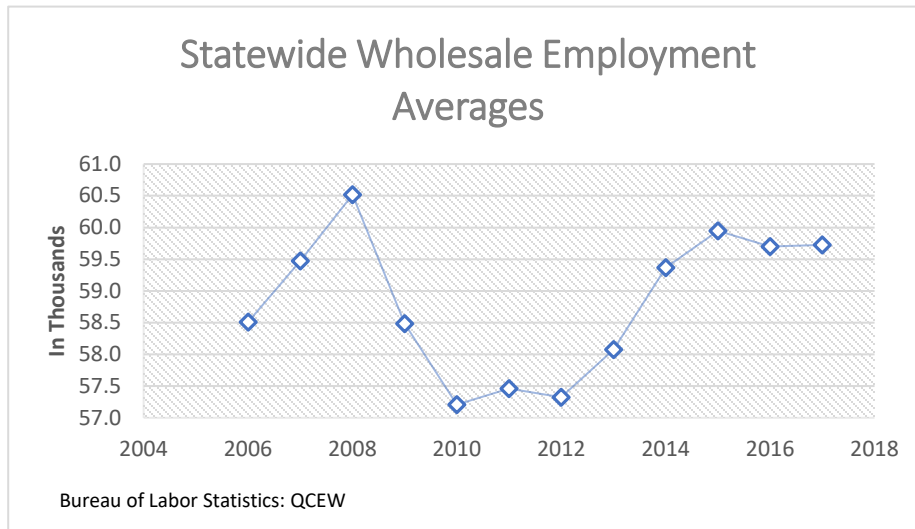


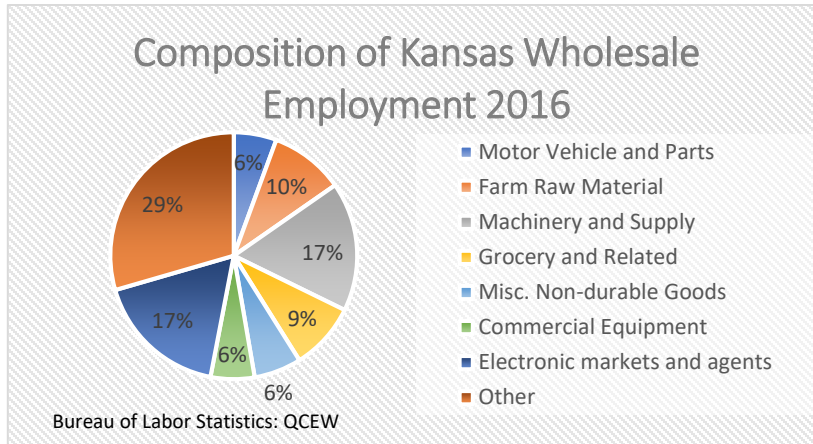
Overview

Statewide wholesale employment experienced an increase of 2,000 jobs from 2006 to 2008. This was followed by a sharp decline of 3,300 jobs from 2008 to 2010, or a 5.4% job decrease. From 2010 to 2012 statewide wholesale jobs stayed between 57,200 to 57,500 in total. From 2013 to 2015 there was a 2,700-overall increase in jobs. There was a decrease of 300 jobs for 2016 to 59,700 statewide wholesale jobs, which has remained constant for the 2017 year¹.



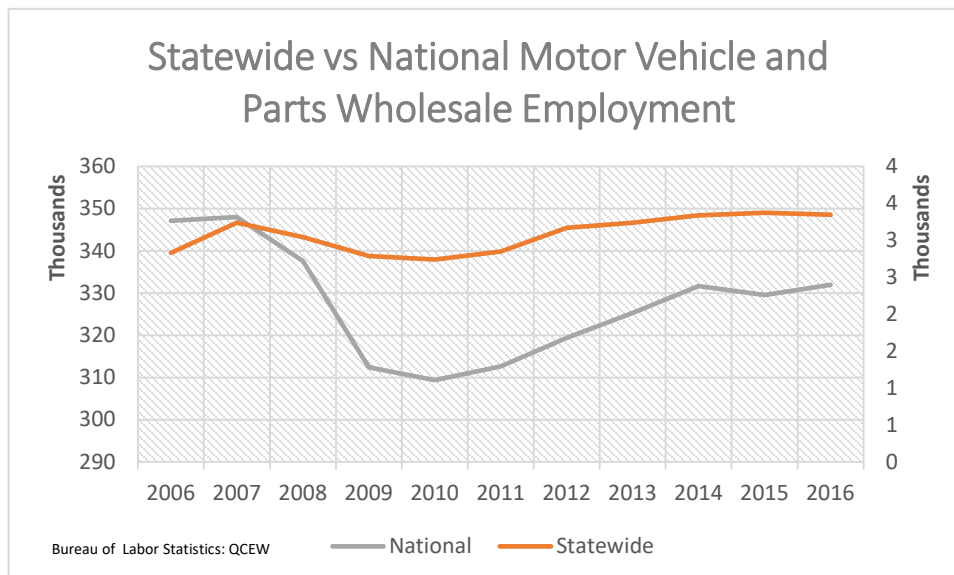
The composition of Kansas wholesale jobs can be divided into eight main categories, with seven being for specific subsectors and the eighth is a consolidation of all other subsectors. The two largest of these for 2016 wholesale were machinery and supply and markets, agents, and brokers. These two categories each employed 17 percent of total wholesale jobs in Kansas for 2016. The next two largest categories were farm-raw materials wholesale with 10 percent, grocery and related product wholesale with 9 percent. The last three categories were miscellaneous non-durable goods, machinery and supply, and motor vehicle and parts; each with six percent of total statewide wholesale jobs.

¹ Source: Employment data in this article is from the U.S. Bureau of Labor Statistics' State and Metro Area Employment, Hours and Earnings or U.S. Bureau of Labor Statistics' Quarterly Census of Employment and Wages unless otherwise noted.

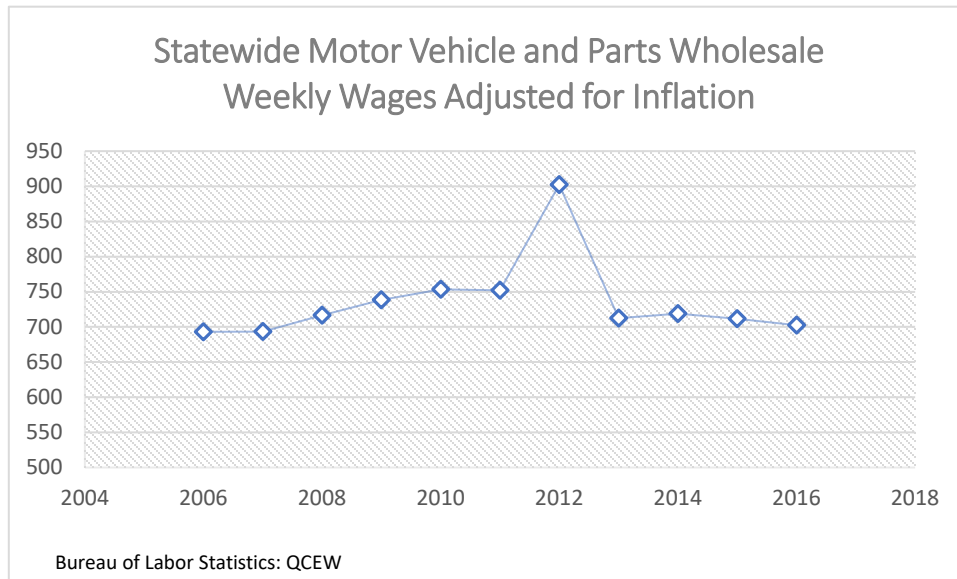


Motor Vehicle and Parts

From 2007 to 2010 statewide motor vehicle and parts wholesale experienced an overall decrease of 500 jobs, or a 15.4 percent decrease. Meanwhile during the same period, on the national level, there was a decrease of 44,069 jobs or an overall decrease of 12.6 percent. Statewide motor vehicle and parts wholesale experienced a 596 job increase from 2011 to 2014 or an increase of 21.7 percent. At the national level, there was also a trend of increase during this period of 22,317 jobs, which is an increase of 7.2 percent. For 2015 and 2016 there has not been much change in jobs at both the state and national levels. Statewide motor vehicle and parts wholesale has had jobs increase to a point above pre-Great Recession numbers, while on a national level in 2016 there were over 15,000 fewer jobs than what there were in 2007.



Motor vehicle and parts wholesale had a weekly wage of \$693 in 2006. From 2008 to 2011 there was an overall increase of \$59 in real weekly wages. In 2012 there was a \$150 increase in real weekly wages or a 19.9 percent increase. This was followed by a \$189 decrease in weekly wages or a 20.9 percent decrease. From 2014 to 2016 there has been an overall decrease in real weekly wages of \$11.



K&M Tire Inc., in July of 2012, announced that they would open an 80,000 square foot warehouse in Lawrence. The wholesale tire company had predicted they would invest just over \$3 million in the facility. The facility was planned to start with five employees and eventually grow to fifteen as business grew². In late December 2014 Kubota Tractor Corp. announced that it would be opening a 450,000 square foot distribution center in Edgerton, Kansas. The facility was scheduled to open in the latter half of 2015 and was projected to employ approximately 75 workers by the end of its first year³.

Farm Products- Raw Materials

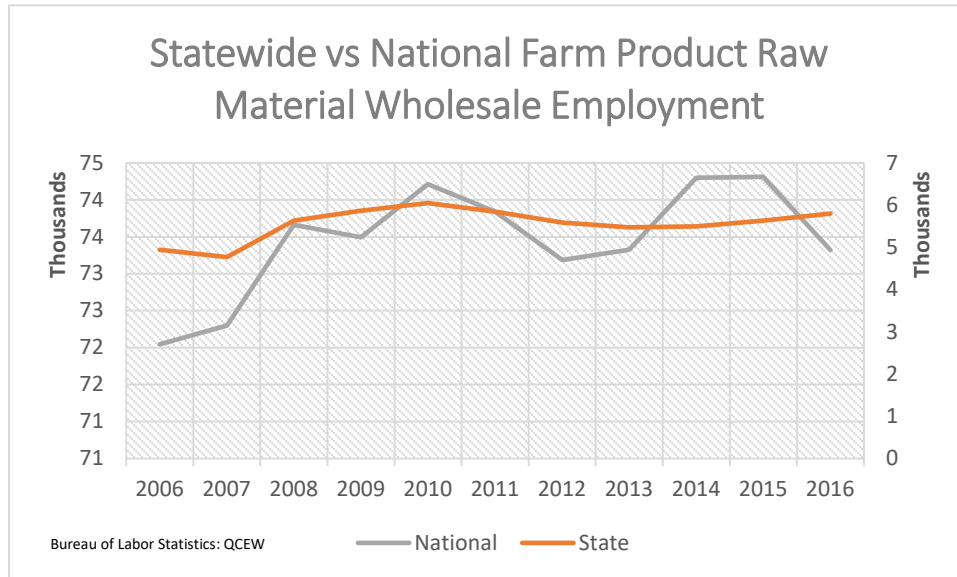
Statewide farm products- raw materials wholesale went from 4,945 jobs in 2006 to 4,769 jobs in 2007. From 2008 to 2010 there was an overall increase of 1,280 jobs or a 26.8 percent increase. While on the national level from 2006 to 2010 there was an overall increase of 2,168 jobs or a three percent overall increase. Statewide there was a trend of decrease from 2011 to 2013 of 579 overall jobs. On the national level, there was also a decrease for 2011 and 2012 of 1,026 total jobs. Then for 2013 to 2015 on the national level, there was a 1,123-overall job increase. From 2014 to 2016 there has been an increase

² Source: "K&M tire distributor plans Lawrence warehouse", Kansas City Business Journal, July 12th 2012, <https://www.bizjournals.com/kansascity/news/2012/07/12/km-tire-distributor-plans-lawrence.html>

³ Source: "Kubota Tractor will open huge distribution center in Edgerton", Kansas City Business Journal, December 5th 2014, <https://www.bizjournals.com/kansascity/news/2014/12/05/kubota-tractor-distribution-center-logistics-park.html>

of statewide farm products- raw materials wholesale of 331 total jobs. Meanwhile on the national level there has been a 990 job decrease for 2016.

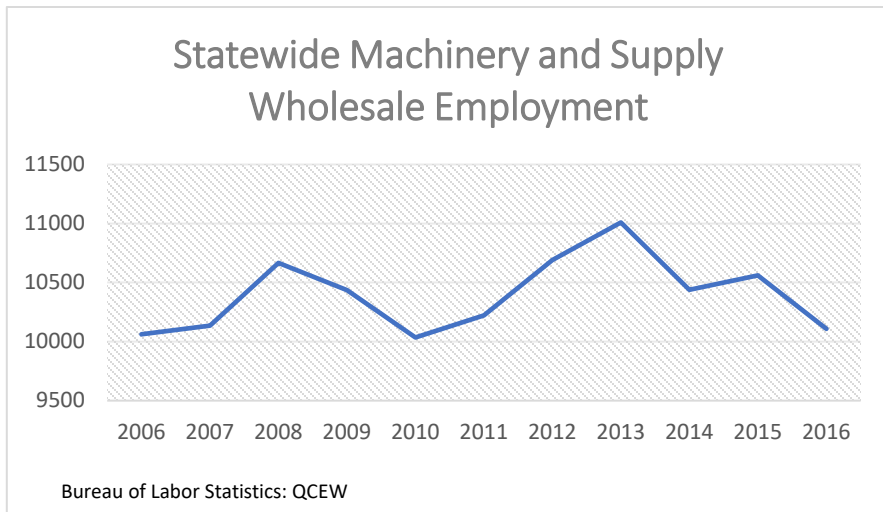
According to the U.S. Census Bureau data from 2012 farm products- raw materials had just over \$19.4 billion in sales. This was 18.7 percent of total wholesale sales of just under \$104 billion for the state of Kansas in 2012. There was a total of 450 establishments, or businesses operating during 2012. The average number of sales per business was just under 43.3 million dollars. The overall money spent on payroll for the subsector for 2012 was 211,469,000 dollars. There was an average of \$469,431 spent on payroll by each business for the 2012 year⁴.



Machinery and Supply

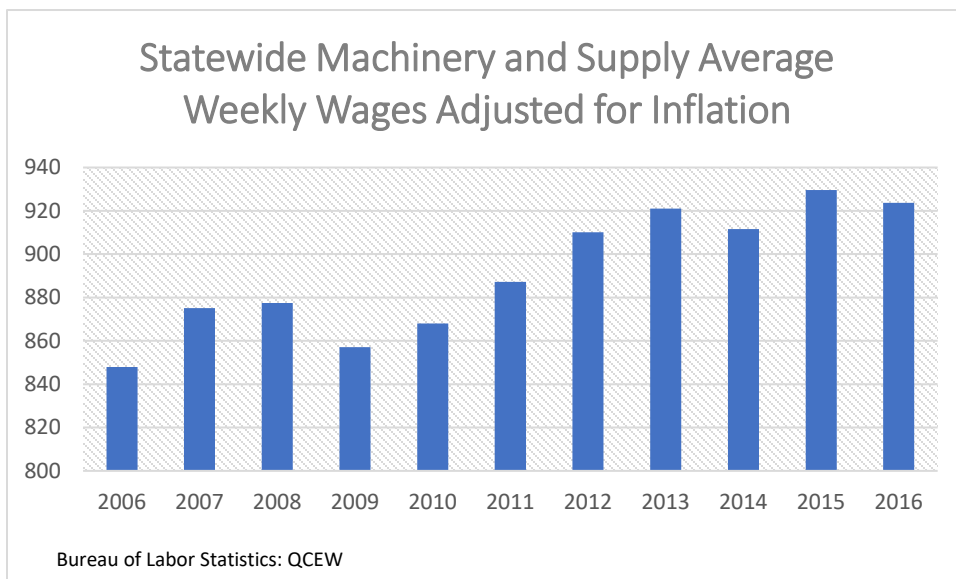
Statewide machinery and supply wholesale experienced a small growth of jobs for 2007 before having an increase of 530 jobs for 2008. This was followed by a decrease of 631 jobs for 2009 and 2010 combined, ending with just over 10,000 jobs statewide. There was a trend of increasing jobs from 2011 to 2013, with an overall increase of 974 jobs. From 2014 to 2016 there has been an overall decrease of 902 jobs, with statewide jobs in 2016 being 71 jobs below what they were in 2007.

⁴ Source: U.S. Census Bureau, 2012 Economic Census, Wholesale Trade, Geographic Area Series, <https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=bkmk>



Machinery and Supply had 19.7 billion in sales for 2012, which was the most sales by any subsector for wholesale in Kansas. There were 828 total companies in equipment and supply wholesale for 2012. Each company had an average of \$2.3 million in sales for 2012. There was just over \$649 million in payroll expenses for the subsector in 2012. The average payroll expense for each company was \$78,392 for 2012⁵.

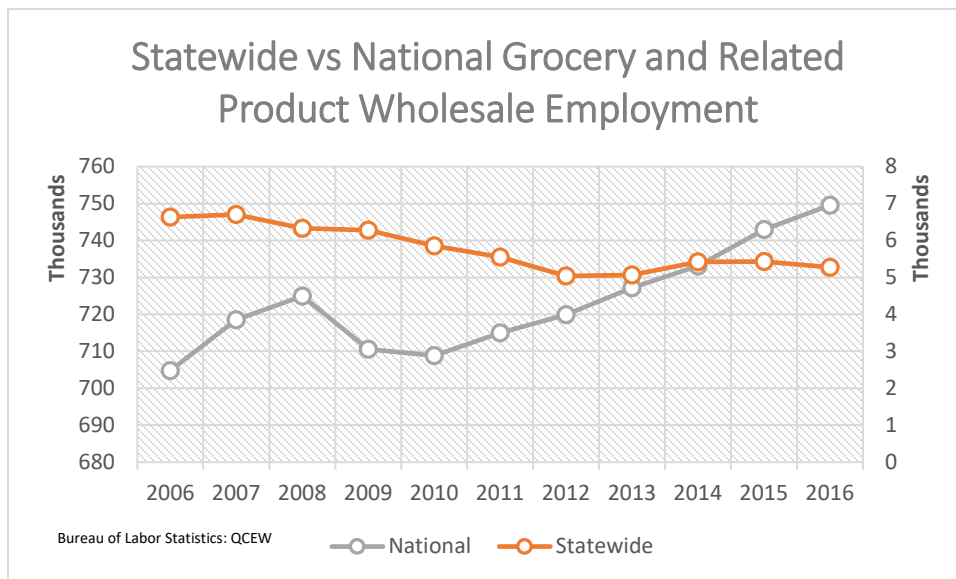
Real average weekly wages of workers experience an increase from \$848 in 2006 to \$875 in 2007. There was a decrease in weekly wages of \$20 dollar in 2009, with weekly wages at \$857. From 2010 to 2013 there was an overall increase in wages of \$64, or a 7.4 percent increase. There was a \$9 decrease in weekly wages in 2014, an increase of \$18 for 2015, and a decrease of \$6 for 2016.



⁵ Source: U.S. Census Bureau, 2012 Economic Census, Wholesale Trade, Geographic Area Series, <https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=bkmk>

Grocery and Related Product

There has been a trend of decreasing jobs in statewide grocery and related product wholesale from 2007 to 2012. This period had an overall decrease of 1,592 jobs, or a 24 percent overall decrease in jobs. On a national level from 2006 to 2008 there was an overall increase of 20,144 jobs with 724,930 jobs for 2008. For 2009 and 2010 there was an overall decrease of 16,088 jobs, or an average decrease of 8,044 jobs per year during this period. From 2011 to 2016 there has been an increase overall of 40,692 jobs on the national level. From 2013 to 2015 Kansas has an overall increase of 391 jobs, which was followed by a 161 job decrease for 2016.

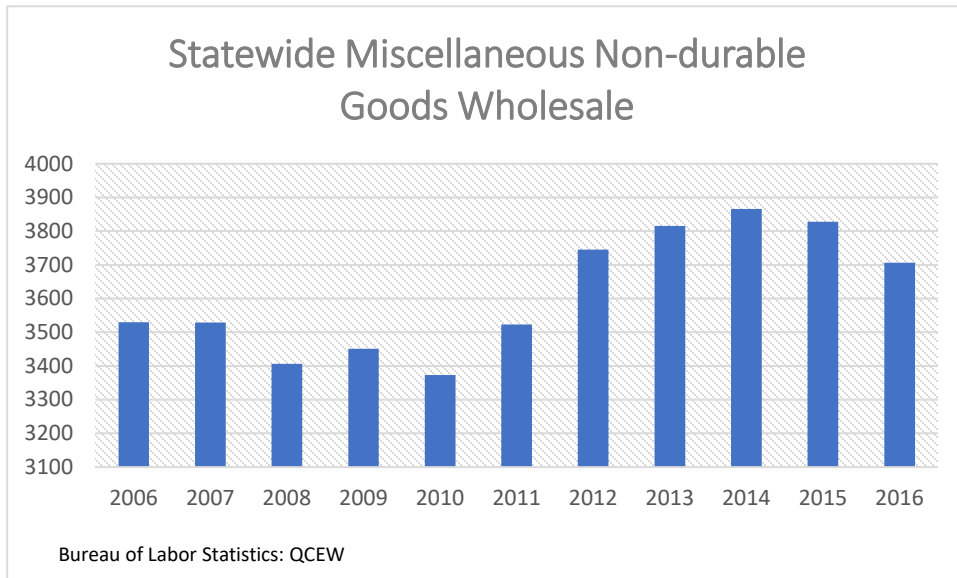


For 2012 there were 194 companies in the grocery and related product wholesale subsector. There were \$7.1 billion in total sales in this subsector for 2012, which averaged out to \$36.9 million in sales for each company. The grocery and related products subsector sales made up 6.9 percent of total wholesale sales for the state of Kansas. There was a total of \$342.9 million in payroll expenses for 2012, which is an average of just over \$1.7 million in payroll expenses for each company⁶.

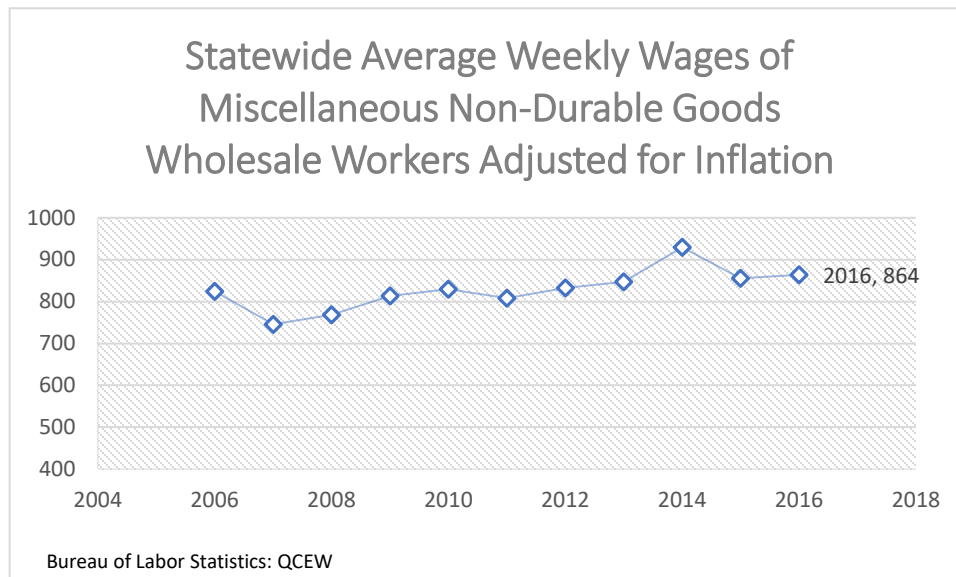
Miscellaneous Nondurable Goods

In 2006, grocery and related products wholesale had 3530 jobs statewide, which remained almost constant for 2007. From 2008 to 2010 there was an overall decrease of 157 jobs, with 2010 being the lowest point of jobs for the decade. This was followed by a period of a 493-overall job increase from 2011 to 2014, with 2012 alone having a 220-job increase. This has been followed by a 38 job decrease for 2015, and a 122 job decrease for 2016.

⁶ Source: U.S. Census Bureau, 2012 Economic Census, Wholesale Trade, Geographic Area Series, <https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=bkmk>

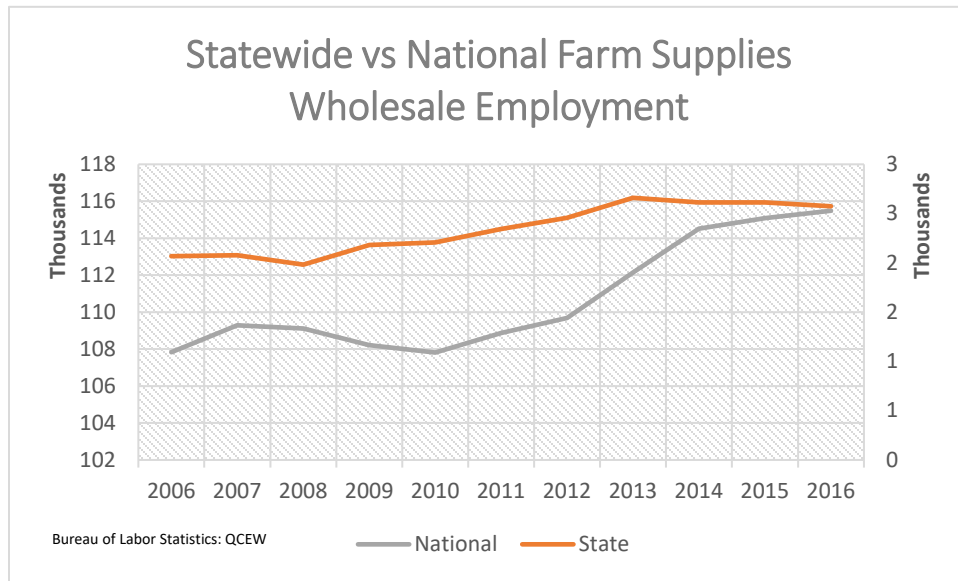


Average weekly wages for miscellaneous non-durable goods was 824 dollars in 2006. From there the real wage fell 78 dollars for 2007, a 9.4 percent drop in the real wage. From 2008 to 2014 there was an overall increase of 184 dollars in real weekly wages. The largest increase during this period was an 82 dollar increase for 2014 alone. This was followed by a 78 dollar decline in wages for 2015, and a small increase of 8 dollars for 2016.

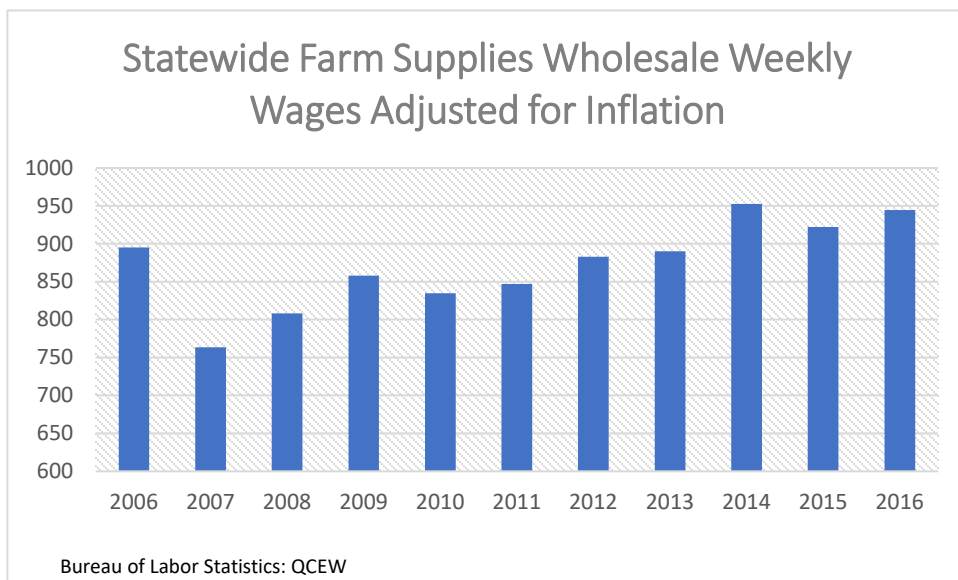


Farm Supplies

Both statewide and national farm supply wholesale have seen an overall increase in employment from 2006 to 2016. On the state level, there was a gradual annual increase from 2008 to 2013 of 678 jobs overall, or a 25 percent increase. Since 2014 there has been a decrease of 87 jobs on the statewide level, or a 3.2 percent decrease in jobs. Meanwhile, from 2008 to 2010, there was an overall decline in jobs on the national level of 1,477. Then from 2010 to 2016 on the national level, there has been an increase in overall jobs by 7,675.

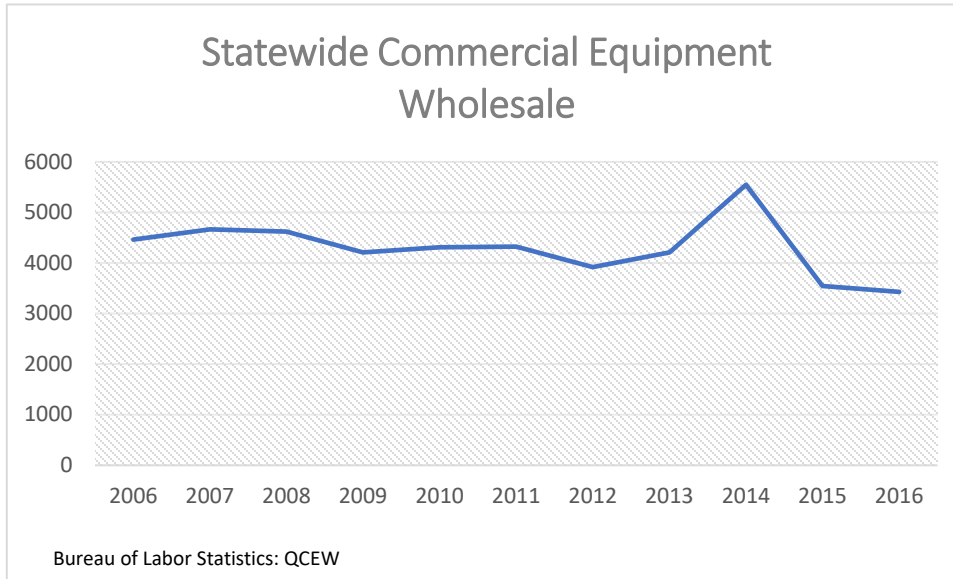


Farm supply wholesale experience a \$132 decrease in real weekly wages from 2006 to 2007, or a 14.7 percent decrease. From 2007 to 2009 there was an overall increase in real wages of \$95, which was followed by a \$23 decrease in 2010. From 2011 to 2014 there was an overall increase in real weekly wages of \$117, or a 14 percent increase. There was a \$30 decrease in real weekly wages for 2015, which was followed by a \$23 increase for 2016.

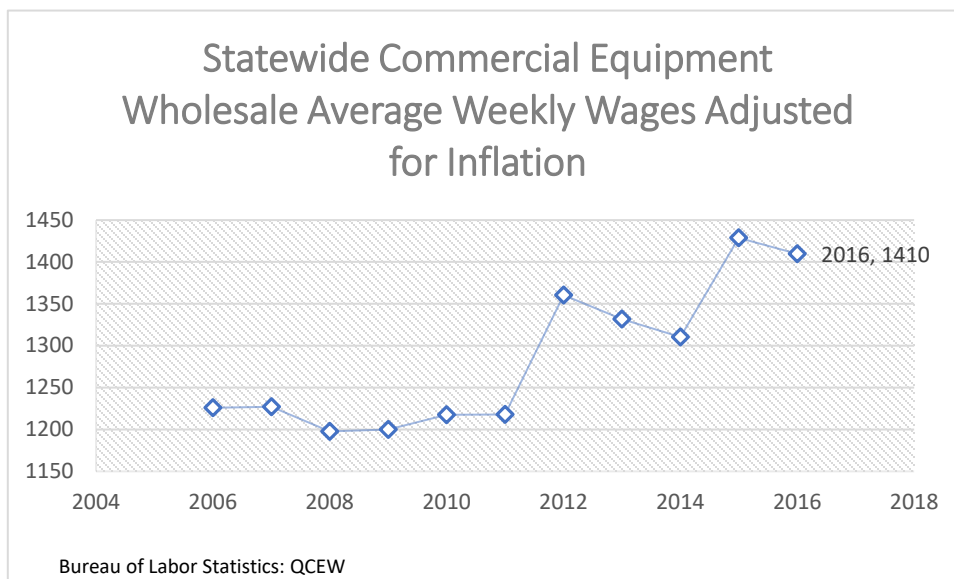


Commercial Equipment

From 2006 to 2007 statewide commercial equipment wholesale witnessed an increase of 206 jobs. This was followed by a period of a 749-overall job decrease from 2008 to 2012. This was followed by a 289 job increase for 2013 and a substantial 1,341 job increase for 2014. There was a sharp decline of 2,001 jobs, or 36 percent decrease, which was followed by a 118 job decrease for 2016.

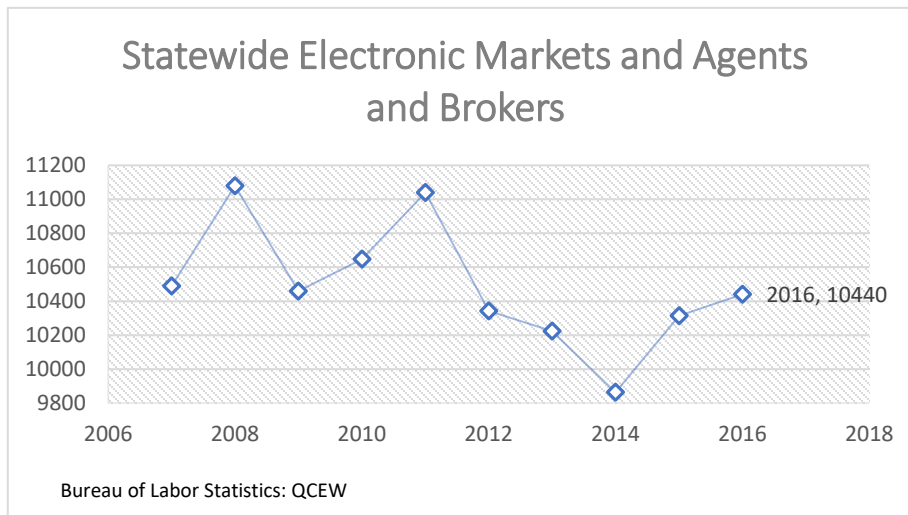


Commercial equipment had average weekly wages of \$1,226 in 2006 and experienced a small decrease in wages in 2008. In 2011 there was a large increase of \$142 in real weekly wages or an 11.6 percent increase. For 2013 and 2014 there was an overall decrease of \$50 in weekly wages, an average of \$25 per year. There was another large increase in weekly wages of \$119 for 2015, which was followed by a decrease of \$19 for 2016.



Electronic Markets, Agents, and Brokers

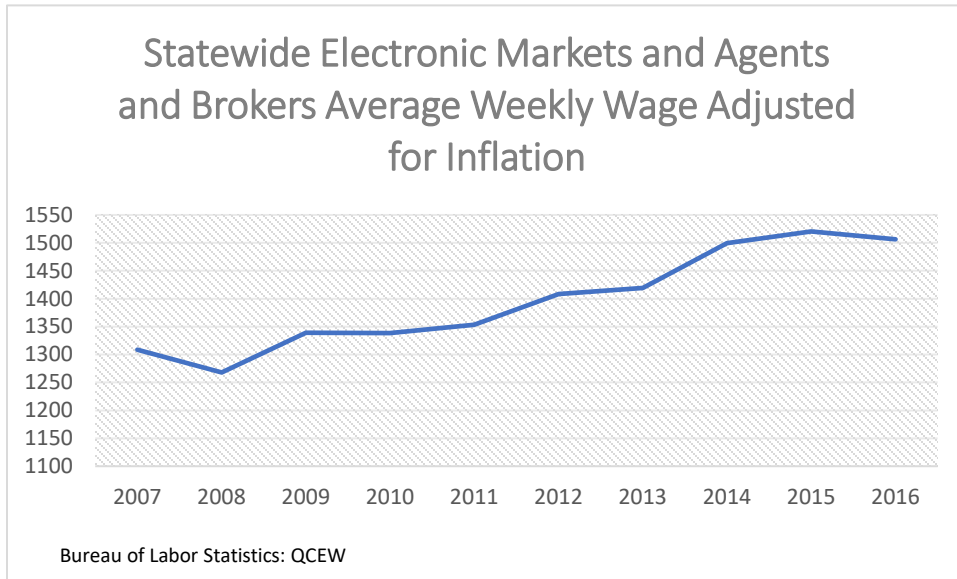
There were 10,490 jobs in statewide markets, agents, and brokers for 2007; which experienced a 589 job increase for 2008. This was followed by a decrease of 620 jobs for 2009, then followed by an overall growth of 581 jobs for 2010 and 2011. From 2012 to 2014 there was an overall decrease of 1,177, or a 10.6 percent overall decrease. The majority of this decline came from 2012, with a decrease of 697 jobs. This period was followed by a 452 job increase for 2015, and a 125 job increase for 2016.



The electronic market, agents, and brokers subsector had 5.9 billion in sales for the 2012 year. Annual payroll expenses for the 2012 year were \$126 million statewide. For 2012 there were a total of 506 business operating in this subsector. An average of just over \$250,000 was spent by each company on payroll for the 2012 year. Each business also had an average of \$11.7 million in sales for 2012⁷.

Average weekly wages of workers in this subsector was 1,309 for 2007, and the next year there was a decline in real wages of \$41. From 2009 to 2015 real average weekly wages of workers in this subsector experience an increase from year to year. During this period there was an overall increase of \$252 for weekly wages or a 19.8 percent increase. This period was followed by a decrease in real weekly wages of 14 dollars for 2016.

⁷ Source: U.S. Census Bureau, 2012 Economic Census, Wholesale Trade, Geographic Area Series, <https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=bkmk>



Other Wholesale News

In the latter half of 2012 Hantover Inc. announced that they were moving 81 jobs to a 25,000 square foot facility in Kansas City. They also planned to grow the facility adding 39 jobs and investing \$3.3 million over the five years to follow⁸. Kimberly-Clark Corp., the maker of personal care products such as Kleenex, announced in May of 2014 that they would be leaving their Johnson County distribution center. The 446,500 square foot facility was built in 2007, and was built for a 60-employee workforce⁹. In December of 2015, S&S Activewear, a promotional apparel wholesaler, announced that they would be locating a new distribution facility in Olathe. The facility would 473,000 square feet and was projected to bring 200 new jobs to the Kansas City area¹⁰.

⁸ Source: "Hantover, ARY move 81 jobs to Overland Park, plan to hire", Kansas City Business Journal, September 21st 2012, <https://www.bizjournals.com/kansascity/news/2012/09/21/hantover-ary-move-81-jobs-to-overland.html>

⁹ Source: "Kimberly-Clark will vacate Johnson County distribution center", Kansas City Business Journal, May 19th 2014, <https://www.bizjournals.com/kansascity/news/2014/05/19/kimberly-clark-will-vacate-johnson-county.html>

¹⁰ Source: "S&S Activewear Locates Shipping-Distribution Hub In Olathe, Kansas", AreaDevelopment, December 3rd 2015, <http://www.areadevelopment.com/newsItems/12-3-2015/ss-activewear-distribution-center-olathe-kansas238948.shtml>