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Small Cities Abuzz with Business in Nebraska

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Omaha and Lincoln are not the only places in Nebraska where new businesses are happening. Between 1996 and 1999 more than half of the new business starts in the state were outside Lincoln and Omaha. These small-city business starts were as likely, if not more likely, to survive as business starts in the state's major population centers, indicating considerable potential for economic development in communities across the state.

The first portion of this report summarizes business start-up activity from 1996 through 1999. With the assistance of the Labor Market Information Service of Nebraska Department of Labor, data were collected to identify the number of business starts and the numbers of jobs created, by city size and industry. Economic development efforts should be concentrated in communities and industries where prospects of survival are high and jobs created have significant impacts on the communities. The second part of

this report focuses on business starts that survived and their impacts on employment. Firms started in the fourth quarter of 1996 were tracked through the fourth quarter of 1999 to determine which firms survived. This enabled calculation of ratios of survivors to starts, by city size and industry, as well as ratios of jobs created by the businesses that survived.

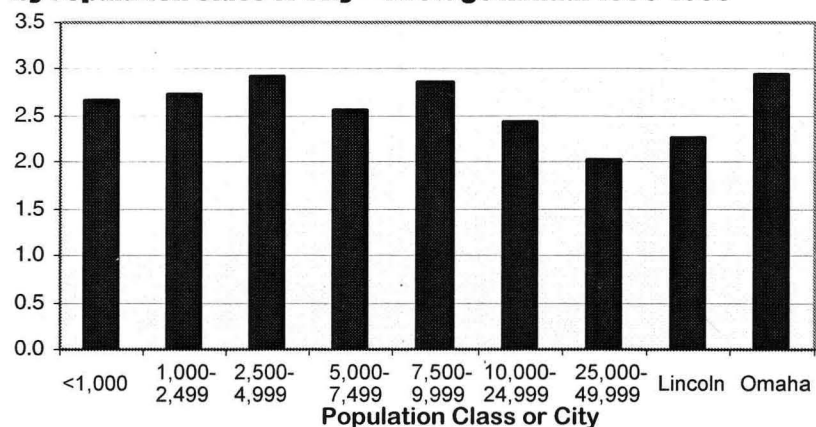
Business Starts

Business Starts by City Size

The prospects for the success of a new business in a particular location are determined by many factors, especially population. Thus, there were more business starts in Omaha than in any other community in the state. Consequently, adjustment of business starts data by city size provides a better measure of the potential for economic development in the state's smaller cities and towns than the number of starts alone (Figure 1).

These small-city business starts were as likely, if not more likely, to survive as business starts in the state's major population centers...

Figure 1
Number of Business Starts Per 1,000 Population,
by Population Class or City—Average Annual 1996-1999



There were stable rates of business starts across all population classes. Six of the nine classes showed starts ranging between 2.5 and 3.0 starts per thousand population per year. Cities with populations between 2,500 and 4,999 and 7,500 and 9,999 each had 2.9 starts per thousand population, which compared favorably with Omaha's rate of nearly 3.0 per thousand. Communities in the two lowest population classes had rates of starts higher than those in some larger cities. There is potential for economic development even in the state's smaller cities and towns.

Business Starts by City Size and Industry

Table 1 shows the distribution of business starts across industries and population classes. Statewide, business starts occurred most often in retail trade and other services. Retail trade accounted for 2,720, or 19.6 percent, of the state's 13,859 starts. Ranking close behind were other services with 2,583, or 18.6 percent, of all starts. Other services includes lodging, business services, automotive repairs, miscellaneous repair services, motion pictures, and amusement and recreation services. Professional service firm starts accounted for 15.3 percent, and ranked third. Professional services includes health services, legal services, education, social services, engineering, and

accounting services. The least number of starts occurred in agricultural services, 3.6 percent, manufacturing 2.9 percent, and mineral extraction, 0.2 percent.

A close look at each industry's share of all starts by population class suggests that new business opportunities may not vary with population, or may vary in different ways. Starts in the retail and wholesale trades and construction varied relatively little with population. As population increased, the relative frequency of starts in professional services and other services increased; therefore, opportunities for these types of services were more limited in smaller cities and towns than in larger communities, even after adjustment for population. Finally, starts in the remaining industries, agricultural services, finance, insurance, and real estate (FIRE), manufacturing, mineral extraction, and transportation, communication, and utilities (TCU) declined as population increased. This indicates that entrepreneurs in smaller cities and towns saw greater potential in these types of business than their peers in larger communities, after adjusting for population. View detailed information on the Bureau of Business Research website, www.bbr.unl.edu (see page 12 for a description).

Table 1
Statewide Business Starts, by Industry and Population Class or City,
Number and Percent Share—1996-1999

Industry	<1,000		1,000-2,499		2,500-4,999		5,000-7,499		7,500-9,999	
	Number	%	Number	%	Number	%	Number	%	Number	%
Agricultural Services	130	9.0	68	6.3	30	4.4	17	2.5	16	3.5
Construction	289	20.0	195	18.0	79	11.7	119	17.2	70	15.2
FIRE*	60	4.1	72	6.7	78	11.5	70	10.1	45	9.7
Manufacturing	66	4.6	34	3.1	21	3.1	28	4.0	14	3.0
Mineral Extraction	7	0.5	4	0.4	5	0.7	2	0.3	0	0.0
Other Services	171	11.8	148	13.7	90	13.3	118	17.1	68	14.7
Professional Services	118	8.2	145	13.4	118	17.4	111	16.0	75	16.2
Retail Trade	284	19.6	223	20.6	155	22.9	139	20.1	99	21.4
TCU**	205	14.2	112	10.4	57	8.4	46	6.6	44	9.5
Wholesale Trade	117	8.1	81	7.5	45	6.6	42	6.1	31	6.7
Total	1,447	100.0	1,082	100.0	678	100.0	692	100.0	462	100.0

Industry	10,000-24,999		25,000-49,999		Lincoln		Omaha		Statewide	
	Number	%	Number	%	Number	%	Number	%	Number	%
Agricultural Services	50	3.0	15	1.2	47	2.3	124	2.7	497	3.6
Construction	203	12.3	172	14.2	286	14.0	592	12.9	2005	14.5
FIRE*	157	9.5	153	12.6	225	11.0	584	12.7	1444	10.4
Manufacturing	49	3.0	30	2.5	54	2.6	103	2.2	399	2.9
Mineral Extraction	2	0.1	3	0.2	0	0.0	1	0.0	24	0.2
Other Services	315	19.1	231	19.1	431	21.1	1011	22.0	2583	18.6
Professional Services	274	16.6	170	14.0	374	18.3	737	16.0	2122	15.3
Retail Trade	373	22.6	274	22.6	393	19.3	780	16.9	2720	19.6
TCU**	115	7.0	89	7.4	103	5.1	272	5.9	1043	7.5
Wholesale Trade	109	6.6	73	6.0	126	6.2	398	8.6	1022	7.4
Total	1,647	100	1,210	100.0	2,039	100.0	4,602	100.0	13,859	100.0

*Finance, Insurance, and Real Estate

**Transportation, Communication, & Utilities

Employment Impact by Industry and City Size

Monthly employment was averaged to provide estimates of the jobs created by business starts and to provide a measure of the impacts of those starts on the economies of the host communities. During the study period, each business start typically added 8.5 jobs (Table 2). Manufacturing starts added the most jobs, 24.8 on average, followed by professional services with 12.7 new jobs, and retail trade with 11.3 new jobs. The lowest numbers of new jobs per business start were in the agricultural services industries, construction, and mineral extraction—4.1, 3.1, and 1.6 new jobs per start, respectively.

As noted, manufacturing starts created the most new jobs per start. Manufacturing was key to economic development. But, professional services starts created more jobs per start than manufacturing in some of the state's smaller communities. Professional services runs a respectable second in other communities, an indication that it holds potential for economic development in smaller cities and towns. Retail starts only began to exceed professional services as job generators in the state's larger cities.

Summary—Business Starts and New Jobs

Business starts per capita in Nebraska's smaller cities were almost as high as in Omaha, indicating potential for economic development in the smaller communities. Similarly, starts in retail and wholesale trade, and construction were equally likely to occur anywhere in the state. However, this pattern does not extend to all industries. Starts in services industries were more likely in larger cities. Starts in agricultural services, FIRE, manufacturing, mineral extraction, and TCU were more likely in

smaller cities and towns. This suggests that development planning should target those industries in smaller communities.

Starts in manufacturing, professional services, and retail trade created more jobs per start than any other industry in the state. Manufacturing created more jobs per start than other industries across a broad range of population classes. But, starts in the professional services created more jobs per start than manufacturing in two of the smaller population classes.

Business Survivors and Their Employment Impacts

Economic development efforts should be directed toward locations where business start-ups are likely to be successful and have significant impacts on employment. Firms begun in 1996 that were still operating in the fourth quarter of 1999 included successors to firms that began in 1996, because they were continuations of the original start-ups.

Table 3 (page 4) shows that in the fourth quarter of 1996 there were 585 start-ups. Three years later 354 of those firms were still operating—61 percent of original start-ups survived. Start-ups hired 8.5 employees and surviving firms employed 15.6 persons, on average, confirming the expectation that successful businesses expand employment.

The three industries with the highest survivor ratios were FIRE, with a survivor ratio of 79 percent; agricultural services, 78 percent; and professional services, 68 percent. Mineral extraction, TCU, and construction have the lowest survivor ratios—about 50 percent.

Business starts per capita in Nebraska's smaller cities were almost as high as in Omaha...

Table 2
Jobs Per Business Start, by Industry and Population Class or City—1996-1999

Industry	<1,000 Jobs Per Start	1,000-2,499 Jobs Per Start	2,500-4,999 Jobs Per Start	5,000-7,499 Jobs Per Start	7,500-9,999 Jobs Per Start	10,000-24,999 Jobs Per Start	25,000-49,999 Jobs Per Start	Lincoln Jobs Per Start	Omaha Jobs Per Start	Statewide Jobs Per Start
Agricultural Services	4.7	5.9	5.1	7.3	4.3	4.8	3.0	2.8	2.3	4.1
Construction	2.6	2.9	2.4	3.4	3.2	3.6	4.2	3.0	4.0	3.4
FIRE*	2.6	2.0	2.4	4.8	1.8	4.9	3.7	5.2	7.6	5.4
Manufacturing	4.5	33.8	52.9	9.8	14.1	20.5	79.8	39.3	13.2	24.8
Mineral Extraction	1.9	1.8	1.9	1.0	0	0.7	1.2	0.0	2.0	1.6
Other Services	2.7	3.0	3.1	3.9	9.4	9.9	9.1	7.1	9.5	7.8
Professional Services	10.9	13.5	13.1	12.5	11.8	14.0	13.2	8.2	14.7	12.7
Retail Trade	4.4	5.6	8.0	7.5	8.6	11.0	15.5	16.4	13.1	11.3
TCU*	1.8	2.4	2.2	3.9	2.2	4.4	4.1	5.5	7.0	4.2
Wholesale Trade	5.4	4.9	5.2	7.8	6.7	5.7	6.0	8.0	13.7	9.1
Average	4.0	6.1	7.5	6.5	7.0	9.1	10.0	9.1	10.1	8.5

*Finance, Insurance, and Real Estate

**Transportation, Communication, & Utilities

Table 3
Business Starts, Survivors, and
Jobs at Survivors, by Industry

Industry	Starts in 1996	Survivors in 1999	Survivor Ratio	Jobs in 1999	Jobs Per Survivor in 1999
Agricultural Services	9	7	78%	111	15.9
Construction	93	44	47%	214	4.9
FIRE*	47	37	79%	124	3.4
Manufacturing	21	13	62%	1,027	79.0
Mineral Extraction	2	1	50%	4	4.3
Other Services	126	82	65%	883	10.8
Professional Services	77	52	68%	2,387	45.9
Retail Trade	109	66	61%	593	9.0
TCU**	56	27	48%	78	2.9
Wholesale Trade	45	25	56%	98	3.9
Total	585	354	61%	5,518	15.6

*Finance, Insurance, and Real Estate

**Transportation, Communication, & Utilities

Industries where surviving firms had the greatest absolute impact on employment per firm were manufacturing, professional services, agricultural services, and other services. As with manufacturing and professional services start-ups, survivors in these industries ranked first and second in job creation across the state, with average monthly employment per survivor of 79 and 45.9 employees, respectively. Surviving agricultural service firms ranked third with 15.9 jobs per survivor, and other services ranked fourth with 10.8 jobs per survivor. Consequently, rankings among survivors were reasonably consistent with rankings among starts.

When information on survivor ratios and employment were combined, three industries were identified where economic development had little payoff. The low rates of survival of construction, mineral extraction, and TCU businesses, and the low number of jobs maintained by surviving firms in these industries, suggest development efforts would have been better spent elsewhere. Professional services, on the other hand, had a high survival ratio and high rates of employment. The aggregate number of jobs per surviving firm was skewed upward by employment in Omaha; but recall this industry created relatively high numbers of jobs per start in the state's smaller cities and towns.

Table 4 shows survivors by population class. Remarkably, survivor ratios in Nebraska's three smallest classes of cities equalled or exceeded survivor ratios in the state's largest cities. This indicates that the high population-adjusted rates of start-ups for the same three population classes were not unfounded (Figure 1). There is economic potential in some of the state's smallest communities. Survivor ratios among the state's middle-sized cities were variable, but averaged 57 percent, somewhat lower than the Omaha and Lincoln average of 62 percent. These findings strongly suggest that properly fashioned economic development efforts directed at the state's smaller cities are just as likely to be successful, if not more so, than efforts targeted at larger population centers.

Table 4 also shows adjustment for population to the monthly employment of surviving firms. The 2000 Census population data used for this adjustment were population of the city or town where the surviving business was located in 1999. The average monthly employment of surviving firms during the fourth quarter of 1999 was divided by population. The results for cities with populations of 2,500 to 4,999 were skewed by the success of one large establishment, just as the results for cities with populations of 25,000 to 49,999 were skewed by the collapse of two large establishments. But, the impacts of surviving firms on employment in the state's smaller communities was just as great, or greater than, that of the state's larger communities. Further, this sup-

Table 4
Business Starts, Survivors, and Jobs,
by Population Class or City

Population	Starts in 1996	Survivors in 1999	Survivor Ratio	Jobs in 1999	Jobs Per 1,000 Population	Popu- lation in Survivors' Cities
<1,000	63	39	62%	164	9.3	17,572
1,000-2,499	42	25	60%	150	4.7	32,025
2,500-4,999	17	11	65%	745	32.9	22,601
5,000-7,499	32	16	50%	150	3.0	49,597
7,500-9,999	22	15	68%	96	2.4	40,297
10,000-24,999	69	42	61%	523	3.1	169,655
25,000-49,999	32	16	50%	48	0.3	148,198
Lincoln	84	55	65%	356	1.6	225,581
Omaha	224	135	60%	3,285	8.4	390,007
Total	585	354	61%	5,518	5.0	1,095,533

ports the proposition that economic development efforts should not ignore the smaller communities in the state. Not only are business starts likely to survive, but also, those businesses will have noticeable impacts on employment opportunities in their communities.

Conclusion

Business men and women in Nebraska's smaller cities have made economic development happen. The principal finding is that economic potential, as measured by business starts per capita and survivor ratios in small cities, was as great as, or greater than, in major population centers. A secondary finding is that while the numbers of jobs created in small communities was limited, they are capable of producing relatively large increases in employment opportunities.

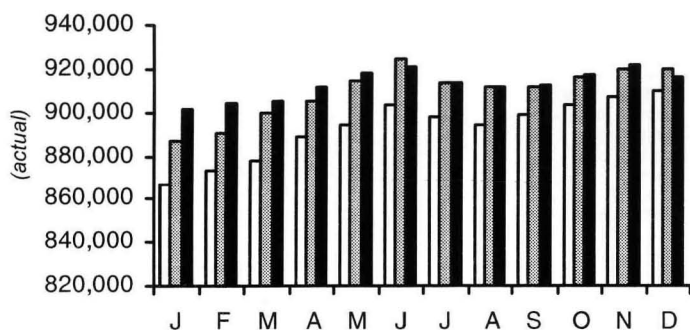
The potential of different industries as targets for economic development efforts in the state was examined. Construction, mineral extraction, and TCU (mainly trucking in this study) offer little potential. Industries with greater potential, even in small communities, are manufacturing, professional services, and retail trade.

Sometimes, economic development originates with a consultant or government agency. But, whatever its source, business men and women in Nebraska's smaller cities are very involved in the process. They are opening businesses that change the character of commercial life in their communities. They create jobs for new residents and longtime neighbors. The number of employees they hire may be small, but economic development policies should not overlook their importance.

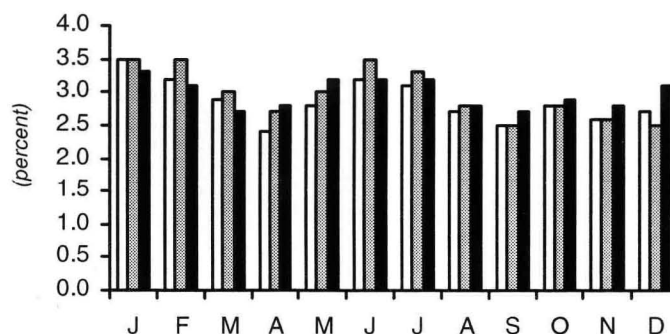
Nebraska Stats

□ 1999 ▒ 2000 ■ 2001

Total Nonfarm Wage & Salary Employment



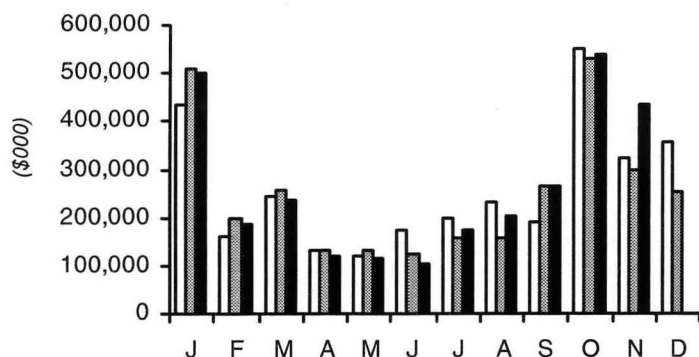
Unemployment Rate



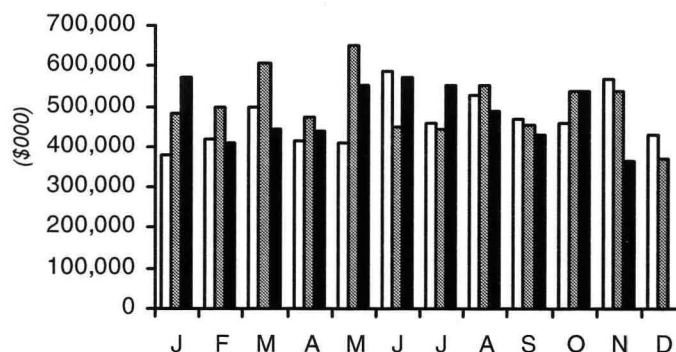
Note: All 1999 and January-March 2000 data are benchmarked. April-March 2000 data are estimates and will be benchmarked in early 2002. Data for April-December 2001 are estimates until benchmarked in 2003. All estimates are the most current revised data available.

□ 1999 ▒ 2000 ■ 2001

Cash Receipts—Crops



Cash Receipts—Livestock



Net Taxable Retail Sales* for Nebraska Cities (\$000)

	November 2001 (\$000)	YTD (\$000)	YTD % Change vs Yr. Ago		November 2001 (\$000)	YTD (\$000)	YTD % Change vs Yr. Ago
Ainsworth, Brown	1,655	18,616	7.6	Kenesaw, Adams	256	3,115	28.3
Albion, Boone	1,481	18,126	0.6	Kimball, Kimball	1,685	20,283	1.9
Alliance, Box Butte	5,626	62,974	-0.1	La Vista, Sarpy	12,498	113,781	1.4
Alma, Harlan	557	6,682	8.7	Laurel, Cedar	353	4,208	4.1
Arapahoe, Furnas	706	9,013	-0.7	Lexington, Dawson	7,382	85,286	3.3
Arlington, Washington	263	2,630	8.0	Lincoln, Lancaster	240,877	2,434,616	1.6
Arnold, Custer	241	2,810	-10.7	Louisville, Cass	393	5,241	-10.9
Ashland, Saunders	1,189	15,326	2.7	Loup City, Sherman	414	5,212	9.2
Atkinson, Holt	909	11,321	1.0	Lyons, Burt	458	4,920	-0.8
Auburn, Nemaha	2,583	26,775	2.0	Madison, Madison	795	9,183	1.8
Aurora, Hamilton	2,143	26,066	1.4	McCook, Red Willow	9,877	107,948	-14.6
Axtell, Kearney	56	849	26.2	Milford, Seward	718	10,993	14.9
Bassett, Rock	380	5,535	5.3	Minatare, Scotts Bluff	127	1,686	-2.7
Battle Creek, Madison	672	8,439	13.8	Minden, Kearney	1,613	20,680	3.5
Bayard, Morrill	413	4,914	2.4	Mitchell, Scotts Bluff	563	6,160	-3.2
Beatrice, Gage	12,712	134,336	4.5	Morrill, Scotts Bluff	475	5,730	-3.9
Beaver City, Furnas	111	1,332	-7.4	Nebraska City, Otoe	5,954	68,167	-0.3
Bellevue, Sarpy	26,705	271,709	21.5	Neligh, Antelope	1,214	15,278	4.2
Benkelman, Dundy	532	6,900	7.8	Newman Grove, Madison	301	3,361	9.3
Bernington, Douglas	509	6,923	2.9	Norfolk, Madison	34,014	349,768	2.4
Biair, Washington	7,324	82,740	10.1	North Bend, Dodge	436	5,867	6.9
Bloomfield, Knox	513	6,436	13.3	North Platte, Lincoln	25,013	272,456	3.7
Blue Hill, Webster	414	4,807	2.9	ONeill, Holt	4,188	49,169	0.8
Bridgeport, Morrill	1,044	12,423	-1.0	Oakland, Burt	583	6,623	3.2
Broken Bow, Custer	3,541	41,805	-0.3	Ogallala, Keith	5,176	64,194	3.8
Burwell, Garfield	934	10,637	17.7	Omaha, Douglas	514,890	5,568,856	2.6
Cairo, Hall	277	3,397	-1.2	Ord, Valley	1,940	23,389	5.3
Central City, Merrick	1,559	20,429	6.2	Osceola, Polk	403	5,557	1.2
Ceresco, Saunders	1,420	13,807	-5.2	Oshkosh, Garden	430	5,008	7.4
Chadron, Dawes	5,354	69,132	29.7	Osmond, Pierce	442	4,471	-4.4
Chappell, Deuel	482	5,248	0.2	Oxford, Furnas	361	4,642	-1.7
Clarkson, Colfax	319	4,361	-4.6	Papillion, Sarpy	7,755	83,612	4.1
Clay Center, Clay	167	2,386	-20.2	Pawnee City, Pawnee	302	3,266	1.9
Columbus, Platte	21,336	229,311	0.1	Pender, Thurston	651	8,653	2.7
Cozad, Dawson	2,991	32,936	-2.0	Pierce, Pierce	586	7,750	11.3
Crawford, Dawes	532	6,532	-0.4	Plainview, Pierce	872	7,523	0.4
Creighton, Knox	1,092	11,875	7.6	Plattsmouth, Cass	3,122	38,663	2.5
Crete, Saline	3,007	32,953	6.8	Ponca, Dixon	212	3,111	12.2
Crofton, Knox	335	4,781	15.7	Ralston, Douglas	3,446	38,805	7.7
Curtis, Frontier	376	4,321	11.9	Randolph, Cedar	390	4,576	5.7
Dakota City, Dakota	416	4,896	0.8	Ravenna, Buffalo	561	6,486	3.8
David City, Butler	1,431	18,351	4.6	Red Cloud, Webster	675	7,688	3.8
Deshler, Thayer	254	3,400	2.8	Rushville, Sheridan	383	4,597	-1.7
Dodge, Dodge	242	3,076	16.0	Sargent, Custer	243	2,603	11.1
Doniphan, Hall	1,041	8,378	-15.1	Schuyler, Colfax	1,752	21,350	5.3
Eagle, Cass	237	4,419	0.1	Scottsbluff, Scotts Bluff	23,593	249,967	3.4
Egin, Antelope	487	5,060	12.0	Scribner, Dodge	483	4,806	9.9
Eikorn, Douglas	1,974	26,219	2.4	Seward, Seward	4,739	51,728	-0.9
Elm Creek, Buffalo	391	4,235	2.2	Shelby, Polk	340	4,283	-1.7
Elwood, Gosper	238	3,045	-7.7	Shelton, Buffalo	398	5,183	11.9
Fairbury, Jefferson	3,054	32,901	-5.2	Sidney, Cheyenne	12,244	108,272	2.2
Fairmont, Fillmore	145	1,910	-8.4	South Sioux City, Dakota	8,190	92,518	7.1
Falls City, Richardson	2,936	28,668	3.4	Springfield, Sarpy	274	5,370	-23.8
Franklin, Franklin	529	6,372	3.8	St. Paul, Howard	1,362	15,679	12.4
Fremont, Dodge	24,620	262,378	0.5	Stanton, Stanton	628	7,119	5.8
Friend, Saline	370	6,004	12.2	Stromsburg, Polk	981	10,876	-4.8
Fullerton, Nance	547	6,164	6.4	Superior, Nuckolls	1,459	17,323	3.6
Geneva, Fillmore	1,316	16,450	6.9	Sutherland, Lincoln	343	4,373	-1.6
Genoa, Nance	294	3,582	12.3	Sutton, Clay	788	9,207	0.9
Gering, Scotts Bluff	3,969	47,584	2.9	Syracuse, Otoe	1,163	13,113	1.7
Gibbon, Buffalo	808	9,495	5.2	Tecumseh, Johnson	917	10,188	9.4
Gordon, Sheridan	1,707	17,758	1.2	Tekamah, Burt	998	11,916	7.0
Gothenburg, Dawson	2,317	27,720	2.2	Tilden, Madison	242	2,884	-4.4
Grand Island, Hall	55,775	594,260	1.5	Utica, Seward	382	4,146	21.6
Grant, Perkins	1,278	14,470	19.0	Valentine, Cherry	5,046	58,170	16.8
Gretna, Sarpy	2,902	34,310	6.4	Valley, Douglas	1,444	17,996	-1.6
Hartington, Cedar	1,596	18,904	13.0	Wahoo, Saunders	2,496	27,297	6.2
Hastings, Adams	20,523	228,305	-0.3	Wakefield, Dixon	215	3,952	4.8
Hay Springs, Sheridan	372	4,202	3.5	Wauweta, Chase	313	3,427	1.6
Hebron, Thayer	987	12,281	-16.0	Waverly, Lancaster	881	10,573	16.0
Henderson, York	580	7,780	6.3	Wayne, Wayne	3,569	43,776	6.9
Hickman, Lancaster	206	2,653	-4.3	Weeping Water, Cass	593	7,247	7.4
Holdrege, Phelps	4,086	50,170	2.5	West Point, Cuming	4,582	53,813	28.6
Hooper, Dodge	328	4,371	-0.1	Wilber, Saline	423	5,199	7.1
Humboldt, Richardson	276	3,553	0.5	Wisner, Cuming	628	7,277	1.1
Humphrey, Platte	736	8,921	8.7	Wood River, Hall	366	4,921	12.9
Imperial, Chase	1,730	20,466	4.7	Wymore, Gage	421	4,967	4.7
Juniata, Adams	233	2,792	12.1	York, York	9,579	111,078	-0.4
Kearney, Buffalo	38,707	402,335	3.9				

*Does not include motor vehicle sales. Motor vehicle net taxable retail sales are reported by county only.

Source: Nebraska Department of Revenue

Net Taxable Retail Sales for Nebraska Counties (\$000)

Motor Vehicle Sales				Other Sales			Motor Vehicle Sales				Other Sales		
	November	YTD		November	YTD			November	YTD		November	YTD	
	2001	YTD	% Chg. vs	2001	YTD	% Chg. vs		2001	YTD	% Chg. vs	2001	YTD	% Chg. vs
	(\$000)	(\$000)	Yr. Ago	(\$000)	(\$000)	Yr. Ago		(\$000)	(\$000)	Yr. Ago	(\$000)	(\$000)	Yr. Ago
Nebraska	307,125	2,646,589	9.0	1,481,571	16,183,080	2.1	Howard	1,240	9,799	-3.0	1,676	19,810	10.2
Adams	4,683	41,874	1.7	21,214	236,888	0.1	Jefferson	1,566	12,948	1.1	4,030	44,950	-2.6
Antelope	1,293	12,540	11.2	2,099	25,191	7.7	Johnson	664	6,303	11.4	1,251	13,776	6.6
Arthur	55	833	13.3	(D)	(D)	(D)	Kearney	1,106	11,723	3.6	1,763	22,808	3.9
Banner	126	1,926	14.5	(D)	(D)	(D)	Keith	1,922	15,771	4.4	5,698	70,650	3.6
Blaine	79	1,227	-11.1	(D)	(D)	(D)	Keya Paha	248	1,983	10.5	113	1,517	16.1
Boone	1,327	10,994	12.9	1,973	23,806	1.9	Kimball	1,003	7,479	1.2	1,707	20,777	2.2
Box Butte	1,862	18,956	12.0	5,935	66,699	0.4	Knox	1,319	13,459	5.4	2,608	30,601	7.9
Boyd	395	3,342	15.9	462	6,315	5.2	Lancaster	38,790	342,198	7.0	243,898	2,474,961	1.9
Brown	556	5,716	0.4	1,752	19,784	6.7	Lincoln	5,299	52,326	8.0	25,883	283,675	3.6
Buffalo	7,776	65,380	9.3	41,409	433,056	4.1	Logan	170	2,010	24.2	(D)	(D)	(D)
Burt	1,585	13,421	12.7	2,584	27,849	11.1	Loup	218	1,437	42.4	(D)	(D)	(D)
Butler	1,602	13,019	11.0	1,802	23,254	3.4	McPherson	60	1,219	16.7	(D)	(D)	(D)
Cass	5,814	44,058	6.5	5,742	73,160	0.7	Madison	5,670	47,708	6.2	36,077	374,370	2.6
Cedar	1,693	14,938	1.4	2,709	31,417	10.8	Merrick	1,381	12,059	0.4	2,176	28,541	6.5
Chase	651	8,191	-3.9	2,051	24,146	2.9	Morrill	872	9,142	6.9	1,480	17,718	0.5
Cherry	1,596	11,685	14.1	5,244	60,559	16.0	Nance	695	6,081	9.5	893	10,296	10.6
Cheyenne	1,370	16,812	-2.4	12,504	111,790	2.2	Nemaha	1,350	12,403	13.5	2,841	30,092	2.5
Clay	1,190	11,713	-1.3	1,726	22,586	-0.8	Nuckolls	934	7,734	8.7	2,352	27,247	8.9
Colfax	1,313	13,958	0.1	2,475	30,580	2.5	Otoe	3,083	24,010	4.9	7,448	86,296	0.4
Cuming	1,874	16,513	1.4	5,711	66,909	21.6	Pawnee	476	4,961	14.8	511	5,516	3.3
Custer	2,172	19,962	9.7	4,540	54,114	-0.2	Perkins	559	6,735	1.6	1,484	17,207	17.3
Dakota	3,462	28,537	9.5	9,162	104,435	6.9	Phelps	1,919	18,159	7.9	4,355	53,696	3.4
Dawes	1,127	11,684	14.9	5,886	75,667	26.4	Pierce	1,583	11,689	6.5	1,994	20,725	3.4
Dawson	3,958	36,504	-2.4	13,091	151,176	1.6	Platte	5,664	48,054	1.6	22,647	245,304	0.4
Deuel	472	3,767	-0.3	1,117	12,233	2.2	Polk	1,018	9,444	-10.1	1,857	22,252	-2.3
Dixon	1,245	10,142	18.3	521	8,345	6.8	Red Willow	1,712	18,084	0.3	10,174	111,569	-14.4
Dodge	6,145	54,608	10.5	26,358	283,895	1.0	Richardson	1,651	13,333	7.5	3,398	34,729	3.3
Douglas	84,695	691,996	13.6	524,050	5,677,801	2.6	Rock	367	3,627	9.8	388	5,672	4.2
Dundy	539	4,939	20.5	535	6,998	6.4	Saline	2,359	19,914	7.2	4,113	48,335	7.2
Fillmore	1,375	11,596	3.4	2,012	26,808	4.9	Sarpy	28,160	224,822	18.7	54,942	554,979	12.9
Franklin	956	6,191	14.5	725	9,196	4.0	Saunders	4,164	34,557	6.0	6,379	71,271	2.6
Frontier	646	6,094	12.8	731	8,040	9.3	Scotts Bluff	5,901	56,110	11.9	28,803	312,026	3.0
Furnas	846	9,323	-0.4	2,025	25,323	2.9	Seward	2,776	24,695	5.6	6,079	69,900	3.0
Gage	3,268	34,293	12.0	14,138	151,723	6.5	Sheridan	1,198	10,022	8.0	2,700	30,059	1.6
Garden	415	3,964	10.0	603	7,274	4.7	Sherman	456	5,496	16.3	536	6,791	8.1
Garfield	372	2,788	10.7	934	10,637	17.7	Sioux	438	3,134	-4.3	118	1,381	-5.5
Gosper	762	4,461	17.9	311	3,795	-4.4	Stanton	1,161	9,724	21.3	797	9,556	11.0
Grant	297	1,818	12.0	290	3,290	12.3	Thayer	899	9,233	2.0	1,743	21,861	-9.7
Greeley	387	4,290	7.8	582	7,681	6.1	Thomas	201	1,542	-0.5	355	3,290	11.3
Hall	8,395	77,234	0.6	57,735	614,838	1.2	Thurston	590	5,260	6.5	761	10,300	3.2
Hamilton	1,588	14,896	-5.2	2,410	29,778	1.2	Valley	967	7,437	13.3	2,169	25,848	3.9
Harlan	698	6,828	21.1	726	9,421	8.4	Washington	5,031	38,224	14.5	8,122	91,896	10.1
Hayes	414	2,321	9.2	(D)	(D)	(D)	Wayne	1,309	12,983	9.9	3,701	45,460	6.9
Hitchcock	631	5,582	-1.7	509	7,191	3.8	Webster	784	6,292	5.5	1,201	14,022	3.6
Holt	2,225	17,810	-2.9	5,634	67,762	0.4	Wheeler	227	2,001	24.8	57	854	-26.4
Hooker	123	1,293	-2.9	231	4,507	-0.1	York	2,239	22,551	4.0	10,514	123,153	-0.6

*Totals may not add due to rounding
(D) Denotes disclosure suppression

Source: Nebraska Department of Revenue

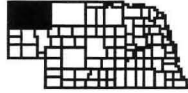
Note on Net Taxable Retail Sales

Users of this series should be aware that taxable retail sales are not generated exclusively by traditional outlets such as clothing, discount, and hardware stores. While businesses classified as retail trade firms account for, on average, slightly more than half of total taxable sales, sizable portions of taxable sales are generated by service establishments, electric and gas utilities, wholesalers, telephone and cable companies, and manufacturers.

Regional Nonfarm Wage and Salary Employment* 1999 to December** 2001

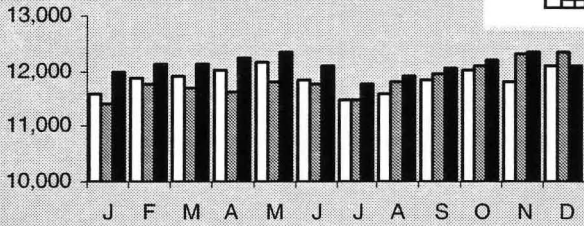
1999 2000 2001

Northwest Panhandle

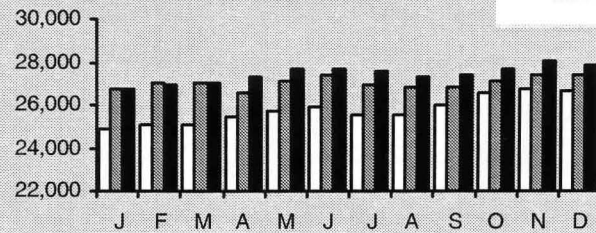
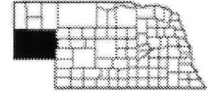


Note to Readers

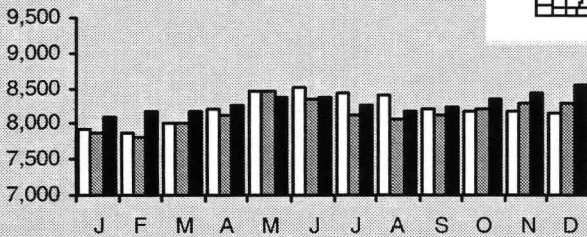
The charts on pages 8 and 9 report nonfarm employment by place of work for each region.



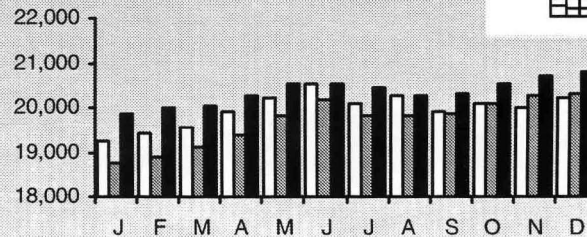
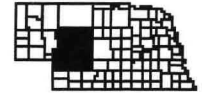
Southwest Panhandle



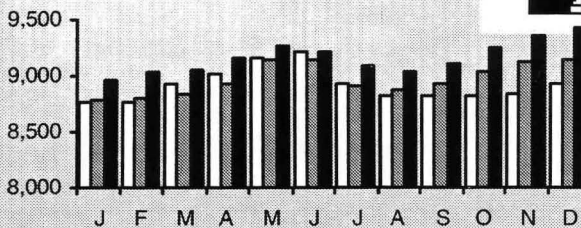
North Central



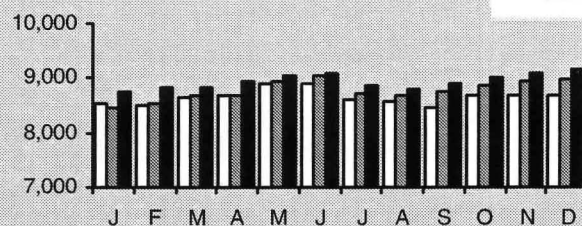
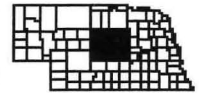
West Central



Southwest Central



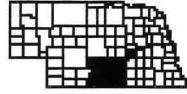
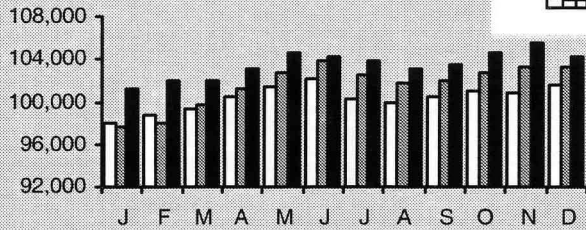
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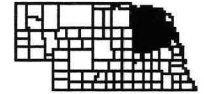
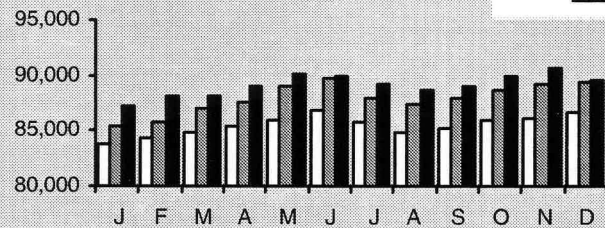
Regional Nonfarm Wage and Salary Employment* 1999 to December** 2001

1999 2000 2001

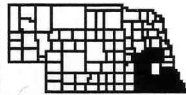
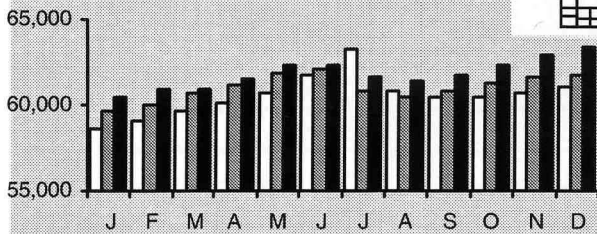
Southeast Central



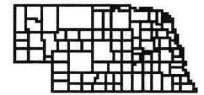
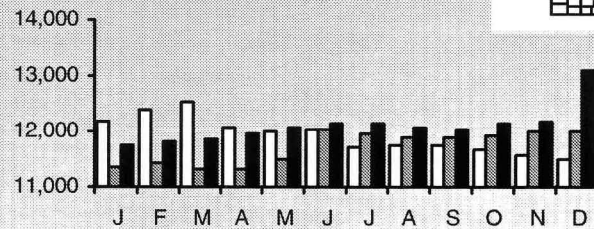
Northeast



Southeast

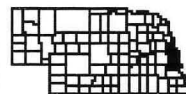


Sioux City MSA Nebraska portion only

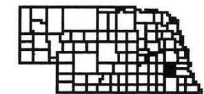
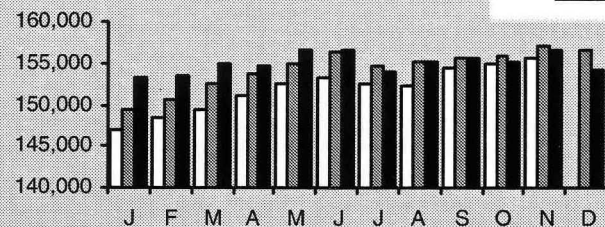


Omaha MSA

Nebraska portion only



Lincoln MSA



*By place of work

**Current month data are preliminary and subject to revision

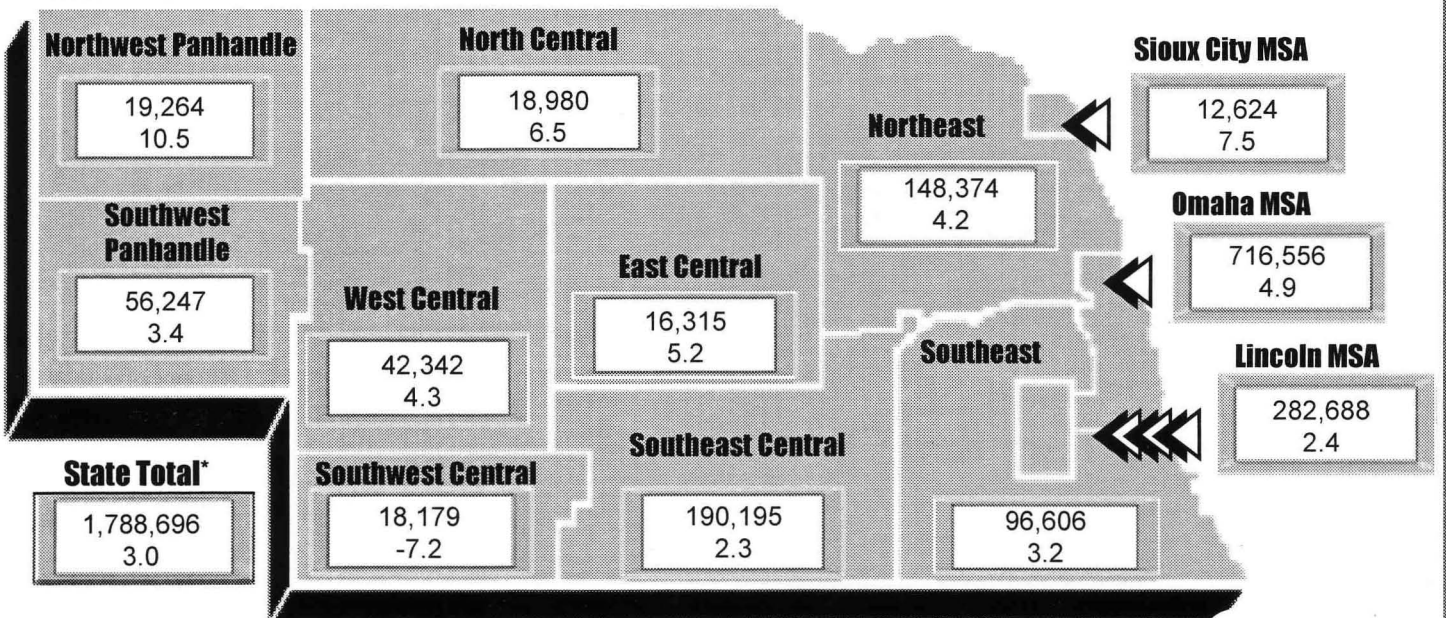
***Previously, other than Nebraska data were included in the Omaha and Sioux City MSA

Note: January-March 2000 monthly employment data are benchmarked. April 2000-March 2001 data are estimates and will be benchmarked in early 2002. Data for April-December 2001 are estimates until benchmarked in early 2003. All estimates are the most current revised data available.

Source: Nebraska Department of Labor, Labor Market Information - Kathy Copas

November 2001 Regional Retail Sales (\$000)

YTD Change vs Yr. Ago



*Regional values may not add to state total due to unallocated sales
Source: Nebraska Department of Revenue

State Nonfarm Wage & Salary Employment by Industry*

	December 2001
Total	916,092
Construction & Mining	41,974
Manufacturing	115,152
Durables	53,403
Nondurables	61,749
TCU**	57,597
Trade	216,829
Wholesale	52,568
Retail	164,261
FIRE***	62,294
Services	263,966
Government	158,280

*By place of work

**Transportation, Communication, and Utilities

***Finance, Insurance, and Real Estate

Source: Nebraska Department of Labor, Labor Market Information

Note: January-March 2000 monthly employment data are benchmarked. April 2000-March 2001 data are estimates and will be benchmarked in early 2002. Data for April-December 2001 are estimates until benchmarked in early 2003. All estimates are the most current revised data available. Labor force data for 2000 and 2001 will be revised.

Consumer Price Index

Consumer Price Index - U*
(1982-84 = 100)
(not seasonally adjusted)

	February 2002	% Change vs Yr. Ago	YTD % Change vs Yr. Ago (inflation rate)
All Items	177.8	1.1	1.1
Commodities	148.1	-1.7	-1.6
Services	207.3	3.1	3.1

*U = All urban consumers

Source: U.S. Bureau of Labor Statistics

Inflation Rate

1.1

State Labor Force Summary*

	December 2001
Labor Force	924,284
Employment	895,308
Unemployment Rate	3.1

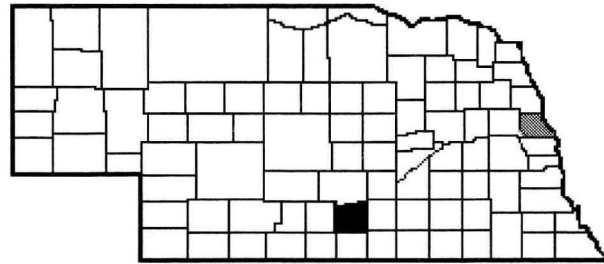
*By place of residence

Source: Nebraska Department of Labor, Labor Market Information

County of the Month

Kearney

Minden - County Seat



Next County of Month

License plate prefix number: 52

Size of county: 519 square miles, ranks 75th in the state

Population: 6,882 in 2000, a change of 3.8 percent from 1990

Per capita personal income: \$26,176 in 1999, ranks 10th in the state

Net taxable retail sales (\$000): \$35,786 in 2000, a change of 3.5 percent from 1999; \$34,531 from January through November 2001, a change of 3.8 percent from the same period the previous year

Unemployment rate: 2.2 percent in Kearney County, 3.0 percent in Nebraska in 2000

	State	Kearney County
Nonfarm employment (2000)¹:	909,543	1,918
(wage & salary)	(percent of total)	
Construction and Mining	5.0	5.4
Manufacturing	13.2	8.5
TCU	6.4	2.6
Wholesale Trade	6.0	7.3
Retail Trade	18.0	13.9
FIRE	6.7	4.1
Services	27.7	32.0
Government	17.0	26.3

Agriculture:

Number of farms: 492 in 1997; 502 in 1992; 608 in 1987

Average farm size: 650 acres in 1997; 618 acres in 1992

Market value of farm products sold: \$196.6 million in 1997 (\$399,506 average per farm); \$155.7million in 1992 (\$310,191 average per farm)

¹By place of work

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, Nebraska Department of Labor, Nebraska Department of Revenue.

bulletin board

Nebraska's Business Starts and Their Employment Impacts—1996-1999



See the BBR website for in-depth detail concerning new business starts and those that survive.

View charts that show the relative frequencies of business starts in Nebraska, by industry from 1996 through 1999. The charts show which industries have stable, increasing, and declining frequencies of new business starts, by population class or city.

See
www.bbr.unl.edu
for
Consumer Price
Index
(CPI)

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