous Nondurable Goods Merchant Wholesalers	76	13	0.50	$37,516	2
Wholesale Electronic Markets & Agents & Brokers	**35**	**(113)**	**0.10**	**$56,040**	**15**
Wholesale Electronic Markets & Agents & Brokers	35	(113)	0.10	$56,040	15
Retail Trade	**7,763**	**(166)**	**1.23**	**$24,643**	**373**
Motor Vehicle & Parts Dealers	**675**	**(94)**	**0.99**	**$41,943**	**33**
Automobile Dealers	391	(81)	0.91	$47,953	12
Other Motor Vehicle Dealers	34	(14)	0.56	$37,861	6
Automotive Parts, Accessories & Tire Stores	250	1	1.28	$33,099	15

Industry	2012 Jobs	5-Year Change	Location Quotient	Avg. Annual Earnings	2012 Firms
Furniture & Home Furnishings Stores	**230**	**(10)**	**1.30**	**$26,964**	**26**
Furniture Stores	91	(6)	1.09	$37,488	11
Home Furnishings Stores	138	(4)	1.49	$20,010	15
Electronics & Appliance Stores	**189**	**(4)**	**1.02**	**$22,806**	**15**
Electronics & Appliance Stores	189	(4)	1.02	$22,806	15
Building Material & Garden Equipment & Supplies Dealers	**472**	**(114)**	**1.09**	**$34,930**	**20**
Building Material & Supplies Dealers	426	(107)	1.13	$35,587	14
Lawn & Garden Equipment & Supplies Stores	46	(7)	0.83	$28,833	6
Food & Beverage Stores	**996**	**200**	**0.92**	**$24,879**	**42**
Grocery Stores	802	149	0.87	$22,275	31
Specialty Food Stores	131	76	1.24	$34,326	9
Beer, Wine & Liquor Stores	63	(25)	1.09	$38,310	2
Health & Personal Care Stores	**243**	**(62)**	**0.60**	**$28,069**	**31**
Health & Personal Care Stores	243	(62)	0.60	$28,069	31
Gasoline Stations	**308**	**(8)**	**1.00**	**$20,319**	**37**
Gasoline Stations	308	(8)	1.00	$20,319	37
Clothing & Clothing Accessories Stores	**579**	**(243)**	**1.04**	**$15,275**	**61**
Clothing Stores	417	(212)	1.00	$14,270	43
Shoe Stores	107	(8)	1.53	$14,558	12
Jewelry, Luggage & Leather Goods Stores	56	(22)	0.81	$24,185	7
Sporting Goods, Hobby, Book, & Music Stores	**412**	**(15)**	**1.52**	**$16,681**	**31**
Sporting Goods, Hobby & Musical Instrument Stores	273	1	1.29	$16,354	22
Book, Periodical & Music Stores	139	(15)	2.38	$17,319	9
General Merchandise Stores	**1,690**	**68**	**1.53**	**$22,293**	**25**
Department Stores	730	(89)	1.35	$19,861	9
Other General Merchandise Stores	960	157	1.70	$24,141	16
Miscellaneous Store Retailers	**513**	**(16)**	**0.91**	**$17,674**	**41**
Florists	51	2	1.03	$15,495	5
Office Supplies, Stationery & Gift Stores	145	(42)	0.89	$16,567	14
Used Merchandise Stores	124	(2)	1.16	$17,252	8
Other Miscellaneous Store Retailers	193	25	0.79	$19,362	14
Non-store Retailers	**1,454**	**131**	**2.63**	**$24,502**	**12**
Electronic Shopping & Mail-Order Houses	1,309	256	9.15	$26,127	3
Vending Machine Operators	15	(22)	0.55	$25,984	4
Direct Selling Establishments	131	(102)	0.34	$8,101	5
Transportation & Warehousing	**1,134**	**(18)**	**0.55**	**$49,986**	**50**
Rail Transportation	**77**	**(3)**	**0.92**	**$88,256**	**0**
Truck Transportation	**353**	**15**	**0.49**	**$57,608**	**21**
General Freight Trucking	290	21	0.53	$60,881	18
Specialized Freight Trucking	63	(6)	0.37	$42,475	4
Transit & Ground Passenger Transportation	**164**	**9**	**0.70**	**$27,688**	**6**
Urban Transit Systems	111	19	7.23	$35,891	2
Taxi & Limousine Service	44	(6)	0.48	$10,431	3
Support Activities for Transportation	**123**	**71**	**0.49**	**$27,916**	**5**
Support Activities for Rail Transportation	88	55	9.06	$33,247	1
Freight Transportation Arrangement	15	--	0.18	$26,552	3
Other Support Activities for Transportation	17	--	1.42	$3,741	1
Couriers & Messengers	**191**	**(4)**	**0.70**	**$50,137**	**7**

Industry	2012 Jobs	5-Year Change	Location Quotient	Avg. Annual Earnings	2012 Firms
Couriers & Express Delivery Services	185	2	0.85	$51,540	5
Warehousing & Storage	**224**	**(53)**	**0.83**	**$53,351**	**8**
Information	**591**	**(10)**	**0.51**	**$48,521**	**38**
Publishing Industries (except Internet)	**146**	**3**	**0.47**	**$30,511**	**9**
Newspaper, Periodical, Book & Directory Publishers	119	22	0.59	$29,203	7
Software Publishers	27	(19)	0.24	$36,245	2
Motion Picture & Sound Recording Industries	**66**	**8**	**0.40**	**$7,910**	**3**
Motion Picture & Video Industries	63	9	0.41	$7,881	2
Broadcasting (except Internet)	**123**	**(7)**	**1.04**	**$47,130**	**3**
Radio & Television Broadcasting	123	(7)	1.35	$47,130	3
Telecommunications	**190**	**(27)**	**0.53**	**$75,890**	**20**
Wired Telecommunications Carriers	118	(43)	0.48	$79,917	14
Wireless Telecommunications Carriers (except Satellite)	59	7	0.93	$73,252	5
Other Telecommunications	13	--	0.28	$51,778	1
Data Processing, Hosting & Related Services	**45**	**20**	**0.39**	**$65,233**	**2**
Data Processing, Hosting & Related Services	45	20	0.39	$65,233	2
Other Information Services	**21**	**(6)**	**0.26**	**$27,130**	**1**
Finance & Insurance	**3,246**	**160**	**0.92**	**$57,991**	**150**
Credit Intermediation & Related Activities	**694**	**(83)**	**0.68**	**$47,033**	**59**
Depository Credit Intermediation	491	(15)	0.78	$51,365	45
Nondepository Credit Intermediation	95	(124)	0.38	$42,378	10
Activities Related to Credit Intermediation	107	55	0.75	$31,328	4
Securities, Commodity Contracts & Other Financial Investments & Related Activities	**571**	**186**	**0.47**	**$54,274**	**30**
Securities & Commodity Contracts Intermediation & Brokerage	105	(4)	0.40	$119,323	12
Other Financial Investment Activities	465	189	0.49	$39,568	18
Insurance Carriers & Related Activities	**1,946**	**40**	**1.83**	**$63,414**	**62**
Insurance Carriers	1,143	(339)	2.56	$60,414	11
Agencies, Brokerages & Other Insurance Related Activities	803	379	1.30	$67,685	51
Funds, Trusts & Other Financial Vehicles	**36**	**18**	**0.17**	**$34,690**	**0**
Other Investment Pools & Funds	36	--	0.39	$34,690	0
Real Estate & Rental & Leasing	**1,880**	**143**	**0.65**	**$23,789**	**106**
Real Estate	**1,552**	**158**	**0.59**	**$19,154**	**88**
Lessors of Real Estate	811	136	0.69	$21,190	25
Offices of Real Estate Agents & Brokers	276	(36)	0.42	$16,821	26
Activities Related to Real Estate	465	57	0.60	$16,988	37
Rental & Leasing Services	**328**	**(14)**	**1.28**	**$45,712**	**18**
Automotive Equipment Rental & Leasing	71	(46)	0.92	$39,300	5
Consumer Goods Rental	69	(59)	0.86	$48,089	8
Commercial & Industrial Machinery & Equipment Rental & Leasing	187	90	2.36	$47,076	4
Professional, Scientific, & Technical Services	**3,768**	**1,633**	**0.85**	**$85,365**	**229**
Professional, Scientific, & Technical Services	**3,768**	**1,633**	**0.85**	**$85,365**	**229**
Legal Services	305	31	0.57	$60,319	54
Accounting, Tax Preparation, Bookkeeping & Payroll Services	244	(28)	0.48	$44,141	31
Architectural, Engineering & Related Services	2,184	1,452	3.75	$114,705	31
Specialized Design Services	50	3	0.34	$15,556	8
Computer Systems Design & Related Services	260	144	0.35	$73,292	35
Management, Scientific & Technical Consulting Services	185	67	0.24	$38,922	26

Industry	2012 Jobs	5-Year Change	Location Quotient	Avg. Annual Earnings	2012 Firms
Scientific Research & Development Services	27	6	0.11	$40,185	5
Advertising, Public Relations & Related Services	199	(56)	0.83	$40,859	17
Other Professional, Scientific & Technical Services	314	14	0.46	$18,241	23
Management of Companies & Enterprises	**1,657**	**88**	**2.18**	**$58,973**	**22**
Administrative & Support & Waste Management & Remediation Services	**2,422**	**(921)**	**0.61**	**$22,078**	**114**
Administrative & Support Services	**2,365**	**(963)**	**0.62**	**$21,334**	**108**
Office Administrative Services	36	(67)	0.14	$7,229	3
Facilities Support Services	16	--	0.25	$48,616	1
Employment Services	1,316	(711)	1.14	$24,505	16
Business Support Services	126	(24)	0.30	$20,664	8
Travel Arrangement & Reservation Services	18	(7)	0.21	$21,216	6
Investigation & Security Services	100	0	0.29	$24,265	8
Services to Buildings & Dwellings	717	(174)	0.54	$14,747	63
Other Support Services	36	8	0.23	$32,895	3
Waste Management & Remediation Services	**57**	**43**	**0.41**	**$53,057**	**6**
Waste Collection	29	--	0.52	$32,995	4
Remediation & Other Waste Management Services	20	--	0.42	$57,411	1
Educational Services (Private)	**7,602**	**1,554**	**4.76**	**$23,648**	**33**
Educational Services (Private)	**7,602**	**1,554**	**4.76**	**$23,648**	**33**
Elementary & Secondary Schools (Private)	398	71	1.06	$35,294	4
Junior Colleges (Private)	157	98	4.78	$21,429	2
Colleges, Universities & Professional Schools (Private)	6,605	1,302	10.13	$23,702	2
Business Schools & Computer & Management Training (Private)	33	(19)	0.50	$34,926	3
Technical & Trade Schools (Private)	28	15	0.37	$37,158	3
Other Schools & Instruction (Private)	330	83	1.05	$7,727	15
Educational Support Services (Private)	51	4	0.64	$21,030	5
Health Care & Social Assistance	**9,862**	**940**	**1.41**	**$52,530**	**410**
Ambulatory Health Care Services	**3,256**	**866**	**1.17**	**$75,540**	**167**
Offices of Physicians	1,530	438	1.59	$105,328	57
Offices of Dentists	323	31	1.00	$58,502	45
Offices of Other Health Practitioners	377	(43)	0.83	$41,088	39
Outpatient Care Centers	192	(138)	0.78	$38,603	6
Medical & Diagnostic Laboratories	181	73	1.94	$102,305	8
Home Health Care Services	358	224	0.62	$29,465	9
Other Ambulatory Health Care Services	295	280	2.53	$47,366	3
Hospitals (Private)	**3,367**	**(434)**	**1.98**	**$53,496**	**4**
General Medical & Surgical Hospitals (Private)	3,360	(441)	2.12	$53,488	3
Nursing & Residential Care Facilities	**2,027**	**208**	**1.72**	**$33,479**	**29**
Nursing Care Facilities	907	61	1.52	$32,399	10
Residential Mental Retardation, Mental Health & Substance Abuse Facilities	333	(3)	1.48	$44,119	7
Community Care Facilities for the Elderly	679	164	2.30	$28,606	8
Other Residential Care Facilities	107	(15)	1.77	$40,387	4
Social Assistance	**1,212**	**300**	**0.89**	**$19,905**	**210**
Individual & Family Services	546	142	1.00	$24,650	186
Community Food & Housing, & Emergency & Other Relief Services	96	8	1.65	$23,373	9
Vocational Rehabilitation Services	91	(9)	0.69	$27,720	4
Child Day Care Services	479	158	0.77	$12,315	11

Industry	2012 Jobs	5-Year Change	Location Quotient	Avg. Annual Earnings	2012 Firms
Arts, Entertainment, & Recreation	**672**	**96**	**0.49**	**$10,170**	**30**
Performing Arts, Spectator Sports & Related Industries	**351**	**66**	**0.50**	**$7,720**	**8**
Performing Arts Companies	43	11	0.56	$15,274	1
Spectator Sports	119	22	0.90	$8,861	5
Independent Artists, Writers & Performers	175	27	0.44	$5,245	1
Museums, Historical Sites & Similar Institutions	**45**	**(4)**	**0.91**	**$22,707**	**3**
Museums, Historical Sites & Similar Institutions	45	(4)	0.91	$22,707	3
Amusement, Gambling & Recreation Industries	**277**	**35**	**0.44**	**$11,243**	**19**
Gambling Industries	12	--	0.22	$7,030	0
Other Amusement & Recreation Industries	262	22	0.51	$11,337	19
Accommodation & Food Services	**4,997**	**(119)**	**1.12**	**$15,356**	**206**
Accommodation	**463**	**22**	**0.67**	**$18,970**	**17**
Traveler Accommodation	441	11	0.68	$18,957	15
Rooming & Boarding Houses	16	--	0.89	$15,509	1
Food Services & Drinking Places	**4,534**	**(140)**	**1.21**	**$14,987**	**189**
Full-Service Restaurants	2,277	(50)	1.33	$15,982	82
Limited-Service Eating Places	1,697	(82)	1.09	$14,137	94
Special Food Services	559	(7)	1.64	$13,527	14
Other Services (except Public Administration)	**2,873**	**(108)**	**0.74**	**$19,841**	**246**
Repair & Maintenance	**459**	**(25)**	**0.64**	**$31,727**	**63**
Automotive Repair & Maintenance	331	(26)	0.78	$35,828	50
Electronic & Precision Equipment Repair & Maintenance	16	6	0.28	$42,023	3
Commercial & Industrial Machinery & Equipment (except Automotive & Electronic) Repair & Maintenance	44	9	0.50	$28,725	2
Personal & Household Goods Repair & Maintenance	68	(14)	0.45	$11,371	9
Personal & Laundry Services	**1,067**	**253**	**0.78**	**$17,289**	**85**
Personal Care Services	622	186	0.93	$16,271	53
Death Care Services	159	12	3.05	$31,717	11
Dry cleaning & Laundry Services	81	(7)	0.69	$22,532	12
Other Personal Services	205	61	0.38	$7,097	9
Religious, Grantmaking, Civic, Professional & Similar Organizations	**1,197**	**(240)**	**1.06**	**$18,722**	**38**
Religious Organizations	634	(258)	0.94	$15,339	3
Grantmaking & Giving Services	22	6	0.41	$36,461	1
Social Advocacy Organizations	43	10	0.58	$27,097	4
Civic & Social Organizations	342	13	2.27	$12,821	12
Business, Professional, Labor, Political & Similar Organizations	156	(11)	0.90	$40,588	18
Private Households	**151**	**(96)**	**0.23**	**$10,608**	**60**
Private Households	151	(96)	0.23	$10,608	60
Government	**5,622**	**(213)**	**0.65**	**$48,943**	**78**
Federal Government	**855**	**15**	**0.48**	**$59,786**	**21**
Federal Government, Civilian	478	17	0.46	$84,619	21
Federal Government, Military	377	(2)	0.51	$28,279	0
State Government	**1,244**	**(102)**	**0.68**	**$44,965**	**27**
Education & Hospitals (State Government)	831	1	0.82	$40,213	4
State Government, Excluding Education & Hospitals	413	(104)	0.51	$54,518	23
Local Government	**3,523**	**(125)**	**0.70**	**$47,715**	**30**
Education & Hospitals (Local Government)	1,783	(227)	0.59	$44,744	1
Local Government, Excluding Education & Hospitals	1,740	102	0.89	$50,761	29

Industry	2012 Jobs	5-Year Change	Location Quotient	Avg. Annual Earnings	2012 Firms
Total	**63,888**			**$42,275**	**2,440**

Source: Economic Modeling Specialist, Garner Economics

Lynchburg Occupational Details – 2012

Highly specialized occupations (location quotient greater than 1.20), and high relative earnings (above $20.34, the National average hourly wage) are highlighted in **green**.

Occupational Group	2012 Jobs	5- Year Change	Location Quotient	Avg. Hourly Earnings
Management	**2,329**	**(145)**	**0.54**	**$40.89**
Top Executives	716	(98)	0.80	$51.23
Advertising, Marketing, Promotions, Public Relations, and Sales Managers	127	(18)	0.47	$50.93
Operations Specialties Managers	468	(45)	0.71	$47.47
Other Management	1,018	16	0.40	$29.34
Business and Financial Operations	**2,538**	**77**	**0.70**	**$28.76**
Business Operations Specialists	1,431	(2)	0.79	$28.24
Financial Specialists	1,107	79	0.61	$29.44
Computer and Mathematical	**891**	**72**	**0.62**	**$32.33**
Computer	837	61	0.60	$32.42
Mathematical Science	54	12	1.17	$30.89
Architecture and Engineering	**1,640**	**514**	**1.73**	**$37.82**
Architects, Surveyors, and Cartographers	113	27	1.25	$25.11
Engineers	990	342	1.69	$43.81
Drafters, Engineering Technicians, and Mapping Technicians	537	145	1.98	$29.46
Life, Physical, and Social Science	**510**	**82**	**0.92**	**$29.57**
Life Scientists	84	(4)	0.77	$25.41
Physical Scientists	131	42	1.14	$38.64
Social Scientists and Related Workers	129	13	0.66	$30.96
Life, Physical, and Social Science Technicians	166	31	1.25	$23.48
Community and Social Service	**1,232**	**(30)**	**1.40**	**$17.72**
Counselors, Social Workers, and Other Community and Social Service Specialists	1,092	20	1.50	$17.47
Religious Workers	139	(51)	0.93	$19.70
Legal	**312**	**18**	**0.59**	**$37.39**
Lawyers, Judges, and Related Workers	201	18	0.57	$45.48
Legal Support Workers	112	1	0.62	$22.85
Education, Training, and Library	**2,956**	**(154)**	**0.89**	**$18.79**
Postsecondary Teachers	508	(124)	0.98	$30.07
Preschool, Primary, Secondary, and Special Education School Teachers	1,017	(63)	0.68	$22.06
Other Teachers and Instructors	804	20	1.26	$12.01
Librarians, Curators, and Archivists	63	(6)	0.64	$24.93
Other Education, Training, and Library	564	18	0.99	$11.70
Arts, Design, Entertainment, Sports, and Media	**976**	**56**	**0.52**	**$16.04**
Art and Design Workers	254	7	0.51	$12.84

Occupational Group	2012 Jobs	5- Year Change	Location Quotient	Avg. Hourly Earnings
Entertainers and Performers, Sports and Related Workers	294	24	0.61	$17.32
Media and Communication Workers	254	23	0.48	$18.32
Media and Communication Equipment Workers	174	1	0.47	$15.21
Healthcare Practitioners and Technical	**4,232**	**335**	**1.41**	**$30.02**
Health Diagnosing and Treating Practitioners	2,588	135	1.35	$37.18
Health Technologists and Technicians	1,486	173	1.44	$19.05
Other Healthcare Practitioners and Technical	158	26	2.86	$16.01
Healthcare Support	**2,496**	**384**	**1.49**	**$11.52**
Nursing, Psychiatric, and Home Health Aides	1,614	256	1.56	$9.72
Occupational Therapy and Physical Therapist Assistants and Aides	104	(7)	1.85	$20.68
Other Healthcare Support	778	135	1.31	$14.03
Protective Service	**1,201**	**76**	**1.00**	**$17.95**
Supervisors of Protective Service Workers	95	2	1.03	$32.32
Fire Fighting and Prevention Workers	65	5	0.57	$27.75
Law Enforcement Workers	283	2	0.64	$21.74
Other Protective Service Workers	759	68	1.36	$13.91
Food Preparation and Serving Related	**5,319**	**(39)**	**1.25**	**$9.60**
Supervisors of Food Preparation and Serving Workers	312	(7)	0.87	$14.87
Cooks and Food Preparation Workers	1,223	8	1.12	$9.66
Food and Beverage Serving Workers	3,127	(17)	1.34	$9.20
Other Food Preparation and Serving Related Workers	658	(22)	1.40	$8.89
Building and Grounds Cleaning and Maintenance	**2,538**	**(88)**	**0.95**	**$9.61**
Supervisors of Building and Grounds Cleaning and Maintenance Workers	101	(17)	0.55	$11.60
Building Cleaning and Pest Control Workers	2,081	(109)	1.06	$9.49
Grounds Maintenance Workers	355	36	0.69	$9.74
Personal Care and Service	**2,361**	**521**	**0.80**	**$9.76**
Supervisors of Personal Care and Service Workers	91	14	0.69	$11.56
Animal Care and Service Workers	146	28	0.42	$8.78
Entertainment Attendants and Related Workers	146	15	0.69	$11.08
Funeral Service Workers	96	12	2.85	$17.09
Personal Appearance Workers	508	159	0.96	$9.44
Baggage Porters, Bellhops, and Concierges	22	2	0.86	$11.27
Tour and Travel Guides	27	2	0.97	$12.10
Other Personal Care and Service Workers	1,325	290	0.81	$9.13
Sales and Related	**7,965**	**(135)**	**0.95**	**$13.94**
Supervisors of Sales Workers	922	(39)	0.87	$17.13
Retail Sales Workers	4,034	(194)	1.26	$10.14
Sales Representatives, Services	1,267	213	1.04	$19.87
Sales Representatives, Wholesale and Manufacturing	379	(148)	0.50	$31.13
Other Sales and Related Workers	1,364	34	0.64	$12.70
Office and Administrative Support	**11,866**	**141**	**1.36**	**$14.88**
Supervisors of Office and Administrative Support Workers	624	(11)	1.18	$23.26
Communications Equipment Operators	58	(11)	1.04	$12.69
Financial Clerks	1,558	(33)	1.12	$15.58
Information and Record Clerks	2,567	120	1.27	$13.15
Material Recording, Scheduling, Dispatching, and Distributing Workers	1,815	(205)	1.23	$14.92

Occupational Group	2012 Jobs	5- Year Change	Location Quotient	Avg. Hourly Earnings
Secretaries and Administrative Assistants	2,234	144	1.42	$16.43
Other Office and Administrative Support Workers	3,011	138	1.78	$13.11
Farming, Fishing, and Forestry	**59**	**3**	**0.13**	**$13.65**
Agricultural Workers	43	(1)	0.12	$14.16
Construction and Extraction	**1,690**	**(695)**	**0.61**	**$16.47**
Supervisors of Construction and Extraction Workers	187	(57)	0.67	$24.99
Construction Trades Workers	1,183	(624)	0.56	$15.38
Helpers, Construction Trades	144	(39)	1.64	$12.64
Other Construction and Related Workers	151	21	0.91	$18.58
Extraction Workers	25	4	0.23	$13.45
Installation, Maintenance, and Repair	**2,360**	**(147)**	**1.07**	**$19.43**
Supervisors of Installation, Maintenance, and Repair Workers	161	(18)	1.02	$27.94
Electrical and Electronic Equipment Mechanics, Installers, and Repairers	224	(8)	0.92	$21.93
Vehicle and Mobile Equipment Mechanics, Installers, and Repairers	567	(12)	0.87	$19.03
Other Installation, Maintenance, and Repair	1,408	(109)	1.21	$18.21
Production	**4,753**	**(2,489)**	**1.41**	**$15.81**
Supervisors of Production Workers	329	(194)	1.52	$25.99
Assemblers and Fabricators	656	(450)	1.04	$13.81
Food Processing Workers	147	8	0.57	$13.74
Metal Workers and Plastic Workers	1,137	(1,267)	1.65	$17.99
Printing Workers	250	(40)	2.40	$18.37
Textile, Apparel, and Furnishings Workers	207	(24)	0.67	$9.69
Woodworkers	131	(15)	1.40	$12.83
Plant and System Operators	108	1	0.97	$20.84
Other Production	1,788	(508)	1.88	$13.72
Transportation and Material Moving	**3,132**	**(382)**	**0.85**	**$13.39**
Supervisors of Transportation and Material Moving Workers	119	(9)	0.84	$22.87
Air Transportation Workers	12	(23)	0.13	$39.70
Motor Vehicle Operators	1,262	(75)	0.75	$14.62
Rail Transportation Workers	46	3	1.00	$25.88
Other Transportation Workers	53	(3)	0.44	$14.26
Material Moving Workers	1,635	(275)	1.02	$11.13
Military	**377**	**(2)**	**0.51**	**$18.08**
Total	**63,888**	**(2,087)**		**$17.88**

Source: Economic Modeling Specialist, Garner Economics

END NOTES FOR THE ASSETS AND CHALLENGES ASSESSMENT

[1] According to calculations by Garner Economics, an 8-hour drive time population from Lynchburg is 81.9 million, or 26.2 % of the total 2011 US population

[2]

Freight Rail
CSX Transportation
Norfolk Southern Railway Company
Passenger Rail
Amtrak
The Northeast Regional Line daily round trip commuter to Washington, D.C.
The Crescent Line with destinations north to New York, south to New Orleans

[3] *Broadband Rankings 2011*
(a lower number is better)
Lowest ranking shaded

	AVG Rank	Speed	Wireline Access	Wireline Fiber	Wireline DSL	Wireless Access	Wireline Providers	Wireless Providers
Lynchburg	508	126	884	896	535	203	552	357
Hall	336	470	258	953	217	114	136	206
Pitt	853	354	551	1513	154	782	578	2042

Source: National Telecommunications and Information Administration

[4] Ibid
[5] Liberty University employs faculty in STEM fields
[6] Based on focus groups feedback
[7] Average Wage Per Job

	2011	5 Year $ Change	5 Year % Change
Campbell + Lynchburg*	$40,566	$4,630	12.9%
Hall	$41,161	$3,768	10.1%
Pitt	$38,090	$4,860	14.6%
Virginia	$52,072	$6,980	15.5%
United States	$48,301	$5,598	13.1%

**Lynchburg not reported separately.*
Source: Bureau of Economic Analysis, Garner Economics

[8] Total metro unionization is 1%.
[9] Central Virginia Community College

10

Higher Education Institutions & Enrollment (Fall 2011)	
Institution	Enrollment
Liberty University	65,955
Central Virginia Community College	5,461
Lynchburg College	2,828
Virginia University of Lynchburg	741
Randolph College	576
Sweet Briar College (Amherst County)	760

11 Liberty University School of Engineering and Computational Science
12 13% of the workforce is employed in mfg. US rank is 1153 out of 3141 jurisdictions.
13 Based on feedback from focus group respondents related to finding high value professional services related to legal, accounting and technical disciplines, such as specialty engineering services.
14 AEP is the service provider with rates ranging from ₵1.820 - ₵20.000/kWh
15 Total system availability is 26 mgd and current usage is 11 mgd
16 Some of the comments heard in the focus group sessions showed a lack of the basic understanding of the economic development process.
17 $385K per year. Based on national benchmarks and program activity, should be closer to $500K.
18 2012 SAT scores

	Verbal	Math	Writing	Total
Lynchburg	498	495	482	1,475
Hall*	489	483	470	1,442
Pitt	466	486	440	1,392
Virginia	508	510	492	1,510
US (public)	491	505	481	1,477

19 Many of the focus group respondents voiced frustration about the inconsistencies with the City and the bureaucracies within City government.
20 http://www.yesvirginia.org/pdf/guides/LocalTaxesGuide.pdf
21 Based on observations from Garner Economics and feedback from management personnel who have moved to Lynchburg.
22 **Cost of Living Index**
2011 3Q – 2012 3Q Annual Average

	Composite	Grocery	Housing	Utilities	Transportation	Health Care	Misc. Goods & Services
Lynchburg Metro	92.1	93.0	83.5	106.3	88.0	99.3	95.1
Greenville Metro	95.4	108.7	79.0	97.4	94.3	113.4	101.6

Hall County (Gainesville metro) does not participate.
Source: ACCRA, Garner Economics

[23] Based on FBI data of benchmarked comparisons
2011 Crime Rate per 100,000 Residents
(Highest Relative Figure Shaded)

	Violent	Property
Lynchburg	363.5	3,228.7
Hall	155.5	2,474.6
Pitt	170.0	1,193.2
Virginia	196.7	2,249.6
US	386.3	2,908.7

Source: Federal Bureau of Investigation, Garner Economics

[24] Business climate is defined by those policies and laws enacted by the local government that impact local businesses.