

# Kansas Department of Commerce

Economic Outlook Conference – Hays – October 21



# Business Development Division

## Areas of focus:

- Business Retention & Expansion: In-state Business Development Project Managers located in eight cities across the state.
- Business Recruitment: Commerce reps. in KC Metro; Springfield, MO; Dallas, Chicago, New York & Los Angeles
- International Trade & Export Assistance: International Trade Division in Topeka and Commerce Trade Office in Mexico City. This unit of Commerce is involved in export assistance and in attracting direct foreign investment to Kansas.

# Success in spite of COVID .....

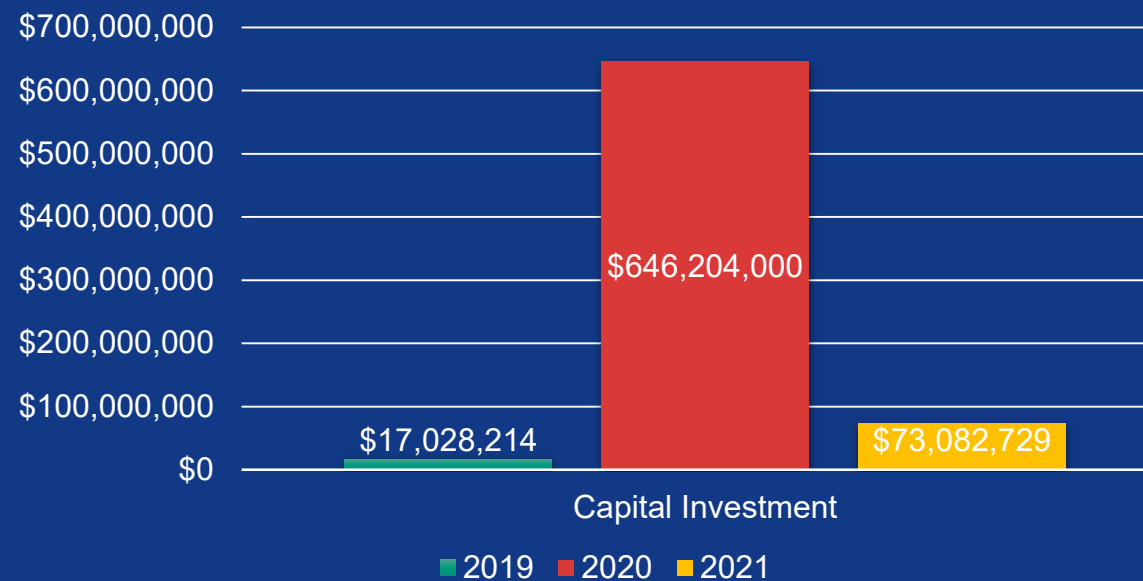
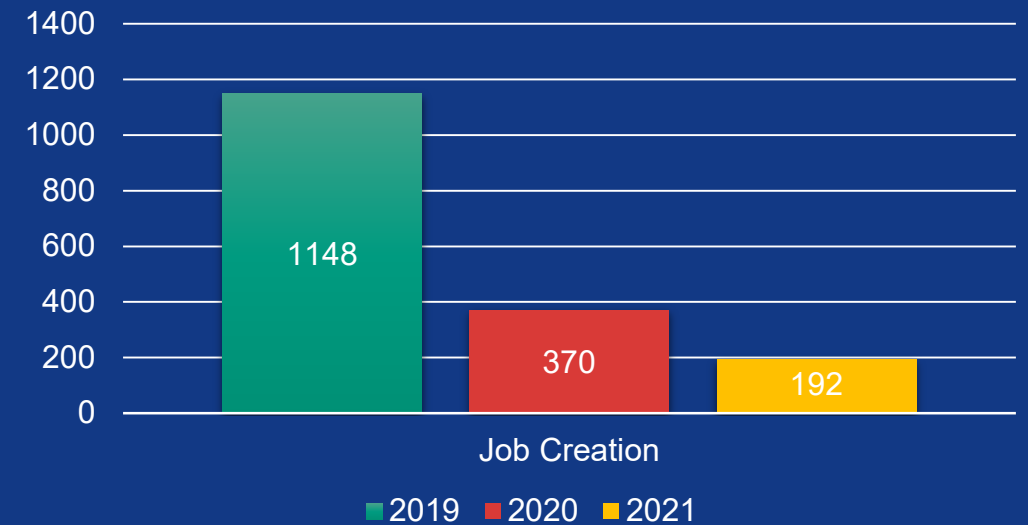
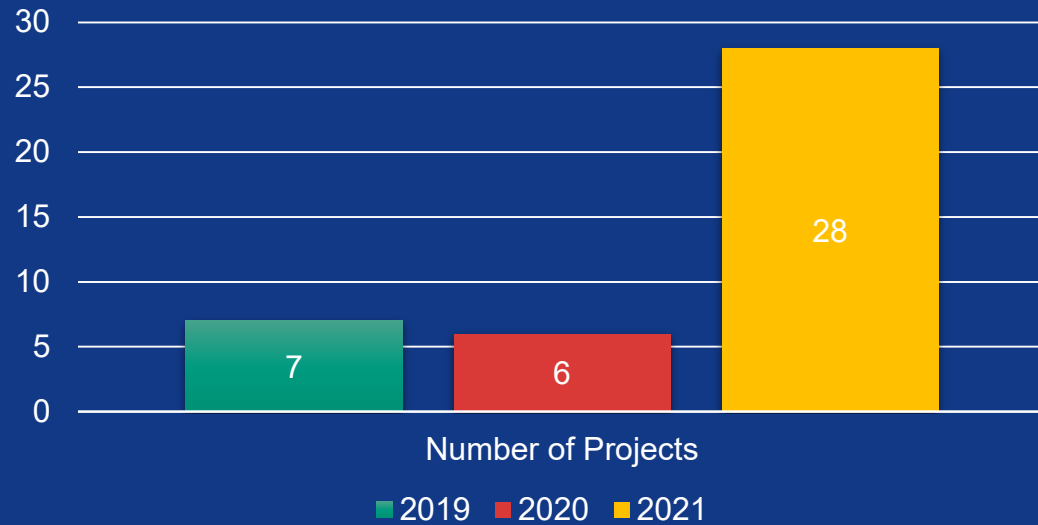
- In 2020, Commerce set a record in terms of new capital investment made by new, expanding & relocating companies .... over \$2.5 billion.
- 180 successful projects
- Projected to create 9,702 new jobs
- Retention/retraining of 6,160 jobs
- Avg. wage of new & retained jobs: \$55,281
- The In-State Team had a record number of successful projects (148) in 2020, surpassing the previous high of 134 in 2012.
- The 180 successful projects took place in 43 counties, compared to 33 counties in 2019.

## ..... And 2021 has been even better!

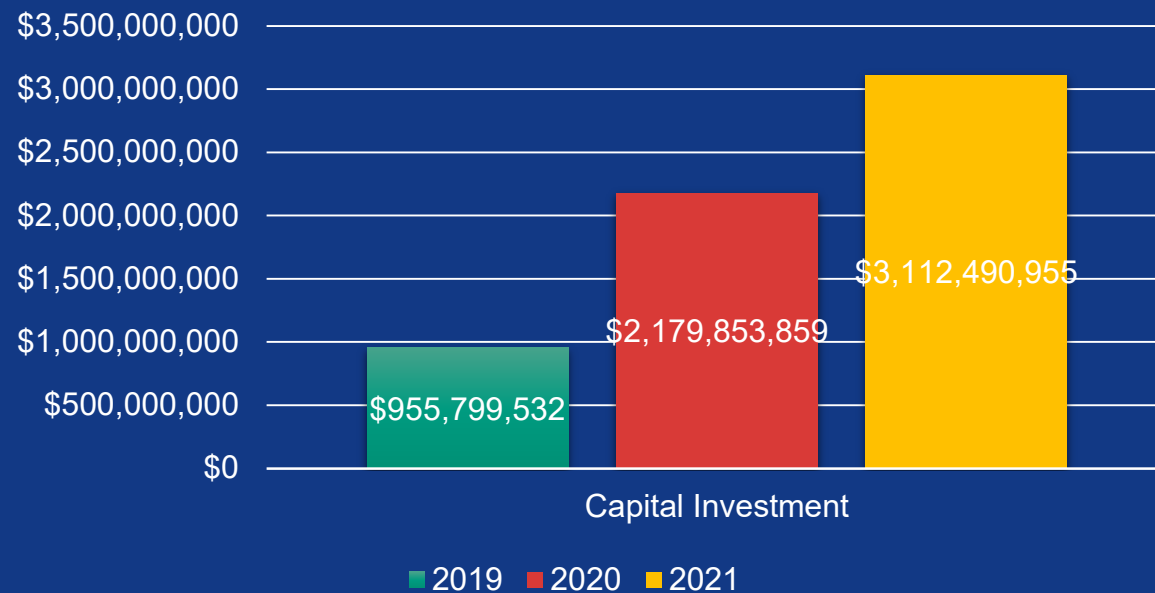
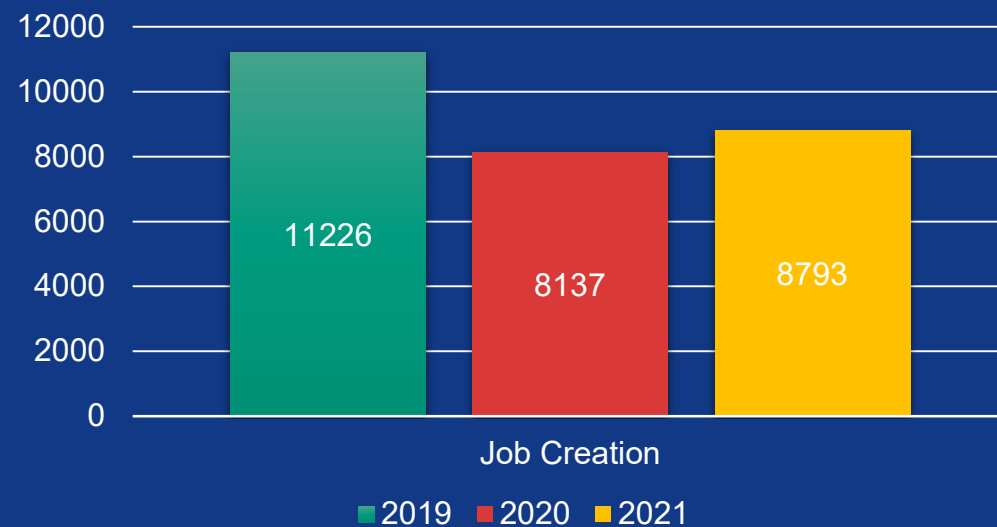
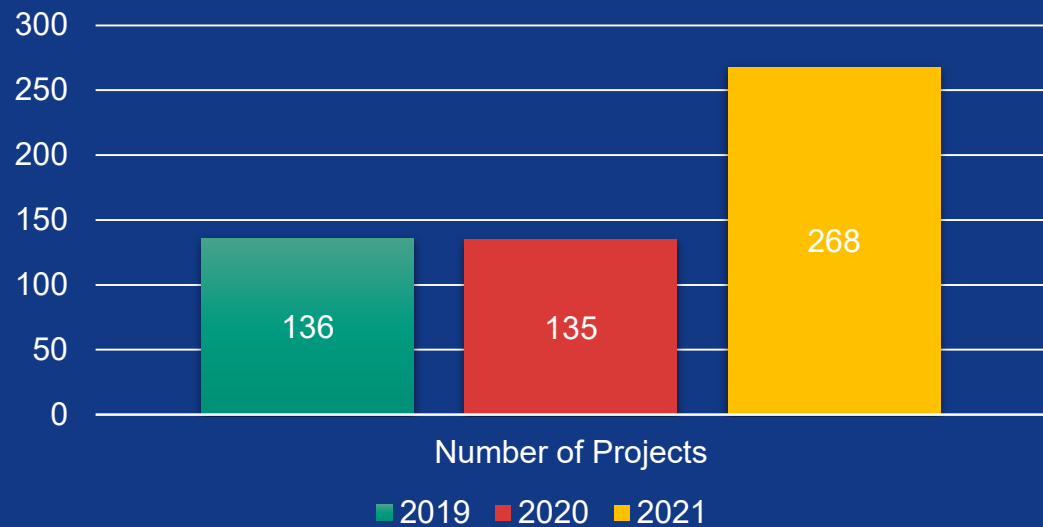
- The Business Recruitment Team is seeing a record number of new project leads for the year. This year's leads have already surpassed the total number of leads for 202. As of October 2021, leads are currently tracking 2% higher than last year.
- Here's where we stand for 2021 YTD:
  - 268 successful projects
  - Over \$3.1 billion in capital investment
  - Projected to create nearly 8,800 new jobs and retain/retrain over 1,900 jobs
  - Avg. wage for new & retained jobs: approaching \$65,000

The 268 successful projects have involved 57 counties! Quite an improvement when compared to the past several years! This may very well be the first time that more than 50% of Kansas counties have experienced successful projects.

# ► North Central Region – past three years (thru 10/15)



## ► Entire State – past three years (thru 10/15)



# Business Development Trends

- ▶ A significant increase in the number of capital investment projects. Most involve an upgrade in equipment and the introduction of new technology to their facility. This is primarily due to the difficulty in finding new employees, so they must maximize the capabilities of their existing workforce.
- ▶ Labor, labor, labor! Companies of all types need employees. We're seeing some creative ideas for finding employees. I've seen several companies increase their entry-level wages in an effort to attract workers.
  - In fact, the average wage for our projects' new/retained jobs has improved in recent years:
    - 2019 \$52,400
    - 2020 \$55,600
    - 2021 (YTD) \$64,900
- ▶ Some companies are delaying expansion plans involving construction due to high building materials costs. If materials costs come down, then we might see a heavy amount of construction next Spring.



# OUR NEW WAY OF DOING BUSINESS IS PAYING OFF

MOST IMPROVED STATE FOR  
ECONOMIC DEVELOPMENT

**SITeselection**

**#1**

in Business Climate in our Region

**SITeselection**

**#10**

ECONOMIC DEVELOPMENT PROJECTS  
per capita

**SITeselection**

**7.3% GDP Growth**  
*in 1st Quarter*

**PROSPERITY CUP 2021**

**SITeselection**

**TOP 20 STATE FOR  
DOING BUSINESS**

**AREADEVELOPMENT**

**2021  
GOLD SHOVEL WINNER**  
One of Eight States Nationwide

**AREADEVELOPMENT**



# Questions ????

Thanks for your time!

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