

**TO: WIB Program Planning and Development
Committee**

DATE: 5/04/04

FROM: WIB Staff

For Action

For Information

For Discussion

SUBJECT: Workforce Investment Board Selected Industry Clusters

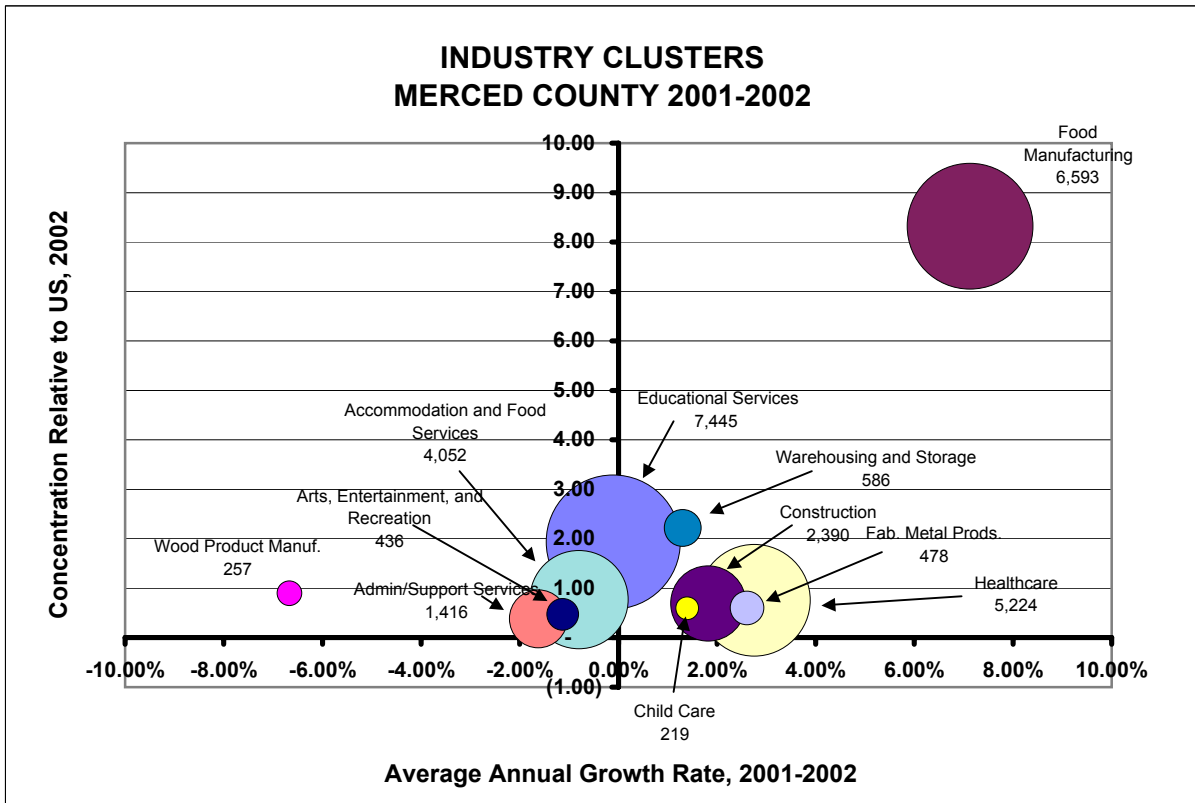
PROPOSED MOTION(S): Information/Discussion Only

DISCUSSION: The Workforce Investment Board has selected the following industry clusters to focus on, and they are listed in priority order:

- 1) Agriculture/Food Processing,**
- 2) Wood/Metal Fabrication,**
- 3) Construction/Materials and Ancillary Services,**
- 4) Warehouse Distribution,**
- 5) Healthcare and Education,**
- 6) Business Services,**
- 7) Tourism, Visitor Services, and Hospitality, and**
- 8) Childcare (which crosses over many industries)**

The attached Bubble Chart shows the current economic impact, average annual growth and concentration for Merced County in 2001-2002. The clusters are described using terms that are consistent with the US Department of Labor, Bureau of Labor Statistics, and may be named slightly different from the cluster above.

ATTACHMENT(S): Industry Cluster Bubble Charts



| | |
|------------------------------|---|
| Size | Current Economic Impact: Determines if an industry is a significant component of the cluster's activity in Merced County. (Area of Bubble) |
| Average Annual Growth | Job Creation: Shows how various components have weathered market forces and their subsequent employment generation. |
| Concentration | Regional Specialization: A concentration of greater than 1 indicates that the region is more specialized in the industry compared with U.S. or California*. Specialization generally reflects competitiveness and outward orientation. |

* Note: Concentration vs. U.S. is generally more representative than concentration vs. CA.

Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages

CLUSTER MATRIX

| | Educational Services | Food Manufacturing | Health Care and Social Assistance | Accommodation and Food Services | Construction | Administrative and Support Services | Warehousing and Storage | Fabricated Metal Product Manufacturing | Arts, Entertainment, and Recreation | Wood Product Manufacturing | Child Day Care Services |
|---|----------------------|--------------------|-----------------------------------|---------------------------------|--------------|-------------------------------------|-------------------------|--|-------------------------------------|----------------------------|-------------------------|
| Size (Ranked Highest to Lowest) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| Concentration (Ranked Highest to Lowest) | 3 | 1 | 6 | 5 | 7 | 11 | 2 | 8 | 10 | 4 | 9 |
| Growth (Ranked Highest to Lowest) | 7 | 1 | 2 | 8 | 4 | 10 | 6 | 3 | 9 | 11 | 5 |
| Wages (High, Medium and Low) | H | M | H | L | M | L | H | H | L | L | M |

| Color Legend | |
|--------------|------------|
| Green: | Top 1/3 |
| Yellow: | Middle 1/3 |
| White: | Bottom 1/3 |

