

Extension Area 1: Economic Overview

Defiance, Fulton, Henry, Paulding and Williams Counties

Report prepared March 2023 by Nancy Bowen, Associate Professor, OSU Extension Community Development

2023 Edition

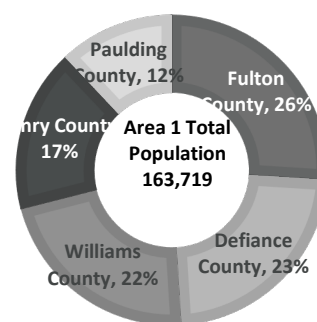
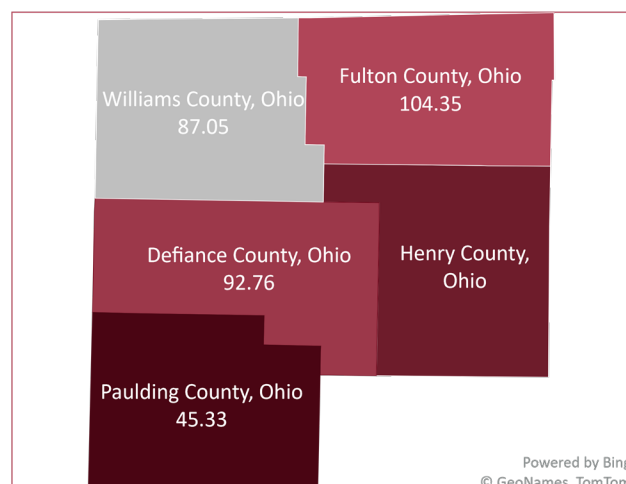
Regional Overview

OSU Extension Area 1 is a five-county area in the north-west corner of the state, including Defiance, Fulton, Henry, Paulding, and Williams counties. The combined Area 1 footprint is 2,073 square miles (mi²) supporting a population of 163,719 residents and an overall population density of 79 residents per square mile. Population density is a ratio of total population to total land area, simply described as a count of residents per square mile. As illustrated in Image 1, Fulton County has the highest population density of 104.3, followed by Defiance County with a population density of 92.7, while Henry and Williams counties ranged between about 66 and to 87 residents per square mile. Paulding had the lowest density at 45.3 residents per square mile.

Between 2001 and 2021, the combined population in Area 1 dropped by -3.94%, or from 170,167 in 2001 to 163,719 in 2021. Four of the five counties experienced a decrease in population during this time, with the greatest percentage loss in Williams County at -6.8%. Both Henry and Paulding County's population decrease was just over -6.4, or from 29,310 to 27,538 in Henry and 20,081 to 18,871 in Paulding between 2001-2021. During this same period, Fulton County's population rose slightly by 245 people from 42,205 in 2001 to 42,450 in 2021. Defiance County's population dropped slightly by 3.19% or from 39,360 to 38,144 between 2001 and 2021.

As shown in the chart on the right, Fulton, Defiance and Williams counties comprise the largest percentage of population in Area 1.

Image 1: OSU Extension Area 1 Population Density



Key Stats

Total of 322 Industries

Total Employment of 89,568

Gross Domestic Product \$8.5 B

Data retrieved from IMPLAN
(2021 data)

Regional Industry Sector Overview

IMPLAN defines the total annual production value of each Industry or Commodity as Output. Total output represents the total production value of an industry including intermediate inputs, employee compensation, proprietor income, taxes on production and imports, and other property income.

Table 1 below ranks the top 10 industries in Area 1 by total output in 2021. Canned specialties continues to be was the highest ranked industry with a total output of \$1.5 billion, supporting 1,656 jobs, and an average employee compensation of \$97,140. When comparing 2019 to 2021, the data shows that the canned specialties

manufacturing industry experienced a 43% increase in total employment from 1,161 in 2019 to 1,656 jobs in 2021. The Average employee compensation also increased from \$96,434 to \$97,140 during this 2-year span.

The second highest ranking industry by output in Area 1 was the iron and steel mill and ferroalloy manufacturing industry with an output of \$695 million and supporting 654 jobs. Average compensation rose from \$133,757 in 2019 to \$138,985 in 2021. The sector with the most employees in the region was employment and payroll of local government and education with 4,446 employees.

The average annual income for these workers was \$68,319 per year. The sector is primarily made up of teachers and administrators.

The owner-occupied dwellings sector represents the wealth generated from home ownership. Owning and maintaining a home is also a major area of spending and the owner-occupied dwellings sector captures that economic effect. However, there is no employment or labor income generated in the owner-occupied dwellings sector, as the employment positions such as property managers and real estate agents is captured in the other real estate sector.

Table 1: Area 1 Top 10 Industries by Total Output

Industry Description	Output	Total Employment	Average Employee Compensation
Canned specialties	\$1,503,487,304	1,656	\$97,140
Iron and steel mills and ferroalloy manufacturing	\$694,774,924	654	\$138,985
Owner-occupied dwellings	\$666,835,476	N/A	N/A
Monetary authorities and depository credit intermed.	\$570,369,889	882	\$77,927
Motor vehicle gasoline engine and engine parts mfg.	\$415,985,541	747	\$83,529
Truck transportation	\$396,771,180	2,002	\$72,397
Grain farming	\$356,707,430	2,038	\$53,947
Employment and payroll of local govt, education	\$348,930,828	4,446	\$68,319
Oilseed farming	\$342,605,053	991	\$55,605
Hospitals	\$338,847,963	2,011	\$67,202

Area 1 Annual Employment Trends

The Total Employment figure reported by IMPLAN represents a full and part-time annual average including the self-employed, all federal, state, and local government employment and military employment (including overseas military).

Chart 1 provides a visual reference of the Area 1 annual employment trends between 2001 and 2021. As shown in the chart, Area 1 experienced negative growth between 2001 and 2021, peaking in 2001 with an overall employment of 100,436 and dropping to a low of 89,568, although in the last year (2021) population rose by over 500.

Employment declines were affected not only by the pandemic, but also as a result of collapse of the U.S. housing market, which triggered a period of recession in the U.S. economy.

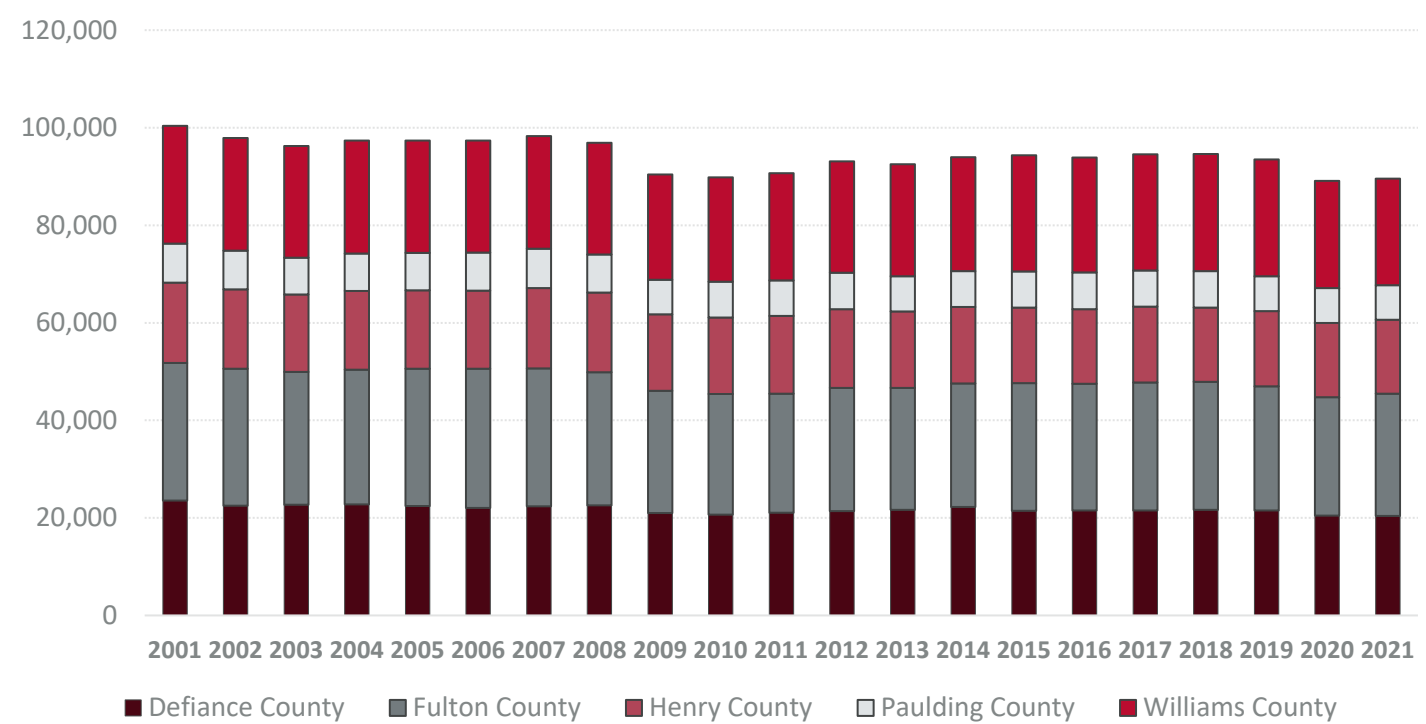
During the 3-year recessionary period between 2009 and 2011, Area 1 experienced its lowest employment levels, except for pandemic-related 2020-2021. When considering the long-term employment trends by county, all five counties experienced decreasing employment. Henry County experienced the least decline in employment at -8%, while Defiance County experienced the greatest

decline in employment at -13%.

“Area 1 total employment is down by 10,868 jobs in the two decades between 2001-2021”

Fulton County’s total employment decreased by -11%, or from 28,260 jobs in 2001 to 25,061 jobs in 2021, loss of about 3,200 jobs. Williams and Paulding counties both experienced a percentage decrease in employment of -10% and -11% respectively, between 2001-2021.

Chart 1: Area 1 Annual Employment



Top 15 Occupations by Location Quotient

Chart 2: Occupation Location Quotient

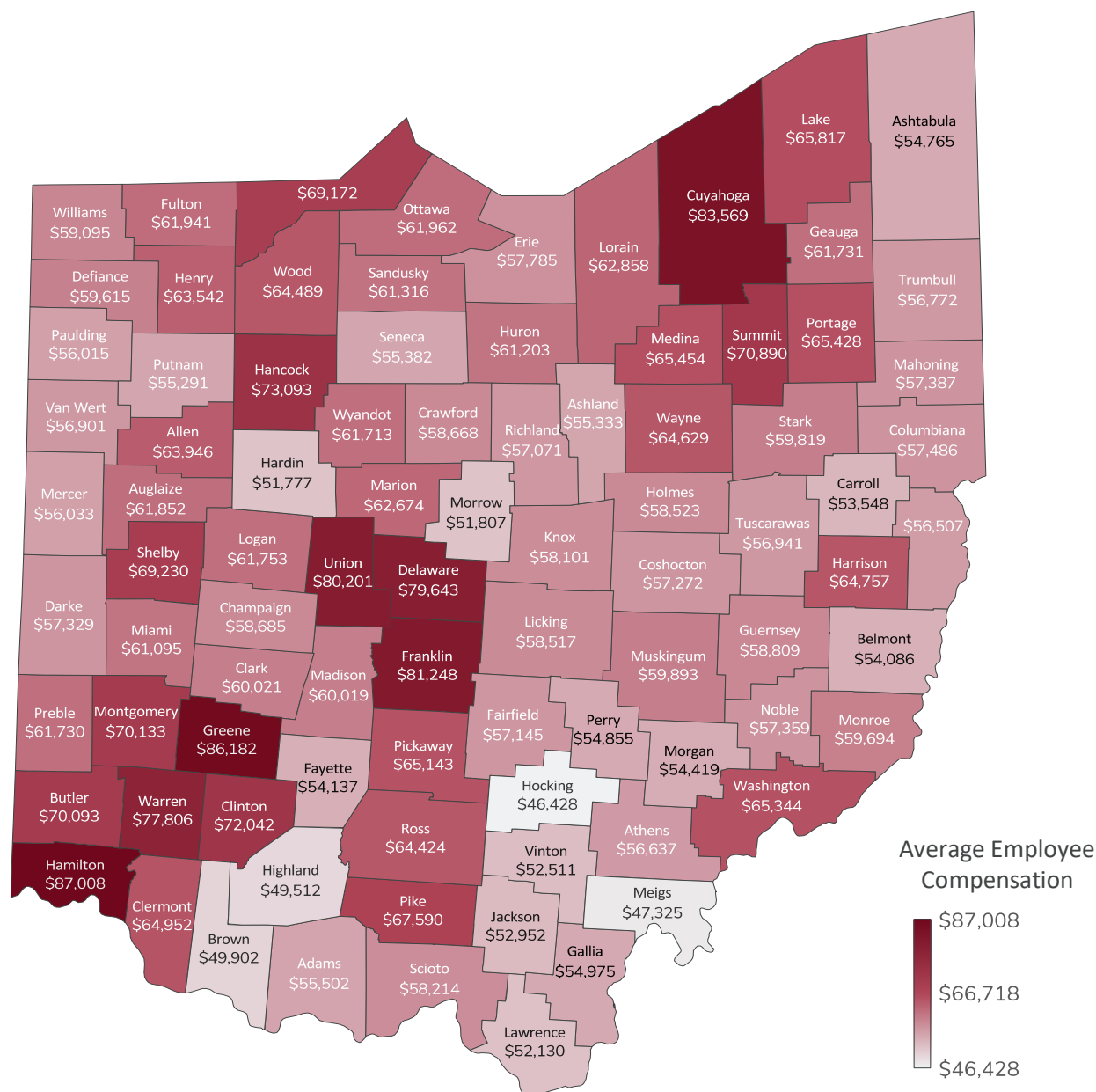


A location quotient (LQ) is a metric that compares the relative concentration of a local regions workers in a specific industry sector to the concentration of workers nationally in the same sector. An LQ equal to 1 signifies that the local share is equal to the national share, while an LQ greater than 1 means the local share is greater than the national share and is typically an exporter or perhaps has a specialization in that sector. Where there is an occupational concentration, there also tends to be higher core competencies relative to other areas, creating a competitive advantage. In addition, training and education opportunities associated with the occupation are often readily available to meet hiring demands.

Illustrated above, Chart 2 lists the top 15 occupations with the highest LQ in Area 1 demonstrating a significant concentration of workers relative to the nation. In 2021, the top occupation by LQ in Area 1 was woodworkers, with an LQ of 7.26. This suggests the region has over seven times the number of woodworkers compared to the national average. The second highest occupation by LQ in Area 1 was metal and plastic workers at 4.43, followed by assemblers and fabricators with an LQ of 3.23, supervisors of production workers at 3.02, other production workers at 2.65, and food processing workers at 2.16. Supervisors of farming, fishing and forestry workers had an LQ of just over 2.

Image 2: Average Employee Compensation by County

2021 Data and Dollar Year





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