



## 2015 Revised CEDS

### **SWOT Background Information**

Information included in this document was gathered from prior CEDS documents where regional information was analyzed to produce a similar SWOT analysis. This section also includes relevant data updates to help members of the CEDS committee as they discuss the strengths, weaknesses, opportunities, and threats that are facing the economy of the Buckeye Hills region.

#### **Strengths**

Strong industries or clusters active in the Buckeye Hills region according to clustermapping.us and Stats America Innovation Index are listed below:

#### **Clustermapping.us**

The definition of a 'traded cluster' is as follows:

*'Traded clusters are groups of related industries that serve markets beyond the region in which they are located. They are free to choose their location of operation (unless the location of natural resources drives where they can be) and are highly concentrated in a few regions, tending to only appear in regions that afford specific competitive advantages. Since traded clusters compete in cross-regional markets, they are exposed to competition from other regions.'*

#### **8 traded clusters – overall evaluation;**

- Coal Mining
- Electric Power
- Nonmetal Mining
- Oil & Gas
- Paper & Packaging
- Upstream Metals
- Vulcanized Materials
- Water Transport

#### **Employment by traded cluster – 2012;**

- Distribution and electronic commerce
- *Upstream metal manufacturing*
- *Coal mining*
- Education and knowledge creation
- Business services

- Production technology and heavy machinery
- Hospitality and tourism
- Plastics
- *Oil and gas production*
- Automotive

*\*Strongly traded cluster with employment specialization in the region.*

Information regarding which NAICS/SIC codes make up these clusters is available on the clustermapping.us website for further analysis and discussion.

You can see the Buckeye Hills profile on clustermapping.us by [clicking here](#). (If the link is broken please contact Bret Allphin.)

### **Stats America**

Stats America’s Innovation Index identifies active industries in a variety of ways; by number of establishments, number of employees, location quotient, and wages. Below are listed the top 5 in each category. The complete listing can be found by visiting <http://www.statsamerica.org/innovation/anydata/> and selecting ‘EDD’ in step 2 and choosing ‘OH – Buckeye Hills – Hocking Valley Regional Development District.’ The time period selected for this purpose was ‘current.’

#### **By Cluster Establishments**

Business and Financial Services	474
Energy (Fossil & Renewable)	364
Biomedical/Biotech. (Life Sci.)	257
Defense & Security	144
Transp. & Logistics	144
Arts, Ent., Rec., & Visitor Ind.	138

#### **By Cluster Employment**

Biomedical/ Biotech. (Life Sci.)	8,445
Education & Knowledge Creat.	4,825
Energy (Fossil & Renewable)	4,353
Chemicals & Chem. Based Prod.	2,869
Advanced Materials	2,817

#### **By Location Quotient (Establishment)**

Primary Metal Mfg.	4.11
Mining	3.30
Glass & Ceramics	2.03
Forest & Wood Products	1.99
Electrical Equip. App.	1.82

## **CEDS 2010**

Identified clusters from the 2010 CEDS document:

- Health Care
- Education
- Metals and Polymers
- Manufacturing
- Natural Resource Production

These clusters were much more general in nature compared to the clusters identified utilizing the new data tools. They were determined based on consultation with partners, local officials, and Buckeye Hills staff.

Other identified regional strengths:

- Lower cost of living compared to urban areas.
- Quality of life.
- Natural resources.
- Geographic features.
- Post-secondary education network.
- Central location to US markets.
- Emerging energy (oil/gas) sector.
- Access to local leaders and decision makers.
- Cohesion among communities and counties.

## **Weaknesses**

- Continued lack of broadband deployment and other communications technologies.
- Aging infrastructure of all types (road, bridge, water, sewer, etc).
- Capital challenges to address infrastructure issues and extend utilities for growth.
- Challenging geography.
- Persistence of distress factors (unemployment, poverty, low MHI, etc.).
- Environmental challenges from past economic activities.
- Limited access to health care.
- Public school funding is challenging/limited.
- Limited available public rail infrastructure.
- Lack of port facilities/ multi modal facilities.
- Small regional airports that struggle to handle private jets or other mid to large aircraft.
- Susceptibility to natural disasters, primarily flooding, strong storms, and wildfire.

## **Opportunities**

Job Creation Leaders by Traded Cluster (1998 – 2011) (Sectors that made positive gains and exceeded expected job creation given national growth.)

- Business Services (+799, expected +318)
- Production Technology and Heavy Machinery (+640, expected -134)
- Construction Products and Services (+182, expected -56)

- Food Processing and Manufacturing (+130, expected -17)
- *Distribution and Electronic Commerce\** (+128, expected +182)
- Communication Equipment and Services (+100, expected -6)
- *Hospitality Services and Tourism\** (+34, expected +76)

*\*Posted positive gains but did not exceed expected job creation levels.*

Some manufacturing is starting to return to US, and the BH region.

Ohio University has an EDA University Center that communities and regional organizations could engage with on a more frequent basis.

Ohio River could be used for additional cargo and large transportation to support economic growth.

Additional rail investments could bring large returns for heavy machinery/manufacturing/mining activities.

I77 continues to be a transportation nexus in the center of the region, north/south.

Community colleges and technical schools have been playing an active coordinated role in the economic recovery of the region, this effort should be sustained and expanded if possible.

## **Threats**

### Largest Job Losses by Traded Cluster (1998 – 2011)

- Upstream Metal Manufacturing (-2,721, expected -1,523)
- Plastics (-1,510, expected -607)
- Furniture (-871, expected -554)
- Wood Products (-794, expected -460)
- *Vulcanized and Fired Materials (-484, expected -512)\**

(Only listed the top five here, there were others.)

*\*Posted losses, but losses did not exceed expected levels.*

Diminished traditional funding for local governments.

Social difficulties (drug abuse, etc.).

Potential/perceived environmental impacts from oil and gas activities.

Pressure on housing markets due to oil and gas activities.

Region remains susceptible to natural disasters. (Primarily flooding, also strong storms and wildfire.)

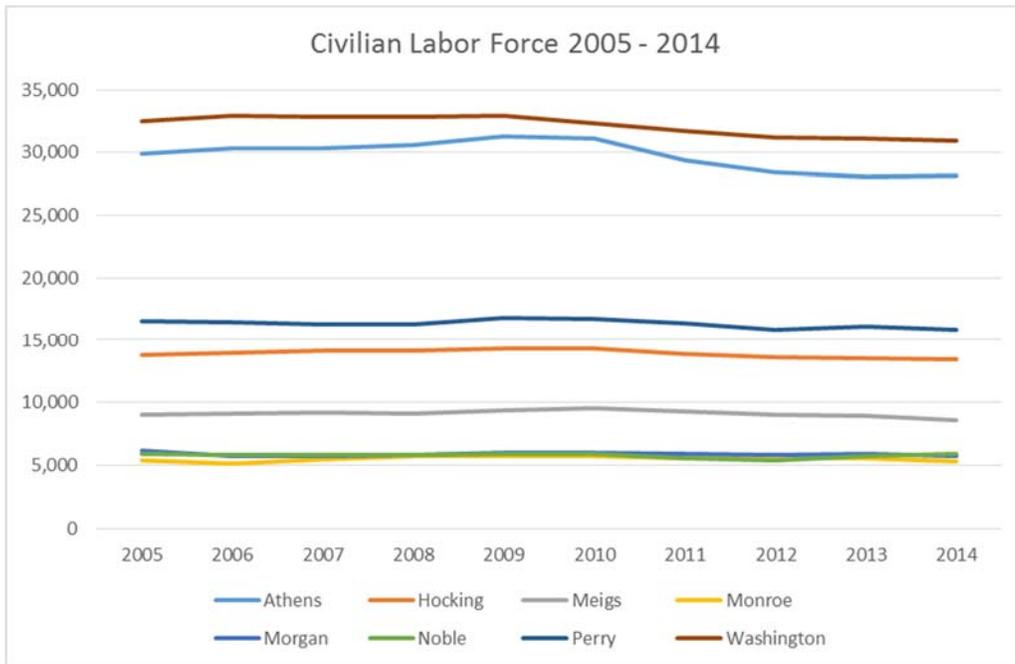
Small communities lack administrative capacity.

'Get a job' culture instead of 'make a job' culture. (Entrepreneurialism)

Inaccurate regional image among leaders in Columbus and DC.

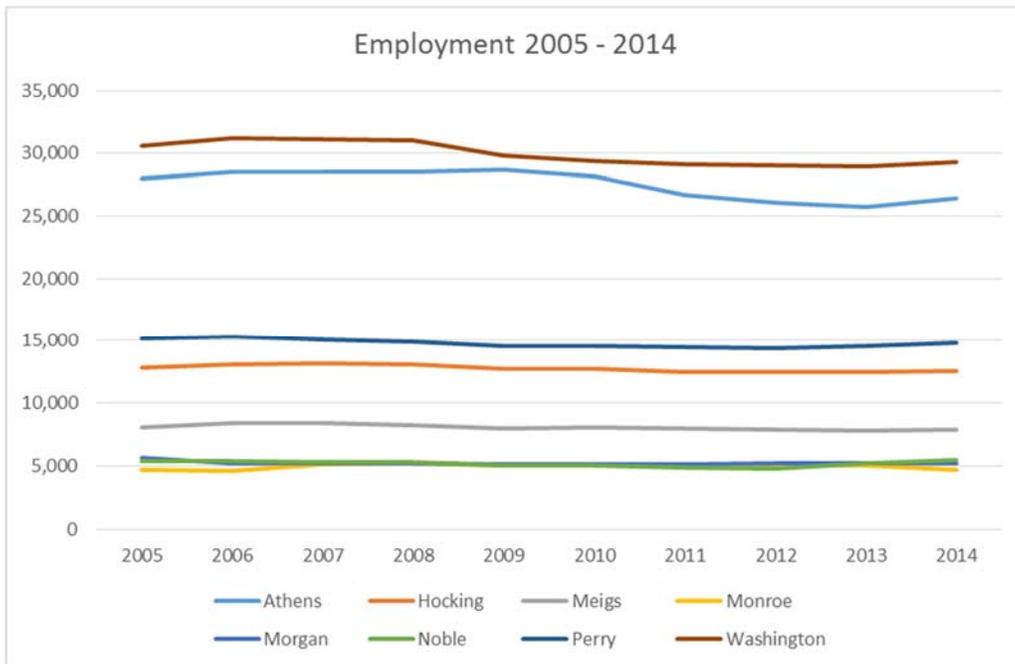
Economic diversity is still a challenge.

**Other Data**

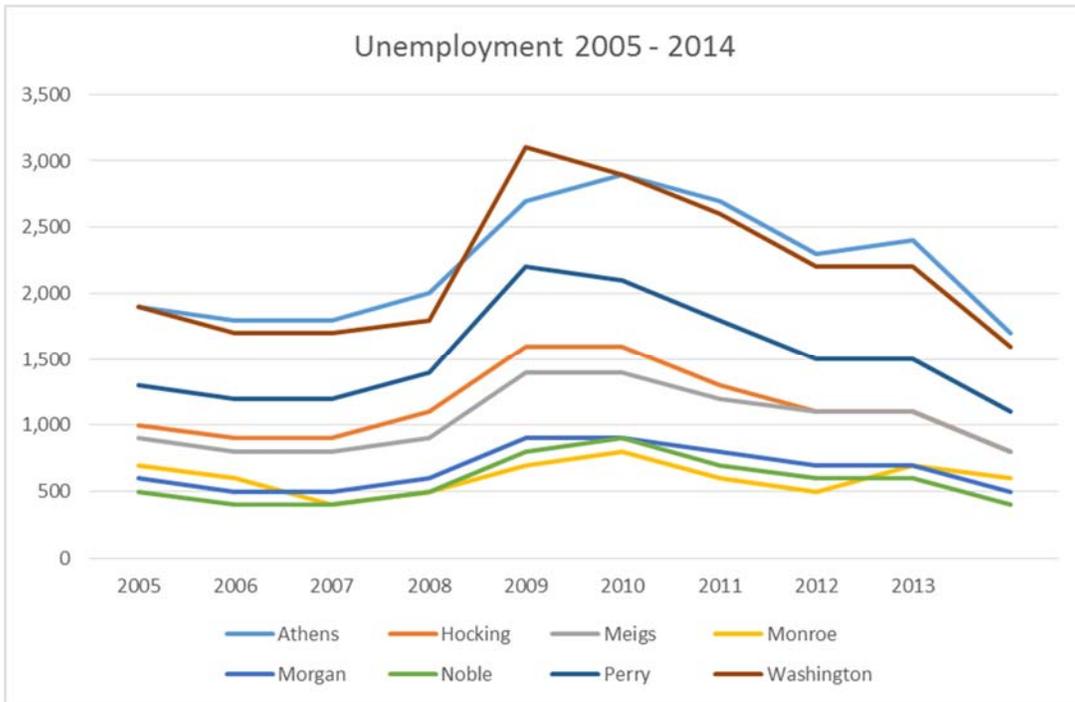


**Civilian Labor Force** – The sum of civilian employment and civilian unemployment. These individuals are civilians (not members of the Armed Services) who are age 16 years or older, and are not in institutions such as prisons, mental hospitals, or nursing homes, who are considered eligible to work.

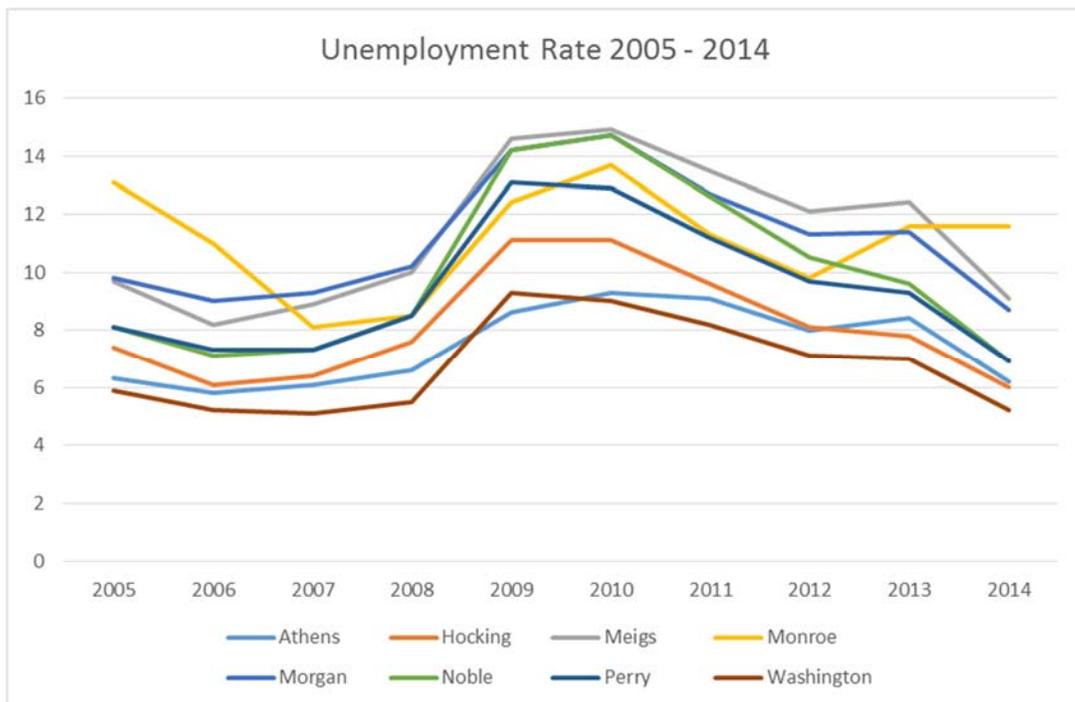
*The civilian labor force of the region is very static, if not declining slightly. The workforce is not projected to grow significantly, which is a detriment to trying to attract large new investments.*



*The employment levels of the region are very static, if not declining slightly.*



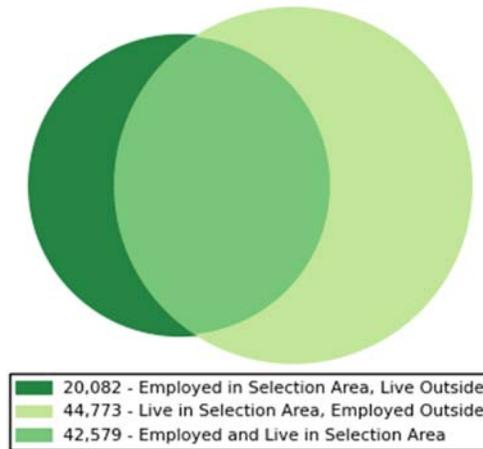
*Unemployment increased between 2008 and 2009, in response to the recession. Some counties have currently returned to 2008 levels or lower.*



*Similar to general unemployment levels, the unemployment rate increased sharply between 2008 and 2009 response to market conditions. Rates decreased sharply between 2013 and 2014.*

Inflow/Outflow Analysis

Inflow/Outflow Job Counts in 2011



*The region in 2011 had 24,691 more people leaving to find work, than were coming in to the district for employment. This may be significantly different now that oil and gas activities have been more fully engaged in the region. We would expect this value to be lower at the current time. The only county in the region that regularly posts a net gain (inflow) of workers is Athens County (Ohio University).*

Educational Attainment

