



# Benchmarking the Fond du Lac MSA



## Introduction

This document outlines the economic well being of the Fond du Lac, Wisconsin Metropolitan Statistical Area (MSA) in comparison to four other MSAs also represented by an Accredited Economic Development Organization (AEDO). The regions vary geographically and by business composition but provide a good benchmark for which to compare the Fond du Lac MSA. The following is a brief description of the MSA's that will be benchmarked:

- **Fond du Lac, WI MSA** has a population of 100,070. The MSA is all of Fond du Lac County. Principal City Fond du Lac, WI. Fond du Lac is on the shores of Lake Winnebago. Approx 75 miles from Madison, WI and 70 miles from Milwaukee, WI. Served by the Fond du Lac County Economic Development Corporation.
- **Muncie, IN MSA** has a population of 115,192. The MSA is all of Delaware County. Principal City Muncie, IN. Approx 60 miles from Indianapolis, IN. Served by the Muncie-Delaware County Indiana Economic Development.
- **Niles-Benton Harbor, MI MSA** has a population of 160,472. The MSA is all of Berrien County. Principal Cities Niles and Benton Harbor. Benton Harbor is on the shore of Lake Michigan. Approx 40 miles from South Bend, IN and 100 miles from Chicago, IL. Served by The Corner Stone Alliance.
- **Reading, PA MSA** has a population of 407,125. The MSA is all of Berks County. Principal City Reading, PA. Approximately 65 miles from Philadelphia, PA and 60 miles from Harrisburg, PA. Served by The Berks Economic Partnership.
- **Tyler, TX MSA** has a population of 204,665. The MSA is all of Smith County. Principal City Tyler, TX. Approximately 95 miles from Dallas, TX. Served by the Tyler Economic Development Council.

To compare or benchmark the regions fairly, many of the indicators presented in this report are indexed. Indexing adjusts the values from each location so they are equalized or standardized when compared to a base; in our case, the U.S.A.. The U.S.A. value equals an index of 100 or the average. For example, if Fond du Lac has a indicator value of 104 and Muncie has 98.7, Fond du Lac is doing better than the standard or average rate of 100 (4% better) and Muncie is below the standard/average (1.3% worse).



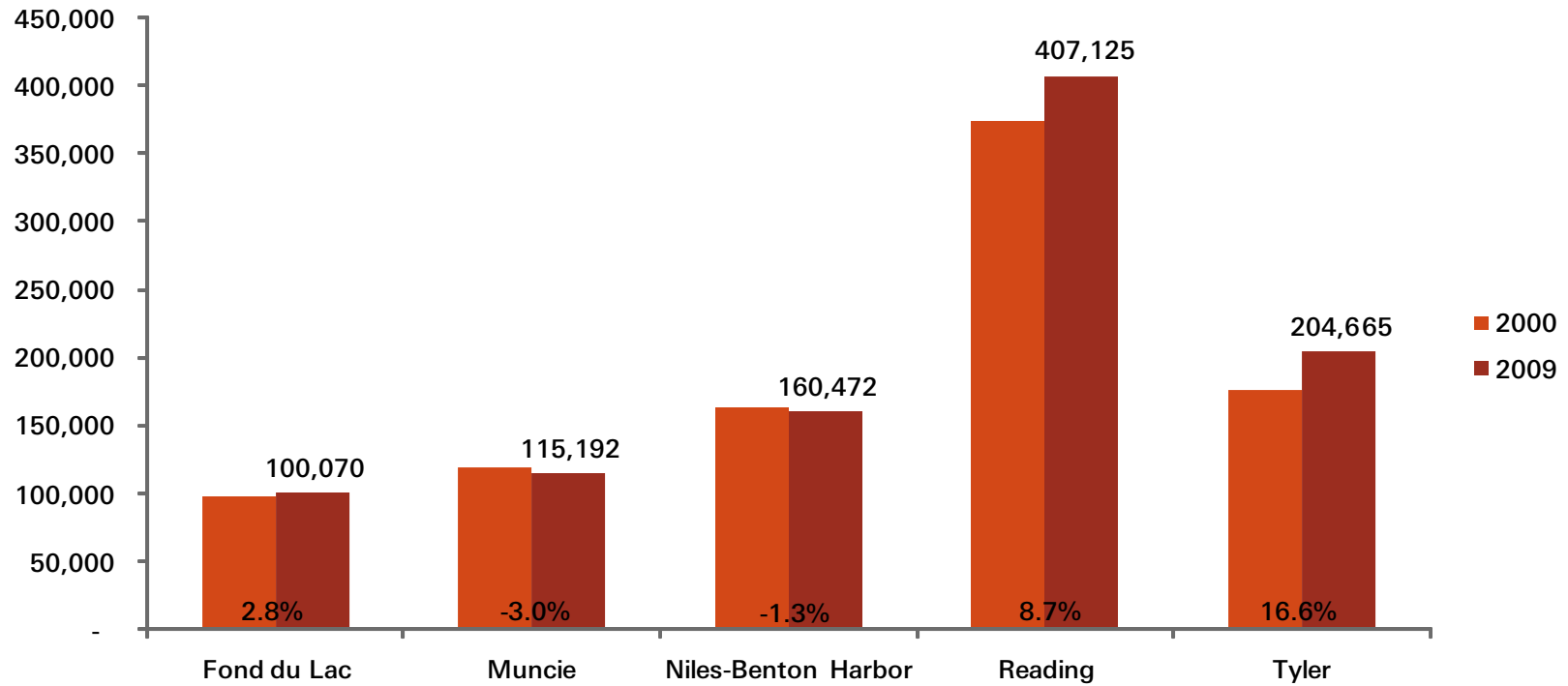
Sources: U.S.  
Census Bureau  
[www.census.gov](http://www.census.gov)  
and community  
websites

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## Population

### Metro Area Population / Percent Change 2000 - 2009



Source: U.S. Census Bureau  
www.census.gov

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## Performance

### MEASURING ECONOMIC PERFORMANCE

To determine the competitiveness of the Fond du Lac MSA, four indicators of economic performance were used:

#### THE INDICATORS:

##### GROSS DOMESTIC PRODUCT (GDP)

Defined as the market value of all final goods and services produced within the region, or more simply as "economic output." A rising GDP means more money is flowing through the local economy.

##### REGIONAL EMPLOYMENT

Measures the number of people actively employed in an area. Employment growth generally correlates to job growth.

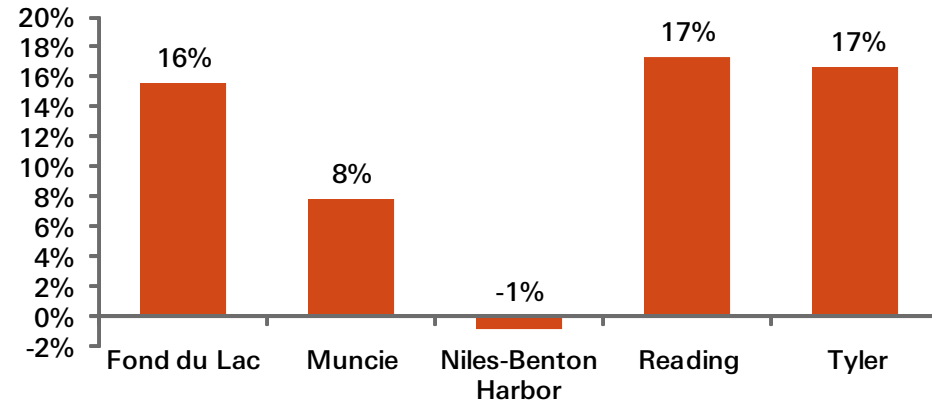
##### EARNINGS PER WORKER (EPW)

Divides all wage and salary earnings by the number of people actively employed.

##### PER CAPITA INCOME (PCI)

Measures overall wealth within a community on a per capita basis. PCI is determined by dividing the population's total income from all sources by the number of people who reside in the community.

### Gross Domestic Product Percent Change 2004 to 2008



Source: U.S. Bureau of Economic Analysis  
www.bea.gov

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### GDP Per Capita, 2008 U.S. \$46,400

	Fond du Lac	Muncie	Niles-Benton Harbor	Reading	Tyler
GDP Per Capita	\$32,142	\$24,462	\$29,029	\$30,165	\$33,153

Source: U.S. Bureau of Economic Analysis  
www.bea.gov

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## Income

### Earnings Per Worker (EPW), 2008

	Fond du Lac	Muncie	Niles-Benton Harbor	Reading	Tyler	U.S.A.
EPW	\$42,844	\$37,009	\$41,348	\$43,853	\$42,032	\$50,259

Source: U.S. Bureau of Economic Analysis  
www.bea.gov

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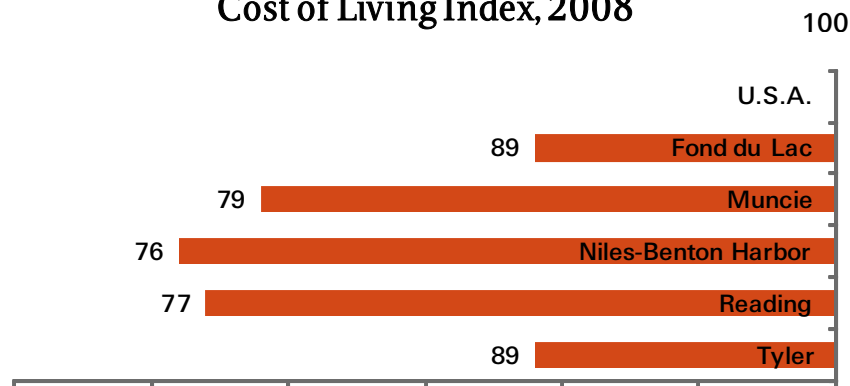
### Per Capita Income (PCI), 2008

	Fond du Lac	Muncie	Niles-Benton Harbor	Reading	Tyler	U.S.A.
PCI	\$36,541	\$29,349	\$33,669	\$36,256	\$36,456	\$40,166
% Above/Below U.S. Average	-9.0%	-26.9%	-16.2%	-9.7%	-9.2%	+/- 0%

Source: U.S. Bureau of Economic Analysis  
www.bea.gov

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### Cost of Living Index, 2008

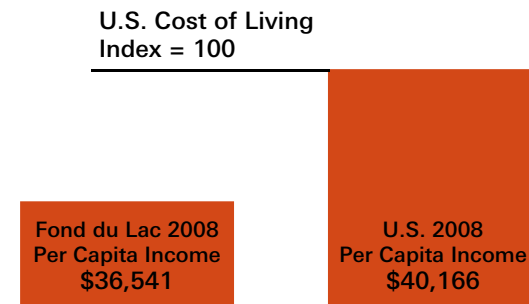


Source: Sperling's Best Places  
www.bestplaces.net

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### Cost of Living vs. Per Capita Income

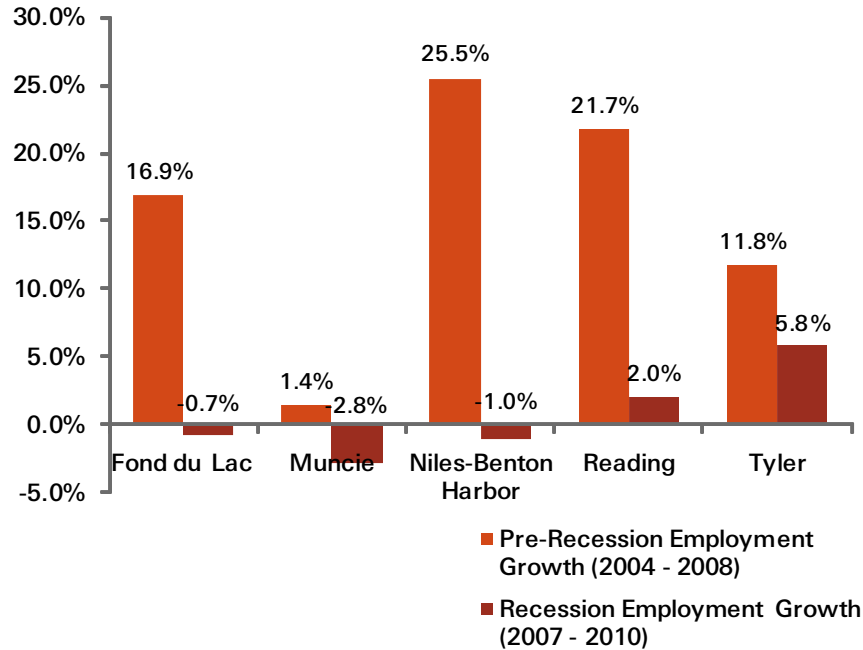
In 2008, income in Fond du Lac was nine percent below the national average while the cost of living was 11 percent below.





## Economic Makeup

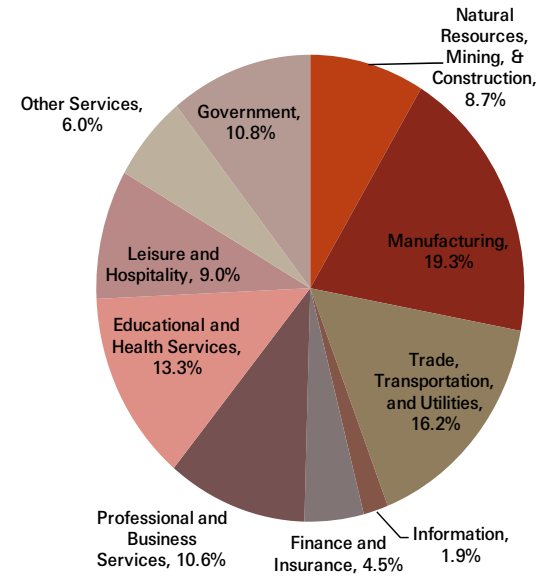
### Employment Growth



Source: U.S. Bureau of Labor Statistics  
www.bls.gov

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Prior to the recession, the Fond du Lac MSA's employment growth increased at a pace exceeding the national average (5.2 percent), but was slower than two other MSAs. Post recession, Fond du Lac also exceeded the national average shedding only 0.7 percent of its jobs, less than the national average (5.9 percent).



#### Fond du Lac MSA Employment by Sector (NAICS), 2008

Natural Resources, Mining, & Construction	4,871	8.7%
Manufacturing	10,846	19.3%
Trade, Transportation, and Utilities	9,106	16.2%
Information	1,051	1.9%
Finance and Insurance	2,516	4.5%
Professional and Business Services	5,950	10.6%
Educational and Health Services	7,461	13.3%
Leisure and Hospitality	5,054	9.0%
Other Services	3,377	6.0%
Government	6,052	10.8%
<b>Total Nonfarm</b>	<b>56,284</b>	

Source: U.S. Bureau of Economic Analysis  
www.bea.gov

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## Human Capital

### WHY IS THIS IMPORTANT?

The skills that an area's workforce possesses are critical to its long-term economic success and preparedness. Educated residents with specialized skills and knowledge fuel the performance of existing firms and serve to attract new employers. The better educated the regional workforce, the more quickly an economy can take advantage of new opportunities and recover from negative shocks, such as the most recent recession.

### THE INDICATORS:

#### HIGH SCHOOL GRADUATES

Percentage of adult population (age 25+) with a high school diploma/equivalency or higher.

#### ASSOCIATE'S DEGREE GRADUATES

Percentage of adult population (age 25+) with an Associate's Degree.

#### COLLEGE GRADUATES

Percentage of adult population (age 25+) with a bachelor's degree or higher.

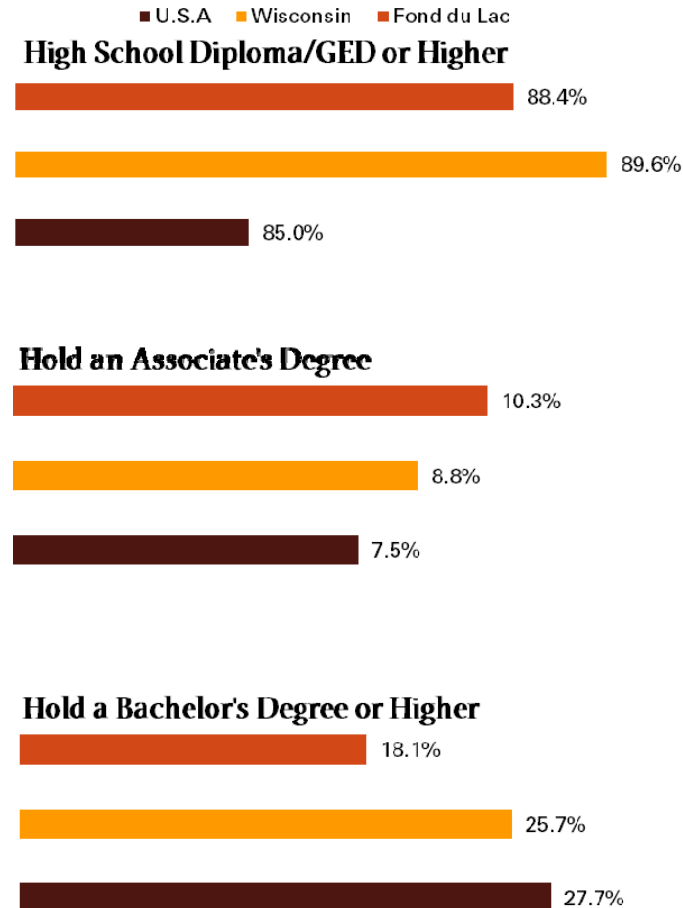
#### EMPLOYMENT RATE

Percentage of an area's workforce that is actively employed.

#### KNOWLEDGE WORKERS

Percentage of population (ages 25-64) employed in occupations requiring specialized knowledge and creativity such as management, finance, IT, science & engineering, healthcare, design, the arts, etc.

## 2008 Educational Attainment (% of Population 25+)



Source:  
U.S. Census Bureau  
[www.census.gov](http://www.census.gov)  
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## Education

Percentage of Workforce with a High School Diploma or Greater (population 25 years or older) Index, 2008

	Fond du Lac	Muncie	Niles-Benton Harbor	Reading	Tyler	U.S.A.
High School Graduates	104.0	98.7	103.3	98.0	98.1	100.0

Percentage of Workforce with an Associate's Degree (population 25 years or older) Index, 2008

	Fond du Lac	Muncie	Niles-Benton Harbor	Reading	Tyler	U.S.A.
Associate's Degree Graduates	137.3	73.3	113.3	93.3	130.7	100.0

Percentage of Workforce with a Bachelor's Degree or Greater (population 25 years or older) Index, 2008

	Fond du Lac	Muncie	Niles-Benton Harbor	Reading	Tyler	U.S.A.
College Graduates	65.3	78.3	80.5	83.0	84.8	100.0

Source for Educational Attainment: U.S. Census Bureau  
www.census.gov August 19, 2010

Percentage of Workforce that is Actively Employed (population 25 years or older) Index, 2008

	Fond du Lac	Muncie	Niles-Benton Harbor	Reading	Tyler	U.S.A.
Employment Rate	81.3	125.0	136.5	102.1	83.3	100.0

Source: U.S. Bureau of Labor Statistics  
www.bls.gov August 19, 2010

Percentage of Population (ages 25+) Employed in Jobs Requiring Specialized Knowledge\* Index, 2008

	Fond du Lac	Muncie	Niles-Benton Harbor	Reading	Tyler	U.S.A.
Knowledge Workers	73.8	89.4	95.7	75.6	84.1	100.0

\*Jobs Include Management, Finance, IT, Science & Engineering, Health Care, Design, the Arts, etc.

Source: U.S. Bureau of Labor Statistics  
www.bls.gov August 19, 2010



## Innovation

### WHY IS THIS IMPORTANT?

The ability to innovate new ideas, products and processes is an important measure to a region's competitiveness (mainly its ability to remain economically viable as a work force). An innovative environment encourages the launch of new businesses, provides growth opportunities for existing businesses, and attracts leading-edge businesses from outside the area. The result is new, higher paying jobs for area residents.

### THE INDICATORS:

#### PATENTS

Number of patents issued in an area, presented per 10,000 workers.

#### EMPLOYMENT IN TECHNICAL PROFESSIONS

Percentage of employment in computer, science and engineering professions. This provides a measure of industry R&D.

Fond du Lac Degrees 2008	Degrees Conferred
Apprentice	65
Associate	1,192
One-Year Technical Diploma	236
Two-Year Technical Diploma	12
Bachelor's	584
Masters	372
Ph.D.	3
<b>Total</b>	<b>2,151</b>

Source: Registrars Office of Marian University, Ripon College, UW-Fond du Lac, and Moraine Park

### Patents Index, 2007

	Fond du Lac	Muncie	Niles-Benton Harbor	Reading	Tyler	U.S.A.
Patents per 10,000 Employees	117.6	18.8	134.8	47.0	36.1	100.0

Source: Cluster Mapping Project, Institute for Strategy and Competitiveness, Harvard Business School  
www.isc.hbs.edu August 19, 2010

### Percent of Employment in Computer, Science and Engineering Occupations, Index 2008

	Fond du Lac	Muncie	Niles-Benton Harbor	Reading	Tyler	U.S.A.
Employment in Technical Positions	57.6	51.5	88.0	64.9	46.5	100.0

Source: U.S. Bureau of Labor Statistics  
www.bls.gov

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## Entrepreneurial Environment

### WHY IS THIS IMPORTANT?

A key ingredient for business creation and growth is a supportive environment for entrepreneurs. With local support and help, small local businesses can grow, encouraging additional hiring and new business attraction. Just as a favorable environment encourages new companies to put down roots, an unfavorable climate can cause successful startups to seek more business friendly communities elsewhere.

### THE INDICATORS:

#### CONCENTRATION OF SMALL TO MID-SIZE BUSINESSES

Number of businesses in an area, presented per 1,000 employees. A growing number of small to mid-size businesses over time correlates to a strong environment for new business creation.

#### BUSINESS CHURNING

Total number of establishment births and deaths as a percentage of all firms in an area. The "churn" of innovative and efficient companies continuously replacing struggling establishments provides a measure of entrepreneurial activity.

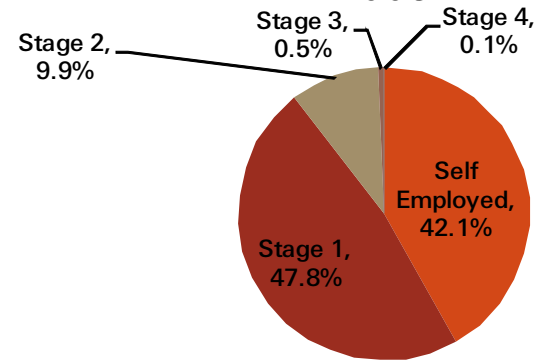
#### PROPRIETORS' INCOME SHARE

Percentage of an area's income generated by self-employed business owners. A strong small business sector provides an important seedbed for future entrepreneurs.

#### BUSINESS SERVICES

Share of regional employment in professional and technical service industries (NAICS 54). Entrepreneurs and small businesses will be more successful in areas with well developed support systems.

### Establishments by Employment Size, 2008



Self Employed: only employ yourself

Stage 1: 2-9 employees

Stage 2: 10-99 employees

Stage 3: 100-499 employees

Stage 4: 500+ employees

Source: Edward Lowe Foundation (Your Economy)

[www.youreconomy.org](http://www.youreconomy.org)

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"Small businesses have been among the most powerful generators of new jobs historically, suggesting the value of a stronger focus on supporting small businesses - especially high-growth firms - and encouraging entrepreneurship."

- The Brookings Institution



## Entrepreneurial Environment

### Establishments per 1,000 Employees Index, 2008

	Fond du Lac	Muncie	Niles-Benton Harbor	Reading	Tyler	U.S.A.
<b>Concentration of Businesses</b>	91.0	94.2	99.8	80.9	109.5	100.0

Source: U.S. Census Bureau  
www.census.gov

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### Business Births + Deaths Divided by Number of Initial Establishments Index, 2006

	Fond du Lac	Muncie	Niles-Benton Harbor	Reading	Tyler	U.S.A.
<b>Business Churning</b>	71.7	76.3	86.2	82.6	92.8	100.0

Source: U.S. Census Bureau  
www.census.gov

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### Proprietors' Income as a Share of Total Income Index, 2008

	Fond du Lac	Muncie	Niles-Benton Harbor	Reading	Tyler	U.S.A.
<b>Income Share</b>	104.4	70.9	82.8	80.7	133.8	100.0

Source: U.S. Census Bureau  
www.census.gov

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### Percentage of Employment in Professional, Scientific and Technical Service Industries (NAICS 54) Index, 2007

	Fond du Lac	Muncie	Niles-Benton Harbor	Reading	Tyler	U.S.A.
<b>Business Services</b>	57.1	58.7	66.2	76.5	92.0	100.0

Source: U.S. Bureau of Labor Statistics  
www.bls.gov

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## Quality of Life

### WHY IS THIS IMPORTANT?

Thomas Friedman said, “the world is now flat,” alluding to an increasingly competitive global economy. In this economy, business attraction and retention of top talent is becoming increasingly difficult. An increasing demand for specialized knowledge, advanced skills, and highly educated individuals means that these employees can choose where they would like to work. An area’s quality of life is becoming more important to its long-term economic success. The following were chosen to determine the Fond du Lac MSA’s quality of life and ability to attract talented employees.

### THE INDICATORS:

#### CLIMATE

Percent of days with temperatures between 50° and 80° F.

#### AIR QUALITY

Average rating by the EPA using their air quality index.

#### CRIME RATE

Violent crimes (defined by the FBI as crimes that involve force or the threat of force) per 100,000 population.

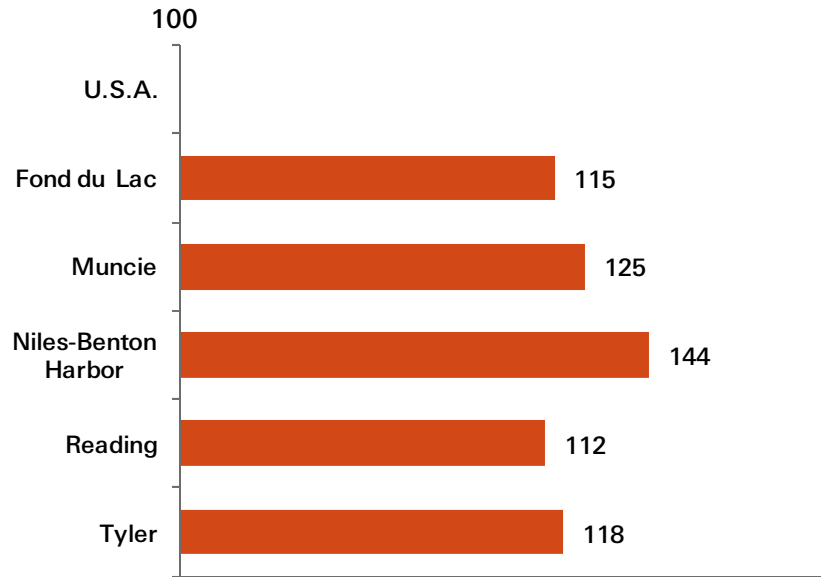
#### CULTURE AND RECREATION

Employment in the arts, entertainment and recreation (NAICS 71), provides a measure of an area’s cultural and recreational opportunities.

#### HEALTHCARE ACCESS

Number of healthcare practitioner and technical occupations per 100,000 population, provides a measure of access to healthcare professionals.

### Quality of Life Index



Source: U.S. Environmental Protection Agency ([www.epa.gov](http://www.epa.gov)), Federal Bureau of Investigation ([www.fbi.gov](http://www.fbi.gov)), Bureau of Labor Statistics ([www.bls.gov](http://www.bls.gov)), Census Bureau ([www.census.gov](http://www.census.gov)), and Weather Underground ([www.wunderground.com](http://www.wunderground.com)). August 19, 2010



## Quality of Life

### Average Air Quality Index, 2008

	Fond du Lac	Muncie	Niles-Benton Harbor	Reading	Tyler	U.S.A.
Air Quality	174.0	192.0	165.0	163.0	155.0	100.0

Source: U.S. Environmental Protection Agency  
www.epa.gov

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### Percentage of Days with Temperatures Between 50 and 80 Degrees Index, 2009

	Fond du Lac	Muncie	Niles-Benton Harbor	Reading	Tyler	U.S.A.
Climate	90.4	98.5	103.6	83.8	95.9	100.0

Source: Weather Underground  
www.wunderground.com

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### Violent Crime Rate per 100,000 Population Index, 2008

	Fond du Lac	Muncie	Niles-Benton Harbor	Reading	Tyler	U.S.A.
Crime Rate	47.2	74.5	86.8	72.7	108.0	100.0

Source: Federal Bureau of Investigation  
www.fbi.gov

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### Healthcare Practitioners and Technical Occupations per 100,000 Population Index, 2009

	Fond du Lac	Muncie	Niles-Benton Harbor	Reading	Tyler	U.S.A.
Healthcare Access	98.8	136.5	91.6	99.5	181.8	100.0

Source: U.S. Bureau of Labor Statistics  
www.bls.gov

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### Employment in Arts, Entertainment and Recreation Industries as Percentage of Population (NAICS 71) Index, 2008

	Fond du Lac	Muncie	Niles-Benton Harbor	Reading	Tyler	U.S.A.
Culture and Recreation	60.7	70.7	248.9	88.8	65.0	100.0

Source: U.S. Census Bureau  
www.census.gov

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## Conclusion

Comparing the Fond du Lac MSA against other MSAs with an AEDO shows that the Fond du Lac MSA compares favorably in most categories but is still behind in areas that are becoming prerequisites for continued growth and expansion. FCEDC has done a good job of highlighting the strengths of the Fond du Lac MSA and showing it as a competitive place to start or locate a business. This has been instrumental in raising the profile of the Fond du Lac MSA.

The strengths of the Fond du Lac MSA:

- The increase in GDP between 2004 and 2008 which exceeded the national rate,
- A high GDP per capita,
- A high earnings per worker,
- A high percentage of workforce with an Associate's Degree,
- The makeup of establishments (a large number of self employed and stage 1 businesses, which have been the engine for job growth).

The weaknesses of Fond du Lac MSA:

- A negative growth in employment during the recession (although it is not as severe as other communities, two of the peer communities experienced significant positive growth during this time),
- A low amount of business formation,
- A low percentage of the workforce with a Bachelor's Degree or greater,
- A low number of people who are employed in the culture and recreation industry.

