



CHAMBER

**2014
Economic
Report**

Growing Excitement
over a
Growing Economy

At the Winston-Salem Chamber of Commerce, we like to say that we're *In Business For Business*, because our focus is doing whatever we can to help local businesses grow and prosper. As part of that focus, we spend a great deal of time researching and analyzing the business and economic climates of Winston-Salem and Forsyth County. The

business intelligence we glean about current and future local economic trends helps provide information and insights that allow businesses to make better plans and decisions. Our research into the local economy over the last year has made us optimistic, and we are sensing a growing feeling our future holds great potential.



Population & Growth Rates

| | July 2012 | April 2010 | % change |
|-----------------------------|------------------|------------------|------------|
| Forsyth County | 357,483 | 350,670 | 1.9 |
| Winston-Salem | 233,232 | 229,617 | 1.6 |
| Kernersville (FC) | 23,765 | 23,071 | 3.0 |
| Clemmons | 18,960 | 18,627 | 1.8 |
| Lewisville | 12,810 | 12,639 | 1.4 |
| Walkertown | 4,719 | 4,675 | 0.9 |
| Rural Hall | 2,995 | 2,937 | 2.0 |
| Tobaccoville | 2,469 | 2,441 | 1.1 |
| Bethania | 327 | 328 | -0.3 |
| Davidson County | 163,683 | 162,878 | 0.5 |
| Winston-Salem Metro* | 647,893 | 640,577 | 1.1 |
| North Carolina | 9,765,229 | 9,535,471 | 2.4 |

* Forsyth, Davidson, Davie, Stokes, and Yadkin Counties. Source: U.S. Census Bureau.

Winston-Salem & Forsyth County in 2014

As we begin 2014, the Chamber of Commerce is excited to see Winston-Salem and Forsyth County moving in a positive direction. New investments are continuing to accelerate our downtown's revitalization. These investments are generating a growing excitement about our central city and they are helping to keep young, talented workers here. But even more importantly, this excitement is not limited to our downtown.

While we are seeing many positive trends, we know our community must continue to work tirelessly to ensure everyone, especially the disadvantaged, the

unemployed, and the underemployed, can benefit from future economic growth. We must also work to help our entrepreneurs and small businesses be as successful as possible. Their willingness to invest in our community must be supported because they have the potential to accelerate our economic growth and be a source of new job creation.

The Growing Winston-Salem Metro Area

Last year, the U.S. Office of Budget and Management officially added Davidson County to the Winston-Salem Metropolitan Statistical Area (along with Forsyth, Davie, Stokes, and Yad-

kin counties). Previously, Davidson County was categorized as its own *Micropolitan Area*. With the addition of Davidson County, the Winston-Salem Metropolitan Area is now the 81st largest in the country, up from 105.

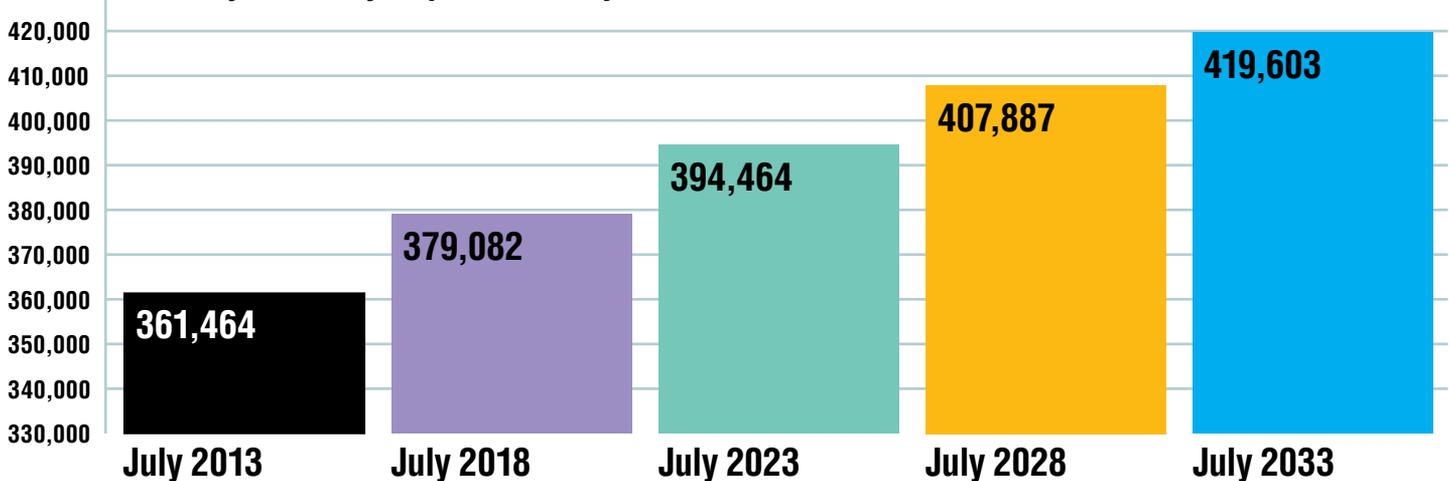
In reality, this designation confirms trends many of us notice every day. New commercial and residential developments are occurring south along Peters Creek Parkway/NC 150 into northern Davidson County. Plus, plans for a new high school in northern Davidson County are a clear sign of the new residential growth happening in that area.

Furthermore, our business community knows that the local labor market extends far beyond Forsyth County's borders. A

significant number of employees commute into Forsyth County from adjacent and other nearby counties. And these numbers are increasing, even as we are seeing new residential growth in our center city.

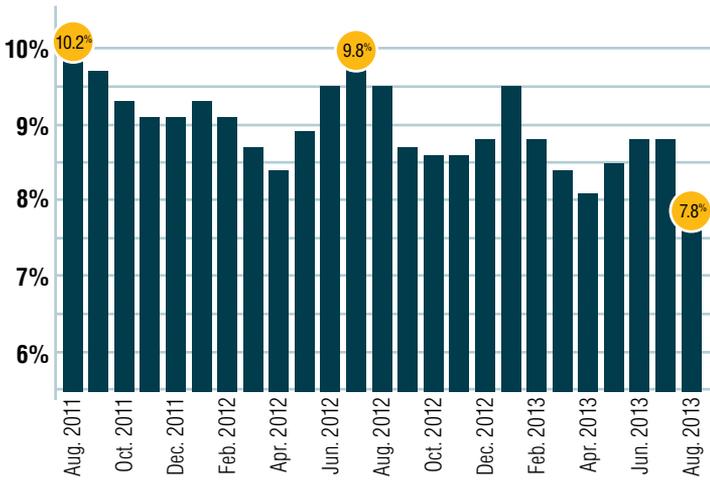
Overall, population growth in the Winston-Salem Metro area and Forsyth County remains steady. Forsyth County is projected to add about 60,000 residents in the next 20 years. As growth continues in future decades, the Winston-Salem area will need to develop economic opportunities and connections within the "megalopolis" of fast-growing economies stretching from Raleigh-Durham through Charlotte and to Atlanta.

Forsyth County Population Projections 2013-2033 Source: N.C. Office of State Budget and Management



Forsyth County Unemployment Rate

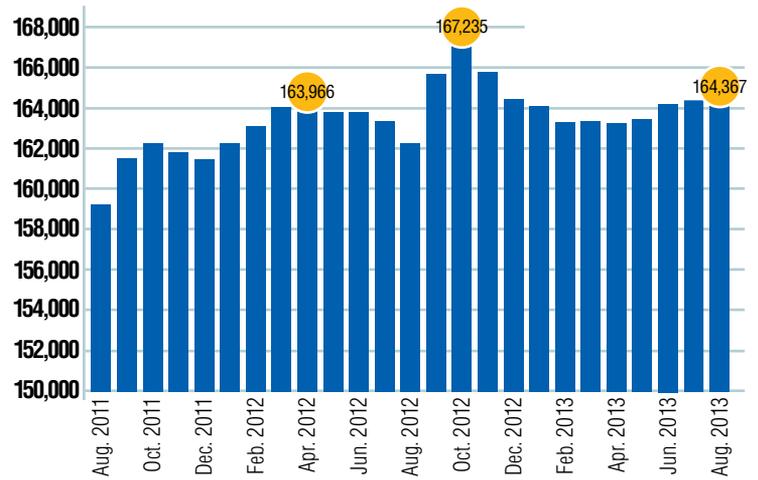
Aug. 2011-2013



Source: N.C. Department of Commerce

Forsyth County Total Employment

Aug. 2011-2013



Source: N.C. Department of Commerce

A Changing & Gradually Improving Economy

The effects of the “Great Recession” continue to be felt in our area, but the unemployment rate is declining and employment is increasing. While these trends certainly aren’t overwhelming, they do indicate some positive news for our economy and job seekers.

From Aug. 2011 to Aug. 2013, Forsyth County’s unemployment rate dropped from 10.2% to 7.8%. Even more important, during that same time, total employment increased by over 5,000 jobs.

Along with the impacts of the “Great Recession,” the Winston-Salem area, along with many other communities across the country, is continuing to deal with the impacts and consequences of fundamental economic changes that have been occurring over the past decades. The decline of manufacturing employment, and its high wages, has emphasized the need for our current and future workforce to focus on acquiring skills for today’s high-growth, high-wage industries.

Today, Manufacturing is less than 9% of total employment in Forsyth County. Health Care is

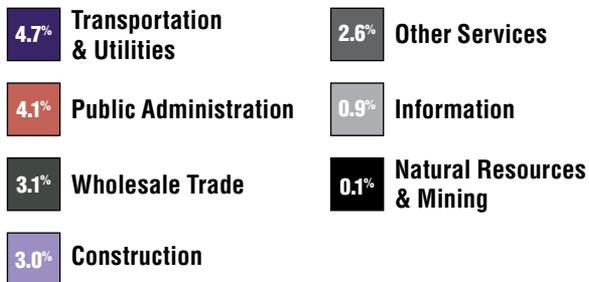
the largest industry sector, and many other service industries have increasingly larger portions of our area’s total employment. Professional Services (attorneys, architects, consultants, etc.), Retail, and Leisure & Hospitality (restaurants, hotels, etc.), continue to be sources of employment growth in our area.

Additionally, with Forsyth Tech, Salem College, Wake Forest University, Winston-Salem State University, UNC School of the Arts,

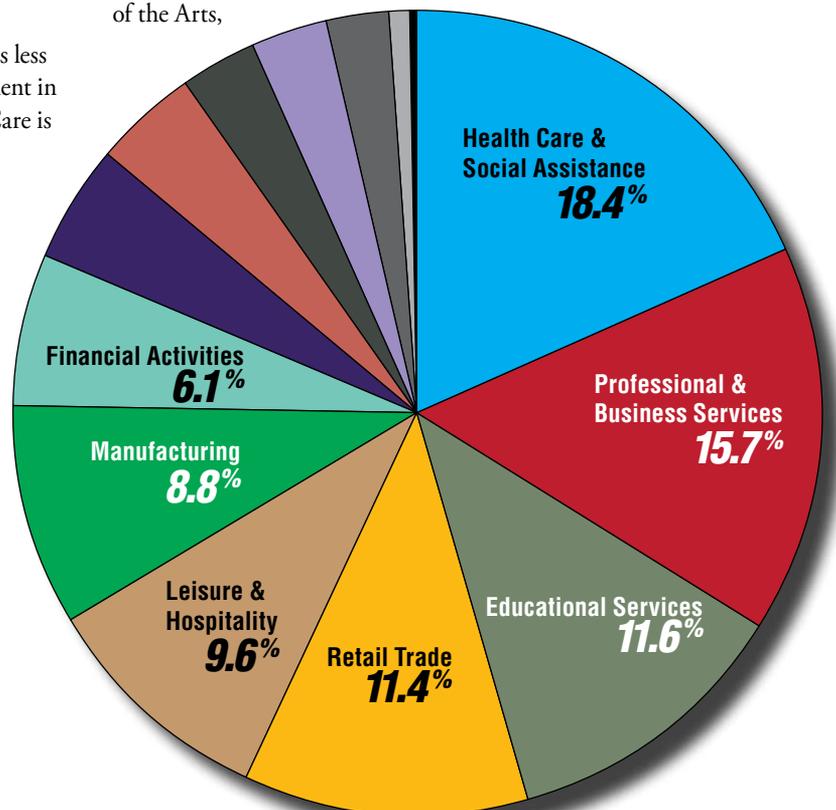
and our public and private schools, Education is a growing and vitally important sector of our local economy. Combined with the two medical centers, these institutions comprise many of Forsyth County’s largest employers.

Going forward, skilled service industries will continue to be drivers of our economy. Although they operate in “service” industries, many careers in these areas will require considerable science and

Forsyth County’s Industry Structure by Employment 2013 First Quarter



Source: N.C. Department of Commerce





■ Forsyth County's Largest Employers updated Oct. 2013*

1. *Wake Forest Baptist Medical Center*
12,837 employees
2. *Novant Health*
8,145 employees
3. *WS/FC Schools*
7,600 employees
4. *Wells Fargo Bank*
2,800 employees
5. *City of Winton-Salem*
2,660 employees
6. *Reynolds American*
2,500 employees
7. *HanesBrands, Inc.*
2,500 employees
8. *BB&T*
2,200 employees
9. *Forsyth County*
2,029 employees
10. *Wake Forest University*
1,680 employees

math skills, especially as growth in health care, financial services, and the Wake Forest Innovation Quarter accelerates.

Also, while manufacturing employment has declined over past decades, potential exists in our community for advanced manufacturing to be a growth opportunity because of our expertise, training, and low cost of doing business.

■ An Affordable, yet Vibrant, Place

Winston-Salem remains a very affordable place to live and locate a business. Given our tremendous health care resources, this makes our community an attractive place for retirees. It also can make Winston-Salem attractive to young

professionals as they are starting their careers and want to be able to live comfortably while also taking advantage of all the cultural, social, and recreational opportunities that make Winston-Salem feel like a much bigger city.

■ Learn More about Your Community from the Chamber

Since 1885, our community has relied on the Chamber to be a source of information, ideas, and connections that enhance our local economy. And this is no different today.

The information here is just a small sampling of the types of analyses the Chamber can provide for businesses. Through the expertise of our staff and our

close connections throughout the community, we are able to provide reliable, independent, and valuable insights to our members. The Chamber's vast local knowledge and willingness to provide such customized reports is what truly sets us apart.

As an independent non-profit organization, we rely on the support of local businesses and organizations to make our efforts possible. The Chamber is a great example of our local community coming together for the common cause of improving our economy.

If your company is not yet a Chamber member, or if you just want to learn more about your community, contact us today to get started.

Visit www.winstonsalem.com or call us at 336-728-9200.

*Employment estimates can vary widely depending on the source. Estimates here are provided using a variety of sources, including the companies, Winston-Salem Chamber, Forsyth County, the Winston-Salem Journal, the Triad Business Journal and Reference USA.

■ **Cost of Living Index Comparison** *Second Quarter 2013 U.S. Average =100*
Source: C2ER Cost of Living Index

