

## Geographic Distribution of Firm Sales

- 82% had at least some sales within the region
  - ✓ A slight majority of firms (51%) sell most of their product or service (75-100%) within the region
- 61% had at least some sales out of the region
  - ✓ One third of firms sell most of their product or service (75-100%) out of the region
  - ✓ 30% had some international sales

## Geographic Distribution of Materials Purchases

- Three-quarters of the firms purchased some materials within the region
  - ✓ Only one fifth of firms purchased nearly all materials (75-100%) within the region
- 91% purchased some materials out of the region
  - ✓ Half of all firms purchased most materials (75-100% ) out of the region
- 32% purchased some materials internationally

## What business activities do firms outsource\*?

Types of Outsourced Activities	
Technology	30%
Accounting	30%
Manufacturing	15%
Marketing	15%
Employees	12%
Supplies	12%
Packaging	6%

\* Does not necessarily refer to offshore outsourcing

## The Importance of the Internet

- 40% of firms transacted sales via the Internet
- Most of these firms (85%) transacted a small share of sales via the Internet (20% or less)
- All expected growth in Internet-based sales, an average of 25% growth, over the next three years

## Is technology helping or preventing business growth?

	Helping	Preventing
Communications (Internet)	82%	7%
Manufacturing (39% answered)	77%	23%
Transportation (42% answered)	64%	36%
		(Airport)

## Changes in Ashland Businesses

### Remodeling, Expanding and/or Relocating

- Nearly two out of three firms (61%) recently remodeled or expanded their business
- Nearly two out of three firms (64%) plan to remodel or expand in the next three years
- 15% plan to relocate (out of Ashland) in the next three years

## Evaluation of the Ashland Community

### Advantages and Disadvantages of Doing Business in Ashland

Advantages		Disadvantages	
Quality of Life/Livability	39%	Living Costs/Affordability	33%
Location/Small Town/Beauty	33%	Small Community/Market	15%
Community or Business Climate	24%	Higher Costs of Doing Business	15%
Educational System	21%	Small Labor Pool	15%
Traffic/ Bicycling	21%	Seasonality/Tourism	12%
Environment/Outdoors	18%	Transportation/Air Travel	15%
Family/ Friends/People	18%	Land Use/Planning	12%
		Politics/Government	12%

### Key Challenges of Doing Business in Ashland

Labor/Small pool/lack of specialized skills	29%
Affordability/Costs	21%
Infrastructure/Parking	18%
Seasonality/Tourism	14%
Political	11%

### Ratings of Community

	Grade	Mean Score	% Answered
Parks and Recreation	A	4.8	97%
Restaurants	B+	4.6	100%
Fire Protection	B+	4.5	76%
As a Place in which to Live	B+	4.5	100%
Elementary Schools	B+	4.4	73%
Health Care	B+	4.4	97%
Secondary Schools	B	4.3	79%
Social Services	B	4.3	42%
Childcare	B	4.1	55%
AFN	B	4.1	88%
Law Enforcement	B	3.9	91%
Roads	B-	3.7	97%
Telecommunications	B-	3.7	97%
As a Place in which to do Business	C+	3.5	97%
Building Codes and Inspection	C	2.9	73%
Parking Availability	C	2.8	94%
Zoning and Land Use	C-	2.7	61%



## Business Retention & Expansion Survey Results

*Survey Analysis:*  
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The mission of the Business Retention & Expansion Committee, a sub committee of the Ashland Chamber's Economic Sustainability Committee, is to learn about the overall health of the Ashland business community and to find ways to improve the climate to enable our local businesses to thrive and prosper.

The first step in the process was to survey key businesses in various "clusters" to determine what is working for them or what potential obstacles they face in growing their businesses here in Ashland. The goal is to find ways to assist businesses with issues in order to diversify and strengthen our local economy.

This project was organized by the Ashland Chamber of Commerce in partnership with the City of Ashland.

## Key Findings:

### General Businesses Characteristics

#### How long have targeted firms been in business?

Over half were established in Ashland over the past 16 years.

##### Year Established:

Before 1970	13%
1970-1989	30%
1990-1999	30%
Since 2000	27%

#### Industrial Sectors of Surveyed Firms

	% Employment of Firms Interviewed	% Firms Interviewed	% Jackson County Employment
Accommodations and Food Services	21%	27%	10%
Manufacturing, including Food and Wine	10%	24%	9%
Retail Trade	22%	18%	17%
Health Care	27%	9%	13%

##### Under 10%

Information Services  
Professional, Scientific and Technical Services  
Educational Services  
Fitness, Sports and Recreation

#### Businesses: Home-Grown and Transplanted

- Nearly two out of three businesses began in Ashland
- Transplanted businesses moved their companies from:
 

California	42%
Arizona	25%
Oregon	25%
Other States	8%
- Over 80% transferred some employees (Mean=2.1 employees)

#### Environmentally-Friendly Measures

97%	Recycle
67%	Energy-Saver Lights
48%	Water Conservation

"Honorable Mentions": Composting, Green Buildings, Alternative Energy Sources

### Employment Characteristics and Issues

#### Do firms employ Ashland residents?

- The majority of firms' employees live in Ashland (Mean=55%)
- 75% of the interviewees (mainly owners or managers) live within 4 miles of their business

#### Levels of Employment

- Over 1,600 people were employed by the firms surveyed.
- Firms were predominantly small businesses.
  - ✓ 30% had 10 employees or fewer
  - ✓ 75% had fewer than 50 employees
  - ✓ 12% had over 100 employees
- Average change in employment between 2001 and 2005: +23%
- Expected average change in employment 2005-2008 for all but the largest firms: +20%

#### What kinds of jobs do local firms have?

##### More firms employ higher skill occupations

Occupations	% of Firms	Mean Current Wage*
Unskilled Production	58%	\$7.92
Skilled Production	73%	\$12.71
Clerical/Office	55%	\$11.97
Sales/Marketing	61%	\$14.17
Management	67%	\$19.71

\* As a point of reference, for the purposes of contracts with the city, Ashland defined "living wage" to be \$11.89 per hour in 2005.

#### The majority of firms offer employee benefits

- 77% offer benefits to full-time employees
- 22% offer benefits to part-time employees
- Types of Benefits:
 

✓ Vacation Leave	85%
✓ Health Insurance	79%
✓ Retirement	58%
✓ Sick Leave	52%
✓ Other Benefits Mentioned: Dental, Vision, Profit-Sharing, Life or Disability Insurance, Meals.	

82% were concerned about benefit costs, particularly health care costs.

#### Employee Issues

- Firms rated employees favorably on scale 1-5 (1=Negative, 5=Positive)
 

✓ Attitude	4.4
✓ Productivity	4.2
- 24% test their employees for drugs (randomly, for cause, or in cases of accidents)
- 33% had problems with employee turnover

#### What kinds of positions did firms hire locally?

Positions	Hired Within the Rogue Valley
Most-All Positions	33%
Management	24%
Sales	18%
Accounting/Bookkeeping/CPA	18%
Food Service/Chefs	18%
Administration/Office Mgmt.	15%
Technical Support/IT	12%
Marketing	9%
Hourly Staff	6%
Mechanics	6%

### Workforce Skills and Training

#### Employee Recruiting Issues

- A majority of firms (58%) said they had trouble recruiting qualified employees. Reasons:
  - ✓ Labor skills
  - ✓ Wages low relative to living costs
  - ✓ Work ethic
- 36% of firms hired outside the Rogue Valley. Reasons:
  - ✓ Labor Quality or Qualifications
  - ✓ Need for Specialized or Technical Skills
  - ✓ Labor Pool is too small

#### Top skills needed by local firms

Managerial	45%
Sales	42%
Production	33%
Computer	30%
Marketing	24%
Clerical	15%

#### Employee Training

Key Training Needs	Types of Training Provided		
Computer	45%	On the Job	86%
Managerial	39%	Classes and Seminars	76%
Sales	33%	Manuals	53%
Marketing	30%	Internet	25%

- 42% of firms' employees take continuing education courses
  - ✓ Over half provide privately provided certification courses to employees
  - ✓ Over one-third access education through Southern Oregon University
  - ✓ Over one quarter access education through Rogue Community College