

Northern Nevada Development Authority Regional Business Overview Phase 2 2005 - 2006

Preface

Northern Nevada Development Authority's (NNDA) business retention and expansion program called Business Support Services (BSS) uses the Synchronist software and database, and involves 4 steps:

1. Identifying target companies to interview
2. Volunteers from NNDA investor/member companies conducting on-site interviews with targeted companies
3. Prompt resolution of critical issues as identified by the companies interviewed
4. Reporting results to participants, interested parties and the media

This effort is accomplished by the BSS Workgroup, and supported by NNDA. The goal of the BSS Workgroup is "Identify the needs, strengths, opportunities, and challenges of existing companies by interfacing with them and providing the information to NNDA in order to assist in the expansion and retention of those companies and/or primary jobs where necessary." A huge THANK YOU is given to the volunteer investor/members (listed in Appendix A) and the participating companies (referenced in Appendix B).

This report covers interviews of manufacturing companies in the NNDA 4 county service area of Carson City, Douglas, Storey and Lyon counties. The interviews were conducted in the 1st calendar quarter of 2006.

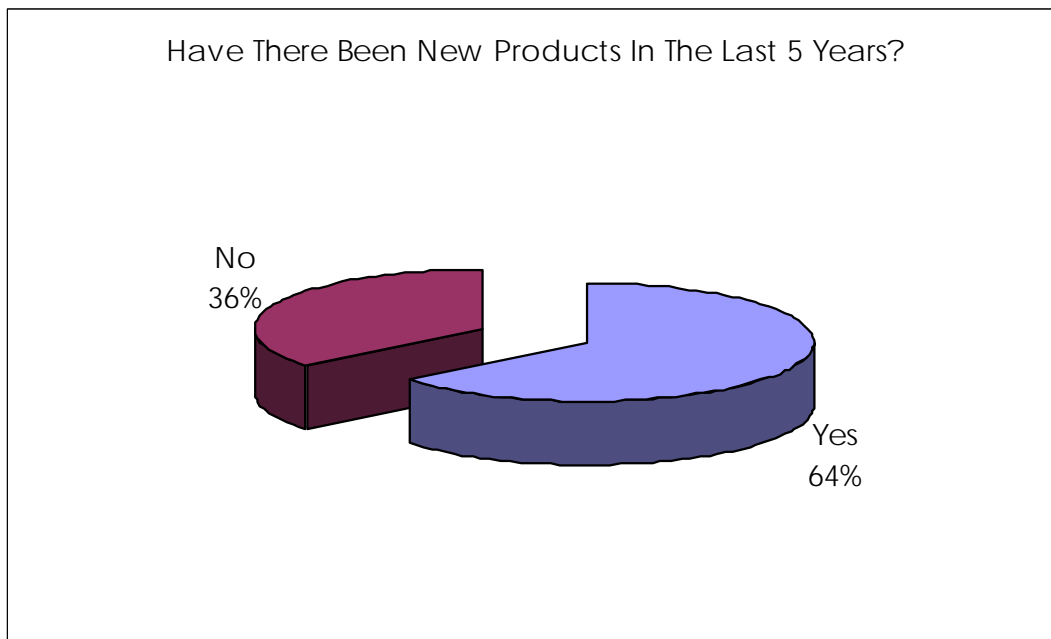
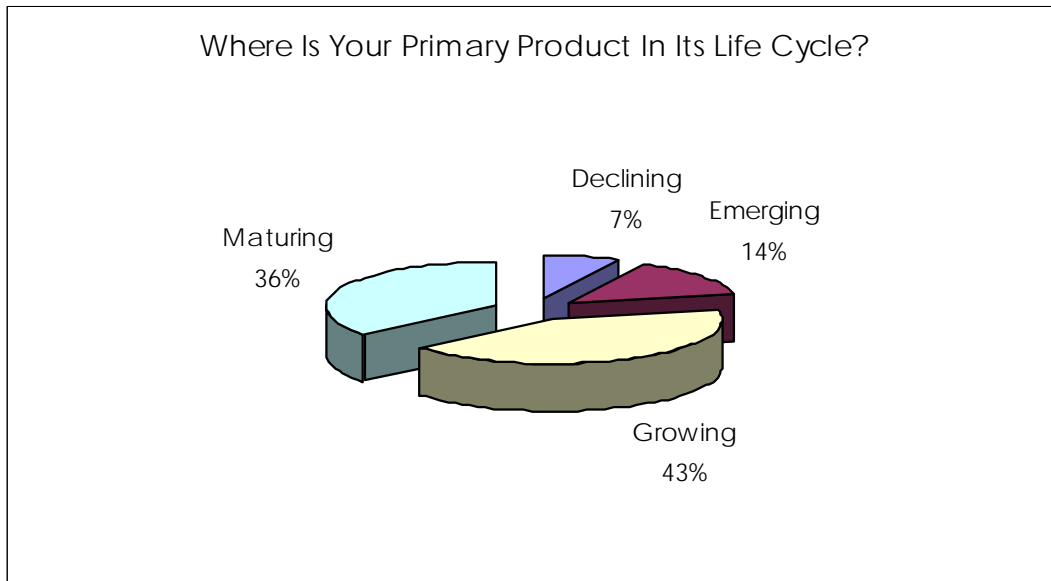
The system that supports the process is Synchronist (www.synchronist.com) developed by Blane, Canada Ltd. It is a system used by development agencies and other organizations around the country. All information about an individual company is confidential and carefully secured.

Selected Findings

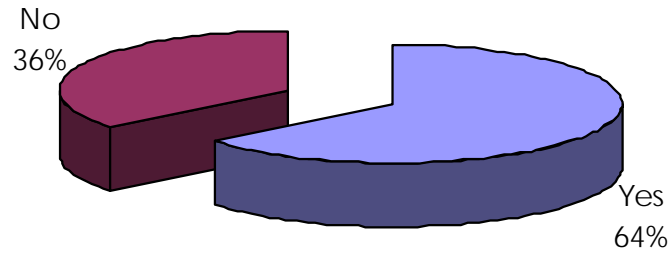
The manufacturing sector in the rural northern Nevada counties continues to grow and show signs of good health.

Product lines are growing or emerging and new products are being introduced regularly.

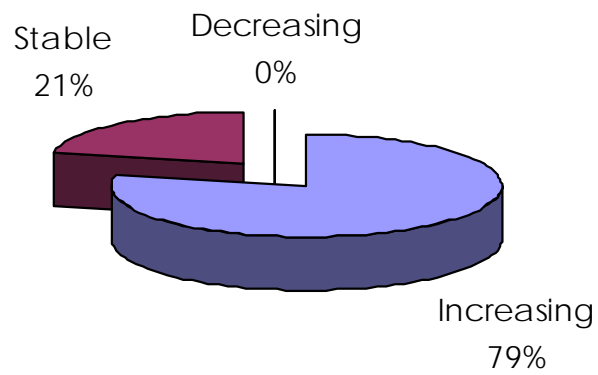
For this sample of companies, no one has decreasing sales or decreasing market share!



Will There Be New Products In The Next 2 Years?

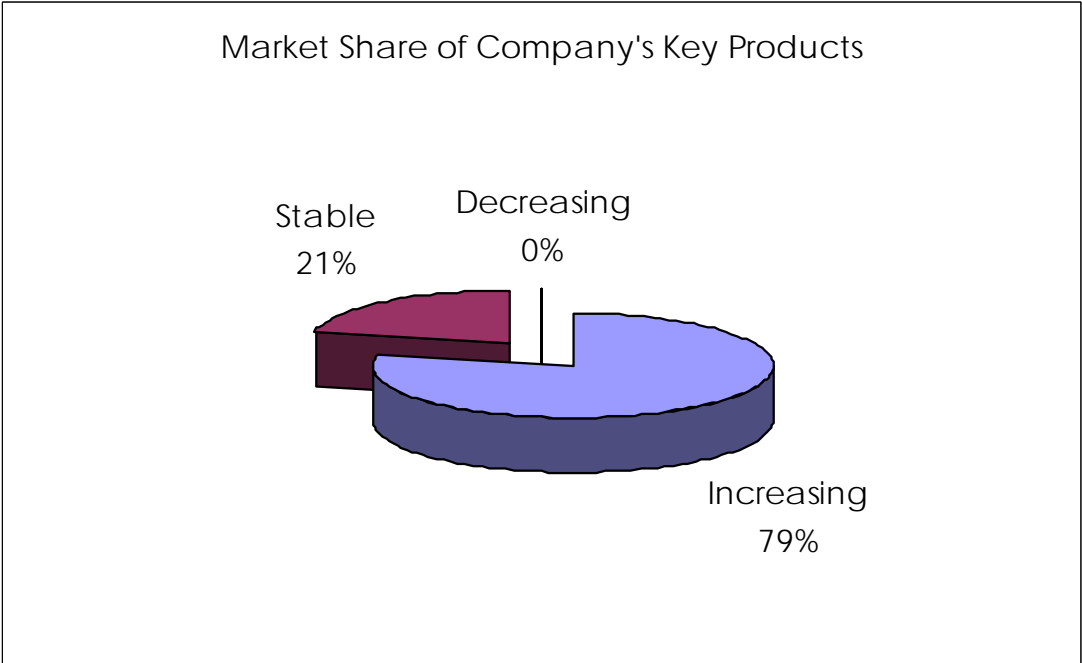
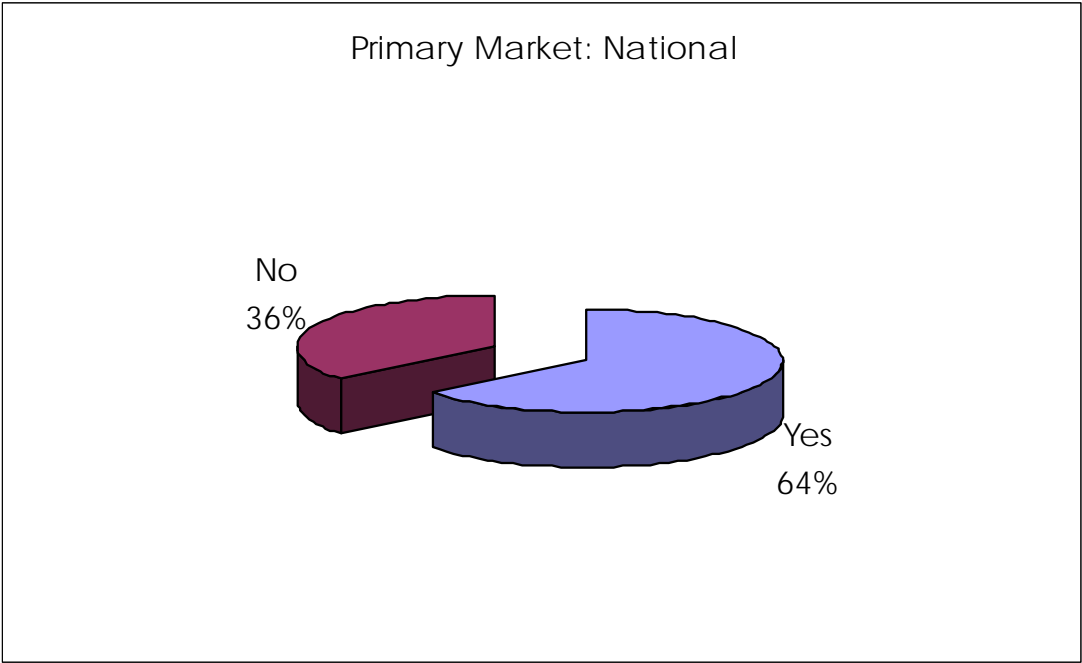


Total Company Sales

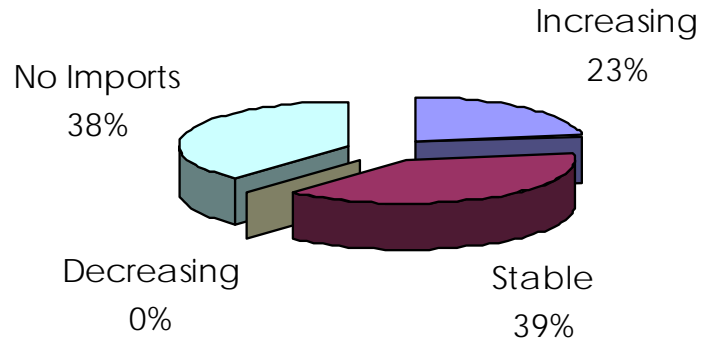


Markets

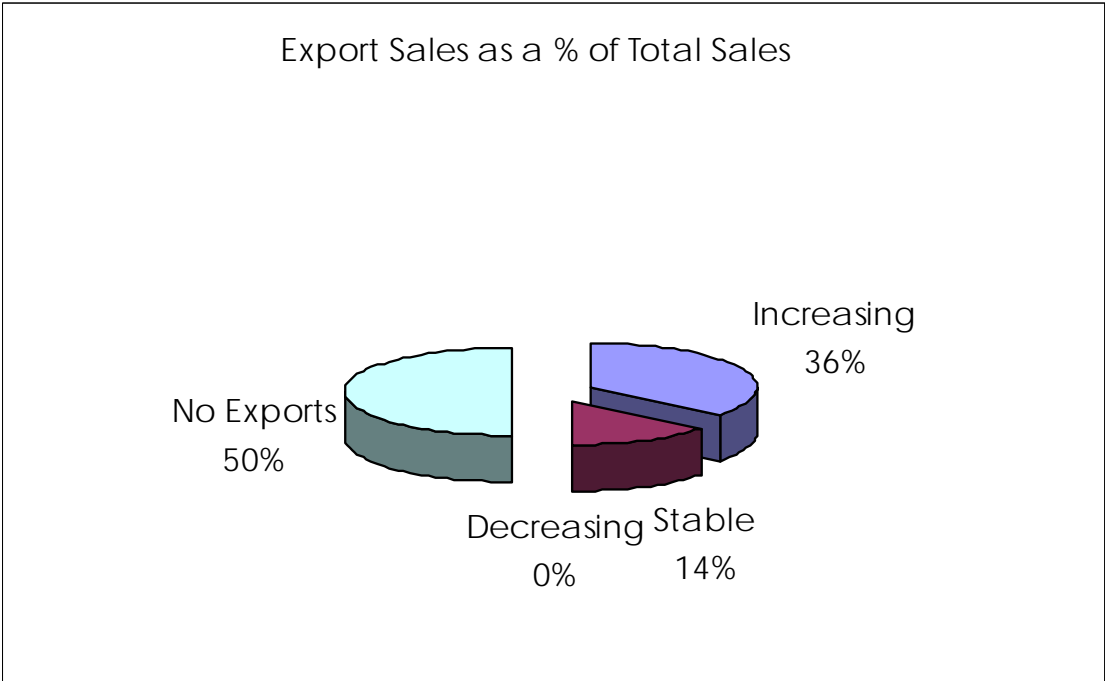
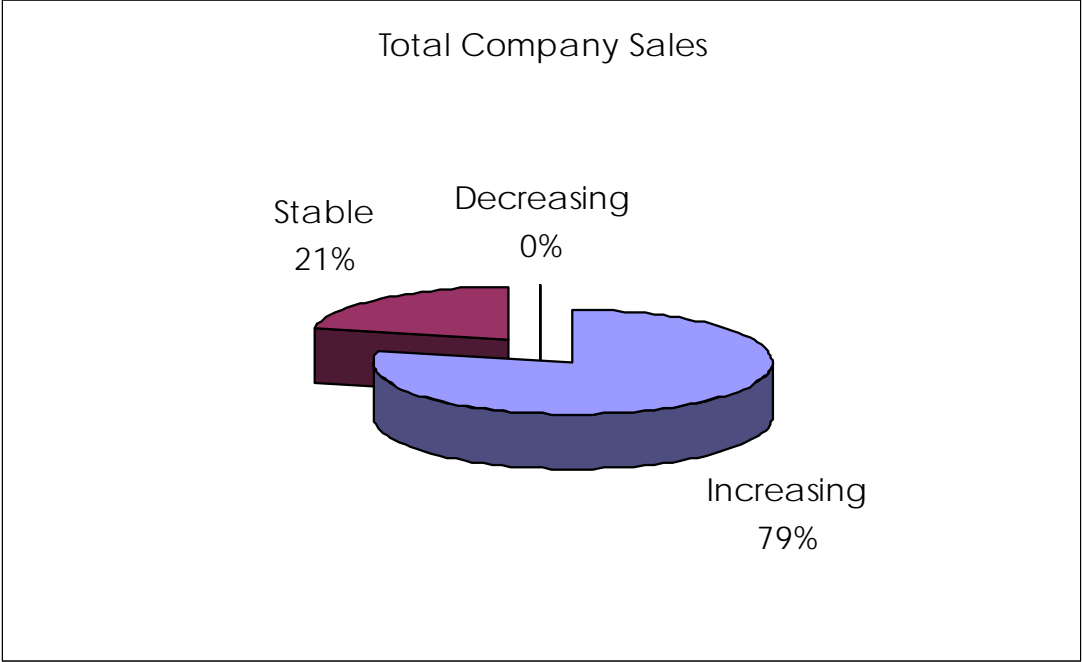
Most local companies have the entire US as a primary market.



% of Products or Components Imported by the Company

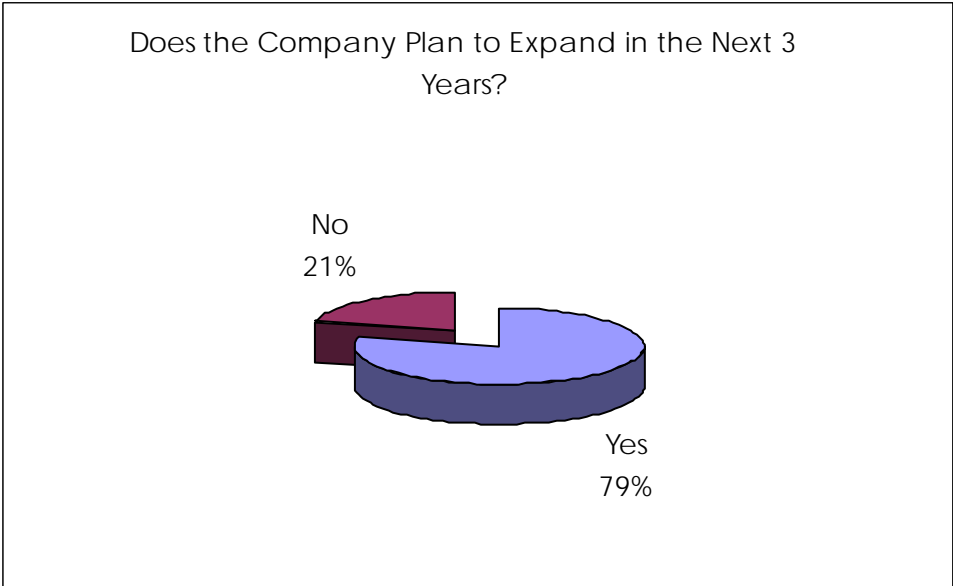


Sales



Expansion plans

Expansion plans indicate healthy business growth. Most businesses will consider expansion in the local area.



Community

Selected quotes on community strengths and weaknesses:

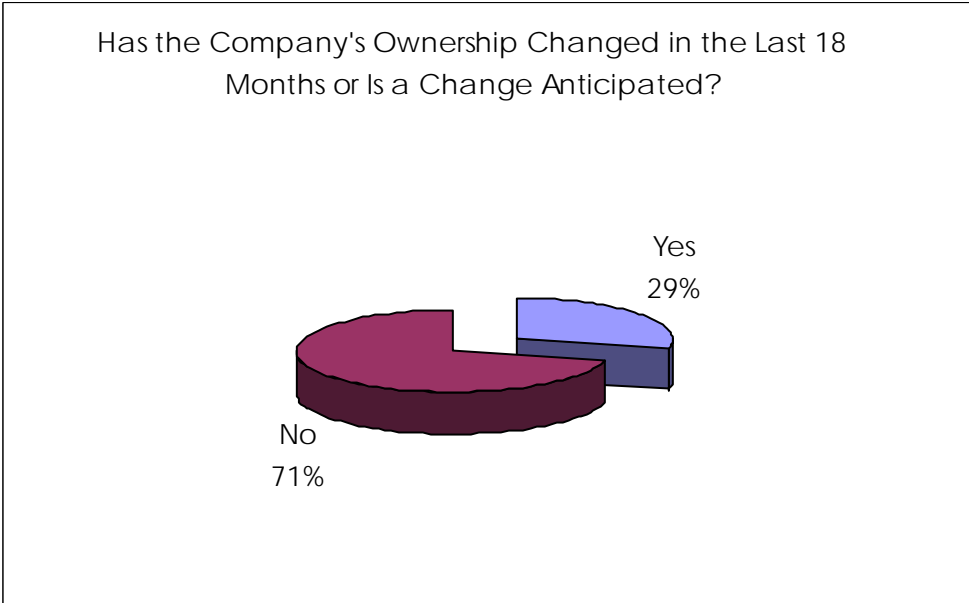
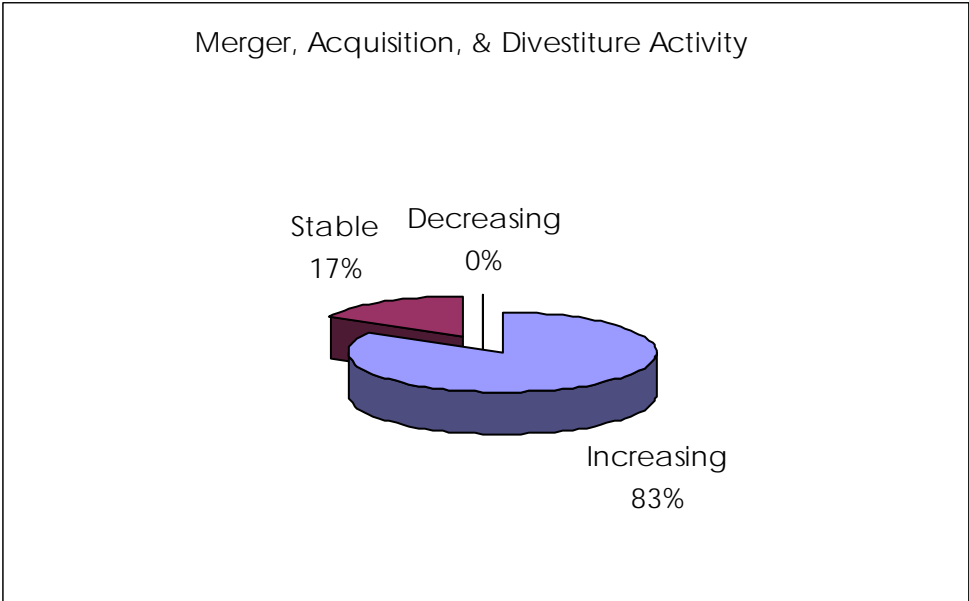
- “Understaffed local government to get permits in a timely manner”
- “Honesty, growing”
- “(county) flexible on requirements, small enough to respond quickly – good relationships”
- “Climate, access to recreation”
- “Lack of networking among manufacturers”
- “Tax laws beneficial”
- “High cost of living for hourly employees”
- “Easy to do business”
- “Close to major thoroughfares”
- “Less red tape – friendly business climate”
- “Lack of skilled people”

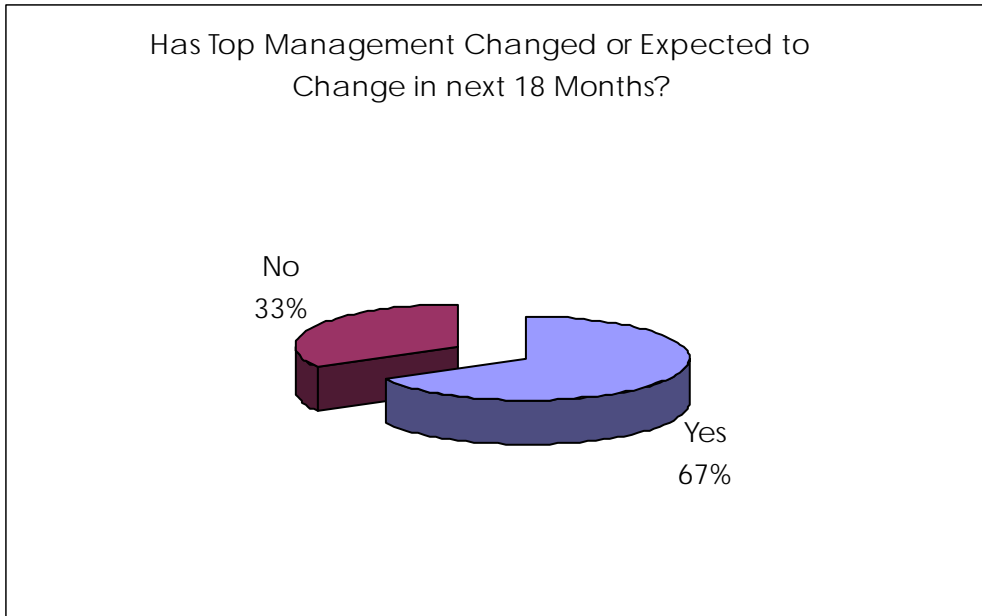
Perceived barriers:

- “Land and water”
- “SGI – real barrier – not reasonable” – SGI is the “Sustainable Growth Initiative” in Douglas County
- “Qualified personnel; traffic”
- “Workforce”
- “Land, politics”

Management

Business management and ownership show good stability, but M & A activity is increasing in their industry.





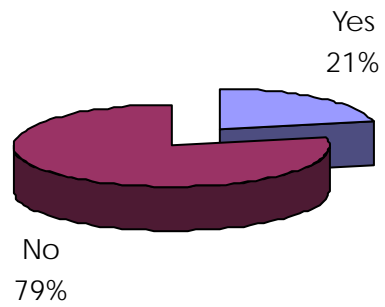
Selected quotes on “Greatest Achievement”

- “Keeping employees employed – paying well; providing job base for community”
- “Managed growth”
- “Getting into new product line”
- “Survived 9/11 downturn”
- “Production facilities opened at capacity”
- “Achieved 5% market penetration last 5 years”
- “Establish brand in industry”
- “Expansion created the ability to manufacture own product in-house rather than outsourcing work”

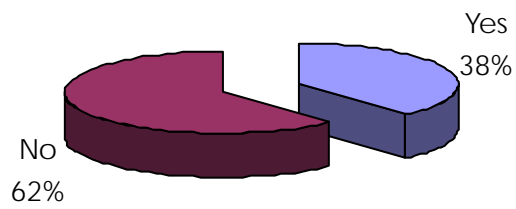
Legislative

Legislative action is not perceived to impact most businesses.

Anticipate Legislative Changes that will Adversely Affect Your Business in the Next 5 Years?



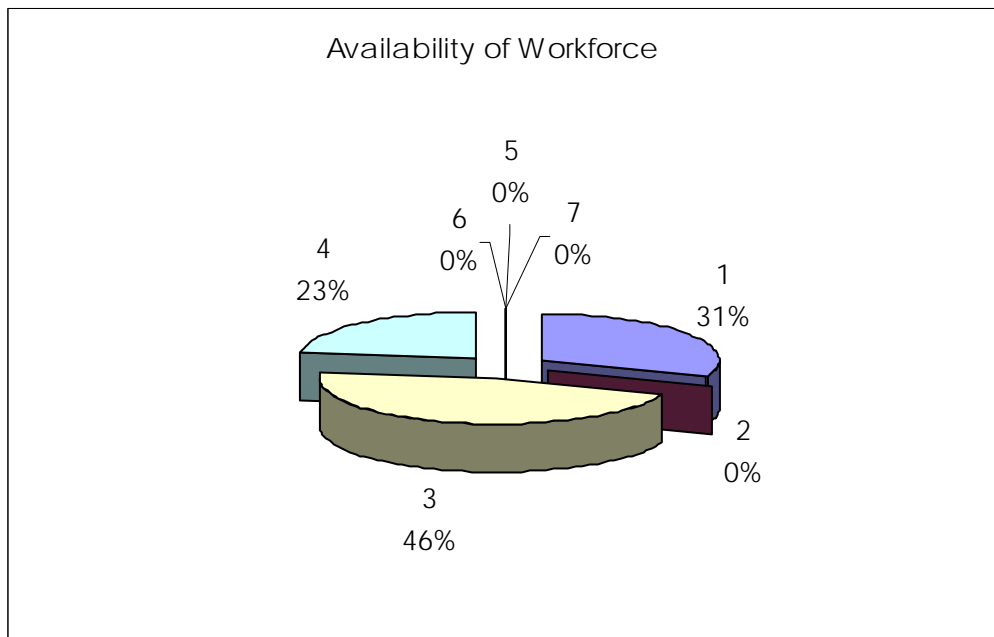
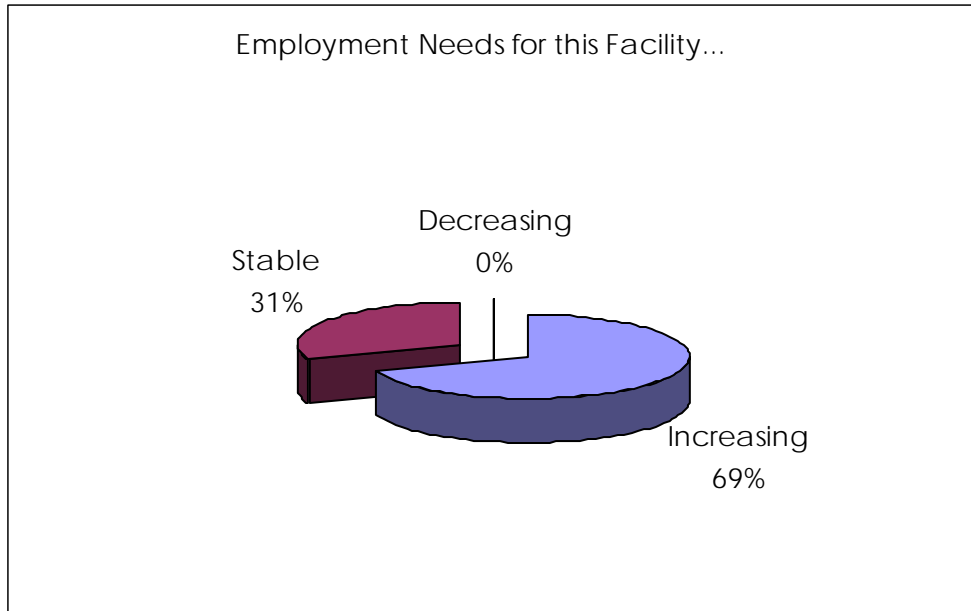
Anticipate Legislative Changes that will Benefit Your Business in the Next 5 Years?



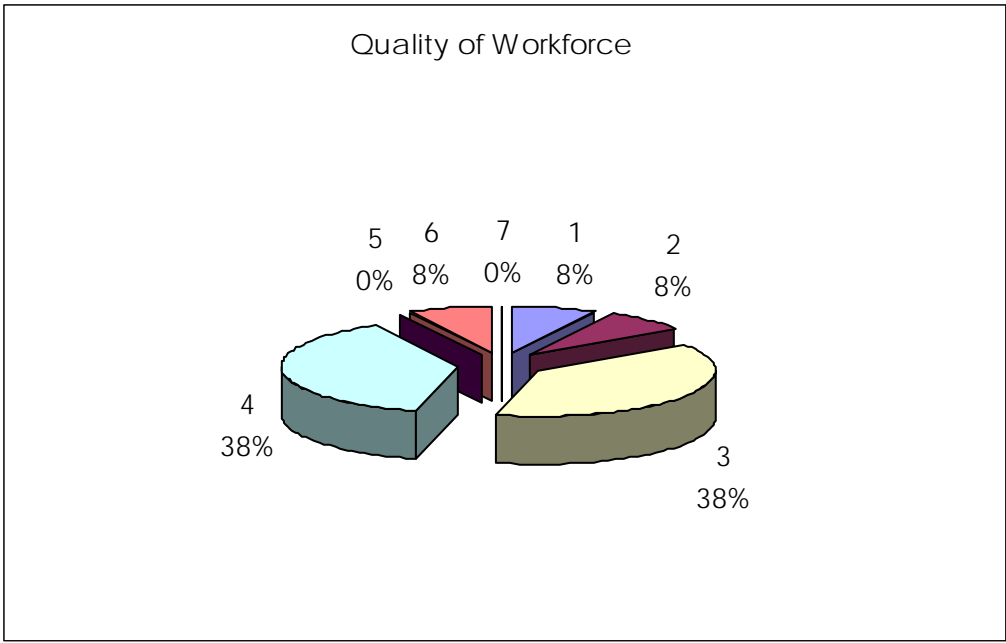
Employment, workforce and training

As discovered in previous surveys, workforce continues to be an issue for companies.

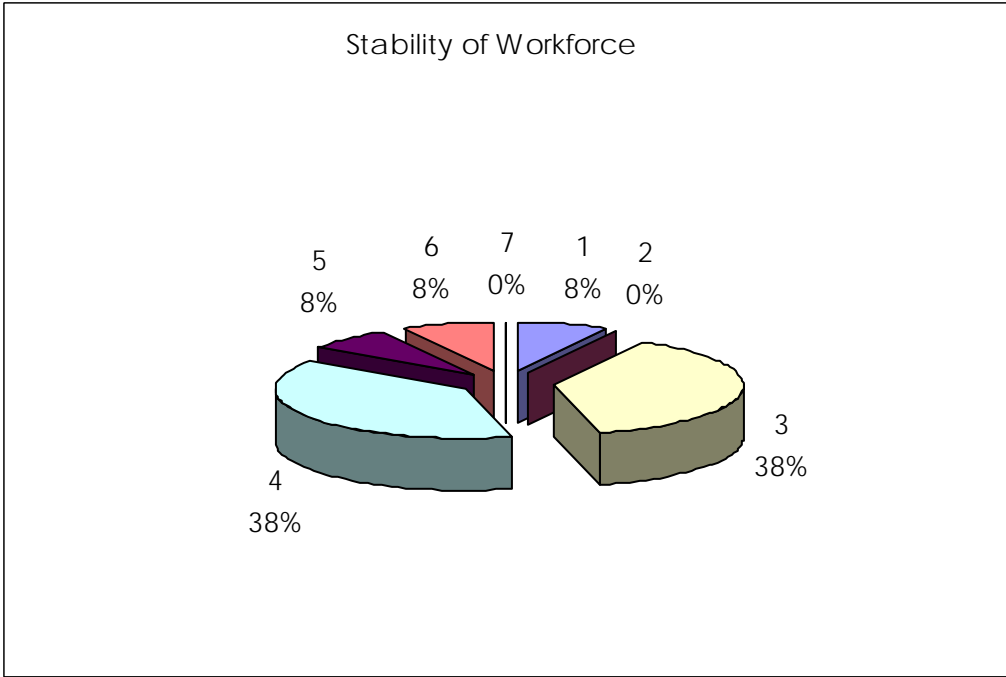
- Employment needs are increasing, yet
- Availability, quality and stability continue to rank low
- Productivity ranks fairly high



1 = low 7 = high

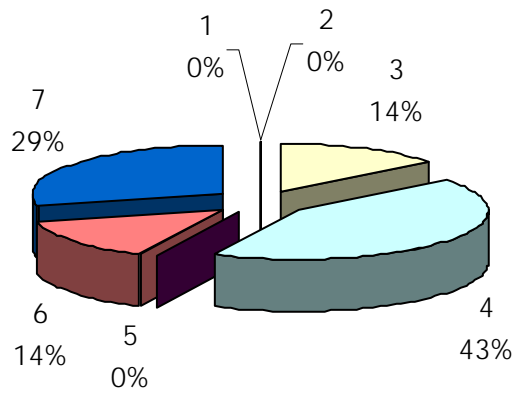


1 = low 7 = high



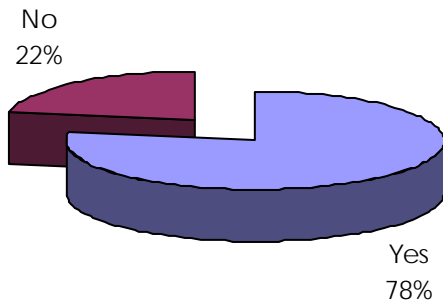
1 = low 7 = high

Productivity of Workforce

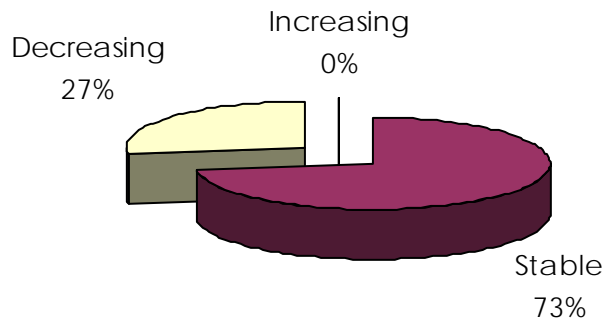


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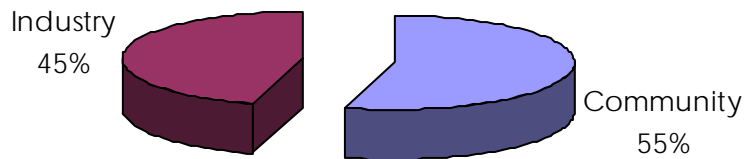
Company Experiencing Recruitment Problems



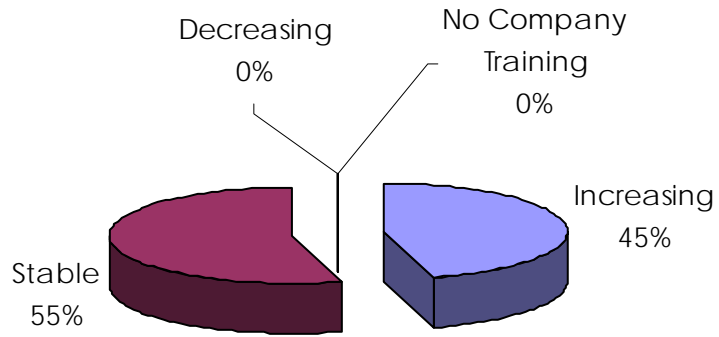
Is the Number of Unfilled Positions...



Are Primary Recruitment Problems Limited To...



Is Company Investment in Employee Training.....



Summary information

The Synchronist system that captures and analyzes this data, calculates 4 characteristics based on the system's extensive information about companies all over the country. The rankings range from Low, Medium, High to Very High.

Value – This is a measure of the value of a company to the community. The higher the score, the more value the company is to the community.

In our sample, 40% ranked high, and 40% ranked medium.

Growth potential – This measure scores the potential for growth; an indicator of overall business health and source of new jobs in the future.

In our sample, 40% ranked high, and 33% ranked medium

Risk – This measure scores the risk that a company will leave the area, thereby reducing jobs and economic impact.

In our sample, 53% ranked low and 40% ranked medium.

Satisfaction – This measures the company's overall satisfaction with doing business in the community.

In our sample, 13% ranked very high and 13% ranked high.

In addition, NNDA is providing technical assistance to the development authorities of Pershing, Mineral and Churchill counties in this same process. Since the industrial base of each of those 3 counties is small, their data will be incorporated into a "large region" report at the end of the fiscal year. The data gathered by each county will also be valuable to the county itself.

Prepared by Larie Trippet, Business Development Manager, Northern Nevada Development Authority. trippet@nnda.org www.nnda.org

Appendix A**BSS Workgroup volunteers for 2005 - 2006**

Mr. Brad Woodring	Sierra Pacific Power
Mr. Jeff Lawrence	Management Assistance Partnership
Mr. Bob McCann	Leadership Transition Coaching
Ms. Susan McCarthy	Creative Estate Organizers
Mr. Jay Roberts	Allstate Insurance
Ms. Teresa Shouppe	Nevada State Bank
Ms. Christina Slade	Nevada JobConnect
Ms. Christie James	Active Communication Training
Ms. Sheri LeTourneau	Spherion Staffing
Ms. Kathleen Miller	Sierra Office Solutions
Mr. John Sullivan	Self
Mr. Joe McCarthy	Carson City
Mr. Puneet Kalia	Wells Fargo Bank
Mr. Tim Morsani	Individual
Mr. Rick Chambers	Heritage Bank
Ms. Karen Hurles	U.S. Bank

Appendix B Participating Companies

To respect confidentiality, a listing of companies by name is not provided. Each participating company will receive a copy of this report. We thank each one very much for their contribution.

Number	Location
6	Carson City
3	Douglas County
5	Lyon County

