

# Goals of the Data Scan

1

## Quantify Pandemic-Related Risks and Opportunities

- Quantify risks and threats based on the intersection of current local & regional economic indicators with national, COVID-related trends

2

## Build Consensus

- Consolidate findings into a shareable “fact-pack” for use by steering committee & broader public

3

## Inform Stakeholder Engagement Process

- Highlight key sectors and businesses for deeper engagement in phase II of the project
- Distill highlights to include on website and in regional marketing

# Process and Key Steps

**1** Review existing regional economic data and research

**2** Compile initial observations and findings

**3** Review with Steering Committee and other key stakeholders

**4** Estimate the “size” of each risk and opportunity



**5**

## Finalize Data Scan Deliverables

- Sharable “fact pack” documenting data scan goals, process, and supporting analysis
- Targeted list of sectors, businesses, workforce agencies, etc. for deeper engagement in phase II
- Integration of key messaging with website and other marketing strategy



# “Phase II” Target Sectors

Business leaders and local economic development leaders from seven regional sectors would be targeted...

...for deeper engagement in Phase II

## Strategic Regional Sectors:

- Advanced Materials
- Wood Products, Forestry, and Furniture
- Food Manufacturing
- Advanced Manufacturing
- Healthcare, Including Skilled Nursing and Elderly Care



## Engagement Strategies:

- Surveys
- Economic development leadership interviews
- Local business owner interviews
- Local elected official interviews

## Viable but Vulnerable Sectors:

- Hospitality / Travel / Tourism
- Childcare

# Goals for Today

- Review findings (25 min)
- Discuss questions (20 min)
- Next steps (5 min)

# Sector Overviews:

## **Regionally Strategic Sectors**

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- Food Manufacturing
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## **Viable but Vulnerable Sectors**

- Hospitality / Travel / Tourism
- Childcare

## Advanced Materials Deep Dive

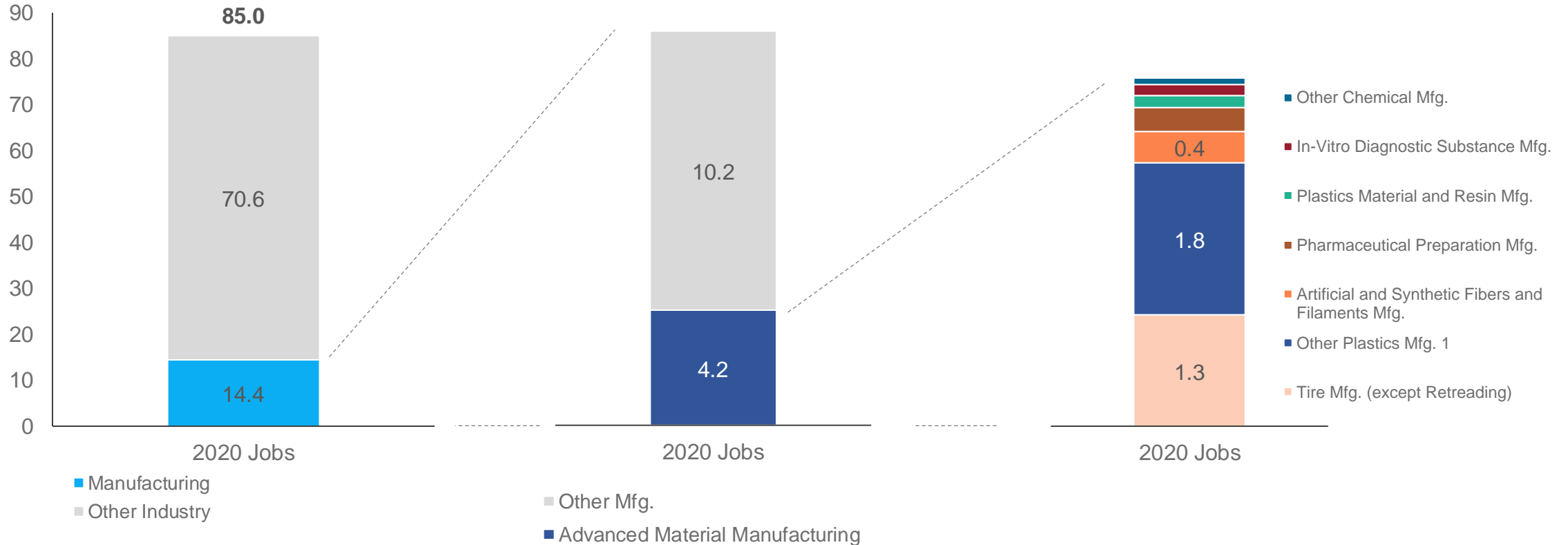
# Advanced materials (e.g., plastics, rubber, chemicals manufacturing) sectors represent 5% of the region's overall employment

Manufacturing Jobs

2020 jobs (k); W. Piedmont Region; EMSI

Advanced Materials Jobs

2020 jobs (k); W. Piedmont Region; EMSI



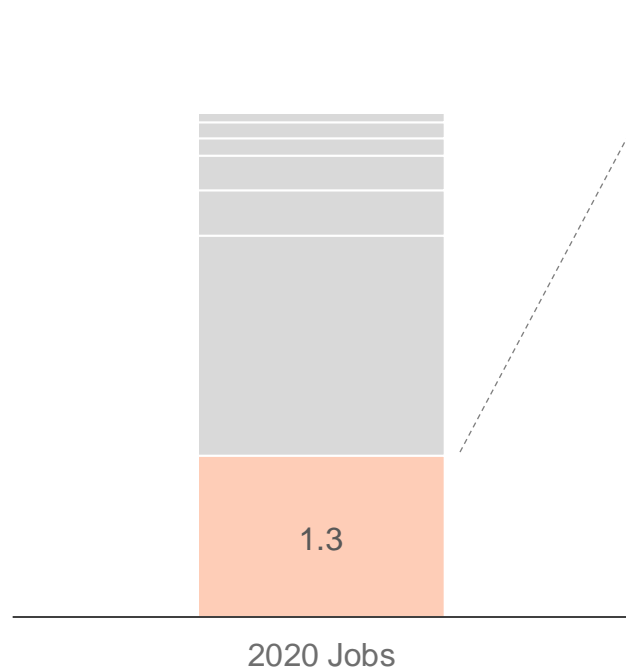
1: Includes 326130 Laminated Plastics Plate, Sheet (except Packaging), and Shape Manufacturing, 326199 All Other Plastics Product Manufacturing, 326113 Unlaminated Plastics Film and Sheet (except Packaging) Manufacturing, 326111 Plastics Bag and Pouch Manufacturing and 326112 Plastics Packaging Film and Sheet (including Laminated) Manufacturing

## Advanced Materials Deep Dive

# The Goodyear plant accounts for about 30% of all employment within the advanced materials sector in the region

### Advanced Materials Jobs

2020 jobs (k); W. Piedmont Region; EMSI



### Spotlight: Tire Manufacturing

- This sector has an extremely high regional location quotient of 50.8
- However, it has lost 41% of its jobs in the region since 2008, compared to a decline of 10% nationally for this sector, and is predicted to lose another 37% of its jobs by 2030

### COVID-Impact

- Significant declines in both passenger and commercial traffic
  - 16% decline in 2020 sales
  - 5% decrease in unit volume
  - 7% decline in replacement tire

“We delivered strong performance to end a challenging year,” said Richard J. Kramer, chairman, chief executive officer and president. “With a determination to win with our products in the marketplace and a relentless focus on cost and cash, we finished the year on a high note.”

“We have good momentum as we enter 2021. Our commercial business continues to outperform the industry, our consumer replacement business is strengthening, and we are beginning to see the benefits of our robust consumer OE pipeline. I am confident we are positioned to capitalize on stronger industry fundamentals in 2021,” added Kramer.

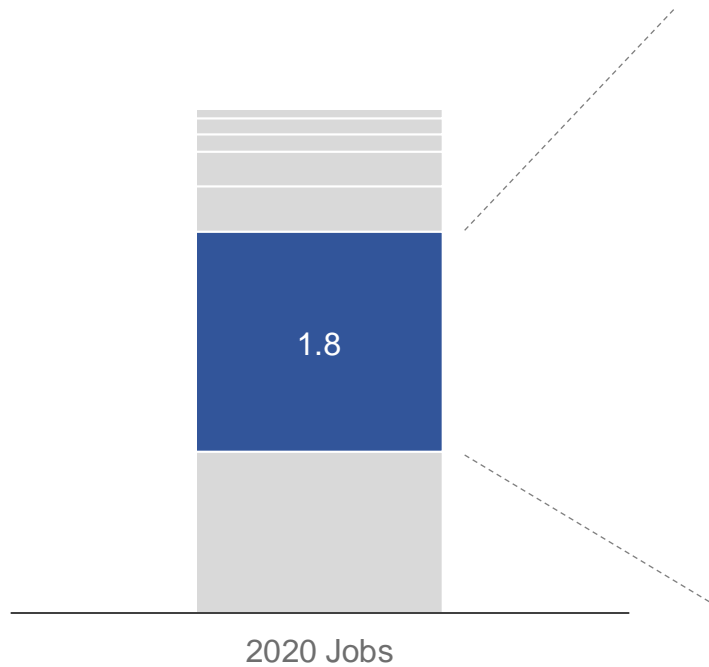
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## Advanced Materials Deep Dive

The W. Piedmont region has a strong and growing concentration of other plastics manufacturers, some of which may be experiencing increased demand

Advanced Materials Jobs  
2020 jobs (k); W. Piedmont Region; EMSI



### Spotlight: Other Plastics Manufacturing

- These sectors have a high regional location quotient of 7
- This collection of sectors has doubled its regional employment since 2008, up to a total of 1.8k in 2020, but employment is projected to remain flat through 2030

### COVID-Impact<sup>2</sup>

Many of these companies are looking to maintain or add staff in the next 6 – 12 months:

Other Plastics Mfg. Companies Serving The Following sectors:	% of Companies Indicating they will Add or Maintain Staff in Next 6 – 12 Months
Medical	94%
Automotive	65%
Consumer Goods	92%

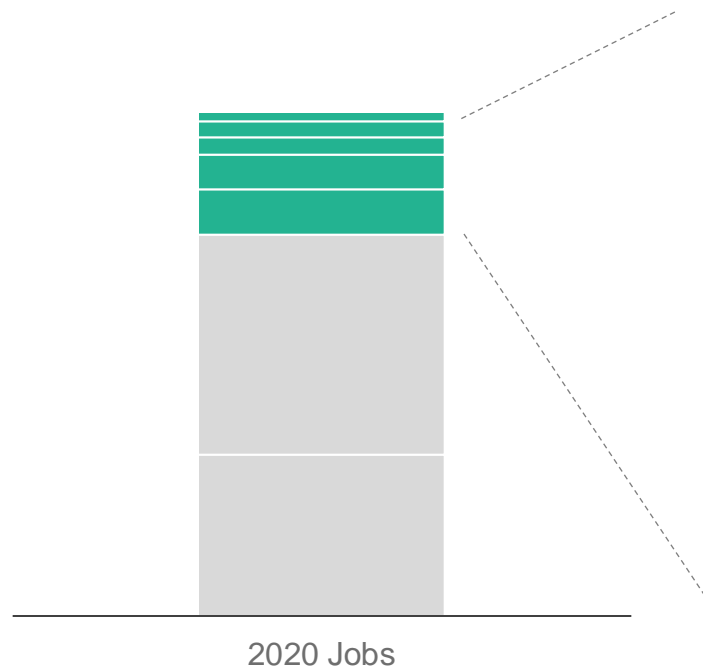
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## Advanced Materials Deep Dive

# Chemical manufacturing employment has doubled since 2008, but continued near-term growth in this sector may be challenged by COVID-related trends

### Advanced Materials Jobs

2020 jobs (k); W. Piedmont Region; EMSI



### Spotlight: Chemicals Manufacturing

- Each of the top five industries in this sector has a location quotient above 2.0
- The sector has doubled since 2008 due to growth in Artificial and Synthetic Fibers and Filaments Mfg. and the emergence of Pharmaceutical Preparation Mfg.
- Employment in each sector is expected to grow through 2030, except for Plastics Material & Resin Mfg.; Pharmaceutical Preparation Manufacturing is forecast to nearly double

### COVID-Impact

- Specialty chemical production has witnessed a 9.4% decline
- Leading chemical manufacturers around the globe have reduced capital and operational expenditures, and scaled down their manufacturing operations to 40-60 percent capacity due to labor shortages, reduced demand, potentially tightening credit markets, and shortage in the raw material supplies

1: Includes Artificial and Synthetic Fibers and Filaments Mfg., Pharmaceutical Preparation Mfg., Plastics Material and Resin Mfg., In-Vitro Diagnostic Substance Mfg, and Other Chemical Mfg.

# Phase II: Key Questions for Engagement

- How has COVID impacted employment at the Goodyear facility?
  - If impacted, are there short-term strategies to help retention / transition planning, and long-term strategies to continue to support the plant that should be pursued?
- What sectors are served by the regional “other plastics” manufacturers? Have they experienced new demand as a result of broader pandemic-related trends? If so, are there ways for the regional economic development ecosystem to support their efforts to meet this demand?
- Are there existing or potential supply chain dependencies and opportunities between regional plastics and chemical manufacturers?
- Have regional chemical manufacturers experienced the same challenging macro-economic industry trends as have been observed at a national level?

# Sector Overviews:

## **Regionally Strategic Sectors**

- Advanced Materials
- Wood Products, Forestry, and Furniture
- Food Manufacturing
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- Healthcare, Including Skilled Nursing and Elderly Care

## **Viable but Vulnerable Sectors**

- Hospitality / Travel / Tourism
- Childcare

## Wood Product, Furniture, and Forestry Deep Dive

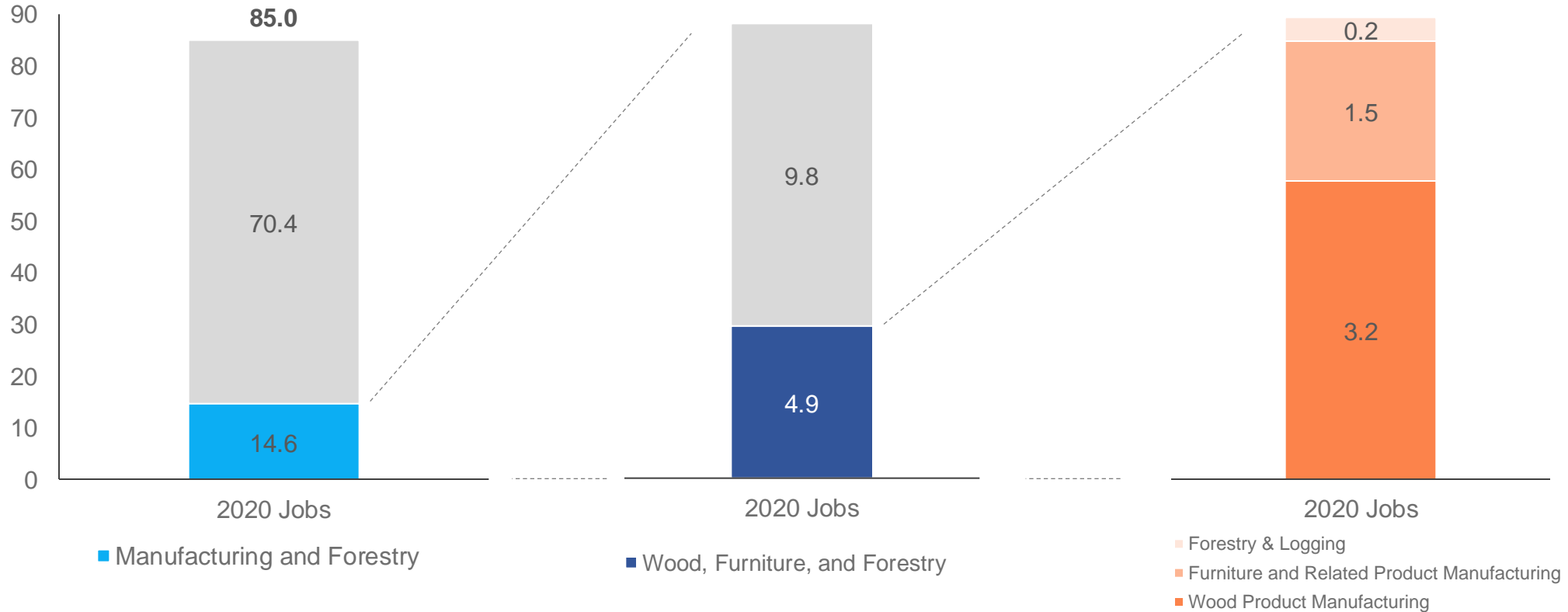
Wood product, furniture, and forestry jobs represent 34% of manufacturing employment and 6% of total regional jobs

Manufacturing Jobs

2020 jobs (k); W. Piedmont Region; EMSI

Wood Product, Furniture, & Forestry Jobs

2020 jobs (k); W. Piedmont Region; EMSI

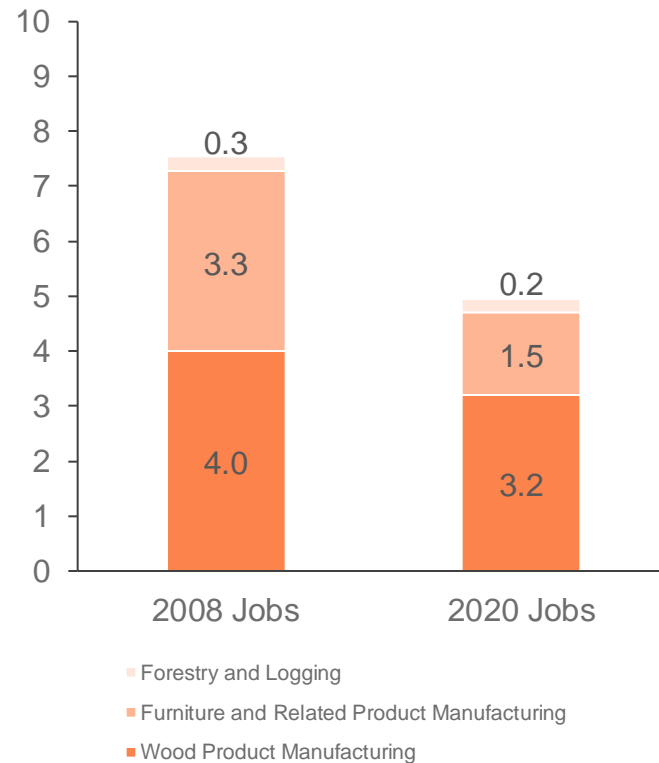


## Wood Product, Furniture, and Forestry Deep Dive

Total employment in these sectors has shrunk significantly since 2008; however, opportunities to maintain regional competitiveness appear to exist

### Wood Product, Furniture, & Forestry Jobs

2020 jobs (k); W. Piedmont Region; EMSI



### Sub-Sector Growth:

- Counter to overall sector trends, sawmills and wood preservation sectors all grew by more than 30% since 2008

### Recent Business Attractions:

- The region has seen numerous attraction and expansion events in these sectors since Q3 2019, suggesting opportunities to maintain competitiveness exist

### COVID Impact:

- Demand for homes and home improvement has increased during COVID, perhaps with supply chain or demand implications for regional businesses

# Phase II: Key Questions for Engagement

- How has COVID impacted demand for businesses in this sector? If increased demand has materialized, has that translated into any talent attraction, supply chain, or other challenges for these companies?
- Are there lessons about regional competitiveness or support the region can offer from recent business attractions that could be applied in support of existing companies and in pursuit of future attraction opportunities?

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## Food Manufacturing Deep Dive

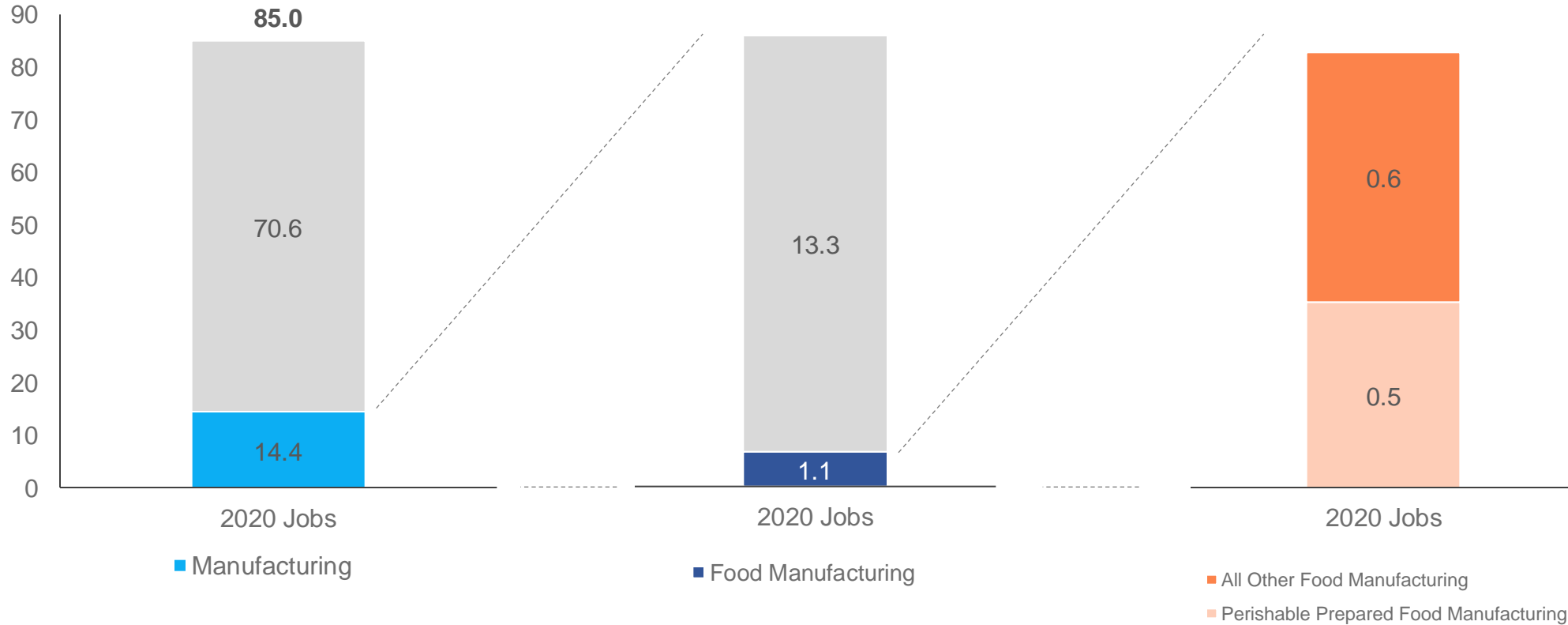
Food manufacturing represents approximately 1.5% of regional employment, and 8% of all manufacturing jobs in the region

Manufacturing Jobs

2020 jobs (k); W. Piedmont Region; EMSI

Food Manufacturing Jobs

2020 jobs (k); W. Piedmont Region; EMSI

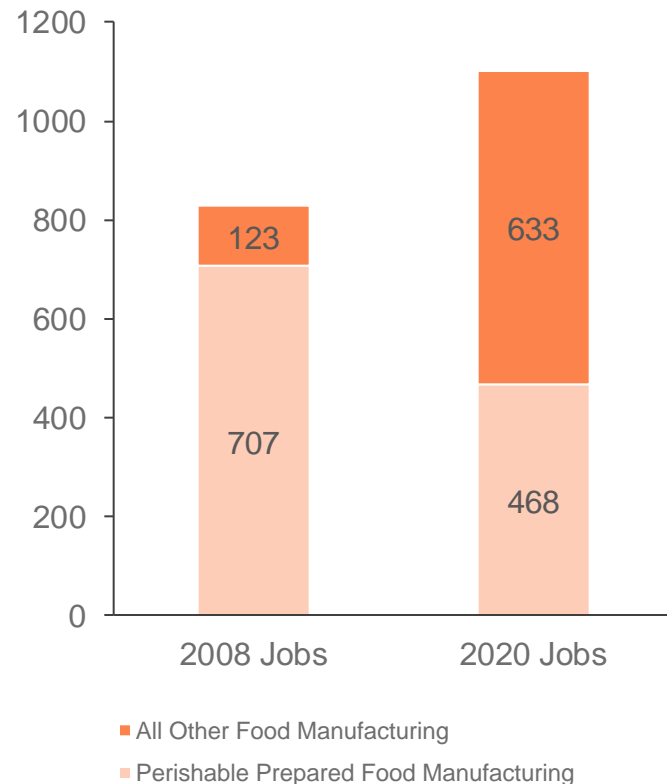


## Food Manufacturing Deep Dive

The sector has grown since 2008; while perishable prepared food manufacturing has lost jobs, other sectors have made up the difference

### Food Manufacturing Jobs

2020 jobs (k); W. Piedmont Region; EMSI



### Quick stats:

- Despite losing 34% of regional jobs since 2008, Perishable Prepared Food Manufacturing still has 14x more jobs than would be expected based on national averages
- Outside of prepared food manufacturing, this sector has grown nearly fourfold since 2008, leading to overall sector growth of 33%
- These trends are expected to continue, with employment in perishable food manufacturing forecast to decline 42% from 2020 levels by 2030, but other sectors in this sector projected to grow ~50%

### COVID-Impact

- Potentially plant safety as a consideration
- At-home consumption has increased, but out-of-home consumption – which historically generates the highest margin has come to nearly a standstill
- With the shut down of restaurants the demand for perishable foods drastically declined

# Phase II: Key Questions for Engagement

- Are there opportunities to reverse decline in prepared perishable foods manufacturing? What is the source of these jobs? Given the sector's high LQ, could there be opportunities to recruit other companies?
- What is driving the growth in all the other food manufacturing sectors? What can be done to support this emerging employment cluster?
- How has COVID impacted local farmers markets and other fresh produce producers? As spring and summer returns, are there potential strategies that could intentionally help support those producers?

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## Advanced Manufacturing Deep Dive

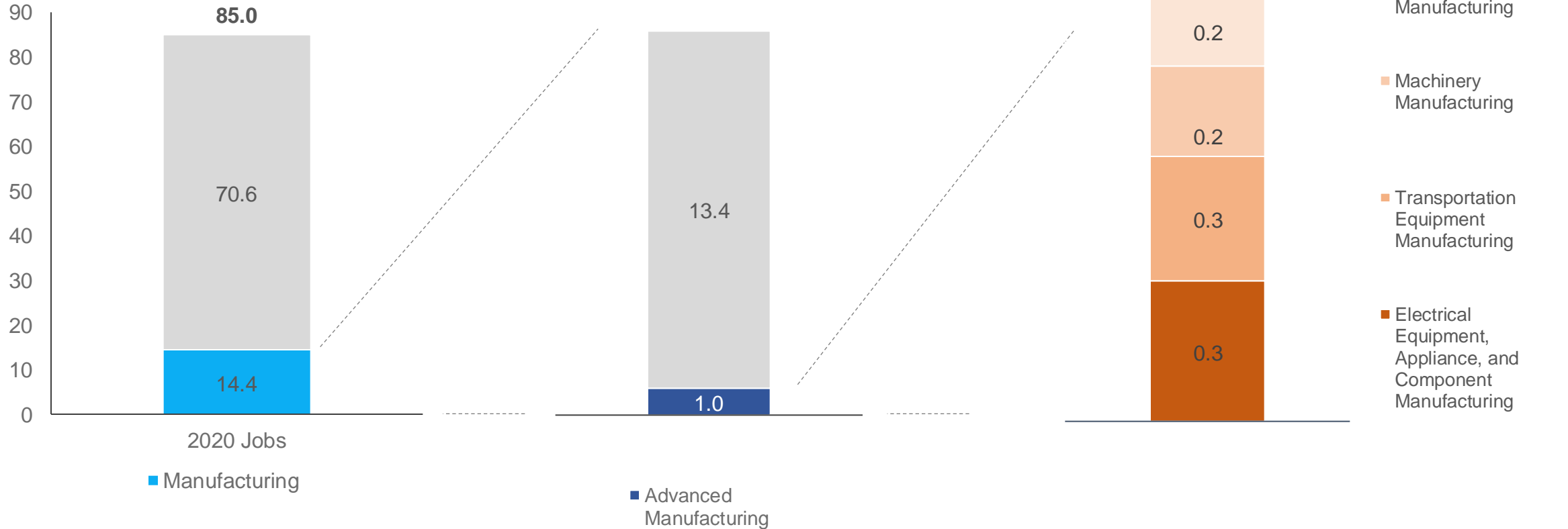
Advanced manufacturing represents approximately 1.2% of regional employment, and 7.5% of all manufacturing jobs in the region

Manufacturing Jobs

2020 jobs (k); W. Piedmont Region; EMSI

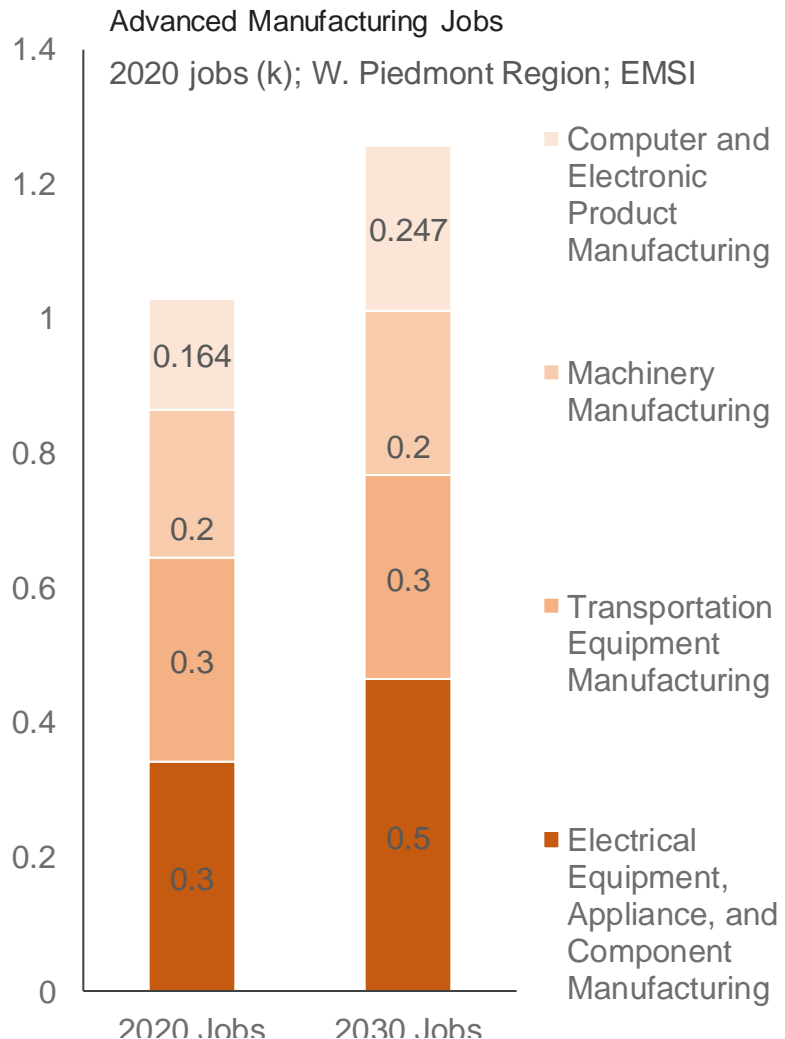
Advanced Manufacturing Jobs

2020 jobs (k); W. Piedmont Region; EMSI



## Advanced Manufacturing Deep Dive

# The sector has decreased from 2008; but is expected to grow by 39% to 2030



### Quick stats:

- Electrical equipment manufacturing has the highest location quotient (1.55), and it is expected to increase in 2030 (2.16) demonstrating increasing concentration
- Transportation equipment manufacturing is expected to grow by 58% by 2030, which is the highest rate of all four Advanced Manufacturing Industries

### COVID-Impact

- Potentially plant safety as a consideration
- Transportation demands have decreased temporarily but are likely to return to pre-COVID levels creating demand for transportation products
- The pandemic has placed an increase demand on technology to promote remote working and an emphasis on electronic connectivity which could be sustained and fuel future growth

# Phase II: Key Questions for Engagement

- Are there opportunities to advanced manufacturing address supply chain gaps in the larger regional economy that includes Winston-Salem and Greensboro, especially in transportation manufacturing?
- What can be done to support emerging employment clusters related to advanced manufacturing? Are there specific workforce characteristics that need to be further developed or focused on to support employer needs?
- What is fueling recent advanced manufacturing announcements in the WPPDC region?

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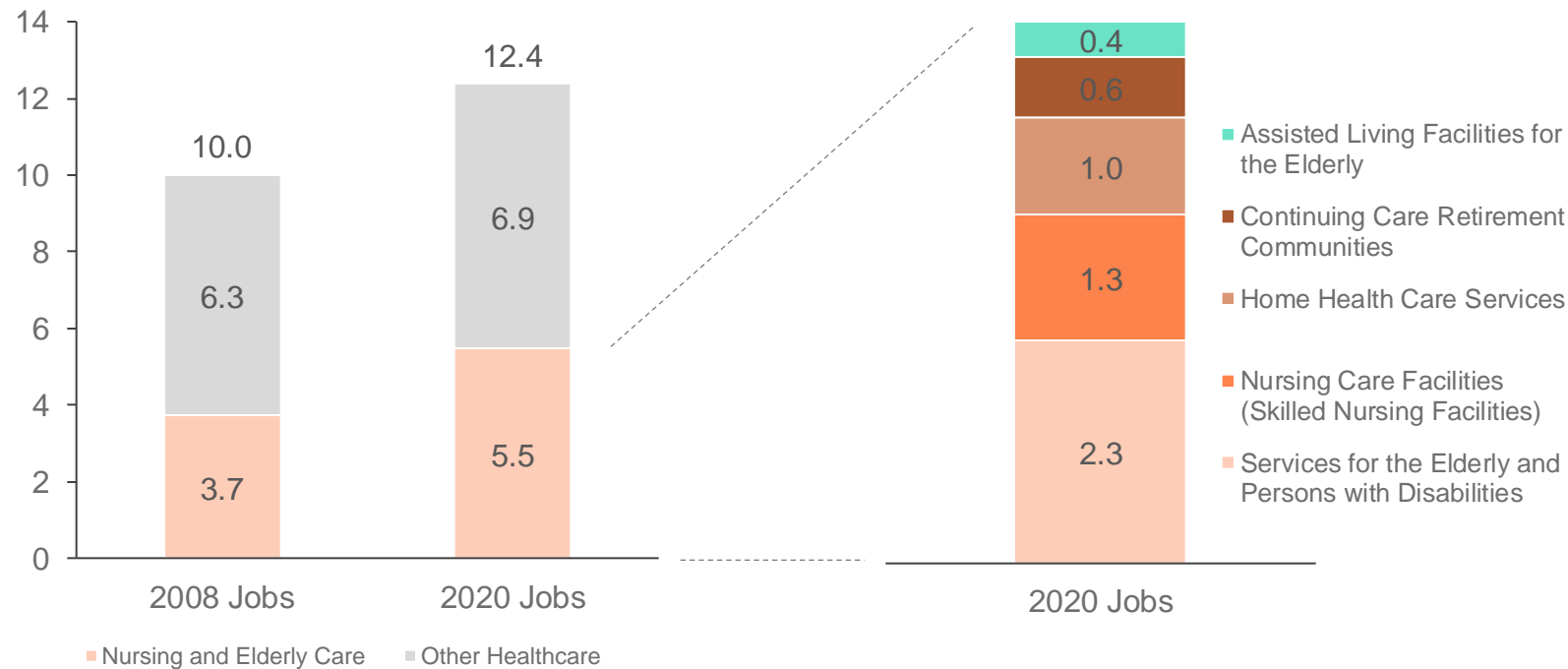


## Healthcare: Elderly Care and Skilled Nursing Deep Dive

# Growth in elderly care and skilled nursing jobs accounts for nearly 75% of total healthcare job growth since 2008

### Elderly Care and Skilled Nursing Jobs<sup>1</sup>

2020 jobs (k); W. Piedmont Region; EMSI



*Employment in these sectors is expected to grow by ~25% by 2030, with growth concentrated in elderly services, home health services, and continuing care retirement communities*

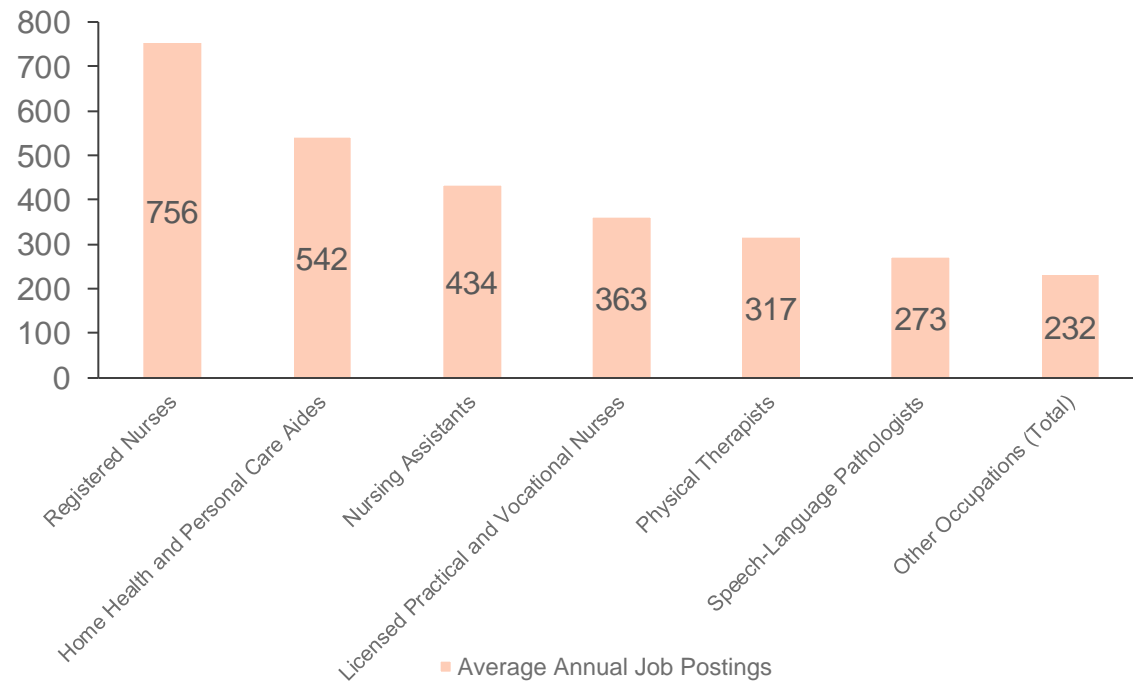
1. Includes 624120 Services for the Elderly and Persons with Disabilities; 623110 Nursing Care Facilities (Skilled Nursing Facilities); 621610 Home Health Care Services; 623311 Continuing Care Retirement Communities; 623312 Assisted Living Facilities for the Elderly

## Healthcare: Elderly Care and Skilled Nursing Deep Dive

These sectors have averaged ~1,000 job postings per year, and creative models are emerging nationally for how to fill demand

### Elderly Care and Skilled Nursing Jobs<sup>1</sup>

Average job postings by occupation per year, 2017 - 2020; W. Piedmont Region; EMSI



### Case Study: Burlington, VT

- Launching a new initiative, “Moving On, Moving Up: Fostering Inclusive Growth through Job Training of Targeted Populations’
- Using \$130,000 of CDBG funding to support upskilling and re-skilling of at least thirty low-to-moderate income workers, women and persons of color, including immigrants and refugees in Burlington
- Goals to increase representation in healthcare from under-represented populations, ensure pathways to higher-wage jobs, enable continued training, and increase supply of healthcare workers able to help with vaccine administration, mental health services, and continued COVID-19 prevention

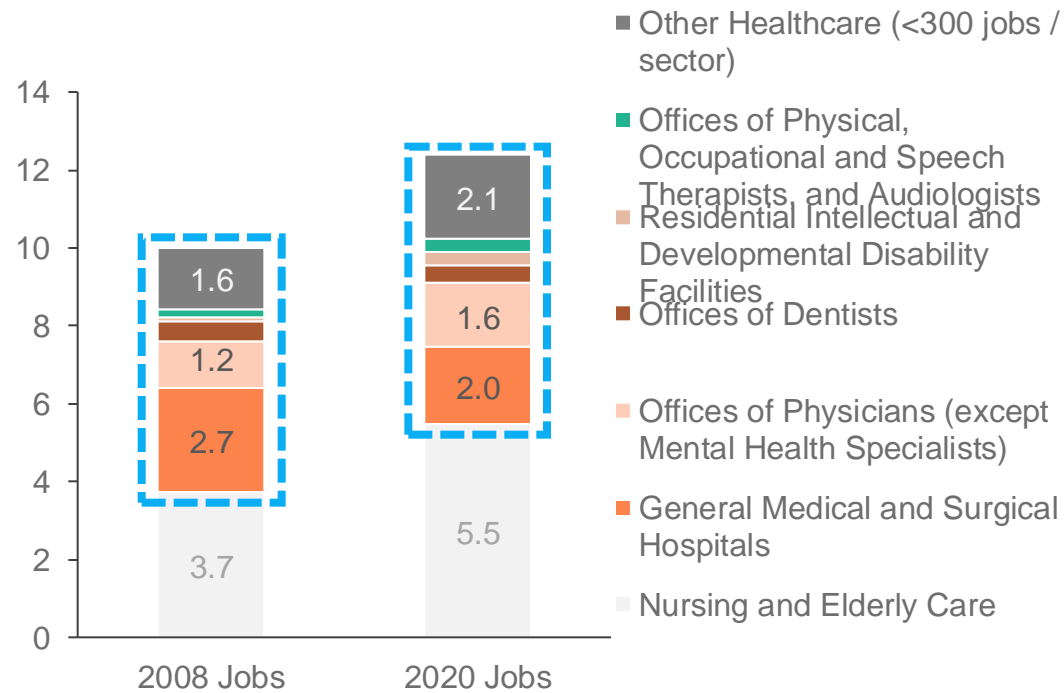
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## Healthcare: Non-Nursing and Elderly Care Sectors

Beyond large facilities and physician offices, healthcare employment in the region is split between several smaller industries

Healthcare: Non-Nursing and Elderly Care Jobs

(k); W. Piedmont Region; EMSI



- Employment in the General Medical and Surgical Hospitals industry has declined by 700 jobs since 2008
- Residential Intellectual and Developmental Disability Facilities and Other Healthcare have both increased during this time period
- “Other Healthcare” is made up of 27 industries that each have less than 300 jobs apiece

# Phase II: Key Questions for Engagement

- Is there a continued short-term need for increased workforce? Are there ways the public/economic development sector could organize workforce training to help meet that need?
- Are there ways to improve workforce pipelines to provide talent to meet growing long-term demand driven by population aging, increasing tendency towards remote work, and the urban exodus driven by COVID?
- Could there be ways to utilize federal relief assistance to help bolster workforce development in this sector (e.g., Burlington, VT)?
- What is understood to be causing the decline in employment in General Medical and Surgical Hospitals?
- Are there opportunities for telehealth, other remote healthcare provision, or specific rural healthcare strategies that have accelerated or grown more viable due to the impact of the pandemic?

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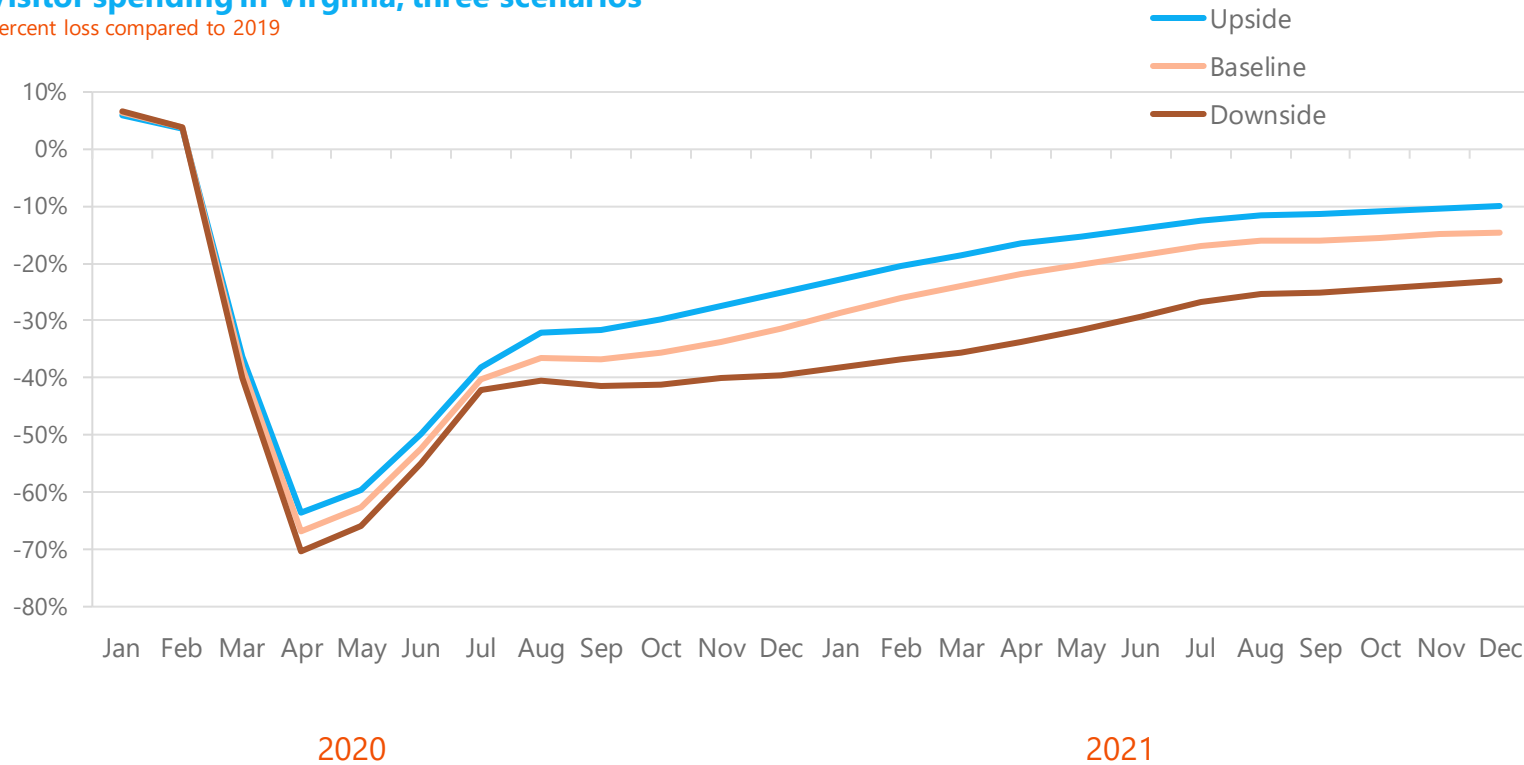
## Hospitality / Travel / Tourism: Virginia Spending Compared to 2019

Visitor spending has declined from 2019 level but has started to rebound though is still projected to remain below pre-COVID levels through 2021

Source; Virginia Tourism Corporation

**Visitor spending in Virginia, three scenarios**

Percent loss compared to 2019

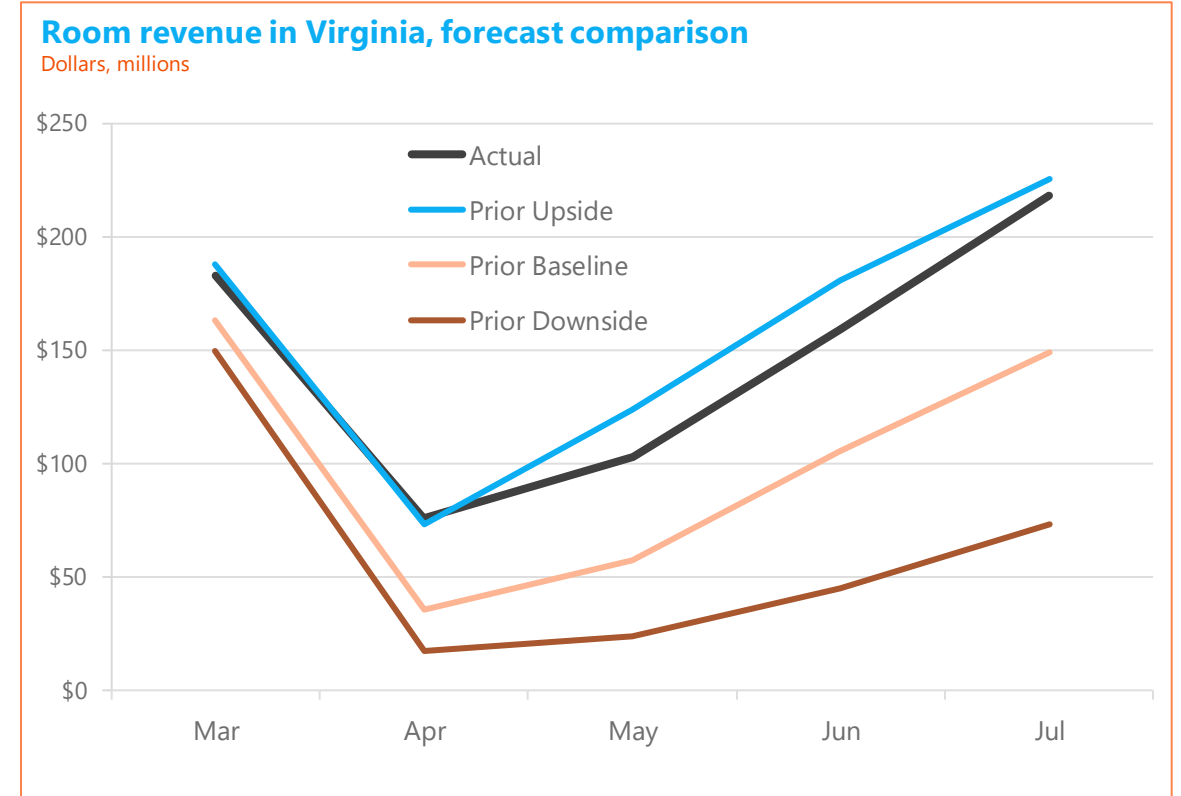
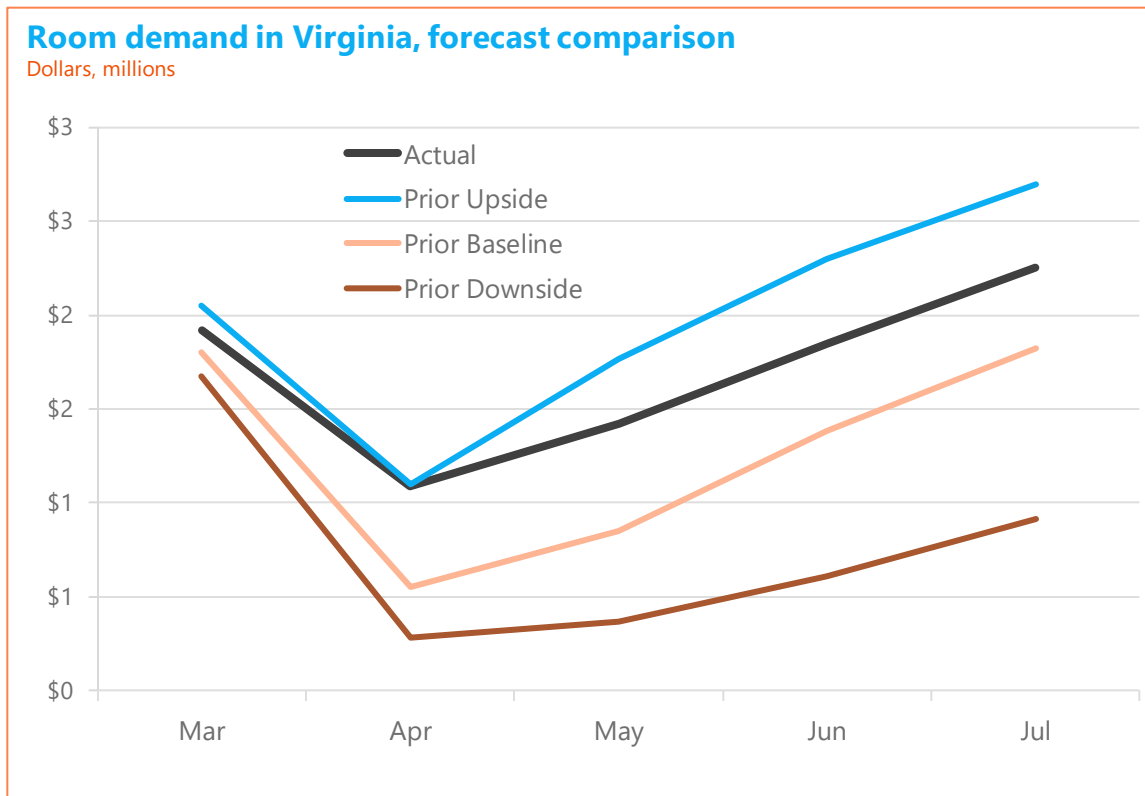


- In the Upside Scenario, visitation continues to see strong gains Visitor spending
- In the Baseline Scenario, visitation continues to see gains, although at a slower pace than the Upside Scenario
- In the Downside Scenario, a concern surrounding increases in cases causes the rebound to stagnate for several months.

## Hospitality / Travel / Tourism: Room Demand and Revenue

So far, actual room demand spent March and April close to the prior upside but has declined to approximately halfway between the prior upside and baseline forecast. Actual room revenue has been slightly below the upside forecast.

Hospitality / Travel / Tourism : Revenue and Room Demand  
 Source: Virginia Tourism Department



## Hospitality / Travel / Tourism: Room Demand and Revenue

Strong demand for drinking establishments and demand for restaurants indicate potential opportunities for business growth in retail industries related to Hospitality / Travel / Tourism

### Hospitality / Travel / Tourism : Demand for Retail Services

Source: Esri Business Analyst



- Capacity restriction for restaurants and drinking places should be a consideration
- Other growth opportunities in could exist that fall within in demand industries like specialty food stores
- Pre-COVID trends need to be accounted for when considering retail related development such as shifts to online shopping and decline of big-box stores



# Phase II: Key Questions for Engagement

- How do we analyze regional focused tourism challenges caused by COVID, especially in lodging?
- What specific retail/commercial opportunities exist to support the regions existing tourism ecosystem? How can these efforts be focused to enhance quality of place?
- How can regional branding be focused as an approach to tourism destination promotion? What specific and unique products, destination, and amenities should be highlighted?
- Are there unique lodging needs outside of hotel rooms that could be developed to align with outdoor recreation opportunities?

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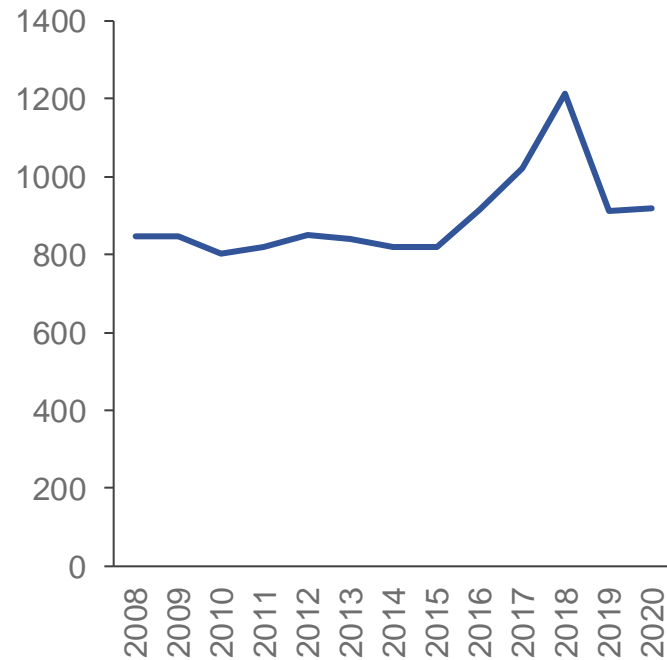
- Hospitality / Travel / Tourism
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## Childcare Deep Dive

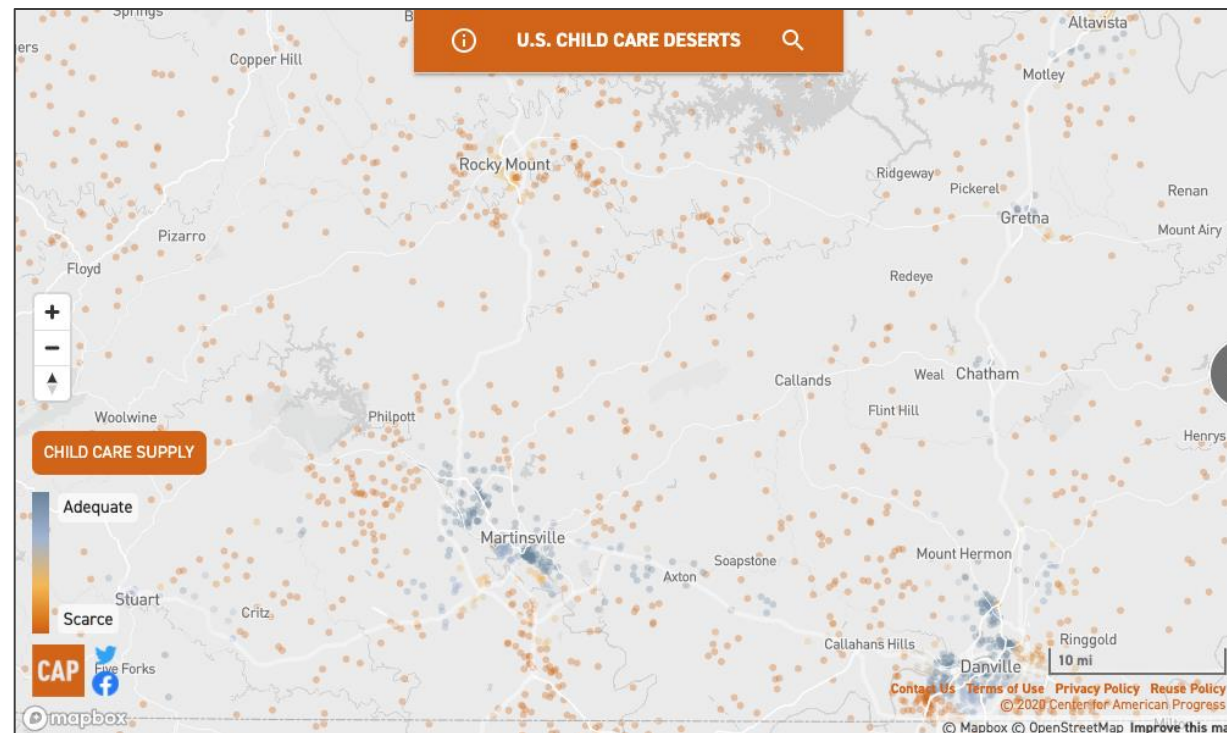
# Childcare employment has remained steady over the past decade, despite a documented need for more childcare in the region

The number of childcare workers has remained roughly constant since 2008....

SOC codes 11-9031, 25-2011, 39-9011; West Piedmont Region



...while studies have shown that a need for more childcare support exists in the region.



- About two-thirds of Virginia’s rural ZIP codes qualify as child care deserts.
- Nearly two-thirds of Virginia’s children in rural areas live in child care deserts.

## Childcare Deep Dive

Experts predict that COVID will likely exacerbate challenges for regions facing limited or insufficient childcare

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### Increased Operating Costs

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- Overall demand for child care services has dropped by as much as 75 percent in some communities
- Child care providers still in operation face health- and safety-related cost increases
- Dealing with increased costs may be challenging for some operators, many of whom rarely have a formal education in business practices.
- Child care providers tend to have limited access to cash reserves or credit lines, because they don't often work with traditional lenders.

# Phase II: Key Questions for Engagement

- Are there child care centers in the region whose chances of remaining open would increase if they were provided with business coaching or other types of technical assistance?
- Are there employers, particularly in the previously identified clusters, who would be willing to experiment with new childcare solutions in order to attract/retain workforce during the pandemic?
- Are there data-transparency approaches that could help better match supply and demand (e.g. [Minnesota's real-time map](#) of available child-care slots by facility)?
- Are there direct outreach strategies that could increase utilization rates for federal/regional/state grant and assistance programs among child care providers?

# Next Steps

- Incorporate updates from today's comments
- Summarize into final 'data-scan' report
- Incorporate findings into forthcoming engagement and surveys