



University of Nevada
Cooperative Extension

University of Nevada, Reno

Center for Economic Development

Mesquite Business Retention And Expansion Survey Results



WELCOME TO
MESQUITE

...your future is here!

MAY 2008

Mesquite Area Chamber of Commerce

Mesquite Business Retention And Expansion Survey Results

Prepared by:

**Buddy Borden
Tom Harris
Alice Crites**

Buddy Borden is an Area Extension Specialist in Community and Economic Development, University of Nevada Cooperative Extension, University of Nevada, Reno

Tom Harris is a Professor & Director, University Center for Economic Development, University of Nevada, Reno.

Alice Crites is an Extension Educator located in Logandale, Nevada, University of Nevada Cooperative Extension, University of Nevada, Reno

MAY 2008

This publication, *Mesquite Business Retention and Expansion Survey Results* was published by the University Center for Economic Development in the Department of Applied Economics and Statistics at the University of Nevada, Reno. Funds for this publication were provided by the United States Department of Commerce Economic Development Administration under University Centers Program contract #07-66-04272. This publication's statements, conclusions, recommendations, and/or data represent solely the findings and views of the authors and do not necessarily represent the views of the U.S. Department of Commerce, the Economic Development Administration, the University of Nevada, Reno, or any reference sources used or quoted by this study. Reference to research projects, programs, books, magazines, or newspaper articles does not imply an endorsement or recommendation by the authors unless otherwise stated. Correspondence regarding this document should be sent to:

Thomas R. Harris, Director
University Center for Economic Development
University of Nevada, Reno
Department of Applied Economics and Statistics
Mail Stop 204
Reno, Nevada 89557-0105



UCED
University of Nevada, Reno
Nevada Cooperative Extension

Acknowledgments

This report is intended to assist the City of Mesquite with assessing the business community and identifying strategies for addressing current and future needs of local businesses. This research and educational program will help leaders and economic development departments to determine future direction for business retention and expansion programming in Mesquite. The research team would like to thank Bill Chernock, Business Development Manager for the City of Mesquite for his ongoing support and advisement throughout the study. A Special thank you is given to the City of Mesquite for financial support. Finally, the program team would also like to thank all the businesses that participated in the Business Retention and Expansion Survey.

Table of Contents

Executive Summary	3
Introduction	8
Objectives	9
Procedure & Methodology	9
Data Collection Procedures	10
Data Analysis	10
Confidentiality	11
Major Findings	11
Business Profile	11
Employee Profile	22
Business Climate	36
Future Plans	40
Future Training and Educational Needs	47
Conclusions and Discussion	48
Appendix A – Survey Tabulation	49

Mesquite Business Retention and Expansion Survey Results

EXECUTIVE SUMMARY

A healthy and diverse business community has been the economic backbone of Nevada's major cities and is vitally important to the overall well being of the state. With the nature of competition, technology and consumer choices continually changing, it is necessary for businesses to respond to these changes in a timely manner. If not, the potential loss of employment and the accompanying hardships this can cause the community, not only in terms of tax dollars, but also in terms of impact on other area businesses, is significant. Therefore, local governments must address the current and future needs of the businesses in their area as a part of their on-going strategic economic development activities.

One such strategy has been to focus on retaining those businesses established in the area and to create an environment, which encourages growth of those firms. Expansion of existing facilities can have a ripple effect on the community's economy. Expanding and retaining firms can be the simplest and most efficient way to increase local employment and production. The subsequent multiplier will increase the tax base of the community and upgrade the quality of life of all who live there.

Ultimately, if retention and expansion efforts prove effective, and healthy, positive business environment prevails, the stage will be set for new business attraction. Reasonable operating costs, a good infrastructure, and a local government with the reputation of responding to the needs of its existing businesses increase the odds that business attraction efforts will succeed.

The purpose of this study is to create a comprehensive data profile on businesses in the community in order to develop a systematic approach to retention and expansion opportunities in Mesquite. Re-studies also serve as a follow-up; indicating how economic changes have impacted the business community, determining current needs and plans, and verifying past situations have been corrected. Theses programs enable the community to

develop targeted marketing and retention programs as well as identify those areas where expansion and retention efforts can be improved.

An overall objective of the business retention and expansion project is related to the process itself. By conducting the study, business owners are provided an opportunity to have their opinions listened to and passed directly on to municipal representatives in a highly confidential manner. It is a possible step for local government toward understanding the implications of their policies for this very important segment of the community. The underlying goal is to be responsive to business needs. Specific objectives include:

1. Gain an understanding of the business community's view of the local economy;
2. Determine future business plans of companies (i.e. expansion and/or relocation), and then set up an early warning system for local action;
3. Acquaint business leaders with assistance available through various economic development programs;
4. Identify training and technical assistance needs;
5. Improve communications bridge between local government and the business community; and
6. Identify specific concerns and problems of local businesses, and provide swift, effective solutions.

University Nevada Cooperative Extension and Mesquite Economic Development Department developed a comprehensive Business Retention and Expansion (BR&E) survey consisting of five major categories:

1. Business Profile
2. Employee Profile
3. Business Climate
4. Business Future Plans
5. Business Training and Educational Needs

The City of Mesquite business retention and expansion survey was sent to all active business licensees as of December 2007. Initially, the Economic Development Department provided the names and addresses of 1,536 Mesquite companies to send BR&E survey of which 64 were returned as undeliverable because the business moved without providing a forwarding address or the business closed. This resulted in a total of 1,472 surveys delivered to current business operators.

A total of 153 surveys were completed and returned to the Las Vegas Cooperative Extension Office using an enclosed postage paid envelope. This translates into a 10.4% return rate which is somewhat lower than the 20-25% return rate anticipated by the researchers.

Business Profile Results

Summary results for 153 responding Mesquite businesses include:

- 50% operating as a private corporation and 31.3% as sole proprietor
- 65.4% operating as a newly started non-franchised business
- 64.1% located in Mesquite
- Nearly 80% started business between 1991 and 2008 with approximately 57% started between 2001 and 2008
- Service, construction, real estate, and retail businesses sectors comprise of 91% of responding sample
- 62.7% of businesses have a business plan
- 2-3 year sales, profits, and market share have increased or been stable, 71.5%, 66.9%, and 68.9% respectively
- 37.9% of businesses feel that technology will impact current business operations
- 47.1% do not feel legislative changes will impact business operations
- Over 83% of businesses rely on word of mouth as a means to market their goods and services, while 50% and 40% use newspaper advertising and networking/chamber, respectively
- Nearly 90% of businesses feel that additional marketing channels are not needed

Employee Profile Results

Summary results for 153 responding Mesquite businesses include:

- Over 76% of businesses employ 1 to 10 full-time employees and 97% employ 1 to 10 part-time employees
- Over 77% of businesses feel that Mesquite provides an adequate labor supply
- Nearly 78% of businesses are not currently hiring
- Precision/specialty skills, technical, professional/management and sales position are the most difficult positions to hire in Mesquite
- Over 52% of businesses provide an annual salary between \$20,000 and \$40,000
- Age of employees is relatively evenly distributed between 21 and 59 years (10 year age cohorts)
- 44.4% of businesses provide benefits
- Over 42% of businesses provide paid vacation time and 36.3% provide health insurance

Business Climate Results

Summary results for 153 responding Mesquite businesses include:

- Over 38% of businesses feel the business climate in Mesquite is excellent or good, while 35.3% feel it is average and 15.7% feel it is poor or very poor
- Strengths contributing to doing business in Mesquite include highway accessibility, proximity to major markets, crime rate, recreational opportunities, and access to open space
- In total, businesses are very satisfied with the services the City of Mesquite provide especially fire and police protection, street maintenance and water/sewer

Business Future Plan Results

Summary results for 153 responding Mesquite businesses include:

- Over 37% of businesses have expanded their operations over the last three years
- Nearly 58% of businesses that expanded over the last three years have done so in the number of employees and/or total sales

- Approximately 25% of businesses have reduced their operations over the last three years
- Nearly 82% of businesses that reduced operations over the last three years have attribute this action to a decrease in sales or demand, increased competition, and higher production costs
- Approximately 46% of businesses project sales growth over the next three years
- Over 46% of businesses feel natural gas is needed in Mesquite while 32% are not sure
- Strong majority of businesses feel Mesquite utilities are adequate to accommodate the next three years of operations
- 53% of businesses do not anticipate business consolidation or relocation in the next three years
- If relocation or expansion is projected in the next three years, 63% of businesses would prefer Mesquite
- Over 50% of businesses would recommend Mesquite as a place to do business

Business Training and Educational Needs Results

Summary results for 153 responding Mesquite businesses include:

- Between 23% and 25% of respondents would like training and educational programming in marketing strategies, business planning, and financial planning
- Additional training needs are in e-business, labor training, business management and recycling

INTRODUCTION

A healthy and diverse business community has been the economic backbone of Nevada's major cities and is vitally important to the overall well being of the state. With the nature of competition, technology and consumer choices continually changing, it is necessary for businesses to respond to these changes in a timely manner. If not, the potential loss of employment and the accompanying hardships this can cause the community, not only in terms of tax dollars, but also in terms of impact on other area businesses, is significant. Therefore, local governments must address the current and future needs of the businesses in their area as a part of their on-going strategic economic development activities.

National studies continually show that as much as eighty percent (80%) of the new jobs and tax base in most communities occur as a result of the growth and expansion of existing local businesses rather than the attraction of new businesses to the community. Both new and current businesses are important to Mesquites economy, as well as workforce development, training and education. By monitoring existing businesses, the City and the Chamber can better understand perceptions of doing business in Mesquite, as well as working on business areas that improve overall business conditions and operations.

One such strategy has been to focus on retaining those businesses established in the area and to create an environment, which encourages growth of those firms. Expansion of existing facilities can have a ripple effect on the community's economy. Expanding and retaining firms can be the simplest and most efficient way to increase local employment and production. The subsequent multiplier will increase the tax base of the community and upgrade the quality of life of all who live there.

Ultimately, if retention and expansion efforts prove effective, and healthy, positive business environment prevails, the stage will be set for new business attraction. Reasonable operating costs, a good infrastructure, and a local government with the reputation of responding to the needs of its existing businesses increase the odds that business attraction efforts will succeed.

The purpose of this study is to create a comprehensive data profile on businesses in the community in order to develop a systematic approach to retention and expansion opportunities in Mesquite. Re-studies also serve as a follow-up; indicating how economic

changes have impacted the business community, determining current needs and plans, and verifying past situations have been corrected. These programs enable the community to develop targeted marketing and retention programs as well as identify those areas where expansion and retention efforts can be improved.

OBJECTIVES

An overall objective of the business retention and expansion project is related to the process itself. By conducting the study, business owners are provided an opportunity to have their opinions listened to and passed directly on to municipal representatives in a highly confidential manner. It is a possible step for local government toward understanding the implications of their policies for this very important segment of the community. The underlying goal is to be responsive to business needs. Specific objectives include:

1. Gain an understanding of the business community's view of the local economy;
2. Determine future business plans of companies (i.e. expansion and/or relocation), and then set up an early warning system for local action;
3. Acquaint business leaders with assistance available through various economic development programs;
4. Identify training and technical assistance needs;
5. Improve communications bridge between local government and the business community; and
6. Identify specific concerns and problems of local businesses, and provide swift, effective solutions.

PROCEDURE & METHODOLOGY

University of Nevada Cooperative Extension and Mesquite Economic Development Department developed a comprehensive Business Retention and Expansion (BR&E) survey consisting of five major categories:

1. Business Profile
2. Employee Profile
3. Business Climate
4. Business Future Plans
5. Business Training and Educational Needs

In each category a series of questions were asked to provide the basis to better understand the mix of businesses in Mesquite, how they are performing, if they are anticipating changes in operations, and what factors do the City of Mesquite need to be concerned with to sustain and improve the overall business climate.

DATA COLLECTION PROCEDURES

The City of Mesquite business retention and expansion survey was sent to all active business licensees as of December 2007. Initially, the Economic Development Department provided the names and addresses of 1,536 Mesquite companies to send BR&E survey of which 64 were returned as undeliverable because the business moved without providing a forwarding address or the business closed. This resulted in a total of 1,472 surveys delivered to current business operators.

A total of 153 surveys were completed and returned to the Las Vegas Cooperative Extension Office using an enclosed postage paid envelope. This translates into a 10.4% return rate which is somewhat lower than the 20-25% return rate anticipated by the researchers.

DATA ANALYSIS

All BR&E survey responses were coded and entered into SPSS computer program. The data was then analyzed using simple frequency analysis to identify specific tendencies for each question using the entire valid sample.

CONFIDENTIALITY

Due to the in-depth nature of the survey questions, confidentiality was strongly emphasized throughout this project. Once questionnaires were completed participants were given the option if they wanted to get results sent directly to them. If they did they provided mailing information. All returned questionnaires were only reviewed by University of Nevada Cooperative Extension personnel for computer data entry and analysis.

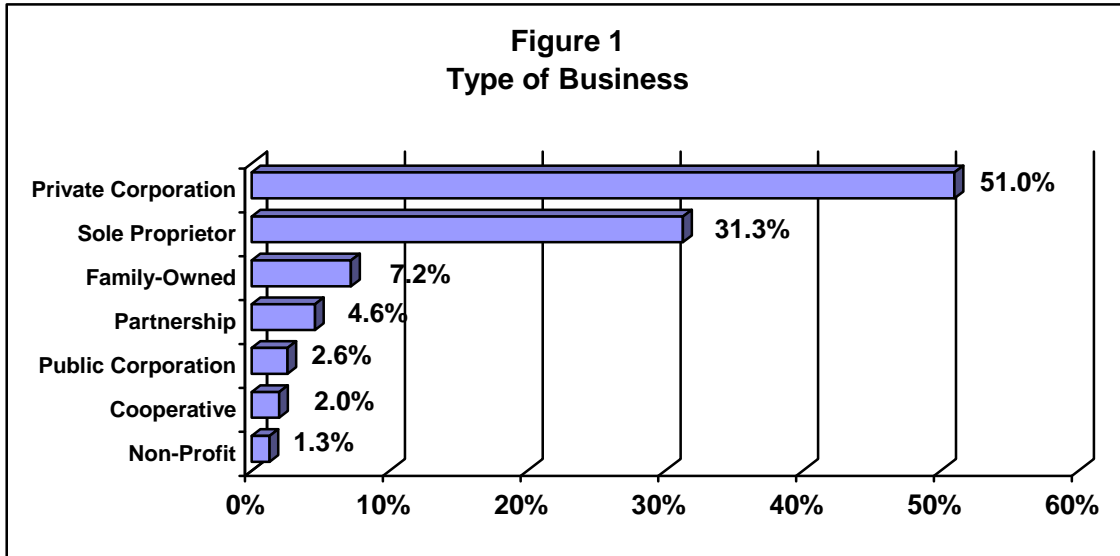
MAJOR FINDINGS

This section is based on the summary of 153 surveys returned by Mesquite business operators during April 2008. It contains chart illustrations and brief narrative description highlighting selected items of significance. Appendix A of this report presents a complete tabulation of results by individual question.

Please note that all percentage figures are based on the number of responses to that question unless otherwise indicated. Due to rounding, percentage totals may not always equal 100%.

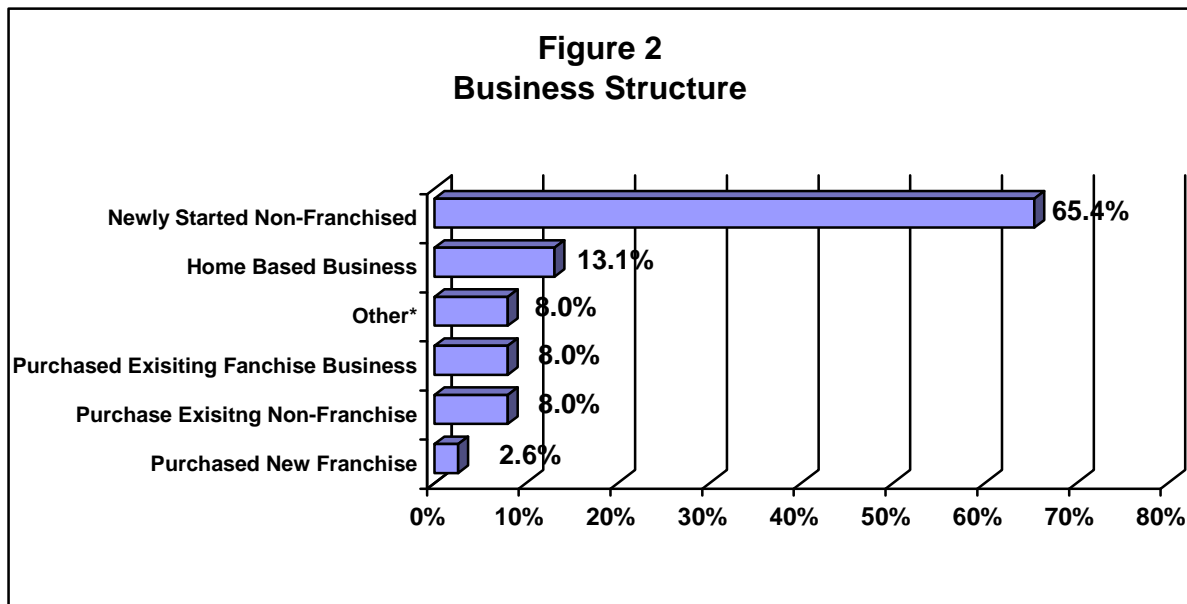
I. BUSINESS PROFILE

Over 50% of responding businesses indicated that they were operating as a private corporation, while 31.3% were operating as a sole proprietor. A smaller percentage of respondents are operating as family-owned, partnerships, public corporations, cooperatives and non-profits (Figure 1). Majority, over 92%, also indicated that they were operating as a for profit business.



Business Structure

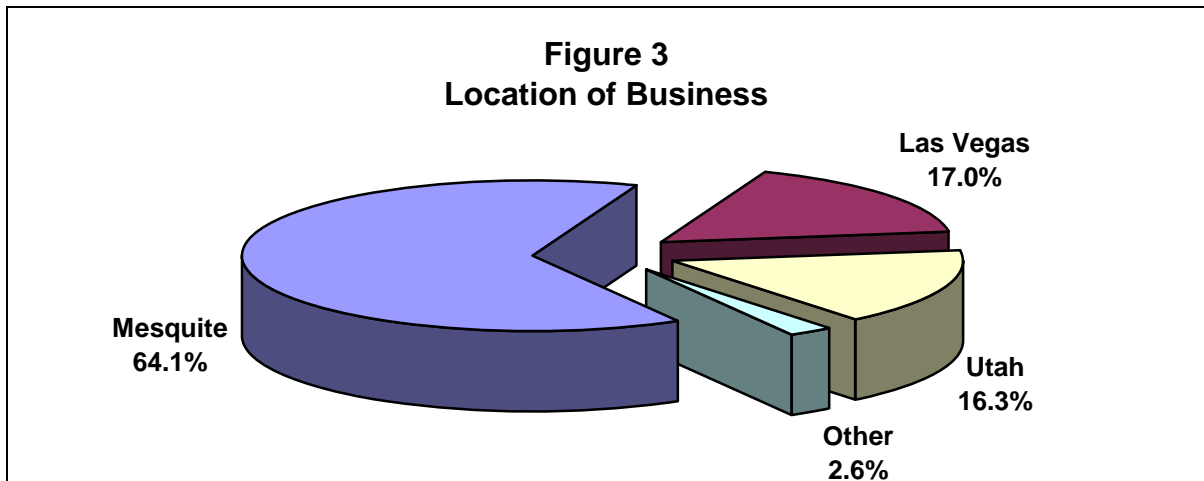
Nearly two-thirds of respondents are operating newly started non-franchised businesses, while 13.1% are operating home based businesses. Approximately 24% of respondents indicated they purchased an existing franchised business, purchased an existing non-franchised business or started their business under another business structure of which they did not provide explanation (Figure 2). Note: five participants did not respond to question.



* Responded as “other” category without explanation

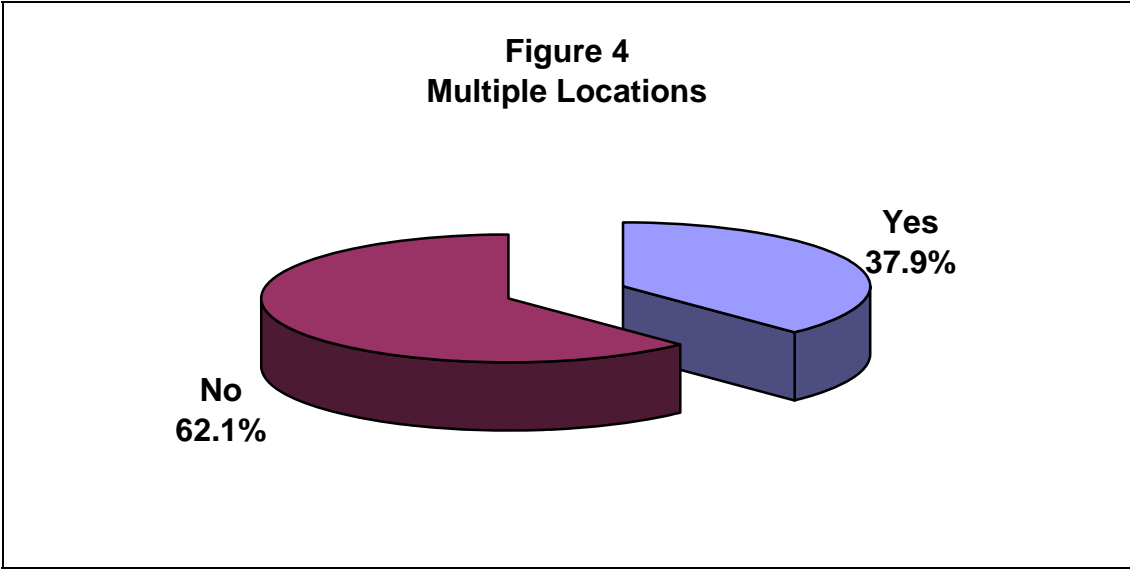
Location of business

The location of the corporate headquarters in the immediate area is a significant factor for business retention and expansion since, historically, a firm may be less likely to relocate if its headquarters is already established in the community. However, if a community is not meeting business primary needs, this may initiate a business to consider moving to a new location. Given the proximity to larger urban centers in Nevada and Utah, larger companies were likely to have satellite operations in Mesquite and corporate headquarters in adjacent urban center. Respondents report that 64% of firms were physically located in Mesquite, 17% in Las Vegas, 16% in Utah (St. George & Cedar City), and 3% in other locations. Even though the physical location of the business was in another market they still serviced Mesquite. Figure 3 shows the distribution of where businesses operating in Mesquite are located.



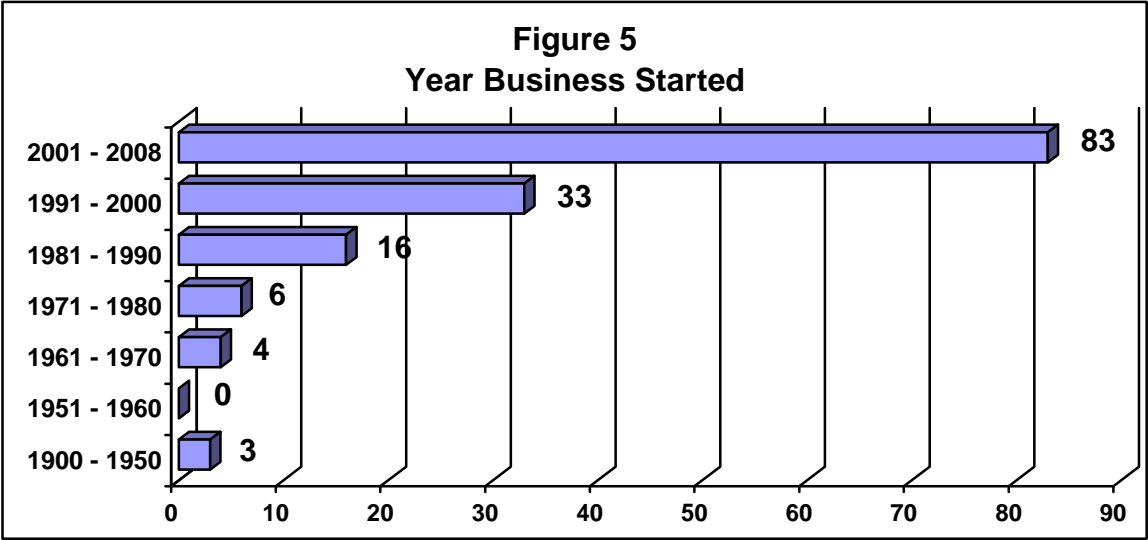
Multiple locations (including outside Mesquite)

Nearly 38% of respondents are operating businesses at multiple location including locations outside of Mesquite (Figure 4). Majority of these businesses, 88%, are also operating businesses in Las Vegas, Nevada and St. George, Utah. Several are branch locations in Mesquite with the parent company in larger urban centers.



Year Business Started

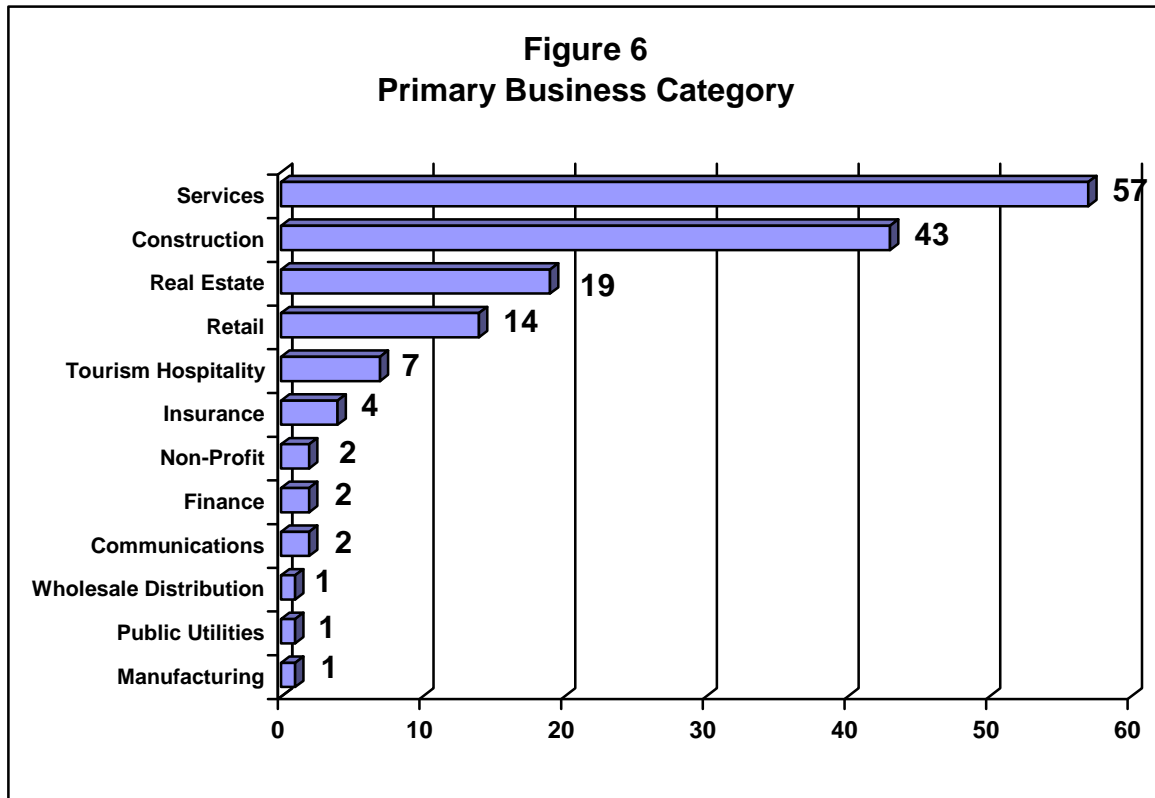
Reflective of a growing community over the last several years, nearly 80% of survey respondents started their businesses between 1991 and 2008. Approximately 57% started businesses between the years 2001 and 2008 (Figure 5).



No Response = 8

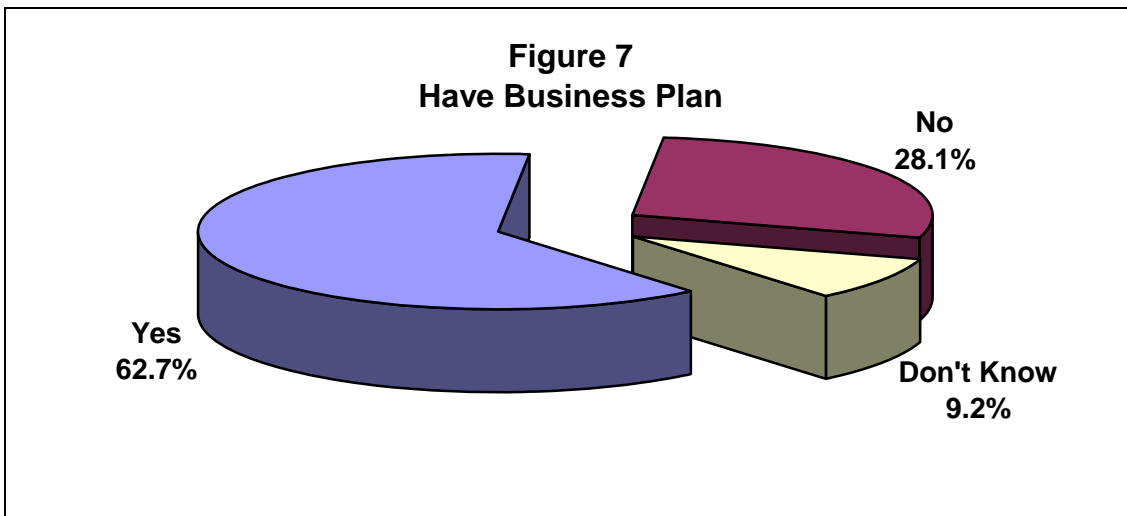
Primary Business Category

Mesquite business interests are diverse with 12 business categories represented among participating businesses (Figure 6). A significant percentage, over 91%, of participating businesses is classified among four business categories: services, construction, real estate, and retail. Strong representation from construction and real estate businesses is a sign of an expanding community providing real benefits to Mesquite. However, some caution should be exercised because of the cyclical nature, “boom bust”, of these two business categories that historically follow national, regional, state and local economic trends. That is, if economic conditions worsen these two sectors will slow and potentially result in business category contraction. The existing diversity of businesses that are currently operating in Mesquite can help guard against cyclical businesses. This information can be helpful in guiding business attraction efforts in order to maintain a diverse business base while complementing the existing industries currently doing business in Mesquite.



Business Plan

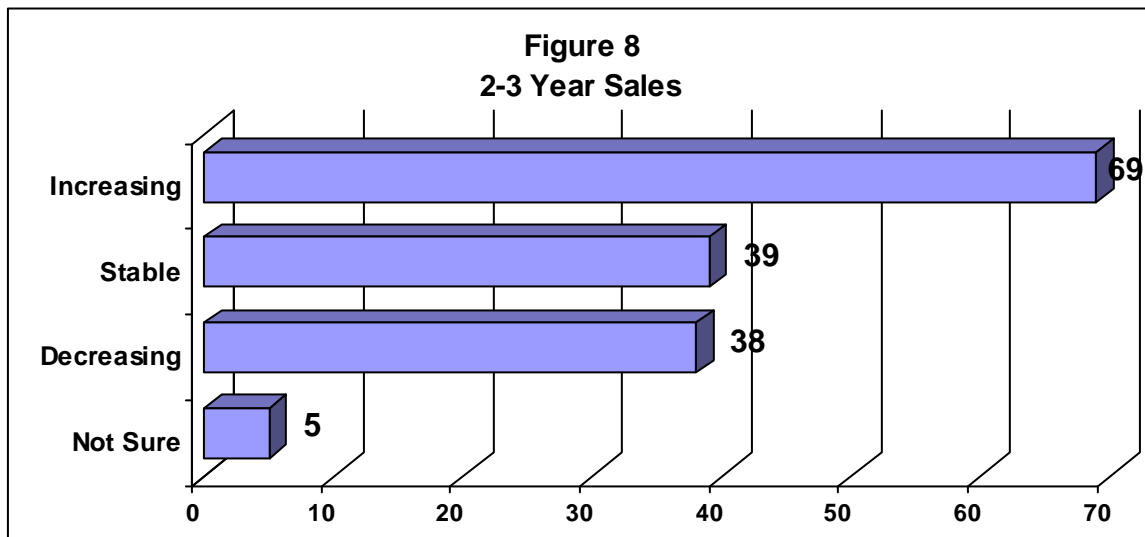
Numerous studies have shown that businesses with a business plan increase their potential for staying in business. Businesses without a business plan have a greater difficulty sustaining or building their business and significantly increase the probability of going out of business in the first couple of years. Nearly 63% of participating businesses indicated that they currently have a business plan. However approximately 37% of participating businesses currently do not or don't know if they have a business plan (Figure 7). An opportunity exists to assist businesses without business plans to develop one through community based workshops and education. In addition, businesses that currently have a business plan need to periodically, every 2-3 years, update to reflect changing market conditions.



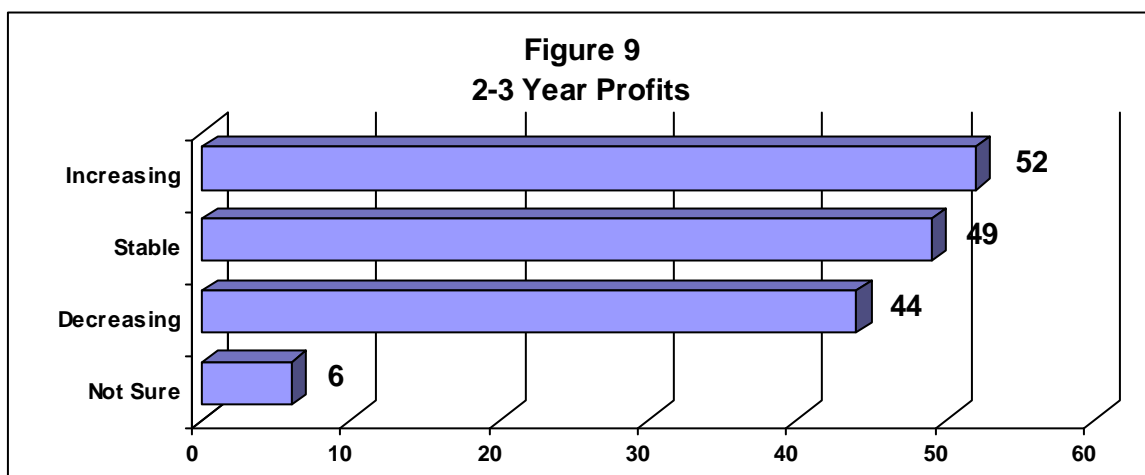
2-3 Year Sales, Profits, Market Share

Figures 8 through 10 provide a good indicator for overall economic performance of Mesquite businesses. Participating Mesquite businesses reported that 2-3 year sales, profits, and market share have increased or been stable, 71.5%, 66.9%, and 68.9% respectively. A smaller percentage of respondents (18% to 29%) indicate sales, profits, and market share decreased over the last 2-3 years. Although the overall responses to these business economic

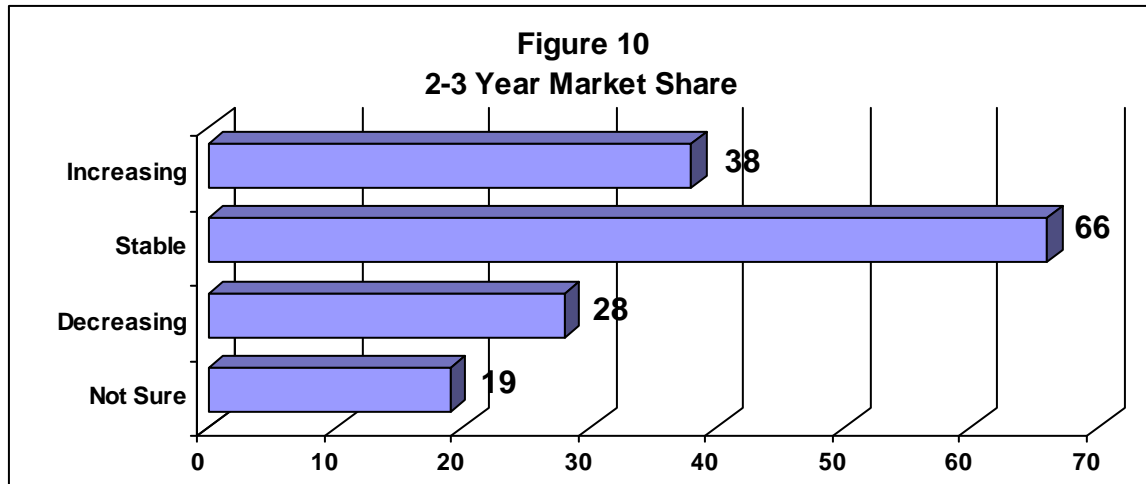
indicators are generally positive, the City of Mesquite and business organizations are challenged to identify and respond to factors that are contributing to declining business sales, profits, and market shares. Some of these factors will be identified later in this report and could be used as the foundation for business retention and expansion educational programming. In addition, educational opportunities exist with businesses that have and are experiencing positive economic indicators.



No Response = 2



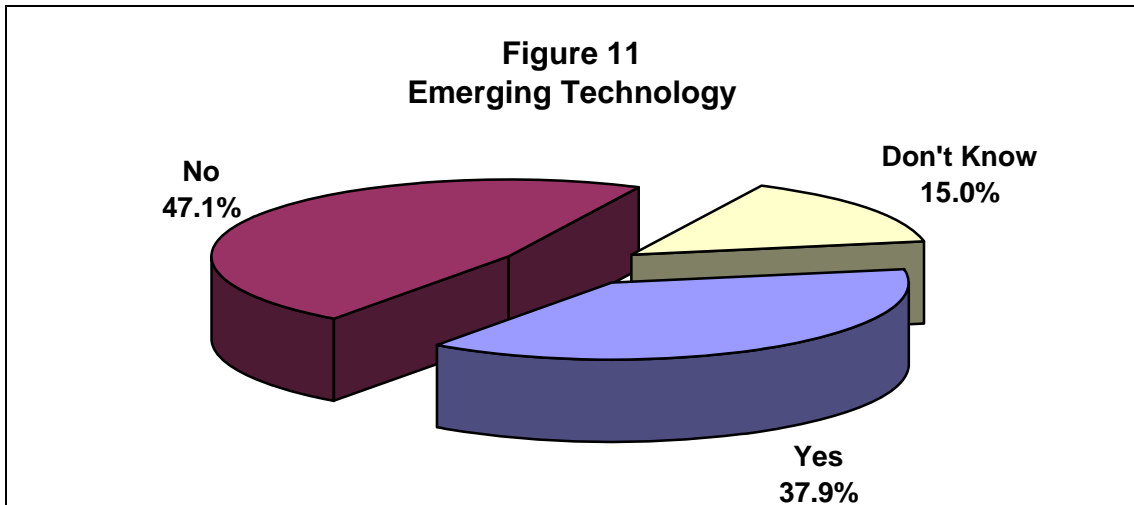
No Response = 2



No Response = 2

Technology

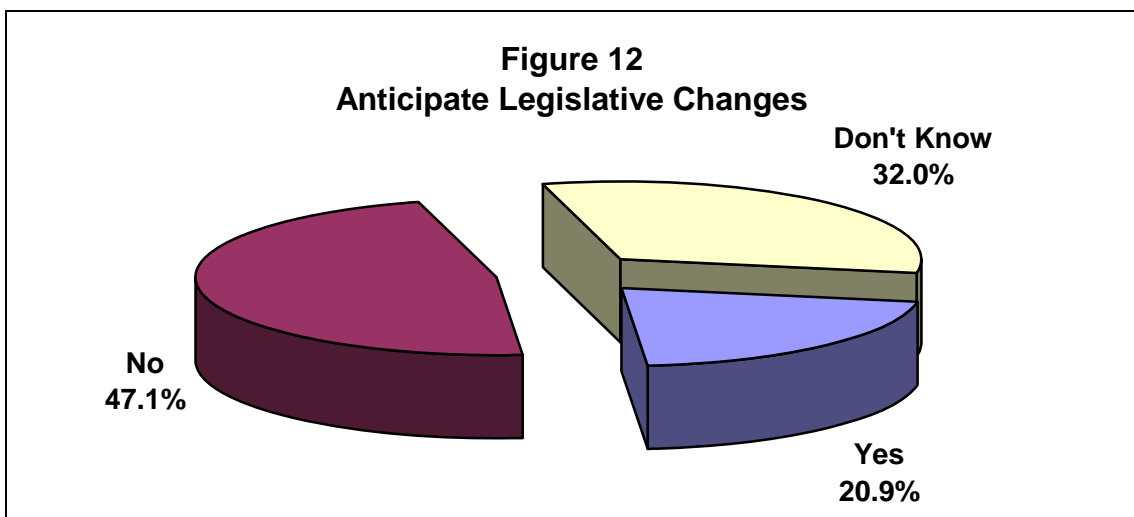
Technology plays a major role in today's business operations. Figure 11 illustrates that nearly 38% of participating businesses feel that technology will continue to emerge as part of their current business operations. Another 15% of participating businesses were unsure of the role technology will play in their business operations. Types of new emerging technologies that businesses see as impacting current operations mainly centered on how information is stored, shared internally and shared with customers, especially through the worldwide web. The City of Mesquite is challenged to stay current with emerging technologies and be able to continue to provide adequate infrastructure and services to local businesses that assures continued market competitiveness.



No Response = 2

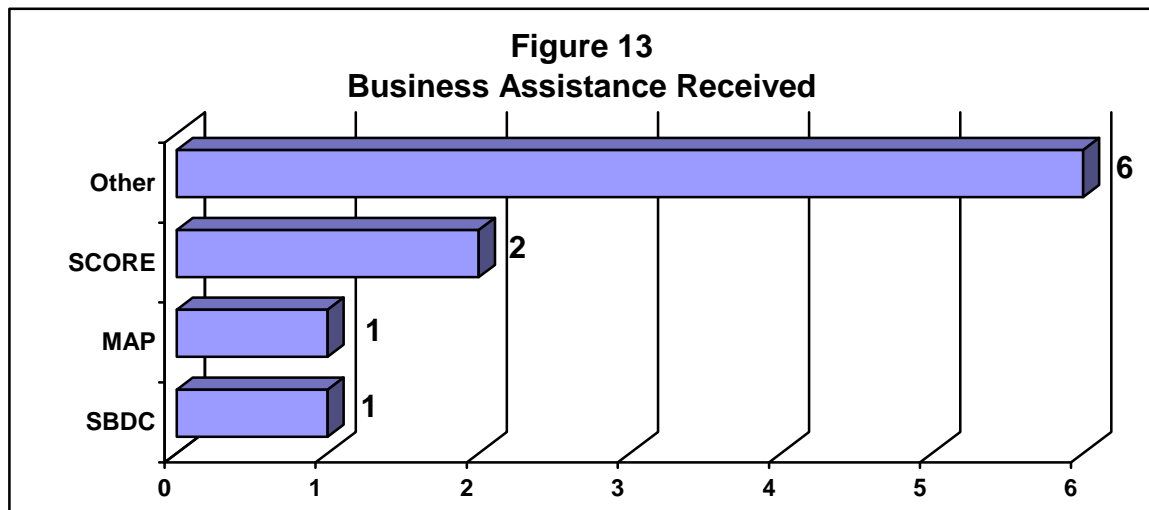
Legislative Changes

Legislative action, federal, state and local, is another factor that businesses continually deal with on a daily basis. Figure 12 shows that 47% of participating businesses do not anticipate legislative changes will affect their current business operation in Mesquite. However, approximately 21% of participating businesses anticipate legislative action will impact current business operations mainly centering on lending or banking crisis, taxes (federal, state, and local), and minimum wage reform. Remaining 32% of participating businesses do not know if legislative changes will impact their current business operations.



Business Assistance

Business assistance is a benefit that businesses can take advantage of to help with several facets of their operations. Surprisingly, participating businesses indicated that they did not widely utilize the business assistance programs available to them in Mesquite. Outside the basic programs, SCORE, MAP, and SBDC, businesses indicated they used banks and Rural Nevada Development Corporation for business assistance. The City of Mesquite may consider promoting business assistance programs that normally are provided at little or no cost to participants.

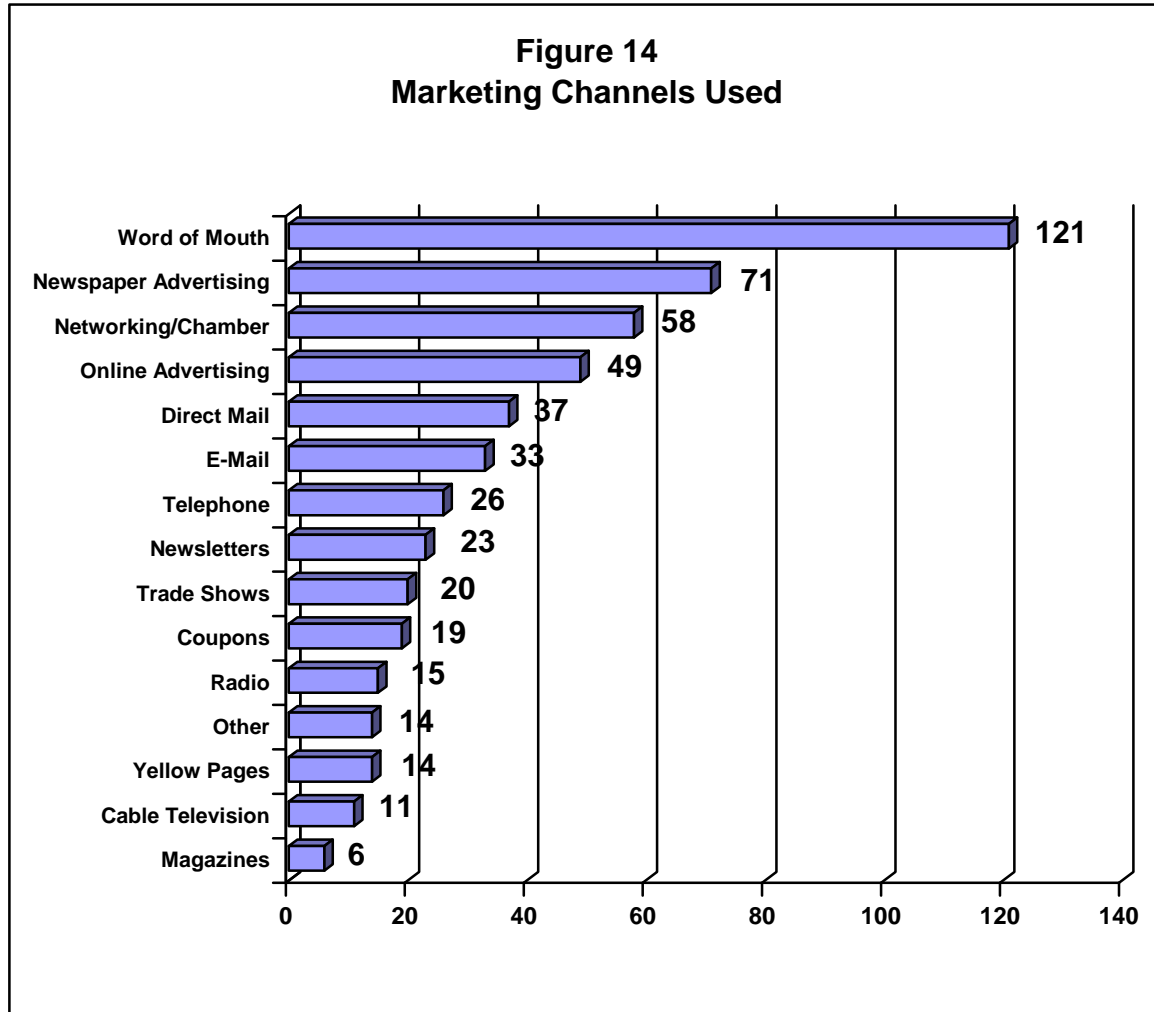


No Response = 143

Marketing Channels Used

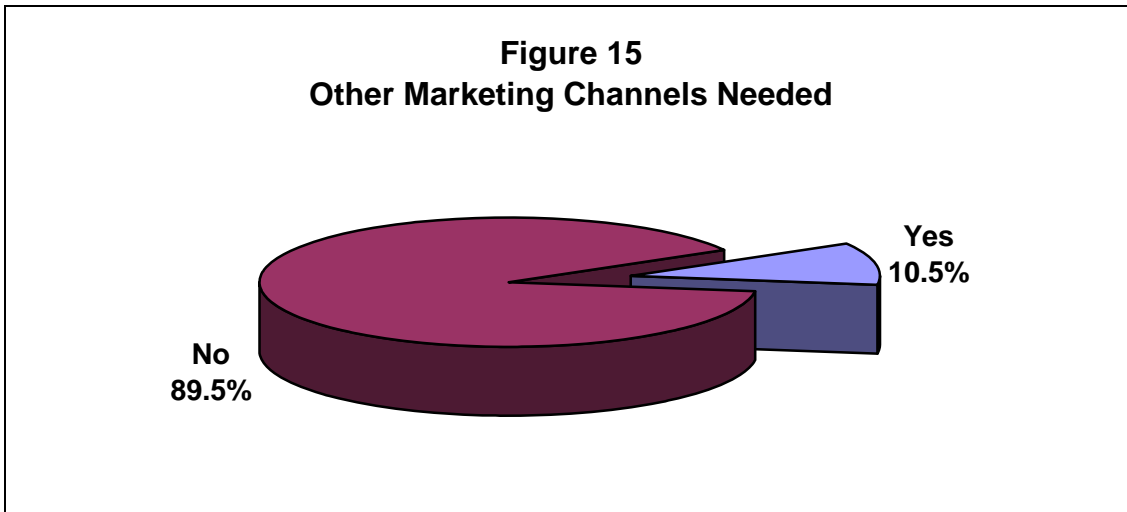
Marketing is defined as a business activity of presenting products or services in such a way as to make them desirable. Every business relies on some type(s) of marketing to keep their business viable. Figure 14 illustrates fifteen marketing channels used by participating businesses. Businesses were asked to report all marketing channels used so multiple responses were recorded. Over 83% of participating businesses rely on word of mouth as the means to market their goods and services, while nearly 50% and 40% use newspaper

advertising and networking/chamber, respectively. With the continued emergence of technology nearly 34% use the internet for advertising.



Other Marketing Methods Not Available

Mesquite businesses already have several channels available for marketing their goods and services. Figure 15 further verifies that the overall availability of marketing channels is strong with nearly 90% of participating businesses expressing that additional marketing channels are not needed. The 10% that would like have more marketing channels mainly expressed concerns about current channels and costs related to advertising.

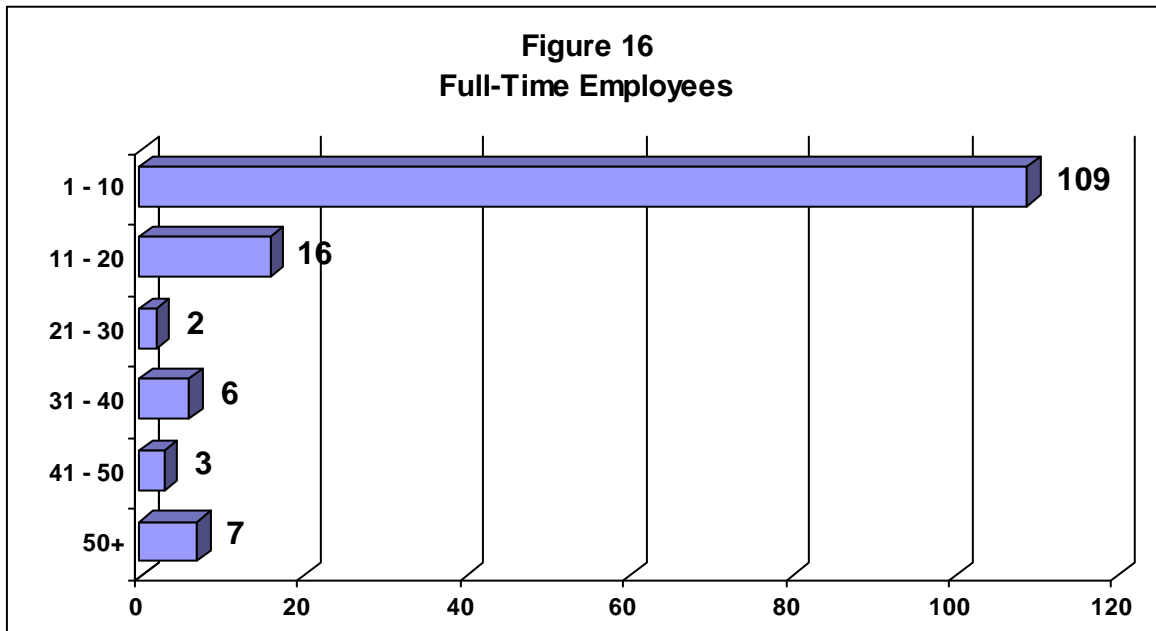


II. EMPLOYEE PROFILE

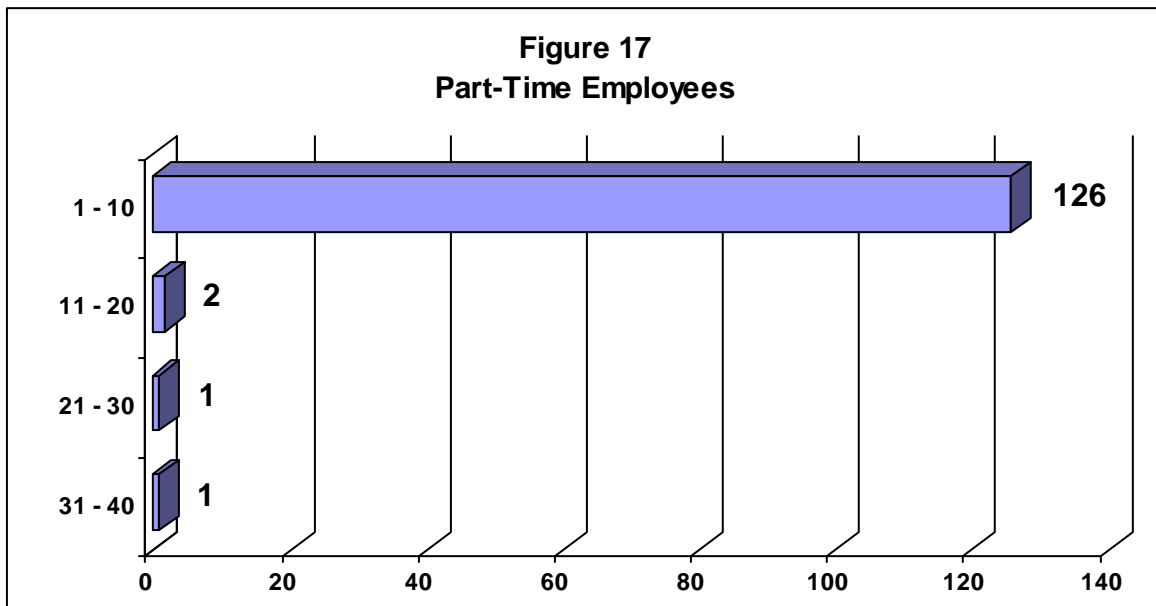
Types of employment, availability of labor and job classifications in a community will influence business relocation and expansion decisions. In other words, a community labor profile needs to meet the business labor demands by having available trained workers. If a deficiency exists, or businesses have difficulty hiring specific positions because of the lack of skills, this business may be more likely to relocate to another community that better meets their employment needs. The objective is to identify deficiencies and develop programs and strategies to train or attract essential employees. The following section summarizes employment questions of Mesquite survey participants.

Full-Time and Part-Time Employees

The majority of participating businesses reported that their businesses employ between 1 and 10 full-time and part-time employees (Figures 16 and 17). Over 76% of respondents indicated they employ 1 to 10 full-time employees, while 97% employ 1 to 10 part-time employees. This result is fairly consistent with the types of businesses and employment trends for smaller communities like Mesquite.



No Response = 10

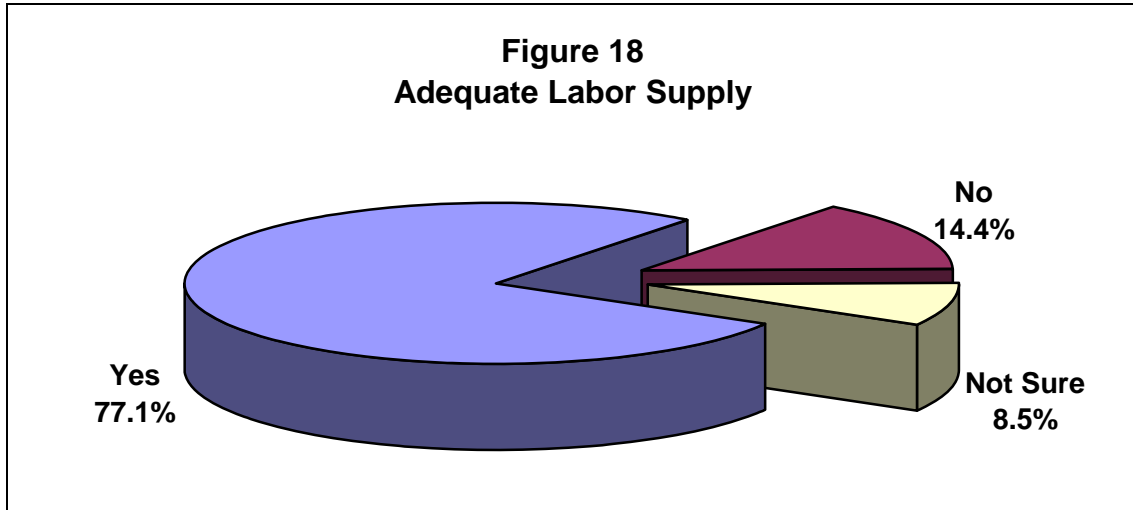


No Response = 23

Adequate Labor Supply

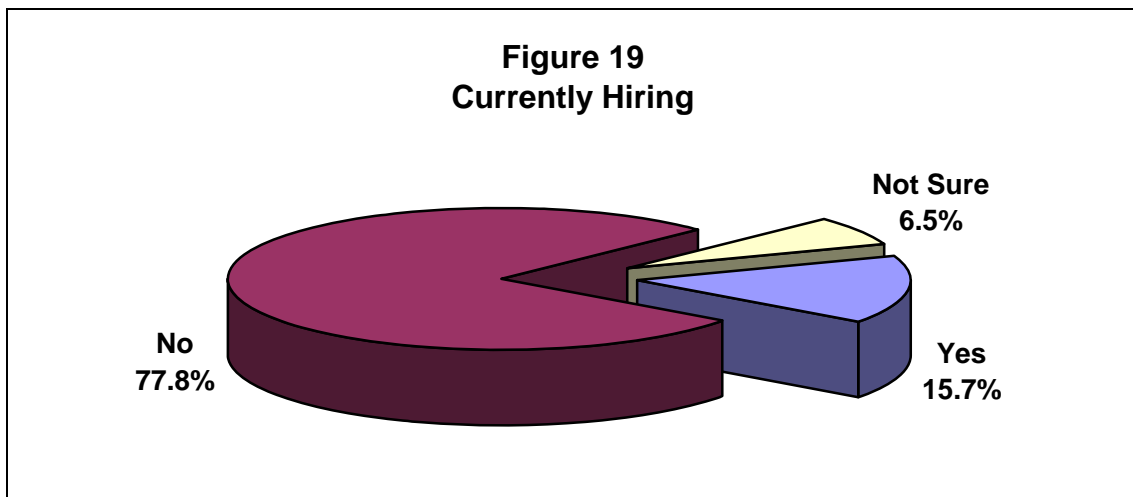
Figure 18 shows that over 77% of participating businesses feel that Mesquite provides adequate labor supply to operate their daily business. A small percentage, 14%, feels that

Mesquite does not have an adequate labor supply to meet their business employment demands. This is mainly in the specialty, technical and management employment areas.



Currently Hiring

At the time of the survey, nearly 78% of participating businesses reported that they are not currently hiring (Figure 19). However, a small percentage, 15.7%, expressed that they were currently hiring new employees. Several factors can contribute to this result including the regional and national slowdown in economic activity that will influence how overall businesses manage hiring practices. Past hiring practices will be presented later in the report.



Difficulty Hiring New Employees for Job Classifications

Four job classifications were reported as difficulty in hiring new employees including positions in precision/specialty skills, technical, professional/management and sales (Table 1). This is further supported in Figure 18. Hiring difficulty could be a function of skill levels in the labor market do not meet business needs and/or labor demand is greater than the supply of qualified workers. This further speaks to the need for business diversity and clusters in a community because this often results in attracting diverse populations that potentially could address employment across several job classifications. Hiring blue collar labor in Mesquite does not appear to be a major challenge for the majority of participating businesses.

Table 1. Difficulty Hiring New Employees for Job Classifications

	YES	NO	NOT SURE	NO RESPONSE
General Labor	11	86	9	47
General Production	5	78	11	59
Precision/Specialty Skills	36	59	10	48
Clerical	12	78	9	54
Sales	21	70	10	52
Technical	29	66	10	48
Professional/Management	23	65	11	54
Temporary/Contract Employees	7	77	14	55
Youth	5	79	14	55

Local Workforce Qualities

Figure 20 reports the rating of Mesquite’s employee skills. Over 30% of participating businesses feel that the skills of Mesquite employees are excellent or good. Another 27.5% rate employee skill levels as average, while over 24% rate Mesquites employee skills as poor or very poor. Employee training programs may be needed to improve Mesquite employee skills

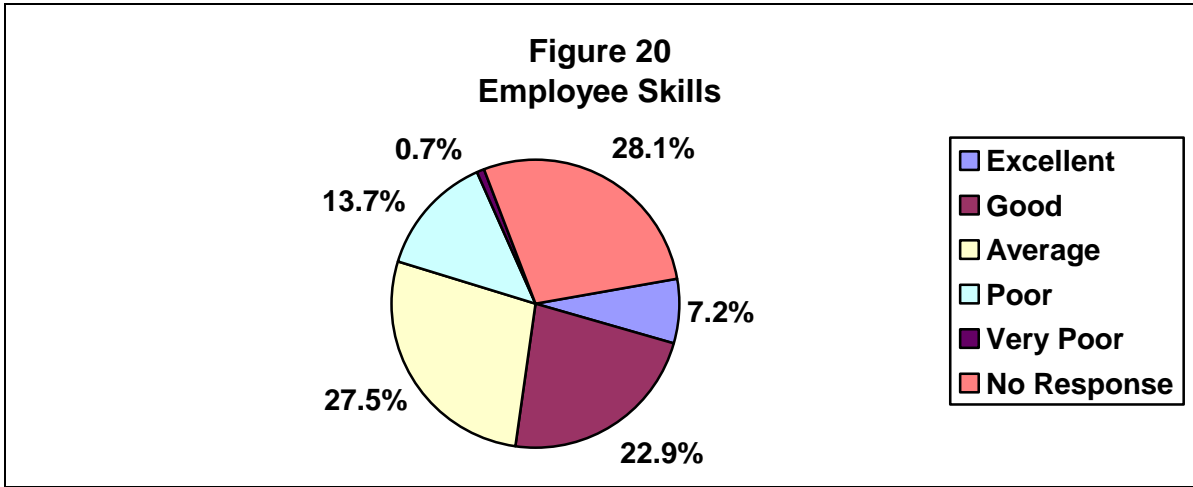


Figure 21 shows the rating of Mesquite’s employee availability. Exactly 32% of respondents report that Mesquite’s employee availability of labor is excellent or good. Another 26.1% feel Mesquite’s employee availability is average and 13.8% as poor or very poor. This is similar to results reported in Figure 18 and Table 1 with specialty and white collar employees difficult to hire.

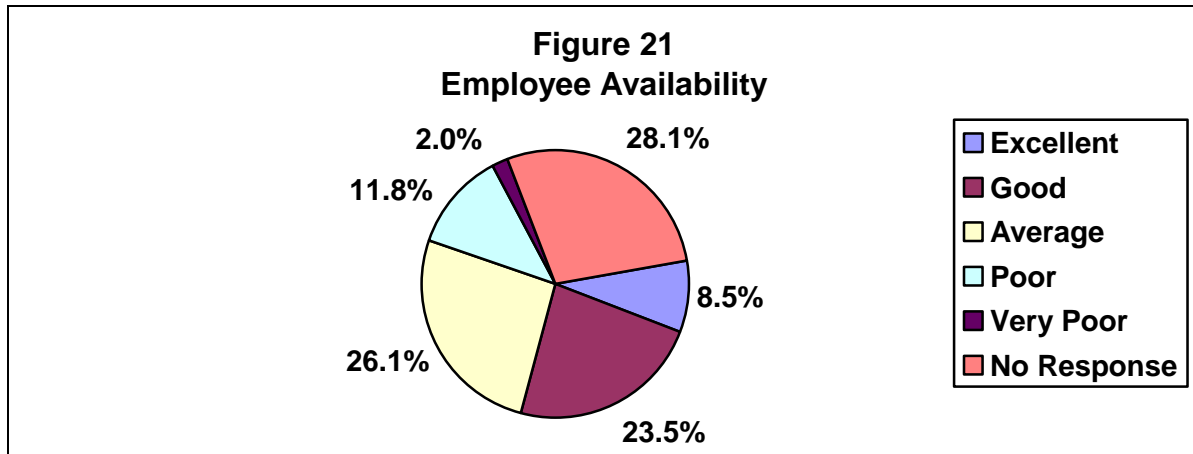


Figure 22 reports the rating of Mesquite’s employee stability. Over 27% of respondents feel that Mesquite’s employee stability is excellent or good. Another 24.2% feel Mesquite labor stability is average and 20.3% as poor or very poor. The high percentage of poor and very poor employee stability may be signs of a transit population that often is found in small communities.

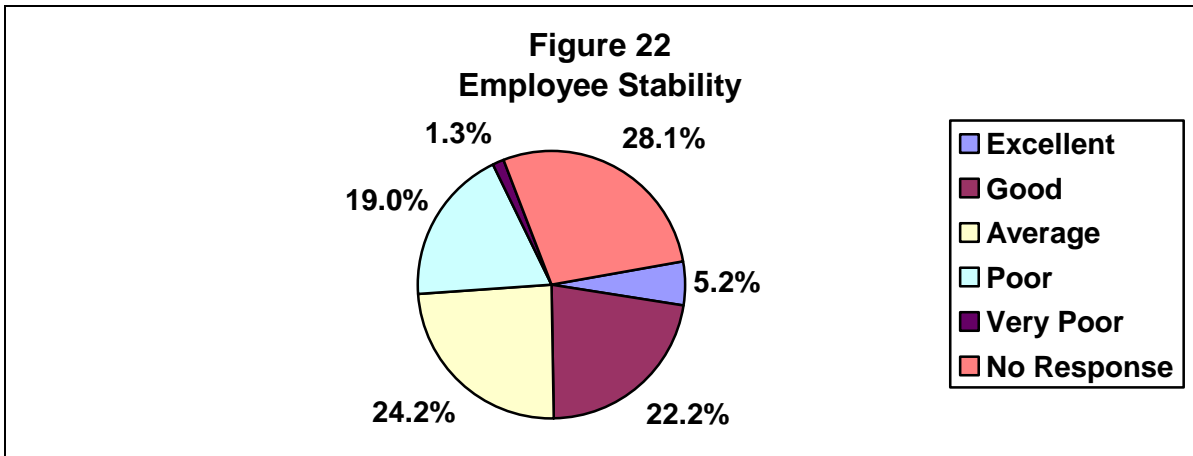
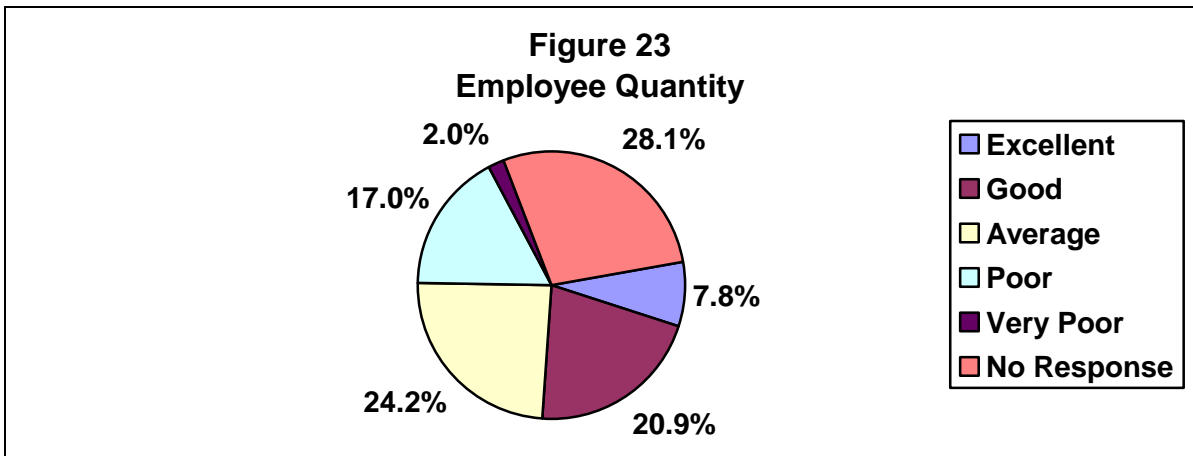


Figure 23 shows the rating of Mesquite’s quantity of employees. Over 28% of respondents indicate that Mesquite’s quality of employees is excellent or good. Another 24.2% feel Mesquite’s quantity of employees is average. Exactly 19% of respondents feel that Mesquite’s quantity of employees is poor or very poor.



Starting Hourly Wage

Figure 24 presents Mesquite’s hourly wage for general labor positions. General labor positions are defined as blue collar jobs that do a variety of physical activities, i.e. construction, maintenance, etc... Exactly 40% of responding businesses pay general labor positions between \$8.01 and \$10.00 per hour. Nearly 25% of responding businesses pay general labor positions \$8.00 and under per hour, and 35% pay general labor positions an hourly rate greater than \$10.00.

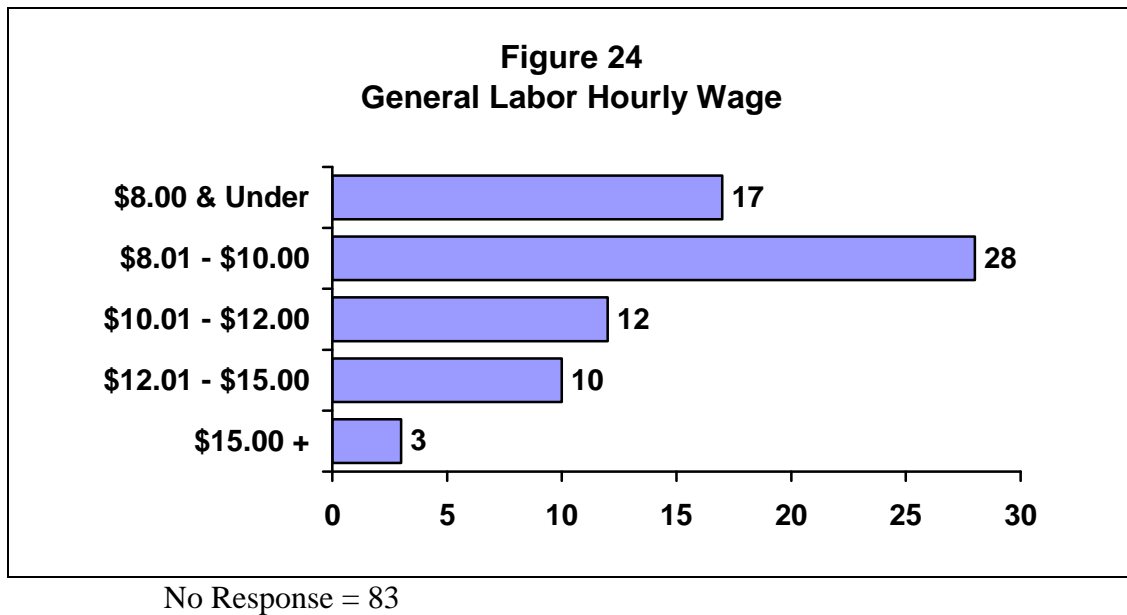
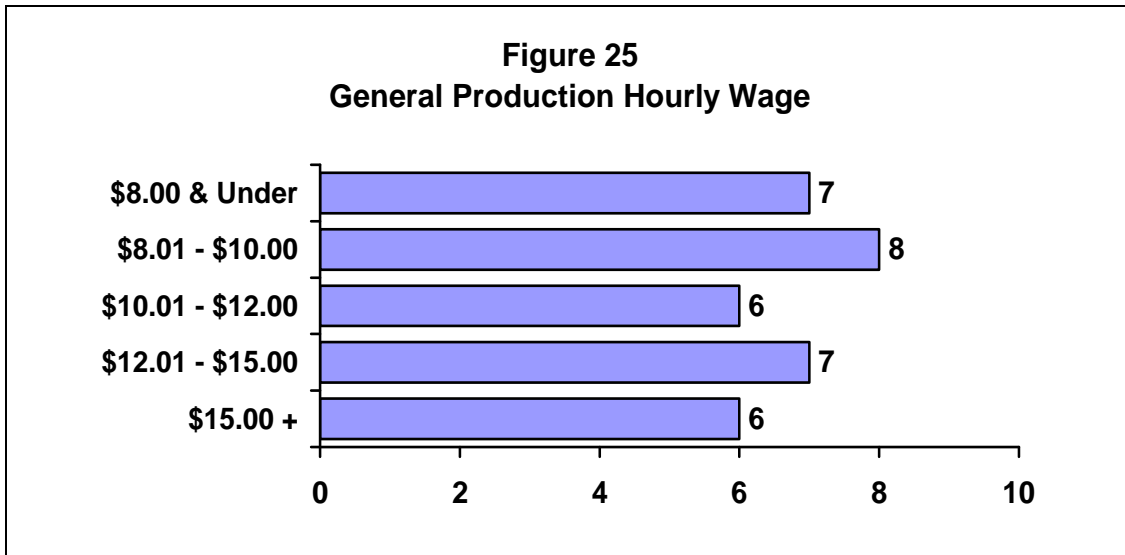
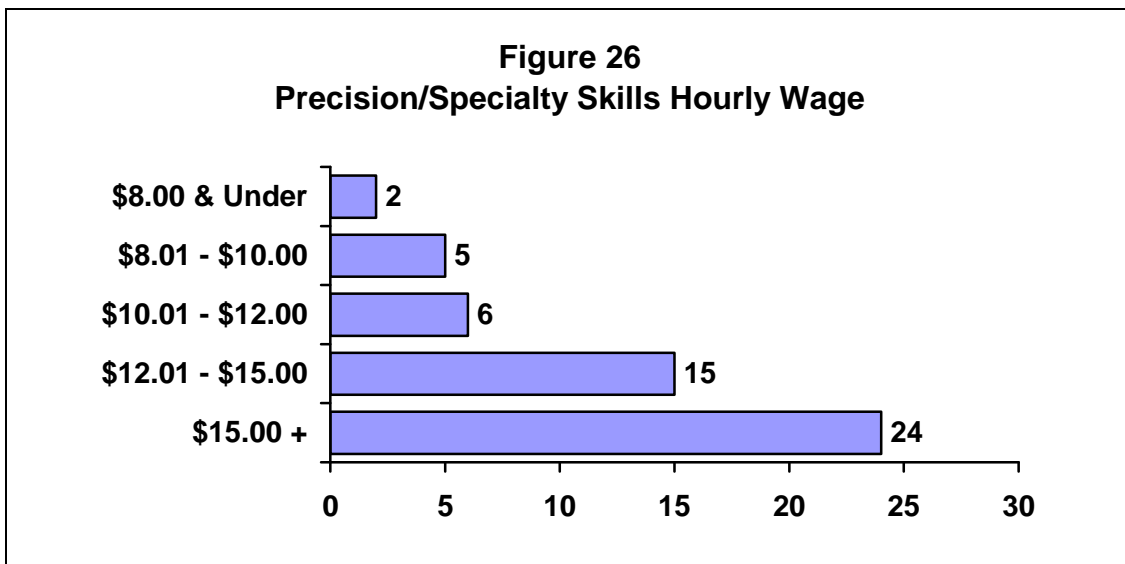


Figure 25 reports Mesquite’s hourly wage for general production positions. General production positions are defined as labor used to produced or assemble goods. Hourly wages reported by participating Mesquite businesses are relatively evenly disbursed across each wage category. Approximately 44% reported hourly wages \$10.00 and below, while 66% reported hourly wages greater than \$10.00.



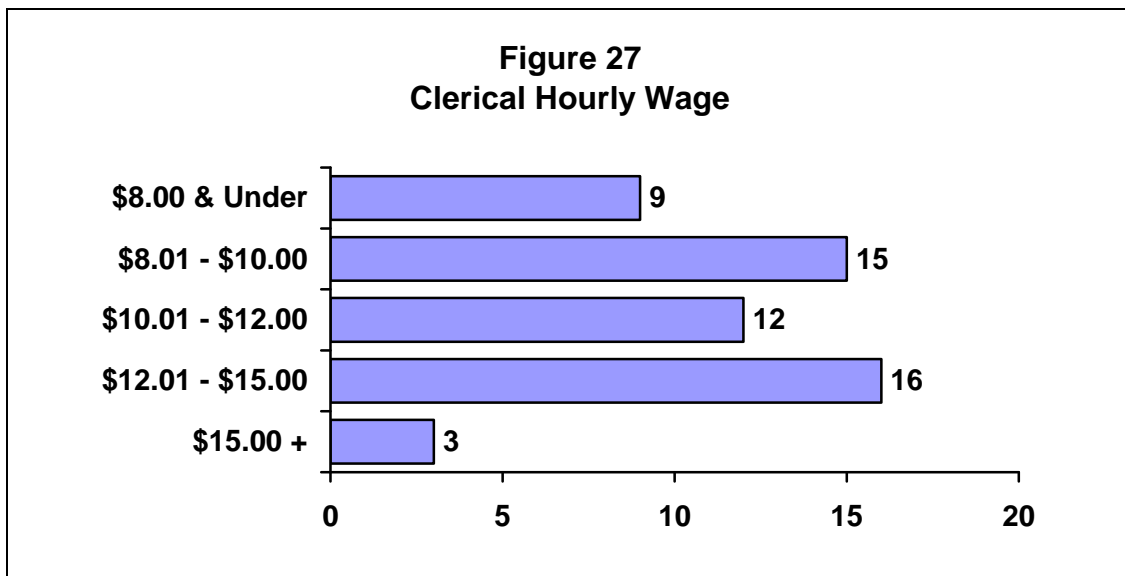
No Response = 119

Figure 26 reports Mesquite's hourly wage for precision/specialty skills positions. Precision/specialty skills positions are defined as a trade that requires advanced or special training to perform a specific job. As expected the hourly wage for advanced training and skills demand a higher hourly wage with 75% of participating businesses paying above \$12.00 per hour.



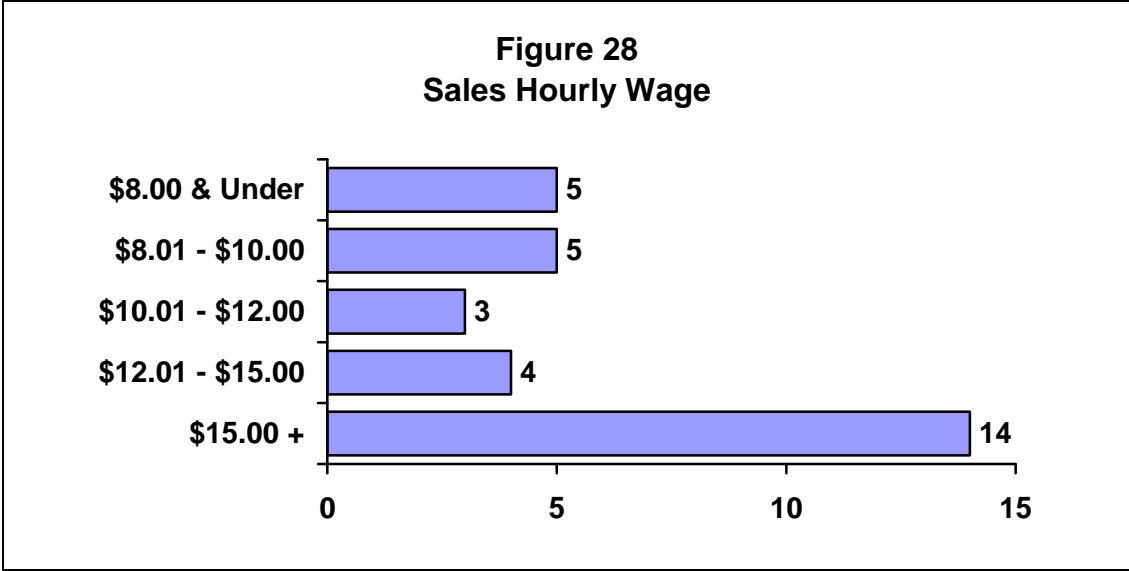
No Response = 101

Figure 27 reports Mesquite’s hourly wage for clerical positions. Clerical positions are defined as general office functions such as answering phones, typing, and filing, etc... Nearly 44% of participating businesses report a clerical hourly wage at \$10.00 or less per hour, while 51% reported an hourly wage between \$10.01 and \$15.00. Only 5% of participating businesses reported a clerical position hourly wage \$15.00 and above.



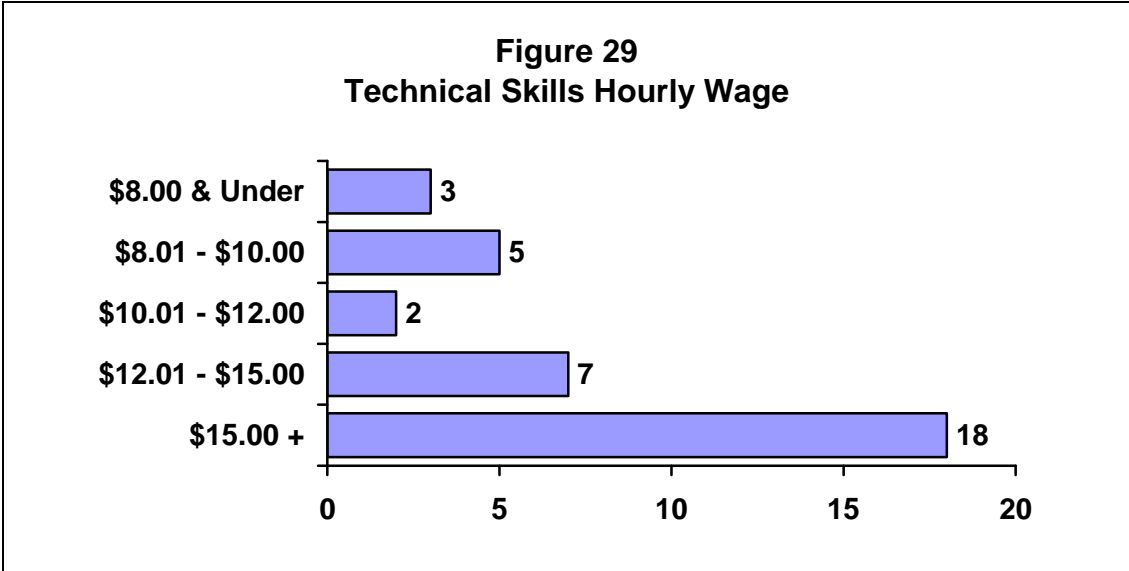
No Response = 98

Figure 28 reports Mesquite’s hourly wage for sales positions. Sales positions are defined as jobs that sell products and services to customers. Over 45% of participating businesses report a sales position hourly rate at \$15.00 or above per hour. Approximately 32% of respondents had an hourly rate \$10.00 and under. These results only apply to hourly rates that do not include any additional commission wages that may be in addition to the hourly rate.



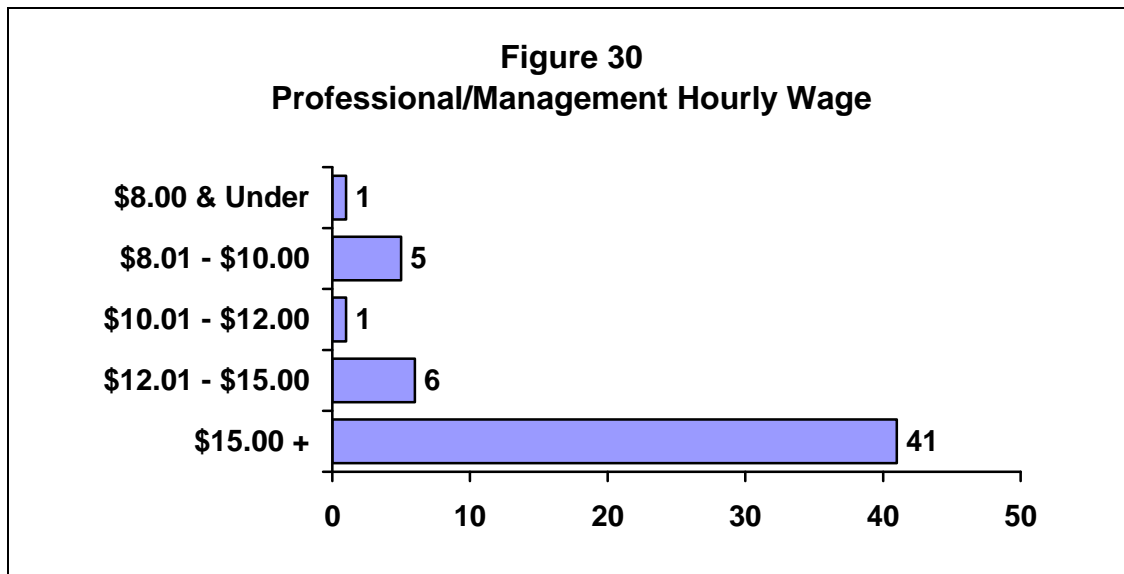
No Response = 122

Figure 29 reports Mesquite’s hourly wage for technical skills positions. Technical skills positions are defined as jobs requiring special technical training mainly in computers and technology duties. Again, technical positions normally demand higher pay scales. Nearly 52% of participating businesses report an hourly wage rate \$15.00 and above. Over 71% pay technical positions above \$12.00 per hour.



No Response = 118

Figure 30 reports Mesquite’s hourly wage for professional/management positions. Professional and management positions are defined as blue collar jobs that often have greater responsibilities by managing departments and personnel. Over 85% of participating businesses report an hourly wage rate \$15.00 and above. Commonly these positions are salary but smaller businesses may pay at an hourly rate.



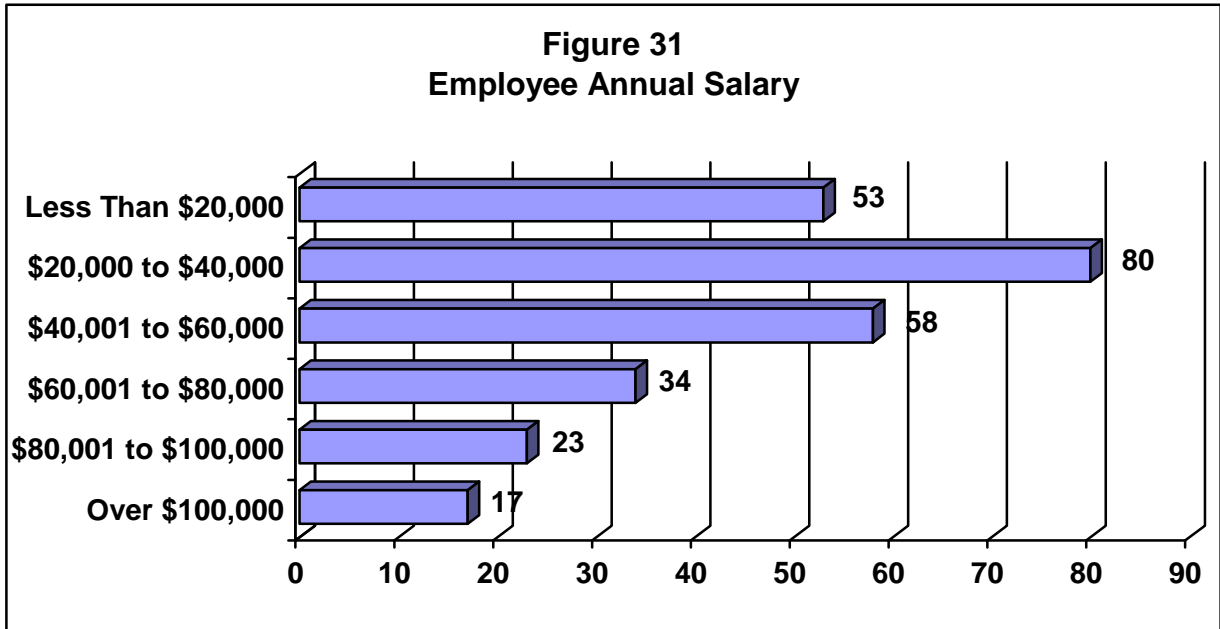
No Response = 105

Employee Annual Salary

Figure 31 summarizes the annual salaries reported by participating businesses. The numbers reported in Figure 31 are the total businesses that have one or more employees receiving compensation within the designated annual salary range. For example businesses with multiple employees will likely have different pay scales for specific job classifications and thus have different annual salary rates and report across multiple ranges. This has been reported in previous results and now translated to an annual salary. Each salary range needs to be considered separately and compared to the total sample of 153 responding businesses.

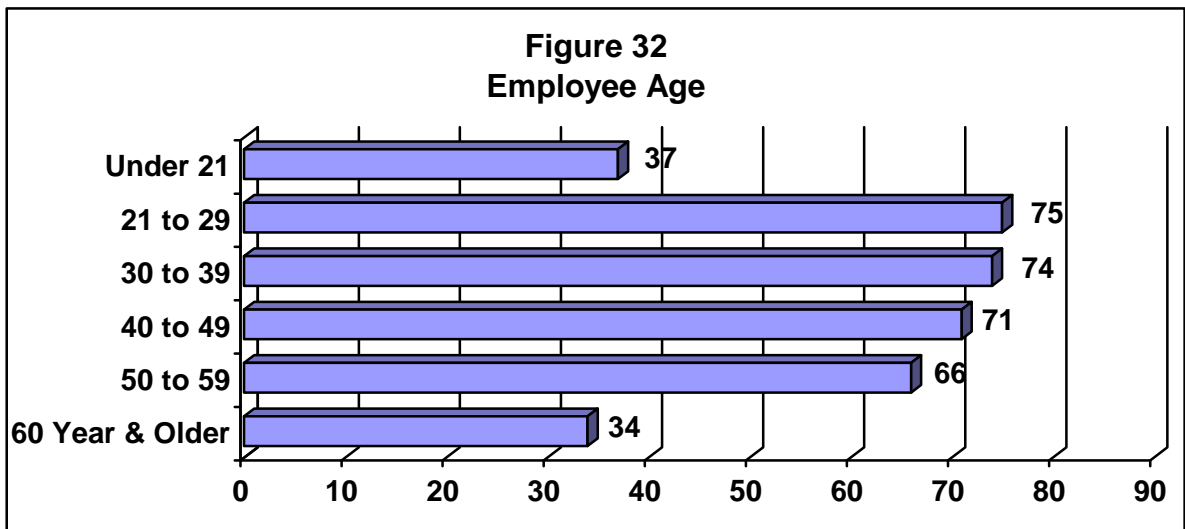
Over 52% of participating businesses report paying employee salaries between \$20,000 and \$40,000 annually or an hourly range between \$9.62 and \$19.23 based on 2,080 hours per year. Other salary ranges with high business response were between \$40,001 and

\$60,000 (37.9%) and less than \$20,000 (34.6%). Participating businesses also reported consistent annual salary ranges above \$60,000 annually.



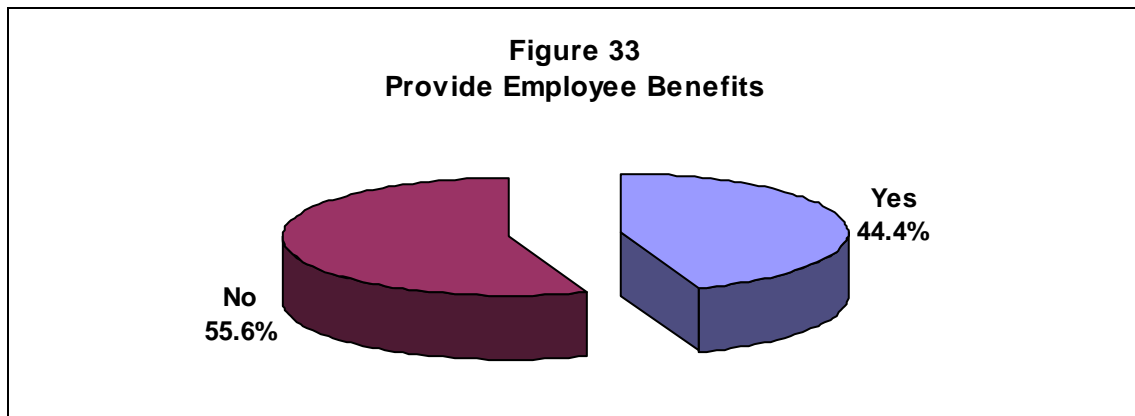
Employee Age

Figure 32 shows the age distribution of employees as reported by Mesquite businesses. With the exception of ages under 21 and 60 years and over, participating businesses age distribution is consistent at approximately 50% between the ages of 21 and 59 year.



Provide Employee Benefits

Providing benefits with employment always help with recruiting employees. Figure 33 summarizes responses from participating businesses as to whether they provided employee benefits. Over 44% of responding businesses reported offering benefits with employment compare to 55% that did not provide benefits.



Type of Benefits

Benefit offerings are always an attraction for maintaining and recruiting employment. However, costs associated with offering benefits with any position can be high and potentially increase overall labor costs by 30 to 50 percent. Several small to medium sized businesses experience difficulties offering comprehensive benefit packages because of this reason. So given the nature and size of the average business in Mesquite, it was not surprising that a small percentage of businesses offer comprehensive benefit packages with employment. Paid vacation and health insurance were the most common benefits offered to full-time and part-time employees (Table 2). Over 42% of participating Mesquite businesses offer paid vacation time while 36.3% offer health insurance.

Table 2. Type of Benefits Provided to Full and Part-Time Employees

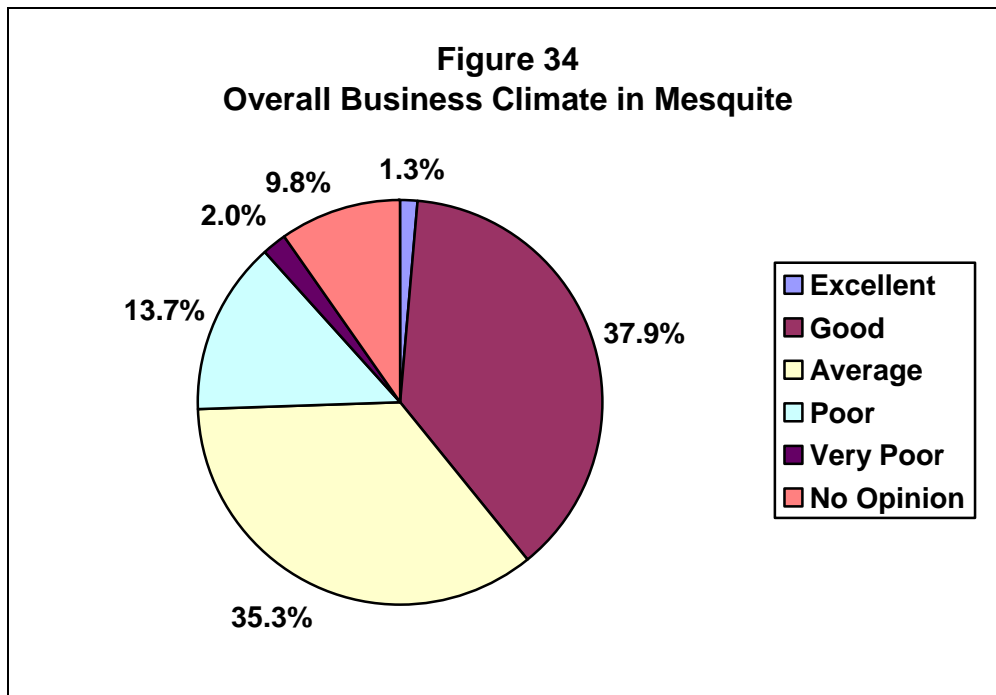
	FULL-TIME	FULL-TIME & PART - TIME	NO BENEFITS
Health Insurance	54	2	97
Life Insurance	28	2	123
Disability Insurance	18	2	133
Paid Vacation Time	58	7	88
Paid Sick Leave	41	3	109
Bonus	34	8	111
Profit Sharing	12	6	135
Tuition Reimbursement	16	4	133
Retirement/401 K Contribution	22	8	123
Uniforms/Uniform Allowance	16	7	130
Child Care/Dependent Benefits	5	1	147

III. BUSINESS CLIMATE

How a community is perceived for conducting business is very important when trying to retain, expand or recruit businesses. A positive perception by the business of the overall community in terms of business operations will also contribute to the overall quality of life experienced by workers and residents. Both business and local governing agencies need to work together to create a positive business climate. The following section summarizes Mesquite business responses to the overall business climate and the factors that contribute to this perception.

Overall Business Climate in Mesquite

The rapid change that the City of Mesquite has experienced over the last several years has resulted in the positive business climate with a variety of businesses opening or expanding to serve growing populations and demands. Sustaining this positive business climate is the challenge not only for the business community but also for the City of Mesquite. Understanding how local business operators perceive the overall business climate can help with future development and expansion strategies. Figure 34 shows that over 38% of participating businesses feel that the overall business climate in Mesquite is excellent or good. Another 35.3% see Mesquites business climate as average while another 15.7% feel Mesquites business climate is poor to very poor. Contributing factors to negative perceptions could be the current economic slowdowns that several communities are experiencing.



City of Mesquite for Doing Business

Factors that contribute to the overall perceptions of a community's business climate are very important for business retention and expansion. Understanding how the business community feels about specific factors can provide guidance for the City of Mesquite to

strengthen important factors through planning and action. Although some factors cannot be easily addressed, i.e. proximity to major markets, others can become priorities and be addressed through strategic partnerships with the local governments and business community. Table 3 summarizes responses by participating Mesquite businesses as to how they rate specific factors for doing business.

Table 3. City of Mesquite Rating for Doing Business

	EXCELLENT & GOOD	AVERAGE	POOR & VERY POOR	NO OPINION
Availability of Skilled Labor	23	39	50	41
Availability of Unskilled Labor	46	48	9	50
Worker Stability	31	42	37	43
Worker Productivity	36	49	26	42
Wage Rate	28	52	28	45
Technical Training Programs	12	18	57	66
Highway Accessibility	93	17	8	35
Proximity to Major Markets	50	42	20	41
Accessibility to Major Airport	30	39	44	40
Availability of Credit	33	43	13	64
Availability and Cost of Land	13	29	61	50
Availability and Cost of Buildings	10	36	57	50
Proximity to Raw Materials	18	27	36	72
Proximity to Service Supplies	25	35	42	51
Environmental Regulations	20	44	23	66
Crime Rate	51	43	13	46
Unemployment Insurance	16	53	8	76
Workers Compensation Rate	16	50	14	73
Local Taxes	34	64	9	46
State Taxes	47	50	9	47
Proximity to Colleges/Universities	20	42	45	46
Housing Cost and Availability	14	41	56	42
Cultural Opportunities	16	46	41	50
Recreational Opportunities	53	43	14	43
Access to Open Space	80	26	6	41

City of Mesquite Community Services

Similar to factors that contribute to Mesquite’s business climate, community services that residents and businesses rely on daily are important for business retention and expansion. Community services are those services that businesses rely on to conduct daily business and attract employment. Historically, the stronger a community’s services the more attractive it becomes for families and business. Table 4 shows that Mesquite’s business community feels that the majority of services offered are excellent or good. The only category receiving an overall rating as poor or very poor is child care which may be addressed through public private partnerships.

Table 4. City of Mesquite for Community Services Offered

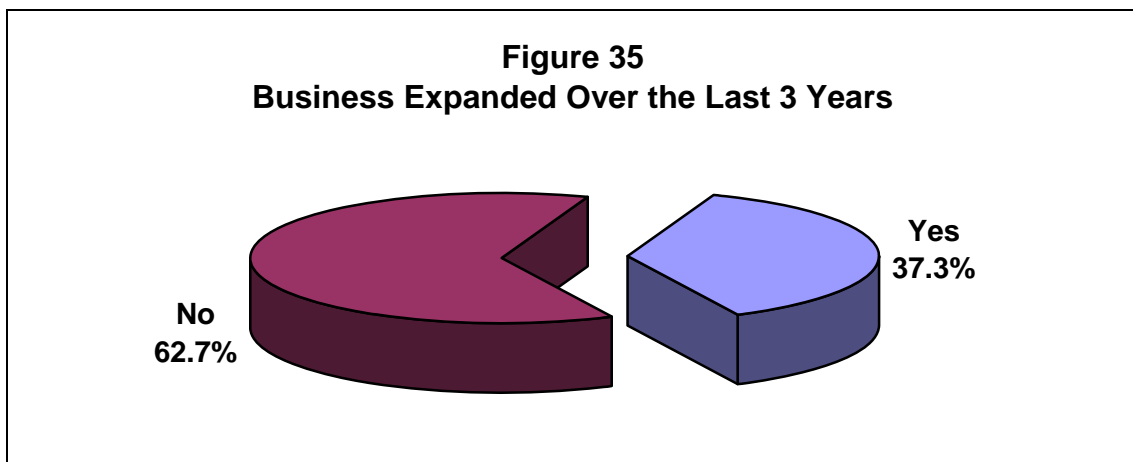
	EXCELLENT & GOOD	AVERAGE	POOR & VERY POOR	NO OPINION
Street Maintenance/Drainage	77	30	2	46
Water and Sewer	76	26	3	48
Police Protection	85	19	5	44
Fire Protection	84	21	5	43
Emergency Medical Services	64	34	10	45
Health Care Facilities	55	37	17	44
Electricity Cost and Reliability	43	45	18	47
Telecommunications Services	44	40	28	41
Internet Access	47	42	24	40
Solid Waste Disposal	57	37	8	51
Zoning and Permitting	42	45	18	48
Code Enforcement	42	51	14	46
Signage Standards	39	30	30	53
Available Building Space	40	46	18	49
Available Land	37	41	24	51
Public Schools	40	35	17	61
Financial Institutions	51	40	5	57
Child Care	18	21	36	78
Community College	31	36	20	66
Local Chamber of Commerce	54	31	9	59
City Economic Development	45	30	15	62
Overall Regulatory Environment	36	52	10	55

IV. FUTURE PLANS

Understanding future operational plans of businesses can assist communities in planning and preparing to meet these anticipated changes. As a general rule, learning from past performance can also assist with predicting future business activities. Of course other factors need to be considered such as overall national, state and local economic conditions. For example, in a growing community, past employment expansion trends may assist businesses and local governing agencies better understand employment demands. Also, if special employee training or infrastructure improvements are needed to meet business operational demands then planning activities can start earlier rather than later. The following section reports participating businesses responses to past and current business operational plans and factors that contribute to these plans.

Business Expansion

Figure 35 summarizes results if participating Mesquite businesses expanded over the last three years. Over 37% or 57 of respondents reported that they have expanded over the last three years. Nearly 58% or 33 businesses that expanded over the last three years have expanded the number of employees and/or total sales. A smaller percentage, less than 25%, of businesses expanded operating equipment, building, or acquired additional land (Figure 36).



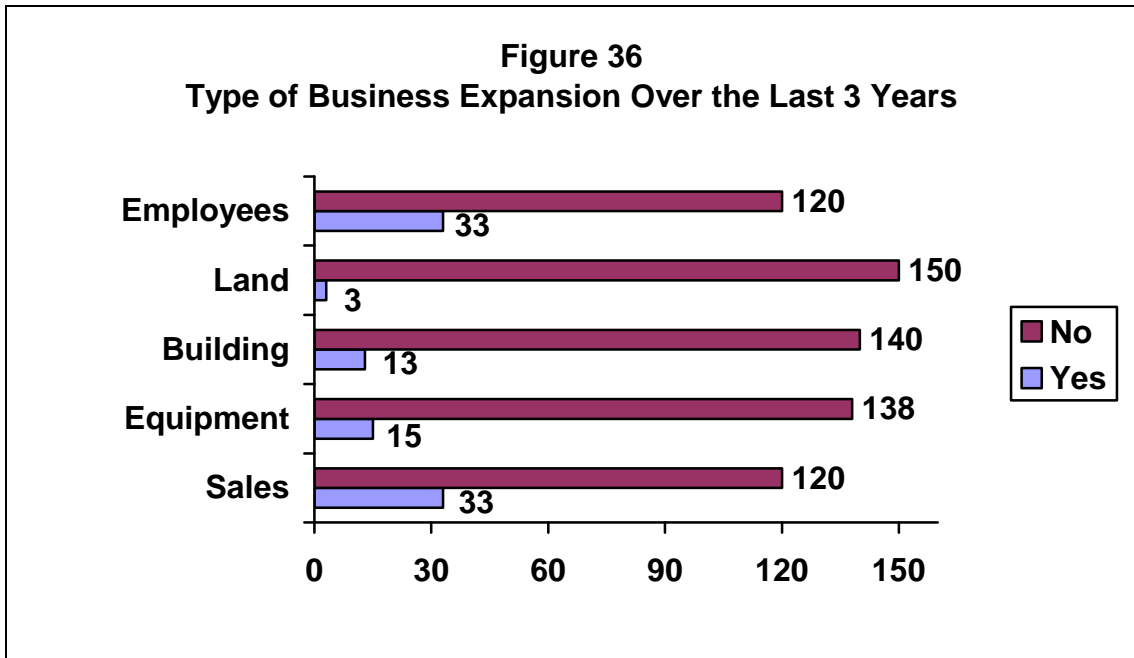
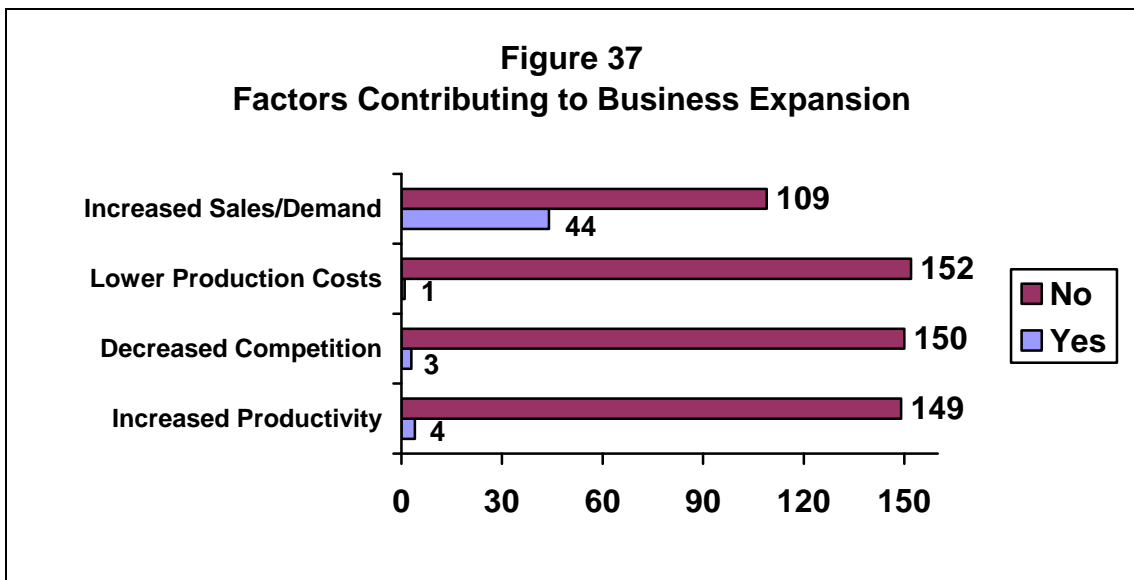
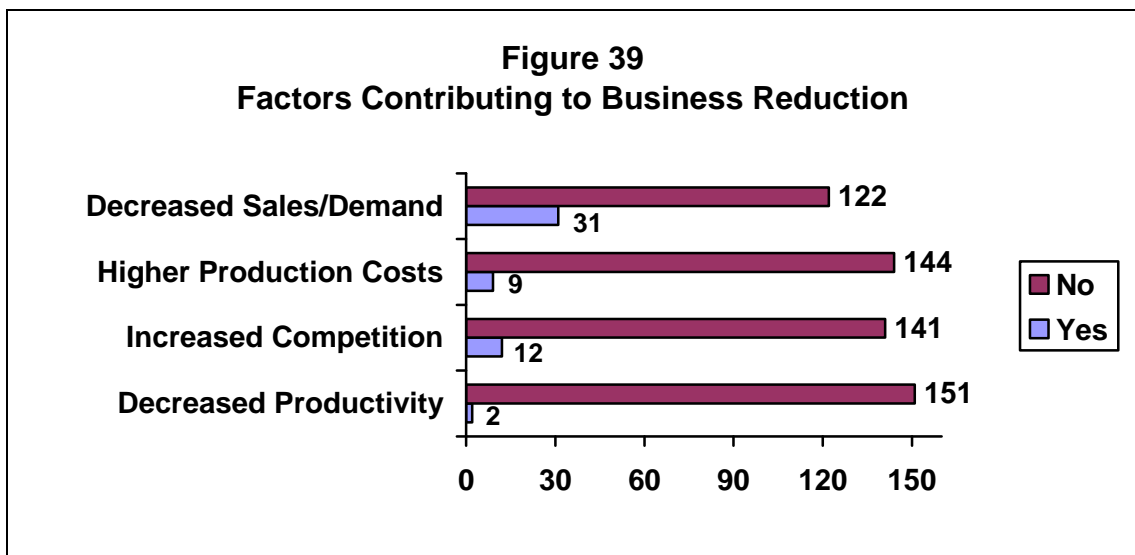
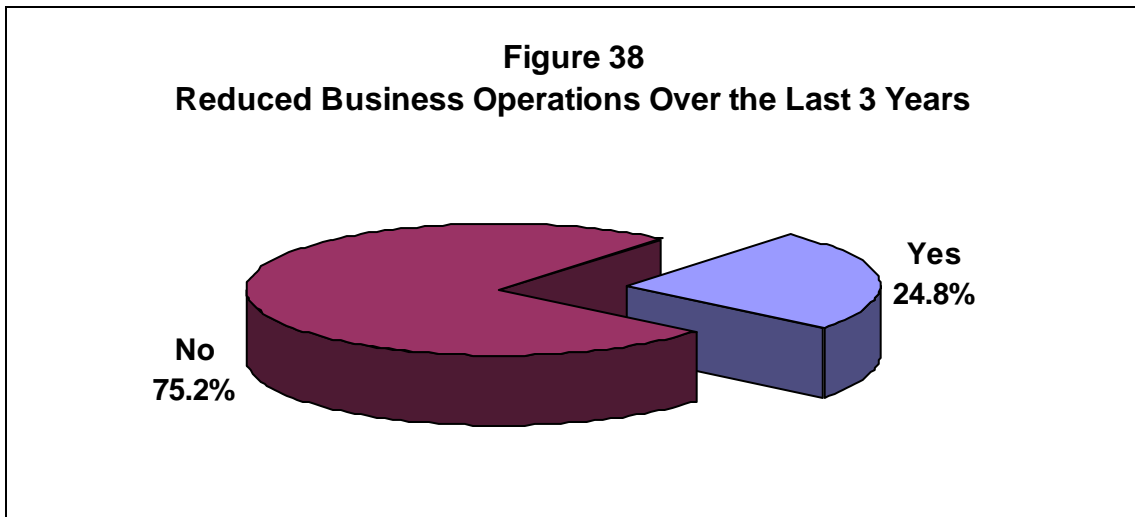


Figure 37 presents the factors that contributed to business expansion in Mesquite. The primary factor why businesses expanded was because increased sales or demand for goods or services (77%). Note: five firms that expanded did not respond to this question.



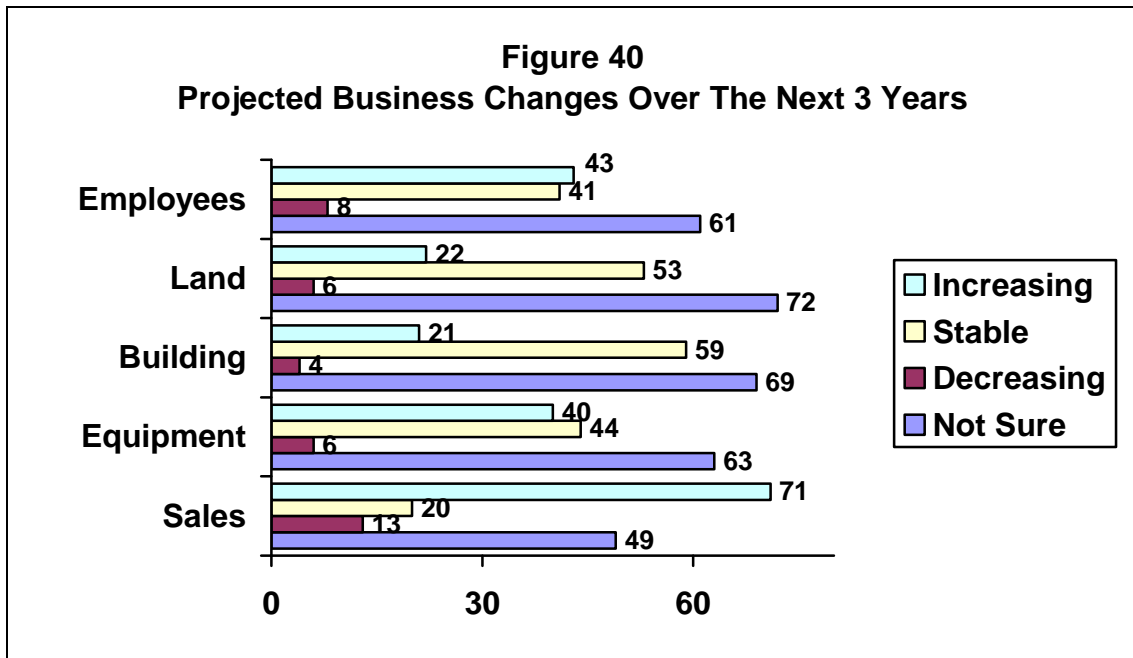
Reduced Business Operations

Figures 38 and 39 summarize responses to whether Mesquite businesses reduced operations over the last three years and what factors contributed to that decision. Approximately one-quarter of participating Mesquite businesses did reduce operations over the last three years. Similar to responses for expanding business operations, the main factor that contributed to reduction of operations was a decrease of sales or demand. Nearly 82% of the 38 businesses that reduced business operations over the last three years attributed this action to a decrease in sales or demand while 31% stated increased competition and 23% expressed higher production costs also played a factor with this decision.



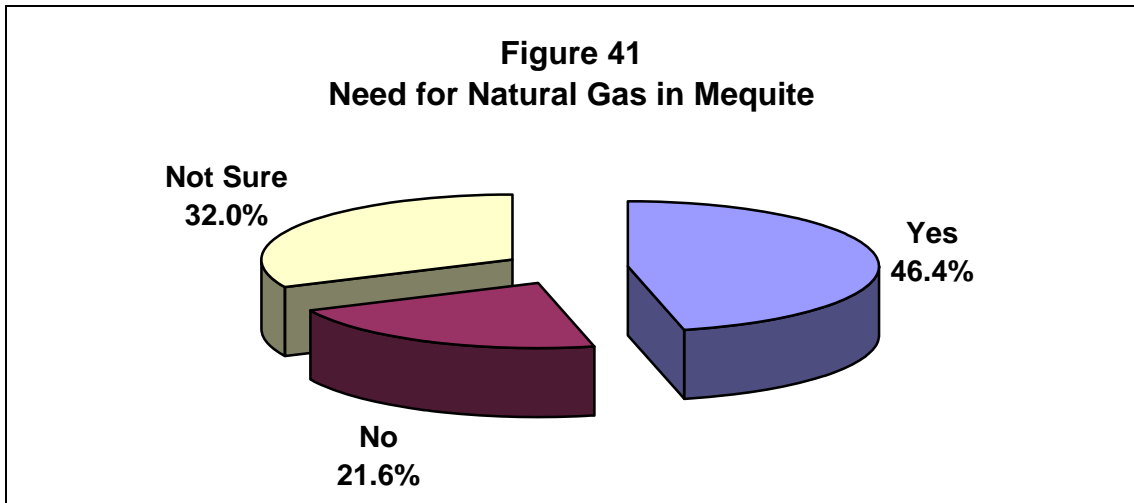
Projected Changes in Business Operations

Figure 40 shows that participating businesses are very optimistic about changes in businesses operations over the next three years. Across each category, 50% or greater of respondents see their business operations growing or stable. A large percentage, 46% project sales growth over the next three years. Alternatively, participating businesses also expressed uncertainty for business changes over the next three years. With the exception of future sales, 40% to 47% of participating Mesquite businesses was not sure how their business operations will change over the next three years. This result could be influenced by current national economic conditions and cause businesses to proceed with caution.



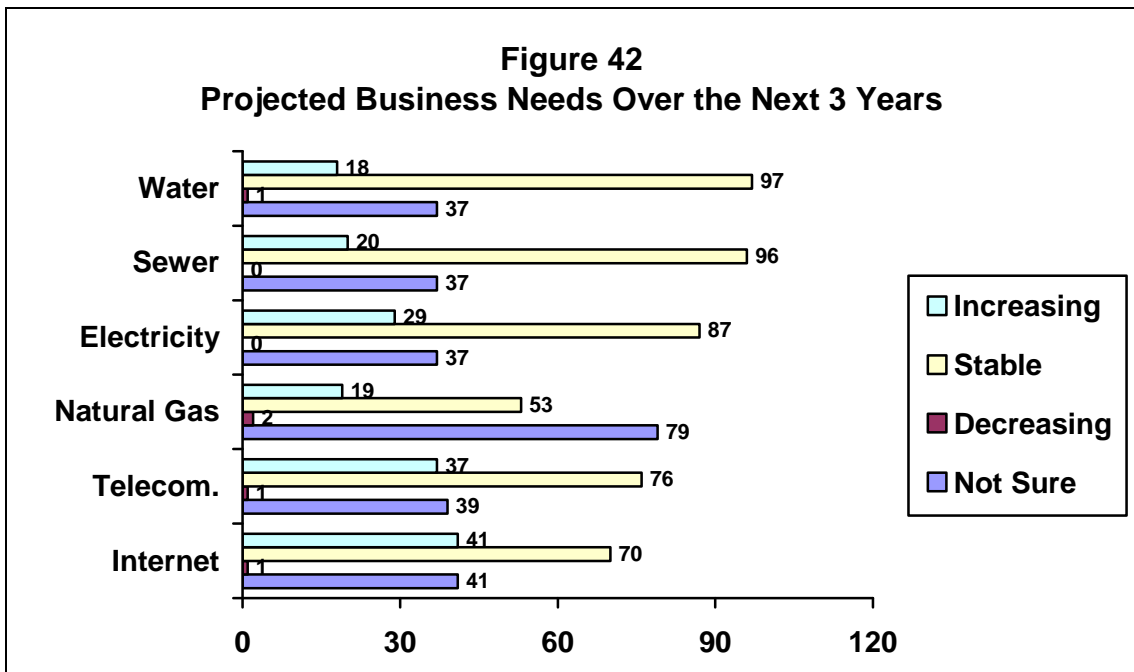
Natural Gas in Mesquite

Availability of natural gas can play a major role for business retention and expansion efforts. Currently natural gas is not available in Mesquite. Over 46% of participating Mesquite businesses feel natural gas is needed in the community, while 32% are not sure (Figure 41). As the City of Mesquite continues to grow the increasing need for natural gas will also likely grow.



Utility Needs

Utilities play a vital role in economic development efforts for serving existing businesses and recruiting new businesses and industries. Projecting future utility demands by understanding the needs of existing businesses will assist the City of Mesquite plan for future businesses needs. Figure 42 reports that participating Mesquite businesses feel that Mesquite’s utilities are adequate to meet projected needs over the next three years (Figure 42).



Relocation

The City of Mesquite will continue to be faced with the reality that other communities are competing to attract new business and industry in efforts to build their economic bases. Mesquite businesses are not sheltered from these methods. The best strategy for any community challenged with building and sustaining economic development is by addressing the needs of existing businesses. Figures 43 and 44 shows that nearly 53% of participating Mesquite businesses do not anticipate business consolidation or relocation in the next three years. However, 32% of respondents are not sure and need to be further communicated with to make sure their business needs are being met, especially the issue of business expansion.

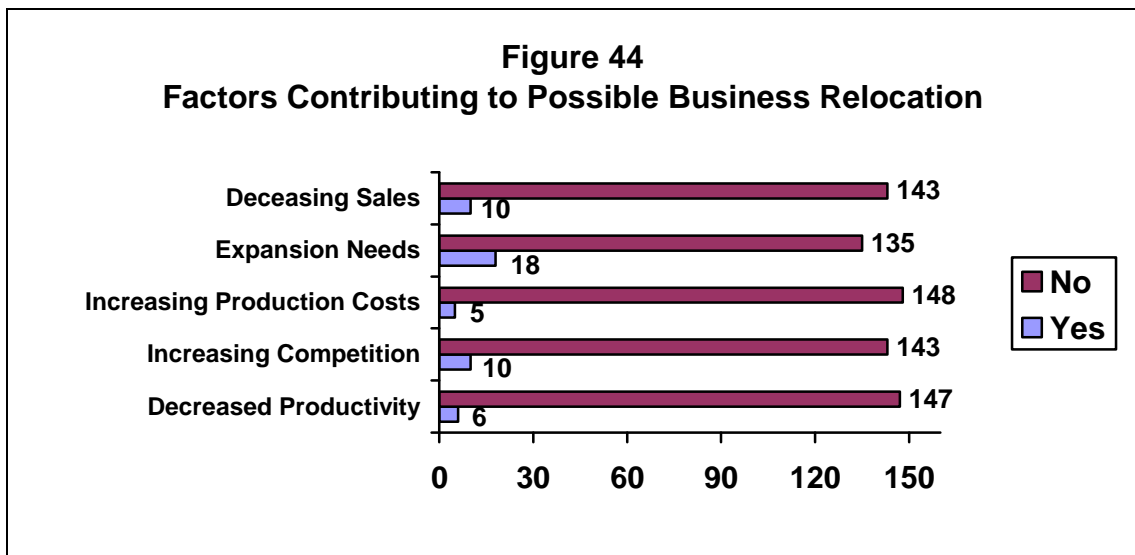
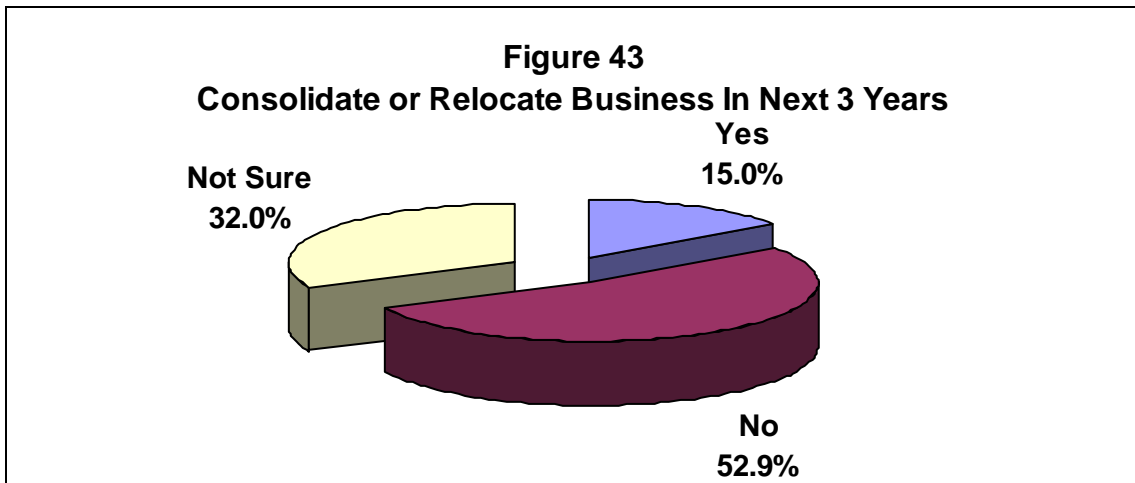
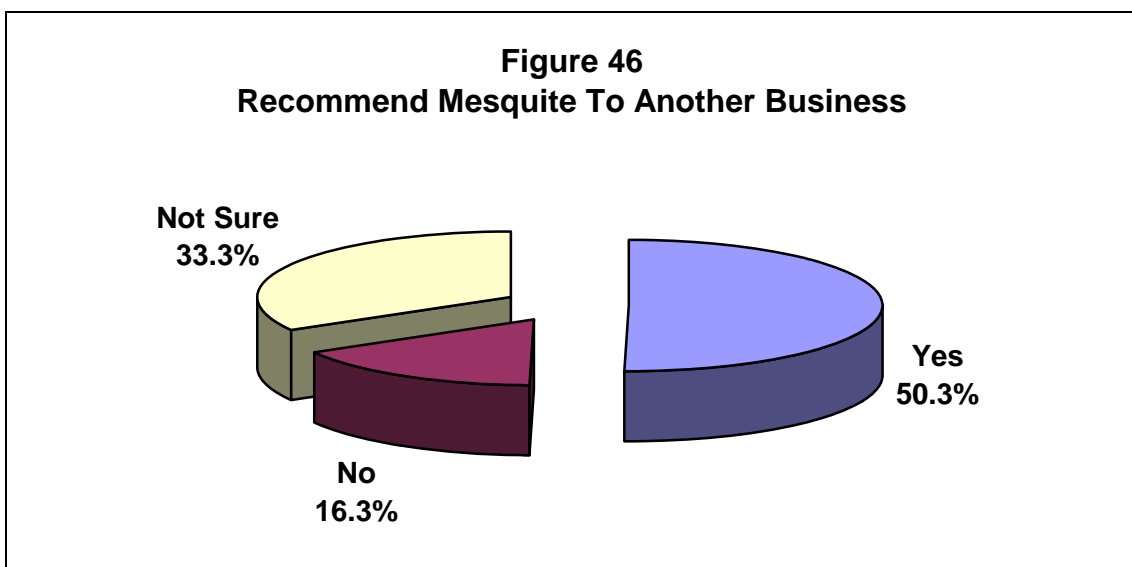
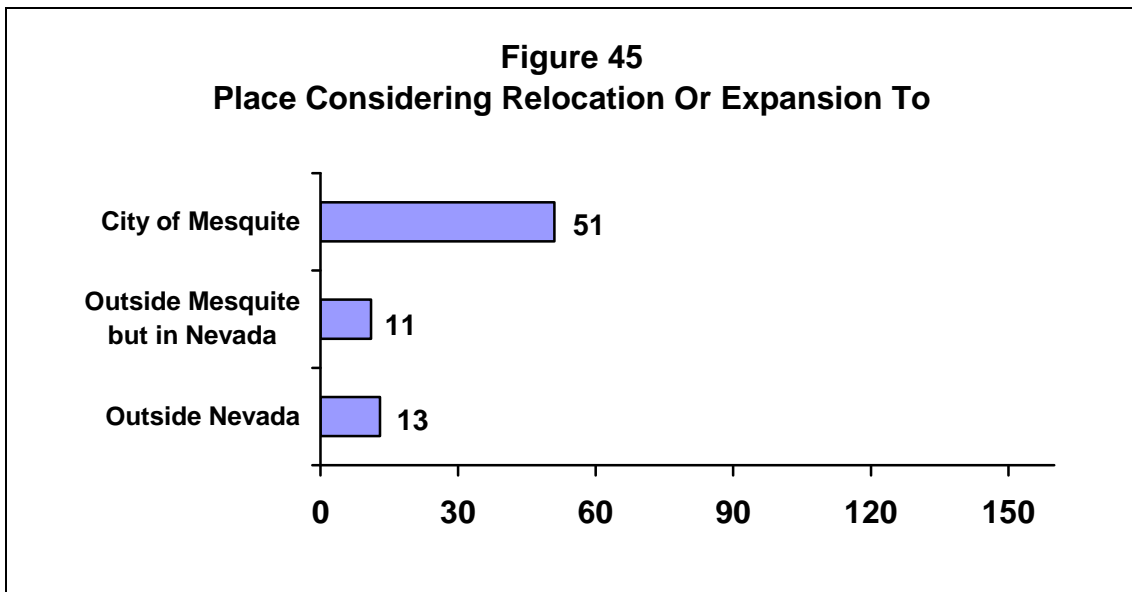
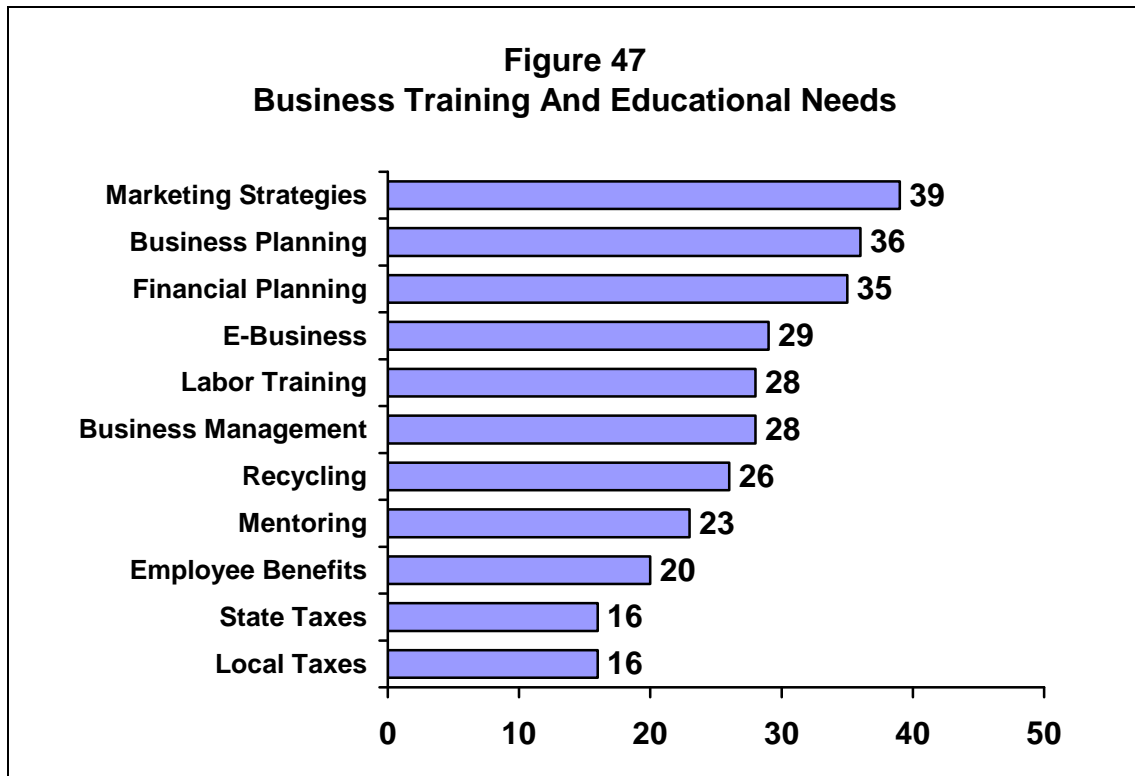


Figure 45 shows that if a participating Mesquite business is considering business relocation or expansion that nearly 63% would prefer Mesquite, while 30% would consider locations outside Mesquite and 7% did not respond. Figure 46 reports that over 50% of participating Mesquite businesses would recommend Mesquite as a location for prospective new businesses. However, approximately 33% were not sure if they would recommend Mesquite and over 16% would not recommend Mesquite as a place to do business.



V. FUTURE TRAINING AND EDUCATIONAL NEEDS

Business training and education are viable economic development strategies for business retention and expansion programming. Addressing training and educational needs of existing businesses can strengthen the City of Mesquite's business climate by better preparing businesses to compete in the market place. Figure 47 reports the training and educational needs of participating Mesquite businesses. Between 23% and 25% of respondents would like training and education programs in marketing strategies, business planning, and financial planning. Additional training and educational needs expressed by participants were in e-business, labor training, business management, and recycling. Several federal, state, and local agencies have developed specific programs aimed at assisting businesses to become more efficient and competitive and should be partnered with in several capacities to meet local business training and educational needs.



CONCLUSIONS AND DISCUSSION

National studies continually show that as much as eighty percent (80%) of the new jobs and tax base in most communities occur as a result of the growth and expansion of existing local businesses rather than the attraction of new businesses to the community. Both new and current businesses are important to Mesquites economy, as well as workforce development, training and education. By monitoring existing businesses, the City and the Chamber can better understand perceptions of doing business in Mesquite, as well as working on business areas that improve overall business conditions and operations.

This report begins to provide a direction that the City of Mesquite might want to consider to strengthen existing businesses. Although the sample size of the BRE survey was a small representation of the entire Mesquite business community, results did show areas that the city and business organizations might want to address through short and long range planning. First, business assistance programs are either not being fully utilized or being offered to businesses. Specific areas that may be considered are business plan preparation and updates, marketing strategies, financial planning and e-business. Several federal, state and local agencies have the expertise to deliver these programs at reasonable costs. Second, it appears that the overall business climate is strong in Mesquite but the availability of hiring skilled and technical labor appears to be a major challenge for most businesses. Again working with specific organizations, i.e. community college could help address these areas by developing specific training programs that meet local hiring demands. Third, the City of Mesquite may want to further study the availability and cost of land, building space, and affordable housing. These areas were moderately expressed as a concern and could become more of a concern in future years as Mesquite's business community continues to grow. Future planning processes could continue to address these areas. Finally, Mesquite businesses are very satisfied with the current level and quality of services provided by the local government. Specific areas of importance that need continued monitoring are technology infrastructure, electricity costs and reliability, zoning permitting, code enforcement, regulatory environment, and child care. In addition nearly 50% of the responding businesses feel that the availability of natural gas is needed or should be part of any community plan.

APPENDIX A
(Survey Tabulation)

I. BUSINESS PROFILE

What form of organization is your business? (Check all that apply)

Public Corporation	4	2.6%
Private Corporation	78	51.0%
Sole Proprietor	48	31.3%
Partnership	7	4.6%
Cooperative	3	2.0%
Non-Profit	2	1.3%
Family-Owned	11	7.2%
For Profit	21	

When you started this business was it a:

Newly started non-franchise business in Mesquite	100	65.4%
Purchase of an existing non-franchise business in Mesquite	8	5.2%
Purchase of an existing non-franchises business and moved it to Mesquite	0	0.0%
Purchase of a new franchise business	4	2.6%
Purchase of an existing franchise business	8	5.2%
Home based business	20	13.1%
Other	8	5.2%
No Response	5	3.3%

What year did this business start?

Pre 1940	1	0.6%
1940 – 1950	2	1.3%
1951 – 1960	0	0.0%
1961 – 1970	4	2.6%
1971 – 1980	6	3.9%
1981 – 1990	16	10.5%
1991 – 2000	33	21.6%
2001 – 2008	83	54.3%
No Response	8	5.2%

Do you have multiple locations? (including outside Mesquite)

Yes	58	37.9%
No	95	62.1%

**What product(s) or service(s) does your business provide?
What category does your primary business activity fall into? (Check One)**

Agriculture	0	0.0%
Construction	43	28.1%
Manufacturing	1	0.6%
Transportation	0	0.0%
Communications	2	1.3%
Public Utilities	1	0.6%
Wholesale Distribution	1	0.6%
Retail	14	9.2%
Services	57	37.3%
Finance	2	1.3%
Insurance	4	2.6%
Real Estate	19	12.4%
Non-Profit	2	1.3%
Tourism Hospitality	7	4.6%

Does your business currently have a business plan?

Yes	96	62.5%
No	43	28.1%
Don't Know	14	9.2%

Are total company gross sales over the past 2-3 years...

Increasing	69	45.1%
Stable	39	25.5%
Decreasing	38	24.8%
Not Sure	5	3.3%
No Response	2	1.3%

Are total company profits over the past 2-3 years...

Increasing	52	34.0%
Stable	49	32.0%
Decreasing	44	28.8%
Not Sure	6	3.9%
No Response	2	1.3%

Is the market share of your company's product/service...

Increasing	38	24.8%
Stable	66	43.1%
Decreasing	28	18.3%
Not Sure	19	12.4%
No Response	2	1.3%

Is new technology emerging that will change your company's product/service or how it is produced? (Check One)

Yes	58	37.9%
No	72	47.1%
Don't Know	21	13.7%
No Response	2	1.3%

Do you anticipate any legislative changes that will help or hurt your business?

Yes	32	20.9%
No	72	47.1%
Don't Know	47	30.7%
No Response	2	1.3%

Have you received any business assistance from outside sources (Check all that apply)

Small Business Development Center (SBDC)	1	0.6%
Management Assistance Partnership (MAP)	1	0.6%
Service Corps of Retired Executives (SCORE)	2	1.3%
Other (page 38)	6	3.9%

Which marketing options do you use? (Check all that apply)

	<u>#</u>	<u>% of Total</u>
Newsletters	23	15.0%
Newspaper Advertising	71	46.4%
Word of Mouth	121	79.1%
Direct Mail	37	24.2%
Trade Shows	20	13.1%
Cable Television	11	7.2%
Networking/Chamber of Commerce	58	37.9%
Coupons	19	12.4%
E-Mail	33	21.6%
Online Advertising	49	32.0%
Telephone	26	17.0%
Radio	15	9.8%
Yellow Pages	14	9.2%
Magazines	6	3.9%
Other	14	9.2%

Are there other marketing methods you would like to use, but are not available to you?

Yes	16	10.5%
No	135	88.2%
No Response	2	1.3%

II. EMPLOYEE PROFILE

How many full-time employees do you typically maintain at this location (40 hrs/wk)

1 – 10 employees	109	71.2%
11 – 20 employees	16	10.5%
21- 30 employees	2	1.3%
31 – 40 employees	6	3.9%
41 - 50 employees	3	2.0%
50+ employees	7	4.6%
No Response	10	6.5%

How many part-time employees do you typically maintain at this location? (Less than 40 hrs/wk)

1 – 10 employees	126	82.4%
11 – 20 employees	2	1.3%
21- 30 employees	0	0.0%
31 – 40 employees	1	0.6%
41 – 50 employees	1	0.6%
No Response	23	15.0%

Is the labor supply at this location adequate to fulfill your current needs?

Yes	118	77.1%
No	22	14.4%
Not Sure	8	5.2%
No Response	5	3.3%

Are you currently hiring?

Yes	24	15.7%
No	119	77.8%
Not Sure	6	3.9%
No Response	4	2.6%

Do you have difficulty recruiting new employees in the following categories?

	Yes	No	Not Sure	No Response
General Labor	11	86	9	47
General Production Labor	5	78	11	59
Precision/Specialty Skills	36	59	10	48
Clerical	12	78	9	54
Sales	21	70	10	52
Technical	29	66	10	48
Professional/Management	23	65	11	54
Temporary/Contract Employees	7	77	14	55
Youth Employees	5	79	14	55

Please rate the local workforce on the qualities listed below

	Skills	Availability	Stability	Quantity
Excellent	11	13	8	12
Good	35	36	34	32
Average	42	40	37	37
Poor	21	18	29	26
Very Poor	1	3	2	3
No Response	43	43	43	43

Starting hourly wage paid to employees in each category? (Number of Businesses)

	Less than \$8.00/hr	\$8.01 to \$10.00/hr	\$10.01 to \$12.00/hr	\$12.01 to \$15.00/hr	Over \$15.00/hr
General Labor	17	28	12	10	3
General Production	7	8	6	7	6
Precision/Specialty Skills	2	5	6	15	24
Clerical	9	15	12	16	3
Sales	5	5	3	4	14
Technical	3	5	2	7	18
Professional/Management	1	5	1	6	41

How many of your employees fall within each salary range?

	Number of Businesses
Less than \$20,000	53
\$20,000 to \$40,000	80
\$40,001 to \$60,000	58
\$60,001 to \$80,000	34
\$80,001 to \$100,000	23
More than \$100,000	17

How many of your employees fall within each age range?

	Number of Businesses
Under 21	37
21 to 29 years	75
30 to 39 years	74
40 to 49 years	71
50 to 59 years	66
60 years and older	34

Does your company provide benefits to its employees?

Yes	68	44.4%
No	62	40.5%
Not Sure	23	15.1%

If yes, which of the following benefits are available to your full-time and part-time employees?

	Full-Time	Full-Time & Part-Time
Health Insurance	54	2
Life Insurance	28	2
Disability Insurance	18	2
Paid Vacation Time	58	7
Paid Sick Leave	41	3
Bonus	34	8
Profit Sharing	12	6
Tuition Reimbursement	16	4
Retirement/401K Contribution	22	8
Uniform/Uniform Allowance	16	7
Child Care/Dependent Benefits	4	2

III. BUSINESS CLIMATE

How would you rate the overall business climate in Mesquite?

Excellent	2	1.3%
Good	58	37.9%
Average	54	35.3%
Poor	21	13.7%
Very Poor	3	1.9%
No Opinion	15	9.9%

Based on the following factors, please grade the City of Mesquite as a place for your company to do business:

	Excellent	Good	Average	Poor	Very Poor	No Opinion
Availability of Skilled Labor	4	19	39	42	8	41
Availability of Unskilled Labor	8	38	48	8	1	50
Worker Stability	5	26	42	30	7	28
Worker Productivity	2	34	49	22	4	42
Wage Rate	5	23	52	18	10	45
Technical Training Programs	3	9	18	44	13	66
Highway Accessibility	37	56	17	6	2	35
Proximity to Major Markets	13	37	42	15	5	41
Accessibility to Major Airport	8	22	39	32	12	40
Availability to Credit	5	28	43	6	7	64
Availability and Cost of Land	3	10	29	37	24	50
Availability and Cost of Building	1	9	36	36	21	50
Proximity to Raw Materials	2	16	27	26	10	72
Proximity to Service Supplies	4	21	35	33	9	51
Environmental Regulations	3	17	44	17	6	66
Crime Rate	14	37	43	11	2	46
Unemployment Insurance	4	12	53	5	3	78
Workers Compensation Rates	3	13	50	10	4	73
Local Taxes	9	25	64	7	2	46
State Taxes	18	29	50	6	3	47
Proximity to College/Universities	3	17	42	37	8	46
Housing Cost and Availability	1	13	41	39	17	42
Cultural Opportunities	2	14	46	32	9	50
Recreational Opportunities	10	43	43	10	4	43
Access to Open Space	26	54	26	3	3	41

Based on the following community services, please grade the City of Mesquite based on how they impact your company's ability to do business

	Excellent	Good	Average	Poor	Very Poor	No Opinion
Street Maintenance/Drainage	15	62	30	1	1	44
Water and Sewer	12	64	26	2	1	48
Police Protection	19	66	19	2	3	44
Fire Protection	26	58	21	1	4	43
Emergency Medical Services	18	46	34	6	4	45
Health Care Facilities	12	43	37	12	5	44
Electricity Cost and Reliability	8	35	45	12	6	47
Telecommunications Service	6	38	40	22	6	41
Internet Access	8	39	42	17	7	40
Solid Waste Disposal	7	50	37	7	1	51
Zoning and Permitting	8	34	45	13	5	48
Code Enforcement	7	35	51	10	4	46
Signage Standards	7	32	30	23	8	53
Available Building Space	7	33	46	10	8	49
Available Land	7	30	41	16	8	51
Public Schools	6	34	35	12	5	61
Financial Institutions	10	41	40	3	2	57
Child Care	3	15	21	22	14	78
Community College	4	27	36	15	5	66
Local Chamber of Commerce	18	36	31	2	7	59
City Economic Development	9	37	30	8	7	62
Overall Regulatory Environment	5	31	52	8	2	55

IV. FUTURE PLANS

Has your business expanded at this location within the last three (3) years?

Yes	57	37.2%
No	96	62.8%

If yes, what was the nature of the expansion? (Respond to as many that apply)

	Yes	No
Number of Employee	33 (19FT, 14PT)	119
Land (Acres)	3 (1 to 5 acres)	150
Building/Office Space (\$F)	13 (200 to 9,000sf)	140
Machinery/Equipment (\$)	15 (\$3,000 to \$5mil)	138
Sales/Gross Revenue (%)	33 (5 to 100%)	120

What business factors contribute to the expansion? (Check all that apply)

	Yes	No
Increased Sales/Product Demand	44	109
Lower Production Costs	1	152
Decreased Competition	3	150
Increased Employee Productivity	4	149

Have you reduced your business operations in the last three (3) years?

Yes	38	24.8%
No	115	75.2%

If yes, what was the nature of the reduction? (Respond to as many that apply)

	Yes	No
Decreased Sale/Product Demand	31	122
Higher Production Costs	9	144
Increased Competition	12	141
Decreased Employee Productivity	2	151

What changes are expected for this location for the next three (3) years?

	Increase	Stay Same	Decrease	Not Sure
Employees (Jobs)	43	41	8	61
Land (Acreage)	22	53	6	72
Buildings (Sq. Ft.)	21	59	4	69
Equipment (Investment)	40	44	6	63
Sales (Percent)	71	20	13	49

Currently the City of Mesquite does not have natural gas available, do you see an increasing need for natural gas?

Yes	71	46.4%
No	33	21.5%
Not sure	49	32.1%

Are the following projected utility needs for your current facility:

	Increasing	Stable	Decreasing	Not Sure
Water	18	97	1	37
Sewer	20	96	0	37
Electricity	29	87	0	37
Natural Gas	19	53	2	79
Telecommunications	37	76	1	39
Internet	41	70	1	41

Do you expect to consolidate or relocate this facility in the next three (3) years?

Yes	23	15.0%
No	81	52.9%
Not Sure	49	32.1%

If yes, what are the factors contributing to this decision (Check all that apply)

	Yes	No
Decreasing Sales/Product Demand	10	143
Facilities Improvement/Expansion Needs	18	135
Increasing Production Costs	5	148
Increasing Competition	10	143
Decreasing Employee Productivity	0	153

If expanding or relocating your current business in the next three (3) years is a consideration, where would this likely take place?

	Yes	No
Within the City of Mesquite	51	102
Outside Mesquite but in the State of Nevada	11	142
Outside the State of Nevada	13	136
Not considering expansion or relocation in the	33	120

Would you recommend locating in Mesquite to another business?

Yes	77	50.3%
No	25	16.3%
Not Sure	51	33.4%

Would you like additional information concerning any of the following subjects?

	Yes	No
Business Management	28	125
Strategic Business Planning	36	117
Financial Programs	35	118
Marketing Strategies	39	114
Labor Training/Staff Development	28	125
Mentoring	23	130
State Tax	16	137
Local Tax	16	137
Employees Benefits	20	133
Recycling for Business Waste	26	134
E-Business	29	134
Other	2	151