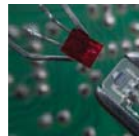


The Impact of Manufacturing in Seguin, Texas (Guadalupe County)





Manufacturing accounts for
one in every eight jobs
in Guadalupe County



Guadalupe County's manufacturers are going strong.

- Manufacturing employment in the county is currently estimated at nearly **6,000 jobs** with a direct impact of **\$1.62 billion**.
- One in every eight jobs in the county is in manufacturing.
- Manufacturing employment in the county has a jobs multiplier of 1.84 – in other words, **each worker in the sector supports an additional worker** in other parts of the economy.
- Manufacturing represents roughly 13 percent of total employment in Guadalupe County. This level of employment is **1.75 times the national average**.



News that **Caterpillar** will build a \$170 million engine-manufacturing plant in the area will only strengthen this important sector.

The global manufacturer is expected to add **more than 1,400 jobs with a direct impact of \$371 million** when fully operational.



Manufacturing matters to Guadalupe County.

Manufacturing represents roughly 13 percent of total employment in Guadalupe County. When compared with national figures, the county's manufacturing employment is 1.75 times larger than would be expected for a job base of its size.

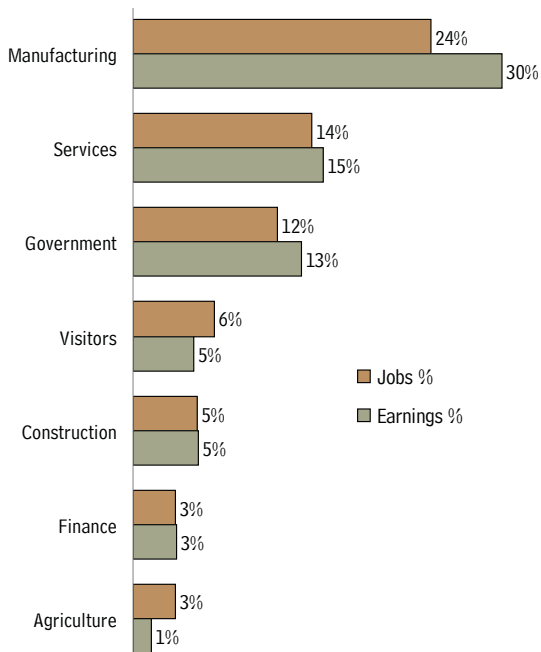
An analysis of Guadalupe County's economic base shows that manufacturing supports 24 percent of the county's employment and 30 percent of total earnings.

By contrast, manufacturing represents roughly 4 percent of total employment in the San Antonio metropolitan area – a level slightly less than two-thirds that which would be expected based on national employment patterns.



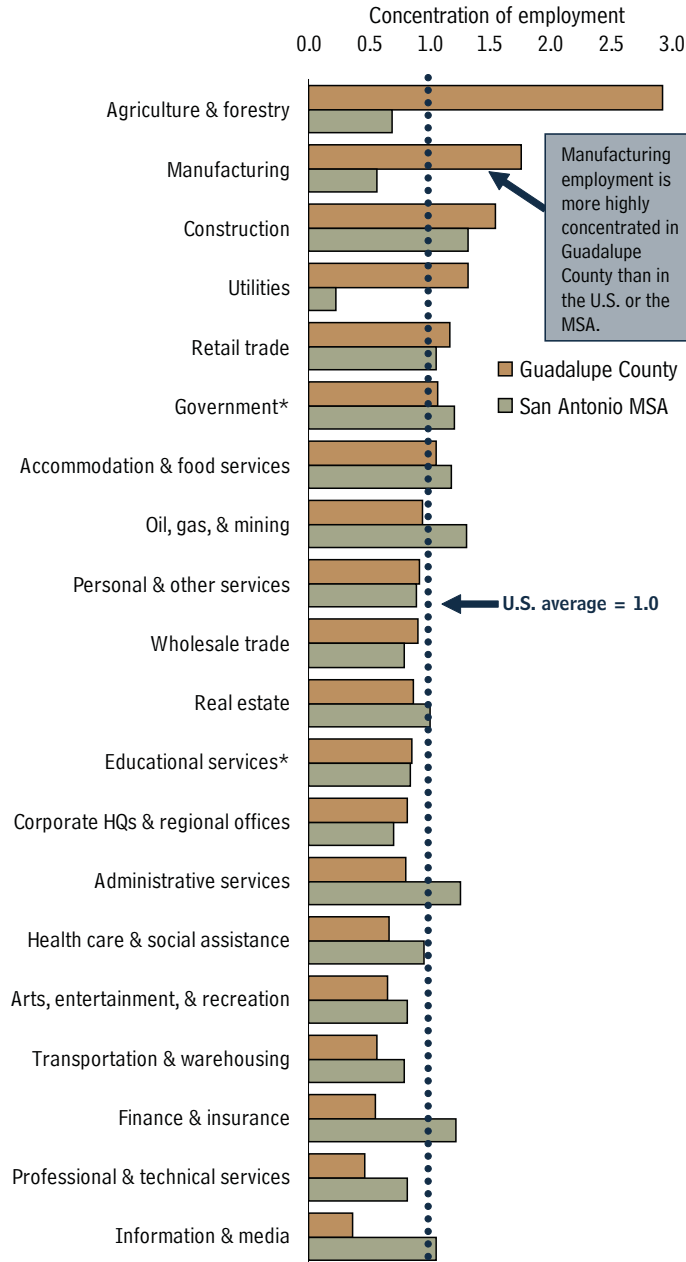
Contribution of selected sectors to Guadalupe County's economic base

(indicated as share of total jobs & total earnings)





Concentration of employment by major sector relative to the U.S.: Guadalupe County and San Antonio MSA

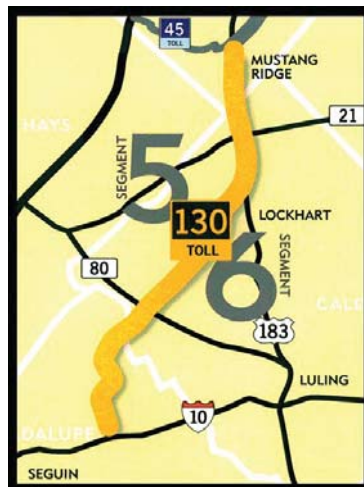


*NOTE: Public-sponsored primary, secondary, and higher education is included as government employment rather than with (private) educational services.

Guadalupe County plays a key role in the region.

Manufacturers in the eight-county San Antonio metropolitan area employ nearly 50,000 workers with a direct impact of \$12 billion. Guadalupe County companies are a significant part of the metropolitan area's manufacturing economy.

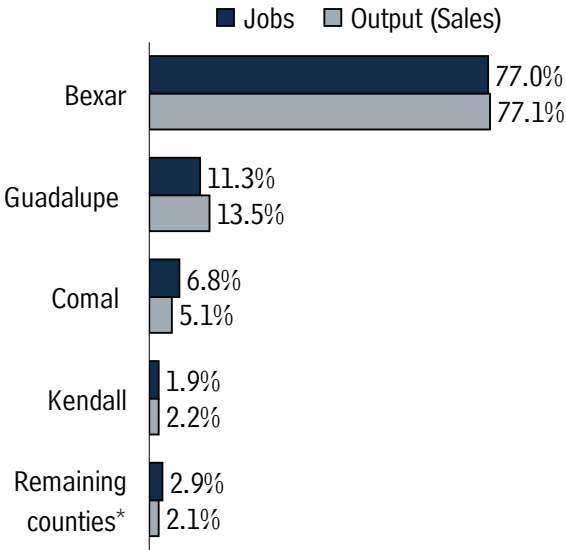
- Guadalupe County manufacturers account for **11.3 percent of total manufacturing employment** in the eight-county region and **13.5 percent of output**.
- Sales (output) for Guadalupe County manufacturers are estimated at \$1.62 billion, **more than the six remaining suburban counties combined**.
- With an estimated \$371 million in annual output, the planned Caterpillar facility will boost Guadalupe County's importance to the region's manufacturing base.



Completion of SH 130 will help extend the county's reach within the region.



Manufacturing jobs and sales by county (as a share of the eight-county San Antonio MSA)



*Atascosa, Bandera, Medina, Wilson





Guadalupe County is home to a diverse group of manufacturing operations.

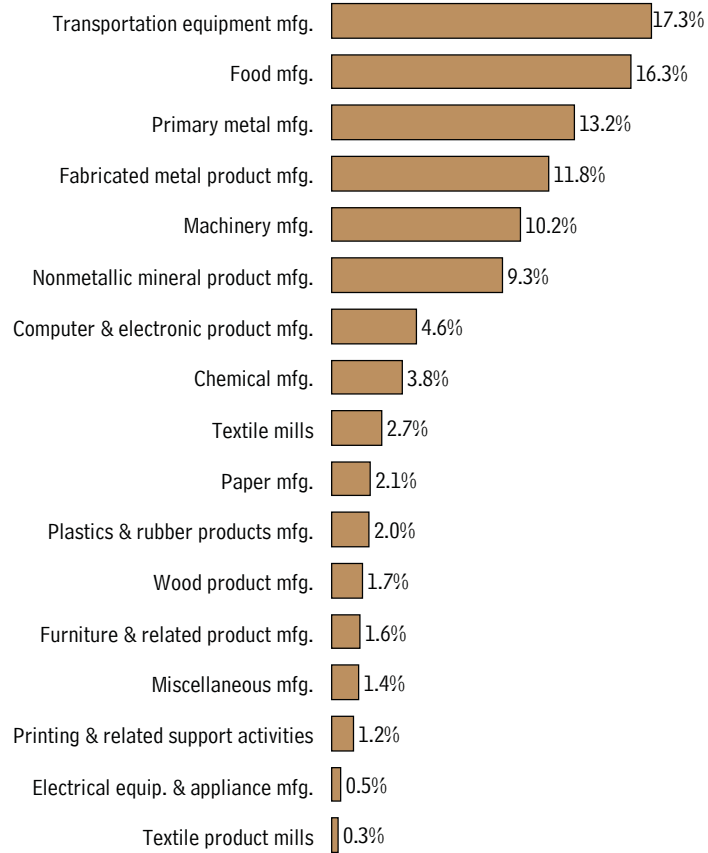
Guadalupe County has an estimated **125 manufacturing establishments employing nearly 6,000 workers**. Industries representing roughly 100 jobs or more include:

- electrical and electronic equipment for motor vehicles;
- metal working operations (including steel mills, sheet metal work, and machining and plating);
- manufacturers of equipment for farm machinery, construction machinery, and aircraft engines; and
- food processors.

Selected Area Manufacturers		
Company	Products	Employees
Tyson Foods	Dressed Poultry	888
Commercial Metals Company	Forging-Quality Bars, Alloy & Carbon Steel Billets, and Reinforcing Bars	815
Continental AG	Production of Electronic Components for Powertrain & Chassis and Pressure Sensors	800
Minigrip/Zip-Pak	Resealable Plastic Bags and Packaging	253
Alamo Group	Rotary Mowers, Brush Cutter Tractor Attachments and Shredders	195
Hexcel Corp.	Composite Fabrics	180
Cavco	Manufactured Homes	145
Berridge Manufacturing Co.	Metal Roofing Systems	100
E.P.M.P., LTD.	Contract Sheet Metal Fabrication	75
Temple Inland	Gypsum Wallboard and Sheathing	70
Republic Plastic	Foam Plates	50

SOURCE: Seguin Area Chamber of Commerce, Seguin EDC, employer calls

Share of total manufacturing employment in Guadalupe County by industry





Guadalupe County has strengths in key industry sectors.

With an estimated 718 workers and nearly \$186 million in sales, *Other Motor Vehicle Electrical and Electronic Equipment Manufacturing (NAICS 336322)* is the industry that supplies the greatest number of manufacturing jobs in the county.

This industry comprises establishments primarily engaged in manufacturing or rebuilding electrical and electronic equipment for motor vehicles and internal combustion engines.

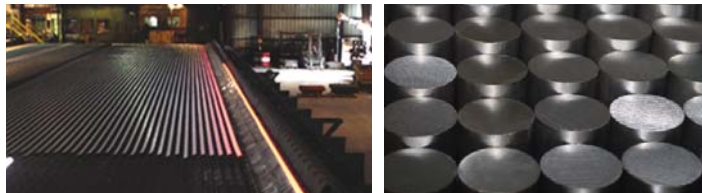
Despite some job losses in recent years, the county remains highly specialized in this industry. Guadalupe County has more than 60 times the number of workers in NAICS 336332 as would be expected based on national employment patterns.

In terms of industry output, *Iron and Steel Mills (NAICS 331111)* tops the list at roughly \$650 million. With approximately 700 workers and \$75 million in total yearly earnings (a figure which represents wages, salaries, profits, benefits, and other compensation), this industry is an important driver for the county. Employment levels in this industry in Guadalupe County are roughly 30 times the national average.

When the larger *Primary Metals Manufacturing* sector is considered (NAICS 331), Guadalupe County accounts for two out of every three jobs in the metropolitan area.

Iron and steel mills also top the list in terms of earnings per worker with roughly \$110,000 in total industry earnings for each person employed in the industry in the county. While this figure is not the same as wages and salary paid to an individual, it can provide an indication of the value of an industry to the community.

Other top candidates in this category include *Concrete Pipe Manufacturing (NAICS 327332)*, *Surgical Appliance and Supplies Manufacturing (NAICS 339113)*, and *Instruments and Related Products Manufacturing (NAICS 334513)*





What is NAICS?

The North American Industry Classification System (NAICS, pronounced Nakes) was developed under the direction and guidance of the Office of Management and Budget (OMB) as the standard for use by Federal statistical agencies in classifying business establishments for the collection, tabulation, presentation, and analysis of statistical data describing the U.S. economy.



Guadalupe County manufacturing wages remain competitive.

Production-related occupations comprise 9 percent of all occupations in Guadalupe County.

Within this category, team assemblers are the largest individual occupation in the county, followed by first-line supervisors; welders, cutters, solderers & brazers; and electrical & electronic equipment assemblers.

Wages vary within the production category, with several occupations earning between \$15 and \$20 per hour. Occupations with median earnings at this level include equipment operators and tenders; aircraft systems and engine assemblers; and first-line supervisors.



Median Hourly Earnings for Production Workers, 2009

San Antonio MSA	\$12.31
Atascosa County	\$13.10
Kendall County	\$12.61
Bexar County	\$12.46
Guadalupe County	\$12.26
Comal County	\$11.14
Bandera County	\$9.66
Wilson County	\$9.46
Medina County	\$9.00

At \$12.26 per hour, median earnings for the county's nearly 3,800 production workers are close to the county's overall median (\$12.28).

Earnings for production-related occupations in the San Antonio metropolitan area are only slightly higher at \$12.31 per hour.



Guadalupe County Median Hourly Earnings by Major Occupational Group

Occupational Group	Median Hourly Earnings
Education, training, & library services	\$23.42
Architecture & engineering	\$23.37
Healthcare (technical)	\$22.63
Computer & mathematical science	\$20.96
Legal	\$17.31
Life, physical, & social science	\$17.01
Protective service	\$15.31
Business & financial operations	\$15.20
Management*	\$13.18
Community & social services	\$13.09
Installation, maintenance, & repair	\$13.00
Production	\$12.26
Construction & extraction	\$12.20
Transportation & material moving	\$10.89
Office & administrative support	\$10.37
Healthcare (support)	\$9.43
Sales	\$9.18
Arts, entertainment & media	\$8.66
Military	\$7.98
Property maintenance	\$7.76
Personal care & service	\$6.92
Food preparation & serving	\$6.50
Farming, fishing, & forestry*	\$6.19
Guadalupe County Overall Median	\$12.28

*NOTE: Farm owners and ranchers are considered management by EMSI. They are included in the Management occupational group and are not counted as part of the Farming, fishing and forestry occupational group.





About the Seguin EDC

The **Seguin Economic Development Corporation** is a 501c3 corporation formed in 1994. The SEDC is a Type A corporation authorized under the state's Local Government Code. The SEDC uses funds raised through a quarter-cent sales tax to acquire or pay for land, buildings, equipment, facilities, expenditures, targeted infrastructure and improvements for purposes related to:

- manufacturing and industrial facilities, recycling facilities, distribution centers, small warehouse facilities;
- research and development facilities, regional or national corporate headquarters; primary job training facilities for use by institutions of higher education, job training classes; telephone call centers; and career centers that are not located within a junior college taxing district;
- a general aviation business service airport that is an integral part of an industrial park;
- certain infrastructure improvements, which promote or develop new or expanded business enterprises;
- port-related facilities to support waterborne commerce; and
- maintenance and operating costs associated with projects.





About this work


This analysis was conducted by **TIP Strategies, Inc.**, a privately held Austin-based economic development consulting firm committed to providing quality solutions for public and private-sector clients. Established in 1995, the firm's primary focus is strategic economic development planning. In addition, TIP has experience with industry cluster analysis, impact analysis, workforce, entrepreneurship, and defense communities.

The analysis was performed in June and July 2009 using *Strategic Advantage*, a suite of web-based analysis tools created by Economic Modeling Specialists Inc. EMSI integrates economic, labor market, demographic, and education data from over 80 government and private-sector sources, creating a database that is comprehensive, accurate, and timely.

Except as otherwise noted, figures represent "complete" employment, rather than the "covered" employment typically produced by state and federal workforce agencies. Unlike covered employment, which includes only those industries covered by unemployment insurance, complete employment includes estimates of all industries.

Estimates of Caterpillar's impact were prepared by the Lower Colorado River Authority.

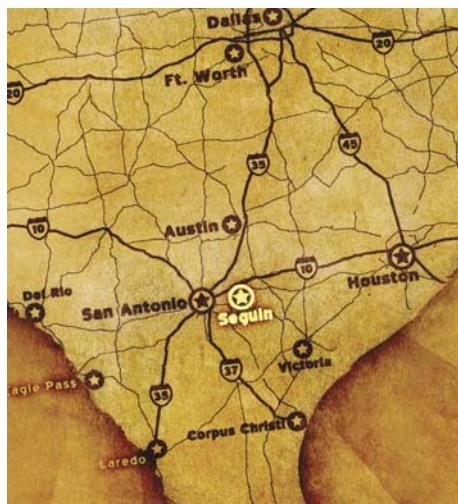
The SEDC would like to thank **Deborah Webb** of **The Project Group** who provided many of the photographs used in this work.





OUR MISSION

The mission of the Seguin Economic Development Corporation (SEDC) is to benefit and accomplish public purposes of the City of Seguin by promoting, encouraging and enhancing the creation of jobs in Seguin through projects that assist in the retention, expansion and attraction of businesses and industries.



Seguin Economic Development Corporation

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