Summary of Business Conditions

► The Quarterly Business Indicators for the 3rd quarter of 2014 continue to show a surging Lincoln economy. Most segments of the Lincoln MSA economy are growing, and many are growing rapidly.

► The Lincoln MSA unemployment rate continues to decline (Figure 1) and remains half of the U.S. rate (Figure 2). Employment growth is strong. Non-farm employment, which is measured via a survey of business, grew by 2.6% in the Lincoln MSA between the 3rd quarter of 2013 and 2014 (Figure 4).

► Among individual industries, construction, manufacturing, other financial services (primarily banking), health care and education, and state government employment all grew rapidly in the Lincoln MSA over the last year (Table 1).

► Taxable sales rose solidly in the Lincoln MSA between the 3rd quarter of 2013 and 2014 (Figures 9 and 10 and Table 1). Motor vehicle sales in particular grew rapidly. Building permits also rose very rapidly in Lincoln (Figure 6) due to a large number of permits for multi-family structures issued in July and August.

► There were, however, weak spots in the Lincoln economy. Insurance employment declined (Table 1) and job growth in the high-wage professional, scientific and technical services lagged national growth. Average weekly work hours fell in the Lincoln MSA over the last year while changing little at the national level (Figure 8). Enplanements at the Lincoln Airport also decline between the 3rd quarter of 2013 and 2014 (Table 1).
Lincoln Metropolitan Area

Figure 3: Non-Farm Employment
Lincoln Metropolitan Area
(Not Seasonally Adjusted)

Figure 5: Building Permits
Lincoln Metropolitan Area
(Not Seasonally Adjusted)

Figure 7: Average Weekly Work Hours
Lincoln Metropolitan Area
(Not Seasonally Adjusted)

Lincoln MSA versus United States

Figure 4: Growth in Non-Farm Employment
Lincoln MSA vs. United States
(Q3 2013 to Q3 2014)

Figure 6: Growth in Building Permits
Lincoln MSA vs. United States
(Q3 2013 to Q3 2014)

Figure 8: Growth in Average Weekly Work Hours
Lincoln Metropolitan Area
(Q3 2013 to Q3 2014)
By the Numbers - 2014

Open Projects
- Leads generated in 2014 (New Companies) 26
- Leads generated in 2014 (Existing Companies) 2
- Site visits in 2014 6
- Current open projects 35

Key Activities
- Lincoln has the fifth lowest unemployment rate in the United States with a 3.0 percent rate in the most recent reporting period of August, 2014. The Lincoln metro area had 189,100 people employed in September, 2014 an all-time record; 5,000 more than September, 2013.

- The International Economic Development Council (IEDC) Excellence in Economic Development Awards recognizes the world’s best economic development programs and partnerships, marketing materials, and the year’s most influential leaders. These awards honor organizations and individuals for their efforts in creating positive change in urban, suburban, and rural communities. Award winners were recently recognized at the IEDC Annual Conference in Ft. Worth, TX.

The Partnership submitted three award applications and received the following awards in the 200,000 to 500,000 population category:
- Gold – SelectLincoln.org – General Purpose Economic Development Website
- Gold – Lincoln Economic Dashboard – Special Purpose Brochure
- Bronze – Inc. 5000 Billboard Campaign – General Purpose Promotion

- The Partnership held a familiarization tour for the members of the Lincoln Area Development Partnership (LADP) and Nebraska Dept. of Economic Development employees. The 25+ people on the tour visited Beatrice and Lincoln. While in Lincoln the group learned more about Innovation Campus and the industrial sites at the Lincoln Airpark. The tour is intended to educate members of the DED’s staff about different opportunities available throughout the region.

- Dr. Eric Thompson of the UNL Bureau of Business Research recently updated a series of reports profiling each Lincoln target industry sector, conducting comparative analysis against peer communities across the country. The target industries profiled are: Advanced Manufacturing, Business Services & Information, Healthcare, Insurance & Finance, Life Sciences & Agriculture and Transportation & Logistics. The reports are available at: www.SelectLincoln.org/Publications.

Startup Week in Lincoln was held October 25-31 as a free, seven-day celebration of our entrepreneurial community. Promoted as a new type of conference that builds momentum and opportunity around entrepreneurship, led by entrepreneurs and hosted in the entrepreneurial spaces around Lincoln. Partnership staff assisted in the planning and implementation of the different events during the week. To see a calendar of the events go to: http://lincoln.startupweek.co/

- Please follow the Partnership on Twitter @selectlincoln or check the website for the latest news at www.selectionlincoln.org.
Table 1: Statistical Summary

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<tbody>
<tr>
<td>Nonfarm Employment (1000s), NSA</td>
<td>179.4</td>
<td>181.8</td>
<td>184.1</td>
<td>185.7</td>
<td>185.8</td>
<td>184.7</td>
<td>180.0</td>
<td>181.4</td>
<td>183.1</td>
<td>184.5</td>
<td>181.0</td>
<td>186.1</td>
<td>185.1</td>
<td>185.5</td>
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<td>Employment (Household Survey) (1000s), NSA</td>
<td>171.2</td>
<td>170.4</td>
<td>171.7</td>
<td>174.2</td>
<td>171.1</td>
<td>170.3</td>
<td>168.9</td>
<td>170.8</td>
<td>172.4</td>
<td>173.7</td>
<td>175.6</td>
<td>172.9</td>
<td>173.8</td>
<td>172.4</td>
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<td>Labor Force (1000s), NSA</td>
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<td>176.1</td>
<td>177.3</td>
<td>176.8</td>
<td>176.3</td>
<td>175.8</td>
<td>175.4</td>
<td>177.3</td>
<td>178.6</td>
<td>179.0</td>
<td>181.1</td>
<td>178.8</td>
<td>179.9</td>
<td>177.8</td>
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<td>Unemployment Rate, NSA</td>
<td>3.9%</td>
<td>3.2%</td>
<td>3.1%</td>
<td>3.0%</td>
<td>3.1%</td>
<td>3.7%</td>
<td>3.6%</td>
<td>3.5%</td>
<td>2.9%</td>
<td>3.0%</td>
<td>3.3%</td>
<td>3.4%</td>
<td>3.0%</td>
<td>N/A</td>
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<td>Net taxable sales (excluding motor vehicles) ($millions), NSA</td>
<td>$304.7</td>
<td>$318.4</td>
<td>$317.0</td>
<td>$305.9</td>
<td>$307.0</td>
<td>$352.9</td>
<td>$261.3</td>
<td>$265.3</td>
<td>$308.7</td>
<td>$301.5</td>
<td>$316.9</td>
<td>$326.6</td>
<td>$317.0</td>
<td>N/A</td>
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<td>Average Weekly Hours, NSA (private workers)</td>
<td>33.7</td>
<td>33.7</td>
<td>34.2</td>
<td>33.2</td>
<td>33.5</td>
<td>32.2</td>
<td>32.8</td>
<td>32.8</td>
<td>33.1</td>
<td>33.3</td>
<td>34.7</td>
<td>33.5</td>
<td>33.8</td>
<td>33.2</td>
<td>-1.1%</td>
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<td>Notes: N/A indicates data point not yet available for month; NSA indicates data that is not seasonally adjusted; Prof, Sci, and Tech. Services is Professional, Scientific, and Technical Services</td>
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2 Source: Nebraska Department of Revenue for Lincoln MSA data (www.revenue.ne.gov) and U.S. Bureau of Census for U.S. data (www.census.gov/const/www/permitsindex.html)
4 Source: www.zillow.com
5 Source: American Automobile Association for Lincoln MSA data (www.fuelgauereport.com) and U.S. Department of Energy for U.S. data (www.eia.doe.gov)
6 Source: Lincoln Airport Authority for Lincoln MSA data and U.S. Bureau of Transportation Statistics for U.S. data (http://www.bts.gov/xml/air_traffic/src/datadisp.xml)