

Appendix G

Target Industry & Occupational Analysis

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The following research¹ identifies the “best fit” industry clusters for Lake Havasu to be pursuing as it relates to business attraction. This information is intended for the use of the business recruitment strategy providing background on these clusters as well as workforce development to identify skills sets/occupations needed by the industries.

Target Cluster: *Boats, Marine Sporting Equipment, Recreational Vehicles*

This industry cluster contains establishments engaged in building and repairing boats (NAICS Code 336612), manufacturing of other recreational transportation equipment (NAICS Code 336999), and related sporting goods and equipment (NAICS Code 339920).

Boats are defined as watercraft of the type suitable for personal use. Other recreational transportation equipment examples that are suitable targets for Lake Havasu City include the following:

- Heavy-duty inflatable rubber or inflatable plastic boats
- All-terrain vehicles (ATVs)
- Personal watercraft such as jet skis

Sporting Goods and Equipment specific to marine activities may include:

- Wakeboards and kneeboards
- Water skis
- Wet suits
- Fishing tackle and rods
- Sailboards and surfboards

The industry is projected to grow on average of 2.3% in output. Employment will be flat as the industry innovative and implements more technology and robotics. Employees will need higher skill levels.

Firms in this cluster typically have 20 to 30 employees with average wages of \$43,000.

The amount of space required depends on the size of product being manufactured but would typically range from 15,000 to 30,000 square feet with an average of 1,000 square feet per employee.

Typical capital investment per employee is around \$120,000.

Key occupations for this cluster include assemblers and fabricators, welders and structural metal fabricators.

Within the West, there are significant concentrations of firms in this cluster in Los Angeles, San Diego, Riverside-San Bernardino, San Francisco, Phoenix, Portland, Seattle and Salt Lake. There are over 2,895 establishments in the US.

¹ Sources: County Business Patterns, 2013; 2012 Economic Census

LAKE HAVASU CITY

PILLAR 1 – Economic Development

Industry Cluster Research for Business Recruitment

Target Cluster:

- Boats
- Marine Sporting Equipment
- Recreational Vehicles

Target Cluster:

- Firearms and Ammunition

Target Cluster:

- Advanced Machine Shops
- Fabrication

Target Cluster:

- Customer Contact Centers
- Tech Support Centers
- Reservations Centers

KEY OCCUPATIONAL REQUIREMENTS
BOATS, MARINE SPORTING EQUIPMENT, OTHER RECREATIONAL VEHICLES

SOC	Occupation	Share of Workforce
51-2092	Team Assemblers	10%
51-4121	Welders, Cutters, Solderers, and Brazers	4%
51-1011	First-Line Supervisors of Production Workers	4%
51-2099	Assemblers and Fabricators, All Other	3%
41-4012	Sales Representatives, Wholesale and Manufacturing	3%
51-2041	Structural Metal Fabricators and Fitters	2%
51-4041	Machinists	2%
53-7062	Laborers and Freight, Stock, and Material Movers	2%
11-1021	General and Operations Managers	2%
51-9198	Helpers--Production Workers	2%

Source: Bureau of Labor Statistics, Industry to Occupation Matrix and Occupational Employment Estimates.

SOURCE AREAS FOR BOATS, RECREATION VEHICLES AND SPORTING EQUIPMENT
RANKED BY NUMBER OF ESTABLISHMENTS

Metro Area	Employment	Firms
<i>Los Angeles-Long Beach-Anaheim, CA</i>	2,172	138
Miami-Fort Lauderdale-West Palm Beach, FL	999	88
<i>San Diego-Carlsbad, CA</i>	3,088	77
Seattle-Tacoma-Bellevue, WA	1,813	61
New York-Newark-Jersey City, NY-NJ-PA	516	58
Providence-Warwick, RI-MA	3,377	48
Portland-Vancouver-Hillsboro, OR-WA	563	47
Minneapolis-St. Paul-Bloomington, MN-WI	1,444	44
Tampa-St. Petersburg-Clearwater, FL	981	42
<i>Riverside-San Bernardino-Ontario, CA</i>	493	41
Chicago-Naperville-Elgin, IL-IN-WI	954	37
Boston-Cambridge-Newton, MA-NH	674	33
<i>Phoenix-Mesa-Scottsdale, AZ</i>	1,073	29
Denver-Aurora-Lakewood, CO	831	26
Salt Lake City, UT	785	25
Atlanta-Sandy Springs-Roswell, GA	1,810	25
<i>San Francisco-Oakland-Hayward, CA</i>	337	24
Dallas-Fort Worth-Arlington, TX	690	24
U.S. Total	79,656	2,895
AZ/CA/NV Total	9,318	432

Source: County Business Patterns, 2013.

Target Cluster: *Firearms and Related Accessories*

This cluster is made up of establishments engaged in the manufacture of guns and gun parts such as barrels, recoil mechanisms, cylinders and clips (332994) as well as various types of ammunition (332992).

- Firms in this cluster are projected to grow in both employment and output to Year 2022.
- Nationally the average employment per firm is 50 to 60 employees with average wages of \$60,000. The majority of establishments have 20 or fewer employees.
- The amount of space required is typically around 35,000 to 40,000 square feet for a 50 to 60 employee firm. Average space per employee is 650 square feet.
- Typical capital investment per employee is around \$125,000.
- Key occupations for this cluster include assemblers, machinists, welders, computer controlled machine tool operators and cutting and press machine operators.
- Nationally, the Phoenix metro area ranks number one in terms of the number of establishments involved in gun or ammunition manufacturing. Other significant concentrations of firms in the West include Dallas, Kalispell, Los Angeles and Boise.

KEY OCCUPATIONAL REQUIREMENTS FIREARMS AND AMMUNITION MANUFACTURING

SOC	Occupation	Share of Workforce
51-2092	Team Assemblers	10%
51-4041	Machinists	5%
51-4121	Welders, Cutters, Solderers, and Brazers	4%
51-1011	First-Line Supervisors of Production Workers	4%
51-4011	Computer-Controlled Machine Tool Operators, Metal and Plastic	3%
51-9061	Inspectors, Testers, Sorters, Samplers, and Weighers	3%
51-4031	Cutting, Punching, and Press Machine Setters, Operators, Metal and Plastic	3%
51-4033	Grinding, Lapping, Polishing, and Buffing Machine Tool Setters, Operators, Metal and Plastic	2%
17-2141	Mechanical Engineers	2%
51-2099	Assemblers and Fabricators, All Other	2%

Source: Bureau of Labor Statistics, Industry to Occupation Matrix and Occupational Employment Estimates.

**SOURCE AREAS FOR FIREARM AND AMMUNITION MANUFACTURING
RANKED BY NUMBER OF ESTABLISHMENTS**

Metro Area	Employment	Firms
<i>Phoenix-Mesa-Scottsdale, AZ</i>	771	18
Dallas-Fort Worth-Arlington, TX	199	11
Kalispell, MT	256	11
Minneapolis-St. Paul-Bloomington, MN-WI	2,250	9
Atlanta-Sandy Springs-Roswell, GA	310	8
<i>Los Angeles-Long Beach-Anaheim, CA</i>	120	8
Boise City, ID	203	7
Davenport-Moline-Rock Island, IA-IL	260	7
New York-Newark-Jersey City, NY-NJ-PA	786	6
Springfield, MA	1,904	6
Hartford-West Hartford-East Hartford, CT	921	6
Milwaukee-Waukesha-West Allis, WI	165	6
St. Louis, MO-IL	1,560	6
U.S. Total	29,339	516
AZ/CA/NV Total	1,977	59

Source: County Business Patterns, 2013.

Target Cluster: *Specialized Small Manufacturing*

Establishments in this industry cluster include machine shops (332710) and fiberglass fabrication which is a subset of all other plastic products (326199) and are directly related to boat and recreation equipment manufacturing as well as potentially to gun manufacturing. Machine shops are generally engaged in machining metal and plastic parts and other composite materials. Generally machine shop jobs are low volume and use machine tools, such as lathes (including computer numerically controlled), automatic screw machines, and machines for boring, grinding, and milling. Fiberglass products may include tanks and shells as well as specific products like hot tubs and septic tanks.

- Cluster is projected in output by 2.4% but as with Marine Cluster, employment is projected to be flat as the industry uses more technology.
- Firms in this cluster typically average 20 employees with average wages of \$44,000.
- The amount of space required is generally around 15,000 to 20,000 square feet for a 20 to 25 employee firm with 750 square feet per employee.
- Typical capital investment per employee is around \$130,000. Key occupations for this cluster include machinists, molding machine operators, assemblers, extruding and computer controlled machine operators, inspectors and packers.
- Both machine shops and all other plastic products (which include fiberglass fabrication) are found in nearly every metro area and thus the top source areas are generally reflective of the larger metro areas in the U.S. including Los Angeles, Chicago, New York, Houston and Detroit. However, within the West, there are also significant concentrations of these industries in Riverside-San Bernardino, San Francisco and Phoenix.

**KEY OCCUPATIONAL REQUIREMENTS
MACHINE SHOPS AND FIBERGLASS FABRICATION**

SOC	Occupation	Share of Workforce
51-4041	Machinists	11%
51-4072	Molding, Coremaking, and Casting Machine Setters, Operators, Metal and Plastic	6%
51-1011	First-Line Supervisors of Production Workers	5%
51-2092	Team Assemblers	4%
51-4021	Extruding and Drawing Machine Setters, Operators, Metal and Plastic	4%
51-4011	Computer-Controlled Machine Tool Operators, Metal and Plastic	4%
51-9061	Inspectors, Testers, Sorters, Samplers, and Weighers	3%
53-7064	Packers and Packagers, Hand	3%
51-4031	Cutting, Punching, and Press Machine Setters, Operators, Metal and Plastic	2%
51-4034	Lathe and Turning Machine Tool Setters, Operators, Metal and Plastic	2%

Source: Bureau of Labor Statistics, Industry to Occupation Matrix and Occupational Employment Estimates.

**SOURCE AREAS FOR MACHINE SHOPS AND FIBERGLASS FABRICATION
RANKED BY NUMBER OF ESTABLISHMENTS**

Metro Area	Employment	Firms
<i>Los Angeles-Long Beach-Anaheim, CA</i>	25,493	1,294
Chicago-Naperville-Elgin, IL-IN-WI	26,517	1,031
New York-Newark-Jersey City, NY-NJ-PA	14,840	817
Houston-The Woodlands-Sugar Land, TX	14,608	691
Detroit-Warren-Dearborn, MI	19,225	667
Minneapolis-St. Paul-Bloomington, MN-WI	12,397	504
Cleveland-Elyria, OH	8,359	419
Boston-Cambridge-Newton, MA-NH	7,116	414
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	7,985	394
Dallas-Fort Worth-Arlington, TX	9,870	374
<i>Riverside-San Bernardino-Ontario, CA</i>	7,237	354
Pittsburgh, PA	5,588	295
Milwaukee-Waukesha-West Allis, WI	7,591	289
<i>San Francisco-Oakland-Hayward, CA</i>	4,081	256
Atlanta-Sandy Springs-Roswell, GA	6,810	252
<i>Phoenix-Mesa-Scottsdale, AZ</i>	4,994	252
U.S. Total	582,277	25,330
AZ/CA/NV Total	63,884	3,512

Source: County Business Patterns, 2013.

Target Cluster: *Customer Contact and Reservation Centers*

Although Lake Havasu City may not be able to attract a lot of customer contact, tech support or reservation centers, a few small to medium-sized customer contact centers (561422) with 100-200 seats are a potential. Contact center can initiate or receive communications for client in order to:

- Promote a client's product or service,
- Take orders for clients,
- Solicit contributions for a client, and
- Provide information or assistance regarding a client's products or services.

These establishments generally do not own the product or provide the services they are representing on behalf of clients.

This cluster also includes establishments engaged in providing travel arrangement and reservation services (561599) such as:

- Time-share vacation exchange services.
- Ticket (e.g., airline, bus, cruise ship, sports, theatrical) offices.
- Reservation (e.g., airline, car rental, hotel, restaurant) services.
- Road and travel services automobile clubs.

This industry cluster is projected to grow in both employment and output. This industry also seeks areas for low cost operational costs, effective high speed internet connectivity and employees with customer service training. Many of the existing firms in this industry cluster are expanding particularly as new technology is unveiled which could make Lake Havasu a great expansion potential if existing facilities and employees are "ready".

Nationally, contact centers average 70 employees with average wages of \$31,000. There are a significant number of firms in the 50-200 employee range. The amount of space required is typically around 15,000 square feet for 70 to 80 employee firm.

Typical capital investment per employee is around \$9,000 which is much lower than for manufacturing industries.

Key occupations for this cluster include customer service representatives, telemarketers, reservation agents and switchboard operators.

Within the West, there are significant concentrations of firms in this cluster in Los Angeles, Phoenix, Las Vegas, Denver and Salt Lake.

**KEY OCCUPATIONAL REQUIREMENTS
CUSTOMER CONTACT AND RESERVATION CENTERS**

SOC	Occupation	Share of Workforce
43-4051	Customer Service Representatives	29%
41-9041	Telemarketers	24%
41-3041	Reservation and Transportation Ticket Agents and Travel Clerks	14%
43-2011	Switchboard Operators, Including Answering Service	3%
43-1011	First-Line Supervisors of Office and Administrative Support Workers	2%
41-3099	Sales Representatives, Services, All Other	2%
41-1012	First-Line Supervisors of Non-Retail Sales Workers	2%
11-1021	General and Operations Managers	2%
15-1150	Computer Support Specialists	1%
43-3011	Bill and Account Collectors	1%

Source: Bureau of Labor Statistics, Industry to Occupation Matrix and Occupational Employment Estimates.

**SOURCE AREAS FOR CUSTOMER CONTACT AND RESERVATION CENTERS
RANKED BY NUMBER OF ESTABLISHMENTS**

Metro Area	Employment	Firms
New York-Newark-Jersey City, NY-NJ-PA	10,148	452
Los Angeles-Long Beach-Anaheim, CA	14,202	335
Miami-Fort Lauderdale-West Palm Beach, FL	19,821	291
Chicago-Naperville-Elgin, IL-IN-WI	6,558	215
Dallas-Fort Worth-Arlington, TX	19,669	162
Phoenix-Mesa-Scottsdale, AZ	10,752	162
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	5,267	156
Orlando-Kissimmee-Sanford, FL	13,683	139
Tampa-St. Petersburg-Clearwater, FL	9,332	127
Las Vegas-Henderson-Paradise, NV	8,044	124
Atlanta-Sandy Springs-Roswell, GA	6,594	117
Denver-Aurora-Lakewood, CO	15,102	98
Salt Lake City, UT	12,756	71
U.S. Total	473,422	6,617
AZ/CA/NV Total	57,732	1,057

Source: County Business Patterns, 2013.