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Giving Direction to Business in Southern Colorado

Results Commentary Analysis

First Business Brokers, LTD.

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FIRST ANNUAL SOUTHERN COLORADO BUSINESS ECONOMIC OUTLOOK FORUM 1997

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Introduction

The Southern Colorado Business Economic Outlook Forum was conceived for the purpose of providing businesses in Southern Colorado with information that will help them make better and more informed decisions. Given the varying nature of businesses in Southern Colorado, this is a tall order. Nevertheless, it is a venture worth undertaking. For over thirty years information of this nature at the state level has been complied by the College of Business at the University of Colorado in Boulder. While useful, this forum concentrates primarily on the State of Colorado and the Denver-Boulder MSA and does not provide unique information about Southern Colorado. Our objective in preparing the Southern Colorado Business Economic Outlook is to provide this much needed information.

Two-Pronged Approach

To accomplish this we have taken a two-pronged approach. The first is to collect, analyze and present relevant data on Southern Colorado from the wide variety of secondary sources available. While numerous data sources are available, we focus mostly on employment data from the Colorado Department of Labor and supplement this data with information obtained from local sources around the region. The challenge is to compile the relevant information that pertains to Southern Colorado and present it in a usable format. In addition to this information about past economic activity, we wanted to ascertain the issues that are on the minds of Southern Colorado businessmen. To accomplish this, we developed a mail questionnaire loosely based on the one used to gather information about economic conditions at the state level. This questionnaire allowed us to collect information about the factors that businessmen expect will positively and negatively impact operations, and the kinds of business development initiatives they plan to emphasize in the next year. By combining these approaches we hope to get a more complete picture of the business outlook for Southern Colorado.

Methodology

The mail questionnaire was designed to assess the perspective of area businessmen concerning current and future business operations. Slightly different questionnaires were sent to manufacturing and service firms. Information was collected concerning: 1) current and expected employment levels, 2) factors which are expected to negatively or positively influence operations in the next 18 months, 3) business development initiatives which will be emphasized in the next 18 months, 4) assessment of current year's performance, 5) amount of export and/or foreign operations, 6) use and importance of Colorado suppliers, and 7) interest in a bureau of business and economic research.

Questionnaires were mailed to nearly 1,800 businesses in Southern Colorado. Each business received a packet containing the questionnaire, a cover letter explaining the purpose and importance of the research, and a postage paid reply envelope. One hundred twenty-eight questionnaires were received in time to be included in the analysis. The low response rate of slightly more than 7% makes it difficult to make specific quantitative projections. However, the data do provide insight into the issues confronting businesses.

The primary data gathered from the survey helps to support the secondary information collected for this publication. The two sources together help the authors to paint a picture of the health and direction of the economy of Southern Colorado over the next year. As you will see, we rely primarily on graphs and charts to provide this picture.

Compiling the secondary information presents its own set of challenges. One of the most pressing is that information is not available in every category for all areas of study. For example, the consumer price index we use is based on the Denver-Boulder MSA since the U.S. Department of Labor does not publish a CPI for the Colorado Springs MSA. Some data, like unemployment, are reported by MSA while other data are reported by county.

Sometimes El Paso and Teller counties are reported in one region and Pueblo county in another. This may make comparisons across tables difficult. The reader is cautioned to read table headings carefully.

Issues, Data Limitations, Definitions

We have made every attempt to provide an accurate report. There are, however, several issues that should be mentioned. The first is how to define Southern Colorado. For purposes of this report we define Southern Colorado as including El Paso, Pueblo, and Teller counties. These three counties represent approximately 75 percent of the employment and the bulk of economic activity in Southern Colorado. Thus, the organizing group for the 1997 outlook forum felt that it would be best to focus on these three counties. This is clearly a judgement call and one that may change in future forums. For example, it may not be desirable to combine El Paso and Pueblo counties. There may be other combinations that are more representative of Southern Colorado. The authors would welcome any feedback on how to define Southern Colorado and where to focus our efforts.

In future forums, the principal authors will attempt to work closely with leaders in the business community in an attempt to obtain the inside perspective from individuals or groups who work in the various sectors of the economy. Indeed, the success of annual Business Economic Outlook Forum presented by the University of Colorado at Boulder is largely due to the committee members that take the responsibility for analyzing and reporting on specific sectors of the Colorado economy. These experts, who actually work daily within the sectors, are better able to provide valuable, important, and timely insights regarding economic activity in a particular segment of the economy. Unfortunately, time constraints did not allow us to form these valuable committees while preparing this report The authors hope that business leaders will step forward over the next few months to help identify the key economic sectors to track and assist in identifying key individuals to serve on the committees.

Secondary data depict the past and do an excellent job identifying historical trends. More important to business leaders is a look into the future. In future forums, the authors would like to develop an index of leading indicators useful in predicting changes in the economic climate.

Jeff Ferguson

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Tom Zwirlein

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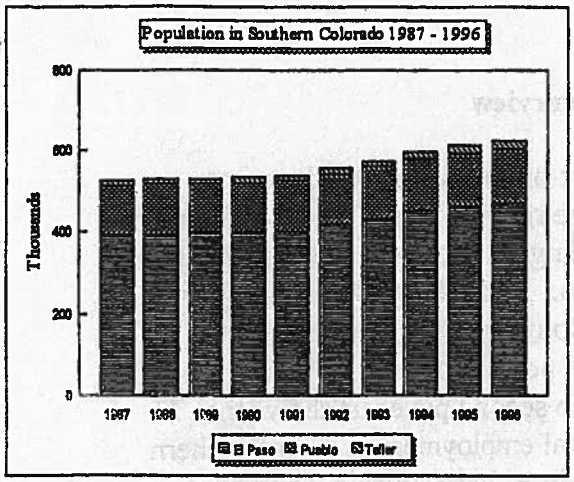


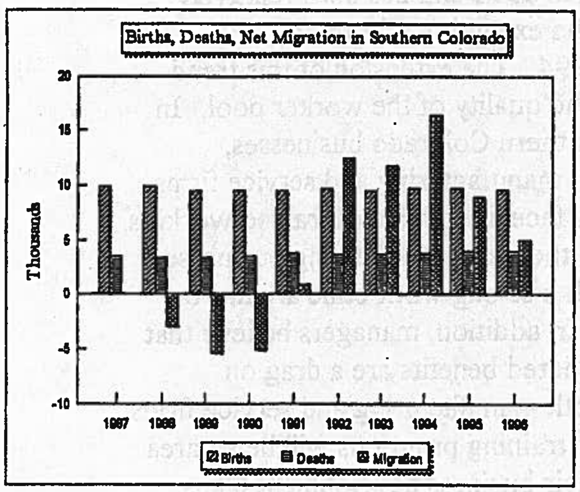
Population in Southern Colorado 1987 - 1996

Economic Profile and Outlook

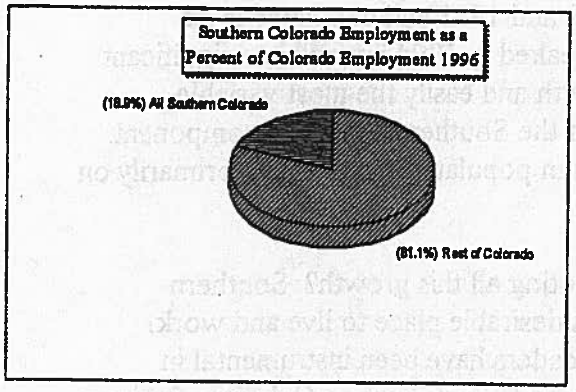
The population growth that began in 1991 continues in Southern Colorado. Net migration reversed between 1990 and 1991 and continues to be positive. It peaked in 1994 but still is a significant factor in growth and easily the most variable component of the Southern Colorado component. Future trends in population will depend primarily on net migration.

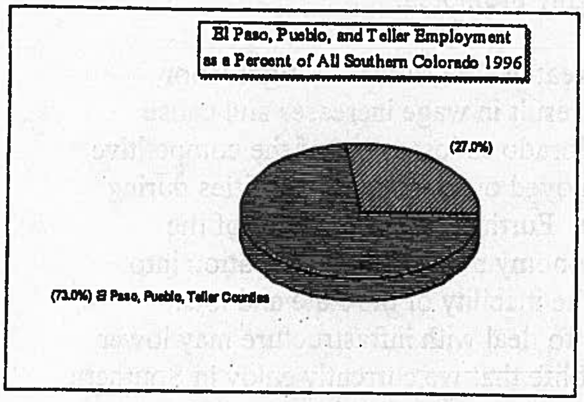
What's promoting all this growth? Southern Colorado is a desirable place to live and work. Community leaders have been instrumental in attracting desirable businesses to Colorado Springs and Pueblo. The well trained and educated workforce, low cost of living, and high quality of life have been highly promoted.

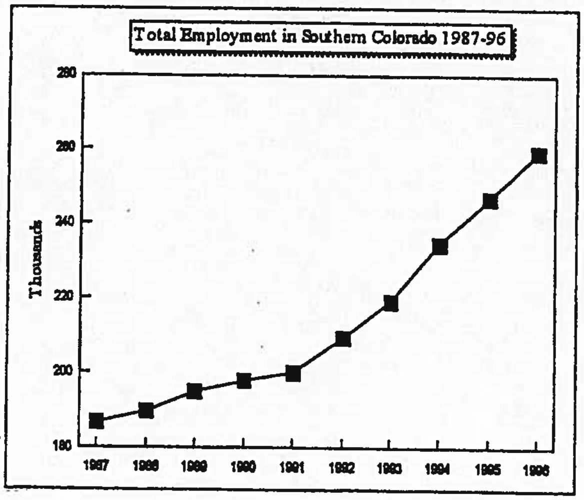
What may threaten the growth? A tight labor market may result in wage increases and cause Southern Colorado to lose some of the competitive advantage enjoyed over other communities during the early 90's. Further, the rebounding of the California economy may slow net migration into Colorado. The inability of the state and local governments to deal with infrastructure may lower the quality of life that we currently enjoy in Southern Colorado. However, all indications are that Colorado is still a very desirable place to work and live.



Births, Deaths, Net Migration in Southern Colorado



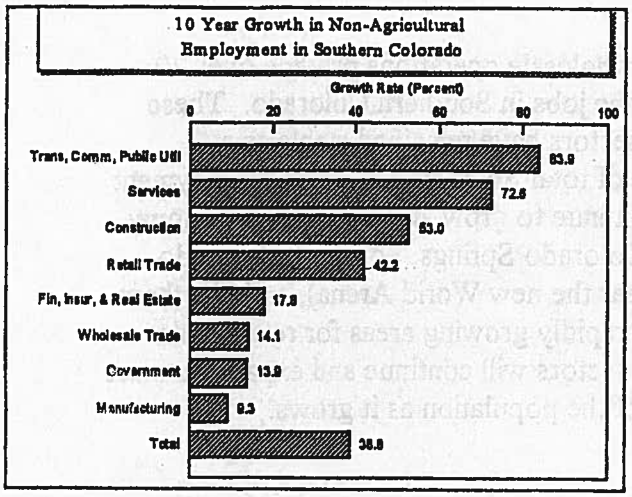


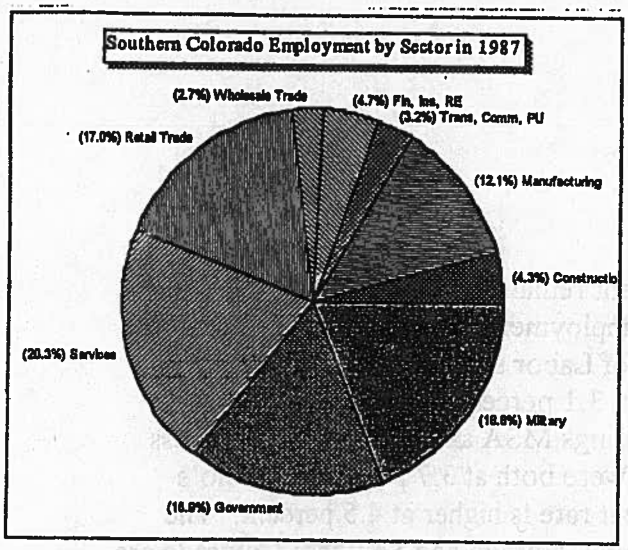


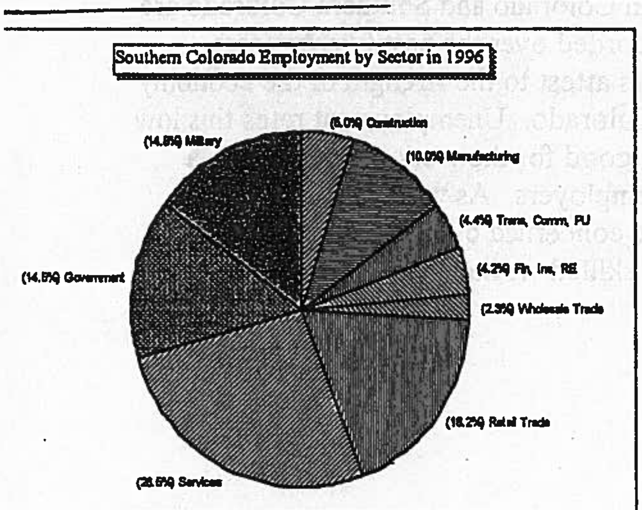
Employment Overview

The first pie chart on this page provides some perspective on the relative size of the *total* Southern Colorado (including 30 counties) economy relative to all of Colorado. Based on employment figures for 1996, all of Southern Colorado represents approximately 19 percent of total Colorado employment. The second pie chart shows that 73 percent of the total employment in all of Southern Colorado occurs in El Paso, Pueblo, and Teller counties. Given the dominance of these three counties in Southern Colorado, the remainder of the charts in this report will reflect information from these counties and will refer to them as Southern Colorado.

Total employment in Southern Colorado continues to grow at an annual rate of approximately 5%. This trend began in 1991 and has been relatively consistent with the exception of a robust 7% growth rate in 1994. The extension of this trend may depend on the quality of the worker pool. In the survey of Southern Colorado businesses, managers of both manufacturing and service firms indicate that they face a shortage of trained workers. Related to this is the perception among businesses that workers with a strong work ethic are more difficult to find. In addition, managers believe that government mandated benefits are a drag on employment. Both manufacturing and service firms state that worker training programs will be an area of emphasis in their business development plans.



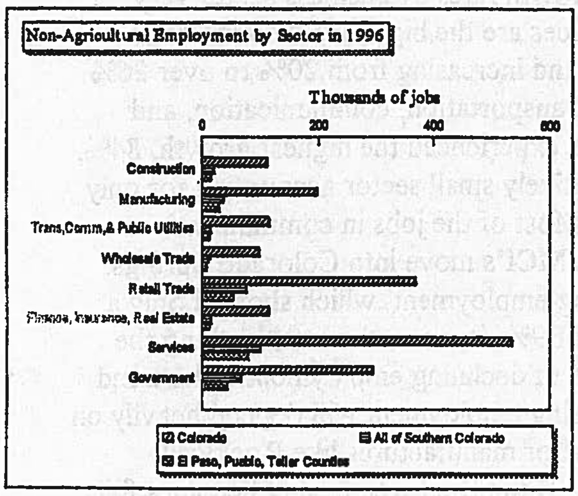




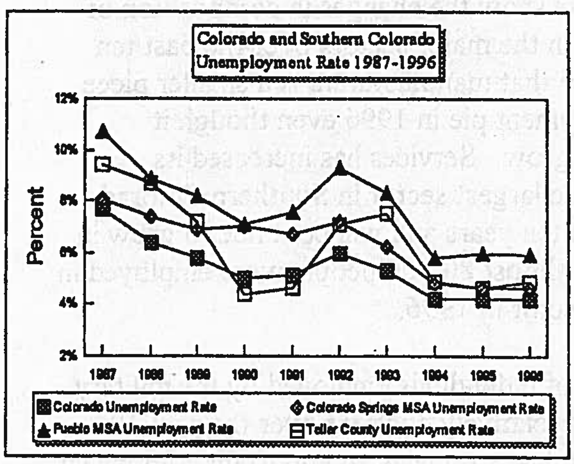
The ten year growth in non-agricultural employment in Southern Colorado is nearly 39%. As you might expect, the growth rates by business sector vary widely. Services are the big story showing over 72% growth and increasing from 20% to over 26% of all jobs. Transportation, communication, and public utilities experienced the highest growth, 84%, but it is a relatively small sector accounting for only 4% of jobs. Most of the jobs in communications resulted from MCI's move into Colorado Springs. Manufacturing employment, which showed only a modest gain of 9%, is never-the-less, bucking the national trend of declining employment. The trend in manufacturing employment will depend heavily on the fate of major manufactures like Rockwell International. If the Rockwell facility becomes fully operational it could have a significant impact on manufacturing jobs. The continued softness in the manufacture of complex integrated circuits will make this a potentially volatile industry and one worth watching closely over the next year.

The pie charts show the changes in composition of employment in the major sectors over the past ten years. Notice that manufacturing is a smaller piece of the employment pie in 1996 even though it continues to grow. Services has increased its position as the largest sector in Southern Colorado over the past ten years and will continue to grow in the future. Almost 80,000 people were employed in the service sector in 1996.

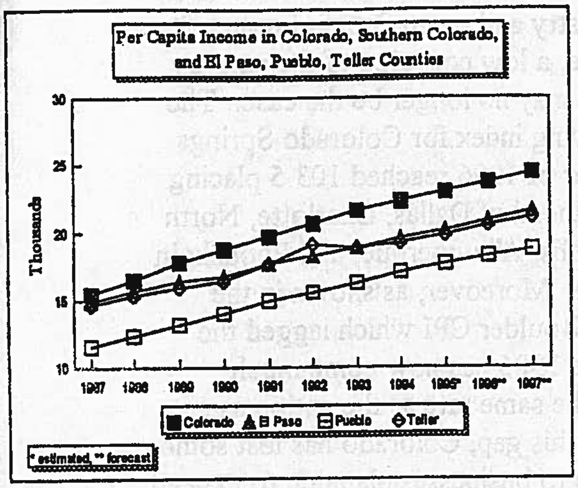
The number of individuals employed by the military has remained relatively constant over the past 10 years. The military remains an important component of the Southern Colorado economy, particularly in EL Paso county. The Colorado Springs Chamber of Commerce keeps a close eye on military activity and expects that employment at the various bases surrounding Colorado Springs will remain stable over the next five years. All indicators suggest that the politics of base realignment and possible closures will take a back seat to presidential campaigning for several years.



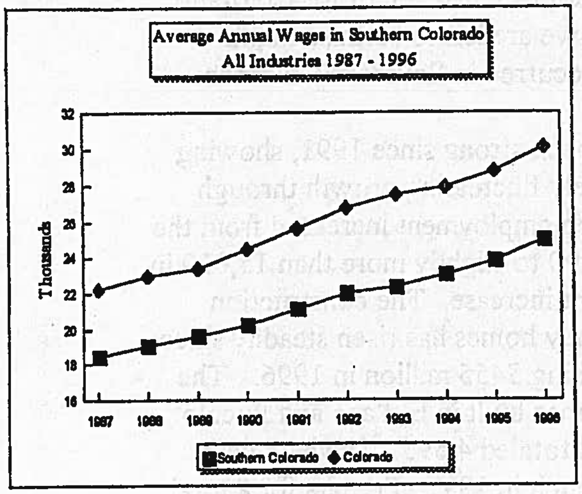
Retail and wholesale operations provide over 20 percent of the jobs in Southern Colorado. These two trade sectors have remained stable as a percentage of total Southern Colorado employment and will continue to grow along with the economy. Northern Colorado Springs, Southern Colorado Springs (near the new World Arena), and Northern Pueblo are rapidly growing areas for retail trade. These two sectors will continue and expand to meet the needs of the population as it grows.



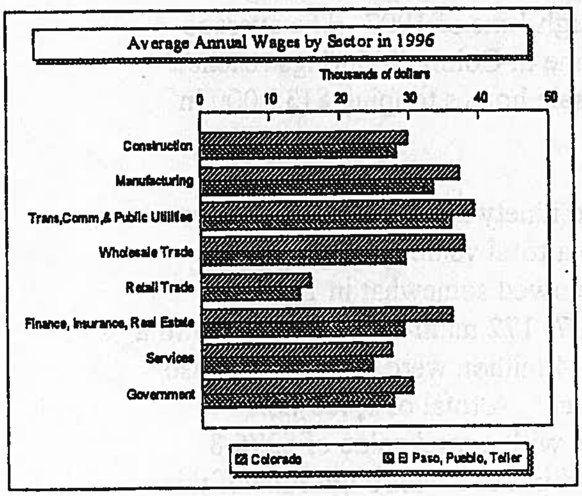
Unemployment remains low. The most recently released unemployment figures from the Colorado Department of Labor set the seasonally adjusted jobless rate at 3.1 percent for Colorado. The Colorado Springs MSA and Teller County jobless rates in July were both at 3.7 percent. Pueblo's unemployment rate is higher at 4.5 percent. The jobless rates in Colorado and Southern Colorado are the lowest recorded over the past twenty years. These numbers attest to the strength of the economy in Southern Colorado. Unemployment rates this low are obviously good for the workers but may be a negative for employers. As we stated above, employers are concerned over what they perceive as a shortage of skilled workers.



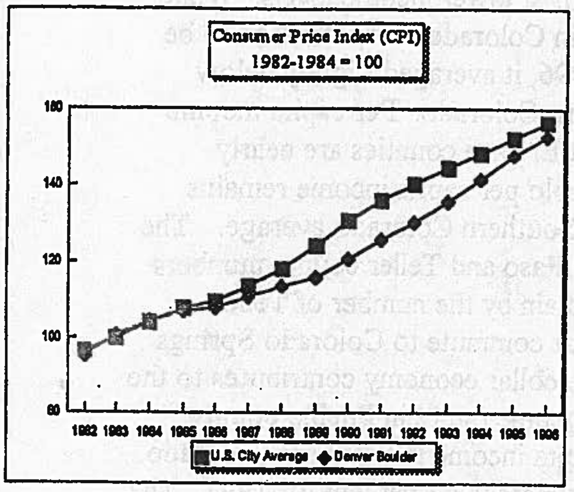
Per capita income in Colorado has grown steadily over the past ten years. Southern Colorado counties mirror this trend but at lower income levels. While per capita income in Colorado was estimated to be near $23,800 in 1996, it averaged slightly below $20,000 in Southern Colorado. Per capita income levels in Teller and El Paso counties are nearly identical while Pueblo per capita income remains $1,800 below the Southern Colorado average. The closeness in the El Paso and Teller county numbers are most likely explain by the number of Teller county resident that commute to Colorado Springs to work. The blue collar economy contributes to the lower per capita income figure in Pueblo county. We expect per capita income in Southern Colorado to increase approximately 3.2 percent for 1997. The index in the tables provided in the appendix shows per capita income for 1997 at 158 percent of 1987 levels for Colorado and 150 percent for Southern Colorado over the same time period.



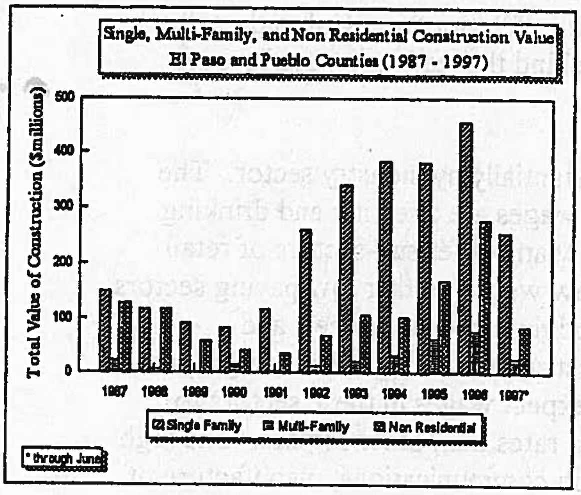
Per capita income obviously follows wage growth. Wage growth has varied from 2.0% to 4.7% over the ten year period with Southern Colorado annual wages lagging behind the state averages by over $5,000.



Wages vary substantially by industry sector. The lowest reported wages are at eating and drinking establishments. Many other sub-sectors of retail trade also pay low wages. Other low paying sectors are hotels and lodging, social services, and agriculture, forestry, and fishing. With a tight labor market we can expect wages in these sectors to increase at faster rates than other sectors. The high paying jobs are in communications, manufacture of non-electrical machinery, the complex electronics industry and engineering services. Almost all of these high wage industries are cluster or functional industry targets of the Greater Colorado Springs Economic Development Corporation. The fact that Southern Colorado lags behind the state in annual wages may be a contributing factor in the shortage of skilled workers.

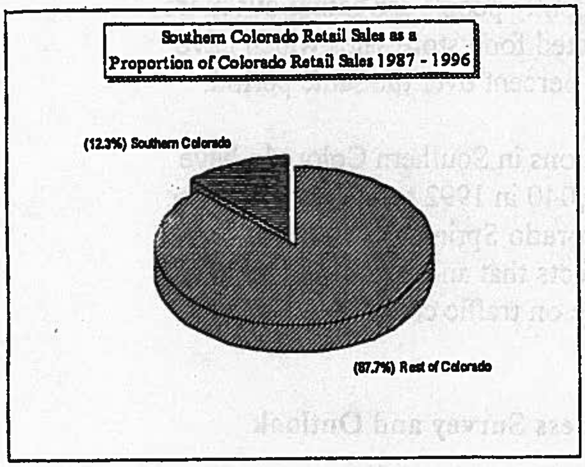


Part of the reason Southern Colorado has been able to attract new industry and create jobs is because it was, for a long time, a low cost area of the country and the state. This may no longer be the case. The inter-city cost of living index for Colorado Springs in the fourth quarter of 1996 reached 103.5 placing Colorado Springs ahead of Dallas, Charlotte, North Carolina, Minneapolis, Albuquerque, and Phoenix in terms of living cost. Moreover, as shown in the graph, the Denver/Boulder CPI which lagged the national index since 1986 has now come much closer to rising at the same rate as the nation as a whole. By closing this gap, Colorado has lost some of its attractiveness to businesses planning to expand here. Since the U.S. Department of Labor, Bureau of Statistics does not calculate a CPI for Colorado Springs or Pueblo we are left to surmise that a similar trend has occurred in Southern Colorado.

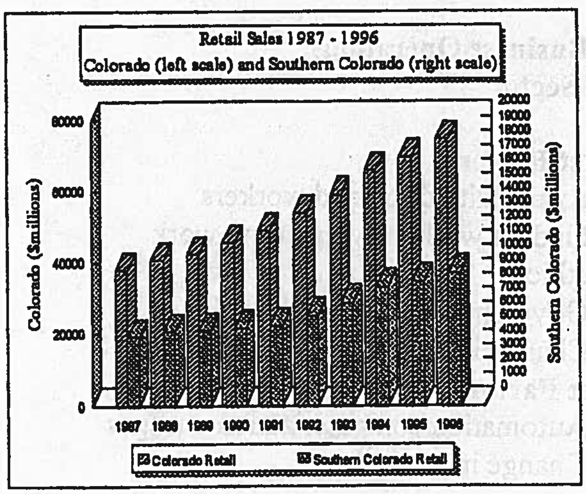


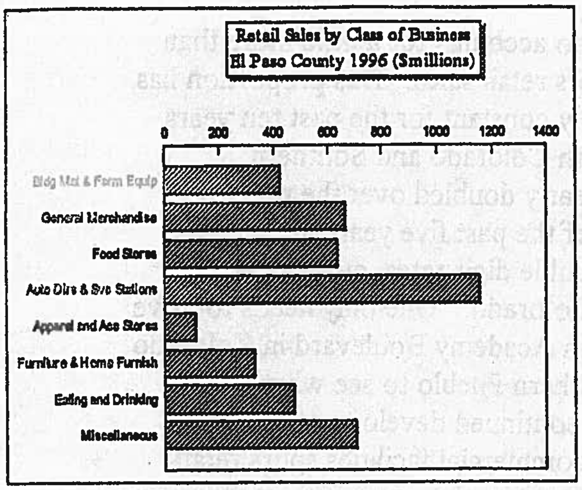
Construction has been strong since 1991, showing continued but widely fluctuating growth through 1996. Construction employment increased from the low of 8,200 in 1990 to slightly more than 15,000 in 1996, an 83 percent increase. The construction value of single family homes has risen steadily since the 1990 low reaching $455 million in 1996. The number of new homes built in El Paso and Pueblo counties combined totaled 4,595. The hammers have not slowed much in 1997. Permits for a total of 2,404 single family homes were registered with the Pikes Peak and Pueblo regional building departments through June of 1997. The average price of a new home in Colorado Springs reached $162,000 with resale homes topping $135,000 in 1996.

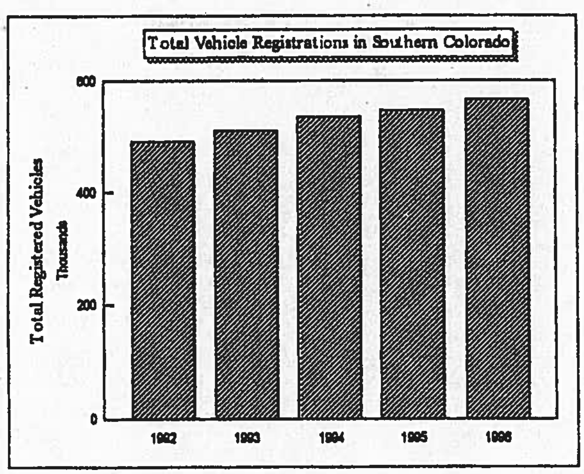
Four hundred and ninety multi-family units were built in 1996 with a total value of $74.5 million. This growth has slowed somewhat in 1997. Through June 1997, 172 multi-family permits with a total value of $27.4 million were issued in El Paso and Pueblo counties. A total of 1,253 non-residential permits with a total value of $276.8 million were pulled in 1996. Through June of this year there were 620 non-residential permits with a total value of $85.2 million.



Southern Colorado accounts for a little more than 12% of Colorado's retail sales. This proportion has remained relatively constant for the past ten years. Retail sales in both Colorado and Southern Colorado have nearly doubled over the past 10 years. In three of the past five years, retail sales have grown at double digit rates, outstripping growth in all of Colorado. One only needs to drive through the North Academy Boulevard in Colorado Springs or in northern Pueblo to see what's happening. The continued development of office parks and other commercial facilities spurs retail growth. As an example, the construction of the new World Arena in Colorado Springs has fostered a great deal of retail activity in that area.







The growth in retail sales has been strong in most sectors. Retail sales in building materials, general merchandise, auto dealers and service stations, furniture stores, and eating and drinking establishments have all grown more than 30 percent since 1993. Evidently people are eating out more and this has affected food store sales which have increased only 7 percent over the same period.

Vehicle registrations in Southern Colorado have grown from 490,040 in 1992 to 567,215 in 1996. Residents in Colorado Springs and Pueblo have observed the effects that an additional 77,000 vehicles can have on traffic congestion in these cities.

Business Survey and Outlook

In our survey, businesses were asked to identify the key factors that would positively or negatively influence operations in the next eighteen months. The following bullets summarize the factors that will positively or negatively impact business activity.

Influencers of Business Operations
The Services Sector

Negative Impact Factors

- Availability of trained workers
- Finding workers with strong work ethic
- Government mandated benefits
- Change in wages/salaries

Positive Impact Factors

- Automation/computerization changes
- Change in technology

Influencers of Business Operations
The Manufacturing Sector

Negative Impact Factors
- Availability of trained workers
- Finding workers with strong work ethic
- Government mandated benefits
- Change in domestic government regulations
- Change in cost/availability of raw materials
- Change in taxes

Positive Impact Factors
- Change in technology
- State economic conditions
- National economic conditions

For service firms, the lack of skilled employees is the single biggest factor impacting employment. Despite this shortfall these firms are predicting a 14% increase in employment. Because of the limited response rate from surveyed firms, it is difficult to come up with a precise specific numerical prediction for employment growth in services over the next year. However, the results do suggest that employment growth in services will continue to be robust. The Colorado Department of Labor and Employment also predicts strong employment growth in select service categories. In their July report on labor developments they note that fifty percent of new jobs will fall into two major occupational categories: professional, paraprofessional, and technical; and services. The occupation expected to experience the greatest growth in new positions is retail salesperson.

Both manufacturing and service firms are concerned about finding well trained workers with a strong work ethic. This suggests that labor pool quality in Southern Colorado will dramatically impact job growth and ultimately business growth and expansion. The low unemployment rate, particulary in El Paso and Teller counties will further exacerbate this concern. On the positive side, the recent growth in the physical facilities at the University of Colorado at Colorado Springs, the north campus being built for Pikes Peak Community Colleg, and the new business school at the University of Southern Colorado will help to alleviate some of the concerns of the business community. CU-Colorado Springs just completed and opened a high technology classroom building on its campus and is in the initial stages of design on a high technology/multi-media addition to the library which is scheduled to be opened before the turn of the century. This is much needed capacity that will help to produce a well-trained and qualified workforce. A number of school districts in Southern Colorado are also in the process of upgrading and improving their technology capabilities. For example, voters in Colorado Springs School District Eleven recently approved a bond referendum, part of which will be used to improve technology in the district.

Manufacturing firms cite increased demand and strong business activity as the main reasons for better than expected financial performance. Eighty-eight percent of manufacturing firms report that buying from Colorado suppliers is important. However, only 54% of their purchases are from Colorado suppliers.

Exports are a relatively minor part of the market for Southern Colorado manufacturers. On average only 5% of their sales are outside the U.S. Exports are predicted to be a growing market. Fully 86% of manufacturers expect an increase in export sales during 1997. The increase should average 2 percent. The 1998 predictions are more optimistic. Over 90% of manufacturers expect export sales to increase at an average rate of 8% in 1998. The primary reason for this increase is improved distribution.

Business leaders were also asked to indicate the areas of business development they plan to emphasize during the next eighteen months. The following bullets summarize their responses to this question. The number in parentheses indicate the percentage of respondents that expect to emphasize the particular business development area. Upgrades in information systems, worker training, and use of the information highway will be major areas of emphasis in both the manufacturing and service sectors.

Business Development Areas of Emphasis

For the Service Sector

- Revisions/additions to current service offerings (79%)
- New or upgrade of information system (77%)
- Change delivery methods/marketing (71%)
- Worker training programs (67%)
- Cost reduction programs (66%)
- Use of information highway (64%)
- Change management style/organization (55%)
- Review of compensation package (55%)

For the Manufacturing Sector

- New or upgrade of information system (70%)
- Change distribution system/marketing (69%)
- Use of information highway (68%)
- Revisions/additions to current product line (67%)
- Cost reduction programs (66%)
- Worker training programs (62%)

The Outlook for Southern Colorado

Overall, the Southern Colorado economy has experienced several strong years of expansion and growth. Employment in a number of basic industries has expanded rapidly over this time period. Supporting industries, including construction and retail trade have expanded to meet the needs of new people moving into the region. Currently, Southern Colorado is experiencing a leveling of economic activity. Growth in basic industry employment has shown signs of slowing. Most of the growth in employment is currently occurring in the support industries. This will continue for some time until these sectors catch up with the basic industries. A number of positive signs such as the recent announcement of Gateway's decision to locate a customer support center in Colorado Springs is moderated by the decision by Western Pacific to move the bulk of its operations to Denver International Airport. It is this pull and tug that leads us to be somewhat cautious in formulating the outlook. We forecast that the Southern Colorado economy will continue to expand but at a slower rate than in the past four or five years.

The results of our survey of manufacturers can be summarized in several sentences. Both the manufacturing and services sectors report that government mandated benefits will have a negative impact on their businesses. Moreover, with the high levels of an employment and low unemployment rate, there is considerable concern that wages will rise over the next 12 to 18 months. Manufacturers and service employers are reporting difficulty in finding well-trained workers and workers with strong work ethics. Finally, manufacturers are finding some problems with the cost and availability of raw material.

On the positive side, changes in technology and automation will have a positive impact on both service and manufacturing employers. Further, the manufacturers report that state and national economic conditions bode well for them.

Employers in Southern Colorado will continue to invest in their information systems and explore the information highway. These investments will be focused on increasing productivity and marketing of products and services. Additionally, companies will continue to hold the line on costs and look at ways to reduce corporate operating costs.

Continued growth in the Southern Colorado economy will depend on: 1) the availability of trained workers, 2) the cost of relative cost of doing business here as compared to other areas of the country, 3) the quality of life, and 4) the strength of the national and regional economy.

STATISTICAL

TABLES

APPENDIX

Employment and Wages in Colorado, All Southern Colorado, and El Paso, Pueblo and Teller Counties in 1996

	Employment			Average Annual Wage		
Sector	Colorado	All of Southern Colorado	El Paso Pueblo Teller	Colorado	All of Southern Colorado	El Paso Pueblo Teller
Agriculture, Forestry, Fishing	26,134	5,537	1,997	$18,340	$15,816	$14,869
Mining	13,619	1,588	113	56,020	40,191	37,266
Construction	111,064	21,657	15,023	29,869	26,682	28,122
Manufacturing	196,547	36,933	30,199	37,075	31,074	33,493
Trans,Comm,& Public Utilities	115,345	17,474	13,307	39,286	34,196	35,963
Wholesale Trade	98,337	10,291	6,922	37,785	27,011	29,447
Retail Trade	368,074	75,461	55,013	15,528	13,584	14,024
Finance, Insurance, Real Estate	114,561	16,556	12,638	35,969	27,679	29,217
Services	536,084	101,248	79,919	27,209	23,001	24,468
Government	293,698	68,090	43,875	30,333	26,573	27,631
Total/Average	1,873,463	354,835	259,006	32,741	26,581	27,450

Source: Colorado Department of Labor

Colorado and Southern Colorado Labor Force Statistics 1987-1996

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
Colorado Labor Force	1,695,000	1,708,000	1,695,000	1,764,173	1,781,764	1,819,608	1,900,187	2,001,491	2,091,206	2,101,867
Colorado Springs MSA Labor Force	188,407	190,073	188,229	190,855	191,266	196,558	205,655	220,480	233,733	238,745
Pueblo MSA Labor Force	49,682	49,637	49,334	52,358	51,962	52,329	52,877	54,837	57,048	58,150
Teller County Labor Force	5,908	5,665	5,467	7,480	8,312	8,685	9,841	11,785	12,885	13,054
Southern Colorado Labor Force	243,997	245,375	243,030	250,693	251,540	257,572	268,373	287,102	303,666	309,949
Colorado Unemployment	130,000	110,000	98,000	89,052	90,455	109,363	100,152	84,448	87,651	88,810
Colorado Springs MSA Unemployment	15,308	14,124	12,907	13,294	12,770	14,076	12,688	10,688	10,765	11,084
Pueblo MSA Unemployment	5,340	4,437	4,062	3,715	3,943	4,892	4,364	3,185	3,425	3,418
Teller County Unemployment	556	494	391	332	380	614	742	579	589	643
Southern Colorado Unemployment	21,204	19,055	17,360	17,341	17,093	19,582	17,794	14,452	14,779	15,145
Colorado Unemployment Rate	7.7%	6.4%	5.8%	5.0%	5.1%	6.0%	5.3%	4.2%	4.2%	4.2%
Colorado Springs MSA Unemployment Rate	8.1%	7.4%	6.9%	7.0%	6.7%	7.2%	6.2%	4.8%	4.6%	4.6%
Pueblo MSA Unemployment Rate	10.7%	8.9%	8.2%	7.1%	7.6%	9.3%	8.3%	5.8%	6.0%	5.9%
Teller County Unemployment Rate	9.4%	8.7%	7.2%	4.4%	4.6%	7.1%	7.5%	4.9%	4.6%	4.9%

Source: Colorado Department of Labor

Southern Colorado Average Annual Employment (El Paso, Pueblo, Teller Counties) 1987-1996

Sector	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	% Chg 1987-96
Agriculture, Forestry, Fishing	1,280	1,234	1,321	1,263	1,203	1,357	1,502	1,590	1,760	1,997	56.02
Mining	273	189	158	188	159	133	134	106	97	113	-58.61
Construction	9,818	8,512	8,321	8,196	8,393	9,574	10,765	12,418	13,177	15,023	53.01
Manufacturing	27,622	28,911	29,103	28,656	27,395	27,072	28,099	29,542	30,072	30,199	9.33
Trans, Comm, Public Util	7,235	7,102	7,659	7,666	7,682	8,251	9,430	10,736	11,744	13,307	83.93
Fin, Insur, & Real Estate	10,731	10,654	10,662	10,263	10,043	10,238	10,983	11,508	11,762	12,638	17.77
Wholesale Trade	6,069	6,262	6,560	6,578	6,610	6,647	6,049	6,408	6,644	6,922	14.06
Retail Trade	38,674	39,474	40,791	40,968	41,328	42,663	45,005	48,417	52,404	55,013	42.25
Services	46,295	48,722	51,233	54,120	56,939	62,786	66,022	71,328	75,645	79,919	72.63
Government	38,531	38,435	39,259	40,097	40,244	40,672	41,082	42,503	43,500	43,875	13.87
Total	186,796	189,653	195,142	198,047	200,176	209,581	219,261	234,742	247,082	259,299	38.81
Annual Growth	.	1.5%	2.9%	1.5%	1.1%	4.7%	4.6%	7.1%	5.3%	4.9%	

Source: Colorado Department of Labor

Military Employment in El Paso County 1987-1996

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	% Chg 1987-96
Military In-Service	33,657	35,049	32,564	28,828	31,943	31,016	28,621	31,044	30,565	30,958	-8.02
Federal Civil Workers	6,387	5,509	6,675	5,853	6,036	6,267	6,035	6,552	6,592	6,592	3.21
NAF Workers*	2,759	1,844	1,938	2,198	2,157	4,199	7,273	6,644	6,406	7,172	159.95
Total	42,803	42,402	41,177	36,879	40,136	41,482	41,929	44,240	43,563	44,722	4.48

* Non-Appropriated Fund Workers

Source: Pikes Peak Area Council of Governments, Statistical Profiles, Various Issues

Southern Colorado Average Annual Wage and Salary Data (El Paso, Pueblo, Teller Counties) by Major Sectors and Selected Sub-Categories Within Sectors 1987-1996

Sector	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
Agriculture, Forestry, Fishing	$10,299	$10,678	$11,013	$11,454	$12,467	$12,838	$13,694	$14,091	$14,245	$14,869
Mining	28,345	29,244	30,743	29,650	29,853	29,134	26,533	31,492	36,305	37,266
Construction	19,176	20,659	20,957	21,812	22,694	23,444	23,692	25,402	26,391	28,122
Manufacturing	25,589	26,122	28,157	27,749	29,510	30,485	30,696	30,799	31,940	33,493
Food Products	19,703	19,214	20,001	20,182	20,206	21,652	23,481	24,989	24,988	25,172
Printing-Publishing	20,603	19,679	20,190	20,977	22,445	23,172	23,050	24,161	25,529	26,660
Primary Metals					14,950	22,480	36,081	20,734	37,094	32,422
Fabricated Metals	18,623	18,969	20,105	20,588	22,430	23,617	24,109	24,939	25,968	26,971
Non-Electrical Machinery	29,920	33,376	33,938	36,811	38,664	39,478	38,560	36,188	37,158	39,095
Electrical Machinery	28,507	29,314	35,721	31,408	33,553	34,457	34,248	34,240	34,801	36,944
Instruments		31,976	31,869	32,307	36,382	40,806	38,895	42,685	44,453	45,927
Transportation, Communications, & Public Utilities	24,094	24,396	25,019	26,081	26,613	30,107	33,264	34,796	35,191	35,963
Communications	28,290	27,600	22,562	28,478	28,237	35,230	41,175	42,339	43,449	46,202
Finance, Insurance, & Real Estate	19,619	18,630	20,075	21,092	21,994	24,850	25,510	26,610	28,404	29,217
Banking	18,260	18,887	18,991	19,121	19,741	20,396	21,143	21,574	22,330	23,687
Insurance Carriers	21,751	22,708	23,153	25,693	27,155	28,699	28,655	29,851	29,649	34,044
Real Estate	15,348	15,223	14,910	14,437	14,837	16,445	17,056	18,336	18,705	20,400
Wholesale Trade	23,034	23,399	24,362	26,152	27,118	27,701	24,755	25,600	27,459	29,303
Retail Trade	10,561	10,645	10,683	11,090	11,716	12,412	12,901	13,301	13,549	14,024
General Merchandise	9,869	10,075	10,595	11,178	11,983	12,611	12,999	12,908	13,136	13,513
Food Stores	14,129	13,840	13,658	14,413	10,501	16,599	16,772	17,346	17,732	18,150
Auto Dealers-Service Stations	19,618	20,084	19,935	20,389	20,383	22,353	25,182	27,510	26,401	27,669
Eating and Drinking	6,315	6,439	6,424	6,703	7,126	7,521	7,647	7,822	8,135	8,404
Services	16,728	17,885	18,172	19,033	20,052	20,770	21,164	22,235	23,195	24,468
Hotels and Lodging	10,418	10,448	11,117	11,295	11,852	12,591	12,479	13,118	13,673	14,386
Business Services	16,916	15,744	15,815	15,566	16,177	17,526	17,772	20,879	22,686	24,021
Health Services	19,895	21,116	21,552	22,771	24,121	24,861	26,134	26,935	28,073	29,164
Social Services	10,900	11,022	11,381	12,003	12,783	12,746	12,865	13,482	13,750	14,807
Membership Organizations	12,482	12,871	13,103	14,962	15,681	17,373	18,096	19,003	19,855	20,694
Engineering Services		31,658	32,891	35,924	37,710	38,957	39,075	40,995	41,941	45,461
Government	21,214	22,025	22,511	23,487	24,259	24,684	25,281	25,547	26,377	27,631
Total All Industries	18,445	19,080	19,628	20,245	21,131	21,953	22,383	23,077	23,837	24,953
Annual Growth		3.4%	2.9%	3.1%	4.4%	3.9%	2.0%	3.1%	3.3%	4.7%

Southern Colorado, Colorado and United States Construction Employment 1987-1996 ($ Thousands)
Base Year: 1987 = 100

	Southern Colorado			Colorado			United States		
Year	Index	Number	Percent Change	Index	Number	Percent Change	Index	Number	Percent Change
1987	100	9.82		100	67.4		100	4,967	
1988	86.7	8.51	-13.3%	89.6	60.4	-10.4%	102.9	5,110	2.9%
1989	84.8	8.32	-2.2%	89.0	60.0	-0.7%	104.4	5,187	1.5%
1990	83.5	8.20	-1.5%	94.2	63.5	5.8%	103.3	5,133	-1.0%
1991	85.5	8.39	2.4%	98.7	66.5	4.7%	94.3	4,685	-8.7%
1992	97.5	9.57	14.1%	111.0	74.8	12.5%	92.5	4,594	-1.9%
1993	109.6	10.77	12.4%	127.3	85.8	14.7%	93.0	4,620	0.6%
1994	126.5	12.42	15.4%	143.9	97.0	13.1%	96.6	4,800	3.9%
1995	134.2	13.18	6.1%	151.5	102.1	5.3%	99.7	4,950	3.1%
1996	153.0	15.02	14.0%	164.8	111.1	8.8%			

Source: U.S. Department of Labor; Colorado Department of Labor

Southern Colorado Transportation, Communications, and Public Utilities Employment 1987-1996

Industry Group	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	% Chg 1987-96
Trucking and Warehousing	1,761	1,710	1,696	1,683	1,727	1,922	1,928	2,066	2,199	1,849	5.0%
Air Transportation	709	629	857	860	923	909	887	974	1,477	2,778	291.8%
Other Transportation	744	751	794	831	762	576	575	667	1,109	1,080	45.2%
Transportation Total	3,214	3,090	3,347	3,374	3,412	3,407	3,390	3,707	4,785	5,707	77.6%
Communications	2,703	2,683	847	2,852	2,778	3,186	4,258	5,250	5,665	6,202	129.4%
Electric, Gas, and Sanitary Services	1,256	1,244	1,352	1,368	1,387	1,294	1,307	1,302	1,266	1,258	0.2%
Total TCPU*	7,235	7,102	7,659	7,666	7,682	8,251	9,430	10,736	11,744	13,307	83.9%
Annual Growth in Total TCPU		-1.8%	7.8%	0.1%	0.2%	7.4%	14.3%	13.8%	9.4%	13.3%	

* Transportation, Communications, and Public Utilities. Source: Colorado Department of Labor

Employment in Finance, Insurance and Real Estate in Southern Colorado 1987-1996

Industry Group	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	% Chg 1987-96
Banking	2,243	3,435	3,350	3,036	2,633	2,608	2,647	2,667	2,744	2,885	28.6%
Credit Agencies	2,023	509	518	497	501	570	737	770	728	879	-56.5%
Insurance	2,519	2,914	3,313	3,160	3,578	3,665	3,949	4,263	4,471	5,167	105.1%
Real Estate	3,346	3,177	2,913	2,706	2,879	2,794	2,964	3,027	2,975	2,985	-10.8%
Security and Investments	335	333	316	288	288	374	387	433	486	494	47.5%
Totals	10,731	10,654	10,662	10,263	10,043	10,238	10,983	11,508	11,762	12,638	17.8%
Annual Growth Rate in F.I.R.E.*		-0.7%	0.1%	-3.7%	-2.1%	1.9%	7.3%	4.8%	2.2%	7.4%	

* Finance, Insurance, and Real Estate. Source: Colorado Department of Labor

Southern Colorado Manufacturing Employment by Industry Groups 1987-1996

Industry Group	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	% Chg 1987-96
Food and Kindred Products	1,547	1,578	1,397	1,405	1,495	1,460	1,247	1,190	1,220	1,130	-27.0%
Apparel	161	165	51	57	98	124	113	142	202	231	43.5%
Printing and Publishing	4,067	4,376	4,519	4,766	4,910	5,018	5,448	5,630	5,401	5,391	32.6%
Chemical and Allied Products	57	62	5	9	13	94	123	140	143	147	157.9%
Subtotal, Nondurable Goods	5,832	6,181	5,972	6,237	6,516	6,696	6,931	7,102	6,966	6,899	18.3%
Lumber, Wood Products, and Furniture	1,047	1,029	1,019	1,022	912	958	1,080	1,124	1,121	1,163	11.1%
Rubber, Misc. Plastic, Leather	107	202	279	270	363	451	628	695	703	650	507.5%
Stone, Clay and Glass Products	689	682	728	787	685	744	752	837	943	1,079	56.6%
Primary and Fabricated Metals	2,223	2,359	2,867	2,860	2,687	3,056	4,674	3,669	5,249	3,616	62.7%
Non-Electrical Machinery	5,282	4,869	5,042	4,734	4,518	4,500	5,510	5,865	5,744	5,834	10.5%
Electrical Machinery and Instruments	7,747	9,982	9,734	8,743	8,901	7,476	6,898	7,001	8,050	8,048	3.9%
Transportation	323	387	568	927	677	594	604	667	763	776	140.2%
Misc. Manufacturing	241	270	307	230	323	298	315	344	357	368	52.7%
Subtotal, Durables	17,659	19,780	20,544	19,573	19,066	18,077	20,461	20,202	22,930	21,534	21.9%
Total, All Manufacturing	27,622	28,911	29,103	28,656	27,395	27,072	28,099	29,542	30,072	30,199	9.3%
Annual Total Manufacturing Growth		4.7%	0.7%	-1.5%	-4.4%	-1.2%	3.8%	5.1%	1.8%	0.4%	
Total Colorado Manufacturing		188,900	193,400	193,200	185,600	186,000	188,100	190,900	192,300	196,547	
Southern Colorado as a Percent of Total		15.3%	15.0%	14.8%	14.8%	14.6%	14.9%	15.5%	15.6%	15.4%	

Source: Colorado Department of Labor

Southern Colorado Retail and Wholesale Employment 1987-1996

Sector	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	% Chg 1987-96
Durable Goods	4,351	4,520	4,602	4,666	4,549	4,488	3,745	4,044	4,353	4,536	4.3%
Nondurable Goods	1,720	1,743	1,958	1,912	2,061	2,159	2,304	2,364	2,291	2,386	38.7%
Total Wholesale Trade	6,069	6,262	6,560	6,578	6,610	6,647	6,049	6,408	6,644	6,922	14.1%
Annual Growth in Wholesale Trade		3.2%	4.8%	0.3%	0.5%	0.6%	-9.0%	5.9%	3.7%	4.2%	
Building Materials and Garden	1,435	1,297	1,232	1,242	1,278	1,485	1,550	1,666	1,918	2,198	53.2%
Food Stores	4,957	5,222	5,542	5,565	5,564	5,607	5,795	6,007	6,307	6,556	32.3%
General Merchandise, Apparel, Furniture	8,544	8,618	8,633	8,505	8,265	8,454	9,144	9,773	10,510	11,303	32.3%
Auto Dealers and Service Stations	3,863	3,896	3,936	3,822	3,891	4,042	4,211	4,528	5,039	5,201	34.6%
Eating and Drinking Establishments	14,800	15,428	16,064	16,195	16,421	17,053	18,195	19,870	21,196	22,273	50.5%
Miscellaneous Retail	5,074	5,016	5,377	5,626	5,898	6,008	6,110	6,558	7,434	7,468	47.2%
Total Retail Trade	38,674	39,474	40,791	40,968	41,328	42,663	45,005	48,417	52,404	55,013	42.2%
Annual Growth in Retail Trade		2.1%	3.3%	0.4%	0.9%	3.2%	5.5%	7.6%	8.2%	5.0%	

Source: Colorado Department of Labor

Southern Colorado Services Employment 1987-1996

Service Sectors	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	% Chg 1987-96
Hotel and Lodging	4,208	4,413	4,515	4,657	4,709	4,588	4,455	4,500	5,019	5,249	24.7%
Business Services	9,446	8,418	9,315	10,373	11,449	13,453	15,583	19,600	21,097	22,815	141.5%
Personal Services	2,592	2,314	2,436	2,400	2,367	2,452	2,495	2,606	2,641	2,709	4.5%
Auto and Misc. Repair Services	2,371	2,488	2,617	2,737	2,586	2,716	2,847	3,018	3,307	3,725	57.1%
Motion Picture, Amusement, Recreational, Museum, Zoo	2,771	3,233	3,368	3,400	3,613	5,060	5,253	5,605	5,811	6,041	118.0%
Health Services	13,507	14,274	14,733	15,704	16,537	17,279	17,224	17,613	18,119	18,706	38.5%
Legal and Educational Services	2,604	2,756	2,980	3,107	3,136	3,116	3,214	3,330	3,455	3,553	36.4%
Social Services	2,836	2,963	3,294	3,499	3,630	3,946	4,218	4,539	5,137	5,459	92.5%
Membership Organizations	1,924	2,015	2,137	2,295	2,511	3,283	3,527	3,766	3,970	4,049	110.4%
Engineering Services	0	5,480	5,446	5,577	5,948	6,397	6,696	6,183	6,556	7,053	28.7%
Private and Miscellaneous Services	3,924	312	350	348	367	407	439	485	487	484	-87.7%
Total Services	46,295	48,722	51,233	54,120	56,939	62,786	66,022	71,328	75,645	79,919	72.6%
Growth in Services		5.2%	5.2%	5.6%	5.2%	10.3%	5.2%	8.0%	6.1%	5.7%	

Source: Colorado Department of Labor

Southern Colorado Government Employment 1987-1996

Government Sector	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	% Chg 1987-96
Local	21,760	22,157	22,598	23,162	23,525	24,038	24,363	24,943	26,043	26,804	23.2%
State	5,521	5,554	5,788	5,904	5,978	5,998	6,249	6,359	6,691	6,273	13.6%
Federal	11,253	10,727	10,877	11,031	10,741	10,636	10,470	11,201	10,766	10,798	-4.0%
Total Government	38,531	38,435	39,259	40,097	40,244	40,672	41,082	42,503	43,500	43,875	13.9%
Annual Growth in Government		-0.2%	2.1%	2.1%	0.4%	1.1%	1.0%	3.5%	2.3%	0.9%	

Source: Colorado Department of Labor

Components of Southern Colorado Population 1987-1996

Year	Colorado	Change	Southern Colorado	Change	Resident Births	Resident Deaths	Net Migration
1987	3,263,354		528,016		9,794	3,496	
1988	3,271,448	8,094	531,479	3,463	9,796	3,414	(2,919)
1989	3,284,537	13,089	532,151	672	9,428	3,384	(5,372)
1990	3,304,004	19,467	532,891	740	9,446	3,530	(5,176)
1991	3,369,199	65,195	539,408	6,517	9,368	3,749	898
1992	3,464,116	94,917	557,881	18,473	9,671	3,593	12,395
1993	3,567,727	103,611	575,348	17,467	9,345	3,626	11,748
1994	3,662,684	94,957	597,706	22,358	9,736	3,736	16,358
1995	3,747,560	84,876	612,298	14,592	9,623	3,907	8,876
1996	3,822,676	75,116	622,858	10,560	9,602	3,993	4,951

Source: Colorado Department of Public Health and Environment,
Health Statistics and Vital Records Division

Colorado and Southern Colorado Per Capita Personal Income 1987-1996

Year	Colorado	Index	Southern Colorado Average	Index	El Paso	Pueblo	Teller
1987	$15,499	100.0	$13,650	100.0	$14,802	$11,550	$14,597
1988	16,540	106.7	14,462	106.0	15,644	12,358	15,384
1989	17,767	114.6	15,160	111.1	16,344	13,240	15,897
1990	18,814	121.4	15,711	115.1	16,723	14,044	16,366
1991	19,744	127.4	16,746	122.7	17,668	14,928	17,642
1992	20,612	133.0	17,671	129.5	18,341	15,577	19,094
1993	21,584	139.3	18,028	132.1	18,870	16,310	18,905
1994	22,329	144.1	18,663	136.7	19,612	17,121	19,255
1995*	23,044	148.7	19,260	141.1	20,240	17,669	19,871
1996*	23,781	153.4	19,876	145.6	20,887	18,234	20,507
1997**	24,494	158.0	20,512	150.3	21,556	18,818	21,163

Source: Department of Commerce: Bureau of Economic Analysis, June 1996

* estimated ** forecast

DOD Payroll in the Pikes Peak Region 1994-1996

Installation	1994	1995	1996
Fort Carson	$531,744,996	$532,409,852	$480,119,121
Civilian	$62,811,272	$57,549,890	$55,682,647
Military	$468,933,724	$474,859,962	$424,436,474
USASpace	$10,046,185	$13,748,234	$15,022,772
Civilian	$4,609,931	$5,812,977	$6,569,750
Military	$5,436,254	$7,935,257	$8,453,022
USAFA		$187,251,755	$216,968,009
Civilian		$78,873,288	$84,857,591
Military		$108,378,467	$132,110,418
Falcon AFB	$93,371,549	$105,654,713	$105,427,119
Civilian	$13,382,857	$17,633,944	$20,056,687
Military	$79,988,692	$88,020,769	$85,370,432
Peterson AFB	$227,689,858	$247,530,218	$245,555,582
Civilian	$76,261,756	$76,653,708	$76,379,460
Military	$151,428,102	$170,876,510	$169,176,122
Total Civilian Payroll	$157,065,816	$236,523,807	$243,546,135
Total Military Payroll	$705,786,772	$850,070,965	$819,546,468
Total Payroll	$862,852,588	$1,086,594,772	$1,063,092,603

Source: Colorado Springs Chamber of Commerce, Data from Military Installations

Consumer Price Index (CPI)
All Urban Consumers
CPI-U (1982-1984=100)
U.S. City Average and Denver/Boulder
1971 - 1996

	U.S. City Average		Denver/Boulder	
	Annual Average All Items	Percent Change	Annual Average All Items	Percent Change
1971	40.5		35.9	
1972	41.8	3.2%	37	3.1%
1973	44.4	6.2%	39.6	7.0%
1974	49.3	11.0%	43.9	10.9%
1975	53.8	9.1%	48.4	10.3%
1976	56.9	5.8%	51.1	5.6%
1977	60.6	6.5%	55.4	8.4%
1978	65.2	7.6%	60.6	9.4%
1979	72.6	11.3%	70	15.5%
1980	82.4	13.5%	78.4	12.0%
1981	90.9	10.3%	87.2	11.2%
1982	96.5	6.2%	95.1	9.1%
1983	99.6	3.2%	100.5	5.7%
1984	103.9	4.3%	104.3	3.8%
1985	107.6	3.6%	107.1	2.7%
1986	109.6	1.9%	107.9	0.7%
1987	113.6	3.6%	110.8	2.7%
1988	118.3	4.1%	113.7	2.6%
1989	124	4.8%	115.8	1.8%
1990	130.7	5.4%	120.9	4.4%
1991	136.2	4.2%	125.6	3.9%
1992	140.3	3.0%	130.3	3.7%
1993	144.5	3.0%	135.8	4.2%
1994	148.2	2.6%	141.8	4.4%
1995	152.4	2.8%	147.9	4.3%
1996	156.9	3.0%	153.1	3.5%

Source: U.S. Department of Labor, Bureau of Labor Statistics

El Paso and Pueblo County Construction 1987-1997

	Single Family		Multi-Family		Non-Residential		Total		Percent Change	
Year	Number	Value ($millions)	Number	Value ($millions)	Number	Value ($millions)	Number	Value ($millions)	Number	Value
1987	2,377	149.227	174	23.117	1,475	126.258	4,026	298.603		
1988	1,584	115.099	79	6.399	1,221	115.443	2,884	236.941	-28.4%	-20.7%
1989	1,093	89.812	42	2.267	912	58.704	2,047	150.782	-29.0%	-36.4%
1990	896	82.751	65	15.231	755	40.008	1,716	137.990	-16.2%	-8.5%
1991	1,296	115.142	77	4.099	766	35.873	2,139	155.115	24.7%	12.4%
1992	2,882	260.438	211	12.366	793	67.385	3,886	340.189	81.7%	119.3%
1993	3,764	340.945	259	22.434	842	105.525	4,865	468.904	25.2%	37.8%
1994	3,934	383.898	340	32.148	862	101.869	5,136	517.915	5.6%	10.5%
1995	3,968	379.979	373	61.463	1,021	168.499	5,362	609.941	4.4%	17.8%
1996	4,595	455.239	490	74.456	1,253	276.864	6,338	806.559	18.2%	32.2%
1997*	2,404	253.096	172	27.384	630	85.204	3,206	365.684		

* - through June

Source: Pikes Peak and Pueblo Regional Building Departments

Average Annual Electric Accounts in Colorado Springs 1987 - 1997

Year	Total Active Electric Accounts	Active Electric Residential Accounts
1987	141,314	123,075
1988	142,435	124,176
1989	143,604	125,421
1990	144,395	126,114
1991	145,564	127,039
1992	147,612	128,892
1993	150,444	131,471
1994	153,748	134,562
1995	156,524	137,319
1996	160,298	140,631
1997*	163,770	143,834

* - First six months

Source: Colorado Springs Department of Utilities

Colorado and Southern Colorado Retail and Wholesale Trade Sales 1987-1996 ($millions)

	Colorado				Southern Colorado			
			Percent Change				Percent Change	
Year	Retail Sales	Wholesale Sales	Retail Sales	Wholesale Sales	Retail Sales	Wholesale Sales	Retail Sales	Wholesale Sales
1987	$37,716	$15,839			$4,827	$1,114		
1988	40,401	17,807	7.1%	12.4%	5,124	1,192	6.2%	7.0%
1989	42,347	16,982	4.8%	-4.6%	5,273	1,253	2.9%	5.1%
1990	45,293	17,255	7.0%	1.6%	5,405	1,229	2.5%	-1.9%
1991	48,969	19,335	8.1%	12.1%	5,588	1,186	3.4%	-3.5%
1992	53,863	19,966	10.0%	3.3%	6,295	1,327	12.7%	11.8%
1993	58,787	21,925	9.1%	9.8%	7,179	1,451	14.0%	9.4%
1994	65,630	25,613	11.6%	16.8%	8,285	1,855	15.4%	27.8%
1995	69,408	28,698	5.8%	12.0%	8,650	2,509	4.4%	35.3%
1996	74,390	29,467	7.2%	2.7%	9,304	2,451	7.6%	-2.3%
1st. qtr97	18,244	6,325			2,161	487		

Source: Colorado Department of Revenue, Office of Tax Analysis

Retail Trade in El Paso County 1993-1996
($thousands)

	1993	1994	1995	1996
Building Materials and Farm Equip.	$323,536	$363,840	$377,515	$424,642
General Merchadise	515,292	554,525	592,776	665,398
Food Stores	591,067	640,181	664,444	634,108
Auto Dealers and Service Stations	916,788	1,096,863	1,100,007	1,156,797
Apparel and Accessory Stores	101,787	100,597	108,499	115,014
Furniture and Home Furnishing Stores	228,085	278,387	283,330	329,644
Eating and Drinking Places	362,866	414,565	451,281	476,523
Miscellaneous	521,238	638,194	669,236	702,607

Source: Colorado Department of Revenue, Office of Tax Analysis

Vehicle Registrations in El Paso, Pueblo, and Teller Counties

Year	El Paso	Pueblo	Teller	Total	Change
1992	348,553	122,951	18,536	490,040	
1993	363,065	124,515	21,187	508,767	3.8%
1994	384,486	128,569	22,863	535,918	5.3%
1995	389,083	131,880	24,783	545,746	1.8%
1996	404,574	136,487	26,154	567,215	3.9%

Source: Colorado Department of Revenue, Vehicle Registration

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First Business Brokers, Ltd. is a firm that deals exclusively with the sale of privately owned companies. Established in 1982 by Ronald B. Chernack, JD, CPA, CBI, the firm is Colorado's largest business brokerage company representing privately owned organizations. First Business Brokers, Ltd., has completed over 500 business sales covering a wide variety of industries.

First Business Brokers, Ltd. assists with the complex legal, accounting, and negotiation issues involved with the sale of a business. The firm complements comprehensive professional services with an acute awareness of current market conditions to assist clients in making easier, more informed, and financially stronger transactions. The firm's strength lies in its professional approach and customized strategy to each and every business transfer. A successful transaction requires the input of skilled professionals who are experienced in, and sensitive to, the process of effectively bringing the buyer and seller together. First Business Brokers, Ltd. understands what building the business has meant to the seller and what opportunity, through acquisition, is perceived by the buyer.

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CU-SPRINGS COLLEGE OF BUSINESS

Co-Sponsor of The First Annual Southern Colorado Business Economic Outlook Forum

The University of Colorado at Colorado Springs (CU-Springs) was established in 1965, with the College of Business being formed at that time. The College of Business awards the Bachelor of Science (Business) degree and the Master of Business Administration degree (MBA). Both degree programs are accredited by the American Assembly of Collegiate Schools of Business (AACSB), placing the college in the top 20% of business schools nationally. CU-Springs is the only MBA program in the Pikes Peak region that has earned this validation for their program.

CU-Springs has an excellent partnership with the business community. Local businesses help the College develop course work that focuses on issues important to managers today. A prevailing theme throughout the past year has been to continue to partner with business in order expose students to the real world. CU-Springs is also taking on a resource role to the community with internship programs and support and housing of ventures such as the Colorado Small Business Development Center.

The faculty is internationally acclaimed and doctorally qualified from leading institutions such as Universities of Arizona, Colorado, Minnesota, Texas and Washington. The classroom experience is enriched by their efforts in leading-edge research, academic publishing, community involvement, and industry consulting.

CU-Springs campus today serves approximately 6,000 undergraduate and graduate students. Located at the base of Pikes Peak, the campus spans a generous 480 acres. Through its School of Education, its Graduate School of Public Affairs, and its Colleges of Business and Administration, Engineering and Applied Science, and Letters, Arts and Sciences, CU-Springs campus offers more than 35 academic programs in which to obtain baccalaureate and graduate degrees. The campus provides a variety of scheduling options to accommodate full-time, part-time, and mid-career students. Its Housing Village is home to approximately 300 students who choose to experience the rewards of campus life on a full-time basis.

THE SURVEY AND THE BUREAU

The CU-Springs College of Business and First Business Brokers, Ltd. have established the first survey to assess the local economy and help forecast future trends in Southern Colorado. Results of the annual survey will be presented at the Annual Southern Colorado Business Economic Outlook Forum to be held within the third quarter of the year.

The study is given to a representative sample of local businessmen, asking questions about what they intend to do and what they expect will happen in their establishments within the next few years. Topics covered include availability of resources and competent employees, general feelings about the impact of government decisions, environmental concerns, expected influences on business performance, business emphasis for the next 18 months, and attitudes toward competition.

Local businessmen and politicians recognize a need for a credible, non-biased resource for basic business conditions and trends within the Southern Colorado region. Denver and Boulder have such establishments in place, and there are approximately 130 centers that operate from higher education facilities throughout the United States. The annual survey is meant to be the spawning project of just such a center to be housed in the UCCS College of Business Administration.

The center is intended to be a resource for businesses investigating the local economic climate for possible relocation, local businesses looking to expand or make aggressive changes in operation, real estate developers, home builders, and capitol investors. Through first-hand gathering and storing of information as well as continued analysis of existing economic research, the center will also provide data essential for future planning in bank investment and loan decisions, city and county governments planning, and utility and other service companies in preparing for future growth. As the area continues to grow, so will the base of users for this center.

While getting established, the center will be funded through contributors and sponsors, but it is expected to be self-sufficient within three to five years.

THE AUTHORS OF THE SURVEY AND PRESENTERS OF RESULTS

Dr. Thomas J. Zwirlein is an associate professor of finance at the University of Colorado at Colorado Springs. He received his PhD in 1985 from the University of Oregon with a major in finance and minors in economics and quantitative methods. He teaches investments, managerial finance, and international finance. His research interests are in the areas of mutual fund investments, financial strategy and economic value added, and corporate control and organizational issues. While earning his MBA, Dr. Zwirlein worked for the Bureau of Business and Economic Research at the University of Wisconsin at LaCrosse.

Dr. Jeffery Ferguson, Professor of Service Management and Marketing, has been on the faculty of the University of Colorado at Colorado Springs for eighteen years. He has a Ph.D. in business from Arizona State University, an MBA from the University of Montana, and a BS in physics from Denison University.
As an educator, Dr. Ferguson teaches numerous graduate and undergraduate courses in service management, marketing research, and marketing. He is an active researcher in the area of the marketing of services including health care, financial services, and nonprofit organizations.
Dr. Ferguson is a consultant in marketing research and service quality.

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