

North King County

Economic Summit

October 9, 2007

Business Owner/Employer Survey

Overview

- Conducted 300 telephone interviews with business owners in five communities:
 - Bothell
 - Kenmore
 - Lake Forest Park
 - Shoreline
 - Woodinville
- Survey focused on key areas:
 - Current business climate
 - Workforce supply, education, development
 - Transportation/Freight Mobility – Shipping Logistics
 - Government services and relations
 - Area livability – quality of life
 - Overall sustainability – growth

Business/Employer Segments

- Businesses/Employers included in the survey were sampled from the following segments:
 - Health Care
 - Manufacturing
 - Repair services
 - Tourism
 - Food Service/Restaurants
 - Education
 - Wholesale/Distribution
 - Retail
 - Professional Services
 - Financial Services
 - Technology
 - Business Services
 - Agriculture
 - Transportation
 - Other services

Summary Highlights

Note: All figures in percents
unless otherwise specified.

Summary Highlights

Business Profile

Employer/Business Profile

- Average number of employees is between 8 and 10.
- Half of the businesses have 5 or less employees.
- About 57% of employees on average, live within or close to the city where the business is located.
- Employee turnover averages is about 20% on an annual basis.
- For 8 in 10, this location is the business headquarters.
- Average business tenure is 13 years.
- About 79% say the owner lives in or near the city where the business is located.
- Very few live outside King county.
- Most recruiting employees from local high schools, colleges, technical schools.

North King County Economic Engine

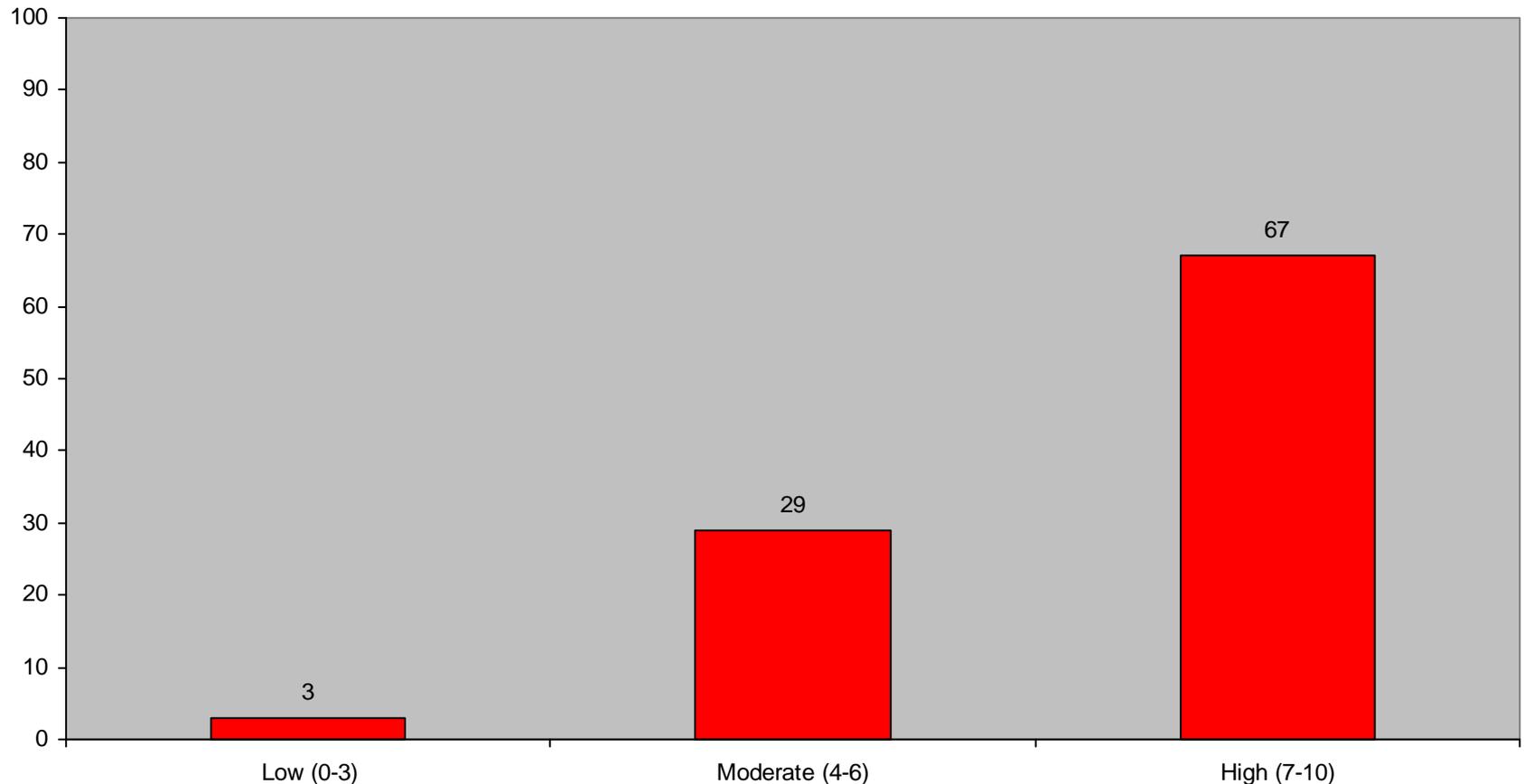
- *A number of factors contribute to the growth of the North King County economy: the business climate, quality of life, environment, population growth, etc.*
- *Today, the five cities combined have over 6,500 businesses & organizations and an employment base of over 70,000 workers. This has increased 10% in just the past few years.*
- *Total estimated annual revenues are over \$7 billion today. A substantial increase of 11% since the Economic Summit of 2005.*

Source: Claritas Corp.

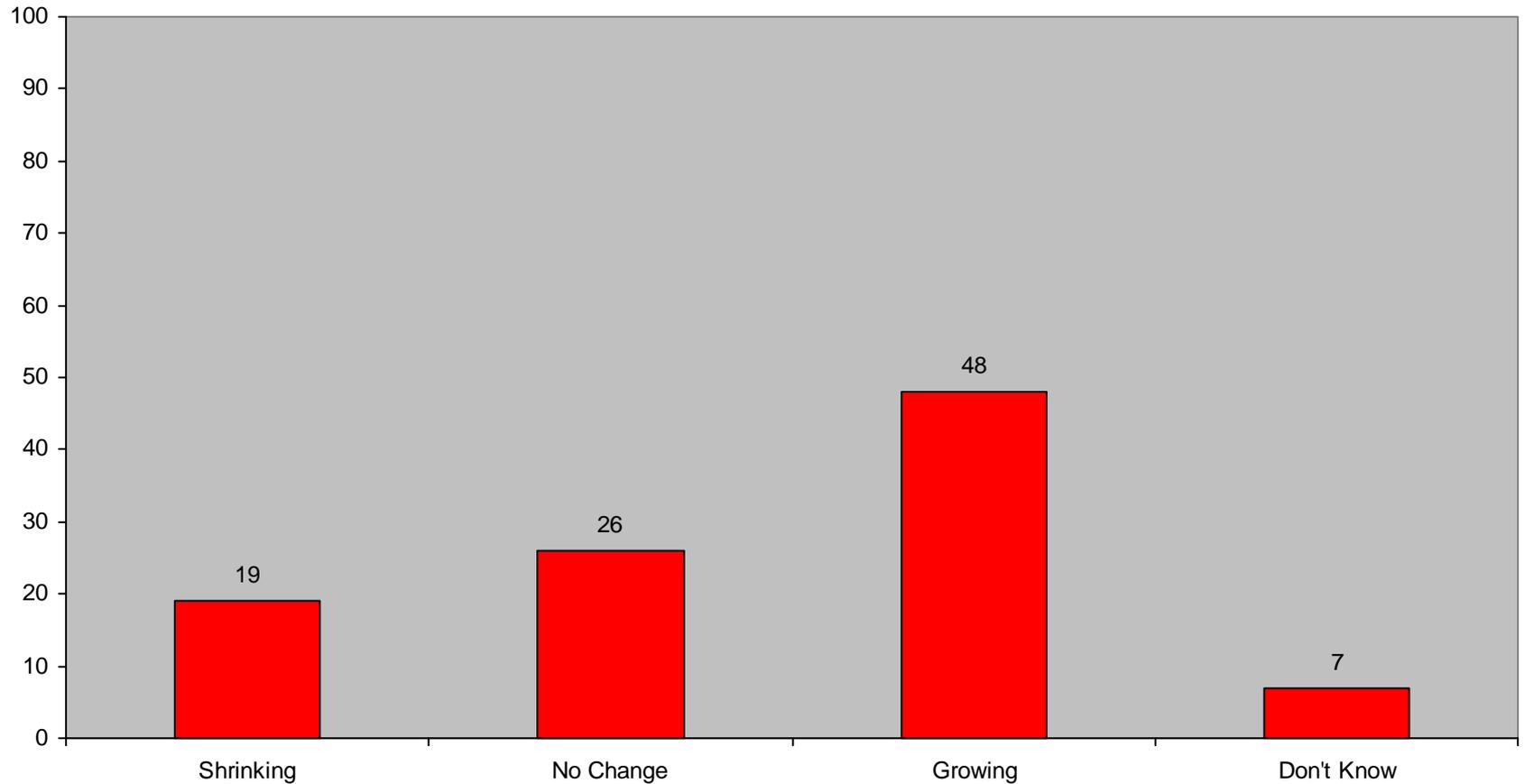
Summary Highlights

Current Business Climate

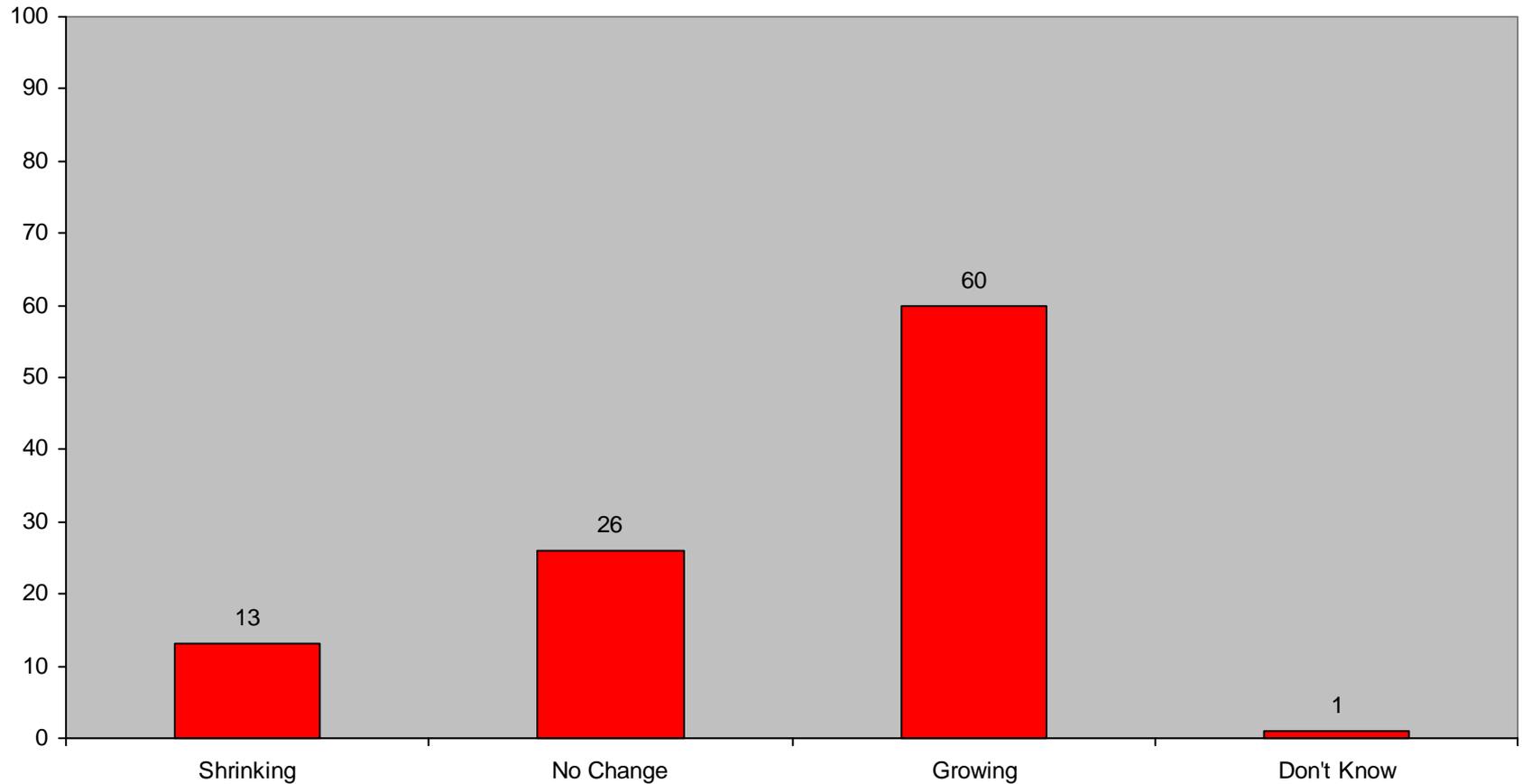
How would you rate your confidence in the health of the local economy in the North King County area for the next 12 month period on a scale from 0 to 10 where 0 = a severe downturn and 10 = very high/expansion?



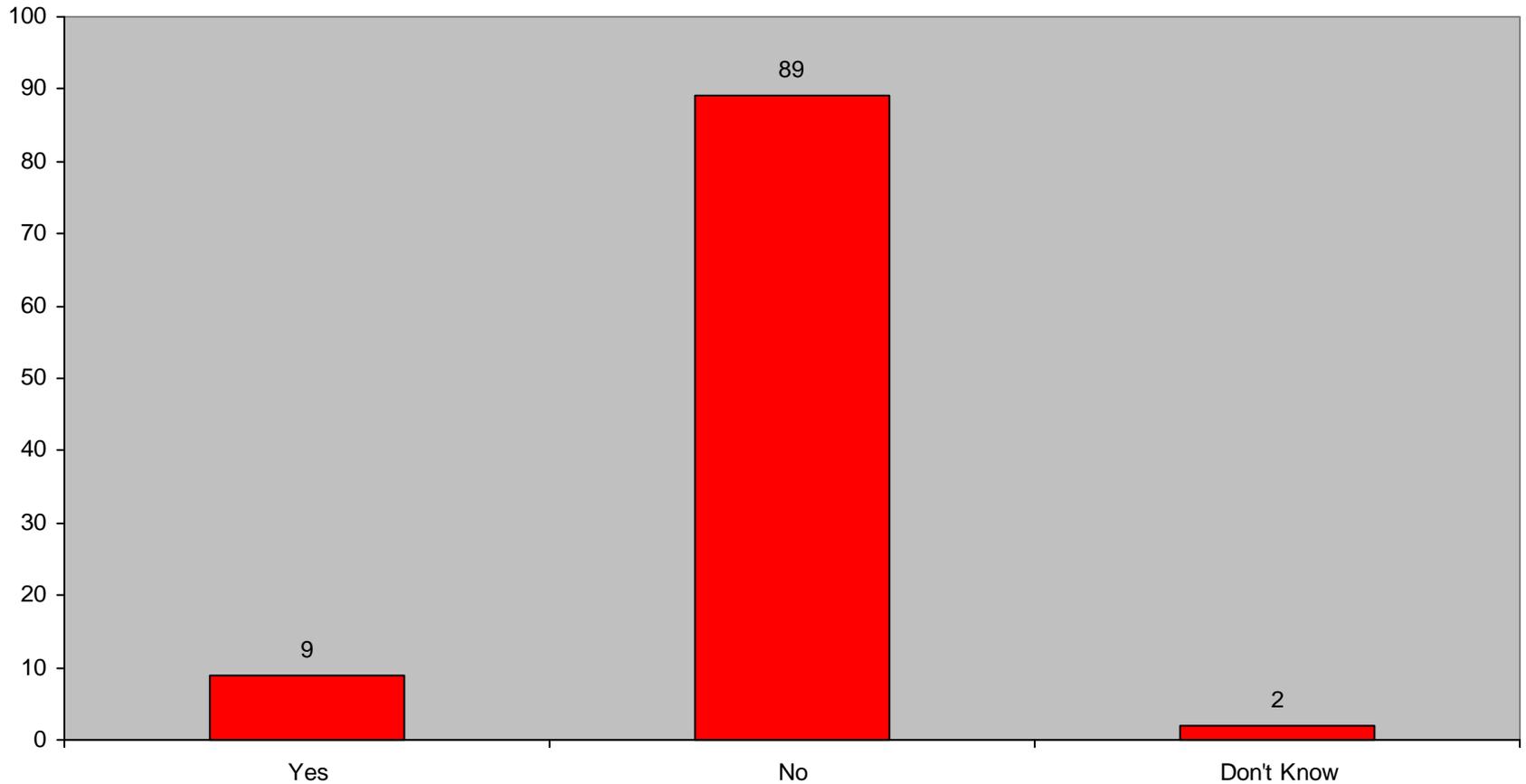
How would you describe the state economy's performance now compared to 12 months ago?



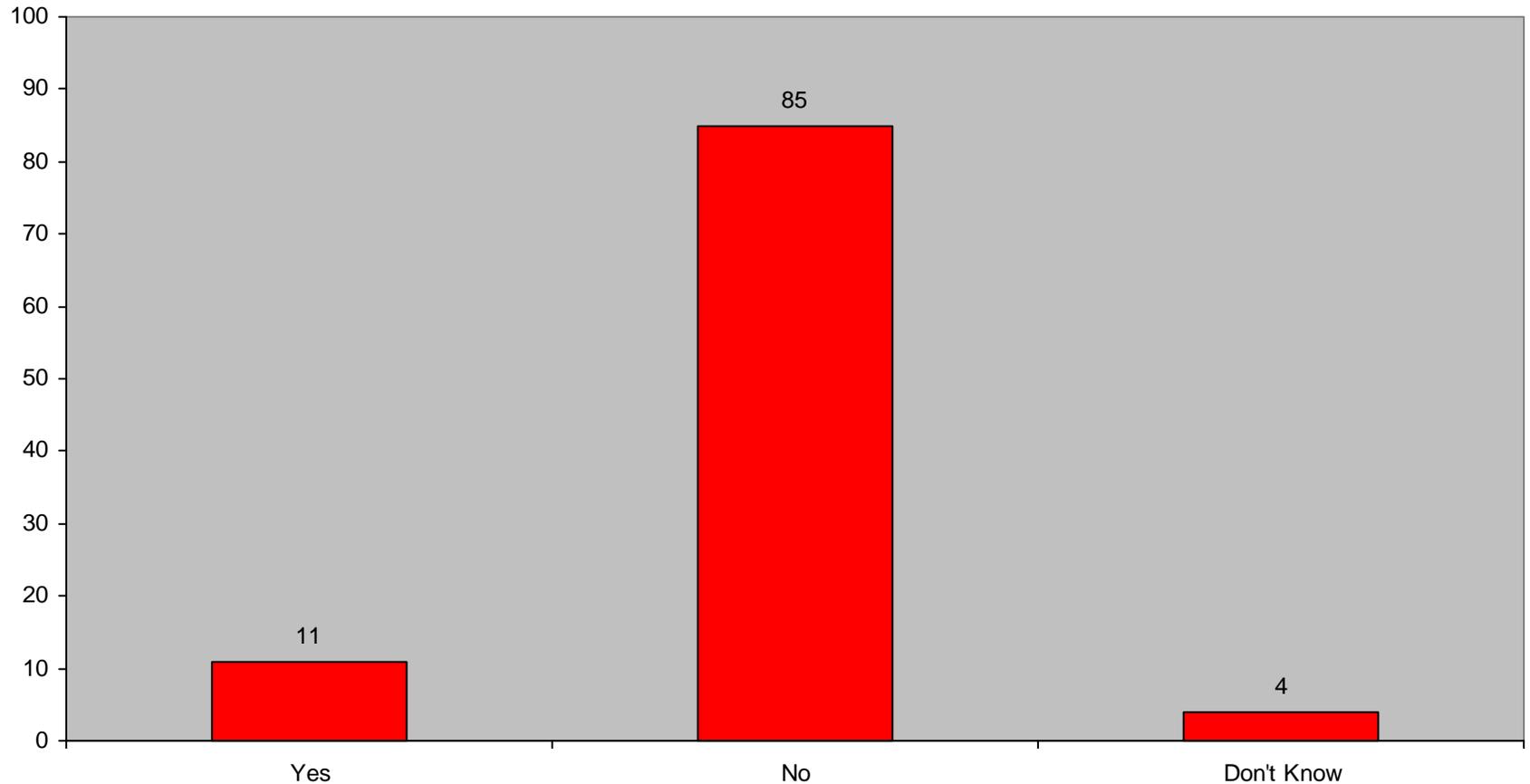
Please describe your own business's performance now,
as compared to 12 months ago?



Is your business currently looking at or considering moving to another city outside the North King county area?



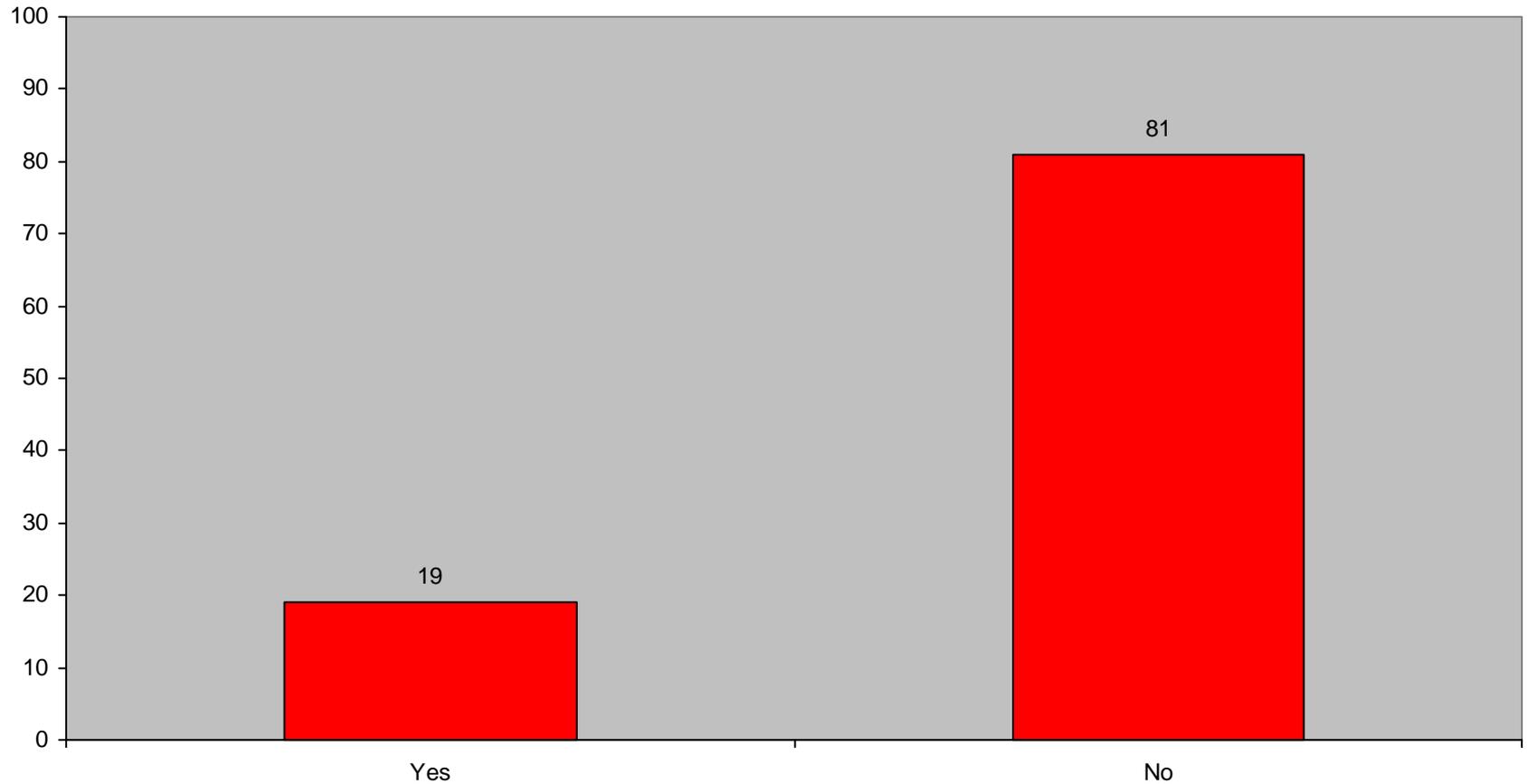
Is your business considering expanding to an added location in another city inside the North King county area?



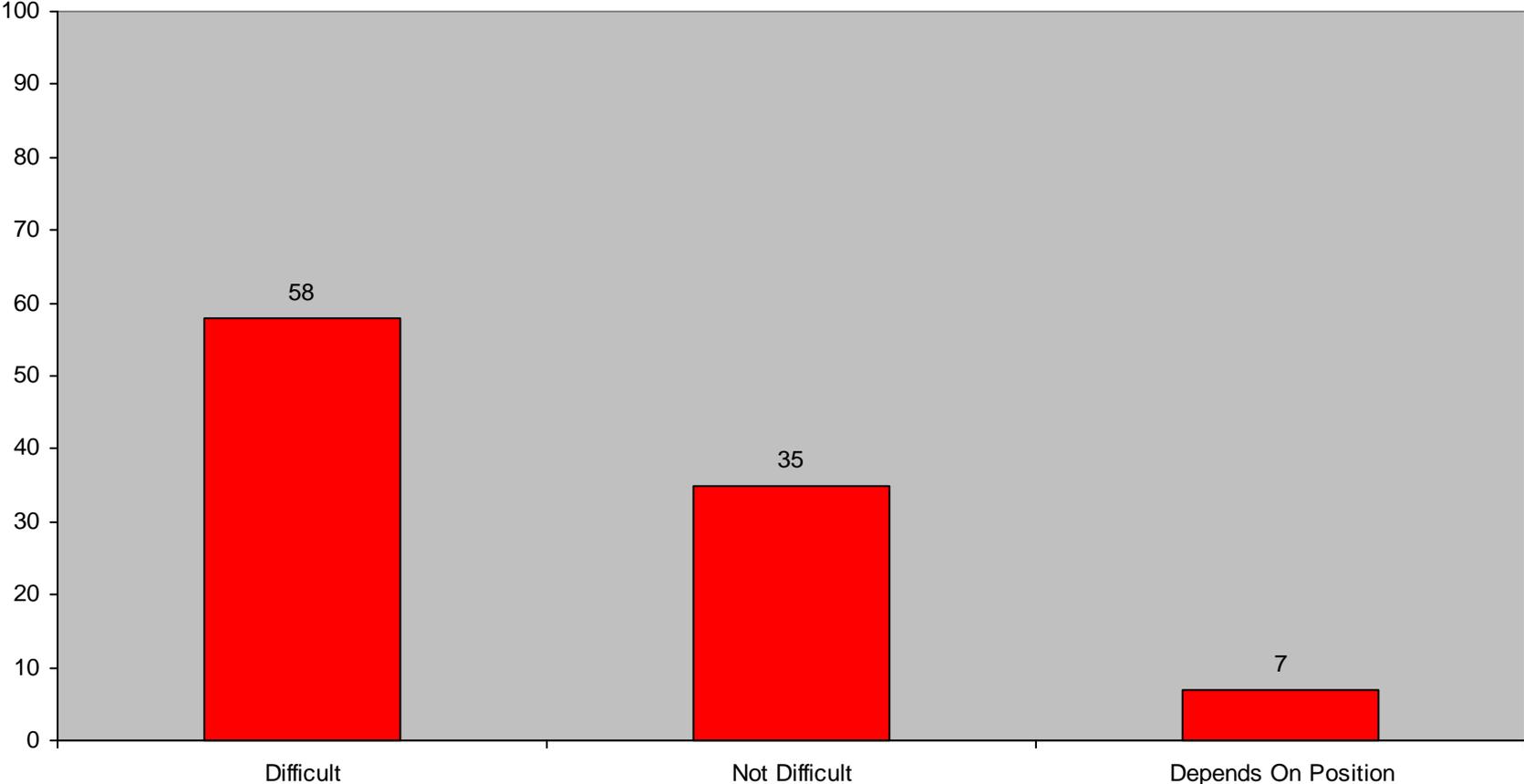
Summary Highlights

Workforce Supply, Education & Development

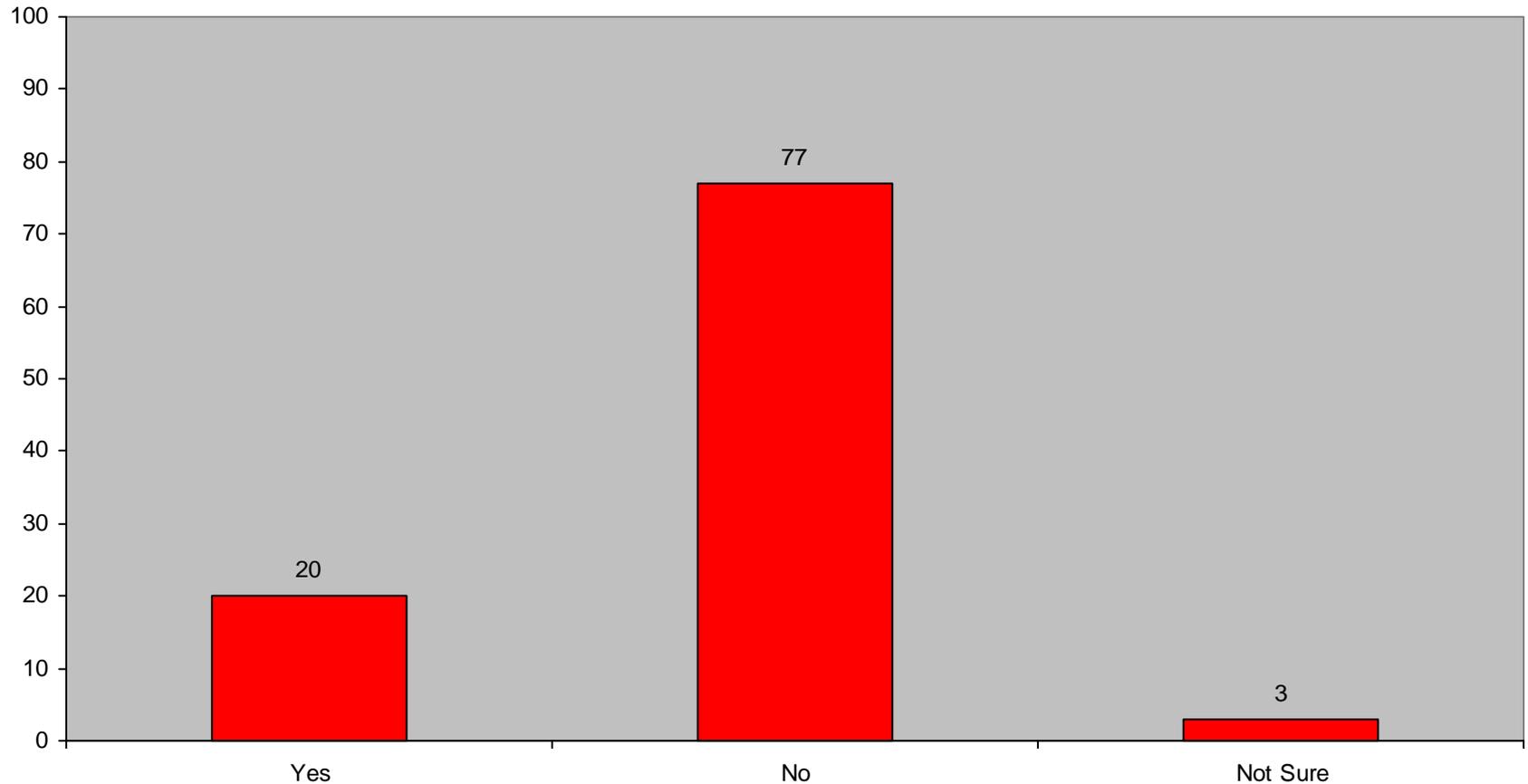
Do you outsource employee training?



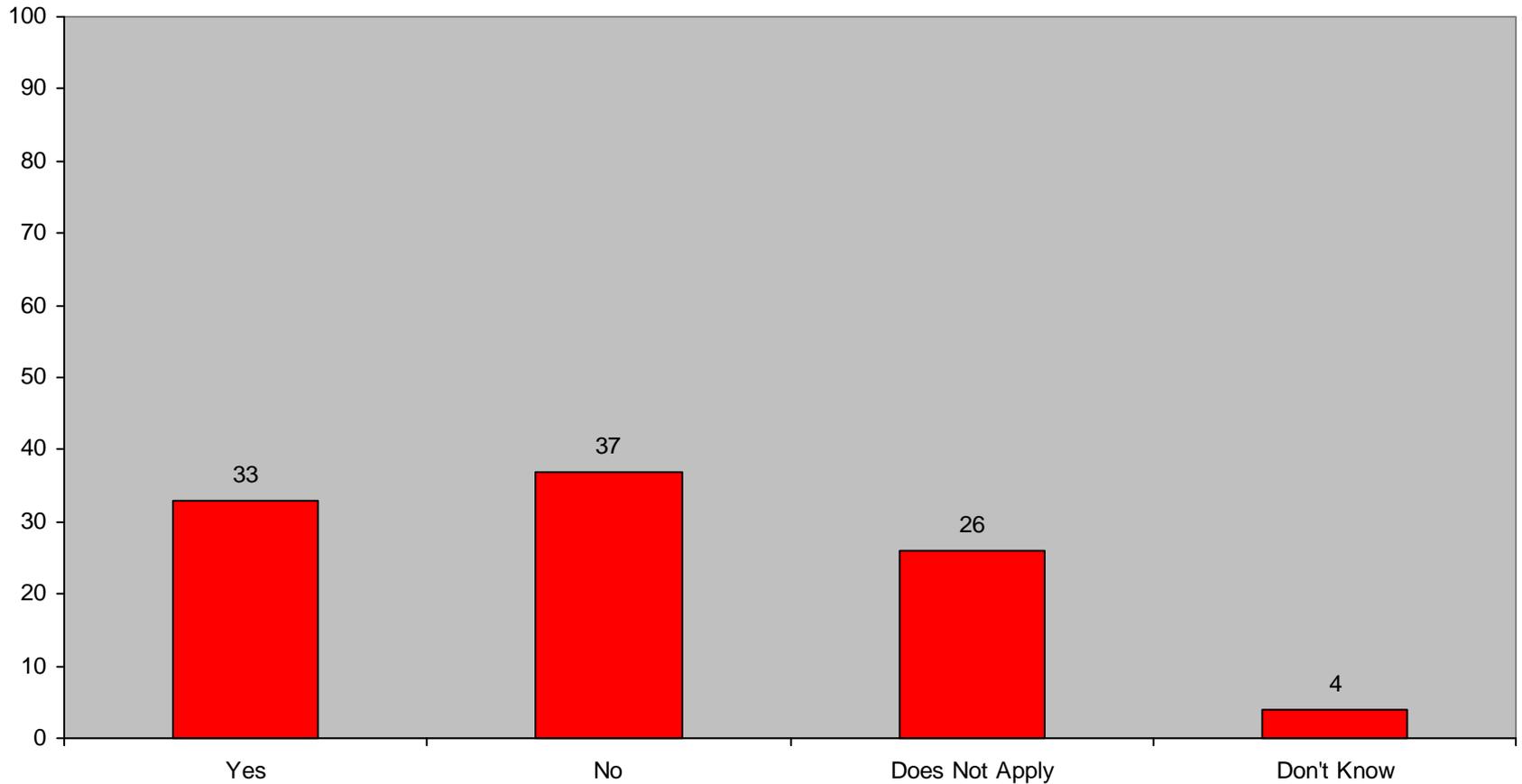
How difficult is it to find and hire qualified people for positions in your company/organization?



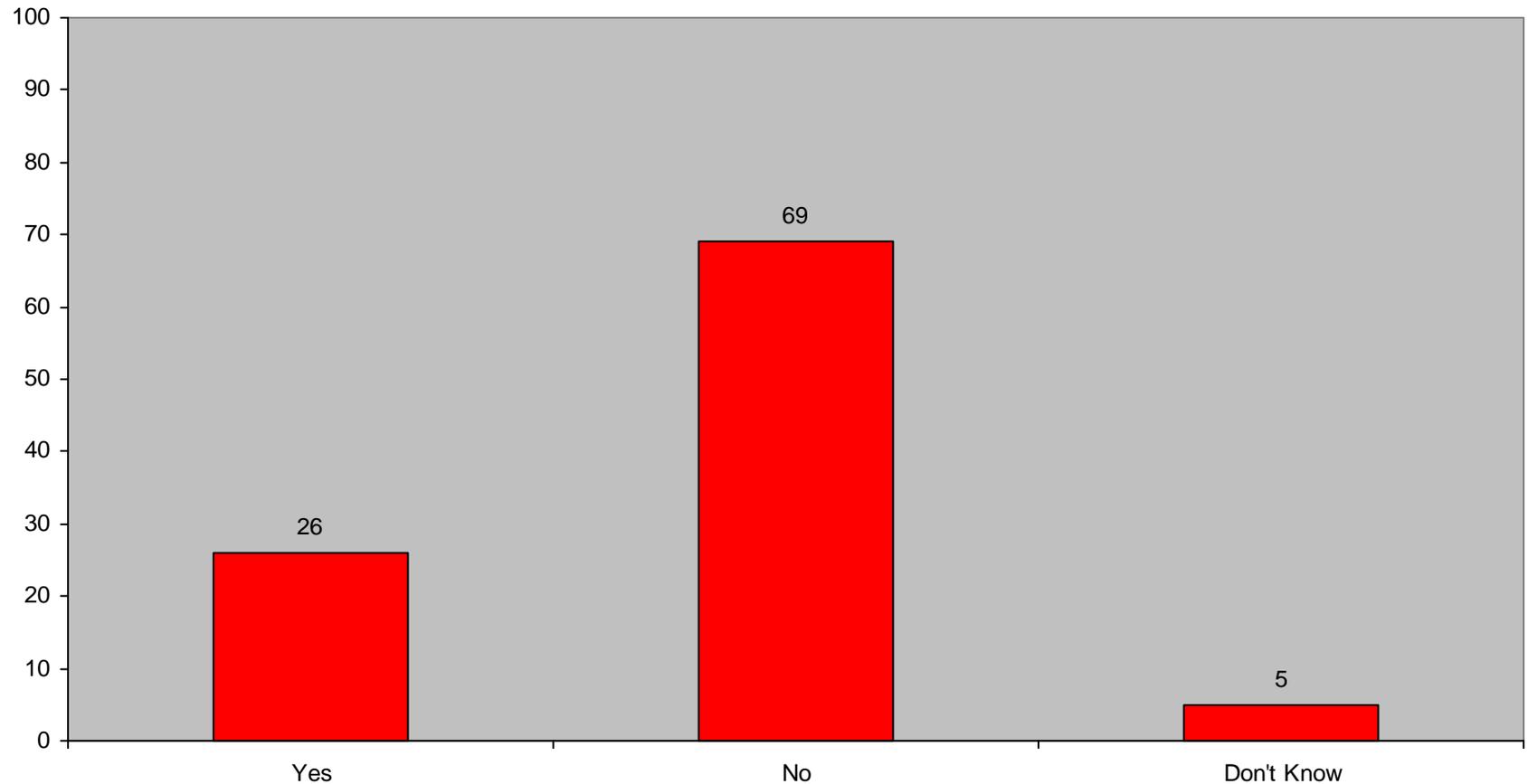
Have you used the services of an institution of higher education in North King county to send workers for training/further education?



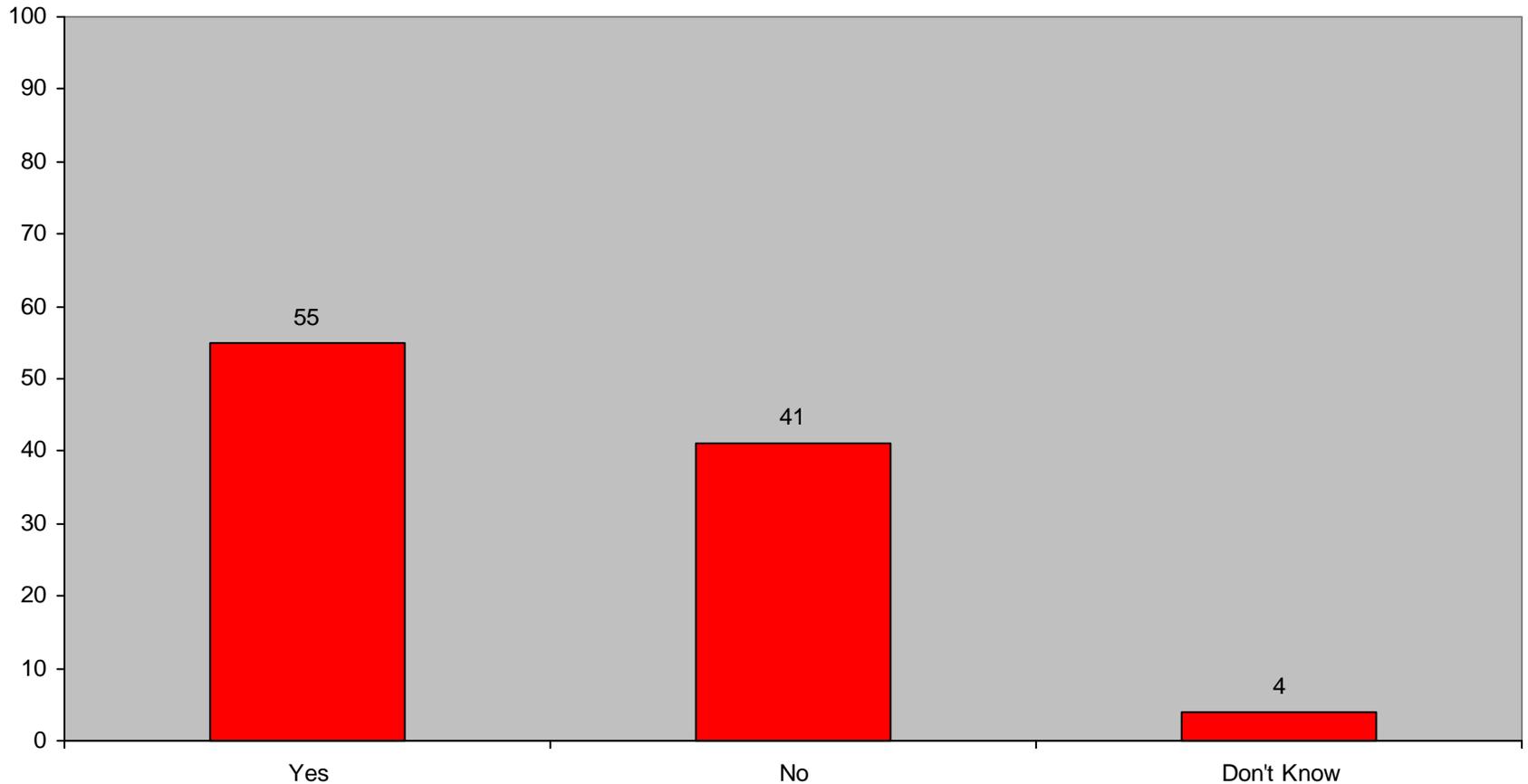
Is receiving academic credit for their training an added value for your employees participating in workplace training?



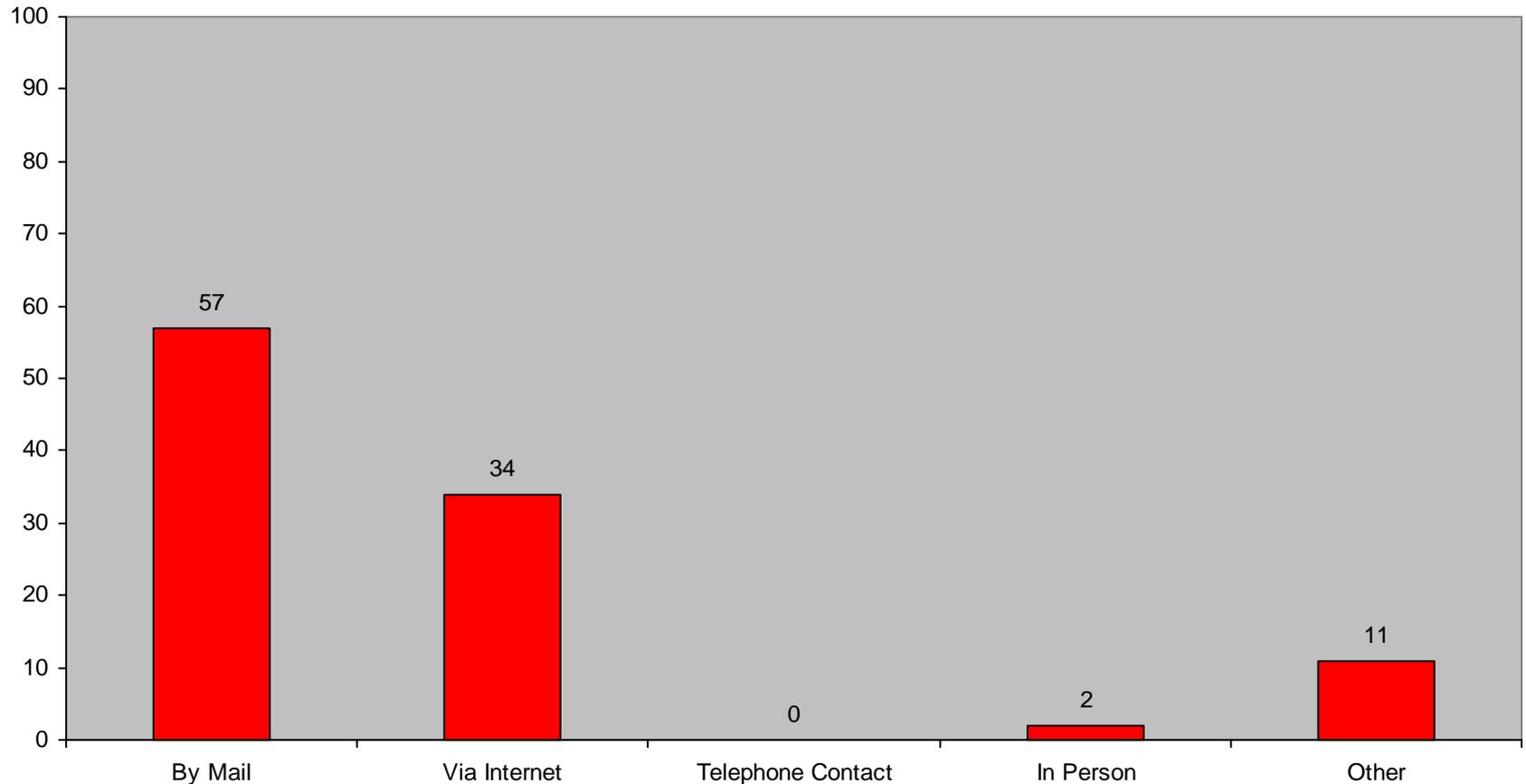
Do you participate in post-secondary education (beyond high school) certificate training programs?



The Washington State Workforce Training Program projects that 80% of the jobs in the new economy will not require a BA degree but will require some post-secondary training. Is this true for your business?



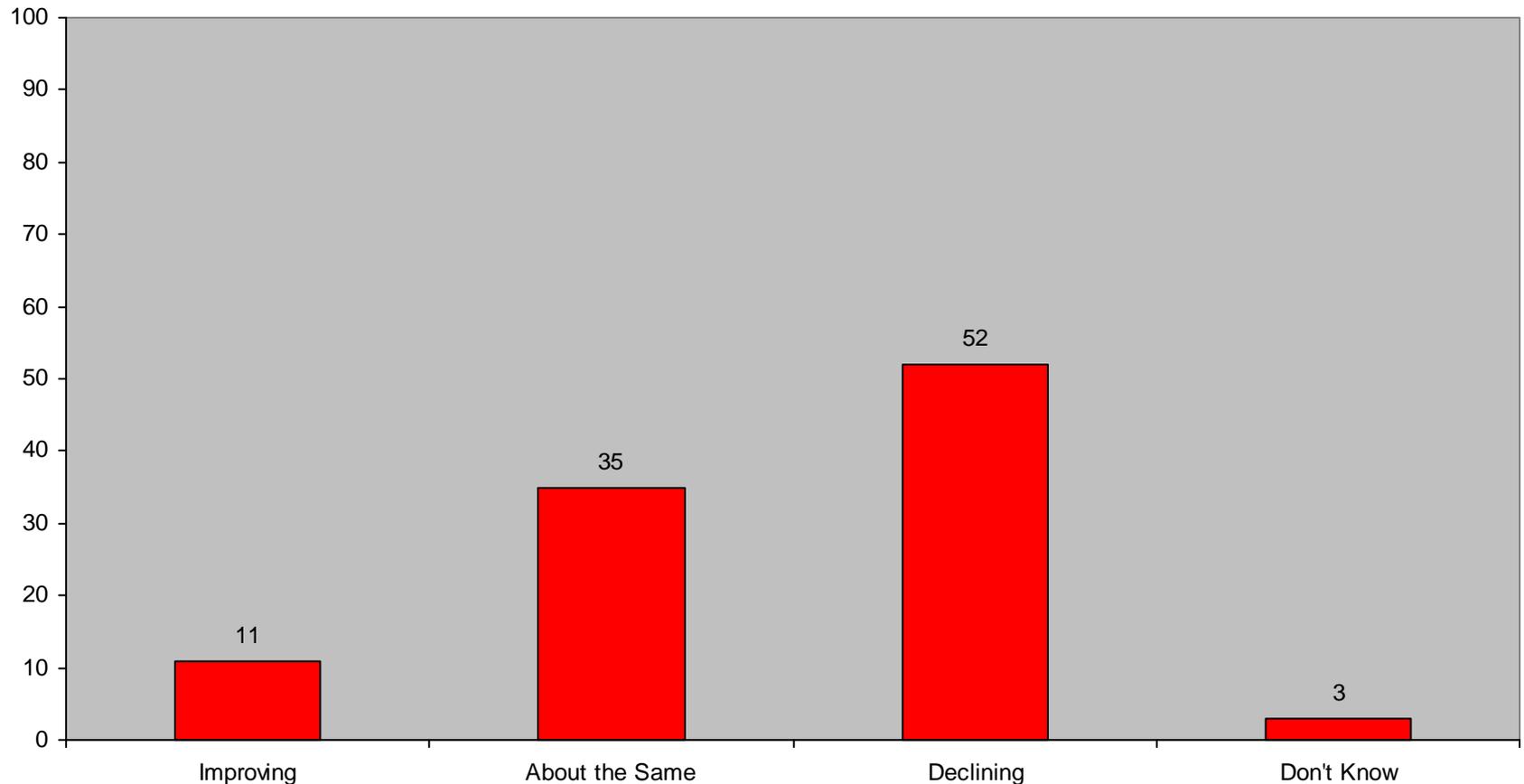
How do you prefer to receive information on business and employee development training classes?



Summary Highlights

Transportation Freight Mobility & Shipping Logistics

Compared to a couple years ago, is the transportation situation where your business/organization is located.....?



Transportation Behavior

- About 30% of employers say 1% or more of their workforce use public transportation.
- On average, about 52% of employees live within 5 miles of the employer's business location.
- Only 8% of employers encourage employees to use public transportation through an incentive plan such as discounted or free bus passes, ride-share or car/van pooling.
- About 31% of employers say one or more of their employees use some form of telecommuting. And, on average about 36% of the total work is done that way by those who do telecommute. Most say it is working well.

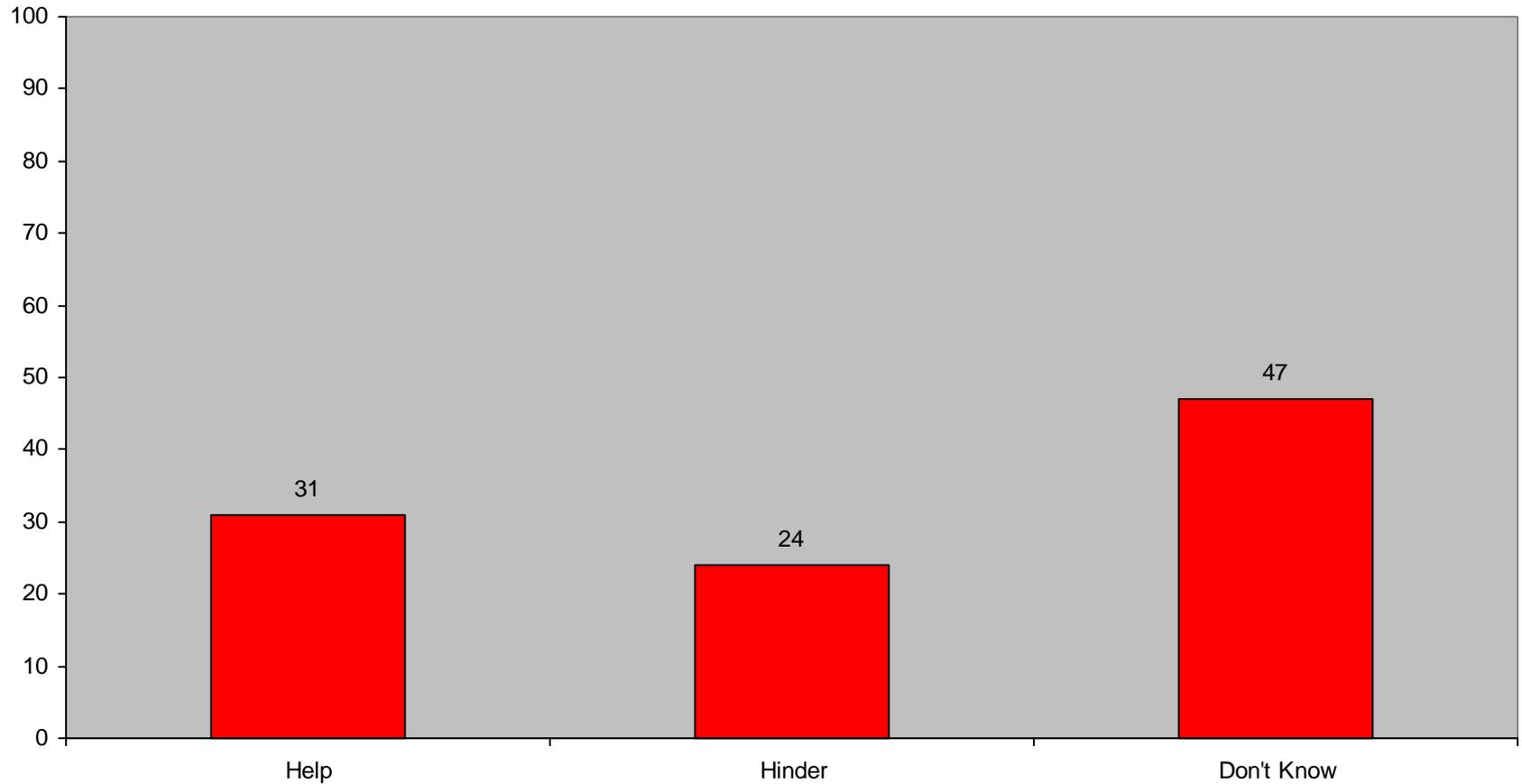
Freight, Mobility, Shipping Logistics

- 27% say freight mobility and shipping logistics are an issue for their business.
- 33% say this is a factor in their business expansion.
- 90% use land, 39% air, 12% ocean modes.
- 80% produce mostly for the domestic market.
- 24% are exporting some products to the world market.
- 33% are importing some products.
- Only 8% say they are outsourcing order fulfillment/shipping services.
- About 35% are doing some or all of their business via the Internet with about 28% of sales on average.

Summary Highlights

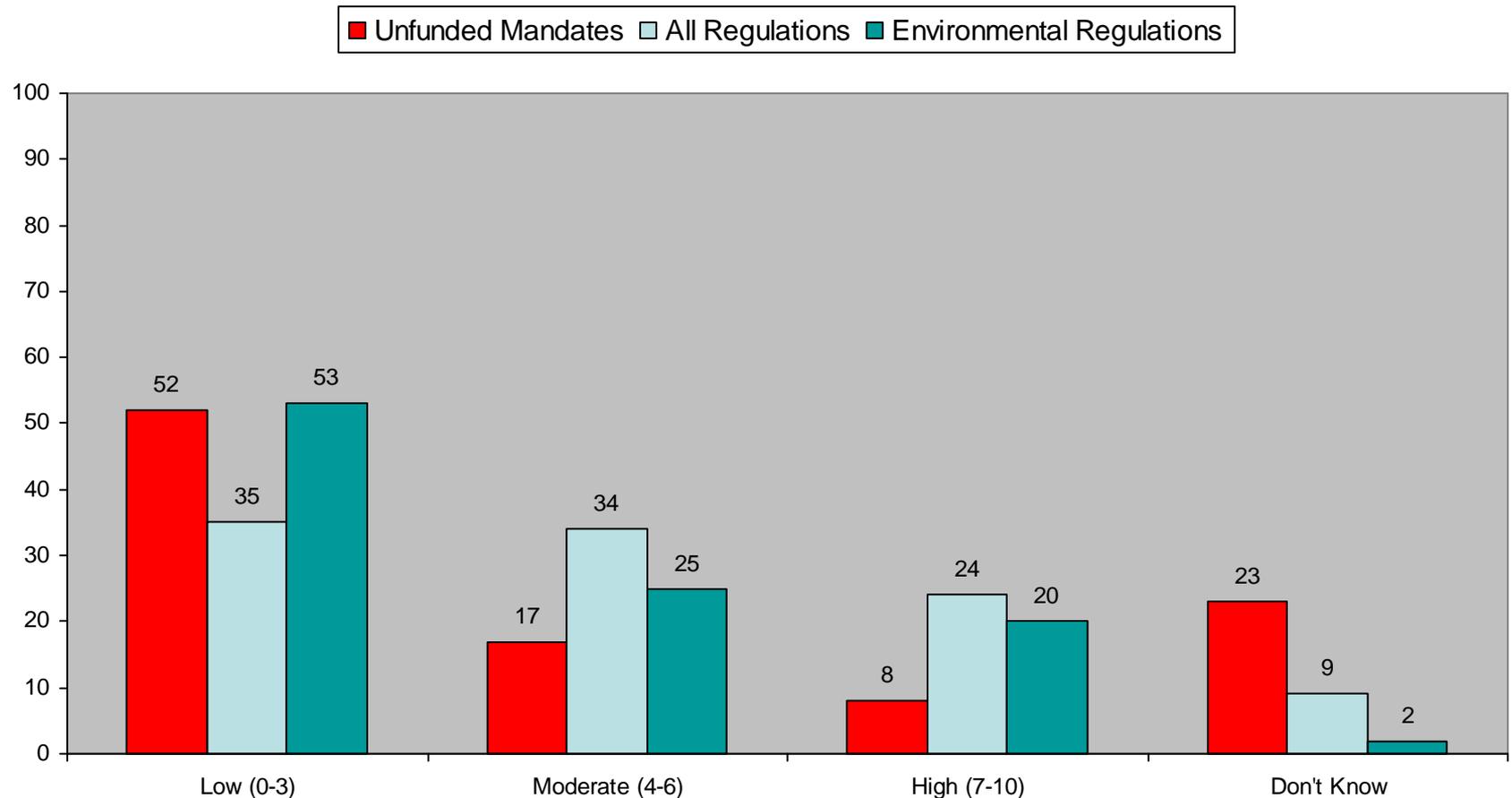
Government Services & Relations

Does the city where you are located help or hinder your ability to retain and grow your business?

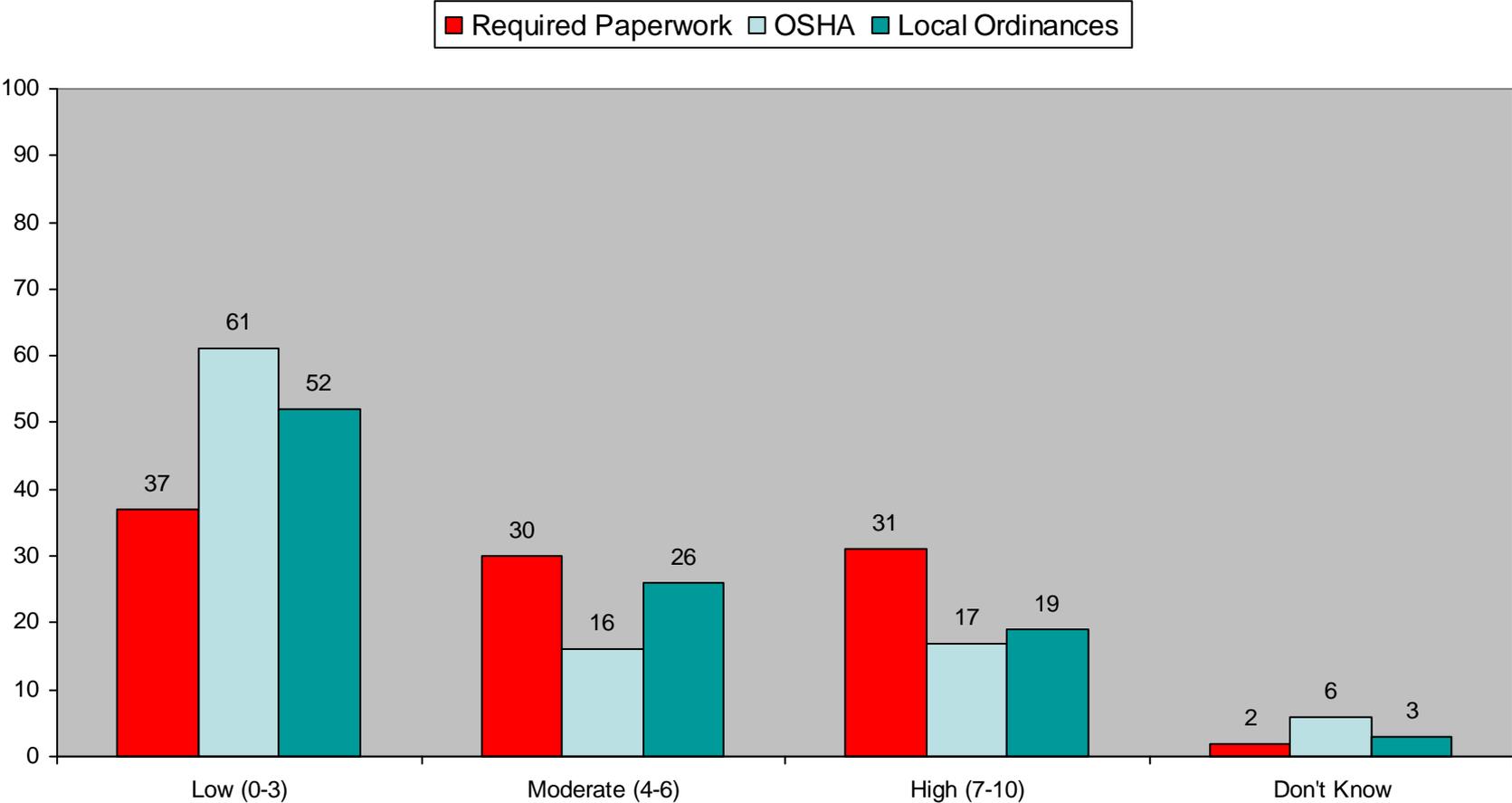


Impact: Government Regulations

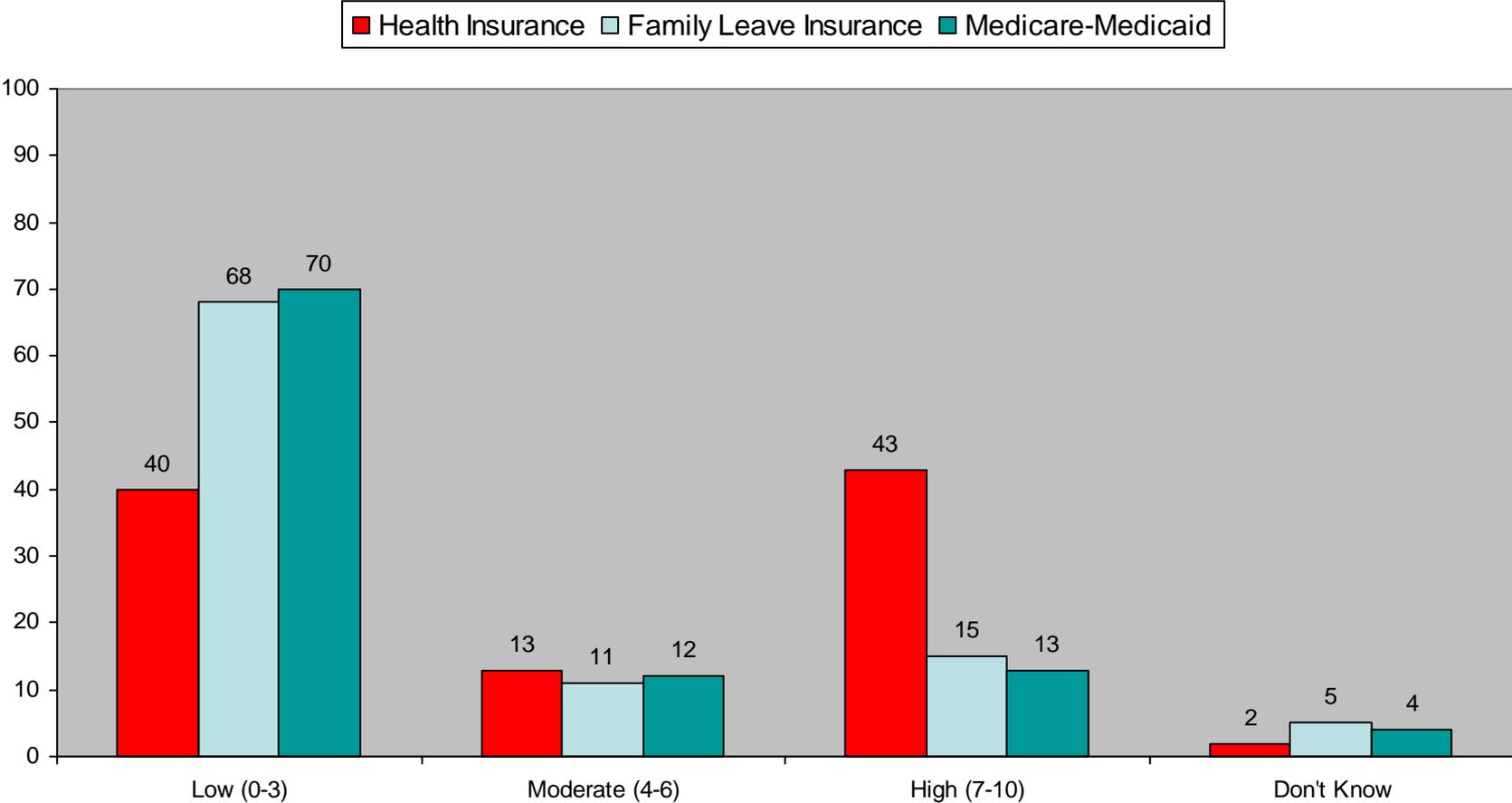
As best you can, please rate the following government regulations as they impact your business expansion on a scale from 0 to 10 where 0 means No Impediment At All and 10 means High Impediment?



As best you can, please rate the following government regulations as they impact your business expansion on a scale from 0 to 10 where 0 means No Impediment At All and 10 means High Impediment?

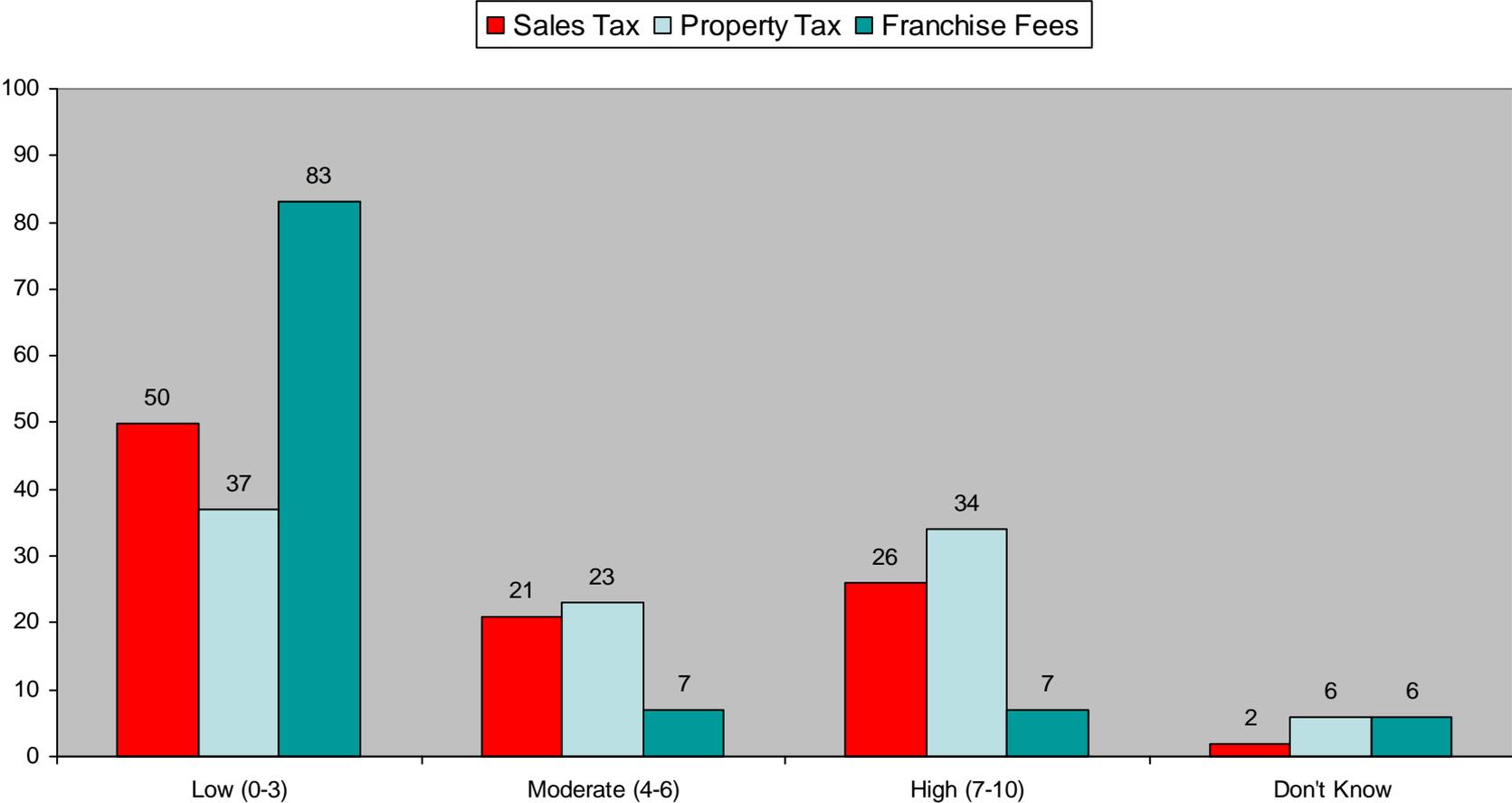


As best you can, please rate the following government regulations as they impact your business expansion on a scale from 0 to 10 where 0 means No Impediment At All and 10 means High Impediment?

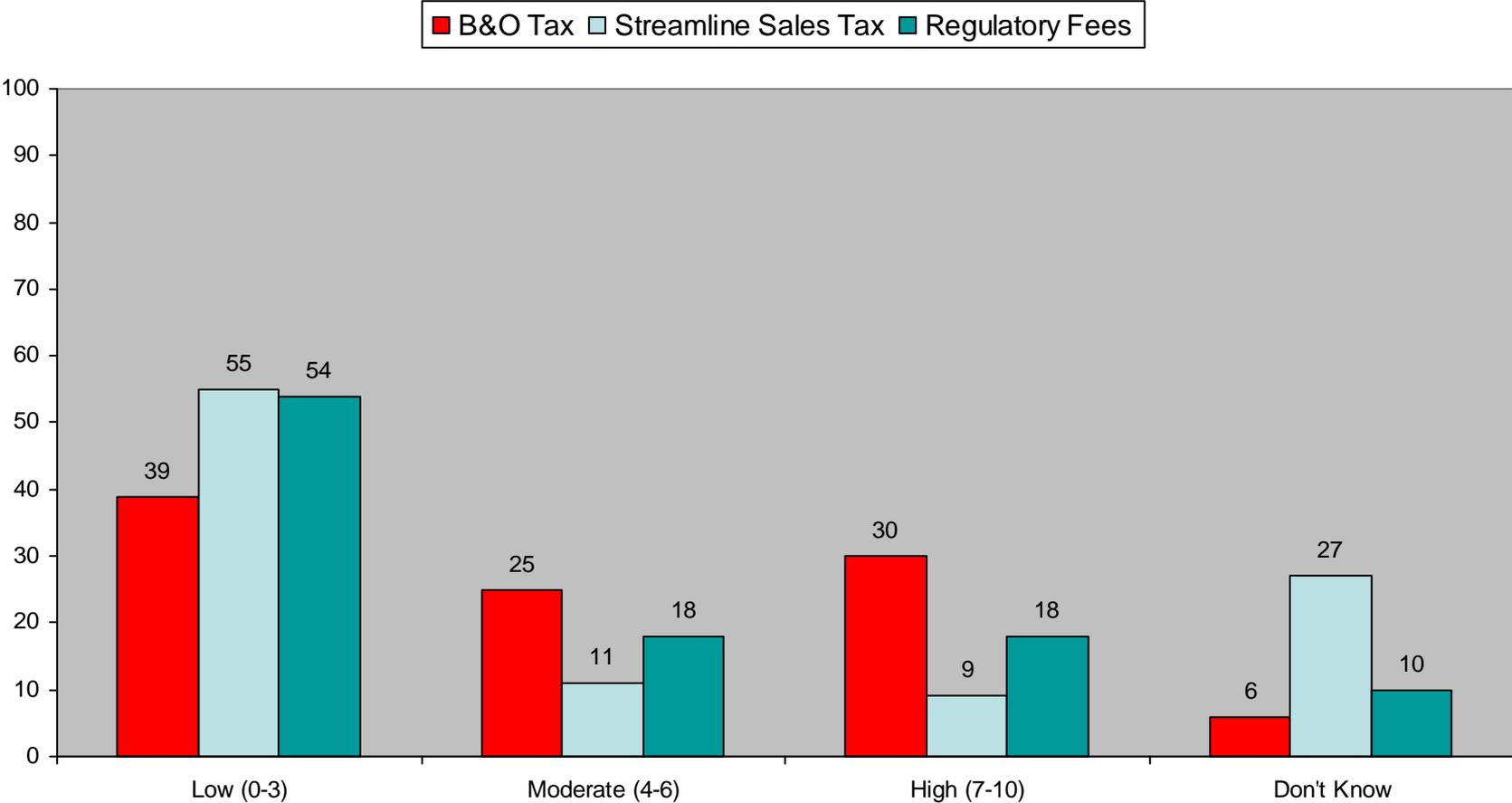


Impact: State & Local Taxes

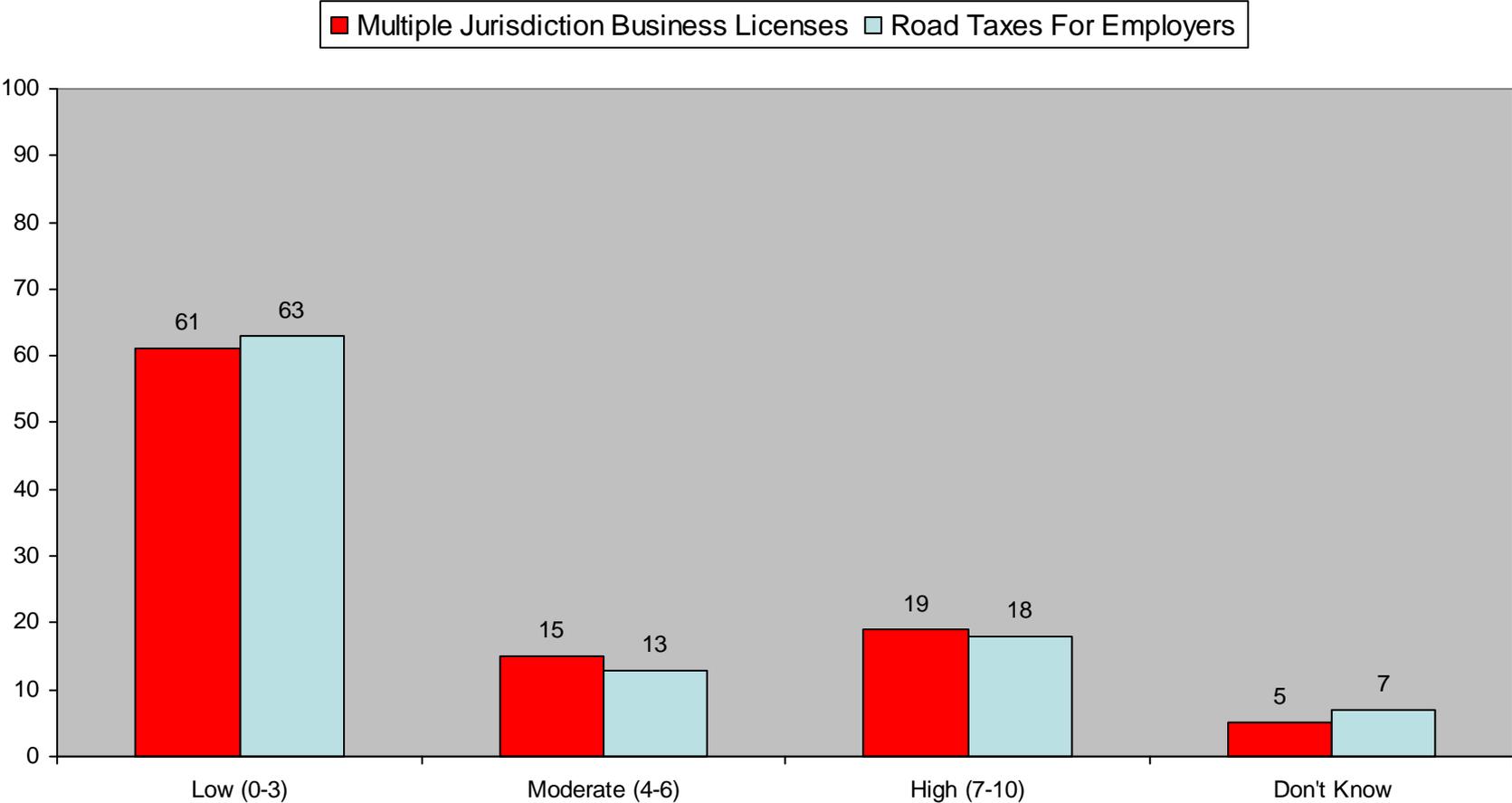
Please rate the following state & local taxes as they impact your business expansion on a scale from 0 to 10 where 0 means No Impediment At All and 10 means High Impediment?



Please rate the following state & local taxes as they impact your business expansion on a scale from 0 to 10 where 0 means No Impediment At All and 10 means High Impediment?



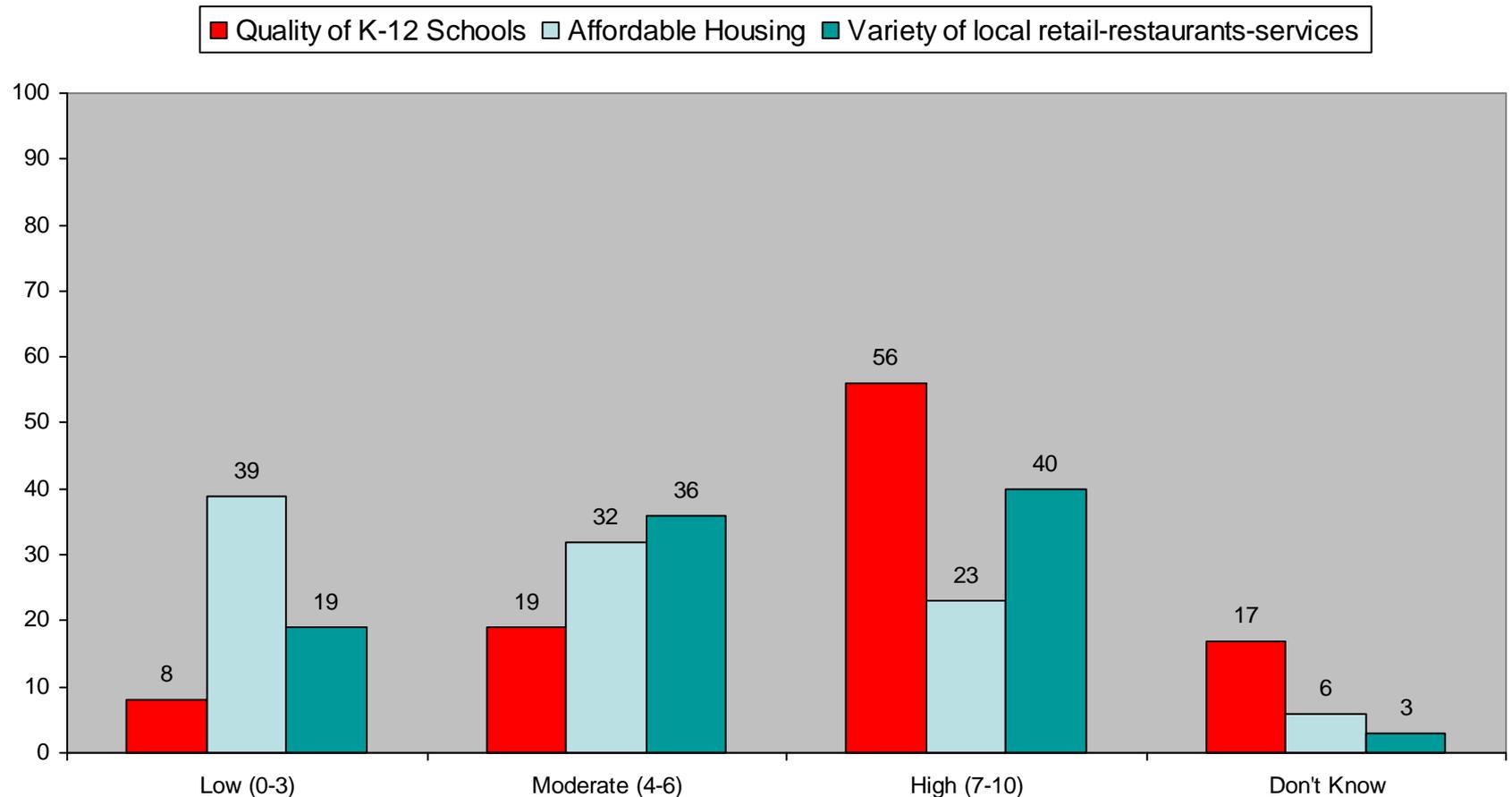
Please rate the following state & local taxes as they impact your business expansion on a scale from 0 to 10 where 0 means No Impediment At All and 10 means High Impediment?



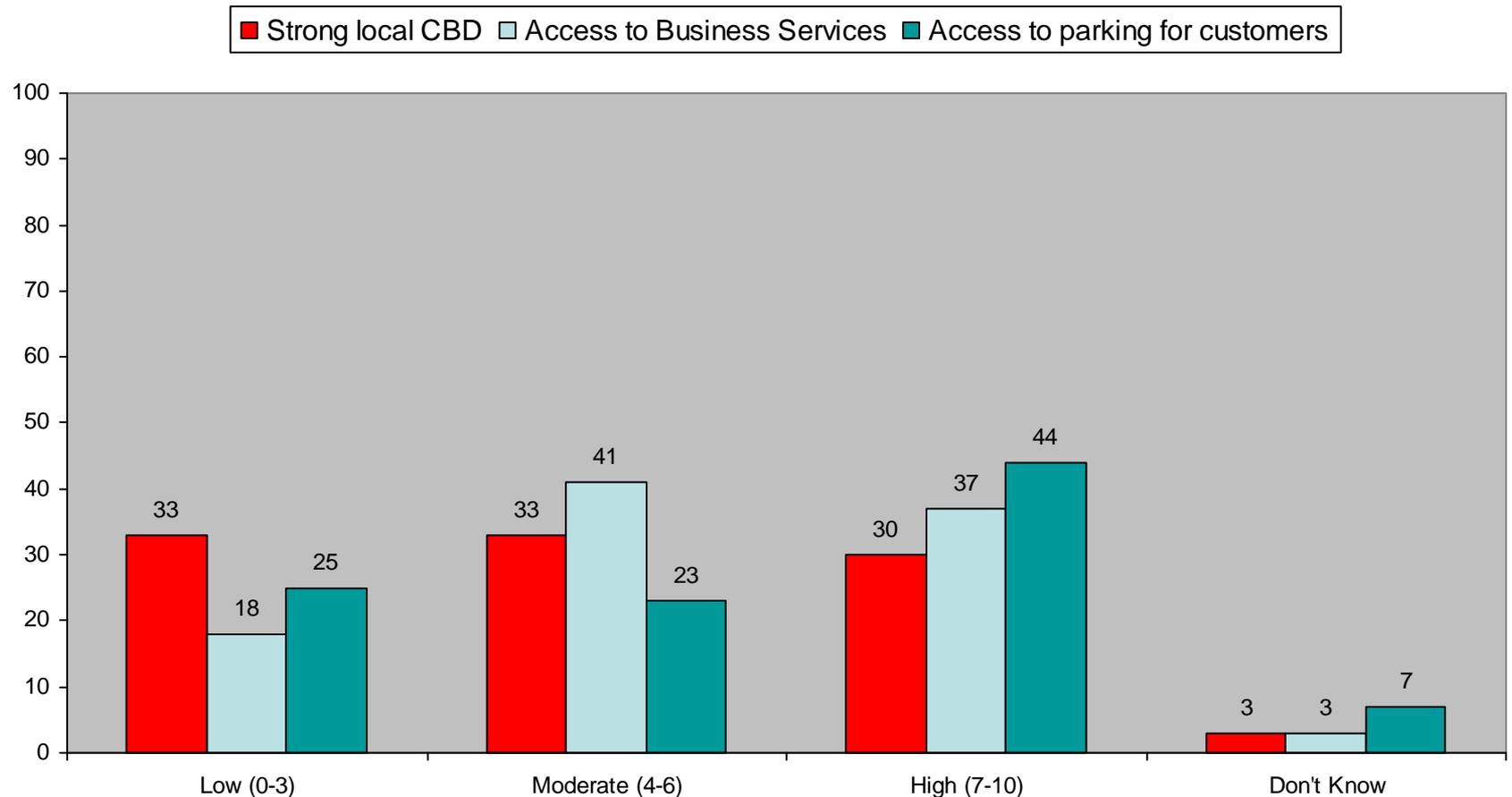
Summary Highlights

Area Livability
Quality of Life

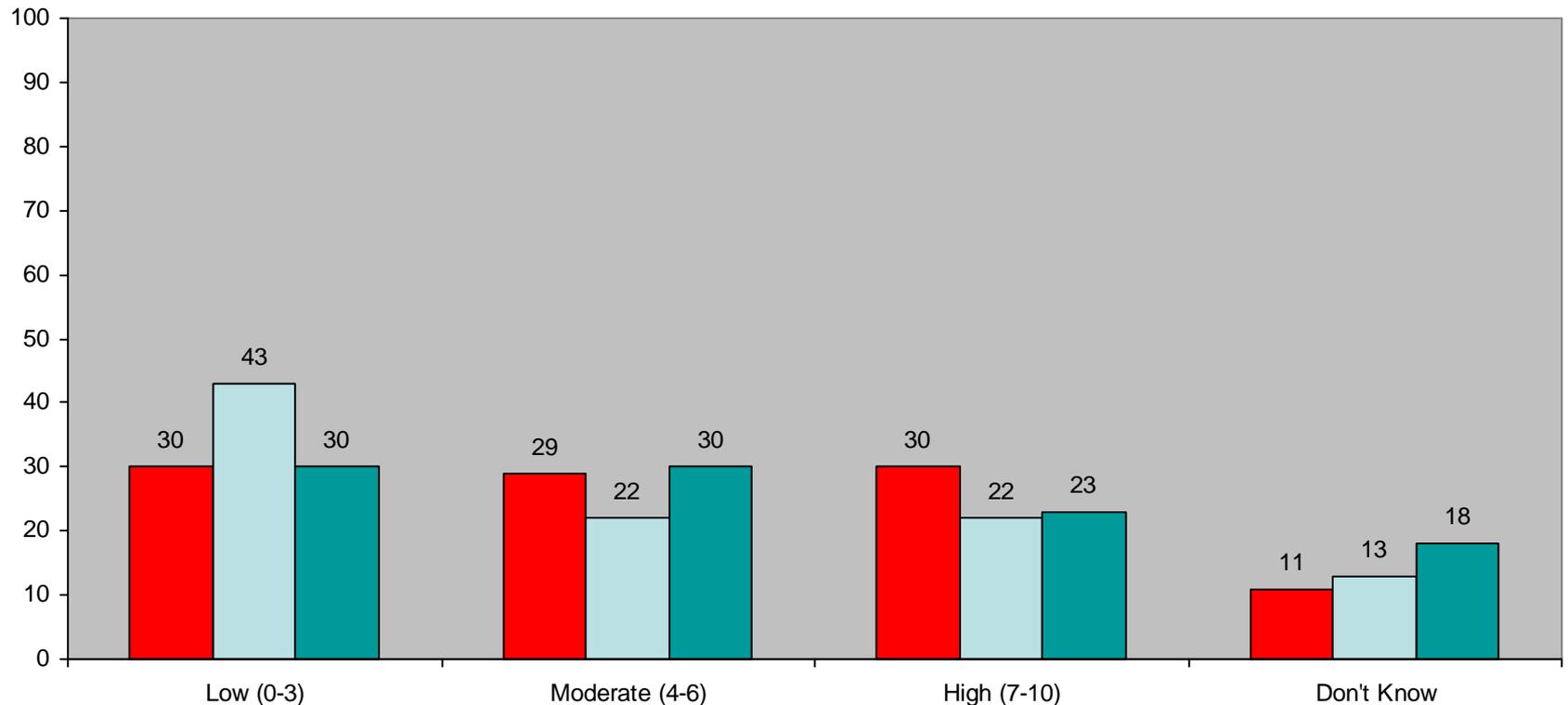
Please rate the competitiveness of your city in the greater King and Snohomish county areas in several key aspects, using a scale from 0 to 10 where 0 means Not Competitive At All and 10 means Highly Competitive?



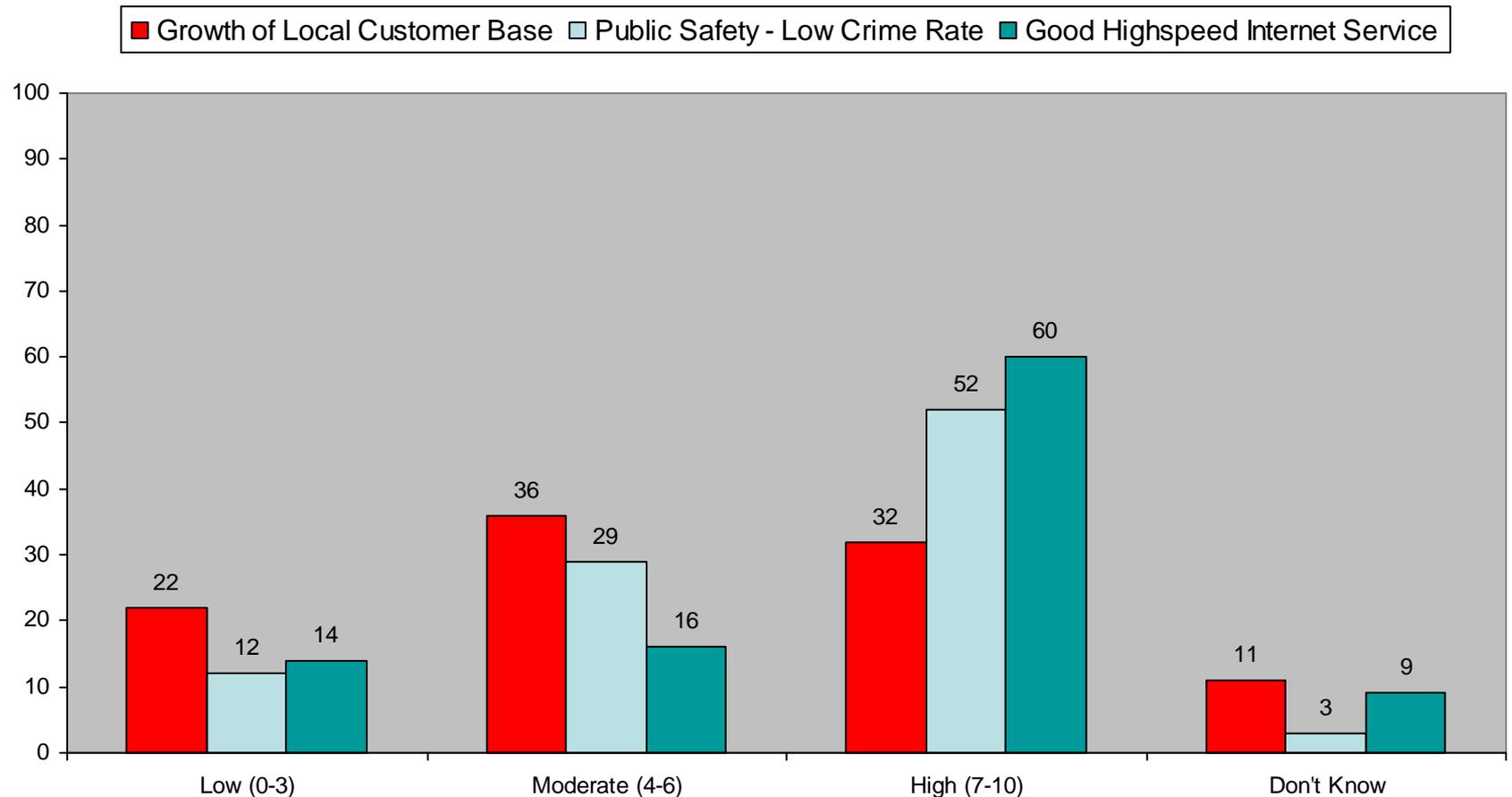
Please rate the competitiveness of your city in the greater King and Snohomish county areas in several key aspects, using a scale from 0 to 10 where 0 means Not Competitive At All and 10 means Highly Competitive?



Please rate the competitiveness of your city in the greater King and Snohomish county areas in several key aspects, using a scale from 0 to 10 where 0 means Not Competitive At All and 10 means Highly Competitive?



Please rate the competitiveness of your city in the greater King and Snohomish county areas in several key aspects, using a scale from 0 to 10 where 0 means Not Competitive At All and 10 means Highly Competitive?



Health Care Plans

Health Insurance

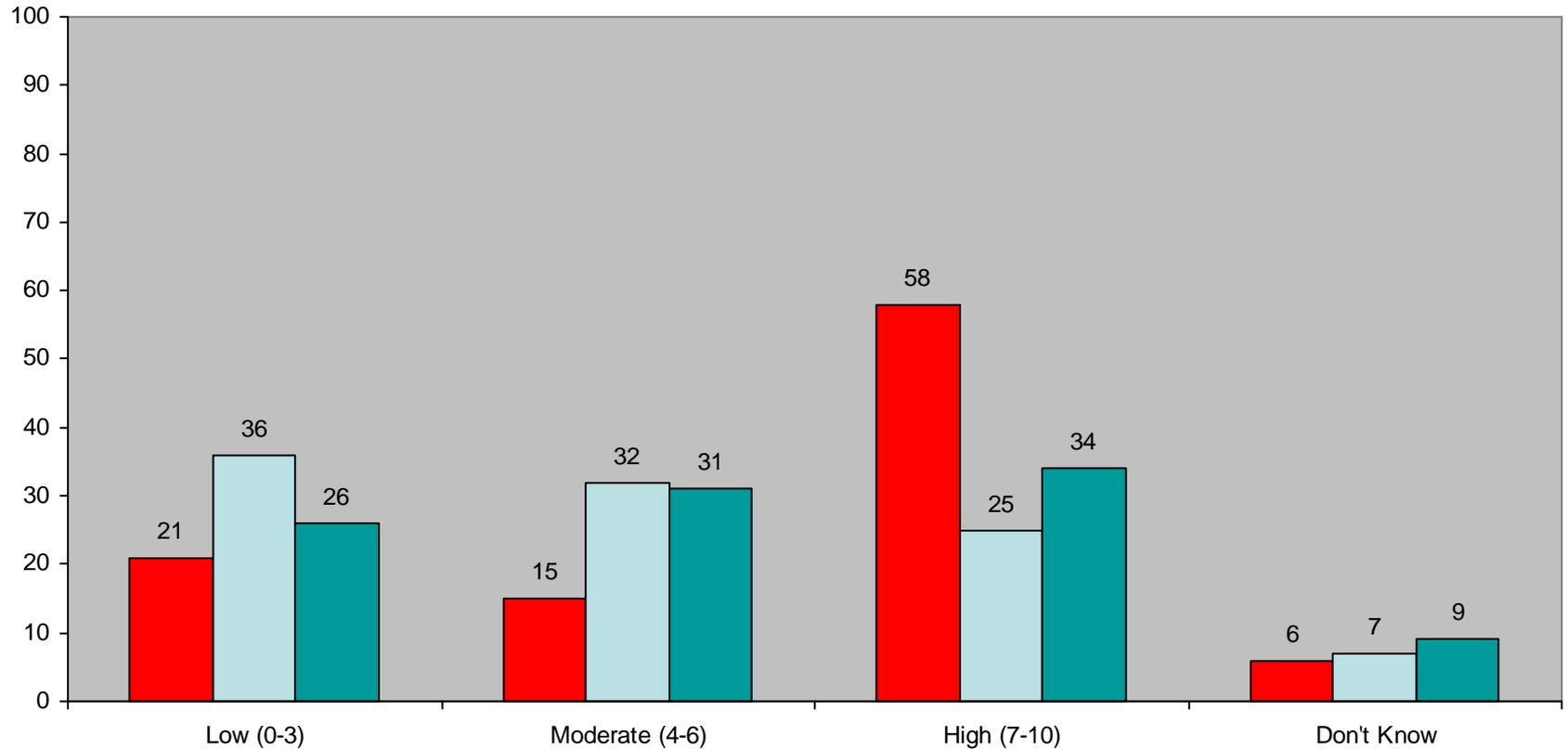
- Approximately 64% offer some or all of their employees a health insurance plan.
- About 50% of their employees, on average, have access to a health care/insurance plan sponsored by the employer.
- Employers pay on average, about 22% of the health insurance plan premium.

Summary Highlights

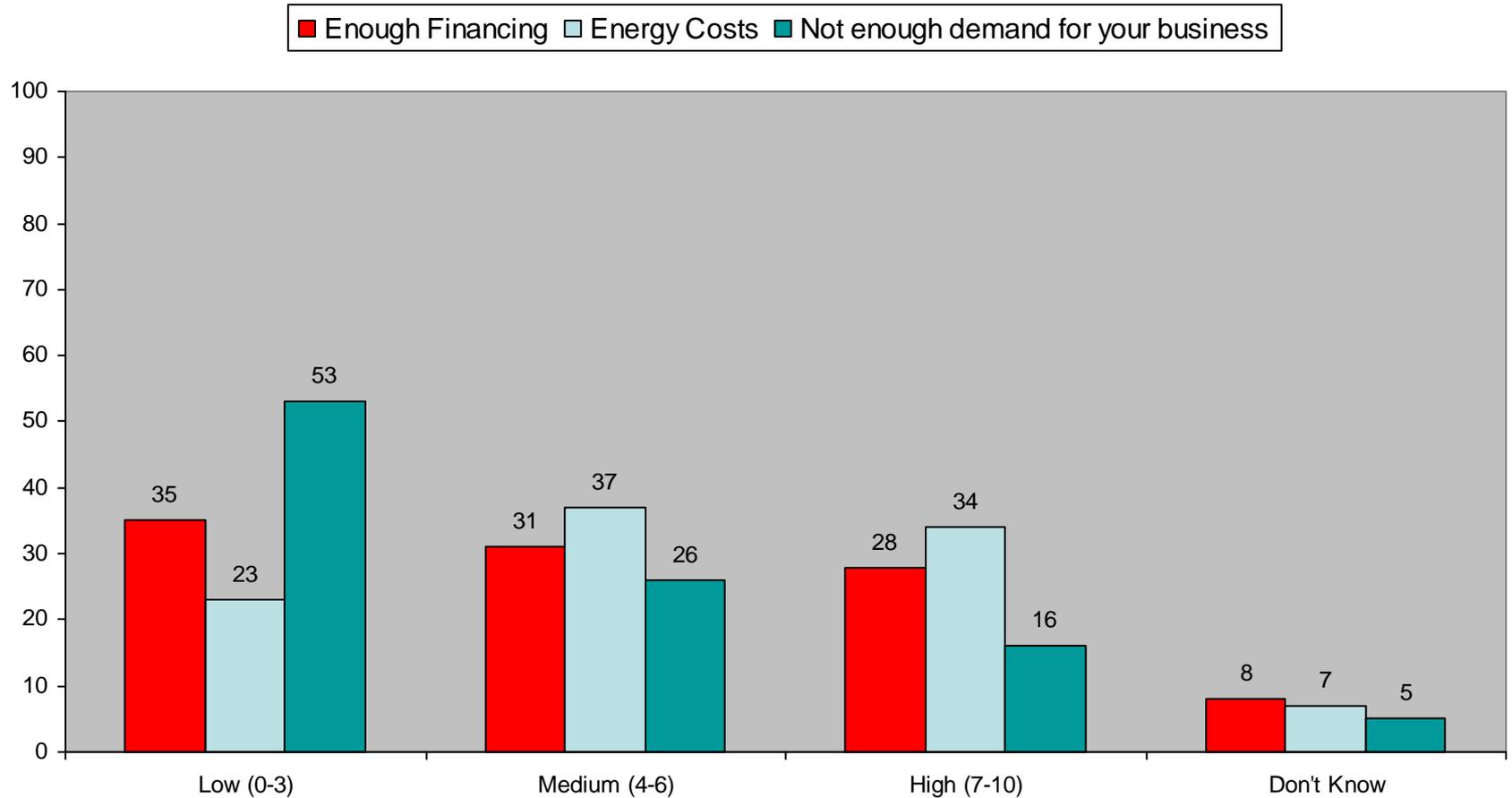
Overall Sustainability & Growth

Please rate each of these issues related to your business expansion using a scale from 0 to 10 where 0 means No Impediment At All and 10 means High Impediment?

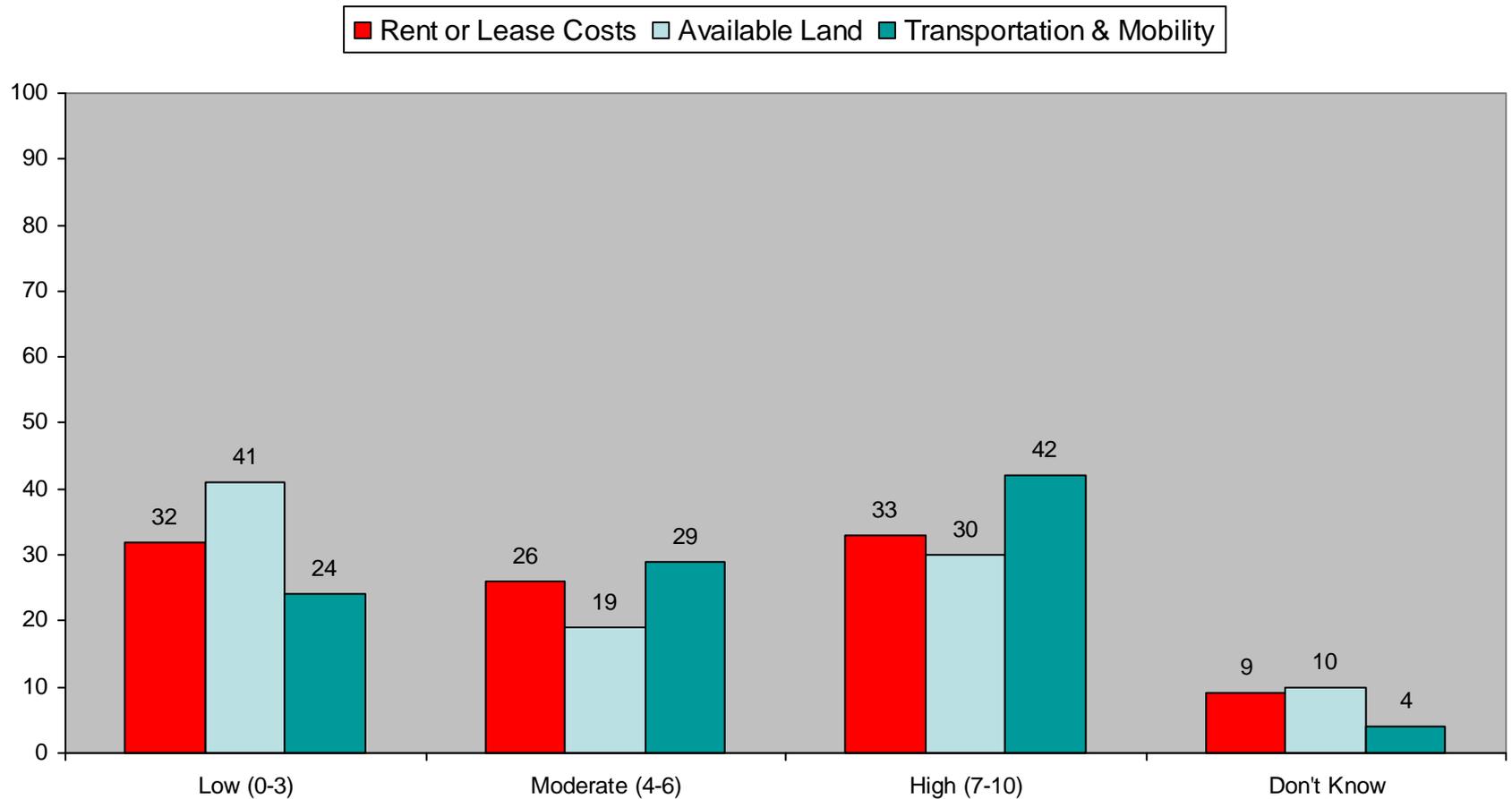
■ Health Care Costs ■ Access to Health Care ■ Skilled Labor



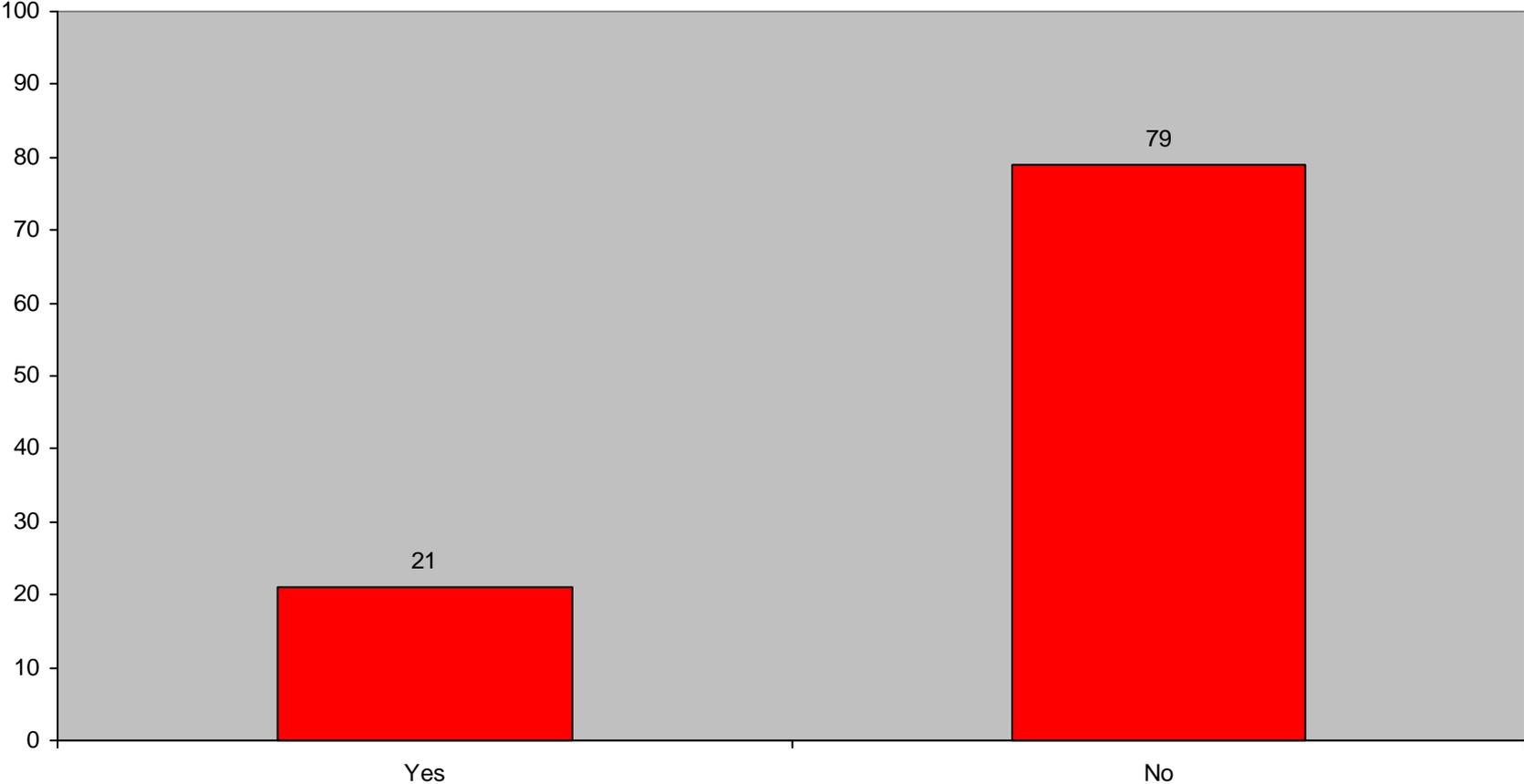
Please rate each of these issues related to your business expansion using a scale from 0 to 10 where 0 means No Impediment At All and 10 means High Impediment?



Please rate each of these issues related to your business expansion using a scale from 0 to 10 where 0 means No Impediment At All and 10 means High Impediment?



Has your company moved or expanded to North King county from another city or state?



Thank You

www.gmaresearch.com

