

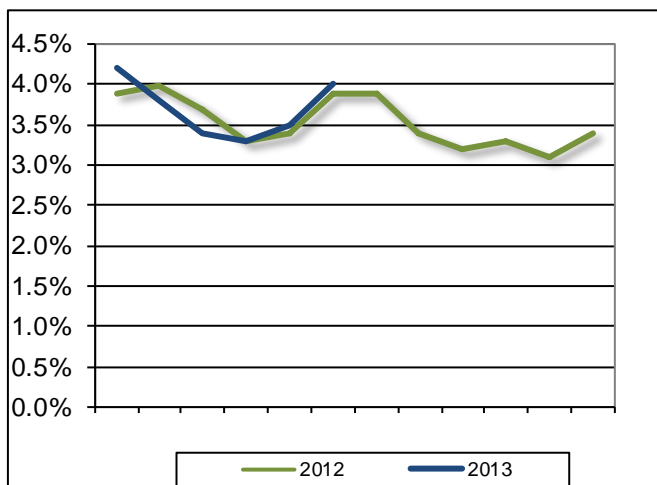
Quarterly Business Indicators

VOLUME 5 NO 1

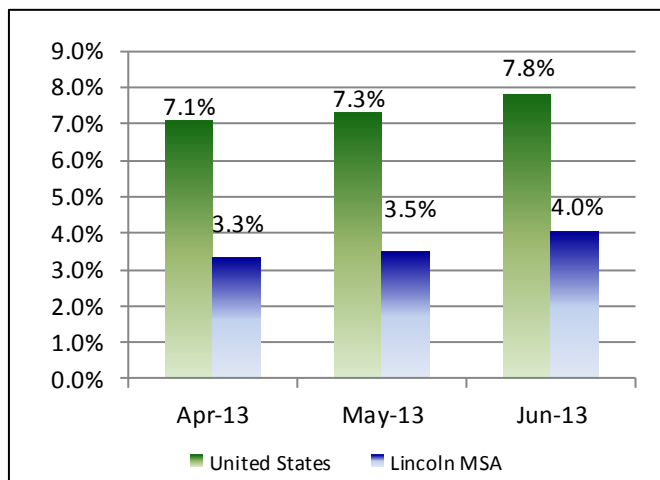
PREPARED BY THE UNL BUREAU OF BUSINESS RESEARCH

2ND QUARTER 2013

**Figure 1: Unemployment Rate
 Lincoln Metropolitan Area
 (Not Seasonally Adjusted)**



**Figure 2: Unemployment Rate
 Lincoln MSA vs. United States
 (Not Seasonally Adjusted)**



Summary of Business Conditions

► The Quarterly Business Indicators for the 2nd quarter of 2013 show steady growth in the Lincoln, Nebraska economy. Growth rates in the Lincoln area are similar to growth rates nationwide.

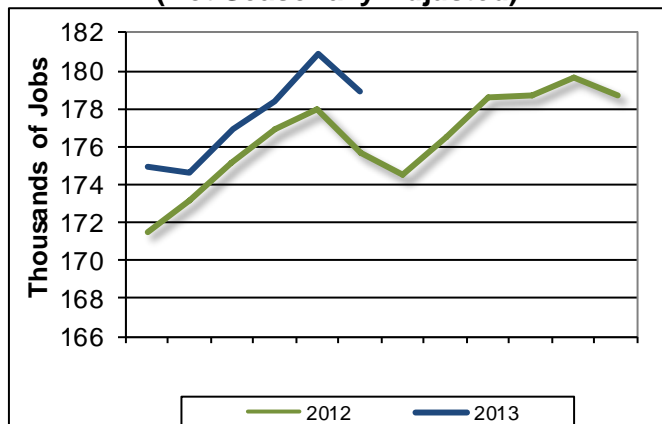
► The Lincoln MSA unemployment rate remains at year ago levels (Figure 1) but is still half of the U.S. rate (Figure 2). Lincoln is experiencing solid job growth and rapid growth in hours-worked and building permits. Non-farm employment grew by 1.4% in the Lincoln MSA between the 2nd quarter of 2012 and 2013, which is slightly below the 1.6% growth rate nationwide (Figure 4). Building permits were up 21.2% in Lincoln between the 2nd quarter of 2012 and 2013 (Figure 6). Average hours worked rose by a robust 1.9% in the Lincoln MSA over the last year (Figure 8).

► Motor vehicle taxable sales rose sharply in the Lincoln MSA between the 2nd quarter of 2012 and 2013 (Figure 10, Table 1). However, other taxable sales were up only modestly in Lincoln (Figure 9, Table 1).

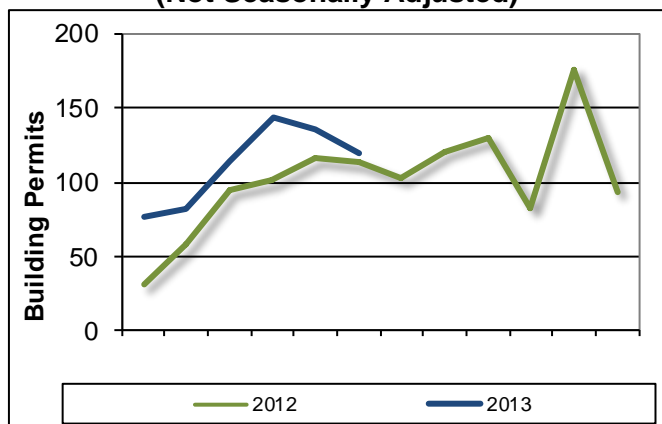
► Among individual industries, manufacturing employment expanded between the 2nd quarter of 2012 and 2013 (Table 1), at twice the national rate. Insurance employment expanded, and growth was rapid in other financial services, which grew by 2.7%. Professional, scientific and technical employment grew in Lincoln, but at only half the national growth rate. There was solid growth in education and health care employment. Finally, given Nebraska's relatively strong fiscal condition, state government employment expanded in Lincoln over the last year, while it continued to decline nationally.

Lincoln Metropolitan Area

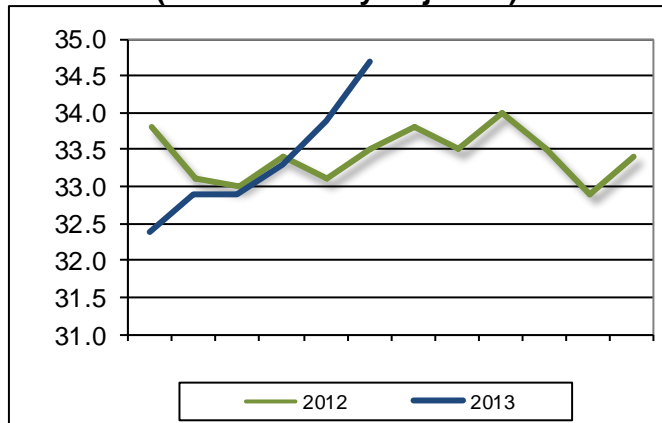
**Figure 3: Non-Farm Employment
Lincoln Metropolitan Area
(Not Seasonally Adjusted)**



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

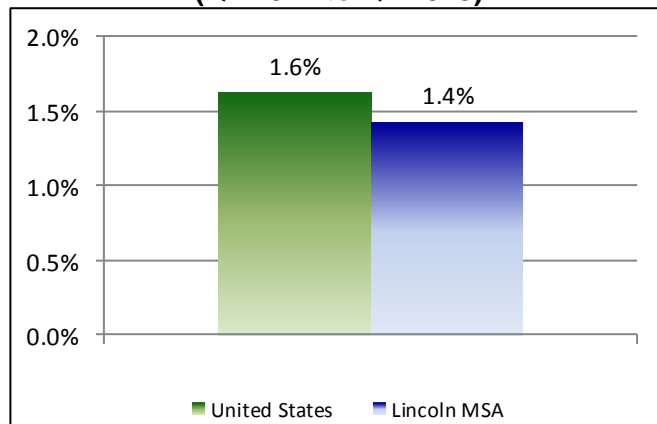


**Figure 7: Average Weekly Work Hours
Lincoln Metropolitan Area
(Not Seasonally Adjusted)**

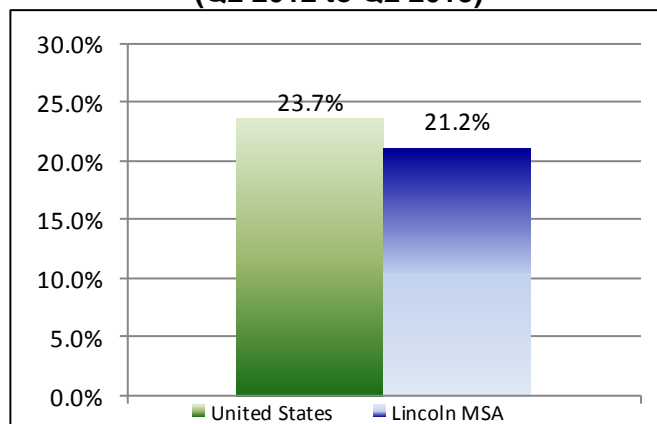


Lincoln MSA versus United States

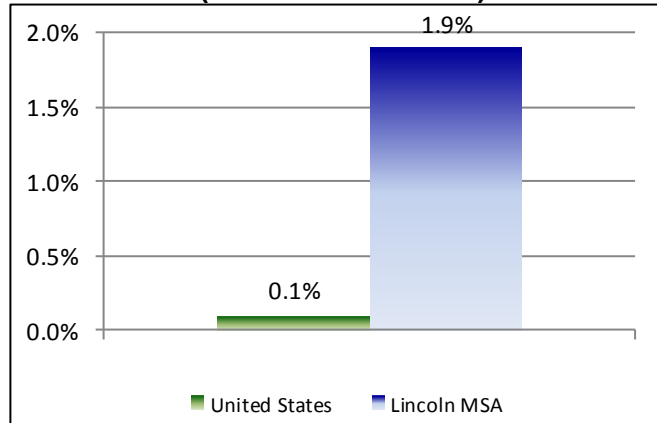
**Figure 4: Growth in Non-Farm Employment
Lincoln MSA vs. United States
(Q2 2012 to Q2 2013)**



**Figure 6: Growth in Building Permits
Lincoln MSA vs. United States
(Q2 2012 to Q2 2013)**

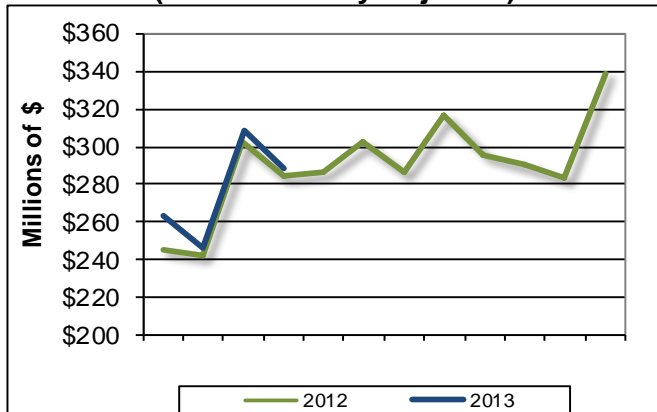


**Figure 8: Growth in Average Weekly Work Hours
Lincoln Metropolitan Area
(Q2 2012 to Q2 2013)**



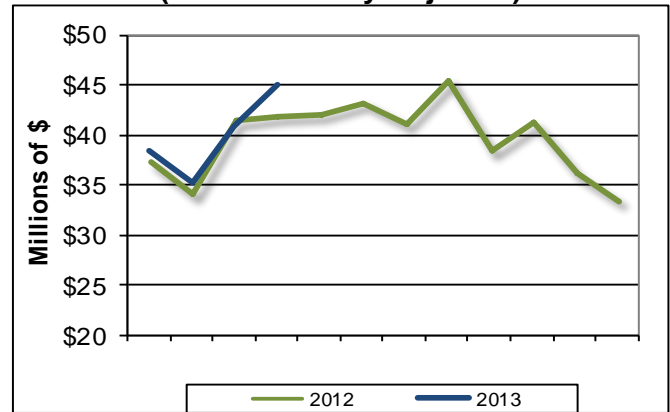
Taxable Sales (Excl. Motor Vehicle)

Figure 9: Taxable Sales
Lincoln Metropolitan Area
(Not Seasonally Adjusted)



Motor Vehicle Taxable Sales

Figure 10: Taxable Sales
Lincoln Metropolitan Area
(Not Seasonally Adjusted)



By the Numbers - 2013

Open Projects

• Leads generated in 2013 (New Companies)	19
• Leads generated in 2013 (Existing Companies)	3
• Site visits in 2013	8
• Current open projects	34

Key Activities

► Lincoln continues to perform well in the jobs sector. In June of 2013, the Lincoln unemployment rate was 4.0 percent, the seventh lowest in the United States. In terms of jobs, the Lincoln area showed 178,900 jobs which is 3,200 more than June of 2012.

► The most significant announcement of 2013 to date has been Olsson's Associates move into a new corporate headquarters facility in the West Haymarket. The 80,000 square foot facility will be completed in 2014. GT Exhaust also announced a significant construction project at Lincoln airport with a new \$15 million facility being planned. GT Exhaust was recently purchased by ICA, a British company. In terms of jobs, Nelnet continues its massive job growth in Lincoln, announcing at its annual meeting in May that it would add another 300 people in Lincoln, bringing its total number to over 1,600 at the Lincoln headquarters. The Lincoln Journal Star is consolidating some Lee corporate functions at various sites in the organization. The Lincoln operation will secure additional work in design and is estimating adding 30 new people. Teledyne, Imscorp and Vantage Homes have all filed Nebraska Advantage contracts estimating a total of 150 new jobs and nearly \$20 million of investment.

► Lincoln was recently named as one of five "Emerging Entrepreneurial Hubs" in the nation in the August 2013 edition of *Entrepreneur* magazine. The article notes Startup Weekend events, Fuse Co-Working and the Haymarket District.

► Partnership staff are working with a team of thought leaders, entrepreneurs and businesses to bring nine days of entrepreneurship events to Lincoln in September. Startup Week will kick off following the NMotion Demo Days on Thursday, September 5 at the Champions Club. Startup Weekend Lincoln follows and will be held from Friday, September 6 to Sunday, September 8 at Firespring. The UNL student group HIVE is the event lead. Startup Weekend is an established program that has held more than 450 events in cities all over the globe. A group of programmers, design artists, marketers, entrepreneurs and other interested parties from a city commit to working on a business concept for 54 hours, taking the idea as far as possible. According to Startup Weekend, more than 5,000 businesses have been started from this process internationally.

► The Partnership released its first ever economic dashboard at the annual breakfast. The project was a partnership with Dr. Eric Thompson of the UNL Bureau of Business Research to develop a community dashboard that measures quantifiable statistics with a series of peer and aspirational communities. The report looks at data in five main categories including: economic performance, innovation, talent, entrepreneurship and quality of life. To obtain a copy of the report, go to www.SelectLincoln.org/Publications.

► The Partnership recently promoted Pat Haverly to the position of Vice President of Economic Development. Pat replaces Jason Smith who accepted the position of President/CEO of the Abilene Chamber of Commerce.

► The Partnership is on Twitter. For updates on what's going on in economic development in Lincoln and/or Nebraska, sign up for updates on Twitter @selectlincoln.

► The Partnership is extremely active in the development and promotion of the new Lincoln brand. For more information, go to www.lifeisright.com.

Source: Lincoln Partnership for Economic Development and Nebraska Department of Economic Development

Table 1: Statistical Summary

Percent Change
Q2 2012 to Q2 2013

Variable	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Lincoln	U.S.
Lincoln																	
Summary Variables																	
Nonfarm Employment (1000s), NSA ¹	176.9	178.0	175.7	174.5	176.5	178.6	178.7	179.7	178.7	174.9	174.6	176.9	178.4	180.9	178.9	1.4%	1.6%
Employment (Household Survey) (1000s), NSA ¹	170.0	170.0	167.4	168.4	169.4	170.1	171.7	172.3	170.7	169.8	170.9	172.7	174.7	174.7	173.0	3.0%	1.2%
Labor Force (1000s), NSA ¹	175.8	176.0	174.1	175.3	175.5	177.5	177.7	177.7	176.7	177.2	177.7	178.8	180.7	181.1	180.2	3.1%	0.5%
Unemployment Rate, NSA ¹	3.3%	3.4%	3.9%	3.9%	3.4%	3.2%	3.3%	3.1%	3.4%	4.2%	3.8%	3.4%	3.3%	3.5%	4.0%	1.9%	-7.6%
Net taxable sales (excluding motor vehicles) (\$millions), NSA ²	\$284.6	\$286.9	\$302.5	\$286.6	\$316.9	\$296.0	\$290.3	\$283.5	\$339.5	\$263.4	\$246.6	\$308.3	\$288.2	N/A	N/A	1.2%	3.4%
Average Weekly Hours, NSA (private workers) ¹	33.4	33.1	33.5	33.8	33.5	34.0	33.5	32.9	33.4	32.4	32.9	32.9	33.3	33.9	34.7	1.9%	0.1%
Key Industries																	
Manufacturing Employment (1000s), NSA ¹	13.3	13.3	13.3	13.4	13.4	13.5	13.5	13.5	13.4	13.4	13.4	13.4	13.4	13.4	13.4	0.8%	0.4%
Insurance Employment (1000s), NSA ¹	8	8	8.1	8.1	8.1	8	8.1	8.1	8	8.1	8.1	8.1	8.1	8.1	8.1	0.8%	0.5%
Other Financial Services Employment (1000s), NSA ¹	6.1	6.2	6.2	6.1	6.2	6.2	6.1	6.1	6.2	6	6.1	6.2	6.3	6.3	6.4	2.7%	1.7%
Prof. Sci., and Tech. Services Employment (1000s), NSA ¹	8.7	8.6	8.7	8.8	8.8	8.7	8.8	8.7	8.8	8.9	8.9	8.9	8.8	8.8	8.8	1.5%	3.0%
Healthcare and Education (1000s), NSA	26.5	26.5	26.1	25.8	25.9	26.4	26.6	26.8	26.8	26.4	26.7	26.8	26.8	26.9	26.5	1.4%	1.8%
State Government Employment (1000s), NSA ¹	21.1	21.8	19.1	19	19.9	21.6	21.8	21.9	21.7	20.5	20	21.3	21.3	21.9	19.1	0.5%	-0.4%
Housing and Construction																	
Building Permits, NSA ³	101	116	113	103	121	130	83	176	94	77	82	115	144	136	120	21.2%	23.7%
Median Sale Price of Existing Single-Family Homes, NSA (\$1000s) ⁴	\$137.0	\$140.0	\$143.0	\$149.0	\$148.0	\$143.0	\$142.0	\$146.0	\$144.0	\$141.0	\$134.0	\$137.0	\$142.0	\$144.0	\$147.0	3.1%	16.2%
Construction Employment (1000s), NSA ¹	7.1	7.3	7.6	7.6	7.5	7.4	7.4	7.3	7	6.5	6.5	6.8	7.2	7.5	7.7	1.8%	3.1%
Automobile																	
Motor vehicle taxable sales (\$millions), NSA ²	\$41.9	\$42.1	\$43.2	\$41.1	\$45.5	\$38.4	\$41.2	\$36.1	\$33.4	\$38.4	\$35.3	\$40.9	\$45.1	N/A	N/A	7.6%	10.1%
Gasoline Price Per Gallon (Regular Unleaded) ⁵	\$3.87	\$3.61	\$3.50	\$3.49	\$3.71	\$3.87	\$3.69	\$3.40	\$3.29	\$3.21	\$3.67	\$3.65	\$3.47	\$3.76	\$3.62	-1.2%	-3.2%
Air Travel																	
Enplanements ⁶	10,528	11,155	11,885	10,703	11,016	11,944	12,598	12,184	11,325	10,473	9,580	11,445	11,061	12,706	12,588	8.3%	-0.9%
Deplanements ⁶	10,652	10,987	12,471	11,033	11,978	11,737	12,534	11,901	10,082	11,772	9,304	11,758	11,003	12,070	12,761	5.1%	-0.9%

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

¹ Source: U.S. Bureau of Labor Statistics (www.bls.gov)

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/retail/marts/www/timeseries.html)

³ Source: U.S. Bureau of Census (www.census.gov/const/www/permitsindex.html)

⁴ Source: www.zillow.com

⁵ Source: American Automobile Association for Lincoln MSA data (www.fuelgaugereport.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)