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MEMORANDUM REPORT NO. 11

SUGAR  
CREEK

LAFAYETTE

# OVERALL ECONOMIC DEVELOPMENT PROGRAM PLAN

## CITY OF ELKHORN WALWORTH COUNTY WISCONSIN

STATE

OF  
WISCONSIN  
PROPERTY

STATE LAFAYETTE  
OF GENEVA  
WISCONSIN  
PROPERTY

WALWORTH

COUNTY

PROPERTY

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**MEMORANDUM REPORT NUMBER 11**

**CITY OF ELKHORN OVERAL ECONOMIC  
DEVELOPMENT PROGRAM PLAN**

**WALWORTH COUNTY, WISCONSIN**

**Prepared by the**

**Southeastern Wisconsin Regional Planning Commission  
P. O. Box 1607  
Old Courthouse  
916 N. East Avenue  
Waukesha, Wisconsin 53187-1607**

**December 1986**

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# SOUTHEASTERN WISCONSIN REGIONAL PLANNING COMMISSION

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Serving the Counties of:

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January 5, 1987

The Honorable Gerhardt D. Immega  
Mayor of the City of Elkhorn, and  
Members of the Common Council  
City of Elkhorn  
9 S. Broad Street  
Elkhorn, Wisconsin 53121-1797

Ladies and Gentlemen:

On April 9, 1984, the City of Elkhorn formally requested the Southeastern Wisconsin Regional Planning Commission to assist the City in the preparation of an overall economic development program (OEDP) plan for the City. The planning effort was initiated by the Regional Planning Commission staff in July 1984. Work on the requested plan is now completed, and the requested plan is presented in this report.

The overall goal of the plan is to promote sound economic development in Elkhorn. Thus, the report presented herein is intended to:

1. Collect and analyze appropriate economic development data in order to identify the need for various economic development program activities in Elkhorn.
2. Develop a consensus among public and private individuals and organizations in the City of Elkhorn concerning the constraints on, and potentials for, economic development in the City.
3. Identify specific economic development program activities designed to improve current economic conditions in Elkhorn.

In order to meet these objectives, the work effort involved the analysis of pertinent data on the natural resource base and physical characteristics of the City of Elkhorn and environs, as well as on the characteristics of the resident population, labor force, and economy of the City. In addition, a detailed survey was conducted of existing employers in the City and environs in order to identify any particular problems and needs of these employers, as well as to gather detailed information on the size, labor force, markets, expansion plans, and financial condition of employers in the area. The results of the work indicated certain potentials for, and constraints on, economic development in the City. Recognizing those potentials and constraints, the plan sets forth a development strategy that can help guide and coordinate the efforts of local individuals and organizations concerned with the economic development of the City; help to facilitate the creation of employment opportunities; and foster a stable and diversified city economy.

The Commission and its staff were materially assisted in the preparation of the plan by the City of Elkhorn 2020 Committee, which included representatives from a wide variety of public and private sector interests in the City. The assistance of the Committee contributed substantially to the quality of the finished report and is very much appreciated.

The Regional Planning Commission is pleased to have been of assistance to the City in this important planning program. The Commission stands ready to assist the City in the implementation of the recommendations contained in this report.

Sincerely,



Kurt W. Bauer  
Executive Director

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# CITY OF ELKHORN OVERALL ECONOMIC DEVELOPMENT PROGRAM PLAN

## Section I

### INTRODUCTION

#### BACKGROUND

In May 1984, the Southeastern Wisconsin Regional Planning Commission (SEWRPC), acting in response to a request by the Mayor of the City of Elkhorn, undertook the preparation of an economic development program plan for the City. Such a plan inventories and analyzes the economic development-related physical, social, and economic characteristics of a community; identifies the community's economic development potentials and constraints; describes alternative activities for strengthening the local economy; and identifies the initial elements of a local economic development program designed to improve local economic conditions through industry retention and industry attraction activities and related economic development activities.

The purpose of the City of Elkhorn economic development program plan was to develop, as part of a continuing economic development program process, a document that would:

1. Collect and analyze appropriate economic development data in order to identify the need for various economic development program activities in Elkhorn.
2. Develop a consensus among public and private individuals and organizations in Elkhorn concerning the constraints on, and potentials for, economic development in Elkhorn.
3. Identify specific economic development program activities designed to improve current economic conditions in Elkhorn.

#### THE NEED FOR LOCAL ECONOMIC DEVELOPMENT PROGRAM PLANNING

Increasingly, communities within Wisconsin have identified a need for a local economic development planning process leading to an ongoing economic development program. This need has been evidenced by a marked decline in the local economy that is the result of: 1) short-term but dramatic increases in labor force unemployment rates resulting from the national economic recession that began in 1979; 2) long-term increases in the unemployment rate resulting from a decline of firms engaged in durable goods manufacturing; and 3) decisions by local businesses to relocate to, or expand in, areas outside the community.

The increasing interest in local economic development planning has also been due to the increasing cost of providing for economic development. In some cases, in order to attract economic enterprises by providing a suitable environment for such enterprises, communities must purchase land for industrial

parks and provide the necessary infrastructure--roadways, sanitary sewer, and water supply facilities, and stormwater drainage improvements--that are necessary for development. As the costs of land and of the necessary improvements have escalated, many communities have begun to re-evaluate previous decisions to promote development. While some of these communities have decided not to provide for the growth of existing industry and the location of new industry within their communities, others are utilizing a local economic development planning process to identify overall economic development goals and objectives, and to indicate the type of business and industry growth that is compatible with those goals and objectives.

In Elkhorn, however, the need for an economic development planning effort results not from a decline in the local economy, but from relatively high rates of growth in the resident population and labor force, and a desire to not only keep this labor force employed, but to provide residents entering the labor force with the option of remaining in the Elkhorn area. Table 1 provides data on the total resident population of the City of Elkhorn, the Southeastern Wisconsin Region, the State of Wisconsin, and the United States from 1960 through 1980. As indicated in Table 1, the population growth for the City during this 20-year period, about 28 percent, was greater than that of the other areas listed, particularly during the 1970's. From 1970 to 1980, the City's population increased by about 15 percent, compared to an increase of about 0.5 percent in the Region, about 7 percent in the State, and about 11 percent in the United States.

The civilian labor force and civilian labor force employment in the City also showed relatively high rates of growth from 1960 to 1980. Table 2 shows the total civilian labor force, labor force employment, and labor force unemployment for the City, Region, State, and United States during this time period. Overall, the rate of increase in the city civilian labor force and employed civilian labor force was as high as that for the Region, but less than the rates for the State and United States over this 20-year time period. However, from 1970 to 1980, the growth rate in the City total and employed civilian labor force was as great or greater than that for the other areas listed. During this 10-year time period, the City's total civilian labor force increased by about 31 percent, a rate equal to that for the United States, and greater than that for the Region or the State. The employed civilian labor force growth during this time period, 30 percent, was greater than that for the Region, State, and United States. While the number of unemployed persons in the City increased by 189 percent from 1960 to 1980, the total number of unemployed persons in the City in 1980, a year during which the nation was experiencing a severe economic recession, was 101, or only about 4.4 percent, compared to 5.7 percent, 6.6 percent, and 6.5 percent, respectively, in the Region, State, and United States.

The Elkhorn area wishes to continue to build upon the success of the Elkhorn Development Company (EDC), a private nonprofit economic development organization. In partnership with the City, the EDC has been instrumental in attracting more than 12 industrial establishments to the City since the inception of the EDC in 1945. In 1975, the City purchased 150 acres of land and, in turn,

Table 1

TOTAL POPULATION IN THE CITY OF ELKHORN, THE SOUTHEASTERN  
WISCONSIN REGION, WISCONSIN, AND THE UNITED STATES: 1960 TO 1980

| Area                  | Population  |             |             | Change       |         |              |         |              |         |
|-----------------------|-------------|-------------|-------------|--------------|---------|--------------|---------|--------------|---------|
|                       | 1960        | 1970        | 1980        | 1960 to 1970 |         | 1970 to 1980 |         | 1960 to 1980 |         |
|                       |             |             |             | Number       | Percent | Number       | Percent | Number       | Percent |
| City of Elkhorn ..... | 3,586       | 3,992       | 4,605       | 406          | 11.3    | 613          | 15.4    | 1,019        | 28.4    |
| Region .....          | 1,573,614   | 1,756,083   | 1,764,919   | 182,469      | 11.6    | 8,836        | 0.5     | 19,305       | 12.2    |
| Wisconsin ....        | 3,951,777   | 4,417,821   | 4,705,767   | 466,044      | 11.8    | 287,946      | 6.5     | 753,990      | 19.1    |
| United States .....   | 179,323,175 | 203,302,031 | 226,504,825 | 23,978,826   | 13.4    | 23,203,794   | 11.4    | 47,181,650   | 26.3    |

Source: U. S. Bureau of the Census and SEWRPC.

Table 2

TOTAL CIVILIAN LABOR FORCE, EMPLOYED AND UNEMPLOYED CIVILIAN LABOR  
FORCE, AND UNEMPLOYMENT RATE IN THE CITY OF ELKHORN, THE  
SOUTHEASTERN WISCONSIN REGION, WISCONSIN, AND THE UNITED STATES: 1960, 1970, AND 1980

| Area                                 | Number     |            |             | Percent and Percentage<br>Point Change <sup>a</sup> |                 |                 |
|--------------------------------------|------------|------------|-------------|---|-----------------|-----------------|
|                                      | 1960       | 1970       | 1980        | 1960 to<br>1970                                     | 1970 to<br>1980 | 1960 to<br>1980 |
| City of Elkhorn                      |            |            |             |   |                 |                 |
| Civilian Labor Force .....           | 1,615      | 1,764      | 2,315       | 9.2   | 31.2            | 43.3            |
| Employment .....                     | 1,580      | 1,708      | 2,214       | 8.1   | 29.6            | 40.1            |
| Unemployment .....                   | 35         | 56         | 101         | 60.0  | 80.4            | 188.6           |
| Unemployment Rate <sup>b</sup> ..... | 2.2        | 3.2        | 4.4         | 1.0   | 1.2             | 2.2             |
| Region                               |            |            |             |   |                 |                 |
| Civilian Labor Force .....           | 636,900    | 736,100    | 876,200     | 15.6  | 19.0            | 37.6            |
| Employment .....                     | 612,700    | 708,800    | 826,500     | 15.7  | 16.6            | 34.9            |
| Unemployment .....                   | 24,200     | 27,300     | 49,700      | 12.8  | 82.1            | 105.4           |
| Unemployment Rate .....              | 3.8        | 3.7        | 5.7         | - 0.1   | 2.0             | 1.9             |
| Wisconsin                            |            |            |             |   |                 |                 |
| Civilian Labor Force .....           | 1,527,700  | 1,774,000  | 2,264,400   | 16.1  | 27.6            | 48.2            |
| Employment .....                     | 1,468,600  | 1,703,600  | 2,114,500   | 16.0  | 24.1            | 44.0            |
| Unemployment .....                   | 59,100     | 70,400     | 149,900     | 19.1  | 112.9           | 153.6           |
| Unemployment Rate .....              | 3.9        | 4.0        | 6.6         | 0.1   | 2.6             | 2.7             |
| United States                        |            |            |             |   |                 |                 |
| Civilian Labor Force .....           | 68,144,100 | 80,051,000 | 104,449,900 | 17.5  | 30.5            | 53.3            |
| Employment .....                     | 64,639,300 | 76,553,600 | 97,639,400  | 18.4  | 27.5            | 51.1            |
| Unemployment .....                   | 3,504,800  | 3,497,400  | 6,810,500   | - 0.2   | 94.7            | 94.3            |
| Unemployment Rate .....              | 5.1        | 4.4        | 6.5         | - 0.7   | 2.1             | 1.4             |

<sup>a</sup>The percentage point change is shown for the unemployment rate.

<sup>b</sup>Estimate

Source: U. S. Bureau of the Census and SEWRPC.



sold 60 acres of this land to the EDC for development as the City's new industrial park. To date, six industries assisted by the EDC have located in the new industrial park. Thus, the City's desire for an overall economic development program does not result from deteriorating local economic conditions, but rather from a desire by local officials to continue the successful local economic development activities and thereby maintain a sound local economy.

#### ELEMENTS OF THE ECONOMIC DEVELOPMENT PROGRAM PLANNING PROCESS

The planning process used to prepare the economic development program herein documented is summarized in Figure 1. The first stage in the process consists of an inventory and analysis of the existing natural and cultural base of the Elkhorn area, together with an industry retention survey and an analysis of manufacturing industries that show a good potential for relocation and/or expansion in Elkhorn. This first stage is intended to identify the potential for, and constraints on, economic development in the area.

The second stage in the planning process consists of the formulation of economic development goals, objectives, and program evaluation criteria based upon the information gained, and conclusions drawn, from the inventory and analysis stage, as well as from meetings held with the City of Elkhorn 2020 Committee. This Committee consists of persons representing a variety of economic interests in the City, and was appointed by the Mayor and Common Council of the City to guide and assist the Regional Planning Commission in the conduct of the study (see Table 3).

The third stage consists of defining local economic development needs based upon the formulated economic development goals, objectives, and evaluation criteria, as well as the potentials for, and constraints on, economic development.

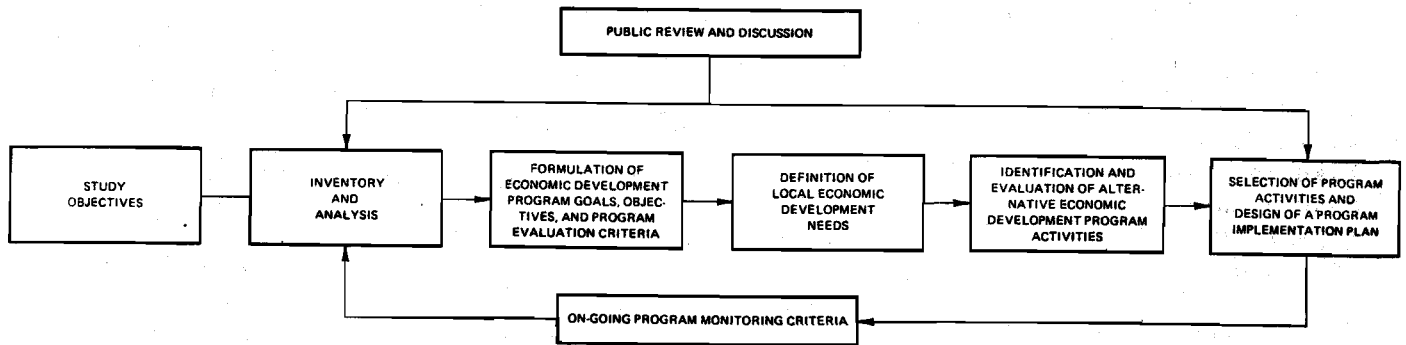
The fourth stage consists of identifying alternative economic development program activities that could be implemented by the City of Elkhorn, as well as by public and private economic development organizations in the City. The program activities are intended to address the economic development needs in the City by capitalizing on the City's economic development potentials and eliminating economic development constraints.

The fifth stage consists of selecting certain alternative economic development program activities for adoption as the City's formal economic development program, and the design of a program plan for implementing these various activities over time. While the alternative activities are evaluated against the economic development goals, objectives, and program evaluation criteria identified in stage two of the planning process, the fifth stage also includes the identification of criteria that are designed to monitor on an ongoing basis:

1. The effectiveness of the program activities in attaining the City's economic development goals and objectives;
2. The effectiveness of the economic development program staff; and

Figure 1

## THE ECONOMIC DEVELOPMENT PROGRAM PLANNING PROCESS



Source: SEWRPC.

Table 3

MEMBERSHIP COMPOSITION OF THE CITY OF ELKHORN 2020 COMMITTEE

| Name                             | Representation                                |
|----------------------------------|---|
| Jean Henderson, Chairperson..... | Gateway Technical Institute                   |
| Donald J. Boltz.....             | Elkhorn Area Chamber of Commerce              |
| Frank H. Eames.....              | Elkhorn Independent, Newspaper                |
| Wesley Erskine.....              | Elkhorn Development Company                   |
| V. Kirt Fiegel.....              | A. K. Rubber Products, Inc.                   |
| Matt R. Goebel.....              | Elkhorn Commercial<br>Development Corporation |
| John H. Henderson.....           | Roy's Sales and Service                       |
| John T. O'Connor .....           | Elkhorn Common Council                        |
| William D. Hoffman.....          | Elkhorn Light<br>and Water Commission         |
| Gerhardt Immega.....             | Mayor, City of Elkhorn                        |
| R. Kirk Magill.....              | Elkhorn Area Schools                          |
| Larry R. Marzahl.....            | State Bank of Elkhorn                         |
| John R. Meland.....              | Walworth County-UW Extension                  |
| Bonnie L. Morrow.....            | Independence Bank of Elkhorn                  |
| James Pierce.....                | Gateway Technical Institute                   |
| Martin J. Rafferty.....          | City Administrator,<br>City of Elkhorn        |
| Arthur J. Sax.....               | Elkhorn Common Council                        |
| Anthony R. Serpe.....            | Elkhorn Area Schools                          |
| M. Jon Spragia.....              | Citizen Member                                |
| Lowell E. Sweet.....             | Sweet & Leece Law Office                      |
| Judy Vance.....                  | Walworth County<br>Agricultural Society       |

Source: SEWRPC.

3. The overall effectiveness of the economic development program, including the economic development planning process.

The findings and recommendations of the economic development program planning process described above are reflected in the three sections of this report, as well as in Appendix A--"City of Elkhorn Industry Retention Survey," and Appendix B--"City of Elkhorn Industry Attraction Study." In addition, detailed population, labor force and economic data, as well as information relative to the natural and cultural resource base of the City are documented in the "City of Elkhorn Economic Development Fact Book." This introductory section provides basic background information on the need for the economic development planning study program; the scope and content of an economic development program; and the composition of the citizen advisory committee guiding the planning effort. Section II describes the historical economic development efforts in the Elkhorn area and Section III indicates certain potentials for, and constraints on, economic development in the Elkhorn area. Section III also sets forth the recommended economic development program that provides the link between the various economic development potentials and constraints and the economic development program activities necessary to help to continue to improve the City's economy. As such, the economic development program sets forth the most appropriate of these activities be included in the design of an ongoing local economic development program.

## Section II

### ASSESSMENT OF HISTORIC ECONOMIC DEVELOPMENT EFFORTS

#### INTRODUCTION

A sound economic development planning process requires the inventory and analysis of the physical and socioeconomic characteristics of a community so that economic development program activities can be developed which capitalize upon the strengths and overcome the weaknesses of the community. Summarily, an assessment of the historic economic development activities of a community can provide useful information regarding which types of economic development efforts have been successful. This may, in turn, help formulate the direction of future economic development efforts, and do so in a manner benefiting from past experience.

#### HISTORICAL ECONOMIC DEVELOPMENT EFFORTS IN THE CITY OF ELKHORN

##### City of Elkhorn Local Government Activities

Local government in the City of Elkhorn has for many years been involved in efforts to encourage business and industrial expansion in the Elkhorn area. In 1945, city officials helped to create the Elkhorn Development Company (EDC), the City's officially designated organization for industry attraction activities. A representative of the Elkhorn City Council serves as one of the seven directors of the EDC and the Common Council also confirms the remaining six directors.

More recently, the City has undertaken a variety of additional activities to further economic development in the area. In 1975, the City purchased approximately 150 acres of land on the southeast side of the City for future industrial use. In 1979, the City retained its first full-time City Administrator and indicated that the responsibilities of the position included working to improve the City's economy. The City's Administrator has accordingly actively pursued certain economic development efforts, including efforts to attract industry from other states.

In December 1980, the Common Council approved the creation of a tax incremental financing (TIF) district to promote industrial development in the City. The project included in the TIF plan resulted in infrastructure improvements to the proposed industrial lands previously acquired. TIF projects that have been implemented to date include: 1) the acquisition of an additional 22.6 acres of industrial land; 2) the provision of a railway spur from the existing Milwaukee Road main line into the industrial area; and 3) various infrastructure improvements in the industrial area including sanitary sewers, storm sewers, municipal water mains, electric and gas lines, and storm sewers.

### Elkhorn Chamber of Commerce

The active participation of private economic development organizations is critical to successful local economic development efforts. For many years, the Elkhorn Chamber of Commerce has been actively involved in efforts to improve the economy in the City. The most recent activities included the retention in January 1980 of the Chamber's first full-time Executive Director, who was charged with the conduct of an aggressive campaign of industrial recruitment in cooperation with the EDC.

In 1980, and again in 1984, the Chamber, in cooperation with the Gateway Technical Institute, carried out a survey of shopping habits and preferences in the Elkhorn area. The findings of the 1984 survey included:

1. Elkhorn area consumers will tend to purchase goods locally if they are available.
2. The City of Lake Geneva is increasingly becoming a popular area for Elkhorn area shoppers, with purchases including groceries, gift shop items, sporting goods, and automobiles.
3. A large percentage of the consumers surveyed, 81 percent, indicated a need for a discount store in the Elkhorn area.
4. The primary reasons for consumer trips to the Elkhorn central business district are use of the post office, shopping, and banking.

In addition to the survey of shopping habits and shopping preferences, other Chamber activities have included: a 1980 tree planting program, a 1980 store front rehabilitation program, and the organization of the Elkhorn Commercial Development Corporation in 1982.

### Elkhorn Commercial Development Corporation

The Elkhorn Commercial Development Corporation (ECDC) was established in March 1982 as a nonprofit corporation. The purpose of the ECDC is to assist in the revitalization of the City of Elkhorn and to ensure that the City's central business district continues to function as a viable commercial area. The Corporation's Board of Directors consists of seven members elected by the Board and approved by the Common Council of the City. The Executive Director of the Elkhorn area Chamber of Commerce also acts part-time as the Executive Secretary for the Corporation.

In June 1982, the Wisconsin Department of Development conducted a downtown workshop/retreat in Elkhorn for the purpose of identifying downtown revitalization objectives, as well as the means by which those objectives could be accomplished. This activity was sponsored by the ECDC, with 52 local businesspersons, government officials, and citizens attending the workshop/retreat. Participants were divided into a number of groups, with each group independently identifying a set of priority issues which it felt should be addressed to improve economic conditions in the City. The major goals identified by the persons participating in the workshop/retreat were:

1. To encourage tourism and be cognizant of the importance of attracting nearby summer residents to Elkhorn to purchase goods and services.
2. To formulate a long-range plan for the development of the Elkhorn central business district.
3. To develop an ongoing program to promote the Elkhorn area to existing residents and to businesses interested in locating in the Elkhorn area.
4. To promote the cooperation of merchants in the Elkhorn area.
5. To create an attractive and clean environment in the City's central business district.
6. To develop a program designed to recruit additional merchants to the central business district.
7. To identify educational and financial assistance that could be made available for business development in the City.

In addition, the ECDC has been instrumental in the implementation of a variety of other economic development efforts, including: 1) a visual analysis of the central business district conducted by the Walworth County University of Wisconsin-Extension Service; 2) a survey of the need for changes in parking regulations in the central business district; and 3) a needs assessment program that began in July 1984, the purpose of which is to identify the qualities of the Elkhorn community that the City could portray in its overall signage.

#### Elkhorn Development Company

One of the most active economic development organizations in the City of Elkhorn is the Elkhorn Development Company (EDC). The EDC is the lead organization for industry attraction activities in the City and works closely with the Elkhorn City Administrator in this regard.

From 1945 to 1979, the Company was involved in the development of Centralia Street, the City's older industrial district. The Company purchased 60 acres of land from the City for the development of a new industrial park in April 1979. The new industrial park is located adjacent to STH 15 and provides a good location for the expansion of existing industry and the location of new industry.

In January 1980, the Company retained its first part-time executive secretary. In addition to industrial recruitment activities, the Company has sponsored several open houses for new industrial firms located in the City, and meets on a regular basis with existing firms to ascertain their economic development concerns and needs.

As a result of the Company's historic role in the economic development of the City, the perceptions of the Company members regarding the City's economic development potentials and constraints are important. On August 25, 1980, the

Company met to discuss economic development potentials and constraints in the City of Elkhorn. Economic development potentials identified at this meeting included: 1) a historical pattern of population and economic growth where growth has not been perceived as a financial burden by the community, and the potential for continued growth; 2) the location of the community relative to the recreational, cultural, and related opportunities in the Chicago, Madison, and Milwaukee metropolitan areas; 3) the perceived lack of crime in the City; 4) the quality of the local school system and the availability of a hospital for emergency purposes; 5) the stability of the City's diversified economy, and the lack of dependence on one employer; and 6) the City's convenient access to good transportation routes.

Perceived economic development constraints included: 1) the low wage scale in the area and its potential effect upon the ability of the community to attract skilled laborers; 2) the lack of certain retail services in the City, including a discount store, and a perceived need for a large department store; 3) the lack of single-family detached housing and rental housing in the City; and 4) the lack of an overall land use development plan for the City.

#### Metropolitan Sewerage District

In February 1974, the Regional Planning Commission completed a regional sanitary sewerage system plan, and the Common Council of the City adopted this plan on July 15, 1974. The two alternatives for meeting the sewage treatment needs of the City of Elkhorn are 1) the construction of a new sewage plant at the site of the existing city plant to serve the City of Elkhorn and environs; and 2) the construction of a new sewage treatment facility to serve not only the City of Elkhorn but the City of Delavan, the Delavan Lake area, and the Walworth County Lakeland Complex. It was recommended that this later facility be located in the City of Delavan and that the sewage be transported from the surrounding area by trunk sewers and force mains. The second alternative was favored by the Regional Planning Commission as well as the public because it would eliminate effluent discharge to Delavan Lake and its tributary Jackson Creek and would have lower capital and operating costs over time than would the first alternative.

In December 1974, the local units of government concerned created the Walworth County Metropolitan Sewerage District. The District is governed by five commissioners that are appointed by the Walworth County Board of Supervisors. The construction of the new wastewater treatment plant and its attendant collection and conveyance system was begun in October 1979 and completed in October 1981. The new wastewater treatment plant has a capacity of 3.6 million gallons and is located on approximately 30 acres of land. The sewer service area covers 10.7 square miles, and the treatment plant is designed to accommodate a year 2000 population of 22,500. Currently, adequate capacity for additional development is available at the treatment plant.

#### Walworth County Overall Economic Development Program (OEDP) Committee

The Walworth County Overall Economic Development (OEDP) Committee is an advisory committee designated by the County Board of Supervisors for the County to represent the County in matters concerning economic development. The Committee also participates in matters concerning the County's designation as a U. S. Department of Commerce, Economic Development Administration (EDA)



redevelopment area. Designation of the County as an EDA redevelopment area makes the County and the local units of government within the County eligible to apply for federal grants in support of public works and other facility development which would result in the creation of permanent jobs.

Walworth County Cooperative Extension Service,  
University of Wisconsin-Extension

The Cooperative Extension Service, University of Wisconsin-Extension, maintains a full-time staff position in Walworth County. The staff position is cooperatively funded by the University of Wisconsin system and Walworth County. The Extension office provides a wide range of services to local governments, businesses, and citizens concerning overall community development, natural resource matters, and economic development. In Walworth County, the staff position also provides assistance to the Walworth County OEDP Committee.

Land Use Plan

In 1976, a citizens advisory committee was formed by the Elkhorn City Council to identify overall community needs and to provide direction for the development of a land use plan. The Committee was instrumental in mobilizing public opinion in support of land use planning in the community and, as a result, in June 1979, the City requested the Regional Planning Commission to assist the City Planning Commission in the development of an overall land use plan, as well as a new zoning ordinance. The City Plan Commission formally adopted the land use plan on July 12, 1984. An initial recommended land use plan for the City of Elkhorn urban service area was presented to the City Plan Commission by the Regional Planning Commission in 1981. This initial land use plan was prepared to accommodate a resident population for the city proper of 3,500 persons in the year 2000, representing an increase of 75 percent over the 1980 level. The land use pattern proposed in that plan was based upon the land use objectives, principles, and standards, as well as upon the land use requirements for the year 2000, that were set forth in the land use plan.

The initial recommended land use plan identified the need for: 1) 363 acres of land for residential development, of which 192 acres of land are existing platted residential lands; 2) additional commercial development through the conversion of 78 acres of land; 3) additional industrial development through the conversion of 189 acres of land; 4) additional governmental, institutional, park, recreational, and open space land uses on lands owned by Gateway Technical Institute; and 5) one additional neighborhood park in the northern part of the City, the expansion of Sunset Park, and the expansion of the recreational facilities at the City of Elkhorn Industrial Park.

However, the adopted land use plan for the City may accommodate land use development well into the early part of the Twenty-first century, rather than to the year 2000. After careful consideration of the initial SEWRPC--recommended land use plan and after review of testimony given at public hearings on that plan, that the land use plan for the City should encompass a somewhat greater area for urban development than that encompassed by the initial land use plan. The adopted land use plan recommends the conversion of:

1. Seven hundred and forty-eight acres of residential land;

2. Seventy-five acres of commercial land;
3. Three hundred and thirty-four acres of industrial land; and
4. One hundred and five acres of land for residential purposes.

Implementation of the land use plan is recommended through a zoning ordinance, official map, subdivision plat review process, and capital improvements program.

The Continuation of Railway Freight Service by the Chicago, Milwaukee, St. Paul & Pacific Railroad Company (Milwaukee Road)

The provision of railway freight service to a community such as the City of Elkhorn may be important to its continued economic development. When it was learned in 1981 that the Chicago, Milwaukee, St. Paul & Pacific Railroad Company (Milwaukee Road) might abandoned its branch line from Burlington through Elkhorn to Bardwell Junction, a group of concerned citizens and businesses in Elkhorn formed the WAL-ROC Shippers Association. The purpose of the Association was to promote and encourage the continuation of railway freight service between Burlington and Beloit, Wisconsin, and to publicize the views of its members in furthering its goals.

In June 1982, the Trustee of the Milwaukee Road filed an abandonment application with the Interstate Commerce Commission (ICC) for the railway line between the communities of Burlington and Beloit. The total length of this line is 37.9 miles, of which 26.7 miles are located within Walworth County. This line was approved for abandonment by the ICC in January 1983, with service ending in February 1983. Following the cessation of service by the Milwaukee Road, the Central Wisconsin Railroad Company (CWRC) began operation through a temporary lease agreement with the Milwaukee Road over the segment between Elkhorn and Bardwell Junction, and then over former Milwaukee Road trackage previously purchased by the Wisconsin Department of Transportation to Janesville, Wisconsin. The CWRC encountered financial difficulties and went bankrupt in December 1984, resulting in the termination of freight rail service on this line.

In May 1982, the Walworth County Board of Supervisors requested that the Regional Planning Commission provide staff assistance to the Walworth County Planning, Zoning and Sanitation Department in the preparation of a grant application to the Wisconsin Department of Transportation for acquisition of the above-mentioned railway lines in Walworth County, as well as the railway line between Bardwell and the Village of Walworth in the County. The application was submitted to the Department in March 1983, and is currently pending formal approval. The approval of this grant application is dependent upon the ability of the County Board of Supervisors in Walworth, Jefferson, and Rock Counties to provide the 20 percent matching share for acquisition of the railway lines, with the remaining funding to be provided by the Wisconsin Department of Transportation.

Whether or not railway freight service will be maintained on the line on a permanent basis will be determined not only by the ability of the three counties to provide the 20 percent matching funds, but by the ability of a short line railroad operator to generate the railway freight traffic necessary to

make the line a profitable operation. The addition of new industrial and commercial establishment served by the line, combined with a financial commitment from the establishments served, might serve to assure continued railway freight service on this line.

### Community Economic Analysis

In November 1983, the Walworth County University of Wisconsin-Extension Service formed a Citizens Advisory Committee to conduct a community economic analysis for the City of Elkhorn. This analysis was designed to provide local officials and community leaders with a basis for analyzing future employment and income opportunities in the Elkhorn area and for identifying activities that could improve the local economy. Overall, this analysis indicated that the Elkhorn economic base was concentrated in the manufacturing, service, and retail trade industries. Specific industries and businesses that were targeted for future growth in the Elkhorn area included: fabricated metals manufacturing, transportation equipment manufacturing, health service delivery, business services, hotels and lodging places, apparel and accessory stores, and general merchandising stores. In addition, the economic analysis indicated that the community was adequately prepared for growth as a result of its current activities in land use development planning and zoning and the activities of the Elkhorn Development Company and the Elkhorn Area Chamber of Commerce, and because of the availability of industrial land in the City's new industrial park.

The economic analysis also indicated a number of economic development needs in the Elkhorn area, including the need for:

1. An ongoing economic development planning effort;
2. The expansion of business loan capabilities at local financial institutions through the Small Business Administration guaranteed loan program;
3. The improvement of parking in the central business district;
4. The development of a capital improvements program for the City; and
5. The development of an industry retention program that would include regular visits to existing industry establishments.

As a result of the economic analysis, The Citizens Advisory Committee recommended that the following activities be undertaken:

1. The establishment of a program to provide venture capital to new and existing businesses;
2. The preparation of an overall economic development program plan;
3. The development and implementation of a tourism promotion program through the Elkhorn Area Chamber of Commerce;
4. The encouragement of a more positive attitude in the community toward economic growth;

5. The development of a promotional program to attract retired persons to the community;
6. The development of an inventory of vacant and/or available commercial and industrial buildings;
7. The establishment of a program to ensure continued railway freight service to the community;
8. The encouragement of the development of retail space through the Elkhorn Commercial Development Corporation;
9. The development of physical improvements to the central business district, including an evaluation of the positive and negative effects of constructing a mall; and
10. The development of a capital improvements program.

In December 1983, the Citizens Advisory Committee to the study met to discuss the means available to implement the recommendations of the study. The Committee recommended that the City of Elkhorn request the Regional Planning Commission to prepare a proposal for the development of an overall economic development program plan for the City. Subsequently, the Regional Planning Commission prepared a proposal, and the City Council approved the work program in March 1984.

#### SUMMARY AND CONCLUSIONS

Overall, the City of Elkhorn is in a relatively good position with regard to historical efforts to improve the local economy. Most notably, the efforts of the City of Elkhorn, as well as of the private, nonprofit development companies in the City, have resulted in an improvement in the City's local economy. In addition, the City has prepared itself for future growth through the construction of a new metropolitan sewage treatment plant and the completion of a land use development plan. Finally, the City has recently undertaken a number of efforts to identify its economic development potentials and constraints. The identification of these potentials and constraints as indicated in Section III of this report will provide the basis for the activities recommended in this economic development program plan.

## CITY OF ELKHORN OVERALL ECONOMIC DEVELOPMENT PROGRAM PLAN

### Section III

#### ECONOMIC DEVELOPMENT PROGRAM

##### INTRODUCTION

The economic development program proposed herein provides the necessary link between the analysis of the City's natural and cultural resource base, the needs of existing employers, and the analysis of industries with a potential for attraction to the City and the pursuit of the economic development activities necessary to maintain the relatively good economic conditions that are currently prevalent in the City. As such, this section includes: 1) a summary of the current state of the City's economy; 2) economic development potentials and constraints in the City; 3) overall goals for the economic development program; 4) specific criteria to guide the development and operation of the economic development program; 5) recommended economic development objectives and activities flowing from the broader goals for such a program; 6) the actions required to implement the recommended economic development program; and 7) monitoring criteria for measuring the success of the various economic development program activities over time.

##### CURRENT STATE OF THE CITY'S ECONOMY

Compared to other areas, the City of Elkhorn's economy is in relatively good condition. The population growth rate during the 20-year period of 1960 to 1980, 28 percent, is substantially greater than that for the Region, 12 percent, and the State, 19 percent, and similar to that for the nation, 26 percent. During the 1980 to 1985 time period, the growth in the City's population, 6 percent, was somewhat greater than the percentage increase in the national population, 5 percent; greater than that in the state population, 2 percent; and much greater than the 2 percent decline in the regional population. In addition, the per capita income of persons 15 years of age and older in the City and the income of households in the City, while somewhat lower than those in the Region owing to the higher wages paid to workers in the Region's large urban centers in comparison to the wages paid in the more rural Walworth County, of which the City is a part, are comparable to those for the State and nation. The comparable household and per capita incomes in Elkhorn have important implications for economic development in that the total amount of consumer income that is available in the City may be expected to be relatively equal to that in other communities of similar size.

The total labor force in the City increased by about 31 percent during the 1970 to 1980 time period, an increase that was identical to that for the national labor force; somewhat greater than that for the State labor force, 28 percent; and greater than that for the regional labor force, 19 percent. The relatively high recent growth in the city labor force indicates that an adequate labor pool should be available to meet the needs of business and industry establishments contemplating expanding or locating in the City.

One of the most significant economic development indicators illustrating the relatively good condition of the City of Elkhorn economy is the unemployment rate. In 1980, a total of 101 persons in the City were unemployed, or about 4.4 percent of the total labor force, a percentage that was less than that for the Region, 5.7 percent; the State, 6.6 percent; or the nation, 6.5 percent. In July 1986, the estimated annual average unemployment rate in the City was 3.7 percent, a percentage that was significantly lower than that for the Region, 6.6 percent; the State, 6.5 percent; or the nation, 7.0 percent.

The City's economy is concentrated in the manufacturing industry, and specifically the durable goods manufacturing industry, as well as the services industry, specifically, the health services industry. While the concentration of labor force employment in the durable goods manufacturing industry should be of concern to local economic development practitioners in the City owing to the vulnerability of this industry to national economic recessions, three factors help to mitigate this vulnerability. First, as already noted, the service industry is also concentrated in the City and, in fact, is the largest single industry employer. Employment in the services industry, an industry that is less vulnerable to national economic recessions, helps to diversify the economic base of the City, and therefore reduce the impact of national economic downturns on the local economy. Second, the manufacturing industry establishments in the City are relatively small, averaging only 43 employees, as indicated in the 1984 Classified Directory of Wisconsin Manufacturers. Small manufacturing firms, in comparison to larger firms, are in most cases usually better able to sustain employment levels during periods of national economic downturns. Third, the labor force employed in the manufacturing industry in the City increased by about 36 percent during the 1970 to 1980 time period, an increase that was greater than that for the regional labor force, 7 percent; the state labor force, 14 percent; or the national labor force, 11 percent. This relatively greater percentage increase in manufacturing employment indicates that this industry continues to represent a source of employment opportunities for the local labor force.

Finally, the business persons in the City perceive the City as a good place in which to operate a business. The business retention survey conducted as a part of this study showed that 69 of the survey respondents, or about 92 percent, indicated that the City was either a very good or good place in which to operate a business. The positive perception of the City as a place in which to do business is an important indication of the economic well-being of the City.

#### ECONOMIC DEVELOPMENT POTENTIALS AND CONSTRAINTS

The information and analyses contained within this report reveal certain characteristics of the City which have both positive and negative implications for economic development. Accordingly, this information provides a basis for the identification of the economic development potentials of the City, or those positive attributes that give the City a comparative advantage in attracting and sustaining economic development, as well as the economic development constraints, or those factors that act to restrict the expansion of the economy, which may need to be overcome in order to sustain the growth of the City's economy.

The purpose of this section is to summarize the economic development potentials and constraints. It should be noted, however, that in some cases an economic development constraint has been identified as a result of the perceptions of the City of Elkhorn 2020 Committee. In those cases where documenting data and information are not available, this section indicates that the constraint is a perceived constraint. The economic development potentials and constraints in the City are summarized in Table 4.

Potential One: Existence of Organizations Responsible for Implementing Economic Development Activities

The overall goal of this study was to identify the specific components of an ongoing economic development program plan for the City of Elkhorn. The existence of a number of economic development organizations in the City indicate that a local economic development program can be quickly implemented. The Elkhorn Development Company (EDC) and the Elkhorn Commercial Development Corporation (ECDC) are existing, private, nonprofit corporations that have been established in the City for the purpose of implementing economic development activities designed to improve the local economy. The City of Elkhorn provides a total annual appropriation of \$13,000 to the economic development organizations in the City, including \$12,000 to the Elkhorn Area Chamber of Commerce and \$500 to the EDC and ECDC to subsidize the cost of the economic development activities in the City. Staff assistance is also provided to the EDC and the ECDC by the Executive Director of the Elkhorn Area Chamber of Commerce, as well as by volunteers who are members of these organizations. In addition to these Corporations, the Elkhorn Area Chamber of Commerce should be considered as an organization capable of quickly implementing the economic development program activities included herein.

The Mayor of the City of Elkhorn and the City of Elkhorn Administrator have become increasingly active in economic development over the past several years. In addition, the Mayor is a voting member of the EDC and the ECDC and the City Administrator is a nonvoting member of the EDC, the ECDC, and the Chamber of Commerce. The City Administrator and the Executive Director of the Elkhorn Area Chamber of Commerce have been active in the industry attraction efforts that have been sponsored by Forward Wisconsin, Inc. The active role of the City in the area of economic development complements the activities of the above-mentioned corporations.

Finally, the industry retention survey conducted as a part of this study indicated that a total of 38 respondents, or about 51 percent of all of the respondents, indicated that they would be willing to assist in helping to improve local economic conditions. The respondents who indicated their interest in improving local economic conditions provide a base of volunteers that can be recruited to assist in implementing the City's economic development program activities.

Constraints Related To Potential One:

Lack of Coordination and Cooperation Among Existing Economic Development Organizations--The lack of coordination and cooperation among economic development organizations in the City could affect the ability of the City to implement and maintain an ongoing economic development program. While the Elkhorn Development Company and the Elkhorn Commercial Development Corporation

Table 4

ECONOMIC DEVELOPMENT POTENTIALS AND  
CONSTRAINTS IN THE CITY OF ELKHORN

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POTENTIAL ONE: Existence of Organizations Responsible for Implementing  
Economic Development Activities.

- CONSTRAINTS:
1. Lack of Coordination and Cooperation Among Existing  
Economic Development Organizations.
  2. Lack of Specific Economic Development Activities for  
Local Organizations.
  3. Lack of a Positive Attitude Toward Local Economic  
Development.
  4. Lack of Cooperation and Understanding Between Busi-  
ness Persons and Local Government.
- 

POTENTIAL TWO: Retention and Expansion of the City's Existing Manufactur-  
ing Industry Base.

- CONSTRAINTS:
1. Uncertainty Regarding the Continuation of Railway  
Freight Service.
  2. Availability of Female Workers.
  3. Structural Changes in the Economy.
  4. The Need for Local Manufacturing Industry Establish-  
ments to Secure Government Contracts and to Develop  
Export Markets.
  5. Industry Attraction Efforts of Other States.
  6. Local Manufacturing Firms with Plans to Relocate.
  7. Unavailability of Workers in Specific Occupational  
Categories.
  8. State Tax Climate.
  9. Local Telephone Service and Zoning Regulations.
  10. Awareness of the Wisconsin Department of Development.
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-continued-



Table 4 (continued)

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POTENTIAL TWO:  
CONSTRAINTS  
(continued)

11. Local Attitudes Toward Economic Development.
  12. Distribution of Economic Activity in the Nation.
  13. Changing World Product Markets.
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POTENTIAL  
THREE:

Retention and Expansion of the City's Retail Trade and Service Industries with Special Emphasis on Redevelopment of the City's Central Business District.

CONSTRAINTS:

1. Lack of Concerted Effort to Improve the Elkhorn Central Business District.
  2. Competition Between Retail Trade and Service Industry Establishments in Walworth County.
  3. Limitations Related to Business Persons in the Central Business District.
  4. Physical Characteristics Restricting the Development of the Elkhorn Central Business District.
  5. Limited Utilization of the Walworth County Fairgrounds.
  6. Civilian Labor Force Issues.
- 

Source: SEWRPC.

are actively pursuing their respective economic development activities, the Elkhorn 2020 Committee perceived a lack of coordination of the efforts of these organizations. In addition, the Elkhorn 2020 Committee perceived a lack of cooperation between the Elkhorn Common Council and existing local development organizations, and among the units of government and development organizations in Walworth County. This lack of cooperation in local and countywide economic development activities constitutes an economic development constraint in that it could affect the ability of the local government to attract new industry to the area, as well as to undertake economic development activities that could benefit the respective communities. It is important to indicate, however, that while the Elkhorn 2020 Committee perceived the lack of cooperation in economic development efforts within the County as an economic development constraint, the Walworth County overall economic development (OEDP) program committee is actively working to eliminate this constraint. Finally, while the city administration has been active in economic development activities, there is, at the current time, a lack of a formalized role for the city administration in economic development activities.

Lack of Specific Economic Development Activities for Local Organizations--The activities of the existing economic development organizations in the City do not represent a unified effort toward improving the local economy. The existing organizations do not have a set of economic development activities that have been identified as a result of an analysis of the community and designed to be implemented over a specific time period. The lack of specific activities results, in part, in an inefficient use of both volunteer and paid economic development staff persons, and prevents the evaluation of the organization's effectiveness in improving the local economy.

Lack of a Positive Attitude Toward Local Economic Development--The Elkhorn 2020 Committee perceived a poor attitude in the community toward local economic development activities. Specifically, the Committee indicated that there is a lack of knowledge by the general public of the efforts of existing organizations to improve the economy, and a lack of interest by the general public in assisting with economic development efforts. The attitudes of the general public toward improving the local economy are an important economic development constraint. While the relatively good current economic conditions in the City could, in part, be the reason for the existing attitudes toward economic development, a positive attitude toward local economic development efforts is important in maintaining the current economic conditions in the City.

Lack of Cooperation and Understanding Between Business Persons and Local Governments--The Elkhorn 2020 Committee perceived, and this study's industry retention survey showed, that there is a lack of cooperation and understanding between business persons and local government in the City. A total of 13 survey respondents, or about 46 percent of the 28 respondents that indicated that the attitude toward business and development in the City is a negative characteristic of operating their business, specifically stated that conflicts among city officials and business and/or a poor city attitude toward change is a problem in the City.

Potential Two: Retention and Expansion of  
the City's Existing Manufacturing Industry Base

While retention and expansion of all industry employers in the City of Elkhorn should be given a high priority in any local economic development program, the structure of the City's economy results in the need for a special emphasis on the retention and expansion of existing manufacturing employers, as well as the attraction of new manufacturing industries to the City. In 1980, approximately 620 workers, or 28 percent of all workers in the City, were employed in the manufacturing industry. The only industry in the City that exceeds the number of workers in the manufacturing industry is the service industry with about 780 workers, or 35 percent.

The City's geographic location is also an important characteristic and, perhaps, the most important characteristic with regard to the retention and expansion of the City's manufacturing industry base. Located approximately 45 miles southwest of the City of Milwaukee, the City is located well within commuting distance of the Milwaukee area via the Rock Freeway (STH 15). Therefore, it is possible for city residents to live and work in the City of Elkhorn while, at the same time, regularly commuting to the Milwaukee area for business, shopping, recreation, or entertainment activities. In addition, many of the most important industrial areas and heaviest population concentrations in the Midwest are located within 350 miles of the City of Elkhorn. In particular, the City is located in proximity to several urban growth centers in southern Wisconsin and northeastern Illinois, including the Cities of Janesville, Beloit, Racine, Kenosha, Milwaukee, Madison, and Chicago. These urban centers, as well as the remainder of the Midwest region, provide a market for the sale of goods that are manufactured in the City, as well as for raw materials and product inputs.

The City's facilities and services are immediately able to meet the needs of an expanding manufacturing industry base. The City's industrial park includes 48 acres that are available for immediate development, with additional acres available through a land purchase option. In addition, post-secondary educational institutions, including the Gateway Technical Institute and the University of Wisconsin-Whitewater, provide educational facilities and services for the training and retraining of the City's labor force.

The relatively high recent growth in the City's labor force indicates that an adequate labor pool should be available to meet the needs of manufacturing industry establishments contemplating expanding or locating in the City. The distribution of the population by specific age categories is similar to that of the areas of comparison in this study, indicating the availability of a range of experience in the labor force, a characteristic that is not often experienced in small urban areas. In particular, the fact that the percentage of the city population in the 20-to-29-year age group was similar to the comparable percentages in the areas of comparison indicates that young persons are not leaving the community for employment opportunities in other areas, resulting in a good supply of entry-level workers. The relatively high educational attainment of the population indicates that local manufacturing employers should be able to attract workers that are prepared for existing jobs, or can easily be trained for such positions. The comparatively low average wages paid to workers in Walworth County, which includes the City, should not prohibit the expansion or location of manufacturing establishments that are sensitive to high labor costs. Finally, the concentration of employment

in the services industry, as well as the manufacturing industry, indicates that additional manufacturing employment in the City's economy would not result in an over-concentration of manufacturing employment. Employment in the services industry in the City, the largest industry employer, helps diversify the City's economy and, therefore, mitigate the effects of cyclical employment in the manufacturing industry.

Several findings of the City's industry retention survey indicate that the manufacturing industry represents an economic development potential. A total of 19 manufacturing respondents, or 58 percent of all manufacturing respondents, indicated that their firm had undergone an expansion during the 1979 to 1984 time period. In addition, a total of 14 manufacturing industry establishments, or 45 percent of all manufacturing establishments surveyed, indicated that they are anticipating an expansion project during the 1984 to 1989 time period. A total of two manufacturing industry respondents indicated that their product suppliers or their customers have indicated an interest in moving to the City.

Constraints Related to Potential Two:

Uncertainty Regarding the Continuation of Railway Freight Service--Because of the recent bankruptcy of the Central Wisconsin Railroad Company, railway service is not being provided to the City at the current time. While a large number of business establishments did not utilize the railway service when it was available, the current lack of availability of service is a constraint to economic development efforts in the City.

Availability of Female Workers--In 1980 only 19 members of the female civilian labor force in the City, or about 1.7 percent of the total, were unemployed, a percentage that was substantially less than those for all the areas of comparison. This characteristic of the unemployed labor force in the City has important implications for economic development in that some manufacturing jobs have been traditionally filled by female workers. The low number of unemployed females in 1980 indicates that female workers may not be available to fill job vacancies should they occur, a factor that should be taken into account in local industry attraction efforts.

Structural Changes in the Economy--While the decline in manufacturing employment in Walworth County during the 1970 to 1980 time period was only 1 percent, manufacturing employment declined by about 4 percentage points in the Region and by 3 percentage points in the State and the nation. This structural change in the economy could affect the expansion of the manufacturing industry base in the City.

The Need for Local Manufacturing Industry Establishments to Secure Government Contracts and to Develop Export Markets--Twenty-two of the the manufacturing industry survey respondents do not supply products to the federal, state, or local government. However, 11 manufacturing industry respondents were interested in more information on securing government contracts. In addition, 21 manufacturing industry respondents were not involved in product exporting, 12 manufacturing respondents were interested in more information on product exporting. The government and product markets overseas often overlooked by small manufacturing establishments. The number of manufacturing establishments

that are interested in more information about these issues indicates that these markets are not being fully utilized by the manufacturing industry survey respondents in the City.

Industry Attraction Efforts of Other States--A total of 12 manufacturing industry survey respondents have been contacted by other states about their interest in moving all or a part of their operations out of the City of Elkhorn. The number of firms contacted in the City indicates the need for an ongoing industry retention program activity in the City.

Local Manufacturing Firms with Plans to Relocate--A total of three manufacturing firms, or about 9 percent of all manufacturing firms surveyed in the City's industry retention survey, indicated that they plan to move all or part of their operations outside the City of Elkhorn. The potential loss of any manufacturing industry establishment is a constraint to local economic development activities.

Unavailability of Workers in Specific Occupational Categories--The industry retention survey respondents indicated that they experienced problems in the availability of workers in the technical/professional, skilled trades, and semi-skilled occupational categories. In addition, five manufacturing industry respondents indicated that the lack of skilled labor/or the cost of labor was a negative characteristic for operating a business in the City. The unavailability of workers in any occupational category could prohibit the expansion of the manufacturing industry base as well as other industries in the City, and is, therefore, an economic development constraint.

State Tax Climate--Overall, the industry retention survey indicated that the survey respondents perceive state taxes as a negative characteristic of operating a business in the State of Wisconsin. This perception included the personal income tax as well as business taxes. The perception of the State's business tax climate, as well as of the State's personal income tax, could affect the ability of the manufacturing industry to expand in the City.

Local Telephone Service and Zoning Regulations--The industry retention survey indicated that 13 respondents, or about 18 percent, felt that local telephone service presented a problem for their firm, and 14 respondents, or about 19 percent, indicated that zoning regulations presented a problem for their firm.

Awareness of the Wisconsin Department of Development--A familiarity with the state agencies responsible for the administration of programs designed to assist business and industry can often be important in local economic development activities. A total of 48 industry respondents, or about 65 percent, were not familiar with the Wisconsin Department of Development. The Wisconsin Department of Development is the state lead agency for public sector economic development activities, and an understanding of the programs administered by this agency are important to the retention and expansion of the city manufacturing industry base.

Local Attitudes Toward Economic Development--The industry retention survey indicated that the respondents were concerned about the local attitude toward economic development in the City. Specifically, conflicts between city officials and business representatives, a poor attitude in the City toward change,

limited support of local industry, and a lack of community involvement in community issues were cited as negative characteristics of operating a business in the City.

Distribution of Economic Activity in the Nation--Economic growth indicators for the north-central region of the nation, which includes Wisconsin, have consistently lagged behind those of the southern and western regions of the country. In particular, manufacturing employment increased by 37 percent in the West and 24 percent in the South during the 1970 to 1980 time period, while manufacturing employment increased by only 3 percent in the north-central region and actually decreased by about 5 percent in the Northeastern region during this time period. The lack of growth in the manufacturing industry in the north-central region could affect the expansion of the manufacturing industry in the City.

Changing World Product Markets--American manufacturing industries face increasing competition in product markets which it once dominated, with this increasing competition an important factor in the ability of the country's manufacturing firms to increase employment levels. This internationalization of product producers and product markets may require local manufacturing firms to reorient their product production and marketing efforts. Labor costs have become particularly important in the locational decision-making of many industrial establishments. In addition, the internationalization of product markets has placed new importance on the value of the U.S. dollar. A report by the Wisconsin Strategic Development Commission, entitled, "Phase I: The Mark of Progress," indicates that the value of the dollar against foreign currencies is an important factor for Wisconsin manufacturing firms serving world markets.

Potential Three: Retention and Expansion of the  
City's Retail Trade and Service Industries with a Special  
Emphasis on Redevelopment of the City's Central Business District

The City of Elkhorn has a good potential to expand its retail trade and service industries. In 1980, the services industry employed about 780 workers, or about 35 percent of all workers in the City. This employment represents a larger number of workers than are employed in any other industry in the City. In 1980, 310 workers were employed in the retail trade industry in the City, or about 14 percent of all workers. Together, these industries employ almost 50 percent of the city labor force. The Lakeland Hospital and related health care facilities located directly east of the City constitute a major economic development potential for the City. The designation of the City as the County Seat and the location of the County Courthouse in the Elkhorn central business district help to provide a market for the retail trade and service industries in the central business district. The City's central location in Walworth County makes the retail trade and service industry establishments readily accessible to areas throughout the County. The relatively high population growth in the City relative to that of the areas of comparison in this study indicates that the consumer market for the retail trade and service industries continues to grow. Finally, a recent report by the Wisconsin Department of Development entitled, The Job Generation Process in Wisconsin: 1969 - 1981, sets forth findings, based upon historical industry employment growth, indicating that the service industry sector is, and may be expected to be, a consistent source of new jobs during periods of both economic expansion and recession.

The recreation and tourism industry is an important industry in Walworth County and provides a potential consumer market for retail trade and service industry establishments in the City. Walworth County has an abundance of recreational opportunities, including numerous lakes and streams that constitute focal points for water-related recreational activities. Local units of government in the County have historically attached major importance to the provision of public outdoor recreational and open space sites. As a result, the County encompasses a system of well-distributed public and private outdoor recreational sites, providing opportunities for a broad range of recreational activities. The County's major hotels and motels provide approximately 1,700 first-class rooms and a sufficient supply of meeting rooms and suites. Walworth County's major resorts provide an opportunity to combine business meetings and conferences with various outdoor recreational activities. Special recreational attractions in the County include, but are not limited to: Lake Geneva, a spring-fed lake that is nine miles long and 170 feet deep; the southern unit of the Kettle Moraine State Forest, encompassing approximately 4,250 acres and providing facilities for a wide variety of natural resource-oriented activities; the Alpine Valley Music Theater, a popular location for major music performers in the summer and a popular ski resort in the winter. Finally, the Walworth County Fairgrounds, located in the City, are a major recreation and tourism facility.

In most communities, the central business district is the location of a variety of retail trade and service industry establishments. In the City of Elkhorn, the existing condition of the central business district is a major reason why the retail trade and service industry has been identified as an economic development potential for the City. The City's recently completed land use plan indicates that the district represents a reasonably compact shopping and government-oriented core with adequate parking readily available. Importantly, there are a minimum number of retail uses in the City's surrounding area, and thus the central business district has limited competition. Owing to the unique central location of the County Courthouse and its adjacent park along Walworth Street, a unified urban design concept is possible, utilizing this area as a focus point of the entire district. Some of the buildings in the central business district have interesting facades, brick detailing, cornice details, roof lines, and historic significance. Walworth Street, the major arterial in the district, has a 100-foot right-of-way with angle parking. This street is wide enough to accommodate the addition of landscaping and planting materials in islands perpendicular to the existing curb. Finally, a number of recent economic development studies conducted by the Gateway Technical Institute, the Wisconsin Department of Development, and the University of Wisconsin-Extension have indicated the value of the Elkhorn central business district for economic development purposes.

#### Constraints Related to Potential Three:

##### Lack of a Concerted Effort to Improve the Elkhorn Central Business District--

As previously indicated, a number of studies have been completed for the City of Elkhorn that identify the development problems in the Elkhorn central business district, as well as the activities that could be implemented to improve the district. However, to date, there has not been a concerted effort to implement the recommendations for improving the central business district. One of the recommendations that has not been implemented is the development of a comprehensive plan for the central business district. A comprehensive plan is necessary in order to specifically identify: the range of activities that

should be implemented to improve the district; the cost and available funding for these activities; and the organizations responsible for implementing the activities. Finally, the Elkhorn Commercial Development Corporation, the organization responsible for commercial development and redevelopment activities, is a relatively new organization and, as a result, the organization's membership remains somewhat unsure of its role in commercial development activities. The industry retention survey indicated that only 50 percent of the survey respondents were familiar with the Elkhorn Commercial Development Corporation.

#### Competition between Retail Trade and

Service Industry Establishments in Walworth County--The City of Elkhorn is one of 11 small urban areas in Walworth County, with each of these urban areas having an established central business district. As a result, the retail trade and service industry establishments in the City face competition from establishments in the other small urban areas in Walworth County. Specifically, the City of Lake Geneva is traditionally viewed as a focal point for recreation and tourism activities in Walworth County, activities that significantly benefit the retail trade and service industry establishments in the City of Lake Geneva central business district. In 1984, the Elkhorn Area Chamber of Commerce, in cooperation with the Gateway Technical Institute, carried out a survey of shopping habits and preferences in the Elkhorn area. This study found that the City of Lake Geneva is increasingly becoming a popular area for Elkhorn area shoppers with purchases including groceries, gift shop items, sporting goods, and automobiles.

Limitations Related to Business Persons in the Central Business District--As indicated above, a number of economic development studies have examined the needs of the City's central business district. The most needs that are related to business persons in the district include:

1. The retail trade and service industry establishment owners need to recognize the importance of the tourism and recreation industry to consumer sales.
2. The retail trade and service industry establishment owners need to undertake cooperative efforts to solve the identified problems in the district.
3. There is a need for an effort to actively solicit retail trade and service industry establishments that will offer the goods and/or services that have been identified as lacking in the district.

#### Physical Characteristics that Restrict the

Development of the Elkhorn Central Business District--This section has identified the physical characteristics of the Elkhorn central business district as an important potential for the further development of the retail trade and service industries in the City. However, a number of physical characteristics of the district could act as a constraint to this economic development potential. These characteristics include:

1. The perceived need for a major retail facility to serve as an anchor in the district, such as a discount store or a variety store.



2. As is the case with many older central business districts, the Elkhorn district is marked by a complex variety of lot sizes and ownerships and conflicts between adjacent and incompatible land uses.
3. A number of the rear entrances to existing buildings in the district need to be better maintained in order to improve their appearance.
4. The combination of through traffic, local shopping, and government-oriented traffic, and the vehicular movements associated with on-street parallel and angle parking generates some congestion and pedestrian conflicts during the peak travel periods in the City.
5. Pedestrian cross walks are provided at street intersections, and none are provided at mid-block. The effective linking of pedestrian paths is not provided between the front entrances of buildings and off-street parking areas; and an effective pedestrian pathway system currently does not exist.

Limited Utilization of the Walworth County Fairgrounds--The Walworth County Fairgrounds is a recreation and tourism industry asset to the City that attracts many visitors to the City during the Walworth County Fair. However, the Elkhorn 2020 Committee perceived that the buildings and grounds at the fairgrounds are underutilized as a recreation and tourism facility. While many of the buildings located at the fairgrounds have physical limitations, including the lack of heating for use during the winter months, these facilities could be utilized to a greater extent in order to benefit the retail trade and service industry establishments in the City by attracting persons throughout the year.

Civilian Labor Force Issues--There is a general lack of awareness on the part of the civilian labor force that the retail trade and service industry is, and will probably continue to be, a growth industry that could offer many new opportunities for employment. In addition, many jobs in the retail trade and service industries tend to pay lower wages and demand a relatively lower skill level, resulting in a negative image of these jobs by many members of the labor force. As a result, many retail trade and service industry jobs are perceived as providing little if any opportunity for career advancement. These labor force factors could result in the lack of availability of qualified workers for jobs in the retail trade and service industries and, therefore, act as constraints on this industry's future growth in the City.

#### GOALS OF THE ELKHORN ECONOMIC DEVELOPMENT PROGRAM

An economic development program in the City of Elkhorn will be successful only if the program has clear goals that can guide the development and implementation of the program over time. A statement of such goals should reflect the type of economic development program that is desired in the City, and to which specific economic development program objectives and activities can be related. Only in this way can an effective economic development program be formulated for the City, and, importantly, its effectiveness over time monitored.

#### Economic Development Program Goals

The Elkhorn 2020 Committee has determined that an economic development program should be established to address the economic development problems of the City. The goals established by the Committee to guide the development of such an economic development program are as follows:

1. The program should provide a mechanism for guiding and coordinating the citywide efforts of local individuals and organizations concerned with the economic development of the City.
2. The program should help retain existing employment opportunities and encourage the expansion of employment opportunities in the community by helping to meet the needs of existing employers.
3. The program should help create new employment opportunities through the attraction of new employers to the community.
4. The program should assist in creating new employment opportunities by facilitating entrepreneurial opportunities in the community.
5. The program should facilitate economic development in the community through the provision of the necessary community facilities and services that will enable the expansion of employment opportunities.

#### CRITERIA TO GUIDE THE CITY'S ECONOMIC DEVELOPMENT PROGRAM

The City's economic development program is envisioned as an ongoing effort to improve the local economy. In order to guide the Elkhorn 2020 Committee in its selection of specific objectives and activities to improve the City's economy, as well as to guide the decision-making that will be necessary during the course of the implementation of the economic development program, the Elkhorn 2020 Committee has identified the following program decision-making criteria.

1. Existing Economic Development Organizations. A number of existing economic development organizations in the City are capable of initiating economic development program activities. These organizations include the Elkhorn Development Company; the Elkhorn Commercial Development Corporation; and the Elkhorn Chamber of Commerce. The City's economic development program should utilize these economic development organizations to the greatest degree possible, as well as the city administration, in carrying out the economic development program activities.
2. Staff for the Economic Development Program. The Elkhorn Chamber of Commerce, the Elkhorn Development Company, and the Elkhorn Commercial Development Corporation jointly employ a full-time staff person. In addition, the City Administrator and the existing city staff have historically assisted in the implementation of economic development activities. The existing development organizations have, as their members, volunteers who are interested in improving the local economy. Thirty-eight respondents to the industry retention survey indicated that they would be willing to assist in improving local economic conditions. The existing economic development staff, city staff, and volunteers represent adequate professional and volunteer assistance that should be utilized to implement the

City's economic development program. However, it is necessary to recognize that additional economic development staff assistance in the form of professional public and private consultants may be necessary to carry out specific economic development program activities.

3. Nature of Program Activities. The City's economic development program activities should include: a) coordination of existing economic development activities in the City, b) implementation of specific economic development programs and activities, and c) technical assistance to public and private economic development organizations, as well as private business, in the identification of appropriate financial assistance for economic development projects.
4. Location of Economic Development Projects. The City's economic development program should provide assistance to those economic development projects that:
  - a. Utilize to the greatest extent possible the existing urban infrastructure in the City;
  - b. Protect and preserve the City's natural resources; and
  - c. Adhere to the adopted city plan and related zoning and building code regulations.

#### ELKHORN ECONOMIC DEVELOPMENT PROGRAM COURSE OF ACTION

The Elkhorn economic development program "course of action" consists of the specific objectives and the initial activities that the City of Elkhorn 2020 Committee has determined should be undertaken to enable the City to accomplish its economic development goals. The objectives and activities identified herein should help to alleviate the economic development constraints that have been identified in report, and to utilize the City's economic development potentials, to provide for the expansion of employment opportunities.

#### Economic Development Program Objectives and Activities

The economic development program objectives and activities indicated herein are intended to provide the foundation for an ongoing economic development program in the City, as well as to address those economic development problems and issues that present an immediate need in the City. The economic development objectives and activities are intended to be carried out over a two-year period.

Objective One: To identify and promote a lead economic development group in the City with the responsibility for: 1) ensuring the implementation of the City economic development program; 2) coordinating the activities of the various individuals and organizations responsible for implementing the economic development program activities; and 3) acting as a conduit for citizen input to the economic development program planning process. While this objective is directly related to Goal One, this objective is also indirectly related to all of the other identified goals of an economic development program. Activities that are intended to accomplish objective one are set forth below:

Activity One--The City of Elkhorn Common Council should designate an Economic Development Coordinating Committee as the lead organization for carrying out the economic development activities identified herein and indicate to the Coordinating Committee that it should take the steps necessary to carry out the economic development program activities. The Coordinating Committee would be directly responsible to the Elkhorn Common Council for the implementation of the City's economic development program.

The Economic Development Coordinating Committee would consist of the following representatives:

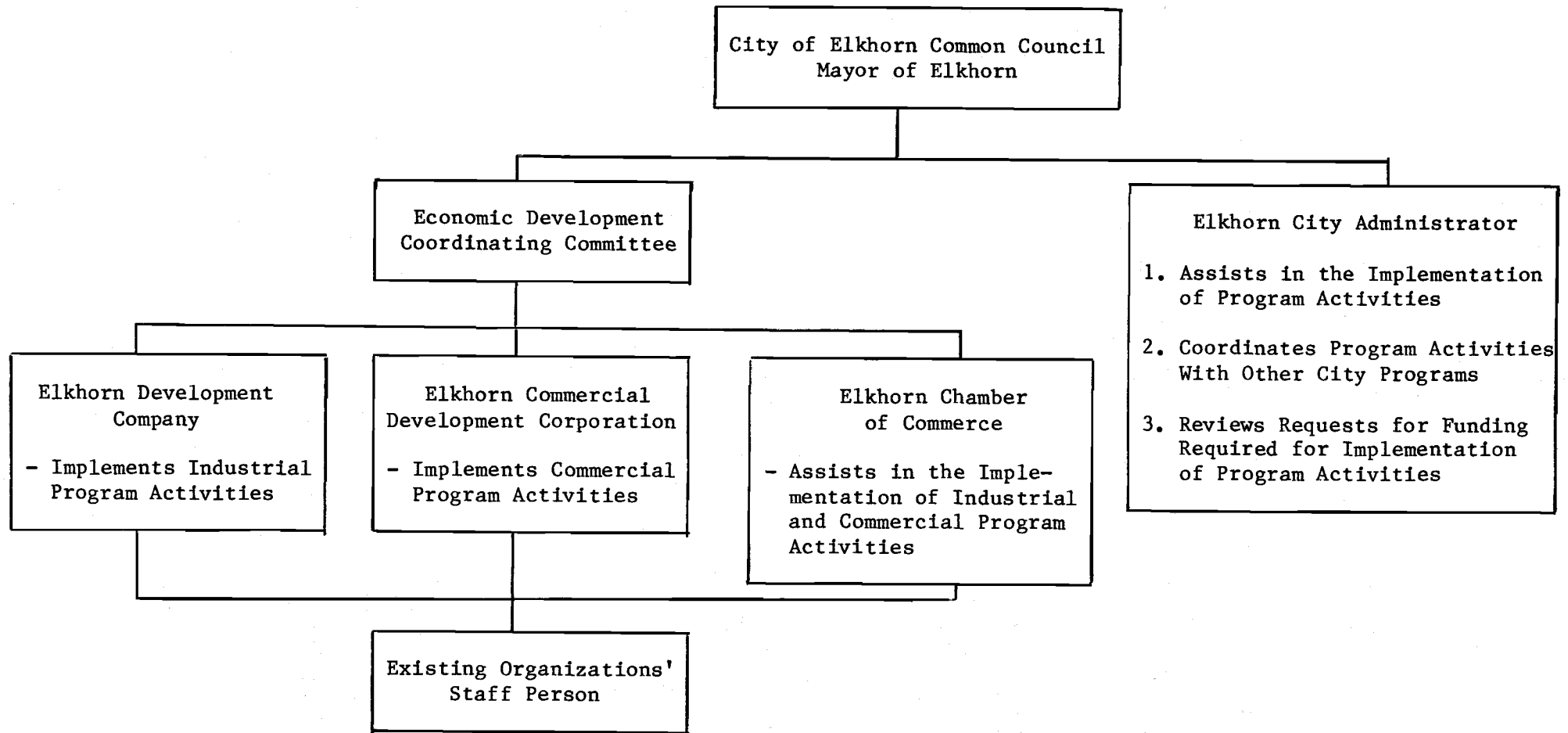
1. Mayor of the City of Elkhorn.
2. One member of the Elkhorn Common Council.
3. The President, or Voting Member Designee of the President, of the Elkhorn Development Company.
4. The President, or Voting Member Designee of the President, of the Elkhorn Commercial Development Corporation.
5. The President, or Voting Member Designee of the President, of the Elkhorn Area Chamber of Commerce.
6. Two Citizen Members appointed by the Economic Development Coordinating Committee.

Activity Two--Organizational Structure. A recommended organizational structure for implementing the Elkhorn economic development program is shown in Figure 2. As indicated in Figure 2, it is recommended that the coordinating committee work with the Elkhorn Development Company, the Elkhorn Commercial Development Corporation, and the Elkhorn Area Chamber of Commerce in implementing the various economic development activities identified herein. The Elkhorn Development Corporation should be primarily responsible for assisting the implementation of the industrial development activities, and the ECDC should be primarily responsible for implementing the commercial development activities. The Elkhorn Area Chamber of Commerce should assist the Elkhorn Development Company and the Elkhorn Commercial Development Corporation in implementing those activities that are traditionally viewed as Chamber of Commerce activities. The existing staff person of the development organizations and the City Administrator should assist the Coordinating Committee in implementing the activities that are indicated throughout the remainder of this section as being the responsibility of the Coordinating Committee staff. It should be noted, however, that the staff time available to implement the range of activities identified herein may be limited. Therefore, when necessary, the volunteer members of existing city development organizations should assist the staff in the implementation of the activities.

Figure 2 also indicates that the Mayor of the City of Elkhorn and the Elkhorn City Administrator should have major responsibilities in the economic development program. This recommendation results from the authority vested in the Mayor and the City Administrator with regard to administration of city activities, as well as the City Administrator's availability on a daily basis to

Figure 2

ORGANIZATIONAL STRUCTURE FOR IMPLEMENTING  
THE ELKHORN ECONOMIC DEVELOPMENT PROGRAM



Source: SEWRPC.

assist in economic development activities. Specifically, the City Administrator and the Mayor should: 1) serve as the initial contact persons for existing industry establishments in the City that may be experiencing economic development problems; 2) review requests of the City for funding for program activities and projects proposed by the Coordinating Committee; and 3) coordinate economic development activities with other city programs, projects, and activities.

Activity Three--Agreement of Existing Organizations. In order to successfully implement the economic development program activities set forth in this study, it will be necessary for the existing development organizations to agree to participate in the City's economic development program. Therefore, the Mayor of Elkhorn should request that each of the above-mentioned development organizations act to indicate their willingness to participate on the Coordinating Committee and to carry out the specific economic development program activities identified herein.

Activity Four--Economic Development Speakers Bureau. The Elkhorn 2020 Committee perceived that local citizens in the City are not aware of existing efforts to improve the City's economy. As a result of this perception, the Elkhorn Economic Development Coordinating Committee and the Committee staff should undertake an effort to explain the specific elements of this economic development program to local civic and similar organizations by requesting an opportunity to formally address these organizations.

Activity Five--Recruit Volunteers. The industry retention survey identified 38 business persons that would be willing to help improve local economic conditions by serving on a volunteer committee. The economic development organizations' staff person should identify these business persons and enlist their support in implementing the economic development program.

Activity Six--The Elkhorn 2020 Committee perceived the need to coordinate the City's economic development activities with those of surrounding communities in Walworth County. The Walworth County Overall Economic Development Program Committee is designed to help facilitate the cooperation and coordination of local governments relative to economic development activities. The Elkhorn City Administrator is currently a member of the Overall Economic Development Program Committee. In order to facilitate the coordination of Elkhorn economic development activities with those of other communities in the County, the City Administrator should continue to serve on the Walworth County Overall Economic Development Program Committee and report the activities of this committee to the City's Economic Development Coordinating Committee.

Activity Seven--Wisconsin Department of Development and Forward Wisconsin, Inc. The Wisconsin Department of Development is the lead agency in the State for industry retention activities, and is responsible for the administration of a variety of economic development funding programs, while Forward Wisconsin, Inc., is the lead state agency for industry attraction activities. In order to facilitate coordination of local economic development activities with the activities in the State of Wisconsin, the City Administrator should become familiar with the activities of local organizations and help to coordinate the City's economic development program activities with the activities of these organizations.

Objective Two: To retain existing business and industry currently located in the City of Elkhorn. This study has repeatedly identified the importance of economic development program activities that will assist in the expansion and retention of existing employers. Consequently, it is important for the City of Elkhorn to initiate ongoing industry retention activities that will prevent the relocation of existing Elkhorn business and industry establishments. This objective is directly related to Goal Two and consists of the activities identified below.

Activity One--Contacting Survey Respondents. The industry retention survey that was conducted as part of this study was an important first step in an industry retention program for the City. However, the results of the industry retention survey indicate that there are a number of business and industry establishments that participated in the survey that should be contacted again. These industry establishments include:

1. The three industry establishments, two of which are manufacturing establishments, that plan to expand outside the City of Elkhorn. The reason for the planned expansions outside the City should be determined and every effort should be made to encourage these establishments to expand in the City.
2. Contact the three industry establishments that plan to move all or part of their operations outside the City of Elkhorn. The reason for these planned moves should be determined and every effort should be made to retain these industry establishments.
3. Contact the four industry establishments that indicated they will have a problem finding a site for their business expansion project, and provide the assistance necessary in locating a suitable site in the City.
4. Contact the seven industry establishments that indicated that insufficient space was causing business problems for their firm and the four survey establishments that indicated that an inadequate building was causing business problems for their firm and attempt to help these establishments solve these problems.
5. Contact all of the survey respondent firms who indicated that they had a problem with government services and/or public facilities and attempt to solve these problems.

The names of the establishments indicated above are available from the City Administrator. The Coordinating Committee's staff should be responsible for contacting these firms, together with a group of volunteers consisting of a minimum of five persons from the EDC, ECDC and Elkhorn Area Chamber of Commerce.

Activity Two--Government Contracts and Product Exporting. An activity that is often carried out as a part of a local economic development program is the provision of information to businesses regarding securing government contracts and product exporting. The City's industry retention survey indicated that 21 respondents and 14 respondents, respectively, were interested in more information on government contracts and product exporting. Consequently, economic

development program staff should contact the Wisconsin DOD with regard to providing information to these survey respondents on these subjects. Periodically, the Wisconsin Department of Development sponsors seminars on these topics, and persons indicating an interest in the City should be made aware of these seminars. At a minimum, however, publications that are currently available on these topics should be provided to those industry establishments indicating an interest in more information.

Activity Three--The promotion of a business and industry "hotline" or telephone number that can be used by industry establishments to make the Elkhorn Economic Development Committee aware of problems and/or issues that are currently affecting them. While the industry retention survey that was conducted as a part of this study identified issues and concerns at the time the survey was conducted, the telephone hotline would enable the City of Elkhorn to develop a direct line of communication with industry establishments. The staff of the Elkhorn Economic Development Coordinating Committee should send correspondence to local business and industry establishments and otherwise advertise the availability of the hotline.

Activity Four--The Elkhorn Economic Development Coordinating Committee should participate with the Elkhorn Area Chamber of Commerce in the Chamber's regular meetings with representatives of local business and industry. These meetings should be held at least four times a year. The purpose of these meetings is similar to the purpose of the hotline in that it enables city officials and development organizations to be made aware of local economic development issues and concerns on an ongoing basis. In addition, this activity should attempt to address the perceptions of the Elkhorn 2020 Committee, as well as the results of the industry retention survey, regarding a lack of cooperation by the Common Council and development organizations toward business issues.

Activity Five--Tourism and Recreation. Existing retail trade and service industry establishments in the City should benefit from the consumer market that is created by the recreation and tourism industry in Walworth County. An opportunity exists for establishments that orient their products and/or services to the tourism consumer to increase sales and, therefore, employment opportunities for city residents. Consequently, the Elkhorn economic development program should help to promote the tourism and recreation industry in Walworth County. At the present time, the Walworth County Tourism Council is responsible for promoting the recreation and tourism industry in Walworth County. The staff of the economic development program should become active participants on the County's Tourism Council and seek to identify and promote those activities that will benefit the retail trade and service industry establishments in the City.

Activity Six--High Taxes in Wisconsin. The industry retention survey indicated that the most common perceived negative characteristic with regard to the State of Wisconsin was the State's high taxes. This perception has also been indicated in other industry retention surveys conducted recently throughout the State. As a result of this perception, a meeting between the program's Coordinating Committee and the area's state legislators should be convened to discuss this perception of the State's tax climate and to investigate activities that can be undertaken to address this issue.



Activity Seven--Meeting With the Wisconsin Department of Development. Twenty-three percent of the industry retention survey respondents indicated that they believed the State of Wisconsin was an unfavorable or very unfavorable place in which to operate a business. In order to change the negative attitude toward the State as a place in which to do business, a representative of the Wisconsin Department of Development should be asked to address a public meeting sponsored by the Elkhorn Area Chamber of Commerce, the Elkhorn Development Company, and the Elkhorn Commercial Development Corporation in order to inform businesses and industries in the City of the activities being undertaken to improve the State's business climate.

Objective Three: To attract a minimum of two new manufacturing establishments and two new retail trade and/or service establishments to the City during the next two-year period. While industry retention activities usually are the primary focus of a community interested in improving the local economy, the locational characteristics of the City relative to the attraction of new manufacturing industry establishments are such that an active industry attraction program could be successful in the City. In addition, previous economic studies have indicated the need to seek out specific types of retail trade and service industry establishments to locate in the Elkhorn central business district. As a result of these characteristics, the attraction of new business and industry establishments to the City is seen as a very important economic development objective. This objective and the activities indicated below are related to Goal Three of the economic development program.

Activity One--Targeted Industry Attraction Program. This study has identified 53 manufacturing industries that an economic development program in the City should contact as a part of a targeted industry attraction program, and has prioritized these manufacturing industries in order to allow the City to contact a limited number of these industries and to evaluate the results of the industry attraction efforts prior to expending further resources on this activity. The ranking of these industries is shown in Table 5. The economic development program staff should contact the eight industry establishments that are recommended in this study as high-priority industries for an industry attraction program, and a minimum of 500 sets of promotional materials should be sent to these establishments in a minimum of three states where a substantial number of these establishments are located.

Activity Two--Promotional Literature. The Regional Planning Commission, in cooperation with the Wisconsin Electric Power Company, has provided the City of Elkhorn with an economic profile of the City. The purpose of the profile is to provide necessary information regarding community facilities and services and demographic data on the City of Elkhorn to business and industry establishments interested in locating in Elkhorn. This profile, together with the promotional brochures previously prepared by the City of Elkhorn, the Elkhorn Development Company, and the Elkhorn Area Chamber of Commerce, along with a letter from the Mayor of the City of Elkhorn highlighting the City's involvement in economic development, should be used as a promotional material by the City.

Activity Three--Industry Attraction Team. At the current time, there is no single organization charged with the responsibility of working with business and industry establishments interested in locating in the City. As a result, a local business and industry attraction team consisting of the individuals

Table 5

TOTAL RANKING OF TARGETED INDUSTRIES FOR AN  
INDUSTRY ATTRACTION PROGRAM IN THE CITY OF ELKHORN

| Industry   | SIC Code | Establishments Exhibiting Growth in the U. S. Region | Establishments Exhibiting Growth in Wisconsin | Establishments With Primary Locations in Wisconsin or Illinois | Industry Classification in Walworth County | Industry Identified as Growth Industry | Part Of Communications/Information Industry | Total Points |
|--|----------|--|---|--|--|--|---|--------------|
| Wood Pallets and Skids .....                                       | 2448     | 6  | 6   | 10   | 4  | 8                                      | -   | 34           |
| Electronic Components<br>(not elsewhere classified) .....          | 3679     | 6  | 3   | 10   | -  | 8                                      | 2   | 29           |
| Automotive Stampings .....   | 3465     | 3  | 6   | 10   | -  | 8                                      | -   | 27           |
| Instruments to Measure Electricity .....                           | 3825     | 3  | 6   | 10   | -  | 8                                      | -   | 27           |
| Electronic Connectors .....  | 3678     | 6  | -   | 10   | -  | 8                                      | 2   | 26           |
| Radio and Television<br>Communication Equipment .....              | 3662     | 3  | 3   | 10   | -  | 8                                      | 2   | 26           |
| Industrial Inorganic Chemicals<br>(not elsewhere classified) ..... | 2819     | 6  | 6   | 10   | 4  | -                                      | -   | 26           |
| Engineering and Scientific Instruments ..                          | 3811     | 3  | 6   | 10   | -  | 4                                      | 2   | 25           |
| Surgical Appliances and Supplies .....                             | 3842     | 6  | -   | 10   | 4  | 4                                      | -   | 24           |
| Millwork .....   | 2431     | 3  | 6   | 10   | 4  | -                                      | -   | 23           |
| Surgical and Medical Instruments .....                             | 3841     | 6  | 3   | 10   | -  | 4                                      | -   | 23           |
| Electronic Computing Equipment .....                               | 3573     | 6  | 6   | -  | -  | 8                                      | 2   | 22           |
| Prefabricated Metal Buildings .....                                | 3448     | 6  | 6   | 10   | -  | -                                      | -   | 22           |
| Office Machines<br>(not elsewhere classified) .....                | 3579     | -  | 6   | 10   | -  | 4                                      | 2   | 22           |
| Industrial Controls .....  | 3622     | 6  | 6   | 10   | -  | -                                      | -   | 22           |
| Medicinals and Botanicals .....                                    | 2833     | 6  | 6   | 10   | -  | -                                      | -   | 22           |
| Commercial Printing .....  | 275A     | 3  | 3   | 10   | 4  | -                                      | 2   | 22           |
| X-ray Apparatus and Tubes .....                                    | 3693     | 3  | -   | 10   | -  | 8                                      | -   | 21           |
| Paints and Allied Products .....                                   | 2851     | 3  | -   | 10   | 4  | 4                                      | -   | 21           |
| Sporting and Athletic Goods<br>(not elsewhere classified) .....    | 3949     | -  | 3   | 10   | 4  | 4                                      | -   | 21           |
| Lithographic Platemaking Services .....                            | 2795     | 6  | 3   | 10   | -  | -                                      | 2   | 21           |
| Special Dies, Tools, and Jigs .....                                | 3544     | 3  | 3   | 10   | 4  | -                                      | -   | 20           |
| Pulpmills .....  | 2611     | -  | -   | 10   | -  | 8                                      | 2   | 20           |
| Greeting Card Publishing .....                                     | 2771     | 6  | -   | 10   | -  | 4                                      | -   | 20           |
| Sanitary Paper Products .....                                      | 2647     | 3  | 3   | 10   | -  | 4                                      | -   | 20           |
| Semiconductors and Related Devices .....                           | 3674     | 3  | 6   | -  | -  | 8                                      | 2   | 19           |
| Industrial Organic Chemicals<br>(not elsewhere classified) .....   | 2869     | 3  | 6   | 10   | -  | -                                      | -   | 19           |
| Printing Ink .....   | 2893     | -  | 3   | 10   | -  | 4                                      | 2   | 19           |
| Telephone and Telegraph Apparatus .....                            | 3661     | 3  | 3   | 10   | -  | -                                      | 2   | 18           |
| Measuring and Controlling Devices .....                            | 3829     | 3  | -   | 10   | 4  | -                                      | -   | 17           |

-continued-

Table 5 (continued)

| Industry  | SIC Code | Establishments Exhibiting Growth in the Midwestern U. S. Region | Establishments Exhibiting Growth in Wisconsin | Establishments With Primary Locations in Wisconsin or Illinois | Industry Classification in Walworth County | Industry Identified as Growth Industry | Industry Part of Communications/Information Industry | Total Points |
|---|----------|---|---|--|--|--|--|--------------|
| Screw Machine Products .....  | 3451     | -   | 3   | 10   | 4  | -                                      | -  | 17           |
| Adhesives and Sealants .....  | 2891     | 6   | -   | 10   | -  | -                                      | -  | 16           |
| Papermills, Except Building Paper <sup>a</sup> .....                      | 2621     | -   | -   | 10   | -  | 4                                      | 2  | 16           |
| Miscellaneous Publishing .....  | 2741     | -   | -   | 10   | 4  | -                                      | 2  | 16           |
| Aircraft .....  | 3721     | 3   | 3   | -  | -  | 8                                      | -  | 14           |
| Household Cooking Equipment .....   | 3631     | -   | -   | 10   | -  | 4                                      | -  | 14           |
| Optical Instruments and Lenses .....                                      | 3832     | -   | 6   | -  | -  | 8                                      | -  | 14           |
| Natural and Processed Cheese .....  | 2022     | -   | -   | 10   | -  | 4                                      | -  | 14           |
| Bottled and Canned Soft Drinks .....                                      | 2086     | -   | -   | 10   | 4  | -                                      | -  | 14           |
| Chemical Preparations<br>(not elsewhere classified) .....                 | 2899     | -   | 3   | 10   | -  | -                                      | -  | 13           |
| Corrugated and Solid Fiber Boxes .....                                    | 2653     | -   | 3   | 10   | -  | -                                      | -  | 13           |
| Radio and Television Receiving Sets .....                                 | 3651     | -   | -   | 10   | -  | -                                      | 2  | 12           |
| Calculating and Accounting Machines .....                                 | 3574     | 6   | -   | -  | -  | 4                                      | 2  | 12           |
| Wood Preserving .....   | 2491     | 6   | 6   | -  | -  | -                                      | -  | 12           |
| Periodicals .....   | 2721     | -   | -   | 10   | -  | -                                      | 2  | 12           |
| Household Appliances<br>(not elsewhere classified) .....                  | 3639     | -   | -   | 10   | -  | -                                      | -  | 10           |
| Plastics Materials and Resins .....                                       | 2821     | -   | -   | 10   | -  | -                                      | -  | 10           |
| Space Vehicle Equipment<br>(not elsewhere classified <sup>a</sup> ) ..... | 3769     | -   | -   | -  | -  | 8                                      | -  | 8            |
| Gypsum Products .....   | 3275     | 6   | -   | -  | -  | -                                      | -  | 6            |
| Softwood Veneer and Plywood .....   | 2436     | 6   | -   | -  | -  | -                                      | -  | 6            |
| Paperboard Mills <sup>a</sup> .....                                       | 2631     | 3   | 3   | -  | -  | -                                      | -  | 6            |
| Dolls .....   | 3942     | -   | -   | -  | -  | -                                      | -  | 0            |
| Guided Missiles and Space Vehicles <sup>a</sup> .....                     | 3761     | -   | -   | -  | -  | -                                      | -  | 0            |

<sup>a</sup>This industry has locational requirements that would not be compatible with the Elkhorn area.

<sup>b</sup>SIC Codes: 2751, 2752, 2754.

Source: SEWRPC.

serving on the Economic Development Coordinating Committee, the City Administrator, and the existing economic development staff person should be established. The City Administrator and the economic development staff person would be designated as the lead persons for this industry attraction team, and would serve as the primary contact persons for business and industry indicating an interest in moving to the Elkhorn area.

Activity Four--Obtain and Use Manufacturing Directories. As previously indicated, this study identified eight manufacturing industries that should receive high priority in the City's industry attraction program. The City should purchase manufacturing directories for those states where a large number of these industry establishments are located, and a direct mailing should be sent to approximately 500 industry establishments in these states utilizing the materials indicated in Activity Two. Because of the relatively high cost of an industry attraction program, it will be necessary to monitor the results of the initial industry attraction efforts by the City. Therefore, telephone calls and letters received from industry establishments in response to the initial attraction solicitation should be logged and the results analyzed.

Activity Five--Relocation of Product Suppliers and Customers. One means of attracting new employers to a community is to determine the interest in relocation of firms that are currently located outside the community and either are customers of firms currently located in the community or are suppliers of products to firms located in the community. The industry retention survey in the City of Elkhorn identified two firms whose product suppliers indicated an interest in moving to Elkhorn, and five firms whose customers indicated an interest in moving to Elkhorn. The Elkhorn economic development program staff should contact these seven survey respondents in order to identify the names of these product suppliers and product customers and to contact them and urge them to relocate or expand in the City of Elkhorn.

Activity Six--Inventory of Vacant Industrial and Commercial Buildings. Recently, the Wisconsin Electric Power Company developed a computerized inventory of commercial and industrial land use sites and available commercial and industrial buildings in the Company's service area. The inventory has proven to be very successful in providing locational information to business establishments interested in locating or expanding in the company's service area. The City of Elkhorn and local development organizations recently inventoried commercial and industrial sites and provided this information to the Wisconsin Electric Power Company. In order to help facilitate the attraction of business and industry establishments to the City of Elkhorn, the city economic development program staff should continue working with the economic development staff of the Wisconsin Electric Power Company to keep a current inventory of vacant industrial and commercial land use sites and buildings in the City of Elkhorn.

Activity Seven--Labor Force Availability Issues. This study indicated that the attraction of business and industry establishments that primarily employ female members of the labor force may be difficult owing to the low unemployment rate for females in the City. However, the unemployment data for females in the City are somewhat dated, 1980, and, therefore, the economic development program staff should meet with representatives of the Wisconsin Department of Industry, Labor and Human Relations, Job Service Office, in Elkhorn in order to determine if the availability of female workers remains a problem in the Elkhorn area.

In addition, the industry retention survey indicated that the survey respondents had problems with the availability of workers in the technical and professional, skilled trades, and semi-skilled occupational areas. The economic development program staff should provide this information to the Gateway Technical Institute and the Elkhorn High School and determine those activities that are necessary to eliminate this problem.

Objective Four: To assist in the creation of two new industry establishments in the City of Elkhorn during the next two-year period. This objective is directly related to Goal Four, the creation of new employment opportunities by facilitating entrepreneurial opportunities in the community. The City is in a unique position with regard to creating new businesses in that: 1) the wages paid to workers in the City are lower than those in the areas of comparison in this study and, as a result, the cost of going into business in the City is somewhat lower than in other areas; 2) the City has available land in its industrial park for new industry location; 3) the City's central business district is relatively healthy and may be able to support new retail trade and service industry establishments; 4) the University of Wisconsin system has established a Small Business Development Center (SBDC) at the University of Wisconsin-Whitewater, located approximately 15 miles northwest of the City of Elkhorn, with the purpose of providing counseling to new businesses at no cost; and 5) the Whitewater SBDC is the location of the State's Technology Transfer Program, a program designed to stimulate economic development through the effective and efficient transfer of innovative ideas and inventions to the private sector. Activities designed to accomplish this objective are identified below.

Activity One--UW-Whitewater, Small Business Development Center. The economic development program staff should convene a series of meetings with the University of Wisconsin-Whitewater, Small Business Development Center staff and the Walworth County Extension Service community development agent in order to determine the activities that are necessary to improve the utilization of the Small Business Development Center by Elkhorn business persons.

Activity Two--Technology Development Fund. The chief executive officers of local manufacturing establishments, the presidents of Elkhorn financial institutions, and Elkhorn attorneys should be made aware of the availability of the Wisconsin Department of Development, Technology Development Fund and the University's Small Business Development Center. This should be accomplished by correspondence from the economic development program staff to these persons.

Activity Three--Wisconsin Business Development Finance Corporation. The economic development program staff should meet with representatives of the Wisconsin Business Development Finance Corporation. This Corporation provides below-prime-interest-rate financing for business expansion projects in Wisconsin. However, the industry retention survey showed that only 17 survey respondents, or about 25 percent, were familiar with this source of business financing. The meetings with the Corporation should address the methods by which local business and industry can become more familiar with the financing provided by this Corporation.

Activity Four--Primary Materials, Components, and Items For Re-Sale. The industry retention survey showed that 24 survey respondents, or about 42 percent, purchased none of their primary materials, components, or items for

resale in Walworth County. The economic development program staff should prepare a short memorandum on the specific primary materials, components, or items for resale; that are not purchased in Walworth County and make this information available to potential entrepreneurs. In this way, entrepreneurs who are interested in making available the primary materials, components, or items for resale that are currently purchased outside Walworth County can determine if such a venture could be successful.

Activity Five--Incubator Facility. Local units of government and public and private economic development organizations across the nation are finding that it is necessary to provide low-cost, high-quality facilities for the start-up of new small businesses. As a result, many of these communities are seeking to construct incubator facilities that can be utilized by a number of different businesses during their first years of operation. An incubator facility in the City of Elkhorn could provide a location where a new business could locate and develop in an appropriate manner. Unfortunately, the cost of construction and operation of an incubator facility is often beyond the means of small local units of government. In 1985, the Elkhorn EDC initiated discussions regarding the construction of an incubator building in the City's industrial park. It is recommended that the EDC continue to pursue an incubator building, and, should such a building be found to be feasible, construction should be undertaken.

Objective Five: To improve existing community facilities and services that are identified as being deficient and to develop new community facilities and services to meet existing but unmet needs. While the previously mentioned industry retention, attraction, and entrepreneurial activities are important to the City's economic development program, this study has indicated that deficiencies in community facilities and services must be rectified in order to facilitate a successful economic development program. This objective, and the activities indicated below, are designed to address the most pressing community facility and service needs in the community as identified in this study. This objective is directly related to Goal Five.

Activity One--Preparation of a Central Business District Development Plan. This study has indicated that a central business district development plan is necessary in order to identify the problems in the district and to identify the activities that can be implemented to improve the district. In order to increase the business activity in the central business district and, therefore, generate new employment opportunities in the retail trade and service industries, it is recommended that a downtown development plan be conducted for the City and the recommendations of this plan implemented.

Activity Two--Feasibility Analysis of the Walworth County Fairgrounds. The Walworth County Fairgrounds in the City of Elkhorn is a major recreation and tourism facility. However, at present, the fairgrounds facilities are only utilized on a limited basis. The economic development program staff should conduct a feasibility analysis to determine the potential additional uses for the fairgrounds, as well as any structural constraints that would need to be rectified for better utilization of this facility for recreation and tourism purposes. Following a review of the results of this study, the Coordinating Committee should determine the appropriateness of improving the fairgrounds facilities.

Activity Three--Community Facilities and Services. This study has documented the high quality of community facilities and services provided in the City of Elkhorn. The continued provision of these high-quality community facilities and services is critical to the economic development process in the City. Therefore, city government should strive to continue to provide the existing high level of community facilities and services, and should investigate the need for additional community facilities and services that could enhance the economic development process in the City. The industry retention survey conducted as a part of this study identified the need to analyze the following community facilities and services that may be causing a problem for business operations in the City: 1) postal service; 2) telephone service; 3) employment services provided by the Southeast Wisconsin Private Industry Council and by the Wisconsin Department of Industry, Labor and Human Relations, Wisconsin Job Service.

Activity Four--Railway Service. Throughout the State of Wisconsin, as well as throughout the nation, communities have lost direct access to railway freight service because of the abandonment of railway lines by railway companies. The availability of future railway freight service to Elkhorn as well as to all of Walworth County, is particularly important in light of the recent abandonment of branch railway lines in the County by the Milwaukee Road. In addition, the inability of the Central Wisconsin Railroad Company to provide shortline railway service to the County means that railway service could be permanently terminated in Walworth County. Over the past several years, the City of Elkhorn public officials have been actively involved in monitoring railway service to the City of Elkhorn. Because of the current problems in locating a shortline operator, the City should continue to monitor this issue and provide the necessary steps for re-instituting railway service.

Activity Five--Affordable Housing Units. The Elkhorn 2020 Committee perceived, and the industry retention survey indicated, a lack of affordable housing units in the City, specifically rental housing units. Therefore, the proposed economic development program staff should work with existing private real estate companies and developers and public organizations to determine more specifically the need for more moderately priced housing units, as well as rental housing units in the City. Should this need be substantiated, the method by which these housing units could be made available to the resident population should be determined. During the course of this study, the need for elderly rental units should be investigated. The availability of health care facilities and services at the Lakeland Hospital and related facilities located directly east of the City could provide the basis for the attraction of older adults as residents of the City.

Activity Six--Development of a Capital Improvements Program for the City. A capital improvements program is a list of fundable major public improvements needed in the community over the next five years, arranged in order of preference to assure that the improvements are carried out in priority of need and in accord with the community's ability to pay. A capital improvements program is intended to promote well-balanced community development without overemphasis on any particular phase of such development, and to promote coordinated development both in time and between functional areas. With such a program, required bond issues and tax revenues can be foreseen and provisions made. Needed land for the projects can be acquired in a timely fashion and staged construction facilitated. The community economic analysis conducted by the

Walworth County University of Wisconsin-Extension Service for the City of Elkhorn in November 1983 recommended the development of a capital improvements program for the City. On July 12, 1984, the Elkhorn City Plan Commission formally adopted a new land use plan. This land use plan also included a recommendation for the development of a capital improvements program. Consequently, the economic development program for the City includes a recommendation that the City undertake a capital improvements program planning process, thereby recognizing the importance of this activity to the economic development of the City.

#### CITY OF ELKHORN ECONOMIC DEVELOPMENT PROGRAM: PROGRAM IMPLEMENTATION PLAN

This section of the program plan, the economic development program implementation plan, identifies: 1) the agency, organization, or person responsible for the implementation of the specific program objectives and activities; 2) the estimated cost, when available, for implementing the program activities; and 3) the time period during which the program activities should be undertaken.

##### Scheduling, Cost, and Responsibility For the Elkhorn Economic Development Program Activities

The economic development program activities recommended herein are scheduled to be implemented during an initial two-year period. While the actual cost of the two-year program is not available at this time owing to the variety of alternatives that are available for implementing the program activities, the estimated total cost for the program is \$48,325, in addition to the existing staff costs of the development organizations' staff person and the City Administrator, as well as the cost of any necessary outside consultants.

Table 6 shows the agency, organization, or person responsible for carrying out the program activities, the estimated cost attendant to each activity when available, and the time period during which the activities are scheduled to take place.

#### MONITORING CRITERIA FOR MEASURING THE SUCCESS OF THE ELKHORN ECONOMIC DEVELOPMENT PROGRAM

In order to determine the success of the City's economic development program in addressing the community economic development problems and issues, the economic development program described herein must be monitored and evaluated with regard to:

1. The effectiveness of the activities in attaining the City's economic development goals and objections;
2. The effectiveness of the economic development program staff; and
3. The overall effectiveness of the economic development program, including the economic development planning process.

The City of Elkhorn budget planning process begins in August of each year. The economic development program documented herein indicates that the Elkhorn Economic Development Coordinating Committee will be responsible for the overall coordination of the Elkhorn economic development program. Consequently,



Table 6

CITY OF ELKHORN ECONOMIC DEVELOPMENT  
PROGRAM IMPLEMENTATION SCHEDULE

| Objective/Activity   | Responsibility   | Estimated<br>Cost | Time Period During Which Activity Will Take Place |     |     |     |     |     |      |     |     |     |     |     |
|--|--|-------------------|---|-----|-----|-----|-----|-----|------|-----|-----|-----|-----|-----|
|  |  |                   | 1985  |     |     |     |     |     | 1986 |     |     |     |     |     |
|  |  |                   | JUL   | AUG | SEP | OCT | NOV | DEC | JAN  | FEB | MAR | APR | MAY | JUN |
| OBJECTIVE ONE:   |  |                   |   |     |     |     |     |     |      |     |     |     |     |     |
| Coordination of Economic Development Activities.   |  |                   |   |     |     |     |     |     |      |     |     |     |     |     |
| ACTIVITIES:  |  |                   |   |     |     |     |     |     |      |     |     |     |     |     |
| 1. Designate Economic Development Coordinating Committee as Lead Economic Development Organization.                                    | Elkhorn Common Council.  | None              |   |     |     |     |     |     |      |     |     |     |     |     |
| 2. Establish Organizational Structure for Implementing the Economic Development Program.   | Not Applicable.  | Not Applicable    |   |     |     |     |     |     |      |     |     |     |     |     |
| 3. Obtain Agreement to Participate from Existing Economic Development Organizations.   | Mayor of Elkhorn.  | None              |   |     |     |     |     |     |      |     |     |     |     |     |
| 4. Establish Economic Development Speakers Bureau.   | Elkhorn Economic Development Coordinating Committee and the Committee Staff. | None              |   |     |     |     |     |     |      |     |     |     |     |     |
| 5. Recruit Volunteers from the Business Community.   | Coordinating Committee Staff.  | None              |   |     |     |     |     |     |      |     |     |     |     |     |
| 6. Coordinate City of Elkhorn Economic Development Activities with the Walworth County Overall Economic Development Program Committee. | Elkhorn City Administrator.  | None              |   |     |     |     |     |     |      |     |     |     |     |     |
| 7. Coordinate City of Elkhorn Economic Development Activities with the Wisconsin Department of Development and Forward Wisconsin, Inc. | Elkhorn City Administrator.  | None              |   |     |     |     |     |     |      |     |     |     |     |     |

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Table 6 (continued)

| Objective/Activity   | Responsibility  | Estimated Cost | Time Period During Which Activity Will Take Place |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
|--|---|----------------|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|-----|-----|--|
|  |   |                | 1985  |     |     |     |     |     |     |     |     |     |     |     | 1986 |     |     |  |
|  |   |                | JUL   | AUG | SEP | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUN | JUL  | AUG | SEP |  |
| OBJECTIVE TWO:   |   |                |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
| Retain Existing Business and Industry Located in the City of Elkhorn.                            |   |                |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
| ACTIVITIES:  |   |                |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
| 1. Contact Selected Respondents of Industry Retention Survey.                                    | Coordinating Committee Staff Person and Volunteers from the EDC, ECDC and Elkhorn Area Chamber of Commerce. | None           |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
| 2. Provide Business and Industry with Information on Government Contracts and Product Exporting. | Coordinating Committee Staff and the EDC.   | None           |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
| 3. Promote Business and Industry "Hotline."  | City Administration.  | None           |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
| 4. Continue Regular Meetings with Representatives of Local Business and Industry.                | Coordinating Committee and Elkhorn Area Chamber of Commerce.  | None           |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
| 5. Actively Participate in Tourism and Recreation Activities.                                    | Coordinating Committee Staff and the ECDC.  | None           |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
| 6. Hold Meeting with Area State Legislators to Discuss Perceptions of the State's Tax Climate.   | Coordinating Committee and the Coordinating Committee Staff.  | None           |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
| 7. Meet with Representatives of the Wisconsin Department of Development.                         | Coordinating Committee, Coordinating Committee Staff and Wisconsin Department of Development.               | None           |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |

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Table 6 (continued)

| Objective/Activity  | Responsibility   | Estimated Cost          | Time Period During Which Activity Will Take Place |     |     |     |     |     |     |     |     |     |     |     |      |     |            |
|---|--|-------------------------|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|-----|------------|
|   |  |                         | 1985  |     |     |     |     |     |     |     |     |     |     |     | 1986 |     |            |
|   |  |                         | JUL   | AUG | SEP | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUN | JUL  | AUG | SEP        |
| OBJECTIVE THREE:  |  |                         |   |     |     |     |     |     |     |     |     |     |     |     |      |     |            |
| Attract Two New Manufacturing Establishments and Two New Retail Trade and/or Service Establishments to the City.  |  |                         |   |     |     |     |     |     |     |     |     |     |     |     |      |     |            |
| ACTIVITIES:   |  |                         |   |     |     |     |     |     |     |     |     |     |     |     |      |     |            |
| 1. Establish Targeted Industry Attraction Program.  | Coordinating Committee Staff and EDC.                    | \$1,000.00 <sup>a</sup> |   |     |     |     |     |     |     |     |     |     |     |     |      |     | (on-going) |
| 2. Develop Promotional Materials.   | Coordinating Committee Staff and EDC.                    | \$1,000.00 <sup>b</sup> |   |     |     |     |     |     |     |     |     |     |     |     |      |     |            |
| 3. Appoint Industry Attraction Team.  | Coordinating Committee and Coordinating Committee Staff. | \$1,000.00 <sup>c</sup> |   |     |     |     |     |     |     |     |     |     |     |     |      |     |            |
| 4. Purchase Manufacturing Directories for Neighboring States.   | Coordinating Committee Staff and EDC.                    | \$ 300.00 <sup>d</sup>  |   |     |     |     |     |     |     |     |     |     |     |     |      |     |            |
| 5. Contact Industry Retention Survey Respondents who Indicated the Potential Relocation of Product Suppliers of Customers.  | Coordinating Committee Staff and EDC.                    | None                    |   |     |     |     |     |     |     |     |     |     |     |     |      |     |            |
| 6. Keep Current Inventory of Vacant Industrial and Commercial Buildings.  | Coordinating Committee Staff, EDC and ECDC.              | None                    |   |     |     |     |     |     |     |     |     |     |     |     |      |     | (on-going) |
| 7. Meet with the Wisconsin Department of Industry, Labor and Human Relations, Job Service Office, Gateway Technical Institute and Elkhorn High School to Determine Availability of Workers. | Coordinating Committee and Coordinating Committee Staff. | None                    |   |     |     |     |     |     |     |     |     |     |     |     |      |     |            |

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Table 6 (continued)

| Objective/Activity  | Responsibility   | Estimated Cost              | Time Period During Which Activity Will Take Place |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
|---|--|-----------------------------|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|-----|-----|--|
|   |  |                             | 1985  |     |     |     |     |     |     |     |     |     |     |     | 1986 |     |     |  |
|   |  |                             | JUL   | AUG | SEP | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUN | JUL  | AUG | SEP |  |
| OBJECTIVE FOUR:   |  |                             |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
| Assist in the Creation of Two New Industry Establishments.  |  |                             |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
| ACTIVITIES:   |  |                             |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
| 1. Meet with Small Business Development Center Staff and Walworth County Community Development Agent to Coordinate Activities.  | Coordinating Committee Staff and EDC.                            | None                        |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
| 2. Acquaint Local Business Persons with Wisconsin Department of Development, Technology Development Fund.   | Coordinating Committee Staff and EDC.                            | \$25.00 <sup>e</sup>        |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
| 3. Acquaint Local Business Persons with Wisconsin Business Development Finance Corporation.   | Coordinating Committee Staff and EDC.                            | None                        |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
| 4. Prepare Memorandum on Primary Materials, Components, and Items for Resale that are not Purchased in Walworth County and Make Available to Potential Entrepreneurs. | Coordinating Committee Staff, EDC and ECDC.                      | None                        |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
| 5. Conduct Feasibility Study for an Elkhorn Incubator Facility.   | Coordinating Committee Staff and EDC.                            | Undeterminable <sup>f</sup> |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
| OBJECTIVE FIVE:   |  |                             |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
| Improve Existing and Develop New Community Facilities and Services.   |  |                             |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
| ACTIVITIES:   |  |                             |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
| 1. Prepare a Central Business District Development Plan.  | Private Consultant and the ECDC.                                 | \$45,000.00 <sup>g</sup>    |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |
| 2. Conduct Feasibility Study on Walworth County Fairgrounds.  | Coordinating Committee Staff or Private Consultant and the ECDC. | Undeterminable <sup>h</sup> |   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |  |

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Table 6 (continued)

| Objective/Activity  | Responsibility   | Estimated Cost | Time Period During Which Activity Will Take Place |     |     |     |     |     |      |     |     |     |     |     |     |     |     |  |
|---|--|----------------|---|-----|-----|-----|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|-----|--|
|   |  |                | 1985  |     |     |     |     |     | 1986 |     |     |     |     |     |     |     |     |  |
|   |  |                | JUL   | AUG | SEP | OCT | NOV | DEC | JAN  | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP |  |
| 3. Investigate Need for Additional Community Facilities and Services.               | City Administration.   | None           |   |     |     |     |     |     |      |     |     |     |     |     |     |     |     |  |
| 4. Continue Active Involvement on Railway Freight Service Issue.                    | City Administration.   | None           |   |     |     |     |     |     |      |     |     |     |     |     |     |     |     |  |
| 5. Determine the Need for Moderately Priced Housing Units and Elderly Rental Units. | Coordinating Committee Staff, Local Real Estate Agencies and Developers and the Walworth County Housing Authority. | None           |   |     |     |     |     |     |      |     |     |     |     |     |     |     |     |  |
| 6. Develop a Capital Improvements Program Planning Process.                         | City Administration.   | Forthcoming    |   |     |     |     |     |     |      |     |     |     |     |     |     |     |     |  |

<sup>a</sup>This cost represents an estimate of the cost of the initial targeted industry attraction mailing.

<sup>b</sup>This cost represents an estimate of the cost of any reprinting of promotional materials that may be necessary.

<sup>c</sup>This cost represents an estimate of the cost of the industry attraction team's annual expenses in working with new industry prospects.

<sup>d</sup>This cost represents an estimate of the cost of purchasing the manufacturing directories.

<sup>e</sup>This cost represents an estimate of the cost of a local mailing to approximately 100 local establishments.

<sup>f</sup>Prior to undertaking this activity the Coordinating Committee should determine whether the conduct of such an analysis is possible by the existing staff, or whether the services of an outside consultant are necessary.

<sup>g</sup>This cost represents an estimate of the maximum cost of a central business district redevelopment plan for the City.

<sup>h</sup>Prior to undertaking this activity the Coordinating Committee should determine whether the conduct of such an analysis is possible by the existing staff, or whether the services of an outside consultant are necessary.

Source: SEWRPC.

the Coordinating Committee will need to evaluate its economic development program on an annual basis and to indicate to the Elkhorn City Administrator during the budget planning process the need for any funding necessary to carry out specific economic development program activities.

It is recommended that, at a minimum, the criteria utilized by the coordinating committee to evaluate the economic development program include the following:

1. An evaluation of the appropriateness of the major assumptions of the economic development program including: a) the current state of the City's economy; b) the economic development potentials and constraints in the City; and c) objectives and activities with the potential for generating employment in the City. Changes in these major assumptions should be made when necessary.
2. An evaluation of the overall goals of the economic development program relative to the appropriateness for guiding the program.
3. An evaluation of the degree to which the program activities have led to the accomplishment of the specific economic development objectives. In addition, the problems encountered in the implementation of the specific program activities should be identified and this information utilized to refine the economic development activities.
4. An evaluation of the appropriateness of the economic development monitoring criteria.
5. An evaluation of the methods used to provide staff support to the economic development program, with special attention devoted to the existing strategy of utilizing a combination of permanent staff support, temporary consultants, and volunteers to carry out the program activities.
6. The Economic Development Coordinating Committee, Elkhorn Development Company, Elkhorn Commercial Development Corporation, and Elkhorn Area Chamber of Commerce should convene a joint meeting to discuss the results of the evaluation process and the manner in which these results can be incorporated into the economic development program for the forthcoming year, and to prepare an estimate of the amount and source of funding to implement the program for the upcoming year.
7. The Economic Development Coordinating Committee should hold a public informational meeting to explain the results of the evaluation process and identify the proposed program activities for the forthcoming year. The Committee should invite the general public to the meeting to comment on the economic development program activities that have been implemented over the past year and activities that have been identified for the forthcoming year. The Committee should consider the results of the public informational meeting and, when appropriate, alter the program activities based upon the public comments received.

## **APPENDICES**

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CITY OF ELKHORN OVERALL ECONOMIC  
DEVELOPMENT PROGRAM (OEDP) PLAN

Appendix A

INDUSTRY RETENTION SURVEY RESULTS

INTRODUCTION

Studies have indicated that the majority of the new jobs created in the United States from 1969 to 1976 resulted from expansion of existing firms. Accordingly, any effort to expand employment opportunities in the City of Elkhorn should give a high priority to addressing the problems and needs of existing employers. Information important to the formulation of a local economic development program includes the past expansions of local employers; expected future business expansions of local employers; labor force problems; an assessment of government services; the availability of business financing; and overall impressions of local employers of the City of Elkhorn and State of Wisconsin as places in which to do business. Accordingly, this study included a survey of existing employers in the City of Elkhorn.

The purpose of the survey was to ascertain the following:

1. The history and current status of each survey respondent's business with regard to the business's corporate headquarters, original location, length of time in operation, location of past expansions, number of employees, expenditures for research and development, and source of primary materials and/or components.
2. The locations of major markets for the products and services provided by the respondent's business.
3. Expectations regarding future business expansions.
4. The skill level of the labor force employed by the respondent firms and a determination of labor force problems.
5. An assessment of government services, regulations, and public utilities.
6. The availability of, and awareness of, the various sources of business financing.
7. Overall impressions of the City of Elkhorn and the State of Wisconsin as a place to do business.

A total of 75 surveys were completed, or about 94 percent of the total of 80 surveys distributed. Five businesses either chose not to participate in the survey, or no longer existed, or could not be contacted to be interviewed. The survey sample included all manufacturing establishments in the City of Elkhorn and environs with three or more workers. Those firms selected for the

survey that were not located within the city limits were chosen because of their proximity to the City and their relevance to the City's economic development. All manufacturing establishments were included in the sample because of the customarily large numbers of manufacturing employees in southeastern Wisconsin communities. Nonmanufacturing businesses were included if their employment exceeded the average employment for their specific industry classification. The survey sample was drawn from a list of employers provided by the Wisconsin Department of Industry, Labor and Human Relations and the Elkhorn Chamber of Commerce. Table A-1 indicates the 1980 percentage of industry employment by place of work in the City and the percentage employment of the firms included in the survey sample.

## HISTORY AND CURRENT STATUS OF RESPONDENTS

### Corporate Headquarters

Firms whose corporate headquarters are located in the City of Elkhorn can be expected to take a more active role in a local economic development program than firms whose corporate headquarters are located outside the City. Based upon this expectation and the survey findings, a high proportion of the survey respondents could be expected to take an active role in a local economic development program. As indicated in Table A-2, 60 firms, or about 80 percent of all survey respondents, indicated that the City of Elkhorn was their firm's corporate headquarters.

### Firm Age

Business firms are subject to a variety of internal and external problems that could cause their dissolution at any time. However, experience indicates that a firm is most susceptible to serious problems during its first five years. Table A-3 shows the number of years that the survey respondents have been in business in the City of Elkhorn. As indicated in Table A-3, 68 of the survey respondents, or 92 percent, have been in business for more than 5 years, with about 80 percent of the firms having been in business for more than 10 years. Of the manufacturing firms responding to the survey, 33, or 97 percent, have been in business for more than five years. Based upon these findings, the City could expect a majority of the firms responding to the survey to be in a relatively stable condition with regard to business dissolution resulting from immaturity.

### New Branch Locations

Sometimes, a firm's only expansion possibility is the establishment of branch locations in other geographic areas. A likely reason for the establishment of branch locations in other areas is the saturation of local markets and the need for the firm's products or services in other areas. For whatever reason, the successful establishment of branch locations in other geographic areas may be expected to result in a more successful firm overall. A total of 18 respondents, or 24 percent of all respondents, indicated that they had established branch locations outside the City, or in proximity to the City, and five, or 15 percent, of the manufacturing respondents indicated that they had established branch locations outside the City (see Table A-4).

As indicated in Table A-5, about 39 percent of these respondents indicated that proximity to product markets was the reason for the establishment of branch locations outside the City, while 28 percent said proximity to suppliers was the reason. These responses suggest that most survey respondents

Table A-1

PERCENTAGE INDUSTRY EMPLOYMENT AND PERCENTAGE  
EMPLOYMENT OF SURVEY RESPONDENTS IN THE CITY OF ELKHORN

| Industry  | Percentage Employment |                              |         |
|---|-----------------------|------------------------------|---------|
|   | 1980<br>Estimate      | Survey Respondents<br>Number | Percent |
| Agriculture.....                                      | 0.4                   | 1                            | 1.3     |
| Construction.....                                     | 4.1                   | 6                            | 8.0     |
| Manufacturing.....                                    | 31.0                  | 34                           | 45.3    |
| Transportation, Communications,<br>and Utilities..... | 5.2                   | 3                            | 4.0     |
| Wholesale Trade.....                                  | 4.0                   | 3                            | 4.0     |
| Retail Trade.....                                     | 16.6                  | 14                           | 18.7    |
| Finance, Insurance and Real Estate.....               | 4.4                   | 4                            | 5.4     |
| Services and Education.....                           | 18.8                  | 9                            | 12.0    |
| Other.....  | 15.5                  | 1                            | 1.3     |
| Total   | 100.0                 | 75                           | 100.0   |

Source: Wisconsin Department of Industry, Labor and Human Relations and SEWRPC.

PERCENTAGE INDUSTRY EMPLOYMENT AND PERCENTAGE  
EMPLOYMENT OF SURVEY RESPONDENTS IN THE  
CITY OF ELKHORN WITHOUT THE MANUFACTURING INDUSTRY

| Industry  | Percentage Employment |                              |         |
|---|-----------------------|------------------------------|---------|
|   | 1980<br>Estimate      | Survey Respondents<br>Number | Percent |
| Agriculture.....                                      | 0.6                   | 1                            | 2.4     |
| Construction.....                                     | 5.9                   | 6                            | 14.6    |
| Transportation, Communications,<br>and Utilities..... | 7.5                   | 3                            | 7.3     |
| Wholesale Trade.....                                  | 5.8                   | 3                            | 7.3     |
| Retail Trade.....                                     | 24.0                  | 14                           | 34.2    |
| Finance, Insurance and Real Estate.....               | 6.5                   | 4                            | 9.8     |
| Services and Education.....                           | 27.3                  | 9                            | 22.0    |
| Other.....  | 22.4                  | 1                            | 2.4     |
| Total   | 100.0                 | 41                           | 100.0   |

Source: Wisconsin Department of Industry, Labor and Human Relations and SEWRPC.

Table A-2

IS CITY OF ELKHORN THE FIRM'S CORPORATE HEADQUARTERS?

| Category<br>Of Respondents        | Headquarters<br>in Elkhorn |         | Headquarters<br>Outside Elkhorn |         | Total  |         |
|-----------------------------------|----------------------------|---------|---------------------------------|---------|--------|---------|
|                                   | Number                     | Percent | Number                          | Percent | Number | Percent |
| All Respondents.....              | 60                         | 80.0    | 15                              | 20.0    | 75     | 100.0   |
| Manufacturing<br>Respondents..... | 27                         | 79.4    | 7                               | 20.6    | 34     | 100.0   |

Source: SEWRPC.

Table A-3

YEARS OF BUSINESS OPERATION BY SURVEY RESPONDENTS: 1984

| Respondents                    | Years in Business |         |        |         |        |         |         |         |               |         |                 |         |
|--------------------------------|-------------------|---------|--------|---------|--------|---------|---------|---------|---------------|---------|-----------------|---------|
|                                | 1 - 3             |         | 4 - 5  |         | 6 - 10 |         | 11 - 15 |         | 16 or Greater |         | Total           |         |
|                                | Number            | Percent | Number | Percent | Number | Percent | Number  | Percent | Number        | Percent | Number          | Percent |
| All Respondents.....           | 1                 | 1.3     | 5      | 6.7     | 9      | 12.2    | 13      | 17.6    | 46            | 62.2    | 74 <sup>a</sup> | 100.0   |
| Manufacturing Respondents..... | 1                 | 3.0     | —      | —       | 3      | 8.8     | 8       | 23.5    | 22            | 64.7    | 34              | 100.0   |

<sup>a</sup>No response: 1.

Source: SEWRPC

Table A-4

NUMBER OF FIRMS ESTABLISHING BRANCH  
LOCATIONS OUTSIDE THE CITY OF ELKHORN

| Respondents                    | Have Expansions Taken Place? |         |        |         | Total <sup>a</sup> | Percent |
|--------------------------------|------------------------------|---------|--------|---------|--------------------|---------|
|                                | Yes                          |         | No     |         |                    |         |
|                                | Number                       | Percent | Number | Percent |                    |         |
| All Respondents.....           | 18                           | 24.3    | 56     | 75.7    | 74                 | 100.0   |
| Manufacturing Respondents..... | 5                            | 15.2    | 28     | 84.8    | 33                 | 100.0   |

<sup>a</sup>No response: 1.

Source: SEWRPC.

Table A-5

REASONS WHY SURVEY RESPONDENTS ESTABLISHED  
BRANCH LOCATIONS OUTSIDE THE CITY OF ELKHORN

| Response Category                   | Responses <sup>a</sup> |         |                           |         |
|-------------------------------------|------------------------|---------|---------------------------|---------|
|                                     | All Respondents        |         | Manufacturing Respondents |         |
|                                     | Number                 | Percent | Number                    | Percent |
| Proximity to Suppliers.....         | 5                      | 27.8    | 3                         | 37.5    |
| Proximity to Product Markets.....   | 7                      | 38.9    | 3                         | 37.5    |
| Availability of Existing Building.. | 2                      | 11.1    | 1                         | 12.5    |
| Lack of Land to Expand.....         | --                     | --      | --                        | --      |
| Lack of Available Financing.....    | --                     | --      | --                        | --      |
| Quality of Labor Force.....         | 2                      | 11.1    | 1                         | 12.5    |
| Cost of Labor.....                  | --                     | --      | --                        | --      |
| Proximity of                        |                        |         |                           |         |
| Educational Facilities.....         | --                     | --      | --                        | --      |
| Lack of Union Cooperation.....      | --                     | --      | --                        | --      |
| Environmental Regulation.....       | --                     | --      | --                        | --      |
| Transportation Services.....        | --                     | --      | --                        | --      |
| Local Taxes.....                    | --                     | --      | --                        | --      |
| State Taxes.....                    | --                     | --      | --                        | --      |
| Availability, Cost of               |                        |         |                           |         |
| Public Service/Utilities.....       | --                     | --      | --                        | --      |
| Other.....                          | 2                      | 11.1    | --                        | --      |
| Total                               | 18                     | 100.0   | 8                         | 100.0   |

<sup>a</sup> Respondents were asked to indicate all response categories that applied to the establishment of the branch locations.

Source: SEWRPC

expanded outside the City in order to take advantage of new markets for their products and services or in order to obtain their raw materials or components at a lower cost, rather than because of locational problems experienced in the City of Elkhorn. Six respondents indicated other reasons for establishing branch locations outside the City. Two respondents established branch locations outside the City because of the availability of an existing building. Two respondents indicated that the quality of the City of Elkhorn labor force was the prompting factor for the new branch location, and two respondents indicated other reasons for the branch location outside the City. Table A-6 indicates that about 27 percent of the branch locations were in areas described as local (Walworth County); 19 percent were in the Midwest; 15 percent were in locations of the nation outside the Midwest; 27 percent were in the Southeastern Wisconsin Region; about 8 percent were in other locations in Wisconsin; and about 4 percent were in international locations.

#### Average Number of Employees

A study by Dr. David L. Birch of the Massachusetts Institute of Technology indicates that from 1969 to 1976, 80 percent of the new jobs that were created in the United States were created by smaller firms, or firms with 100 or fewer employees, and 67 percent of all new jobs were created by firms with 20 or fewer employees.<sup>1</sup> Consequently, it may be advantageous for a local economy to include a number of smaller firms.

The survey respondents were asked to indicate the total number of persons employed by their firm. The total number of workers employed by the respondents ranges from 1 to 178, with 96 percent of the respondents employing fewer than 100 employees, and 52 percent of the respondents employing fewer than 20 employees. Of the 34 manufacturing firms responding to the question, 94 percent employed fewer than 100 workers, and 50 percent employed fewer than 20 employees. As indicated in Table A-7, the average total employment of the survey respondents' firms was about 28, with the median total employment being about 19. The lower median value indicates the large number of firms with a small number of workers in the City. The average and median number of manufacturing employers surveyed was quite similar--an average total employment of 33 workers per firm and a median value of about 19 workers per firm.

#### Research and Development

The Elkhorn business retention survey included a question regarding the business' total resources devoted to research and development. Table A-8 shows that 29 respondents, or about 40 percent of all respondents, indicated that an average of 5.6 percent of their resources was utilized for research and development. Nineteen respondents, or about 56 percent of all manufacturing respondents, indicated that an average of 4.3 percent of their resources was utilized for research and development.

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<sup>1</sup>David L. Birch, "The Job Generation Process," MIT Program on Neighborhood and Regional Change, Cambridge, Massachusetts, prepared for Office of Economic Research, Economic Development Administration, U. S. Department of Commerce, 1979.

Table A-6

LOCATION OF BRANCH LOCATIONS OUTSIDE THE CITY OF ELKHORN

| Area                                       | Expansions      |                  |                 | Total  |         |
|--|-----------------|------------------|-----------------|--------|---------|
|  | First Expansion | Second Expansion | Third Expansion | Number | Percent |
| Local <sup>a</sup> .....                   | 4               | 2                | 1               | 7      | 26.9    |
| Southeast Wisconsin Region <sup>b</sup> .. | 4               | 3                | --              | 7      | 26.9    |
| Wisconsin.....                             | 1               | 1                | --              | 2      | 7.7     |
| Midwest Region <sup>c</sup> .....          | 3               | 2                | --              | 5      | 19.2    |
| National.....                              | --              | 2                | 2               | 4      | 15.4    |
| International.....                         | -- <sup>d</sup> | --               | 1               | 1      | 3.9     |
| Total                                      | 12 <sup>d</sup> | 10               | 4               | 26     | 100.0   |

<sup>a</sup>Walworth County.

<sup>b</sup>Kenosha, Milwaukee, Ozaukee, Racine, Washington, or Waukesha County, plus Rock or Jefferson County.

<sup>c</sup>Illinois, Indiana, Michigan, Minnesota, or Ohio.

<sup>d</sup>No response: 57.

Source: SEWRPC

Table A-7

AVERAGE AND MEDIAN NUMBER OF  
EMPLOYEES OF SURVEY RESPONDENTS' FIRMS

| Category of Respondents  | Number of Employees |        |
|--------------------------|---------------------|--------|
|                          | Average             | Median |
| All Respondents          |                     |        |
| Part-Time Employees..... | 7.3                 | 2.3    |
| Full-Time Employees..... | 21.3                | 12.3   |
| Total Employees          | 28.3                | 18.8   |

Source: SEWRPC.

### Primary Materials

The source of a firm's primary materials and/or components is a major cost factor affecting a firm's location decisions. Survey respondents were asked what percentage of their primary materials, components, or items for resale was purchased in Walworth County. As indicated in Table A-9, 24 firms, or about 42 percent of all firms indicating that the question was applicable to the business surveyed, indicated that they purchased none of their primary materials in Walworth County. Thirty-three respondents indicated that they purchased components or items for resale in Walworth County. The manufacturing firms were asked to indicate the three most important primary materials or components that they utilize in their manufacturing process and from what city, state, and county they obtain these materials or components. Attachment 1 of this report provides a complete listing of those responses. These materials or components should be reviewed by persons interested in expanding an existing business or establishing a new business and in providing materials or components to existing firms.

The survey respondents were asked why they purchased their primary materials, components, or items for resale outside Walworth County. Table A-10 indicates that 86 percent of all the respondents, and 86 percent of all manufacturing respondents indicated, that they purchased the materials outside the County because such materials were not available in Walworth County. Four respondents, or 6 percent of all respondents, indicated that they purchased their materials or components outside Walworth County because the materials are too high-priced in the County.

## MARKETS AND CUSTOMERS OF SURVEY RESPONDENTS

### Market Location

The location of a firm's markets and customers are important considerations in the design of a local economic development program. Firms with predominantly local markets will, in most cases, tend to expand or contract as a result of local, rather than regional or national, economic conditions. Conversely, firms with national or international markets are more likely to be affected by national or international economic conditions. The survey questionnaire asked respondents the location of their firm's major markets. The responses to this question are summarized in Table A-11. As indicated in Table A-11, the local market--Walworth County--was the most predominant market for the respondent firms, with 33 percent of all respondents indicating that this was their firm's major market area. Twenty-three percent of the manufacturing respondents indicated that the national market was their major market, while 19 percent of the manufacturing market was local. The remaining distribution of the product markets is indicated seen in Table A-11.

### Export Markets and Selling Products to the Government

Two product markets are often overlooked by business firms: 1) markets outside the United States, and 2) the federal, state, and local governments. Economists have urged small and medium-size companies to consider the export market as means of increasing sales and profits. If a product or service is successful in this country, there may be reasons why it may be successfully exported.<sup>2</sup>

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<sup>2</sup>Frederick H. Rice, "Export Marketing For Increased Profits." Community Economics, University of Wisconsin-Extension; University of Wisconsin-Madison and Department of Agricultural Economics, January 1982.



Table A-8

RESPONDENTS' TOTAL RESOURCES UTILIZED  
IN THE AREA OF RESEARCH AND DEVELOPMENT

| Category<br>of Respondents        | Utilized Resources in the Area of Research and Development |         |         |        |         |                 |         |
|-----------------------------------|--|---------|---------|--------|---------|-----------------|---------|
|                                   | Yes  |         |         | No     |         | Total           |         |
|                                   | Number   | Percent | Average | Number | Percent | Number          | Percent |
| All Respondents...                | 29   | 40.3    | 5.6     | 43     | 59.7    | 72 <sup>a</sup> | 100.0   |
| Manufacturing<br>Respondents..... | 19   | 55.9    | 4.3     | 15     | 44.1    | 34              | 100.0   |

<sup>a</sup> No responses: 3.

Source: SEWRPC.

Table A-9

PERCENTAGE OF PRIMARY MATERIALS, COMPONENTS,  
OR ITEMS FOR RESALE PURCHASED IN WALWORTH COUNTY

| Percent of<br>Total Resources | All Respondents |         |
|-------------------------------|-----------------|---------|
|                               | Number          | Percent |
| 0                             | 24              | 42.0    |
| 1                             | 2               | 3.5     |
| 2                             | 1               | 1.8     |
| 3                             | 1               | 1.8     |
| 5                             | 3               | 5.2     |
| 6                             | 1               | 1.8     |
| 10                            | 8               | 14.0    |
| 15                            | 1               | 1.8     |
| 20                            | 2               | 3.5     |
| 25                            | 2               | 3.5     |
| 30                            | 1               | 1.8     |
| 35                            | 1               | 1.8     |
| 50                            | 3               | 5.2     |
| 85                            | 1               | 1.8     |
| 95                            | 3               | 5.2     |
| 99                            | 1               | 1.8     |
| 100                           | 2               | 3.5     |
|                               | 57 <sup>a</sup> | 100.0   |

<sup>a</sup> No responses: 1. Seventeen indicated the question was not applicable.

Source: SEWRPC.

Table A-10

REASONS WHY RESPONDENTS PURCHASED PRIMARY MATERIALS,  
COMPONENTS, OR ITEMS FOR RESLAE OUTSIDE WALWORTH COUNTY

| Reason                           | Respondents |         |               |         |
|----------------------------------|-------------|---------|---------------|---------|
|                                  | All         | Percent | Manufacturing | Percent |
| Materials/Components             |             |         |               |         |
| Not Available in County.....     | 54          | 85.7    | 30            | 85.7    |
| Materials/Components Patented    |             |         |               |         |
| and Not Available in County..... | 3           | 4.8     | 2             | 5.7     |
| Materials/Components Are         |             |         |               |         |
| Too High Priced in County.....   | 4           | 6.3     | 2             | 5.7     |
| The Quality of Local             |             |         |               |         |
| Materials is Inferior.....       | 1           | 1.6     | --            | --      |
| Materials/Components, If         |             |         |               |         |
| Provided Locally, Cannot         |             |         |               |         |
| Be Delivered on Time.....        | 1           | 1.6     | 1             | 2.9     |
| Total <sup>a</sup>               | 63          | 100.0   | 35            | 100.0   |

<sup>a</sup> Respondents could indicate more than one reason for purchasing primary materials, components, or items for resale outside Walworth County.

Source: SEWRPC.

Table A-11  
LOCATION OF MAJOR PRODUCT  
MARKETS FOR SURVEY RESPONDENTS' FIRMS

| Area                                | All Respondents |         | Manufacturing Respondents |         |
|-------------------------------------|-----------------|---------|---------------------------|---------|
|                                     | Major Market    |         | Major Market              |         |
|                                     | Number          | Percent | Number                    | Percent |
| Local <sup>a</sup> .....            | 40              | 32.8    | 12                        | 19.4    |
| Southeastern                        |                 |         |                           |         |
| Wisconsin Region <sup>b</sup> ..... | 24              | 19.7    | 8                         | 12.9    |
| Wisconsin.....                      | 13              | 10.7    | 7                         | 11.3    |
| Northern Illinois.....              | 14              | 11.5    | 9                         | 14.5    |
| Midwest Region <sup>c</sup> .....   | 11              | 9.0     | 9                         | 14.5    |
| National.....                       | 17              | 13.9    | 14                        | 22.6    |
| International.....                  | 3               | 2.4     | 3                         | 4.8     |
| Total <sup>d</sup>                  | 122             | 100.0   | 62                        | 100.0   |

<sup>a</sup>Walworth County

<sup>b</sup>Kenosha, Milwaukee, Ozaukee, Racine, Washington or Waukesha County.

<sup>c</sup>Illinois, Indiana, Michigan, Minnesota or Ohio.

<sup>d</sup>Firms could indicate more than one area for location of the major product market.

Source: SEWRPC

RETURN TO  
SOUTHEASTERN WISCONSIN  
REGIONAL PLANNING COMMISSION  
PLANNING LIBRARY

The U. S. General Services Administration has indicated that, be it a big or small business, a firm seeking to expand its scope of operations and profits should explore the possibilities of doing business with the federal government. Opportunities are plentiful because the government buys more<sup>3</sup> goods and services than any other customer in the free enterprise system. Similar observations could be made concerning the state, county, and local governments. An activity that is often carried out by the staff of a local economic development program is the provision of information to businesses regarding securing government contracts and product exporting.

The Elkhorn business retention survey included questions regarding the extent to which survey respondents participated in supplying products to the government or product exporting outside the United States. Approximately 49 percent of all respondents to this question indicated that they currently supplied products to local governments, 38 percent of all respondents indicated that they supplied products to state governments, and 31 of all respondents indicated that they were involved in supplying products to the federal government (see Table A-12). A lower percentage of all respondents, 22 percent, indicated that they were involved in exporting their product outside the United States. It is important to note that 64 percent of the manufacturing respondents did not export their products outside the United States. Table A-12 also shows the number of survey respondents that were interested in receiving additional information regarding government contracts and product exporting. As indicated in Table A-12, 28 percent of all respondents were interested in receiving additional information on supplying products to the government and 19 percent were interested in information on product exporting. As could be expected, a greater percentage of manufacturing respondents than of total respondents were interested in additional information on these items with 32 percent of the manufacturing respondents being interested in information on securing government contracts and 35 percent being interested in information on product exporting. Conversely, it is interesting to note that 68 percent and 65 percent of the manufacturing respondents, respectively, were not interested in obtaining information on securing government contracts and product exporting.

#### PAST AND FUTURE BUSINESS EXPANSIONS

##### Past Expansions

One of the important objectives of a community economic development program is the expansion of existing local businesses. In order to examine the historic growth of business in the City during the last five years, survey respondents were asked to provide information on firm expansions that had taken place during this time. Table A-13 shows the number of all respondents that indicated that their firm had expanded during the last five years. The table also shows whether the expansion took place in the City of Elkhorn.

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<sup>3</sup>U. S. General Services Administration, Doing Business With the Federal Government, U. S. General Printing Office, Washington, D. C., 1981.

Table A-12

FIRMS SUPPLYING PRODUCTS TO GOVERNMENT, EXPORTERS, AND THOSE INTERESTED  
IN MORE INFORMATION ON SUPPLYING PRODUCTS TO GOVERNMENT AND EXPORTING

| Question  | Responses       |         |                           |         |
|---|-----------------|---------|---------------------------|---------|
|   | All Respondents |         | Manufacturing Respondents |         |
|   | Number          | Percent | Number                    | Percent |
| <b>Government Contracts</b>                                   |                 |         |                           |         |
| Supply Products to:   |                 |         |                           |         |
| Local Government  |                 |         |                           |         |
| Yes.....  | 36              | 48.6    | 11                        | 32.4    |
| No.....   | 36              | 48.6    | 21                        | 61.8    |
| Do Not Know.....  | 2               | 2.8     | 2                         | 5.8     |
| Total   | 74 <sup>a</sup> | 100.0   | 34                        | 100.0   |
| State Government  |                 |         |                           |         |
| Yes.....  | 28              | 38.4    | 8                         | 25.0    |
| No.....   | 43              | 58.9    | 22                        | 68.7    |
| Do Not Know.....  | 2               | 2.7     | 2                         | 6.3     |
| Total   | 73 <sup>b</sup> | 100.0   | 32                        | 100.0   |
| Federal Government  |                 |         |                           |         |
| Yes.....  | 22              | 31.0    | 10                        | 31.2    |
| No.....   | 47              | 66.2    | 20                        | 62.5    |
| Do Not Know.....  | 2               | 2.8     | 2                         | 6.3     |
| Total   | 71 <sup>c</sup> | 100.0   | 32                        | 100.0   |
| <b>Interested in More Information on Government Contracts</b> |                 |         |                           |         |
| Yes.....  | 21              | 28.0    | 11                        | 32.4    |
| No.....   | 54              | 72.0    | 23                        | 67.6    |
| Total   | 75              | 100.0   | 34                        | 100.0   |
| <b>Product Exporting</b>                                      |                 |         |                           |         |
| Outside the United States                                     |                 |         |                           |         |
| Yes.....  | 16              | 21.6    | 12                        | 36.4    |
| No.....   | 58              | 78.4    | 21                        | 63.6    |
| Total   | 74 <sup>a</sup> | 100.0   | 33                        | 100.0   |
| <b>Interested in More Information on Product Exporting</b>    |                 |         |                           |         |
| Yes.....  | 14              | 18.7    | 12                        | 35.3    |
| No.....   | 61              | 81.3    | 22                        | 64.7    |
| Total   | 75              | 100.0   | 34                        | 100.0   |

<sup>a</sup>No response: 1.    <sup>b</sup>No response: 2.    <sup>c</sup>No response: 4.

Source: SEWRPC.

As indicated in Table A-13, 48 respondents, or 65 percent of all respondents and 19 manufacturing respondents, or 58 percent of all manufacturing respondents, indicated that their firm had undergone an expansion during the 1979 to 1984 time period. This is encouraging for two reasons. First, the State of Wisconsin, as well as the nation, was experiencing an economic recession during this time period. The ability of 65 percent of the respondent firms to expand during this time period indicates the strength of the Elkhorn economy even during periods of national economic downturn. Second, as indicated in Table A-13, 95 percent of the expansions that occurred during this time period occurred within the City of Elkhorn. The willingness of firms to expand within the City is an indication that the City is a good location for existing business. However, three firms did expand outside Elkhorn. When asked why they chose to expand their business outside Elkhorn, the respondents indicated that the primary reason was the proximity to product markets.

In planning for future land use and labor force needs in the community, it is helpful to be aware of the historical and planned firm expansions by the amount of square footage of the expansion and the number of new employees. Table A-14 shows the additional amount of square footage and number of new employees that resulted from respondent firm expansions during the 1979 to 1984 time period. As indicated in Table A-14, there were a total of 48 expansions involving additional square footage during this time period. These expansions resulted in a total addition of 471,000 square feet, or an average expansion of about 9,812 square feet. Twenty-two manufacturing respondents increased their square footage during this time period, resulting in a total expansion of 353,700 square feet, or an average expansion of 16,077 square feet. A total of 46 respondents indicated that their expansion resulted in an increase in employment. The total employment increase was 585 employees, or an average of 13 employees per expansion. Fifteen manufacturing respondents indicated that their expansions during the five-year time period resulted in the hiring of 283 new employees. Specifically, these expansions resulted in the addition of 283 employees, or an average of 19 employees per expansion.

#### Future Expansions and Anticipated Expansion Problems

Table A-15 shows the number of survey respondents that indicated their intention to expand during the 1984 to 1989 time period; the amount of square footage of the anticipated expansions; and the total number of new employees expected to be hired as a result of the expansions. As indicated in the table, a total of 28 respondents indicated that they plan to expand during the next five years, with 18 respondents planning on adding square footage that combined would total about 201,600 square feet, or an average expansion of 11,200 square feet. The total amount of additional square footage that is planned by these respondents is less than the amount of square footage that resulted from the expansions of the last five years. Twenty-one of the expansions, when combined, are expected to result in 298 new jobs, or an average of 14 jobs per expansion. These data are somewhat misleading, however, since one manufacturing firm intends to add 120 jobs. Table A-15 also indicates that 10 of the 14 manufacturing respondents who are planning expansion projects during the next five years plan to add a combined total of 159,700 square feet of manufacturing floor area, or an average of 15,970 square feet per expansion. The amount of square footage to be added by the manufacturing respondents in the future is also less than the amount that was added during the 1979 to 1984 time period. In addition, 10 manufacturers are planning expansions that will result in 246 new jobs, or an average of 25 new jobs per firm. Again, however, one manufacturing firm plans to add 120 jobs.

Table A-13

NUMBER AND LOCATION OF FIRM EXPANSIONS DURING THE LAST FIVE YEARS

| Category                       | Expansions                      |         |        |         |                     |         |                        |         |                         |         |                     |         |
|--------------------------------|---------------------------------|---------|--------|---------|---------------------|---------|------------------------|---------|-------------------------|---------|---------------------|---------|
|                                | Expanded During Last Five Years |         |        |         |                     |         | Location of Expansions |         |                         |         |                     |         |
|                                | Yes                             |         | No     |         | Total               |         | City of Elkhorn        |         | Outside City of Elkhorn |         | Total               |         |
|                                | Number                          | Percent | Number | Percent | Number <sup>a</sup> | Percent | Number                 | Percent | Number                  | Percent | Number <sup>b</sup> | Percent |
| All Respondents..              | 48                              | 64.9    | 26     | 35.1    | 74                  | 100.0   | 60                     | 95.2    | 3                       | 4.8     | 63                  | 100.0   |
| Manufacturing Respondents..... | 19                              | 57.6    | 14     | 42.4    | 33                  | 100.0   | 23                     | 92.0    | 2                       | 8.0     | 25                  | 100.0   |

<sup>a</sup>No response: 1.

<sup>b</sup>The location of expansion total is greater than that for the total number of firms expanding during the last five years due to multiple expansions by a single firm.

Source: SEWRPC.

Table A-14

SQUARE FOOTAGE AND EMPLOYMENT ADDED DUE TO FIRMS' EXPANSIONS DURING THE 1979 TO 1984 TIME PERIOD IN THE CITY OF ELKHORN

| Respondent                   | Expansion Data  |         |         |                 |       |         |                  |         |         |            |       |         |
|------------------------------|-----------------|---------|---------|-----------------|-------|---------|------------------|---------|---------|------------|-------|---------|
|                              | First Expansion |         |         |                 |       |         | Second Expansion |         |         |            |       |         |
|                              | Square Footage  |         |         | Employment      |       |         | Square Footage   |         |         | Employment |       |         |
|                              | Firms           | Total   | Average | Firms           | Total | Average | Firms            | Total   | Average | Firms      | Total | Average |
| All Respondents...           | 34 <sup>a</sup> | 325,800 | 9,582   | 29 <sup>b</sup> | 285   | 10      | 11               | 102,800 | 9,345   | 12         | 263   | 22      |
| Manufacturing Respondents... | 15              | 262,800 | 17,520  | 10              | 138   | 14      | 6                | 56,900  | 9,483   | 4          | 125   | 31      |

| Respondent                   | Expansion Data  |        |         |            |       |         |                      |         |         |            |       |         |
|------------------------------|-----------------|--------|---------|------------|-------|---------|----------------------|---------|---------|------------|-------|---------|
|                              | Third Expansion |        |         |            |       |         | Total All Expansions |         |         |            |       |         |
|                              | Square Footage  |        |         | Employment |       |         | Square Footage       |         |         | Employment |       |         |
|                              | Firms           | Total  | Average | Firms      | Total | Average | Firms                | Total   | Average | Firms      | Total | Average |
| All Respondents...           | 3               | 42,400 | 14,133  | 5          | 37    | 7       | 48                   | 471,000 | 9,812   | 46         | 585   | 13      |
| Manufacturing Respondents... | 1               | 34,000 | 34,000  | 1          | 20    | 20      | 22                   | 353,700 | 16,077  | 15         | 283   | 19      |

<sup>a</sup>Thirty-four represents the number of firms that have increased their amount of square footage.

<sup>b</sup>Twenty-nine represents the number of firms that have increased their employment.

Source: SEWRPC

The expansion of existing business is vital to any community's economic viability. Consequently, a local economic development program should be particularly concerned with the retention of existing firms that are planning expansions. As indicated in Table A-16, a high percentage of the planned expansions of all respondents, 90 percent, and of manufacturing respondents, 88 percent, are proposed to take place in the City of Elkhorn. Three respondents, two of whom were manufacturing respondents, indicated that the planned expansions were to take place outside the City. When asked why the proposed expansions were to take place outside the City of Elkhorn, two respondents indicated that there was no local market for their product, and one respondent indicated that the location of the original business site was outside the City of Elkhorn.

Finally, respondents who indicated that they would be expanding in the City were asked if they anticipated a problem in locating a site for their expansion in the City. Of the 27 respondents indicating that the planned expansion would take place in the City, four indicated five factors as possible problems in expanding their firms in the City: acquiring available land was indicated by two respondents; obtaining funding was indicated by one respondent; hiring qualified people was indicated by one respondent; obtaining appropriate zoning of the available land was indicated by one respondent; and site location in the industrial park was indicated by one respondent.

#### Relocation of Existing Firms

In addition to determining the location of future expansions, and identifying any problems attendant to the expansions, the survey questionnaire asked about plans to move all or part of the firm's operations from the present location to a location outside the City of Elkhorn. Table A-17 indicates that a total of three respondents, all of whom were manufacturing firms, indicated that they have plans to move all or part of their firm's operations outside the City of Elkhorn. While these respondents were given an opportunity to indicate the reason for the planned move, only one respondent indicated a reason--a lack of adequate transportation services.

#### Solicitation of Existing Firms Regarding Relocation to Other States

The respondents were asked if they have been contacted by persons outside the State of Wisconsin regarding any interest in moving their firm to a new location. Eight respondents indicated that they had been contacted, with a number of the respondents having been contacted by more than one state. Table A-18 shows that persons from 12 different states contacted these eight firms regarding relocation to their respective states.

#### Relocation of Product Suppliers and Customers

One means of attracting new employers to a community is to determine the interest in relocation of firms that are currently located outside the community and supplying products to firms located in the Community. In order to determine the interest of product suppliers in moving to the City of Elkhorn, survey respondents were asked whether any of the businesses supplying products to the firm expressed an interest in relocating to the Elkhorn area, or opening a branch location in the Elkhorn area. As shown in Table A-19, 97 percent of the respondents indicated that product suppliers were not interested in the City as a future location. Only two respondents, or about 3 percent of the total number of respondents to this question, indicated that product suppliers had indicated an interest in the City as a future location.



Table A-15

PLANNED FIRM EXPANSIONS BY SURVEY RESPONDENTS DURING THE 1984 TO 1989 TIME PERIOD

| Respondent<br>Category            | Planned Expansions |         |        |         |                 |         |             |                     | Number of<br>Employees |                 |
|-----------------------------------|--------------------|---------|--------|---------|-----------------|---------|-------------|---------------------|------------------------|-----------------|
|                                   | Yes                |         | No     |         | Total           |         | Square Feet |                     |                        |                 |
|                                   | Number             | Percent | Number | Percent | Number          | Percent | Total       | Average             | Total                  | Average         |
| All Respondents..                 | 28                 | 39.4    | 43     | 60.6    | 71 <sup>a</sup> | 100.0   | 201,600     | 11,200 <sup>b</sup> | 298                    | 14 <sup>c</sup> |
| Manufacturing<br>Respondents..... | 14                 | 45.2    | 17     | 54.8    | 31              | 100.0   | 159,700     | 15,970 <sup>d</sup> | 246                    | 25 <sup>e</sup> |

<sup>a</sup>No response: 4.

<sup>b</sup>Average is for the 18 firms which will add square footage.

<sup>c</sup>Average is for the 21 firms which will add employees.

<sup>d</sup>Average is for the 10 firms which will add square footage.

<sup>e</sup>Average is for the 10 firms which will add employees. The data are somewhat misleading, however, since one of the firms plans to add 120 employees.

Source: SEWRPC.

Table A-16

LOCATION OF PLANNED EXPANSIONS AND ANTICIPATED PROBLEMS  
IN LOCATING A SITE FOR THE EXPANSION IN THE CITY OF ELKHORN

| Respondent<br>Category          | Planned Expansions                   |         |        |         |                 |         |   |         |        |         |                 |         |
|---------------------------------|--------------------------------------|---------|--------|---------|-----------------|---------|---|---------|--------|---------|-----------------|---------|
|                                 | Expansion Will Take Place in Elkhorn |         |        |         |                 |         | Problems in Locating a Site for<br>Expansion in the City of Elkhorn |         |        |         |                 |         |
|                                 | Yes                                  | No      | Total  | Yes     | No              | Total   | Yes   | No      | Total  | Yes     | No              | Total   |
|                                 | Number                               | Percent | Number | Percent | Number          | Percent | Number  | Percent | Number | Percent | Number          | Percent |
| All<br>Respondents...           | 27                                   | 90.0    | 3      | 10.0    | 30 <sup>a</sup> | 100.0   | 4   | 13.8    | 25     | 86.2    | 29 <sup>b</sup> | 100.0   |
| Manufacturing<br>Respondents... | 14                                   | 87.5    | 2      | 12.5    | 16              | 100.0   | 2   | 12.5    | 14     | 87.5    | 16              | 100.0   |

<sup>a</sup>No response: 45.

<sup>b</sup>No response: 46.

Source: SEWRPC

Table A-17

EXISTING FIRMS THAT ARE PLANNING TO MOVE ALL OR  
PART OF THEIR OPERATIONS OUTSIDE THE CITY OF ELKHORN

| Respondent<br>Category            | Survey Responses            |         |                                 |         |        |         |
|-----------------------------------|-----------------------------|---------|---------------------------------|---------|--------|---------|
|                                   | Firms With Plans<br>to Move |         | Firms Not Planning<br>on Moving |         | Total  |         |
|                                   | Number                      | Percent | Number                          | Percent | Number | Percent |
| All<br>Respondents.....           | 3                           | 4.0     | 72                              | 96.0    | 75     | 100.0   |
| Manufacturing<br>Respondents..... | 3                           | 8.8     | 31                              | 91.2    | 34     | 100.0   |

Source: SEWRPC

Table A-18

WHAT STATES HAVE CONTACTED YOU?

| Responses           | Respondents |         |               |         |
|---------------------|-------------|---------|---------------|---------|
|                     | All         | Percent | Manufacturing | Percent |
| Colorado.....       | 1           | 6.6     | --            | --      |
| Florida.....        | 2           | 13.3    | 2             | 16.7    |
| Illinois.....       | 2           | 13.3    | 2             | 16.7    |
| Indiana.....        | 1           | 6.7     | 1             | 8.3     |
| Oregon.....         | 1           | 6.7     | --            | --      |
| Texas.....          | 1           | 6.7     | 1             | 8.3     |
| Washington.....     | 1           | 6.7     | 1             | 8.3     |
| Wyoming.....        | 1           | 6.7     | --            | --      |
| North Carolina..... | 1           | 6.7     | 1             | 8.3     |
| Missouri.....       | 1           | 6.7     | 1             | 8.3     |
| Tennessee.....      | 2           | 13.3    | 2             | 16.7    |
| Kentucky.....       | 1           | 6.6     | 1             | 8.4     |
| Total <sup>a</sup>  | 15          | 100.0   | 12            | 100.0   |

<sup>a</sup> Some firms were contacted by more than one state.

Source: SEWRPC.

When asked whether any of the businesses that the respondents supplied products to had expressed an interest in relocating to the Elkhorn area or opening a branch location in Elkhorn, five respondents, or 7 percent, indicated that their customers were indeed interested in moving to the City. While a total of only seven respondents, or 9 percent of all respondents, indicated that either product suppliers or customers were interested in moving to the City, the relocation of these suppliers or customers to the City could provide for an increase in local employment opportunities.

#### Future Business Outlook

The survey questionnaire attempted to gain information regarding the respondent's perception of the overall business outlook for their firms. As indicated in Table A-20, 56 respondents, or about 75 percent of all respondents, indicated a good or a very good outlook. About 16 respondents, or about 21 percent of all respondents, indicated that their future business outlook was average, with only two respondents, or about 3 percent of all respondents, indicating that business conditions were expected to be unfavorable in the future.

A local economic development program should seek to eliminate, to the extent possible, the factors that have a negative impact on the growth of local business firms. In order to identify these negative factors, the retention survey asked what three factors were having the greatest negative impact on the future development of the firm. Table A-21 indicates that the two factors considered to have the greatest negative impact on respondent firms' future development are: 1) high interest rates, indicated by 22 percent of the respondents; and 2) poor market conditions/the general economy, indicated by 20 percent of the respondents. Other negative factors indicated were domestic competition, state and federal regulatory constraints, and energy costs.

#### LABOR FORCE

The quality and size of a community's labor force are important factors influencing the economic development of an area in that productive labor is one of the important factors considered in the locational decisions of businesses and industries. Accordingly, the survey questionnaire sought information from the survey respondents with regard to: 1) the existing and potential skill level of the firm's workers; 2) worker problems; 3) the sources utilized for filling job vacancies; and 4) respondents' opinions of public employment training programs.

#### Skill Level

The skill level of existing jobs provided by the respondents and the skill level of new jobs that may be created during the next five-year period are shown in Table A-22. As indicated in the table, the skill level of existing jobs provided by all respondents is concentrated in the medium-skill category with 41 percent of all jobs, and in the high-skill category, with 40 percent of all jobs. Low-skill jobs make up the remaining 19 percent of the jobs. The existing jobs provided by manufacturing firms are of a somewhat lower skill level, with 29 percent of the existing manufacturing jobs described as low skill, 36 percent as medium skill, and 34 percent as high skill.

A total of 54 respondents, or about 72 percent, anticipate creating new jobs and hiring additional workers during the next five-year period. Table A-22

Table A-19

SURVEY RESPONDENTS WHOSE PRODUCT SUPPLIERS OR  
CUSTOMERS HAVE INDICATED AN INTEREST IN RELOCATING  
IN ELKHORN OR OPENING A BRANCH LOCATION IN ELKHORN

| Respondent<br>Category  | Product Suppliers Indicating<br>an Interest in Moving to Elkhorn |         |        |         |                 |         |
|-------------------------|--|---------|--------|---------|-----------------|---------|
|                         | Yes  |         | No     |         | Total           |         |
|                         | Number   | Percent | Number | Percent | Number          | Percent |
| All<br>Respondents..... | 2  | 2.7     | 72     | 97.3    | 74 <sup>a</sup> | 100.0   |

| Respondent<br>Category  | Customers Indicating an<br>Interest in Moving to Elkhorn |         |        |         |                 |         |
|-------------------------|--|---------|--------|---------|-----------------|---------|
|                         | Yes  |         | No     |         | Total           |         |
|                         | Number   | Percent | Number | Percent | Number          | Percent |
| All<br>Respondents..... | 5  | 6.8     | 69     | 93.2    | 74 <sup>a</sup> | 100.0   |

<sup>a</sup>No response: 1.

Source: SEWRPC.

Table A-20

SURVEY RESPONDENTS' OUTLOOK ON FUTURE BUSINESS

| Future<br>Business Outlook | Responses       |         |
|----------------------------|-----------------|---------|
|                            | All Respondents |         |
|                            | Number          | Percent |
| Very Good .....            | 33              | 44.0    |
| Good .....                 | 23              | 30.7    |
| Average .....              | 16              | 21.3    |
| Unfavorable .....          | 2               | 2.7     |
| No Response.....           | 1               | 1.3     |
| Total                      | 75              | 100.0   |

Source: SEWRPC

Table A-21

FACTORS HAVING THE GREATEST NEGATIVE  
IMPACT ON THE FIRM'S FUTURE DEVELOPMENT

| Negative Factors                  | All Respondents <sup>a</sup> |         |
|-----------------------------------|------------------------------|---------|
|                                   | Number                       | Percent |
| Foreign Imports.....              | 8                            | 3.6     |
| Domestic Competition.....         | 19                           | 8.6     |
| State Regulatory Constraints..... | 17                           | 7.7     |
| Federal Regulatory Constraints... | 19                           | 8.6     |
| Energy Costs.....                 | 16                           | 7.2     |
| Material Shortages.....           | 4                            | 1.8     |
| Labor Quality.....                | 5                            | 2.3     |
| Labor Cost.....                   | 10                           | 4.5     |
| Lack of Union Cooperation.....    | 1                            | 0.5     |
| Antiquated Machinery.....         | 4                            | 1.8     |
| Insufficient Space.....           | 7                            | 3.2     |
| Inadequate Building.....          | 4                            | 1.8     |
| Transportation Problems.....      | 3                            | 1.3     |
| Interest Rates.....               | 48                           | 21.7    |
| Market Conditions/Economy.....    | 45                           | 20.4    |
| Other.....                        | 11                           | 5.0     |
| Total                             | 221                          | 100.0   |

<sup>a</sup> Respondents were asked to indicate more than one negative factor.

Source: SEWRPC

Table A-22

PERCENTAGE DISTRIBUTION OF EXISTING AND NEW JOBS BY SKILL LEVEL

| Skill Level<br>of Jobs | Existing Jobs                   |                              | New Jobs           |                              |
|------------------------|---------------------------------|------------------------------|--------------------|------------------------------|
|                        | All<br>Respondents <sup>a</sup> | Manufacturing<br>Respondents | All<br>Respondents | Manufacturing<br>Respondents |
| Low Skill.....         | 19.4                            | 29.2                         | 24.0               | 35.4                         |
| Medium Skill....       | 40.6                            | 36.5                         | 35.8               | 34.7                         |
| High Skill.....        | 40.0                            | 34.3                         | 40.2               | 29.9                         |
| Total                  | 100.0                           | 100.0                        | 100.0              | 100.0                        |

<sup>a</sup> No response: 1.

Source: SEWRPC

shows that the skill level of new jobs that are expected to be created during the 1984 to 1989 time period is similar to the skill level of existing jobs. As indicated in Table A-22, the respondents who plan to add jobs to their work force indicated that 24 percent of the new jobs will be low skill, with 36 percent medium skill, and 40 percent high skill. The manufacturing respondents who expected to hire new employees during the next five years indicated that 35 percent of the new jobs would be of a low skill, with 35 percent medium skill, and 30 percent high skill.

#### Employee Problems

The quality of a community's labor force can be measured, to a degree, by the labor problems a firm encounters that are a result of employee turnover, absenteeism, lack of basic skills, and abuse of drugs, including alcohol. Table A-23 shows the degree to which these labor problems have been identified by the respondents in Elkhorn. As indicated in Table A-23, only 4 percent of all responses indicated any significant problems with their employees, with about 15 percent of all responses indicating a minor problem with employees. Of the employee problems indicated, the largest percentage of responses dealt with problems of employee turnover, 33 percent; and employee absenteeism and employee lack of basic skills, 27 percent each. The employee problems that were identified should be of particular concern to the local school system and employment training organizations, as well as other local organizations concerned with the quality of the Elkhorn labor force. It is important to note that about 81 percent of all responses indicated no employee problems at all of the type indicated above.

#### Advertising Job Vacancies

Information on the methods used by employers to fill job vacancies is useful to persons who are currently unemployed, as well as to the local school system, employment training organizations and other organizations that assist new entrants to the labor force and unemployed persons in locating employment opportunities. The respondents to the survey indicated that, in most cases, job vacancies were filled through traditional methods. As indicated in Table A-24, of the total respondents, 45 percent used "word-of-mouth" and "walk-ins" as their primary source to fill job vacancies, with about 31 percent using primarily newspaper advertisements.

#### Public Employment Training Organizations

Table A-25 illustrates that, in most cases, businesses are not utilizing the employment training services provided by public employment training organizations. Of the employment organizations indicated in Table A-25, the Gateway Technical Institute is utilized most often, with 45 percent of the respondents indicating that they had used the service. Importantly, the Southeast Wisconsin Private Industry Council is utilized by only nine, or 13 percent, of all of the survey respondents, with seven of the respondents indicating that the Council's services were average and two indicating the services were very good. The Job Training Partnership Act (JTPA), administered by the Council represents the federal government's major public employment training program. In fiscal year 1984, the Council received approximately \$469,737 to operate employment training programs in Walworth County. Given the fact that both employers and the City's labor force could benefit from the existing employment services provided by the JTPA programs, an effort should be made by local employers to promote the use of this program.

Table A-23

LABOR PROBLEMS ENCOUNTERED BY FIRMS

| Problem                                       | Large Problem |         | Small Problem |         | No Problem |         |
|---|---------------|---------|---------------|---------|------------|---------|
|   | Number        | Percent | Number        | Percent | Number     | Percent |
| Employee Turnover.....                        | 5             | 6.6     | 20            | 26.7    | 50         | 66.7    |
| Employee Absenteeism..                        | 4             | 5.3     | 16            | 21.3    | 55         | 73.4    |
| Employee Lack<br>of Basic Skills.....         | 4             | 5.3     | 16            | 21.3    | 55         | 73.4    |
| Employee Use of<br>Drugs/Alcohol.....         | 2             | 2.7     | 10            | 13.3    | 63         | 84.0    |
| Union/Labor<br>Cooperation <sup>a</sup> ..... | 2             | 2.7     | 4             | 5.4     | 68         | 91.9    |
| Other.....                                    | 1             | 1.3     | --            | --      | 74         | 98.7    |
| Total   | 18            | 4.0     | 66            | 14.7    | 365        | 81.3    |

<sup>a</sup>No response: 1.

Source: SEWRPC.

Table A-24

PRIMARY SOURCE USED TO FILL JOB VACANCIES

| Source  | Primary |         | Secondary |         | Not Used |         | Total |
|---|---------|---------|-----------|---------|----------|---------|-------|
|   | Number  | Percent | Number    | Percent | Number   | Percent |       |
| Word of Mouth/Walk-Ins.....   | 47      | 45.2    | 23        | 16.9    | 5        | 1.8     | 75    |
| Newspaper Advertisement.....  | 32      | 30.8    | 21        | 15.4    | 22       | 8.1     | 75    |
| Private Employment Service <sup>a</sup> ...                           | 3       | 2.9     | 14        | 10.3    | 56       | 20.5    | 73    |
| Wisconsin Job Service <sup>a</sup> .....                              | 8       | 7.7     | 25        | 18.4    | 40       | 14.7    | 73    |
| Gateway Technical Institute ..  | 10      | 9.6     | 23        | 16.9    | 40       | 14.7    | 73    |
| Comprehensive Employment <sup>b</sup><br>and Training Act (CETA) .... | 1       | 0.9     | 13        | 9.6     | 57       | 20.8    | 71    |
| Southeastern Wisconsin<br>Private Industry Council <sup>a</sup> ...   | 3       | 2.9     | 17        | 12.5    | 53       | 19.4    | 73    |
| Total   | 104     | 100.0   | 136       | 100.0   | 273      | 100.0   | 513   |

<sup>a</sup>No responses: 2.

<sup>b</sup>No responses: 4.

Source: SEWRPC.

#### Worker Availability by Occupation

The survey respondents were asked if their firm had any problems in the availability of workers in specific occupations. As indicated in Table A-26, 24 percent of the respondents indicated they had had a problem obtaining workers in the skilled trades, and about 15 percent indicated they had had a problem finding technical, professional workers. In addition, about 13 percent of the respondents indicated that they had a problem obtaining semi-skilled workers.

#### Labor Force Factors That Cause Business Problems

When asked what labor force factors cause a problem for their firm's operation, 53 percent of all those responding to the question indicated that the cost of unemployment compensation insurance was a problem, 40 percent indicated the cost of fringe benefits was a problem, and 26 percent indicated that high wage rates were a problem in operating their business. In addition, about 18 percent of the survey respondents indicated that low labor productivity was a problem for their firm (see Table A-27).

### ASSESSMENT OF GOVERNMENT SERVICES AND REGULATIONS

Local governments provide a variety of services to business and industry, ranging from the provision of essential utilities--such as public water supply and sanitary sewer services--to police and fire protection. In addition, the local, state, and federal governments regulate the operation of business firms in many ways. The quality and cost of public utilities and similar government services provided to local business firms by local government are often directly related to the overall quality and cost of the product or service provided to the general public by the business firm. The regulatory practices of local, state, and federal governments also often affect the quality and cost of the goods and services produced by the business firm. Both private business and local governments are increasingly recognizing that a harmonious relationship between these two groups is necessary in order to help ensure the viability of local economies. Consequently, an economic development program in the City of Elkhorn should include activities that help to foster a harmonious public-private sector relationship. The Elkhorn retention survey included a number of questions designed to assess the quality of government services and regulations, the results of which are reviewed below.

#### Government Services, Regulations, and Public Utilities

The survey asked respondents whether any government services, public utilities, or government regulations had resulted in a problem for the respondent's business operations in the City of Elkhorn. Table A-28 summarizes the responses to this question. As indicated in Table A-28, in most cases government facilities, services, and regulations were not cited as a major problem for the survey respondents, nor were the facilities and services of public utilities. However, 14 of the respondents, or about 19 percent, did indicate that zoning regulations were a problem, and 13 respondents, or 18 percent, indicated that telephone service was a problem. Other problems experienced by the respondents included: 1) solid waste disposal, 8 responses, or 11 percent; 2) electric power service, 7 responses, or 10 percent; and 3) street maintenance and repair, 5 responses, or 7 percent. Although government services, regulations, and public utilities were not viewed as a major problem by the majority of the survey respondents, a local economic development program in the City should investigate the problems that were indicated by businesses,



Table A-25

USE AND OPINION OF SERVICES PROVIDED BY PUBLIC EMPLOYMENT TRAINING ORGANIZATIONS

| Response Category   | Very Good |         | Good   |         | Average |         | Unfavorable |         | Very Unfavorable |         | Not Utilized |         | Total  |         | Total           |         |
|---|-----------|---------|--------|---------|---------|---------|-------------|---------|------------------|---------|--------------|---------|--------|---------|-----------------|---------|
|   | Number    | Percent | Number | Percent | Number  | Percent | Number      | Percent | Number           | Percent | Number       | Percent | Number | Percent | Number          | Percent |
| UW-Whitewater <sup>a</sup> .....  | 5         | 7.1     | 5      | 7.1     | 2       | 2.8     | --          | --      | --               | --      | 59           | 83.0    | 71     | 100     | 75 <sup>a</sup> | 100.0   |
| Comprehensive Employment and Training Act (CETA) Program <sup>b</sup> ..... | 1         | 1.4     | --     | --      | 2       | 2.9     | --          | --      | 1                | 1.4     | 66           | 94.3    | 70     | 100     | 75 <sup>b</sup> | 100.0   |
| Private Industry Council (PIC) Program <sup>a</sup> .....                   | 2         | 2.8     | --     | --      | 7       | 9.9     | --          | --      | --               | --      | 62           | 87.3    | 71     | 100     | 75 <sup>a</sup> | 100.0   |
| Wisconsin Job Service <sup>d</sup> .....                                    | 1         | 1.4     | 3      | 4.2     | 4       | 5.6     | 1           | 1.4     | 4                | 5.6     | 59           | 81.8    | 72     | 100     | 75 <sup>c</sup> | 100.0   |
| Gateway Technical Institute <sup>d</sup> ..                                 | 12        | 16.4    | 8      | 11.0    | 9       | 12.3    | 3           | 4.1     | 1                | 1.4     | 40           | 54.8    | 73     | 100     | 75 <sup>d</sup> | 100.0   |
| Walworth County High Schools.....   | 7         | 9.9     | 14     | 19.7    | 4       | 5.6     | --          | --      | --               | --      | 46           | 64.8    | 71     | 100     | 75 <sup>a</sup> | 100.0   |

<sup>a</sup>No response: 4.

<sup>b</sup>No response: 5.

<sup>c</sup>No response: 3.

<sup>d</sup>No response: 2.

Source: SEWRPC.

Table A-26

PROBLEMS IN AVAILABILITY OF WORKERS IN THESE OCCUPATIONS

| Occupations                   | All Respondents |         |               |         |       |         |
|-------------------------------|-----------------|---------|---------------|---------|-------|---------|
|                               | Problem         |         | Not A Problem |         | Total |         |
|                               | Problem         | Percent | Problem       | Percent | Total | Percent |
| Managerial/Administrative.... | 5               | 6.7     | 70            | 93.3    | 75    | 100.0   |
| Line Supervisors.....         | 3               | 4.1     | 70            | 95.9    | 73    | 100.0   |
| Technical/Professional.....   | 11              | 14.9    | 63            | 85.1    | 74    | 100.0   |
| Skilled Trades Labor.....     | 18              | 24.3    | 56            | 75.7    | 74    | 100.0   |
| Semi-Skilled Labor.....       | 10              | 13.5    | 64            | 86.5    | 74    | 100.0   |
| Unskilled Labor.....          | 3               | 4.1     | 71            | 95.9    | 74    | 100.0   |
| Clerical Labor.....           | 2               | 2.7     | 71            | 97.3    | 73    | 100.0   |
| Seasonal Labor.....           | 3               | 4.1     | 70            | 95.9    | 73    | 100.0   |

Source: SEWRPC.

Table A-27

LABOR FORCE FACTORS THAT CAUSE A PROBLEM

| Factors  | All Respondents |         |               |         |        |         |
|--|-----------------|---------|---------------|---------|--------|---------|
|  | Problem         |         | Not A Problem |         | Total  |         |
|  | Number          | Percent | Number        | Percent | Number | Percent |
| High Wage Rates <sup>a</sup> .....                             | 19              | 25.7    | 55            | 74.3    | 74     | 100.0   |
| Cost of Fringe Benefits.....                                   | 30              | 40.0    | 45            | 60.0    | 75     | 100.0   |
| Cost of Unemployment Compensation Insurance <sup>a</sup> ..... | 39              | 52.7    | 35            | 47.3    | 74     | 100.0   |
| Employee Willingness <sup>b</sup> to Work Various Shifts ..... | 7               | 9.7     | 65            | 90.3    | 72     | 100.0   |
| Cost of Overtime Compensation <sup>b</sup> .....               | 9               | 12.5    | 63            | 87.5    | 72     | 100.0   |
| Low Labor Productivity <sup>b</sup> ....                       | 13              | 18.1    | 59            | 81.9    | 72     | 100.0   |
| Number of Worker Accidents <sup>b</sup> ..                     | 5               | 6.9     | 67            | 93.1    | 72     | 100.0   |
| Strikes or Work Stoppages ...                                  | 4               | 5.6     | 68            | 94.4    | 72     | 100.0   |

<sup>a</sup>No response: 1.

<sup>b</sup>No response: 3.

Source: SEWRPC.

Table A-28

PROBLEMS WITH GOVERNMENT SERVICES, REGULATION, OR PUBLIC UTILITIES

| Response Category               | Responses                      |         |        |         |                 |       |
|---------------------------------|--------------------------------|---------|--------|---------|-----------------|-------|
|                                 | Results in A Problem Situation |         |        |         |                 | Total |
|                                 | Yes                            |         | No     |         | Total           |       |
|                                 | Number                         | Percent | Number | Percent |                 |       |
| Water Service.....              | 4                              | 5.6     | 68     | 94.4    | 72 <sup>a</sup> | 100   |
| Sanitary Sewer Services.....    | 4                              | 5.6     | 68     | 94.4    | 72 <sup>a</sup> | 100   |
| Solid Waste Disposal.....       | 8                              | 11.0    | 65     | 89.0    | 73 <sup>b</sup> | 100   |
| Telephone Service.....          | 13                             | 18.1    | 59     | 81.9    | 72 <sup>a</sup> | 100   |
| Gas Service.....                | 4                              | 5.5     | 69     | 94.5    | 73 <sup>b</sup> | 100   |
| Electric Service.....           | 7                              | 9.6     | 66     | 90.4    | 73 <sup>b</sup> | 100   |
| Police Protection.....          | 3                              | 4.2     | 69     | 95.8    | 72 <sup>a</sup> | 100   |
| Fire Protection.....            | 1                              | 1.4     | 71     | 98.6    | 72 <sup>a</sup> | 100   |
| Street Maintenance and Repair.. | 5                              | 6.9     | 67     | 93.1    | 72 <sup>a</sup> | 100   |
| Air Pollution Standards.....    | 2                              | 2.7     | 71     | 97.3    | 73 <sup>b</sup> | 100   |
| Building Codes.....             | 4                              | 5.6     | 68     | 94.4    | 72 <sup>a</sup> | 100   |
| Zoning Regulations.....         | 14                             | 19.4    | 58     | 80.6    | 72 <sup>a</sup> | 100   |

<sup>a</sup>No response: 3.

<sup>b</sup>No response: 2

Source: SEWRPC.

especially regarding zoning regulations and telephone service, in order to avoid any one issue causing the relocation of a business outside the City.

#### Transportation Services

Business firms are, in most cases, very dependent on the quality of available transportation facilities and services to transport primary materials and component products. Respondents were asked about the means of transportation used to transport primary materials, components, items for resale, and finished products, and the adequacy of these transportation facilities and service. As indicated in Table A-29, the respondents in the City were predominantly dependent upon motor trucks and highway facilities for the transport of primary materials and finished products. When transporting primary materials, components, or items for resale, a total of 55 respondents, or 98 percent, indicated that they utilized the highway transport mode, with fifty-one of these respondents, or 91 percent, indicating that such transport facility services were either good or excellent. A total of 31 respondents, or 84 percent, used a delivery service such as UPS and the U. S. mail to transport primary materials, with 27 respondents, or 73 percent of the users, indicating that such service was either good or excellent.

When respondents were questioned why they may have rated any of the transport services as fair or poor, respondents indicated that they had had problems in the following areas: Four respondents indicated that the trucking service was unreliable and that their goods had been damaged; three respondents indicated that mail or delivery service was not available; three respondents indicated they had experienced problems with the costs and lead times of rail service; two respondents indicated that mail service had been delayed; and one respondent had experienced a delay in truck delivery service.

As further indicated in Table A-29, 38 respondents, or 97 percent, indicated that they utilized the highway transport mode to transport finished products, with 36 respondents, or about 92 percent, indicating that such transport facilities and services were either good or excellent. A total of 24 respondents, or 83 percent, used a delivery service such as UPS and the U. S. mail to transport finished products, with 18 respondents, or 62 percent, indicating that such service was either good or excellent.

Again when respondents were asked to indicate any problems they had experienced in transporting their finished products, five problem areas were mentioned. Three respondents indicated that trucking services had been unreliable and that their products had been damaged; three respondents indicated that there had been a delay in mail service; two respondents indicated that mail or delivery service was not available to them; one respondent indicated that escalating UPS costs had been a problem; and one respondent stated that the handling quality of UPS was poor.

#### Economic Development Programs, Agencies, and Committees

At the present time, a number of economic development organizations are working to improve the economy in the City of Elkhorn. These organizations are familiar with a number of local, state, and federal community development programs that can be utilized by the City, as well as by private business, to help improve local economic conditions. The extent to which local businesses are aware of these organizations and programs will have an impact on the implementation of a local economic development program.

Respondents to the survey were asked whether they were familiar with certain economic development programs or agencies. As indicated in Table A-30, respondents were most familiar with the Elkhorn Chamber of Commerce, 95 percent of all respondents; and the Elkhorn Development Corporation, 85 percent of all respondents. Respondents were the least familiar with the University of Wisconsin-Small Business Development Center, 37 percent of all respondents; and the Wisconsin Department of Development, 35 percent of all respondents. A local economic development program in the City may choose to contact the organizations and agencies indicated in Table A-30 in order to discuss the familiarity of the respondents with the respective programs and agencies. In addition, the persons responsible for the operation of the local economic development program should assess the importance of each of the programs and agencies, and locally publicize those that are most appropriate for meeting local economic development needs.

#### Ratings of Public Officials and Public Employees

An important characteristic of the public and private sector relationship is the perception by business of public sector efforts to improve local economic conditions. The Elkhorn retention survey asked respondents to rate the performance of city and county elected public officials and public employees with regard to working to improve economic conditions in the area. Tables A-31 and 32 summarize the response to this question. Overall, the responses to this question are encouraging; however, the respondents' perception of city officials and employees was better than their perception of county officials and employees. Fifty-three respondents, or about 75 percent, rated city public officials' performance as very good or good, while a smaller number, 36 respondents, or about 55 percent, indicated these responses for county officials. Similarly, 45 respondents, or about 66 percent, rated city employees' performance with regard to improving economic conditions as very good or good, while a smaller number of the respondents, 33, or about 52 percent, rated county employees' performance as very good or good. However, these responses could be affected by a number of respondents who were not familiar with their county officials or their performance.

#### Quality of Life

In order to determine the extent to which respondents were satisfied with Elkhorn as a place in which to live, the survey questionnaire asked respondents to rate the quality-of-life factors in the City and the County. Overall, the responses regarding the quality of life factors were encouraging, with 81 percent of the total responses indicating either a good or excellent rating for the factors listed. Good or excellent ratings were assigned to the quality-of-life factors by the following number of respondents, as shown in Table 33: proximity to metropolitan areas, 99 percent; fire protection, 96 percent; police protection, 90 percent; recreational facilities, 93 percent; availability of convention facilities, 86 percent; availability of professional services, 85 percent; quality of housing, 85 percent; quality of public school system, 84 percent; quality of local media, 78 percent; availability of housing, 64 percent; affordability of housing, 61 percent; and quality of shopping facilities, 48 percent. However, 19 percent of the total responses on the quality-of-life factors, however, were fair or poor ratings, with the majority of these ratings assigned to quality of shopping facilities, affordability of housing, and availability of housing.

Table A-29  
QUALITY OF TRANSPORTATION SERVICES IN THE CITY OF ELKHORN

| Transport  | Responses            |         |        |         |        |         |        |         |          |         |        |         |
|--|----------------------|---------|--------|---------|--------|---------|--------|---------|----------|---------|--------|---------|
|  | Quality of Transport |         |        |         |        |         |        |         |          |         |        |         |
|  | Excellent            |         | Good   |         | Fair   |         | Poor   |         | Not Used |         | Total  |         |
|  | Number               | Percent | Number | Percent | Number | Percent | Number | Percent | Number   | Percent | Number | Percent |
| Primary Materials,<br>Components, or<br>Items for Resale |                      |         |        |         |        |         |        |         |          |         |        |         |
| Air.....   | 2                    | 6.9     | 4      | 13.8    | --     | --      | 2      | 6.9     | 21       | 72.4    | 29     | 100.0   |
| Road Transport<br>(car or truck)..                       | 20                   | 35.7    | 31     | 55.4    | 4      | 7.1     | --     | --      | 1        | 1.8     | 56     | 100.0   |
| Rail.....  | 1                    | 3.7     | 3      | 11.1    | 3      | 11.1    | --     | --      | 20       | 74.1    | 27     | 100.0   |
| Ship.....  | --                   | --      | 2      | 7.4     | 1      | 3.7     | --     | --      | 24       | 88.9    | 27     | 100.0   |
| Delivery<br>Service (UPS/<br>U.S. Mail).....             | 15                   | 40.6    | 12     | 32.4    | 2      | 5.4     | 2      | 5.4     | 6        | 16.2    | 37     | 100.0   |
| Finished Product   |                      |         |        |         |        |         |        |         |          |         |        |         |
| Air.....   | 1                    | 4.0     | 8      | 32.0    | --     | --      | 1      | 4.0     | 15       | 60.0    | 25     | 100.0   |
| Road Transport<br>(car or truck)..                       | 13                   | 33.3    | 23     | 58.9    | 1      | 2.6     | 1      | 2.6     | 1        | 2.6     | 39     | 100.0   |
| Rail.....  | --                   | --      | --     | --      | 1      | 5.3     | --     | --      | 18       | 94.7    | 19     | 100.0   |
| Ship.....  | --                   | --      | 3      | 15.0    | --     | --      | --     | --      | 17       | 85.0    | 20     | 100.0   |
| Delivery<br>Service (UPS/<br>U.S. Mail).....             | 11                   | 37.9    | 7      | 24.1    | 4      | 13.8    | 2      | 6.9     | 5        | 17.3    | 29     | 100.0   |

Source: SEWRPC

Table A-30  
FAMILIARITY WITH ECONOMIC DEVELOPMENT AGENCIES, OR COMMITTEES

| Program, Agency, or Committee                                  | Familiarity |         |        |         |                 |         |
|--|-------------|---------|--------|---------|-----------------|---------|
|  | Yes         |         | No     |         | Total           |         |
|  | Number      | Percent | Number | Percent | Number          | Percent |
| Elkhorn Chamber of Commerce.....                               | 71          | 94.7    | 4      | 5.3     | 75 <sup>a</sup> | 100.0   |
| Elkhorn Development Corporation.....                           | 63          | 85.1    | 11     | 14.9    | 74 <sup>a</sup> | 100.0   |
| Elkhorn Commercial Development Corporation...                  | 36          | 48.6    | 38     | 51.4    | 74 <sup>a</sup> | 100.0   |
| Wisconsin Department of Development.....                       | 26          | 35.1    | 48     | 64.9    | 74 <sup>a</sup> | 100.0   |
| U. S. Small Business Administration.....                       | 51          | 68.9    | 23     | 31.1    | 74 <sup>a</sup> | 100.0   |
| Southeastern Wisconsin Regional Planning Commission.....       | 40          | 54.1    | 34     | 45.9    | 74 <sup>a</sup> | 100.0   |
| University of Wisconsin Small Business Development Center..... | 27          | 36.5    | 47     | 63.5    | 74 <sup>a</sup> | 100.0   |
| University of Wisconsin-County Extension Agent.....            | 48          | 64.0    | 27     | 36.0    | 75              | 100.0   |

<sup>a</sup> No response: 1.

Source: SEWRPC

Table A-31

RESPONDENTS' PERCEPTIONS OF CITY OF  
ELKHORN PUBLIC OFFICIALS AND PUBLIC EMPLOYEES  
WITH REGARD TO WORKING TO IMPROVE ECONOMIC CONDITIONS

| Response<br>Category   | Responses        |         |                  |         |
|------------------------|------------------|---------|------------------|---------|
|                        | Public Officials |         | Public Employees |         |
|                        | Number           | Percent | Number           | Percent |
| Very Good .....        | 26               | 36.6    | 18               | 26.5    |
| Good .....             | 27               | 38.0    | 27               | 39.7    |
| Average .....          | 15               | 21.1    | 21               | 30.9    |
| Unfavorable .....      | 1                | 1.4     | 2                | 2.9     |
| Very Unfavorable ..... | 2                | 2.9     | --               | --      |
| Total                  | 71 <sup>a</sup>  | 100.0   | 68 <sup>b</sup>  | 100.0   |

<sup>a</sup>No response: 4: <sup>b</sup>No response: 7.

Source: SEWRPC.

Table A-32

RESPONDENTS' PERCEPTIONS OF WALWORTH  
COUNTY OFFICIALS AND PUBLIC EMPLOYEES  
WITH REGARD TO WORKING TO IMPROVE ECONOMIC CONDITIONS

| Response<br>Category   | Responses        |         |                  |         |
|------------------------|------------------|---------|------------------|---------|
|                        | Public Officials |         | Public Employees |         |
|                        | Number           | Percent | Number           | Percent |
| Very Good .....        | 11               | 16.7    | 8                | 12.5    |
| Good .....             | 25               | 37.9    | 25               | 39.0    |
| Average .....          | 27               | 40.9    | 26               | 40.6    |
| Unfavorable .....      | 3                | 4.5     | 4                | 6.3     |
| Very Unfavorable ..... | --               | --      | 1 <sup>b</sup>   | 1.6     |
| Total                  | 66 <sup>a</sup>  | 100.0   | 64 <sup>b</sup>  | 100.0   |

<sup>a</sup>No response: 9: <sup>b</sup>No response: 11.

Source: SEWRPC.

## FINANCIAL CONDITION, AND AVAILABILITY AND SOURCES OF BUSINESS FINANCING

### Problems in Securing Financing

An important consideration in determining the appropriateness of various local economic development program activities is the availability of financing for business expansions, as well as the availability of financing for ongoing business operations. Fifty-three of the 75 survey respondents, or about 71 percent, used an Elkhorn financial institution as their firm's primary financial institution, with seven of the remaining respondents utilizing a Milwaukee financial institution. Overall, the survey respondents indicated that securing either local or nonlocal financing for business expansions or ongoing business operations was not a significant problem. As indicated in Table A-34, only 11 respondents, or about 15 percent of all respondents, indicated that they had experienced a problem in securing financing from a local financial institution; and only 5 respondents, or about 7 percent, indicated that they had experienced a problem in securing financing from an out-of-town institution. Table A-35 indicates the nature of the difficulty that those respondents encountered in obtaining funds from a commercial financial institution located in Elkhorn and from a commercial financial institution located outside Elkhorn.

### Significant Factors Affecting Respondents' Financial Condition

In order to help identify those factors that were negatively affecting the financial condition of local businesses, the survey questionnaire asked respondents to list the important factors that are currently affecting the firm's financial condition. As shown in Table A-36, financing interest rates and market conditions and the economy were the major factors affecting the financial condition of respondents' firms. Sixty-six respondents, or about 90 percent, indicated that financing interest rates were affecting their firm's current financial condition, and 60 respondents, or about 82 percent, indicated that market conditions/economy was affecting their financial condition. These factors can be only marginally affected by local economic development activities. Other significant factors that were indicated by the respondents include: 1) energy costs, 78 percent; 2) material costs, 74 percent; 3) local, state, and corporate taxes, 67 percent, 77 percent, and 73 percent, respectively; 4) unfavorable financing terms, 62 percent; and 5) transportation costs, 51 percent of all respondents. A local economic development program in the City should attempt, to the degree possible, to address these issues in order to improve the financial condition of business firms in the City.

### Future Financing

The firms were asked whether they anticipated seeking financial assistance for ongoing business operations or for business expansion projects during the next five years. Forty-three respondents, or about 58 percent of all the respondents, indicated that their firms anticipated seeking financial assistance during the next five years. As indicated in Table A-37, about 34 percent of this anticipated financing would be for machinery and equipment; about 26 percent for a new building or a building addition; about 22 percent for working capital; about 14 percent for the purchase of inventory; and the remainder for other purposes. As a result of the interest in securing future financing by the survey respondents, a local economic development program in the City could undertake an assessment of alternative, nonconventional business financing programs to determine their appropriateness for various local business expansion-

Table A-33  
QUALITY OF LIFE FACTORS

| Factor  | All Respondents |         |      |         |      |         |      |         | Number | Percent |
|---|-----------------|---------|------|---------|------|---------|------|---------|--------|---------|
|   | Excellent       | Percent | Good | Percent | Fair | Percent | Poor | Percent |        |         |
| Quality of Existing Housing.....                              | 15              | 21      | 46   | 64      | 11   | 15      | --   | 0       | 72     | 100     |
| Affordability of Housing.....                                 | 4               | 6       | 39   | 55      | 24   | 34      | 4    | 5       | 71     | 100     |
| Availability of Housing.....                                  | 12              | 17      | 33   | 47      | 21   | 30      | 4    | 6       | 70     | 100     |
| Quality of Shopping Facilities.....                           | 4               | 6       | 30   | 42      | 29   | 40      | 9    | 12      | 72     | 100     |
| Police Protection.....  | 14              | 19      | 52   | 71      | 7    | 10      | --   | 0       | 73     | 100     |
| Fire Protection.....  | 15              | 21      | 53   | 75      | 3    | 4       | --   | 0       | 71     | 100     |
| Quality of Public School System.....                          | 14              | 21      | 42   | 63      | 8    | 12      | 3    | 4       | 67     | 100     |
| Quality of Local Media<br>(newspaper, radio, television)..... | 12              | 16      | 45   | 62      | 13   | 18      | 3    | 4       | 73     | 100     |
| Quality of Recreational Facilities....                        | 38              | 53      | 29   | 40      | 5    | 7       | --   | 0       | 72     | 100     |
| Availability of<br>Professional Services.....                 | 19              | 26      | 43   | 59      | 10   | 14      | 1    | 1       | 73     | 100     |
| Proximity to Milwaukee and<br>Chicago Metropolitan Areas..... | 44              | 60      | 29   | 39      | --   | 0       | 1    | 1       | 74     | 100     |
| Availability of Meeting/<br>Convention Facilities.....        | 33              | 45      | 30   | 41      | 8    | 11      | 2    | 3       | 73     | 100     |
| Total   | 224             | --      | 471  | --      | 139  | --      | 27   | --      | 861    | --      |
| Percent of Total  | 26              | --      | 55   | --      | 16   | --      | 3    | --      | 100    | --      |

Source: SEWRPC.

Table A-34  
PROBLEM IN SECURING LOCAL OR OUT-OF-TOWN FINANCING  
FOR ON-GOING BUSINESS OPERATIONS OF A BUSINESS EXPANSION

| Response Category  | Responses |         |        |         |                 |         |
|--|-----------|---------|--------|---------|-----------------|---------|
|  | Yes       |         | No     |         | Total           |         |
|  | Number    | Percent | Number | Percent | Number          | Percent |
| Problem in Securing a Loan From An<br>Elkhorn Financial Institution.....     | 11        | 14.9    | 63     | 85.1    | 74 <sup>a</sup> | 100.0   |
| Problem in Securing a Loan From an<br>Out-of-Town Financial Institution..... | 5         | 7.1     | 65     | 92.9    | 70 <sup>b</sup> | 100.0   |

<sup>a</sup> No response: 1.

<sup>b</sup> No response: 5.

Source: SEWRPC.



Table A-35

THE NATURE OF THE DIFFICULTIES IN SECURING FINANCING FROM  
COMMERCIAL FINANCIAL INSTITUTIONS LOCATED IN AND OUTSIDE ELKHORN

| Responses                           | Inside Elkhorn           |         |               |         |
|-------------------------------------|--------------------------|---------|---------------|---------|
|                                     | Respondents <sup>a</sup> |         |               |         |
|                                     | All                      | Percent | Manufacturing | Percent |
| Unable to Obtain                    |                          |         |               |         |
| Comparable Interest Rates.....      | 4                        | 28.6    | 2             | 28.6    |
| Lack of Financing for               |                          |         |               |         |
| Industrial Revenue Bonds.....       | 3                        | 21.5    | 2             | 28.6    |
| Unable to Obtain a Line of Credit.. | 2                        | 14.3    | 1             | 14.2    |
| Unable to Cash                      |                          |         |               |         |
| Employee Checks at Bank.....        | 1                        | 7.1     | --            | --      |
| Local Banks Uncooperative.....      | 3                        | 21.4    | 2             | 28.6    |
| Political Problems.....             | 1                        | 7.1     | --            | --      |
| Total                               | 14                       | 100.0   | 7             | 100.0   |

| Responses                             | Outside Elkhorn          |         |               |         |
|---------------------------------------|--------------------------|---------|---------------|---------|
|                                       | Respondents <sup>a</sup> |         |               |         |
|                                       | All                      | Percent | Manufacturing | Percent |
| Unable to Obtain a Line of Credit ... | 2                        | 33.3    | 1             | 50.0    |
| Unable to Obtain Business Check-      |                          |         |               |         |
| ing Account .....                     | 2                        | 33.3    | --            | --      |
| Resistance of Parent Company .....    | 1                        | 16.7    | --            | --      |
| Local Banks Lack Experience With      |                          |         |               |         |
| Different Types of Low Interest       |                          |         |               |         |
| Financing .....                       | 1                        | 16.7    | 1             | 50.0    |
| Total                                 | 6                        | 100.0   | 2             | 100.0   |

<sup>a</sup>Firms responding could indicate more than one response.

Source: SEWRPC

Table A-36

FACTORS AFFECTING THE RESPONDENT FIRMS' FINANCIAL CONDITION

| Factors Affecting<br>Respondent Firms'<br>Financial Condition | Number of Respondents Indicating<br>Factors Affect Their Firm |         |                 |
|---|---|---------|-----------------|
|   | All Respondents   |         | Total           |
|   | Number*   | Percent |                 |
| Financing Interest Rates .....                                | 66  | 90.4    | 73 <sup>a</sup> |
| Unfavorable Financing Terms .....                             | 45  | 61.6    | 73 <sup>a</sup> |
| Labor Quality .....   | 18  | 24.7    | 73 <sup>a</sup> |
| Lack of Labor/Union Cooperation ..                            | 8   | 11.0    | 73 <sup>a</sup> |
| Transportation Costs .....                                    | 37  | 50.7    | 73 <sup>a</sup> |
| Energy Costs .....  | 58  | 78.4    | 74 <sup>b</sup> |
| Material Costs .....  | 53  | 73.6    | 72 <sup>c</sup> |
| Local Property Taxes .....                                    | 48  | 66.7    | 72 <sup>c</sup> |
| State Personal Income Taxes .....                             | 56  | 76.7    | 73 <sup>a</sup> |
| Corporate Income Tax .....                                    | 53  | 72.6    | 73 <sup>a</sup> |
| Market Conditions/Economy .....                               | 60  | 82.2    | 73 <sup>a</sup> |

<sup>a</sup>No response: 2.

<sup>b</sup>No response: 1.

<sup>c</sup>No response: 3

\* This is the number of respondents who indicated the factor is having a major or minor effect.

Source: SEWRPC

Table A-37

PURPOSE OF FUTURE FINANCING

| Purpose of Financing           | Responses       |         |
|--------------------------------|-----------------|---------|
|                                | Number          | Percent |
| New Building or Addition ..... | 19              | 26.0    |
| Machinery and Equipment .....  | 25              | 34.3    |
| Inventory .....                | 10              | 13.7    |
| Working Capital .....          | 16              | 21.9    |
| Other .....                    | 3               | 4.1     |
| Total                          | 73 <sup>a</sup> | 100.0   |

<sup>a</sup>Firms responding could indicate more than one response.

Source: SEWRPC.

sion projects, as well as a promotional effort to make businesses aware of these programs. This is particularly important since, as mentioned earlier, 11 respondent firms have experienced problems in finding local financing.

#### Sources of Financing

A local economic development program can serve as the conduit for information on various state and federal business financing programs. Consequently, information regarding the respondents' knowledge of these alternative financing programs is important in designing a financing component for an economic development program in Elkhorn.

Table A-38 shows the existing nonconventional state and federal business loan programs and the number of respondents that indicated that they were familiar with these programs. As indicated in the table, of the nonconventional sources of business financing, the survey respondents were the most familiar with the federal Small Business Administration, 49 responses, or 68 percent; and industrial revenue bonds, also 49 responses, or 68 percent. The respondents were less familiar with other sources of nonconventional business financing. Twenty-seven respondents, or about 38 percent, were familiar with venture capital groups; 17 respondents, or about 25 percent, were familiar with the Wisconsin Business Development Finance Corporation; 15 respondents, or about 22 percent, were familiar with the State Community Development Block Grant program; and 12 respondents, or about 17 percent, were familiar with the federal Urban Development Action Grant program.

#### OVERALL IMPRESSIONS

The last section of the City of Elkhorn industry retention survey asked a number of questions pertaining to the key issues anticipated to be faced by the respondent's firm during the next five years, the respondent's opinion toward the City of Elkhorn and the State of Wisconsin as places in which to do business, the respondent's interest in serving on a volunteer committee to improve economic conditions in the City, and the respondent's opinion as to what types of actions should be taken by economic development organizations in the City to improve economic conditions.

#### Key Business Issues

Economic conditions and economic development were the most significant business issues noted by the respondent firms. Fifty respondents, or about 41 percent of all respondents, indicated that economic conditions and economic development were key issues. Twenty-five respondents, or 21 percent, indicated that taxes were a key issue; 23 respondents, or 19 percent, indicated that internal business problems were a key issue; 9 respondents, or 7 percent, indicated that financial considerations were an issue; 8 respondents, or 6 percent, consider labor costs and labor skills to be an issue; and 7 respondents, or 6 percent, believe that the availability of land and services will be key issues facing their firm's business operations during the next five years (see Table A-39).

#### Attitudes Toward the City and State as Places In Which to do Business

The attitudes, or perceptions, of the survey respondents toward the City and State as places in which to operate a business are important. The City, as well as the State needs to develop an image as a good place in which to do

Table A-38  
SOURCES OF BUSINESS FINANCING

| Sources of<br>Business Financing                 | Respondents Familiar<br>With Sources of<br>Business Financing |         |                 |
|--|---|---------|-----------------|
|  | Number  | Percent | Total           |
| Conventional Bank Financing.....                 | 74  | 98.7    | 75 <sup>a</sup> |
| Venture Capital Groups.....                      | 27  | 38.0    | 71 <sup>b</sup> |
| Small Business Administration...<br>Wisconsin    | 49  | 68.1    | 72 <sup>b</sup> |
| Business Development<br>Finance Corporation..... | 17  | 24.6    | 69 <sup>c</sup> |
| Industrial Revenue Bonds.....                    | 49  | 68.1    | 73 <sup>d</sup> |
| Community Development<br>Block Grants.....       | 15  | 21.7    | 69 <sup>c</sup> |
| Urban Development<br>Action Grants.....          | 12  | 17.4    | 69 <sup>c</sup> |

<sup>a</sup>No response: 4.

<sup>b</sup>No response: 3.

<sup>c</sup>No response: 6

<sup>d</sup>No response: 2.

Source: SEWRPC.

Table A-39

KEY ISSUES FACING RESPONDENT FIRMS DURING THE NEXT FIVE YEARS

|  | Respondents |         |               |         |
|--|-------------|---------|---------------|---------|
|  | All         | Percent | Manufacturing | Percent |
| <b>Labor Costs/Labor Skills</b>                                |             |         |               |         |
| Skilled Labor .....  | 6           | 75.0    | 2             | 66.7    |
| Increase in Managerial Experience of Employees .....           | 1           | 12.5    | 1             | 33.3    |
| Insurance Group Costs .....                                    | 1           | 12.5    | -             | --      |
| Subtotal   | 8           | 6.5     | 3             | 4.5     |
| <b>Internal Business Problems</b>                              |             |         |               |         |
| Product Development .....                                      | 3           | 13.0    | 2             | 28.6    |
| Continued Supply of Raw Materials .....                        | 2           | 8.7     | -             | --      |
| Consolidation in Changing Markets .....                        | 5           | 22.0    | 3             | 42.8    |
| Higher Sales .....   | 1           | 4.3     | 1             | 14.3    |
| Maintain Company Growth and Still Offer Quality .....          | 2           | 8.7     | -             | --      |
| Inventory Management .....                                     | 1           | 4.3     | -             | --      |
| Product and Service Demand .....                               | 2           | 8.7     | -             | --      |
| Amount of Traffic Through Town .....                           | 1           | 4.3     | -             | --      |
| Population Growth Increase in Residents of Nursing Homes ..... | 1           | 4.3     | -             | --      |
| Operating Costs .....  | 2           | 8.7     | -             | --      |
| Medical Assistance Budget .....                                | 2           | 8.7     | -             | --      |
| Availability of Discretionary Income .....                     | 1           | 4.3     | 1             | 14.3    |
| Subtotal   | 23          | 18.9    | 7             | 10.4    |
| <b>Financial Consideration/Taxes</b>                           |             |         |               |         |
| Available Financing .....                                      | 5           | 55.6    | 2             | 66.7    |
| Utility Costs .....  | 4           | 44.4    | 1             | 33.3    |
| Subtotal   | 9           | 7.4     | 3             | 4.5     |
| <b>Taxes</b>   |             |         |               |         |
| High Taxes .....   | 2           | 8.0     | 2             | 15.4    |
| Status of Interest Rates .....                                 | 23          | 92.0    | 11            | 84.6    |
| Subtotal   | 25          | 20.5    | 13            | 19.4    |
| <b>Availability of Land/Services</b>                           |             |         |               |         |
| Parking Availability .....                                     | 1           | 14.3    | -             | --      |
| Available Land for .....                                       | 3           | 42.8    | 1             | 25.0    |
| Transportation .....   | 1           | 14.3    | 1             | 25.0    |
| Postal Services .....  | 2           | 28.6    | 2             | 50.0    |
| Subtotal   | 7           | 5.7     | 4             | 6.0     |
| <b>Economic Conditions/Economic Development</b>                |             |         |               |         |
| Economic Growth .....  | 29          | 58.0    | 25            | 67.6    |
| Price Stability .....  | 1           | 2.0     | 1             | 2.7     |
| Upturn in Agriculture Economy .....                            | 4           | 8.0     | 2             | 5.4     |
| Federal Deficit .....  | 1           | 2.0     | -             | --      |
| Foreign/Domestic Competition .....                             | 11          | 22.0    | 6             | 16.2    |
| Industrial Business Climate .....                              | 1           | 2.0     | 1             | 2.7     |
| Foreign Exchange Rate .....                                    | 2           | 4.0     | 2             | 5.4     |
| Interstate Banking .....                                       | 1           | 2.0     | -             | --      |
| Subtotal   | 50          | 41.0    | 37            | 55.2    |
| Total <sup>a</sup>   | 122         | 100.0   | 67            | 100.0   |

<sup>a</sup>Total reflects multiple responses.

Source: SEWRPC

business in order to retain existing employees and attract new employers. If the perceptions of the City and State are negative, a local economic development program would need to undertake activities that could help to improve those perceptions.

Table A-40 shows the respondents' perceptions of the City and State as places in which to operate a business. As indicated in the table, it is encouraging to note that 69 of the respondents, or 92 percent, indicated that the City was either a very good or good place in which to operate a business. None of the respondents indicated that the City was an unfavorable or very unfavorable place in which to operate a business. The respondents' perceptions of operating a business in the State was somewhat different, however, with only 28 respondents, or 38 percent, indicating that the State was a good or very good place in which to operate a business; 29 respondents, or 40 percent, indicated average; and 17 respondents, or 23 percent, indicated that the State was an unfavorable or very unfavorable place in which to operate a business.

Tables A-41 and A-42 show the positive characteristics identified by respondents regarding the City and State as places in which to operate a business. As indicated in Table A-41, the responses were varied with regard to the City. Thirty-one percent of the respondents indicated that the quality of life in the City was a positive characteristic; 28 percent indicated that the location of the City was a positive characteristic; 27 percent indicated that the City's growth and attitude toward growth was a positive characteristic; 9 percent indicated that the City's good labor force was a positive characteristic; and 5 percent indicated that transportation and city services were positive characteristics.

Table A-42 presents the responses indicating the positive characteristics of the State. A good living environment in the State was most often indicated as a positive characteristic, with 43 percent of the responses; 29 percent indicated that the State is a good place in which to do business; 18 percent indicated that the State's quality labor force was a positive characteristic; and 11 percent indicated that the State's public services and facilities were a positive characteristic.

Tables A-43 and A-44 show the negative characteristics indicated by respondents regarding the City and State as places in which to operate a business. As indicated in Table A-43, 34 percent of the respondents indicated that there was a poor attitude toward business and development in the City; 11 percent indicated that the distance from suppliers and customers was a problem; and 8 percent indicated that labor skills and the cost of labor were negative characteristics. Twenty-seven percent of the respondents believed there were no negative characteristics of operating a business in the City of Elkhorn.

Fifty-four respondents, or about 57 percent, indicated that high taxes was the major negative characteristic of operating a business in the State of Wisconsin. The other negative characteristics mentioned most frequently by respondents were: governmental regulations, 10 respondents, or about 11 percent; poor government employee attitude toward business, 8 respondents, or about 9 percent; high cost of unemployment and workers' compensation insurance, 7 responses, or about 7 percent; and seasonal climate, five respondents, or about 5 percent.

Table A-40

RESPONDENTS' OPINION OF THE CITY OF ELKHORN AND  
THE STATE OF WISCONSIN AS A PLACE TO OPERATE A BUSINESS

| Responses            | Respondents' Opinions of the<br>City of State as Places in Which<br>to Operate a Business |         |                    |         |
|----------------------|---|---------|--------------------|---------|
|                      | City of Elkhorn   |         | State of Wisconsin |         |
|                      | Number  | Percent | Number             | Percent |
| Very Good .....      | 46  | 61.3    | 10                 | 13.5    |
| Good .....           | 23  | 30.7    | 18                 | 24.3    |
| Average .....        | 6   | 8.0     | 29                 | 39.2    |
| Unfavorable .....    | --  | --      | 13                 | 17.6    |
| Very Unfavorable ... | --  | --      | 4                  | 5.4     |
| Total                | 75  | 100.0   | 74 <sup>a</sup>    | 100.0   |

<sup>a</sup>No response: 1.

Source: SEWRPC.

Table A-41  
POSITIVE CHARACTERISTICS OF OPERATING  
A BUSINESS IN THE CITY OF ELKHORN

| Characteristic   | Respondents |         |               |              |
|--|-------------|---------|---------------|--------------|
|  | All         | Percent | Manufacturing | Percent      |
| <b>Quality of Life</b>   |             |         |               |              |
| High Quality of Life .....   | 10          | 23.8    | 5             | 25.0         |
| Proximity to Recreation .....  | 1           | 2.4     | -             | --           |
| Low Crime Rate .....   | 1           | 2.4     | 1             | 5.0          |
| Small Town Atmosphere .....  | 7           | 16.6    | 4             | 20.0         |
| Not Overburdened by Tourism .....  | 3           | 7.1     | 1             | 5.0          |
| Good Public Image (down to earth) .....  | 1           | 2.4     | -             | --           |
| Friendly Merchants .....   | 2           | 4.8     | 1             | 5.0          |
| Cooperative Community .....  | 17          | 40.5    | 8             | 40.0         |
| Subtotal   | 42          | 31.3    | 20            | 32.8         |
| <b>Growing Community and Government/<br/>Private Sector Attitude Toward<br/>Growth and Development</b> |             |         |               |              |
| Helpful Chamber of Commerce .....  | 3           | 8.3     | 2             | 20.0         |
| Local Government is Cooperative .....  | 9           | 25.0    | 3             | 30.0         |
| <b>Aggressiveness of</b>   |             |         |               |              |
| Development Corporations .....   | 1           | 2.8     | -             | --           |
| Growing Community .....  | 4           | 11.1    | -             | --           |
| Ability to Attract New Business .....  | 1           | 2.8     | 1             | 10.0         |
| Growth of Business .....   | 6           | 16.6    | 2             | 20.0         |
| <b>Positive Attitude Toward</b>  |             |         |               |              |
| Growth and Development .....   | 1           | 2.8     | -             | --           |
| Cooperative Lending Institutions .....   | 4           | 11.1    | 1             | 10.0         |
| Stable Economic Base .....   | 5           | 13.9    | 1             | 10.0         |
| Good Industrial Park .....   | 2           | 5.6     | -             | --           |
| Subtotal   | 36          | 26.8    | 10            | 16.4         |
| <b>Location</b>  |             |         |               |              |
| Proximity to Raw Materials .....   | 1           | 2.7     | 1             | 5.9          |
| Location of County Seat .....  | 10          | 27.0    | 3             | 17.6         |
| <b>Access to Nearby Cities/</b>  |             |         |               |              |
| Location to Market .....   | 25          | 67.6    | 12            | 70.6         |
| Lack of Competition .....  | 1           | 2.7     | 1             | 5.9          |
| Subtotal   | 37          | 27.7    | 17            | 27.9         |
| <b>Transportation and Services</b>   |             |         |               |              |
| Available Transportation .....   | 5           | 71.4    | 3             | 100.0        |
| Excellent City Services .....  | 2           | 28.6    | -             | --           |
| Subtotal   | 7           | 5.2     | 3             | 4.9          |
| <b>Labor Quality</b>   |             |         |               |              |
| Good Work Ethics .....   | 3           | 25.0    | 2             | 18.2         |
| Good Labor .....   | 9           | 75.0    | 9             | 81.8         |
| Subtotal   | 12          | 9.0     | 11            | 18.0         |
| <b>Total<sup>a</sup></b>   | <b>134</b>  |         | <b>61</b>     | <b>100.0</b> |

<sup>a</sup>Total reflects multiple responses.

Source: SEWRPC.



Table A-42

POSITIVE CHARACTERISTICS OF OPERATING  
A BUSINESS IN THE STATE OF WISCONSIN

| Characteristic                                | Respondents |         |               |         |
|---|-------------|---------|---------------|---------|
|   | All         | Percent | Manufacturing | Percent |
| <b>Good Living Environment</b>                |             |         |               |         |
| Clean, Wholesome Environment .....            | 5           | 11.6    | 1             | 5.6     |
| High Quality of Life .....                    | 20          | 46.5    | 14            | 77.8    |
| Uncrowded .....                               | 1           | 2.3     | --            | --      |
| Wealth of Communities .....                   | 1           | 2.3     | --            | --      |
| Tourism (recreation nearby) .....             | 12          | 28.0    | 1             | 5.6     |
| Cultural Resources .....                      | 1           | 2.3     | 1             | 5.5     |
| Seasonal Change .....                         | 3           | 7.0     | 1             | 5.5     |
| Subtotal                                      | 43          | 42.6    | 18            | 39.1    |
| <b>Good Place to do Business</b>              |             |         |               |         |
| Improving Business Tax Climate .....          | 1           | 3.4     | --            | --      |
| Available Resources .....                     | 7           | 24.2    | 2             | 14.3    |
| Receptive Government .....                    | 4           | 13.8    | 1             | 7.2     |
| Good Geographical Location .....              | 9           | 31.1    | 7             | 50.0    |
| Good Consumer Base .....                      | 2           | 6.9     | 1             | 7.2     |
| Large Industrial and Agricultural Base ..     | 2           | 6.9     | 1             | 7.1     |
| Good Community-Government Cooperation ...     | 3           | 10.3    | 1             | 7.1     |
| Attempts to Draw Business to Wisconsin ..     | 1           | 3.4     | 1             | 7.1     |
| Subtotal                                      | 29          | 28.7    | 14            | 30.5    |
| <b>Quality Labor Force</b>                    |             |         |               |         |
| Skilled Labor .....                           | 16          | 88.9    | 9             | 81.8    |
| Good Work Ethic .....                         | 2           | 11.1    | 2             | 18.2    |
| Subtotal                                      | 18          | 17.8    | 11            | 23.9    |
| <b>Quality Public Services and Facilities</b> |             |         |               |         |
| Good Highway System .....                     | 3           | 27.3    | 1             | 33.3    |
| Good School Systems .....                     | 5           | 45.4    | 2             | 66.7    |
| High Level of Public Services .....           | 2           | 18.2    | --            | --      |
| Increase in Highway                           |             |         |               |         |
| Tax to Improve Roads .....                    | 1           | 9.1     | --            | --      |
| Subtotal                                      | 11          | 10.9    | 3             | 6.5     |
| Total <sup>a</sup>                            | 101         | 100.0   | 46            | 100.0   |

<sup>a</sup>Total reflects multiple responses.

Source: SEWRPC.

Table A-43

PERCEIVED NEGATIVE CHARACTERISTICS  
FOR OPERATING IN THE CITY OF ELKHORN

|   | Respondents |         |               |         |
|---|-------------|---------|---------------|---------|
|   | All         | Percent | Manufacturing | Percent |
| No Perceived Negative Characteristics.....  | 22          | 26.5    | 9             | 25.7    |
| Distance From Suppliers and Customers       |             |         |               |         |
| Long Distance from Suppliers .....          | 1           | 11.1    | 1             | 20.0    |
| Limited Raw Materials                       |             |         |               |         |
| in the Immediate Area .....                 | 3           | 33.3    | 2             | 40.0    |
| Lack of Population in Immediate Area .....  | 5           | 55.6    | 2             | 40.0    |
| Subtotal                                    | 9           | 10.9    | 5             | 14.3    |
| Lack of Skilled Labor/Cost of Labor.....    | 7           | 8.4     | 5             | 14.3    |
| Attitude Toward Business and Development    |             |         |               |         |
| Conflicts Among City                        |             |         |               |         |
| Officials with Business .....               | 6           | 21.4    | 1             | 14.3    |
| Poor City Attitude Toward Change .....      | 7           | 25.0    | 1             | 14.3    |
| Limited Local                               |             |         |               |         |
| Industrial Development Support .....        | 2           | 7.1     | 1             | 14.3    |
| Lack of Community Involvement .....         | 5           | 17.9    | 1             | 14.3    |
| Too Much Emphasis Placed on New             |             |         |               |         |
| Business Rather Than Old Problems .....     | 1           | 3.6     | 1             | 14.3    |
| Uncooperative Financial Institutions .....  | 2           | 7.1     | 1             | 14.3    |
| Conservative Community .....                | 1           | 3.6     | 1             | 14.2    |
| Lack of Independent Action by Retailers ... | 3           | 10.7    | -             | --      |
| Need to Capitalize on Tourist               |             |         |               |         |
| Dollars to Expand Community .....           | 1           | 3.6     | -             | --      |
| Subtotal                                    | 28          | 33.7    | 7             | 20.0    |
| Other                                       |             |         |               |         |
| High Operating Costs .....                  | 2           | 11.8    | 1             | 11.1    |
| Tax Structure .....                         | 3           | 17.6    | 1             | 11.1    |
| Competitive Market .....                    | 2           | 11.8    | 1             | 11.1    |
| Out of Town Shopping                        |             |         |               |         |
| Habits of Population .....                  | 1           | 5.9     | 1             | 11.1    |
| Poor Service and Cost of Utilities .....    | 4           | 23.5    | 2             | 22.3    |
| Lack of Availability of a Rail Siding ..... | 1           | 5.9     | 1             | 11.1    |
| Poor Advertising Media .....                | 1           | 5.9     | -             | --      |
| Poor Climate .....                          | 1           | 5.9     | 1             | 11.1    |
| Long Distance from                          |             |         |               |         |
| Metropolitan Shopping Centers .....         | 2           | 11.7    | 1             | 11.1    |
| Subtotal                                    | 17          | 20.5    | 9             | 25.7    |
| Total <sup>a</sup>                          | 83          | 100.0   | 35            | 100.0   |

<sup>a</sup>Total reflects multiple responses.

Source: SEWRPC

Opinion of the City and State as Places In Which  
to Operate a Business During the Next Five Years

Table A-45 shows the respondents' opinion regarding the City and the State as places in which to operate a business during the next five years. Overall, the respondents were more confident that the City would become a better place to operate a business than they were that the State would become a better place. As indicated in Table 45, 49 respondents, or about 65 percent, believed that the City would become a better place in which to operate a business, while 25 respondents, or about 33 percent, believed the State would get better as a place in which to operate a business.

Twenty-four respondents, or 32 percent, believed that the City would stay the same as a place in which to operate a business, while only two respondents, or about 3 percent, believed it would become worse. In comparison, a greater number of respondents, 38, or about 51 percent, believed that the State would stay the same as a place in which to operate a business, while 12 respondents, or about 16 percent, believed that the State would become a worse place in which to operate a business.

Volunteer Participation in Local Economic Development

Community economic development program activities usually depend, to some degree, on community volunteers and, specifically, volunteers who are a part of the local business community. As a result, the survey asked respondents if they would be interested in serving on a volunteer committee whose goal it is to improve economic conditions in the City of Elkhorn. A total of 38 respondents, or about 51 percent, indicated that they would be willing to assist in improving local economic conditions. Should the City decide to actively pursue an economic development program, an effort should be made to recruit those respondents who are interested in volunteer activities.

Actions That Should Be Taken By Economic Development

Organizations in the City of Elkhorn to Improve Economic Conditions

To be successful, a community economic development program should include activities that local business persons consider important in order to improve economic conditions. For this reason, the survey respondents were asked to indicate the types of actions they thought should be taken by economic development organizations in the City to improve economic conditions. Table A-46 shows that 33 percent of all respondents indicated that current efforts were appropriate and should be continued; about 22 percent indicated there should be more support/assistance/cooperation for businesses in the City; about 16 percent indicated that attempts should be made to diversify the City's economic base in order to provide new employment opportunities; about 11 percent indicated that actions should be taken to improve public facilities, services, and utilities; and about 7 percent of all respondents indicated a range of other types of actions that could be taken to improve the City's economic conditions. In addition, about 11 percent of all respondents indicated they presently had no opinion on actions that should be taken by economic development organizations to improve economic conditions in the City.

Final Comments or Suggestions

Finally, the survey asked respondents to indicate any comments or suggestions that they felt were relevant to economic development in the City of Elkhorn.

Table A-44

PERCEIVED NEGATIVE CHARACTERISTICS  
OF OPERATING A BUSINESS IN THE STATE OF WISCONSIN

| Characteristic   | Respondents |         |               |         |
|--|-------------|---------|---------------|---------|
|  | All         | Percent | Manufacturing | Percent |
| High Taxes .....   | 54          | 57.4    | 25            | 59.6    |
| Governmental Regulations .....   | 10          | 10.6    | 3             | 7.1     |
| Poor Government Employee<br>Attitude Toward Business .....             | 8           | 8.5     | 4             | 9.5     |
| High Cost of Unemployment<br>and Workers' Compensation Insurance ..... | 7           | 7.4     | 3             | 7.1     |
| Seasonal Climate .....   | 5           | 5.3     | 4             | 9.5     |
| Poor Business Climate Related to<br>The Cost of Doing Business .....   | 4           | 4.2     | 2             | 4.8     |
| Lack of Federal Funds<br>for Minority Businesses .....                 | 1           | 1.1     | -             | --      |
| Lack of Willingness to Assist Business ....                            | 1           | 1.1     | -             | --      |
| Dissolution and Relocation of Industry ....                            | 1           | 1.1     | -             | --      |
| Banking Deregulation .....   | 1           | 1.1     | -             | --      |
| Overall Business Costs .....   | 1           | 1.1     | 1             | 2.4     |
| Lack of Diversity in the Economy .....                                 | 1           | 1.1     | -             | --      |
| Total <sup>a</sup>   | 94          | 100.0   | 42            | 100.0   |

<sup>a</sup>Total reflects multiple responses.

Source: SEWRPC.

Table A-45

RESPONDENTS' OPINION OF THE CITY OF ELKHORN  
AND THE STATE OF WISCONSIN AS A PLACE TO  
OPERATE A BUSINESS DURING THE NEXT FIVE YEARS

| Responses         | Respondents' Opinions of the<br>City or State as Places in Which<br>to Operate a Business |         |                    |         |
|-------------------|---|---------|--------------------|---------|
|                   | City of Whitewater  |         | State of Wisconsin |         |
|                   | Number  | Percent | Number             | Percent |
| Better.....       | 49  | 65.3    | 25                 | 33.3    |
| Stay the Same.... | 24  | 32.0    | 38                 | 50.7    |
| Worse.....        | 2   | 2.7     | 12                 | 16.0    |
| Total             | 75  | 100.0   | 75                 | 100.0   |

Source: SEWRPC.

Table A-46

ACTIONS THAT SHOULD BE TAKEN BY ECONOMIC DEVELOPMENT  
ORGANIZATIONS IN THE CITY OF ELKHORN TO IMPROVE ECONOMIC CONDITIONS

| Suggested Action   | Respondents |         |               |         |
|--|-------------|---------|---------------|---------|
|  | All         | Percent | Manufacturing | Percent |
| Continue Current Efforts.....  | 29          | 32.9    | 16            | 44.5    |
| Diversify the Economic Base and<br>Provide New Employment Opportunities.....             | 14          | 15.9    | 4             | 11.1    |
| Improve Public Facilities,<br>Services, and Utilities                                    |             |         |               |         |
| Improve Public Services<br>and Utilities Through Higher<br>Quality and Lower Costs ..... | 4           | 40.0    | 1             | 33.3    |
| Improve Parking .....  | 1           | 10.0    | 1             | 33.3    |
| Improve Shopping Centers and<br>Other Retail Establishments .....                        | 3           | 30.0    | 1             | 33.4    |
| Build a Walking Mall<br>on South Wisconsin Street .....                                  | 1           | 10.0    | --            | --      |
| Organize Programs for<br>the Children of Working Parents .....                           | 1           | 10.0    | --            | --      |
| Subtotal   | 10          | 11.4    | 3             | 8.3     |
| Need Support and Assistance<br>and Local Government Cooperation                          |             |         |               |         |
| Need Additional Programs<br>to Assist Small Businesses .....                             | 3           | 15.7    | 2             | 33.3    |
| Educate Local<br>Government Regarding Business .....                                     | 2           | 10.5    | 1             | 16.7    |
| Maintain a Positive Community Attitude ....  | 3           | 15.8    | --            | --      |
| Develop An Overall<br>Economic Development Plan .....                                    | 3           | 15.8    | --            | --      |
| Inform Businesses on Ways<br>to Obtain Venture Capital .....                             | 1           | 5.3     | --            | --      |
| Improve Communication Between<br>Public/Private Sector .....                             | 3           | 15.7    | 2             | 33.3    |
| Restrict Industrial Lands<br>to Industrial Land Users .....                              | 1           | 5.3     | --            | --      |
| Re-evaluate Zoning Priorities .....  | 1           | 5.3     | --            | --      |
| Existing Businesses Support .....  | 1           | 5.3     | --            | --      |
| Need More Retailer Cooperation .....   | 1           | 5.3     | 1             | 16.7    |
| Subtotal   | 19          | 21.6    | 6             | 16.7    |
| Other  |             |         |               |         |
| Improve Quality of the Labor Force .....   | 1           | 16.7    | 1             | 50.0    |
| Undertake Efforts to Reduce State Taxes ...  | 5           | 83.3    | 1             | 50.0    |
| Subtotal   | 6           | 6.8     | 2             | 5.6     |
| No Opinion .....   | 10          | 11.4    | 5             | 13.9    |
| Total <sup>a</sup>   | 88          | 100.0   | 36            | 100.0   |

<sup>a</sup>Total reflects multiple responses.

Source: SEWRPC.

As shown on Table A-47, 39 respondents, or about 64 percent, made comments or suggestions relating to the local community's positive or negative attitude toward growth and development; 6 respondents, or about 10 percent, submitted suggestions pertaining to the improvement of public services, facilities, and programs; and 16 respondents, or about 26 percent, offered a range of other comments and suggestions.

## SUMMARY AND CONCLUSIONS

This appendix has described the results of the City of Elkhorn industry retention study that was conducted as a part of the development of an economic development program for the City. A total of 75 surveys were completed, or about 94 percent of the total of 80 surveys distributed. The most important findings of this appendix are indicated below.

### History and Current Status of the Respondent Firms

1. Eighty percent of the respondent firms indicated that the City of Elkhorn was their corporate headquarters. These firms could be expected to take a more active role in the implementation of an economic development program in the City than firms whose corporate headquarters are located in a different community.
2. Ninety-two percent of the respondent firms indicated that they have been operating for more than five years and, therefore, should not be as susceptible to internal business problems that may lead to dissolution as firms that have been in business for less than five years.
3. About 24 percent of the respondent firms indicated that they had established additional locations outside the City. However, in most cases, these expansions were not due to problems with operating a business in the City but, rather, to these firms taking advantage of the proximity to suppliers and product markets located outside the City.
4. Although respondent firms ranged in size from one to 178 employees, 96 percent of all the respondent firms employed fewer than 100 workers, and 52 percent employed fewer than 20 workers. Of the 34 manufacturing firms responding to the question regarding number of employees, 94 percent employed fewer than 100 workers, and 50 percent employed fewer than 20 employees. The size range of the respondent firms could be advantageous to employment growth in the City, as nationwide more jobs were created by smaller firms, or firms with 100 or fewer employees.
5. Research and Development: About 40 percent of all respondents and 56 percent of all manufacturing respondents indicated that an average of 5.6 percent and 4.3 percent, respectively, of their resources were utilized for research and development.
6. Twenty-four firms, or about 42 percent of all firms indicating that the question regarding location of product suppliers was applicable to their business indicated that they purchased none of their primary materials in Walworth County.
7. Eighty-six percent of all respondents and 86 percent of all manufacturing respondents that purchased materials, components, or items for resale out-

Table A-47  
FINAL COMMENTS OR SUGGESTIONS FROM RESPONDENTS

| Comment or Suggestion                                    | Respondents |              |               |              |
|--|-------------|--------------|---------------|--------------|
|  | All         | Percent      | Manufacturing | Percent      |
| <b>Attitude Toward Growth and Development</b>            |             |              |               |              |
| Encourage a More   |             |              |               |              |
| Positive Public Attitude .....                           | 2           | 5.1          | 1             | 4.8          |
| Encourage Community Involvement .....                    | 1           | 2.6          | --            | --           |
| Coordinate Public/Private Long Range                     |             |              |               |              |
| Economic Development Planning .....                      | 5           | 12.8         | 4             | 19.0         |
| Retail Product Availability is Needed .....              | 1           | 2.6          | --            | --           |
| More Support for Retailers .....                         | 2           | 5.1          | --            | --           |
| Continue Current Efforts In Attracting                   |             |              |               |              |
| Businesses and Making Them Feel Welcome ..               | 5           | 12.8         | 4             | 19.0         |
| Develop City Marketing Techniques .....                  | 2           | 5.1          | 2             | 9.5          |
| Industrial Development is Needed .....                   | 2           | 5.1          | 2             | 9.5          |
| City's Interest in                                       |             |              |               |              |
| Business is Appreciated .....                            | 3           | 7.7          | 3             | 14.3         |
| Excellent City Cooperation .....                         | 1           | 2.6          | 1             | 4.8          |
| Good Efforts by Chamber of Commerce .....                | 4           | 10.3         | 1             | 4.8          |
| Need Cooperation   |             |              |               |              |
| Between City and Business .....                          | 4           | 10.3         | --            | --           |
| Our Company is Willing to                                |             |              |               |              |
| Help Economic Development Efforts .....                  | 3           | 7.7          | 2             | 9.5          |
| Surveys are a Good Start .....                           | 4           | 10.2         | 1             | 4.8          |
| Subtotal   | 39          | 64.0         | 21            | 58.3         |
| <b>Improve Public Services, Facilities, and Programs</b> |             |              |               |              |
| Hook-up Cost Saving                                      |             |              |               |              |
| Long Distance Service .....                              | 1           | 16.7         | --            | --           |
| Improve Job Service Placements .....                     | 1           | 16.7         | 1             | 25.0         |
| Expand Highway Arterials .....                           | 1           | 16.6         | 1             | 25.0         |
| Improve and Reduce                                       |             |              |               |              |
| the Cost of City Services .....                          | 3           | 50.0         | 2             | 50.0         |
| Subtotal   | 6           | 9.8          | 4             | 11.1         |
| <b>Other</b>   |             |              |               |              |
| Good Industrial Park .....                               | 3           | 18.8         | 2             | 18.2         |
| Excellent Quality of Life .....                          | 1           | 6.2          | 1             | 9.1          |
| Enjoy Living and Doing Business Here .....               | 4           | 25.0         | 1             | 9.1          |
| Encroachment of Labor                                    |             |              |               |              |
| Unions is Threatening .....                              | 3           | 18.8         | 3             | 27.3         |
| Reduce Taxes .....                                       | 1           | 6.2          | 1             | 9.1          |
| The Labor Market Will be Limited With                    |             |              |               |              |
| More Businesses Entering Elkhorn .....                   | 1           | 6.2          | 1             | 9.0          |
| Who is Taking Action? What is                            |             |              |               |              |
| Going to be Done With Surveys .....                      | 3           | 18.8         | 2             | 18.2         |
| Subtotal   | 16          | 26.2         | 11            | 30.6         |
| <b>Total</b>   | <b>61</b>   | <b>100.0</b> | <b>36</b>     | <b>100.0</b> |

<sup>a</sup>Firms responding could indicate multiple comments or suggestions.

Source: SEWRPC

side Walworth County indicated that they purchased the materials outside the County because such materials were not available in Walworth County.

8. Thirty-three percent of all respondents indicated that the local market, defined as Walworth County, was the predominant market for their goods and services. However, 23 percent of the manufacturing respondents indicated that the national market was the primary market for their products.
9. An average of 39 percent of the respondent firms currently provide products and services to local, state, or federal governments, while only 22 percent of all respondent firms were engaged in exporting their products and services to foreign countries. About 28 percent and 19 percent, respectively, of all respondent firms indicated that they were interested in receiving information on selling their products or services to the government and in exporting, while 32 percent and 35 percent, respectively, of all manufacturing respondents were interested in more information on these issues.

#### Past and Future Business Expansions

1. A total of 48 firms, or 65 percent of the respondent firms, indicated that their firm had expanded during the 1979 to 1984 time period, a period when the State and nation were experiencing a severe economic recession.
2. A total of 28 respondent firms, or 39 percent of the respondent firms, anticipate that their firm would expand during the 1984 to 1989 time period, with the expansions resulting in an estimated additional 201,600 square feet of floor area, and an estimated 298 jobs.
3. Twenty-seven firms, representing 90 percent of the firms planning expansion during the 1984 to 1989 time period, may be expected to locate their expansion in the City of Elkhorn. Three firms, or 10 percent, indicated that the planned expansions would take place outside the City. Two respondents indicated that an expansion would take place outside the City because there was no need for the business in the City owing saturated local market conditions, and one respondent indicated that the location of the original business site is outside the City of Elkhorn.
4. Of the 27 respondents indicating that they plan to expand their firm in the City, four respondents indicated that there could be a problem in either obtaining land, financing, labor, proper zoning, or an adequate site location.
5. Eight respondents indicated that, collectively, they had been contacted by persons from 12 different states regarding an interest in relocating to their state. There was no clear pattern in the location of these states in the nation.
6. Only two respondent firms indicated that their product suppliers have an interest in moving all or a part of their operations to the City of Elkhorn, and only five respondent firms indicated that their customers indicated an interest in moving their operations to the City of Elkhorn. It is important to note, however, that although the number of businesses interested in moving to the City may seem small, should those seven busi-



nesses actually move to the City, the anticipated increase in local employment opportunities would be important to the City's economic development.

7. Overall, 75 percent of the survey respondents believed that their firm's future business outlook during the 1984 to 1989 time period was either good or very good. However, 22 percent of the respondents indicated that interest rates were a major negative factor regarding their firm's future development, and 20 percent of the respondents indicated that market conditions and the economy was a major negative factor in their future development.

#### Labor Force

1. Regarding the skill level of workers employed by the respondent firms, 41 percent of all respondent firm jobs were in the medium-skill category and 40 percent were in the high-skill category. Of the new jobs expected to be created by the respondent firms during the next five years, 24 percent are expected to be low-skill jobs, 36 percent medium-skill jobs, and 40 percent high-skill jobs.
2. Only 4 percent of the respondent firms indicated that their firm had any significant problem with their workers, such as absenteeism, employee turnover, or employee lack of basic skills. Significantly, 81 percent indicated they had no problem with workers, with 15 percent indicating a minor problem.
3. Forty-five percent of the respondent firms used primarily "word-of-mouth" or "walk-ins" to fill job vacancies, and about 31 percent of the respondents utilized newspaper advertisement as their primary method of filling job vacancies. Information on the methods used by employers to fill job vacancies is useful to persons who are currently unemployed, as well as to employment training organizations that assist new entrants to the labor force.
4. Only 13 percent of all survey respondents utilize the employment training services provided by the Southeast Wisconsin Private Industry Council. Of the public employment training organizations, the respondents were more familiar with the services provided by the Gateway Technical Institute, with 45 percent of the respondents indicating that they had used the service.
5. When asked if their firm had any problems regarding the availability of workers in specific occupations, 24 percent indicated they have a problem in obtaining workers in the skilled trades, 15 percent indicated a problem in finding technical and professional workers, and 13 percent indicated a problem in obtaining semi-skilled workers.
6. Fifty-three percent of all respondents indicated that the cost of unemployment compensation was a labor force factor causing a problem for their firm's operation. The cost of employee fringe benefits was considered a problem by 40 percent of the respondents, and 26 percent of the respondents considered high wage rates to be a labor force factor that caused a problem for their firm's operation.

#### Assessment of Government Services and Regulations

1. Overall, the respondent firms indicated that there is no single government service, regulation, or public utility that is causing a major problem for their firm's operation. However, 14 respondents, or about 19 percent, indicated that zoning regulations caused problems, and 13 respondents, or about 18 percent, indicated that telephone service was a problem.
2. Respondents indicated that road transport is the primary mode of transportation for their product inputs and finished products, with about 91 percent of these respondents describing the truck transportation services as either good or excellent.
3. Regarding economic development programs, agencies, and committees, the respondent firms were most familiar with the Elkhorn Chamber of Commerce, the Elkhorn Development Corporation, the U. S. Small Business Administration, and the University of Wisconsin-County Extension agent. It is interesting to note, however, that only 35 percent of the respondents were familiar with the Wisconsin Department of Development.
4. The respondents' perception of city officials and employees was better than their perception of county officials and employees. Seventy-five percent of the respondents rated the performance of city public officials as very good or good, while about 55 percent indicated these responses for county officials. Similarly, about 66 percent rated the performance of city employees with regard to improving economic conditions as very good or good, while a smaller number of respondents, 52 percent, rated the performance of county employees as very good or good. However, these responses could be affected by the number of respondents that were not familiar with their county officials or their performance.
5. Overall, the responses regarding the quality of life in the City and County were very encouraging, with 81 percent of the total responses indicating either a good or excellent rating for the quality of life factors listed. Nineteen percent of the total responses, however, indicated fair or poor ratings, with the majority of these ratings assigned to quality of shopping facilities, affordability of housing, and availability of housing.

#### Financial Condition and Availability and Sources of Business Financing

1. Seventy-one percent of the respondent firms indicated that they use an Elkhorn financial institution as their firm's primary financial institution. Only 11 respondents, or 15 percent, indicated that they had experienced a problem in securing financing from a local financial institution. Of the 22 respondents who indicated that their firm's primary banking institution was outside the City of Elkhorn, seven respondents, or 32 percent, indicated that their banking institution was located in the City of Milwaukee.
2. Financing interest rates, market conditions, and the economy were the most significant factors affecting the respondent firms' financial condition, with about 90 percent of all respondent firms indicating that interest rates were an important factor, and 82 percent indicating that market conditions and the economy were important factors.

3. Forty-three respondents, or about 58 percent, indicated that their firm anticipated seeking financial assistance during the next five years. The financial assistance was planned to be used primarily for the purchase of new machinery and equipment, or for constructing a new building or a building addition.
4. Regarding nonconventional sources of business financing, the survey respondents were most familiar with the federal Small Business Administration and industrial revenue bonds.

#### Overall Impressions

1. The survey respondents indicated that economic conditions/economic development and taxes were the most important issues facing their firms' business operations during the next five years.
2. A total of 69 respondent firms, or 92 percent, indicated that they perceived the City as either a very good or good place in which to operate a business, while 28 respondents, or 38 percent, indicated these responses for the State. None of the respondents perceived the City as either an unfavorable or very unfavorable place in which to operate a business, but 17 respondents, or 23 percent, indicated such responses for the State.
3. The perceived positive and negative perceived characteristics of the City and the State as places in which to operate a business were varied, with the City's and the State's quality of life mentioned most often as a positive characteristic. The negative characteristics that were mentioned most often by the respondents were the City's negative attitude toward business and development and the State's high taxes.
4. About 65 percent of the survey respondents believed that the City would become a better place in which to operate a business during the next five years, while 33 percent of the respondents indicated that the State would become a better place in which to operate a business.
5. A total of 38 respondents, or about 51 percent, indicated that they would be willing to assist voluntarily in helping to improve local economic conditions.
6. Thirty-three percent of the respondents indicated that current actions taken by economic development organizations in the City to improve economic conditions were appropriate and should be continued, while 22 percent indicated there should be more support/assistance/cooperation for businesses in the City.
7. Finally, the survey asked respondents to indicate any comments or suggestions that they felt were relevant to economic development. Sixty-four percent made comments or suggestions regarding the community's positive or negative attitude toward growth and development.

The results of an industry retention survey provide useful information for formulating and evaluating various economic development program activities. The results of the City of Elkhorn industry retention survey suggest that the following economic development program issues should be considered in the formulation of a City of Elkhorn economic development program.

1. The high percentage, 80 percent, of firms with corporate headquarters in the City, as well as the large number of respondents interested in volunteering to assist in improving local economic conditions--51 percent--indicates that the City should be able to actively solicit and involve private business persons in the development and implementation of an economic development program. In addition, consideration should be given to soliciting private sector financial contributions in order to help support a local economic development program.
2. The survey results indicate that a low percentage of the respondent firms currently provide products or services to the government: 49 percent to local government, 38 percent to state government, and only 31 percent to the federal government. In addition, only 22 percent of all respondent firms and 36 percent of the manufacturing firms were involved in exporting products to foreign countries. Only a small percentage of the respondents were interested in more information on the government as a customer and on product exporting. Given these results, a local economic development program in the City should act to inform local businesses of the advantage of selling to the government and of exporting, and should provide local businesses with information on how to sell to the government and how to export their products and services.
3. The survey results indicate that a local economic development program should contact business firms to determine the need for assistance in forthcoming expansion projects. This is important because: a) twenty-eight respondent firms plan to expand during the 1984 to 1989 time period, with about 90 percent of the expansions to take place in the City; b) forty-three respondent firms, or about 58 percent, indicated that their firm anticipated seeking financial assistance during the next five years; c) 11 respondent firms indicated that they had had difficulty in obtaining financial assistance locally; and d) interest rates were one of the factors indicated by 19 percent of the respondent firms as being a key issue facing their business operations.

The economic development program would need to undertake the following activities in order to implement this activity: a) Develop informational materials on nonconventional sources of financing; b) provide informational materials to business firms and hold an informational seminar on nonconventional business financing; and c) contact local financial institutions and discuss available nonconventional business financing.

4. A special effort should be made to personally contact the three respondent firms that anticipate expanding outside the City in order to determine whether these expansions could occur within the City.
5. Representatives of the local economic development program should immediately contact the three respondent firms that have indicated that their firm is considering moving all or part of its operations out of the City. The persons who contact these firms should: A) determine why a move is being considered; and b) seek solutions to any of the problems indicated by the firm's representative.
6. Often, representatives of existing firms are the best economic development "ambassadors" for the City in attempts to attract new industry to the com-

munity. The survey indicated that two respondents indicated that their firms' product suppliers had indicated an interest in moving to the City, and five respondents indicated that their customers had indicated an interest in moving to the City. Representatives of existing firms should be asked to contact these seven firms and urge them to relocate in the City of Elkhorn. This activity, based on the survey results, should be well accepted by business persons because 69 respondents, or 92 percent, indicated that they perceived the City as a very good or good place in which to operate a business.

7. Based on the survey results, local school district officials and employment training organizations should be contacted under a local economic development program in order to inform them that: a) survey respondents are experiencing immediate problems finding workers in the following occupational groups: skilled trade occupations indicated by 24 percent of all respondents, technical/professional occupations, indicated by 15 percent of all respondents, and semi-skilled occupations indicated by 13 percent of all respondents; b) 76 percent of the anticipated job vacancies in the City are perceived to be at medium- and high-skill levels and, therefore, job applicants will probably require more than a minimal amount of education and training; and c) local firms use either "word-of-mouth" or "walk-ins" as the primary method of filling job vacancies.
8. Any local economic development promotional materials should stress that only a small percent of the firms in Elkhorn had any major labor force problems such as absenteeism, employee turnover, drug abuse, and employee lack of basic skills.
9. A local economic development program representative should contact the Southeast Wisconsin Private Industry Council (PIC) and indicate that only a small percentage of the firms in Elkhorn (13 percent of the respondent firms) had utilized the Job Training Partnership Act (JTPA) programs, and only 6 percent of the respondent firms had utilized the JTPA program predecessor, the Comprehensive Employment and Training Act (CETA). A program should be developed to promote greater utilization of the public employment training services provided by the PIC.
10. Local economic development practitioners should be aware of, and keep informed about, issues facing the truck transportation industry. Manufacturing industry respondents indicated that motor truck transport and other forms of road transport are the primary method of transportation for their product inputs and finished products.
11. The survey indicated that, of the economic development programs, agencies, and committees available, firms in Elkhorn were most familiar with the Elkhorn Chamber of Commerce, with 95 percent of all respondents being familiar with this organization. The respondents were also asked about their familiarity with sources of business financing. Of the nonconventional sources of business financing, the survey respondents were the most familiar with the federal Small Business Administration, 49 responses, or 68 percent; and industrial revenue bonds, also 49 responses, or 68 percent. Congress has passed legislation that limits the use of this nonconventional financing tool. Local economic development practitioners should

make business persons aware of the changes in this form of business financing and indicate to the businesses other alternative sources of business financing such as the Wisconsin Business Development Finance Corporation. Information of this kind is important owing to the significance of financial barriers such as interest rates to the future business operations of the firms in Elkhorn.

12. City officials should continue their current economic development activities since the survey results indicated the local business persons believe that public officials are interested in working to improve local economic conditions.
13. Because survey respondents perceived high taxes to be a major negative characteristic of operating a business in the State of Wisconsin the City's economic development program should include efforts to 1) identify the specific state taxes that present a problem for local business; 2) identify whether these taxes are competitive with those of other areas; and 3) should these taxes not be competitive, seek changes in these taxes.
14. Although the respondents' perceptions of the City as a place in which to operate a business were encouraging, the respondents' perceptions of operating a business in the State were somewhat different. Therefore, efforts should be made to inform business persons about the attributes of the State and attempt to correct any misconceptions individuals might have regarding the State as a place in which to operate a business.
15. Survey respondents indicated that a local economic development program should examine the quality of shopping centers as well as other retail establishments in order to retain a pleasant atmosphere and increase retail sales. In addition a local economic development program should consider the affordability and availability of the City's housing stock to meet the needs of its population.

Attachment 1  
RESPONSES TO QUESTION 8

What are the most important primary materials/components that you utilize in your manufacturing process, and where do you obtain these materials?

| Raw Materials                           | Primary Sources             |
|---|-----------------------------|
| 1. Brass tubing.....                    | Altoona, PA                 |
| 2. Lumber.....                          | Arkansas                    |
| 3. Cardboard and cans.....              | Beloit, WI                  |
| 4. Metal chains.....                    | Brookfield, WI              |
| 5. Packaging.....                       | Burlington, WI              |
| 6. Rubber compounds.....                | Burton, OH                  |
| 7. Steel.....                           | Chicago, IL                 |
| 8. Ink.....                             | Chicago, IL                 |
| 9. Ink.....                             | Chicago, IL                 |
| 10. Packaging.....                      | Chicago, IL                 |
| 11. Phosphate.....                      | Chicago, IL                 |
| 12. Wetting agents.....                 | Chicago, IL                 |
| 13. Metal chains.....                   | Chicago, IL                 |
| 14. Metals (aluminum).....              | W. Chicago, IL              |
| 15. Corrugated board.....               | Cicero, IL                  |
| 16. Cement material mixtures.....       | Cleveland, OH               |
| 17. Nitrogen.....                       | Clinton, IA                 |
| 18. Metal gears.....                    | Dayton, OH                  |
| 19. Furniture.....                      | Dubuque, IA                 |
| 20. Zinc die cast.....                  | Elk Grove Village, IL       |
| 21. Silver anodes.....                  | Elk Grove Village, IL       |
| 22. Metals (aluminum).....              | Elkhart                     |
| 23. Corregated boxes.....               | Elkhorn, WI                 |
| 24. Aggregates.....                     | Elkhorn, WI                 |
| 25. Machine components.....             | Elkhorn, WI                 |
| 26. Lumber.....                         | Elkhorn, WI                 |
| 27. Lumber.....                         | Elkhorn and Walworth County |
| 28. Hardware.....                       | Elkhorn and Walworth County |
| 29. Tractors.....                       | Elkhorn and Walworth County |
| 30. Copper wire.....                    | Fort Wayne, IN              |
| 31. Expanded vinyl.....                 | Glencove, NY                |
| 32. Leather.....                        | Grand Havens, MI            |
| 33. Corrugated board.....               | Green Bay, WI               |
| 34. Plastic sheet.....                  | Holland, MI                 |
| 35. Hardware.....                       | Illinois                    |
| 36. Resins.....                         | Illinois                    |
| 37. Metals (aluminum).....              | Indiana                     |
| 38. Plastic.....                        | Janesville, WI              |
| 39. Copper.....                         | Janesville, WI              |
| 40. Cast iron.....                      | Janesville, WI              |
| 41. Nitrogen.....                       | Janesville, WI              |
| 42. Polyethylene packets (sleeves)..... | Janesville, WI              |
| 43. Metal chains.....                   | Japan                       |

-continued-

Attachment 1 (continued)

| Raw Materials                 | Primary Sources         |
|-------------------------------|-------------------------|
| 44. Copper wire.....          | Lake Zurich, IL         |
| 45. Cement.....               | LaSalle, IL             |
| 46. Chemicals.....            | Madison, WI             |
| 47. Lexhide.....              | Madweh, NJ              |
| 48. Newsprint.....            | Manistique, MI          |
| 49. Steel plates.....         | Mansfield, TX           |
| 50. Cardboard.....            | Menasha, WI             |
| 51. Sheet steel.....          | Milwaukee, WI           |
| 52. Paper stock.....          | Milwaukee, WI           |
| 53. Brass.....                | Milwaukee, WI           |
| 54. Steel.....                | Milwaukee, WI           |
| 55. Steel.....                | Milwaukee, WI           |
| 56. Ink.....                  | Milwaukee, WI           |
| 57. Laminated products.....   | Milwaukee, WI           |
| 58. Cement.....               | Milwaukee, WI           |
| 59. Nitrogen.....             | Milwaukee, WI           |
| 60. Metal stampings.....      | Milwaukee, WI           |
| 61. Solvents.....             | Milwaukee, WI           |
| 62. Pigments.....             | Milwaukee, WI           |
| 63. Corrugated board.....     | Milwaukee, WI           |
| 64. Plastic.....              | Mundelein, IL           |
| 65. Van chassis.....          | Nationwide              |
| 66. Paper.....                | Nationwide              |
| 67. Metal castings.....       | Neenah, WI              |
| 68. Cardboard cartons.....    | Neenah, WI              |
| 69. Vinyl coverings.....      | New Jersey              |
| 70. Axles.....                | North Carolina          |
| 71. Plus interior fabric..... | North Carolina          |
| 72. Particle board.....       | Oshkosh, WI             |
| 73. Particle board.....       | Oshkosh, WI             |
| 74. Chemicals.....            | Ottawa, IL              |
| 75. Brass tubing.....         | Out of WI               |
| 76. Brass sheet metal.....    | Out of WI               |
| 77. Nickle-silver tubing..... | Out of WI               |
| 78. Plywood sheeting.....     | Outside Walworth County |
| 79. Steel.....                | Pottstocan, PA          |
| 80. Universal joints.....     | Pottstocan, PA          |
| 81. Phosphate.....            | Raleigh, NC             |
| 82. Metal gears.....          | Richmond, VA            |
| 83. Steel.....                | Rockford, IL            |
| 84. Vinyl film.....           | St. Cloud, MN           |
| 85. Potash.....               | Saskatchewan, Canada    |
| 86. Hardware.....             | Sterling, IL            |
| 87. Steel.....                | SE WI Region            |
| 88. Brass.....                | SE WI Region            |
| 89. Aluminum.....             | SE WI Region            |
| 90. HVAC Equipment.....       | Tennessee               |



CITY OF ELKHORN OVERALL  
ECONOMIC DEVELOPMENT PROGRAM (OEDP) PLAN

Appendix B

INDUSTRY ATTRACTION STUDY

INTRODUCTION

Traditionally, the attraction of new manufacturing firms to a community has been the single most important economic development activity of local economic development practitioners. While the attraction of manufacturing firms to a community remains an important local economic development activity, it is becoming increasingly evident that it is necessary for a community to work to retain its existing industries and to target its industry attraction activities to those industries whose locational requirements are compatible with the physical and socioeconomic characteristics of the community, as well as with the community's economic development goals. This targeted approach is sound in view of the need to promote the overall social as well as economic development of the community, and in view of the limited success which communities should expect in attracting new industry. Throughout the nation, approximately 1,500 manufacturing firms relocate annually, with approximately 50 percent of these firms relocating to areas that provide some natural resource required in the firm's manufacturing process. The remaining 750 relocations are subject to intense competition among approximately 15,000 states, cities, counties, private developers, and foreign governments.

Consequently, it is important for a community not only to carefully consider its potential for success in undertaking an industry attraction program, but also to identify those industries that are most likely to locate in the communities. The purpose of this appendix is to identify those industries that an economic development program in the City of Elkhorn could contact as part of a targeted industry attraction program. Accordingly, this appendix:

1. Identifies 53 four-digit Standard Industrial Classification (SIC) manufacturing industries that have been identified as rapid growth industries by the Southeastern Wisconsin Regional Planning Commission;
2. Provides a priority ranking of the industries relative to the industry attraction criteria suggested by the City of Elkhorn 2020 Committee; and
3. Summarizes the industry attraction activities of Forward Wisconsin, Inc., and the Wisconsin Strategic Development Commission.

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<sup>1</sup> Minnesota Department of Economic Development, Area Industrial Development: A Guide for Community Action, undated.

## RAPID GROWTH INDUSTRIES

The historic performance of industries, as measured by increases in industry shipments,<sup>2</sup> is one criterion that can be utilized to identify growth industries. Industries showing high growth trends may be considered to be good prospects for firm expansions and the location of branch plants in new locations. This section identifies industries that have shown, and may be expected to continue to show, increases in industry shipments. The growth industries identified below should be considered by the City of Oconomowoc as good prospects for an industry attraction program.

The U. S. Department of Commerce, Bureau of Industrial Economics, in its publication entitled 1985 U. S. Industrial Outlook, identifies 92 industries for which increases in industry shipments are forecast to surpass their peak year during the 1972 to 1982 time period. Fifty-three of these industries have been identified by the Commission staff as growth industries through the following process: 1) rank ordering the initial list of 92 industries by the level of industry shipments from the peak year in the 1972 to 1982 time period to the forecast level of industry shipments in 1985, and selecting the upper three quartiles for further analysis; 2) selecting industries from the lower quartile of growth industries identified in Step 1 that were in the upper quartile of growth firms for the 1982 to 1984 and 1985 time periods; and 3) rank ordering the industries identified in Steps 1 and 2 by their estimated and forecast growth rate in the 1982 to 1985 time period, and selecting the upper three quartiles for the list of targeted growth industries. Table B-1 lists the 53 targeted growth industries. Table 1 lists the 53 targeted growth industries. A summary description of the targeted industries, as provided in the Standard Industrial Classification Manual, published by the U. S. Department of Commerce, Office of Federal Statistical Policy and Standards, is set forth below:

### Semiconductors and Related Devices (SIC Code: 3674)

Establishments primarily engaged in manufacturing semiconductors and related solid state devices, such as semiconductor diodes and stacks, including rectifiers, integrated microcircuits, transistors, solar cells, and light sensing and emitting semiconductor devices.

### Automotive Stampings (SIC Code: 3465)

Establishments primarily engaged in manufacturing automotive stampings, such as body parts, hubs, and trim.

### Electronic Computing Equipment (SIC Code: 3573)

Establishments primarily engaged in manufacturing electronic computers and peripheral equipment and major logical components intended for use in electronic computer systems. Included are general-purpose electronic analog computers, electronic digital computers, and military, rugged, and special-purpose computers.

### Space Vehicle Equipment, nec (SIC Code: 3769)

Establishments primarily engaged in manufacturing guided missile and space vehicle parts and auxiliary equipment, not elsewhere classified. Research and

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<sup>2</sup> Industry shipments refers to the total value of all products shipped by establishments classified in an industry.

Table B-1

INDUSTRIES WITH FORECAST 1985 SHIPMENTS<sup>a</sup> THAT WILL EXCEED  
THE INDUSTRIES' PEAK SHIPMENTS DURING THE 1972 THROUGH  
1982 TIME PERIOD, RANKED BY THEIR 1982 TO 1985 GROWTH RATE

| Industry  | SIC<br>Code       | Rank |
|---|-------------------|------|
| Semiconductors and Related Devices.....           | 3674              | 1    |
| Automotive Stampings.....                         | 3465              | 2    |
| Electronic Computing Equipment.....               | 3573              | 3    |
| Space Vehicle Equipment nec.....                  | 3769              | 4    |
| X-ray Apparatus and Tubes.....                    | 3693              | 5    |
| Industrial Organic Chemicals nec.....             | 2869              | 6    |
| Aircraft.....                                     | 3721              | 7    |
| Millwork.....                                     | 2431              | 8    |
| Household Cooking Equipment.....                  | 3631              | 9    |
| Instruments to Measure Electricity.....           | 3825              | 10   |
| Screw Machine Products.....                       | 3451              | 11   |
| Industrial Inorganic Chemicals nec.....           | 2819              | 12   |
| Household Appliances nec.....                     | 3639              | 13   |
| Special Dies, Tools, and Jigs.....                | 3544              | 14   |
| Prefabricated Metal Buildings.....                | 3448              | 15   |
| Optical Instruments and Lenses.....               | 3832              | 16   |
| Gypsum Products.....                              | 3275              | 17   |
| Pulpmills.....                                    | 2611              | 18   |
| Adhesives and Sealants.....                       | 2891              | 19   |
| Electronic Connectors.....                        | 3678              | 20   |
| Softwood Veneer and Plywood.....                  | 2436              | 21   |
| Radio and Television Receiving Sets.....          | 3651              | 22   |
| Paperboard Mills.....                             | 2631              | 23   |
| Paints and Allied Products.....                   | 2851              | 24   |
| Electronic Components nec.....                    | 3679              | 25   |
| Chemical Preparations nec.....                    | 2899              | 26   |
| Printing Ink.....                                 | 2893              | 27   |
| Wood Pallets and Skids.....                       | 2448              | 28   |
| Dolls.....  | 3942              | 29   |
| Radio and Television Communication Equipment..... | 3662              | 30   |
| Engineering and Scientific Instruments.....       | 3811              | 31   |
| Greeting Card Publishing.....                     | 2771              | 32   |
| Natural and Processed Cheese.....                 | 2022              | 33   |
| Sanitary Paper Products.....                      | 2647              | 34   |
| Surgical and Medical Instruments.....             | 3841              | 35   |
| Surgical Appliances and Supplies.....             | 3842              | 36   |
| Office Machines nec.....                          | 3579              | 37   |
| Calculating and Accounting Machines.....          | 3574              | 38   |
| Papermills, Except Building Paper.....            | 2621              | 39   |
| Corrugated and Solid Fiber Boxes.....             | 2653              | 40   |
| Sporting and Athletic Goods nec.....              | 3949              | 41   |
| Plastics Materials and Resins.....                | 2821              | 42   |
| Wood Preserving.....                              | 2491              | 43   |
| Guided Missles and Space Vehicles.....            | 3761              | 44   |
| Miscellaneous Publishing.....                     | 2741              | 45   |
| Industrial Controls.....                          | 3622              | 46   |
| Medicinals and Botanicals.....                    | 2833              | 47   |
| Bottled and Canned Soft Drinks.....               | 2086 <sup>b</sup> | 48   |
| Commercial Printing.....                          | 275A              | 49   |
| Lithographic Platemaking Services.....            | 2795              | 50   |
| Telephone and Telegraph Apparatus.....            | 3661              | 51   |
| Periodicals.....                                  | 2721              | 52   |
| Measuring and Controlling Devices nec.....        | 3829              | 53   |

Note: ned = not elsewhere classified.

<sup>a</sup> Industry shipments refers to the total value of all products shipped by establishments classified in an industry.

<sup>b</sup> SIC Codes: 2751, 2752, 2754.

Source: U. S. Department of Commerce, International Trade Administration; and SEWRPC.

development on guided missile and space vehicle parts and auxiliary equipment not elsewhere classified, is also included in this industry.

X-Ray Apparatus and Tubes (SIC Code: 3693)

Establishments primarily engaged in manufacturing radiographic x-ray, fluoroscopic x-ray, and therapeutic x-ray apparatus and tubes for medical, industrial, research, and control applications. This industry also includes establishments primarily engaged in manufacturing electromedical and electrotherapeutic apparatus.

Industrial Organic Chemicals, nec (SIC Code: 2869):

Establishments primarily engaged in manufacturing industrial organic chemicals not elsewhere classified. Important products of this industry include: non-cyclic organic chemicals, solvents, polyhydric alcohols, synthetic perfume and flavoring materials, rubber processing chemicals, plasticizers, synthetic tanning agents, and chemical warfare gases.

Aircraft (SIC Code: 3721)

Establishments primarily engaged in manufacturing or assembling complete aircraft. This industry also includes establishments primarily engaged in research and development on aircraft or in factory-type aircraft modification on a contract or fee basis.

Millwork (SIC Code: 2431)

Establishments primarily engaged in manufacturing fabricated millwork, including planing mills primarily engaged in producing millwork.

Household Cooking Equipment (SIC Code: 3631)

Establishments primarily engaged in manufacturing household cooking equipment, such as stoves, ranges, and ovens, including both electric and nonelectric types.

Instruments to Measure Electricity (SIC Code: 3825)

Establishments primarily engaged in manufacturing instruments for measuring the characteristics of electricity in electrical signals, such as voltmeters, ammeters, watt-meters, watt-hour meters, demand meters, and equipment for testing electrical characteristics of electrical, radio, and communication circuits and of internal combustion engines.

Screw Machine Products (SIC Code: 3451)

Establishments primarily engaged in manufacturing automatic or hand screw machine products from rod, bar, or tube stock of metal, fiber, plastics, or other material. The products of this industry consist of a wide variety of unassembled parts and are usually manufactured on a job or order basis.

Industrial Inorganic Chemicals nec (SIC Code: 2819)

Establishments primarily engaged in manufacturing industrial inorganic chemicals not elsewhere classified. Important products of this industry include: inorganic salts and inorganic compounds such as alums, calcium carbide, hydrogen peroxide, sodium silicate, ammonia compounds, etc.

Household Appliances nec (SIC Code: 3639)

Establishments primarily engaged in manufacturing household appliances not elsewhere classified, such as water heaters, dishwashers, and food waste disposal units.

Special Dies, Tools, and Jigs (SIC Code: 3544)

Establishments commonly known as contract tool and die shops and primarily engaged in manufacturing, on a job order basis, special tools and fixtures for use with machine tools, hammers, die casting machines, and presses.

Prefabricated Metal Buildings (SIC Code: 3832)

Establishments primarily engaged in manufacturing prefabricated and portable metal buildings and parts, and prefabricated exterior metal panels.

Optical Instruments and Lenses (SIC Code: 3832)

Establishments primarily engaged in manufacturing instruments that measure an optical property; apparatus except photographic that projects or magnifies such as binoculars, prisms, and lenses; optical sighting and fire control equipment; and related analytical instruments.

Gypsum Products (SIC Code: 3275)

Establishments primarily engaged in manufacturing plaster, plasterboard, and other products composed wholly or chiefly of gypsum.

Pulpmills (SIC Code: 2611)

Establishments primarily engaged in manufacturing pulp from wood or from other materials such as rags, linters, wastepaper, and straw. Logging camps operated by pulpmills, and not separately reported, are also included in this industry.

Adhesives and Sealants (SIC Code: 2891)

Establishments primarily engaged in manufacturing industrial and household adhesives, glues, caulking compounds, sealants, and linoleum, tile, and rubber cements from vegetable, animal, or synthetic plastic materials, purchased or produced in the same establishment.

Electronic Connectors (SIC Code: 3678)

Establishments primarily engaged in manufacturing electronic connectors.

Soft Wood Veneer and Plywood (SIC Code: 2436)

Establishments primarily engaged in producing commercial softwood veneer and plywood.

Radio and Television Receiving Sets (SIC Code: 3651)

Establishments primarily engaged in manufacturing electronic equipment for home entertainment, including auto radios and tape players. This industry also includes establishments primarily engaged in manufacturing public address systems and music distribution apparatus.

Paperboard Mills (SIC Code: 2631)

Establishments primarily engaged in manufacturing paperboard from wood pulp and other fibers; and which may also manufacture converted paperboard products.

Paints and Allied Products (SIC Code: 2851)

Establishments primarily engaged in manufacturing paints; varnishes; lacquers; enamels and shellac; putties, wood fillers, and sealers; paint and varnish removers; paint brush cleaners; and allied paint products.

Electronic Components (SIC Code: 3679)

Establishments primarily engaged in manufacturing electronic components not elsewhere classified, such as receiving antennas, printed circuits, switches, and wave guides.

Chemical Preparations nec (SIC Code: 2899)

Establishments primarily engaged in manufacturing miscellaneous chemical preparations not elsewhere classified, such as fatty acids, essential oils, gelatin, sizes, bluing, laundry sours, and wiring and stamp pad inks; and industrial compounds such as boiler and heat insulating compounds, metal-, oil-, and water-treating compounds, waterproofing compounds, and chemical supplies for foundries.

Printing Ink (SIC Code: 2893)

Establishments primarily engaged in manufacturing printing ink, gravure ink, screen process ink, and lithographic ink.

Wood Pallets and Skids (SIC Code: 2448)

Establishments primarily engaged in manufacturing wood and wood-metal combination pallet and skids.

Dolls (Toys and Sporting Goods) (SIC Code: 3942)

Establishments primarily engaged in manufacturing dolls, doll parts, and doll clothing. Establishments primarily engaged in manufacturing stuffed toy animals are also included in this category.

Radio and Television Communication Equipment (SIC Code: 3662)

Establishments primarily engaged in manufacturing: radio and television broadcasting equipment; electric communication equipment and parts, except telephone and telegraph; electronic field detection apparatus, light and heat emission operating apparatus, object detection apparatus and navigational electronic equipment, and aircraft and missile control systems; and high energy particle accelerator systems and equipment.

Engineering and Scientific Instruments (SIC Code: 3811)

Establishments primarily engaged in manufacturing engineering, laboratory, and scientific instruments, including nautical, navigational, aeronautical, surveying, and drafting equipment, and instruments for laboratory work and scientific research.

Greeting Card Publishing (SIC Code: 2771)

Establishments primarily engaged in designing, publishing, and printing greeting cards for all occasions.

Natural and Processed Cheese (SIC Code: 2022)

Establishments primarily engaged in manufacturing all types of natural cheese, processed cheese, cheese foods, and cheese spreads.

Sanitary Paper Products (SIC Code: 2647)

Establishments primarily engaged in manufacturing, from purchased paper, sanitary paper products such as facial tissues and handkerchiefs, table napkins, toilet paper, towels, disposable diapers, and sanitary napkins and tampons.

Surgical and Medical Instruments (SIC Code: 3841)

Establishments primarily engaged in manufacturing medical, surgical, ophthalmic, and veterinary instruments and apparatus.

Surgical Appliances and Supplies (SIC Code: 3842)

Establishments primarily engaged in manufacturing orthopedic, prosthetic, and surgical appliances and supplies; arch supports and other foot appliances; fracture appliances, elastic hosiery, abdominal supporters, braces, and trusses; bandages; surgical gauze and dressings; sutures; adhesive tapes and medicated plasters; and personal safety appliances and equipment.

Office Machines nec (SIC Code: 3579)

Establishments primarily engaged in manufacturing office machines and devices not elsewhere classified. Included are address-labeling machines, binding machines, coin-wrapping machines, duplicating machines, and paper cutters and trimmers, etc.

Calculating and Accounting Machines (SIC Code: 3574)

Establishments primarily engaged in manufacturing desk calculators, adding and accounting machines, cash registers, and similar equipment.

Papermills, Except Building Paper (SIC Code: 2621)

Establishments primarily engaged in manufacturing paper from wood pulp and other fibers, and which may also manufacture converted paper products.

Corrugated Solid Fiber Boxes (SIC Code: 2653)

Establishments primarily engaged in manufacturing corrugated and solid fiber boxes and related products from purchased paperboard or fiber stock. Important products from this industry include corrugated and solid fiberboard boxes, pads, partitions, display items, pallets, single-face products, and corrugated sheets.

Sporting and Athletic Goods nec (SIC Code: 3949)

Establishments primarily engaged in manufacturing sporting and athletic goods not elsewhere classified, such as fishing tackle; golf and tennis goods; baseball, football, basketball, and boxing equipment; roller skates and ice skates; gymnasium and playground equipment; billiard and pool table equipment; and bowling alleys and equipment.

Plastic Materials and Resins SIC Code: 2821)

Establishments primarily engaged in manufacturing synthetic resins, plastic materials, and nonvulcanizable elastomers.

Wood Preserving (SIC Code: 2491)

Establishments primarily engaged in treating wood, sawed or planed in other establishments, with creosote or other preservatives to prevent decay and to protect against fire and insects.

Guided Missiles and Space Vehicles (SIC Code: 3761)

Establishments primarily engaged in manufacturing complete guided missiles and space vehicles. Research and development and other services on or for guided missiles and space vehicles are included in this industry.

Miscellaneous Publishing (SIC Code: 2741)

Establishments primarily engaged in miscellaneous publishing activities not elsewhere classified. Products of this industry include: catalogs, guides, maps, and telephone directories.

Industrial Controls (SIC Code: 3622)

Establishments primarily engaged in manufacturing motor starters and controllers; control accessories; electronic controls; and other industrial controls.

Medicinals and Botanicals (SIC Code: 2833)

Establishments primarily engaged in manufacturing bulk organic and inorganic medicinal chemicals and their derivatives, and processing bulk botanical drugs and herbs.

Bottled and Canned Soft Drinks (SIC Code: 2086)

Establishments primarily engaged in manufacturing soft drinks and carbonated waters.

Commercial Printing (SIC Codes: 2751, 2751, 2752, 2754)

Establishments primarily engaged in letterpress and screen commercial or job printing, including flexographic; printing by the lithographic process; offset printing; photo-offset printing; photolithographing; and gravure printing.

Lithographic Platemaking Services (SIC Code: 2795)

Establishments primarily engaged in making lithographic plates and positives or negatives from which lithographic plates are made, and in related services.

Telephone and Telegraph Apparatus (SIC Code: 3661) Establishments primarily engaged in manufacturing wire telephone and telegraph equipment, and parts especially designed for telephone and telegraph use. Important products of this industry include telephone sets, telephone central office equipment, telegraph office equipment, and telewriters.

Periodicals (SIC Code: 2721)

Establishments primarily engaged in publishing periodicals or in preparing, publishing, and printing periodicals such as magazines, trade journals, statistical reports, and other periodicals.

Measuring and Controlling Devices nec (SIC Code: 3829)

Establishments primarily engaged in manufacturing measuring and controlling devices not elsewhere classified, including testing instruments to determine the physical properties of materials, nuclear instruments, aircraft engine instruments, and liquid-in-glass and bimetal thermometers.

**RANKING OF TARGETED INDUSTRIES**

The importance of targeting an industry attraction program to those industries that are most likely to locate in the Elkhorn area has been noted. Although the industry attraction list provides the City of Elkhorn with 53 targeted industries that could be the focus of an industry attraction program, the costs of contacting all the firms in these industries could be prohibitive to the City. In addition, a number of the targeted industries' locational criteria may not be compatible with the locational characteristics of the City of



Elkhorn. Therefore, this section ranks the 53 targeted industries in accordance with the ranking criteria identified by the citizens' advisory committee.

The following steps were used to rank order the targeted industries: 1) a set of local industry attraction criteria were identified by the City's 2020 Committee; 2) weights ranging from 1 to 10 were assigned by the Committee to these criteria based on the perceived local importance of each criterion; and 3) the criteria were applied to the 53 targeted industries, with the total of the weights assigned to each criterion resulting in a rank order of the targeted industries.

The criteria used to rank order the targeted industries were identified by the Elkhorn 2020 Committee, and were determined to reflect the City's economic development objectives at this time. The relative weights assigned to the criteria reflect the relative importance of each criterion as perceived by the Committee. Thus, the process reflects the collective, subjective judgement of the Committee regarding targeted industries that should be attracted to the Elkhorn area. These judgements may change over time. The information provided herein, however, can be used to develop a new rank order list of targeted industries as perceptions and conditions change by assigning new weights to each criterion.

#### Explanation of the Ranking Criteria

Table B-2 through Table B-7 set forth the industry attraction criteria identified by the Elkhorn 2020 Committee, as well as the data and information used in assigning weights to those criteria. Table B-8 presents the final ranking of the industries for use in a targeted industry attraction program in the City.

#### Ranking Criterion One, Growth in Targeted Industry

Establishments in the Midwestern United States Region: The growth of an industry in the midwest region is an important consideration in an industry attraction program, since firms have historically chosen to expand or establish new branch locations near their existing location. Table B-2 indicates the total number of targeted industry establishments in 1977 and 1982, and the percentage change in the number of targeted industry establishments from 1977 to 1982. As indicated in Table B-2, targeted industries that demonstrated growth in industry establishments from 1977 to 1982 were awarded 3 to 6 points, indicating this criterion's relative importance in relation to the other criteria in the industry attraction study. Targeted industry establishments that had a high rate of growth from 1977 to 1982 received 6 points and establishments that grew at a moderate rate received 3 points. A high rate of growth was defined as a percentage change in the total number of establishments from 1977 to 1982 that was in the upper two quartiles of those targeted industries that showed a positive growth rate during the time period when the industries were rank ordered by their growth rates. A moderate rate of growth was defined as a positive percentage change in total number of establishments from 1977 to 1982 that ranked in the lower two quartiles.

Ranking Criterion Two, Growth in Targeted Industry Establishments in Wisconsin: The Elkhorn 2020 Committee believed that identification as a growth industry in Wisconsin should be another consideration in rank ordering targeted industries for an industry attraction program. Table B-3 identifies the

Table B-2

RANKING CRITERION ONE: GROWTH IN TARGETED INDUSTRY  
ESTABLISHMENTS IN THE MIDWESTERN UNITED STATES  
REGION<sup>a</sup> DURING THE 1977 THROUGH 1982 TIME PERIOD

| Industry  | SIC<br>Code       | Total Establishments |       |                                     |         | Ranking<br>Points |
|---|-------------------|----------------------|-------|-------------------------------------|---------|-------------------|
|   |                   | 1977                 | 1982  | Change <sup>b</sup><br>1977 to 1982 |         |                   |
|   |                   |                      |       | Number                              | Percent |                   |
| Electronic Computing Equipment.....   | 3573              | 96                   | 166   | 70                                  | 72.9    | 3                 |
| Industrial Inorganic Chemicals nec.....   | 2819              | 82                   | 122   | 40                                  | 48.8    | 3                 |
| Prefabricated Metal Buildings.....  | 3448              | 62                   | 79    | 17                                  | 27.4    | 3                 |
| Gypsum Products.....  | 3275              | 16                   | 19    | 3                                   | 18.8    | 3                 |
| Adhesives and Sealants.....   | 2891              | 134                  | 171   | 37                                  | 27.6    | 3                 |
| Electronic Connectors.....  | 3678              | 18                   | 22    | 4                                   | 22.2    | 3                 |
| Softwood Veneer and Plywood.....  | 2436              | 0                    | 10    | 10                                  | 1,000.0 | 3                 |
| Electronic Components nec.....  | 3679              | 372                  | 522   | 150                                 | 40.3    | 3                 |
| Wood Pallets and Skids.....   | 2448              | 313                  | 417   | 104                                 | 33.2    | 3                 |
| Greeting Card Publishing.....   | 277 <sup>c</sup>  | 19                   | 28    | 9                                   | 47.4    | 3                 |
| Surgical and Medical Instruments.....   | 3841              | 125                  | 148   | 23                                  | 18.4    | 3                 |
| Surgical Appliances and Supplies.....   | 3842              | 227                  | 260   | 33                                  | 14.5    | 3                 |
| Calculating and Accounting Machines.....  | 3574              | 11                   | 20    | 9                                   | 81.8    | 3                 |
| Wood Preserving.....  | 2491              | 42                   | 62    | 20                                  | 47.6    | 3                 |
| Industrial Controls.....  | 3622              | 193                  | 262   | 69                                  | 35.8    | 3                 |
| Medicinals and Botanicals.....  | 2833              | 20                   | 32    | 12                                  | 60.0    | 3                 |
| Lithographic Platemaking Services.....  | 2795              | 123                  | 193   | 70                                  | 57.0    | 3                 |
| Semiconductors and Related Devices.....   | 3674              | 66                   | 69    | 3                                   | 4.5     | 1                 |
| Automotive Stampings.....   | 3465              | 419                  | 474   | 55                                  | 13.2    | 1                 |
| X-ray Apparatus and Tubes.....  | 3693              | 41                   | 45    | 4                                   | 9.8     | 1                 |
| Industrial Organic Chemicals nec.....   | 2869              | 95                   | 103   | 8                                   | 8.4     | 1                 |
| Aircraft (aircraft and parts).....  | 372 <sup>c</sup>  | 164                  | 183   | 19                                  | 11.6    | 1                 |
| Millwork.....   | 2431              | 374                  | 380   | 6                                   | 1.6     | 1                 |
| Instruments to Measure Electricity.....   | 3825              | 125                  | 141   | 16                                  | 11.4    | 1                 |
| Special Dies, Tools, and Jigs.....  | 3544              | 3,394                | 3,396 | 2                                   | 0.1     | 1                 |
| Paperboard Mills.....   | 263 <sup>c</sup>  | 60                   | 62    | 2                                   | 3.3     | 1                 |
| Paints and Allied Products.....   | 285 <sup>c</sup>  | 361                  | 339   | -22                                 | 6.1     | 1                 |
| Radio and Television Communication Equipment.....                                   | 3662              | 263                  | 284   | 21                                  | 8.0     | 1                 |
| Engineering and Scientific Instruments.....   | 381 <sup>c</sup>  | 133                  | 135   | 2                                   | 1.5     | 1                 |
| Sanitary Paper Products.....  | 2647              | 30                   | 33    | 3                                   | 10.0    | 1                 |
| Commercial Printing.....  | 275A <sup>d</sup> | 4,631                | 5,240 | 609                                 | 13.2    | 1                 |
| Telephone and Telegraph Apparatus.....  | 3661              | 45                   | 47    | 2                                   | 4.4     | 1                 |
| Measuring and Controlling Devices nec.....  | 3829              | 130                  | 132   | 2                                   | 1.5     | 1                 |
| Space Vehicle Equipment nec (guided<br>missiles, space vehicles, parts).....        | 376 <sup>c</sup>  | 10                   | 7     | -3                                  | -30.0   | --                |
| Household Cooking Equipment.....  | 3631              | 23                   | 17    | 6                                   | -26.1   | --                |
| Screw Machine Products.....   | 3451              | 793                  | 788   | -5                                  | -0.6    | --                |
| Household Appliances nec.....   | 3639              | 25                   | 25    | 0                                   | 0.0     | --                |
| Optical Instruments and Lenses.....   | 383 <sup>c</sup>  | 70                   | 67    | 3                                   | -4.3    | --                |
| Pulpmills.....  | 261 <sup>c</sup>  | 9                    | 9     | 0                                   | 0.0     | --                |
| Radio and Television Receiving Sets.....  | 3651              | 108                  | 79    | 29                                  | -26.8   | --                |
| Chemical Preparations nec.....  | 2899              | 359                  | 344   | -15                                 | -4.2    | --                |
| Printing Ink.....   | 2893              | 124                  | 115   | -9                                  | -7.3    | --                |
| Dolls (toys and sporting goods).....  | 394 <sup>c</sup>  | 517                  | 471   | 46                                  | -8.9    | --                |
| Natural and Processed Cheese.....   | 2022              | 469                  | 395   | -71                                 | -15.8   | --                |
| Office Machines nec.....  | 3579              | 53                   | 43    | -10                                 | -18.9   | --                |
| Papermills, Except Building Paper.....  | 262 <sup>c</sup>  | 98                   | 90    | -8                                  | -8.2    | --                |
| Corrugated and Solid Fiber Boxes.....   | 2653              | 408                  | 408   | 0                                   | 0.0     | --                |
| Sporting and Athletic Goods nec.....  | 3949              | 351                  | 302   | -49                                 | -14.0   | --                |
| Plastics Materials and Resins.....  | 2821              | 114                  | 104   | -10                                 | -8.8    | --                |
| Guided Missiles and Space Vehicles<br>(guided missiles, space vehicles, parts)..... | 376 <sup>c</sup>  | 10                   | 7     | -3                                  | -30.0   | --                |
| Miscellaneous Publishing.....   | 274 <sup>c</sup>  | 386                  | 334   | -52                                 | -13.5   | --                |
| Bottled and Canned Soft Drinks.....   | 2086 <sup>c</sup> | 384                  | 290   | -94                                 | -24.5   | --                |
| Periodicals.....  | 272 <sup>c</sup>  | 493                  | 484   | -9                                  | -1.8    | --                |

Note: nec = not elsewhere classified.

<sup>a</sup>The Midwestern region comprises the following states: Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin.

<sup>b</sup>Targeted industries that had a rate of growth that was at or above the median growth rate of 14.5 percent for those industries showing growth during the 1977 to 1982 time period received three points, and those industries showing a rate of growth that was below the median growth rate received one point.

<sup>c</sup>Information on this SIC category was available at the three-digit level only.

<sup>d</sup>SIC Codes: 2751, 2752, 2754.

Table B-3

RANKING CRITERION TWO: GROWTH IN TARGETED INDUSTRY  
ESTABLISHMENTS IN WISCONSIN DURING THE 1977 THROUGH 1982 TIME PERIOD

| Industry  | SIC<br>Code       | Total Establishments |      |                                     |         | Ranking<br>Points |
|---|-------------------|----------------------|------|-------------------------------------|---------|-------------------|
|   |                   | 1977                 | 1982 | Change                              |         |                   |
|   |                   |                      |      | 1977 to 1982 <sup>a</sup><br>Number | Percent |                   |
| Semiconductors and Related Devices.....   | 3674              | 6                    | 10   | 4                                   | 66.7    | 8                 |
| Automotive Stampings.....   | 3465              | 6                    | 11   | 5                                   | 83.3    | 8                 |
| Electronic Computing Equipment.....   | 3573              | 8                    | 12   | 4                                   | 50.0    | 8                 |
| Industrial Organic Chemicals nec.....   | 2869              | 8                    | 14   | 6                                   | 75.0    | 8                 |
| Millwork.....   | 2431              | 66                   | 86   | 20                                  | 30.3    | 8                 |
| Instruments to Measure Electricity.....   | 3825              | 9                    | 13   | 4                                   | 44.4    | 8                 |
| Industrial Inorganic Chemicals nec.....   | 2819              | 0                    | 8    | 8                                   | 800.0   | 8                 |
| Prefabricated Metal Buildings.....  | 3448 <sup>b</sup> | 5                    | 7    | 2                                   | 40.0    | 8                 |
| Optical Instruments and Lenses.....   | 383               | 0                    | 6    | 6                                   | 600.0   | 8                 |
| Wood Pallets and Skids.....   | 2448              | 47                   | 61   | 14                                  | 29.8    | 8                 |
| Office Machines nec.....  | 3579              | 1                    | 3    | 2                                   | 200.0   | 8                 |
| Wood Preserving.....  | 2491              | 5                    | 8    | 3                                   | 60.0    | 8                 |
| Industrial Controls.....  | 3622              | 29                   | 41   | 12                                  | 41.4    | 8                 |
| Medicinals and Botanicals.....  | 2833              | 1                    | 4    | 3                                   | 300.0   | 8                 |
| Lithographic Platemaking Services.....  | 2795              | 9                    | 17   | 8                                   | 88.9    | 8                 |
| Aircraft (aircraft and parts).....  | 372 <sup>b</sup>  | 7                    | 8    | 1                                   | 14.3    | 4                 |
| Screw Machine Products.....   | 3451              | 58                   | 61   | 3                                   | 5.2     | 4                 |
| Special Dies, Tools, and Jigs.....  | 3544 <sup>b</sup> | 247                  | 249  | 2                                   | 0.8     | 4                 |
| Paperboard Mills.....   | 263 <sup>b</sup>  | 7                    | 8    | 1                                   | 14.3    | 4                 |
| Electronic Components nec.....  | 3679              | 29                   | 31   | 2                                   | 6.9     | 4                 |
| Chemical Preparations nec.....  | 2899              | 30                   | 33   | 3                                   | 10.0    | 4                 |
| Printing Ink.....   | 2893              | 14                   | 15   | 1                                   | 7.1     | 4                 |
| Radio and Television Communication Equipment.....                                   | 3662 <sup>b</sup> | 20                   | 24   | 4                                   | 20.0    | 4                 |
| Engineering and Scientific Instruments.....   | 381 <sup>b</sup>  | 12                   | 15   | 3                                   | 25.0    | 4                 |
| Sanitary Paper Products.....  | 2647              | 18                   | 19   | 1                                   | 5.6     | 4                 |
| Surgical and Medical Instruments.....   | 3841              | 10                   | 12   | 2                                   | 20.0    | 4                 |
| Corrugated and Solid Fiber Boxes.....   | 2653              | 36                   | 44   | 8                                   | 22.2    | 4                 |
| Sporting and Athletic Goods nec.....  | 3949              | 63                   | 66   | 3                                   | 4.8     | 4                 |
| Commercial Printing.....  | 275A <sup>c</sup> | 513                  | 571  | 58                                  | 11.3    | 4                 |
| Telephone and Telegraph Apparatus.....  | 3661              | 5                    | 6    | 1                                   | 20.0    | 4                 |
| Space Vehicle Equipment nec<br>(guided missiles, space vehicles, parts).....        | 376 <sup>b</sup>  | 0                    | 0    | 0                                   | 0.0     | --                |
| X-ray Apparatus and Tubes.....  | 3693              | 11                   | 9    | -2                                  | -18.2   | --                |
| Household Cooking Equipment.....  | 3631              | 3                    | 1    | -2                                  | -66.7   | --                |
| Household Appliances nec.....   | 3639              | 7                    | 5    | -2                                  | -28.6   | --                |
| Gypsum Products.....  | 3275 <sup>b</sup> | 0                    | 0    | 0                                   | 0.0     | --                |
| Pulpmills.....  | 261 <sup>b</sup>  | 6                    | 5    | -1                                  | -16.7   | --                |
| Adhesives and Sealants.....   | 2891              | 10                   | 6    | -4                                  | -40.0   | --                |
| Electronic Connectors.....  | 3678              | 1                    | 1    | 0                                   | 0.0     | --                |
| Softwood Veneer and Plywood.....  | 2436              | 0                    | 0    | 0                                   | 0.0     | --                |
| Radio and Television Receiving Sets.....  | 3651              | 5                    | 4    | -1                                  | -20.0   | --                |
| Paints and Allied Products.....   | 285 <sup>b</sup>  | 33                   | 33   | 0                                   | 0.0     | --                |
| Dolls (toys and sporting goods).....  | 394 <sup>b</sup>  | 83                   | 79   | -4                                  | -4.8    | --                |
| Greeting Card Publishing.....   | 277 <sup>b</sup>  | 0                    | 0    | 0                                   | 0.0     | --                |
| Natural and Processed Cheese.....   | 2022              | 365                  | 304  | -61                                 | -16.7   | --                |
| Surgical Appliances and Supplies.....   | 3842              | 25                   | 24   | -1                                  | -4.0    | --                |
| Calculating and Accounting Machines.....  | 3574 <sup>b</sup> | 1                    | 1    | 0                                   | 0.0     | --                |
| Papermills, Except Building Paper.....  | 262 <sup>b</sup>  | 41                   | 38   | -3                                  | -7.3    | --                |
| Plastics Materials and Resins.....  | 2821              | 10                   | 7    | -3                                  | -30.0   | --                |
| Guided Missiles and Space Vehicles<br>(guided missiles, space vehicles, parts)..... | 376 <sup>b</sup>  | 0                    | 0    | 0                                   | 0.0     | --                |
| Miscellaneous Publishing.....   | 274 <sup>b</sup>  | 44                   | 42   | -2                                  | -4.5    | --                |
| Bottled and Canned Soft Drinks.....   | 2086 <sup>b</sup> | 78                   | 55   | -23                                 | -29.5   | --                |
| Periodicals.....  | 272 <sup>b</sup>  | 58                   | 58   | 0                                   | 0.0     | --                |
| Measuring and Controlling Devices nec.....  | 3829              | 13                   | 10   | -3                                  | -23.1   | --                |

Note: nec = not elsewhere classified.

<sup>a</sup> Targeted industries that had a rate of growth that was at or above the median growth rate of 29.8 percent for those industries showing growth during the 1977 to 1982 time period received eight points, and those industries showing a rate of growth that was below the median growth rate received four points.

<sup>b</sup> Information in this SIC category was available at the three-digit level only.

<sup>c</sup> SIC Codes: 2751, 2752, 2754.

Source: U. S. Bureau of the Census and SEWRPC.

Table B-4

RANKING CRITERION THREE: TARGETED INDUSTRIES WITH PRIMARY  
LOCATIONS IN THE STATES OF WISCONSIN OR ILLINOIS--1977

| Industry  | SIC<br>Code       | Percent of<br>Industry<br>Location |          | Ranking<br>Points |
|---|-------------------|------------------------------------|----------|-------------------|
|   |                   | Wisconsin                          | Illinois |                   |
| Automotive Stampings .....                      | 3465              | 1.0                                | 5.1      | 10                |
| X-ray Apparatus and Tubes .....                 | 3693              | 4.5                                | 9.0      | 10                |
| Industrial Organic Chemicals, nec .....         | 2869              | 1.9                                | 4.9      | 10                |
| Millwork .....                                  | 2431              | 3.1                                | 4.4      | 10                |
| Household Cooking Equipment .....               | 3631              | 4.2                                | 12.5     | 10                |
| Instruments to Measure Electricity .....        | 3825              | 1.5                                | 5.5      | 10                |
| Screw Machine Products .....                    | 3451              | 3.6                                | 13.0     | 10                |
| Industrial Inorganic Chemicals, nec .....       | 2819              | 0.0                                | 4.8      | 10                |
| Household Appliances, nec .....                 | 3639              | 7.5                                | 6.2      | 10                |
| Special Dies, Tools, and Jigs .....             | 3544              | 3.6                                | 10.3     | 10                |
| Prefabricated Metal Buildings .....             | 3448              | 1.1                                | 5.6      | 10                |
| Pulpmills .....                                 | 2611              | 11.1                               | 0.0      | 10                |
| Adhesives and Sealants .....                    | 2891              | 2.4                                | 9.6      | 10                |
| Electronic Connectors .....                     | 3678              | 0.0                                | 6.0      | 10                |
| Radio and Television Receiving Sets .....       | 3651              | 0.9                                | 8.6      | 10                |
| Paints and Allied Products .....                | 2851              | 2.0                                | 9.0      | 10                |
| Electronic Components, nec .....                | 3679              | 1.4                                | 5.9      | 10                |
| Chemical Preparations, nec .....                | 2899              | 2.3                                | 7.9      | 10                |
| Printing Ink .....                              | 2893              | 2.9                                | 11.7     | 10                |
| Wood Pallets and Skids .....                    | 2448              | 4.6                                | 3.6      | 10                |
| Radio and Television Communication Equipment .. | 3662              | 1.1                                | 4.8      | 10                |
| Engineering and Scientific Instruments .....    | 3811              | 1.4                                | 6.2      | 10                |
| Greeting Card Publishing .....                  | 2771              | 0.0                                | 8.4      | 10                |
| Natural and Processed Cheese .....              | 2022              | 47.8                               | 4.6      | 10                |
| Sanitary Paper Products .....                   | 2647              | 15.0                               | 4.2      | 10                |
| Surgical and Medical Instruments .....          | 3841              | 1.7                                | 6.4      | 10                |
| Surgical Appliances and Supplies .....          | 3842              | 2.2                                | 4.6      | 10                |
| Office Machines, nec .....                      | 3579              | 0.9                                | 12.6     | 10                |
| Papermills, Except Building Paper .....         | 2621              | 10.6                               | 1.2      | 10                |
| Corrugated and Solid Fiber Boxes .....          | 2653              | 2.9                                | 8.8      | 10                |
| Sporting and Athletic Goods, nec .....          | 3949              | 3.8                                | 4.8      | 10                |
| Plastics Materials and Resins .....             | 2821              | 1.5                                | 7.8      | 10                |
| Miscellaneous Publishing .....                  | 2741              | 2.0                                | 5.5      | 10                |
| Industrial Controls .....                       | 3622              | 4.7                                | 8.1      | 10                |
| Medicinals and Botanicals .....                 | 2833              | 1.7                                | 6.2      | 10                |
| Bottled and Canned Soft Drinks .....            | 2086              | 3.8                                | 4.0      | 10                |
| Commercial Printing .....                       | 275A <sup>b</sup> | 2.3                                | 6.6      | 10                |
| Lithographic Platemaking Services .....         | 2795              | 2.3                                | 11.0     | 10                |
| Telephone and Telegraph Apparatus .....         | 3661              | 2.3                                | 11.0     | 10                |
| Periodicals .....                               | 2721              | 1.9                                | 8.0      | 10                |
| Measuring and Controlling Devices, nec .....    | 3829              | 2.5                                | 5.5      | 10                |
| Semiconductors and Related Devices .....        | 3674              | 0.0                                | 0.0      | --                |
| Electronic Computing Equipment .....            | 3573              | 1.0                                | 2.0      | --                |
| Space Vehicle Equipment, nec .....              | 3769              | 0.0                                | 0.0      | --                |
| Aircraft .....                                  | 3721              | 0.0                                | 0.0      | --                |
| Optical Instruments and Lenses .....            | 3832              | 0.6                                | 3.8      | --                |
| Gypsum Products .....                           | 3275              | 0.0                                | 3.9      | --                |
| Softwood Veneer and Plywood .....               | 2436              | 0.0                                | 0.0      | --                |
| Paperboard Mills .....                          | 2631              | 2.4                                | 3.2      | --                |
| Dolls .....                                     | 3942              | 0.0                                | 1.3      | --                |
| Calculating and Accounting Machines .....       | 3574              | 1.6                                | 3.1      | --                |
| Wood Preserving .....                           | 2491              | 0.0                                | 2.6      | --                |
| Guided Missiles and Space Vehicles .....        | 3761              | 0.0                                | 0.0      | --                |

Note: nec = not elsewhere classified.

<sup>a</sup>Ranking points were awarded if the States of Wisconsin or Illinois included 4 percent or more of all U. S. establishments.

<sup>b</sup>SIC Codes: 2751, 2752, 2754.

Source: U. S. Bureau of the Census, Census of Manufacturers: 1977; and SEWRPC.

Table B-5  
RANKING CRITERION FOUR: TARGETED INDUSTRY  
CLASSIFICATIONS LOCATED IN WALWORTH COUNTY: 1980

| Industry   | SIC<br>Code       | Classification<br>Is Located<br>Walworth<br>County |    | Ranking<br>Points |
|--|-------------------|--|----|-------------------|
|  |                   | Yes  | No |                   |
| Millwork .....                                     | 2431              | x  | -- | 4                 |
| Screw Machine Products .....                       | 3451              | x  | -- | 4                 |
| Industrial Inorganic Chemicals, nec .....          | 2819              | x  | -- | 4                 |
| Special Dies, Tools, and Jigs .....                | 3544              | x  | -- | 4                 |
| Paints and Allied Products .....                   | 2851              | x  | -- | 4                 |
| Wood Pallets and Skids .....                       | 2448              | x  | -- | 4                 |
| Surgical Appliances and Supplies .....             | 3842              | x  | -- | 4                 |
| Sporting and Athletic Goods, nec .....             | 3949              | x  | -- | 4                 |
| Miscellaneous Publishing .....                     | 2741              | x  | -- | 4                 |
| Bottled and Canned Soft Drinks .....               | 2086              | x  | -- | 4                 |
| Commercial Printing .....                          | 275A <sup>a</sup> | x  | -- | 4                 |
| Measuring and Controlling Devices, nec .....       | 3829              | x  | -- | 4                 |
| Semiconductors and Related Devices .....           | 3674              | --   | x  | --                |
| Automotive Stampings .....                         | 3465              | --   | x  | --                |
| Electronic Computing Equipment .....               | 3573              | --   | x  | --                |
| Space Vehicle Equipment, nec .....                 | 3769              | --   | x  | --                |
| X-ray Apparatus and Tubes .....                    | 3693              | --   | x  | --                |
| Industrial Organic Chemicals, nec .....            | 2869              | --   | x  | --                |
| Aircraft .....                                     | 3721              | --   | x  | --                |
| Household Cooking Equipment .....                  | 3631              | --   | x  | --                |
| Instruments to Measure Electricity .....           | 3825              | --   | x  | --                |
| Household Appliances, nec .....                    | 3639              | --   | x  | --                |
| Prefabricated Metal Buildings .....                | 3448              | --   | x  | --                |
| Optical Instruments and Lenses .....               | 3832              | --   | x  | --                |
| Gypsum Products .....                              | 3275              | --   | x  | --                |
| Pulpmills .....                                    | 2611              | --   | x  | --                |
| Adhesives and Sealants .....                       | 2891              | --   | x  | --                |
| Electronic Connectors .....                        | 3678              | --   | x  | --                |
| Softwood Veneer and Plywood .....                  | 2436              | --   | x  | --                |
| Radio and Television Receiving Sets .....          | 3651              | --   | x  | --                |
| Paperboard Mills .....                             | 2631              | --   | x  | --                |
| Electronic Components, nec .....                   | 3679              | --   | x  | --                |
| Chemical Preparations, nec .....                   | 2899              | --   | x  | --                |
| Printing Ink .....                                 | 2893              | --   | x  | --                |
| Dolls .....  | 3942              | --   | x  | --                |
| Radio and Television Communication Equipment ..... | 3662              | --   | x  | --                |
| Engineering and Scientific Instruments .....       | 3811              | --   | x  | --                |
| Greeting Card Publishing .....                     | 2771              | --   | x  | --                |
| Natural and Processed Cheese .....                 | 2022              | --   | x  | --                |
| Sanitary Paper Products .....                      | 2647              | --   | x  | --                |
| Surgical and Medical Instruments .....             | 3841              | --   | x  | --                |
| Office Machines, nec .....                         | 3579              | --   | x  | --                |
| Calculating and Accounting Machines .....          | 3574              | --   | x  | --                |
| Papermills, Except Building Paper .....            | 2621              | --   | x  | --                |
| Corrugated and Solid Fiber Boxes .....             | 2653              | --   | x  | --                |
| Plastics Materials and Resins .....                | 2821              | --   | x  | --                |
| Wood Preserving .....                              | 2491              | --   | x  | --                |
| Guided Missiles and Space Vehicles .....           | 3761              | --   | x  | --                |
| Industrial Controls .....                          | 3622              | --   | x  | --                |
| Medicinals and Botanicals .....                    | 2833              | --   | x  | --                |
| Lithographic Platemaking Services .....            | 2795              | --   | x  | --                |
| Telephone and Telegraph Apparatus .....            | 3661              | --   | x  | --                |
| Periodicals .....                                  | 2721              | --   | x  | --                |

Note: nec = not elsewhere classified.

<sup>a</sup>SIC Codes: 2751, 2752, 2754

Source: Wisconsin Department of Industry, Labor and Human Relations and SEWRPC.

Table B-6

RANKING CRITERION FIVE: TARGETED INDUSTRY  
HAS BEEN IDENTIFIED AS A HIGH GROWTH INDUSTRY

| Industry  | SIC<br>Code       | Industry<br>Has Been<br>Identified<br>as a Growth |    | Ranking<br>Points |
|---|-------------------|---|----|-------------------|
|   |                   | Yes   | No |                   |
| Semiconductors and Related Devices .....        | 3674              | x   | -- | 6                 |
| Automotive Stampings .....                      | 3465              | x   | -- | 6                 |
| Electronic Computing Equipment .....            | 3573              | x   | -- | 6                 |
| Space Vehicle Equipment, nec .....              | 3769              | x   | -- | 6                 |
| X-ray Apparatus and Tubes .....                 | 3693              | x   | -- | 6                 |
| Aircraft .....                                  | 3721              | x   | -- | 6                 |
| Instruments to Measure Electricity .....        | 3825              | x   | -- | 6                 |
| Optical Instruments and Lenses .....            | 3832              | x   | -- | 6                 |
| Pulpmills .....                                 | 2611              | x   | -- | 6                 |
| Electronic Connectors .....                     | 3678              | x   | -- | 6                 |
| Electronic Components, nec .....                | 3679              | x   | -- | 6                 |
| Wood Pallets and Skids .....                    | 2448              | x   | -- | 6                 |
| Radio and Television Communication Equipment .. | 3662              | x   | -- | 6                 |
| Engineering and Scientific Instruments .....    | 3811              | x   | -- | 3                 |
| Household Cooking Equipment .....               | 3631              | x   | -- | 3                 |
| Paints and Allied Products .....                | 2851              | x   | -- | 3                 |
| Printing Ink .....                              | 2893              | x   | -- | 3                 |
| Greeting Card Publishing .....                  | 2771              | x   | -- | 3                 |
| Natural and Processed Cheese .....              | 2022              | x   | -- | 3                 |
| Sanitary Paper Products .....                   | 2647              | x   | -- | 3                 |
| Surgical and Medical Instruments .....          | 3841              | x   | -- | 3                 |
| Surgical Appliances and Supplies .....          | 3842              | x   | -- | 3                 |
| Office Machines, nec .....                      | 3579              | x   | -- | 3                 |
| Calculating and Accounting Machines .....       | 3574              | x   | -- | 3                 |
| Papermills, Except Building Paper .....         | 2621              | x   | -- | 3                 |
| Sporting and Athletic Goods, nec .....          | 3949              | x   | -- | 3                 |
| Miscellaneous Publishing .....                  | 2741              | --  | x  | --                |
| Industrial Organic Chemicals, nec .....         | 2869              | --  | x  | --                |
| Millwork .....                                  | 2431              | --  | x  | --                |
| Screw Machine Products .....                    | 3451              | --  | x  | --                |
| Industrial Inorganic Chemicals, nec .....       | 2819              | --  | x  | --                |
| Household Appliances, nec .....                 | 3639              | --  | x  | --                |
| Special Dies, Tools, and Jigs .....             | 3544              | --  | x  | --                |
| Prefabricated Metal Buildings .....             | 3448              | --  | x  | --                |
| Gypsum Products .....                           | 3275              | --  | x  | --                |
| Adhesives and Sealants .....                    | 2891              | --  | x  | --                |
| Softwood Veneer and Plywood .....               | 2436              | --  | x  | --                |
| Radio and Television Receiving Sets .....       | 3651              | --  | x  | --                |
| Paperboard Mills .....                          | 2631              | --  | x  | --                |
| Chemical Preparations, nec .....                | 2899              | --  | x  | --                |
| Dolls .....                                     | 3942              | --  | x  | --                |
| Corrugated and Solid Fiber Boxes .....          | 2653              | --  | x  | --                |
| Plastics Materials and Resins .....             | 2821              | --  | x  | --                |
| Wood Preserving .....                           | 2491              | --  | x  | --                |
| Guided Missiles and Space Vehicles .....        | 3761              | --  | x  | --                |
| Industrial Controls .....                       | 3622              | --  | x  | --                |
| Medicinals and Botanicals .....                 | 2833              | --  | x  | --                |
| Bottled and Canned Soft Drinks .....            | 2086              | --  | x  | --                |
| Commercial Printing .....                       | 275A <sup>a</sup> | --  | x  | --                |
| Lithographic Platemaking Services .....         | 2795              | --  | x  | --                |
| Telephone and Telegraph Apparatus .....         | 3661              | --  | x  | --                |
| Periodicals .....                               | 2721              | --  | x  | --                |
| Measuring and Controlling Devices, nec .....    | 3829              | --  | x  | --                |

Note: nec = not elsewhere classified

<sup>a</sup>SIC Codes: 2751, 2752, 2754

Source: U. S. Department of Commerce, Bureau of Industrial Economics, 1985 U. S. Industrial Outlook, and SEWRPC.

Table B-7

RANKING CRITERION SIX: TARGETED INDUSTRIES ARE  
A PART OF THE COMMUNICATIONS/INFORMATION INDUSTRY

| Industry  | SIC<br>Code       | Industry Is<br>Part of the<br>Communications/<br>Information<br>Industry |    | Ranking<br>Points |
|---|-------------------|--|----|-------------------|
|   |                   | Yes  | No |                   |
| Semiconductors and Related Devices .....        | 3674              | x  | -- | 2                 |
| Electronic Computing Equipment .....            | 3573              | x  | -- | 2                 |
| Pulpmills .....                                 | 2611              | x  | -- | 2                 |
| Electronic Connectors .....                     | 3678              | x  | -- | 2                 |
| Radio and Television Receiving Sets .....       | 3651              | x  | -- | 2                 |
| Electronic Components, nec .....                | 3679              | x  | -- | 2                 |
| Printing Ink .....                              | 2893              | x  | -- | 2                 |
| Radio and Television Communication Equipment .. | 3662              | x  | -- | 2                 |
| Engineering and Scientific Instruments .....    | 3811              | x  | -- | 2                 |
| Office Machines, nec .....                      | 3579              | x  | -- | 2                 |
| Calculating and Accounting Machines .....       | 3574              | x  | -- | 2                 |
| Papermills, Except Building Paper .....         | 2621              | x  | -- | 2                 |
| Miscellaneous Publishing .....                  | 2741              | x  | -- | 2                 |
| Commercial Printing .....                       | 275A <sup>a</sup> | x  | -- | 2                 |
| Lithographic Platemaking Services .....         | 2795              | x  | -- | 2                 |
| Telephone and Telegraph Apparatus .....         | 3661              | x  | -- | 2                 |
| Periodicals .....                               | 2721              | x  | -- | 2                 |
| Automotive Stampings .....                      | 3465              | --   | x  | --                |
| Space Vehicle Equipment, nec .....              | 3769              | --   | x  | --                |
| X-ray Apparatus and Tubes .....                 | 3693              | --   | x  | --                |
| Industrial Organic Chemicals, nec .....         | 2869              | --   | x  | --                |
| Aircraft .....                                  | 3721              | --   | x  | --                |
| Millwork .....                                  | 2431              | --   | x  | --                |
| Household Cooking Equipment .....               | 3631              | --   | x  | --                |
| Instruments to Measure Electricity .....        | 3825              | --   | x  | --                |
| Screw Machine Products .....                    | 3451              | --   | x  | --                |
| Industrial Inorganic Chemicals, nec .....       | 2819              | --   | x  | --                |
| Household Appliances, nec .....                 | 3639              | --   | x  | --                |
| Special Dies, Tools, and Jigs .....             | 3544              | --   | x  | --                |
| Prefabricated Metal Buildings .....             | 3448              | --   | x  | --                |
| Optical Instruments and Lenses .....            | 3832              | --   | x  | --                |
| Gypsum Products .....                           | 3275              | --   | x  | --                |
| Adhesives and Sealants .....                    | 2891              | --   | x  | --                |
| Softwood Veneer and Plywood .....               | 2436              | --   | x  | --                |
| Paperboard Mills .....                          | 2631              | --   | x  | --                |
| Paints and Allied Products .....                | 2851              | --   | x  | --                |
| Chemical Preparations, nec .....                | 2899              | --   | x  | --                |
| Wood Pallets and Skids .....                    | 2448              | --   | x  | --                |
| Dolls .....                                     | 3942              | --   | x  | --                |
| Greeting Card Publishing .....                  | 2771              | --   | x  | --                |
| Natural and Processed Cheese .....              | 2022              | --   | x  | --                |
| Sanitary Paper Products .....                   | 2647              | --   | x  | --                |
| Surgical and Medical Instruments .....          | 3841              | --   | x  | --                |
| Surgical Appliances and Supplies .....          | 3842              | --   | x  | --                |
| Corrugated and Solid Fiber Boxes .....          | 2653              | --   | x  | --                |
| Sporting and Athletic Goods, nec .....          | 3949              | --   | x  | --                |
| Plastics Materials and Resins .....             | 2821              | --   | x  | --                |
| Wood Preserving .....                           | 2491              | --   | x  | --                |
| Guided Missiles and Space Vehicles .....        | 3761              | --   | x  | --                |
| Industrial Controls .....                       | 3622              | --   | x  | --                |
| Medicinals and Botanicals .....                 | 2833              | --   | x  | --                |
| Bottled and Canned Soft Drinks .....            | 2086              | --   | x  | --                |
| Measuring and Controlling Devices, nec .....    | 3829              | --   | x  | --                |

Note: nec = not elsewhere classified.

<sup>a</sup> SIC Codes: 2751, 2752, 2754

Source: SEWRPC.

total number of growth industry establishments in Wisconsin in 1977 and 1982, and the percentage change in the number of industry establishments from 1977 to 1982. A weight of 3 or 6 points was assigned to those industries showing growth from 1977 to 1982, reflecting the perceived importance of this criterion relative to the other criteria in the industry attraction study. Targeted industry establishments that had a rate of growth that was greater than the median rate of growth for all targeted industries with positive growth rates in Wisconsin from 1977 to 1982 received 6 points, and establishments that grew at a rate that was less than the median rate received 3 points.

Ranking Criterion Three, Targeted Industries With Primary

Locations in the States of Wisconsin or Illinois in 1977: The City of Elkhorn may be expected to exhibit industrial location characteristics that are similar to those of other communities in the State of Wisconsin. In addition, because of the proximity of the City to the highly urbanized northeastern Illinois region, the City may be expected to attract industries in northeastern Illinois that are expanding and establishing new branch locations. Therefore, the Elkhorn 2020 Committee indicated that targeted industries showing establishments located primarily in the States of Wisconsin or Illinois should be considered as one of the attraction criteria. Table B-4 indicates the primary locations of targeted industries being considered for the City's industry attraction program. As indicated in Table B-4, the targeted industries with primary locations in the State of Wisconsin or the State of Illinois were assigned 10 points in the ranking system, or the maximum number of points, indicating this criterion's importance relative to the other criteria in the ranking system.

Ranking Criterion Four, Targeted Classifications Located in Walworth County:

Another way to identify the industries that should be included in an industry attraction program is to examine the targeted industries that are currently located in the community. The rationale for this criterion is that other establishments in these industries should also find the community to be an appropriate place in which to locate. Table B-5 lists those four-digit SIC code targeted industries that are currently located in Walworth County. As indicated in Table B-5, targeted industries that are located in Walworth County were awarded 4 points out of 10 points in the ranking system, indicating this criterion's importance relative to the other criteria in the City's priority industry attraction study.

Ranking Criterion Five, Targeted Industries

That Have Been Identified as High Growth Industries: The Elkhorn 2020 Committee believed that identification as a high growth industry should be another important consideration in rank ordering targeted industries for an industry attraction program. Table B-6 lists the targeted industries that have been identified as high growth industries. A weight of 4 or 8 was assigned to the targeted industry establishments that were identified as high growth industries, indicating this criterion's importance relative to the other criteria in the priority industry attraction study. The targeted industry establishments that had a high growth rate received 8 points and establishments that had a moderate growth rate received 4 points. Industries were considered to have a high growth rate if they were in the upper quartile of firms showing a change between the level of industry shipments during the peak year in the 1972 to 1982 time period and the forecast level of industry shipments in 1985. Industries were considered to have a moderate rate of growth if they were in



the second quartile of firms showing a difference between industry shipments during the peak year in the 1972 to 1982 time period and the forecast level of industry shipments in 1985.

Ranking Criterion Six, Targeted Industries Are

a Part of the Communications/Information Industry: The Elkhorn 2020 Committee indicated that targeted industries that are a part of the communications/information industry should be given consideration in the City's industry attraction program. Table B-7 lists the targeted industries and indicates the industries that are associated with the communications/information industry. As indicated in Table B-7, targeted industries that are related to, or a part of, the communications/information industry were awarded a point value of 2 in the City's priority industry attraction study.

Results of the Targeted Industry Ranking Process

Table B-8 sets forth the results of the ranking of the targeted industries for the priority industry attraction program. As indicated in Table B-8, the total points for each targeted industry range from 34 points for the wood pallets and skids industry, an industry that would be most appropriate to target in an industrial attraction program for the City, to 0 point for the guided missiles and space vehicles industry, an industry that would be inappropriate to target in an attraction program.

The targeted industries listed in Table B-8 can be classified into three priority categories: the industries that should receive highest priority in an industry attraction program, or those industries receiving from 25 to 34 points in the priority ranking system; the industries that should receive medium priority in an industry attraction program, or those industries receiving from 22 to 24 points in the priority ranking system; and the industries that should have low priority in an industry attraction program, or those industries receiving 21 points or fewer in the priority ranking system. In addition, a few of the targeted industries identified in this study would be inappropriate to include in an industry attraction program as a result of unusual locational requirements such as proximity to raw materials, components, or supplies, area available for plant location; natural resource needs; and environmental impact. These industries are identified in Table B-8. The names, addresses, and telephone numbers of specific manufacturing establishments with the SIC codes identified above are available in printed form by state for each state in the nation. The publications setting forth this information range in price from \$15 to \$125 and can be ordered from Manufacturing News, Inc., 4 E. Huron Street, Chicago, Illinois 60611. Telephone: 312-337-1084.

INDUSTRY ATTRACTION ACTIVITIES IN THE STATE OF WISCONSIN

As part of the industry attraction study, an examination was conducted of the industry attraction activities of Forward Wisconsin, Inc., and the Wisconsin Strategic Development Commission. This summary will provide a statewide perspective on industry attraction activities, and will assist the City of Elkhorn in developing a strategy for targeting industries in the community's industry attraction program by providing additional information on industries that are likely to locate in the City.

Table B-8  
TOTAL RANKING OF TARGETED INDUSTRIES FOR AN  
INDUSTRY ATTRACTION PROGRAM IN THE CITY OF ELKHORN

| Industry                                  | SIC Code | Establishments Exhibiting Growth in the U. S. Region | Establishments Exhibiting Growth in Wisconsin | Establishments With Primary Locations in Wisconsin or Illinois | Industry Classification in Walworth County | Industry Identified as Growth Industry | Part Of Communications/Information Industry | Total Points |
|---|----------|--|---|--|--|--|---|--------------|
| Wood Pallets and Skids .....              | 2448     | 6  | 6   | 10   | 4  | 8                                      | -   | 34           |
| Electronic Components nec .....           | 3679     | 6  | 3   | 10   | -  | 8                                      | 2   | 29           |
| Automotive Stampings .....                | 3465     | 3  | 6   | 10   | -  | 8                                      | -   | 27           |
| Instruments to Measure Electricity .....  | 3825     | 3  | 6   | 10   | -  | 8                                      | -   | 27           |
| Electronic Connectors .....               | 3678     | 6  | -   | 10   | -  | 8                                      | 2   | 26           |
| Radio and Television .....                |          |  |   |  |  |  |   |              |
| Communication Equipment .....             | 3662     | 3  | 3   | 10   | -  | 8                                      | 2   | 26           |
| Industrial Inorganic Chemicals nec .....  | 2819     | 6  | 6   | 10   | 4  | -                                      | -   | 26           |
| Engineering and Scientific Instruments .. | 3811     | 3  | 6   | 10   | -  | 4                                      | 2   | 25           |
| Surgical Appliances and Supplies .....    | 3842     | 6  | -   | 10   | 4  | 4                                      | -   | 24           |
| Millwork .....                            | 2431     | 3  | 6   | 10   | 4  | -                                      | -   | 23           |
| Surgical and Medical Instruments .....    | 3841     | 6  | 3   | 10   | -  | 4                                      | -   | 23           |
| Electronic Computing Equipment .....      | 3573     | 6  | 6   | -  | -  | 8                                      | 2   | 22           |
| Prefabricated Metal Buildings .....       | 3448     | 6  | 6   | 10   | -  | -                                      | -   | 22           |
| Office Machines nec .....                 | 3579     | -  | 6   | 10   | -  | 4                                      | 2   | 22           |
| Industrial Controls .....                 | 3622     | 6  | 6   | 10   | -  | -                                      | -   | 22           |
| Medicinals and Botanicals .....           | 2833     | 6  | 6   | 10   | -  | -                                      | -   | 22           |
| Commercial Printing .....                 | 275A     | 3  | 3   | 10   | 4  | -                                      | 2   | 22           |
| X-ray Apparatus and Tubes .....           | 3693     | 3  | -   | 10   | -  | 8                                      | -   | 21           |
| Paints and Allied Products .....          | 2851     | 3  | -   | 10   | 4  | 4                                      | -   | 21           |
| Sporting and Athletic Goods nec .....     | 3949     | -  | 3   | 10   | 4  | 4                                      | -   | 21           |
| Lithographic Platemaking Services .....   | 2795     | 6  | 3   | 10   | -  | -                                      | 2   | 21           |
| Special Dies, Tools, and Jigs .....       | 3544     | 3  | 3   | 10   | 4  | -                                      | -   | 20           |
| Pulpmills .....                           | 2611     | -  | -   | 10   | -  | 8                                      | 2   | 20           |
| Greeting Card Publishing .....            | 2771     | 6  | -   | 10   | -  | 4                                      | -   | 20           |
| Sanitary Paper Products .....             | 2647     | 3  | 3   | 10   | -  | 4                                      | -   | 20           |
| Semiconductors and Related Devices .....  | 3674     | 3  | 6   | -  | -  | 8                                      | 2   | 19           |
| Industrial Organic Chemicals nec .....    | 2869     | 3  | 6   | 10   | -  | -                                      | -   | 19           |
| Printing Ink .....                        | 2893     | -  | 3   | 10   | -  | 4                                      | 2   | 19           |
| Telephone and Telegraph Apparatus .....   | 3661     | 3  | 3   | 10   | -  | -                                      | 2   | 18           |
| Measuring and Controlling Devices .....   | 3829     | 3  | -   | 10   | 4  | -                                      | -   | 17           |
| Screw Machine Products .....              | 3451     | -  | 3   | 10   | 4  | -                                      | -   | 17           |
| Adhesives and Sealants .....              | 2891     | 6  | -   | 10   | -  | -                                      | -   | 16           |
| Papermills, Except Building Paper .....   | 2621     | -  | -   | 10   | -  | 4                                      | 2   | 16           |
| Miscellaneous Publishing .....            | 2741     | -  | -   | 10   | 4  | -                                      | 2   | 16           |
| Aircraft .....                            | 3721     | 3  | 3   | -  | -  | 8                                      | -   | 14           |
| Household Cooking Equipment .....         | 3631     | -  | -   | 10   | -  | 4                                      | -   | 14           |
| Optical Instruments and Lenses .....      | 3832     | -  | 6   | -  | -  | 8                                      | -   | 14           |
| Natural and Processed Cheese .....        | 2022     | -  | -   | 10   | -  | 4                                      | -   | 14           |
| Bottled and Canned Soft Drinks .....      | 2086     | -  | -   | 10   | 4  | -                                      | -   | 14           |
| Chemical Preparations nec .....           | 2899     | -  | 3   | 10   | -  | -                                      | -   | 13           |
| Corrugated and Solid Fiber Boxes .....    | 2653     | -  | 3   | 10   | -  | -                                      | -   | 13           |
| Radio and Television Receiving Sets ..... | 3651     | -  | -   | 10   | -  | -                                      | 2   | 12           |
| Calculating and Accounting Machines ..... | 3574     | 6  | -   | -  | -  | 4                                      | 2   | 12           |
| Wood Preserving .....                     | 2491     | 6  | 6   | -  | -  | -                                      | -   | 12           |
| Periodicals .....                         | 2721     | -  | -   | 10   | -  | -                                      | 2   | 12           |
| Household Appliances nec .....            | 3639     | -  | -   | 10   | -  | -                                      | -   | 10           |
| Plastics Materials and Resins .....       | 2821     | -  | -   | 10   | -  | -                                      | -   | 10           |
| Space Vehicle Equipment nec .....         | 3769     | -  | -   | -  | -  | 8                                      | -   | 8            |
| Gypsum Products .....                     | 3275     | 6  | -   | -  | -  | -                                      | -   | 6            |
| Softwood Veneer and Plywood .....         | 2436     | 6  | -   | -  | -  | -                                      | -   | 6            |
| Paperboard Mills <sup>b</sup> .....       | 2631     | 3  | 3   | -  | -  | -                                      | -   | 6            |
| Dolls .....                               | 3942     | -  | -   | -  | -  | -                                      | -   | 0            |
| Guided Missiles and Space Vehicles .....  | 3761     | -  | -   | -  | -  | -                                      | -   | 0            |

Note: nec = not elsewhere classified.

<sup>a</sup>This industry has locational requirements that would not be compatible with the Elkhorn area.

<sup>b</sup>SIC Codes: 2751, 2752, 2754.

Source: SEWRPC.

Forward Wisconsin, Inc.

Forward Wisconsin, Inc., is a new marketing corporation that was formed by the Wisconsin Legislature to "retain and enhance existing Wisconsin business and industry and attract and assist business and industry to move to Wisconsin from other states or counties."<sup>3</sup> Forward Wisconsin is funded through a combination of public and private sector donations and is governed by a board of directors that includes representatives of state government, utilities, banks, educational institutions, legal firms, and key businesses.

Forward Wisconsin has developed a targeted industries program that identifies firms that have the potential for locating in Wisconsin and are economic base-oriented or primarily involved in exporting activities. Economic base firms export products or services to other states or countries and enhance the local economy by bringing outside dollars into the State, thereby creating new jobs and improving income opportunities for state residents. Of the economic base industries identified, Forward Wisconsin is giving priority in its marketing program to industries that are growing nationally, that are projected to be fast growth industries in the future, that have shown good performance in Wisconsin and the Midwest, and that have locational requirements that correspond with the unique assets of the State.

Industries that received the highest priority in Forward Wisconsin's targeted marketing program include: 1) miscellaneous plastics products (SIC Code: 307); 2) metalworking machinery (SIC Code: 354); 3) office and computing machines (SIC Code: 357); 4) electrical industrial apparatus (SIC Code: 362); and 5) ship and boat building (SIC Code: 373). Table B-9 lists those four-digit SIC Code industries that were previously identified as targeted industries in the Elkhorn industry attraction study that correspond with three-digit SIC Code industries identified in the targeted industries program of Forward Wisconsin, Inc.

In addition to the high-priority industries indicated above, the targeted industries program of Forward Wisconsin, Inc., has targeted a second tier of industries that includes: food and kindred products, biotechnology, agrigenetics, medical equipment, manufacturing related to forest products, economic base-oriented service industries, and other groups of industries that correspond with Wisconsin's locational characteristics.

Wisconsin Strategic Development Commission

The Wisconsin Strategic Development Commission was formed in 1984 to develop a long-range strategic plan for economic development in the State of Wisconsin. The Commission was given the responsibility of examining the state economy and bringing together public and private sector leaders to create a strategic plan to improve employment opportunities in the State. The strategic plan will focus on establishing policies to encourage the expansion of existing business and industry, formation of new businesses, identification of new technologies,<sup>4</sup> and attraction of new industries to the State.

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<sup>3</sup>Forward Wisconsin, Inc., Marketing Plan, July 12, 1984, p. 10.

<sup>4</sup>The Wisconsin Strategic Development Commission, Phase I: The Mark of Progress.

Table B-9

INDUSTRIES THAT ARE INCLUDED IN THE  
ELKHORN INDUSTRY ATTRACTION STUDY AND THE  
FORWARD WISCONSIN TARGETED INDUSTRIES PROGRAM

| Industry                                  | SIC Code |
|---|----------|
| Special Dies, Tools, and Jigs .....       | 3544     |
| Electronic Computing Equipment .....      | 3573     |
| Office Machines, nec .....                | 3579     |
| Calculating and Accounting Machines ..... | 3574     |
| Industrial Controls .....                 | 3622     |

Note: nec = not elsewhere classified.

Source: SEWRPC.

Phase I of the strategic plan identified the significant issues that impact on economic development in the State. Phase II of the strategic plan will include a detailed analysis of selected industry groups in the State and develop strategies for improving employment conditions in the State. Specifically, Phase II will examine existing jobs, emerging jobs, state and local finance, economic development issues, and studies and reports related to the State's economic performance. Phase III of the strategic plan will develop methods of implementing the strategies identified in Phase II. Phase I was completed in September 1984, and Phase II and Phase III are scheduled for completion in April 1985 and June 1985, respectively.

#### Summary of Statewide Industry Attraction Activities

The industry attraction activities of Forward Wisconsin, Inc., and the Wisconsin Strategic Development Commission clearly demonstrate the importance that government and business leaders have placed on the creation of jobs and the improvement of income opportunities for state residents.

The high-priority industries of Forward Wisconsin's targeted industries program coincide, in part, with the targeted growth industries identified in this study. They are, however, not the industries that received highest priority in the attraction study outlined above. Three of the industries selected by Forward Wisconsin were part of the medium priority ranking: electronic computing equipment; office machines not elsewhere classified; and industrial controls. If the Elkhorn 2020 Committee decides that one or more of the Forward Wisconsin-identified industries would be an important addition to its industry attraction program, those industries should be added to the list of high-priority industries identified as part of this study.

#### SUMMARY AND CONCLUSIONS

This appendix has identified a number of targeted industries that an economic development program in the City of Elkhorn should contact as part of an industry attraction program. While the attraction of manufacturing firms to a community remains an important local economic development activity, it is becoming increasingly evident that it is necessary for a community to work to retain its existing industries and to target its industry attraction activities to those industries whose locational requirements are compatible to the physical and socioeconomic characteristics of the community, as well as compatible with the community's economic development goals. This targeted approach is sound in view of the need to promote the sound overall social as well as economic development of the community, and in view of the limited success which communities should expect in attracting new industry.

The targeted industries that are recommended to be contacted in an industry attraction program for the City were identified as part of this study. The Southeastern Wisconsin Regional Planning Commission staff identified 53 targeted growth industries that the City could contact as part of the industry attraction program. In 1985 these targeted industries were expected to surpass their peak shipments of the 1972 to 1982 time period, and were expected to show rapid growth during the 1982 to 1985 time period. Should this occur, these 53 industries will have recovered completely from any decline in industry shipments suffered during the recent national economic recession and, accordingly, will resume their long-term growth pattern. Consequently, these

targeted industries should be considered to be good prospects for firm expansion and the location of branch locations in new locations. The 53 targeted industries are identified in Table B-1 of this appendix.

The targeted industries identified in Table B-1 all have the potential for growth in the future. However, it is important to consider locational characteristics in identifying industries for an attraction program, and to target the community's efforts at a selected few industries to improve the likelihood of locating a particular firm. Consequently, the City's 2020 Committee identified five industry attraction criteria that were to be utilized in prioritizing the list of targeted industries. The resulting priority list of targeted industries allows the City of contact a limited number of these targeted industries and to evaluate the results of its efforts prior to expending further resources on this activity. The ranking of targeted industries for an industry attraction program resulted in the identification of three categories of industries--high, medium, and low--that can be contacted by the City. These targeted industries are listed in Table B-8.

The priority industry attraction list that is presented in this appendix was based upon the ranking criteria and the weighting assigned to those criteria by the Elkhorn 2020 Committee. The selected criteria and the weighting of those criteria thus reflect the collective, subjective judgement of the committee members regarding the targeted industries that should be contacted in an industry attraction program. These judgements may change over time. The information provided herein, however, can be used to develop a new rank order list of targeted industries as perceptions and conditions change by assigning new weights to each criterion.