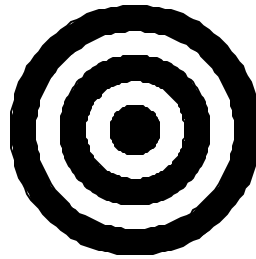


Economic Development Target Industry Study



Corpus Christi Texas Metropolitan Area

Prepared for the

**Corpus Christi Regional
Economic Development Corporation**

April - 2006

Prepared by

**William H. Fruth
POLICOM Corporation**

2740 SW Martin Downs Blvd #279
Palm City, FL 34990
772-781-5559
www.policom.com

Table of Contents

Introduction	Page 1
Why Target Industries?	Page 3
Identify What You Have To Sell	Page 4
Industrial Classifications and Database	Page 6
Determine Who Wants To Buy Your Product	Page 8
Target Market	Page 10
Target Industries	Page 11
Target Industry List	Page 13
Energy	Page 13
Manufacturing	Page 16
Wholesale Trade	Page 25
Retail Trade	Page 26
Transportation	Page 27
Knowledge Based Sectors	Page 29
About the Researcher	Page 33

Introduction

Communities around the country, which are concerned with the economic quality of life of their residents, have initiated economic development programs. A comprehensive economic development program includes three major activity areas:

- 1) Existing Industry Program which retains or causes the expansion of existing contributory industries.
- 2) Recruitment Program designed to lure new contributory employers to the area.
- 3) Start-Up Program fosters the creation of new contributory business entities in the community.

All three programs are necessary for the long-term economic health of the Corpus Christi area.¹

In addition to this study, the Corpus Christi Regional Economic Development Corporation engaged POLICOM Corporation to create the following studies:

- *Historical, Comparative Economic Analysis of the Corpus Christi Metropolitan Area*² which details the history of the economy, identifies its most important components, and compares the economy to the rest of the nation.
- *Economic Development Goal Setting Study*³ which projects the condition of the economy to the year 2025, if things are left to chance. It then creates a reasonable goal with corresponding annual milestones, which, if achieved, will cause the economy to grow in both size and quality.
- *Business Incentives Program for the Corpus Christi area* which describes various investments made by communities to assist in the expansion or relocation of primary businesses and provides formulas for determining if Corpus Christi should offer incentives.
- *Economic Development Plan* which provides a series of recommendations to the Corpus Christi community on how to implement a comprehensive economic development program.

After studying the results of the *Historical, Comparative Economic Analysis*, POLICOM created the *Economic Development Goal Setting Study*.

The study included two major elements: 1) economic projections to the year 2025 based upon current and historic trends; and 2) the job and wage growth necessary to increase the size and improve the quality of the economy by the year 2025.

POLICOM created an economic goal for Corpus Christi, which, if achieved, will increase the size and improve the quality of the economy over the next 20 years.

A local economy will grow in size and quality by creating new primary or contributory industry jobs.

¹ Throughout this study, when reference is made to “Corpus Christi area,” or “Corpus Christi” the “area” shall include the three counties which comprise the metropolitan area which are Nueces, San Patricio, and Aransas.

² An “electronic” copy of the Historical, Comparative Study is available from the Corpus Christi Regional Economic Development Corporation.

³ An “electronic” copy of the Economic Development Goal Setting Study is available from the Corpus Christi Regional Economic Development Corporation.

To reach the economic goal, annual milestones of net, new contributory jobs and their ancillary wage levels were created. A contributory or primary job is one which imports money to the area.

The wage level paid in the primary industries determines the quality of the local economy and the standard of living for the people. The milestones are net gains and can be achieved by recruiting new companies to the county or as a result of the expansion of existing companies.

The following are those milestones:

Goal Setting Study

Annual Primary Jobs and Wages

Year	New Jobs	New Job Wage	Area Avg. Wage	% OF Area Avg.	Year	New Jobs	New Job Wage	Area Avg. Wage	% OF Area Avg.
2006	180	44,558	32,904	135%	2016	656	59,331	44,878	132%
2007	339	46,410	33,796	137%	2017	729	61,235	46,384	132%
2008	497	47,798	34,830	137%	2018	807	63,118	47,946	132%
2009	510	48,823	35,897	136%	2019	834	64,694	49,561	131%
2010	523	49,875	36,998	135%	2020	861	66,307	51,231	129%
2011	536	50,954	38,135	134%	2021	890	67,958	52,957	128%
2012	570	52,951	39,357	135%	2022	934	69,930	54,774	128%
2013	605	55,038	40,668	135%	2023	980	72,012	56,690	127%
2014	622	56,431	42,025	134%	2024	1,015	73,949	58,674	126%
2015	639	57,862	43,427	133%	2025	1,051	75,936	60,730	125%

The number of new primary jobs shown for each year is a net gain from the previous year.

The Corpus Christi area will improve the quality and increase the size of its economy if the job-wage goal is achieved providing the jobs generated meet the following criteria:

- 1) The job is “primary or contributory” in nature. This simply means the source of the payroll must come from the sale of goods or services outside the Corpus Christi area economy. This will import money to the area. Companies, which serve a “primary or contributory” function, can be classified in any of the industries.
- 2) The wages paid by the company must meet or exceed the goal, in order to prevent dilution and to elevate the quality of the economy.

To achieve the economic development goal, the community must recruit new, contributory businesses to the area and/or cause the expansion of existing companies, which will pay a wage equal to or higher than that set in the goal.

Why Should Communities Target Industries?

A recruitment program is designed in a similar manner as a marketing-sales plan for almost any business. The process is very simple:

- Identify the product you have to sell (the community).
- Determine who wants to buy your product (what businesses will locate in the area).
- Market to those businesses.

Marketing involves advertising, direct mail, cold calling, direct visitation, and a host of other means of contacting and “selling” the prospective client. The process and tools are very similar to selling any product.

As with any business enterprise, an economic development organization has limited time and financial resources to conduct a recruitment, marketing program.

With “unlimited” resources, the economic development group could purchase advertisements on every TV and radio station, and every newspaper and magazine. It could telephone and mail repeatedly and have sufficient staff to visit every business in the country. Of course, this is not the case for any economic development organization or any business in America.

Therefore, as with any business, the time and resources of the economic development organization must be directed to and focused upon those businesses which are most likely to purchase the product, in this case, locate to the Corpus Christi area.

The more money the organization has the wider the range of companies it can approach. The less money available, the narrower the target needs to be. Based on the amount of resources, the organization should market toward the industries and companies, in declining order of priority, which have the best potential to benefit the area and most likely to locate in the area.

This *Target Industry Study* provides a priority or target list of industries for the Corpus Christi Regional Economic Development Corporation to focus upon which will guide the use of marketing resources and which will best achieve the goal.

The Corpus Christi community should not ignore or discourage contributory businesses which desire to locate in the area if they do not pay a wage set by the goal or are not on the target list. If the wage paid to the workers is mildly above the area average, the company will contribute to the economy.

However, the long term focus should be on higher wage employers.

Identify What You Have To Sell

The purpose of this *Target Industry Study* is to identify the business types which will most likely locate to the Corpus Christi area, will be contributory in nature, and pay a wage which will meet the annual milestones set by the goal. A recruitment program involves convincing or selling a company on the idea the area will be a profitable location.

Geographic economics is the relationship or influence a physical location has on the profitability of a business. Site selection consultants can list hundreds of different criteria used for community and site evaluation. These can range from the cost of electricity, to the number of workdays lost due to snowfall, to simple property tax rates.

A retail store depends on the local market and the site selection criteria focus upon proximity to that market. Traffic counts, sign visibility, purchasing power of the customers and many other factors influence where a retail store would locate. A primary employer is not concerned with these issues.

What determines the location of a primary business is a series of geographic – economic factors which influence costs, not sales. The importance of each issue varies among industry sectors.

Communities which are very strong in most or all of the factors have the best chance to maintain a strong economy. Those which are weak have to find ways to overcome this disadvantage.

To determine which industries Corpus Christi area should focus upon for its Recruitment Program, knowing “what it has to sell” is the first step. The “quality of the product” is determined by the geographic – economic strengths and weaknesses of the county.

Corpus Christi area has several “strengths” which can make it competitive in the economic development marketplace. A comprehensive review of the area’s strengths and weaknesses appear in the “*Economic Development Plan.*” The following is a brief summary of the strengths :

- 1) Supply of “inexpensive” yet trainable labor.
- 2) Supply of skilled labor.
- 3) Interstate Highway access.
- 4) A supply of improved, approved industrial property.
- 5) Abundant supply of electricity.
- 6) Emerging community college.
- 7) No personal income tax.
- 8) Relatively positive business climate.
- 9) Salt water port.
- 10) Immerging commercial airport.
- 11) Four year university.

Corpus Christi area has “two” coexisting workforces. The first group is a trained set of workers presently earning a high wage working at existing manufacturing businesses principally relating to the petrochemical industry. The second group is low skilled workers employed in low skilled jobs. The target list provides opportunities for both groups.

Corpus Christi area has several weaknesses:

- 1) Somewhat low educational attainment of general population.
- 2) Commercial airport has few direct flights and is principally serviced by regional airlines.
- 3) Absence of comprehensive training programs within the county.
- 4) Most of the available industrial property is located at the Port.
- 5) Moderately remote geographic location relative to major population centers.

Corpus Christi area's strengths presently outweigh its weaknesses for the most part.

The Target Industry list which follows was developed based upon the assumption the following issues are accomplished:

1. In order to be successful in recruiting new, mid to high wage employers, the area must be able to prove to a company it can produce a sufficient number of workers possessing the skills necessary for the required tasks.
2. There must be available to the companies improved, approved sites upon which they can construct a facility.
3. Training programs should be initiated on a local basis.
4. Higher education will be expanded in the area at Texas A&M Corpus Christi and the Del Mar Community College.
5. Efforts will be made to increase air service to the area.

A more comprehensive list of recommendations and tasks appear in the Economic Development Plan.

A strength not mentioned is the fact Corpus Christi area is located in the State of Texas. Overall, Texas has a very favorable business climate. It has been very successful in growing and recruiting high-wage primary industries.

Industrial Classifications and Database

To better understand how the businesses are chosen as “targets” in this study, it is important to review the nature of industrial data and how the government classifies industries.

Business activity in the United States is classified by its “industrial process” or the work activity of employees. Based upon what the workers actually do, concurrent with the service performed or product produced, each business is given an industrial classification.

In 1998, United States, Mexico, and Canada adopted the North American Industrial Classification System, hereafter referred to “NAICS.” NAICS changed the classification codes of the Standard Industrial Classification (SIC) system developed in 1987. The first year for which data was collected under NAICS was 2001. However, the U.S. Department of Labor has been able to convert to NAICS some of the SIC data prior to 2001. Some of the conversion extends backward to 1995 while there is some “scattered” conversion to 1990. The conversion is principally limited to the 3 and 4 digit NAICS level, however.

NAICS is a significant improvement over SIC as it includes more definitive descriptions of work activity than SIC. Additionally, it includes industrial activity which has been “invented” since 1987 such as many of the internet companies.

The system of classifying business activity is hierarchical in nature for both NAICS and SIC. First, the general activity of the business is determined, then, through a series of steps, the business is further defined and classified pinpointing more exactly its actual activity.

The following chart shows the path of coding under NAICS for a manufacturer of “air and gas compressors,” NAICS code 333912.

- 30-33 Manufacturing
 - 333 Machinery Manufacturing
 - 3339 Other General Purpose Machinery Manufacturing
 - 33391 Pump and Compressor Manufacturing
 - 333911 Pump and Pumping Equipment Manufacturing
 - 333912 **Air and Gas Compressor Manufacturing**
 - 333913 Measuring and Dispensing Pump Manufacturing

First the general activity is identified with a 2 digit code, known as the Sector Level. Next, the activity is defined to the 3 digit code (Sub sector). In this case, it is Machinery Manufacturing. The business is further defined to the Industry Group (4 digit) and two levels of “Industry” (5 and 6 digits). At each point, the actual process of the business is identified in greater detail.⁴

Employment and earnings data for the nation is collected in various ways by the state and Federal governments. One of the principal sources of employment and earnings information is ES-202 or “covered workers” data. ES-202 data is generated from the monthly and quarterly filings by employers for workers covered by the national “unemployment compensation” program.

When an employer files its report, the employer provides the number of employees, the wages paid, and their 6 digit NAICS code for their type of business. This information is then tabulated providing total

⁴ The old Standard Industrial Classification System included a similar hierarchical system.

employment and earnings by industrial classification. The unemployment compensation program covers approximately 85% of the private sector employment in the United States.

Federal and state governments publish ES-202. The data includes total employment, earnings without any fringe benefits, number of business units, and wages by industrial classification.

Data is suppressed or withheld by government agencies if, from the reported data, the wages paid by a private company can be determined. It is against the law for a government agency to publish or disclose the wages paid by a private company. The data is suppressed for the industry sectors in which it can be easily determined what a private company pays or its number of workers.

As an example, suppose in a county there is only one manufacturer of air and gas compressors (remember NAICS 333912) and the company dutifully reports the employment and wages paid. If the data is released for this industry sector, the wages paid by the employer can be easily determined. Therefore, the data is not published for this business type in this community. However, the employment and earnings are included in 33391 - Pump and Compressor Manufacturing if suppression is not necessary. If suppression is again necessary, then the data is carried upward to 3339 - Other General Purpose Machinery Manufacturing and so forth.

To determine the target industries for this study, ES-202 (covered workers) data was utilized as it is the best source of data to measure the growth of jobs, earnings, and business units by industrial sector, or work activity.

ES-202 data is different in its content than the database used to create *the Historical, Comparative Economic Analysis* and the *Economic Development Goal Setting Study*. The database used for these studies is from the Regional Economic Information System (REIS) published by the Bureau of Economic Analysis, U.S. Department of Commerce. REIS data for counties is extremely comprehensive as it includes all earnings, government transfers, and passive income for an area.

Total earnings include not only wages and salaries (ES-202 data), but also the profits of proprietors, director's salaries, bonuses, and employer contributions to private pension funds. However, REIS data is not published below the division level (1 digit SIC, 2 digit NAICS) for employment and the Sub sector level (2 digit SIC, 3 digit NAICS) for earnings. As a result, the database is insufficient to determine industry composition for this study.

The number of jobs and associated annual earnings listed in the Goal conform to ES-202 data.

Due to the time necessary to collate data from employers, data is not available immediately. Included in this report is data for 2004 which was released in August, 2005.

Determine Who Wants To Buy Your Product

Target Industries - Selection Process:

The purpose of the study is to identify the industries or types of businesses upon which to concentrate the recruitment program, which will assist in reaching the Goal. The process of identifying the target industries is a combination of elimination and inclusion of business types.

The following are the steps taken by POLICOM to eliminate business types:

Beginning with the initial 1,495 private sector industrial classifications (NAICS 5-6 digit level), business types were **deleted** from the list for the following reasons:

- 1) The industry is geographically restricted. These include the mining and farm divisions. An iron ore mining company cannot be attracted to an area without iron ore. A petroleum extraction company cannot locate in an area without oil beneath the ground.
- 2) The industry must be located near or upon geographically restricted industries. These typically include the processing of raw materials from the mining or farm industries such as petroleum refinement, cotton mills, soy processing, and meatpacking.
- 3) The industry must be located in immediate proximity to its market. An automobile assembly plant many times requires its parts suppliers to be located close enough to the facility to provide “just in time” or next day delivery of many of the components of the automobile.
- 4) The industry is inherently a consumptive, dependent industry. These include the most retail and construction divisions and most of the service, finance, insurance and real estate divisions. Only industries, which qualify as primary or contributory, are included on the target list. Businesses, which are dependent upon the community for their market, will form naturally.
- 5) On average, the industry will not pay an annual wage, which will meet the level determined by the Goal (as adjusted for ES-202 data). The national average wage was adjusted upward or downward relative to the average for the local area, compensating for local costs of living and market wages. After this adjustment, industries which would not pay a wage of approximately 90% of the Goal were deleted. Additionally, the average wage for the Region for each sector was considered.
- 6) Typically, industries which showed negative employment growth for the previous five or ten year period are deleted from the list. However, as a result of the recession which struck the “high-tech” industry beginning in 1997 and the general recession beginning in 2000, very few industrial sectors had positive job growth over the last five or ten years.

In fact, of the 487 potential sectors considered for Corpus Christi area (5-6 digit level), 93% of them declined in employment over the last five years. As a result, industries which have had negative job growth have been included if POLICOM believes the industry will eventually recover.

Of the 1,495 industries, approximately 1,008 industry sectors were eliminated by this process leaving approximately 487 business types. The remaining business types:

- 1) are not geographically restricted,
- 2) are contributory in nature,
- 3) have the potential to grow, and
- 4) will pay a wage which meets the Goal.

Each of the remaining business types was reviewed individually for its respective geographic - economic characteristics. Deleted from the list were business groups which required community assets which are not available in Corpus Christi area, are “niche industries” and too small to anticipate expansion, or require a unique workforce.

At this point, the process of inclusion begins. As previously mentioned, each business entity has its own criteria for choosing a location. This is based upon a number of factors including labor skills and availability, local tax structure, transportation resources, raw materials, communications capability, and many more. Some industries cannot or will not locate in a state or a community if certain attributes are not present.

To determine which of the remaining business types will be on the target list, data for the state of Texas was considered. Additionally, data for the following, if it was not suppressed, was also considered:

- 1) Houston Metropolitan Area (13 counties).
- 2) San Antonio Metropolitan Area (8 counties).
- 3) Victoria County, TX.
- 4) Nueces County, TX. (Due to extensive data suppression, the metropolitan data for Corpus Christi was not used.)
- 5) Galveston County, TX (part of the Houston MSA).

Included were industries which have a presence in the state and region even though they are not in the Corpus Christi area. Basically, it is assumed if an industrial sector is located in the above areas, it could possibly also move to the Corpus Christi area.

Finally, to determine which business types are to be included on the target list, a mathematical matrix was developed to score the impact and likelihood of the business locating in Corpus Christi area. The matrix created a “point” system, which took into consideration the following:

- 1) The percentage the wages are above the Goal for Corpus Christi area.
- 2) Growth in wages.
- 3) Growth in employment (slowest decline).
- 4) Growth in business units.
- 5) Growth in total worker earnings.
- 6) Growth and presence in Texas.
- 7) Growth and presence in the area.

The industries (5-6 digit NAICS subsector), which had the highest wages, highest growth rates, and the largest presence in the areas, received the highest score. Those, which had the slowest growth rates and the smallest presence, received the lowest score.

The target list includes those industrial sectors, which achieved a minimum score determined by POLICOM as worthy of targeting as part of the Corpus Christi economic development program.

Target Market

The productive sector in the United States has faced significant competition from foreign countries over the last twenty-five years. As a result of increased costs of production in the United States and extremely low costs in other nations, America's manufacturing sector has lost employment for many years.

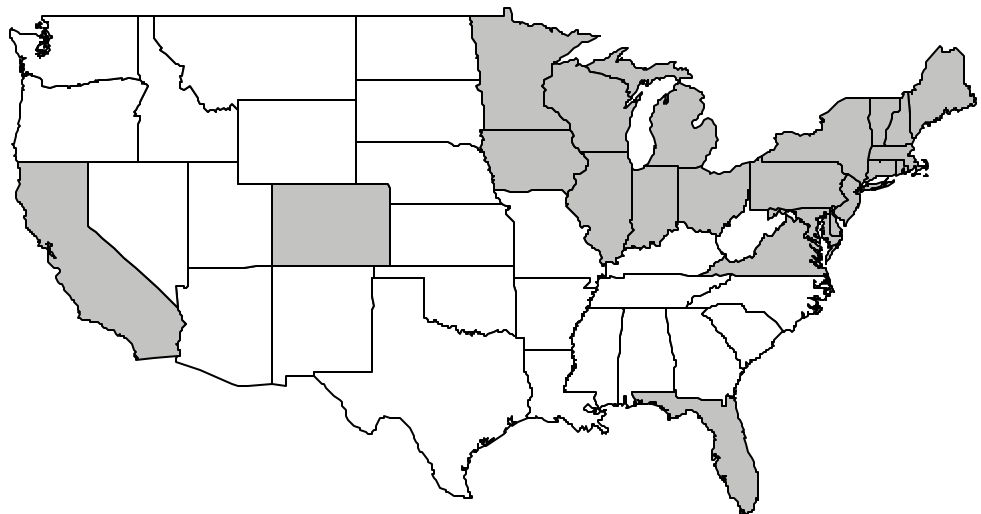
Even under this backdrop of decline, the productive sector in the United States is still massive. In 2004 total manufacturing output reached a record level. The value of manufactured goods in the United States is greater than any other nation. This sector would rank, if measured on its own, as the world's seventh largest economy.

However, each day companies have to find new means to reduce the costs of production, if they are going to stay competitive in the world marketplace. Companies which are presently located in "high-cost" areas will eventually have to do one of five things:

- 1) Construct a facility on foreign soil.
- 2) Reinvest in high cost, new technology production equipment where they are located or in a new community.
- 3) Outsource production to a foreign based company and simply market and distribute.
- 4) Go out of business.
- 5) Locate to a lower cost area in the United States.

The fourth option places the Corpus Christi area in a very desirable position.

The principal marketing area for the Corpus Christi area, as it should be for the State of Texas, are the states shaded in grey on the map. For more the 30 years businesses have been leaving most of these states for southern and western states as they could no longer afford to operate in most of the "grey states."



For the last 15 years, production employers have been leaving Florida as the regulatory climate has added significantly to their costs.

The cost of operating in Colorado is increasing rapidly. There are signs companies are no longer expanding in this state and are beginning to seek a lower cost area.

The average wage in the Corpus Christi area is well below the national average. However, the average wage in manufacturing is the 79th highest among the 361 metropolitan areas. This is the result of the presence of several high wage employers, principally refining petroleum.

The actual wage paid to workers is not a deterrent to businesses if the wage is driven by the skills necessary for the tasks, which is the case in Corpus Christi.

Available to potential employers is an array of other workers, for which a wage between \$40,000 and \$50,000 is quite attractive which make Corpus Christi attractive to employers in the industrial Midwest and Northeast which need skilled labor.

Additionally, virtually all other costs relative to production are less in the Corpus Christi area than in the Midwest and Northeast.

Many of the businesses on the Target Industry list can be found in the “ready to move” grey states.

Target Industries

The following is the list of the industrial sectors upon which the Corpus Christi should focus its marketing effort.

Of the goals of the recruitment program is to diversify the number of contributory industries in the area, lessening the dependence upon the petrochemical industry.

The “general target” is identified by the four digit NAICS Industry Group. However, not all of the sub sectors within the group are being targeted.

The five or six digit NAICS industries shown are the specific targets. These have survived the sifting (elimination) process. A description of the industrial activity is provided for these Subsectors. The description has been taken directly from the NAICS industrial code published by the Office of Management and Budget.

After the general four digit industrial heading, data is provided for the USA, Texas, and each of the regions if the data is available.

- **2004 Jobs** : The total employment in 2004 of private sector wage and salaried workers.
- **Job Growth**: The average annual increase in jobs for the five years between 1999 through 2004.
- **2004 Wages**: The average wage paid in 2004. The expected wage paid in Corpus Christi area will be about 85% of the USA wage.
- **Wage Growth**: The average annual increase in wages for the five years between 1999 through 2004.

The following chart provides the data for “All Workers” for each area (ES-202 data).

	Total - All Workers			
	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	129,288,553	0.37%	39,348	3.3%
Texas	9,323,537	0.68%	38,511	3.3%
Nueces	143,668	0.50%	32,318	3.7%
Houston	2,237,534	0.81%	44,656	3.6%
San Antonio	749,256	0.93%	33,919	4.0%
Galveston	87,487	-0.03%	34,054	3.7%

In future charts, when a data area is “blank” or contains a “0,” the industry data is suppressed to protect the privacy of a major employer.

Not specifically targeted are government enterprises. Both Texas and the Federal government will be creating new facilities over the next ten years. As government enterprise is not typically recruited by economic development organizations, a community should indeed make every attempt to secure government operations if the wage paid will be high enough to improve the quality of the economy.

The “targets” appear in ascending order based on its numeric NAICS code. There are twenty-eight general targets identified by the four digit NAICS code. They include the following:

CODE	Description
2131	Support Activities for Mining
2211	Electric Power Generation, Transmission and Distribution
3241	Petroleum and Coal Products Manufacturing
3251	Basic Chemical Manufacturing
3252	Resin, Synthetic Rubber, and Artificial Synthetic Fibers and Filaments
3254	Pharmaceutical and Medicine Manufacturing
3255	Paint, Coating, and Adhesive Manufacturing
3259	Other Chemical Product and Preparation Manufacturing
3261	Plastics Product Manufacturing
3323	Architectural and Structural Metals Manufacturing
3324	Boiler, Tank, and Shipping Container Manufacturing
3328	Coating, Engraving, Heat Treating, and Allied Activities
3329	Other Fabricated Metal Product Manufacturing
3331	Agriculture, Construction, and Mining Machinery Manufacturing
3334	Ventilation, Heating, Air-Conditioning, and Commercial Refrigeration Equipment
3339	Other General Purpose Machinery Manufacturing
3366	Ship and Boat Building
3391	Medical Equipment and Supplies Manufacturing
454	Electronic Shopping and Mail-Order Houses
4831	Deep Sea, Coastal, and Great Lakes Water Transportation
4883	Support Activities for Water Transportation
4931	Warehousing and Storage
5182	Data Processing, Hosting, and Related Services
5222	Nondepository Credit Intermediation
5241	Insurance Carriers
5413	Architectural, Engineering, and Related Services
5511	Management of Companies and Enterprises
5611	Office Administrative Services

Target Industry List

Energy:

There is obviously a strong presence of petroleum industry businesses in the area. This industry is similar to the automobile industry. When it is “good,” there are few better industries to have in a community. However, each suffers periodic decline.

Demand for energy will increase significantly world wide over the next 20 years. This will place significant pressure to find new sources of petroleum in the United States. Job growth in this sector has been strong for the last five years.

NAICS CODE

2131 Support Activities for Mining

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	194,247	5.65%	55,413	3.6%
Texas	77,307	5.38%	61,993	3.6%
Nueces	2,080	15.71%	52,157	8.6%
Houston	27,560	2.58%	84,953	5.0%
San Antonio	0	0.00%	0	0.0%
Galveston	185	-6.12%	59,943	5.3%

213111 Drilling Oil and Gas Wells

This U.S. industry comprises establishments primarily engaged in drilling oil and gas wells for others on a contract or fee basis. This industry includes contractors that specialize in spudding in, drilling in, re-drilling, and directional drilling.

213112 Support Activities for Oil and Gas Operations

This U.S. industry comprises establishments primarily engaged in performing support activities on a contract or fee basis for oil and gas operations (except site preparation and related construction activities). Services included are exploration (except geophysical surveying and mapping); excavating slush pits and cellars, well surveying; running, cutting, and pulling casings, tubes, and rods; cementing wells, shooting wells; perforating well casings; acidizing and chemically treating wells; and cleaning out, bailing, and swabbing wells.

Not only will petroleum related energy sources be in demand, but so will electricity. While there is a great deal of political pressure to create “renewable” sources of electricity (wind, solar), the nation cannot hope to rely upon these sources for “an abundant supply of inexpensive energy.” Communities which have the willingness and the ability to have these facilities constructed in their communities will enjoy a long term economic benefit.

NAICS CODE

2211

**Electric Power Generation,
Transmission and Distribution**

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	408,192	-1.19%	76,290	4.3%
Texas	35,004	1.64%	76,423	5.4%
Nueces	581	-4.78%	64,479	3.9%
Houston	10,758	6.79%	88,518	4.8%
San Antonio	535	3.70%	53,861	6.1%
Galveston	277	0.00%	60,172	0.0%

221112 Fossil Fuel Electric Power Generation

This U.S. industry comprises establishments primarily engaged in operating fossil fuel powered electric power generation facilities. These facilities use fossil fuels, such as coal, oil, or gas, in internal combustion or combustion turbine conventional steam process to produce electric energy. The electric energy produced in these establishments are provided to electric power transmission systems or to electric power distribution systems.

221113 Nuclear Electric Power Generation

This U.S. industry comprises establishments primarily engaged in operating nuclear electric power generation facilities. These facilities use nuclear power to produce electric energy. The electric energy produced in these establishments are provided to electric power transmission systems or to electric power distribution systems.

Manufacturing:

The principal, immediate target for the Corpus Christi area will be the manufacturing of mid value to high value products.

Even though this sector has declined in total employment nationally, the overall marketplace for mid to high value goods in the United States will grow for many years. Additionally, even during the recession, there were several manufacturing sectors which increased employment.

Manufacturing is a task oriented industry. Worker skills are dependent upon a good initial education followed by specific training. The ability to reason, a basic understanding of arithmetic, reading comprehension, communication skills, and dexterity are the core attributes needed for these industries. Specific tasks for each industry are taught through training programs.

NAICS CODE

31 Manufacturing

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	14,258,191	-3.86%	47,859	3.5%
Texas	889,802	-3.43%	51,328	4.0%
Nueces	8,252	-3.41%	52,558	3.2%
Houston	207,880	-2.05%	59,415	4.3%
San Antonio	46,070	-3.75%	36,821	3.8%
Galveston	6,648	-3.17%	78,410	7.5%

The first set of manufacturing sectors are almost a “given.” Petroleum and petrol-chemical product manufacturing is extensive in the region.

NAICS CODE

3241 Petroleum and Coal Products Manufacturing

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	112,294	-2.46%	75,892	4.5%
Texas	23,979	-0.89%	90,394	5.2%
Nueces	2,386	0.34%	85,770	5.7%
Houston	12,494	0.12%	99,645	6.2%
San Antonio	112	1.75%	92,196	3.6%
Galveston	2,266	-3.06%	112,460	10.6%

324110 Petroleum Refineries

This industry comprises establishments primarily engaged in refining crude petroleum into refined petroleum. Petroleum refining involves one or more of the following activities: (1) fractionation; (2) straight distillation of crude oil; and (3) cracking.

NAICS CODE

3251 Basic Chemical Manufacturing

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	155,380	-4.20%	73,973	3.5%
Texas	33,734	-3.92%	88,099	4.9%
Nueces	328	-13.52%	56,432	-1.1%
Houston	21,813	-2.86%	92,479	5.0%
San Antonio	0	0.00%	0	0.0%
Galveston	1,164	-12.40%	83,577	1.0%

325110 Petrochemical Manufacturing

This industry comprises establishments primarily engaged in (1) manufacturing acyclic (i.e., aliphatic) hydrocarbons such as ethylene, propylene, and butylene made from refined petroleum or liquid hydrocarbon and/or (2) manufacturing cyclic aromatic hydrocarbons such as benzene, toluene, styrene, xylene, ethyl benzene, and cumene made from refined petroleum or liquid hydrocarbons.

325188 All Other Basic Inorganic Chemical Manufacturing

This U.S. industry comprises establishments primarily engaged in manufacturing basic inorganic chemicals (except industrial gases, inorganic dyes and pigments, alkalis and chlorine, and carbon black).

325199 All Other Basic Organic Chemical Manufacturing

This U.S. industry comprises establishments primarily engaged in manufacturing basic organic chemical products (except aromatic petrochemicals, industrial gases, synthetic organic dyes and pigments, gum and wood chemicals, cyclic crudes and intermediates, and ethyl alcohol).

NAICS CODE

3252 Resin, Synthetic Rubber, and Artificial Synthetic Fibers and Filaments Manufacturing

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	106,622	-5.02%	63,745	3.5%
Texas	9,959	-5.28%	82,510	4.5%
Nueces	0	0.00%	0	0.0%
Houston	4,962	-4.27%	94,544	5.9%
San Antonio	0	0.00%	0	0.0%
Galveston	0	0.00%	0	0.0%

325211 Plastics Material and Resin Manufacturing

This U.S. industry comprises establishments primarily engaged in (1) manufacturing resins, plastics materials, and nonvulcanizable thermoplastic elastomers and mixing and blending resins on a custom basis and/or (2) manufacturing noncustomized synthetic resins.

One of the fastest growing manufacturing sectors “worldwide” is pharmaceuticals and medicines. This will continue for many years.

During the recession years from 2000 to 2003, this sector increased employment in the United States at the annual rate of 1.8% as production grew rapidly. However, the United States also is importing a significant amount of pharmaceutical products. In 2005, the nation imported \$35,000,000,000 of pharmaceutical products, while exporting \$21,000,000,000.

Nationally, more than 280,000 people are employed in the manufacture of pharmaceutical products and medicines, growing in number each year. However, fewer than 3% are employed in operations in Texas.

Since the state of Texas and especially Corpus Christ have many of the geo-economic assets needed by these companies, the area should place emphasis on their recruitment.

NAICS CODE

3254 Pharmaceutical and Medicine Manufacturing

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	287,181	1.80%	82,060	3.6%
Texas	9,241	1.84%	68,760	6.7%
Nueces	0	0.00%	0	0.0%
Houston	1,341	2.41%	56,115	3.9%
San Antonio	1,177	4.00%	46,060	3.8%
Galveston	0	0.00%	0	0.0%

325412 Pharmaceutical Preparation Manufacturing

This U.S. industry comprises establishments primarily engaged in manufacturing in-vitro diagnostic substances and pharmaceutical preparations (except biological) intended for internal and external consumption in dose forms, such as ampoules, tablets, capsules, vials, ointments, powders, solutions, and suspensions.

NAICS CODE

3255

Paint, Coating, and Adhesive Manufacturing

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	69,018	-2.36%	54,187	3.1%
Texas	5,265	-2.47%	48,577	3.0%
Nueces	0	0.00%	0	0.0%
Houston	2,251	-2.47%	53,137	2.3%
San Antonio	26	-4.52%	32,547	8.8%
Galveston		0.00%	0	0.0%

325510 Paint and Coating Manufacturing

This industry comprises establishments primarily engaged in (1) mixing pigments, solvents, and binders into paints and other coatings, such as stains, varnishes, lacquers, enamels, shellacs, and water repellent coatings for concrete and masonry, and/or (2) manufacturing allied paint products, such as putties, paint and varnish removers, paint brush cleaners, and frit.

325520 Adhesive Manufacturing

This industry comprises establishments primarily engaged in manufacturing adhesives, glues, and caulking compounds.

NAICS CODE

3259

Other Chemical Product and Preparation Manufacturing

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	106,235	-4.38%	54,862	2.8%
Texas	8,056	-1.68%	60,332	4.5%
Nueces	0	0.00%	0	0.0%
Houston	3,724	-25.60%	73,691	-19.3%
San Antonio	102	-10.42%	63,462	8.1%
Galveston	82	2.35%	63,371	9.1%

325991 Custom Compounding of Purchased Resins

This industry comprises establishments primarily engaged in (1) custom mixing and blending plastics resins made elsewhere or (2) reformulating plastics resins from recycled plastics products.

325998 All Other Miscellaneous Chemical Product and Preparation Manufacturing

This U.S. industry comprises establishments primarily engaged in manufacturing chemical products (except basic chemicals, resins, synthetic rubber; cellulosic and noncellulosic fiber and filaments; pesticides, fertilizers, and other agricultural chemicals; pharmaceuticals and medicines; paints, coatings and adhesives; soap, cleaning compounds, and toilet preparations; printing inks; explosives; custom compounding of purchased resins; and photographic films, papers, plates, and chemicals).

NAICS CODE

3261 Plastics Product Manufacturing

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	631,850	-2.98%	37,854	3.3%
Texas	39,360	-3.49%	37,194	3.9%
Nueces	0	0.00%	0	0.0%
Houston	8,998	-2.38%	39,825	4.5%
San Antonio	1,215	0.00%	32,333	0.0%
Galveston	0	0.00%	0	0.0%

326113 Unlaminated Plastics Film and Sheet (except Packaging) Manufacturing

This U.S. industry comprises establishments primarily engaged in converting plastics resins into plastics film and unlaminated sheet (except packaging).

326122 Plastics Pipe and Pipe Fitting Manufacturing

This U.S. industry comprises establishments primarily engaged in converting plastics resins into rigid plastics pipes and pipe fittings.

326199 All Other Plastics Product Manufacturing

This U.S. industry comprises establishments primarily engaged in manufacturing plastics products (except film, sheet, bags, profile shapes, pipes, pipe fittings, laminates, foam products, bottles, plumbing fixtures, and resilient floor coverings).

NAICS CODE

3323 Architectural and Structural Metals Manufacturing

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	386,488	-1.74%	38,401	2.7%
Texas	42,170	-3.03%	37,394	3.1%
Nueces	588	-4.23%	34,362	4.7%
Houston	12,364	-2.41%	40,175	3.1%
San Antonio	2,563	-3.50%	32,400	2.6%
Galveston	235	-0.89%	32,674	0.7%

332312 Fabricated Structural Metal Manufacturing

This U.S. industry comprises establishments primarily engaged in fabricating structural metal products, such as concrete reinforcing bars and fabricated bar joists.

332313 Plate Work Manufacturing

This industry comprises establishments primarily engaged in manufacturing fabricated metal plate work by cutting, punching, bending, shaping, and welding purchased metal plate.

332322 Sheet Metal Work Manufacturing

This U.S. industry comprises establishments primarily engaged in manufacturing sheet metal work (except stampings).

NAICS CODE

**3324 Boiler, Tank, and Shipping
Container Manufacturing**

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	90,606	-3.51%	46,685	3.3%
Texas	6,863	-5.92%	43,257	2.7%
Nueces	76	-0.12%	34,339	4.3%
Houston	2,577	-32.50%	47,830	-22.5%
San Antonio	99	2.06%	44,266	18.9%
Galveston	0	0.00%	0	0.0%

332420 Metal Tank (Heavy Gauge) Manufacturing

This industry comprises establishments primarily engaged in cutting, forming, and joining heavy gauge metal to manufacture tanks, vessels, and other containers.

332431 Metal Can Manufacturing

This U.S. industry comprises establishments primarily engaged in manufacturing metal cans, lids, and ends.

NAICS CODE

**3328 Coating, Engraving, Heat
Treating, and Allied Activities**

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	143,210	-3.69%	36,259	2.6%
Texas	7,805	-2.43%	35,132	2.6%
Nueces	83	0.00%	39,621	0.0%
Houston	3,925	-0.45%	38,422	3.0%
San Antonio	195	0.00%	28,114	0.0%
Galveston	0	0.00%	0	0.0%

**332812 Metal Coating, Engraving (except Jewelry and Silverware),
and Allied Services to Manufacturers**

This U.S. industry comprises establishments primarily engaged in one or more of the following: (1) enameling, lacquering, and varnishing metals and metal products; (2) hot dip galvanizing metals and metal products; (3) engraving, chasing, or etching metals and metal products (except jewelry; personal goods carried on or about the person, such as compacts and cigarette cases; precious metal products (except precious plated flatware and other plated ware); and printing plates); (4) powder coating metals and metal products; and (5) providing other metal surfacing services for the trade.

NAICS CODE

3329

Other Fabricated Metal Product Manufacturing

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	276,005	-3.66%	45,527	3.4%
Texas	21,146	-2.24%	48,649	4.7%
Nueces	30	0.00%	38,996	0.0%
Houston	8,860	-0.39%	46,501	2.8%
San Antonio	462	0.58%	36,664	2.4%
Galveston	246	2.19%	40,220	5.0%

332911 Industrial Valve Manufacturing

This U.S. industry comprises establishments primarily engaged in manufacturing industrial valves and valves for water works and municipal water systems.

332996 Fabricated Pipe and Pipe Fitting Manufacturing

This U.S. industry comprises establishments primarily engaged in fabricating, such as cutting, threading and bending metal pipes and pipe fittings made from purchased metal pipe.

332999 All Other Miscellaneous Fabricated Metal Product Manufacturing

This U.S. industry comprises establishments primarily engaged in manufacturing fabricated metal products (except forgings and stampings, cutlery and handtools, architectural and structural metals, boilers, tanks, shipping containers, hardware, spring and wire products, machine shop products, turned products, screws, nuts and bolts, metal valves, ball and roller bearings, ammunition, small arms and other ordnances, fabricated pipes and pipe fittings, industrial patterns, and enameled iron and metal sanitary ware).

NAICS CODE

3331

Agriculture, Construction, and Mining Machinery Manufacturing

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	193,194	-2.78%	51,397	4.0%
Texas	33,276	0.70%	62,249	6.2%
Nueces	87	-8.50%	54,438	4.6%
Houston	20,346	3.17%	70,166	5.9%
San Antonio	427	-5.85%	40,845	3.9%
Galveston	0	0.00%	0	0.0%

333132 Oil and Gas Field Machinery and Equipment Manufacturing

This U.S. industry comprises establishments primarily engaged in (1) manufacturing oil and gas field machinery and equipment, such as oil and gas field drilling machinery and equipment; oil and gas field production machinery and equipment; and oil and gas field derricks and (2) manufacturing water well drilling machinery.

NAICS CODE

3334 Ventilation, Heating, Air-Conditioning, and Commercial Refrigeration Equipment Manufacturing

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	152,193	-4.53%	41,951	3.5%
Texas	14,157	-3.96%	49,020	7.6%
Nueces	0	0.00%	0	0.0%
Houston	2,692	-4.59%	67,861	15.9%
San Antonio	1,375	-5.31%	37,990	6.0%
Galveston		0.00%		0.0%

333415 Air-Conditioning and Warm Air Heating Equipment and Commercial and Industrial Refrigeration Equipment Manufacturing

This U.S. industry comprises establishments primarily engaged in (1) manufacturing air-conditioning (except motor vehicle) and warm air furnace equipment and/or (2) manufacturing commercial and industrial refrigeration and freezer equipment.

NAICS CODE

3339 Other General Purpose Machinery Manufacturing

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	263,774	-5.28%	49,975	3.7%
Texas	13,855	-3.89%	45,539	3.6%
Nueces	0	0.00%	0	0.0%
Houston	4,407	-4.45%	52,526	3.7%
San Antonio	206	-13.49%	38,882	5.3%
Galveston	14	0.00%	34,057	0.0%

333911 Pump and Pumping Equipment Manufacturing

This U.S. industry comprises establishments primarily engaged in manufacturing general purpose pumps and pumping equipment (except fluid power pumps and motors), such as reciprocating pumps, turbine pumps, centrifugal pumps, rotary pumps, diaphragm pumps, domestic water system pumps, oil well and oil field pumps and sump pumps.

333923 Overhead Traveling Crane, Hoist, and Monorail System Manufacturing

This U.S. industry comprises establishments primarily engaged in manufacturing overhead traveling cranes, hoists, and monorail systems.

333924 Industrial Truck, Tractor, Trailer, and Stacker Machinery Manufacturing

This U.S. industry comprises establishments primarily engaged in manufacturing industrial trucks, tractors, trailers, and stackers (i.e., truck-type), such as forklifts, pallet loaders and unloaders, and portable loading docks.

333999 All Other Miscellaneous General Purpose Machinery Manufacturing

This U.S. industry comprises establishments primarily engaged in manufacturing general purpose machinery (except ventilating, heating, air-conditioning, and commercial refrigeration equipment; metal working machinery; engines, turbines, and power transmission equipment; pumps and compressors; material handling equipment; power-driven hand tools; welding and soldering equipment; packaging machinery; industrial process furnaces and ovens; fluid power cylinders and actuators; fluid power pumps and motors; and scales and balances).

NAICS CODE

3366 Ship and Boat Building

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	150,393	-0.40%	41,779	3.9%
Texas	5,320	-5.62%	37,160	1.7%
Nueces	110	-8.43%	33,922	1.6%
Houston	1,388	-11.89%	42,085	2.9%
San Antonio	26	0.00%	21,442	0.0%
Galveston	283	-8.06%	45,999	5.7%

336611 Ship Building and Repairing

This U.S. industry comprises establishments primarily engaged in operating a shipyard. Shipyards are fixed facilities with drydocks and fabrication equipment capable of building a ship, defined as watercraft typically suitable or intended for other than personal or recreational use. Activities of shipyards include the construction of ships, their repair, conversion and alteration, the production of prefabricated ship and barge sections, and specialized services, such as ship scaling.

NAICS CODE

3391 Medical Equipment and Supplies Manufacturing

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	301,717	-0.61%	51,470	4.7%
Texas	12,914	-3.41%	41,781	5.0%
Nueces	151	-5.77%	24,550	5.5%
Houston	1,850	-3.49%	36,198	3.1%
San Antonio	1,378	-5.23%	45,951	16.6%
Galveston	22	-1.76%	41,299	8.1%

339111 Laboratory Apparatus and Furniture Manufacturing

This U.S. industry comprises establishments primarily engaged in manufacturing laboratory apparatus and laboratory and hospital furniture (except dental). Examples of products made by these establishments are hospital beds, operating room tables, laboratory balances and scales, furnaces, ovens, centrifuges, cabinets, cases, benches, tables, and stools.

339112 Surgical and Medical Instrument Manufacturing

This U.S. industry comprises establishments primarily engaged in manufacturing medical, surgical, ophthalmic, and veterinary instruments and apparatus (except electrotherapeutic, electromedical and irradiation apparatus). Examples of products

made by these establishments are syringes, hypodermic needles, anesthesia apparatus, blood transfusion equipment, catheters, surgical clamps, and medical thermometers.

339113 Surgical Appliance and Supplies Manufacturing

This U.S. industry comprises establishments primarily engaged in manufacturing surgical appliances and supplies. Examples of products made by these establishments are orthopedic devices, prosthetic appliances, surgical dressings, crutches, surgical sutures, and personal industrial safety devices (except protective eyewear).

Wholesale Trade:

Many times businesses involved in wholesale trade are “consumptive” in nature. This means they are serving the local marketplace. However, there are a large number of wholesalers, principle in durable goods, which are contributory in nature. These businesses usually pay a wage much higher than their consumptive counterparts and many times are also involved in warehousing and distribution.

Community focus regarding wholesale trade should be place on wholesalers whose marketplace is statewide or nationally.

NAICS CODE

42 Wholesale Trade

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	5,641,492	0.07%	53,314	3.3%
Texas	463,711	0.39%	55,913	1.8%
Nueces	4,947	0.86%	43,047	3.4%
Houston	119,326	0.26%	57,183	3.6%
San Antonio	27,297	0.80%	45,041	3.7%
Galveston	1,606	0.24%	46,454	2.9%

Retail Trade:

Typically businesses involved in retail trade are purely consumptive and are rarely targeted by economic development organizations. However, the test of whether a business is contributory is whether or not they sell their products outside the economy.

Nonstore Retailers, for the most part, have national or international marketplaces. Oftentimes these businesses are “home grown” but they do expand or relocate to other areas because of growing operational costs relative to their initial location. Many such companies are being forced to move out of California and the northeast United States.

Wages paid to workers in this sector can be very high or very low, depending on the nature of the work involved.

NAICS CODE

454 Nonstore Retailers

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	424,402	-1.74%	35,701	4.6%
Texas	20,243	-0.91%	34,812	7.5%
Nueces	75	0.49%	23,934	6.4%
Houston	2,418	1.34%	43,563	7.0%
San Antonio	5,687	1.49%	26,610	10.4%
Galveston	42	-3.48%	22,768	2.9%

454111 Electronic Shopping

This U.S. Industry comprises establishments engaged in retailing all types of merchandise using the Internet.

454113 Mail-Order Houses

This U.S. industry comprises establishments primarily engaged in retailing all types of merchandise using mail catalogs or television to generate clients and display merchandise. Included in this industry are establishments primarily engaged in retailing from catalog showrooms of mail-order houses as well as establishments providing a combination of Internet and mail-order sales.

Transportation:

An obvious target sector is increasing activity at the Corpus Christi Port. This will lead to growth in several sectors. The following targets are all related to port expansion.

NAICS CODE

4831	Deep Sea, Coastal, and Great Lakes Water Transportation			
	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	33,993	-1.01%	64,942	3.5%
Texas	2,321	-5.19%	73,571	7.1%
Nueces	0	0.00%	0	0.0%
Houston	0	0.00%	0	0.0%
San Antonio		0.00%		0.0%
Galveston	17	0.00%	50,733	0.0%

483111 Deep Sea Freight Transportation

This U.S. industry comprises establishments primarily engaged in providing deep sea transportation of cargo to or from foreign ports.

NAICS CODE

4883	Support Activities for Water Transportation			
	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	93,464	-0.05%	51,870	4.5%
Texas	9,713	1.03%	33,001	1.2%
Nueces	253	12.35%	34,293	3.6%
Houston	6,958	-2.52%	37,167	3.8%
San Antonio	0	0.00%	0	0.0%
Galveston	595	-2.79%	40,274	1.7%

488310 Port and Harbor Operations

This industry comprises establishments primarily engaged in operating ports, harbors (including docking and pier facilities), or canals.

488320 Marine Cargo Handling

This industry comprises establishments primarily engaged in providing stevedoring and other marine cargo handling services (except warehousing).

488330 Navigational Services to Shipping

This industry comprises establishments primarily engaged in providing navigational services to shipping. Marine salvage establishments are included in this industry.

488390 Other Support Activities for Water Transportation

This industry comprises establishments primarily engaged in providing services to water transportation (except port and harbor operations; marine cargo handling services; and navigational services to shipping).

NAICS CODE

4931 Warehousing and Storage

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	555,800	2.33%	35,277	3.1%
Texas	35,905	14.90%	33,714	2.0%
Nueces	912	33.25%	36,220	1.9%
Houston	6,061	6.23%	38,248	2.1%
San Antonio	3,918	8.50%	30,685	0.4%
Galveston	165	-6.81%	37,333	1.9%

493110 General Warehousing and Storage

This industry comprises establishments primarily engaged in operating merchandise warehousing and storage facilities. These establishments generally handle goods in containers, such as boxes, barrels, and/or drums, using equipment, such as forklifts, pallets, and racks. They are not specialized in handling bulk products of any particular type, size, or quantity of goods or products.

493120 Refrigerated Warehousing and Storage

This industry comprises establishments primarily engaged in operating refrigerated warehousing and storage facilities. Establishments primarily engaged in the storage of furs for the trade are included in this industry. The services provided by these establishments include blast freezing, tempering, and modified atmosphere storage services.

493190 Other Warehousing and Storage

This industry comprises establishments primarily engaged in operating warehousing and storage facilities (except general merchandise, refrigerated, and farm product warehousing and storage).

Knowledge Based Sectors:

The following sectors are considered “knowledge based industries.” This simply means the skill of the worker will drive the growth of the sector. Typically, the capital investment in the facility is much less per worker than the previous sectors. Usually these businesses (except for testing laboratories) occupy an office building.

In an effort to provide an array of quality employment opportunities, the Corpus Christi area should attempt to recruit these sectors. All of the sectors listed below have an opportunity to grow in the state of Texas and all have some presence in the Corpus Christi economy at this time.

NAICS CODE

5182

Data Processing, Hosting, and Related Services

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	264,603	-3.30%	61,845	4.3%
Texas	25,310	-4.21%	66,646	1.0%
Nueces	56	-7.51%	53,976	14.5%
Houston	3,295	-4.60%	65,778	3.2%
San Antonio	3,662	4.89%	36,596	13.5%
Galveston	4	0.00%	65,357	0.0%

518210 Data Processing, Hosting, and Related Services

This industry comprises establishments primarily engaged in providing infrastructure for hosting or data processing services. These establishments may provide specialized hosting activities, such as Web hosting, streaming services or application hosting, provide application service provisioning, or may provide general time-share mainframe facilities to clients. Data processing establishments provide complete processing and specialized reports from data supplied by clients or provide automated data processing and data entry services.

NAICS CODE

5222

Nondepository Credit Intermediation

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	755,171	2.72%	67,742	6.0%
Texas	73,631	5.15%	55,842	4.5%
Nueces	736	6.66%	66,044	18.7%
Houston	10,355	2.25%	63,180	5.9%
San Antonio	5,967	3.55%	40,059	1.1%
Galveston	144	6.98%	28,648	5.5%

5222 Nondepository Credit Intermediation

This industry group comprises establishments, both public (government-sponsored enterprises) and private, primarily engaged in extending credit or lending funds raised by credit market borrowing, such as issuing commercial paper or other debt instruments or by borrowing from other financial intermediaries. Within this group, industries are defined on the basis of the type of credit being extended.

NAICS CODE

5241 Insurance Carriers

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	1,272,323	-0.81%	63,234	5.4%
Texas	81,279	-0.95%	58,225	4.9%
Nueces	628	0.94%	47,503	3.6%
Houston	14,657	-1.74%	56,592	4.2%
San Antonio	14,934	-2.67%	67,730	6.2%
Galveston	1,856	-4.10%	49,933	7.2%

524114 Direct Health and Medical Insurance Carriers

This U.S. industry comprises establishments primarily engaged in initially under-writing (i.e., assuming the risk and assigning premiums) health and medical insurance policies. Group hospitalization plans and HMO establishments (except those providing health care services) that provide health and medical insurance policies without providing health care services are included in this industry.

524114 Direct Health and Medical Insurance Carriers

This U.S. industry comprises establishments primarily engaged in initially under-writing (i.e., assuming the risk and assigning premiums) health and medical insurance policies. Group hospitalization plans and HMO establishments (except those providing health care services) that provide health and medical insurance policies without providing health care services are included in this industry.

524126 Direct Property and Casualty Insurance Carriers

This U.S. industry comprises establishments primarily engaged in initially under-writing (i.e., assuming the risk and assigning premiums) insurance policies that protect policyholders against losses that may occur as a result of property damage or liability.

524292 Third Party Administration of Insurance and Pension Funds

This U.S. industry comprises establishments primarily engaged in providing third party administration services of insurance and pension funds, such as claims processing and other administrative services to insurance carriers, employee-benefit plans, and self-insurance funds.

NAICS CODE

5413 Architectural, Engineering, and Related Services

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	1,255,317	0.33%	61,319	4.4%
Texas	112,944	0.97%	64,379	3.8%
Nueces	1,492	1.48%	52,748	4.4%
Houston	51,300	1.42%	71,082	4.0%
San Antonio	7,535	1.33%	41,118	-0.5%
Galveston	518	8.51%	53,413	3.3%

NAICS CODE

541380 Testing Laboratories

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	141,657	0.53%	60,135	2.8%
Texas	10,367	0.51%	46,284	4.2%
Nueces	414	3.00%	45,977	8.7%
Houston	4,959	1.40%	50,002	3.8%
San Antonio	679	-5.16%	37,480	4.3%
Galveston	110	5.93%	43,312	3.0%

541380 Testing Laboratories

This industry comprises establishments primarily engaged in performing physical, chemical, and other analytical testing services, such as acoustics or vibration testing, assaying, biological testing (except medical and veterinary), calibration testing, electrical and electronic testing, geotechnical testing, mechanical testing, nondestructive testing, or thermal testing. The testing may occur in a laboratory or on-site.

NAICS CODE

5511 Management of Companies and Enterprises

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	1,695,849	-0.97%	80,064	4.8%
Texas	47,279	8.66%	75,011	6.4%
Nueces	163	10.90%	73,456	8.2%
Houston	9,344	1.45%	83,524	1.2%
San Antonio	5,357	9.02%	59,265	7.3%
Galveston	140	0.34%	48,148	3.2%

551 Management of Companies and Enterprises

Industries in the Management of Companies and Enterprises subsector include three main types of establishments: (1) those that hold the securities of (or other equity interests in) companies and enterprises; (2) those (except government establishments) that administer, oversee, and manage other establishments of the company or enterprise but do not hold the securities of these establishments; and (3) those that both administer, oversee, and manage other establishments of the company or enterprise and hold the securities of (or other equity interests in) these establishments. Those establishments that administer, oversee, and manage normally undertake the strategic or organizational planning and decision making role of the company or enterprise.

NAICS CODE

5611 Office Administrative Services

	2004 Jobs	Job Growth	2004 Wages	Wage Growth
USA	325,041	7.12%	61,628	3.1%
Texas	33,169	9.28%	77,869	4.1%
Nueces	100	66.18%	29,775	-2.6%
Houston	10,809	5.76%	97,233	5.1%
San Antonio	1,869	11.80%	53,786	2.8%
Galveston	116	92.52%	52,802	17.1%

561110 Office Administrative Services

This industry comprises establishments primarily engaged in providing a range of day-to-day office administrative services, such as financial planning; billing and recordkeeping; personnel; and physical distribution and logistics for others on a contract or fee basis. These establishments do not provide operating staff to carry out the complete operations of a business.

Conclusion

The Corpus Christi area has an opportunity to attract a wide array of mid to high wage primary employers, principally manufacturing companies. If the area is able to cure some of its weaknesses, it can build a diverse economy which will improve the standard of living for its residents.

About the Researcher

William H. Fruth is the President of POLICOM Corporation; an independent economics research firm located Palm City, Florida, which specializes in studying the dynamics of local economies. Through his analysis, he determines if an economy is growing or declining, what is causing this to happen, and offers solutions to maintain or improve the situation.

He has personally evaluated the data for more than 600 local economies in the United States, created more than 150 community economic studies, and has provided presentations and workshops for state associations and local communities in 30 states.

He is a nationally recognized leader in the field of geographic economics and has extensive experience in economic development.

From 1988 to 1995, Fruth served as Vice President of a major industrial land development company, directing the development and marketing of a 500-acre corporate park in the West Palm Beach, Florida area.

Previously he was President of the Business Development Board of Palm Beach County, the economic development organization for the area. During that tenure he was named Florida's Economic Development Professional of the Year in 1987.

From 1980 to 1984, Bill served in a full time capacity of Mayor of Tiffin, Ohio. During this time, he was named one of the "Five Outstanding Young Men in Ohio" and was heavily involved in economic and community development both locally and statewide.

Fruth has been recognized by the Florida Administrative Court as an expert witness regarding local economies, is a member of the American Institute for Economic Research and the American Economic Association.

Fruth received the Bachelor of Science and Master of Arts degrees from Bowling Green State University in Ohio studying political theory, communications, and journalism.

POLICOM Corporation
2740 SW Martin Downs Blvd #279
Palm City, FL 34990

772-781-5559

fruth@policom.com
www.policom.com