

# WEST MICHIGAN GROWTH STATISTICS

**April 2004**



**111 Pearl Street NW  
Grand Rapids, Michigan 49503  
Phone: 616.771.0325  
Fax: 616.771.0329**

**Homepage: [www.rightplace.org](http://www.rightplace.org)**

## **West Michigan . . . The Right Place**

Building on its strong traditions of entrepreneurship, innovation, community involvement, civic pride, family orientation, and a famous work ethic, West Michigan is thriving, vibrant, and progressive. The facts about the metropolitan area (Kent, Ottawa, Muskegon and Allegan Counties) are impressive:

- ◆ Grand Rapids-Muskegon-Holland MSA ranks **No. 3** in the **World Knowledge Competitiveness Index**. Published by Robert Huggins Associates, the 2004 *Index* of 129 world regions is a benchmark of the knowledge capacity, capability, and sustainability of a region.
- ◆ More importantly, the Index recognizes how West Michigan turns its knowledge into commercial and economic value.

Rank	Index Category
# 3	<b>World Knowledge Competitive Index—Overall ranking</b>
# 3	<b>Regional Ratio of Knowledge Intensity—Overall ranking</b>
# 1	Research and Development Expenditure by Business Per Capita
# 1	Private Equity Investment Per Capita
# 6	Economic Activity
# 7	Investment in Primary and Secondary Education Per Capita
# 8	Employment in the Biotechnology and Chemicals Sectors
# 10	Employment in Automotive and Mechanical Engineering Sectors

- ◆ West Michigan leads in Wireless! Amongst U.S. cities and regions with the greatest wireless Internet accessibility, our region placed in the **top 100** according to Intel's **Most Unwired Cities** 2003 survey. As a wireless leader in the country, businesses and residents have greater freedom to access information and entertainment on notebook PCs via wireless Internet connections.
- ◆ Amongst major labor markets of 500,000 or more workers, the metropolitan area is **No. 1** in manufacturing employment share according to 2003 U.S. Bureau of Labor Statistics data. Over 23% of all area workers are employed in the manufacturing sector.
- ◆ In *Entrepreneur* magazine and Dun & Bradstreet's 9<sup>th</sup> Annual "Best Cities for Entrepreneurs" survey conducted in 2002, the Grand Rapids area **ranked 4th** amongst the top cities in the Midwest. In the top nationwide large cities' category, Grand Rapids area ranked **No. 41**. Criteria included the number of businesses that are five years old or younger, small-business growth amongst businesses with 20 or fewer employees, economic growth over a three-year period and risk (cities with the lowest business failure rates).
- ◆ We're **No. 2** in giving! Residents in the Grand Rapids-Muskegon-Holland area are the second most generous in the nation, according to a new study by the *Chronicle of Philanthropy* ranking charitable giving in major metropolitan areas. West Michigan residents gave nearly 10 percent of household income to religious and nonprofit causes.
- ◆ **West Michigan is a fun place to be!** *Places Rated Almanac* ranked the area **No. 3** in the fun and recreation category. Residents embrace every form of family entertainment especially boating, sailing, fishing, camping, snow skiing, and golfing.
  - As a matter of fact, the Grand Rapids-Muskegon-Holland area boasts **the highest percentage of golfers per capita in the U.S.!** Well-attended and many times sold-out sports, recreational, musical, theatrical and artistic events resulted in *Amusement Business* magazine naming Van Andel Arena the best venue in the 10,000 to 15,000 seat category based on revenues.

**West Michigan—a Community That Gets It Right!** *Crain's Business*

# Knowledge-Based, Innovative, Entrepreneurial Community

## West Michigan ranks #3 in the World Knowledge Competitiveness Index 2004!

The region's high ranking amongst 129 of the world's most competitive regions indicates the capacity for businesses and individuals in the region to create, understand, and utilize knowledge for innovative products and services.

### Top Rankings

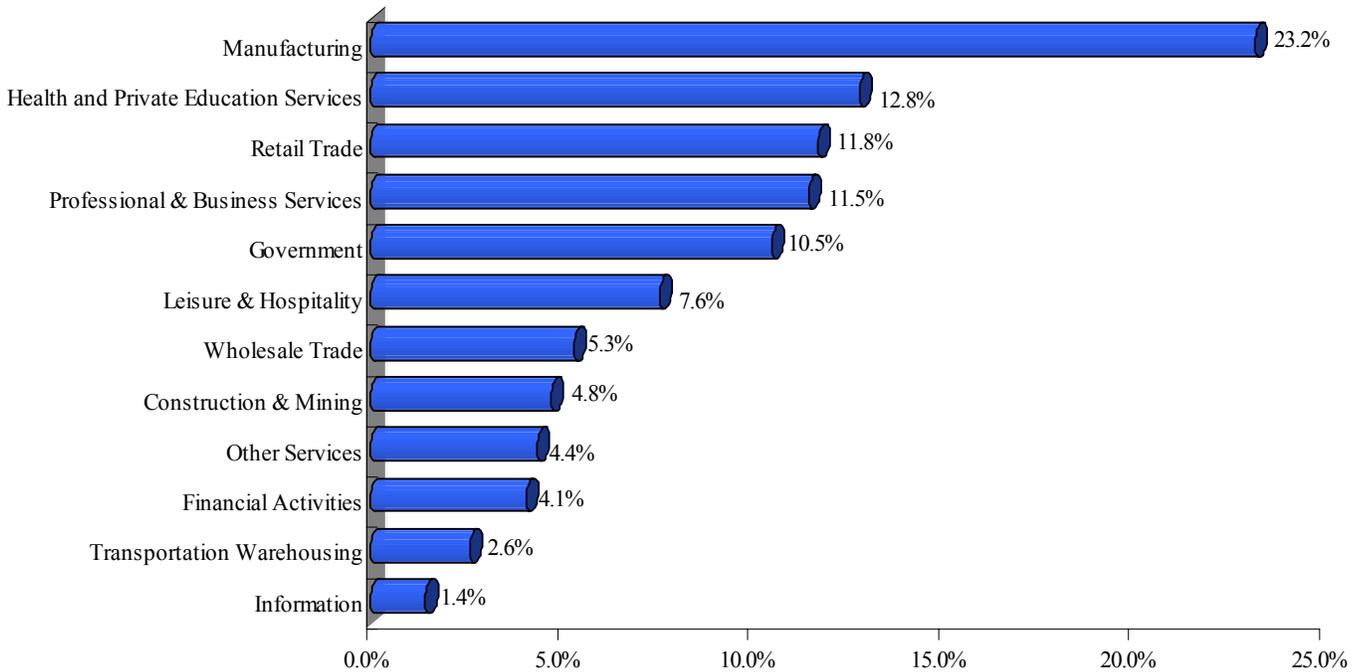
- # 3 World Knowledge Competitive Index
- # 3 Regional Ratio of Knowledge Intensity
- # 1 Research and Development Expenditure by Business Per Capita
- # 1 Private Equity Investment Per Capita

- ◆ In the past 10 years, **job growth** in the area has **grown 19%**, creating **89,200 new jobs**, compared to 10.1% employment growth for Michigan and 17.1% for the United States.

#### World Knowledge Competitive Index

- An integrated and overall benchmark of the knowledge capacity, capability, and sustainability of a region.
- Indicates the region's capacity for creating new ideas.
- Indicates that human capital, knowledge capital, and financial capital are closely combined together to create and utilize knowledge for the creation of commercial value.

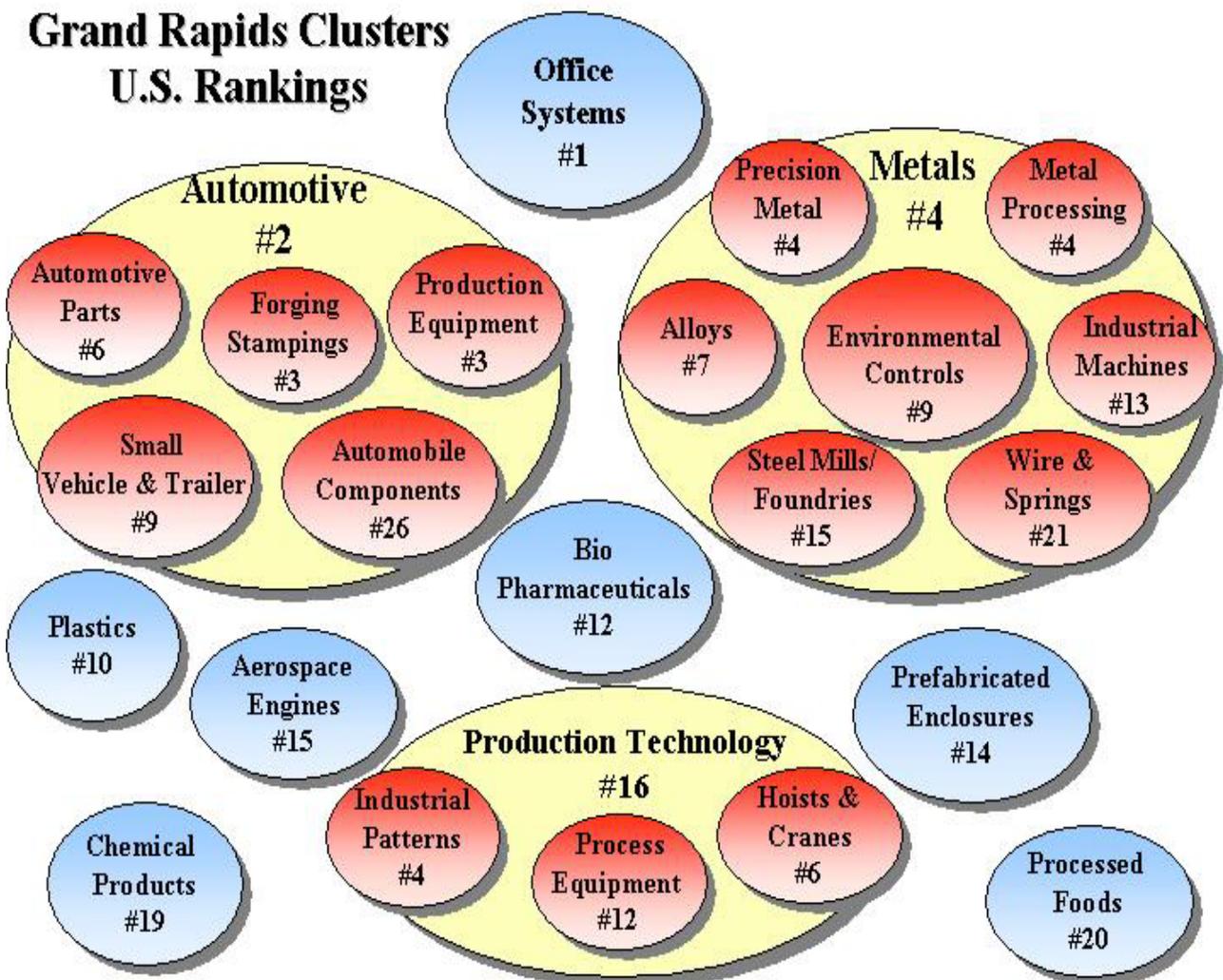
## West Michigan Wage & Salary Employment — 2003



Source: Michigan Department of Labor and Economic Growth

## Competitive Clusters

- ◆ As the global economy has evolved, West Michigan area manufacturers have leveraged their core competencies by not only becoming “adopters” of technology but “producers” as well. The benefits of local companies embracing world-class practices are innovations, reduction in manufacturing costs, faster cycle times, working capital reductions, better quality, less waste, adoption of sustainable environmental practices, and efficiencies in overall supply chain management.
- ◆ Amongst major labor markets of 500,000 or more workers, Grand Rapids-Muskegon-Holland metropolitan statistical area ranks **No. 1** in manufacturing employment share according to U.S. Bureau of Labor Statistics 2003 data.
- ◆ Woods & Poole Economics Inc. predicts that for the next 25 years Grand Rapids will continue to rank in the top 10 metropolitan manufacturing employment concentration areas.
- ◆ West Michigan leads the nation in many manufacturing sectors. In the *Clusters of Innovation Project* conducted by the Institute for Strategy and Competitiveness at Harvard Business School, geographic interconnected companies, specialized suppliers, service providers, and associated institutions across the country were mapped, identifying regional clusters. The chart below highlights our competitive strengths.



Source: Cluster Mapping Project, Institute for Strategy & Competitiveness, Harvard Business School, 2001 data

## Research, Innovation, and Design

*West Michigan products and people impact everyone's daily life—from home to work to play.*

Approximately **2,300 manufacturing** establishments operate in the West Michigan. These companies possess a high level of engineering and manufacturing know-how, intellectual property, product design, and productive workers.

**Office Systems:** West Michigan is the **Office Furniture Capital** of the World. More importantly, companies such as Steelcase, Herman Miller, Haworth and Knoll are leaders in their knowledge of working, healing, and living environments. They help transform ways people work into more productive, creative environments.

**Automotive:** In addition to the **#2 in the Automotive Supplier** cluster ranking by Harvard Business School, **10 times** local automotive suppliers have been awarded the prestigious *Automotive News Pace Award*, presented annually to companies that have demonstrated a commitment to value-driven innovation in product, technology, process and management practices.

Other than the Detroit area, no other community can boast about winning so often. Pace winners include Benteler, Gentex, Johnson Controls, Rapid Design, and Shape Corporation.

**Life Sciences:** The region ranks **#12** in the nation in **Biopharmaceuticals** due to Van Andel Research Institute, a \$200 million world-class-medical research focusing on molecular oncology, Alticor, J B Laboratories, Perrigo, Pfizer, Welch Laboratories, and Zeeland Chemicals.

As the western link to the Michigan Life Sciences Corridor, Grand Rapids in conjunction with the Van Andel Research Institute and Grand Valley State University recently launched the **West Michigan Science and Technology Initiative**. The Institute will serve as a **hub for technology and product development** assistance in the Grand Rapids area as well as provide incubator space for biotechnology companies.

**Sustainable Development:** In an increasingly environmentally conscious world, Greater Grand Rapids area businesses are embracing Sustainable Business practices that eliminate waste and toxic materials and create recyclable products. Companies such as Steelcase, Herman Miller, Haworth, and Cascade Engineering are leaders in Sustainable Business practices.

The Sustainable Business Degree from Aquinas College is one of the first of its kind in the United States.

**Alternative Energy:** Grand Valley State University's 40,000-square-foot **Michigan Alternative and Renewable Energy Center** (MAREC) is a research and business incubator dedicated to the research and development of renewable energy. Located in Muskegon, the facility will be completely self-sufficient, producing its own electricity, hot water, heating, and air conditioning.

Current research projects include advanced chemical abatement technology that destroys hazardous chemicals emitted during the production of LED (light-emitting diodes) and fuel cell technologies..

### INNOVATORS

- **Office Furniture Capital** of the world.
- **#2 Automotive Supplier** cluster in country.
- **Electrochromics Automotive Mirror Capital** of the world. Automatic dimming mirrors and lights are becoming standard features on luxury and mid-size cars.
- **Life Sciences:** Ranks #12 in the nation.

**Van Andel Research Institute**, launched only 3 years ago, ranks **#3** in the Midwest in obtaining research dollars.

- **Sustainable Development and Green Buildings.** One of the nation's leaders in **Sustainable Development**. Ranks #7 in the U.S. in registered Green Building projects.
- **Design Center:** Nearly 90% of the **world's furniture designers** hail from Grand Rapids-based Kendall College of Art and Design.

#### ◆ **Fortune 1000 Companies:**

Spartan Stores	#496
Steelcase	#587
Universal Forest Products	#734
Herman Miller	#927

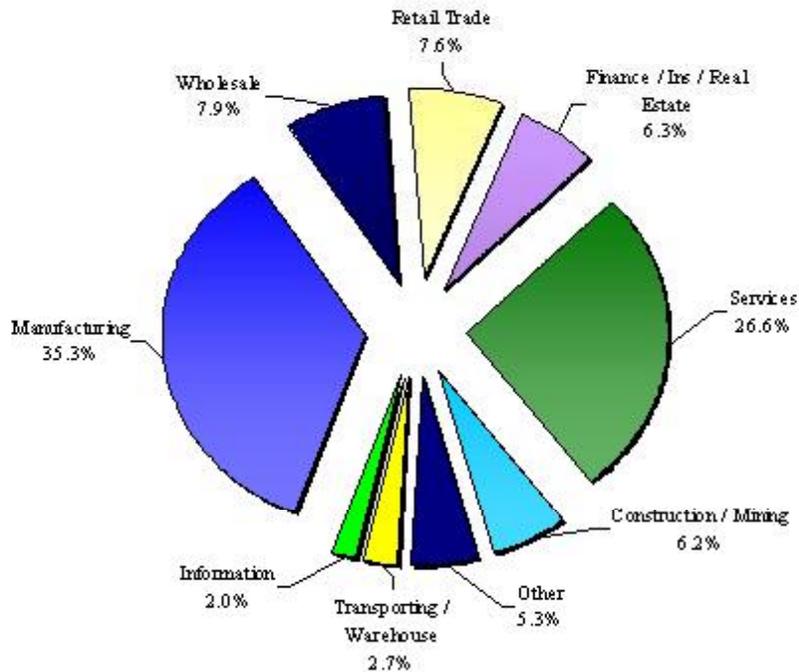
#### ◆ **Forbes Largest Private Companies:**

Meijer	# 9
Alticor	# 25
Gordon FoodService	# 50
Haworth	#193

## Payroll & Establishments

- ◆ The positive economic impact of manufacturing employment is a significant factor in our region's vitality. Manufacturing payroll accounts for 35.3% of the West Michigan area's total payroll even though manufacturing businesses represent only 8.5% of establishments with payroll!

### Grand Rapids-Muskegon-Holland MSA Payroll & Establishments 2001



### Grand Rapids-Muskegon-Holland MSA Payroll, Employment & Establishments — 2001

Industry Sector	Payroll	Establishments	Employees
Manufacturing	\$6,165,185,000	2,303	147,662
Services	\$4,644,820,000	11,489	187,804
Wholesale Trade	\$1,382,448,000	1,922	33,722
Retail Trade	\$1,333,798,000	4,028	66,502
Construction & Mining	\$1,088,215,000	3,334	26,163
Finance, Ins. and Real Estate	\$1,101,086,000	2,615	26,435
Other	\$916,897,000	540	22,653
Transporting & Warehouse	\$468,705,000	595	14,216
Information	\$346,937,000	417	8,437
<b>Total</b>	<b>\$17,448,091,000</b>	<b>27,243</b>	<b>533,594</b>

Source: U.S. Census Bureau, County Business Patterns 2001

## AREA DEMOGRAPHIC UPDATE

### CITY OF GRAND RAPIDS

	1990 Claritas	2000 Claritas	2003 Claritas	1990-2003 % Change	2008 Projection
Total Population	189,145	197,800	200,237	5.9%	204,644
Total Households	69,036	73,217	74,531	8.0%	76,913
Total Families	45,047	44,370	44,568	-1.1%	44,998
Avg. Household Income	\$32,302	\$46,388	\$51,833	60.5%	\$58,955
Median Household Income	\$26,815	\$37,474	\$41,422	54.5%	\$46,805
Per Capita Income	\$12,080	\$17,665	\$19,757	63.6%	\$22,614
Median Age	29.8	30.5	31.3		32.5
Housing Units	73,723	77,960	79,338	7.6%	81,850

Source: Claritas

### KENT COUNTY

	1990 Claritas	2000 Claritas	2003 Claritas	1990-2003 % Change	2008 Projection
Total Population	500,631	574,335	591,402	18.1%	619,987
Total Households	181,740	212,890	220,622	21.4%	233,763
Total Families	129,053	144,123	147,792	14.5%	153,835
Avg. Household Income	\$39,168	\$57,575	\$65,191	66.9%	\$75,010
Median Household Income	\$32,357	\$46,073	\$51,258	58.4%	\$58,406
Per Capita Income	\$14,379	\$21,629	\$24,569	70.9%	\$28,521
Median Age	30.7	32.6	33.4		34.5
Housing Units	192,698	224,000	232,118	20.5%	245,944

Source: Claritas

### GRAND RAPIDS-MUSKEGON-HOLLAND MSA<sup>1</sup>

	1990 Claritas	2000 Claritas	2003 Claritas	1990-2003 % Change	2008 Projection
Total Population	937,891	1,088,514	1,124,211	19.9%	1,183,566
Total Households	333,911	396,047	412,309	23.5%	439,929
Total Families	245,075	278,186	286,704	17.0%	300,730
Avg. Household Income	\$37,932	\$56,541	\$63,714	68.0%	\$73,073
Median Household Income	\$31,795	\$46,221	\$51,167	60.9%	\$58,050
Per Capita Income	\$13,671	\$20,901	\$23,657	73.0%	\$27,437
Median Age	31.1	33.2	34.0		34.9
Housing Units	357,679	422,704	440,021	23.0%	469,507

<sup>1</sup>Grand Rapids-Muskegon-Holland Metropolitan Statistical Area = Kent, Ottawa, Muskegon and Allegan Counties

Source: Claritas

## Young, Creative Community

- ◆ West Michigan continues to attract young people to high tech and traditional jobs as well as to a growing number of entrepreneurial opportunities.

- ◆ Over 52% of the population is under the age of 35, compared to 49% for the U.S.

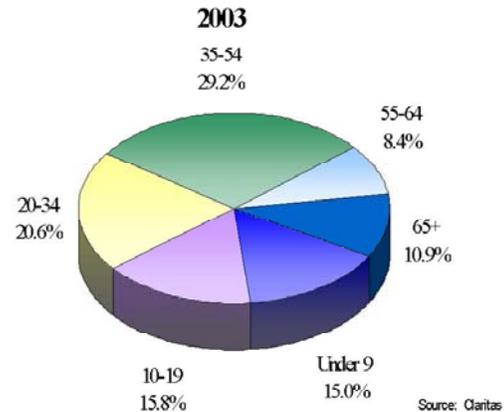
- ◆ A vibrant central city, small neighborhoods, low cost-of-living, a wide variety of entertainment venues, outdoor activities, and downtown loft apartments act as a magnet, attracting young people from across the country to West Michigan.

- ◆ Thanks to a growing number of creative workers, amongst communities with

populations over 1 million, our region placed in the **top 50** Creative Class rankings conducted by Richard Florida, author of the *Rise of the Creative Class*.

- ◆ Working in science and engineering, health care, finance, business, architecture and design, education, arts, music and entertainment, these creative individuals produce new ideas, technology, and creative content for a living.
- ◆ Creative centers like ours are likely to show increases in area employment and population and will likely be the economic winners in years to come.
- ◆ **71% of the employment force have a commuting distance of less than 25 minutes.** Even better, 36% have a commuting time of less than 15 minutes.
- ◆ Most education attainment categories are higher in the region than the national averages.

West Michigan Age Breakdown



## West Michigan Educational Attainment Persons 25 and older 2003

Education Attainment	Number	Percent	U.S. Percent
Population 25+	694,932		
Less than 9 <sup>th</sup> grade	33,977	4.9	7.6
9 <sup>th</sup> to 12 grade, no diploma	73,410	10.6	12.0
High school graduate (includes equivalency)	215,971	31.1	28.5
Some college, no degree	158,966	22.9	21.1
Associate degree	53,114	7.6	6.3
Bachelor's degree	108,773	15.7	15.6
Graduate or professional degree	50,721	7.3	8.9

Source: Claritas

## Additional Statistics

<b>Race and Ethnicity Classifications</b>					
<b>Race</b>	<b>1990</b>	<b>2000</b>	<b>2003</b>	<b>2008 Projections</b>	<b>1990-2003 % Change</b>
Total	900,936	1,002,808	1,028,529	1,072,324	14.2%
White alone	824,259	903,766	924,634	961,349	12.2%
Black or African American alone	61,356	77,660	81,501	86,444	32.8%
American Indian or Alaskan Native Alone	4,439	4,966	5,254	5,652	18.4%
Native Hawaiian/Other Pacific Islander Alone	241	279	287	311	19.1%
Some Other Race Alone	680	1,048	1,131	1,341	66.3%
Two or More Races	9,961	15,089	15,722	17,227	57.8%
<b>Ethnicity</b>					
<b>Hispanic or Latino</b>					
Hispanic or Latino Population	29,006	68,748	77,000	89,504	165.5%
Hispanic or Latino, White Alone	12,215	28,820	32,233	37,333	163.9%
Hispanic or Latino Black or African American alone	1,068	1,675	1,897	2,142	77.6%
Hispanic or Latino, American Indian or Alaskan Native Alone	443	862	945	1,140	113.3%
Native Hawaiian/Other Pacific Islander Alone	96	171	189	233	96.9%
Hispanic or Latino, Some Other Race Alone	13,470	31,555	35,416	41,116	162.9%
Hispanic or Latino, Two or More Races	1,714	5,665	6,320	7,540	268.7%

NOTE: Hispanic or Latino Ethnicity is a separate category from Race. Hispanics and Latinos are included in Race data, but under individual categories such as White, Black, etc. Source: Claritas, 2003

## GRAND RAPIDS-MUSKEGON-HOLLAND MSA WAGES AND HOURS

### Selected Labor Market Indicators

<b>Labor market area</b>	<b>Average for manufacturing production workers<sup>a</sup></b>		
	<b>Weekly hours</b>	<b>2003 Hourly earnings</b>	<b>Weekly earnings</b>
Grand Rapids-Muskegon-Holland	39.80	\$16.47	\$655.62
Michigan	42.11	\$21.28	\$896.25
United States	40.41	\$15.74	\$636.15

SOURCE: U.S. Bureau of Labor Statistics. <sup>a</sup>Not seasonally adjusted. Earnings include overtime and part-time wages.

## GRAND RAPIDS-MUSKEGON-HOLLAND MSA

	1994	2000	2001	2002	2003	2004 Feb.	2004 YTD
<b>Civilian Labor Force (Place of Residence)</b>	<b>541,600</b>	<b>621,100</b>	<b>622,900</b>	<b>607,100</b>	<b>622,125</b>	<b>607,900</b>	<b>606,850</b>
Employment	517,200	601,700	591,600	568,100	576,133	565,000	563,300
Unemployment	24,300	19,500	31,300	39,000	45,950	43,000	43,600
Unemployment Rate (Percent)	4.5	3.1	5.0	6.4	7.0	7.1	7.2
<b>Total Nonfarm Employment (Place of Work)</b>	<b>497,000</b>	<b>591,700</b>	<b>584,500</b>	<b>574,100</b>	<b>568,300</b>	<b>553,300</b>	<b>552,200</b>
Construction	20,600	28,500	28,300	27,700	26,500	23,800	24,100
<b>Manufacturing</b>	<b>143,800</b>	<b>166,800</b>	<b>149,500</b>	<b>137,100</b>	<b>132,000</b>	<b>126,800</b>	<b>126,700</b>
Durable Goods	100,400	122,100	109,100	99,500	94,800	91,900	92,100
Fabricated Metal	14,700	18,600	16,000	15,500	15,000	15,500	15,400
Machinery	14,800	17,900	15,800	14,600	14,200	13,700	13,700
Computer and Electronic Products			6,000	5,900	5,800	5,900	5,900
Transportation Equipment	26,900	32,900	28,300	26,600	25,900	25,300	25,200
Motor Vehicle Parts	26,200	30,700	23,400	22,100	20,700	21,500	21,500
Motor Vehicle Gasoline Engine & Engine Parts			5,100	4,500	3,800	3,300	3,300
Motor Vehicle Metal Stamping	7,400	8,300	7,400	7,600	8,100	7,900	7,900
Furniture and Related Products	24,200	27,800	25,800	20,800	18,700	16,100	16,200
Office Furniture (including Fixtures)	22,100	25,600	23,800	18,900	17,100	15,100	15,200
Non-Durable Goods	43,400	44,800	40,400	37,600	37,200	34,900	34,700
Food			10,800	10,300	10,100	8,800	8,900
Paper			4,000	3,900	3,800	3,800	3,800
Plastics and Rubber Products	7,200	10,000	9,200	8,600	8,400	8,900	8,900
<b>Wholesale Trade</b>	<b>26,700</b>	<b>32,800</b>	<b>30,400</b>	<b>29,600</b>	<b>30,400</b>	<b>29,200</b>	<b>29,300</b>
<b>Retail Trade</b>	<b>61,100</b>	<b>70,300</b>	<b>68,700</b>	<b>67,000</b>	<b>66,800</b>	<b>62,200</b>	<b>63,000</b>
Food and Beverage Stores			10,500	9,800	8,500	8,900	8,800
General Merchandise Stores	14,900	17,700	16,900	17,000	16,400	14,500	14,800
<b>Transportation Warehousing and Utilities</b>	<b>101,600</b>	<b>117,500</b>	<b>113,700</b>	<b>111,300</b>	<b>111,600</b>	<b>105,200</b>	<b>106,300</b>
<b>Information</b>	<b>6,600</b>	<b>8,400</b>	<b>8,500</b>	<b>8,700</b>	<b>8,200</b>	<b>7,900</b>	<b>8,000</b>
<b>Financial Activities</b>	<b>20,100</b>	<b>25,000</b>	<b>24,400</b>	<b>24,400</b>	<b>23,200</b>	<b>22,400</b>	<b>22,300</b>
<b>Professional and Business Services</b>	<b>48,100</b>	<b>67,500</b>	<b>65,000</b>	<b>65,800</b>	<b>65,400</b>	<b>62,800</b>	<b>63,200</b>
Professional, Scientific & Technical Services	14,900	19,900	20,100	20,300	20,500	19,400	19,400
Administrative & Support Services	25,400	38,900	35,900	36,800	36,900	34,800	35,200
Employment Services	16,800	26,900	23,100	23,100	21,000	22,800	23,400
Temporary Help Services.	14,200	16,100	13,800	13,300	12,500	13,500	14,200
<b>Educational and Health Services</b>	<b>44,800</b>	<b>51,700</b>	<b>66,400</b>	<b>70,400</b>	<b>73,000</b>	<b>75,800</b>	<b>74,700</b>
Educational Services	7,200	9,700	14,500	17,000	19,100	20,700	19,800
Elementary and Secondary Schools, Private	3,300	4,500	4,400	4,800	5,200	6,400	6,500
Health Care and Social Assistance			51,900	53,400	53,900	55,100	54,900
Ambulatory Health Care Services	14,000	17,200	17,400	18,100	18,700	19,200	19,100
Hospitals			18,000	19,000	19,400	19,500	19,500
Nursing and Residential Care Facilities			11,000	11,000	11,000	11,500	11,400
<b>Leisure and Hospitality</b>	<b>41,200</b>	<b>47,400</b>	<b>46,700</b>	<b>45,600</b>	<b>43,100</b>	<b>45,700</b>	<b>45,600</b>
Food Services and Drinking Places	32,400	37,500	37,000	37,000	37,200	37,600	37,700
<b>Other Services</b>	<b>18,700</b>	<b>21,700</b>	<b>23,600</b>	<b>23,900</b>	<b>24,900</b>	<b>22,800</b>	<b>22,900</b>
<b>Government</b>	<b>51,100</b>	<b>56,900</b>	<b>58,000</b>	<b>58,700</b>	<b>59,900</b>	<b>59,700</b>	<b>58,200</b>
Federal Government	3,700	4,500	4,200	4,200	4,400	4,100	4,100
State Government	6,000	6,900	7,400	7,200	7,200	7,100	6,300
Local Government	41,400	45,500	46,400	47,300	48,400	48,500	47,800
Local Government Educational Services	25,700	29,800	29,800	30,600	31,600	33,200	32,700

SOURCE: Michigan Department of Labor and Economic Growth/Employment Service Agency, www.michlmi.org

# GRAND RAPIDS-MUSKEGON-HOLLAND INDICATORS

## UNEMPLOYMENT—2004 Not Seasonally Adjusted %

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD
Allegan County	7.1	7.2											7.1
Allegan, City	5.7	5.8											5.7
Kent County	7.4	7.1											7.2
Grand Rapids, City	10.2	9.9											10.0
Kentwood, City	4.8	4.7											4.7
Wyoming, City	7.2	6.9											7.1
Muskegon County	9.5	9.1											9.3
Muskegon, City	12.5	11.9											12.2
Ottawa County	5.9	5.8											5.8
Holland, City	7.5	7.4											7.5
Grand Rapids MSA	7.3	7.1											7.2
Michigan	7.6	7.3											7.5
United States	6.3	6.0											6.2

NOTE: Typically a two month lag for local unemployment statistics. Current month is preliminary data, subject to later changes.  
Source: Michigan Department of Labor and Economic Growth; U.S. Bureau of Labor Statistics

## COST OF LIVING—4<sup>th</sup> Quarter, 2003

	ALL COSTS	GROCERY ITEMS	HOUSING	UTILITIES	TRANSPORT	HEALTH CARE	MISC. GOODS & SERVICES
Grand Rapids	98.1	107.5	89.1	97.7	99.9	108.0	100.3
United States	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: ACCRA Cost of Living Index. Cost of Living is not equivalent to the Consumer Price Index (CPI) which measures inflation.

## RENT AND HOUSING — 2003

	MEDIAN GROSS RENT	RENT 950 sq. ft.	MEDIAN VALUE HOUSING UNITS	SALE EXISTING HOUSE*	NEW HOUSE 2,400 sq. ft.
Kent County	N/A	\$651	\$626	N/A	\$219,900
Grand Rapids MSA	\$577		\$128,893	\$146,912	N/A

Sources: Claritas; ACCRA Cost of Living Index; \*Michigan Association of Realtors, Average Price.

	Retail Sales (\$000s) 2003				
	RETAIL SALES	MOTOR VEHICLE	GENERAL MERCHANDISE	BUILDING MATERIALS	EATING & DRINK
West Michigan	\$13,657,109	\$3,627,121	\$2,381,078	\$1,579,226	\$1,174,284
U.S. Ranking	58	56	44	46	64

Sources: Survey of Buying Power, 2003

## EMPLOYMENT FORECAST

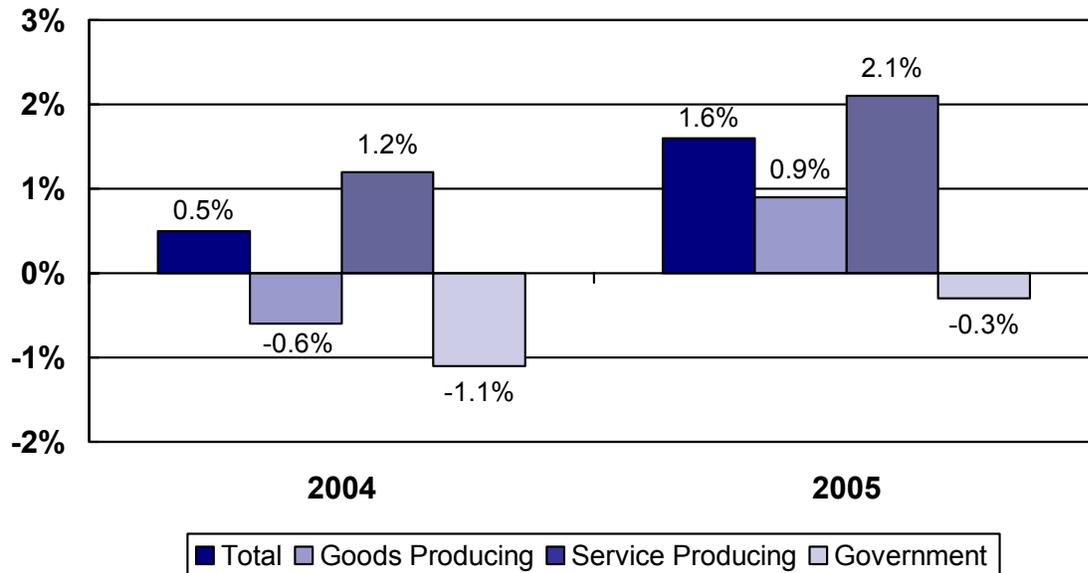
- ◆ **Employment** in the four-county Grand Rapids-Muskegon-Holland MSA is expected to increase **0.5%** in **2004** and then will rise to **1.6%** in **2005** according to a recently revised economic forecast report by the W. E. Upjohn Institute for Employment Research. While **Goods Producing** employment (includes construction and manufacturing) is projected to **decline 0.6%** in **2004**, the sector should realize a **0.9% growth** during **2005**. **Service** industry employment is expected to climb from **1.2%** in **2004** to **2.1%** in **2005**. **Government** jobs will decline about **1.1%** in 2004 and another **0.3%** decline in **2005**.
- ◆ **Office Furniture:** 2004 looks somewhat better with production increasing 2.4% from \$8.4 billion in 2003 to \$8.6 billion. That's after a projected decline of 5.6% in 2003 from the prior year. At the 2000 peak sales declined 35% from a high of \$13.28 billion.

Steelcase announced a pending restructuring of the North American division, which could mean further job losses in the Grand Rapids area.

On a more positive note, Herman Miller announced in the 4<sup>th</sup> quarter of 2003 compared to the previous quarter that orders were up 10.5% and customer visits were up 30%.

- **Automotive:** Vehicle sales are expected to weaken in 2004 to about 16.4 million units, slightly less than 16.7 million sold in 2003. However, with automakers continuing to squeeze their suppliers for price cuts, local auto employment will probably remain flat or even decline.
- ◆ **Home Sales:** West Michigan home sales should increase from 12,381 sales in 2003 to a projected 13,000 in 2004.
- ◆ **Retail:** West Michigan is in line for more than 2.5 million square feet of new retail space in 2004 and 2005.

### Grand Rapids-Muskegon-Holland MSA 2004-2005 Employment Forecast



Note: Goods Producing = Construction & Manufacturing

Source: W. E. Upjohn Institute for Employment Research, revised January 2004

## Best Places to Live, Work, and Play

*Places Rated Almanac* ranked the area **No. 3** in the fun and recreation category.

Residents embrace every form of family entertainment especially golfing, boating, sailing, fishing, hunting, camping, snow skiing, snow boarding, skate parks, and biking.

The City of Grand Rapids has been ranked among **America's top "mid-sized cities" places to live, work and play**. Partners for Livable Communities, a national non-profit organization who has been working at the frontlines of livability for twenty-five plus years, will honor this decade's America's Most Livable Communities at a ceremony next week in Washington, D.C.

### RECREATION, SPORTS, ENTERTAINMENT

#### Golf:

The highest percentage of golfers per capita in the U.S.!

#### Water:

No more than 20 minutes from a lake or river.

In the state, 3,200 miles of shoreline, 11,000 inland lakes, 115 lighthouses and beacons, and trout and salmon fishing meccas.

#### Biking:

250 miles of rail trails in West Michigan.

#### Snow:

In Michigan, 5,600 miles of snowmobile trails and dozens of downhill ski resorts.

#### Sports Teams and Events:

Grand Rapids Rampage Arena Football  
Griffins International Hockey League  
Fifth Third River Bank Run  
Muskegon Fury Hockey  
White Caps Class A Minor League (Detroit Tigers affiliated baseball)

#### Museums:

Coopersville Farm Museum  
Dutch Village  
Gerald R. Ford Museum  
Grand Rapids Art Museum  
Grand Rapids Children's Museum  
Muskegon Museum of Art  
Public Museum of Grand Rapids  
Urban Institute of Contemporary Arts

#### Dance and Music:

Blue Lakes Fine Arts Music Camp  
Grand Rapids Ballet Company  
Grand Rapids Symphony  
Grand River Folk Arts Society  
Opera Grand Rapids  
St. Cecilia Music Society  
West Shore Symphony

#### Theater:

Actors' Theatre  
Broadway Theatre Guild  
Community Circle Theatre (one of largest in U.S.)  
Frauenthal Theatre  
Grand Rapids Civic Theatre  
Heritage Theatre Group  
Jewish Theater Grand Rapids  
Master Arts Theatre  
Spectrum Theatre

#### Other Attractions:

John Ball Park Zoo  
Lake Michigan beaches  
Frederik Meijer Botanical Gardens  
Skate parks (8 in the metropolitan area)  
Van Andel Arena

### TRANSPORTATION

#### Air:

Gerald R. Ford International Airport  
Muskegon County Airport  
Tulip City Airport

#### Bus:

Greyhound

#### Railroad:

Amtrak passenger service

Norfolk Southern, CSX, Grand Rapids Eastern, and Mid-Michigan plus

#### Climate:

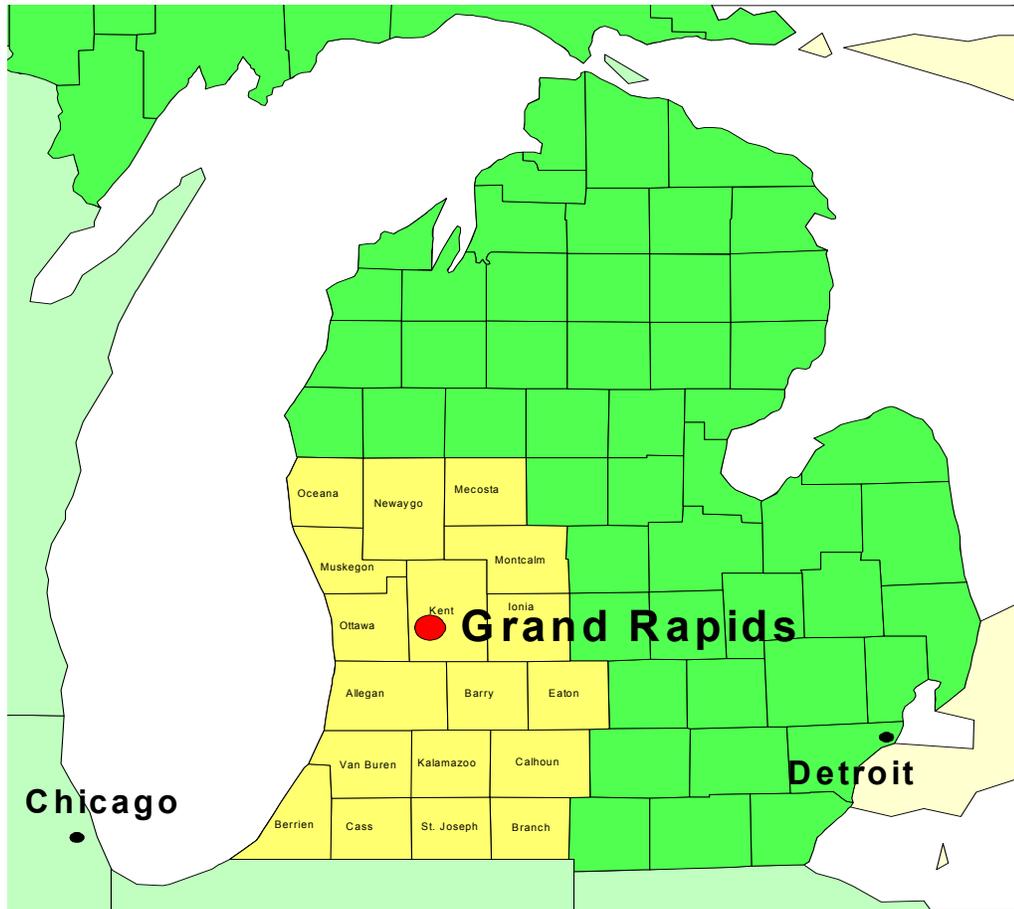
Average temperatures:

January, 22.4° F  
July, 71.4° F

Annual precipitation:

37.13" of rain  
71.9" of snow.

## POPULATION PROJECTIONS FOR GREATER WEST MICHIGAN



County	1980	1990	2000	2005	2010	2015	2020	2025
<b>Allegan</b>	81,950	90,980	106,120	115,490	126,830	137,420	148,260	159,470
<b>Barry</b>	46,050	50,140	56,930	61,020	65,120	69,410	73,810	78,380
<b>Berrien</b>	171,300	161,420	162,640	162,250	162,530	163,240	164,200	165,470
<b>Branch</b>	40,210	41,610	45,860	47,380	49,400	51,550	53,780	56,130
<b>Calhoun</b>	141,740	136,320	138,120	139,400	140,940	142,810	144,930	147,360
<b>Cass</b>	49,650	49,520	51,170	53,130	55,330	57,660	60,120	62,720
<b>Eaton</b>	88,550	93,180	103,900	111,410	119,530	128,030	136,820	146,000
<b>Ionia</b>	52,050	56,970	61,700	63,820	65,870	68,090	70,410	72,920
<b>Kalamazoo</b>	212,690	223,950	238,840	243,990	254,490	257,610	265,170	273,300
<b>Kent</b>	<b>445,350</b>	<b>502,860</b>	<b>576,171</b>	<b>610,980</b>	<b>648,510</b>	<b>687,660</b>	<b>728,150</b>	<b>770,320</b>
<b>Mecosta</b>	37,070	37,420	40,660	42,350	43,960	46,670	47,470	49,380
<b>Montcalm</b>	47,890	53,240	61,440	64,780	68,390	72,170	76,080	80,190
<b>Muskegon</b>	157,880	159,380	170,580	175,360	180,110	185,310	190,850	196,810
<b>Newaygo</b>	35,080	38,410	48,030	51,590	54,890	58,330	61,880	65,600
<b>Oceana</b>	22,050	22,580	26,970	28,780	30,590	32,440	34,370	36,390
<b>Ottawa</b>	158,200	189,180	239,570	261,100	282,630	304,860	327,730	351,390
<b>Saint Joseph</b>	56,470	58,930	62,540	64,050	66,310	68,770	71,340	74,080
<b>Van Buren</b>	67,050	70,300	76,370	79,200	82,020	85,040	88,200	91,590

Source: Woods & Poole Economics, Inc.

## WEST MICHIGAN—LARGEST MANUFACTURERS

Company	Grand Rapids Area Employees	Total Employees	Type of Business
Steelcase Inc.	5,400	7,000	Office systems
Johnson Controls Interiors	5,000	60,000	Interior automotive trim
Herman Miller Inc.	4,400	7,000	Office systems
Alticor Inc.	4,000	11,000	Home care, personal care and nutritional products and housewares
Haworth Inc.	3,200	9,000	Office systems
Magna Donnelly	3,000	8,000	Automobile rearview mirrors, car door handles, & modular window systems
Perrigo Company	2,450	6,808	Over-the-counter pharmaceuticals
General Motors Corp.	2,400		Precision engine parts & assemblies
Siemens Dematic	2,262	3,333	Material handling systems, management information, control systems
Gentex Corporation	1,943	2,002	Electro-optical products, automatic-dimming rearview mirrors, fire protection devices
Howmet Castings	1,940		Automotive stampings, dies & fixtures
Lacks Enterprises, Inc.	1,886	1,950	Automotive trim parts and plumbing fixtures
Wolverine World Wide Inc.	1,872	4,381	Footwear and leather products
JSJ Corporation	1,800	2,100	Diversified manufacturing in commercial products & engineered products.
Delphi Automotive Systems	1,488		Hydraulic valve lifters; gasoline fuel injectors
Meridian Automotive Systems	1,200	5,900	Metal stampings
Packer Land Packing	1,200		Meat cutting and packing
Smiths Aerospace	1,200		Precision instruments and navigational systems
Shape Corporation	1,079	1,082	Metal rolling and forming
Lear Corporation	1,014		Automobile soft interior trim
Sara Lee Corp.	980		Bread & baked goods; meat products
Adac Plastics Inc.	950	1,200	Automotive specialty plastic products
Knoll Group	910		Office furniture
Grand Rapids Press	850		Newspaper
Benteler Automotive Corp.	804		Automotive stamped, welded, tubular fabricated metal components
Cascade Engineering Inc.	750	1,100	Plastic injection molding & assembling
Hart & Cooley Inc.	713	1,797	Registers, grilles, chimney flues and vents
Royal Plastics, Inc.	700		Plastic injection molding
Howard Miller Inc.	675		Clocks, barometers, curio cabinets
Knape & Vogt Manufacturing Co.	650	750	Builders' hardware and shelving systems

*Compiled by the Right Place, Inc. 11/2003*

## WEST MICHIGAN—LARGEST NON-MANUFACTURERS

Company/Organization	Grand Rapids Area Employees	Total Employees	Type of Business
Spectrum Health	14,000		Hospital and medical services
Meijer Inc.	9,785	78,771	Retailer - food and general
Spartan Stores, Inc.	4,368*	7,403	Grocery wholesaler and food centers
Farmers Insurance Group / Foremost	3,500		Insurance
Grand Rapids Public Schools	3,490		Education
City of Grand Rapids	2,980		Government
Fifth Third Bank	2,700*		Bank
Saint Mary's Mercy Medical Center	2,500		Hospital and medical services
U.S. Postal Service Zip Code Area 493,494,495	2,500	75,000	Government
Grand Valley State University	2,222		University
Kent County	2,141		Government
Mercy General Health Partners	2,078		Hospital
D & W Food Centers Inc.	2,000	2,400	Grocery stores
Metropolitan Hospital	1,976		Hospital and medical services
Gordon Food Service Inc.	1,500	6,000	Food services wholesaler
Holland Community Hospital	1,500		Hospital and medical services
Forest Hills Public Schools	1,200		Education
Hackley Hospital	1,186		Hospital and medical services
SBC Communications Inc.	1,000	180,000	Telecommunications
United Parcel Service	1,000	360,000	Parcel delivery
Holland Home	960		Retirement homes
Pine Rest Christian Hospital	951	967	Hospital - psychiatric
Rockford Public Schools	900		Education
Amway Grand Plaza Hotel	850		Hotel and restaurants
Hope Network West Michigan	840		Social services
Grand Rapids Community College	800		College
Mary Free Bed Hospital	800		Rehabilitation services
Calvin College	750		College
Metron Integrated Systems	750	1,500	Health care services
Huntington National Bank	728	8,381	Bank
Consumers Energy	600	8,552	Public utility
Hope College	600		College
SYSCO Food Services of Grand Rapids	600		Food service wholesaler
D T E Energy	517		Public utility

\*2002 Employment

Compiled by The Right Place, Inc. 11/2003