Extension Area 2: Economic Overview

Lucas and Wood Counties

OSU Extension Area 2 is a two-county area in the northwest part of the state, including Lucas and Wood counties. In 2020, the combined Area 2 footprint is 958 square miles (mi²) supporting a population of 562,940 residents and an overall population density of 588 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, Lucas County has the highest population density of 1,265, followed by Wood County with a population density of 213.

Overall, the combined population in Area 2 has remained consistent decreasing slightly by -2% from 576,868 in 2001 to a total population of 562,940 in 2020. However, there were some notable shifts in the population trends of individual counties between 2001 and 2020. Wood County experienced the greatest amount of growth as the population increased by 8% from 122,013 in 2001 to 132,212 in 2020. Lucas County had a population decrease of -6% to a total population of 430,728 in 2020 compared to 454,855 in 2001.

**Key Stats**

- Population 562,940
- Total of 372 Industries
- Total Employment of 331,714
- Gross Domestic Product $33.06B

Data retrieved from IMPLAN (2020 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 2 by total output in 2020. Light truck and utility vehicle manufacturing was the highest ranked industry with a total output of $11.74 billion, supporting 7,084 jobs, and an average employee compensation of $85,112. However, when comparing 2020 to 2019, the data shows the light truck and utility vehicle manufacturing industry experienced an 8% increase in total output and an increase in total employment from 5,703 in 2019 to 7,084 jobs in 2020.

The industry with the second highest total output in Area 2 was petroleum refineries with a total output of $4.56 billion, supporting 1,004 jobs, and an average employee compensation of $256,453 per year.

Owner-occupied dwellings had the third greatest total output at $2.31 billion. 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.

Of the top 10 industries by total output, the sector with the most employees in the region was hospitals with 13,378 employees. The average annual income for these workers was $68,620 per year.

<table>
<thead>
<tr>
<th>Industry Description</th>
<th>Output</th>
<th>Total Employment</th>
<th>Average Employee Compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Light truck and utility vehicle manufacturing</td>
<td>$11,745,938,776.56</td>
<td>7,084</td>
<td>$85,112</td>
</tr>
<tr>
<td>Petroleum refineries</td>
<td>$4,562,958,391.16</td>
<td>1,004</td>
<td>$256,453</td>
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<tr>
<td>Owner-occupied dwellings</td>
<td>$2,318,782,997.56</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Hospitals</td>
<td>$2,244,877,817.92</td>
<td>13,378</td>
<td>$68,620</td>
</tr>
<tr>
<td>Other real estate</td>
<td>$2,134,816,577.84</td>
<td>9,123</td>
<td>$73,975</td>
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<tr>
<td>Motor vehicle transmission and power train parts manufacturing</td>
<td>$1,788,143,501.55</td>
<td>2,969</td>
<td>$121,525</td>
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<tr>
<td>Automobile manufacturing</td>
<td>$1,488,619,677.22</td>
<td>1,265</td>
<td>$85,212</td>
</tr>
<tr>
<td>Management of companies and enterprises</td>
<td>$1,420,286,240.30</td>
<td>6,821</td>
<td>$113,471</td>
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<tr>
<td>Offices of physicians</td>
<td>$1,300,374,181.94</td>
<td>7,599</td>
<td>$142,946</td>
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<tr>
<td>Monetary authorities and depository credit intermediation</td>
<td>$1,236,157,121.80</td>
<td>2,321</td>
<td>$80,204</td>
</tr>
</tbody>
</table>
Area 2 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 2 annual employment trends between 2001 and 2020.

As shown in the chart, Area 2 experienced consistent growth between 2002 and 2007 when the U.S. housing market collapsed, stressing global financial markets, and ultimately triggering the U.S. economy into a period of recession.

Since 2010 annual employment in Area 2 increased by 3% reaching a peak employment of 353,114 jobs in 2019. However, between 2019 and 2020 Area 2 experienced the greatest year to year job loss, losing 21,400 jobs, leaving an annual employment of 331,713 in 2020.

When considering the long-term employment trends by county, Wood County saw the greatest growth in total employment of 12%, increasing from 74,654 in 2001 to 83,588 in 2020.

“Year-to-year, Area 2 total employment is down 21,400 Jobs in 2020”

Conversely, Lucas County total employment decreased by -12%, from 283,365 jobs in 2001 to 248,125 in 2020.
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 2 demonstrating a significant concentration of workers relative to the nation. In 2020, the top occupation by LQ in Area 2 was assemblers and fabricators, with an LQ of 2.89. This suggests the region has nearly three times the number of assemblers and fabricator workers compared to the national average. The second highest occupation by LQ in Area 2 was rail transportation workers at 2.78, followed by metal workers and plastic workers at 1.82, supervisors of production workers with an LQ of 1.5, and tour and travel guides at 1.36.
Image 2 illustrates the average employee compensation by county for 2020. Employee Compensation is the total payroll cost of an employee including wages and salaries, all benefits, and payroll taxes. The average employee compensation is calculated as Employee Compensation divided by wage and salary Employment.

Of the counties in Area 2, Lucas County had the highest average employee compensation of $66,447. Wood County average employee compensation in Area 2 was less at $61,423.
IMPLAN® model, 2020 Data, using inputs provided by the user and IMPLAN Group LLC. IMPLAN System (data and software). 16905 Northcross Drive, Suite 120, Huntersville, NC, 28078. www.implan.com

OSU Extension Community Development Mission:
We help communities enhance their well-being and create social, economic and environmental conditions in which they can thrive.