



**15th Annual
Southern Colorado Economic Forum**

 University of Colorado
Colorado Springs
College of Business


October 14, 2011

Tom Zwirlein, Ph.D. and Fred Crowley, Ph.D
Southern Colorado Economic Forum
University of Colorado at Colorado Springs
College of Business and Administration

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Agenda

- Global and Domestic National Economic Issues
- Challenges for the Colorado Springs Area
- Scenario Analysis
- Employment Effects
- Operation 6035 and Building a Telecomm Cluster
- Forecast

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Global Issues

- Revolutions/Unrest Among Arab Nations
 - Oil spikes
- Japan – Earthquake and tsunami
 - Disruption in the supply chain
- The PIGIS
- Basel III
- Dodd-Frank Bill
- Budget Control Act of 2011

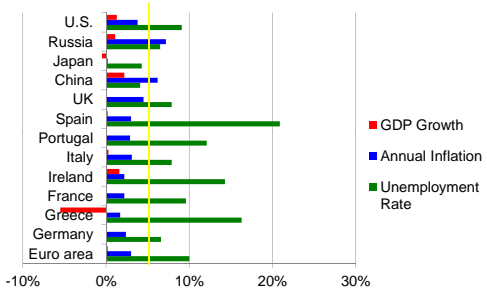
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Weak Domestic and Global Economies

- **Global Indicators**
 - Inflation
 - Unemployment Rates
 - GDP
- **Domestic Indicators**
 - Purchasing Managers Index
 - Durable Goods
 - Unemployment Rate
 - S&P 500
 - GDP

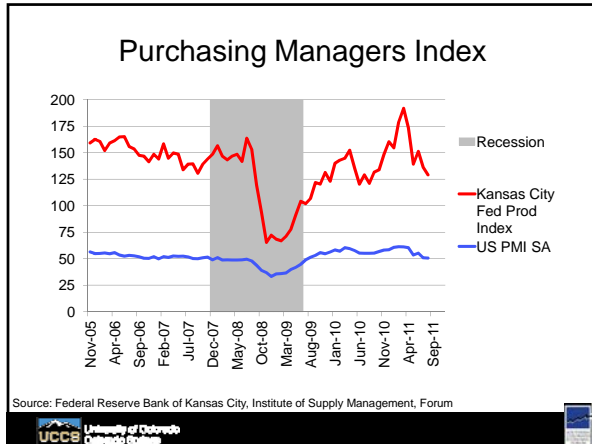


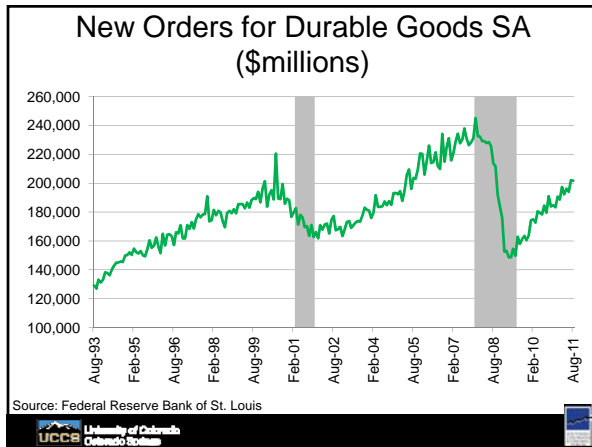
Key Indicators by Country and Region

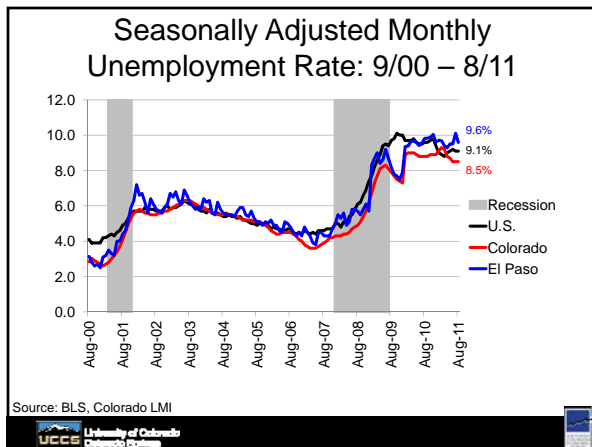


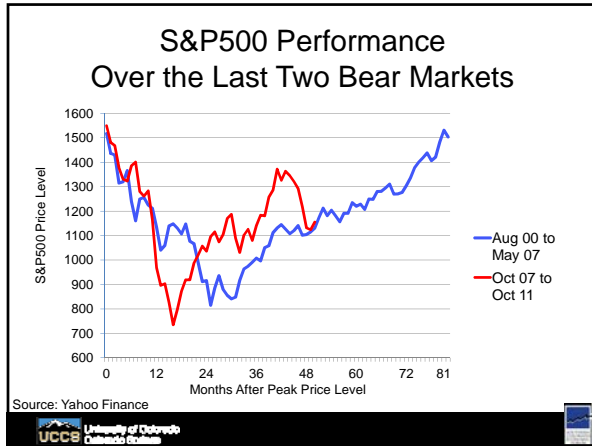
U.S. Indicators

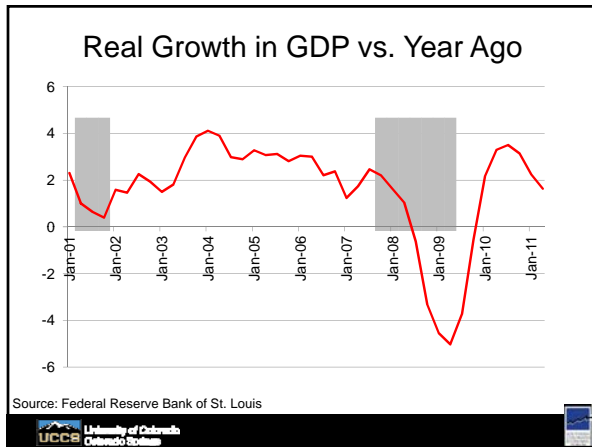


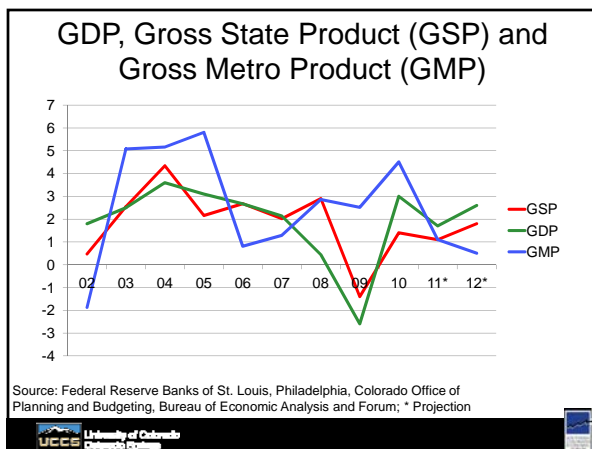










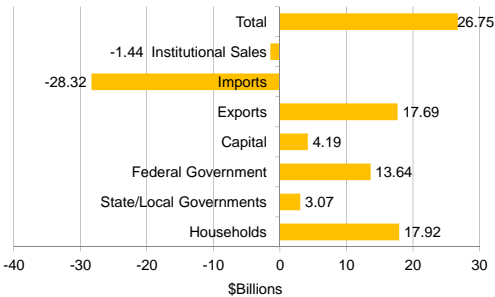


Challenges in the Colorado Springs Area

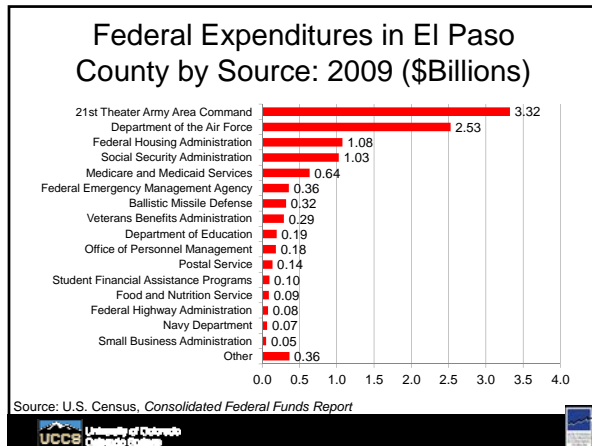
- Gross Metropolitan Product
- Federal Expenditures
- Military
- Primary Employers
- Employment and Income Trends
- Sales and Use Taxes
- Employment and Population Projections
- Housing

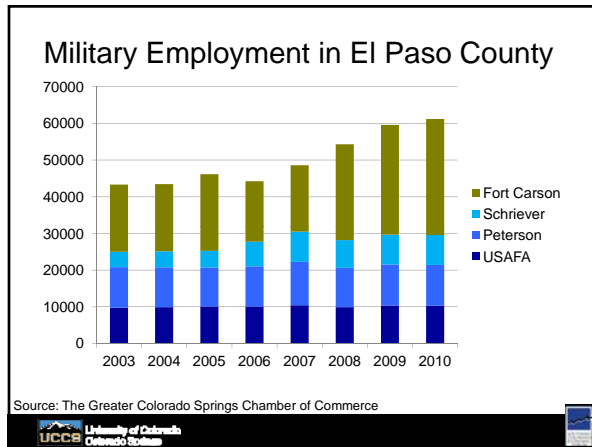
- A Closer Look at GMP
- Military
- Primary Employers
- Income
- Sales Tax Collections
- Employment & Population Projections

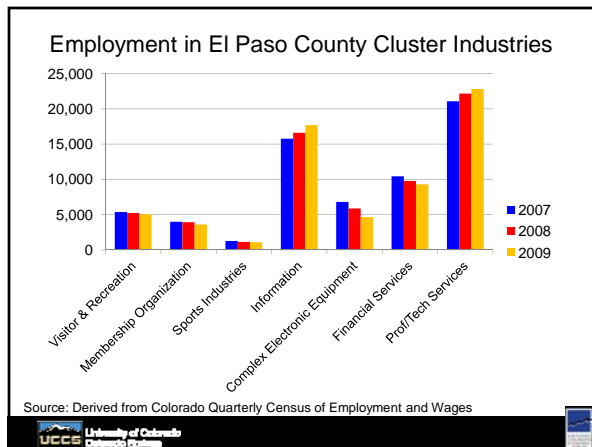
Colorado Springs MSA: GMP Final Demand Share (2008)

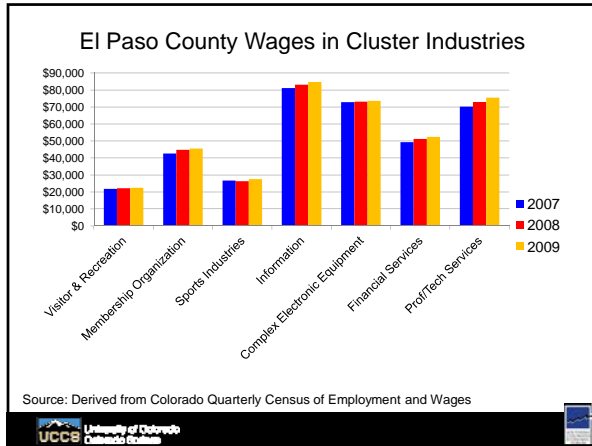


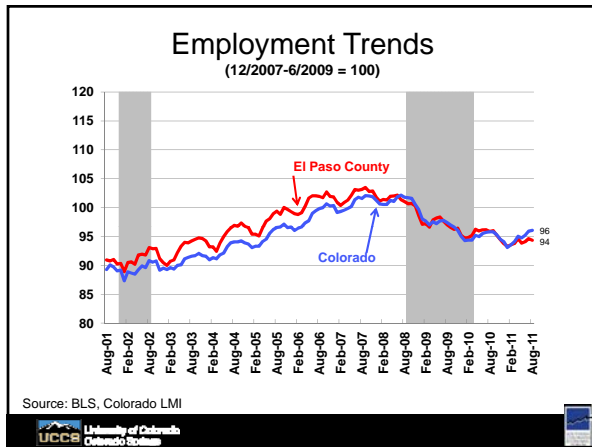
Source: Implan and UCCS Forum

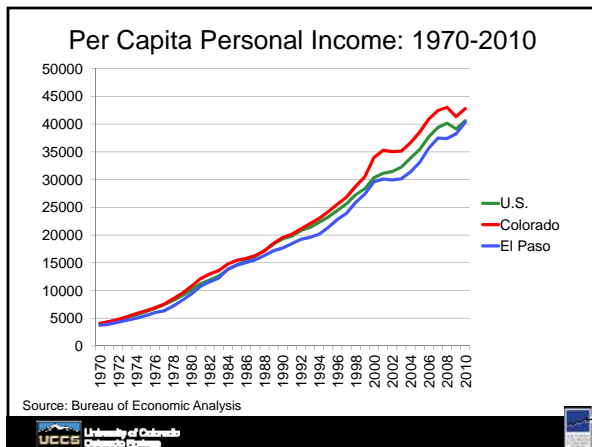


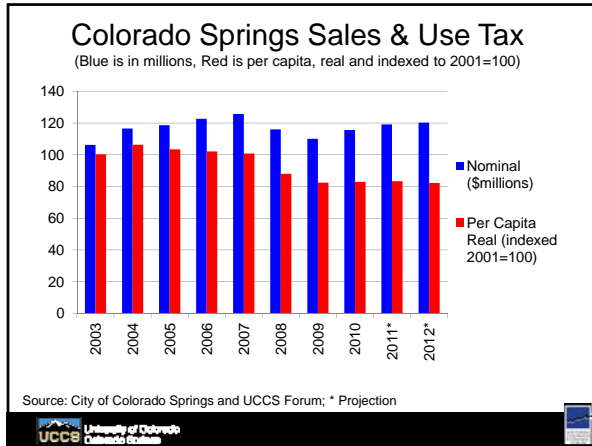




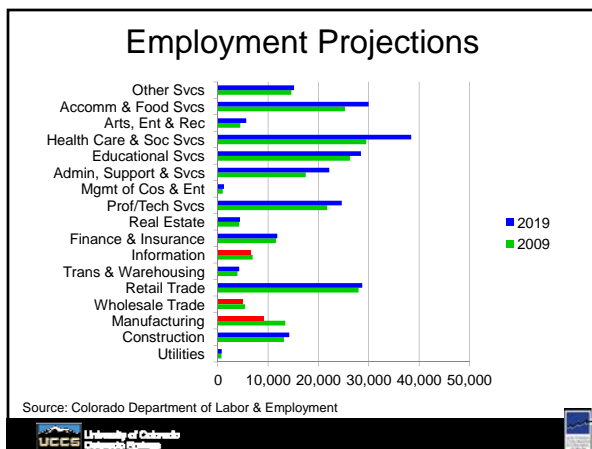




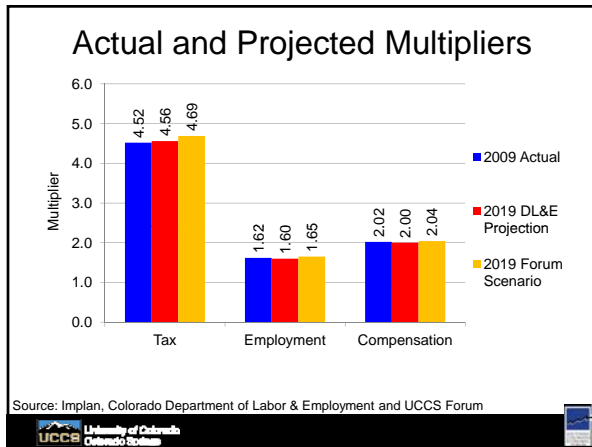


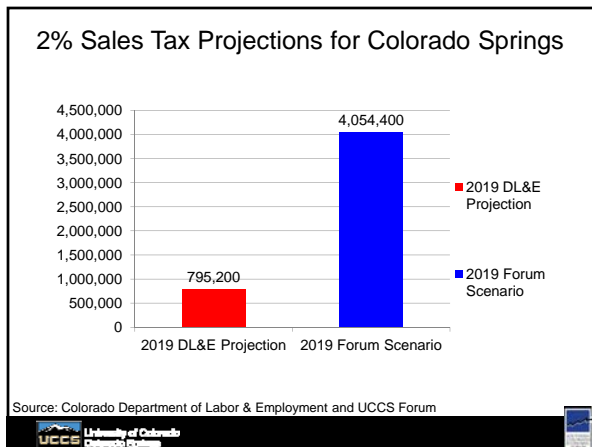


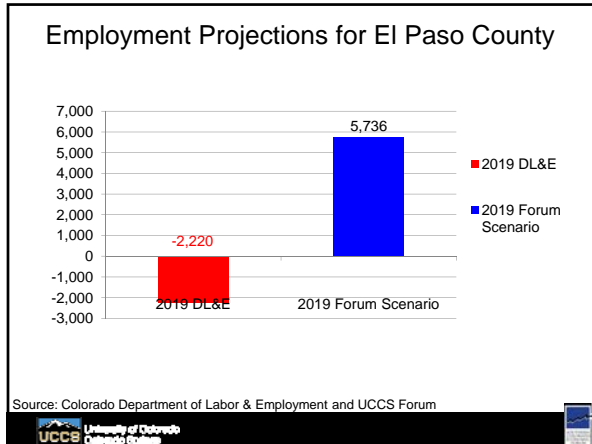
- Population and Employment Projections
 - Multipliers
- UCCS University of Colorado Colorado Springs

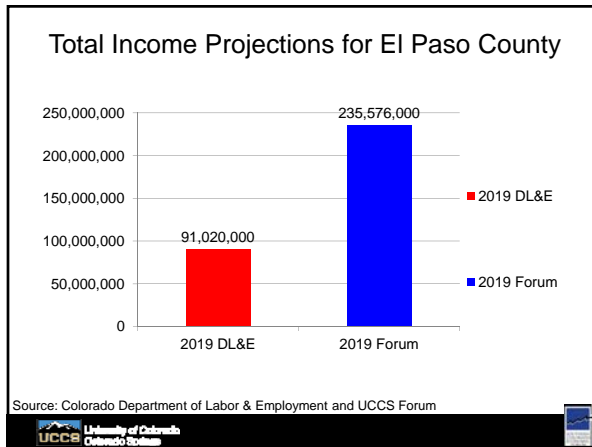


Scenario Analysis

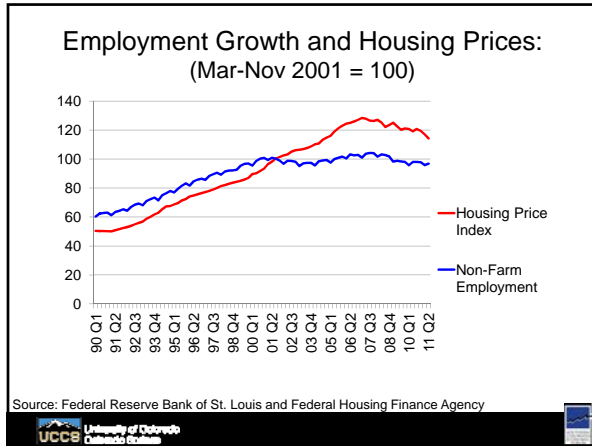


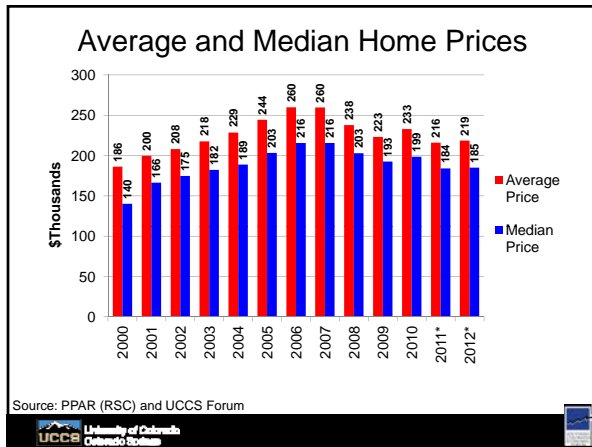


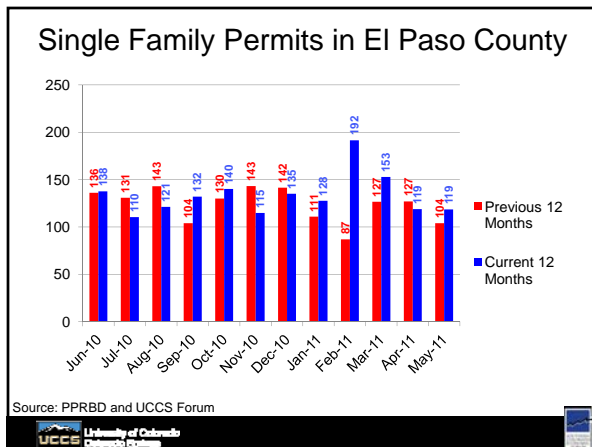


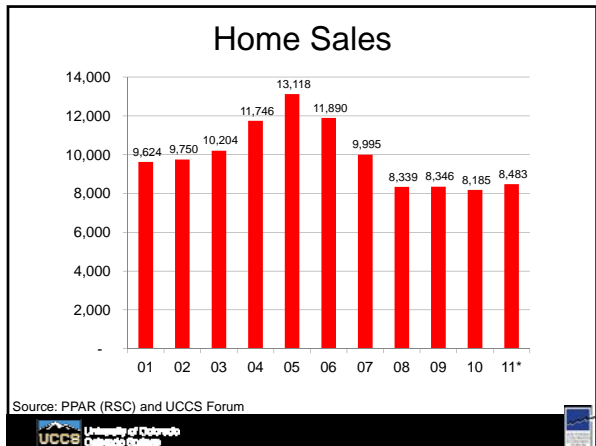


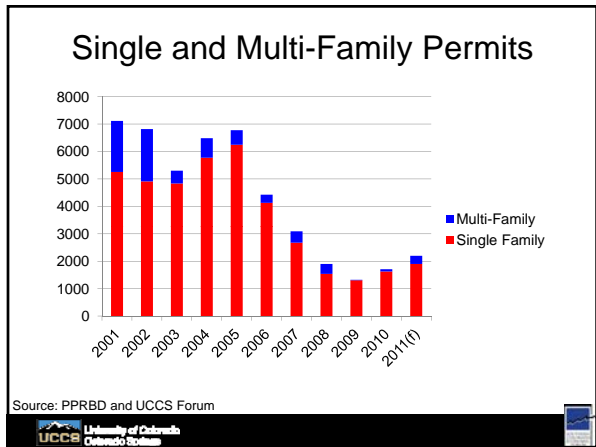
- ### Employment and Its Effects
- Employment and Income
 - Employment and Its Effects on Housing
 - Macro and Micro Perspectives
 - The Recovery
 - Operation 6035
 - Cluster Development

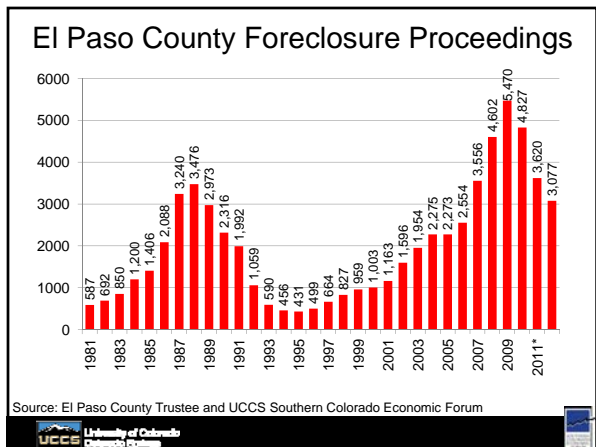


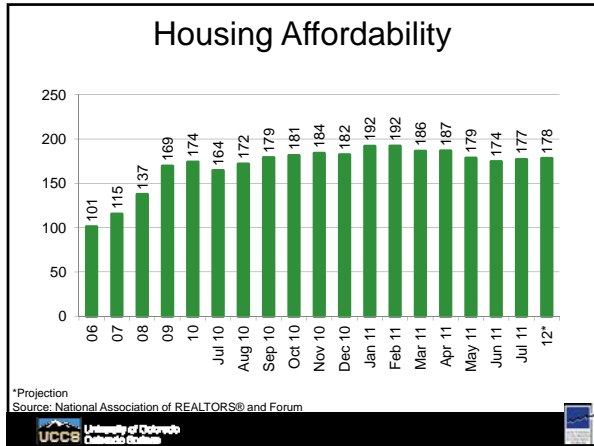


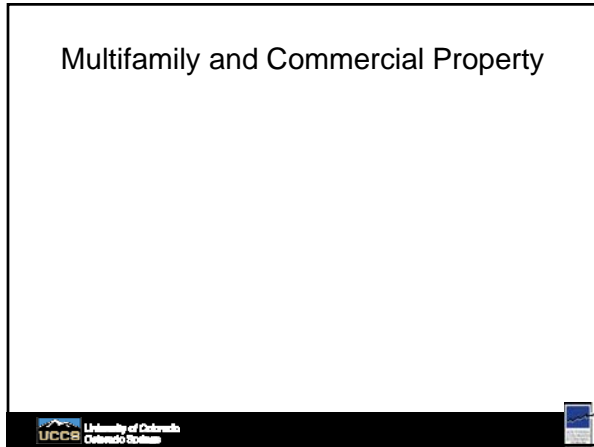


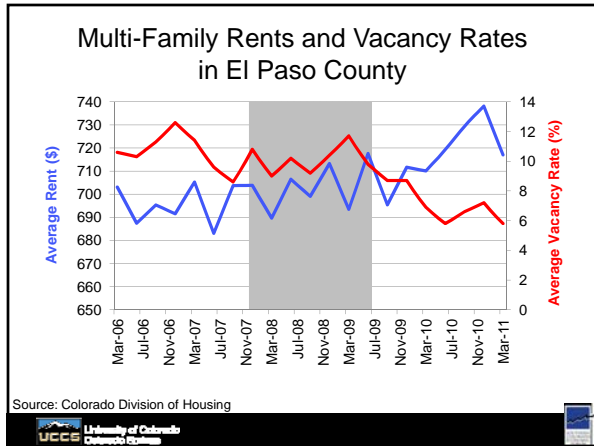


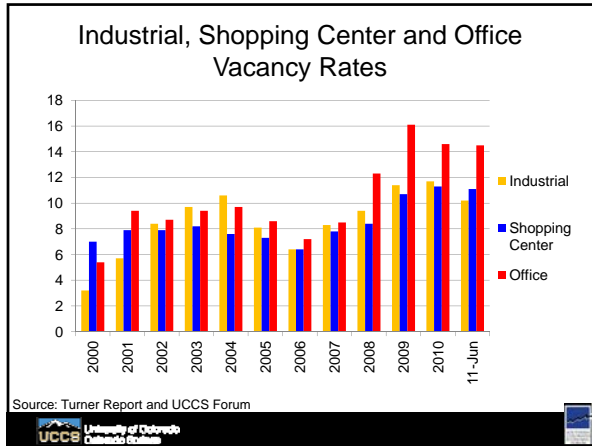


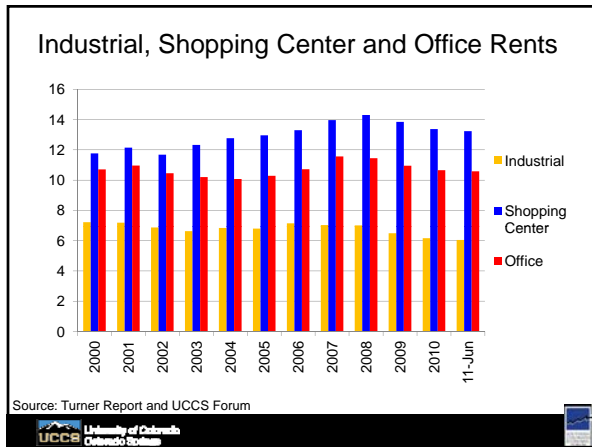










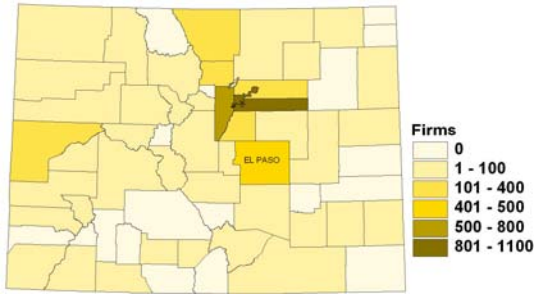


Operation 6035 – Key Sectors

- Aerospace, defense and homeland security
- Software and information technology
- Renewable energy and energy efficiency
- Sports and related industries
- Emerging industries, entrepreneurs

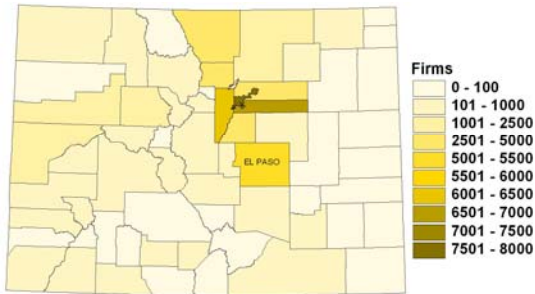
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Telecomm Inputs in Colorado (2008)



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Telecomm Users in Colorado (2008)



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Telecommunications Cluster Summary

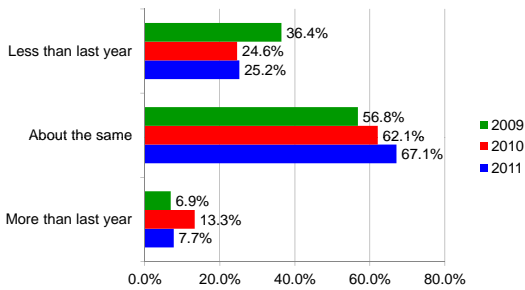
- Comparative Advantage
- Higher Multiplier Benefits (Employment, Income and Taxes)
- El Paso County has a core component of Operation 6035 sectors
- Successful cluster development may require regional efforts
- Trade missions to neighboring communities in Colorado can identify suppliers and end users

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Forecast

- A global recession is likely, led by Europe
- The U.S. is less likely to be as adversely affected as the 12/2007-06/2009 recession
- El Paso County should be only modestly affected, provided the troops at Fort Carson are not deployed in 2012.

Holiday Spending Plans



Source: Results prepared by Dr. Sam White

Projections for El Paso County (%)

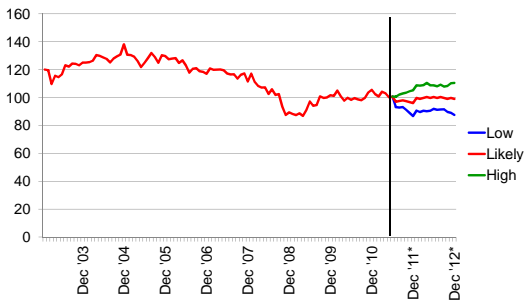
	2011	2012
Population Growth	1.5	1.3
Unemployment Rate	9.6	9.4
Non-Agricultural Employment	-1.5	-0.5
Total Wages and Salaries	-0.5	0.5
Average Wages and Salaries	1.0	1.0

Projections for El Paso County (%)

	2011	2012
Personal Income	1.0	1.1
Per Capita Personal Income	0.5	0.8
Retail Trade	2.5	1.5
Single Family Housing Permits	-5.0	2.0
Non-Residential Construction	67.1	0.0

Business Conditions Index (BCI)

December 2007-June 2009 = 100



Source: Southern Colorado Economic Forum

Thank You
