

Business First Greater Richmond 2010-2011

Business First Hanover is the local business assistance program aimed at supporting local companies and ensuring that they are provided every opportunity to grow right here in Hanover County. The business retention and expansion program is part of a regional collaborative effort that includes the Greater Richmond Partnership, the City of Richmond, and the counties of Chesterfield, Hanover and Henrico.

As part of the local business outreach effort, the Business First team conducts face-to-face interviews with business owners and CEO's. Information gathered during these interviews helps to identify opportunities and threats as well as direct resources and information to businesses in need.

The Business First team works with a network of partners to provide a variety of support services in areas such as local government services, finance, workforce development, international trade and business planning.

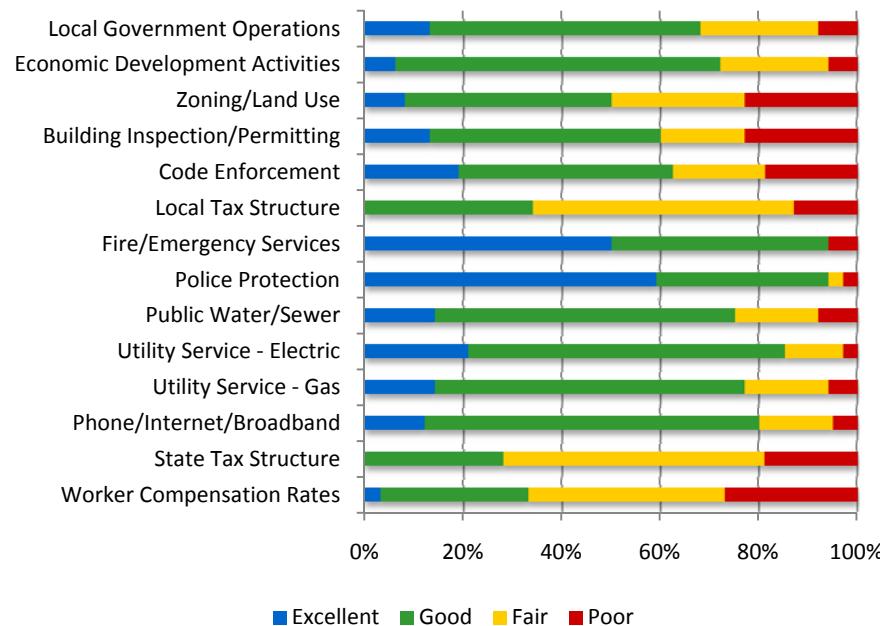
In addition to identifying opportunities and areas of need, Business First Hanover also gives area business leaders a voice to share their opinions on doing business in the County and the greater Richmond region. The data collected provides a snapshot of how the business climate is perceived by the local business community. The information contained in this report is based on interviews conducted between July 1, 2010 and June 30, 2011 by a combination of professional staff and trained volunteers – members of the Hanover County business community.

This year's outreach effort touched 54 Hanover companies representing 1,138 jobs in the County. This diverse group of firms represented a wide range of sectors such as manufacturing, wholesale trade, and transportation and warehousing. The average firm interviewed had 21 employees, but employment ranged from 1 to 196 with 87 percent of companies having fewer than 50 employees.

Fifty-seven percent of participating companies rated the overall business climate in Hanover County as Excellent or Good. Despite the soft economy, nearly 20 percent reported that they felt the business climate had improved compared to five years ago. With an encouraging look forward, more than three-quarters forecast that the local business climate will improve over the next five years.

During interviews, business leaders rated a number of factors impacting the local business climate. The results are presented on the Business Climate Factors chart below. The most positive rankings were given in the areas of public safety, utilities, and the provision of basic water and sewer service. Area business leaders were least satisfied with the local tax structure as well as County zoning and land use practices.

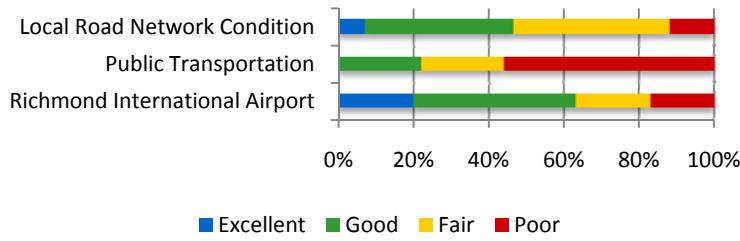
Hanover Business Climate Factors



Business climate factors influenced at the state level include workers compensation rates and the overall state tax structure. Less than 40 percent of Hanover businesses were satisfied with either factor.

Interviewed firms were asked to rank various transportation modes including air service at the Richmond International Airport, local road network conditions and public transportation. As the chart below shows, the Richmond International Airport received relatively high marks with more than 60 percent of firms rating it Excellent or Good. Public transportation was rated less favorably, with more than three-quarters of the group stating that they felt it was Fair or Poor.

Hanover Transportation Factors



Despite lingering concerns about the future health of the national economy, many Hanover businesses indicated that they were ready to hire additional staff. Thirty percent of contacted firms anticipated adding new jobs in the coming year, creating 90 new positions. More than half of these jobs will be in the manufacturing sector. The data revealed no individual sector of employment vulnerable to significant job losses.

With a large pool of available labor, 77 percent of Hanover businesses rated the quality of the area workforce as Excellent or Good. However, more than 20 percent of Hanover businesses reported that recruiting employees is still a challenge. This could indicate a mismatch between in-demand skills and those readily available in the current workforce.

More than half of interviewed Hanover businesses consider themselves to be emerging or growing. Business First Hanover works with local businesses and service providers to make sure these companies get the support they need to grow – right here, right now.

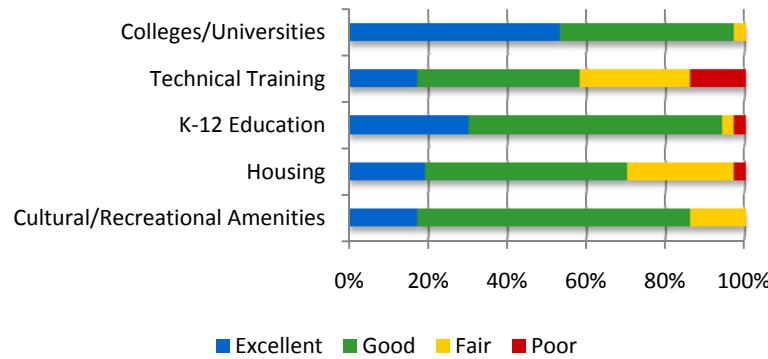
Business First partners are actively working on future business expansion opportunities by analyzing investment trends and understanding how companies are utilizing their existing space and equipment. More than 30 percent of interviewed firms indicated that

overall investment in their facility had increased over the past 18 months and nearly 50 percent reported increased investment in equipment. Of the 13 participating businesses with plans for expansion, 31 percent will require additional square footage.

Hanover's high quality of life makes it easy for resident businesses to attract and retain superior talent.

Rankings of quality of place factors below show local businesses are pleased with the environment offered by Hanover County. A quality education system is critical to building and supporting a high quality workforce. The Hanover County education system was highly praised, with more than 90 percent of respondents rating both K-12 education and colleges and universities as Excellent or Good.

Hanover Quality of Place Factors



To learn more about Business First Hanover or to schedule an interview for your business, contact:



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