This project is funded by 14 local businesses, 2 individual businessmen, a Community Capacity Building Grant from the Kansas Department of Commerce, Rural Business Development Tax Credits from the North Central Kansas Community Network, the County of Pottawatomie, the Pottawatomie County Economic Development Corporation, and the cities of Onaga and Wamego.
ACKNOWLEDGEMENTS

AngelouEconomics would like to express our appreciation to the many individuals and organizations who contributed their invaluable input on key issues identified during this economic development strategic planning project, especially the Steering Committee, who guided and directed this project throughout the process.

Though too numerous to name individually, we would also like to thank the many other individuals who participated in the process by attending focus groups, granting interviews, completing surveys and providing feedback.

We would like to give a special thanks to the staff and board members of the Pottawatomie County Economic Development Corporation (PCEDC) for their time, resources, and coordination efforts.

Finally, we would like to thank the many investors (private sector, non-profit, and government) that invested financial resources into this plan. Without their support, this plan would not have been possible. The economic development strategic plan investors are named individually on the sidebar to the right.

**Private Investors:**
- First National Bank of Wamego
- Wamego Telecommunications
- Caterpillar Global Work Tools
- Midwest Concrete Materials
- R-Tech Tool and Machine, Inc.
- Custom Wood Products
- Cafo’s Best, LLC
- Community HealthCare System
- Kaw Valley State Bank and Trust Company
- Dave Nelson
- Michael Lipfield (MS-Biotech/Megastarter)
- Bayer Construction
- Bowman-Bowman-Novick Architects
- McMillan Architects
- S.C.I. of Manhattan, LLC (Schultz Construction)
- Shilling Construction

**Non-Profit Investors:**
- North Central Kansas Community Network
- Pottawatomie County Economic Development Corporation

**Public-Sector Investors:**
- County of Pottawatomie
- City of Wamego
- City of Onaga
- Kansas Department of Commerce
Project Steering Committee:

Stan Hartwich – County Commission
Jeff Rosell – PCEDC Bd. President
Bob Astolfi – PCEDC Board
Mike Rice – PCEDC Board
Merl Page – City of Wamego
Cliff Baughman – Mayor, Wamego
Gary Holtaus – Mayor, Onaga
Lance White – 1st National Bank of Wamego
Ed Martin – Kaw Valley State Bank and Trust
Doug Routh – PCEDC Board

Kevin Gray – Custom Wood Products
Neil Horton – Bayer Construction
Mike Shilling – Shilling Construction
Rob Eichman – MCM
Nancy Burton – Bowman/Bowman/Novick
Bruce McMillan – McMillan Architects
Helen Pauly – St. Marys Chamber
Darrel Stufflebeam – Rock Creek School District
Scott Kohl – Highland Community College
Andie Metcalf – HR Consultant

BioScience Focus Group:

Bill Brown, DVM – State Livestock Commissioner
Bernie and/or Todd Hansen – NB03 Technologies
Chris Hupe – RW Milling
Scott Phillips – Midwest Grain Products, Inc. (MGPI)
Dan Abitz – George Butler Associates
Jim Drouillard, Phd – KSU
Joel Derouchy, PhD – KSU

Michael Lipfield – MS Biotech/Megastarter
Jay Vanier – CAFO’s Best, LLC
Phil Barnes, PhD – KSU
Stan Hartwich – County Commission
Jeff Rosell – PCEDC Board President
Mike Rice – PCEDC Board
Greg Unruh – PCEDC Board
Lance White – 1st National Bank of Wamego
Merl Page – City of Wamego
Nancy Burton – Bowman/Bowman/Novick

Industry/Agriculture Focus Group:

Troy Mussetter – Westar Energy
Ben Brunner – Environmental Mfg
Tom Grieshaber – Liberty Inc
Doug Rout – R Tech Tool and Machine
Bob Hunter – Caterpillar Global Work Tools
Bob Astolfi – Caterpillar Global Work Tools
Kevin Gray – Custom Wood Products
Pat Weixelman – County Commissioner

Glenn Brunkow – Extension
Jim Moore – Farmers State Bank
Chris Hupe – RW Milling
Leon Sylvester – Sylvester Farms
Dwight Faulkner – 1st National Bank of Wamego
Jim Meinhardt – Kan Equip
Dennis Schwant – Rancher
Justin Boswell – Farmer/Rancher

Workforce Focus Group:

Antie Metcalf – HR Consultant
Jo Brunner – State of Kansas Workforce Development
Sally Vonada – MATC
Joe Thomas – St. Marys Chamber
Myranda Kimble – Manhattan Chamber of Commerce

Tim Rogers – USDA Rural Development
Gary Yenzer – County Commissioner
Darrel Stufflebeam – Rock Creek School District
Scott Kohl – Highland CC
Cliff Baughman – Mayor, Wamego
Joe Hutt – HR, Caterpillar Global Work Tools
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Part 1: Market Assessment
INTRODUCTION

Creating an economic development strategic plan begins with a critical analysis of assets and challenges. With strong information as a foundation, a community can pinpoint its competitive strengths, recognize and correct weaknesses, and more narrowly define its target audiences for marketing.

This report is the first of three that will be delivered to the Pottawatomie County Economic Development Corporation (PCEDC). It provides background information to both the consulting team and the county that will be used as the research base for the economic development strategic plan.

It is comprised of both qualitative and quantitative information. The qualitative information – gathered through surveys, focus groups and interviews – tells the story of what residents and businesses think about Pottawatomie County and the community in which they live or work. The quantitative information – what the statistics show – is often the perspective seen by external businesses and site selection consultants.

The research in this report will support the product improvement and strategic recommendations in future reports. The analysis is primarily focused on addressing the following questions important to economic development:

1. Who is Pottawatomie County?
2. What Drives the Pottawatomie County Economy?
3. How Competitive is Pottawatomie County’s Business Climate?
4. How Well Does Pottawatomie County Support Small Business Development?
5. What makes Pottawatomie County Unique?
BENCHMARKS

A rigorous search was conducted for benchmarks to compare Pottawatomie County’s economy with peer counties sharing key similarities. Three counties were chosen: Washington County, IA; Howard County, MO; and Preston County, WV. Each of the benchmarks is a small, predominantly rural county that is part of an MSA (Metropolitan Statistical Area) with a college town and is within a 3-hour drive of a major MSA. Additionally, this study benchmarks Pottawatomie County against the State of Kansas and the U.S.

AT A GLANCE

<table>
<thead>
<tr>
<th>Benchmark County Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. County must be part of an MSA with a college town</td>
</tr>
<tr>
<td>2. MSA must be small (100,000-200,000 population)</td>
</tr>
<tr>
<td>3. County population must be between 10,000 and 50,000 and must be smaller than County with college town</td>
</tr>
<tr>
<td>4. University in college town must be the main campus of a large public university with a total enrollment of at least 20,000 students</td>
</tr>
<tr>
<td>5. County must be within a 3-hour drive from a major MSA with a population of at least 500,000</td>
</tr>
<tr>
<td>6. County must be within a 20 miles of an Interstate Highway</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Pottawatomie County, KS</th>
<th>Washington County, IA</th>
<th>Howard County, MO</th>
<th>Preston County, WV</th>
<th>Kansas</th>
<th>USA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population (2010)</td>
<td>21,604</td>
<td>21,704</td>
<td>10,144</td>
<td>33,520</td>
<td>2,853,118</td>
</tr>
<tr>
<td>Population Growth ('90-'10)</td>
<td>33.9%</td>
<td>10.7%</td>
<td>5.3%</td>
<td>15.4%</td>
<td>14.5%</td>
</tr>
<tr>
<td>Unemployment Rate, April 2011*</td>
<td>4.6%</td>
<td>5.0%</td>
<td>7.0%</td>
<td>7.7%</td>
<td>6.3%</td>
</tr>
<tr>
<td>Labor Force Growth ('90-'10)</td>
<td>35.5%</td>
<td>13.2%</td>
<td>11.3%</td>
<td>24.9%</td>
<td>18.3%</td>
</tr>
<tr>
<td>% Bachelor's Degree + (2010)</td>
<td>22.8%</td>
<td>19.2%</td>
<td>18.1%</td>
<td>11.8%</td>
<td>29.6%</td>
</tr>
<tr>
<td>% in 25-44 Age Group (2010)</td>
<td>25.0%</td>
<td>23.6%</td>
<td>24.1%</td>
<td>26.7%</td>
<td>26.0%</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, Bureau of Labor Statistics, Decision Data Resources

Not Seasonally Adjusted

Pottawatomie County Economic Development Strategic Plan
Pottawatomie County is part of the Manhattan, KS MSA (2010 population of 127,081).

- Kansas State University, in neighboring Manhattan, had a Fall 2010 enrollment of 23,588.
- Pottawatomie County is about a two-hour drive west of the Kansas City, MO MSA (2010 population of 2,035,334).
- IH-70 runs east-west about five miles south of Pottawatomie County, providing connections with Topeka, Kansas City, and St. Louis, MO to the east and Denver, CO to the west.
Washington County is part of the Iowa City, IA MSA (2010 population of 152,586).

- The University of Iowa, in neighboring Iowa City, had a Fall 2010 enrollment of 30,825.
- Washington County is slightly more than a two-hour drive east of the Des Moines, IA MSA (2010 population of 569,633).
- IH-80 runs east-west about 12 miles north of Washington County, providing connections with the Quad Cities and Chicago, IL to the east and Des Moines to the west.
Howard County is part of the Columbia, MO MSA (2010 population of 172,786).

- The University of Missouri, in neighboring Columbia, had a Fall 2010 enrollment of 32,415.
- Howard County is about a two-hour drive east of the Kansas City, MO MSA (2010 population of 2,035,334).
- IH-70 runs east-west less than five miles south of Howard County, providing connections with Kansas City to the west and St. Louis, MO to the east.
Preston County is part of the Morgantown, WV MSA (2010 population of 129,709).

- West Virginia University, in neighboring Morgantown, had a Fall 2010 enrollment of 32,351.
- Preston County is about a two-hour drive south of the Pittsburgh, PA MSA (2010 population of 2,356,285).
- IH-68 runs east-west through Preston County, providing connections with Baltimore and Washington, D.C. to the east and with IH-79 to the west.
SUMMARY OF KEY FINDINGS

Pottawatomie County’s population has grown steadily since 1970 after a long, slow decline beginning in 1900. This is the opposite of the broader national trend of rural agricultural communities and regions experiencing steady population declines due to large numbers of people leaving rural areas for urban areas in pursuit of job opportunities and quality of life amenities. Pottawatomie County is in a more fortunate position than many rural counties because of its proximity to and interdependence with Manhattan. Pottawatomie County leadership must take advantage of the opportunities provided by the county’s growth and must be proactive in their efforts to ensure that the County capitalizes on the economic growth in neighboring Manhattan.

Pottawatomie County has an increasingly well-educated population. The percentage of population with an Associate’s degree or higher increased from 19.0% to 28.0% between 1990-2010, while the percentage of population without a high school diploma declined from 18.1% to 10.2% during the same period; however, these positive trends slowed significantly after 2000. Pottawatomie County leaders must continue to take steps to improve the educational attainment of the county’s citizens. Pottawatomie County also boasts two of the state’s six Blue Ribbon schools (both in Rock Creek USD 323), a highly prestigious honor awarded by the U.S. Department of Education to less than 0.1% of schools. A well-educated workforce is one of the most important factors that businesses consider in their expansion/relocation decisions.

Pottawatomie County has numerous geographic advantages. It is part of the Manhattan, KS MSA and is within a two-hour drive of the Kansas City, MO MSA. Pottawatomie County is within a three-hour drive of three major metro areas (Wichita, KS, Lincoln, NE, and Omaha, NE) and within a five-hour drive of three additional major metro areas (Des Moines, IA, Oklahoma City, OK, and Tulsa, OK). Pottawatomie County is located less than 250 miles from both the geographical center of the U.S. (Lebanon, KS) and the nation’s mean center of population (Plato, MO). Pottawatomie County has good roadway infrastructure and is well-connected to the Interstate Highway System (IH-70 is 5 miles south of the county). Two Union Pacific rail spurs pass through the county, but access to these spurs must be improved for rail transport to become a viable goods movement alternative for local businesses.

“Overall, it's a very good place to live and work and raise a family.”
- Resident Survey Response
Pottawatomie County's largest non-agricultural industries by employment are Education & Healthcare and Manufacturing. These two industries account for more than half of all jobs in Pottawatomie County. Community HealthCare System and Wamego Unified School District (USD) 320 are the Education & Healthcare industry’s largest employers with 448 and 400 employees, respectively. Other major Education & Healthcare employers are Kaw Valley USD 321 (285 employees), the Big Lakes Development Center (225 employees), Rock Creek USD 323 (123 employees), Wamego City Hospital (103 employees), Advocare (75 employees), Highland Community College (60 employees), and Onaga-Havensville-Wheaton USD 322 (56 employees). GTM Sportswear and Caterpillar Work Tools are the Manufacturing industry’s largest employers with 736 and 402 employees, respectively. Other major Manufacturing employers are Manko Window Systems (250 employees), Parker-Hannifin Corporation (160 employees), McCall Patterns (157 employees), Quaker Oats (155 employees), The Onyx Collection (75 employees), Dymax (45 employees), and Custom Wood Products (number of employees not available).

Pottawatomie County has a strong housing market and a relatively young housing stock, with 12.4% of all housing built between 2000-2010, a higher percentage than Kansas and the U.S. Pottawatomie County has a median home value of $124,600, which is slightly higher than Kansas ($118,500), but substantially lower than the U.S. ($185,400). Multiple resident and business stakeholders noted a lack of rental housing options, both single-family and multifamily homes, in Pottawatomie County.
There is a wide range of small business development and entrepreneurship support available in Kansas. The Pottawatomie County Economic Development Corporation (PCEDC) has a history of successfully utilizing many of the resources that are available for small businesses and entrepreneurs, in the Manhattan area and statewide. Entrepreneurship and small business development are key components of successful economic development. County leaders must continue to seek out private sector partners and support from the local, state and federal governments to assist local businesses.

Kansas State University is the single most important asset in the regional economy. Kansas State University (KSU) is the region’s largest employer and also attracts thousands of annual visitors from outside the region and millions of dollars in annual academic R&D spending. Having such immediate access to a major research university gives Pottawatomie County a huge competitive advantage compared to the majority of rural counties in the Central U.S. Pottawatomie County is currently taking steps to strengthen its ties with KSU in the arenas of workforce development, business incubation, and research. KSU will remain central to the regional economy, and it is important for the Manhattan region, including Pottawatomie County, to continue seeking innovative ways in which local businesses and institutions can partner with KSU to leverage the region’s many assets to support future economic growth.
STRENGTHS, WEAKNESSES, OPPORTUNITIES, AND THREATS

This section of the report highlights the strengths, weaknesses, opportunities, and threats for Pottawatomie County, as collected through stakeholder discussions, survey information, and quantitative databases. We do not intend for this analysis of issues to be all-inclusive. Rather, we focus on those areas that will have the most direct impact on specific components of future economic development efforts in Pottawatomie County.

We define the four aspects of “SWOT” in these terms:

• **Strengths**: Issues or characteristics that can be built upon to advance current and future economic growth opportunities in Pottawatomie County.

• **Weaknesses**: Issues or characteristics that, if not addressed effectively, could limit current or future growth opportunities.

• **Opportunities**: Assets, events, or trends that offer Pottawatomie County the potential for economic growth and attraction of new industry.

• **Threats**: Obstacles, events or trends that, if not addressed effectively, could threaten the County’s economic potential and its ability to attract, expand and start up new employers.
## SWOT Analysis

### Education and Workforce Recruitment, Retention and Development

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Kansas State University (KSU) is a major national research university that attracts millions of dollars in R&amp;D investments</td>
<td>• Growth in educational attainment levels slowed significantly after 2000</td>
<td>• Growing relationships (formal and informal) with KSU and NISTAC</td>
<td>• Loss of young people</td>
</tr>
<tr>
<td>• KSU has the largest undergraduate animal science program in U.S.</td>
<td>• Workforce shortages for the following skill sets: welders, machinists, mechanics, information technology, nurses, and physicians</td>
<td>• KSU plans to become a “Top 50” research university</td>
<td>• Loss of funding for area technical schools</td>
</tr>
<tr>
<td>• Many of KSU graduates want to stay in region</td>
<td>• Lack of jobs and amenities to attract/retain young adults</td>
<td>• HCC could partner with Pottawatomie County and the City of Wamego to establish a permanent campus in downtown Wamego after current lease ends in 2012</td>
<td>• Consolidation of small K-12 schools into larger schools and further funding cuts from Kansas Dept. of Education</td>
</tr>
<tr>
<td>• About half of Fort Riley retirees stay in region</td>
<td>• Limited promotion of technical education within local schools (emphasis is on college education)</td>
<td>• Partnership between HCC and local high schools to increase pipeline of entry level welders and machinists</td>
<td>• Workforce shortages in key occupations could limit growth of existing companies</td>
</tr>
<tr>
<td>• 2010 educational attainment levels are much higher than 1990 levels</td>
<td></td>
<td>• Workforce recruitment opportunities through KSU</td>
<td>• Potential funding cuts to KSU and Fort Riley</td>
</tr>
<tr>
<td>• Highland Community College (HCC) satellite campus in Wamego</td>
<td></td>
<td></td>
<td>• Continued decreases in state support for higher education coupled with continued tuition increases at KSU</td>
</tr>
<tr>
<td>• Strong K-12 public schools</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Two of the state’s six Blue Ribbon schools (Rock Creek Jr./Sr. High and St. George Elementary)</td>
<td></td>
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</tr>
</tbody>
</table>
### SWOT Analysis

#### Entrepreneurship and Small Business Development

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Strong local banks</td>
<td>• Small business support system is limited – Washburn SBDC only operates 1 day/week in Pottawatomie County</td>
<td>• HCC – Wamego has the state’s only grape-growing and wine-making program</td>
<td>• Limited local access to capital could deter start-up companies and existing company expansions</td>
</tr>
<tr>
<td>• NISTAC commercialization</td>
<td>• Limited local access to risk capital for start-ups</td>
<td>• Provide more access to small business resources</td>
<td></td>
</tr>
<tr>
<td>• Successful utilization of state small business support and incubator resources</td>
<td>• Incentive program gaps</td>
<td>• Adopt formal policies and procedures for economic development support and incentives</td>
<td></td>
</tr>
<tr>
<td>• Local businesspeople are highly entrepreneurial and resourceful</td>
<td>• Lack of defined governmental policies complicates support decisions for major industrial and high-tech start-ups and expansions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• High percentage of population in the young professional (25-44) cohort compared to most rural counties</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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Pottawatomie County Economic Development Strategic Plan
## SWOT Analysis

### Business Climate and Retention/Expansion/Recruitment

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Strong and growing manufacturing base</td>
<td>• Perceived general reluctance toward change in Pottawatomie County</td>
<td>• Industry opportunities include:</td>
<td>• Potential overdependence on manufacturing</td>
</tr>
<tr>
<td>• Strong farming and ranching base</td>
<td>• Governing bodies are perceived by some to be overly conservative and unwilling to take risks</td>
<td>• Biosciences including animal science R&amp;D, ag/food processing, and biofuels</td>
<td>• NBAF funding hurdles and delays</td>
</tr>
<tr>
<td>• Existing bioscience companies</td>
<td>• Real and/or perceived barriers to doing business within the County</td>
<td>• Value-added agriculture (pumpkin patches, organic farming, game birds)</td>
<td>• Regional dependence on Fort Riley and potential federal budget cuts</td>
</tr>
<tr>
<td>• Central location in U.S.</td>
<td></td>
<td>• Equestrian activities</td>
<td>• Real and/or perceived barriers to development</td>
</tr>
<tr>
<td>• Fort Riley</td>
<td></td>
<td>• Wineries</td>
<td>• Alienation of developers</td>
</tr>
<tr>
<td>• National Bio and Agro-Defense Facility (NBAF)</td>
<td></td>
<td>• Tourism (agricultural, historic, Oz, Flint Hills)</td>
<td>• Flint Hills Regional Council is dependant on federal government for funding and needs to find other sources</td>
</tr>
</tbody>
</table>

### Industry opportunities include:
- Biosciences including animal science R&D, ag/food processing, and biofuels
- Value-added agriculture (pumpkin patches, organic farming, game birds)
- Equestrian activities
- Wineries
- Tourism (agricultural, historic, Oz, Flint Hills)
- Advanced manufacturing, including wind energy component manufacturing

- Governing bodies can broadly consult with their publics to initiate/enact economic development policies, including support/incentives policies and budgets
- New Flint Hills Regional Council and proposed Economic Development District (2011) and Metropolitan Planning Organization (2012) – potential new sources of grant funds
- Organize a county-wide business alliance for business advocacy
- Build on existing manufacturing presence and strengths
- Explore advanced manufacturing opportunities (such as new high-tech specialty product manufacture in association with KSU R&D investments)
- Expand agricultural tourism businesses and attractions: equestrian, organic/local foods, farmstays/participative agriculture, vineyards and wineries
- Build on existing health/education presence and strengths
- Prepare for potential NBAF spinoffs and other bioscience and high-tech opportunities
- Continue to develop bioscience companies independently and in association with KSU R&D investments and future NBAF spinoffs (animal science, crop science, ag/food processing, biofuels)
- Build on existing agricultural strengths, especially ag value-added product development and processing and ag service/supply
- Capitalize on global demand for food, particularly meat products
- Expand outdoor recreation and cultural opportunities, especially targeted to young professionals: trails, participative cultural events, entertainment venues
- Need for political courage

- Need for political courage
- Potential overdependence on manufacturing
- NBAF funding hurdles and delays
- Regional dependence on Fort Riley and potential federal budget cuts
- Real and/or perceived barriers to development
- Alienation of developers
- Flint Hills Regional Council is dependant on federal government for funding and needs to find other sources
## SWOT Analysis

<table>
<thead>
<tr>
<th>Marketing and Economic Development</th>
<th>Strengths</th>
<th>Weaknesses</th>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
</table>
|                                   | • Location in Animal Health Corridor  
• Regional trust is improving  
• KSU, City of Manhattan, and Riley County have a good collaborative relationship  
• KSU plans to develop a “one-stop-shop” for facilitating partnerships between the university and the private sector | • Limited resources dedicated to promotion of tourism  
• Limited regional marketing of Manhattan MSA  
• Limited trust within Pottawatomie County and between Manhattan/Riley County and Pottawatomie County | • Increased regional cooperation for external marketing  
• Historical and agricultural tourism  
• Leverage success of Oz Museum to increase number of visitors and length of stay  
• Establish an angel/seed capital fund for bioscience start-ups  
• Update Pottawatomie County Economic Development Corporation’s website  
• Establish formal county and municipal economic development incentives policies and funding sources to support targeted industries and rural “critical business and community assets”  
• Enhance availability of SBDC support for start-ups and early-stage companies  
• Enhance availability of Economic Gardening support for second-stage companies  
• Enhance availability of risk capital for start-ups and early-stage expansions  
• Establish a county-wide marketing plan and budget that includes cooperative marketing participation with regional partners  
• Establish funding mechanism for continued development and marketing of tourism assets | • Limited strategic direction to leverage growth in Manhattan  
• Limited public/private strategic agreement on direction for economic development and future business/community growth  
• Policies and resources not in place to vigorously help retain and grow existing industries and businesses, recruit targeted industries, or sustain critical rural business and community assets  
• Mechanisms not in place to integrate county and local land use plans, corridor plans, and municipal comprehensive plans with strategic economic development and community growth goals and objectives  
• Mechanisms not in place to vigorously engage public in policy development issues |
# SWOT Analysis

<table>
<thead>
<tr>
<th>Sites and Infrastructure</th>
<th>Strengths</th>
<th>Weaknesses</th>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
</table>
|                         | • Generally high-quality, well-maintained state and county highway and road systems  
• Short distance to IH-70  
• Quality high-speed telecommunications throughout southern tier of county as well as in and around Olsburg, Onaga, and Westmoreland  
• Union Pacific rail line  
• Three existing business/industrial parks – partly developed  
• Ample water throughout much of County  
• Jeffrey Energy Center  
• Ample land for development | • Telecommunications infrastructure in some areas is weak  
• Highway 99 is too narrow for truck traffic  
• Limited access to rail  
• Lack of usable rail spurs in Wamego and throughout the county  
• Kansas River and Big Blue River are physical barriers  
• Use of 4th Street in Wamego and Bertrand Street in St. Marys for heavy truck traffic | • Manhattan is largely landlocked, pushing demand for development eastward into Pottawatomie County  
• Improve rail access for manufacturers  
• Extend Marlatt Avenue over Big Blue River to connect Riley County and Pottawatomie County with an alternate route and open up land for development in Pottawatomie County  
• Proactive and progressive infrastructure planning to ensure systematic high-quality development, particularly along Highway 24 corridor  
• Potential need for new business park  
• Develop rail siding infrastructure  
• Adopt county and municipal policy and resources for quick infrastructure improvements/"build to suit" options for new businesses and expansions of existing businesses | • Land use conflicts between agricultural and residential/commercial uses  
• Limited revenues to fund infrastructure improvements  
• Funding mechanisms not in place for quick infrastructure, site development, and “build to suit” opportunities  
• Proposed FCC rules threaten viability of existing telecomm companies and future of high-speed broadband, especially in rural areas  
• Limited policy framework to balance agricultural lands with residential, commercial, and industrial land uses |
## SWOT Analysis

<table>
<thead>
<tr>
<th>Quality of Life</th>
<th>Strengths</th>
<th>Weaknesses</th>
<th>Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Rich historical and cultural context (such as Oregon Trail historic sites)</td>
<td>• Limited public transportation options</td>
<td>• Partner with Manhattan or KSU to initiate public transportation service in Pottawatomie County</td>
</tr>
<tr>
<td></td>
<td>• Strong community health care system</td>
<td>• Limited workforce housing options, including rentals</td>
<td>• Better marketing and promotion of County’s recreational opportunities and quality-of-life assets</td>
</tr>
<tr>
<td></td>
<td>• Excellent K-12 schools (two Blue Ribbon schools in Rock Creek USD)</td>
<td>• Lack of ethnic diversity</td>
<td>• Better use of Kansas River and Big Blue River for recreation</td>
</tr>
<tr>
<td></td>
<td>• Hunting and fishing</td>
<td>• Availability and affordability of childcare/preschool options</td>
<td>• Demand for new housing could be accommodated in Westmoreland, Olsburg, and Onaga</td>
</tr>
<tr>
<td></td>
<td>• Flint Hills and scenic beauty</td>
<td>• Properties dedicated to deer and turkey hunting are not properly maintained for farming and ranching uses</td>
<td>• Improve bicycle transportation routes</td>
</tr>
<tr>
<td></td>
<td>• Low crime rate</td>
<td>• Lack of nightlife, cultural, and recreational attractions for young adults</td>
<td>• Need for affordable multi-family housing options</td>
</tr>
<tr>
<td></td>
<td>• The County is not dominated by a single city</td>
<td>• Limited outdoor recreation opportunities valued by young professionals (especially walking, biking, and hiking trails)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Improved downtowns in several cities within County</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Short travel times to KSU, Manhattan MSA employment, state capital, Kansas City MSA, and regional lakes/parks</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Conveniences air travel available</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Growing tourism (particularly ag-tourism) assets and industries</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Threats</th>
<th>Scarcity of retail in smaller communities and northern section of County could limit growth</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pottawatomie County could be missing out on potential residents because of the limited housing options</td>
</tr>
<tr>
<td></td>
<td>Growth of Blue Township and St. George could result in this area dominating the County demographically and economically</td>
</tr>
<tr>
<td></td>
<td>Continued funding cuts to K-12 school systems and area universities/colleges</td>
</tr>
<tr>
<td></td>
<td>Continued loss of prime agricultural/grazing lands to development</td>
</tr>
<tr>
<td></td>
<td>Wages in Pottawatomie County and the Manhattan region are lower than nearby metro areas that have a comparable cost of living (Kansas City, Wichita, Topeka)</td>
</tr>
</tbody>
</table>
Although this study examines the Pottawatomie County economy, the broader regional economy should not be ignored. Many workers travel across county and state lines to their places of employment. Evidence of intertwined regional economies is revealed by an analysis of Pottawatomie County's labor shed – the counties where Pottawatomie County workers live – and the commute shed – the counties where Pottawatomie County residents work. Pottawatomie County is not an isolated economy but an important piece of a broader regional economy with inseparable linkages, including a shared labor pool. Pottawatomie County has very strong economic ties to Manhattan (Riley County) in addition to strong connections with Topeka (Shawnee County) and, to a lesser extent, the Kansas City MSA. Nearly as many Pottawatomie County Residents work in Riley County (3,057) as work in Pottawatomie County itself (3,497).

Data provided by the U.S. Census Bureau shows that many people in Pottawatomie County and surrounding counties travel long distances to work. 11.6% of Pottawatomie County residents and 16.3% of Pottawatomie County’s workers drive more than 50 miles to their places of employment. Pottawatomie County should view itself as not just an individual county but as a part of a larger economic region spanning from Manhattan to Topeka, and even Kansas City. Regional cooperation is a major contributor to success in economic development. Regions, not individual cities or counties, are the locus of competitive advantage in the new economy – an economy where human capital plays a much more important role in company and community prosperity.

The maps on pages 19 and 20 illustrate Pottawatomie County’s labor shed and commute shed. Pages 63 and 64 in the Quality of Life section of this report provide a more detailed analysis of commuting patterns in Pottawatomie County and the benchmarks, including travel times, commute modes, and distances to work.
POTTAWATOMIE COUNTY, KS COMMUTE SHED
WHERE POTTAWATOMIE COUNTY RESIDENTS WORK, 2009

Legend
- Pottawatomie County Commute Shed
- Manhattan MSA
- Interstate Highways

Source: U.S. Census LEHD
Pottawatomie County has the most self-sufficient local economy among the benchmark counties, measured by net outflow of workers.

- Pottawatomie County has the lowest net outflow of workers (number of jobs in the county minus number of workers living in the county) in both total numbers and percentage of total population.
- There are almost as many jobs in Pottawatomie County (8,445) as there are workers living in Pottawatomie County (9,194), resulting in a net worker outflow of less than 9%. In comparison, there are nearly twice as many workers living in Howard County and Preston County as there are jobs, resulting in a net worker outflow of nearly 90% in both counties.
- Despite its strong ties to Riley County, Pottawatomie County is the least dependent on its larger, neighbor county compared to the benchmark counties. This is a clear sign of a strong local economy.
Each of the benchmark counties is growing more economically dependent on the adjacent college town county, but Pottawatomie County is losing its economic independence at the slowest rate among the benchmark counties.

- The percentage of Pottawatomie County residents employed in Pottawatomie County decreased by 5% between 2002 and 2009, while the percentage of Pottawatomie County residents employed in adjacent Riley County increased by 2.6%. This was the slowest rate of decline for local employment and the slowest rate of increase for employment in the adjacent college town county among the benchmarks.

- Howard County and Preston County are both rapidly becoming bedroom communities for the adjacent college town. In Howard County, the rate of local employment declined by 11.2%, while the rate of employment in adjacent Boone County increased by 7.4% between 2002 and 2009. In Preston County, the rate of local employment decreased by 13%, while the rate of employment adjacent Monongalia County increased by 9.4%.

- The success of Pottawatomie County’s economy is inextricably linked to the success of Riley County and the entire Manhattan MSA; however, Pottawatomie County appears to be doing a much better job than its benchmarks at retaining a self-sufficient local economy.
Pottawatomie County's home-to-work ratio is balanced (8,445 jobs and 9,194 employed residents), but there are industry-specific imbalances.

- Pottawatomie County imports a large amount of Manufacturing labor (767 workers) and exports a large amount of Education & Healthcare labor (1,061 workers). Other industries in which Pottawatomie County imports labor include: Construction; Wholesale Trade; Natural Resources & Mining; and Utilities. Other industries in which Pottawatomie County exports labor include Administration, Support & Other Services, Arts, Accommodation & Food Services, Public Administration, Management & Professional Services, F.I.R.E., and Information.
The largest industries in the Manhattan MSA (Pottawatomie County, Riley County, and Geary County) by percentage of total employment are Education & Health Care (31.1%) followed by Retail Trade (11.9%), Leisure & Hospitality (11.4%), and Business & Professional Services (11.0%).

- Pottawatomie County dominates the region’s Manufacturing sector, with a percentage of total employment four times as high as the MSA (21.0% compared to 5.3%).
- Pottawatomie County also has a higher percentage of its total employment in the Construction and Wholesale Trade sectors compared to the MSA.
- The Manhattan MSA has a substantially higher percentage of its total employment in the Leisure & Hospitality, Retail Trade, and Business & Professional Services sectors.

### 2009 INDUSTRY EMPLOYMENT IN MANHATTAN MSA

**PERCENTAGE OF TOTAL NON-AGRICULTURAL JOBS BY SECTOR**

<table>
<thead>
<tr>
<th>Industry **</th>
<th>Pottawatomie County, KS</th>
<th>Riley County, KS</th>
<th>Geary County, KS</th>
<th>Manhattan, KS MSA</th>
<th>Kansas</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business &amp; Professional Services</td>
<td>5.5%</td>
<td>9.9%</td>
<td>17.8%</td>
<td>11.0%</td>
<td>10.9%</td>
<td>13.0%</td>
</tr>
<tr>
<td>Construction</td>
<td>7.7%</td>
<td>5.1%</td>
<td>5.3%</td>
<td>5.6%</td>
<td>4.5%</td>
<td>4.8%</td>
</tr>
<tr>
<td>Education &amp; Health Care</td>
<td>31.8%</td>
<td>38.0%</td>
<td>13.9%</td>
<td>31.1%</td>
<td>24.2%</td>
<td>23.3%</td>
</tr>
<tr>
<td>F.I.R.E. *</td>
<td>3.3%</td>
<td>4.6%</td>
<td>3.5%</td>
<td>4.1%</td>
<td>5.4%</td>
<td>6.0%</td>
</tr>
<tr>
<td>Government</td>
<td>4.4%</td>
<td>5.9%</td>
<td>21.3%</td>
<td>9.4%</td>
<td>6.5%</td>
<td>5.8%</td>
</tr>
<tr>
<td>Information</td>
<td>2.4%</td>
<td>2.5%</td>
<td>1.8%</td>
<td>2.3%</td>
<td>2.8%</td>
<td>2.3%</td>
</tr>
<tr>
<td>Leisure &amp; Hospitality</td>
<td>5.0%</td>
<td>12.9%</td>
<td>12.6%</td>
<td>11.4%</td>
<td>9.0%</td>
<td>10.5%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>21.0%</td>
<td>1.7%</td>
<td>2.4%</td>
<td>5.3%</td>
<td>12.7%</td>
<td>9.2%</td>
</tr>
<tr>
<td>Natural Resources &amp; Mining</td>
<td>1.1%</td>
<td>0.4%</td>
<td>0.3%</td>
<td>0.5%</td>
<td>1.4%</td>
<td>1.4%</td>
</tr>
<tr>
<td>Other Services</td>
<td>1.7%</td>
<td>3.9%</td>
<td>3.7%</td>
<td>3.5%</td>
<td>2.8%</td>
<td>3.5%</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>9.5%</td>
<td>12.1%</td>
<td>13.3%</td>
<td>11.9%</td>
<td>10.8%</td>
<td>11.4%</td>
</tr>
<tr>
<td>Transportation &amp; Warehousing</td>
<td>1.3%</td>
<td>0.6%</td>
<td>2.9%</td>
<td>1.3%</td>
<td>3.7%</td>
<td>3.9%</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>5.3%</td>
<td>2.3%</td>
<td>1.2%</td>
<td>2.5%</td>
<td>4.6%</td>
<td>4.3%</td>
</tr>
</tbody>
</table>

*Finance, Insurance, and Real Estate
**No data available on Utilities employment from Bureau of Labor Statistics at the county level

### POTTAWATOMIE COUNTY INDUSTRY EMPLOYMENT

**% OF TOTAL JOBS IN POTTAWATOMIE COUNTY BY SECTOR, 2009**

- Manufacturing: 21.0%
- Education & Healthcare: 31.8%
- Business & Professional Services: 5.5%
- Leisure & Hospitality: 5.0%
- Retail Trade: 9.5%
- Transportation & Warehousing: 1.3%
- Other: 2.8%
- Information: 2.4%

*Finance, Insurance, and Real Estate

### MANHATTAN MSA INDUSTRY EMPLOYMENT

**% OF TOTAL JOBS IN THE MANHATTAN, KS MSA BY SECTOR, 2009**

- Manufacturing: 5.3%
- Education & Health Services: 31.1%
- Business & Professional Services: 11.0%
- Leisure & Hospitality: 11.4%
- Retail Trade: 11.9%
- Transportation & Warehousing: 1.3%
- Other: 3.5%
- Wholesale Trade: 2.5%
- Construction: 5.6%
- Government: 9.4%
- F.I.R.E.: 4.1%
- Manufacturing: 5.3%

*Finance, Insurance, and Real Estate
Pottawatomie County has experienced steady population growth since 1970, after reversing a 70-year trend of slow population decline dating back to 1900. The national trend of migration from rural areas to urban areas stifled population growth in all the benchmark counties for most of the 20th Century. For example, Howard County, MO declined from 18,337 in 1900 to 9,631 in 1990, and rose slightly to 10,144 in 2010; however, Pottawatomie County has fared much better than the benchmark counties in the latter part of the 20th Century, nearly doubling in population between 1970 (11,755) and 2010 (21,604). Pottawatomie County is projected to continue this rapid population growth in the coming decades and is expected to reach at least 40,000 by 2050.

Several overarching themes become apparent when analyzing the demographic make-up and trends within Pottawatomie County. Natural increase (births and deaths) and migration are contributing equally to population growth. Pottawatomie County is much younger than the benchmark counties and slightly younger than Kansas and the U.S, with a median age of 34.8. Educational attainment is improving- a higher percentage of residents have a Bachelor’s degree or higher, while a much smaller percentage of residents does not have a high school diploma. Income levels are relatively high (2010 median household income of $50,912), but are growing slower than some of the benchmark counties. The population is much less racially diverse than the U.S, which is typical for a rural county in the central U.S., but the population is slightly more diverse than the benchmark counties.

The geographic distribution of Pottawatomie County’s population growth is another important trend. The areas of Pottawatomie County in and around Manhattan, St. George, Wamego, and St. Marys accounted for 90% of the total population growth between 2000 and 2010. Meanwhile, some of the more rural areas in northern and eastern portions of the county lost residents during this period.
Population Growth

Pottawatomie County’s population growth is very strong.

- Pottawatomie County has grown at a much faster rate than the benchmark counties since 1990.
- Pottawatomie County is growing more than twice as fast as Kansas.
- Pottawatomie County’s population growth rate accelerated after 2000, while the Kansas and U.S. population growth rates slowed down.
- Pottawatomie County is growing due to both natural increase (births minus deaths) and net domestic migration.
Most of Pottawatomie County’s population growth is taking place in the Blue, St. George, and St. Marys Townships.

- Between 2000 and 2010, 13 townships in Pottawatomie County gained residents and 10 townships lost residents.

- Most of the townships in eastern Pottawatomie County are experiencing declines in population; however, the total number of decline (192) is nearly insignificant compared to the total number of growth (3,444). Emmet Township and Belvue Township had the largest losses of residents (51 and 36, respectively).

- The vast majority of Pottawatomie County’s population growth (90%) is concentrated in the townships of Blue, St. George, Wamego, and St. Marys. Blue Township had the largest increase in total population growth (1,244), largely due to the urban expansion of Manhattan, followed by St. Marys Township (841) and St. George Township (786).
The fastest growing townships are clustered in central and southwestern portions of Pottawatomie County and most of the townships in the eastern portion of the county are declining or growing slowly.

- Six townships grew at a faster rate than the Pottawatomie County growth rate of 18.6% between 2000 and 2010. Blue Township experienced the fastest growth (69%) in addition to accounting for the largest total increase in population. The townships of Union, St. Marys, St. George, Clear Creek, and Pottawatomie also grew faster than the county growth rate.
- The most rapid growth is occurring in Blue Township (69.0%) due to the continued expansion of the Manhattan urban area.
- The most rapid population decline is occurring in Spring Creek Township (-37.7%).
Pottawatomie County is losing residents to several nearby counties, most notably, Wabaunsee County (44) and Shawnee County (44). Pottawatomie County is gaining large numbers of residents from neighboring Riley County (76), Leavenworth County (47), and from outside Kansas (131).

- IRS data indicates where Pottawatomie County residents are moving to and where new Pottawatomie County residents are moving from. The map above illustrates the 2008 IRS data presented in the figure to the left.

- Within Kansas, Pottawatomie County received a net gain of only five residents in 2008; however, net migration from other states and foreign countries combined for an increase of 131 residents.
Pottawatomie County is much younger than the benchmark counties and is slightly younger than Kansas and the U.S.

- The young adult cohort, ages 25-44, is an important group for business creation. Pottawatomie County has 25.1% of its population in this age group, a larger percentage than two of its benchmarks, but slightly lower than Kansas and the U.S.

- Similar to each benchmark, Pottawatomie County’s percentage of population in the 55+ cohort has increased since 1990, while its percentage in the 25-44 cohort has declined.
Pottawatomie County slowly lost population for most of the 20th Century, and then grew rapidly from 1970. This rapid growth is expected to continue through 2050.

- Pottawatomie County’s population decreased for seven consecutive decades before bottoming out in 1970 at less than 12,000. In recent decades, this trend has completely reversed. Pottawatomie County has experienced strong growth since 1970, nearly doubling in population from 1970-2010.

- AngelouEconomics has projected Pottawatomie County’s population through 2050 using the geometric extrapolation method, based on change in population between 1970 and 2010. It is important to note that this projection does not take into account any of the potential impacts that NBAF might have on the Manhattan MSA which could result in a substantially faster population growth rate for Pottawatomie County.

- Considering the enormous growth potential of NBAF in addition to the population projections, Pottawatomie County’s population is expected to reach at least 40,000 by 2050, almost double the 2010 population, with a strong possibility of reaching a much higher population.
Race and Ethnicity

Pottawatomie County is more diverse than the benchmark counties, but less diverse than both Kansas and the U.S. as a whole.

- Pottawatomie County is comprised of 93.6% white individuals, a substantially higher percentage than Kansas (83.8%) and the U.S. (72.4%)
- The US Census considers Hispanic descent to be an ethnicity rather than a race. This allows survey respondents to claim both race and ethnicity, such as a person reporting to be a white Hispanic. For this reason, Hispanic ethnicity must be examined independently of racial population distribution.
- Pottawatomie County’s percentage of population that is Hispanic, the fastest growing population in the U.S., is higher than each of the benchmark counties, but significantly lower than Kansas and the U.S.
- A lack of diversity can hinder economic development, as businesses and young professionals increasingly seek out diverse areas.
Pottawatomie County has a higher educational attainment than two of the benchmark counties, but lags Washington County, IA, Kansas, and the U.S. Pottawatomie County’s high school graduation rates are higher than all the benchmarks.

- Pottawatomie County’s percentage of population with a Bachelor’s degree or higher (22.8%) is the highest among the benchmark counties, but significantly lower than Kansas (29.6%) and the U.S. (27.9%).
- Washington County, IA has a slightly higher percentage of population with an Associate’s degree or higher (29.3%) than Pottawatomie County (28.0%) and a slightly lower percentage of population with no high school diploma, 9.4% for Washington County compared to 10.2% for Pottawatomie County.
- Pottawatomie County has strong K-12 school districts, resulting in a high school graduation rate that is higher than all the benchmarks.
- Rock Creek Jr/Sr High School is one of only six Kansas high schools to have been named a Blue Ribbon School for academic excellence by the U.S. Department of Education (in 2009). St. George Elementary was also named a Blue Ribbon School (in 2010).
Pottawatomie County residents has improved their educational attainment dramatically since 1990, but these positive trends slowed significantly after 2000.

- Pottawatomie County’s percentage of adult population without a high school diploma decreased from 18.1% in 1990 to 10.2% in 2010.
- Pottawatomie County's percentage of adult population with a college degree (Associates Degree or higher), grew from 19.2% in 1990 to 28.0% in 2010.
- Pottawatomie County also experienced a significant increase in its percentage of adult population with a Bachelor’s degree or higher, rising from 15.6% in 1990 to 22.8% in 2000, and remaining steady at 22.8% in 2010.
- In general, educational attainment levels are much higher in Pottawatomie County than 1990; however, 2010 educational attainment levels remain essentially unchanged from 2000.
- Pottawatomie County must continue making strides toward improving its population’s educational attainment, especially as the county’s population is expected to continues to grow rapidly.
Kansas State University is an important and dominant force in the regional economy.

- Kansas State University is one of only three major public universities in Kansas (in addition to the University of Kansas and Wichita State University), and is undoubtedly one of the region’s greatest assets.

- Pottawatomie County residents have a significant advantage compared to most residents of rural counties in the Great Plains since they can pursue a postsecondary education in a wide variety of fields without having to move to another location. Most other rural counties in the Central U.S. are plagued by a lack of nearby four-year universities.

- KSU has experienced modest growth in total student enrollment of only 5.3% between 2001-2010.

- KSU’s enrollment has grown at a slower rate than the other benchmark universities.
Pottawatomie County has a strong competitive advantage compared to most rural counties in the Central U.S., largely due to the presence of Kansas State University in Manhattan.

- Highland Community College serves rural northeastern Kansas and has a satellite campus in Wamego, which is the only higher education institution located within Pottawatomie County.
- The broader region, including Manhattan and Topeka, has several postsecondary education institutions, providing Pottawatomie County residents with a full range of options for technical training, undergraduate studies, and graduate studies.
- Kansas State University is the largest and most comprehensive university in the region, with multiple nationally-ranked programs and a strong academic R&D foundation.
Most Pottawatomie County businesses are satisfied with the local workforce, but there are some gaps, particularly related to job skills and experience.

- More than 80% of Pottawatomie County businesses are satisfied with the overall quality of the workforce.
- The work ethic of the Pottawatomie County workforce is the strongest workforce factor. Nearly 82% of businesses are either satisfied or very satisfied with the work ethic of the local workforce.
- The lowest ranking workforce factors are experience and skills related to the job. More than 20% of businesses are dissatisfied with the local workforce regarding these two factors.
Income levels in Pottawatomie County are significantly higher than Howard County, Preston County, and Kansas, but slightly lower than Washington County and the U.S.

- Pottawatomie County has a relatively strong median household income ($50,912) compared to its benchmarks; however, it has grown at a lower rate than Washington County and Preston County.

- Pottawatomie County has the highest percentage of households earning greater than $100,000/year among the benchmark counties (14.1%), but less than Kansas (16.9%) and the U.S. (19.9%).

- Pottawatomie County has the lowest percentage of households earning less than $15,000 (10.5%) among all of its benchmarks.
KEY FINDINGS: ECONOMIC TRENDS

Pottawatomie County has a healthy local economy, with rapid job and business growth and a low unemployment rate of 4.6%. The Education & Healthcare industry is Pottawatomie County’s largest industry, accounting for 31.8% of total employment. Pottawatomie County’s Education & Healthcare Industry has expanded rapidly, growing by over 50% from 2001 to 2009, compared with a U.S. growth rate of 17% during the same period. Pottawatomie County has a strong manufacturing industry, anchored by GTM Sportswear and Caterpillar Work Tools, accounting for 21.0% of total employment. The manufacturing industry has grown tremendously in the past decade, with total employment growing by 81.6% in Pottawatomie County from 2001 to 2009, while U.S. manufacturing employment declined by 27.9%. The manufacturing industry also experienced declines in total employment in all the benchmark counties and Kansas during this period. Pottawatomie County also has a sizeable, but slowly declining, agriculture sector with about 800 workers employed in crop and livestock production.

Together, the Education & Healthcare and Manufacturing industries make up over 50% of Pottawatomie County’s total employment and accounted for nearly 80% of all new jobs created between 2001 and 2009.

Pottawatomie County’s largest employer is GTM Sportswear, with 736 employees. Other major employers include Wal-Mart (480 employees), Community HealthCare System (448 employees), Caterpillar Work Tools (402 employees), the Wamego Unified School District (400 employees), Kaw Valley Unified School District (285 employees), and the Jeffrey Energy Center (277 employees).

Pottawatomie County Economic Snapshot

<table>
<thead>
<tr>
<th>2010 Labor Force</th>
<th>11,301</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 2011 Unemployment Rate</td>
<td>4.6%</td>
</tr>
<tr>
<td>2001-2010 Job Growth</td>
<td>18.55%</td>
</tr>
<tr>
<td>2001-2009 Business Growth</td>
<td>20.71%</td>
</tr>
<tr>
<td>2009 Average Annual Wage</td>
<td>$31,638</td>
</tr>
<tr>
<td>Largest Non-Farm Industry</td>
<td>Education &amp; Healthcare</td>
</tr>
<tr>
<td>Largest Employer</td>
<td>GTM Sportswear</td>
</tr>
</tbody>
</table>

Note: All sources cited in the following section.
Pottawatomie County’s labor force and total employment have both grown rapidly between 2001-2010, while the unemployment rate has remained lower than the Kansas and U.S. rates.

- Pottawatomie County’s labor force expanded by 1,899 and total employment grew by 1,675 between 2001 and 2010.
- Pottawatomie County’s historical unemployment rate has remained low compared to the benchmarks for most of the past two decades, never rising above 6%. Washington County is the only benchmark that has fared slightly better.
- Recent data shows an even more positive trend, with Pottawatomie County’s unemployment rate at 4.6% in April 2011, significantly lower than all of the benchmarks.
Pottawatomie County’s economic base is heavily reliant on Education & Healthcare and Manufacturing.

- Pottawatomie County’s percentage of employment in the Manufacturing sector is about twice as high as the benchmarks.
- Pottawatomie County has a higher percentage of employment in the Business and Professional Services sector than all the benchmark counties, but a much lower percentage than Kansas and the U.S.
- The Government, Leisure & Hospitality, Other Services, Retail Trade, and Transportation & Warehousing sectors are all underrepresented in Pottawatomie County compared to the benchmarks.

### 2009 INDUSTRY EMPLOYMENT

#### PERCENTAGE OF TOTAL NON-AGRICULTURAL JOBS BY SECTOR

<table>
<thead>
<tr>
<th>Industry **</th>
<th>Pottawatomie County, KS</th>
<th>Washington County, IA</th>
<th>Howard County, MO</th>
<th>Preston County, WV</th>
<th>Kansas</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business &amp; Professional Services</td>
<td>5.5%</td>
<td>2.9%</td>
<td>2.8%</td>
<td>4.2%</td>
<td>10.9%</td>
<td>13.0%</td>
</tr>
<tr>
<td>Construction</td>
<td>7.7%</td>
<td>9.2%</td>
<td>3.2%</td>
<td>9.1%</td>
<td>4.5%</td>
<td>4.8%</td>
</tr>
<tr>
<td>Education &amp; Health Care</td>
<td>31.8%</td>
<td>26.1%</td>
<td>38.5%</td>
<td>26.6%</td>
<td>24.2%</td>
<td>23.3%</td>
</tr>
<tr>
<td>F.I.R.E. *</td>
<td>3.3%</td>
<td>3.0%</td>
<td>4.6%</td>
<td>3.9%</td>
<td>5.4%</td>
<td>6.0%</td>
</tr>
<tr>
<td>Government</td>
<td>4.4%</td>
<td>5.1%</td>
<td>6.4%</td>
<td>13.1%</td>
<td>6.5%</td>
<td>5.8%</td>
</tr>
<tr>
<td>Information</td>
<td>2.4%</td>
<td>1.2%</td>
<td>0.6%</td>
<td>1.3%</td>
<td>2.8%</td>
<td>2.3%</td>
</tr>
<tr>
<td>Leisure &amp; Hospitality</td>
<td>5.0%</td>
<td>16.3%</td>
<td>13.4%</td>
<td>6.6%</td>
<td>9.0%</td>
<td>10.5%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>21.0%</td>
<td>10.5%</td>
<td>10.2%</td>
<td>8.1%</td>
<td>12.7%</td>
<td>9.2%</td>
</tr>
<tr>
<td>Natural Resources &amp; Mining</td>
<td>1.1%</td>
<td>2.1%</td>
<td>0.9%</td>
<td>3.4%</td>
<td>1.4%</td>
<td>1.4%</td>
</tr>
<tr>
<td>Other Services</td>
<td>1.7%</td>
<td>2.8%</td>
<td>1.8%</td>
<td>2.8%</td>
<td>2.8%</td>
<td>3.5%</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>9.5%</td>
<td>14.7%</td>
<td>11.2%</td>
<td>13.2%</td>
<td>10.8%</td>
<td>11.4%</td>
</tr>
<tr>
<td>Transportation &amp; Warehousing</td>
<td>1.3%</td>
<td>1.7%</td>
<td>2.5%</td>
<td>3.5%</td>
<td>3.7%</td>
<td>3.9%</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>5.3%</td>
<td>4.4%</td>
<td>3.1%</td>
<td>1.7%</td>
<td>4.6%</td>
<td>4.3%</td>
</tr>
</tbody>
</table>

*Finance, Insurance, and Real Estate

**No data available on Utilities employment from Bureau of Labor Statistics at the county level

#### POTTAWATOMIE COUNTY INDUSTRY EMPLOYMENT

% OF TOTAL JOBS IN POTTAWATOMIE COUNTY BY SECTOR, 2009

- Transportation & Warehousing: 1.3%
- Wholesale Trade: 5.3%
- Government: 4.4%
- Construction: 7.7%
- F.I.R.E.*: 3.3%
- Manufacturing: 21.0%
- Leisure & Hospitality: 5.0%
- Retail Trade: 9.5%
- Education & Healthcare: 31.8%

*Finance, Insurance, and Real Estate

#### NATIONAL INDUSTRY EMPLOYMENT

% OF TOTAL JOBS IN THE U.S. BY SECTOR, 2009

- Transportation & Warehousing: 3.9%
- Wholesale Trade: 4.3%
- Government: 5.8%
- Construction: 4.8%
- F.I.R.E.*: 6.0%
- Manufacturing: 9.2%
- Leisure & Hospitality: 10.5%
- Retail Trade: 11.4%

*Finance, Insurance, and Real Estate

Source: Bureau of Labor Statistics
Pottawatomie County has a much higher proportion of farm employment* than Kansas and the U.S., but significantly lower than Washington County and Howard County.

- Farm employment per 1,000 residents in Pottawatomie County is about four times higher than the U.S. average.
- Farm employment in Pottawatomie County has steadily declined since 2001, while total farm employment compensation has declined since 2008.
- The national trends of larger farms with fewer employees combined with the local trends of rapid population growth and physical growth of the Manhattan urban area will likely lead to future declines in farm employment in Pottawatomie County.

* Farm employment only includes employment on farms and ranches. This data does not account for agriculture-related businesses and employment such as banking, ag equipment sales and service, ag supply sales, ag services, ag product storage and sales, value-added ag product development and production, ag-related equine and ag-tourism attractions/services. All of these sectors have an important, and in some cases, growing, presence in Pottawatomie County.
Crop production in Pottawatomie County is not as strong as in Howard County or Washington County, but revenues from crops have grown rapidly in Pottawatomie County since 2000.

- Howard County and Washington County both have higher gross revenues and per capita revenues from crop production than Pottawatomie County.
- Pottawatomie County’s per capita revenues from crop production are more than three times higher than the U.S., but lower than Kansas and much lower than Howard County and Washington County.
- Revenues from crops in Pottawatomie County have grown at a faster rate than all the benchmarks except Howard County between 2000 and 2009.
- While crop production is not likely to be a major contributor to economic growth in Pottawatomie County, it does represent a continuing, significant portion of the local economy. County leaders must take precautions to protect the county’s most productive agricultural lands from encroaching residential and commercial development as the county continues to grow.
Livestock Production

Pottawatomie County has a much larger livestock production sector than Howard County and Preston County, but much smaller than Washington County.

- Per capita cash receipts from livestock production in Pottawatomie County are about five times higher than the U.S. but lower than Kansas.
- Pottawatomie County’s growth in revenues from livestock between 2000 and 2009 was slightly lower than both the Kansas and U.S. growth rates.
- Similar to crop production, livestock production is not expected to be a major growth industry in Pottawatomie County, but will remain an important segment of the local economy for the foreseeable future and must also be protected from encroachment by residential and commercial land development.
- Opportunities exist for increasing agriculture-related R&D partnerships between local producers and researchers arising from research at KSU as well as the advent of NBAF.

**CASH RECEIPTS FROM LIVESTOCK**

GROSS REVENUES FROM LIVESTOCK (IN THOUSANDS), 2009

<table>
<thead>
<tr>
<th>County</th>
<th>Revenue (K$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pottawatomie</td>
<td>183,461</td>
</tr>
<tr>
<td>Howard</td>
<td>9,335</td>
</tr>
<tr>
<td>Preston</td>
<td>10,644</td>
</tr>
<tr>
<td>Washington</td>
<td>45,854</td>
</tr>
</tbody>
</table>

**CASH RECEIPTS FROM LIVESTOCK PER CAPITA**

GROSS REVENUES FROM LIVESTOCK PER CAPITA, 2009

<table>
<thead>
<tr>
<th>County</th>
<th>Revenue (K$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pottawatomie</td>
<td>8,453</td>
</tr>
<tr>
<td>Kansas</td>
<td>2,781</td>
</tr>
<tr>
<td>Howard</td>
<td>6,212</td>
</tr>
<tr>
<td>Preston</td>
<td>457</td>
</tr>
</tbody>
</table>

**GROWTH IN REVENUES FROM LIVESTOCK**

PERCENTAGE GROWTH 2000-2009

<table>
<thead>
<tr>
<th>County</th>
<th>Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pottawatomie</td>
<td>50.0%</td>
</tr>
<tr>
<td>Kansas</td>
<td>-13.8%</td>
</tr>
<tr>
<td>Howard</td>
<td>21.1%</td>
</tr>
<tr>
<td>Preston</td>
<td>23.1%</td>
</tr>
</tbody>
</table>

Source: Bureau of Economic Analysis
Job growth and business growth have both been very strong in Pottawatomie County.

- The number of jobs in Pottawatomie County grew by 11.73% between 2001 and 2009, compared to a negative growth rate of -0.79% in the U.S.

- Pottawatomie County also outpaced the U.S. business establishment growth rate (20.51% compared to 12.76%) between 2001 and 2009.

- Only 4 of the 14 supersectors lost jobs in Pottawatomie County, while only 3 supersectors decreased in the number of business establishments.

- In addition to representing over half of Pottawatomie County’s total employment, the Education & Healthcare and Manufacturing sectors have been the most important drivers of economic growth, accounting for nearly 80% of all new jobs and 46% of all new businesses created between 2001 and 2009.

- Several other sectors, representing smaller respective portions of the total economy, also experienced rapid job growth from 2001 to 2009. These sectors include: Business & Professional Services, Leisure & Hospitality, Construction, Wholesale Trade, and F.I.R.E.*

- The Information, Retail Trade, and Other Services sectors all lost large numbers of jobs between 2001 and 2009.

* F.I.R.E = Finance, Insurance, and Real Estate
## LARGEST PRIVATE-SECTOR MANUFACTURING EMPLOYERS IN POTTAWATOMIE COUNTY, JULY 2011

<table>
<thead>
<tr>
<th>Name</th>
<th>Total Employees</th>
<th>Type of Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>GTM Sportswear</td>
<td>736</td>
<td>Apparel Manufacturing</td>
</tr>
<tr>
<td>Caterpillar Work Tools Inc.</td>
<td>402</td>
<td>Construction Equipment Manufacturing</td>
</tr>
<tr>
<td>Manko Window Systems</td>
<td>250</td>
<td>Window Manufacturing</td>
</tr>
<tr>
<td>Parker-Hannifin Corporation</td>
<td>160</td>
<td>Hose Products Manufacturing</td>
</tr>
<tr>
<td>McCall Patterns</td>
<td>157</td>
<td>Apparel Manufacturing</td>
</tr>
<tr>
<td>Quaker Oats*</td>
<td>155</td>
<td>Food Products Manufacturing</td>
</tr>
<tr>
<td>The Onyx Collection</td>
<td>75</td>
<td>Shower and Lavatory Fixture</td>
</tr>
<tr>
<td>Dymax</td>
<td>45</td>
<td>Construction Equipment Manufacturing</td>
</tr>
<tr>
<td>Custom Wood Products</td>
<td>NA</td>
<td>Handcrafted Cabinetry Manufacturing</td>
</tr>
</tbody>
</table>

* 2011 data not available. Most recent data is from 2007

Source: Pottawatomie County Economic Development Corporation

## LARGEST PUBLIC-SECTOR EMPLOYERS IN POTTAWATOMIE COUNTY, JULY 2011

<table>
<thead>
<tr>
<th>Name</th>
<th>Total Employees</th>
<th>Type of Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community HealthCare System</td>
<td>448</td>
<td>Healthcare</td>
</tr>
<tr>
<td>Wamego USD 320</td>
<td>400</td>
<td>Educational Services</td>
</tr>
<tr>
<td>Kaw Valley USD 321</td>
<td>285</td>
<td>Educational Services</td>
</tr>
<tr>
<td>Pottawatomie County</td>
<td>165</td>
<td>Public Administration</td>
</tr>
<tr>
<td>Kaw Valley USD 321</td>
<td>125</td>
<td>Educational Services</td>
</tr>
<tr>
<td>Rock Creek USD 323</td>
<td>123</td>
<td>Educational Services</td>
</tr>
<tr>
<td>Wamego City Hospital</td>
<td>103</td>
<td>Healthcare</td>
</tr>
<tr>
<td>Highland Community College</td>
<td>60</td>
<td>Educational Services</td>
</tr>
<tr>
<td>Onaga-Havensville-Wheaton USD 322</td>
<td>56</td>
<td>Educational Services</td>
</tr>
<tr>
<td>City of Wamego</td>
<td>43</td>
<td>Public Administration</td>
</tr>
</tbody>
</table>

Source: Pottawatomie County Economic Development Corporation

## LARGEST PRIVATE-SECTOR NON-MANUFACTURING EMPLOYERS IN POTTAWATOMIE COUNTY, JULY 2011

<table>
<thead>
<tr>
<th>Name</th>
<th>Total Employees</th>
<th>Type of Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wal-Mart Super Center</td>
<td>480</td>
<td>Retail Trade</td>
</tr>
<tr>
<td>Jeffrey Energy Center</td>
<td>277</td>
<td>Coal-fired Power Plant</td>
</tr>
<tr>
<td>Big Lakes Development Center*</td>
<td>225</td>
<td>Educational Services</td>
</tr>
<tr>
<td>K-Mart</td>
<td>125</td>
<td>Retail Trade</td>
</tr>
<tr>
<td>Advocare</td>
<td>75</td>
<td>Healthcare</td>
</tr>
</tbody>
</table>

* 2011 data not available. Most recent data is from 2007

Source: Pottawatomie County Economic Development Corporation
KEY FINDINGS: BUSINESS CLIMATE AND INFRASTRUCTURE

Pottawatomie County has a favorable business climate as evidenced by the impressive growth in jobs and businesses in the past decade. The county has numerous “natural” advantages including its geographic location in the Central U.S., its access to IH-70, its proximity to Kansas State University, its location in the Animal Health Corridor, and its thriving manufacturing industry.

A survey of the Pottawatomie County business community was conducted in conjunction with this study. When members of the business community were asked the primary reasons for their location in Pottawatomie County, the top three responses were “Historically operated or founded in Pottawatomie County”, “Close proximity to customer base and/or suppliers”, and “Quality of life”. A full listing of survey results can be found in Appendix B.
Pottawatomie County has relatively strong average annual wages and wage growth.

- Wages in Pottawatomie County are higher and growing faster than wages in Howard County and Washington County, but are lower and growing slower than wages in Preston County.
- Pottawatomie County’s average annual wages are significantly lower than wages in Kansas and the U.S., but are growing at a faster rate.
- Pottawatomie County’s wage levels are sufficiently balanced between the needs of employers and employees.

  - Wages that are too low hamper the overall quality of life for employees and make it difficult for counties to attract new residents.
  - Wages that are too high discourage employers from expanding and hiring new employees.
Utilities

Part 1: Market Assessment

Electricity costs in Pottawatomie County are high compared to the benchmark counties, but less than Kansas and U.S. averages. Natural gas prices in Kansas are relatively low.

- Pottawatomie County has higher average electricity rates for industrial, commercial, and residential service than all of the benchmark counties.
- Pottawatomie County’s industrial electricity rates are higher than the Kansas average, but the commercial and residential rates are lower than the Kansas average.
- Pottawatomie County’s industrial, commercial, and residential electricity rates are lower than U.S. averages – substantially lower for commercial and residential customers.
- Natural gas prices in Kansas are lower in Kansas than in Missouri and West Virginia, but higher than Iowa. Kansas natural gas prices are lower than the U.S. average for commercial and residential users, but higher for industrial users.
Overall, taxes in Kansas are relatively high compared to the rest of the nation.

- The State Business Tax Climate is ranked Kansas as having a less favorable tax climate than the U.S. average, ranking No. 35 (with No. 1 being the most favorable ranking and No. 50 being the least favorable). Kansas has a more favorable business tax climate than both West Virginia (No. 37) and Iowa (No. 45), but less favorable than Missouri (No. 16).

- Compared to the benchmark counties, Pottawatomie County’s residential property tax rates are among the lowest, but the commercial/industrial property tax rates are relatively high. Both residential and commercial/industrial property tax rates are lower than the Kansas average.

- According to The Tax Foundation, the combined state and local tax burden per capita in Kansas was $3,911 in 2009, earning the ranking of No. 19 in the U.S. (No. 1 having the highest burden, No. 50 having the lowest).

- The sales tax rate in Pottawatomie County is a minimum of 7.3%, which is made up of the following:
  - Kansas state sales tax is 6.3%
  - Pottawatomie County sales tax of 1%
  - Some localities have an additional sales tax, with Wamego’s being the highest at 1.75%
Part 1: Market Assessment

Two specific business survey questions addressed business location factors. One question specifically addressed the importance of each factor for locating their businesses, the second question asked respondents to rank Pottawatomie County on each of these factors:

- Quality of life and quality of k-12 schools were each identified as important factors that Pottawatomie County ranks highly in, and should therefore be part of the county’s marketing efforts for business expansion, retention, and attraction.

- Access to market and business operating costs were identified as important location factors but were identified as weaknesses within Pottawatomie County.
KEY FINDINGS: SMALL BUSINESS DEVELOPMENT & ENTREPRENEURSHIP

Entrepreneurial and small business support are important components of effective economic development and key drivers of innovation. Pottawatomie County has all of the key ingredients in place to support small businesses and entrepreneurs: access within Northeastern Kansas to venture capital and angel investor funding, academic research and development spending at Kansas State University (KSU), an innovative population in both Pottawatomie and Riley Counties (as measured by patent data), and several business incubators.

No academic research and development spending is occurring immediately within Pottawatomie County, but KSU conducts a large amount of research, most notably in agricultural sciences. KSU is the region’s most important source of research and innovation, but there are other organizations involved in research and product development including the Advanced Manufacturing Institute and some of Pottawatomie County’s manufacturing companies (such as Caterpillar Work Tools).

“Pottawatomie County has excellent opportunities for economic growth over the next 5 to 10 years.”

- Resident Survey Response
Kansas State University Programs & Research

Kansas State University (KSU) offers 67 master’s programs, 38 doctoral programs, 5 educational doctoral programs, 34 graduate certificates and hundreds of undergraduate majors in the Colleges of Arts and Sciences, Engineering, Business Administration, Education, Agriculture, Human Ecology, Veterinary Medicine, Architecture, Planning, and Design. KSU was founded as Bluemont Central College in 1858 and became the nation’s first official land-grant college in 1863. The land-grant tradition of strong agricultural research and education continues today as KSU is one of the nation’s strongest schools in the field of agricultural science.

Nationally Ranked Academic Programs

• **Atomic Physics** – KSU’s Atomic, Molecular, and Optical Physics (AMO) program is one of the largest in the U.S. and is ranked 13th nationally by the U.S. News and World Report. The AMO program has a long history of research in ion-atom collision physics dating back to the early 1970s and has a large number of both experimentalists and theorists working in the same laboratory, often in collaboration with each other.

• **Animal Sciences** – KSU has the largest undergraduate animal sciences program in the U.S. KSU’s veterinary medicine program provides students with a broad education in animal science, and an opportunity to specialize in areas such as small animal surgery, environmental toxicology, and aquatic medicine. The KSU College of Veterinary Medicine treats more than 14,000 animals a year at its 185,000 square foot Veterinary Medicine Complex and KSU’s rabies lab performs more rabies serological testing than any other lab in the world. The veterinary medicine program is ranked 19th in the U.S. by U.S. News and World Report.

• **Speech-Language Pathology** – Students in the communication sciences and disorders program observe actual therapy sessions with children and adults who have some sort of communication disorder, as part of their undergraduate studies that provide a framework for a graduate degree in communication sciences and disorders, which is required to become a certified speech-language pathologist or audiologist. The speech-language pathology program is ranked 60th in the U.S. by U.S. News and World Report.

• **Other Nationally Ranked KSU Programs** – KSU has several other academic programs that are ranked in the top 100 in the U.S. by U.S. News and World Report including: Statistics (#62), Chemistry (#83), Physics (#85), Math (#89), Computer Science (#99), and Biological Sciences (#100).

Research Specializations

• **Kansas State University Research Foundation (KSURF)** – KSURF facilitates technology transfer and licensing of intellectual property developed by University faculty through a partnership between (KSURF) and the National Institute for Strategic Acquisition and Commercialization (NISTAC).

• **Biosecurity Research Institute (BRI)** – BRI is a unique biocontainment research and training facility that supports comprehensive "farm-to-fork" infectious disease research programs that address threats to plant, animal, and human health.

• **Electronics Design Laboratory (EDL)** – EDL is an in-house design service available only to KSU researchers offering services in analog, instrumentation, and digital design, as well as software development, system engineering, system construction, and project management.

• **Biotechnology Core Facility** – KSU’s Biotechnology Core Facility serves as a central service provider for plant and animal researchers in KSU and other organizations. The Biotechnology Core Facility assists researchers in conducting synthesis, separations, and bioanalysis.

Source: Kansas State University, National Center for Education Statistics (NCES), U.S. News and World Report
Research & Development investments at Kansas State University totaled $146,310,000 in 2009.

- 2009 R&D investments by Kansas State University (KSU) rank 112th among all U.S. universities; however KSU ranks 24th in the U.S. in agricultural sciences R&D investments ($57,909,000). KSU's 2009 R&D rankings are slightly improved compared to 2008 (2008 rankings were 115th overall and 25th in Agricultural Sciences).

- R&D investments at Kansas State University rose steadily between 2001 and 2009, from $94,030,000 to $146,310,000.

- KSU's R&D investments per student enrollment are higher than West Virginia University, but significantly lower than the University of Missouri and the University of Iowa.

- KSU's R&D investments are heavily concentrated in the life sciences field. KSU invested $96,245,000 (65.8% of the university’s total) in life sciences with $57,909,000 in agricultural sciences, $36,666,000 in biosciences, and $1,470,000 in medical sciences.
AVAILABLE CAREER RESOURCES

Pottawatomie County Area Career Centers

Manhattan Workforce Center
The Manhattan Workforce Center provides a wide range of services to both job-seekers and to employers at little or no cost. The Workforce Center functions as a one-stop-shop for employment, training and educational opportunities and providers in both Pottawatomie and Riley Counties. The Workforce Center helps local businesses recruit, hire, train, and retain quality employees and helps job-seekers access employment opportunities. The Workforce Center is focused on providing workforce solutions which promote economic growth. Most of the Workforce Center’s services to you are pre-paid through various grants overseen by a local “Workforce Investment Board” (WIB), primarily comprised of business owners who know the economy and the labor market. The Workforce Center is managed by Heartland Works, Inc., a private non-profit that also provides many of the services in the Center.

Manhattan Area Technical College
The Manhattan Area Technical College’s Workforce Development Department provides training to meet the needs of regional employers and employees and offers numerous opportunities for personal and professional development through continuing education courses, specialized training programs, and custom training. MATC has worked closely with local employers to create training programs that respond to the specific needs of employers and maintain a high quality workforce in the Manhattan region.

Pottawatomie County Area Adult Job-Training Programs

Advanced Manufacturing Institute (AMI) Internship Program
The AMI Intern Program gives students real-world experience developing a new product, designing a piece of custom equipment, testing and validating products, developing a business plan or creating marketing materials. Benefits to interns include: paid internship; flexible work schedule; hands-on experience; mentored by professionals; meet potential employers. Internships are available in the following fields and focus areas: Architecture (Product Design); Business (Accounting, Marketing); Communications (Advertising, Graphic Design, Public Relations); Engineering (Chemical, Computer, Electrical, Industrial, Mechanical). Undergraduate student qualifications include: 3.0 GPA or above; Sophomore class standing or above at Kansas State University; Ability to work a minimum of 12 hours per week during the school year. Graduate student qualifications include: 3.0 GPA or above; Enrolled at Kansas State University; Ability to work a minimum of 16 hours per week during the school year.

Sources: Advanced Manufacturing Institute, Manhattan Area Technical College, Manhattan Workforce Center
AVAILABLE SMALL BUSINESS AND ENTREPRENEUR RESOURCES

Advanced Manufacturing Institute (AMI) – Manhattan, KS
AMI provides innovative and cost effective product and process development solutions that integrate business and creative insight with design and engineering expertise. AMI’s team of experts in engineering, product design, manufacturing and business provide services to firms in the following fields: business planning and research; product development; design verification; custom equipment development; manufacturing process development; bioprocessing and chemical engineering; technology development and commercialization; and wind technology development.

Mid-America Manufacturing Technology Center (MAMTC) – Overland Park, KS
MAMTC provides a wide range of services to companies across Kansas including: Lean Enterprise, Economic Growth systems, Quality management systems – ISO AS 9100 Certification & Six Sigma, Solutions lab, Energy management, and MAMTC NOW.

National Institute for Strategic Technology Acquisition and Commercialization (NISTAC) – Manhattan, KS
NISTAC serves as a small business incubator for technology-based start-up companies and a technology transfer organization, focused on the commercialization of university and under-utilized corporate intellectual property. NISTAC provides a wide range of services including: corporate formation, business plan development, intellectual property acquisition, access to venture/angel capital, business and product development, office and laboratory facilities, and market research.

Kansas Bioscience Authority (KBA) – Olathe, KS
KBA was created by the Kansas Economic Growth Act of 2004 with the sole purpose of advancing Kansas’ position in the bioscience field. KBA represents a $581 million initiative that is designed to expand Kansas’ research capabilities, promote innovation, and encourage company formation. KBA’s strategic objectives are to: build world-class research capacity, foster the formation and growth of bioscience startups, support expansion of the state’s bioscience clusters, and facilitate industrial expansion and attraction. KBA is leveraging its funds to attract additional federal and private-sector support that could boost the total investment in bioscience in the state to more than $5 billion.

KansasBio – Lenexa, KS
KansasBio is a non-profit organization focused on unifying the many interests in Kansas’ human, plant, animal and industrial biosciences. KansasBio works to improve the life sciences business and research climate and collaborate with leaders across the state to attract and retain bioscience companies, jobs, and investments.

NetWork Kansas – Wichita, KS
NetWorkKansas is a non-profit organization whose mission is to “promote an entrepreneurial environment throughout the state of Kansas by establishing a central portal that connects entrepreneurs and small business owners with the right resources—expertise, education, and economic resources—when they are needed most.” NetWork Kansas connects emerging and established businesses to a wide network of business-building resource organizations in Kansas and provides small businesses and entrepreneurs with free, easy access to the resources they need to succeed. NetWork Kansas also works with communities through its Entrepreneurship Community Partnership to develop local funding programs.

Washburn University Small Business Development Center - Manhattan Area Chamber of Commerce Outreach Center – Manhattan, KS
The Washburn SBDC, a partnership program with Washburn University, the Kansas Small Business Development Center, Kansas Department of Commerce, and the Small Business Administration and operate as a department of the Washburn University School of Business, provides services to entrepreneurs and small businesses located in the Kansas counties of Brown, Geary, Jackson, Marshall, Nemaha, Pottawatomie, Riley, Shawnee, and Wabaunsee. The Washburn SBDC has a main center located in Topeka, KS and an outreach center located in Manhattan, KS, housed in the Manhattan Area Chamber of Commerce. The outreach center in Manhattan, KS serves clients in Geary, Pottawatomie, and Riley counties.

Sources: Advanced Manufacturing Institute, Mid-America Manufacturing Technology Center, NISTAC, Kansas Bioscience Authority, KansasBio, NetWork Kansas, Washburn SBDC
Patents and venture capital investment are important pieces in the advancements of science and technology and key for transforming ideas into finished products in the marketplace.

- Patent activity* is relatively high in Pottawatomie County.
- A total of 28 patents were issued to Pottawatomie County-based inventors between 2001 and 2010.
- Pottawatomie County had the second highest amount of patents per capita (number of patents per 10,000 population) in 2010, among the benchmark counties, behind only Washington County.
- The majority of patents issued in Pottawatomie County between 2001 and 2010 were in three categories: Plant & Animal Sciences, Automotive Parts, and Manufacturing Equipment & Processes.
- Most of the patents in Pottawatomie County were issued to residents of Wamego (15), Olsburg (5), or Onaga (4).

* At patent data shown in this section shows the location of the “inventor” not the “assignee” in order to better understand the level of creativity and entrepreneurship in the local population.

**Patents**

**NUMBER OF PATENTS ISSUED, 2001-2010**

**NUMBER OF PATENTS ISSUED PER 10,000 POPULATION, 2010**

**PATENTS ISSUED TO POTTAWATOMIE COUNTY RESIDENTS BY CATEGORY (2001-2010)**

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Number of Patents Issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plant &amp; Animal Sciences</td>
<td>10</td>
</tr>
<tr>
<td>Automotive Parts</td>
<td>7</td>
</tr>
<tr>
<td>Manufacturing Equipment &amp; Industrial Processes</td>
<td>7</td>
</tr>
<tr>
<td>Medical Devices</td>
<td>2</td>
</tr>
<tr>
<td>Other</td>
<td>2</td>
</tr>
</tbody>
</table>
Patents activity was also measured in Manhattan and the other college towns adjacent to the benchmark counties to better understand each region’s innovative capacity.

- Patent activity in Manhattan is relatively low compared to the benchmark counties, but slightly higher than in Kansas as a whole.
- A total of 180 patents were issued to inventors in Manhattan between 2001 and 2010.
- The number of patents per 10,000 population in Manhattan has remained steady between 2001 and 2010.
Northeastern Kansas has sufficient access to venture capital funding.

- Venture capital investment data is available at the congressional district level; Kansas Congressional District 2, which encompasses much of northeastern Kansas, including Pottawatomie County, has a relatively high amount of venture capital investment.
- The 2nd Congressional District of Kansas had the highest amount of total venture capital investment funding per capita compared to the benchmark counties’ respective congressional districts between 2001 and 2010.
# AVAILABLE VENTURE CAPITAL AND ANGEL INVESTMENT RESOURCES

## Pottawatomie County Area Venture Capital Firms

**Open Prairie Ventures – Effingham, IL**
Open Prairie Ventures was founded in 1999 as a venture capital firm focused on early-stage Midwest-based technology companies in the fields of agriculture/life sciences, IT/wireless, and medical devices.

**Koch Genesis/Koch Ventures – Wichita, KS**
Koch Genesis is an entrepreneur-centric firm providing direct capital investments in early-stage companies with substantial, revolutionary ideas. They are interested in companies that can create new markets, displace industry incumbents, and generate significant returns.

**Kansas Venture Capital Inc. – Leawood, KS**
Kansas Venture Capital is a licensed Small Business Investment Company (SBIC) that provides equity and mezzanine capital to small and middle market, Midwestern companies that have the potential for significant growth and equity appreciation.

## Pottawatomie County Area Angel Investment Networks

**Midwest Venture Alliance (MVA) – Wichita, KS**
MVA is a membership organization of accredited private investors committed to investing in high-growth seed and early-stage technology companies in Kansas. The MVA provides the following services:
- Coordinated member-based review of business plans and investment opportunities in Kansas and the surrounding region
- A team of managers that perform due diligence on investments and offer business assistance to entrepreneurs of seed and early-stage companies
- Negotiation and structure of investment terms designed to protect the private investor's interests while enhancing value of the companies in which the MVA invests.

**Mid America Angels (MAA) – Lenexa, KS**
MAA is a regional network of investors dedicated to identifying and funding the most promising early-stage companies in the Kansas-Missouri region, funding deals in the range of $250,000 to $2 million.

**K-State Angels – Manhattan, KS**
K-State Angels is an informal network of accredited investors who will be provided with potential opportunities to invest in early stage companies with high growth and profit potential, including technology-based companies derived from research at Kansas State University.

Sources: Open Prairie Ventures, Koch Genesis, Kansas Venture Capital, MVA, MAA, K-State Angels
KEY FINDINGS: QUALITY OF LIFE

Pottawatomie County residents enjoy a high quality of life. Excellent K-12 school systems, quality health care facilities, a healthy housing market, multiple outdoor recreational opportunities, and easy access to larger urban areas (Manhattan, Topeka, Kansas City) are some of the county’s strongest assets.

Pottawatomie County also faces challenges in maintaining and improving its quality of life. Stakeholders cited a lack of rental housing and a lack of recreational activities for young adults as two of the primary challenges in attracting new residents, particularly young professionals, to Pottawatomie County.

“Everybody with small kids feels this is a great place to live.”
- Resident Survey Response

“Pottawatomie County does not offer enough quality of life amenities to keep college graduates and attract active seniors to the community.”
- Resident Survey Response
Pottawatomie County has the strongest housing market among the benchmark counties.

- The median value for a home in Pottawatomie County in 2009 was $124,600, higher than the benchmark counties and Kansas, but significantly lower than the median value home in both the U.S. ($185,400).

- Pottawatomie County also has the highest median gross rent among the benchmark counties ($609/month), but lower than Kansas ($652/month) and the U.S. ($817).

- Pottawatomie County has a higher percentage of new housing (housing built since 2000) than any of the benchmarks.

- The housing age distribution in Pottawatomie County is well-balanced compared to the benchmark counties, with no time period accounting for more than 27% of the total housing stock. For example, 37% of Washington County’s housing was built before 1940 and 33% of Preston County’s housing was built between 1980-1999.

- The relatively high median home values and rental rates in Pottawatomie County are signs of a strong local economy, but can be challenges for lower-income households and for young adults entering the workforce.
As mentioned in the Regional Connections discussion earlier in the report, a substantial percentage of Pottawatomie County residents commute long distances to work (28.5% travel 25 miles or more); however, average commute times and distances to work are relatively low in Pottawatomie County compared to the benchmarks.

- Average travel times to work in Pottawatomie County (22.9 minutes) are lower than Howard County (25.4 minutes), Preston County (30.1 minutes), and the U.S. (25.2 minutes), but higher than Washington County (21.2 minutes). Pottawatomie County’s average commute times are remarkably low considering that the county is within driving distance of multiple larger urban areas (Manhattan, Topeka, and Kansas City).

- The fact that most commuters do not have to travel far (70% traveled less than 25 miles to work) is a sign that Pottawatomie County has a strong local job market. Pottawatomie County has the lowest percentage of commuters that travel greater than 50 miles (11.6%) and 25 to 50 miles (16.9%) among the benchmark counties. In comparison, about twice as many Howard County commuters travel greater than 50 miles to work (21.9%), indicating that it is more difficult for Howard County residents to find employment locally.
Pottawatomie County has the highest percentage of commuters that drive alone among the benchmark counties, but also has a relatively high percentage of commuters that walk to work or work from home.

- Nearly 80% of commuters in Pottawatomie County drive alone. This indicates a potential lack of alternative modes such as carpooling and public transportation, but also likely reflects the higher incomes in Pottawatomie County. For instance, Howard County commuters are almost twice as likely to carpool than Pottawatomie County commuters. This can be partially explained by the percentage of population living below the poverty level, which is more than twice as high in Howard County (15.5%) than in Pottawatomie County (6.9%).

- A higher percentage of commuters walk to work in Pottawatomie County (3.5%) than in Kansas (2.7%) or the U.S. (2.9%).

- Pottawatomie County also has a higher percentage of workers that work from home (4.9%) than Kansas (4.2%) or the U.S. (4.0%).
Two specific resident survey questions addressed quality of life factors. One question specifically addressed the importance of each factor in deciding where to live, the second question asked respondents to rank Pottawatomie County on each of these factors.

- Available healthcare, business leadership, parks/playgrounds/trails, scenic beauty, quality of K-12 schools, and safety were each identified as important factors that Pottawatomie County ranks highly in, and thus offer marketing opportunities for retaining and attracting talent.

- Available job opportunities (including high-paying jobs), available affordable housing, cost of living, elected official leadership, overall economic conditions, highway and road systems, availability of community events, and main thoroughfares were identified as important location factors, but weakness within Pottawatomie County, thus offering opportunities for improvement.
Pottawatomie County offers many unique amenities for residents and visitors including museums, parks, and natural resources.

- Pottawatomie County has a rich history including one of the most well-preserved sections of the Oregon Trail in the U.S., the birthplace of Walter P. Chrysler (founder of Chrysler motors), and the historic settlement of Native American tribes dating back to 10,000 B.C.
- Pottawatomie County’s proximity to Manhattan allows easy access to KSU athletic and cultural events as well as the Manhattan Regional Airport.
- Pottawatomie County provides a wide variety of outdoors recreational activities ranging from scenic hiking and biking trails to some of the best hunting and fishing opportunities in Kansas.

<table>
<thead>
<tr>
<th>POTAWATOMIE COUNTY QUALITY OF LIFE AMENITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>OZ Museum</td>
</tr>
<tr>
<td>Oregon Trail</td>
</tr>
<tr>
<td>Columbian Theatre</td>
</tr>
<tr>
<td>Tuttle Creek Reservoir and Other Lakes</td>
</tr>
<tr>
<td>Kansas River and Big Blue River</td>
</tr>
<tr>
<td>Multiple Parks</td>
</tr>
<tr>
<td>Historic Downtowns</td>
</tr>
<tr>
<td>Low Housing Costs Compared to U.S. Averages</td>
</tr>
<tr>
<td>KSU Athletic and Cultural Events</td>
</tr>
<tr>
<td>Manhattan Regional Airport</td>
</tr>
<tr>
<td>High-quality K-12 Schools</td>
</tr>
<tr>
<td>Multiple Festivals</td>
</tr>
<tr>
<td>Scenic Flint Hills Region</td>
</tr>
<tr>
<td>Numerous RV Parks</td>
</tr>
</tbody>
</table>
**TRANSITION TO TARGET INDUSTRY OPPORTUNITIES**

Industry clusters are highly integrated groups of businesses with strong vertical and horizontal linkages. Vertical linkages include the suppliers and customers in a region that combine to create a competitive business model, whereas “horizontal” linkages include the relationships between competing companies—which often recruit from the same labor pool of talent-and supporting public institutions. Clusters often mature when businesses expand their relationships with existing supplier firms in a region. As the clusters grow, additional supplier firms are attracted to the region, eventually creating a well-diversified “critical mass” of production, labor, and information.

AngelouEconomics has defined 35 standard industry clusters to categorize businesses according to their final product and how these products are related to each other and integrated along the vertical supply chain. To assess the strength of a cluster in a regional economy, AngelouEconomics has calculated location factors (or quotients) to each cluster. These factors are calculated by comparing the cluster’s share of total local employment to the cluster’s national share. This location quotient will yield a value generally between 0 and 2, where a result of “1” demonstrates that the cluster commands an average (expected) share of the local economy. Cluster location factors greater than 2 indicate a strong cluster agglomeration, while those less than 0.5 indicate extremely weak clusters.

**What industries are currently strong in Pottawatomie County?**

The chart to the right shows the top ten clusters in Pottawatomie County while the chart on the following page lists the top fifteen industries compared with cluster strength for the entire state of Kansas. Importantly, the following analysis is intended only to provide an industry baseline for which competitiveness can be measured in the regional and global economies. In the next report – the Target Industry Report – the project team will compare these clusters to regional and national cluster trends to identify potential economic development targets. Pottawatomie County has strong clusters in Apparel & Textiles (largely due to GTM Sportswear), Utilities (primarily due to Jeffrey Energy Center), Industrial Machinery, Food Processing, Chemicals & Plastics (largely due to Parker-Hannifin Corporation), Agriculture, and Transportation Services. Pottawatomie County has moderate cluster strength in Construction Manufacturers & Suppliers, Health Services, and Government & Education.

<table>
<thead>
<tr>
<th>Industry</th>
<th>Employees</th>
<th>Businesses</th>
<th>LQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apparel &amp; Textiles</td>
<td>893</td>
<td>2</td>
<td>16.02</td>
</tr>
<tr>
<td>Utilities</td>
<td>394</td>
<td>14</td>
<td>5.30</td>
</tr>
<tr>
<td>Industrial Machinery</td>
<td>111</td>
<td>4</td>
<td>2.97</td>
</tr>
<tr>
<td>Food Processing</td>
<td>272</td>
<td>6</td>
<td>2.73</td>
</tr>
<tr>
<td>Chemicals &amp; Plastics</td>
<td>235</td>
<td>2</td>
<td>2.13</td>
</tr>
<tr>
<td>Agriculture</td>
<td>401</td>
<td>205</td>
<td>2.10</td>
</tr>
<tr>
<td>Transportation Services</td>
<td>183</td>
<td>5</td>
<td>2.08</td>
</tr>
<tr>
<td>Construction Manufacturers &amp; Suppliers</td>
<td>1,070</td>
<td>116</td>
<td>1.72</td>
</tr>
<tr>
<td>Health Services</td>
<td>1,155</td>
<td>45</td>
<td>1.30</td>
</tr>
<tr>
<td>Government &amp; Education</td>
<td>1,323</td>
<td>60</td>
<td>1.10</td>
</tr>
</tbody>
</table>

Sources: Dun & Bradstreet, Pottawatomie County Economic Development Corporation

**Location Quotient (LQ)**
A calculated ratio between the local economy and the national economy that indicates industry concentration.
LQ =1.0 indicates average concentration
LQ > 2.0 indicates a strong cluster
LQ < 0.5 indicates a weak cluster
## TOP 15 POTAWATOMIE COUNTY, KANSAS INDUSTRY CLUSTERS, 2010 (Q3)

<table>
<thead>
<tr>
<th>Cluster Location Quotient</th>
<th>Cluster Strength</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weak</td>
<td>0.00</td>
</tr>
<tr>
<td>Average</td>
<td>1.00</td>
</tr>
<tr>
<td>Strong</td>
<td>2.00</td>
</tr>
<tr>
<td></td>
<td>3.00</td>
</tr>
</tbody>
</table>

### Apparel & Textiles (893)
- Pottawatomie County: 16.02
- Kansas: 0.60

### Utilities (394)
- Pottawatomie County: 5.30
- Kansas: 1.39

### Industrial Machinery (111)
- Pottawatomie County: 2.97
- Kansas: 0.68

### Food Processing (272)
- Pottawatomie County: 2.73
- Kansas: 1.05

### Chemicals & Plastics (235)
- Pottawatomie County: 2.13
- Kansas: 0.97

### Agriculture (401)
- Pottawatomie County: 2.10
- Kansas: 1.79

### Transportation Services (183)
- Pottawatomie County: 2.08
- Kansas: 1.05

### Construction Manufacturers & Suppliers (1,070)
- Pottawatomie County: 1.72
- Kansas: 0.98

### Health Services (1,115)
- Pottawatomie County: 1.30
- Kansas: 1.09

### Government & Education (1,323)
- Pottawatomie County: 1.10
- Kansas: 1.10

### Wholesale (472)
- Pottawatomie County: 1.02
- Kansas: 1.07

### Retail (1,115)
- Pottawatomie County: 0.97
- Kansas: 1.05

### Business & Professional Services (934)
- Pottawatomie County: 0.66
- Kansas: 0.79

### Financial Services (225)
- Pottawatomie County: 0.64
- Kansas: 0.96

### Mass Media (91)
- Pottawatomie County: 0.58
- Kansas: 0.81

**Sources:** Dun & Bradstreet, Pottawatomie County Economic Development Corporation
Part 2: Target Industry Analysis
TARGET INDUSTRY ANALYSIS

In June 2011, AngelouEconomics presented the first of three reports that will be delivered to the Pottawatomie County Economic Development Corporation (PCEDC) as part of an economic development strategic plan. The first document, the Market Assessment, provides a broad overview of the demographic and economic trends that are taking place within the county, as well as the many assets that may be drawn upon in efforts to grow the local economy. The Market Assessment also serves as the foundation for future work including this Target Industry report.

The Market Assessment provided an assessment of Pottawatomie County’s past and current economic conditions. The Target Industry report examines where the Pottawatomie County economy might be able to go in the future. Specifically, the Target Industry report draws on a combination of quantitative and qualitative analyses to identify a selection of key industry sectors and niches that are recommended for targeting by the community in its economic development activities.

This report examines the trends and site selection requirements of each recommended target industry. Based on the analysis completed by the project team and input received from community stakeholders, these target industries represent the best opportunities for sustained success within Pottawatomie County. These target industry recommendations are firmly rooted in reality as they build upon Pottawatomie County’s existing strengths, leverage emerging opportunities within the region, and support the goals of the community. This report serves as only one component of the current project and should not be viewed as an economic development plan in and of itself. As with the Market Assessment, future project phases will build upon the Target Industry report and offer additional strategic recommendations.
At a time when thousands of communities across the U.S. are experiencing a decline in their industrial base or are witnessing whole industries relocating to other regions of the country or abroad, Pottawatomie County and the Manhattan region have been successful in attracting new opportunities for economic growth and expanding the region’s existing businesses. However, it is important for the County to understand the dynamic nature of local and regional economies and build upon recent successes in order to strengthen, diversify, and grow the local economy.

This report highlights a mix of sectors that capitalize on Pottawatomie County’s existing clusters, unique assets, location and infrastructure to strengthen key industries already present within the community, diversify into emerging industries and capitalize upon short-term and long-term opportunities for the region. Our assessment has drawn upon a combination of quantitative and qualitative analysis of the economic conditions and industrial trends in Pottawatomie County, the Manhattan region, the State of Kansas, and the United States, and has identified five target industries to be pursued by the County.

Each specific industry has unique location criteria which often determine where companies choose to locate including its workforce needs, infrastructure demands, business climate preferences, and other criteria. Although Pottawatomie County has a number of assets that may be applied to the growth and development of these industries, many opportunities exist for the County to address certain areas requiring improvement. By evaluating Pottawatomie County’s ability to support these industries and by identifying specific challenges and competitive advantages, the community will be in a better position to capitalize on the opportunities currently available to it and become a stronger base from which these industries may operate.

Executive Summary

The Target Industry Recommendations

Answer The Following Questions:

- How is the target industry defined?
- What are the national and global trends affecting this target?
- How does the target industry relate to Pottawatomie County?
- What are the industry’s site location criteria?
- Which specific industry segments (niches) are the best fit for Pottawatomie County?
- What are the top occupations nationally within these target industries?
The development of competitive clusters is a key component of economic development. Clusters develop when businesses in interrelated industries choose to locate in close proximity to take advantage of a region’s inherent advantages. These businesses then become interdependent on each other and, in the process, enhance their operating environments and ultimately grow to be more competitive on the global landscape. As this happens, company profitability rises, wages increase, and the region yields significant benefits.

For this report, we conducted a cluster analysis of Pottawatomie County to determine the relative strength and dominance of industries within the County. These clusters were analyzed to determine national and local/regional growth trends and assets that benefit the clusters that were identified. In conjunction with the community vision identified through an extensive public input process, this analysis provided a basis for the identification of target industries for Pottawatomie County.

**TARGET SELECTION PROCESS**

The project team employed a combination of quantitative and qualitative analysis to select the best target industries for the community. Our approach includes four steps, each acting as a filtering mechanism by which industries are screened for suitability for Pottawatomie County. In many ways, target industry selection is best described as target industry “elimination.” The accompanying figure illustrates the project team’s systematic process by which an industry is selected as a target.

The selection of target industries is meant to focus limited economic development resources on industries that hold the greatest potential for sustained growth; however, it is important for community leaders to understand that the selection of target industries should not be viewed as a strategy to ignore all other industries.
Target Industry Selection Process

STEP 1: WHAT CLUSTERS EXIST REGIONALLY? WHAT IS THEIR CONDITION?

Industry clusters are highly integrated groups of businesses with strong vertical and horizontal linkages. Vertical linkages include the suppliers and customers in a region that combine to create a competitive business model, whereas “horizontal” linkages include the relationships between competing companies—which often recruit from the same labor pool of talent—supporting public institutions. Clusters often mature when businesses expand their relationships with existing supplier firms in a region. As the clusters grow, additional supplier firms are attracted to the region, eventually creating a well-diversified “critical mass” of production, labor, and information.

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<tr>
<th>Industry</th>
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<th>Businesses</th>
<th>LQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apparel &amp; Textiles</td>
<td>641</td>
<td>2</td>
<td>12.73</td>
</tr>
<tr>
<td>Utilities</td>
<td>394</td>
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<td>Industrial Machinery</td>
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<td>272</td>
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</tr>
<tr>
<td>Transportation Services</td>
<td>183</td>
<td>5</td>
<td>2.30</td>
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<tr>
<td>Construction Manufacturers &amp; Suppliers</td>
<td>952</td>
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<td>1.69</td>
</tr>
<tr>
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<td>1,156</td>
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<td>1.44</td>
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<tr>
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</tr>
<tr>
<td>Retail</td>
<td>1,100</td>
<td>109</td>
<td>1.07</td>
</tr>
</tbody>
</table>

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### TOP 15 POTAWATOMIE COUNTY, KANSAS INDUSTRY CLUSTERS, 2010 (Q3)

<table>
<thead>
<tr>
<th>Cluster (Pottawatomie County Employment)</th>
<th>Pottawatomie County</th>
<th>Kansas</th>
<th>Cluster Location Quotient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apparel &amp; Textiles (641)</td>
<td>12.73</td>
<td>0.60</td>
<td>Strong</td>
</tr>
<tr>
<td>Utilities (394)</td>
<td>5.87</td>
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<td>1.13</td>
<td>1.07</td>
<td>Average</td>
</tr>
<tr>
<td>Retail (1,110)</td>
<td>1.07</td>
<td>1.05</td>
<td>Average</td>
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<tr>
<td>Government &amp; Education (969)</td>
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<td>Average</td>
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<td>Chemicals &amp; Plastics (75)</td>
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<td>Weak</td>
</tr>
<tr>
<td>Business &amp; Professional Services (934)</td>
<td>0.73</td>
<td>0.79</td>
<td>Weak</td>
</tr>
<tr>
<td>Financial Services (225)</td>
<td>0.71</td>
<td>0.96</td>
<td>Weak</td>
</tr>
<tr>
<td>Logistics &amp; Distribution (113)</td>
<td>0.62</td>
<td>1.25</td>
<td>Weak</td>
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</tbody>
</table>

Source: Dun & Bradstreet
STEP 2: DO CURRENT AND EMERGING LOCAL INDUSTRY CLUSTERS REFLECT NATIONAL INDUSTRY GROWTH TRENDS?

To provide a visual basis for the recommended sectors, the analysis on the next page has been prepared to illustrate which industry sectors have registered solid performance over the last decade, and which have declined or are at a risk to decline. Local leadership must place greater focus on economic development efforts which will (1) support investment and employment growth in emerging, private-sector driven industry clusters, (2) help to strengthen and diversify the regional economy by offering jobs at a variety of skill levels, and (3) leverage Pottawatomie County’s existing assets, facilities, infrastructure, and character.

• Pottawatomie County has cluster strength in several different industries, some of which are shrinking nationally, and some of which are growing nationally. In certain cases, a decline nationally in a particular industry may be symptomatic of industry consolidation in certain areas of the country over others and may not necessarily indicate a weakening industry.

• The industries which are growing both nationally and in Pottawatomie County include: Food Processing, Agriculture, Health Services, and Retail.

• Industries that are weak locally, but growing nationally could represent opportunities for economic development in Pottawatomie County. These industries include: Government, Business & Professional Services, Civic Enterprises, General Services, Eating/Drinking Establishments, and Hotels & Entertainment.

STEP 3: ARE THERE LOCAL ASSETS THAT GIVE SPECIFIC INDUSTRIES A COMPETITIVE EDGE?

Every community has unique strengths that companies can leverage to create competitive advantages. These strengths can include such things as tax structure, infrastructure, market proximity, and workforce skills, among others. The challenge is to identify key assets in the community and region that will support a wide range of industries to thrive, while working to improve Pottawatomie County’s “product” (e.g. infrastructure, cost of business, quality of life, etc). The location scorecard in each target industry section identifies key assets in Pottawatomie County and opportunities for improvement with regard to specific industry location requirements.
Part 2: Target Industry Analysis

POTAWATOMIE COUNTY, KS CLUSTER CONCENTRATION AND SIZE, 2000(Q1)-2010(Q3)

- Off Chart: Apparel & Textiles
  - LQ: 12.73

- Off Chart: Industrial Machinery
  - LQ: 3.29

- Off Chart: Utilities
  - LQ: 5.87

- Off Chart: Food Processing
  - LQ: 3.03

- Construction Manufacturers & Suppliers
- Chemicals & Plastics
- Transportation Services
- Transportation Equipment
- Financial Services
- Logistics & Distribution
- Industrial Supplies
- Mass Media
- Biotechnology
- Software & IT Svs.
- Aerospace & Defense
- Agriculture
- Agriculture
- Biotechnology
- Business & Prof. Svcs.
- Civic Enterprises
- Communication Services
- Material Supplies
- Retail
- Government
- Health Services
- Hotels & Entertainment
- Wholesale
- Transportation Services
- Utilities
- Food Processing

U.S. Cluster Employment Growth Rate, 2000-2010

Cluster Concentration, 2010 (Q3)

Strong Locally, Shrinking Nationally

Weak Locally, Shrinking Nationally

Strong Locally, Growing Nationally

Weak Locally, Shrinkin g Nationally

Source: Dun and Bradstreet

Pottawatomie County Economic Development Strategic Plan

Part 2: Target Industry Analysis | 78
Public opinion and community input are critical to the target industry selection process. The growth of industry clusters requires a regional effort. Regional government officials, economic developers, business leaders, and the public must be united in their vision and enthusiastic in their support to grow industry clusters that are considered a good fit for the community. This consensus and broad support is particularly critical when a community lacks a strong local concentration in a targeted cluster. The lack of cluster concentration does not rule out an industry as a target, but it does indicate that local efforts must be more focused and enhanced to successfully grow the desired industry.

During the course of our project, AngelouEconomics conducted surveys and spoke with many public and private sector leaders and community residents. Many of these leaders represented key industries currently located in Pottawatomie County. Through this public input process, we received a great deal of information regarding the types of businesses that Pottawatomie County’s residents desire to retain and attract. An online survey of Pottawatomie County residents yielded the responses in the chart to the right as the top choices for attraction or expansion.

With these steps completed, AngelouEconomics selected five target industries and corresponding niches that will provide the best mix of employment to meet community goals while being achievable within larger economic trends.
Overview of Recommended Target Industries

Upon conclusion of the target industry identification process, five industries were selected for recommendation as the focus of business retention, expansion, entrepreneurship and recruitment efforts for Pottawatomie County. These industries stood out as having the best potential for long-term economic growth, and offer Pottawatomie County numerous short-term opportunities for retention, expansion, entrepreneurship and recruitment.

The target industries are:
1. Bio-Technology
2. Healthcare & Education
3. Advanced Manufacturing
4. Agri-Business
5. Tourism & Recreation

These industries should not be thought of as individual and distinct sectors. Rather, there are a number of areas in which these industries converge and overlap. These areas of convergence present opportunities for economic growth, that, at times, can be as significant as those presented by the industries themselves. Shared supplier networks, customer base, workforce segments and complimentary assets can have the effect of strengthening a particular industry as a result of its proximity to another industry. Thus, symbiotic relationships can be developed between industries that yield a competitive advantage for the community. The industries recommended include ones that already have a strong heritage in Pottawatomie County as well as industries that are emerging nationally. Each target industry and niche has very specific infrastructure requirements, location preferences, and workforce needs that can determine where companies choose to locate.
PROPOSED POTAWATOMIE COUNTY, KS TARGET INDUSTRIES AND NICHES

- **Bio-Technology**
  - Animal Sciences Research & Development
  - Crop Sciences Research & Development
  - Bio-security

- **Healthcare & Education**
  - Direct Patient Care & Specialized Medical Services
  - Senior Care
  - Post-Secondary Education

- **Advanced Manufacturing**
  - Industrial Machinery
  - Construction Materials
  - Apparel

- **Agri-Business**
  - Feed & Livestock Production
  - Ag Services
  - Food Processing
  - Specialty Goods Production
  - Biomass

- **Tourism & Recreation**
  - Historic & Cultural Tourism
  - Ecotourism & Outdoor Recreation
  - Agri-Tourism
The target industries are broken down into three types, based on their historical presence in Pottawatomie County, their historical presence nationally, and their potential growth locally, nationally, and globally. The different types of targets are summarized here:

“Core Targets.” These are industry clusters and niches in which Pottawatomie County currently enjoys a specialization. Primary objectives include retaining and expanding these industries and ensuring a support structure exists (e.g. capital, workforce development, etc.) to grow new small business spin-offs and entrepreneurship opportunities, especially those that are built upon innovative technological applications.

“Diversification Targets.” These industry clusters are growing nationally and are a “logical next step” for Pottawatomie County, because Pottawatomie County already has a significant presence in most of these sectors and is well-suited to take advantage of opportunities provided by these industry sectors in the future. They provide a critical opportunity for Pottawatomie County to diversify its economic base in the short-term and mid-term future.

“Emerging Targets.” These are emerging industries nationwide that provide high wage job opportunities. Pottawatomie County already enjoys some specialization in most of these sectors. Pottawatomie County’s unique advantages (access to research and development at KSU, agricultural strengths, location in the heart of the nation’s top wind producing region, and the natural beauty of the County) provide unprecedented opportunities for sustained economic growth by developing industry clusters in these rapidly-growing sectors, particularly with additional support structures in place.
**Economic Development Activities**:  
- **Mature/Core Targets**  
  - Retention  
  - Expansion  
  - Entrepreneurship and Small Business Development  
- **Diversification Targets**  
  - Attraction  
  - Expansion  
  - Retention  
  - Entrepreneurship and Small Business Development  
- **Emerging Targets**  
  - Expansion  
  - Attraction  
  - Entrepreneurship and Small Business Development  
  - Retention

*Activities in bold represent primary activities. For example, retention and expansion activities are the primary activities for mature / core targets.*
Part 2: Target Industry Analysis

The following pages will provide more depth and analysis within each target industry. For each target, we identify and define the industry and niches, outline national and regional industry growth trends, identify regional assets and challenges in supporting the target industry, and discuss location criteria and industry requirements.

Importantly, this document is not meant to be an exhaustive analysis of Pottawatomie County’s strengths in the target industries, but rather, is intended to inform Pottawatomie County of the trends, nuances, and location criteria of the industries in order to better position it to recruit, retain and start up companies within the target industries.
Bio-Technology

BIO-TECHNOLOGY INDUSTRY DEFINITION
For the purposes of this study, portions of the broader Life Sciences industry have been categorized into two distinct industry clusters: 1) Bio-Technology – a collection of research, development and medical manufacturing activities, with a strong focus on plant and animal research; and 2) Healthcare & Education – which is made up of direct patient care (hospitals, nursing facilities, medical clinics) and educational services.

BIO-TECHNOLOGY INDUSTRY OVERVIEW
Bio-technology relies on the understanding or use of biological processes in order to support the development, manufacture or application of new technologies and innovations as solutions to a broad set of problems. Although the use of bio-technology is readily apparent in its application to the practice of medicine, the past decade has witnessed a surge in the use of bio-technology to address diverse issues ranging from energy, to environmental protection, to consumer product manufacturing. As a growing number of new businesses enter the field and as new innovations are more rapidly being discovered, the role that bio-technology plays within the economy will be increasingly significant. Moreover, current trends support increased areas of specialty within the field as well as more ties to outside industries. This makes bio-technology notable not only for the strong growth that it is projected to maintain but also for the impact that it is expected to have on other areas of the economy.

Additional niches found within bio-technology include medical research, medical device design and manufacture, pharmaceutical research and development, bio-agriculture, bio-energy, mobile medical devices, biomimicry, medical imaging and diagnostics, and many others. As the industry continues its rapid growth, a broader range of segments have emerged with increasing degrees of specialty, a trend that is expected to continue into the future.

The bio-technology industry relies on very high levels of investment in scientific and technological research and, as such, draws heavily from universities and other research institutions. The industry also relies on large numbers of skilled professionals and researchers – a need that will only increase with the industry’s future growth. Moreover, funding requirements within the industry are substantial, as thousands of companies and entrepreneurs that work within the industry need readily accessible venture capital, government funding, and other funding sources.

BIO-TECHNOLOGY

EMployment Sectors

<table>
<thead>
<tr>
<th>NAICS</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>3254</td>
<td>Pharmaceutical and medicine manufacturing</td>
</tr>
<tr>
<td>54138</td>
<td>Testing laboratories</td>
</tr>
<tr>
<td>54171</td>
<td>Physical, engineering and biological research</td>
</tr>
</tbody>
</table>

KANSAS SECTOR EMPLOYMENT AND WAGES
- 2010 Employment: 5,646
- 2010 Average Wages:$62,264

U.S. SECTOR EMPLOYMENT AND WAGES
- 2010 Employment: 1,006,526
- 2010 Average Wages:$95,739
NATIONAL GROWTH TRENDS

The bio-technology industry is projected to experience rapid growth in employment and wages during the coming decade. These gains are largely a result of growth in health care, treated in this study as part of a separate industry cluster (healthcare & education), as well as significant advances in technology, the nation’s continued population growth, and the aging of the Baby Boomer generation.

As a result of scientific and technological advances that have occurred over the past two decades, the portions of the bio-technology industry that are most closely linked to research and development activities and new technologies have experienced tremendous growth and are projected to experience accelerated growth in the years ahead. Initially marked by growth in pharmaceuticals, the bio-technology industry (including sectors that are beyond the scope of this analysis) has broadened considerably and has been more recently marked by stunning growth and investment in medical equipment, genetics, bioinformatics, diagnostics and other health-related technologies, each of which are producing strong impacts on the bio-technology industry.

POTTAWATOMIE COUNTY GROWTH TRENDS AND INDUSTRY OVERVIEW

Pottawatomie County has a small, but growing bio-technology sector with the potential for exponential growth in the next few years. A unique combination of assets gives Pottawatomie County a strong competitive advantage in the effort to develop a bio-technology cluster. These assets include:

- its location within the Animal Science Corridor, which extends from Columbia, Missouri to Manhattan, Kansas;
- the selection of Manhattan for establishment of the National Bio and Agro-Defense Facility (NBAF);
- KSU, with its key research strengths in agricultural sciences and bio-sciences, and the largest undergraduate animal science program in the U.S.;
- several existing bio-science firms, including start-ups (NBO3, Megastarter, MGP Ingredients, Edenspace); and
- a large amount of land available for development.

The Kansas bio-technology industry is small, but growing at a faster rate than the U.S. as a whole, doubling in total employment from 2001 to 2010 (from 2,866 to 5,646).
Bio-Technology Employment – National
Total Employment and Number of Establishments in Bio-Technology

Bio-Technology Wages – National
Total and Average Annual Wages in Bio-Technology

Source: BLS
Bio-Technology Employment – Kansas
Total Employment and Number of Establishments in Bio-Technology

Bio-Technology Wages – Kansas
Total and Average Annual Wages in Bio-Technology

Source: BLS
BIO-TECHNOLOGY RESEARCH AND DEVELOPMENT

The animal sciences and crop sciences research and development niches share many commonalities as part of the broader bio-technology research and development sector.

The bio-technology industry will continue to maintain a tremendous reliance on research and development. In addition to traditional centers of research such as universities and large research institutions, many small firms and mid-sized laboratories are important sources of new discoveries, innovations, and technologies. Bio-technology research and development focuses on the use of biological systems, living organisms, or derivatives of the two. While these products may fall into any category, the vast majority of them are currently developed for medical purposes for human health; however, the animal health subsector is growing at a much faster rate than the human health sector. Some of the most common educational backgrounds of professionals that work within this niche include genetics, biochemistry, and molecular biology.

A community may be in a position to develop a competitive advantage in the bio-technology industry by targeting firms focused primarily on research and development activities. A strong research university presence within the community is very valuable. Proximity to other regional life sciences clusters and to a skilled and educated workforce are other notable assets. Affordable and available lab space and adequate information technology (I/T) infrastructure are also important concerns for R&D firms evaluating potential locations for new facilities.

The unique characteristics and requirements of the animal sciences and crop sciences R&D niches are discussed in the following pages.
Bio-Technology: Niches

ANIMAL SCIENCES RESEARCH AND DEVELOPMENT
The animal sciences research and development niche encompasses a range of interests including animal husbandry, livestock, ecology, biological processes, emergency care, and genetic engineering. This niche includes not only firms focused exclusively on animal health, but also the animal health divisions of major human health companies. The animal sciences R&D sector is growing and diversifying rapidly with an increasing number of specializations that range from animal disease research, to animal DNA forensics, to pet food manufacturing companies. This niche also includes the analysis or use of biological systems for energy production and the study of animal anatomy, chemistry and mechanics for use in products or devices that replicate their various features through biomimicry.

As it is such a diverse niche, communities should tailor the targeting of animal sciences R&D firms to the assets of the community. For instance, a firm that specializes in marine biology is more likely to locate near major bodies of water, whereas a firm that breeds thoroughbred horses will choose to locate near ranches. The presence of a major research university is generally a strong asset for the attraction of a wide range of animal sciences R&D firms.

Pottawatomie County and the Manhattan region are in a strong position to attract firms within this niche for multiple reasons. Pottawatomie County’s location within the Animal Science Corridor is a unique marketing tool that can be leveraged to “get on the short list” of animal science firms looking to expand or establish new facilities. The exceptional animal sciences education and research programs at KSU are a strong asset that can help attract outside animal science R&D firms because of the large pool of PhD-level animal science researchers within the Manhattan region. Pottawatomie County’s strong agricultural base and its location within the broader “cattle country” region stretching from Texas to the Dakotas also make it an attractive location for animal science R&D. Continued and expanded partnerships between KSU animal science researchers and local ranchers could lead to start-up companies and groundbreaking research.
CROP SCIENCES RESEARCH & DEVELOPMENT
Just as in other areas of the bio-technology industry, rapid advances in biological discovery and innovation are having a considerable impact on agriculture and, specifically, on the application of technology to crop sciences and food production. With rising global population, the staggering growth of emerging economies and the need for more nutritious food in far greater amounts, researchers and businesses are turning to the use of technology to create new opportunities in agriculture. Examples of the technological innovation within the crop sciences research and development niche include the use of genetic engineering to add a critical nutrient to a staple food, the creation of environmentally friendly pesticides, or the development of new techniques to enhance crop production.

Firms in the food production industry rely heavily on research. Access to a university or research institution with a focus on crop sciences can be a strong asset to these firms, particularly when there is openness to collaboration. Crop sciences R&D firms typically also require a reasonable proximity to farmland in order to test or distribute their product (although, alternatively, firms involved in the emerging area of urban-agriculture may want to be near large cities). Crop sciences R&D firms focused on serving developing nations may locate in areas that allow access to supply channels, embassies, or international organizations. Communities should consider these factors when deciding how to best position themselves to support the niche.

Pottawatomie County is well-positioned to develop a crop sciences R&D cluster for many of the same reasons noted for the animal sciences R&D niche. Other assets that make Pottawatomie County an attractive location for crop sciences R&D are its high quality crop lands and soils, its abundant water supplies, and its varying topography.
**BIO-SECURITY**

Bio-security refers to the set of preventative measures designed to reduce the transmission of infectious diseases, quarantined pets, invasive alien species, and living modified organisms. With the constant evolution and spread of transmittable diseases, research and testing in bio-security is guaranteed to be a constant need in future years in order to develop methods for addressing the newest threats and outbreaks. Because of the high potential for devastating consequences across large populations of humans, animals and plants caused by transmitted diseases and agents, bio-security is likely to continue receiving strong support from both public and private sectors. For example, the 2003 Federal “BioShield” program provided $5.6 billion in funding for research that would produce effective treatments and vaccines against agents such as anthrax, botulinum toxin, ebola and plague.

The selection of Manhattan for the National Bio and Agro Defense Facility (NBAF) provides Pottawatomie County and the entire Manhattan region with an unparalleled competitive advantage in the bio-security niche. NBAF will serve as a BSL-4 (Bio Safety Level) research facility focused on:

- providing enhanced research capabilities to diagnose foreign animal, emerging and zoonotic diseases in large livestock;
- providing expanded vaccine and other countermeasure development capabilities for large livestock; and
- replacing and expanding research currently done at the Plum Island Animal Disease Center in New York.

NBAF will directly employ at least 300 highly-skilled researchers and is projected to have a $3.5 billion total economic impact in the State of Kansas over a 20-year period. NBAF is also expected to generate a substantial amount of spin-off economic activity in the form of private sector bio-technology firms focused on bio-security and animal sciences R&D. The full impact of NBAF will not be realized for many years, as the facility is expected to officially begin operations in 2018; however, Pottawatomie County and the Manhattan region should develop and implement strategies to capitalize on the unprecedented opportunities for economic development represented by NBAF.


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**Bio-Technology: Niches**

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<thead>
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<th>Functional Focus</th>
<th>Life Cycle Applicability</th>
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<td><em>Emerging / Growth</em></td>
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<tr>
<td><em>R&amp;D</em></td>
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### POTAWATOMIE COUNTY SCORECARD: BIO-TECHNOLOGY

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<th>Industry Requirements</th>
<th>Leading</th>
<th>Strong</th>
<th>Lacking</th>
<th>Weak</th>
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</thead>
<tbody>
<tr>
<td>Skilled Workforce</td>
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<tr>
<td>Entrepreneurial Environment</td>
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<tr>
<td>Available Land / Facilities</td>
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<tr>
<td>Access to Venture Capital</td>
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<tr>
<td>Proximity to Market</td>
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<tr>
<td>Institutional Research Presence</td>
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<td>Research Infrastructure</td>
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<tr>
<td>Airport Access</td>
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<tr>
<td>Cost Factors</td>
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#### Assessment Rationale

- **KSU professors and graduates are both strong assets for bio-technology firms. NBAF will also bring in hundreds of PhD-level bio-technology researchers from outside of the region. However, the existing bio-technology workforce within the region is still relatively small.**

- **There is a significant amount of existing collaboration between KSU researchers and small companies in Pottawatomie County and many small business owners within the county are involved in multiple business ventures, a sign of strong entrepreneurial spirit within the county.**

- **Pottawatomie County has a large amount of undeveloped land with good transportation access, particularly along the Highway 24 corridor. However, there are no existing bio-science facilities available for lease or industrial parks that are specifically designed for bio-technology firms.**

- **The Kansas Bioscience Authority is well-funded and has been a key driver of new investment in bio-technology start-ups and expansions in Kansas, but there is a limited amount of private venture capital in Pottawatomie County, within the Manhattan region, and throughout the state.**

- **Pottawatomie County’s location in the Animal Science Corridor provides access to many nationally significant bio-technology companies, specifically animal science companies. The county is also centrally located within the primary U.S. cattle production region.**

- **KSU is a strong research university, particularly in the fields of agricultural sciences and bio-sciences. NBAF will enhance the region’s already strong bio-technology research presence as it will be the only federal bio-security laboratory of its kind in the U.S.**

- **Pottawatomie County has good I/T and telecommunications infrastructure; however, there is no existing wet lab space for lease in Pottawatomie County.**

- **The Manhattan Airport is within a 30-minute drive, but flights are limited (only to Dallas-Fort Worth and Chicago). The nearest major airport is two hours away (Kansas City International Airport).**

- **Pottawatomie County and the Manhattan region are very competitive in overall business costs for bio-technology firms. The Manhattan region is much cheaper than larger regions with bio-technology clusters, including the Kansas City MSA and has similar or slightly higher costs compared to peer regions such as Columbia, MO or Bryan-College Station, TX.**
HEALTHCARE AND EDUCATION INDUSTRY DEFINITION
For the purposes of this study, the healthcare and education industry includes ambulatory (outpatient) health care services, hospitals, nursing and residential care facilities, and educational services.

HEALTHCARE AND EDUCATION INDUSTRY OVERVIEW
The healthcare industry is currently one of the largest in the American economy and is projected to experience rapid growth in employment and wages during the coming decade. As the industry continues to grow, a broader and more diverse range of segments have emerged with greatly increased degrees of specialization.

The healthcare industry enjoys very low cyclicality and is one of the least vulnerable to economic downturns. During the recent economic slowdown, the U.S. economy shed millions of jobs, but the healthcare industry’s total employment continued to grow in absolute numbers, and the growth was even more pronounced when compared to other industries. The regulatory environment is a significant area of interest to the healthcare industry. Changes in national healthcare policy at the federal level have recently passed and are aimed at expanding coverage to more U.S. citizens. The full impact of these changes remains to be seen and the industry will continue to maintain a strong focus on this matter.

The education industry also enjoys very low cyclicality, making it one of the most stable industries during economic downturns. The education industry was largely unaffected by the economic downturn, adding jobs each year between 2003 and 2010, growing by about 12% during the period. As the American economy continues to make the slow transition from a goods-producing, manufacturing-centric economy to a high-tech, knowledge-based economy, the education industry will continue to grow in employment and in its importance as a foundation for the broader economy.

HEALTHCARE & EDUCATION

<table>
<thead>
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<tr>
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</tr>
<tr>
<td>622</td>
<td>Hospitals</td>
</tr>
<tr>
<td>623</td>
<td>Nursing and residential care facilities</td>
</tr>
<tr>
<td>61</td>
<td>Educational services</td>
</tr>
</tbody>
</table>

KANSAS SECTOR EMPLOYMENT AND WAGES
• 2010 Employment: 293,712
• 2010 Average Wages:$37,781

U.S. SECTOR EMPLOYMENT AND WAGES
• 2010 Employment: 27,523,516
• 2010 Average Wages:$45,704


**NATIONAL GROWTH TRENDS**

Healthcare is currently the largest industry in the nation and is expected to grow by more than 24% (or 4 million jobs) through 2018 according to the Bureau of Labor Statistics. In 2009, the U.S. spent more than $2.5 trillion on healthcare, more than $8,160 per person. Healthcare expenditures have also been an increasingly hot topic in the national debate on the long-term budgetary and fiscal crises facing the U.S. The U.S. Department of Health and Human Services projects that national healthcare expenditures will rise from 17.3% of GDP in 2009 to 19.6% of GDP in 2019. As healthcare spending takes an ever-increasing portion of the GDP, that leaves less money for all other sectors, in relative terms. If policymakers decide to implement efforts to curb this spending, in support of the U.S. economy, the healthcare industry could experience a slowdown in its projected growth.

Education is also projected to undergo significant growth over the next decade, largely driven by the increasing education requirements for jobs in expanding industries. The Bureau of Labor Statistics projects that between 2008 and 2018, employment in occupations requiring postsecondary education will grow twice as fast as employment in occupations that only require on-the-job training. In addition to being a large and growing industry itself, education is a support industry, providing a trained workforce for the entire U.S. economy. Some of the fastest-growing industries such as software, bio-technology, and renewable energy, rely on the education industry for more than just training and workforce needs. Without the education industry’s billions of dollars in academic R&D expenditures, many of the new scientific breakthroughs and advanced technologies that fuel growth in these fast-growing sectors would not exist.

**POTTAWATOMIE COUNTY GROWTH TRENDS AND INDUSTRY OVERVIEW**

The healthcare and education industry is Pottawatomie County’s largest non-agriculture industry, accounting for nearly one-third of all non-agriculture employment. 10 of Pottawatomie County’s 24 largest employers are in the healthcare and education industry, including the two hospitals and five school districts within the county. Employment in the healthcare and education industry in Pottawatomie County grew by about 50% between 2001 and 2009, compared to the national growth rate of 17% and the Kansas growth rate of about 14%. Much of this growth can be attributed to Pottawatomie County’s continued strong population growth. Average wages in the Kansas healthcare and education industry are about 20% lower than the U.S. average ($37,781 in Kansas compared to $45,704 nationally).

---

**BIO-SCIENCES**

**LOCATION CRITERIA**

Assets that are important to businesses in this industry when choosing where to locate.

- Available Land/Facilities
- Existing Healthcare Providers
- Aging Population
- Population Growth
- Healthcare Training and Education Programs
- Existing Education and Research Institutions
- Skilled Healthcare Workforce
Healthcare & Education: Industry Growth

Healthcare & Education Employment – National
Total Employment and Number of Establishments in Healthcare & Education

Healthcare & Education Wages – National
Total and Average Annual Wages in Healthcare & Education

Source: BLS
Healthcare & Education Employment – Kansas
Total Employment and Number of Establishments in Healthcare & Education

Healthcare & Education Wages – Kansas
Total and Average Annual Wages in Healthcare & Education

Source: BLS
**DIRECT PATIENT CARE AND SPECIALIZED MEDICAL SERVICES**

**DIRECT PATIENT CARE**
The Direct Patient Care niche is made up of ambulatory healthcare services (which includes individual physicians, dentists and other medical services), hospitals, and nursing/residential care facilities. Currently, hospitals make up the smallest percentage of business establishments in direct patient care, but are the largest employers in the sector. Hospitals, both public and private, are expected to remain major employers and to increase employment levels in the years ahead. Home health care services are also expected to see particularly robust growth in light of the aging Baby Boomer generation as well as new technologies. The primary forces driving growth in direct patient care are continued U.S. population growth, large groups of aging citizens, and an extended life expectancy.

Community HealthCare System in Onaga and the Wamego City Hospital are two of Pottawatomie County’s largest employers and provide a strong foundation in the direct patient care niche that can be built upon. Community HealthCare System also has its headquarters in Onaga, serving a multi-county region in Northeastern Kansas.

**SPECIALIZED MEDICAL SERVICES**
The specialized medical services sector provides treatment for all types of illnesses and ailments and thus, locate in relatively close proximity to regional medical centers. Common services include chemotherapy, physical therapy, and dialysis. Services are offered in both inpatient and outpatient environments, including hospital settings, divisions of hospitals, nursing facilities, ambulatory centers, and others. Medical rehab programs address such conditions as stroke, surgical recovery, orthopedic care, sleep disorders, spinal cord injury, and numerous other ailments. Rehabilitation centers utilize physical, occupational, and speech therapy to return patients to productive activity at home or work. The rehabilitation industry promises to experience continued growth with the aging of the population and nearing retirement of the baby-boomers.

Pottawatomie County’s two existing hospitals and its location within a growing metropolitan region are two assets that can support future growth in the specialized medical services niche. Pottawatomie County is also in a position to develop a stronger presence in the specialized medical services niche as part of its function as a service center to adjacent, less populated, rural counties.
SENIOR CARE
Demographic trends are supporting a substantial focus on products and services aimed at seniors. As the Baby Boom generation continues to pass into retirement age and as new advances in medicine support higher life expectancies, the United States is bracing for a dramatic increase in the number of seniors in its population. Because of these factors, a growing niche has evolved within the healthcare industry that focuses on senior care. The activities in this sector include traditional medical care, in-home care, nursing homes, and assisted living centers. Communities with substantial numbers of seniors currently or projected to reside within them may be well positioned to support firms that focus on this niche.

Pottawatomie County will continue to have a demand for senior care facilities and services to serve its aging population. While several nursing homes and home health care businesses exist, there will be a greater need for additional senior care facilities which provide housing, health care and personal care services to seniors in need of a wide range of services, ranging from home health care, to independent living homes, to semi-independent living environments, to full-care nursing homes. Home health is a great option for seniors without a great need for physical and medical care and the desire to maintain their independence. Independent living (retirement homes) is excellent for seniors needing minor assistance with daily activities, and provides a social atmosphere. Assisted living facilities provide group activities and have staff available twenty-four hours a day, yet there is not as strong a need for medical services as in nursing homes, which provide high levels of medical care.

POST-SECONDARY EDUCATION AND TRAINING
Post-secondary education and training is primarily provided by two-year community colleges and four-year universities, and to a lesser extent, by technical/trade schools, private companies, and government agencies. Regional economies with strong post-secondary education institutions are generally more stable since they have a steady flow of graduates to fill labor needs at local employers. Furthermore, regional economies that have major research universities have a competitive advantage in targeting growth in emerging/expanding industries that are highly dependent on research such as renewable energy and bio-sciences.

The Manhattan region has a strong competitive advantage in this niche thanks to Kansas State University (KSU), which is a major research university with several nationally-ranked research and academic programs, particularly in the bio-science fields. Pottawatomie County has close connections to KSU through the thousands of KSU employees, alumni, and students that live in the county in addition to many public-private partnerships that have been formed between KSU researchers and local businesses. Despite these successes, Pottawatomie County could take a much more active role in supporting KSU and leveraging its strengths, particularly in activities related to bio-science and agricultural research. As KSU continues to expand its research and academic programs, Pottawatomie County can capitalize on its unique assets (agriculture industry, large amounts of undeveloped land, large advanced manufacturing employers) to capture growth opportunities directly or indirectly related to KSU research. The Highland Community College – Wamego satellite campus is also an important asset that can both support the growth of local industries (such as manufacturing, wineries, healthcare) and become a major economic engine in its own right.
<table>
<thead>
<tr>
<th>Industry Requirements</th>
<th>Leading</th>
<th>Strong</th>
<th>Lacking</th>
<th>Weak</th>
<th>Assessment Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing Healthcare Providers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Community Healthcare System in Onaga and Wamego City Hospital are both full-service hospitals that provide a wide range of in-patient and out-patient services and offer 24/7 emergency care.</td>
</tr>
<tr>
<td>Aging Population (Healthcare)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pottawatomie County has a relatively young population and the 55+ age cohort is growing at a slower rate (as a percentage of total population) than Kansas and the U.S. These demographic trends will dampen demand for healthcare, while enhancing demand for educational services.</td>
</tr>
<tr>
<td>Young Population (Education)</td>
<td></td>
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<tr>
<td>Population Growth</td>
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<td></td>
<td>Pottawatomie County’s population is growing faster than Kansas and the U.S. and is projected to nearly double over the next 40 years, ensuring a continued growth in demand for both healthcare and education.</td>
</tr>
<tr>
<td>Training and Education Programs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Many local healthcare providers conduct in-house CNA training/certification. Manhattan Technical College and Highland Community College (in Atchison) offer RN programs. KSU offers bachelors and graduate programs in education.</td>
</tr>
<tr>
<td>Existing Education and Research Institutions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pottawatomie County is well served by high-quality educational institutions at all levels including KSU, HCC-Wamego, St. Marys Academy and College, Manhattan Technical College, and five school districts in Pottawatomie County.</td>
</tr>
<tr>
<td>Skilled Healthcare Workforce</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Stakeholders noted significant challenges in the recruitment of some healthcare occupations, primarily lab technicians, registered nurses, and specialty physicians.</td>
</tr>
<tr>
<td>Cost Factors</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pottawatomie County and the Manhattan region have an affordable workforce, low land and construction costs, and utility costs that are about average compared to peer regions.</td>
</tr>
</tbody>
</table>
ADVANCED MANUFACTURING INDUSTRY DEFINITION
For the purposes of this study, the advanced manufacturing industry includes primarily those businesses involved in the production of high-value added, technical, or capital-intensive goods that require advanced inputs and manufacturing processes.* The outputs produced by firms involved in advanced manufacturing are very diverse and range from renewable energy components to industrial machinery.

ADVANCED MANUFACTURING INDUSTRY OVERVIEW
Manufacturing has undergone a dramatic transition in recent decades, and, particularly in the United States, this has led to significant changes as to where and how goods are produced. New technology has reshaped the capabilities of manufacturers, allowing them to support more complicated processes and production techniques while increasing speed of delivery and achieving greater efficiency and quality controls. This, in turn, has allowed many manufacturers to focus on the production of more advanced, value-added products. The increase in competition from low-cost manufacturers in developing economies abroad has had an equally dramatic effect on world manufacturing – a trend that is expected to continue well into the future. The result has been the emergence of a new breed of manufacturing recognized as the advanced manufacturing industry. In contrast to many past manufacturers who relied on massive scale and abundant labor to produce high quantities of basically uniform goods, firms involved in advanced manufacturing today require cutting-edge technology, highly skilled professionals and technicians, flexible and extremely responsive supply chains, and cooperative relationships with other firms and institutions in order to produce highly complicated and sometimes customized goods.

The changes that have occurred in the operations of manufacturers have also led to changes in the communities in which they choose to operate. Communities wishing to support this industry should be mindful of the way that these changes have affected the needs of firms in the industry and their requirements for potential sites. Increasingly, communities with an existing manufacturing base are seeking to support the transition from traditional manufacturing toward more advanced manufacturing within their local or regional economy. In this respect, it is important for communities to avoid the mistake of trying to support advanced manufacturing through means that would be more appropriate to the type of manufacturing typical of previous decades. Instead, successful communities are recognizing that, in many cases, it is necessary to adapt alongside the industry.

* The majority of NAICS sectors included in this analysis are advanced manufacturers, while some are more traditional manufacturers; however, advanced manufacturing most accurately describes the recommended target industry and the mix of sectors included in the analysis.

### ADVANCED MANUFACTURING

#### EMPLOYMENT SECTORS

<table>
<thead>
<tr>
<th>NAICS</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>315</td>
<td>Apparel manufacturing</td>
</tr>
<tr>
<td>3253</td>
<td>Agricultural chemical manufacturing</td>
</tr>
<tr>
<td>3261</td>
<td>Plastics product manufacturing</td>
</tr>
<tr>
<td>3272</td>
<td>Glass and glass product manufacturing</td>
</tr>
<tr>
<td>3273</td>
<td>Cement and concrete product manufacturing</td>
</tr>
<tr>
<td>332</td>
<td>Fabricated metal product manufacturing</td>
</tr>
<tr>
<td>333</td>
<td>Machinery manufacturing</td>
</tr>
<tr>
<td>336</td>
<td>Transportation equipment manufacturing</td>
</tr>
<tr>
<td>337</td>
<td>Furniture and related product manufacturing</td>
</tr>
</tbody>
</table>

#### KANSAS SECTOR EMPLOYMENT AND WAGES
- 2010 Employment: 83,675
- 2010 Average Wages:$54,972

#### U.S. SECTOR EMPLOYMENT AND WAGES
- 2010 Employment: 4,932,676
- 2010 Average Wages:$54,837
Part 2: Target Industry Analysis

NATIONAL GROWTH TRENDS
The technological nature of advanced manufacturing results in a continuous cycle of improvements that decrease the demand for low-skilled, low-wage labor. This is reflected in the national statistics, showing a 31% decrease in national employment between 2001 and 2010. However, there has been a parallel increase in average wages during the same period, which experienced a 34% increase over the same period of time. Advanced manufacturing will require a smaller number of workers with a more specialized skill set in the future, but it will also provide a higher compensation rate to those employees that have the appropriate qualifications.

The increased technical sophistication of the advanced manufacturing field means that there is a higher premium placed on research and technology than in traditional manufacturing sectors. As more and more countries develop manufacturing capabilities, regions that wish to remain competitive while providing quality jobs for their population must ensure that manufacturing firms are able to develop the necessary advanced technological abilities in order to be competitive at the international level. Linkages with nearby research institutions and research specialists are crucial for any region wishing to become competitive in an advanced manufacturing niche.

POTTAWATOMIE COUNTY GROWTH TRENDS AND INDUSTRY OVERVIEW
Pottawatomie County has enjoyed unparalleled success in the advanced manufacturing industry as well as in the broader manufacturing industry as a whole. Pottawatomie County’s overall manufacturing industry grew by 82% between 2001 and 2009, while the U.S. manufacturing industry declined by 28%. Manufacturing is the county’s second largest industry behind healthcare and education, accounting for over 20% of the total employment. This success has continued in recent months. In August 2011, Caterpillar Work Tools announced a major expansion to its Wamego manufacturing plant that would result in the hiring of 120 additional employees and a new 40,000 square foot building, bringing its total employment in Wamego to over 500. In addition to Caterpillar Work Tools, there are multiple smaller advanced manufacturing firms (such as R-Tech and Dymax) in Pottawatomie County that manufacture specialized industrial machinery for shipment across the U.S. and internationally. 9 of Pottawatomie County’s 24 largest employers are in the manufacturing industry (both advanced and traditional manufacturing), including the county’s largest employer, apparel manufacturer, GTM Sportswear (736 employees).

ADVANCED MANUFACTURING

LOCATION CRITERIA
Assets that are important to businesses in this industry when choosing where to locate.

- Skilled Professional Workforce
- Entrepreneurial Environment
- Capital & Funding Sources
- Infrastructure
- Access to Distribution Channels
- Available Land / Facilities
- Research Institutions
- Airport Access
### Advanced Manufacturing: Industry Growth

**Advanced Manufacturing Employment – National**

Total Employment and Number of Establishments in Advanced Manufacturing

![Graph showing employment and establishments from 2001 to 2010]

**Advanced Manufacturing Wages – National**

Total and Average Annual Wages in Advanced Manufacturing

![Graph showing total wages and average annual wages from 2001 to 2010]

Source: BLS
Advanced Manufacturing Employment – Kansas

Total Employment and Number of Establishments in Advanced Manufacturing

Advanced Manufacturing Wages – Kansas

Total and Average Annual Wages in Advanced Manufacturing
INDUSTRIAL MACHINERY
This niche is composed of manufacturing firms that are engaged in manufacturing machinery and equipment designed for use in specific manufacturing industries. The specific products that are manufactured can vary widely depending on the firm’s area of expertise. Because industrial machinery is a highly complex product, the availability of top engineering talent is crucial for companies in this sector, but they also require the presence of skilled metalworkers with basic math and technical skills. The R&D-intensive nature of this niche means that firms invest heavily in a highly-educated, professional workforce. The large size of products make it more likely for firms in this niche to locate close to their clients.

Pottawatomie County already has an enviable cluster in this niche, centered around Caterpillar Work Tools. Retention and expansion of firms in this sector should be a primary strategy, although attraction of additional firms is also a strong possibility.

CONSTRUCTION MATERIALS
While construction has been one of the hardest-hit industries during the recession, it is projected to make a comeback in the long-term, with a projected 1.2 million jobs to be added to the national economy by 2018. The high cost of transporting construction materials means that their manufacturing facilities are likely to locate close to customer bases, providing a promising job growth opportunity. Two key trends that show great promise in the field are “green” construction materials and technologies, as well as home refurbishing equipment.

Pottawatomie County’s current and projected population growth will help drive demand for construction-related manufacturing companies. Pottawatomie County is also in a good position to capitalize on the regional growth occurring in and around Manhattan by positioning itself as the premier location within the region for land-intensive new developments that require large areas of easily accessible land.

APPAREL
Apparel manufacturing, due to its high reliance on labor instead of capital-intensive processes, has experienced a dramatic shift in production from Western nations towards Asia, especially China; however, the U.S. still remains a major exporter of apparel on the world market, holding a 22% share as recently as 2006. As more of the world population joins the middle class, demand for higher quality goods will grow. In the domestic market, the “Made in America” concept has already gained appeal amongst many customers, and such products will likely exhibit strong growth as the economy weathers out of the recession. Sustainable products will also be a growing trend over the next decade.

Pottawatomie County has managed to expand its total employment in the apparel sector in recent years, thanks in large part to GTM Sportswear and McCall Patterns. This is in stark contrast to the U.S. apparel industry as a whole, which has declined by nearly 2/3 in the last decade, from about 426,000 employees in 2001 to about 158,000 employees in 2010. Retention should be the primary strategy for this niche.
**AGRICULTURE CHEMICALS & MACHINERY**

The agricultural chemicals niche includes companies that manufacture fertilizers, herbicides and insecticides, or produce fertilizer or pesticide mixtures. Demand for chemicals depends on demand for crops, which depends on relative crop prices. Successful companies in this niche are typically either those that are very large and capitalize on economies of scale, or smaller firms that create products tailored to local markets. The agricultural machinery niche refers to the manufacture of machinery such as tractors, harvesting machinery, planting/ seeding machinery, and related devices and parts. Global demand for food will likely spur moderate growth in this industry, especially in locations already boasting a comparative advantage in agriculture.

Pottawatomie County’s multiple competitive advantages in the fields of advanced manufacturing, agri-business, and bio-technology make this niche a natural target for business attraction and expansion. As with other sectors, KSU’s agricultural R&D strengths can help spur growth in this niche.

**WIND ENERGY COMPONENTS**

This niche refers to the manufacture of wind turbines and their component parts, such as gearboxes, blades, and inverters. Wind energy is an industry that has experienced explosive growth over the last few years, even during the recession, when most other sectors of the economy experienced declines. This growth is expected to continue in future years, but will remain highly dependent on federal, state and local policies and incentives that encourage investment in renewable energies. Turbines and turbine components have very large shipping costs, and while many parts are imported from foreign markets today, it is expected that manufacturers and wind farm developers will attempt to cut costs in the near future by using more domestic suppliers. Advanced engineering degrees are in high demand in this field, as is a “green-friendly” location and high quality of life.

Although there are no existing wind energy component manufacturers in Pottawatomie County, multiple factors make this niche an attractive target for future growth opportunities. Pottawatomie County’s large advanced manufacturing workforce is a key asset for any wind energy manufacturer looking to establish a new plant. Pottawatomie County is centrally located in the “wind belt”, the top wind energy generating region in the U.S., that stretches from the Texas Panhandle and Western Kansas to Iowa and Minnesota. There may be opportunities for Pottawatomie County to attract a wind energy component manufacturer that partners with other component manufacturers with existing facilities in Kansas or surrounding states.
## POTTAWATOMIE COUNTY SCORECARD: ADVANCED MANUFACTURING

<table>
<thead>
<tr>
<th>Industry Requirements</th>
<th>Leading</th>
<th>Strong</th>
<th>Lacking</th>
<th>Weak</th>
<th>Assessment Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skilled Professional Workforce</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pottawatomie County has a large, skilled advanced manufacturing workforce relative to its overall population; however, there are clear deficiencies in key occupations such as welders, machinists, and professional truck drivers.</td>
</tr>
<tr>
<td>Entrepreneurial Environment</td>
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<td></td>
<td>Pottawatomie County has a strong entrepreneurial environment. The highly technological, innovative nature of many local advanced manufacturing employers helps to support and drive this entrepreneurial spirit.</td>
</tr>
<tr>
<td>Capital &amp; Funding Sources</td>
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<td></td>
<td>There is a limited amount of seed and start-up capital available in Pottawatomie County and the Manhattan region.</td>
</tr>
<tr>
<td>Infrastructure</td>
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<td>Pottawatomie County generally has adequate water, electricity, and roadway infrastructure for advanced manufacturing firms; however, a notable deficiency is Highway 99 between Wamego and IH-70, which is narrow and unsafe for oversized vehicles.</td>
</tr>
<tr>
<td>Access to Supply &amp; Distribution Channels</td>
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<td></td>
<td>Pottawatomie County has a diverse advanced manufacturing base, with multiple subsectors of the broader advanced manufacturing industry represented locally. The central U.S. location is a strong asset for advanced manufacturing firms. Limited rail access is a disadvantage.</td>
</tr>
<tr>
<td>Available Land / Facilities</td>
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<td></td>
<td>Pottawatomie County has two industrial parks with shovel-ready sites in addition to large amounts of undeveloped land that is easily accessible, particularly along the Highway 24 corridor.</td>
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<tr>
<td>Research Institutions</td>
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<td></td>
<td>KSU offers several nationally-ranked academic programs that are critical to advanced manufacturing firms including atomic physics (#13 in U.S.), statistics (#62), chemistry (#83), physics (#85), and math (#89). The Advanced Manufacturing Institute in Manhattan is also an important asset.</td>
</tr>
<tr>
<td>Airport Access</td>
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<td></td>
<td>The Manhattan Airport is within a 30-minute drive, but flights are limited (only to Dallas-Fort Worth and Chicago). The nearest major airport is two hours away (Kansas City International Airport).</td>
</tr>
<tr>
<td>Cost Factors</td>
<td></td>
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<td></td>
<td>Pottawatomie and the Manhattan region are very competitive in terms of business costs for advanced manufacturing firms. The region has an affordable labor force, low land and construction costs, and low transportation costs due to its central U.S. location. Utility costs and property taxes in the region are about average compared to peer regions.</td>
</tr>
</tbody>
</table>
AGRI-BUSINESS INDUSTRY DEFINITION
For the purposes of this study, the agri-business industry includes businesses involved in agriculture or related activities, such as feed and livestock production, specialty goods production, food manufacturing, and beverage manufacturing.

AGRI-BUSINESS INDUSTRY OVERVIEW
According to the 2010 Rabobank Annual North American Food and Agribusiness Outlook, “The world of agri-business is rapidly changing. Increasing demand for food, growth of noncommercial investment in commodity markets, a turbulent financial market, and changing consumer behavior has altered the agricultural landscape. However, despite these current uncertainties, it is likely that opportunities will persist.” The agri-business industry has been strongly impacted during the global economic recession. Production oversupply and the resulting decline in prices, the changing nature of consumer demand, the sharp rise in input prices necessary to increase production, and the tightening world credit market combined to create significant challenges for agriculture. However, commodity prices have risen dramatically in recent years, and the outlook for the agriculture industry has improved considerably with expectations for a number of growth opportunities.

Much of the growth in the agri-business industry over the next decade will be led by the transition to environmental sustainability, which is expected to create millions of jobs globally in the fields of sustainable agriculture and bio-fuel production. Sustainable agriculture relies on local, small-scale, organic farming methods, translating into a much larger labor force compared to large-scale farming and ranching operations. Rapid economic growth and increased demand for food products (particularly meat products) in developing countries, primarily from the BRIC countries (Brazil, Russia, India, and China), will also drive growth in this industry. The U.S. agri-business industry is well-positioned to capitalize on this growth thanks in large part to the dozens of universities with strong academic research and development programs focused specifically on agricultural sciences.

### EMPLOYMENT SECTORS

<table>
<thead>
<tr>
<th>NAICS</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>111</td>
<td>Crop production</td>
</tr>
<tr>
<td>112</td>
<td>Animal production</td>
</tr>
<tr>
<td>115</td>
<td>Support activities for agriculture and forestry</td>
</tr>
<tr>
<td>311</td>
<td>Food manufacturing</td>
</tr>
<tr>
<td>3121</td>
<td>Beverage manufacturing</td>
</tr>
</tbody>
</table>

### KANSAS SECTOR EMPLOYMENT AND WAGES
- 2010 Employment: 40,748
- 2010 Average Wages:$38,510

### U.S. SECTOR EMPLOYMENT AND WAGES
- 2010 Employment: 2,694,590
- 2010 Average Wages:$35,246
NATIONAL GROWTH TRENDS
Total employment in agri-business has been fairly steady in the U.S. in the past decade, and future projections predict that total employment in the industry will continue this trend of stability. Average wages in agribusiness have increased during this period, rising by about 27%. It is important to note that average wages within this industry vary by subsector. Jobs in agri-business tend to pay somewhat less than those in related industries, such as manufacturing, finance, and other agri-business support activities.

An important trend in the agri-business industry is the transition to environmental sustainability, which is expected to create millions of jobs globally in the fields of sustainable agriculture and biofuel production. Sustainable agriculture relies on local, small-scale, organic farming methods, translating into a much larger labor force. There are also increased opportunities in combining agriculture and energy production through the emerging biomass industry, providing farmers of crops such as corn with alternative revenue streams.

POTTAWATOMIE COUNTY GROWTH TRENDS AND INDUSTRY OVERVIEW
Pottawatomie County has multiple competitive advantages that make the agri-business industry a promising source of potential future economic growth. Pottawatomie County sits in a multi-state region (including parts of Iowa, Nebraska, Missouri, and Kansas) that has some of the most productive agricultural farmlands in the world. It is also in the middle of one of the top cattle-producing regions in the world (including parts of North and South Dakota, Nebraska, Kansas, Colorado, Oklahoma, and Texas). Pottawatomie County has an ideal geographical location for agri-business firms whose primary function is to produce or distribute goods to the U.S. market because it is situated between the geographical center of the U.S. (Lebanon, KS) and the nation’s mean center of population (Plato, MO).

Pottawatomie County has a strong existing support infrastructure of industries related to agri-business such as ag services, finance, and manufacturing, which is an advantage in attracting new agri-business firms. KSU, which is ranked in the top 25 universities in the U.S. for agricultural sciences R&D investments, is also a major regional asset that can help support growth in Pottawatomie County’s agri-business industry. Pottawatomie County’s strong entrepreneurial culture, as evidenced by the fact that many local farmers and ranchers are involved in other business ventures, is another strongpoint that can be built upon by targeting the local production of more high-value, specialty goods.
Part 2: Target Industry Analysis

**Agri-Business: Industry Growth**

**Agri-Business Employment – National**
Total Employment and Number of Establishments in Agri-Business

**Agri-Business Wages – National**
Total and Average Annual Wages in Agri-Business

Source: BLS
Agri-Business Employment – Kansas
Total Employment and Number of Establishments in Agri-Business

Agri-Business Wages – Kansas
Total and Average Annual Wages in Agri-Business
**FEED & LIVESTOCK PRODUCTION**

The feed and livestock production sector includes is made up of businesses engaged in the production, packaging, and distribution of animal feed and livestock products. This sector is very important to regional economies and to the agri-business industry as a whole. In contrast to the image of the small family farm that may be common, a great number of businesses engaged in this niche maintain very elaborate operations and utilize sophisticated technology throughout production. Common requirements for firms in the feed and livestock production sector include: locations with favorable soil and climate conditions for the products being produced, access to suppliers, the availability of affordable labor, and access to distribution channels.

Pottawatomie County’s location within a growing metropolitan region in the nation’s farming and ranching “Heartland” makes it a prime target for feed and livestock production firms. Pottawatomie County’s ability to sustain and build upon existing relationships between local agri-business firms and KSU agricultural science researchers will help determine the long-term success of its agri-business industry and the many opportunities that exist for Pottawatomie County to capitalize on its historical agricultural strengths.

**FOOD PROCESSING**

The food processing niche includes firms engaged in the production of various food products that require processing and packaging. These goods are generally considered value-added items due to the additional inputs or processing that is required to ready a product for delivery to market. Firms in this niche may include packaged food producers, distilleries, wineries, dairy producers, and meat processors. Businesses in this niche typically seek locations that offer affordable utilities, abundant and affordable labor, proximity to suppliers, and access to distribution channels.

Pottawatomie County has some unique assets and emerging industry clusters that, if better connected, could help support the successful development of an agri-business industry cluster, with a strong focus on food processing. For example, there are now three wineries in Pottawatomie County, which can help support the local tourism industry as well as contributing to the establishment of a stronger food processing cluster. Another example of the inter-connectedness of emerging industries related to food processing is the nascent bio-technology industry in Pottawatomie County, which includes firms focused on different aspects of the animal science R&D sector, such as NBO3 Technologies and Mega-Starter. These bio-technology R&D firms are key assets that can become part of the support infrastructure to attract and expand larger food processing plants to Pottawatomie County.

**AG SERVICES**

The ag services niche includes firms engaged various support activities related to agri-business including sectors that support agri-business such as ag equipment suppliers, banks, and utility providers. This niche is a critical component of the agri-business industry because it provides the support structure that enables agri-business firms to operate successfully. Pottawatomie County has a strong existing ag services sector that supports the broader agri-business industry within the region. There may be untapped opportunities within this niche that can spur further growth in other niches, particularly in feed and livestock production and specialty goods production.
SPECIALTY GOODS PRODUCTION
As the production of many agricultural goods has come to be dominated by large corporate operations, many smaller farms are turning to the production of higher-value specialty goods ranging from wine and avocados to bison and Christmas trees. These products generally require more care and cultivation and, ordinarily, are capable of supporting higher prices and margins. Often tied to the operation of specialty farms is the incorporation of various recreation or tourism-oriented services such as wine tours or sport hunting. Location decisions will usually be tailored to the needs of the crop (and, similarly, the crop to the location). For businesses that require support through tourism or recreation, the most favorable locations are scenic regions with predictable weather patterns and proximity to major population centers and various transportation options.

Pottawatomie County and the greater Flint Hills region has the unique combination of scenic beauty and highly productive farmland/ranchland. There are a wide range of complementary opportunities for both higher-value specialty goods production and scenic tourism and recreation in Pottawatomie County. Specialty goods production often does not require large areas of land, which can help local agri-business owners experiment with a specialty good while continuing to focus the majority of their land and resources on the production of their primary goods.

BIOMASS
Biomass refers to plant matter grown to generate electricity or produce heat. Industrial biomass can be derived from a variety of different plants, such as switchgrass, hemp, corn, willow, sugarcane, and palm oil. The biomass industry is one of the most R&D-intensive sectors of the agri-business industry and also one of the most promising sectors in terms of growth potential. The demand for biofuel-producing crops is expected to continue increasing, especially in countries with emissions targets such as EU member states, while the demand for wheat crop and rice is expected to stagnate or even decrease slightly. The primary selection factor for players in this industry is the availability of the necessary crop in a region, or at least natural conditions conducive to its growth. Proximity to firms that convert biomass into energy is also an important asset, as is an affordable workforce skilled in modern agricultural techniques.

Pottawatomie County already has a significant presence within the emerging biomass industry. Pioneering biomass firms such as Edenspace and MGP Ingredients have operations in Pottawatomie County. Pottawatomie County’s emerging strengths in the biomass niche as well as the related bio-technology industry can be combined with the strong agricultural heritage and the agricultural science R&D investments at KSU to create a supportive environment for the development of a biomass industry cluster.
## POTTAWATOMIE COUNTY SCORECARD: AGRI-BUSINESS

<table>
<thead>
<tr>
<th>Industry Requirements</th>
<th>Leading</th>
<th>Strong</th>
<th>Lacking</th>
<th>Weak</th>
<th>Assessment Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conducive Climate &amp; Natural Resources</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pottawatomie County is located within a multi-state region that has some of the most productive farming and ranching lands in the world. Most of the county is ideal for small and large-scale agri-business; however, Manhattan’s continued expansion could threaten some agricultural areas.</td>
</tr>
<tr>
<td>Available Workforce</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>KSU’s agricultural science program provides the region with a large, highly-skilled agri-business workforce. Also, a many of Pottawatomie County’s residents are experienced in agri-business because of the dominant role that agriculture has played in the county’s history.</td>
</tr>
<tr>
<td>Capital &amp; Funding Sources</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pottawatomie County has a strong network of local banks that provide traditional funding for many industries; however, start-up and seed capital is limited within Pottawatomie County and the Manhattan region.</td>
</tr>
<tr>
<td>Infrastructure</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pottawatomie County has adequate water, electricity, and roadway infrastructure for agri-business firms; however, a notable deficiency is Highway 99 between Wamego and IH-70, which is perceived as narrow and unsafe.</td>
</tr>
<tr>
<td>Proximity to Suppliers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pottawatomie County is centrally located within the largest supplier region for the U.S. agri-business industry. These suppliers are primarily corporate farms, ranches, and feedlots, which are heavily concentrated in the area stretching from Texas to North Dakota and Minnesota.</td>
</tr>
<tr>
<td>Access to Distribution Channels</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pottawatomie County’s central U.S. location and proximity to IH-70 provide convenient access to entire U.S. Pottawatomie County is also within a 5-hour drive of multiple large metropolitan areas including Kansas City, Wichita, Lincoln, Omaha, Des Moines, Tulsa, and Oklahoma City.</td>
</tr>
<tr>
<td>Proximity to University</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>KSU’s agricultural science R&amp;D investments are ranked 25th in the U.S. with about $58 million in 2009. KSU has many strong ties to Pottawatomie County in addition to agri-business R&amp;D partnerships including thousands of residents that are KSU employees, alumni, and students.</td>
</tr>
<tr>
<td>Entrepreneurial Environment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pottawatomie County has a strong entrepreneurial environment. A large percentage of Pottawatomie County’s farmers and ranchers are involved in the ownership or management of multiple business ventures, many of which are not directly related to agriculture.</td>
</tr>
<tr>
<td>Cost Factors</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pottawatomie County and the Manhattan region have a lower business cost structure for agri-business firms than most larger regions, but have higher costs than most peer regions and even some larger regions (including Omaha, NE). The region’s most significant cost advantage is its location in the nation’s agricultural heartland.</td>
</tr>
</tbody>
</table>
Tourism & Recreation

TOURISM INDUSTRY DEFINITION
For the purposes of this study, the tourism industry includes businesses that serve or cater to travelers or visitors and firms that provide support to other businesses serving these individuals. This includes tour operators, museums, and related amusement and recreation industries, hotels, and restaurants.

TOURISM INDUSTRY OVERVIEW
The tourism industry is central to the economies of many communities and regions. Frequent visitation by tourists, shoppers and business travelers, can be the source of significant amounts of revenue for community businesses and of taxes for the community itself. Many locations rely on tourism for the support of their businesses and for the employment of their residents. Other communities seek to establish themselves as attractive destinations and work to support the presence of the tourism industry as a growth strategy or as a means of diversifying the local economy.

The tourism industry seeks new and innovative ways of entertaining visitors through cultural experiences, unique museums, live music and shows, or other attractions. In recent years, new segments of the tourism industry have emerged including health tourism, eco-tourism, and agri-tourism. Although this industry offers low wages, it does provide employment opportunities for low-skilled individuals and contributes significantly to a community’s tax base. The more tourists a community can attract, especially from outside the immediate region, the more visibility and recognition the community will receive, which can help create a positive brand that can be marketed and leveraged to attract firms in other industries.

<table>
<thead>
<tr>
<th>NAICS</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>487</td>
<td>Scenic and sightseeing transportation</td>
</tr>
<tr>
<td>712</td>
<td>Museums, historical sites, zoos and parks</td>
</tr>
<tr>
<td>7139</td>
<td>Other amusement and recreation industries*</td>
</tr>
<tr>
<td>721</td>
<td>Accommodation</td>
</tr>
<tr>
<td>722</td>
<td>Food services and drinking places</td>
</tr>
</tbody>
</table>

KANSAS SECTOR EMPLOYMENT AND WAGES
• 2010 Employment: 113,462
• 2010 Average Wages:$13,195

U.S. SECTOR EMPLOYMENT AND WAGES
• 2010 Employment: 12,663,097
• 2010 Average Wages:$17,683

* Does not include gambling and amusement/theme parks.
Part 2: Target Industry Analysis

Tourism & Recreation

NATIONAL GROWTH TRENDS
Total employment in the tourism and recreation industry grew steadily from 2001 to 2008, but declined during the recent economic downturn and has remained essentially flat since 2009. A number of trends and events are currently affecting the tourism industry. The effects of the recent recession continue to limit tourism in many parts of the country, as individuals with less disposable income and businesses working under tighter budgets tend to travel less frequently and spend less money during trips than in previous years. However, as the economy improves, it is likely that tourism activity will also increase. Changes in the travel industry have also affected the tourism industry in recent years. Recent changes and M&A activity among airlines, for instance, have (and will continue to have) an impact on destinations served and the frequency of flights. Other new developments in the industry, such as the emerging importance of travel websites, have had a significant impact over the past decade on the way people travel. Similarly, changes in the ease of travel (i.e. fuel expenses, security requirements, etc.) have also had an impact on the tourism industry.

POTTAWATOMIE COUNTY GROWTH TRENDS AND INDUSTRY OVERVIEW
Tourism has not been a significant part of Pottawatomie County’s economy, which has historically been driven primarily by agriculture, manufacturing, and healthcare and education. In recent years, the potential for a thriving tourism and recreation industry has begun to be uncovered based on the success of new ventures such as the OZ Museum and Oz Winery. The opportunities to grow a tourism industry in Pottawatomie County remain largely untapped. The scenic beauty of the Flint Hills, the multiple water sources (Tuttle Creek Reservoir, Kansas River, Big Blue River), and the strong historical and agricultural heritage are all distinctive advantages that can be supported and integrated in order to develop a successful tourism and recreation industry that is based on Pottawatomie County’s unique qualities.

LOCATION CRITERIA
Assets that are important to businesses in this industry when choosing where to locate.

- Affordable Workforce
- Natural Assets
- Historic & Cultural Assets
- Proximity/Convenience to Population Centers
- Entrepreneurial Environment
- Infrastructure
- Brand
- Destinations
Tourism & Recreation Employment – National
Total Employment and Number of Establishments in Tourism & Recreation

Tourism & Recreation Wages – National
Total and Average Annual Wages in Tourism & Recreation
Tourism & Recreation: Industry Growth

Part 2: Target Industry Analysis

Tourism & Recreation Employment – Kansas
Total Employment and Number of Establishments in Tourism & Recreation

Tourism & Recreation Wages – Kansas
Total and Average Annual Wages in Tourism & Recreation

Source: BLS
HISTORIC AND CULTURAL TOURISM
For many communities, the primary local assets that attract visitors include certain cultural institutions such as museums, opera houses, concert venues and regional cuisine or fine dining, as well as various historical sites or buildings that are present in the area. This portion of the industry can be highly important to a community or region’s economy and drives much of the tourism that takes place throughout the world. Communities that wish to draw upon local historic and cultural assets should develop a strategy that promotes these features in a manner that will be best received by the target market for the community. The community should develop strategies to draw businesses or other attractions to the areas around these historic and cultural assets that compliment them, support their success and present more opportunities for the local economy to benefit from visitors attracted by these assets.

Pottawatomie County has a strong historical and cultural heritage, including some of the most well-kept portions of the Oregon Trail and the childhood home of Walter P. Chrysler. The OZ Museum has been a success story and has helped spur the development of other Oz-related businesses (Oz Winery, Toto’s Tacos). There are many opportunities to expand upon these impressive assets, either by developing complementary historic and cultural destinations or by increasing access to existing destinations.

<table>
<thead>
<tr>
<th>Functional Focus</th>
<th>Life Cycle Applicability</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Service</td>
<td>• Growth / Mature</td>
</tr>
<tr>
<td>• Sales / Marketing</td>
<td></td>
</tr>
</tbody>
</table>
ECOTOURISM & OUTDOOR RECREATION

ECOTOURISM
The International Tourism Society defines ecotourism as “responsible travel to natural areas that conserves the environment and improves the well-being of local people.” Its activities are meant to minimize environmental impacts, build environmental and cultural awareness and respect, provide positive experiences for both visitors and guests, provide direct financial benefits for conservation, and provide financial benefits and empowerment for local people.

OUTDOOR RECREATION
Outdoor recreation remains one of the most significant niches of the tourism industry and is particularly appealing to young individuals and families. Communities that are situated in close proximity to an attractive outdoor recreation spot (e.g., lake, mountains, beach, state or national park, etc.) can often support strong tourism activity centered around a key natural asset. Different attractions will tend to draw different groups and so it is important for communities to determine what markets or groups would be most attracted to the outdoor spots in the area. This can help communities to determine what activities these visitors are most likely to demand, to position the community in a way that best caters to these visitors and to attract businesses that will be in the best position to support these types of activities.

With the unique scenic beauty of the Flint Hills, the Tuttle Creek Reservoir, and the Kansas and Big Blue Rivers, Pottawatomie County is well-positioned to support businesses in the ecotourism and outdoor recreation niche.

AGRI-TOURISM
Agri-tourism is an emerging sector involving vacations on farms or ranches where visitors can take part in farming or ranching activities. The types of activities range from wine tasting, farm tours, picking fruit, feeding animals, riding horses, attending agricultural festivals, and planting crops. The idea is to attract visitors to areas primarily used for agricultural purposes. The Small Farm Center at the University of California-Davis defines agri-tourism as “the act of visiting a working farm or any agricultural, horticultural, or agri-business operation for the purpose of enjoyment, education, or active involvement in the activities of a farm or operation.” It is important for agri-tourism businesses to have something for visitors to see, something for visitors to do, and something for visitors to buy. Agri-tourism enables farmers to diversify their products and realize additional sources of income.

Pottawatomie County’s strong agricultural heritage, particularly its reliance on small family farms, can be leveraged concurrently with its natural assets to develop a presence in the agri-tourism niche.
# Pottawatomie County Scorecard: Tourism & Recreation

<table>
<thead>
<tr>
<th>Industry Requirements</th>
<th>Leading</th>
<th>Strong</th>
<th>Lacking</th>
<th>Weak</th>
<th>Assessment Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affordable Workforce</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pottawatomie County has a relatively affordable workforce; however, there are a limited amount of workforce housing options, forcing many low-wage workers to live outside of Pottawatomie County.</td>
</tr>
<tr>
<td>Natural Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Situated in the Flint Hills region of Northern Kansas, Pottawatomie County is a scenic area. The Blue River and Kansas River are also strong natural assets.</td>
</tr>
<tr>
<td>Historic &amp; Cultural Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pottawatomie County has an intriguing historical and cultural heritage, including some of the most well-preserved sections of the Oregon Trail in the U.S. Recent efforts to capitalize on these assets include the success of the OZ Museum and other OZ-related businesses.</td>
</tr>
<tr>
<td>Proximity/Convenience to Population Centers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pottawatomie County is within a 5-hour drive of Kansas City, Wichita, Lincoln, Omaha, Des Moines, Tulsa, and Oklahoma City. Limited air travel options are available in Manhattan. Its location not immediately on an Interstate Highway is a slight disadvantage.</td>
</tr>
<tr>
<td>Entrepreneurial Environment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pottawatomie County has a strong entrepreneurial environment.</td>
</tr>
<tr>
<td>Tourism Infrastructure</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pottawatomie County has adequate roadway, water, and utility infrastructure for tourism-related business; however, there is a limited amount of hotels and high-quality restaurants.</td>
</tr>
<tr>
<td>Brand</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pottawatomie County does not have a strong, recognizable brand.</td>
</tr>
<tr>
<td>Destinations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pottawatomie County has several attractive tourist destinations throughout the county (Tuttle Creek Reservoir, Oregon Trail, OZ Museum, Flint Hills, etc.), but is lacking a single major destination or a concentrated cluster of inter-related destinations.</td>
</tr>
</tbody>
</table>
| Cost Factors                           |         |        |         |      | Pottawatomie County’s strongest cost advantages specific to the tourism and recreation industry are its affordable labor force and low land and construction costs.}
KEY OCCUPATIONS IN TARGET INDUSTRIES

A critical aspect of further developing these industry opportunities in Pottawatomie County is the cultivation of a pool of talent with the appropriate skills for firms to be competitive. This section identifies the specific growing occupations of each of the five target industries selected and highlights the current concentration of these occupations within the Manhattan metropolitan region. The data provides an understanding of what jobs will continue to be in demand and how economic and workforce development efforts can support the future economic development goals through job training and education.

METHODOLOGY

Occupational information in this section was gathered from a combination of both the Bureau of Labor Statistics and ONET OnLine. Much of the findings are based on occupational location quotients which quantify both how concentrated a particular occupation is in a particular industry as well as what makes the Manhattan region’s occupational mix unique in comparison to the national average. Occupational data from the Bureau of Labor of Statistics is provided at the MSA level.

TOP OCCUPATIONS IN DEMAND IN THE U.S.

In the following pages are the top occupations “In Demand” in the U.S per target industry sector. “In Demand” occupations are those that meet two criteria:

1. Occupations that are projected to grow over the next 8-10 years nationally.
2. Occupations that have a high occupational LQ (above 1.0) within a sector; meaning the occupation is heavily concentrated within that specific industry nationwide. For example, soil and plant scientists have an occupational LQ of 28.10 within the bio-technology industry. This indicates that soil and plant scientists are 28.10 times more concentrated within the bio-technology industry than in the U.S. economy as a whole.
### Occupations and Competencies

#### Key Occupations in the Bio-Technology Industry

<table>
<thead>
<tr>
<th>Occupational Title</th>
<th>Concentration within the industry</th>
<th>2008 - 2018 U.S. Growth Percentage</th>
<th>Avg. Annual Wages in U.S.</th>
<th>Manhattan MSA Occupations (Local Concentration)</th>
<th>% with Bachelor’s Degree</th>
<th>Education and Training Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Soil and Plant Scientists</td>
<td>14.4%</td>
<td>16.3%</td>
<td>$35,350</td>
<td>$57,940</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Food Scientists and Technologists</td>
<td>24.8%</td>
<td>15.3%</td>
<td>$65,940</td>
<td>$99,030</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Environmental Science and Protection Technicians, Including Health</td>
<td>18.4%</td>
<td>28.9%</td>
<td>$29,380</td>
<td>$75,410</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Printing and Blending Machine Setters, Operators, and Tenders</td>
<td>13.1%</td>
<td>15.5%</td>
<td>$53,600</td>
<td>$93,300</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Mechanical Engineers</td>
<td>12.4%</td>
<td>6.0%</td>
<td>$53,600</td>
<td>$93,300</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Environmental Scientists and Specialists, Including Health</td>
<td>9.2%</td>
<td>27.9%</td>
<td>$53,600</td>
<td>$93,300</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Architectural and Engineering Managers</td>
<td>6.2%</td>
<td>6.2%</td>
<td>$106,040</td>
<td>$157,300</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Logistics</td>
<td>4.3%</td>
<td>19.6%</td>
<td>$53,600</td>
<td>$93,300</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Compliance Officers</td>
<td>4.1%</td>
<td>31.1%</td>
<td>$53,600</td>
<td>$93,300</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Computer and Information Systems Managers</td>
<td>4.1%</td>
<td>16.9%</td>
<td>$73,360</td>
<td>$106,040</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Civil Engineering Technicians</td>
<td>4.1%</td>
<td>16.9%</td>
<td>$73,360</td>
<td>$106,040</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Medical and Clinical Laboratory Technicians</td>
<td>3.8%</td>
<td>16.1%</td>
<td>$53,600</td>
<td>$93,300</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Marketing Managers</td>
<td>20.4%</td>
<td>12.9%</td>
<td>$53,600</td>
<td>$93,300</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products</td>
<td>3.3%</td>
<td>12.9%</td>
<td>$53,600</td>
<td>$93,300</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Purchasing Agents, Except Wholesale, Retail, and Farm Products</td>
<td>3.2%</td>
<td>12.9%</td>
<td>$53,600</td>
<td>$93,300</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Business Operations Specialists, All Other*</td>
<td>2.9%</td>
<td>11.5%</td>
<td>$53,600</td>
<td>$93,300</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Executive Secretaries and Executive Administrative Assistants</td>
<td>2.5%</td>
<td>12.8%</td>
<td>$53,600</td>
<td>$93,300</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Construction and Building Inspectors</td>
<td>2.4%</td>
<td>16.8%</td>
<td>$53,600</td>
<td>$93,300</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Production, Planning, and Expediting Clerks</td>
<td>2.4%</td>
<td>16.8%</td>
<td>$53,600</td>
<td>$93,300</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Management Analysts</td>
<td>2.2%</td>
<td>23.9%</td>
<td>$53,600</td>
<td>$93,300</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Industrial Machinery Mechanics</td>
<td>2.1%</td>
<td>7.3%</td>
<td>$39,130</td>
<td>$52,460</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Public Relations and Fundraising Managers</td>
<td>1.9%</td>
<td>12.9%</td>
<td>$39,130</td>
<td>$52,460</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Medical and Clinical Laboratory Technicians</td>
<td>1.8%</td>
<td>11.9%</td>
<td>$52,460</td>
<td>$52,460</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Administrative Services Managers</td>
<td>1.7%</td>
<td>12.3%</td>
<td>$52,460</td>
<td>$52,460</td>
<td>39.7%</td>
<td>Bachelor’s degree</td>
</tr>
</tbody>
</table>

**Sources:** BLS Occupational and Employment Statistics; ONET Online

### Occupational Areas of Focus

This section provides a regional occupational snapshot, highlighting occupations within each target industry that are in demand nationally and identifies how the Manhattan region “measures up” in terms of its current concentration of those jobs.

The following pages are organized by target industry and each chart summarizes eight key data points. Figure 27 provides an example:

1. **The Top Twenty-five In-Demand Occupations** - As identified in the previous page, these are occupations within a particular industry that have a high occupational LQ and are projected to grow nationally.

2. **Average annual wages** - for that particular occupation in the Manhattan MSA.

3. **The Manhattan MSA Makeup of “In-Demand” Occupations** - The Manhattan MSA’s current occupational concentration in each of the top twenty-five “In-Demand” Occupations. An LQ of higher than 1 means the Manhattan MSA has a higher concentration of a particular occupation than the U.S. as a whole, and thus a competitive strength.

4. **% with Bachelor’s Degree** - for that particular occupation.

5. **Education and Training Requirements** - for that particular occupation.

6. **Workforce Priority Area** - These are occupations that are “In-Demand” nationally and pay a wage higher than the 2008 Manhattan Region average wage of $35,550.
## Key Occupations in the Bio-Technology Industry

<table>
<thead>
<tr>
<th>Occupational Title</th>
<th>Concentration within the industry</th>
<th>2008 - 2018 U.S. Growth (Projection)</th>
<th>Avg. Annual Wages in Manhattan MSA (2008)</th>
<th>Manhattan MSA Make-up of “In Demand” Occupations (Local Occupational Concentration)</th>
<th>% with Bachelor’s Degree</th>
<th>Education and Training Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Soil and Plant Scientists</td>
<td>28.1%</td>
<td>18.5%</td>
<td>$39,950</td>
<td>5.41</td>
<td>79%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Food Scientists and Technologists</td>
<td>24.8%</td>
<td>16.3%</td>
<td>$35,300</td>
<td>8.35</td>
<td>79%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Environmental Science and Protection Technicians, Including Health</td>
<td>18.4%</td>
<td>28.9%</td>
<td>$65,940</td>
<td>0.00</td>
<td>43%</td>
<td>Associate degree</td>
</tr>
<tr>
<td>Mixing and Blending Machine Setters, Operators, and Tenders</td>
<td>13.1%</td>
<td>15.5%</td>
<td>$29,380</td>
<td>0.00</td>
<td>5%</td>
<td>Moderate-term on-the-job training</td>
</tr>
<tr>
<td>Mechanical Engineers</td>
<td>12.1%</td>
<td>6.0%</td>
<td>$99,030</td>
<td>0.75</td>
<td>73%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Environmental Scientists and Specialists, Including Health</td>
<td>9.2%</td>
<td>27.9%</td>
<td>$53,600</td>
<td>1.07</td>
<td>92%</td>
<td>Master’s degree</td>
</tr>
<tr>
<td>Architectural and Engineering Managers</td>
<td>9.2%</td>
<td>6.2%</td>
<td>$106,040</td>
<td>0.50</td>
<td>62%</td>
<td>Bachelor’s or higher degree, plus work experience</td>
</tr>
<tr>
<td>Electrical Engineers</td>
<td>8.2%</td>
<td>1.7%</td>
<td>$78,790</td>
<td>0.00</td>
<td>76%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Logisticians</td>
<td>4.3%</td>
<td>19.6%</td>
<td>$64,160</td>
<td>1.67</td>
<td>43%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Compliance Officers</td>
<td>4.1%</td>
<td>31.1%</td>
<td>$51,690</td>
<td>0.96</td>
<td>55%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Computer and Information Systems Managers</td>
<td>4.1%</td>
<td>16.9%</td>
<td>$73,360</td>
<td>0.55</td>
<td>70%</td>
<td>Bachelor’s or higher degree, plus work experience</td>
</tr>
<tr>
<td>Civil Engineering Technicians</td>
<td>4.1%</td>
<td>16.9%</td>
<td>$73,360</td>
<td>1.45</td>
<td>17%</td>
<td>Associate degree</td>
</tr>
<tr>
<td>Medical and Clinical Laboratory Technicians</td>
<td>3.8%</td>
<td>16.1%</td>
<td>$33,740</td>
<td>0.98</td>
<td>52%</td>
<td>Associate degree</td>
</tr>
<tr>
<td>Marketing Managers</td>
<td>3.8%</td>
<td>12.5%</td>
<td>$62,690</td>
<td>0.53</td>
<td>66%</td>
<td>Bachelor’s or higher degree, plus work experience</td>
</tr>
<tr>
<td>Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products</td>
<td>3.3%</td>
<td>9.7%</td>
<td>$49,220</td>
<td>0.29</td>
<td>47%</td>
<td>Work experience in a related occupation</td>
</tr>
<tr>
<td>Purchasing Agents, Except Wholesale, Retail, and Farm Products</td>
<td>3.2%</td>
<td>13.9%</td>
<td>$49,620</td>
<td>0.89</td>
<td>36%</td>
<td>Long-term on-the-job training</td>
</tr>
<tr>
<td>Business Operations Specialists, All Other*</td>
<td>2.9%</td>
<td>11.5%</td>
<td>$57,630</td>
<td>0.90</td>
<td>48%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Executive Secretaries and Executive Administrative Assistants</td>
<td>2.5%</td>
<td>12.8%</td>
<td>$36,990</td>
<td>1.22</td>
<td>17%</td>
<td>Work experience in a related occupation</td>
</tr>
<tr>
<td>Construction and Building Inspectors</td>
<td>2.4%</td>
<td>16.8%</td>
<td>$62,160</td>
<td>2.45</td>
<td>24%</td>
<td>Work experience in a related occupation</td>
</tr>
<tr>
<td>Production, Planning, and Expediting Clerks</td>
<td>2.4%</td>
<td>1.5%</td>
<td>$46,280</td>
<td>0.41</td>
<td>27%</td>
<td>Moderate-term on-the-job training</td>
</tr>
<tr>
<td>Management Analysts</td>
<td>2.2%</td>
<td>23.9%</td>
<td>$66,900</td>
<td>0.49</td>
<td>76%</td>
<td>Bachelor’s or higher degree, plus work experience</td>
</tr>
<tr>
<td>Industrial Machinery Mechanics</td>
<td>2.1%</td>
<td>7.3%</td>
<td>$39,130</td>
<td>1.11</td>
<td>6%</td>
<td>Long-term on-the-job training</td>
</tr>
<tr>
<td>Public Relations and Fundraising Managers</td>
<td>1.9%</td>
<td>12.9%</td>
<td>$75,410</td>
<td>0.00</td>
<td>70%</td>
<td>Bachelor’s or higher degree, plus work experience</td>
</tr>
<tr>
<td>Medical and Clinical Laboratory Technologists</td>
<td>1.8%</td>
<td>11.9%</td>
<td>$52,460</td>
<td>1.33</td>
<td>52%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Administrative Services Managers</td>
<td>1.7%</td>
<td>12.3%</td>
<td>$39,300</td>
<td>0.02</td>
<td>30%</td>
<td>Bachelor’s or higher degree, plus work experience</td>
</tr>
</tbody>
</table>

Sources: BLS Occupational and Employment Statistics; ONET Online

### KEY FINDINGS

- Nearly all of the “In-Demand” occupations within the bio-technology industry pay higher than the region’s average wage of $35,550
- The Manhattan region has significant occupational strength in the only 9 of the 25 “In-Demand” occupations within the bio-technology industry
- The education and training requirements for “In-Demand” occupations within the bio-technology industry include a balanced mix of on-the-job training and higher education degrees
# Healthcare & Education “In-Demand” Occupations

## Key Occupations in the Healthcare & Education Industry

<table>
<thead>
<tr>
<th>Occupational Title</th>
<th>Concentration within the industry</th>
<th>2008 - 2018 U.S. Growth Projection</th>
<th>Avg. Annual Wages in Manhattan MSA (2008)</th>
<th>Manhattan MSA Make-up of “In Demand” Occupations (Local Concentration)</th>
<th>% with Bachelor’s Degree</th>
<th>Education and Training Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Middle School Teachers, Except Special and Career/Technical Education</td>
<td>4.66</td>
<td>15.3%</td>
<td>$42,140</td>
<td>0.83</td>
<td>94%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Secondary School Teachers, Except Special and Career/Technical Education</td>
<td>4.59</td>
<td>8.9%</td>
<td>$40,680</td>
<td>0.81</td>
<td>95%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Elementary School Teachers, Except Special Education</td>
<td>4.58</td>
<td>15.8%</td>
<td>$40,730</td>
<td>0.99</td>
<td>94%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Education Administrators, Elementary and Secondary School</td>
<td>4.56</td>
<td>8.6%</td>
<td>$75,950</td>
<td>0.73</td>
<td>80%</td>
<td>Bachelor’s degree, plus work experience</td>
</tr>
<tr>
<td>Career/Technical Education Teachers, Secondary School</td>
<td>4.54</td>
<td>9.6%</td>
<td>$41,390</td>
<td>1.43</td>
<td>95%</td>
<td>Bachelor’s degree, plus work experience</td>
</tr>
<tr>
<td>Dental Hygienists</td>
<td>4.54</td>
<td>36.1%</td>
<td>$61,330</td>
<td>0.00</td>
<td>35%</td>
<td>Associate degree</td>
</tr>
<tr>
<td>Dental Assistants</td>
<td>4.47</td>
<td>35.9%</td>
<td>$30,340</td>
<td>0.97</td>
<td>10%</td>
<td>Moderate-term on-the-job training</td>
</tr>
<tr>
<td>Physical Therapist Assistants</td>
<td>4.45</td>
<td>33.3%</td>
<td>$42,960</td>
<td>1.93</td>
<td>20%</td>
<td>Associate degree</td>
</tr>
<tr>
<td>Medical Secretaries</td>
<td>4.45</td>
<td>26.6%</td>
<td>$28,460</td>
<td>0.40</td>
<td>17%</td>
<td>Moderate-term on-the-job training</td>
</tr>
<tr>
<td>Medical Assistants</td>
<td>4.41</td>
<td>33.9%</td>
<td>$24,140</td>
<td>0.58</td>
<td>12%</td>
<td>Moderate-term on-the-job training</td>
</tr>
<tr>
<td>Physical Therapists</td>
<td>4.40</td>
<td>30.3%</td>
<td>$71,860</td>
<td>0.88</td>
<td>80%</td>
<td>Master’s degree</td>
</tr>
<tr>
<td>Kindergarten Teachers, Except Special Education</td>
<td>4.39</td>
<td>15.0%</td>
<td>$41,960</td>
<td>0.88</td>
<td>44%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Speech-Language Pathologists</td>
<td>4.30</td>
<td>18.5%</td>
<td>$61,930</td>
<td>0.78</td>
<td>98%</td>
<td>Master’s degree</td>
</tr>
<tr>
<td>Medical and Clinical Laboratory Technologists</td>
<td>4.27</td>
<td>11.9%</td>
<td>$52,460</td>
<td>1.33</td>
<td>52%</td>
<td>Bachelor’s degree, plus work experience</td>
</tr>
<tr>
<td>Nursing Aides, Orderlies, and Attendants*</td>
<td>4.22</td>
<td>18.8%</td>
<td>$20,210</td>
<td>0.00</td>
<td>8%</td>
<td>Postsecondary vocational award</td>
</tr>
<tr>
<td>Medical and Clinical Laboratory Technicians</td>
<td>4.21</td>
<td>16.1%</td>
<td>$33,740</td>
<td>0.98</td>
<td>52%</td>
<td>Associate degree</td>
</tr>
<tr>
<td>Occupational Therapists</td>
<td>4.19</td>
<td>25.6%</td>
<td>$72,950</td>
<td>0.85</td>
<td>90%</td>
<td>Master’s degree</td>
</tr>
<tr>
<td>Registered Nurses*</td>
<td>4.11</td>
<td>22.2%</td>
<td>$57,810</td>
<td>0.73</td>
<td>50%</td>
<td>Associate degree</td>
</tr>
<tr>
<td>Teacher Assistants</td>
<td>4.00</td>
<td>10.3%</td>
<td>$19,280</td>
<td>1.33</td>
<td>19%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>Licensed Practical and Licensed Vocational Nurses</td>
<td>3.96</td>
<td>20.7%</td>
<td>$35,820</td>
<td>1.77</td>
<td>7%</td>
<td>Postsecondary vocational award</td>
</tr>
<tr>
<td>Educational, Guidance, School, and Vocational Counselors</td>
<td>3.98</td>
<td>14.0%</td>
<td>$47,740</td>
<td>1.15</td>
<td>75%</td>
<td>Master’s degree</td>
</tr>
<tr>
<td>Medical Records and Health Information Technicians</td>
<td>3.82</td>
<td>20.3%</td>
<td>$32,740</td>
<td>0.00</td>
<td>14%</td>
<td>Associate degree</td>
</tr>
<tr>
<td>Medical and Health Services Managers</td>
<td>3.82</td>
<td>16.0%</td>
<td>$83,270</td>
<td>1.24</td>
<td>61%</td>
<td>Bachelor’s degree, plus work experience</td>
</tr>
<tr>
<td>Clinical, Counseling, and School Psychologists</td>
<td>3.74</td>
<td>11.1%</td>
<td>$66,640</td>
<td>1.06</td>
<td>99%</td>
<td>Doctoral degree</td>
</tr>
<tr>
<td>Coaches and Scouts</td>
<td>3.24</td>
<td>24.8%</td>
<td>$21,840</td>
<td>1.66</td>
<td>60%</td>
<td>Long-term on-the-job training</td>
</tr>
</tbody>
</table>

**Sources:** BLS Occupational and Employment Statistics; ONET Online

## Key Findings

- The majority of “In-Demand” occupations within the healthcare and education industry pay higher than average wages; however there are a few occupations that pay significantly less than the average wage of $35,550.
- The Manhattan region has significant occupational strength in the only 9 of the 25 “In-Demand” occupations within the healthcare and education industry.
- The majority of “In-Demand” occupations within the healthcare and education industry require higher education degrees.
# Advanced Manufacturing “In-Demand” Occupations

## Key Occupations in the Advanced Manufacturing Industry

<table>
<thead>
<tr>
<th>Occupational Title</th>
<th>Concentration within the industry</th>
<th>2008 - 2018 U.S. Growth Projection</th>
<th>Avg. Annual Wages in Manhattan MSA (2008)</th>
<th>Manhattan MSA Make-up of “In Demand” Occupations (Local Occupational Concentration)</th>
<th>% with Bachelor’s Degree+</th>
<th>Education and Training Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cabinetmakers and Bench Carpenters</td>
<td>18.58</td>
<td>9.1%</td>
<td>$33,980</td>
<td>0.00</td>
<td>9%</td>
<td>Long-term on-the-job training</td>
</tr>
<tr>
<td>Coating, Painting, and Spraying Machine Setters, Operators, and Tenders</td>
<td>16.41</td>
<td>3.3%</td>
<td>$33,370</td>
<td>1.68</td>
<td>4%</td>
<td>Moderate-term on-the-job training</td>
</tr>
<tr>
<td>Team Assemblers</td>
<td>11.44</td>
<td>0.0%</td>
<td>$30,960</td>
<td>1.30</td>
<td>5%</td>
<td>Moderate-term on-the-job training</td>
</tr>
<tr>
<td>Assemblers and Fabricators, All Other</td>
<td>9.71</td>
<td>1.9%</td>
<td>$34,070</td>
<td>0.00</td>
<td>6%</td>
<td>Moderate-term on-the-job training</td>
</tr>
<tr>
<td>Mechanical Engineers</td>
<td>8.56</td>
<td>6.0%</td>
<td>$49,030</td>
<td>0.75</td>
<td>73%</td>
<td>Bachelor's degree</td>
</tr>
<tr>
<td>Sheet Metal Workers</td>
<td>6.52</td>
<td>6.5%</td>
<td>$40,770</td>
<td>0.00</td>
<td>4%</td>
<td>Long-term on-the-job training</td>
</tr>
<tr>
<td>Industrial Machine Mechanics</td>
<td>5.04</td>
<td>7.3%</td>
<td>$39,130</td>
<td>1.13</td>
<td>6%</td>
<td>Long-term on-the-job training</td>
</tr>
<tr>
<td>Production, Planning, and Expediting Clerks</td>
<td>4.63</td>
<td>1.5%</td>
<td>$46,280</td>
<td>0.41</td>
<td>27%</td>
<td>Moderate-term on-the-job training</td>
</tr>
<tr>
<td>Purchasing Agents, Except Wholesale, Retail, and Farm Products</td>
<td>4.53</td>
<td>13.9%</td>
<td>$49,620</td>
<td>0.88</td>
<td>39%</td>
<td>Long-term on-the-job training</td>
</tr>
<tr>
<td>Aircraft Mechanics and Service Technicians</td>
<td>4.45</td>
<td>6.4%</td>
<td>$41,230</td>
<td>0.00</td>
<td>12%</td>
<td>Postsecondary vocational award</td>
</tr>
<tr>
<td>Architectural and Engineering Managers</td>
<td>4.08</td>
<td>6.2%</td>
<td>$106,040</td>
<td>0.50</td>
<td>82%</td>
<td>Bachelor's or higher degree, plus work experience</td>
</tr>
<tr>
<td>Mixing and Blending Machine Setters, Operators, and Tenders</td>
<td>3.34</td>
<td>15.5%</td>
<td>$29,380</td>
<td>0.00</td>
<td>5%</td>
<td>Moderate-term on-the-job training</td>
</tr>
<tr>
<td>Logisticians</td>
<td>2.93</td>
<td>19.6%</td>
<td>$34,180</td>
<td>1.67</td>
<td>43%</td>
<td>Bachelor's degree</td>
</tr>
<tr>
<td>Industrial Truck and Tractor Operators</td>
<td>2.88</td>
<td>2.7%</td>
<td>$34,560</td>
<td>0.00</td>
<td>3%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>Electrical Engineers</td>
<td>2.73</td>
<td>1.7%</td>
<td>$78,790</td>
<td>0.00</td>
<td>78%</td>
<td>Bachelor's degree</td>
</tr>
<tr>
<td>Cost Estimators</td>
<td>2.56</td>
<td>25.3%</td>
<td>$50,940</td>
<td>1.07</td>
<td>30%</td>
<td>Bachelor's degree</td>
</tr>
<tr>
<td>Procurement Clerks</td>
<td>1.90</td>
<td>5.8%</td>
<td>$38,220</td>
<td>2.08</td>
<td>23%</td>
<td>Moderate-term on-the-job training</td>
</tr>
<tr>
<td>Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products</td>
<td>1.63</td>
<td>6.6%</td>
<td>$51,200</td>
<td>0.70</td>
<td>47%</td>
<td>Work experience in a related occupation</td>
</tr>
<tr>
<td>First-Line Supervisors of Helpers, Laborers, and Material Movers, Hand</td>
<td>1.30</td>
<td>3.6%</td>
<td>$40,660</td>
<td>0.53</td>
<td>17%</td>
<td>Work experience in a related occupation</td>
</tr>
<tr>
<td>Heavy and Tractor-Trailer Truck Drivers</td>
<td>1.27</td>
<td>13.0%</td>
<td>$35,200</td>
<td>1.31</td>
<td>5%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>Electricians</td>
<td>1.23</td>
<td>11.9%</td>
<td>$40,340</td>
<td>0.81</td>
<td>8%</td>
<td>Long-term on-the-job training</td>
</tr>
<tr>
<td>First-Line Supervisors of Mechanics, Installers, and Repairers</td>
<td>1.15</td>
<td>4.3%</td>
<td>$49,780</td>
<td>2.05</td>
<td>12%</td>
<td>Work experience in a related occupation</td>
</tr>
<tr>
<td>Marketing Managers</td>
<td>0.91</td>
<td>12.5%</td>
<td>$62,690</td>
<td>0.53</td>
<td>66%</td>
<td>Bachelor's or higher degree, plus work experience</td>
</tr>
<tr>
<td>Financial Managers</td>
<td>0.90</td>
<td>7.7%</td>
<td>$78,230</td>
<td>0.64</td>
<td>59%</td>
<td>Bachelor's or higher degree, plus work experience</td>
</tr>
<tr>
<td>Plumbers, Pipefitters, and Steamfitters</td>
<td>0.83</td>
<td>15.3%</td>
<td>$54,850</td>
<td>1.04</td>
<td>4%</td>
<td>Long-term on-the-job training</td>
</tr>
</tbody>
</table>

### Sources
- BLS Occupational and Employment Statistics
- ONET Online

### Key Findings
- The majority of “In-Demand” occupations within the advanced manufacturing industry pay higher than average wages.
- The Manhattan region has significant occupational strength in the only 9 of the 25 “In-Demand” occupations within the advanced manufacturing industry.
- The majority of “In-Demand” occupations within the advanced manufacturing industry do not require higher education degrees and instead, rely on on-the-job training.
## AGRI-BUSINESS “IN-DEMAND” OCCUPATIONS

### Key Occupations in the Agri-Business Industry

<table>
<thead>
<tr>
<th>Occupational Title</th>
<th>Concentration within the industry</th>
<th>2008 - 2018 U.S. Growth Projection</th>
<th>Avg. Annual Wages in Manhattan MSA (2008)</th>
<th>Manhattan MSA Make-up of “In Demand” Occupations (Local Occupational Concentration)</th>
<th>% with Bachelor’s Degree</th>
<th>Education and Training Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food Scientists and Technologists</td>
<td>31.56</td>
<td>16.3%</td>
<td>$55,300</td>
<td>8.33</td>
<td>79%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Mixing and Blending Machine Setters, Operators, and Tenders</td>
<td>14.24</td>
<td>15.5%</td>
<td>$29,380</td>
<td>0.00</td>
<td>5%</td>
<td>Moderate-term on-the-job training</td>
</tr>
<tr>
<td>Industrial Machinery Mechanics</td>
<td>7.99</td>
<td>7.3%</td>
<td>$39,130</td>
<td>1.13</td>
<td>6%</td>
<td>Long-term on-the-job training</td>
</tr>
<tr>
<td>Industrial Truck and Tractor Operators</td>
<td>6.27</td>
<td>2.7%</td>
<td>$34,560</td>
<td>0.00</td>
<td>3%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>Butchers and Meat Cutters</td>
<td>5.94</td>
<td>1.5%</td>
<td>$33,570</td>
<td>0.00</td>
<td>3%</td>
<td>Long-term on-the-job training</td>
</tr>
<tr>
<td>Cleaners of Vehicles and Equipment</td>
<td>4.59</td>
<td>1.0%</td>
<td>$22,040</td>
<td>0.46</td>
<td>4%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>Driver/Sales Workers</td>
<td>3.78</td>
<td>4.4%</td>
<td>$31,980</td>
<td>1.94</td>
<td>5%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>First-Line Supervisors of Helpers, Laborers, and Material Movers, Hand</td>
<td>2.80</td>
<td>3.6%</td>
<td>$40,660</td>
<td>0.53</td>
<td>17%</td>
<td>Work experience in a related occupation</td>
</tr>
<tr>
<td>Team Assemblers</td>
<td>2.09</td>
<td>0.0%</td>
<td>$30,960</td>
<td>1.38</td>
<td>5%</td>
<td>Moderate-term on-the-job training</td>
</tr>
<tr>
<td>Production, Planning, and Expediting Clerks</td>
<td>1.81</td>
<td>1.5%</td>
<td>$46,280</td>
<td>0.41</td>
<td>27%</td>
<td>Moderate-term on-the-job training</td>
</tr>
<tr>
<td>Soil and Plant Scientists</td>
<td>1.58</td>
<td>15.5%</td>
<td>$59,950</td>
<td>5.43</td>
<td>79%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Light Truck or Delivery Services Drivers</td>
<td>1.54</td>
<td>4.2%</td>
<td>$37,420</td>
<td>0.78</td>
<td>5%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>Heavy and Tractor-Trailer Truck Drivers</td>
<td>1.52</td>
<td>13.0%</td>
<td>$35,200</td>
<td>1.31</td>
<td>5%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>First-Line Supervisors of Mechanics, Installers, and Repairers</td>
<td>1.50</td>
<td>4.3%</td>
<td>$49,780</td>
<td>2.03</td>
<td>12%</td>
<td>Work experience in a related occupation</td>
</tr>
<tr>
<td>Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products</td>
<td>1.32</td>
<td>6.6%</td>
<td>$51,200</td>
<td>0.73</td>
<td>47%</td>
<td>Work experience in a related occupation</td>
</tr>
<tr>
<td>Nonfarm Animal Caretakers</td>
<td>1.18</td>
<td>20.7%</td>
<td>$19,190</td>
<td>1.94</td>
<td>16%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>Bus and Truck Mechanics and Diesel Engine Specialists</td>
<td>0.99</td>
<td>5.7%</td>
<td>$35,710</td>
<td>0.38</td>
<td>3%</td>
<td>Postsecondary vocational award</td>
</tr>
<tr>
<td>Logisticians</td>
<td>0.93</td>
<td>19.8%</td>
<td>$64,160</td>
<td>1.67</td>
<td>43%</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Purchasing Agents, Except Wholesale, Retail, and Farm Products</td>
<td>0.87</td>
<td>13.9%</td>
<td>$40,620</td>
<td>0.89</td>
<td>39%</td>
<td>Long-term on-the-job training</td>
</tr>
<tr>
<td>Assemblers and Fabricators, All Other</td>
<td>0.76</td>
<td>1.9%</td>
<td>$24,070</td>
<td>0.00</td>
<td>5%</td>
<td>Moderate-term on-the-job training</td>
</tr>
<tr>
<td>Janitors and Cleaners, Except Maids and Housekeeping Cleaners</td>
<td>0.74</td>
<td>4.4%</td>
<td>$21,720</td>
<td>0.99</td>
<td>5%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>Water and Wastewater Treatment Plant and System Operators</td>
<td>0.70</td>
<td>19.8%</td>
<td>$41,130</td>
<td>1.01</td>
<td>10%</td>
<td>Long-term on-the-job training</td>
</tr>
<tr>
<td>Bookkeeping, Accounting, and Auditing Clerks</td>
<td>0.66</td>
<td>10.3%</td>
<td>$28,730</td>
<td>1.06</td>
<td>15%</td>
<td>Moderate-term on-the-job training</td>
</tr>
<tr>
<td>Food Preparation Workers</td>
<td>0.63</td>
<td>4.2%</td>
<td>$17,160</td>
<td>1.33</td>
<td>7%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>Procurement Clerks</td>
<td>0.57</td>
<td>5.8%</td>
<td>$39,220</td>
<td>2.06</td>
<td>23%</td>
<td>Moderate-term on-the-job training</td>
</tr>
</tbody>
</table>

### Key Findings

- Only about half (13 of 25) of “In-Demand” occupations within the agri-business industry pay higher than average wages.
- The Manhattan region has significant occupational strength in about half (13 of 25) of “In-Demand” occupations within the agri-business industry.
- The majority of “In-Demand” occupations within the agri-business industry do not require higher education degrees and instead, rely on on-the-job training.

Sources: BLS Occupational and Employment Statistics; ONET Online

Pottawatomie County Economic Development Strategic Plan

Part 2: Target Industry Analysis | 127
## Key Occupations in the Tourism & Recreation Industry

<table>
<thead>
<tr>
<th>Occupational Title</th>
<th>Concentration within the industry</th>
<th>2008 - 2018 U.S. Growth Projection</th>
<th>Avg. Annual Wages in Manhattan MSA (2009)</th>
<th>Manhattan MSA Make-up of &quot;In Demand&quot; Occupations (Local Occupational Concentration)</th>
<th>% with Bachelor's Degree</th>
<th>Education and Training Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop</td>
<td>9.97</td>
<td>6.5%</td>
<td>$17,340</td>
<td>0.66</td>
<td>12%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>Cooks, Restaurant</td>
<td>9.97</td>
<td>7.7%</td>
<td>$18,390</td>
<td>0.00</td>
<td>5%</td>
<td>Long-term on-the-job training</td>
</tr>
<tr>
<td>Cooks, Fast Food</td>
<td>9.94</td>
<td>7.5%</td>
<td>$17,410</td>
<td>0.00</td>
<td>5%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>Waiters and Waitresses</td>
<td>9.83</td>
<td>6.4%</td>
<td>$19,230</td>
<td>1.06</td>
<td>13%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>Hotel, Motel, and Resort Desk Clerks</td>
<td>9.86</td>
<td>13.7%</td>
<td>$16,830</td>
<td>0.79</td>
<td>16%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>Dishwashers</td>
<td>9.23</td>
<td>11.6%</td>
<td>$21,170</td>
<td>0.95</td>
<td>3%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>Bartenders</td>
<td>9.03</td>
<td>8.0%</td>
<td>$20,930</td>
<td>1.56</td>
<td>16%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>Dining Room and Cafeteria Attendants and Bartender Helpers</td>
<td>8.84</td>
<td>5.6%</td>
<td>$19,480</td>
<td>0.78</td>
<td>6%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>Combined Food Preparation and Serving Workers, Including Fast Food</td>
<td>8.66</td>
<td>14.6%</td>
<td>$17,630</td>
<td>1.10</td>
<td>5%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>Food Service Managers</td>
<td>8.51</td>
<td>5.3%</td>
<td>$40,100</td>
<td>2.22</td>
<td>24%</td>
<td>Work experience in a related occupation</td>
</tr>
<tr>
<td>First-Line Supervisors of Food Preparation and Serving Workers</td>
<td>8.24</td>
<td>6.6%</td>
<td>$24,680</td>
<td>1.47</td>
<td>14%</td>
<td>Work experience in a related occupation</td>
</tr>
<tr>
<td>Food Preparation Workers</td>
<td>5.73</td>
<td>4.2%</td>
<td>$17,100</td>
<td>1.33</td>
<td>7%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>Amusement and Recreation Attendants</td>
<td>5.59</td>
<td>13.3%</td>
<td>$19,430</td>
<td>0.00</td>
<td>26%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>Maids and Housekeeping Cleaners</td>
<td>5.06</td>
<td>5.7%</td>
<td>$17,160</td>
<td>1.57</td>
<td>5%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>Food Servers, Nonrestaurant</td>
<td>3.99</td>
<td>10.2%</td>
<td>$17,320</td>
<td>0.00</td>
<td>7%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>Driver/Sales Workers</td>
<td>3.93</td>
<td>4.4%</td>
<td>$31,980</td>
<td>1.94</td>
<td>6%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>Meeting, Convention, and Event Planners*</td>
<td>2.24</td>
<td>15.6%</td>
<td>$44,130</td>
<td>1.54</td>
<td>59%</td>
<td>Bachelor's degree</td>
</tr>
<tr>
<td>First-Line Supervisors of Housekeeping and Janitorial Workers</td>
<td>1.93</td>
<td>5.1%</td>
<td>$31,650</td>
<td>1.65</td>
<td>12%</td>
<td>Work experience in a related occupation</td>
</tr>
<tr>
<td>Coaches and Scouts</td>
<td>1.88</td>
<td>24.8%</td>
<td>$21,840</td>
<td>1.66</td>
<td>60%</td>
<td>Long-term on-the-job training</td>
</tr>
<tr>
<td>First-Line Supervisors of Personal Service Workers</td>
<td>1.83</td>
<td>15.4%</td>
<td>$28,110</td>
<td>0.83</td>
<td>23%</td>
<td>Work experience in a related occupation</td>
</tr>
<tr>
<td>Cooks, Institution and Cafeteria</td>
<td>1.52</td>
<td>9.7%</td>
<td>$21,140</td>
<td>1.92</td>
<td>5%</td>
<td>Moderate-term on-the-job training</td>
</tr>
<tr>
<td>Laundry and Dry-Cleaning Workers</td>
<td>1.48</td>
<td>2.8%</td>
<td>$20,150</td>
<td>0.64</td>
<td>6%</td>
<td>Moderate-term on-the-job training</td>
</tr>
<tr>
<td>Landscaping and Groundskeeping Workers</td>
<td>1.45</td>
<td>18.0%</td>
<td>$20,880</td>
<td>1.34</td>
<td>7%</td>
<td>Short-term on-the-job training</td>
</tr>
<tr>
<td>First-Line Supervisors of Landscaping, Lawn Service, and Groundskeeping Workers</td>
<td>1.45</td>
<td>14.9%</td>
<td>$42,790</td>
<td>1.52</td>
<td>17%</td>
<td>Work experience in a related occupation</td>
</tr>
<tr>
<td>Outdoor Power Equipment and Other Small Engine Mechanics</td>
<td>1.19</td>
<td>6.4%</td>
<td>$22,380</td>
<td>0.00</td>
<td>-</td>
<td>Moderate-term on-the-job training</td>
</tr>
</tbody>
</table>

### KEY FINDINGS

- The majority of "In-Demand" occupations within the tourism and recreation industry pay lower than average wages.
- The Manhattan region has significant occupational strength in more than half (14 of 25) of the "In-Demand" occupations within the tourism and recreation industry.
- Nearly all of the "In-Demand" occupations within the tourism and recreation industry do not require higher education degrees and instead, rely on on-the-job training.

Sources: BLS Occupational and Employment Statistics; ONET Online
CONCLUSION

Appropriate target industries and niches are essential for economic development retention, expansion and recruitment efforts. Without a strategic approach, resources will not be maximized for return on investment. It is important for project stakeholders to remember that this is not the strategy, but research that supports the final recommendations.

The industries and niches presented in this report provide a strong balance for Pottawatomie County between focusing on the present and preparing for the future. Many of them use the community and region’s existing strengths and assets, while many more rely on these attributes to move into emerging markets that will sustain the local workforce in years to come.

By focusing its resources and efforts on developing and supporting the target industries in this report, Pottawatomie County’s economic development leaders can not only build upon the community’s strengths in existing industries, but also work to diversify the local economy by leveraging local assets that can support emerging opportunities.
Part 2: Target Industry Analysis

COST OF OPERATIONS MODEL
Once target industry recommendations are finalized, the consultant team will conduct a Cost of Operations Model for the target industries in which operating costs are a critical site selection factor.

SAMPLE COST OF OPERATIONS MODEL

<table>
<thead>
<tr>
<th>Metro Area</th>
<th>Employee Payroll</th>
<th>Utilities</th>
<th>Building/Land Payments</th>
<th>Property Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metro Area A</td>
<td>$1,351,298</td>
<td>$38,365</td>
<td>$432,446</td>
<td>$40,997</td>
</tr>
<tr>
<td>Metro Area B</td>
<td>$1,336,251</td>
<td>$34,125</td>
<td>$378,319</td>
<td>$113,282</td>
</tr>
<tr>
<td>Metro Area C</td>
<td>$1,457,341</td>
<td>$23,376</td>
<td>$437,226</td>
<td>$53,412</td>
</tr>
<tr>
<td>Metro Area D</td>
<td>$1,221,984</td>
<td>$50,660</td>
<td>$467,127</td>
<td>$141,053</td>
</tr>
</tbody>
</table>

**Projects to be Analyzed for Cost of Operations Model**

- **Bio-Technology**: Animal Sciences Research & Development and Manufacturing Plant (100,000 sq ft facility)
- **Advanced Manufacturing**: Wind Turbine Component Manufacturing Plant (90,000 sq ft facility)
- **Agri-Business**: Meat Processing Plant (90,000 sq ft facility)
Part 3: Action Strategy and Final Recommendations
AngelouEconomics was hired by the Pottawatomie County Economic Development Corporation to develop a strategic plan to guide Pottawatomie County’s economic development efforts. This report, the Action Strategy and Final Recommendations, is the third and final report delivered to the Pottawatomie County Economic Development Corporation (PCEDC) as part of an Economic Development Strategic Plan. It builds upon the findings in the first two reports, the Market Assessment and the Target Industry Analysis.

The Economic Development Strategic Plan includes short-term and intermediate goals, strategies and action items that respond to Pottawatomie County’s unique economic challenges and opportunities. Many of the goals and strategies described in this report apply to all of the target industries determined in the previously released Target Industry Analysis and the entire Pottawatomie County economy; however, sector-specific strategies are included for each target industry. The target industries include: Bio-technology, Healthcare & Education, Advanced Manufacturing, Agri-business, and Tourism & Recreation.

An implementation matrix is provided to identify the organizations responsible for carrying out the initiatives identified in the strategic plan as well as timelines to assist with strategy implementation. Specific performance measures are also suggested to help project partners effectively measure the implementation of the strategies within this plan.

It is important to note that the recommendations presented in this report represent a broad range of goals, strategies, and actions because Pottawatomie County is increasingly diverse and so are its economic development needs.

Executive Summary

Report Objectives

The Pottawatomie County Economic Development Strategic Plan is the third and final report in the strategic economic development planning process. The report summarizes key findings from the previous two reports and presents goals, strategies, and action items which aim to:

• Strengthen existing industry clusters and develop new clusters of recommended target industries
• Support the continued success and expansion of existing businesses
• Foster entrepreneurship and small business development
• Increase the resources utilized by the Pottawatomie County Economic Development Corporation (PCEDC) and improve the efficiency of its economic development initiatives
• Build and sustain a talented and skilled workforce
• Improve and maintain Pottawatomie County’s business climate, image, and quality of life
Part 3: Final Recommendations

Pottawatomie County Economic Development Strategic Plan

Executive Summary

WHAT IS ECONOMIC DEVELOPMENT?

Economic development is:

“The leveraging of public investment and industry assets to attract more private sector investment”

Successful economic development is defined by:

- Leadership and Vision
- Execution and Collaboration
- The Art of Leveraging Assets
- Continuous Product Improvement
- Creating Sustainable Communities

Economic development can also be described as:

“The search for citizens among many residents”

Residents live and work in communities, pay taxes, support local businesses, enjoy the community’s quality of life and infrastructure, and participate in public processes when necessary. Citizens, on the other hand, work to promote economic development as a way to improve the quality of their communities for future generations. Citizens continuously seek solutions to problems and challenges.
The **Pottawatomie County Economic Development Strategic Plan** is made up of a set of goals, strategies and key economic development initiatives that generally support multiple target economic sectors. Recommendations are organized around the following eight goal areas.

**Goal 1:** Maximize the efficiency and success of Pottawatomie County’s economic development program by promoting the retention and expansion of existing businesses and the attraction of new businesses.

**Goal 2:** Develop a strong foundation for economic development anchored by a robust infrastructure network and high-quality business and industrial parks.

**Goal 3:** Better connect the region’s workforce and existing workforce development and education programs to the needs of local employers.

**Goal 4:** Fully capitalize on the opportunities provided by Kansas State University and other post-secondary education institutions.

**Goal 5:** Improve the availability and awareness of entrepreneurship and small business resources in Pottawatomie County.

**Goal 6:** Elevate local and regional marketing efforts improving the branding and image of Pottawatomie County in addition to expanding regional collaboration.

**Goal 7:** Improve the vibrancy of all communities within Pottawatomie County and build upon the exceptional quality of life for residents and visitors.

**Goal 8:** Engage in specific strategies to grow existing and emerging target industry sectors.

---

**Source:** Pottawatomie County Business Survey
In June 2011, AngelouEconomics presented the Market Assessment Report to the Pottawatomie County Economic Development Corporation (PCEDC) and the project’s steering committee. The Market Assessment was comprised of an overview of Pottawatomie County’s current economic conditions, and the trends that have shaped its economy. The report included a SWOT analysis and information gleaned from stakeholder interviews, focus groups, and surveys, as well as quantitative data obtained from multiple sources.

In September 2011, AngelouEconomics presented the Target Industry Analysis to the PCEDC and the project’s steering committee. The Target Industry Analysis built upon the Market Assessment Report and focused on the opportunities for Pottawatomie County’s economy going forward. The Target Industry Analysis identified five target industries that make the most sense for Pottawatomie County based on local assets, local cluster strength, and local workforce, as well as industry site requirements, and national and global trends.

The following pages recap the key findings from the both the Market Assessment Report and Target Industry Analysis.

1. **Project Set Up and Stakeholder Engagement**: Form steering committee, develop project website, collect stakeholder input through interviews, focus groups, and surveys

2. **Economic and SWOT Analysis**: Collect and analyze baseline economic, demographic, and workforce data, map assets, conduct reverse site selection, identify strengths, weaknesses, opportunities, and threats

3. **Target Industry Analysis**: Identify target industry sectors to match between assets and site selection requirements, identify domestic and international industry location opportunities, identify needed workforce skills, provide prospect lists

4. **Action Strategy/Implementation**: Develop actionable strategies, create implementation matrix, provide performance metrics
The following pages recap the key findings from the Market Assessment Report and include qualitative and quantitative information obtained from local stakeholders and a mix of public and private data sources. These findings provide a solid understanding of Pottawatomie County’s strengths, weaknesses, opportunities, and threats and serve as the basis for the recommendations and strategies presented in this final report.

Pottawatomie County’s population has grown steadily since 1970 after a long, slow decline beginning in 1900. This is the opposite of the broader national trend of rural agricultural communities and regions experiencing steady population declines due to large numbers of people leaving rural areas for urban areas in pursuit of job opportunities and quality of life amenities. Pottawatomie County is in a more fortunate position than many rural counties because of its proximity to and interdependence with Manhattan. Pottawatomie County leadership must take advantage of the opportunities provided by the county’s growth and must be proactive in their efforts to ensure that the County capitalizes on the economic growth in neighboring Manhattan.

Pottawatomie County has an increasingly well-educated population. The percentage of population with an Associate’s degree or higher increased from 19.0% to 28.0% between 1990-2010, while the percentage of population without a high school diploma declined from 18.1% to 10.2% during the same period; however, these positive trends slowed significantly after 2000. Pottawatomie County leaders must continue to take steps to improve the educational attainment of the county’s citizens. Pottawatomie County also boasts two of the state’s six Blue Ribbon schools (both in Rock Creek USD 323), a highly prestigious honor awarded by the U.S. Department of Education to less than 0.1% of schools. A well-educated workforce is one of the most important factors that businesses consider in their expansion/relocation decisions.
Pottawatomie County has numerous geographic advantages. It is part of the Manhattan, KS MSA and is within a two-hour drive of the Kansas City, MO MSA. Pottawatomie County is within a three-hour drive of three major metro areas (Wichita, KS, Lincoln, NE, and Omaha, NE) and within a five-hour drive of three additional major metro areas (Des Moines, IA, Oklahoma City, OK, and Tulsa, OK). Pottawatomie County is located less than 250 miles from both the geographical center of the U.S. (Lebanon, KS) and the nation’s mean center of population (Plato, MO). Pottawatomie County has good roadway infrastructure and is well-connected to the Interstate Highway System (IH-70 is 5 miles south of the county). Two Union Pacific rail spurs pass through the county, but access to these spurs must be improved for rail transport to become a viable goods movement alternative for local businesses.

Pottawatomie County’s largest non-agricultural industries by employment are Education & Healthcare and Manufacturing. These two industries account for more than half of all jobs in Pottawatomie County. Community HealthCare System and Wamego Unified School District (USD) 320 are the Education & Healthcare industry’s largest employers with 448 and 400 employees, respectively. Other major Education & Healthcare employers are Kaw Valley USD 321 (285 employees), the Big Lakes Development Center (225 employees), Rock Creek USD 323 (123 employees), Wamego City Hospital (103 employees), Advocare (75 employees), Highland Community College (60 employees), and Onaga-Havensville-Wheaton USD 322 (56 employees). GTM Sportswear and Caterpillar Work Tools are the Manufacturing industry’s largest employers with 736 and 402 employees, respectively. Other major Manufacturing employers are Manko Window Systems (250 employees), Parker-Hannifin Corporation (160 employees), McCall Patterns (157 employees), Quaker Oats (155 employees), The Onyx Collection (75 employees), Dymax (45 employees), and Custom Wood Products (number of employees not available).

Pottawatomie County has a strong housing market and a relatively young housing stock, with 12.4% of all housing built between 2000-2010, a higher percentage than Kansas and the U.S. Pottawatomie County has a median home value of $124,600, which is slightly higher than Kansas ($118,500), but substantially lower than the U.S. ($185,400). Multiple resident and business stakeholders noted a lack of rental housing options, both single-family and multifamily homes, in Pottawatomie County.
There is a wide range of small business development and entrepreneurship support available in Kansas. The Pottawatomie County Economic Development Corporation (PCEDC) has a history of successfully utilizing many of the resources that are available for small businesses and entrepreneurs in the Manhattan area and statewide. Entrepreneurship and small business development are key components of successful economic development. County leaders must continue to seek out private sector partners and support from the local, state and federal governments to assist local businesses.

Kansas State University is the single most important asset in the regional economy. Kansas State University (KSU) is the region’s largest employer and also attracts thousands of annual visitors from outside the region and millions of dollars in annual academic R&D spending. Having such immediate access to a major research university gives Pottawatomie County a huge competitive advantage compared to the majority of rural counties in the Central U.S. Pottawatomie County is currently taking steps to strengthen its ties with KSU in the arenas of workforce development, business incubation, and research. KSU will remain central to the regional economy, and it is important for the Manhattan region, including Pottawatomie County, to continue seeking innovative ways in which local businesses and institutions can partner with KSU to leverage the region’s many assets to support future economic growth.
### SWOT Analysis

<table>
<thead>
<tr>
<th>Education and Workforce Recruitment, Retention and Development</th>
<th>Strengths</th>
<th>Weaknesses</th>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Kansas State University (KSU) is a major national research university that attracts millions of dollars in R&amp;D investments</td>
<td>• Growth in educational attainment levels slowed significantly after 2000</td>
<td>• Growing relationships (formal and informal) with KSU and NISTAC</td>
<td>• Loss of young people</td>
<td></td>
</tr>
<tr>
<td>• KSU has the largest undergraduate animal science program in U.S.</td>
<td>• Workforce shortages for the following skill sets: welders, machinists, mechanics, information technology, nurses, and physicians</td>
<td>• KSU plans to become a “Top 50” research university</td>
<td>• Loss of funding for area technical schools</td>
<td></td>
</tr>
<tr>
<td>• Many of KSU graduates want to stay in region</td>
<td>• Lack of jobs and amenities to attract/retain young adults</td>
<td>• HCC could partner with Pottawatomie County and the City of Wamego to establish a permanent campus in downtown Wamego after current lease ends in 2012</td>
<td>• Consolidation of small K-12 schools into larger schools and further funding cuts from Kansas Dept. of Education</td>
<td></td>
</tr>
<tr>
<td>• About half of Fort Riley retirees stay in region</td>
<td>• Limited promotion of technical education within local schools (emphasis is on college education)</td>
<td>• Partnership between HCC and local high schools to increase pipeline of entry level welders and machinists</td>
<td>• Workforce shortages in key occupations could limit growth of existing companies</td>
<td></td>
</tr>
<tr>
<td>• 2010 educational attainment levels are much higher than 1990 levels</td>
<td></td>
<td>• Workforce recruitment opportunities through KSU</td>
<td>• Potential funding cuts to KSU and Fort Riley</td>
<td></td>
</tr>
<tr>
<td>• Highland Community College (HCC) satellite campus in Wamego</td>
<td></td>
<td></td>
<td>• Continued decreases in state support for higher education coupled with continued tuition increases at KSU</td>
<td></td>
</tr>
<tr>
<td>• Strong K-12 public schools</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Two of the state’s six Blue Ribbon schools (Rock Creek Jr./Sr. High and St. George Elementary)</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>• Strong high school graduation rates</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Generally high educational attainment levels</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Lower property valuation and taxes than state average</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Midwest work ethic</td>
<td></td>
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</tbody>
</table>
## SWOT Analysis

### Entrepreneurship and Small Business Development

<table>
<thead>
<tr>
<th><strong>Strengths</strong></th>
<th><strong>Weaknesses</strong></th>
<th><strong>Opportunities</strong></th>
<th><strong>Threats</strong></th>
</tr>
</thead>
</table>
| • Strong local banks  
• NISTAC commercialization  
• Successful utilization of state small business support and incubator resources  
• Local businesspeople are highly entrepreneurial and resourceful  
• High percentage of population in the young professional (25-44) cohort compared to most rural counties | • Small business support system is limited – Washburn SBDC only operates 1 day/week in Pottawatomie County  
• Limited local access to risk capital for start-ups  
• Incentive program gaps  
• Lack of defined governmental policies complicates support decisions for major industrial and high-tech start-ups and expansions | • HCC – Wamego has the state's only grape-growing and wine-making program  
• Provide more access to small business resources  
• Adopt formal policies and procedures for economic development support and incentives | • Limited local access to capital could deter start-up companies and existing company expansions |

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*Pottawatomie County Economic Development Strategic Plan*
## SWOT Analysis

### Business Climate and Retention/Expansion/Recruitment

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Strong and growing manufacturing base</td>
<td>• Perceived general reluctance toward change in Pottawatomie County</td>
<td>• Industry opportunities include:</td>
<td>• Potential overdependence on manufacturing</td>
</tr>
<tr>
<td>• Strong farming and ranching base</td>
<td>• Governing bodies are perceived by some to be overly conservative and unwilling to take risks</td>
<td>• Biosciences including animal science R&amp;D, ag/food processing, and biofuels</td>
<td>• NBAF funding hurdles and delays</td>
</tr>
<tr>
<td>• Existing bioscience companies</td>
<td>• Real and/or perceived barriers to doing business within the County</td>
<td>• Value-added agriculture (pumpkin patches, organic farming, game birds)</td>
<td>• Regional dependence on Fort Riley and potential federal budget cuts</td>
</tr>
<tr>
<td>• Central location in U.S.</td>
<td></td>
<td>• Equestrian activities</td>
<td>• Real and/or perceived barriers to development</td>
</tr>
<tr>
<td>• Fort Riley</td>
<td></td>
<td>• Wineries</td>
<td>• Alienation of developers</td>
</tr>
<tr>
<td>• National Bio and Agro-Defense Facility (NBAF)</td>
<td></td>
<td>• Tourism (agricultural, historic, Oz, Flint Hills)</td>
<td>• Flint Hills Regional Council is dependant on federal government for funding and needs to find other sources</td>
</tr>
</tbody>
</table>

- Industry opportunities include:
  - Biosciences including animal science R&D, ag/food processing, and biofuels
  - Value-added agriculture (pumpkin patches, organic farming, game birds)
  - Equestrian activities
  - Wineries
  - Tourism (agricultural, historic, Oz, Flint Hills)
  - Advanced manufacturing, including wind energy component manufacturing

- Governing bodies can broadly consult with their publics to initiate/enact economic development policies, including support/incentives policies and budgets
- New Flint Hills Regional Council and proposed Economic Development District (2011) and Metropolitan Planning Organization (2012) – potential new sources of grant funds
- Organize a county-wide business alliance for business advocacy
- Build on existing manufacturing presence and strengths
- Explore advanced manufacturing opportunities (such as new high-tech specialty product manufacture in association with KSU R&D investments)
- Expand agricultural tourism businesses and attractions: equestrian, organic/local foods, farmstays/participative agriculture, vineyards and wineries
- Build on existing health/education presence and strengths
- Prepare for potential NBAF spinoffs and other bioscience and high-tech opportunities
- Continue to develop bioscience companies independently and in association with KSU R&D investments and future NBAF spinoffs (animal science, crop science, ag/food processing, biofuels)
- Build on existing agricultural strengths, especially ag value-added product development and processing and ag service/supply
- Capitalize on global demand for food, particularly meat products
- Expand outdoor recreation and cultural opportunities, especially targeted to young professionals: trails, participative cultural events, entertainment venues
- Need for political courage
## SWOT Analysis

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Location in Animal Health Corridor</td>
<td>• Limited resources dedicated to promotion of tourism</td>
<td>• Increased regional cooperation for external marketing</td>
<td>• Limited strategic direction to leverage growth in Manhattan</td>
</tr>
<tr>
<td>• Regional trust is improving</td>
<td>• Limited regional marketing of Manhattan MSA</td>
<td>• Historical and agricultural tourism</td>
<td>• Limited public/private strategic agreement on direction for economic development and future</td>
</tr>
<tr>
<td>• KSU, City of Manhattan, and Riley County have a good collaborative</td>
<td>• Limited trust within Pottawatomie County and Manhattan/Riley County and</td>
<td>• Leverage success of Oz Museum to increase number of visitors and length of stay</td>
<td>business/community growth</td>
</tr>
<tr>
<td>relationship</td>
<td>Pottawatomie County</td>
<td>• Establish an angel/seed capital fund for bioscience start-ups</td>
<td>• Policies and resources not in place to vigorously help retain and grow existing industries</td>
</tr>
<tr>
<td>• KSU plans to develop a &quot;one-stop-shop&quot; for facilitating partnerships</td>
<td>• Limited trust within Pottawatomie County and between Manhattan/Riley</td>
<td>• Update Pottawatomie County Economic Development</td>
<td>and businesses, recruit targeted industries, or sustain</td>
</tr>
<tr>
<td>between the university and the private sector</td>
<td>County and Pottawatomie County</td>
<td>Corporation’s website</td>
<td>critical rural business and community assets</td>
</tr>
<tr>
<td>• Increased regional cooperation for external marketing</td>
<td></td>
<td>• Establish formal county and municipal economic development incentives</td>
<td>• Mechanisms not in place to integrate county and local</td>
</tr>
<tr>
<td></td>
<td></td>
<td>policies and funding sources to support targeted industries and rural</td>
<td>land use plans, corridor plans, and municipal comprehensive plans with strategic economic</td>
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<tr>
<td></td>
<td></td>
<td>“critical business and community assets”</td>
<td>development and community growth goals and objectives</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Enhance availability of SBDC support for start-ups and early-stage</td>
<td>• Mechanisms not in place to vigorously engage public in policy development issues</td>
</tr>
<tr>
<td></td>
<td></td>
<td>companies</td>
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<tr>
<td></td>
<td></td>
<td>• Enhance availability of Economic Gardening support for second-stage</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>companies</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• Enhance availability of risk capital for start-ups and early-stage</td>
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<td></td>
<td></td>
<td>expansions</td>
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<tr>
<td></td>
<td></td>
<td>• Establish a county-wide marketing plan and budget that includes</td>
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<tr>
<td></td>
<td></td>
<td>cooperative marketing participation with regional partners</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• Establish funding mechanism for continued development and marketing of</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>tourism assets</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Mechanisms not in place to vigorously engage public in policy development</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>issues</td>
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</tr>
</tbody>
</table>
## SWOT Analysis

<table>
<thead>
<tr>
<th>Sites and Infrastructure</th>
<th>Strengths</th>
<th>Weaknesses</th>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Generally high-quality, well-maintained state and county highway and road systems</td>
<td>• Telecommunications infrastructure in some areas is weak</td>
<td>• Manhattan is largely landlocked, pushing demand for development eastward into Pottawatomie County</td>
<td>• Land use conflicts between agricultural and residential/commercial uses</td>
</tr>
<tr>
<td></td>
<td>• Short distance to IH-70</td>
<td>• Highway 99 is too narrow for truck traffic</td>
<td>• Improve rail access for manufacturers</td>
<td>• Limited revenues to fund infrastructure improvements</td>
</tr>
<tr>
<td></td>
<td>• Quality high-speed telecommunications throughout southern tier of county as well as in and around Olsburg, Onaga, and Westmoreland</td>
<td>• Limited access to rail</td>
<td>• Extend Marlatt Avenue over Big Blue River to connect Riley County and Pottawatomie County with an alternate route and open up land for development in Pottawatomie County</td>
<td>• Funding mechanisms not in place for quick infrastructure, site development, and “build to suit” opportunities</td>
</tr>
<tr>
<td></td>
<td>• Union Pacific rail line</td>
<td>• Lack of usable rail spurs in Wamego and throughout the county</td>
<td>• Proactive and progressive infrastructure planning to ensure systematic high-quality development, particularly along Highway 24 corridor</td>
<td>• Proposed FCC rules threaten viability of existing telecomm companies and future of high-speed broadband, especially in rural areas</td>
</tr>
<tr>
<td></td>
<td>• Three existing business/industrial parks – partly developed</td>
<td>• Kansas River and Big Blue River are physical barriers</td>
<td>• Potential need for new business park</td>
<td>• Limited policy framework to balance agricultural lands with residential, commercial, and industrial land uses</td>
</tr>
<tr>
<td></td>
<td>• Ample water throughout much of County</td>
<td>• Use of 4th Street in Wamego and Bertrand Street in St. Marys for heavy truck traffic</td>
<td>• Develop rail siding infrastructure</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Jeffrey Energy Center</td>
<td></td>
<td>• Adopt county and municipal policy and resources for quick infrastructure improvements/“build to suit” options for new businesses and expansions of existing businesses</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Ample land for development</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## SWOT Analysis

<table>
<thead>
<tr>
<th>Quality of Life</th>
<th>Strengths</th>
<th>Weaknesses</th>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Rich historical and cultural context (such as Oregon Trail historic sites)</td>
<td>• Limited public transportation options</td>
<td>• Partner with Manhattan or KSU to initiate public transportation service in Pottawatomie County</td>
<td>• Scarcity of retail in smaller communities and northern section of County could limit growth</td>
</tr>
<tr>
<td></td>
<td>• Strong community health care system</td>
<td>• Limited workforce housing options, including rentals</td>
<td>• Better marketing and promotion of County’s recreational opportunities and quality-of-life assets</td>
<td>• Pottawatomie County could be missing out on potential residents because of the limited housing options</td>
</tr>
<tr>
<td></td>
<td>• Excellent K-12 schools (two Blue Ribbon schools in Rock Creek USD)</td>
<td>• Lack of ethnic diversity</td>
<td>• Better use of Kansas River and Big Blue River for recreation</td>
<td>• Growth of Blue Township and St. George could result in this area dominating the County demographically and economically</td>
</tr>
<tr>
<td></td>
<td>• Hunting and fishing</td>
<td>• Availability and affordability of childcare/preschool options</td>
<td>• Demand for new housing could be accommodated in Westmoreland, Olsburg, and Onaga</td>
<td>• Continued funding cuts to K-12 school systems and area universities/colleges</td>
</tr>
<tr>
<td></td>
<td>• Flint Hills and scenic beauty</td>
<td>• Properties dedicated to deer and turkey hunting are not properly maintained for farming and ranching uses</td>
<td>• Improve bicycle transportation routes</td>
<td>• Continued loss of prime agricultural/grazing lands to development</td>
</tr>
<tr>
<td></td>
<td>• Low crime rate</td>
<td>• Lack of nightlife, cultural, and recreational attractions for young adults</td>
<td>• Need for affordable multi-family housing options</td>
<td></td>
</tr>
</tbody>
</table>
The following summarizes the highlights of the Target Industry Analysis. Many of the recommendations in the Action Plan are focused on improving Pottawatomie County’s competitiveness in relation to the target industries, based on findings of the Target Industry Analysis.

Some of Pottawatomie County’s key competitive assets include:
- A strong agricultural base;
- A growing manufacturing base;
- High-quality community healthcare facilities and educational institutions;
- Opportunities associated with Kansas State University;
- Location within Animal Health Corridor and proximity to NBAF (National Bio and Agro-Defense Facility);
- A well-educated, entrepreneurial, and rapidly growing population; and
- A broad range of scenic, cultural, and historic attractions for residents and visitors;

The final report of this strategy will recommend initiatives that capitalize on targeted areas of opportunity and remove barriers to their growth. Our assessment reveals a unique, interrelated mix of five industries upon which Pottawatomie County can focus future business attraction, retention, and small business/entrepreneurial development efforts:


**Healthcare & Education** (Direct Patient Care & Specialized Medical Services, Senior Care, and Post-Secondary Education)

**Advanced Manufacturing** (Industrial Machinery, Construction Materials, Apparel, Agriculture Chemicals & Machinery, and Wind Energy Components)

**Agri-Business** (Feed & Livestock Production, Ag Services, Food Processing, Specialty Goods Production, and Biomass)

**Tourism & Recreation** (Historical & Cultural Tourism, Eco-Tourism & Outdoor Recreation, and Agri-Tourism)
Public opinion and community input are critical to the target industry selection process. The growth of industry clusters requires a regional effort. Regional government officials, economic developers, business leaders, and the public must be united in their vision and enthusiastic in their support to grow industry clusters that are considered a good fit for the community.

The accompanying graph represents the response of Pottawatomie County residents from an online survey that AngelouEconomics conducted as part of this project. This particular question was intended to help shed light on the types of industries that local residents desire to retain and attract. Community support is a key aspect of the target industry selection process. The following industries were chosen as desirable targets for attraction or expansion by at least 20% of Pottawatomie County residents.

- Business and Professional Services (46.5%)
- Retail (43.6%)
- Manufacturing (38.3%)
- Renewable Energy (31.2%)
- Wholesale Trade (28.9%)
- Tourism and Hospitality (27.0%)
- Agriculture (25.7%)
- Distribution and Warehousing (25.5%)
- Information Technology (24.9%)
- Healthcare (24.4%)
- Education (23.1%)
- Energy (20.7%)

Source: Pottawatomie County Resident Survey
PROPOSED POTAWATOMIE COUNTY, KS TARGET INDUSTRIES AND NICHES

- **Bio-Technology**
  - Animal Sciences Research & Development
  - Crop Sciences Research & Development
  - Bio-security

- **Healthcare & Education**
  - Direct Patient Care & Specialized Medical Services
  - Senior Care
  - Post-Secondary Education

- **Advanced Manufacturing**
  - Industrial Machinery
  - Construction Materials
  - Apparel

- **Agri-Business**
  - Feed & Livestock Production
  - Ag Services
  - Food Processing

- **Tourism & Recreation**
  - Historic & Cultural Tourism
  - Ecotourism & Outdoor Recreation
  - Agri-Tourism

- **Agri-Tourism**
  - Agriculture Chemicals & Machinery
  - Specialty Goods Production
  - Wind Energy Components
  - Biomass
The following pages outline the goals, strategies, and action items that make up the **Pottawatomie County Economic Development Strategic Plan**, with a total of nearly 100 individual strategies and action items recommended in the report. The **12 strategies and actions that should receive top priority** are listed below:

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Establish a stable funding stream for the Pottawatomie County Economic Development Corporation (PCEDC) with long-term support from the public and private sectors.</td>
</tr>
<tr>
<td>1.4</td>
<td>Create and promote an official incentive program to encourage business expansion and attraction.</td>
</tr>
<tr>
<td>2.1</td>
<td>Plan for and develop a robust network of transportation and utility infrastructure to promote high-quality development throughout Pottawatomie County.</td>
</tr>
<tr>
<td>2.2</td>
<td>Develop a new business park to capitalize on opportunities presented by NBAF (National Bio and Agro Defense Facility) and other activities associated with the region's growing bio-technology industry.</td>
</tr>
<tr>
<td>3.1</td>
<td>Work with K-12 schools and Highland Community College (HCC) – Wamego to address unmet workforce needs and develop a trained workforce that aligns with target industries and growth opportunities.</td>
</tr>
<tr>
<td>4.1</td>
<td>Further cultivate relationships between Pottawatomie County leaders (public sector and private sector) and KSU leadership and faculty.</td>
</tr>
<tr>
<td>4.3</td>
<td>Leverage the county's real estate and agricultural assets to encourage the physical expansion of KSU into Pottawatomie County.</td>
</tr>
<tr>
<td>6.1</td>
<td>Develop an aggressive stand-alone marketing and branding strategy for Pottawatomie County.</td>
</tr>
<tr>
<td>6.4</td>
<td>Become a “go-to” partner in regional marketing efforts and participate in more regional initiatives aimed at marketing and business attraction.</td>
</tr>
<tr>
<td>6.5</td>
<td>Improve Pottawatomie County's physical attractiveness in communities, public spaces, and commercial areas, especially along transportation corridors.</td>
</tr>
<tr>
<td>7.1</td>
<td>Retain and attract more young people in Pottawatomie County.</td>
</tr>
<tr>
<td>7.2</td>
<td>Focus resources on retaining and expanding retail options throughout Pottawatomie County, with a strong emphasis on communities outside of the Highway 24 corridor.</td>
</tr>
</tbody>
</table>
Pottawatomie County has experienced strong economic growth in the past decade. Key industries such as Healthcare & Education and Manufacturing have far outpaced the national growth rates, growing by 50.6% and 81.6%, respectively, between 2001 and 2009. Small business growth has also been strong in Pottawatomie County with a growth rate of 20.5% in the total number of business establishments between 2001 and 2009. Pottawatomie County's economic development programs have played a central role in enabling much of this growth. It is critical for Pottawatomie County's economy to build upon this success by focusing its economic development program on efforts to retain and expand existing businesses as well as attracting new firms in targeted sectors.

**Goal #1 Maximize the efficiency and success of Pottawatomie County’s economic development program by promoting the retention and expansion of existing businesses and the attraction of new businesses.**

**Strategy 1.1: Establish a stable funding stream for the Pottawatomie County Economic Development Corporation (PCEDC) with long-term support from the public and private sectors.** The PCEDC has been a key driver of economic growth in Pottawatomie County and continues to exceed expectations despite having limited resources. In order to maintain and expand programs that support economic development as the county continues to grow, the PCEDC will need access to a greater amount of resources and a more stable funding stream.

**Action Items:**

1.1.1 Change the PCEDC’s bylaws to allow funding from businesses and individuals to be used for PCEDC operations.

1.1.2 Launch a private sector economic development funding campaign with a three to five-year horizon.

1.1.3 Set aside a dedicated public sector funding source for economic development such as a small percentage of county sales tax revenue (1/10 to 1/8 of a cent, for example).

1.1.4 Establish an annual operating budget of $400,000 to $500,000 for the PCEDC, with a 50-50 mix of public and private sector funds.

**Strategy 1.2: Create a brief annual report summarizing the PCEDC’s activities (including organizational performance metrics) for distribution to Pottawatomie County and the public.**

“This county needs more high wage earning job opportunities to attract college graduates.”

- Pottawatomie County Resident Survey
Goal #1 Maximize the efficiency and success of Pottawatomie County’s economic development program by promoting the retention and expansion of existing businesses and the attraction of new businesses.

Strategy 1.3: Expand outreach to existing businesses and executives of local companies in a formal Business Retention and Expansion (BRE) program.

Action Items:
1.3.1 Develop goals and performance metrics for the retention and expansion program.
1.3.2 Annually survey existing businesses through online surveys and in-person interviews.
1.3.3 Utilize survey and interview findings to develop an annual retention and expansion report which can be shared with local officials and residents.
1.3.4 Address issues identified by employers by working with city, county, or state officials.
1.3.5 Visit corporate headquarters of firms with major local operations that are not headquartered locally.

Strategy 1.4: Create and promote an official incentive program to encourage business expansion and attraction.

Action Items:
1.4.1 Potential incentives include:
   • Property tax abatements
   • Free (or reduced price) land
   • Assistance with utility and transportation infrastructure provisions
1.4.2 Develop a standard set of parameters for the use of incentives including: dollar amount of capital investment, number of employees, return on investment (ROI), and other requirements.
1.4.3 Put in place “clawback provisions” so that businesses only receive incentives if they meet their requirements and produce measurable benefits in terms of investment and/or employment.
1.4.4 Market incentives on PCEDC website and other promotional materials.

Economic Development Incentive Program: Kern County, CA

The Kern County Board of Supervisors adopted its Economic Development Incentive Program to attract new businesses and support the growth of existing businesses, with a strong focus on its target industries. Kern County’s target industries are made up of 55 NAICS sectors and subsectors within six broad target industry categories which include: Value-Added Agriculture; Energy & Natural Resources; Transportation, Logistics & Warehousing; Aerospace & Defense; Tourism, Recreation & Entertainment; and Health Services & Medical Technologies.

In addition to serving as a facilitating agency for a variety of local, state, and federal incentives not directly administered by the County, Kern County offers its own economic development incentives, which include:
• Rebates based on Property Tax payments
• Rebates based on Sales and Use Tax payments made to the County
• Assistance in pursuing grant/loan funding from other public agencies
• Other forms of requested assistance as may be approved by the County

"I'd like to see more incentives offered for businesses."
- Pottawatomie County Business Survey
Goal #2: Develop a strong foundation for economic development anchored by a robust infrastructure network and high-quality business and industrial parks.

Pottawatomie County has a well-maintained network of roadway and utility infrastructure that meets the needs of its current population and economic base; however, as the county’s population and economy grow, the need for continued infrastructure investment will increase. Major transportation projects (including the widening of Highway 99 to “Super 2” status, and the possible extension of Marlatt Avenue from Riley County into Pottawatomie County) will play a key role in stimulating and accommodating future residential and commercial growth. Pottawatomie County will also need to foster partnerships between the public and private sectors to develop a new business park and expand or upgrade existing business and industrial parks to take full advantage of regional growth opportunities such as the National Bio and Agro Defense Facility (NBAF) and other opportunities associated with animal science, bio-technology, agri-business, and advanced manufacturing.

Strategy 2.1: Plan for and develop a robust network of transportation and utility infrastructure to promote high-quality development throughout Pottawatomie County.

Action Items:
1. **Extend Marlatt Avenue across the Big Blue River from Riley County into Pottawatomie County to facilitate further development in Blue Township.**
2. **Improve Highway 99 from IH-70 to Wamego to a “Super 2” configuration, which would improve safety for all roadway users and enhance freight mobility between Wamego and IH-70.**
3. **Consider constructing bypass routes for Highway 99 and Highway 24 to re-route heavy truck traffic away from downtown Wamego and downtown St. Marys, while ensuring that passenger traffic continues to travel through the heart of each community so as not to take away potential customers from local businesses.**
4. **Assess the current and proposed water and wastewater infrastructure capacity in each community within Pottawatomie County and plan for investments to accommodate future residential and commercial growth.**
5. **Invest in water and wastewater infrastructure necessary for large-scale commercial and industrial development where necessary, particularly along Highway 24 between Manhattan and Wamego.**
6. **Make improvements, where necessary, to telecommunications infrastructure to ensure a strong countywide network.**
7. **Consider establishing a countywide building code and building inspection requirements.**

<table>
<thead>
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<th>Potential Funding Sources for Recommended Infrastructure Projects</th>
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<td><strong>Recommended Projects</strong></td>
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<td>Utility Infrastructure for New Business Park</td>
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<tr>
<td>Bio-Technology/Animal Science Incubator Facility</td>
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<tr>
<td>Major Transportation Infrastructure Improvements (Highway 99, Marlatt Avenue, etc.)</td>
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Goal #2: Develop a strong foundation for economic development anchored by a robust infrastructure network and high-quality business and industrial parks.

Strategy 2.2: Develop a new business park to capitalize on opportunities presented by NBAF (National Bio and Agro Defense Facility) and other activities associated with the region’s growing bio-technology industry.

Action Items:

2.2.1 In collaboration with local commercial real estate developers, identify sites along Highway 24 between Manhattan and Wamego (as close to Manhattan as possible) that would be suitable for a large-scale (roughly 50-200 acres) high-tech business park that could house a wide range of land uses including:
   - R&D or wet lab space
   - Flex space which could be occupied by office or industrial functions
   - Modern office space
   - Business support services (such as office supplies or couriers/mail services) and retail/restaurants immediately fronting Highway 24
   - Multi-family housing toward the back portion of the site (on the opposite end of the site from Highway 24), which would serve as a buffer between the business park and adjacent properties
   - A network of trails, open spaces, water features, and high-quality landscaping throughout the development

2.2.2 Work with local governments and public and private utility providers to ensure that all necessary infrastructure is in place for a large business park including water, wastewater, storm water, electricity, gas, telecommunications, and roadway infrastructure.

Strategy 2.3: Evaluate Pottawatomie County’s existing business and industrial parks to determine if they meet current and future needs and plan for any expansions or infrastructure upgrades if necessary to support economic development.

Shovel Ready Site Program: Iowa City, IA

The Iowa City Area Shovel Ready Sites Program (SRSP) was developed by the Iowa City Area Development Group and its regional and state partners from November 2008 through May 2010 and is the first program of its kind in the State of Iowa. The purpose of the SRSP is to provide consistent standards regarding the availability and development potential of commercial and industrial sites and to fill identified market gaps in the Iowa City Area’s portfolio of sites. The SRSP aims to create sites that do not exist currently or are not in sufficient supply to accommodate the site needs of business prospects that approach Iowa City Area Development Corp (ICAD) for appropriate locations. The goal is to ensure that developers, property owners, cities, utilities and state partners understand and utilize the criteria and standards developed in this program to create an inventory of prequalified, speculative sites ready for immediate development by end-users.

To become a “certified” or “shovel-ready” site means a third-party site selection and/or engineering firm deem the site as having attributes and conditions that meet the demands of current and future commercial development opportunities. All such sites then are added to a local, regional, and statewide inventory of sites with similar qualifications and will be strongly marketed. Project objectives include:

- Filling identified market gaps
- Creating a caliber of site that does not currently exist in the market
- Establishing a high standard for development
- Creating an inventory of “shovel-ready” speculative sites (i.e. being ready before the client/prospect comes to town)
- Winning more projects

For more information, visit http://www.iowacityareadevelopment.com/shovelready/.
Pottawatomie County has a strong workforce development and education system that complements and supports the region’s workforce, which is widely regarded as skilled, well-educated, and productive. Highland Community College (HCC) – Wamego and local K-12 schools continue to make substantial progress in developing a more educated local workforce; however, it is critical for Pottawatomie County’s educational institutions to maintain a market-oriented approach by further promoting technical and vocational program options for local high school and college students that do not plan to attend four-year universities. This will help strengthen Pottawatomie County’s economic base by supporting firms that require technically-skilled labor, especially the county’s large and growing manufacturing sector.

Goal #3 Better connect the region’s workforce and existing workforce development and education programs to the needs of local employers.

Pottawatomie County Economic Development Strategic Plan

Bio-Technology Training: Austin Community College

The Biotechnology Program at Austin Community College (ACC) works in collaboration with the local bioscience industry to educate students in basic laboratory skills, math skills, genetic engineering, protein purification, cell culture, quality assurance and quality control principles, regulations, bioinformatics, computer skills, ethics, documentation, and teamwork. Students go on to work in positions that span the diverse range of biotechnology fields including Pharmaceutical, Molecular Diagnostics, Manufacturing, Cancer Research, Fisheries, Wildlife, and Cell Culture. The ACC Biotechnology Program was the 1st program in the state to formally adopt the Washington Skill Standards for Biotechnology and to receive program recognition from the Texas Skill Standards Board.

ACC Biotechnology Program offers a 1-year Certificate, which provides students basic skills for entry-level positions, a 2-year Associates of Applied Science (AAS) degree, which provides students with more advanced skills required to work as a biotechnician or to transfer to a university, and an Advanced Technical Certificate that educates post-baccalaureate students to work at the bench and is composed solely of biotechnology courses. At the end of the program, all students are required to do an internship in industry. Ninety-five percent of these students are hired during their internship with starting salaries ranging from $30k to $45K.
Goal #3 Better connect the region’s workforce and existing workforce development and education programs to the needs of local employers.

Strategy 3.2: Ensure that local and regional workforce development organizations remain connected to the marketplace.

Action Items:
3.2.1 Maintain an appropriate amount of representation from the Pottawatomie County private sector on the board of Heartland Works, Inc., the region’s federally designated workforce investment board.
3.2.2 Partner with Heartland Works and the Manhattan Workforce Center to prioritize business services and job seeker programs that focus on supporting target industries.

Strategy 3.3: Establish a summer internship program, sponsored by PCEDC, to connect high school and college students with local employers.

Action Items:
3.3.1 Consider dedicating a funding source (public or private) to provide paid internships, which would represent an investment in Pottawatomie County’s young adults and local businesses. This would also provide a greater incentive for students to pursue a summer internship and remain in the area, and also would remove barriers for small businesses that need extra help, but cannot afford to pay for additional work.
3.3.2 Work with KSU and the University of Kansas to advertise available internships with Pottawatomie County employers to students as a way to provide talented interns for local businesses as well as to develop a greater awareness of and interest in Pottawatomie County among young adults in the broader region.

Northland School-to-Career Partnership: Kansas City, MO

Northland School-to-Career Partnership (NSTCP) in Kansas City, Missouri, is a collaboration of the Platte County Economic Development Council (PCEDC) and three school districts in the Northland area of metropolitan Kansas City. It is one of the few school-to-career partnerships in the country led by an economic development organization. The PCEDC’s leadership provides an industry focused approach that often eludes similar education-based partnerships designed to produce well trained workers.

The NSTCP was developed to help prepare students by expanding classroom opportunities to obtain first-hand awareness of the knowledge, skills, educational requirements, and attitudes necessary for various occupations. The primary economic development goal of NSTCP is to focus educational institutions on specific industries so that students get more specialized skills.

The NSTCP creates awareness of the program by making on-site presentations at schools and businesses, sponsoring workshops, and speaking at luncheons. The NSTCP also has developed a website to promote and explain the partnership and to provide links to the collaborating school districts as well as the National Employers Leadership Council, the National School-to-Work Learning and Information Center, and The Learning Exchange (a national center for educational consulting, training, research, and hands-on learning experiences).

Employers participate in the partnership at various levels, from speaking in the classroom to sponsoring internships for students or externships for teachers. Educators participate by more closely tying academic subjects to their relevance in the real-world businesses that students are exposed to by the program. Educators may also participate in educator externships where teachers work directly with a business, thus experiencing firsthand and making the connection between, school-based and workbased training. In addition, educators and employers work together to develop projects and work teams that reflect today’s work environment. Such projects reinforce the messages sent through other efforts and teach students to value their own skills as well as those of their peers.
Goal #4 Fully capitalize on the opportunities provided by Kansas State University and other post-secondary education institutions.

Kansas State University (KSU) is the Manhattan region’s most important asset. In addition to being the region’s largest employer and generating millions of dollars in annual spending from visitors, KSU is a major research university with nationally important academic and research programs in multiple disciplines. Highland Community College – Wamego is also an important local asset that has grown rapidly in the past decade as a critical supporter of local businesses and has strong potential for further development as an economic engine in its own right. St. Mary’s College and Academy is a unique historical and educational asset that continues to play a central role in the growing City of St. Marys.

Strategy 4.1: Further cultivate relationships between Pottawatomie County leaders (public sector and private sector) and KSU leadership and faculty.

Action Items:

4.1.1 Hold an annual “KSU Appreciation Day” event to bring together KSU faculty and staff, students, and alumni that live in Pottawatomie County.

4.1.2 Consider funding an economic impact study of KSU to further understand and market KSU’s importance to the state, regional, and local economy, which would be unveiled during the annual KSU Appreciation Day.

4.1.3 Consider funding an endowed chair ($100,000) and/or funding three to five individual researchers ($20,000 to $25,000 each) to support animal science and bio-technology research at KSU.

4.1.4 Encourage expanding collaboration between Pottawatomie County employers with specific needs and department heads, faculty, and researchers from the appropriate KSU programs. Examples include, but are not limited to:

- Connect local farmers and ranchers with KSU’s College of Agriculture
- Connect local manufacturing firms with KSU’s College of Engineering
- Connect small businesses with KSU’s College of Business Administration
- Connect local school districts with KSU’s College of Education
Strategy 4.2: Focus Pottawatomie County’s economic development resources on target industries that align with KSU’s strongest academic and research programs.

Action Items:

4.2.1 More tightly link economic development efforts focused on Bio-Technology and Agri-Business to KSU’s animal science program, which is the largest undergraduate animal science program in the U.S.

4.2.2 Probe ways that economic development efforts focused on Advanced Manufacturing can capitalize on KSU’s Atomic, Molecular, and Optical Physics program, which is one of the largest in the U.S. and is ranked 13th nationally by U.S. News and World Report as well as several other top-ranked KSU programs that are important to the Advanced Manufacturing industry including statistics (#62), chemistry (#83), physics (#85), and math (#89).

4.2.3 Hold periodic meetings with college deans, department heads, and professors of KSU programs that are important to the growth of Pottawatomie County’s identified target industries. As part of these meetings, seek help in identifying alumni in executive positions who might be interested in returning to the region.

Strategy 4.3: Leverage the county’s real estate and agricultural assets to encourage the physical expansion of KSU into Pottawatomie County.

Action Items:

4.3.1 Work closely with KSU’s Division of Facilities to identify properties in Pottawatomie County that could provide space for functions that require large land areas or agricultural lands. Potential facilities include:
- Insectarium
- Animal holding/containment facility
- Crop sciences R&D laboratory

4.3.2 Identify opportunities to establish KSU back office/support facilities in Pottawatomie County.

4.3.3 Partner with KSU to establish a bio-technology/animal science incubator facility in Pottawatomie County with wet-lab space that could accommodate about 10 small companies.

Eastern Colorado Research Center: Colorado State University

The Eastern Colorado Research Center (ECRC) consists of 3,760 acres of land purchased by Colorado State University in 1952 and is located in a rural area about 120 miles west of the main campus of Colorado State University in Fort Collins. The ECRC’s research program is focused on beef cattle reproduction and nutrition and is conducted in both rangeland and feedlots. The ECRC is part of a statewide network of 7 research centers (9 sites) throughout the state, which are administered by the Colorado Agricultural Experiment Station or individual departments within Colorado State University. The ECRC holds an annual field day in which the public is invited to tour the research facilities speak directly with scientists that are involved in beef cattle research.

Goal #4 Fully capitalize on the opportunities provided by Kansas State University and other post-secondary education institutions.
Strategy 4.4: Continue to support HCC – Wamego as a key component of Pottawatomie County’s higher education system as well as a driver of economic growth in its own right. Utilize the bonding capacity of Pottawatomie County or the City of Wamego to construct buildings in downtown Wamego, that would be leased by HCC – Wamego, since the community college’s existing lease in the Wamego Industrial Park expires at the end of 2012. This would be a win-win-win solution because it would enable continued growth in enrollment and programs at HCC – Wamego, the daytime student population would help revitalize downtown Wamego and support local businesses along Lincoln Street, and the Wamego Industrial Park would gain multiple buildings that could be marketed to industrial tenants. Students would also benefit from the array of retail and services in downtown.

Strategy 4.5: Engage and support St. Mary’s Academy and College.

Action Items:

4.5.1 Foster communication between St. Mary’s Academy and College and Pottawatomie County employers.
4.5.2 Work with St. Mary’s Academy and College’s leadership to further acknowledge and promote the institution’s historical and educational significance.

Strategy 4.6: Build stronger connections with NISTAC to promote technology transfer and commercialization in Pottawatomie County.

Action Items:

4.6.1 Consider partnering with NISTAC to establish a satellite location in Pottawatomie County for start-up companies that require larger amounts of land or need to be located outside of a city in order to house animal containment facilities or other agricultural land uses.
4.6.2 Provide a forum for local entrepreneurs to connect with NISTAC to promote the commercialization of patents and technologies in Pottawatomie County.
Pottawatomie County and the Manhattan region have a strong existing small business and entrepreneur support system that can be strengthened and further promoted. The PCEDC has been successful in utilizing resources from a wide range of local, state, and federal sources to assist businesses and communities in many ways. In comparison, while Pottawatomie County businesses have had considerable success in accessing entrepreneurship and small business support, there are many opportunities that remain relatively untapped that can be further leveraged by small businesses.

**Strategy 5.1:** Work with Network Kansas to support the expansion of the Economic Gardening program. Stakeholders that participated in the Economic Gardening pilot program noted how successful and beneficial it was for their businesses and mentioned that it’s only shortcoming was that it was only a pilot program.

**Strategy 5.2:** Expand the resources of the Washburn University Small Business Development Center (SBDC) that are focused on Pottawatomie County. Currently, the SBDC only assists Pottawatomie County businesses on a part-time basis.

**Action Items:**

5.2.1 In the short-term, consider dedicating a portion of PCEDC’s economic development funds for expanded operations of the Washburn SBDC.

5.2.2 In the long-term, consider partnering with regional economic development partners to establish a stand-alone SBDC in partnership with KSU in order to provide stronger small business support resources for the Manhattan region, including Pottawatomie County.

**Strategy 5.3:** Improve the awareness of existing small business and entrepreneur resources. Hold a quarterly networking/information meeting with small business owners to keep them informed of current programs that they can utilize for workforce training, marketing, seed capital, or other assistance.
Pottawatomie County is an economic success story thanks to its growing base of small, medium, and large businesses, its low unemployment rates, its skilled workforce, and its high quality of life. While much of this success can be attributed to the resourcefulness of its small businesses and entrepreneurs and the PCEDC’s economic development efforts, the health of Pottawatomie County’s economy is closely linked to the success of the greater Manhattan region. A substantial amount of progress has been made toward increasing regional collaboration between Pottawatomie County and its partners, but in order to sustain the positive momentum in the regional economy, Pottawatomie County must enhance its marketing and branding efforts while supporting a greater level of cooperation amongst regional economic development organizations.

**Strategy 6.1: Develop an aggressive stand-alone marketing and branding strategy for Pottawatomie County.**

**Action Items:**

6.1.1 Emphasize key assets:
- High-quality schools and healthcare facilities
- Natural scenery of Flint Hills and outdoor recreation opportunities
- Cultural and historical attractions
- Vibrant small towns, each with a unique heritage
- Thriving economy with strong agri-business, advanced manufacturing, and healthcare & education sectors and an emerging bio-technology sector
- Strong population growth, job growth, and small business establishment growth

6.1.2 Highlight recent success stories (Caterpillar Work Tools major expansion, Mega-Starter, and others).

6.1.3 Develop a new Pottawatomie County Economic Development Corporation website with additional content dedicated towards the target industries.

**Strategy 6.2: Work with local chambers of commerce and local financial institutions to further develop existing tourist attractions and to identify additional funding for tourism advertising.**

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“The stone buildings in Onaga are a strong asset that should be capitalized on.”
- Pottawatomie County Resident Survey

**Texas Hill Country Tourism: Fredericksburg**

Today, Fredericksburg ranks as one of the top rural cities for tourism in America, catering to both daytime visitors from major urban centers in Central Texas as well as overnight visitors coming in from farther away. As part of its tourism development strategy, Fredericksburg has developed a remarkable method for drawing in visitors for every aspect of its heritage and natural assets by showcasing both its German and Texas rancher roots and inspiring visitors to appreciate the peaches, lavender, wildflowers, wines, and natural landscapes for which the region has become well-known. The influx of tourists has allowed for a wide variety of small businesses to prosper: from cozy bed and breakfasts to small boutiques and wineries.

During the first half of the 20th century, there was nothing that differentiated Fredericksburg from the other ranching towns that dotted Texas. However, a visit by President Johnson brought more visitors than residents to the city, and helped spark the tourism that would form Fredericksburg’s development into the 21st century. Today, the Fredericksburg Convention Bureau oversees the development of tourism for the city. Aggressive marketing campaigns showcase all regional assets, while the website of the Bureau itself allows visitors to plan every aspect of their trip, from accommodation to tours and shopping. The Visitor’s Center provides visitors with travel counselors to answer their questions, and also offers free maps, informational DVDs and parking.
Goal #6 Elevate local and regional marketing efforts improving the branding and image of Pottawatomie County in addition to expanding regional collaboration.

Strategy 6.3: Sponsor an annual “Economic Development Education Mission” in which Pottawatomie County leaders (public and private sector) travel to a peer county or region to learn about their economic development successes and challenges.

Strategy 6.4: Become a “go-to” partner in regional marketing efforts and participate in more regional initiatives aimed at marketing and business attraction.

Action Items:

6.4.1 Work more closely with the Manhattan Chamber of Commerce on regional marketing and on attracting new investment from businesses currently located outside of the region or state.

6.4.2 Participate more actively in marketing efforts associated with the Animal Health Corridor.

6.4.3 Support the establishment of the Flint Hills Regional Council as the greater Manhattan region’s Economic Development District.

6.4.4 Leverage Pottawatomie County’s strengths, resources, and economic development successes to exert a greater amount of influence on regional economic development and marketing efforts as a partner.

Strategy 6.5: Improve Pottawatomie County’s physical attractiveness in communities, public spaces, and commercial areas, especially along transportation corridors.

Action Items:

6.5.1 Place attractive “Welcome to Pottawatomie County” signs at key entrances to County, first focusing on the entrance on Highway 24 from Riley County, then the entrance on Highway 24 from Shawnee County, and then other entrances.

6.5.2 Work with KDOT to add highway beautification and landscaping improvements to key transportation corridors, primarily Highway 24 and Highway 99.

6.5.3 Consider developing commercial design standards (or guidelines) that would apply to new development in commercial and industrial areas to ensure a minimum level of quality and consistency in the appearance of non-residential areas throughout the county.

“Overall, Pottawatomie County is doing well as a regional partner and has led the way in many instances in this regard. ..”

- Pottawatomie County Business Survey

“I would love to see City of St. George clean up the Main Street and promote economic development. St. George has a great river front area and boat dock available to develop.”

- Pottawatomie County Resident Survey

“Bicycle events could be promoted as we have many scenic roads to drive on.”

- Pottawatomie County Resident Survey
Pottawatomie County offers its residents an exceptional quality of life thanks to its healthy economy, its high-quality healthcare and education institutions, and many outdoor recreational opportunities and cultural attractions.

Stakeholders noted a limited amount of rental housing and a lack of recreational opportunities for young adults as two key deficiencies. Another challenge for the region is that its high quality of life has resulted in wage levels that are relatively low compared to nearby regions that have a similar cost of living (Topeka, Wichita, Kansas City), making it more difficult to retain young adults. It is important for Pottawatomie County to build on its existing high quality of life to help retain and attract residents, particularly young people, to communities throughout the county.

Strategy 7.1: Retain and attract more young people in Pottawatomie County.

**Action Items:**

- **7.1.1** Proactively seek to involve young professionals in leadership positions in the business community, in local governments, and in civic organizations, especially in Pottawatomie County’s smaller communities.
- **7.1.2** Capitalize on the high percentage of KSU graduates that say they would like to stay in the Manhattan area if they could find suitable employment (64% according to a 2009 KSU Registrar study).
- **7.1.3** Expand existing efforts to provide networking opportunities for young professionals by utilizing the PCECD Facebook page and seeking opportunities to hold Happy Hour networking events for young professionals.
- **7.1.4** Periodically determine from young adults any gaps that exist in the County’s quality of life offerings.

Strategy 7.2: Focus resources on retaining and expanding retail options throughout Pottawatomie County, with a strong emphasis on communities outside of the Highway 24 corridor. The limited number of retailers and restaurants was noted by stakeholders as a challenge facing all of Pottawatomie County; however, the availability of shopping options is critical to the long-term economic health and quality of life in the county’s more rural communities (Emmett, Havensville, Louisville, Olsburg, Onaga, Westmoreland, and Wheaton).

**Action Items:**

- **7.2.1** Consider initiatives to promote residential development in smaller communities, since “retail follows rooftops”.
- **7.2.2** Consider developing incentives that are designed to attract, expand, or attract retail in rural communities.
- **7.2.3** Attend ICSC conferences to promote Pottawatomie County to retailers.

Goal #7 Improve the vibrancy of all communities within Pottawatomie County and build upon the exceptional quality of life for residents and visitors.

“Shop Local Campaigns for Small Towns” is an article written by Becky McCray which includes many best practice examples of successful buy local campaigns including “Dane Buy Local” in Wisconsin, [http://www.danebuylocal.com/](http://www.danebuylocal.com/) which has over 500 members who sponsor the initiative. Additionally, the article identifies the top ten reasons to buy local and lays out seven strategies for establishing a successful buy local campaign in a small town.

**Top Ten Reasons to Buy Local:**

1. Dollars spent locally support vital public services locally.
2. Local businesses are a strong part of the uniqueness of the community.
3. You can develop strong relationships with local merchants.
4. Local merchants invest in the community.
5. Local purchases support local jobs.
6. Supporting a local business has positive effects on surrounding businesses clustered around it.
7. Local shops are more accessible for everyone.
8. You save by shopping locally.
9. Buying locally reduces your environmental impact.
10. Local purchases help attract new entrepreneurs and workers.

**Strategies for a successful buy local program:**

1. Get help and support from local businesses and key community leaders
2. Pick a theme which incorporates your town or county’s identity into the slogan
3. Promote your most powerful local strengths
4. Create a few effective promotional materials
5. Kick off the initiative with events and media coverage, including a Facebook page
6. Measure success through surveys
7. Extend the reach of the program to include business-to-business transactions.

Goal #7: Improve the vibrancy of all communities within Pottawatomie County and build upon the exceptional quality of life for residents and visitors.

Strategy 7.3: Identify, fund, and construct “catalyst” quality of life projects that build on Pottawatomie County’s unique assets, with a focus on retaining and attracting young adults.

Action Items:

7.3.1 Complete the hike/bike trail along the Kansas River between Manhattan to Wamego, and from Wamego to St. Marys.

7.3.2 Consider a partnership between Wamego and Manhattan to establish a kayak docking station in each city to promote recreational water-based transportation between the two cities.

7.3.3 Continue to direct resources toward downtown revitalization efforts, which have been successful in many Pottawatomie County communities.

Strategy 7.4: Address housing shortages, particularly affordable, high-quality rental housing, to capture as much of the region’s growth as possible.

Action Items:

7.4.1 Evaluate land use plans and zoning throughout Pottawatomie County to identify and remove any barriers that prevent the construction of new housing.

7.4.2 Local governments and real estate developers should collaborate to identify opportunities for new housing developments.

“USD 302’s amazing school system is the reason we moved to Wamego.”
- Pottawatomie County Resident Survey

“The County needs a residential building code to protect home buyers and establish a minimal level of construction quality.”
- Pottawatomie County Resident Survey
Goal #8 Engage in specific strategies to grow existing and emerging target industry sectors.

**Bio-Technology**

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<tr>
<td>Animal Sciences Research &amp; Development</td>
<td>KSU research strengths in agricultural sciences and bio-sciences, and the largest undergraduate animal science program in the U.S. Location in Animal Health Corridor Kansas BioScience Authority</td>
<td>Market and position Pottawatomie County as the location of choice for bio-technology firms and other spin-off activity associated with NBAF. Attend annual BIO International Conference. Participate in more joint marketing with communities in Animal Health Corridor. Consider joining the Kansas City Area Development Corporation (KCADC).</td>
<td>Connect local farmers and ranchers with KSU researchers involved in animal science R&amp;D and crop science R&amp;D to promote the use of portions of Pottawatomie County’s agricultural lands for KSU research. Foster communication and collaboration between local firms in the highly inter-dependent agri-business and bio-technology industries to support growth in both sectors. Work with local developers to identify sites for high-tech office parks along the Highway 24 corridor between Manhattan and Wamego and work with public and private utility providers to ensure that the necessary infrastructure is in place. Partner with KSU to establish a bio-technology incubator facility in Pottawatomie County with wet-lab space that could accommodate about 10 small companies.</td>
</tr>
<tr>
<td>Crop Sciences Research &amp; Development</td>
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<tr>
<td>Bio-Security</td>
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</tr>
</tbody>
</table>

Pottawatomie County Economic Development Strategic Plan

Part 3: Final Recommendations | 163
Healthcare & Education

<table>
<thead>
<tr>
<th>MARKET SEGMENTS</th>
<th>KEY ASSETS</th>
<th>MARKETING INITIATIVES</th>
<th>SECTOR STRATEGIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Patient Care &amp; Specialized Medical Services</td>
<td>High quality healthcare organizations (Community HealthCare System in Onaga and Wamego City Hospital) Strong educational system at all levels (KSU, HCC – Wamego, St. Marys Academy and College, Manhattan Technical College, and five K-12 school districts) Rapidly growing population Strong growth in local Healthcare &amp; Education industry both in total employment and number of establishments</td>
<td>Promote Pottawatomie County’s high-quality K-12 school districts, especially its nationally recognized Blue Ribbon Schools (Rock Creek Jr./Sr. High and St. George Elementary of Rock Creek USD 323) and the 2010 Intel School of Distinction in Elementary Mathematics (West Elementary of Wamego USD 320). Assist Community HealthCare System, Wamego City Hospital, and other healthcare facilities with needed training programs and workforce recruitment.</td>
<td>Cultivate relationships with the Kansas Department of Education and highlight the success of Pottawatomie County school districts as well as the county’s rapid population growth and relatively low median age to help prevent the closure or consolidation of local schools as a result of statewide budgetary pressures. Identify deficiencies in the availability of child care facilities and take steps to ensure adequate availability of child care options throughout the county. Utilize the bonding capacity of Pottawatomie County or the City of Wamego to construct buildings in downtown Wamego, that would be leased by HCC – Wamego, since the community college’s existing lease in the Wamego Industrial Park expires at the end of 2012.</td>
</tr>
<tr>
<td>Senior Care</td>
<td></td>
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<tr>
<td>Post-Secondary Education</td>
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</tbody>
</table>

“Moving Highland Community College downtown would also be a huge boost to the economy and provide more support for the local businesses.”
- Pottawatomie County Business Survey
### Advanced Manufacturing

<table>
<thead>
<tr>
<th>MARKET SEGMENTS</th>
<th>KEY ASSETS</th>
<th>MARKETING INITIATIVES</th>
<th>SECTOR STRATEGIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial Machinery</td>
<td>Strong, diverse, and rapidly growing manufacturing sector which is anchored by major employers GTM Sportswear and Caterpillar Work Tools, and includes several mid-size (50-200 employees) manufacturers and many smaller manufacturers</td>
<td>Promote the success of Caterpillar Work Tools and highlight the fact that the division’s global headquarters is located in Pottawatomie County as an example of the county's attractive business climate for advanced manufacturing firms. Market Pottawatomie County’s central location in the “wind belt”, the top wind energy generating region in the U.S., that stretches from the Texas Panhandle and Western Kansas to Iowa and Minnesota.</td>
<td>Leverage Pottawatomie County’s multiple competitive advantages in the fields of advanced manufacturing, agri-business, and bio-technology to support the growth of firms in the Agriculture Chemicals &amp; Machinery niche. Work closely with Jeffrey Energy Center to identify opportunities to attract advanced manufacturing firms that are suppliers or otherwise associated with the power plant to Pottawatomie County. Support efforts to construct a “Super 2” on Highway 99 between IH-70 and Highway 24. Support efforts to improve rail access for goods movement to and from Pottawatomie County. Identify resources to train and develop a larger local advanced manufacturing workforce to respond to the needs of the growing local manufacturing sector.</td>
</tr>
<tr>
<td>Construction Materials</td>
<td>Two industrial parks with shovel-ready sites</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Apparel</td>
<td>Central U.S. location</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agriculture Chemicals &amp; Machinery</td>
<td>Advanced Manufacturing Institute</td>
<td></td>
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</tr>
<tr>
<td>Wind Energy Components</td>
<td>Nationally ranked KSU programs: atomic physics (#13 in U.S.), statistics (#62), chemistry (#83), physics (#85), and math (#89). Large, skilled workforce</td>
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</tbody>
</table>

"It would be a fairly low cost venture for the city of Wamego or the county to partner with PCEDC and Highland College to create a small welder training school in the immediate vicinity. Doing so just might enable the existing businesses to expand more rapidly, and might also draw ancillary businesses that also require welders into the area.”

- Pottawatomie County Business Survey
Goal #8 Engage in specific strategies to grow existing and emerging target industry sectors.

### Agri-Business

<table>
<thead>
<tr>
<th>MARKET SEGMENTS</th>
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<th>MARKETING INITIATIVES</th>
<th>SECTOR STRATEGIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feed &amp; Livestock Production</td>
<td>Rich agricultural heritage and strong existing network of farmers, ranchers, and small to mid-size agri-business firms</td>
<td>Market Pottawatomie County’s central U.S. location as ideal from both a supply and distribution standpoint for agri-business firms whose primary suppliers are located in the Great Plains region and that distribute their products throughout the U.S. Leverage KSU’s agricultural strengths to market Pottawatomie County directly to agri-business firms that require or strongly prefer access to a major ag science research university.</td>
<td>Ensure that zoning and land use plans adequately protect Pottawatomie County’s agricultural lands as the county’s population and economy continue to grow. Explore possibilities for symbiotic relationships between agriculture and energy production through R&amp;D activities related to biomass. Foster communication and collaboration between local firms in the highly inter-dependent agri-business and bio-technology industries to support growth in both sectors. Partner with Jeffrey Energy Center to continue utilizing portions of its land (7,700 acres of the total 10,500 acres are currently leased to farmers) for agri-business purposes, with the goal of identifying the “highest and best use” of land that is available for use by agri-business firms. Work with local farmers and ranchers to identify opportunities to experiment with and produce higher-value specialty goods using small portions of existing agricultural lands.</td>
</tr>
<tr>
<td>Ag Services</td>
<td>KSU agricultural science R&amp;D</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food Processing</td>
<td>Highly productive farmlands and ranchlands</td>
<td></td>
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<tr>
<td>Specialty Goods Production</td>
<td>Central location in the primary U.S. cattle production region</td>
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<tr>
<td>Biomass</td>
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</table>
### Tourism & Recreation

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<thead>
<tr>
<th>MARKET SEGMENTS</th>
<th>KEY ASSETS</th>
<th>MARKETING INITIATIVES</th>
<th>SECTOR STRATEGIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Historical &amp; Cultural Tourism</td>
<td>Unique scenic attractions (Flint Hills, Kansas River, Big Blue River)</td>
<td>Work with farmers and ranchers to promote the county’s productive agricultural lands as tourist attractions. Leverage the success of the emerging “Oz” theme in downtown Wamego by funding a major expansion of the Oz Museum and increasing the amount of Oz-related advertising spending. Improve awareness of the Oregon Trail through increased marketing and advertising expenditures and continued partnerships with the Oregon-California Trail Association. Support state and regional partners in the branding and marketing of the Flint Hills region as an eco-tourism destination.</td>
<td>Consider enacting a Pottawatomie County transient guest tax to fund support marketing and tourism promotion efforts. Work with local governments and land owners to expand access to Oregon Trail sites by placing wayfinding signage at strategic locations and making infrastructure improvements where necessary. Identify areas of critical scenic, agricultural, and historical significance that must be preserved. As Pottawatomie County grows, it will be important to have strategies in place that balance the need for conservation with the need to allow development in some areas in support of economic growth. Develop a linear trail system for hiking, biking, and equestrian use, focusing initially on the Kansas River corridor and building a countywide trail network in the long-term.</td>
</tr>
<tr>
<td>Ecotourism &amp; Outdoor Recreation</td>
<td>Rich history (Native Americans, Oregon Trail, St. Mary’s Academy and College) Emerging successful Oz brand (Oz Museum, Oz Winery and other Oz-related businesses in Wamego)</td>
<td>Within a 5-hour drive of a total population of more than 9 million</td>
<td></td>
</tr>
<tr>
<td>Agri-Tourism</td>
<td>More than 5 hours drive of a total population of more than 9 million</td>
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<td></td>
</tr>
</tbody>
</table>

**Goal #8 Engage in specific strategies to grow existing and emerging target industry sectors.**

“We have liked the beauty of the area since the first time we drove through the Flint Hills.”

- Pottawatomie County Resident Survey

“We definitely need more retail opportunities, especially OZ retail. People visiting here will spend money on OZ, but we aren't getting them enough opportunities to leave their money here.”

- Pottawatomie County Resident Survey
Ongoing performance evaluation is a critical component to the success of Pottawatomie County’s economic development efforts. The performance measurements proposed on the following pages will help project partners to effectively measure the implementation of the strategies within this plan. Economic developers will have an opportunity to demonstrate the positive results of their efforts and for the public to determine whether economic development resources are well-spent.

Project partners must agree upon a concise set of the most appropriate performance measures and periodic reporting of results. Additionally, project partners should hold an annual “scorecard” meeting to review progress.
Performance Metrics

**Business Climate and Incentives**
- Businesses served through the Business Retention and Expansion (BRE) program
- Ratings of overall business climate through BRE program
- Change in ratings over time

**Workforce and Education**
- Average wage growth
- Local employers’ ratings of workforce
- Changes in ACT/SAT scores and high school graduation rates
- Utilization of workforce development programs
- Ratings of workforce development programs
- Percentage of workers with an Associate’s Degree or higher, and Bachelor’s Degree or higher

**Marketing and Business Development**
- Number of qualified prospects
- Conversion rates of prospects to new businesses
- New jobs generated
- Average salaries of new jobs
- Tax revenues generated
- Return on Investment
- Availability and utilization of local and state incentive programs
- Performance of businesses receiving incentives
Performance Metrics

Entrepreneurship and small business development
Patent creation
Number of small businesses started

Sites & Infrastructure
Amount of new commercial and industrial space constructed
Available developable acreage with direct highway access and existing utility service
Available developable acreage with direct highway access, but lacking utility service
Available developable acreage with existing utility service, but without direct highway access
Available developable acreage without existing utility service and without direct highway access
Available commercial and industrial properties

Strategy Implementation Plan Outcomes
Successful completion of initiatives
The implementation matrix offers recommendations on how the Pottawatomie County Economic Development Corporation and its partners can implement this action plan. It is organized by the six goals outlined in this strategy and includes the most prominent action items, timeframe, and parties to be involved in implementation.

A sample of the implementation matrix is included on the following page, however the primary document is provided as an editable excel document separate from the body of this report.
### GOAL 1: Maximize the efficiency and success of Pottawatomie County's economic development program by promoting the retention and expansion of existing businesses and the attraction of new businesses.

#### Strategy 1.1: Establish a stable funding stream for the Pottawatomie County Economic Development Corporation (PCEDC) with long-term support from the public and private sectors.

- **Action Item 1.1.1:** Change the PCEDC's bylaws to allow funding from businesses and individuals to be used for PCEDC operations.  
  - Implementation Start: Short Term (1 year)  
  - Implementation Partners: Pottawatomie County Economic Development Corporation, KSU
  - Implementation Start: Mid-Term (2-3 years)  
  - Implementation Partners: Pottawatomie County, City & Towns
  - Implementation Start: Long Term (3 years +)  
  - Implementation Partners: Local Employees, Local Banks

- **Action Item 1.1.2:** Launch a private sector economic development funding campaign with a three to five-year horizon  
  - Implementation Start: Short Term (1 year)  
  - Implementation Partners: Pottawatomie County Economic Development Corporation, KSU
  - Implementation Start: Mid-Term (2-3 years)  
  - Implementation Partners: Pottawatomie County, City & Towns
  - Implementation Start: Long Term (3 years +)  
  - Implementation Partners: Local Employees, Local Banks

- **Action Item 1.1.3:** Set aside a dedicated public sector funding source for economic development such as a small percentage of county sales tax (1/10 to 1/8 of a cent, for example).  
  - Implementation Start: Short Term (1 year)  
  - Implementation Partners: Pottawatomie County Economic Development Corporation, KSU
  - Implementation Start: Mid-Term (2-3 years)  
  - Implementation Partners: Pottawatomie County, City & Towns
  - Implementation Start: Long Term (3 years +)  
  - Implementation Partners: Local Employees, Local Banks

- **Action Item 1.1.4:** Establish an annual operating budget of $400,000 to $500,000 for the PCEDC, with a 50-50 mix of public and private sector funds.  
  - Implementation Start: Short Term (1 year)  
  - Implementation Partners: Pottawatomie County Economic Development Corporation, KSU

#### Strategy 1.2: Create a brief annual report summarizing the...
APPENDIX A

APPROACH AND METHODOLOGY

Part 1 of this report examines the current state of affairs in Pottawatomie County, Kansas in areas that are most critical to business and industry growth and job creation. The market assessment is the first of a series of reports in the economic development strategic planning process, and is a tool for not only identifying the current health of the Pottawatomie County economy, but also the trends and factors that have shaped it. Utilizing a mix of data that was provided by the Pottawatomie County Economic Development Corporation or collected independently by AngelouEconomics, as well as qualitative information from local stakeholders, this report represents an evaluation of trends, data, and businesses’ and residents’ perceptions of the Pottawatomie County. This report evaluates Pottawatomie County’s readiness to attract and direct future economic development by analyzing Pottawatomie County and its communities in a range of economic and demographic variables by comparing it against a group of benchmark counties. A set of criteria was developed to identify three benchmark counties (Washington County, IA, Howard County, MO, and Preston County, WV) that share several key similarities with Pottawatomie County.

AngelouEconomics used a variety of sources to collect the quantitative and qualitative information used in its analysis. To begin, the consulting team collected previous studies and plans developed for Pottawatomie County and the surrounding region. Quantitative data was collected from state and national sources, including the U.S. Bureau of Labor Statistics, the U.S. Census Bureau, U.S. Patent and Trademark Office, the Bureau of Economic Analysis, the National Science Foundation, the Internal Revenue Service, the National Center for Education Statistics, the Energy Information Administration and numerous private sector sources including Decision Data Resources, PricewaterhouseCoopers, and Dun & Bradstreet. AngelouEconomics also gathered qualitative data through numerous focus groups, one-on-one interviews, and community tours. Two surveys were conducted to provide further insight into the Pottawatomie County economy. One survey was intended for county employers; the other was intended for county residents.
SURVEY RESULTS

As part of the data collection process, two online surveys were developed to glean insight from Pottawatomie County community members on topics related to economic development. One survey was directed to Pottawatomie County residents, the other was for employers. The resident survey was completed by 387 residents and the business survey was completed by 109 employers. The large number of responses to both surveys is a very positive sign that reflects a high level of participation in this project from local stakeholders.

The surveys remained online until Monday, June 27, 2011. Please visit the project website, www.growpottawatomieco.com, to view the survey results.
Target Industry

Cost of Operations Comparison

Delivered to:
Pottawatomie County Economic Development Corporation (PCEDC)
INTRODUCTION

About the Cost of Operations Comparison

The analysis that follows draws upon a collection of industry-specific cost of operation models that have been developed by AngelouEconomics to simulate the start-up and ongoing operational costs of running a business in specific target industries. These models are designed to integrate a series of key inputs, each of which contribute to the overall cost of operating a business in the target industry. These inputs are specific to the community being studied as well as to a collection of benchmark communities in order to determine the impact of the local cost environment to the cost of running a business in the target industry. By applying the operational requirements of a hypothetical business within a particular target industry to this analytical framework, AngelouEconomics is able to provide a comparison of projected annual costs that highlights the differences between the communities studied in terms of their impact on the annual costs for a business in that industry.

As different industries rely upon various resources differently, the specific costs that are necessary to operate a business in that industry will likewise differ. In this way, the key contributor to overall operating costs in one industry may be labor, while in another it may be the cost of utilities. Similarly, a group of communities may differ in how their local cost environment is structured; with one able to offer lower labor costs and another able to offer more favorable utility rates. The analysis provided offers guidance in determining which cost categories (i.e. payroll, employee benefits, property taxes, etc.) are most significant to the overall operating costs within a particular industry and how these costs are influenced by local conditions and policy.

In addition to indicating the overall annual costs associated with operating a target industry business in the communities studied, a further breakdown of those costs are provided as well as several indices that illustrate in what areas the communities are most competitive. This analysis can be valuable in identifying the competitive advantages or disadvantages of a community relative to its benchmarks within the context of a specific industry. It can also assist in determining if certain policy areas should be reviewed or addressed to better meet the needs of a target industry and to become a more competitive place to do business. Finally, the analysis provided can be helpful in determining how to best market the community to businesses in a target industry or how to structure incentive packages so that they will have a meaningful impact on a business in a target industry.
A variety of local, state, and national data sources are used in this analysis; however, due to the availability and comparability of data between benchmarks, the Manhattan MSA as a whole, instead of only Pottawatomie County, is compared to other MSAs.
Agri-Business

LOCAL COST OF OPERATIONS INDEX
Cost of Operations in Benchmarks Relative to Manhattan MSA

FACTORS OF ANALYSIS
In order to achieve direct comparisons of annual operating costs within the communities analyzed for this industry, uniform conditions for a hypothetical company were applied to the cost variables of each specific community. Operating costs were calculated across five primary cost categories including employee payroll, fringe and mandated benefits, utilities, building/lease payment and property tax. A general outline of the parameters used has been provided below.

Parameters of Comparison

- Construction of 90,000 SF Light Industrial/Flex Space building on 10 acres of land
- $18,000,000 capital investment in machinery and equipment
- Total workforce of 180 employees (see Appendix for detailed employee information)
- Monthly electricity demand of 1,000 KW 400,000 KWh
- Monthly water usage of 53,400 cf, 5/8 meter (400,000 gallons) per day
- Monthly natural gas usage of 200,000 m3

Total Annual Operating Costs

<table>
<thead>
<tr>
<th>Benchmark</th>
<th>Total Annual Operating Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amarillo MSA</td>
<td>$11,871,519</td>
</tr>
<tr>
<td>Omaha MSA</td>
<td>$12,713,616</td>
</tr>
<tr>
<td>Manhattan MSA</td>
<td>$13,095,616</td>
</tr>
<tr>
<td>Lincoln MSA</td>
<td>$13,506,424</td>
</tr>
<tr>
<td>Chicago MSA</td>
<td>$15,173,293</td>
</tr>
</tbody>
</table>

Source of Annual Costs

Breakdown of Total Annual Costs
For Manhattan MSA

- Utilities: 4.11%
- Employee Payroll: 4.16%
- Fringe and Mandated Benefits: 12.78%
- Building/Lease Payment: 45.50%
- Property Tax: 33.40%

Average Additional Costs in Benchmarks

<table>
<thead>
<tr>
<th>Benchmark</th>
<th>Additional Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amarillo MSA</td>
<td>$538,700</td>
</tr>
<tr>
<td>Omaha MSA</td>
<td>$217,043</td>
</tr>
<tr>
<td>Manhattan MSA</td>
<td>$226,626</td>
</tr>
<tr>
<td>Lincoln MSA</td>
<td>$699,861</td>
</tr>
<tr>
<td>Chicago MSA</td>
<td>-$61,409</td>
</tr>
</tbody>
</table>

* Negative value indicates that benchmarks are, on average, less expensive for that cost category.
Agri-Business

**Total Cost of Operations Index**
Cost of Operations in Communities Relative to Manhattan MSA

**Employee Payroll Index**
Cost of Operations in Communities Relative to Manhattan MSA

**Fringe & Mandated Benefits Index**
Cost of Operations in Communities Relative to Manhattan MSA

**Utilities Index**
Cost of Operations in Communities Relative to Manhattan MSA

**Building / Lease Payment Index**
Cost of Operations in Communities Relative to Manhattan MSA

**Property Tax Index**
Cost of Operations in Communities Relative to Manhattan MSA
KEY FINDINGS

Affordable Land and Labor Make the Manhattan MSA an Attractive and Affordable Option

- Average total cost savings of $442,199 (3.39%) compared to benchmarks.
- The Manhattan MSA has the lowest employee payroll and fringe and mandated benefit costs, which together, account for 58.3% of the total operating costs.
- Although majority of the cost savings are related to labor costs (both employee payroll and fringe and mandated benefits), the Manhattan MSA also has very competitive land and construction costs.
- The Manhattan MSA's only notable weakness is its relatively high utility costs, which are nearly the same as the Chicago MSA.
- Overall, the Manhattan MSA is much less expensive than Chicago, is competitive with Lincoln and Omaha, and is more expensive than Amarillo, which has the lowest utility costs.
Agri-Business

Cost of Operations Analysis Sources:
Energy Information Administration (2009)
Energy Information Administration Natural Gas Monthly (August 2011)
Means Construction Index (2009)
NAI Global; Various local real estate contacts
Oregon Department of Consumer and Business Services (workers compensation rates)
Raftelis Financial Consultants Water and Wastewater Rate Survey (2008)
RIA All States Handbook, 2009 (unemployment insurance)
Bureau of Transportation Statistics
State, County and Municipal Websites

Additional Information on Workforce:

Agri-Business
- 1 Facility Director
- 2 Senior Managers
- 3 Engineers
- 14 Production Supervisors
- 1 Office Manager
- 2 Office Clerks
- 2 Receptionist
- 2 HR Manager
- 14 Production Workers
- 125 Unskilled Production Workers
- 8 Warehouse Workers
- 6 Maintenance Workers
Total Workforce: 180
FACTORS OF ANALYSIS

In order to achieve direct comparisons of annual operating costs within the communities analyzed for this industry, uniform conditions for a hypothetical company were applied to the cost variables of each specific community. Operating costs were calculated across five primary cost categories including employee payroll, fringe and mandated benefits, utilities, building/lease payment and property tax. A general outline of the parameters used has been provided below.

Parameters of Comparison

- Construction of 205,000 SF Industrial Space building on 33 acres of land
- $20,140,000 capital investment in machinery and equipment
- Total workforce of 225 employees (see Appendix for detailed employee information)
- Monthly electricity demand of 2,520 KW 850,000 KWh
- Monthly water usage of 1,059 cf, 5/8 meter (7,925 gallons) per day
- Monthly natural gas usage of 420,000 m3

Wind Energy Component Manufacturing Index

Cost of Operations in Benchmarks Relative to Manhattan MSA

Total Annual Operating Costs

<table>
<thead>
<tr>
<th>Benchmark</th>
<th>Total Annual Operating Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amarillo MSA</td>
<td>$17,952,029</td>
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<tr>
<td>Manhattan MSA</td>
<td>$20,774,717</td>
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<tr>
<td>Ames, IA MSA</td>
<td>$22,154,047</td>
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<tr>
<td>Wichita MSA</td>
<td>$22,640,110</td>
</tr>
<tr>
<td>Denver MSA</td>
<td>$22,701,442</td>
</tr>
</tbody>
</table>

Source of Annual Costs

Breakdown of Total Annual Costs For Manhattan MSA

- Utilities: 36.69%
- Employee Payroll: 10.16%
- Fringe and Mandated Benefits: 4.15%
- Building/Lease Payment: 42.91%

Average Additional Costs in Benchmarks By Source of Costs

- Utilities: $987,275
- Employee Payroll: $294,440
- Fringe and Mandated Benefits: $1,108,951
- Building/Lease Payment: $149,694
- Property Tax: $264,733

* Negative value indicates that benchmarks are, on average, less expensive for that cost category.
Wind Energy Component Manufacturing

**Total Cost of Operations Index**
Cost of Operations in Communities Relative to Manhattan MSA

<table>
<thead>
<tr>
<th>City</th>
<th>Total Cost of Operations Index</th>
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</thead>
<tbody>
<tr>
<td>Manhattan MSA</td>
<td>100%</td>
</tr>
<tr>
<td>Denver MSA</td>
<td>109%</td>
</tr>
<tr>
<td>Ames, IA MSA</td>
<td>107%</td>
</tr>
<tr>
<td>Wichita MSA</td>
<td>109%</td>
</tr>
<tr>
<td>Amarillo MSA</td>
<td>86%</td>
</tr>
</tbody>
</table>

% of Total Operating Costs: 45.53%

**Employee Payroll Index**
Cost of Operations in Communities Relative to Manhattan MSA

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<thead>
<tr>
<th>City</th>
<th>Employee Payroll Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manhattan MSA</td>
<td>100%</td>
</tr>
<tr>
<td>Denver MSA</td>
<td>122%</td>
</tr>
<tr>
<td>Ames, IA MSA</td>
<td>112%</td>
</tr>
<tr>
<td>Wichita MSA</td>
<td>117%</td>
</tr>
<tr>
<td>Amarillo MSA</td>
<td>101%</td>
</tr>
</tbody>
</table>

% of Total Operating Costs: 12.78%

**Fringe & Mandated Benefits Index**
Cost of Operations in Communities Relative to Manhattan MSA

<table>
<thead>
<tr>
<th>City</th>
<th>Fringe &amp; Mandated Benefits Index</th>
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<td>100%</td>
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<tr>
<td>Denver MSA</td>
<td>121%</td>
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<td>Ames, IA MSA</td>
<td>114%</td>
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<tr>
<td>Wichita MSA</td>
<td>117%</td>
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<tr>
<td>Amarillo MSA</td>
<td>104%</td>
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% of Total Operating Costs: 4.16%

**Utilities Index**
Cost of Operations in Communities Relative to Manhattan MSA

<table>
<thead>
<tr>
<th>City</th>
<th>Utilities Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manhattan MSA</td>
<td>100%</td>
</tr>
<tr>
<td>Denver MSA</td>
<td>100%</td>
</tr>
<tr>
<td>Ames, IA MSA</td>
<td>100%</td>
</tr>
<tr>
<td>Wichita MSA</td>
<td>100%</td>
</tr>
<tr>
<td>Amarillo MSA</td>
<td>67%</td>
</tr>
</tbody>
</table>

% of Total Operating Costs: 33.42%

**Building / Lease Payment Index**
Cost of Operations in Communities Relative to Manhattan MSA

<table>
<thead>
<tr>
<th>City</th>
<th>Building / Lease Payment Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manhattan MSA</td>
<td>100%</td>
</tr>
<tr>
<td>Denver MSA</td>
<td>136%</td>
</tr>
<tr>
<td>Ames, IA MSA</td>
<td>100%</td>
</tr>
<tr>
<td>Wichita MSA</td>
<td>94%</td>
</tr>
<tr>
<td>Amarillo MSA</td>
<td>75%</td>
</tr>
</tbody>
</table>

% of Total Operating Costs: 4.1%

**Property Tax Index**
Cost of Operations in Communities Relative to Manhattan MSA

<table>
<thead>
<tr>
<th>City</th>
<th>Property Tax Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manhattan MSA</td>
<td>100%</td>
</tr>
<tr>
<td>Denver MSA</td>
<td>109%</td>
</tr>
<tr>
<td>Ames, IA MSA</td>
<td>132%</td>
</tr>
<tr>
<td>Wichita MSA</td>
<td>152%</td>
</tr>
<tr>
<td>Amarillo MSA</td>
<td>140%</td>
</tr>
</tbody>
</table>

% of Total Operating Costs: 4.16%
Wind Energy Component Manufacturing

The Manhattan MSA Has Attractive Labor Costs and Competitive Property Taxes

- Average total cost savings of $987,275 (5.65%) compared to benchmarks.
- The Manhattan MSA has the lowest employee payroll and fringe and mandated benefit costs, which together, account for 46.85% of the total operating costs.
- The Manhattan MSA also has very competitive land and construction costs and property taxes, which are very competitive compared to Denver, Ames, and Wichita, and only slightly higher than Amarillo, which has the lowest costs in both categories.
- The Manhattan MSA has the highest utility costs, which account for 42.91% of the total operating costs.
- Overall, the Manhattan MSA offers significant cost savings compared to Denver, Ames, and Wichita, but is more expensive than Amarillo.
Wind Energy Component Manufacturing

Cost of Operations Analysis Sources:
Energy Information Administration (2009)
Energy Information Administration Natural Gas Monthly (August 2011)
Means Construction Index (2009)
NAI Global; Various local real estate contacts
Oregon Department of Consumer and Business Services (workers compensation rates)
Raftelis Financial Consultants Water and Wastewater Rate Survey (2008)
RIA All States Handbook, 2009 (unemployment insurance)
Bureau of Transportation Statistics
State, County and Municipal Websites

Additional Information on Workforce:

Wind Energy Component Manufacturing

• 8 Management Personnel
• 20 Office/Administration Personnel
• 12 Engineers
• 150 Production Personnel
• 35 Warehouse Personnel
Total Workforce: 225
Bio-Technology

LOCAL COST OF OPERATIONS INDEX
Cost of Operations in Benchmarks Relative to Manhattan MSA

FACTORS OF ANALYSIS
In order to achieve direct comparisons of annual operating costs within the communities analyzed for this industry, uniform conditions for a hypothetical company were applied to the cost variables of each specific community. Operating costs were calculated across five primary cost categories including employee payroll, fringe and mandated benefits, utilities, building/lease payment and property tax. A general outline of the parameters used has been provided below.

Parameters of Comparison

• Construction of 100,000 SF Light Industrial/Flex Space building on 10 acres of land
• $12,000,000 capital investment in machinery and equipment
• Total workforce of 104 employees (see Appendix for detailed employee information)
• Monthly electricity demand of 2,520 KW 650,000 KWh
• Monthly water usage of 1,059cf, 5/8 meter (7,925 gallons) per day
• Monthly natural gas usage of 420,000 m³

Source of Annual Costs

Breakdown of Total Annual Costs
For Manhattan MSA

Average Additional Costs in Benchmarks
By Source of Costs

* Negative value indicates that benchmarks are, on average, less expensive for that cost category
Bio-Technology

Total Cost of Operations Index
Cost of Operations in Communities Relative to Manhattan MSA

Employee Payroll Index
Cost of Operations in Communities Relative to Manhattan MSA

Fringe & Mandated Benefits Index
Cost of Operations in Communities Relative to Manhattan MSA

Utilities Index
Cost of Operations in Communities Relative to Manhattan MSA

Building / Lease Payment Index
Cost of Operations in Communities Relative to Manhattan MSA

Property Tax Index
Cost of Operations in Communities Relative to Manhattan MSA

% of Total Operating Costs: 23.03%

% of Total Operating Costs: 6.37%

% of Total Operating Costs: 58.59%

% of Total Operating Costs: 7.73%

% of Total Operating Costs: 4.28%
Bio-Technology

The Manhattan MSA Has Competitive Labor Costs and Land/Construction Costs

- Average total cost savings of $923,565 (6.07%) compared to benchmarks.
- The Manhattan MSA has competitive employee payroll and fringe and mandated benefit costs, which together, account for 29.40% of the total operating costs.
- The Manhattan MSA also has very competitive land and construction costs compared to Columbia, Kansas City, and Minneapolis, and only slightly higher than College Station, which has the lowest costs.
- The Manhattan MSA’s property taxes are much lower than Kansas City, and are competitive with Columbia and College Station, but significantly higher than Minneapolis.
- The Manhattan MSA has the highest utility costs, which account for 58.59% of the total operating costs.
- Overall, the Manhattan MSA offers substantial cost savings compared to Kansas City and Minneapolis, and is very competitive with Columbia and College Station.

### KEY FINDINGS

<table>
<thead>
<tr>
<th>Metro Area</th>
<th>Employee payroll</th>
<th>Fringe and mandated benefits</th>
<th>Utilities</th>
<th>Building / Lease Payment</th>
<th>Property Tax</th>
<th>Total Operating Cost</th>
<th>Local Index</th>
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<tbody>
<tr>
<td></td>
<td>% of Total Operating Costs*</td>
<td></td>
<td>% of Total Operating Costs*</td>
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<tr>
<td>Manhattan MSA</td>
<td>23.03%</td>
<td>6.37%</td>
<td>58.59%</td>
<td>7.73%</td>
<td>4.28%</td>
<td>100.00%</td>
<td>100.0%</td>
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<tr>
<td>Columbia MSA</td>
<td>$3,504,100</td>
<td>$968,728</td>
<td>$8,914,862</td>
<td>$1,176,591</td>
<td>$652,000</td>
<td>$15,216,281</td>
<td>100.0%</td>
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<td>Kansas City MSA</td>
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<td>$964,217</td>
<td>$8,334,083</td>
<td>$1,323,161</td>
<td>$612,269</td>
<td>$14,713,091</td>
<td>96.7%</td>
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<tr>
<td>Minneapolis MSA</td>
<td>$3,965,850</td>
<td>$1,091,912</td>
<td>$8,334,337</td>
<td>$1,452,243</td>
<td>$1,875,191</td>
<td>$16,231,860</td>
<td>106.7%</td>
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<tr>
<td>College Station, TX MSA</td>
<td>$4,630,390</td>
<td>$1,305,211</td>
<td>$8,817,743</td>
<td>$1,620,776</td>
<td>$458,794</td>
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<tr>
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<td>$3,344,750</td>
<td>$1,014,996</td>
<td>$8,781,237</td>
<td>$1,150,050</td>
<td>$643,356</td>
<td>$14,934,389</td>
<td>98.1%</td>
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### COST DIFFERENCE

<table>
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<td>-$24,740</td>
<td>-$4,511</td>
<td>$146,570</td>
<td>-$39,731</td>
<td>-$503,190</td>
</tr>
<tr>
<td>Columbia MSA</td>
<td>$461,750</td>
<td>$123,184</td>
<td>$275,652</td>
<td>$735,519</td>
<td>$1,015,579</td>
</tr>
<tr>
<td>Kansas City MSA</td>
<td>$1,126,290</td>
<td>$336,483</td>
<td>$444,185</td>
<td>$193,206</td>
<td>$1,616,633</td>
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<tr>
<td>Minneapolis MSA</td>
<td>-$159,350</td>
<td>-$46,268</td>
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<td>-$8,644</td>
<td>-$281,892</td>
</tr>
<tr>
<td>College Station, TX MSA</td>
<td>$1,403,950</td>
<td>$501,424</td>
<td>$839,866</td>
<td>$493,937</td>
<td>$1,847,129</td>
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### AVERAGE COST DIFFERENCE

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Bio-Technology

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Raftelis Financial Consultants Water and Wastewater Rate Survey (2008)
RIA All States Handbook, 2009 (unemployment insurance)
Bureau of Transportation Statistics
State, County and Municipal Websites

Additional Information on Workforce:

Bio-Technology
• 2 Executive Personnel
• 13 Office/Administration Personnel
• 25 Research and Development Personnel
• 45 Production Personnel
• 5 Quality Control Personnel
• 7 Warehouse Personnel
• 7 Maintenance Personnel
Total Workforce: 104
METHODOLOGY AND NARRATIVE CONTENT

As described in the portion of this report titled “Target Industry Selection Process”, the project team completed an in-depth analysis specific to Pottawatomie County, Kansas that included site visits, interviews and focus groups, and was strengthened by input from key community stakeholders. The results of this analysis formed the basis for the identification and selection of recommended target industries and for the determination of target niches within those industries. Particular emphasis was placed by the project team on the selection of targets that best fit the unique characteristics of Pottawatomie County and the surrounding region and offered the best opportunities for successful development within the community. The research completed as well as the recommendations provided have been directed specifically to meet the economic development needs and objectives of Pottawatomie County and will guide research and recommendations to be prepared by the project team in future stages of this project.

Certain portions of this report draw upon previously completed research conducted by AngelouEconomics for internal use or for separate projects, and were selected for inclusion in this report for their specific relevance to the challenges and opportunities currently affecting Pottawatomie County. In certain cases, specifically those relating to research processes, definitions, national and global trends, industry-wide conditions and dynamics, and national economic data, narrative remarks may be included in other documents completed by AngelouEconomics. Reasonable efforts have been made to ensure that all data and information that was completed by other organizations and government agencies have been properly sourced throughout this report. Further information about the methods, research, or recommendations featured in this report can be made available upon request by the client.
AngelouEconomics partners with client communities and regions across the United States and abroad to candidly assess current economic development realities and identify opportunities. Our goal is to leverage the unique strengths of each region to provide new, strategic direction for economic development. As a result, AngelouEconomics’ clients are able to diversify their economies, expand job opportunities and investment, foster entrepreneurial growth, better prepare their workforce, and attract ‘new economy’ companies.

Project Team

Angelos Angelou
Principal Executive Officer

Steve Vierck, CEcD
President, Economic Development

Carrie Yeats
Vice President, Economic Development

John Karras
Project Manager