



Business Outreach Questionnaire 2004

Introduction

This memorandum presents the results of the Business Outreach Questionnaire 2004, administered by the City of Milwaukie in December 2004 to gather information about the businesses located in Milwaukie, the Milwaukie workforce, business trends, the business climate and the opinions of businesses on local services. 42 surveys were completed by a diversity of professional services, manufacturing, industrial and commercial businesses.

The survey is not intended to be a statistically valid assessment of business issues or concerns. The survey does, however, provide a representative sample of perceptions from important local businesses about emerging trends and growth-related issues. The survey questionnaire is included in Appendix A. The survey is organized into three sections including:

- Section 1: Background;
- Section 2: Employment and Workers;
- Section 3: Trends and Outlooks;
- Section 4: Business Climate and Local Resources.

Important findings are presented below, and depicted on the following charts and tables.

Section 1: Background

- The survey was completed by a diverse set of business “respondents” with a good representative cross-section of Milwaukie employers by firm type and size (Figures 1-4);
- The majority of respondents service local and regional customers (80%); 18% serve national customers; and only 2% serve international customers. (Figure 5);
- About three-quarters of the respondents reported annual business sales that were consistent with expectations or better than expected. (Figure 6);
- Most of the respondents have been in Milwaukie for over 10 years (90%). (Figure 7);
- Positive business growth was reported for 27 of 35 survey respondents (Figure 8);
- While the majority of respondents (87%) reported satisfaction with their ability to grow in their current location, 13% of the respondents indicated that they “need a different location to grow.” (Figures 9 and 10);

Section 2: Employment and Workers

- The survey respondents reported a wide range in number of workers from 1 to 435 workers per establishment. The average size was 28 workers per establishment. (Figure B-1)
- Over three-quarters of the respondents operate their business on one shift per day, and 23% operate on two or three shifts per day. (Figure B-3)
- Only 3% of the respondents indicated that they do not have the capacity to produce or sell more. (Figure B-4)
- About two-thirds of the respondents employ part-time workers (Figure B-5);

- Most employers felt that employment levels would remain stable or increase over the next year, and 11% felt employment would decline (Figure B-6);
- Workforce training is an important item for the majority of respondents. (Figures B8, B-9, and B-10).
- Surprisingly, nearly three-quarters of the respondents indicated “some” or “quite a lot” of trouble in replacing skilled workers. (Figure B-11)

Section 3: Trends and Outlooks

- Nearly 4 out of 10 business respondents are likely to invest resources at their current Milwaukie operations over the next 12 months. (Figure C-1)
- Most respondents indicated that they can expand operations at their current site (61%). However, 39% indicated that they have no capability to expand at their site. (Figure C-2);
- When asked about the importance of various factors to their operations, respondents listed the most important factors as: domestic competition; changing markets; and labor availability. The least important factors are: foreign imports; outdated machinery; inadequate supply; and transportation problems. (Figure C-3)

Section 4: Business Climate and Local Services

- Respondents are generally positive about Oregon as a place to do business. About half rated Oregon as “good or excellent” and 35% rated it as “fair” and 10% (2 respondents) rated Oregon as a poor place to do business. (Figures D-1 and D-2)
- When asked to rate Milwaukie as a place to do business, respondents were more positive with 72% indicating “good to excellent” and 23% rating Milwaukie as “fair.” Only one responded rated Milwaukie as a “poor” place to do business, with their reason focused on the look of Main Street today. (Figures D-3 and D-4)
- The respondents generally supported Milwaukie as a good site for their business location. The vast majority (80%) indicated that they would site their business in Milwaukie today if they were faced with that decision. (Figures D-5 and D-6).
- When asked about the adequacy of local services, respondents indicated favorable opinions regarding each category in the survey. The most favorable categories include: fire protection; public transit; sewer; water supply; and city government services. (Figure D-7).
- Respondents that had experience with local permitting in Milwaukie generally expressed favorable opinions about the quality of the permitting process. (Figure D-8).
- When asked about the primary strengths of Milwaukie as a place to do business, the respondents cited: location (23%); access to markets/customers (17%); plentiful work force (8%); and commitment of local government to solve problems (7%) as the primary strengths. (Figure D-9)
- A similar question focused on primary weaknesses in Milwaukie as a place to do business highlighted the following weaknesses: traffic congestion (19%); other (17%); crime and public safety (15%); and high utility costs (13%). (Figures D-10 and D-11)

Conclusions

These survey results, while not statistically valid, do indicate general positive perceptions by businesses towards Milwaukie as a place to do business. It appears that Milwaukie's businesses are very diverse in size and type, but are mostly focused on local and regional customers for sales. Hence, Milwaukie continues to play an important role as a regional hub for business and industrial goods and services.

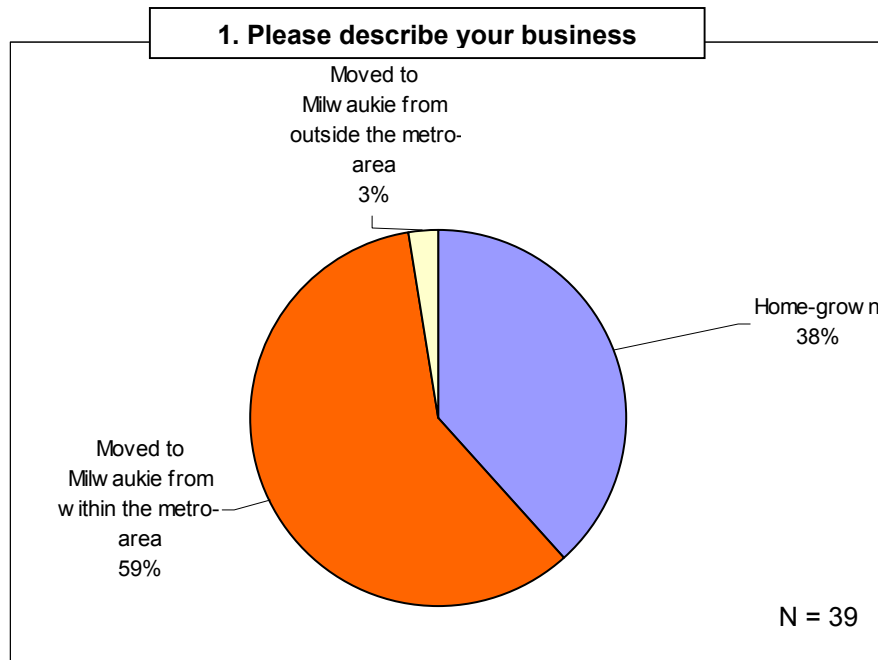
The Milwaukie business and industrial base appears to be relatively mature and established and steadily yet moderately expanding. Specialized workforce training is a concern among growing businesses, especially when replacing skilled workers. The city could proactively work with companies to determine if there is a role the city and/or county can play in facilitating workforce training.

The city can also leverage its good business reputation and capitalize on its perceived strengths in location; access to markets/customers; plentiful work force and commitment of local government to solve problems to help local businesses grow and to attract new family wage employers.

Ongoing efforts to address perceived weaknesses, such as traffic congestion, utility costs and crime/public safety should also be undertaken by city staff. This may entail funding for key transportation freight mobility projects, providing a relative cost comparison of utility rates, and enhancing police presence within industrial areas.

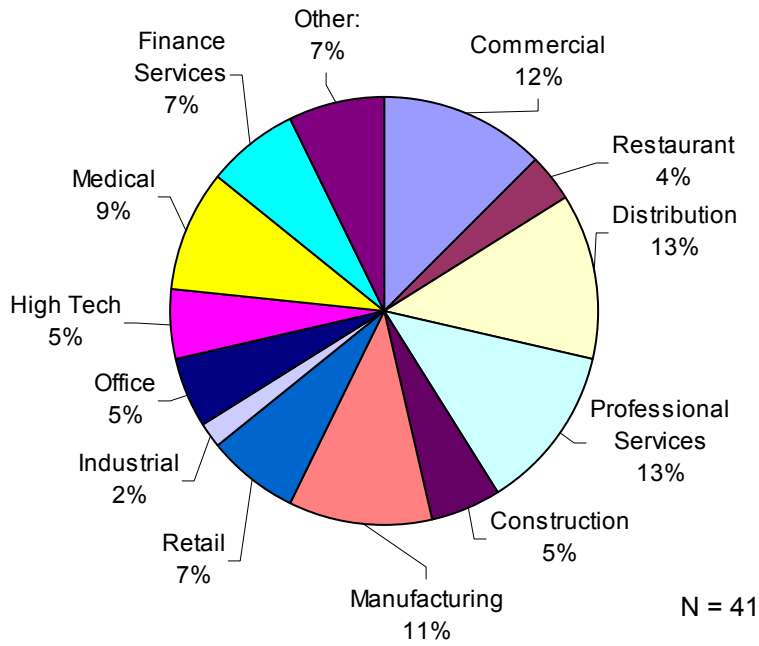
This survey instrument could be conducted every 2-3 years as a means to gauge business and industrial perceptions and ongoing local economic development efforts.

Section 1: Background – Please tell us more about your company

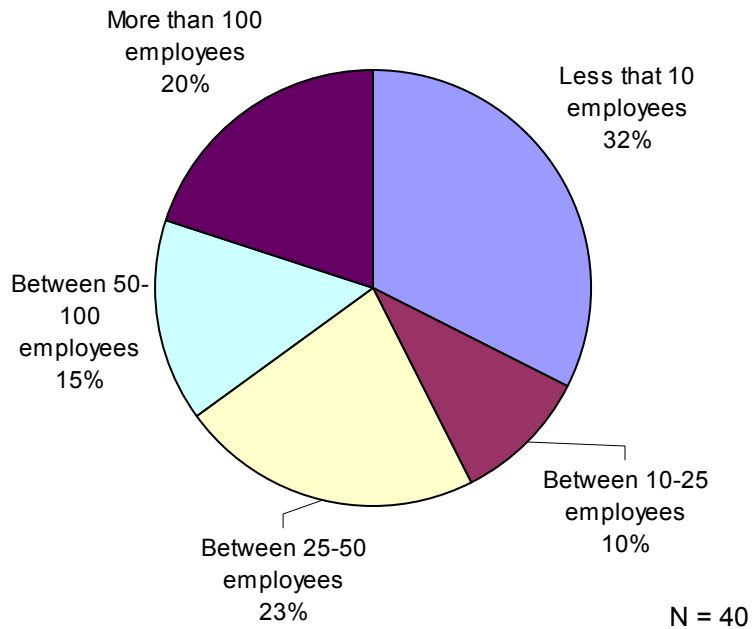


2. Indicate your company's primary product or service:	
Commercial Real Estate Investment Trust	Financial Services
Audio-visual design/build company	Property/Casualty Insurance
Food broker	Metal Testing
Third-party manufacturing	Senior care and services
Distribution of high voltage electrical equipment	Office supplies, stationery, gifts, books
Banking services	Publishing
Law practice	Health Insurance (medical/dental)
State Liquor Agency	Ink jets inks
Warehousing and distribution	Defense electronics
Metal fabrication	Heating Plumbing Sheet metal Construction and Service
Real estate brokerage	Motorola radio sales and service
Recreation	Diesel Engine Accessories
Office Furniture/Space Planning	Commercial and Residential property leasing/renting
Corporate offices for customer contact centers	Commercial food equipment sales and service
Commercial heat treating	Health Care Services (Acute Care and Ambulatory Services)
Public Cold Storage	Floor covering for multi-family property industry
Metal Casting	OHSA Consulting
Coffee	

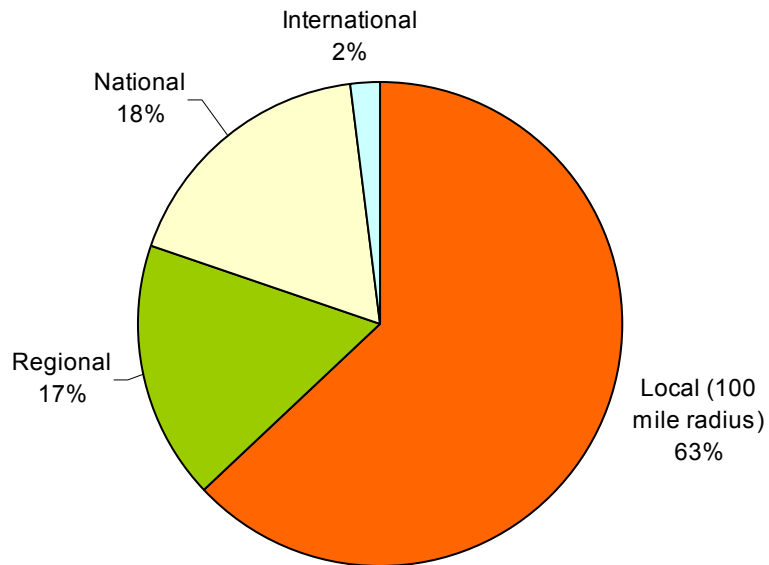
3. Type of Business



4. Size of Business.

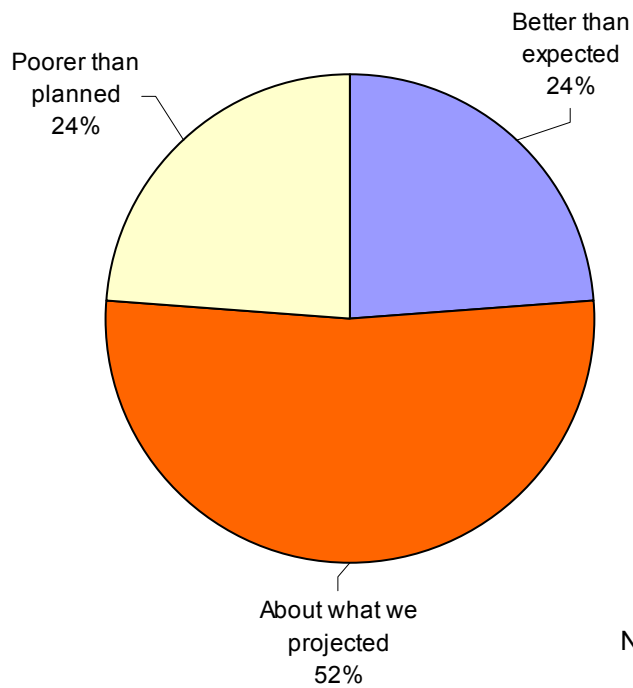


5. What % of your product or service is sold in the following areas? (Average % shown below.)



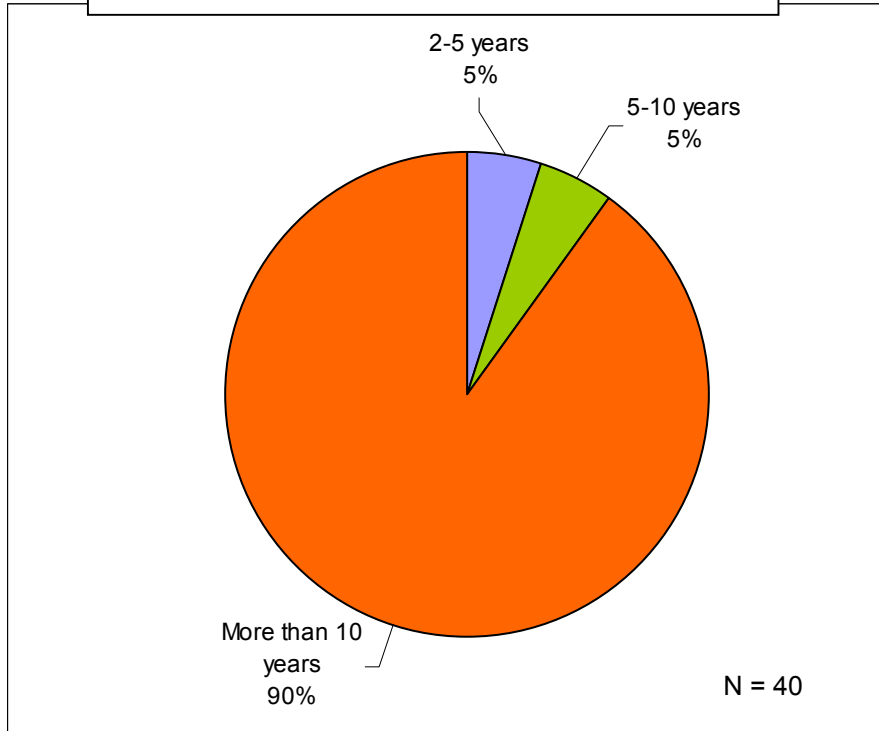
N = 40

6. How would you rate 2004 for business.

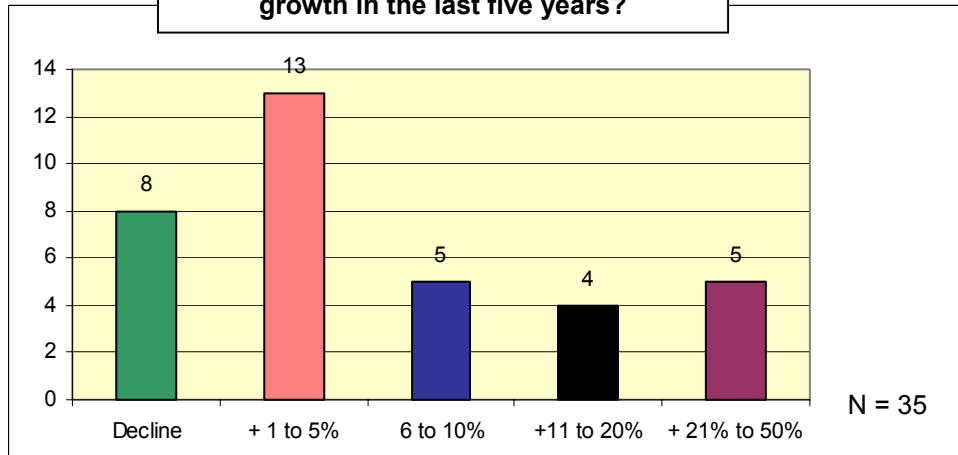


N = 42

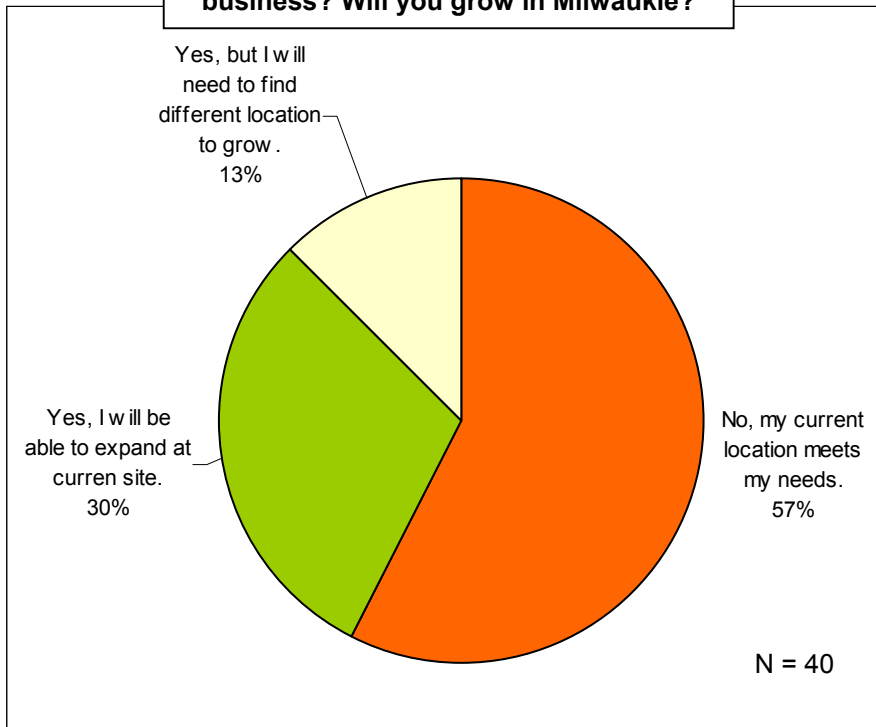
7. How long has your business been in operation?



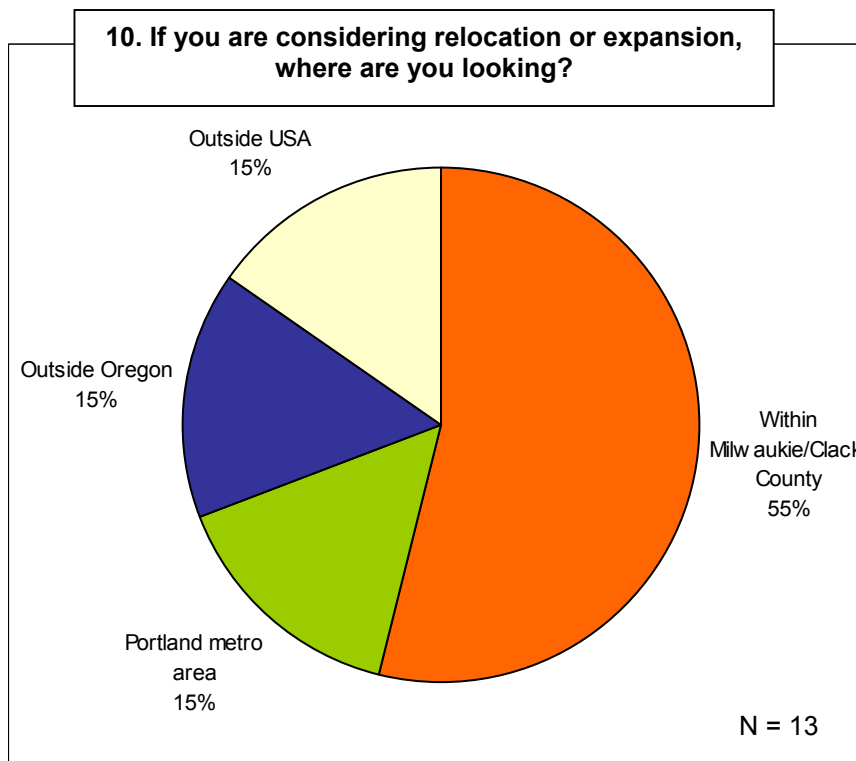
8. What has been your average annual growth in the last five years?



9. Do you have plans to expand your business? Will you grow in Milwaukie?

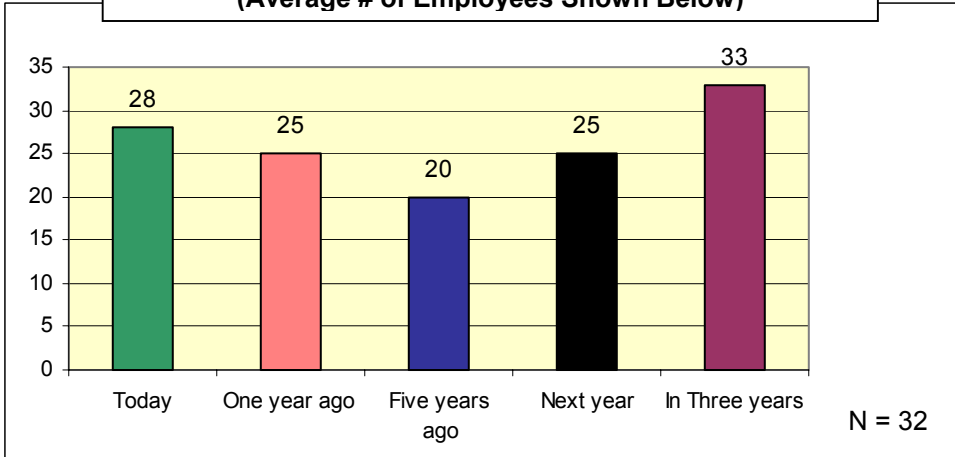


10. If you are considering relocation or expansion, where are you looking?



Section 2: Employment and Workforce

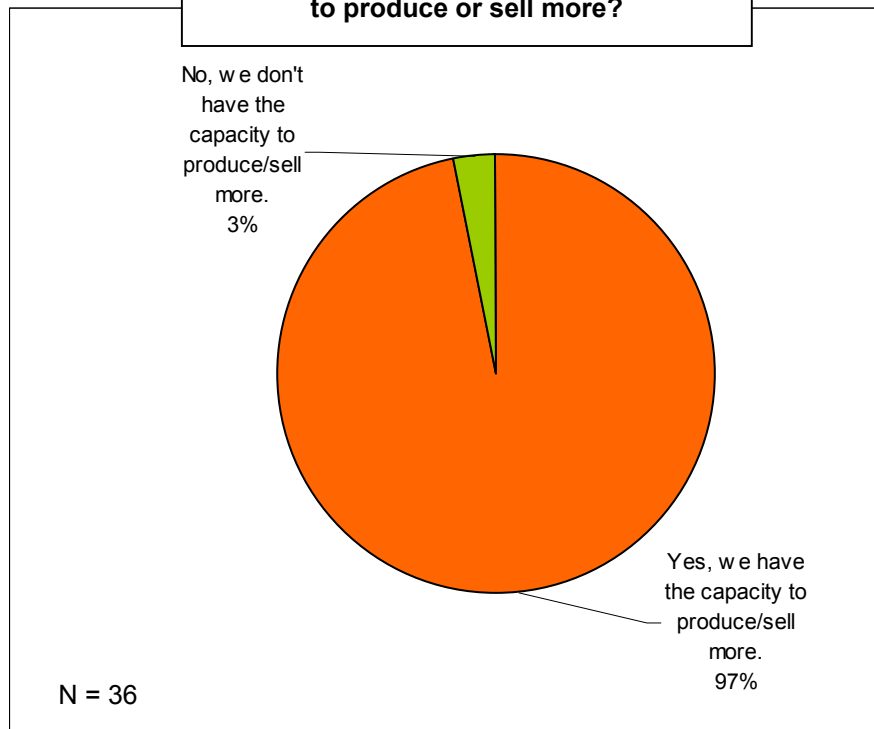
**B-1. Employment History and Employment Projections
(Average # of Employees Shown Below)**



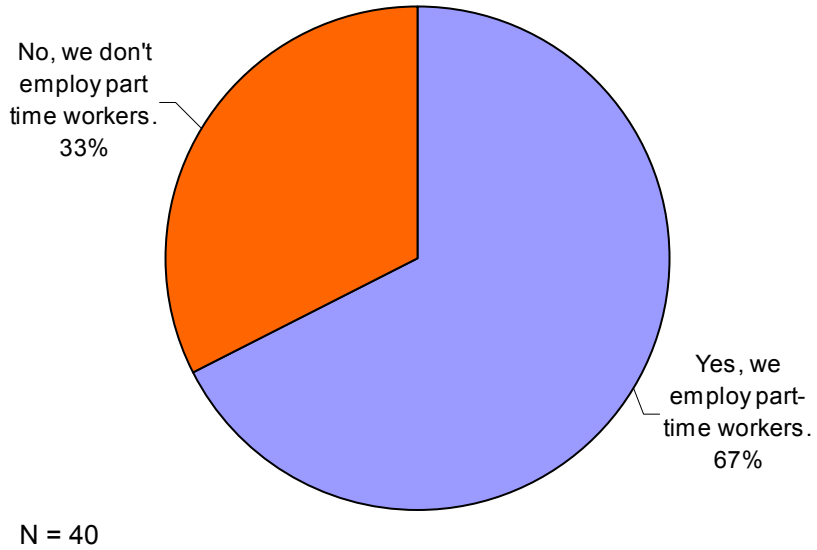
B-3. How many shifts does the company operate?

1 Shift	30	77%
2 Shifts	6	15%
3 Shifts	3	8%
Subtotal	39	100%

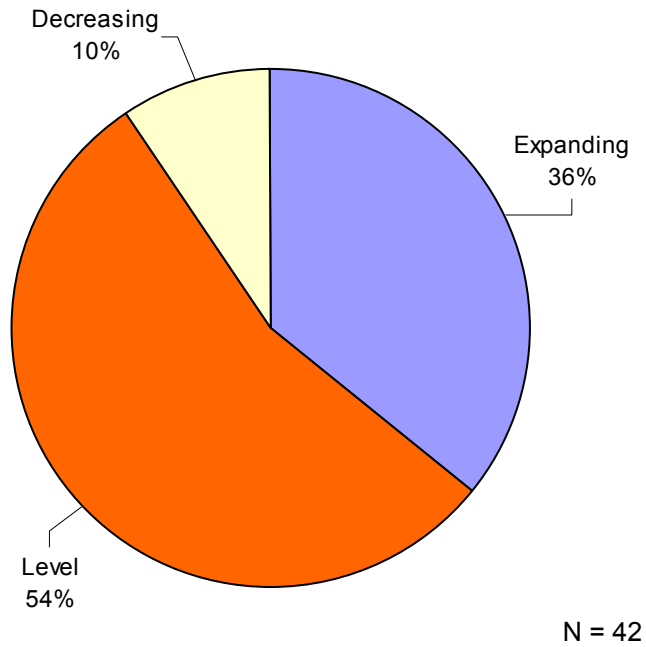
B-4. Do you currently have the capacity to produce or sell more?



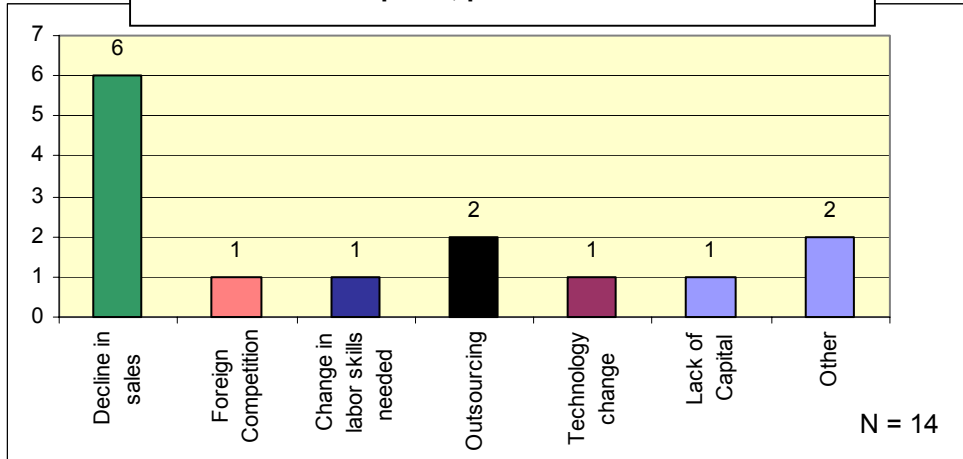
B-5. Does your company employ part-time workers?



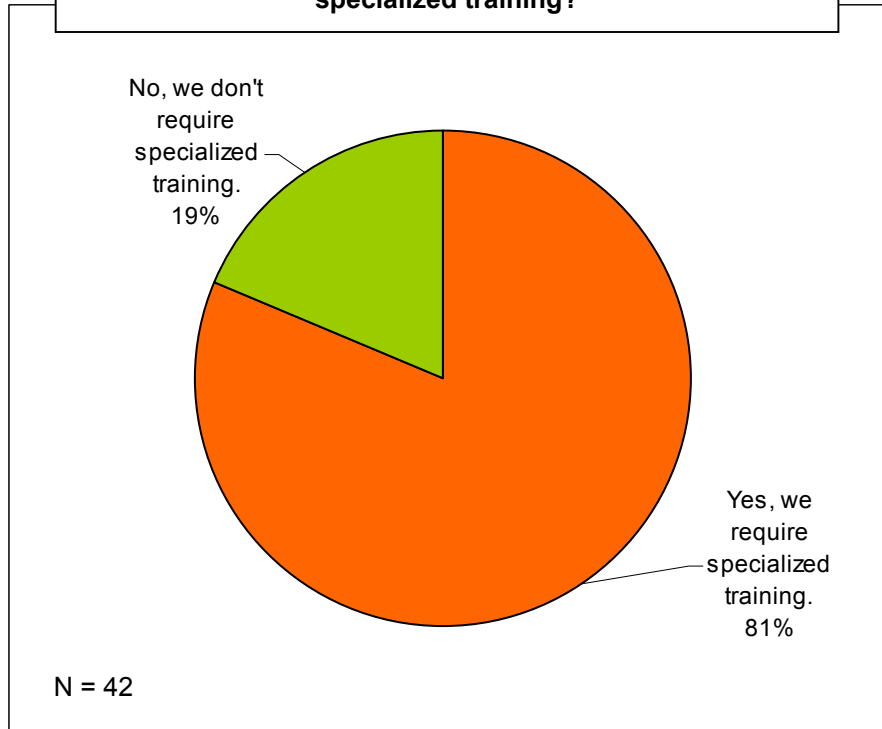
B-6. Employment needs for the next 12 months.



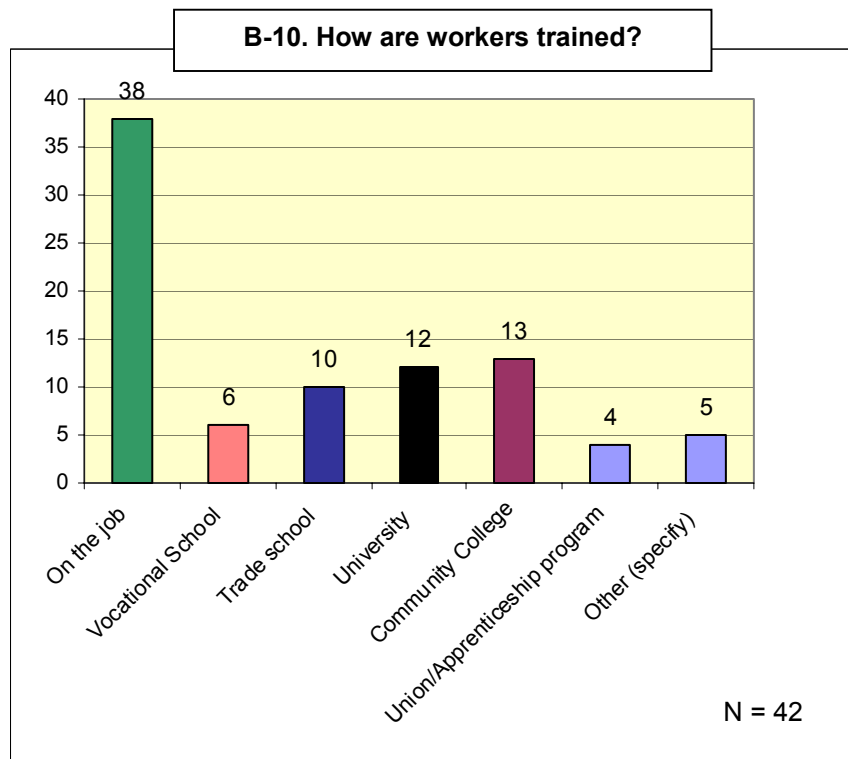
B-7. If employment decreases have been experienced, or are anticipated, please indicate reasons.



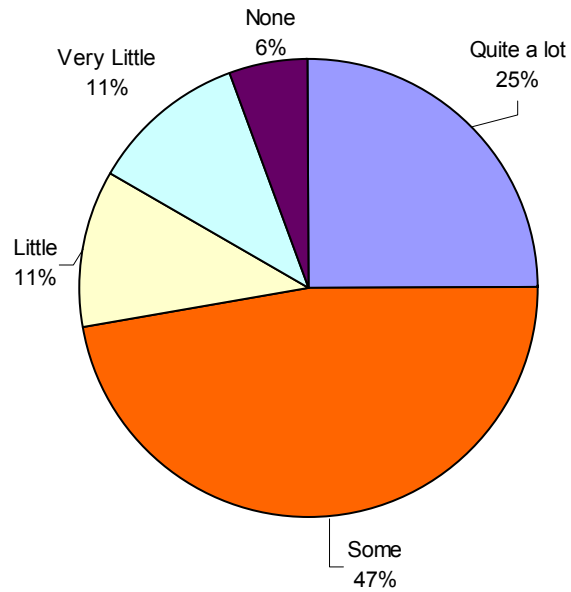
B-8. Does employment at your company require specialized training?



B-9a. Please specify type of specialized training or education.
Machine adjusters must have a good mechanical aptitude
Real estate experience
Electronics, electrical apprenticeship, audio, visual systems
Lift truck skills
We have some engineers, CAA and IT professionals necessary to effectively manage business and sell products to end users.
Retail financial experience
Law degree
We use college grads/law enforcement background for some positions, Accounting for some
Materials handling
Machine operators
Real estate pre-license and post-license training
Mechanics need specialized on the pinsetters
Autocad
Program Materials for inbound customer service reps
Forklift / CSR / Office
Professional degrees and/or licensure/certification for the majority of positions
Financial
Insurance regulation training
Nursing, Therapy, Pharmacist, Health care admin.
On the job
Medical office
Claims processing/medical
Chemistry, color theory
Electrical Engineering/on the job special manufacturing skills
Experience or understand of real estate laws, computers
Food equipment repair or sales experience preferred.
Technical
Coffee skill
OHSA background, Medical or Dental background



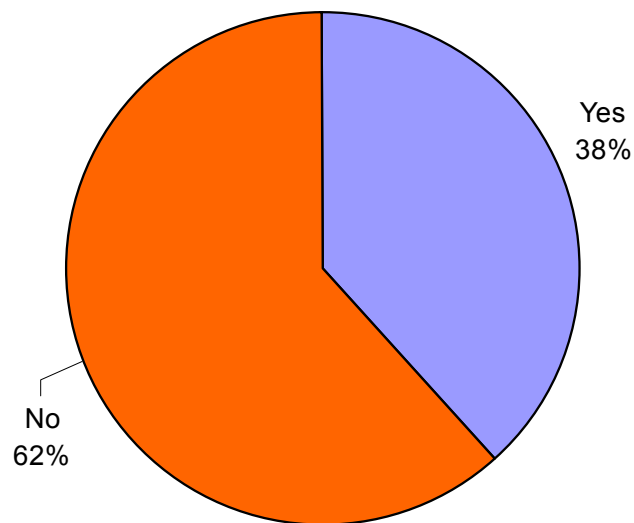
B-11. How much trouble do you have replacing skilled workers?



N = 36

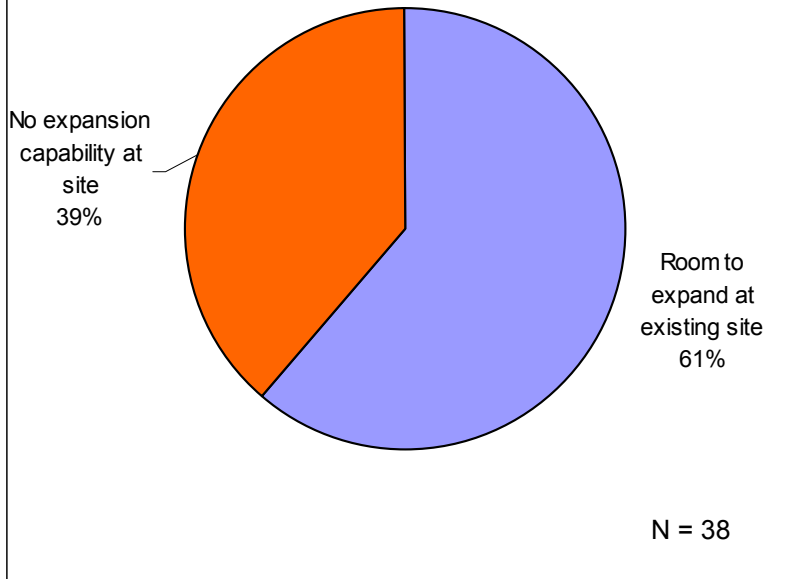
Section 3: Trends and Outlooks

C-1. Is your company planning to increase investment at this site over the next 12 months.

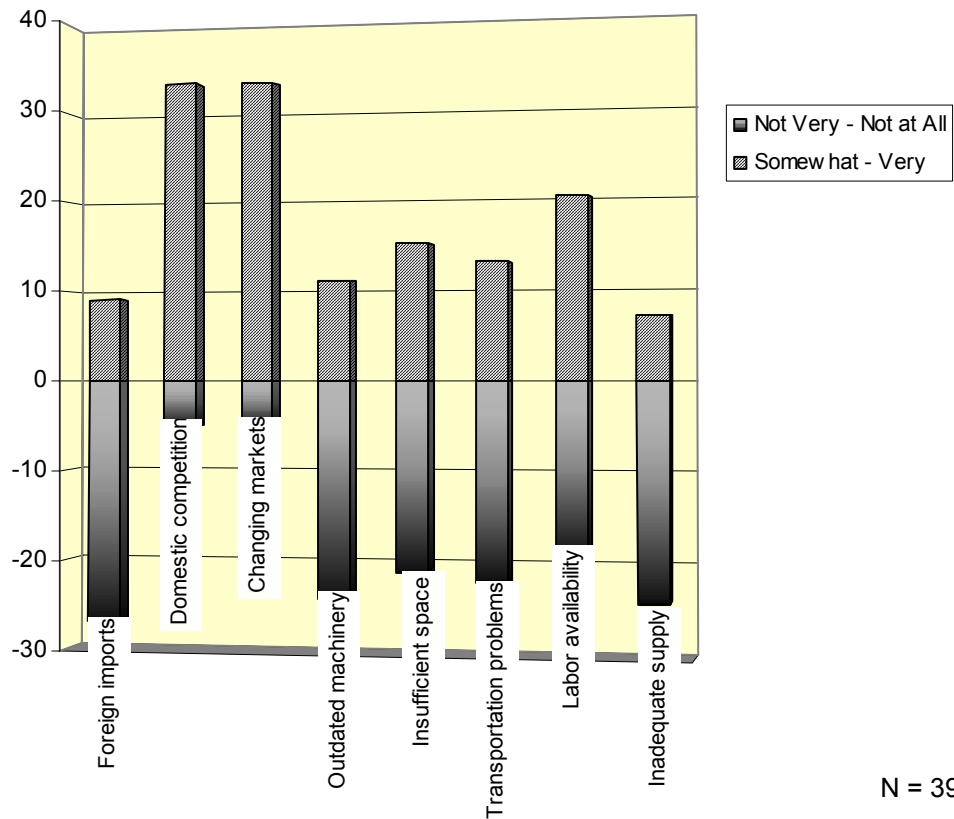


N = 39

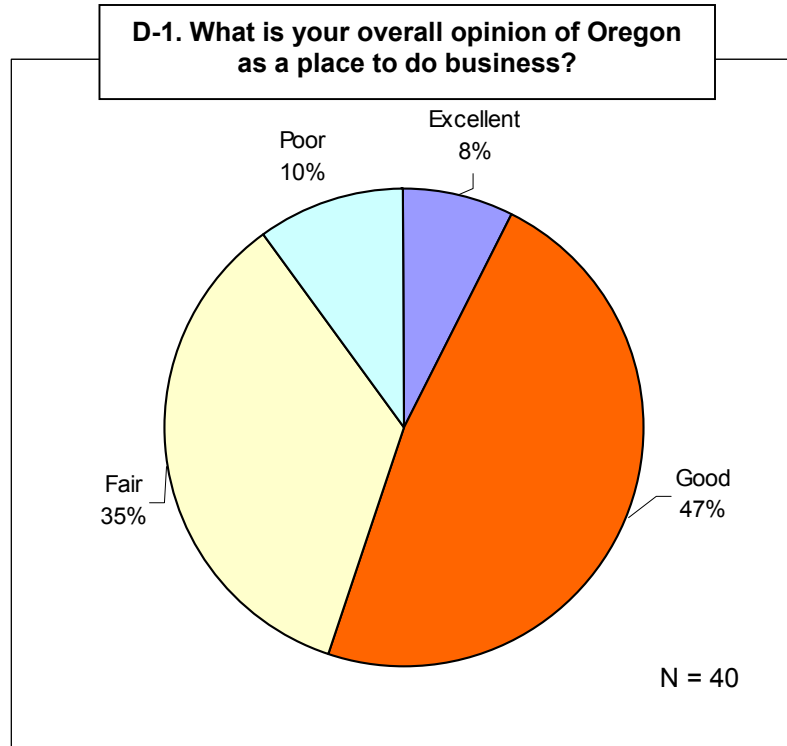
C-2. Current facility status?



C-3. How important are the following factors to your current operation?

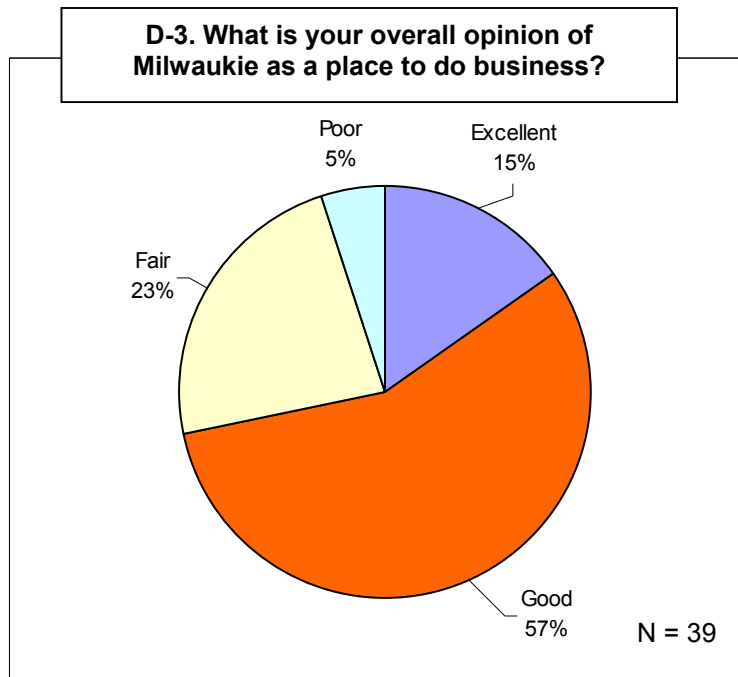


Section 4: Business Climate and Local Services



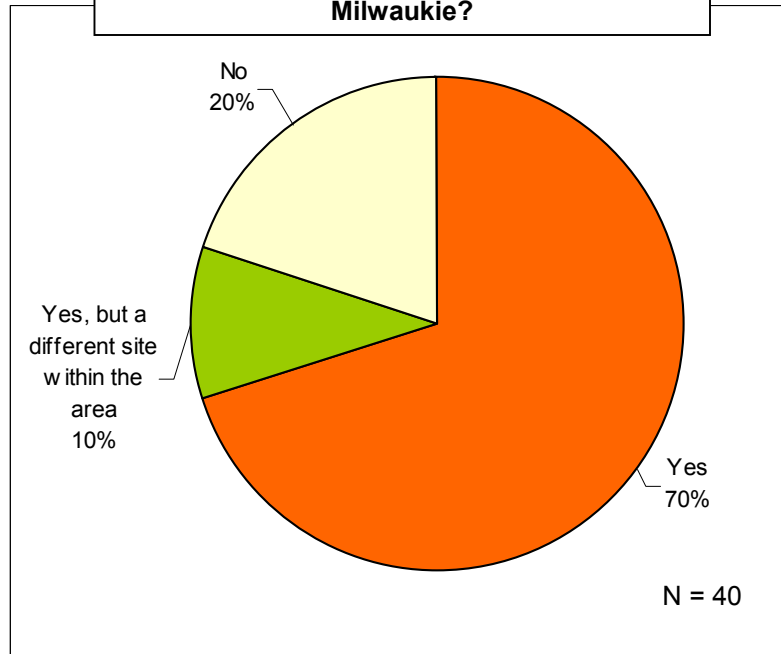
D-2. Why did you say that?

Excellent - ethics
Excellent: Because it's friendly
Excellent: Three major food grocery chains in the area
Good: Because if you don't know what excellent is, you have no way to gauge things.
Good: Comparison to few others I know of
Good: Current economic environment has a significant impact regarding health care choices and utilization
Good: Desirability, transportation work force
Good: Have done business only in Oregon
Good: I live here and have been in this business 39 years
Good: It would be better with lower state income tax and a small sales tax
Good: No problem recruiting
Good: Our business is thriving here
Good: We don't require special attention
Good: We have been fortunate to do well here for 39 years.
Good: We're making it.
Good/Fair: Taxes
Fair: Economy is poor and taxes are high
Fair: Fair economic climate
Fair: Poor tax structure
Fair: Tax burden is onerous and regulation discourages business growth, etc.
Fair: Tax structure/education funding
Fair: Taxes
Fair: Taxes and absence of corporate incentives
Fair: Taxes, process obstacles
Fair: Too many regulations
Fair: Too many taxes
Fair: too much red tape and high taxes
Poor: Appears manufacturing is not accommodated
Poor: Portland



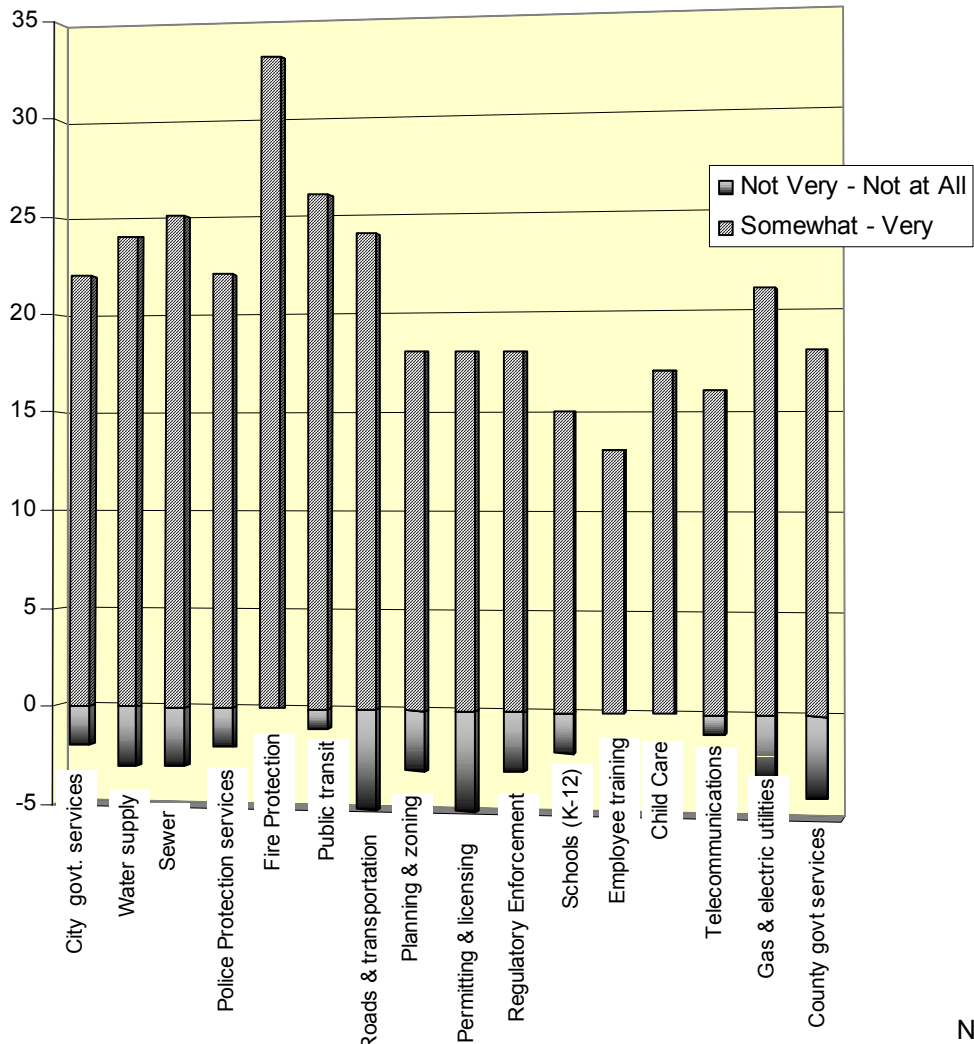
D-4. Why did you say that?
Excellent - active participant in helping Marquis achieve it's goals.
Excellent: Commitment of local governments to solve problems.
Excellent: Easier than Portland - small town capabilities.
Excellent: Location
Excellent: Tax base in Clackamas County
Excellent: Everyone has been (great)
Good: Although a stable community, median incomes challenge the ability to provide affordable healthcare as the cost of providing such care continues to rise
Good: Because it is better than Multnomah County
Good: Clackamas County taxation is much better than Multnomah. We would probably move if Clackamas County added a business tax similar to Multnomah.
Good: Close to shipping terminals
Good: Corporate and training center locations working well for us.
Good: Good location to end for our customers
Good: Good location, very good local government cooperation
Good: Milwaukie is really trying to reach out to the business community, this is very welcome
Good: Nice working class area, close-in, accessible
Good: Small town
Good: we will do much to stay out of Multnomah County as Milwaukie tends to leave us alone and taxes are not as onerous.
Good: Good, central location for labor pool
Good: Trying to improve and help
Fair - Lack of corporate incentives
Fair: City is to involved in bigger issue, not day to day, i.e. transit and expansion
Fair: Don't approve support of metro/light rail
Fair: Downtown business owner do not invest in updating their properties for the most part.
Fair: Fair economic climate
Fair: Too small of a customer base

D-5. If you were to site your business would you make the same decision to locate in Milwaukie?



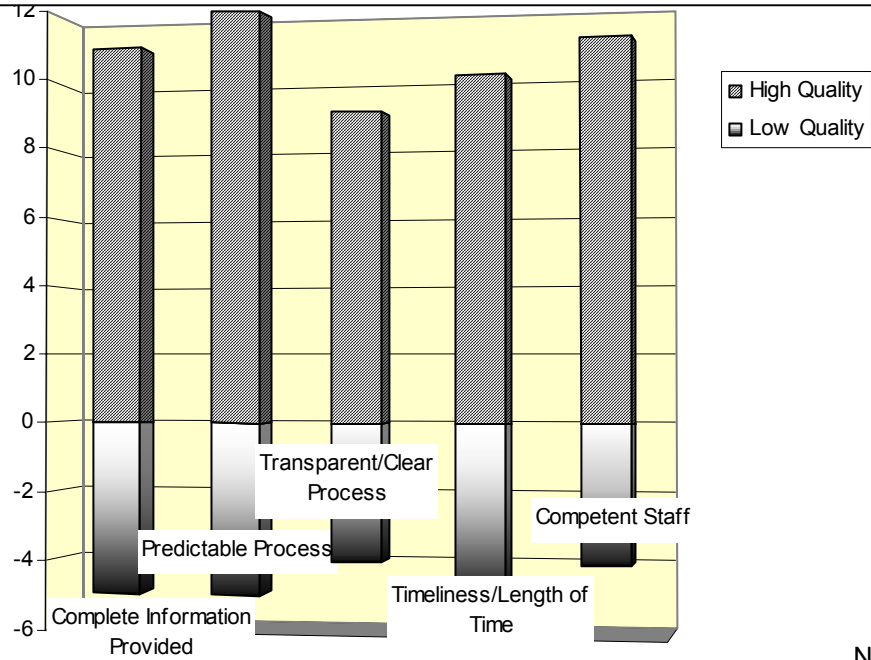
D-6. What economic development programs or business services, if any, has your company utilized?			
	None	16	76%
	Other	5	24%
	Subtotal	18	100%
Programs/Services:			
Training incentives			
Many of the programs/services utilized are contracted regionally and are often located outside of Milwaukie			
I attempted to gain help from Clackamas Community College, guidance assistance.			
Main Street Program			
Economic Zone			

D-7. Adequacy of local services?

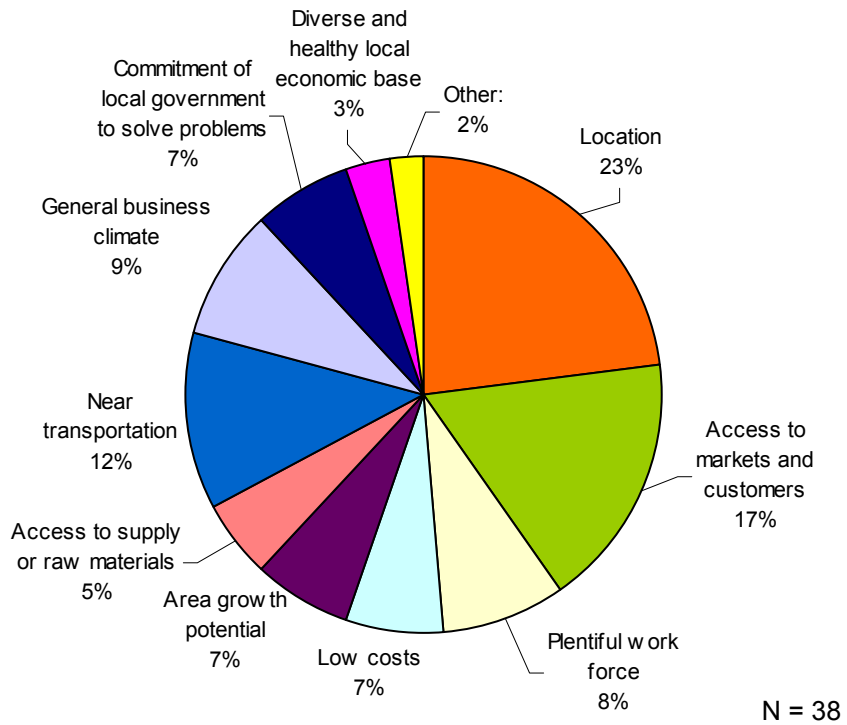


N = 39

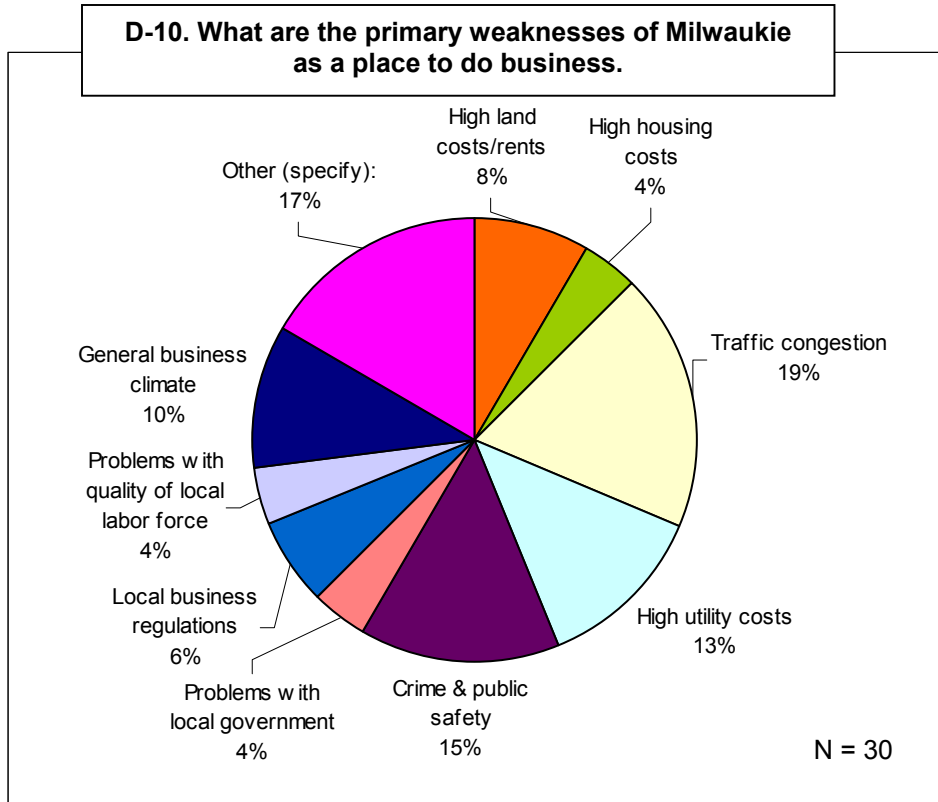
D-8. Please evaluate your experience with the permitting process in Milwaukie.



D9. What are the primary strengths of Milwaukie as a place to do business.



D-10. What are the primary weaknesses of Milwaukie as a place to do business.



D-11. What could be done to improve City of Milwaukie as a place to do business?
You're doing good.
Better attitude from police
Focus more on bureau issues. Seems to be more of a consumer oriented focus.
Probably have an ongoing economic development committee. It has been great to be on the committee. Helping identify sites is very useful. James Bernard seems to have a real concern for maintaining and expanding a healthy business climate. Jobs are so important!
Reduce overhead
Review traffic congestion
Create incentives for businesses to relocate, (i.e. subsidies for property rentals or new construction)
Do away from motorcycle traffic patrols.
Develop downtown including waterfront. Streamline zoning regulations.
Invest money in "old downtown", lighting, plants, decorating like so many other surrounding cities do. Purchasing prime waterfront property or leasing and buying the safeway location for how many years and at what cost? Then you cannot afford hanging flower baskets for \$3,000? Look at the annual budget and put some money into those that bring in business and add value to a "community".
Hi Jeff, While I appreciate your attempt to gather useful data, I am resitant to attempt to give you solid answers. Next month we are scheduled to negotiate a licence with a UK company for them to manufacture product in Europe and sell them to us. I don't know how to answer questions to reflect a future likelihood. Sorry
Doing great now!
Traffic. Riverfront needs to be incorporated into downtown plan - not simply a park adjacent to fomer downtown. Downtown should be the center piece of the community - it isn't. I don't think Milwaukie has a center any larger.
We felt penalized rather than encouraged to build a new facility in Milwaukie. When we were planning to build a new surgery center we decided against Milwaukie due to the problems we experienced in the past.
Bring in some businesses that will stop traffic on McLoughlin to stop and business in Milwaukie.
Making the people that plan and work for the city understand that it costs a lot of money to bring good paying jobs in to the city.
Appeal to a more diverse income groups. Attract more unique retail businesses to bring people from outside Milwaukie to spend \$ in Milwaukie.
Meter parking, attract more of a retail market in downtown to bring customers to downtown. Encourage more arts in downtown.
Tax incentives.