TO: Program Planning & Development **DATE: 03/23/05**

FROM: WIB Staff

- [X] **For Action**
- [ ] **For Information**
- [X] **For Discussion**

SUBJECT: Selection of "Industry Cluster"

PROPOSED MOTION(S): Select an industry cluster for a pilot project to begin work on the WIB's Strategic Goal 1.

DISCUSSION: WIB Goal 1: Train and attract adaptable workers to fill industry needs.

- **Focus initially on a single industry; do a pilot project which will focus on understanding and addressing its needs.**
- **Develop a focus group for that industry to identify needs.**
- **Formulate a plan to address the needs of that single industry.**
- **Implement the plan.**

Industry clusters identified by the WIB Economic Development Action Team in rank 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**
8. **Childcare**

The committee has investigated Construction/Materials, and Ancillary Services and has chosen not to select that industry cluster for the pilot project.

ATTACHMENT(S): Industrial Employment Projections, Merced County, 2001-2008

INDUSTRIAL EMPLOYMENT PROJECTIONS
MERCED COUNTY - 2001-2008

Industry	Annual Average Employment		Employment Change	
	2001 (2)	2008	Number	Percent
TOTAL NONFARM	**52,200**	**60,400**	**8,200**	**15.7**
GOODS PRODUCING	**12,800**	**14,400**	**1,600**	**12.5**
CONSTRUCTION & MINING	**2,400**	**3,200**	**800**	**33.3**
MANUFACTURING	**10,400**	**11,200**	**800**	**7.7**
Durable Goods	1,800	2,200	400	22.2
Nondurable Goods	8,600	9,000	400	4.7
Food and Kindred Products	6,300	6,400	100	1.6
Other Nondurable Goods	2,300	2,600	300	13
SERVICE PRODUCING	**39,500**	**46,000**	**6,500**	**16.5**
TRANSPORTATION & PUBLIC UTILITIES	**1,700**	**1,800**	**100**	**5.9**
Transportation	1,300	1,400	100	7.7
Communications and Public Utilities	400	400	0	0
TRADE	**12,600**	**14,500**	**1,900**	**15.1**
Wholesale Trade	1,800	1,800	0	0
Retail Trade	10,800	12,700	1,900	17.6
General Merchandise	1,600	1,900	300	18.8
Food Stores	1,800	2,200	400	22.2
Eating and Drinking Places	3,800	4,500	700	18.4
Other Retail Trade	3,700	4,100	400	10.8
FINANCE, INSURANCE & REAL ESTATE	**1,600**	**1,600**	**0**	**0**
Finance	700	700	0	0
Other Finance, Insurance, and Real Estate	900	900	0	0
SERVICES	**10,500**	**13,300**	**2,800**	**26.7**
Hotels & Other Lodging Places	400	500	100	25
Business Services	1,700	2,400	700	41.2
Amusement and Recreation Services	500	600	100	20
Health Services	4,100	5,100	1,000	24.4
Social Services and Membership Organizations	1,800	2,200	400	22.2
Other Services	2,100	2,500	400	19
GOVERNMENT	**13,100**	**14,800**	**1,700**	**13**
Federal Government	600	800	200	33.3
State & Local Government	12,500	14,000	1,500	12
State Government	600	600	0	0
Local Government	11,900	13,400	1,500	12.6

SOURCE: EDD/LMID - PROJECTIONS AND PLANNING INFORMATION, MODULE D, TABLE 2