

Welcome

to West Plains, Missouri





Contents

- 4-5 Living Here
- 6-13 Economic Development
 - 8-9 - *Major Employers*
- 14-19 Regional Economic Development Data
- 20-25 Pattern Analysis
- 26-27 Heritage Business Park
- 28-33 Incentives
- 34-35 Education
- 36-37 Missouri State University
- 38 MSU-West Plains China Program

Produced by City of West Plains
Economic Development Office.
Design by Front Row Creative, based
on concepts by Colortech Printing.

For more information, contact:
City of West Plains
Department of Economic Development
Post Office Box 710
West Plains, MO 65775
office: (417) 256-7176
fax: (417) 256-4953
email: development@westplains.net



Living Here

No matter what you're looking for – big city conveniences, entertainment and amenities or the appeal of small town values and charms – an A+ education for your children or a place to build your business and watch it grow – you'll find it here, in West Plains.

Entrepreneurs with big ideas will appreciate being at the center of economic growth and activity for the entire region. Retirees with simpler goals have chosen to spend the best years of their lives here. Newcomers enjoy a thriving job market, affordable housing and a decent, safe place to raise their children. And, vacationers seduced by the abundance of outdoor activities, return year after year to immerse themselves in the soul-soothing beauty of the Ozarks.

Everyone is welcome here. The people of West Plains are warm, the economy is hot, the climate forgiving and the landscape is nothing short of spectacular. Whether you've come for business or pleasure, putting down roots or just passing through, you'll find what you're looking for, right here ... in West Plains.

In West Plains the climate is characterized by an abundance of sunshine, low wind velocity and mild temperatures. You will experience spring temperatures that range from 50-70 degrees, summers in the 70's to 90's, fall temperatures that match the spring, and mild winters that usually don't dip below 20.



Economic Development

Watch Us Grow – Business people with vision come to West Plains seeking the remarkable opportunities for expansion, diversification and progress. In other words, they come here to see their dreams fulfilled.

The economic health of West Plains is as solid as the Ozark Mountains themselves. Banks and other financial institutions are safe and strong with deposits in excess of 600 million dollars. Dedicated to growth and prosperity in the business community, those assets continue to increase. South Central Missouri has enhanced enterprise zones. That's good news for new and expanding businesses. They're on the receiving end of investment credits, employee credits and income tax credits. Real estate tax abatements are available and the state also offers grants, loans and bonds.

Broad ranges of industrial spaces are ready for occupancy or construction. These sites feature paved and lighted streets, utilities, and easy access to highways, railroad sidings and the airport.

Successful businesses from nearly every field call West Plains home. From gas control valves, to wood flooring and laser cut steel, the wide range of industries protects the local economy if any one of them experience a slowdown. Some of the largest employers include Armstrong – Bruce Hardwood Floors, DRS-SSI, Invensys Controls, Caterpillar, Arlee Home Fashions, Regal-Beloit, and Air Evac Lifeteam.



Major Employers

Air Evac Lifeteam

Air Evac EMS which operates Air Evac Lifeteam, is the largest independently owned and operated membership-supported air medical service in the United States, conducting its operations through 95 mutually-supporting air medical bases across 14 states. The company has established itself as the preeminent provider of air ambulance services to rural markets, serving over 1,700 diverse referral sources, including over 1,000 hospitals and 700 EMS agencies, and attracting more than 875,000 members in support of its presence in their local communities. Air Evac Lifeteam was established in 1985 by a group of local citizens to provide air medical transportation and ensure immediate access to definitive health care for their remote community in the Missouri Ozarks region. Although air ambulances were primarily based in metropolitan areas at the time, the company founders believed that the people who need air medical transport the most were those living in rural areas, often far away from a hospital.

Armstrong/Bruce Hardwood

Armstrong World Industries is a global leader in the design and manufacture of floors, ceilings and

cabinets. In 2010, Armstrong's consolidated net sales totaled approximately \$2.8 billion. Based in Lancaster, Pa., Armstrong operates 35 plants in nine countries and has approximately 9,800 employees worldwide.

Ozarks Medical Center

Ozarks Medical Center is a 114-bed, not-for-profit medical referral center serving an 11-county area in south central Missouri and north central Arkansas. OMC employs approximately 1,200 people and serves a population base of 150,000. In 2009, OMC celebrated 50 years of providing quality health care to the community. In 2010, OMC opened its new state-of-the-art, 16-bed emergency department.

DRS Technologies

DRS Technologies is a leading supplier of integrated products, services and support to military forces, intelligence agencies and prime contractors worldwide. Focused on defense technology, the company develops, manufactures and supports a broad range of systems for mission critical and military sustainment requirements, as well as homeland security.



The company has been recognized as one of the fastest growing defense technology companies in the world and holds leading market positions in thermal imaging devices, combat display workstations, electronic sensor systems, power systems, rugged computer systems, air combat training systems, mission recorders, deployable flight incident recorders, environmental control systems, telecommunication systems, aircraft loaders, military trailers and shelters, and integrated logistics and support services.

Invensys

Invensys develops and applies advanced technologies that enable the world's manufacturing and energy generating facilities, mainline and mass transit rail networks, and appliances to operate safely and efficiently. The facility in West Plains is under the controls division which designs, engineers and manufactures products, components, systems and services used in appliances, heating, air conditioning/cooling and refrigeration products across a wide range of industries in residential and commercial markets.

Regal Beloit

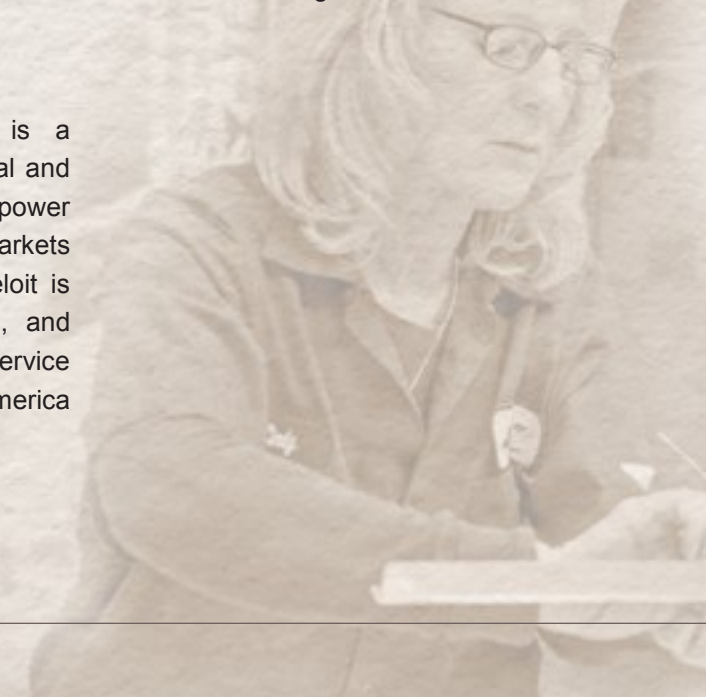
Regal Beloit Corporation is a leading manufacturer of electrical and mechanical motion control and power generation products serving markets throughout the world. Regal Beloit is headquartered in Beloit, Wisc., and has manufacturing, sales, and service facilities throughout North America and in Mexico, Europe and Asia.

The Arlee Group

The Arlee Group opened for business on May 10, 1973. The owner, Arnold Frankel, initially created the business as an independent sales agent for several manufactures. As the organization grew, they started producing their own product and opened their first manufacturing facility in 1979. Today, The Arlee Group stands out as one of the leading manufacturers and distributors of decorative pillows, curtains and related household décor, encompassing national and regional mass merchants as well as smaller specialty stores.

Caterpillar

Caterpillar's global reach and presence is unmatched in the industry. They serve customers in more than 180 countries around the globe with more than 300 products. More than half of their sales are outside the United States. Their manufacturing, marketing, logistics, service, R&D and related facilities, along with their dealer locations, total more than 500 locations worldwide, ensuring that Caterpillar remains geographically close to their global customer base.





The largest city in Missouri within a 100-mile radius, West Plains is the trade center for south central region of the state. More than 150,000 people shop in the area. Retail sales have averaged a six percent growth rate annually, pumping 225 million dollars into the local economy.

The major arteries of the city are home to a wide variety of food markets, specialty store and retail shops. Downtown businesses are expanding and thriving.

UTILITIES

Utilities and co-ops work together to provide ample electricity at exceptionally affordable prices. The area provides both natural gas and propane. Known as the land of the big springs, deep wells provide some of the freshest water you'll ever taste. The city has recently installed an 11 million dollar peak saving generator to keep up with business and residential growth.

WATER

Supplier: City of West Plains
Capacity: 5.2 million gallons/day
Peak consumption: 4 million gal./day
Source of City Water: Wells

WASTE WATER

Supplier: City of West Plains
Capacity of plant: 3.25 million gal./day

Avg consumption: 2.6 million gal./day
Sewer use charge: Yes
Type of plant: Oxidation Ditch

ELECTRICITY

Supplier: Municipal and Co-op
Company: City of West Plains Co-op: Howell Oregon Electric

NATURAL GAS

Supplier: Southern Missouri Natural Gas Company
Serves: Yes
New hookups available: Yes

OTHER FUEL

Fuel Oil and LP Gas: Call (417) 256-4433 for a listing of all fuel oil and LP providers.

TRANSPORTATION

With one of the most efficient highway systems in the country, commercial trucking keeps products moving all year round. U.S. Highways 60, 63 and 160 crisscross our area as do State Highways 14,17 and 19. Moving people and goods by air is just as easy from the West Plains Regional Airport. The Burlington-Northern Santa Fe Railroad provides service for real freight.

TAXES

Residential property is assessed at 19% of true market value. Personal property is assessed at 33.33% of true market value.

HIGHWAYS

Number of US Highways: 2
*Distance to Interstate Interchange (miles): 98

* Distance to nearest Four-Lane Highway (miles): 1
Number of Missouri Highways: 7



MOTOR FREIGHT CARRIERS

Package Delivery Service: Yes
Over 13 independent freight carriers within the region
Yellow Freight Systems, Inc. & Roadway Water Service
Navigable River: Mississippi
Channel Depth: 19
Distance to the Nearest Barge Service (miles): 190
Barge Days to New Orleans Down River: 2 Days
Barge Days to New Orleans Up River: 2 Days
Public Barge Docks: Yes
Season Length: 12

COMMERCIAL RAILROADS

Burlington Northern-Santa Fe

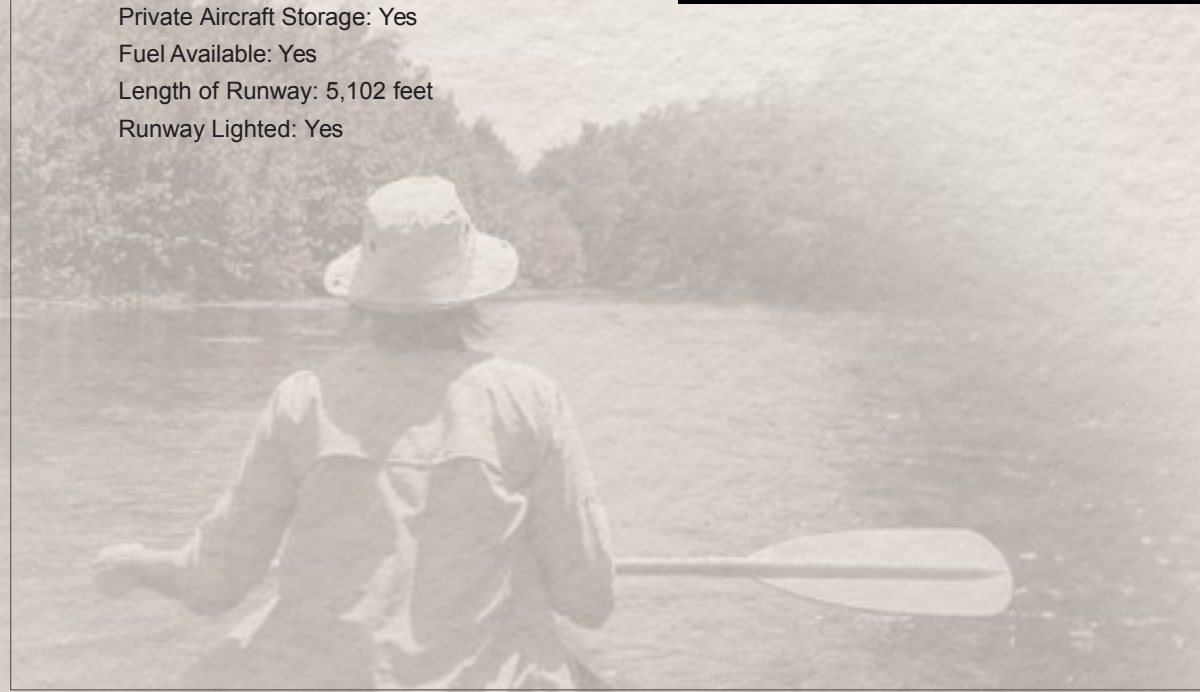
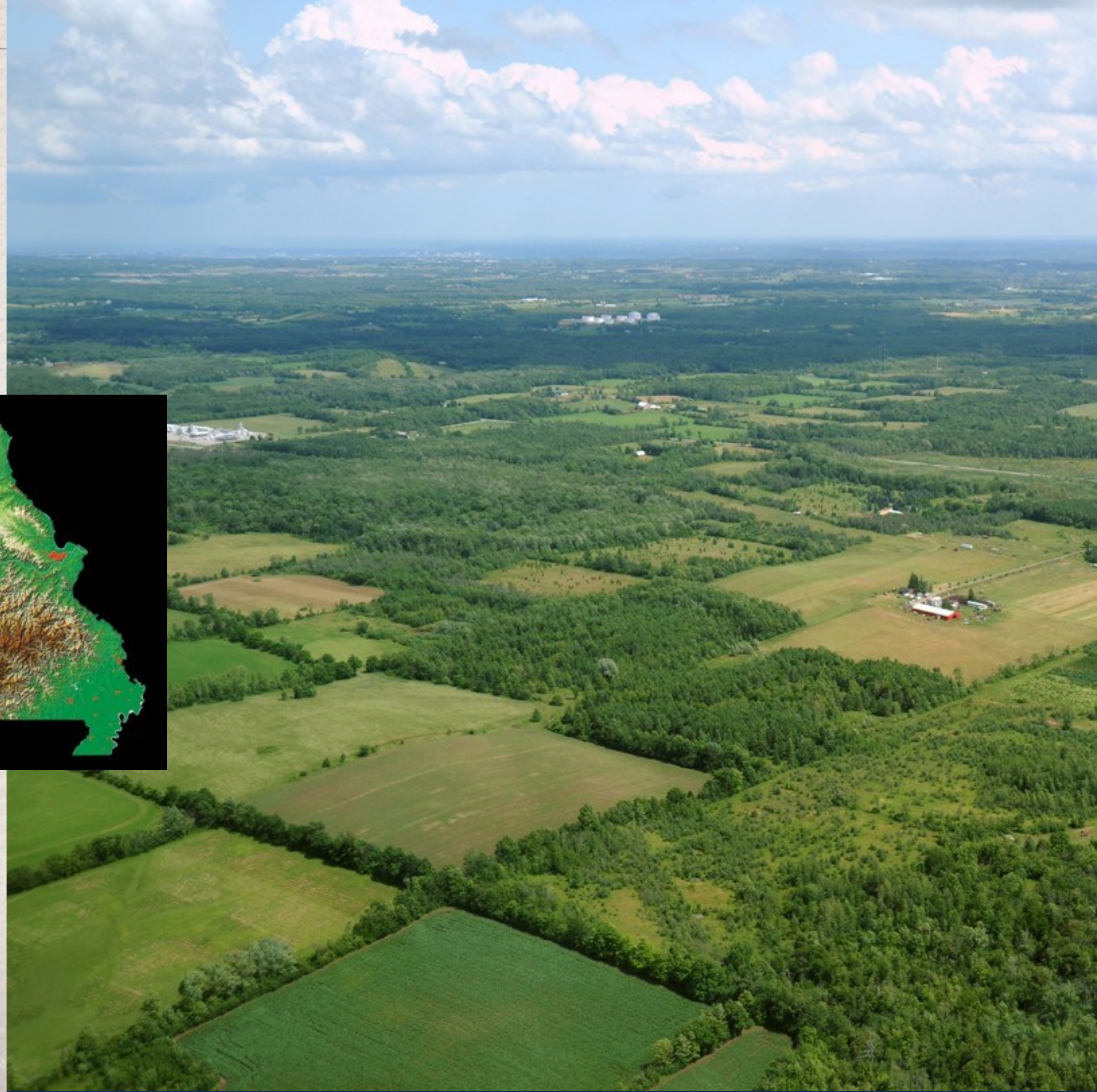
RAIL SERVICE

Number of Freight Stops Per Day: 1
Freight Stops on Demand: No
* Distance to Nearest Piggy-Back Service (miles) 105

AIR SERVICES

Nearest Public Airport: West Plains Regional Airport
Distance (miles): 9
Paved Runway: Yes
Private Aircraft Storage: Yes
Fuel Available: Yes
Length of Runway: 5,102 feet
Runway Lighted: Yes

Aircraft Maintenance: No
Nearest Commercial Airport: Springfield -Branson National
Distance (miles): 100
Nearest Air Freight Service Distance (miles): 100
Location: Springfield



Regional Economic Development Data

Region Info for West Plains

County Areas: Baxter, Arkansas (5005), Fulton, Arkansas (5049), Douglas, Missouri (29067), Howell, Missouri (29091), Oregon, Missouri (29149), Ozark, Missouri (29153), Shannon, Missouri (29203), Texas, Missouri (29215)

Selected Industries

NAICS Code	Description
11	Agriculture, Forestry, Fishing and Hunting
21	Mining, Quarrying, and Oil and Gas Extraction
22	Utilities
23	Construction
31-33	Manufacturing
44-45	Retail Trade
48-49	Transportation and Warehousing
51	Information
52	Finance and Insurance
53	Real Estate and Rental and Leasing
54	Professional, Scientific, and Technical Services
55	Management of Companies and Enterprises
56	Administrative and Support and Waste Management and Remediation Services
61	Educational Services
62	Health Care and Social Assistance
71	Arts, Entertainment, and Recreation
72	Accommodation and Food Services
81	Other Services (except Public Administration)
90	Government

Executive Summary

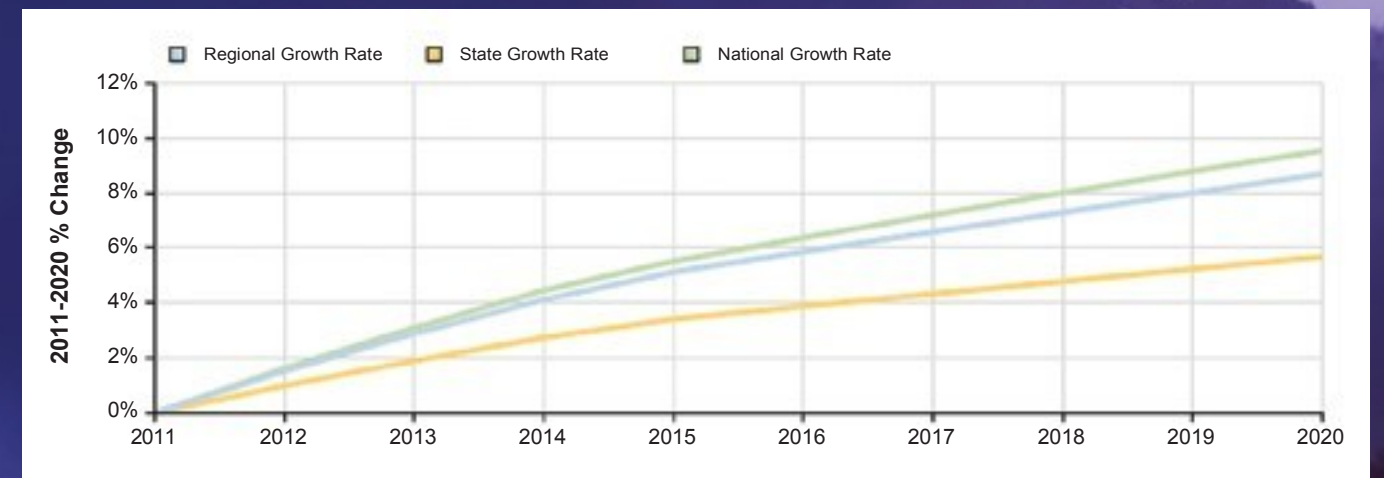
Basic Information	
2011 Industry Jobs	75,752
2020 Industry Jobs	82,339
Total Change	6,587
Total % Change	8.70%
2010 Average Earnings per Worker	\$29,965
Economic Indicators	
2011 Location Quotient	1.02
2020 Location Quotient	1.02

Source: EMSI Complete Employment - 1st Quarter 2011

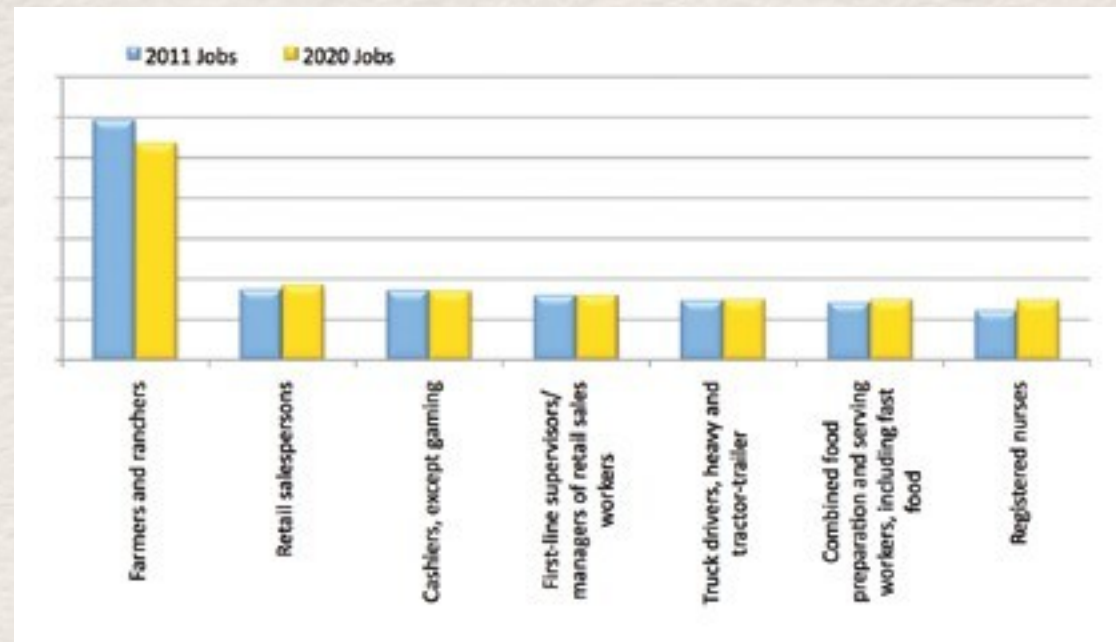
Industry Change Summary

Description	2011 Jobs	2020 Jobs	Change	% Change	2010 EPW	2010 Establishments
Regional Total	75,752	82,339	6,587	9%	\$29,965	4,136
State Total	4,866,918	5,143,503	276,585	6%	\$43,003	239,546
National Total	168,274,474	184,346,075	16,071,601	10%	\$50,875	8,389,478

Source: EMSI Complete Employment - 1st Quarter 2011



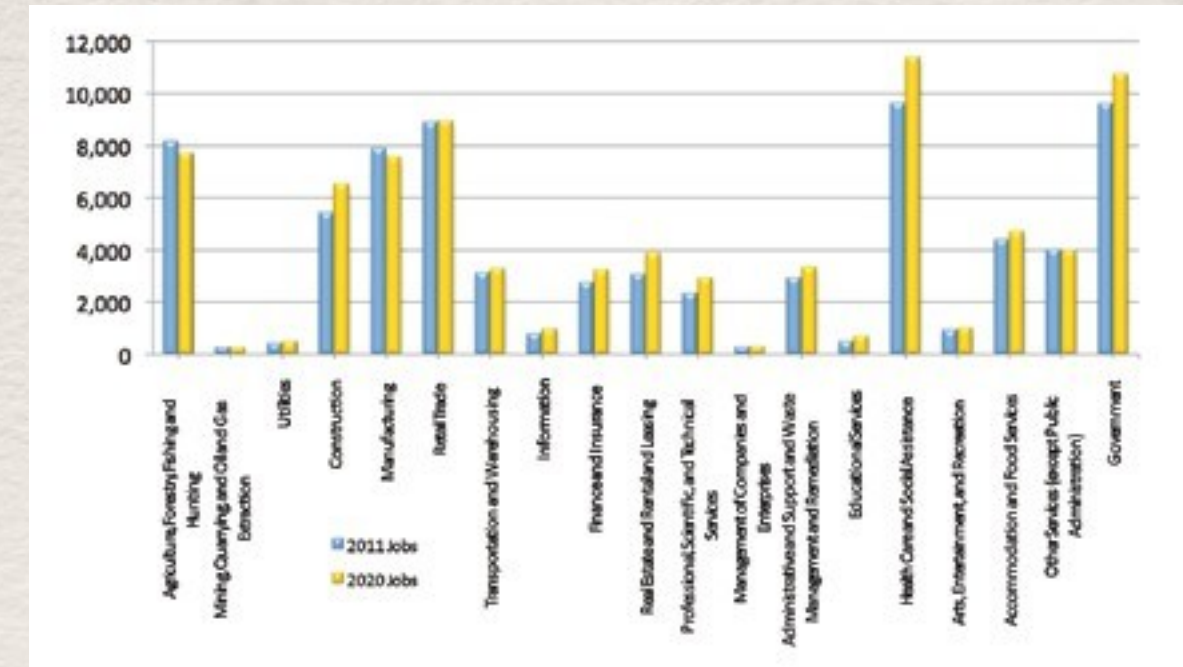
Top Occupations In Selected Industries



SOC Code	Name	2011 Jobs	2020 Jobs	Change	% Change
11-9012	Farmers and ranchers	5,938	5,365	-573	-10%
41-2031	Retail salespersons	1,750	1,868	118	7%
41-2011	Cashiers, except gaming	1,723	1,712	-11	-1%
41-1011	First-line supervisors/managers of retail sales workers	1,601	1,596	-5	0%
53-3032	Truck drivers, heavy and tractor-trailer	1,474	1,502	28	2%
35-3021	Combined food preparation and serving workers, including fast food	1,430	1,498	68	5%
29-1111	Registered nurses	1,232	1,493	261	21%

Source: EMSI Complete Employment - 1st Quarter 2011

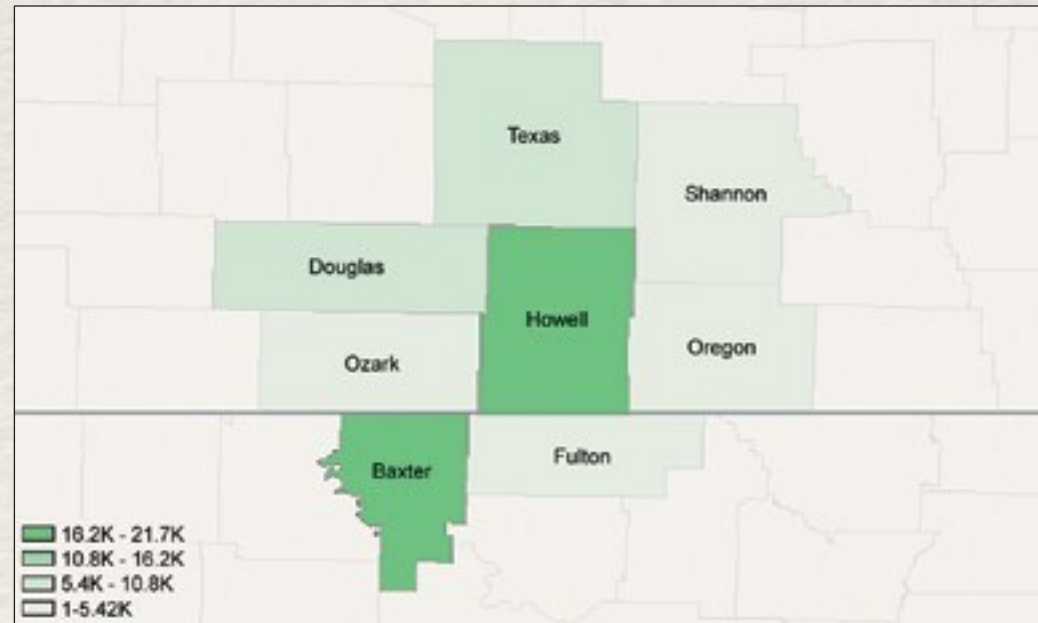
Industry Breakdown



NAICS Code	Description	2011 Jobs	2020 Jobs	2010 EPW	2010 Establishments
11	Agriculture, Forestry, Fishing and Hunting	8,186	7,712	\$21,170	51
21	Mining, Quarrying, and Oil and Gas Extraction	270	277	\$57,500	17
22	Utilities	426	512	\$83,348	17
23	Construction	5,447	6,549	\$26,794	330
31-33	Manufacturing	7,916	7,589	\$41,842	278
44-45	Retail Trade	8,915	8,961	\$23,106	660
48-49	Transportation and Warehousing	3,151	3,305	\$42,326	233
51	Information	802	987	\$38,284	76
52	Finance and Insurance	2,774	3,264	\$32,800	227
53	Real Estate and Rental and Leasing	3,094	3,905	\$14,476	138
54	Professional, Scientific, and Technical Services	2,349	2,954	\$34,024	228
55	Management of Companies and Enterprises	288	314	\$63,901	16
56	Administrative and Support and Waste Management and Remediation Services	2,953	3,359	\$15,711	129
61	Educational Services	516	714	\$19,948	20
62	Health Care and Social Assistance	9,648	11,414	\$35,362	572
71	Arts, Entertainment, and Recreation	935	1,033	\$12,651	39
72	Accommodation and Food Services	4,421	4,721	\$14,212	293
81	Other Services (except Public Administration)	4,029	4,002	\$18,556	471
90	Government	9,633	10,768	\$42,987	341
	Total	75,752	82,339	\$29,965	4,136

Source: EMSI Complete Employment - 1st Quarter 2011

Industry Distribution



County	2011 Jobs
Baxter, AR (5005)	21,678
Howell, MO (29091)	21,013
Texas, MO (29215)	9,174
Douglas, MO (29067)	7,836
Fulton, AR (5049)	4,983
Oregon, MO (29149)	4,726
Ozark, MO (29153)	3,312
Shannon, MO (29203)	3,029

Source: EMSI Complete Employment - 1st Quarter 2011

Data Sources and Calculations

Industry Data

In order to capture a complete picture of industry employment, EMSI basically combines covered employment data from Quarterly Census of Employment and Wages (QCEW) produced by the Department of Labor with total employment data in Regional Economic Information System (REIS) published by the Bureau of Economic Analysis (BEA), augmented with County Business Patterns (CBP) and Nonemployer Statistics (NES) published by the U.S. Census Bureau. Projections are based on the latest available EMSI industry data, 15-year past local trends in each industry, growth rates in statewide and (where available) sub-state area industry projections published by individual state agencies, and (in part) growth rates in national projections from the Bureau of Labor Statistics.

Occupation Data

Organizing regional employment information by occupation provides a workforce-oriented view of the regional economy. EMSI's occupation data are based on EMSI's industry data and regional staffing patterns taken from the Occupational Employment Statistics program (U.S. Bureau of Labor Statistics). Wage information is partially derived from the American Community Survey. The occupation-to-program (SOC-to-CIP) crosswalk is based on one from the U.S. Department of Education, with customizations by EMSI.

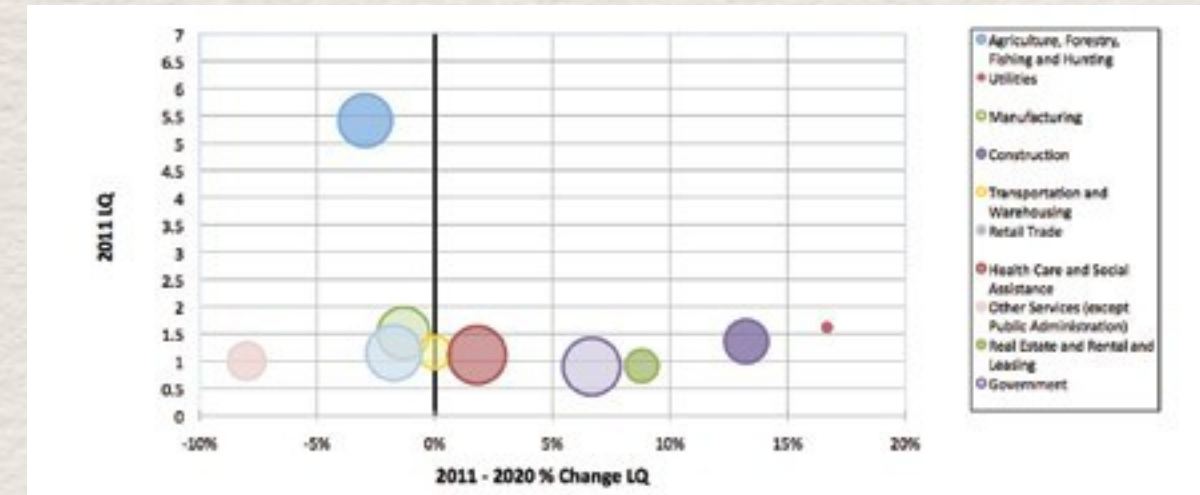
Location Quotient

Location quotient (LQ) is a way of quantifying how concentrated a particular industry, cluster, occupation, or demographic group is in a region as compared to the nation. It can reveal what makes a particular region unique in comparison to the national average.

State Data Sources

This report uses state data from the following agencies: Arkansas Department of Workforce Services; Missouri Department of Economic Development.

Location Quotient Breakdown



NAICS Code	Description	2011 Jobs	2011 LQ	2020 LQ
11	Agriculture, Forestry, Fishing and Hunting	8,186	5.41	5.25
22	Utilities	426	1.62	1.89
31-33	Manufacturing	7,916	1.51	1.49
23	Construction	5,447	1.36	1.54
48-49	Transportation and Warehousing	3,151	1.16	1.16
44-45	Retail Trade	8,915	1.15	1.13
62	Health Care and Social Assistance	9,648	1.11	1.13
81	Other Services (except Public Administration)	4,029	1.00	0.92
53	Real Estate and Rental and Leasing	3,094	0.91	0.99
90	Government	9,633	0.90	0.96
72	Accommodation and Food Services	4,421	0.82	0.81
52	Finance and Insurance	2,774	0.66	0.68
56	Administrative and Support and Waste Management and Remediation Services	2,953	0.64	0.64
51	Information	802	0.56	0.65
71	Arts, Entertainment, and Recreation	935	0.54	0.52
54	Professional, Scientific, and Technical Services	2,349	0.44	0.48
21	Mining, Quarrying, and Oil and Gas Extraction	270	0.41	0.34
55	Management of Companies and Enterprises	288	0.33	0.35
61	Educational Services	516	0.27	0.33
	Total	75,752	1.02	1.02

Source: EMSI Complete Employment - 1st Quarter 2011

Pattern Analysis

Highlighting the Lower South Central Region of Missouri That Drives Wealth in a Regional Economy

Discovering patterns of connected industries can be difficult given the number of companies in an economy and the data available for analysis. Yet understanding the business patterns that drive wealth in a region is critical to designing effective development initiatives.

This report uses industry trend, concentration and individual firm data to summarize two important patterns in a region's economic core:

- **Spot Strengths** of large sector employment, typically in one or two firms, and
- **Core Clusters** of employment across a mix of similar or linked industries.

Recognizing spot strengths and core cluster patterns is important as these collectively large employers attract new income to a region. Knowing these industries, and the shared supply-chain and labor issues these companies have, can aid economic and workforce developers in crafting policies for the broadest impact.

Pattern analysis highlights the strengths and linkages of area

industries and can serve as a starting point for understanding a regional economy. People familiar with company operations know that no two firms have the same business model. Pattern information should ultimately be enhanced by individuals with local business knowledge.

Workforce

The Lower South Central region of Missouri has a population of 123,393, which accounts for two percent of Missouri's total population. Howell County, where West Plains is located, is the economic center of the region employing one in three area workers (34 percent). Just over six percent of region residents commute to Springfield for jobs. The average wage in 2008 was \$25,328, considerably lower than the state average of \$40,710.

In 2008 non-farm employment for the area was 33,520, which includes public and private sectors. Manufacturing employed over 18 percent of area workers, a higher percentage than all but one of Missouri's 12 economic regions. Manufacturing, combined with retail and healthcare sectors, employ nearly



half of all workers. Although most employment in the primary farming sector is not captured by this measure, over 8,200 people were estimated to be either a farm owner or worker in 2007. Many of these farmers may also have other jobs, but clearly agriculture is a significant part of this region's economy.

Industry Patterns

Industry pattern analysis revealed how important manufacturing is to the Lower South Central Region along with which subsectors were the most concentrated.

TYPE	NAICS	INDUSTRY	LQ
Cluster	113	Forestry & Logging	4.7
Cluster	321	Wood Product Mfg.	13.7
Cluster	337	Furniture and Related Mfg.	1.7
Spot	315	Apparel Mfg.	8.3
Spot	335	Electrical Equip. Mfg.	10.4
Spot	336	Transportation Equip. Mfg.	2.4

Manufacturing, from 2003 to 2009, employed 1 in 4 workers in private sector. Four strong patterns of industry concentration were found in wood product, apparel, electrical equipment, and transportation equipment manufacturing. These combined pattern strengths employed 16 percent of the private sector.

Pattern Summary

Pattern	Wood Products Cluster	Apparel Mfg.	Electrical Equip. Mfg.	Transportation Equip. Mfg.
Industry	Wood Product and Furniture Manufacturing, Forestry and Logging	Apparel Manufacturing (Spot Strength)	Electrical Equipment and Appliance Manufacturing (Spot Strength)	Transportation Equipment Manufacturing (Spot Strength)
Location Quotient	7.5	8.3	10.4	2.4
Employment	1,946	ND*	ND*	ND*
Average Wage	\$24,414	ND*	ND*	ND*
Description	Cluster grows, harvest, and processes timber into a variety of wood products. Processes include sawmilling, wood treatment, design and production of wood and other materials into finished goods.	Producers of clothing include apparel contractors performing cutting/sewing operations, jobbers performing entrepreneurial apparel functions, and tailors producing custom individual garments.	Manufacture products that generate, distribute and use electrical power to include lighting, appliances, power distribution components, transformers, etc.	Produce and assemble metal, plastic, and other material components into finished transportation equipment. Includes the mfg. of road, rail, air, or water vehicles primarily used for transporting people or goods.

*Precise spot industry employment and wages are non-disclosable (ND) due to state and federal confidentiality requirements.

Wood Products Cluster

Forestry and Logging (NAICS 113)

Wood Product Manufacturing (NAICS 321)

Furniture and Related Products Manufacturing (NAICS 337)

The Lower South Central region has a long history of producing wood products, thanks to an abundant supply of soft and hardwood trees located in Missouri's Ozark Mountains. The state is a leading U.S. producer of wood pallets, which primarily come from this region. Pallet production fits well with the state's strength as a logistical hub of the Midwest.

The wood products cluster encompasses the growing, harvesting, and processing of timber into final goods for public or business consumption. This cluster has a very high LQ of 7.5 and is the largest employing pattern industry. Employment did decline in the region during the analysis period, mirroring national industry trends.

Companies in the cluster specialize in sawmill operations, pallet production, cabinet making and flooring. The recession did impact these firms as the overall manufacturing and construction sectors were hit particularly hard. However, as of late 2009, this cluster was still the largest pattern employer. Hopefully the industry will see growth when the economy turns around, since the proximity to timber and basic logistic needs for pallets will remain unchanged.

Apparel Manufacturing

Spot Strength

Apparel Manufacturing (NAICS 315)

Although one of the smaller pattern industries in the region, apparel manufacturing has an LQ over 8.0 and has bucked national industry trends with employment growth in the mid-2000s. While apparel manufacturing declined in the U.S. at an annual rate of 7.7 percent, firms in this region grew at an annual average of 5.5 percent from 2003-2007.

As a local spot strength amid the backdrop of a larger, changing U.S. apparel industry, these companies may have developed market niches that will hopefully enable continued growth into the future.

Electrical Equipment Manufacturing

Spot Strength

Electrical Equipment and

Appliance Manufacturing (NAICS 335)

Electrical equipment manufacturing is a spot strength in this area with a very high LQ of 10.4 in 2007. Although the industry lost employment from 2003-2007, it did grow through the recession. By 2009 the industry's regional LQ had grown to over 14 as national employment in electrical equipment manufacturing declined during the recession.

Firms in this region specialize in electric motors and utility components, just as the two regions north of us. This pattern strength is located in a



number of areas throughout Missouri and combines into a statewide core cluster.

Transportation Equipment Manufacturing Spot Strength

Transportation Equipment Manufacturing (NAICS 336)

Transportation equipment manufacturing has an LQ of 2.4 in the region. Although employment has declined since 2003, following national trends, this industry is still a large subsector of area manufacturing.

Local companies specialize in vehicle suspensions, power trains, and defense-related transportation products. Truck and van production has been an historical Missouri strength that recently underwent setbacks with the closing of assembly plants in St. Louis. These firms have specialties that may not be related to those production facilities.

Industry Contribution Impact: Furniture Manufacturing

Pattern recognition is important since changes to business production can have broad regional impacts across a range of linked industries and institutions. Furniture manufacturing is analyzed in this example of how those connections positively influence the area's economy.

Furniture manufacturing consists of sawmills, wood preservation, reconstituted wood product manufacturing, veneer and plywood manufacturing, paint and coating manufacturing, and hardware manufacturing. The industry makes wooden furniture products sold in export markets, thereby bringing additional money into the regional economy.

An addition of 100 employees in furniture manufacturing creates an estimated total of 174 jobs paying \$7.1 million in salaries and contributing over \$9.8 million to the gross state product. The value-added per worker in furniture manufacturing and supporting industries is \$56,322.

Furniture Manufacturing Impact: Addition of 100 employees			
	Direct Impact	Indirect Impact	Total Impact
Employment	100	74	174
Labor Income	\$5.0M	\$2.1M	\$7.1M
Gross Domestic Product	\$6.2M	\$3.6M	\$9.8M

Industry Interlinkages: Furniture Manufacturing

Furniture manufacturing in the region is part of the wood products cluster. Backward-linked (supply goods and raw materials to the industry) and forward-linked (produce value-added goods for consumers) activities display the interrelationship between various industries that add value to furniture manufacturing. While the backward linkages are between the suppliers of raw materials to the industry, forward linkages are between the industry and the consumers.



Notes: Industry Analysis of a Region's Economic Core

While a business is classified by the primary service or product it creates, another distinction is the market it serves. Companies that target customers outside a region are considered export-based, or core, whereas other businesses mainly serve local customers. Grocery stores, retailers, and doctor's offices are typical examples of local market firms. The distinction between export and local market businesses is important when considering long range economic viability and development.

Export-market industries, by serving customers outside a region, bring new dollars into an economy and form the economic core of the community. Think of manufacturers and large-scale farming. Both industries serve national and global markets and therefore attract new income into the region that is paid out in wages, interests, rents, and profits. By contrast, a local market industry largely churns existing dollars within a region. While local services are absolutely important to a thriving community, seldom can an area's population maintain a robust economy by only selling things to each other; it has to export goods and services to bring in new wealth.

Defining Export-Market Industries

Although some businesses are commonly thought of as exporters, location quotient (LQ) analysis provides a more comprehensive approach. This quotient indicates how concentrated an industry's employment is in a certain area as compared to the U.S. average. If an industry has an LQ of 2.0, then it is twice as concentrated in employment as the U.S. average.

Location quotients can help identify regional industries that may be exporting a substantial amount of goods and services to outside markets. If an industry is much more concentrated than the national average, firms are likely

creating more products than the local economy can consume. Industries typically considered as primary exporters include:

- Large Agriculture and Forestry Operations
- Mining
- Manufacturing
- Management
- Headquarters Tourism

**High retail/accommodation/restaurant LQ associated with destination spots.*

The list of primary exporters should be supplemented with LQ analysis to determine other industries that may be generating a large amount of income from outside the region. Services such as information technology, design and engineering, and research are often examples in metropolitan areas.

Identifying Industry Patterns

The industries with the highest LQ and combined employment were analyzed in the context of the region's economy and knowledge of individual firms to determine if an industry pattern existed. Employment from 2003-2007 was analyzed to coincide with Missouri's growth period during the last business cycle and to control for more recent recessionary effects. However, third quarter 2009 employment and business closures were reviewed to see if a pattern had greatly diminished due to major



structural changes after the period of primary analysis.

Spot strengths were identified as high LQ and employment sectors where three or fewer companies employed over 80 percent of the industry's workforce. Spot firm employment or wage information cannot be disclosed due to confidentiality restrictions in the QCEW program. However, this report does try to identify those firm's connections to larger clusters where applicable.

Spot firms employ a large percentage of workers and attract supply chain industries. These businesses are so prominent in a local economy, think of "factory towns," that the firms can overshadow other regional industries. If a spot business moves out of an area then the industry concentration (LQ) leaves with it, thereby introducing a vulnerability to the region's economy.

Core cluster patterns takes into account the number of businesses

and employment within the region that make up an industry concentration. Cluster businesses are more diversified in firm count. Three or less firms do not account for over 80 percent of industry employment.

Core clusters benefit from the transfer of knowledge and a shared, skilled workforce that close proximity brings. Supply chains develop to serve these companies and competition keeps prices down. Experienced industry entrepreneurs periodically dream up better products, spin-off new local firms, and grow the economic core of a community.

While all companies are influenced by larger economic trends, having a number of similar businesses in an area helps diversify the risk and rewards as each company focuses on specialized products. These core cluster businesses collectively benefit from supporting services and workforce training that is tailored to common industry needs.

Heritage Business Park

Located in the heart of the Ozarks in South Central Missouri next to a four-lane highway, this mixed-use business park offers larger parcels suited for employment centers or distribution warehouses, as well as smaller parcels well matched for any number of business applications – all within close proximity to Kansas City, St. Louis and Memphis.

The park's location just north of West Plains on U.S. 63 is situated near major metropolitan areas but without the high costs, traffic and red tape that often come with doing business in the big city. An excellent highway system ties the Heritage Business Park to the U.S. freeway system. The West Plains Regional Airport is located adjacent to the park and Springfield/Branson National Airport is located within an easy two-hour drive from the park. Private aircraft fly in and out of the West Plains Regional Airport every day.

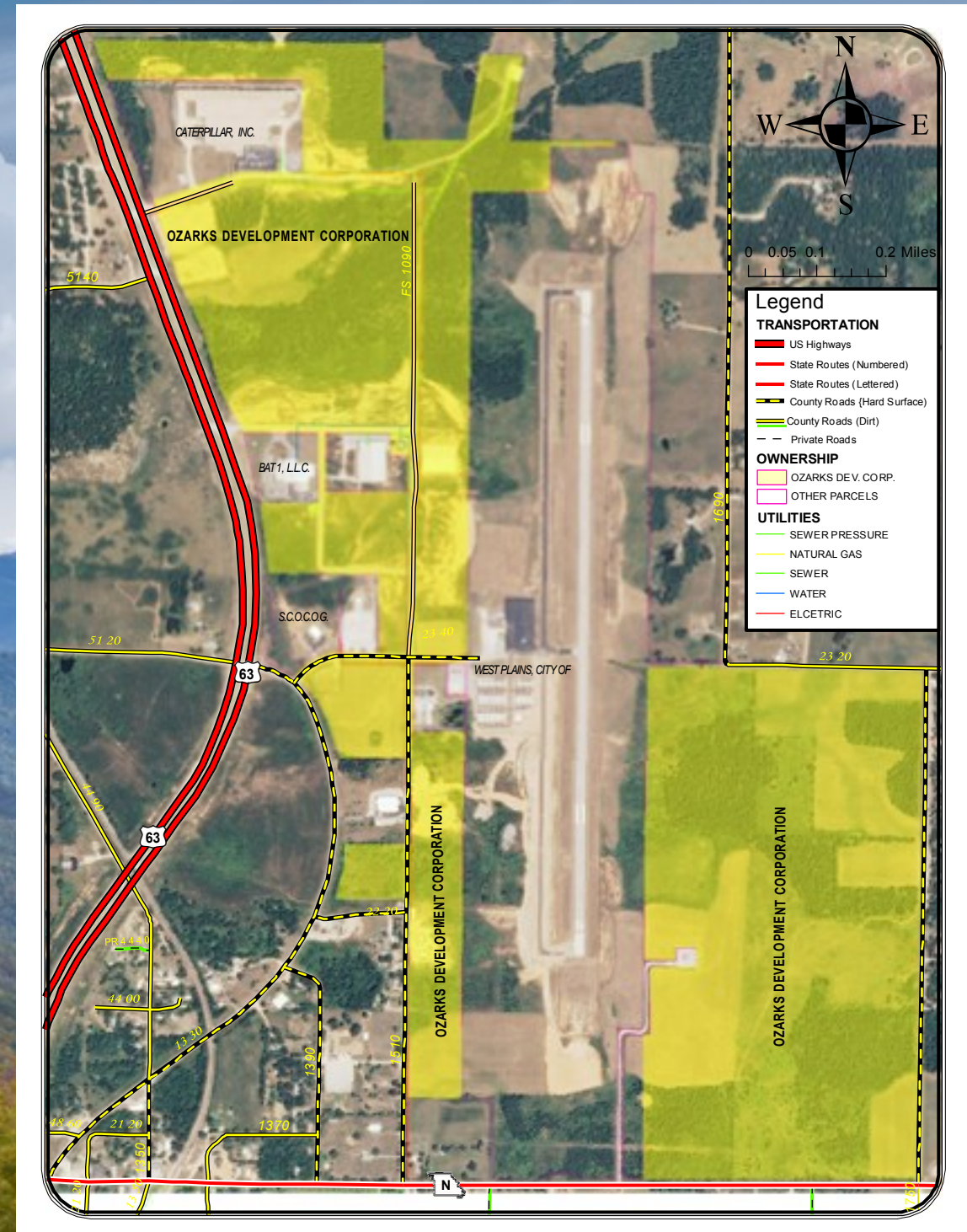
Several advantages add to the appeal of the Heritage Business Park for locating your business. Most notable are the low land and development costs, access to transportation, and cooperation of local and state governments, low taxes and wage rates.

Existing utilities include paved roads, sanitary and storm sewers. Water and sewer services are provided by the City of West Plains, a reliable source with ample capacity. Howell-Oregon Electric provides power, while Missouri Southern Gas is the natural gas provider.

The Heritage Business Park was created through the cooperation of Willow Springs, Mountain View, West Plains and Howell County, who felt the need to create a business park that would benefit the entire region. Since its inception, the park has thrived and has even become a model for other communities throughout the region.

The multi-city partnership, along with support from Howell County, has been responsible for building and selling a 63,000 square foot spec building, maintaining and developing the infrastructure and marketing a world-class business park that continues to improve the employment opportunities for the entire region.

A few of the businesses located within the park include Caterpillar, Pepsi, Robinson Steel and Great Rivers Distribution.



Incentives

Brief overview of the Economic Development Department

The City of West Plains Economic Development Department considers and implements programs and projects that enhance the community's economy and strengthens the fiscal resources of the city. The department represents the city on numerous local and regional organizations including the Industrial Development Corporation, Ozark Development Corporation, the Chamber of Commerce, and the Ozarks Small Business Incubator.

We understand that by supporting businesses expanding in West Plains, we're helping to strengthen the region's long term economic success.

We're committed to providing an integrated, solutions-based approach to business assistance that creates a foundation for entrepreneurs and companies to develop new ideas and foster economic opportunities for generations to come. Through comprehensive facilitation services, forward-thinking policies, and creative incentives, West Plains is creating an environment in which established and emerging companies will be able to flourish.

BUSINESS INCENTIVES

The State of Missouri and the City of West Plains provide a variety of programs to assist business growth and attraction. These programs include tax credits, grants, and exemptions are highlighted below. The Economic Development Department for the City of West Plains can assist your company with these programs. Please see the various programs offered below to find out how West Plains can assist you.

Tax Credits

Missouri Enhanced Enterprise Zone

West Plains features a Missouri Enhanced Enterprise Zone (EEZ). The EEZ incentives are designed to encourage job creation and investment by providing tax credits and local property tax abatement to new or expanding businesses located in an Enhanced Enterprise Zone.



Federal New Market Tax Credits (NMTX)

Federal New Markets Tax Credits (NMTX) are available to provide nontraditional financing for capital investments made by businesses (both for-profit and not-for-profit) as well as for the development of mixed-use, commercial, industrial and housing projects.

Historic Tax Credits

A 25% state investment tax credit for the "certified rehabilitation" of a "certified historic structure" used for commercial or residential purposes may be available. State historic investment tax credits may be carried forward for up to 10 years. A 20% federal investment tax credit, which may be carried forward up to five years, may be available for the same project. Both the state and federal tax credits may be sold.

Missouri Development Finance Board (MDFB) Tax Credit for Contribution

A donor may receive a 50 – 75% state tax credit for contributions for eligible local projects. In cooperation with the city, the donor makes a contribution to the MDFB, which, in turn, issues a state tax credit certificate to the donor for 50 – 75% of the amount of the contribution. MDFB typically grants the contribution to the city, which, in turn, typically uses the contribution for a project benefiting the original donor.

Quality Jobs Program

Most businesses are eligible if the average wages of new jobs created exceeds the average county wage and the company provides insurance benefits. The benefits of the program are retaining the state withholding tax of the new jobs, and tax credits (fully refundable or sellable). The amount of the benefit is based on a formula.

Rebuilding Communities Tax Credit Program

This program provides tax incentives for an existing, new or relocating (moving from outside an eligible area into an eligible area) business. The business may choose between a 40% income credit or a 40% specialized equipment credit, plus obtain a 1.5% employee credit.

Tax Abatement

Enhanced Enterprise Zone Local Property Tax Abatement

EEZ incentives are designed to encourage job creation and investment by providing tax credits and local property tax abatement to new or expanding businesses located in an Enhanced Enterprise Zone (EEZ). Eligible businesses may receive standard abatement of 50% property tax abatement for improvements made to real property up to the life of the zone. The current zone was just created several years ago and will not expire until 2032.

Chapter 353 Tax Abatement

Chapter 353 tax abatement is an incentive allowed by Missouri law to encourage the redevelopment of blighted areas through the abatement of real property taxes. A 100% abatement of new property taxes resulting from new construction or rehabilitation may be available for 10 years, with 50% abatement available during the following 15 years. Payments in lieu of taxes may be required by the city to reduce the amount of the abatement authorized by statute and to ensure no loss of existing property tax revenues by taxing jurisdictions such as the city and school district. Tax abatement is not available for personal property taxes on equipment or machinery.

Project Financing

SBA 504

The Small Business Administration's 504 loan program provides financing assistance for small businesses making fixed asset investments, for projects ranging from \$125,000 to several million dollars, which will create or retain jobs. With a 504 loan, a business obtains long-term financing at a fixed rate with a low down payment, typically 10%.

Industrial Revenue Bonds

The state's Single Issue Tax-Exempt Industrial Revenue Bond Program offers tax-exempt bonds for property acquisition, construction and/or equipment with an attractive

interest rate. The tax-exempt program is limited to loans ranging from \$400,000 to \$10 million for industrial, manufacturing, production, or related support industries. Except for the refinancing of outstanding bond issues, commercial, non-manufacturing, real estate, retail and service projects are not eligible for the program.

Some of the benefits of the program are lower interest rate that borrowers can obtain, typically below prime rate financing. Interest on the bonds is exempt from both federal income tax and Missouri income tax. Borrowers can also negotiate amortization terms directly with the provider of the credit enhancement. The maximum term depends upon the economic useful life of the facilities being financed. The Missouri Development Finance Board coordinates and administers the program.

BUILD Missouri

The BUILD Missouri Program is an incentive tool that allows the state to finance a portion of the costs of capital investments for eligible businesses which seek to locate or expand in Missouri. The incentives offered by the BUILD Missouri Program are designed to offset infrastructure and other capital costs of certain large projects by making the cost of investing in Missouri more competitive with other states and countries.



Missouri Linked Deposit Program

The Missouri Linked Deposit Program is administered by the State Treasurer's Office and provides investment deposits to state-approved banks that have made loans to businesses headquartered and operating in Missouri. The funds are invested by the state at a significantly reduced interest rate. That reduction in interest is passed on to the business to lower their loan interest rate by up to two to three percent.

Revolving Loan Program

The Revolving Loan Fund (RLF) operates, in principle, by issuing new loans as old loans are repaid. Although best suited to increasing credit access for viable firms that lack alternative funding sources, many RLF's are assisting local businesses in need of capital but financially nonviable. Usually, the RLF takes a second collateral position and the bank has a first collateral position.

The RLF assists small businesses with expansions which create or retain jobs in West Plains, when conventional bank financing is not possible. Because the bank has a first security interest and normally only 50% of the total financing, using the RLF can allow a small business to proceed with an expansion that would not occur otherwise. Several organizations within the community have RLF's available for businesses; South Central Ozarks Council of Governments (SCOCOG),

Howell-Oregon Electric Cooperative, City of West Plains, and several others that are in the process of creating funds to help with businesses start-ups.

Workforce Programs

Missouri Customized Training Program

The Missouri Customized Training Program helps new or expanding businesses recruit and train for newly created jobs. The program provides for retraining of existing workforces who require new skills due to changes in technology, products or services, or to improve quality and productivity. Job training allowances are available to qualifying businesses:

- Up to 100 percent of the company's classroom training costs can be reimbursed and,
- Up to 50 percent of an eligible trainee's wages for employees participating in on-the-job training at the work site may be reimbursed.

New Jobs Training Program

A portion of the withholding tax (approximately 2.5% for the first 100 jobs) generated by a new employer for approximately eight years is used to generate a bond that can be used to offset training cost.

Tax Redirection

Tax Increment Financing

Tax Increment Financing (TIF) is a financing and development tool that allows future real property taxes and other taxes generated by new development to pay for costs of construction of public infrastructure and other improvements. TIF encourages development of blighted, substandard and economically underutilized areas that would not be developed without public assistance.

Community Improvement District

Community Improvement District (CID) is a special purpose district in which property owners voluntarily tax themselves to fund a broad range of public improvements and/or services to support business activity and economic development within specified area. If the CID is organized as a political subdivision, the district can impose a sales tax of up to 1% on most retail and/or a real property tax. If CID is organized as a non-profit corporation; it may only impose special assessments to finance the cost of improvements and services. The district, if desired, may issue tax-exempt revenue bonds to finance capital improvement projects for up to 20 years.

Sales Tax Exemption

Sales and use taxes/exemptions

A state sales tax of 4.225% is imposed on all tangible personal property and taxable retail services, as well as certain leases and rentals. Businesses may deduct 2% of the amount due to the state if paid on time.

A state use tax equal to 4.225% is imposed only when tangible property comes into the state and is stored, used, or consumed in the state. The tax does not apply to items subject to or exempt from sales tax. Businesses may deduct 2% of the amount due if paid on time.

Industrial machinery and equipment

Exemptions from sales and use taxation are allowed for the following: machinery and equipment used to manufacture a product when purchased to establish a new or expand an existing facility, whether bought in Missouri or in another state; manufacturing machinery and equipment bought to replace similar existing manufacturing machinery and equipment; materials and supplies used to install the categories of exempt machinery and equipment mentioned above; railroad rolling stock used in interstate commerce; pumping equipment and machinery used by common carriers to propel products transported by pipeline; equipment used by common carriers for the



manufacture, maintenance, or repair of railroad rolling stock, aircraft, or motor vehicles; and aircraft purchased for use in interstate commerce by common carriers.

Industrial fuels and raw materials

The following are also exempt from sales and use taxes: materials, goods, parts, and machinery that become component parts of finished products; materials used to produce steel; motor fuel; fuel used by utilities to provide taxable services; and electricity consumed in the manufacturing process, provided the cost of the electricity exceeds 10% of total production costs.

Pollution-control equipment

Certified machinery, equipment, and devices that abate air or water pollution are exempt from sales and use taxes.

Training

The City of West Plains in partnership with the South Central Missouri Career Center and Missouri State University-West Plains (MSUWP) can help with career training, pre-employment screening and educational needs. The SCMCC can work with your company with all of your pre-employment needs, most of which are at no-cost to the employer. The SCMCC offers "on-the-job-training" which can fund up to 50% of the wages of the employees that are going through this program. As an added convenience, the SCMCC has

a state-of-the-art facility that is located just several miles from the Heritage Business Park. MSUWP offers a quality education that is readily transferable to all of the state's institutions of higher education. MSUWP has worked with local businesses in the past and will tailor a company's educational needs even to the point where they have offered classes at the workplace for area companies. As part of being committed to the community, MSUWP offers the "A+ Program." This can provide your employees' children the opportunity to attend the university right here in West Plains at no cost for tuition or common fees.



Education

Students of all ages and walks of life will find a wide variety of educational opportunities to choose from on campuses scattered across the city. One of the building blocks that is essential to community development is a quality educational system. West Plains has forged a strong commitment to learning. Nearly 3,000 students attend public school. However, the district boasts an enviable 16.5 student-to-teacher ratio -- just one of the reasons why the schools consistently achieve Triple A ratings.

Approximately 50 percent of all teachers have their master's degrees. Every student has access to current technology with roughly 700 computers in classrooms. The teachers are dedicated, the dropout rate is low and the completion rate is high. The goal of West Plains High School, a certified A+ school, is to provide a comprehensive program for college-bound students and technical preparations for furthering their education.

A valuable partner with the business community, the South Central Career Center offers full slate of work-related courses. The cooperation between industry and the school helps maintain the well educated workforce of the future. Complementing this effort is the Missouri Customized Training Program (MCTP).

MCTP recruits, tests and trains employees to meet the ever-changing needs of business. The custom designed courses are free of charge and MCTP will even pay half the employee's wages in many circumstances.

An impressive selection of college courses and degrees are offered on the Missouri State University-West Plains campus. The college also provides a variety of continuing education courses and select occupational programs. The enhanced technology center offers degree programs in cutting-edge technology. The MSU-West Plains Grizzly women's volleyball and men's basketball athletic programs are thriving. Both sports are affiliated with the National Junior College Athletic Association at the Division One level.

West Plains also offers a K-12 private school, Faith Assembly Christian School, with 21 years of academic excellence in a caring Christian atmosphere.

The city's close partnerships with all educational institutions lead to a seamless connection with business people. Enhancement of programs at all educational levels is a top community priority.



Missouri State University

Missouri State University-West Plains specializes in providing quality post-secondary education to students of all ages in the South Central Ozarks region of Missouri. Degree offerings include the Associate of Arts degree that is perfect for students who want to transfer into bachelor's degree programs, and several associate degrees for students who want to enter the workforce after two years of study. Some bachelor's and master's degree programs also are available at the West Plains campus through the Academic Outreach program at Missouri State University in Springfield.

The small campus environment with quality instruction in a relaxed, personal atmosphere is the hallmark of Missouri State-West Plains. Through classes that average 19 students, personalized classroom attention, educational support services and numerous opportunities to participate in extra-curricular activities, Missouri State-West Plains offers an atmosphere that promotes academic and personal success for students. The campus includes four classroom buildings, the campus library, bookstore, student center and residence hall. Historic Kellett Hall houses classrooms and administrative offices. M.O. Looney Hall is a three-story classroom building and houses the allied health programs. Melton Hall has a large

lecture hall and several science labs, classrooms and faculty offices. Lybyer Technology Center features a 60-station open computer lab, faculty offices and classrooms.

Flexible scheduling is available to meet students' individual needs. Classes are offered on a Monday / Wednesday and Tuesday / Thursday format to give students the opportunity to take a full load of courses while only coming on campus two days a week. Online courses allow students to complete assignments any time, day or night. Missouri State-West Plains is an excellent place to explore your educational options and discover your talents. Visit the campus and see for yourself why more than 2,000 students each year choose Missouri State-West Plains.

For more information, contact:

Toll Free: (888) 466-7897

Tel.: (417) 255-7255

www.wp.missouristate.edu



MSU-West Plains China Program

In June 2000, Missouri State University entered into an agreement with Liaoning Normal University to establish the LNU-MSU College of International Business on the campus of LNU. As an educational cooperation project between the two universities, the LNU-MSU received formal approval from the governing bodies of both universities, the Missouri State Board of Governors and the Bureau of Educational of Liaoning Province, China.

LNU-MSU CIB currently offers a two-year Associate of Arts degree in General Studies program offered through West Plains and a Bachelor of Science in General Business degree offered through COBA in Springfield. LNU-MSU programs are fully accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools.

LNU-MSU in Dalian has a diverse student body. Students from the U.S., Africa, Korea, Hong Kong, Indonesia, Mongolia, and all over Asia are currently attending LNU-MSU.

Chinese students at LNU-MSU are mainly from Liaoning province, others are from Beijing, Jilin, Guangdong, Hebei, Shanxi and other provinces. Chinese students enjoy the diverse cultural environment and take advantage of the opportunities to interact with fellow students and teachers from other countries or regions. LNU-MSU is truly an international school and they encourage students from all over the world to join in this truly unique educational experience.



MISSOURI STATE UNIVERSITY
WEST PLAINS
ESTABLISHED 1963

