Business Visitation Survey

Southwest Riverside County
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Acknowledgements
This Business Visitation Survey was conducted through the time and efforts of the Economic Development Corporation of Southwest California and its Board of Directors, the EDC Business Resource Team and EDC Technology Committee; the Cities of Lake Elsinore, Murrieta, Temecula and Wildomar; and the Temecula Valley Chamber of Commerce. Sponsorships were provided by Abbott Vascular, Mt. San Jacinto College, and the City of Temecula.

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Executive Summary
The project presented to the Economic Development Corporation of Southwest California from the Riverside County Workforce Investment Board came when many local companies were coping with economic challenges that have not been experienced before. Undertaking the project would require finesse and persistence in reaching the desired results.

The outcomes show the companies in the region and their executives are generally optimistic about the prospects and opportunities for the future. The responses reveal that all are generally pleased with living and working in Southwest Riverside County. Weather, quality of life, schools, housing prices, and a centralized location are thought to be some of the biggest advantages to the area.

Most significant to the EDC was the ability to have contact with businesses of the region. Efforts to solicit invitations for site visits are complex, and the ability to facilitate a concerted effort multiplied the number of visits normally conducted. The Southwest California region has long looked for a source of categorizing and inventorying the innovative asset companies. The region has recently opened its own portal on the Connectory.com to showcase the business profiles collected during the survey. To date 422 companies are profiled on the site and an additional 250 are ready to be activated.

Apparent relief to rising unemployment is near; 98% of business owners stated that they have no plans to lay off employees this year. In fact, 65% stated that it is likely that they will be hiring employees in the next 12 months. This is an encouraging development in the economic recovery of the region. More encouraging news is that 85% of surveyed businesses are either growing or stable.

Of concern is that more companies feel that over-regulation by county and local government is a greater impediment to their business than a slow economy, yet the sluggish economy still scored high. Exports by manufacturing companies unhappily scored low.

The number of companies that have no plans to relocate from the region is a positive indication of the strength of our local economy. Regionally the schools score above average, and a host of secondary education institutions will lead to a better educated and higher income population that will ensure a sound future for the region.
Survey Methodology

The Economic Development Corporation of Southwest California conducted a Business Visitation Survey of companies located in the Southwest Riverside County region, focusing particularly on Temecula and Lake Elsinore, but including Menifee, Murrieta, and Wildomar.

The intention of the survey was to gather information that will be valuable in helping retain and expand existing businesses while determining the need for lay-off aversion responses to at-risk businesses.

The information garnered will be invaluable to all economic development stakeholders allowing greater understanding of the intricacies of individual businesses while applying that understanding to entire industries.

The 23 question survey, which included seven questions specific to lay-off aversion, skill sets and training, focused on the dynamics within a company's core industry while relating that information back to a company's own trends and experience.

The EDC Resource Team, with the assistance of the economic development departments of the cities of Lake Elsinore and Temecula, and student volunteers spent a month at Mt. San Jacinto College in Temecula where a classroom with computers and telephones was provided to create a Call Center. This group identified NAICS codes from the manufacturing sector; professional, scientific, and technical services; management; transportation and warehousing; and finance and insurance as the specific area to pursue. One thousand five hundred sixteen companies were identified as targets of the project. Of this number, 742 had information collected and were invited to participate in the survey and site visits. One hundred seven companies responded positively and site visits were conducted. To put this into perspective, of the total number, contact has been made with 49% and 14.4% of the total were visited. In addition, a portal for the Southwest Riverside County region has been established on the Connectory.com and through a continuing process these companies are having their profiles made a part of the database.

Funding for the project was provided through a grant with the Riverside County Economic Development Agency and Riverside County Workforce Investment Board and in collaboration with Mt. San Jacinto College, and the economic development departments of Lake Elsinore, Murrieta, and Temecula.
Survey Responses

Describe Your Business.

Site visitations and survey respondents represented a variety of businesses and industries in the region. In terms of size and scope of business, the participants represented small, medium and large size entities, thus creating breadth to the survey and giving more credibility to the results.

The Manufacturing Sector accounted for the largest number of visitations at 49%. The Professional, Scientific and Technical Services category was next at 28%. Finance, Healthcare and Information each comprised 5% of the participants, while Administrative and Support Services were 3%. Other sectors accounted for an additional 5% of the results.

![Figure 1 - Business Description](image-url)
When was the business established and how many locations?
Site Visit and Survey respondents were generally established companies with 32% being in business 20 years or more; 34% were between 10 years and 20 years; 27% had been in business 2 years to 10 years; and only 11% were in business 2 years or less.

Additionally, 10% have more than one location.

Describe the state of your industry.
Of the largest percentage of companies visited, 45% characterized their industries as stable; 40% identified their industries as growing; and the smallest percentage, 15%, described their industries as declining.
Is the company offering new products or services?
Of the survey respondents 46% are offering new products or services, whereas 53% are not.

![Figure 4 - New Products or Services](image)

Does the company export?
Of the manufacturing companies surveyed 19% are exporting and 81% are not. Of those not exporting 6% indicated funding as a barrier to exporting; 12% responded that the absence of expertise is their reasoning for not exporting; and 82% do not have products or services that are available for export.

![Figure 5 - Exporting](image)
What are the advantages and disadvantages to the region?

When respondents were asked to describe the advantages and disadvantages of locating their business in the SWRC region, 62% genuinely stated there were no disadvantages locating in the region; 30% described the advantage as being centrally located close to major markets; 24% indicated quality of life; 9% stated both lack of competition and a growing market are advantages; another 3% indicated available workforce and lower costs as advantages; 1% cited good local government and available land as advantages. Conversely 9% indicated too much local regulation as a disadvantage; 6% cited slow reactions from local government to problems as a disadvantage; 4% noted that there are less opportunities locally than in larger metropolitan areas; 3% described distance from suppliers as a disadvantage and another 3% described lack of local foot traffic as a disadvantage; 1% stated the lack of a data center; another 1% named lack of hotels; and finally 1% noted oppressive heat as all being disadvantages.

---

**Figure 6 - Advantages/Disadvantages**

- Available land
- Local government
- Lower costs
- Available workforce
- Growing market
- Lack of competition
- Quality of life
- Central location
- No disadvantages to the region
- Oppressive heat
- Lack of hotels
- Lack of data center
- Lack of local foot traffic
- Distance from suppliers
- Less opportunities
- Slow reaction from local government
- Too much local regulation

0% 10% 20% 30% 40% 50% 60% 70%
Is the company green?
The question of sustainability is a prevalent question in California. When respondents were asked if they considered their business as a green company – providing green products or services, and/or operating a green facility – 63% described their businesses as green. Of these surveyed 59% provide a green product, 50% provide a green service and 36% have a green facility.

Figure 7 - Sustainability

![Image of wind turbines](image-url)
What primary issues are facing the company?
Respondents were asked to relate the biggest issues facing their individual businesses. County and local government regulation came in as the number one issue at 27%; 25% indicated the economy as a major issue; 7% stated both marketing and financing issues were their largest obstacles; 6% said workforce; 5% noted lack of talented resources; 5% considered inflation; 3% can’t find a location with proper infrastructure; 3% are dealing with the county’s current economic status in the nation as working against them; 3% also said the state and federal budget issues affect their business; 3% face the cost of upgrading their businesses; and finally 1% each gave uncertified competition, the need to stay small, taxes, suburban growth and green initiatives as being their issues. Notably 11% stated they have no issues facing their businesses.

Figure 8 - Primary Business Issues
Describe your facility and do you have plans to move?

When asked to describe the size of their facility, 10% of the respondents have a facility larger than 80,000 square feet; 25% have facilities between 20,000 and 50,000 square feet; 11% have their company in 5,000 to 15,000 square feet; while 31% are smaller than 5,000 square feet. A high percentage (85%) has no plans to move their operation, while 12% do plan to move into a larger facility in the area and 3% indicated they plan to re-locate from the area at some future date.

**Figure 9A - Facility size**

- Larger than 80,000 square feet
- 20,000 to 50,000 square feet
- 5,000 to 20,000 square feet
- Smaller than 5,000 square feet
- Acreage

**Figure 9B - Re-location**

- Will move to larger facility: 12%
- Will move from area in future: 3%
- No: 85%
How many employees does the company have?
When respondents were queried about the business’s number of employees, 61% of participants have 10 or less employees; 9% have 10 to 20 employees; 14% have 20 to 50 employees; 6% have 50 to 100 employees and 10% have 100 or more employees.

Furthermore, 66% of all employees commute less than 20 miles.
Does the company plan to hire additional employees?

The future of the region appears to be looking bright for most of the respondents as 65% of employers expressed their plan to hire additional employees in the next 12 months; of these 8% will be unskilled; 21% will be semi-skilled; 32% will be skilled; 10% will be clerical; and 13% will be professional/management. Those planning not to hire within the next 12 months represented 35%.

![Figure 11A - Additional hiring](image)

![Figure 11B - Required Skills](image)
What occupation classification is anticipated to have the most growth in the next five years?
During the discussions respondents predicted that 8% of the job growth will be in unskilled jobs; 32% semi-skilled; 60% skilled; 10% clerical; 22% professional/management.

**Figure 12 - Anticipated Growth**

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Percentage</th>
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<tr>
<td>Professional/Management</td>
<td>22%</td>
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<tr>
<td>Clerical</td>
<td>10%</td>
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<tr>
<td>Skilled</td>
<td>60%</td>
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<tr>
<td>Semi-skilled</td>
<td>32%</td>
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<tr>
<td>Unskilled</td>
<td>8%</td>
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</table>
Has the company had any employee layoffs in the past year?

Looking back on a difficult year, 64% of respondents indicated they had not experienced layoffs. Of the 36% of businesses who had dealt with layoffs during the year, 5% acknowledged layoffs of more than 20 positions; 24% lost less than 10 positions. Those businesses losing 10 to 20 positions came in at 71%.

**Figure 13A - Layoffs**

- **No 64%**
- **Yes 36%**

**Figure 13B - Layoffs**

- **10 or less 24%**
- **10 to 20 71%**
- **20 or more 5%**
Will the company lay off employees this year?
Looking positively at the region’s economic future only 2% of respondents anticipate employee layoffs during this next year.

Figure 14 - Future Layoffs
What skills do vocational training programs not teach or need more emphasis?
In assessing current education and training in the region, respondents noted that more emphasis should be placed on the following areas of study: 12% math; 23% computer; 12% English; 22% customer service; 16% basic job skills; 20% other 34% not applicable.

![Figure 15 - Vocational Training Needs](image)

Does the company provide its own employee training?
When asked whether the business provides internal training, 82% responded positively, while 14% did not and 4% responded with not applicable.

![Figure 16 - Company Provided Training](image)
Does the company offer recruitment incentives?
When asked what incentives, if any, the respondents provided in order to recruit new employees, 4% stated that dependent upon the position, there may be some form of incentive offered; 63% stated that there are no incentives offered other than a benefits package; and 33% offer no incentives or benefits.

![Figure 17 - Recruitment Incentives](image_url)
## Economic Development Corporation of Southwest California

### EDC Resource Team Survey

**Mission Statement** To provide resources and develop relationships with regional businesses through ongoing communications and visitations.

### Business Resource Contact Information

<table>
<thead>
<tr>
<th>Date of Contact:</th>
<th>EDC Representatives:</th>
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Survey Completed by: ____________________________
Immediate Follow-Up: Yes No
Future Visit: Yes No
Thank You Card Sent: Yes No

### Company Background

**Company:** _______________________________________
**Contact Name:** __________________________________
**Title:** __________________ E-Mail: ________________
**Address:** ______________________________________
**Phone:** ________________ Fax: ___________________
**Website:** ______________________________________

### Customers and Vendors

Who are your primary customers and where are they located?

Who/Where are your vendors/suppliers

### Industry/Company Status

**Company Background**

**Customers and Vendors**

**Employees Information**

**Employee Recruitment and/or Incentives**

**EDC Contact Information:** Nancy Obenberger
EDC of Southwest California
P.O. Box 1388
Temecula, CA 92593
(951) 694-9800 – Fax: (951) 694-9801
nobenberger@edcsouthwestcalifornia.com

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<thead>
<tr>
<th>Do you export? Yes No</th>
<th>If yes, where?</th>
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| Advantage/Disadvantage of this area: | |
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|                                      | |

| Advantage/Disadvantage of this area: | |
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| Advantage/Disadvantage of this area: | |
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<th>Provide Service Facility</th>
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### Business Description of services or products:

__________________________________________________________
__________________________________________________________
__________________________________________________________
__________________________________________________________

### Established Date: ___________ Date Located in Region: _____________

Number of company locations & areas located in:

__________________________________________________________
__________________________________________________________
__________________________________________________________

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<th>Industry/Company Status</th>
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<tr>
<td>How would you characterize your industry as a whole?</td>
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<tr>
<td>Declining Stable Business is growing</td>
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<td>Reason: ____________________________________________</td>
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### Describe Major Industry Trends, New Products or Services

__________________________________________________________
__________________________________________________________
__________________________________________________________
__________________________________________________________

### Do you export? Yes No
If yes, where? ________________
If no, why? __________________

### Facility Description 1) Plans to move operations? Yes No
If yes, when, where, and why?

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### Advantage/Disadvantage of this area:

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| Advantage/Disadvantage of this area: | |
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|                                      | |

| Advantage/Disadvantage of this area: | |
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| Advantage/Disadvantage of this area: | |
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### Are You a “Green Business”? Provide Product Provide Service Facility

What are the primary issues facing your business:

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__________________________________________________________
__________________________________________________________

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