North King County
Economic Summit
October 9, 2007
Business Owner/Employer Survey
Overview

• Conducted 300 telephone interviews with business owners in five communities:
  – Bothell
  – Kenmore
  – Lake Forest Park
  – Shoreline
  – Woodinville
• Survey focused on key areas:
  – Current business climate
  – Workforce supply, education, development
  – Transportation/Freight Mobility – Shipping Logistics
  – Government services and relations
  – Area livability – quality of life
  – Overall sustainability – growth
Business/Employer Segments

- Businesses/Employers included in the survey were sampled from the following segments:
  - Health Care
  - Manufacturing
  - Repair services
  - Tourism
  - Food Service/Restaurants
  - Education
  - Wholesale/Distribution
  - Retail
  - Professional Services
  - Financial Services
  - Technology
  - Business Services
  - Agriculture
  - Transportation
  - Other services
Summary Highlights

Note: All figures in percents unless otherwise specified.
Summary Highlights

Business Profile
Employer/Business Profile

- Average number of employees is between 8 and 10.
- Half of the businesses have 5 or less employees.
- About 57% of employees on average, live within or close to the city where the business is located.
- Employee turnover averages is about 20% on an annual basis.
- For 8 in 10, this location is the business headquarters.
- Average business tenure is 13 years.
- About 79% say the owner lives in or near the city where the business is located.
- Very few live outside King county.
- Most recruiting employees from local high schools, colleges, technical schools.
North King County Economic Engine

- A number of factors contribute to the growth of the North King County economy: the business climate, quality of life, environment, population growth, etc.

- Today, the five cities combined have over 6,500 businesses & organizations and an employment base of over 70,000 workers. This has increased 10% in just the past few years.

- Total estimated annual revenues are over $7 billion today. A substantial increase of 11% since the Economic Summit of 2005.

Source: Claritas Corp.
Summary Highlights

Current Business Climate
How would you rate your confidence in the health of the local economy in the North King County area for the next 12 month period on a scale from 0 to 10 where 0 = a severe downturn and 10 = very high/expansion?
How would you describe the state economy’s performance now compared to 12 months ago?

- Shrinking: 19
- No Change: 26
- Growing: 48
- Don't Know: 7
Please describe your own business’s performance now, as compared to 12 months ago?

- Shrinking: 13
- No Change: 26
- Growing: 60
- Don't Know: 1
Is your business currently looking at or considering moving to another city outside the North King county area?
Is your business considering expanding to an added location in another city inside the North King county area?
Summary Highlights

Workforce Supply, Education & Development
Do you outsource employee training?

- Yes: 19
- No: 81
How difficult is it to find and hire qualified people for positions in your company/organization?

- Difficult: 58
- Not Difficult: 35
- Depends on Position: 7
Have you used the services of an institution of higher education in North King county to send workers for training/further education?

- Yes: 20
- No: 77
- Not Sure: 3
Is receiving academic credit for their training an added value for your employees participating in workplace training?

- Yes: 33
- No: 37
- Does Not Apply: 26
- Don't Know: 4
Do you participate in post-secondary education (beyond high school) certificate training programs?
The Washington State Workforce Training Program projects that 80% of the jobs in the new economy will not require a BA degree but will require some post-secondary training. Is this true for your business?
How do you prefer to receive information on business and employee development training classes?

- By Mail: 57
- Via Internet: 34
- Telephone Contact: 0
- In Person: 2
- Other: 11
Summary Highlights

Transportation
Freight Mobility & Shipping Logistics
Compared to a couple years ago, is the transportation situation where your business/organization is located.....?
Transportation Behavior

• About 30% of employers say 1% or more of their workforce use public transportation.
• On average, about 52% of employees live within 5 miles of the employer’s business location.
• Only 8% of employers encourage employees to use public transportation through an incentive plan such as discounted or free bus passes, ride-share or car/van pooling.
• About 31% of employers say one or more of their employees use some form of telecommuting. And, on average about 36% of the total work is done that way by those who do telecommute. Most say it is working well.
Freight, Mobility, Shipping Logistics

• 27% say freight mobility and shipping logistics are an issue for their business.
• 33% say this is a factor in their business expansion.
• 90% use land, 39% air, 12% ocean modes.
• 80% produce mostly for the domestic market.
• 24% are exporting some products to the world market.
• 33% are importing some products.
• Only 8% say they are outsourcing order fulfillment/shipping services.
• About 35% are doing some or all of their business via the Internet with about 28% of sales on average.
Summary Highlights

Government Services & Relations
Does the city where you are located help or hinder your ability to retain and grow your business?
Impact: Government Regulations
As best you can, please rate the following government regulations as they impact your business expansion on a scale from 0 to 10 where 0 means No Impediment At All and 10 means High Impediment?

Unfunded Mandates  All Regulations  Environmental Regulations

Low (0-3)  Moderate (4-6)  High (7-10)  Don't Know

52  35  25  8  23
53  34  20  9  2
As best you can, please rate the following government regulations as they impact your business expansion on a scale from 0 to 10 where 0 means No Impediment At All and 10 means High Impediment?
As best you can, please rate the following government regulations as they impact your business expansion on a scale from 0 to 10 where 0 means No Impediment At All and 10 means High Impediment?

- Health Insurance
- Family Leave Insurance
- Medicare-Medicaid

<table>
<thead>
<tr>
<th>Regulation</th>
<th>Low (0-3)</th>
<th>Moderate (4-6)</th>
<th>High (7-10)</th>
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<td>Health Insurance</td>
<td>40</td>
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<td>Family Leave Insurance</td>
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<td>5</td>
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<td>Medicare-Medicaid</td>
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<td>12</td>
<td>13</td>
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Impact: State & Local Taxes
Please rate the following state & local taxes as they impact your business expansion on a scale from 0 to 10 where 0 means No Impediment At All and 10 means High Impediment?
Please rate the following state & local taxes as they impact your business expansion on a scale from 0 to 10 where 0 means No Impediment At All and 10 means High Impediment?

- B&O Tax
- Streamline Sales Tax
- Regulatory Fees

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<td>Regulatory Fees</td>
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<td>18</td>
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Please rate the following state & local taxes as they impact your business expansion on a scale from 0 to 10 where 0 means No Impediment At All and 10 means High Impediment?

- Multiple Jurisdiction Business Licenses
- Road Taxes For Employers

Low (0-3): 61 (Red) 63 (Light Blue)
Moderate (4-6): 15 (Red) 13 (Light Blue)
High (7-10): 19 (Red) 18 (Light Blue)
Don't Know: 5 (Red) 7 (Light Blue)
Summary Highlights

Area Livability
Quality of Life
Please rate the competitiveness of your city in the greater King and Snohomish county areas in several key aspects, using a scale from 0 to 10 where 0 means Not Competitive At All and 10 means Highly Competitive?

- Quality of K-12 Schools
- Affordable Housing
- Variety of local retail-restaurants-services

![Bar chart showing ratings for different categories and scales]
Please rate the competitiveness of your city in the greater King and Snohomish county areas in several key aspects, using a scale from 0 to 10 where 0 means Not Competitive At All and 10 means Highly Competitive?
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- Growth of Local Customer Base
- Public Safety - Low Crime Rate
- Good Highspeed Internet Service
Health Care Plans
Health Insurance

• Approximately 64% offer some or all of their employees a health insurance plan.
• About 50% of their employees, on average, have access to a health care/insurance plan sponsored by the employer.
• Employers pay on average, about 22% of the health insurance plan premium.
Summary Highlights

Overall Sustainability & Growth
Please rate each of these issues related to your business expansion using a scale from 0 to 10 where 0 means No Impediment At All and 10 means High Impediment?
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- Rent or Lease Costs
- Available Land
- Transportation & Mobility

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<td>Transportation &amp; Mobility</td>
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<td>29</td>
<td>42</td>
<td>4</td>
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</table>
Has your company moved or expanded to North King county from another city or state?

- Yes: 21
- No: 79
Thank You

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