

# Business Retention and Expansion Process 2008 Lowndes County Summary Report

VALDOSTA - LOWNDES COUNTY



CHAMBER OF COMMERCE

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Prepared by the Valdosta-Lowndes County Chamber of Commerce  
October, 2008

## Business Retention and Expansion Process Survey Results Valdosta-Lowndes County- October, 2008

During the month of September 2008, the Valdosta-Lowndes County Chamber of Commerce conducted interviews with representative from 16 manufacturing companies in Lowndes County. Representatives included plant managers, general managers, owners, and human resource directors. Thirty-one percent of manufacturers that were surveyed are headquartered in Lowndes County and vary in terms of size, types of employees, future plans and special needs. This report summarizes the responses of the manufacturers surveyed and provides useful information for the development of long-term retention and growth strategies for the County's existing industry.

*\*Readers are advised that not all firms answered all questions.*

Sixty-nine percent of participating firms listed their type of facility as manufacturing. Thirty-one percent are listed as headquarters, 25% as sales offices, and 13% as warehouse or distribution centers. Firms could select more than one type of facility.

### **International Trade**

Forty-four percent of companies surveyed are actively involved in international trade or have been within the past 3 years. Of the remaining fifty-six percent that have not been involved in international trade, six percent of the companies stated not knowing how to be involved in international trade as their reason for having not done so previously. Forty-four percent stated reasons for not engaging in international trade as: the majority of their business is in and around Valdosta-Lowndes County, product is not applicable to the international market, or the product does not sell out of the conversion center.

### **Future Plans**

Survey participants were asked to indicate what factors have had the greatest impact on their current and future product development, such as machinery, labor, supplies, etc. The factors with the greatest impact are: advancement, efficiency and cost of machinery and technology; the cost of raw materials and supplies; and the availability and quality of labor.

### **Cost Factors Affecting Firms' Financial Conditions**

Survey participants were asked to identify cost factors impacting their current financial condition. The top factor listed was energy costs. Taxes, labor, raw materials, transportation and petroleum prices were also listed as factors impacting the current financial condition of the participating firms.

### **Expansion**

Survey participants were asked to indicate their plans for expansion, relocation and/or modernization of their facility. Expansion and modernization plans represent significant potential for investment in the local economy and job growth over the next few years. Ninety-four percent of the manufacturers surveyed are considering expansion. Of that percentile: 56% of expansions will take place at the current site, 6% of expansions will take place in the same city at a different site, 6% of the expansions will take place at a different city in Georgia and 25% of the expansions will take place in a different state.

### **Labor and Workforce Development**

The sixteen businesses participating in this survey reported that they currently employ 1,385 persons, versus approximately 1,131 employees five years ago for a net gain of 264 jobs. This amounts to an annual average of 53 jobs over the last five years for the sampled industries. These firms created 351 new jobs through the opening of two new businesses and eliminated 87 jobs. Two of the 16 businesses surveyed opened within the last five years.

### **Educational Requirements**

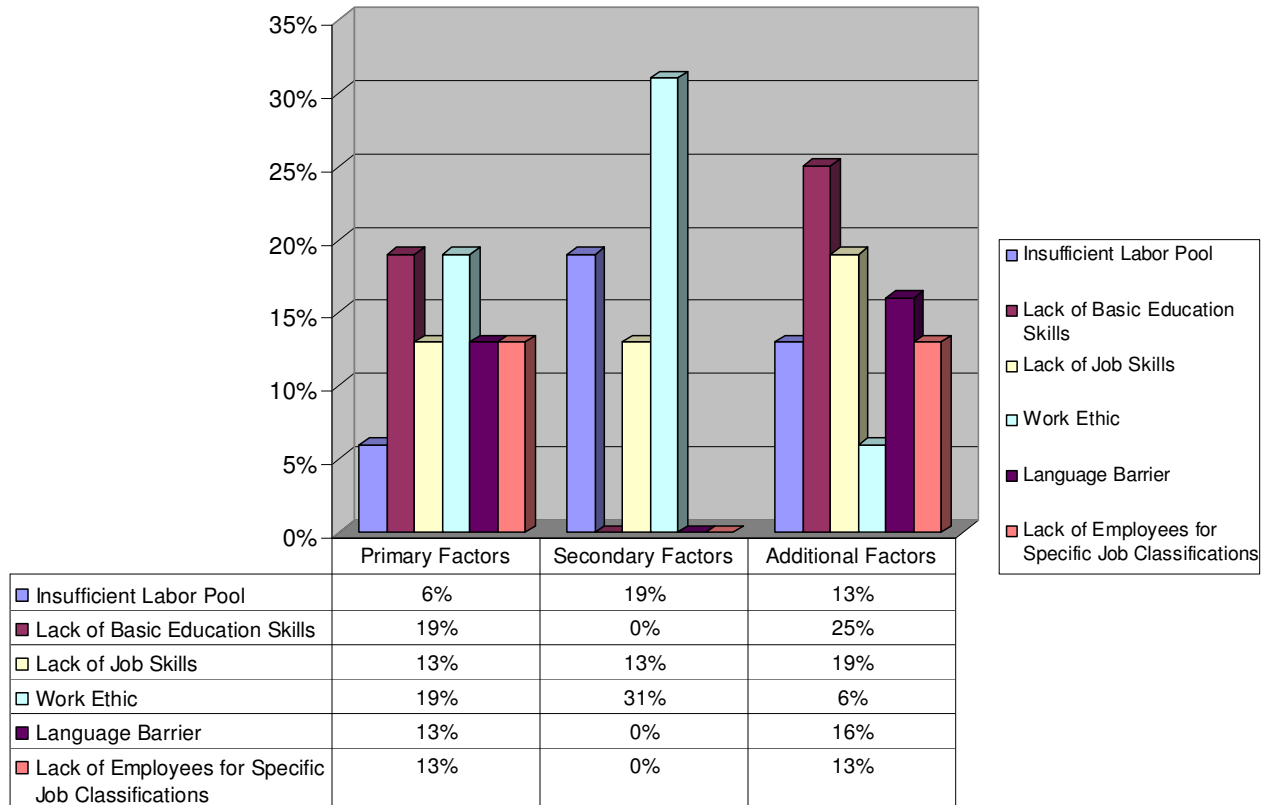
Firms were asked to identify the type of educational training/ educational level that their firm currently needs, ranging from a high school/GED requirement to a college degree.

<b>38%</b>	<b>College Degree</b>
<b>38%</b>	<b>Technical College Degree</b>
<b>25%</b>	<b>Certified Specialist</b>
<b>38%</b>	<b>No Formal Tech Training/Education</b>
<b>44%</b>	<b>High School or GED Required</b>

Skills specified that participating firms indicated needing were: stronger technical foundation, experienced press operators, ability to work flex hours, computer training, engineering, quality trained workers, sewing, and chemist.

## Workforce Needs

Firms were asked whether they had difficulty obtaining qualified employees and to identify the possible cause for the difficulty. Of the surveyed participants, 63% indicated that they have problems obtaining qualified employees. The following graph indicated the percentage of firms that reported specific problems in this area.



## Assessment of Community Services and Utilities

### Firms' Identification of Key Issues Facing their Business and the Community

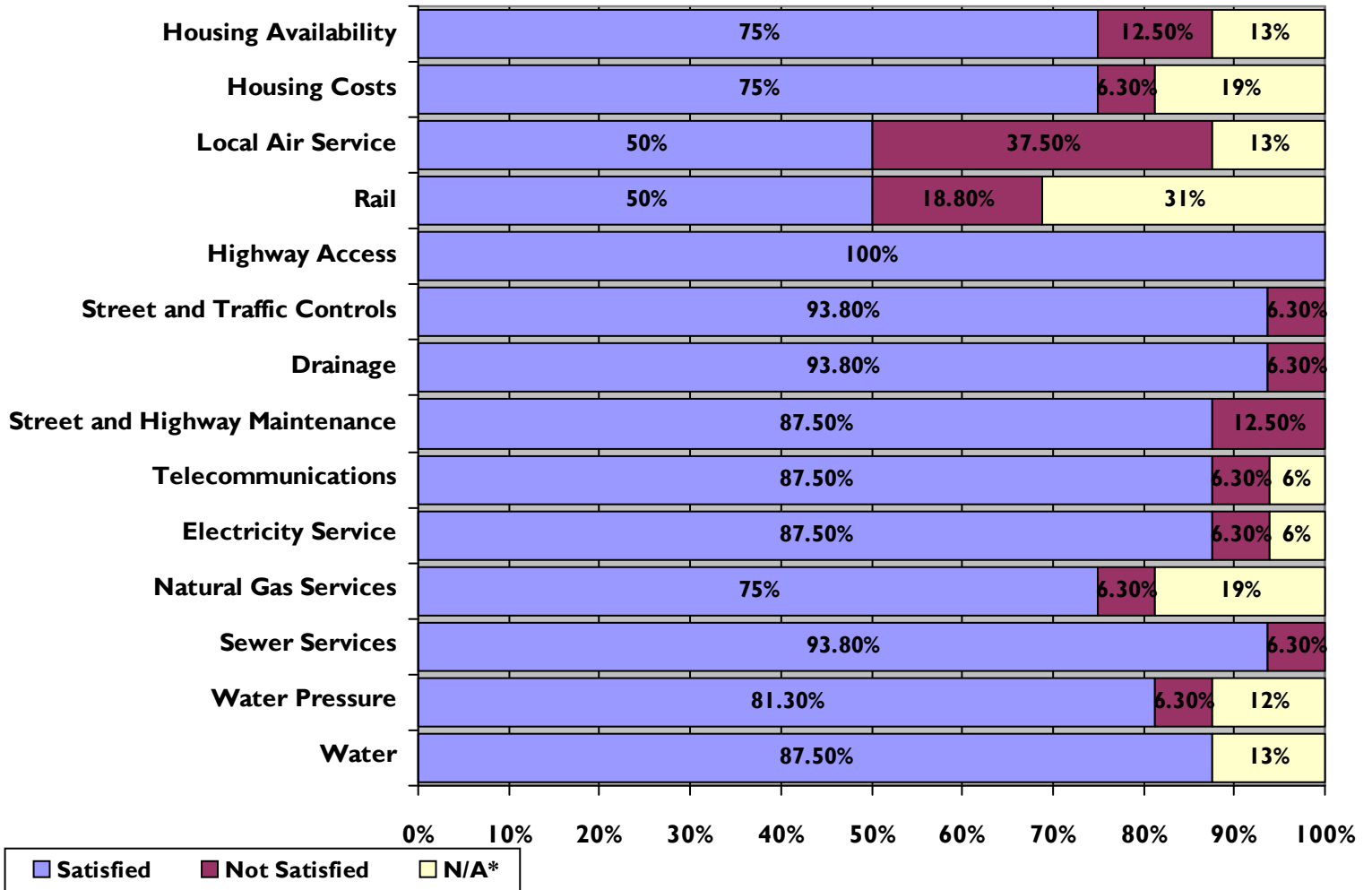
Survey participants were asked broad, open-ended questions concerning their perspective on the major issues affecting their business and the community.

**The majority of participants indicated that their key market-related issues are raw material supply and cost, the cost of energy, a weak economy, insufficient labor pool, fuel and freight cost, and the cost of imports. These are all key issues that have an impact on the participants directly.**

**From the stand point of the participants labor pool, controlled expansion, school systems, county commission leadership, education, property zoning are primary issues that are facing the community.**

## Satisfaction with Local Services and Institutions

Firms were asked whether they were satisfied with a number of different local services and institutions. The Chamber in cooperation with local government officials, must work to address specific problems identified by surveyed businesses.



### Economic Development

Survey participants were asked their overall opinion of this community and the state as a place to do business. The opinions for the community compared favorably with the opinions about the state.

#### Community

88% Valdosta-Lowndes County is an excellent or good place to do business.

6% Valdosta-Lowndes County is a fair or poor place to do business.

#### State

75% Georgia is an excellent or good place to do business.

13% Georgia is a fair or poor place to do business.

\*Participants could select "No Opinion."